Trust and Signals in Workplace Organization: Evidence from Job Autonomy Differentials between Immigrant Groups

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Abstract

While much work has considered trust's effect on workplace organization, particularly the granting of job autonomy, this relationship remains essentially a black box, lacking insight on the deeper process underlying employers' ultimate trust or autonomy decision. I seek to unpack the trust-organization nexus, focusing on the role of trustworthiness. Integrating extant literatures, I posit that employers use group membership (and specific group-level traits) to infer individual employees' trustworthiness and decide how much autonomy to grant to employees that have similar observable individual-level qualities but belong to different social groups. Empirical analysis of job autonomy differentials between migrants that differ in their ethnonational identity confirms this prediction, demonstrating important real-world features of trust governing workplace organization.

INTRODUCTION

The role of trust in governing workplace organization is widely recognized (Arrow 1974; Granovetter 1985). Fukuyama (1995, p. 31), for instance, finds that trust fosters flexibility in the workplace and the assigning of greater responsibility at lower levels of the organization. Moreover, by now, there are several studies linking societal differences in trust norms to average firm size and, particularly, the granting of autonomy to employees (Bloom et al. 2012; La Porta et al. 1997). However, insight on deeper processes that play a role in the real-world link between trust and key features of workplace organization such as job autonomy remains lacking.

This paper seeks to unpack the black box of trust governing exchange in the context of workplace organization, specifically the decision of how much autonomy to grant to an employee. In market settings, trust is understood to involve both a willingness to be vulnerable to the actions of the other party and an assessment of the counterparty's trustworthiness (Arrow 1972; Granovetter 1985; North 1990). Not all (potential) exchange partners are equally trustworthy and drawing on a variety of signals allows actors to make an informed assessment of the risk of transacting with a particular party (Coleman 1990; Gambetta and Hamill 2005; Hardin 2002). In workplace settings, principals that outsource tasks to agents are similarly vulnerable to agents' actions. In general, decentralization and outsourcing of tasks are desirable for efficiency reasons. Trust issues, however, prevent principals from simply granting complete autonomy to their agents and reap the full benefits of specialization through the division of labour. Hence, an essential decision in workplace organization is for employers to differentiate between those employees that they can trust more and offer higher degrees of job autonomy to and those employees that they can trust less and need to monitor and control more closely. The concrete aim of this paper is to uncover some real-world specifics of the process and factors guiding employers in deciding on how much autonomy to grant to different employees.[1]

The literature with most relevance to this issue involves studies that consider employers differentiating between employees in the context of recruitment decisions. Key insights from this literature concern the role of signalling (Spence 1974) and statistical discrimination (Arrow 1973; Phelps 1972). Faced with limited information by which to judge potential employees, employers rely on employee signals as well as other observable characteristics to make rational inferences about underlying intangible traits and dispositions (Altonji and Pierret 2001). Oft-mentioned signals are educational credentials but also membership to a particular social group, for example, blacks versus whites.[2] Also relevant is the literature on trust in game experiments, specifically studies of

the effect of (unintentional) signals on the amount of trust that an individual trustor places in certain trustees. Fershtman and Gneezy (2001), for instance, report that among two groups of Israeli Jews, those from European and American descent were trusted more than their fellow citizens from Asian and African descent were. Johansson-Stenman et al. (2009) report similar group-based trust differences between different religious denominations in Bangladesh. Other work finds that even a simple signal such as counterparties' physical appearance can affect trustors' behaviour in experimental trust games (Eckel and Petrie 2011; Van 't Wout and Sanfey 2008). Finally, results by McEvily et al. (2012) indicate that laboratory trust decisions are shaped by trustors' perceptions of trustees, which, in turn, are based on observable background characteristics.

Following the above body of research, the specific feature of the trust-autonomy nexus considered in this paper is how group membership, as emphasized by theories of statistical discrimination (Arrow 1973; Phelps 1972), can go on to generate job autonomy differentials between individuals with otherwise similar qualities and features. My expectation is that employers use group membership (and specific traits of these groups) as a signal of (un)trustworthiness and are more/less willing to grant autonomy to employees belonging to some social groups than to others, even when these employees do not deviate on the most important observable individual-level characteristics, for example, their education level. Because individual employees' trustworthiness (or other relevant qualities) are only partially observable, employers use alternative, observable characteristics such as membership of particular socials group to fill in the blanks. Trustworthiness is often considered in terms of reputation building and repeated interactions that allow trust between two parties to develop over time (Dasgupta 1988; Granovetter 1985). My interest is not in specifics of the relationship between selected principals and agents, however, but in broad patterns of job autonomy differentials that testify to the real-world process and factors that guide employers' decisions of how much autonomy to grant to specific employee groups.

Reflective of this interest, the chosen research context for my analysis is a cross-national sample of immigrants with varied ethnonational identities (i.e., migrants from different birth countries) living in various host countries, which is close to ideal for studying broad patterns of job autonomy as a real-world outcome variable instead of individual-specific autonomy decisions. My empirical evidence subsequently concerns the following two distinct but related issues. The first is the broad issue of the presence of variation in job autonomy between different ethnonational groups not accounted for by (easily observable) individual-level traits. The second issue concerns specific group-level traits, i.e., features of migrants' birth countries, that employers might draw on to differentiate

between migrant groups when deciding on the amount of autonomy to grant to their employees. For this latter issue, I focus on the role of the positive or negative image concerning honesty and reliability that different birth countries may have, which I operationalize by considering the level of corruption in a migrant's country of birth. The two hypotheses that I test are as follows. The first is a non-directional hypothesis, which simply states that: *controlling for observable individual-level characteristics, there are significant differences in job autonomy between groups of migrants from different birth countries*. The second hypothesis is more specific and directional: *the degree to which corruption is institutionalized in a migrant's country of birth has a negative effect on his/her level of job autonomy*. The empirical analysis provides robust support for these hypotheses, indicating substantial variation in job autonomy between migrants from different birth countries and a strong negative relationship between birth-country corruption and job autonomy. These results hold while taking into account differences in the main (observable) individual-level factors logically affecting individuals' job autonomy, for instance, education level. Hence, it seems unlikely that these results are driven by variables concerning individual-level traits that are observed by employers but not adequately controlled for in the empirical analysis. Overall, the evidence strongly supports the idea that country of birth, and birth-country corruption in particular, are taken as a signal of individual migrants' trustworthiness and end up affecting how much job autonomy migrant employees from different birth countries have in their host countries.

The key contribution of this paper is to present real-world evidence on an important feature underlying the process of trust governing exchange in the context of workplace organization. In doing so, this paper helps extend and bring together a set of disparate literatures. While employers' reliance on employee signals and statistical inferences when making employment decisions is widely recognized, these decisions are typically limited to recruitment and selection. Moving beyond initial recruitment decisions, this paper shows the relevance of signalling and statistical discrimination also in the post-recruitment managerial treatment of distinct groups of employees. Similarly, while prior research has found that various traits of the counterparty can affect an individual's trusting behaviour, this evidence remains limited to decisions made in laboratory settings. This paper, in contrast, has sought to consider how employers' consideration of signals of (un)trustworthiness pans out in the real world, giving rise to systematic patterns of job autonomy differentials between migrants with different ethnonational identities. Finally, though not the main concern of the present paper, the evidence of the effect of birth country on individuals' managerial treatment testifies to the importance of statistical discrimination for the extent to which individual migrants are able to integrate successfully in the workplace. As one's country of birth is strictly beyond one's

control, how a migrant's birth country scores on various indicators may be one of the most significant barriers that a migrant faces in achieving professional success in his/her host country.

I. THEORETICAL BACKGROUND AND EMPIRICAL CONTEXT

Job Autonomy and Signals of Trustworthiness

This paper's interest in job autonomy as a key feature of workplace organization resonates with the long-standing literature relating the organization of the workplace to possible efficiency gains due to specialization that traces back to Adam Smith's famous pin factory. A straightforward definition of job autonomy is as "the condition or quality of being self-governing or free from excessive external control" (Jermier and Michaels 2001, p. 1006). When it comes to job autonomy, the ultimate challenge that employers face in deciding how much autonomy to grant to different employees is to strike a balance between the costs and benefits of different amounts of autonomy versus the intensity of monitoring and control. Monitoring and control thereby have direct costs in terms of taking up some of the firm's resources, for instance, managerial attention, but also indirect costs. More importantly, however, there is an essential connection between the costs and benefits of control on the one hand and the costs and benefits of autonomy on the other.

The classic understanding of the specialization benefits of employee autonomy comprises two elements. The first is that employees are specialists that have gained unique knowledge on how to perform their production tasks most efficiently. The second is that the specific knowledge or skills that employees have accumulated are typically tacit (or at least only partly codifiable) so that leveraging this knowledge requires that employees are granted freedom to perform their jobs in the way they deem best. As non-specialists, managers or employers should refrain from prescribing employees how they ought to do their job, as the former's lack of relevant knowledge results in a production process that is less efficient than a production process that is organized by specialist employees themselves. Part of the costs of monitoring and control is thus that they prevent the reaping of efficiency gains from specialization. In contrast, the costs of autonomy are that lack of monitoring and control gives employees more opportunity to shirk. If employees have complete autonomy, there is no formal mechanism that ensures that employees act in the best interest of their employer or prevents employees from pursuing their own interests at the expense of their employers' interests. The benefits of monitoring and control are that they help reduce employee shirking.

Trustworthiness matters because it changes the balance between the costs and benefits of autonomy versus control. If a principal can trust the agent to look after the principal's interests and not to shirk, there is simply less need for monitoring and control so that autonomy can increase, allowing for more efficiency gains from specialization. Vice versa, the costs of autonomy are higher—and, hence, the gains from control higher—in case an employee cannot be relied upon to work diligently, absent any formal mechanism for ensuring cooperation. The degree to which specific employees are honest and can be relied upon is not typically well known to an employer, however. Trustworthiness is characteristically difficult to observe, meaning that employers need to rely on signals such as group membership and information on specific group-level traits to make inferences about individual employees' trustworthiness. These inferences result in differentiation between employees and are taken into account in the decision of how much autonomy to grant to specific employees. In practice, there can be many signals or traits that employers can draw on to infer trustworthiness. Hence, my generic proposition that individuals recognized to belong to social groups with positive/negative images concerning their honesty and reliability are deemed more/less trustworthy and have more/less job autonomy.

Empirical Context

Empirical testing of the above proposition requires a research context that involves multiple social groups as well as the possibility of identifying one specific group-level trait that would allow employers to infer differences in trustworthiness and adapt their decision on how much autonomy to grant to a particular employee accordingly. As stated, the chosen research context for my empirical analysis is immigrants originating from different countries of birth. The reason for choosing this particular research context is threefold. First, ethnonational background is widely recognized as a powerful basis for social categorization, meaning it is common for an individual to classify other individuals into distinct social groups delineated by, say, nationality or individuals' country of birth (Barth 1969). Second, it is common for people to hold a stereotypical image of particular countries (Madon et al. 2001; Prothro 1954; Schneider 2005).[3] Finally, the content of such national stereotypes can be traced back to specific country characteristics, for which ample secondary data are available, for instance, countries' economic status (Lee and Fiske 2006).

Following my use of a migrant sample, I operationalize the idea of different social groups in terms of individuals' ethnonational background, specifically their country of birth. My first hypothesis derives from the

generic proposition presented above and concerns assessments of trustworthiness and employers' use of statistical discrimination broadly. Given that observable individual-level traits only go so far in informing employers about an employee's trustworthiness, I deem it likely that group membership, notably ethnonational identity, is a factor that employers take into account when deciding how much autonomy to grant to a particular employee. If so, I expect to see systematic differences in how much autonomy individuals from different countries of birth have at their jobs. Hence, the hypothesis (H1) that there are significant differences in job autonomy between groups of migrants from different birth countries. Importantly, this is a non-directional hypothesis that is only meant to show the real-world relevance of statistical discrimination and group membership, over and above the various individual-level traits that employers are likely to be able to observe and take into account when deciding how much job autonomy to grant to a particular employee.

My second concern is with specific group-level traits that employers may take as a signal of individual employees' trustworthiness. Beyond group membership itself, there are many group traits that employers can, in principle, draw on to make inferences about employees. However, when it comes to assessing trustworthiness, the degree to which corruption has been institutionalized in an individual's birth country would seem a most salient trait to base one's inference on.[4] I therefore expect that systematic differences in the level of corruption in migrants' birth countries give rise to systematic differences in inferred trustworthiness and thus give rise to clear patterns of job autonomy differentials between various migrant groups. Hence, the hypothesis (H2) that the higher the level of corruption in a migrant's birth country, the less job autonomy this migrant has in his/her host country.

I test this hypothesis as well as my earlier hypothesis on variation in job autonomy between migrants from different birth countries below. First, however, I discuss some specifics of my empirical method and the data that I use to estimate my empirical models.

II. METHOD AND DATA

Method

The generic empirical model that I use to test H1 and H2 revolves around migrants belonging to different groups, i.e., migrants born in different countries. The evidence supports H1 if it shows that a statistically significant amount of total variation in job autonomy occurs between migrants from different birth countries. If I control for all the relevant individual-level traits that employers can reasonably be expected to observe, any remaining variation

between migrant groups likely concerns an effect of group membership per se on individuals' job autonomy. Accordingly, my method for testing this hypothesis is variance components analysis (Marchenko 2006) where I distinguish between variation between groups and variation between individuals belonging to the same group. The corresponding model reads as follows:

$$A_{ib} = \beta_{00} + \beta_{01}X_{ib} + u_{0b} + e_{ib}, \tag{1}$$

where A_{im} indicates the amount of job autonomy granted to individual i that is born in birth country b, X_{ib} is a set of (individual-level) control variables (age, gender, et cetera), β_{00} is a constant, and e_{ib} refers to random disturbance at the individual level. The key term in Eq. 1, however, is u_{0b}, which refers to random disturbance at the birth-country level and can be used to test my first hypothesis. Specifically, if my first hypothesis is correct, $var(u_{0b})$ (or σ_{u0}^2) is statistically significantly greater than zero (again, after controlling for relevant individual-level characteristics that employers can observe).

To test my second hypothesis, I estimate the following model:

$$A_{ib} = \beta_0 + \beta_1C_b + \beta_2X_{ib} + \varepsilon_{ib}. \tag{2}$$

The most important difference between Eq. 2 and Eq. 1 is the adding of a predictor variable at the birth-country level. This variable, C_b, denotes the degree to which corruption is institutionalized in the individual's birth country, while X_{ib} is again a set of (individual-level) control variables and ε_{ib} is a random disturbance term. My second hypothesis is confirmed if the coefficient for birth-country corruption (β_1) is statistically significantly negative. Importantly, when estimating Eqs. 1 and 2 I take into account that my data have a hierarchical structure with individuals nested in birth countries. For Eq. 2 in particular this means that I use robust standard errors that are clustered at the birth-country level. Finally, the birth-country subsamples in my analysis can have highly unequal size with some subsamples containing very few individual observations. Hence, to assess the robustness of my baseline results, I also check whether I obtain similar results when considering only birth-country subsamples with pre-specified minimum numbers of individual observations.

Data Source and Sample

Data for my analysis come from seven waves of the European Social Survey or ESS (European Social Survey 2016), supplemented with cross-country data from the Worldwide Governance Indicators or WGI project (World Bank 2016), among others. The ESS is a bi-annual survey of nationally representative samples from more than 20 countries, mostly in Europe but also covering such countries as Israel, Turkey and Russia. Following my interest in inferences based on group membership, I use only a portion of all respondents in the ESS, namely those respondents that currently live in a country other than their birth country. I identify these individuals using the answer to the ESS item asking respondents whether they were born in their current country of residence. Foreign-borns from a particular birth country living in a particular host country are typically migrants, which have been extensively studied using data from the ESS (e.g., Alesina and Giuliano 2011; Bisin et al. 2011). I further focus on actual employees, meaning that I do not consider respondents that are self-employed or working for their own (family) business, as these individuals typically are themselves employers rather than employees. Finally, I do not consider the subset of individuals that are not living in their birth country, but at the same time are living in the birth country of their parents. An example would be a child born abroad during an extended holiday. Excluding respondents with missing data on the variables considered in the analysis leaves a main sample of about 11,100 individuals from 170 birth countries. Table A.1 in the appendix presents descriptive statistics for a selection of variables used in the analysis, while Table A.2 presents an overview of the birth countries in the sample, sorted by number of respondents. More information about the ESS is available from the survey's website, http://www.europeansocialsurvey.org.

Variables

     Dependent Variable. The dependent variable in my analysis is the amount of autonomy an individual experiences at his/her job. As a key feature of workplace organization, much effort has been devoted to measuring job autonomy, particularly by business and management scholars. The standard approach is to use surveys, asking respondents to rate their own autonomy (Hackman and Oldham 1975). I use this standard approach, which has the advantage that it does not suffer problems deriving from the fact that formal autonomy or authority of the type that can be measured by external observers need not match real autonomy (i.e., the type of autonomy that employees actually experience in their daily work activities) (Aghion and Tirole 1997). The wording of the job autonomy item

included in the ESS is as follows: "Please say how much the management at your work allows/allowed you to decide how your own daily work is/was *organised*?" And the accompanying answering scale ranges from 0 ("I have/had no influence") to 10 ("I have/had complete control"). To keep things simple and facilitate interpretation of the results, for my main analyses, I assume that job autonomy is measured on a cardinal scale. However, results (available on request) are similar when I treat the job autonomy measure as an ordinal indicator and estimate ordered probit or ordered logit models instead. Importantly, subjective job autonomy indicators of the type included in the ESS, and the ESS survey item in particular, have been widely validated (Morgeson and Humphrey 2006; Van Hoorn 2016). Table A.3 in the appendix presents some stylized evidence on the construct validity of the ESS job autonomy item, particularly on the relationship between measured job autonomy and other features of an individual's job. If the ESS job autonomy measure is valid, we expect, for instance, a positive relation between the non-routineness of work and job autonomy and clear differences in job autonomy between the self-employed and ordinary employees, which is confirmed by the evidence.

Main Independent Variables. Testing my hypotheses involves two different but related independent variables. The first, generic variable concerns individuals' country of birth. If respondents indicated that they were born in their country of residence, the ESS followed up with a question asking in which country the respondent was born, which enables me to identify migrants' country of birth. As mentioned, the resulting sample comprises individuals from some 170 different countries of birth. My second main independent variable concerns the degree to which corruption is institutionalized in the birth countries of the migrants in my sample. The specific measure that I use is the Control of corruption measure from the WGI project, which captures "perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests" (Kaufmann et al. 2009, p. 6). I recode this measure so that higher scores indicate higher levels of corruption in the individual's country of birth. The WGI project has collected cross-country data bi-annually since 1996 and annually since 2002. A priori, however, it is not clear that one particular year of observation is more representative of former residents of a country that have migrated abroad than another year. I thus calculate the average corruption level in the birth country over the years covered by Waves 1-7 of the ESS, 2002, 2004, 2006, 2008, 2010, 2012 and 2014. However, to rule out that my results are sensitive to the period chosen, I repeat my baseline analyses replacing this measure of the degree to which corruption is institutionalized in migrants' birth country with a measure of birth-country corruption based on averages over the years prior to 2002

(1996, 1998 and 2000). As a second alternative to the main independent variable in my analysis, I construct a measure of the cultural norm of corruption that exists in the birth country based on Fisman and Miguel's (2007) data on unpaid parking tickets by UN diplomats in New York. My measure of the cultural norm of corruption in a country is simply the average number of unpaid parking violations per country diplomat per year. Meanwhile, a generic challenge to considering birth-country differences in corruption is that this measure is not, in fact, very informative of individual migrants' trustworthiness. Above, I already noted that for the validity of my empirical analysis it does not really matter whether birth-country corruption is an accurate signal of trustworthiness—the reason is that my only concern is whether corruption appears to be used as a signal of trustworthiness and not whether corruption truly reveals something about migrants' actual trustworthiness. Nevertheless, as a further robustness check, I also estimate models using two alternative birth-country features that employers may draw on to infer individual migrants' trustworthiness. The first of these is the quality of law enforcement and the judicial system in the birth countries of the individuals in my sample. The specific indicator that I use is the Rule of law measure also from the WGI project, which captures, among others, "perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence" (Kaufmann et al. 2009, p. 6). As before, I calculate averages for the years 2002-2014, where a higher Rule of law score indicates higher quality law enforcement and less crime and violence. The second alternative to corruption concerns corporate ethics in an individual's birth country. Compared to standard corruption measures, corporate ethics is more concerned with firm behaviour and workplace practices and less with public officials, meaning that birth-country differences in corporate ethics might be a more relevant signal for employers than birth-country corruption is. The specific measure that I use is the corporate ethics index developed by Kaufmann (2004).

Control Variables. The analysis in this paper concerns birth country and birth-country corruption as possible signals that employers use to make inferences about individual migrants' trustworthiness and decide how much job autonomy to grant to these individuals. Note, though, that not all individual-level traits that are relevant determinants of how much autonomy a particular employee is granted are, in fact, unobservable. Education, for instance, seems a relevant individual-level trait that employers are able to observe and likely to take into account when deciding how much autonomy to grant to a specific employee. Moreover, employers might be able to observe some individual-level traits that are relevant for job autonomy and also happen to correlate with employees' birth

country or the level of corruption in these employees' countries of birth. If so, any relationship between individuals' birth country and/or birth-country corruption uncovered by my analysis would be spurious, in the sense that it does not really testify to any signalling effect of either birth country or birth-country corruption. Again, education would be a prime example, as it seems likely that there is systematic variation in the education level of migrants from different birth countries. To address this possible omitted variable bias, my analysis includes a range of control variables. Importantly, though, these variables are not considered for the purpose of giving a complete account of all the factors predicting job autonomy. Instead, these variables are included as a way of making sure that all relevant factors that can reasonably be expected to be observable for employees are, in fact, considered. If all observable individual-level traits are adequately controlled for, any remaining effect of birth country or birth-country corruption can be validly interpreted as representing a signalling effect that employers use to infer trustworthiness and guide their decision of how much autonomy to grant to a particular employee. Stated differently, the reason that group membership is expected to matter for job autonomy is precisely that there will be some relevant individual-level traits that neither researchers nor employers can observe but that can be proxied on the basis of group membership.

That being said, the most basic set of control variables that I include are year/wave dummies, standard demographic characteristics (age, age squared, and sex) and dummies for employment status (whether the individual is currently in paid work, unemployed and looking for work, unemployed and not looking for work, retired, et cetera). Inclusion of host-country dummies further controls for direct effects of host-country environment on job autonomy and helps rule out that any relationship between birth country and/or birth-country corruption on the one hand and job autonomy on the other is due to a sorting effect of individuals from specific birth countries (e.g., from relatively corrupt birth countries) migrating to host countries with relatively low levels of job autonomy. In addition, host-country dummies control for any country-specific job autonomy effects due to the presence of certain migrant networks or the general attitude towards foreigners in the host country. At the employer-level, I further control for the size of the firm or establishment for which the individual is working. The ESS contains an item asking respondents how many people are or were employed at the place where the respondent usually works or worked? There are five possible answers (under 10; 10 to 24; 25 to 99; 100 to 499; 500 or more), which I code into separate dummies. Other factors that I control for are at the level of the individual employee and concern differences in the total number of hours normally worked in a week and differences in educational background, specifically the total number of years of fulltime education that an individual has and the highest education level that he/she has achieved

as measured by the International Standard Classification of Education (e.g., "less than lower secondary," "lower secondary," or "higher tertiary education"). Given that my sample consists of people that are living abroad as migrants, I further control for time spent in the host country (five years or less; six to 10 years; 11 to 20 years; more than 20 years) and the language spoken at home, specifically whether the language of the host country is also the main language spoken at home or not (1=yes; 0=no) (cf. Hoorn 2016). A final individual-level control variable that I consider is individuals' income. Following the standard signalling perspective and theories of statistical discrimination, there is a concern that birth-country corruption does not inform employers about individual migrants' trustworthiness but about some other unobservable factor that would be taken into account by any employer deciding on how much autonomy to grant to a particular employee. The most prominent such unobserved factor would be an employee's ability, which, in turn, may affect job autonomy because the specialization and efficiency benefits of delegation and autonomy are greater, the more skilled the employee is. I therefore include income as a proxy for ability, as it is known to / observed by the individual's employer. If the relationship between birth country and/or birth-country corruption and job autonomy continues to hold with personal income rank controlled for, it seems unlikely that unobserved systematic differences in ability or skills between individuals from different birth countries account for this relationship.[5] The ESS asks respondents about the total net income of their household and classifies their answer on a scale depicting different income brackets. In its first three waves (2002-2006), the ESS used a 12-point scale, while the later waves (2008-2014) used a 10-point scale. To ensure that measured income is comparable over time and across respondents from different countries, I recode answers to create a measure of rank income. Hence, for each respondent, I calculate his/her income percentile relative to respondents from the same country surveyed in the same year/wave. To complete my standard set of control variables I include three measures of characteristics of the home-host country dyad to which an individual belongs. These variables are meant to capture a specific relationship that exists between the home and the host country that would affect job autonomy or factors that may affect the likelihood of a migrant from a given birth country to migrate to a given host country (cf. Hoorn 2016). The first dyadic measure is a dummy variable that captures whether the host country has the same official language as the birth country has (1=yes; 0=no). The second measure is a dummy variable that captures whether the host country is a former colonizer of the birth country (1=yes; 0=no). The third measure is a dummy variable that captures whether the home and the host country are contiguous (1=yes; 0=no). Data for these dyadic measures come from the famous CEPII GeoDist database (Mayer and Zignago 2011).

In addition to the above set of standard control variables, for my robustness checks I consider four additional control variables that speak to possible alternative explanations for an effect of birth country and birth-country corruption on migrant employees' job autonomy. The first of these alternative explanations is that the measure of job autonomy might be biased because of the particular way in which individuals born (and socialized) in certain countries perceive the world. Specifically, there may be social conventions or cultural norms that cause individuals to exhibit an upward or downward bias when asked to evaluate and score their own lives. To address this contingency I include self-reported happiness as an additional control variable, as this variable seems most influenced by such differences in response style. If differences in response style, specifically the tendency to be overly negative or overly positive when making a subjective evaluation, truly explain the relationship between birth country and birth-country corruption on the one hand and job autonomy on the other, I expect this relationship to vanish when self-reported happiness is controlled for. If the effects of birth country and birth-country corruption on job autonomy remain with self-reported happiness controlled for, it seems unlikely that the found effects are spurious, driven by systematic differences in response style.[6] I measure self-reported happiness using the ESS item asking individuals: "Taking all things together, how happy would you say you are?" Respondents can answer on a Likert-type scale that ranges from 0, "extremely unhappy" to 10, "extremely happy."

A second alternative explanation for birth country and birth-country corruption affecting job autonomy involves employees' preference for job autonomy. So far, I have grounded my analysis in the idea that employers rely on specific signals of (un)trustworthiness when deciding how much job autonomy to grant to an employee, particularly to employees from different birth countries. This perspective is one-sided, however, in the sense that it neglects the possibility that individuals from different birth countries may simply have different value preferences, meaning that individuals born in certain countries attach much less value to job autonomy than individuals from other birth countries do (cf. Benz and Frey 2008). If migrants from some birth countries also care less about job autonomy (e.g., for cultural reasons), the effect of birth country on job autonomy could be spurious, reflecting a simple difference in preferences rather than a process of employers relying on signals of trustworthiness to determine how much autonomy to grant to specific employees. Controlling for differences in personal values enables me to rule out such a preference-based explanation for the effects of birth country and birth-country corruption on job autonomy. Values speak to people's deepest motivations, the importance they attach to certain objectives compared to other objectives, and provide cross-situational guidance to individuals when selecting

between alternative courses of action or states of affairs (Rohan 2000). The personal values that I consider derive from the framework of universal human values developed by Shalom Schwartz and collaborators (e.g., Schwartz 1992; Schwartz and Bilsky 1987, 1990), which is the standard values framework in psychology. Specifically, I consider the two-overarching values dimensions in this framework, so-called openness-to-change versus conservation values and self-transcendence versus self-enhancement values. A high score on openness-to-change versus conservation indicates that an individual attaches relatively much value to hedonism, stimulation and self-direction and relatively little value to tradition, conformity and security. A high score on self-transcendence versus self-enhancement indicates that an individual attaches relatively much value to universalism and benevolence and relatively little value to power and achievement. Details on the ESS items—21 in total—and the procedure used to measures these two values dimensions are presented in Schwartz et al. (2001) and are available on request as well.

A third alternative explanation for an effect of birth country and birth-country corruption on migrant employees' job autonomy involves migrants' tendency to work in specific industries. My analysis focuses on the direct effect of inferred trustworthiness on the amount of autonomy that an employer grants to different employees. Alternatively, inferred trustworthiness may influence recruitment, as when only employees that are deemed trustworthy are hired to work in high-autonomy industries, while employees that are deemed untrustworthy end up working in low-autonomy industries. If so, birth country and birth-country corruption may affect individuals' autonomy via inferred trustworthiness, but through the channel of recruitment, which is a different channel than is the focus of this paper. Controlling for average job autonomy in individuals' industry allows me to check whether the observed relationship between birth country and job autonomy is perhaps due to such an indirect selection effect or due to the direct effect emphasized in this paper.[7] Across its seven waves, the ESS has recorded the industry in which respondents work using different revisions of the ISIC (International Standard Industrial Classification of All Economic Activities). My measure of average job autonomy involves averaging across each two-digit industry thus included and combining the resulting scores in a single industry autonomy measure.

A final alternative explanation concerns the signalling value of birth-country corruption. My analysis considers birth-country corruption in an attempt to uncover a specific group-level trait that might be underlying the broader effect of group membership on job autonomy. However, compared to the testing of the generic signalling value of birth country, the analysis of birth-country corruption is much more sensitive to the possibility of an omitted variable bias. That is, even when we find that birth-country corruption correlates with job autonomy there

remains a possibility that another birth-country variable and not birth-country corruption is driving this relationship. A specific concern is that birth-country corruption correlates with the quality of education in the birth country and thus with individuals' skills, which, in turn, are expected to have a strong effect on how much autonomy an employer is willing to grant to particular individuals. If so, the corruption-autonomy relationship found in my baseline analysis may be spurious, reflecting the signalling effect of birth-country quality of education rather than of birth-country corruption. However, if the relationship between birth-country corruption and job autonomy remains with quality of education in the birth country controlled for, it seems likely that birth-country corruption indeed acts as a signal of (un)trustworthiness that employers rely on when deciding how much autonomy to grant to specific groups of employees. To measure the quality of the educational system in different countries, I use indicators of student performance in the areas of Mathematics, Reading and Science collected by the Programme for International Student Assessment (PISA) at the OECD. These data are not available for the majority of birth countries in my sample. However, using data collected in the 2012 round of the PISA (OECD 2012), I am able to retain 60 birth countries (see Table A.2 in the appendix). Because country mean scores on Mathematics, Reading and Science are strongly correlated (r > .95), I add the measures of performance in Mathematics, Reading and Science to construct a single country index of average student performance. For completeness, however, I also present results for models that include separate country scores on Mathematics, Reading and Science.

III. RESULTS

Baseline Results

Table 1 presents the results of my baseline analysis. Confirming H1, results reveal that a statistically significant amount of total variation in job autonomy occurs between individuals from different birth countries (Model 1). Similarly, results indicate a strong, statistically highly significant negative correlation between birth-country corruption and the amount of job autonomy an individual migrant has, which confirms H2 (Model 4). The empirical evidence therefore strongly supports the idea that country of birth and birth-country corruption are taken as a signal of individual migrants' trustworthiness, which, in turn, affects how much job autonomy migrant employees are granted in their host countries. Inclusion of some additional control variables, particularly income, lowers the amount of variation between birth countries (Models 2 and 3) and the coefficient for birth-country corruption (Models 5 and 6). Both the effect of birth country and of birth-country corruption remains highly statistically

significant, however. As I have standardized my coefficients, effect sizes can easily be gauged by looking at the estimated coefficients. On this count, birth country seems quite important, although some individual-level variables are clearly more important predictors of job autonomy, notably income.

<Insert Table 1 about here>

Robustness Checks

Alternative Explanations. Although the models estimated above control for such factors as years of education, hours worked and income, the main concern with my baseline results is the possibility of an omitted variable bias and alternative explanations of the found effects of birth country and birth-country corruption on job autonomy. Tables 2 and 3 present the results for various models that add control variables to rule out such alternative explanations. While most of the factors highlighted as possible confounders, notably personal values (Model 8 in Table 2 and Model 14 in Table 3), are indeed important predictors of job autonomy, both the effect of birth country and of birth-country corruption remain. Hence, even though controlling for, say, happiness might be inappropriate from a theoretical perspective, my baseline results survive also this very stringent way of assessing the potential spuriousness of and alternative explanations for the found effects of birth country and birth-country corruption on job autonomy. Effect sizes are smaller than before (cf. Table 1), but this is as expected and of course also consistent with theoretical arguments concerning the direct and indirect effects of birth country on migrants' happiness, among others (cf. Notes 5-7).

<Insert Tables 2 and 3 about here>

Minimum Number of Individual Observations per Birth-Country Subsample. As mentioned, the birth-country subsamples in my analysis are of differing size and some birth-country subsamples comprise relatively few individual observations. To deal with this issue and address potential biases, I first repeat my baseline analysis using bootstrapping procedures to obtain estimates for my standard errors. Results obtained using bootstrapping are almost identical to my baseline results (details available on request). However, as the main check of the potential sensitivity of my results to the small size of some of the birth-country subsamples, I repeat my baseline analysis excluding birth

countries that do not have a certain minimum number of individual observations (cf. Table A.2 in the appendix). Scenarios with different minimums (2, 10 or 50) all render results that are almost identical to my baseline results (Table 4). In fact, if anything, the size of the coefficient for birth-country corruption tends to increase a bit when fewer birth countries are considered. Hence, there is no sign that the original results are biased for including relatively small birth-country subsamples.

<Insert Table 4 about here>

Alternative Measures of Main Independent Variable. For my last robustness check, I test whether my baseline results concerning the effect of birth-country corruption on job autonomy are sensitive to the use of corruption as a group-level trait that employers take into account when deciding how much job autonomy to grant to individuals from specific birth countries. First, I substitute the measure of birth-country corruption used for my baseline analyses with an alternative measure of birth-country corruption based on data covering the period 1996-2000 instead of the period 2002-2014. Results are largely the same as before (Model 23 in Table 5). Similarly, the relationship between birth-country corruption and migrants' job autonomy is robust to using the measure of the cultural norm of corruption in the birth country based on Fisman and Miguel's (2007) country averages of unpaid diplomatic parking violations instead of corruption as a proxy for migrants' perceived honesty and reliability (Model 24 in Table 4). The size of the estimated coefficient is smaller than before, but this is as expected given that birth-country societal norms are likely much less visible to host-country employers than actual corruption is. Finally, considering other birth-country characteristics as signals of individual migrants' trustworthiness confirms the basic expectation of employers taking into account group-level traits when deciding how much autonomy to grant to different groups of employees (Models 25 and 26 in Table 5). In particular, using measures of birth-country Rule of law or Corporate ethics obtains the same relationship between birth-country image and individuals' job autonomy, although the sign of the coefficients is of course reversed compared to the measure of corruption used to estimate my earlier models.

<Insert Table 4 about here>

IV. DISCUSSION AND CONCLUSION

This paper has sought to unpack the black box of trust shaping workplace organization. Although the role of trust in providing governance to workplace organization is widely recognized, for practical reasons, in quantitative work this idea has been watered down to testing relationships between a measure of trust as the independent variable and some feature of workplace organization as the dependent variable. Notably, there are several studies finding that stronger societal trust norms increase the amount of autonomy that employers grant to their employees, which is an understandable simplification from a practical perspective. As is, we lack empirical insight on the deeper process underlying employers' ultimate trust or autonomy decision, however.

Trust decisions involve not only a willingness to be vulnerable to the actions of the other party but also an assessment of the counterparty's trustworthiness. For my unpacking of the trust-organization nexus, I have analysed this latter feature of the decision to trust, using job autonomy as the dependent variable. When it comes to trustworthiness and job autonomy, the key challenge that employers face is to make an informed decision about which employees can be trusted with higher amounts of autonomy and which employees need to be monitored and controlled more closely. Prior work, particularly theories of signalling and statistical discrimination, have argued the power of signals in informing decision makers. Similarly, laboratory studies have found that even simple informational cues can affect trustors' behaviour in experimental trust games. Building on these bodies of research, I proposed that employers take into account membership of particular social groups as a way of inferring trustworthiness and, ultimately, deciding on how much job autonomy to grant to specific individual employees. I tested this proposition empirically in the context of migrants originating from different birth countries and using both the country of birth itself and the degree to which corruption has been institutionalized in these birth countries as a signal of individuals' (un)trustworthiness. Specifically, I considered whether there is systematic variation in job autonomy granted to migrants from different birth countries and whether migrants from birth countries in which corruption is more pervasive, on average, have less job autonomy compared to immigrants from birth countries in which corruption is less pervasive. In a cross-national sample comprising some 11,100 migrants from about 170 birth countries, I found strong support for these hypotheses. Extensive robustness checks ruled out alternative explanations for these findings, for instance, differences in the preference for job autonomy. Overall, this paper contributes important real-world evidence on process-oriented features of trust governing exchange in the context of workplace organization. In addition, the evidence presented in this paper demonstrates how birth country can be an

important determinant of how migrant employees are treated and their ability to integrate successfully in their places of work.

These contributions notwithstanding, there are also several limitations to the analysis presented in this paper. First, this paper has not studied individual employers and their actual trust and autonomy decisions. Rather, this paper has focused on outcomes of trust decisions and patterns in the data consistent with a particular process by which employers decide how much autonomy to grant to specific employees. Accordingly, the analysis remains indirect, which, in turn, leaves more room for confounding influences than, for instance, a laboratory experiment would leave. I do not think that confounding influences do, in fact, bias my results, given the various alternative explanations and control variables considered. Moreover, the indirect approach has some clear advantages over laboratory experiments that focus on individual decision makers, as the results provide direct evidence on individuals' real-world experiences and, as such, do not suffer low external and ecological validity. Laboratory experiments could be helpful, however, for probing deeper in the process of inferring trustworthiness, including analyses of the weight that employers assign to different employee signals and group-level traits.

A second limitation is that the social group—i.e., migrants from different birth countries—and the group-level trait empirically analysed in this paper have been rather narrow. Although I cannot see any reason why the underlying mechanism of relying on group membership and group-level traits to infer trustworthiness would not generalize to other social groups, a logical avenue for future research is to extent the analysis presented here to consider other types of groups in society and other salient group-level traits.

Finally, it has been beyond the scope of the present analysis to link the evidence on group-level traits shaping employers' decisions of how much autonomy to grant to specific employees to organizational performance. A generic concern with statistical discrimination is that it can lead to suboptimal allocation decisions, since a consequence of considering groups as a whole is that specific qualities of some individual employees remain underappreciated. For job autonomy we expect the same outcome of some individual employees being granted less autonomy than would be optimal in terms of maximizing the net sum of efficiency gains due to specialization minus the costs of shirking. However, future work is needed to assess the actual performance consequences of biased managerial treatment on the count of group-level inferences concerning individual employees' trustworthiness. This paper, then, provides a stepping stone towards studying this and other important features of trust as a provider of governance in the context of workplace organization.

APPENDIX

<Insert Tables A.1-A.3 about here>

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TABLE 1
THE EFFECTS OF BIRTH COUNTRY AND BIRTH-COUNTRY CORRUPTION ON THE JOB AUTONOMY OF FOREIGN-BORN INDIVIDUALS

Dependent = Job autonomy	Effect of birth country			Effect of birth-country corruption		
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Variation between birth countries	0.119***	0.082***	0.064***	-	-	-
	(0.016)	(0.017)	(0.016)			
Birth-country corruption	-	-	-	-0.111***	-0.090***	-0.075***
				(0.009)	(0.011)	(0.010)
Gender (1=male)	0.006	0.015	0.007	0.012	0.019	0.011
	(0.019)	(0.019)	(0.019)	(0.022)	(0.022)	(0.022)
Hours worked per week	0.080***	0.079***	0.072***	0.078***	0.078***	0.071***
	(0.009)	(0.009)	(0.009)	(0.008)	(0.008)	(0.008)
Years of education	0.134***	0.135***	0.119***	0.134***	0.133***	0.117***
	(0.013)	(0.01)3	(0.013)	(0.015)	(0.015)	(0.015)
Income rank	-	-	0.117***	-	-	0.112***
			(0.010)			(0.010)
Dummy for host-country language spoken at home	No	Yes	Yes	No	Yes	Yes
Dummies for time spent in host country	No	Yes	Yes	No	Yes	Yes
Dummies for host country and birth country shared language, contiguity and colonial relationship	No	Yes	Yes	No	Yes	Yes
Dummies for education level	No	Yes	Yes	No	Yes	Yes
Dummies for establishment size	Yes	Yes	Yes	Yes	Yes	Yes
Dummies for employment status	Yes	Yes	Yes	Yes	Yes	Yes
Age and age squared	Yes	Yes	Yes	Yes	Yes	Yes
Host-country dummies	Yes	Yes	Yes	Yes	Yes	Yes
Year/wave dummies	Yes	Yes	Yes	Yes	Yes	Yes
No. of observations	11,118	11,118	11,118	11,108	11,108	11,108
No. of birth countries	172	172	172	169	169	169
Log likelihood	-14719.2	-14667.4	-14597.6	-	-	-
R^2	-	-	-	0.1766	0.1839	0.1933

Notes: All continuous measures (dependent and independent variables) are standardized to have a mean of 0 and a standard deviation of 1. Standard errors (in parentheses) are robust standard errors that are clustered at the birth-country level. To save space, the table presents a selection of coefficients and standard errors but complete results are available on request.
* Statistically significant at the 10% level.
** Statistically significant at the 5% level.
*** Statistically significant at the 1% level.

TABLE 2
RESULTS FOR VARIATION IN JOB AUTONOMY BETWEEN BIRTH COUNTRIES WITH ADDED CONTROL VARIABLES

Dependent = Job autonomy	Model 7	Model 8	Model 9	Model 10	Model 11
Variation between birth countries	0.058*** (0.016)	0.045*** (0.016)	0.060*** (0.017)	0.066*** (0.017)	0.066*** (0.017)
Self-reported happiness	0.080*** (0.009)	-	-	-	-
Self-transcendence versus self-enhancement values	-	0.021** (0.009)	-	-	-
Openness-to-change versus conservation values	-	0.128*** (0.010)	-	-	-
Average job autonomy in industry	-	-	0.112*** (0.009)	-	-
PISA index score	-	-	-	0.042*** (0.016)	-
PISA mean mathematics score	-	-	-	-	0.040 (0.068)
PISA mean science score	-	-	-	-	-0.084 (0.091)
PISA mean reading score	-	-	-	-	0.087 (0.063)
Standard control variables	Yes	Yes	Yes	Yes	Yes
No. of observations	11,118	11,118	11,118	7,283	7,283
No. of birth countries	172	172	172	60	60
Log likelihood	-14560.0	-14511.4	-14525.0	-9433.1	-9432.4

Notes: All continuous measures (dependent and independent variables) are standardized to have a mean of 0 and a standard deviation of 1. Standard errors (in parentheses) are robust standard errors that are clustered at the birth-country level. Standard control variables are gender, age and age squared, income rank, dummies for employment status, years of education, dummies for education level, hours worked per week, dummies for time spent in host country, dummy for host-country language spoken at home, dummy for birth country and host country having same official language, dummy for birth country and host country having past colonial relationship, dummy for birth country and host country contiguity, host-country dummies, and year/wave dummies (see Table 1). To save space, the table presents a selection of coefficients and standard errors but complete results are available on request.
* Statistically significant at the 10% level.
** Statistically significant at the 5% level.
*** Statistically significant at the 1% level.

TABLE 3
RESULTS FOR EFFECT OF BIRTH-COUNTRY CORRUPTION ON JOB AUTONOMY WITH ADDED CONTROL VARIABLES

Dependent = Job autonomy	Model 12	Model 13	Model 14	Model 15	Model 16
Birth-country corruption	-0.070*** (0.010)	-0.055*** (0.010)	-0.071*** (0.011)	-0.086*** (0.019)	-0.086*** (0.019)
Self-reported happiness	0.078*** (0.009)	-	-	-	-
Self-transcendence versus self-enhancement values	-	0.019* (0.011)	-	-	-
Openness-to-change versus conservation values	-	0.123*** (0.009)	-	-	-
Average job autonomy in industry	-	-	0.111*** (0.009)	-	-
PISA index score	-	-	-	-0.004 (0.019)	-
PISA mean mathematics score	-	-	-	-	0.042 (0.062)
PISA mean science score	-	-	-	-	-0.075 (0.074)
PISA mean reading score	-	-	-	-	0.029 (0.064)
Standard control variables	Yes	Yes	Yes	Yes	Yes
No. of observations	11,108	11,108	11,108	7,283	7,283
No. of birth countries	169	169	169	60	60
R^2	0.1985	0.2047	0.2037	0.2203	0.2204

Notes: All continuous measures (dependent and independent variables) are standardized to have a mean of 0 and a standard deviation of 1. Standard errors (in parentheses) are robust standard errors that are clustered at the birth-country level. Standard control variables are gender, age and age squared, income rank, dummies for employment status, years of education, dummies for education level, hours worked per week, dummies for time spent in host country, dummy for host-country language spoken at home, dummy for birth country and host country having same official language, dummy for birth country and host country having past colonial relationship, dummy for birth country and host country contiguity, host-country dummies, and year/wave dummies (see Table 1). To save space, the table presents a selection of coefficients and standard errors but complete results are available on request.
* Statistically significant at the 10% level.
** Statistically significant at the 5% level.
*** Statistically significant at the 1% level.

TABLE 4
ROBUSTNESS CHECKS USING MINIMUM BIRTH-COUNTRY SUBSAMPLE SIZE

Dependent = Job autonomy	Minimum 2 respondents per birth country		Minimum 10 respondents per birth country		Minimum 50 respondents per birth country	
	Model 17	Model 18	Model 19	Model 20	Model 21	Model 22
Variation between birth countries	0.064*** (0.016)	-	0.064*** (0.016)	-	0.069*** (0.017)	-
Birth-country corruption	-	-0.075*** (0.010)	-	-0.075*** (0.011)	-	-0.082*** (0.011)
Standard control variables	Yes	Yes	Yes	Yes	Yes	Yes
No. of observations	11,103	11,094	10,871	10,871	9,678	9,678
No. of birth countries	157	155	107	107	56	56
Log likelihood	-14579.0	-	-14276.0	-	-12683.9	-
R^2	-	0.1932	-	0.1929	-	0.1971

Notes: All continuous measures (dependent and independent variables) are standardized to have a mean of 0 and a standard deviation of 1. Standard errors (in parentheses) are robust standard errors that are clustered at the birth-country level. Standard control variables are gender, age and age squared, income rank, dummies for employment status, years of education, dummies for education level, hours worked per week, dummies for time spent in host country, dummy for host-country language spoken at home, dummy for birth country and host country having same official language, dummy for birth country and host country having past colonial relationship, dummy for birth country and host country contiguity, host-country dummies, and year/wave dummies (see Table 1). To save space, the table presents a selection of coefficients and standard errors but complete results are available on request.
* Statistically significant at the 10% level.
** Statistically significant at the 5% level.
*** Statistically significant at the 1% level.

TABLE 5
ROBUSTNESS CHECKS USING ALTERNATIVE MEASURES OF MAIN INDEPENDENT VARIABLE

Dependent = Job autonomy	Corruption between 1996 & 2000	Cultural norm of corruption	Rule of law	Corporate ethics
	Model 23	Model 24	Model 25	Model 26
Birth-country corruption between 1996 & 2000	-0.074*** (0.011)	-	-	-
Birth-country cultural norm of corruption	-	-0.021* (0.011)	-	-
Birth-country rule of law	-	-	0.074*** (0.011)	-
Birth-country corporate ethics	-	-	-	0.074*** (0.013)
Standard control variables	Yes	Yes	Yes	Yes
No. of observations	11,071	10,558	11,108	7,786
No. of birth countries	164	139	169	93
R^2	0.1923	0.1902	0.1933	0.1941

Notes: All continuous measures (dependent and independent variables) are standardized to have a mean of 0 and a standard deviation of 1. Standard errors (in parentheses) are robust standard errors that are clustered at the birth-country level. Standard control variables are gender, age and age squared, income rank, dummies for employment status, years of education, dummies for education level, hours worked per week, dummies for time spent in host country, dummy for host-country language spoken at home, dummy for birth country and host country having same official language, dummy for birth country and host country having past colonial relationship, dummy for birth country and host country contiguity, host-country dummies, and year/wave dummies (see Table 1). To save space, the table presents a selection of coefficients and standard errors but complete results are available on request.
* Statistically significant at the 10% level.
** Statistically significant at the 5% level.
*** Statistically significant at the 1% level.

TABLE A.1
DESCRIPTIVE STATISTICS FOR SELECTED VARIABLES

Variable	Mean and standard deviation	
Dependent variable		
Job autonomy (0-10)	5.49	(3.54)
Main independent variable		
Birth-country corruption (0-5) [n=11,108]	2.39	(1.03)
Selected control variables		
Gender (1=male)	45.7%	(49.8%)
Age in years	47.1	(16.4)
Years of full-time education completed	13.1	(4.31)
Total hours normally worked per week in main job overtime included	39.0	(13.5)
Host-country language spoken at home (1=yes)	59.9%	(49.0%)
Host country has same official language as birth country (1=yes)	26.2%	(44.0%)
Host country is former colonizer of birth country (1=yes)	23.1%	(42.2%)
Host country is contiguous to birth country (1=yes)	28.1%	(45.0%)
Income rank (percentile)	46.8%	(27.8%)
Happiness (0-10)	7.27	(1.99)
Openness-to-change versus conservation values (-5,5)	0.371	(1.13)
Self-transcendence versus self-enhancement values (-5,5)	1.25	(1.09)
PISA average student performance [n=7,283]	1445	(110)

Notes: Standard deviations in parentheses. Number of observations is 11,118 unless otherwise indicated. Sample covers individuals originating from 172 different birth countries.

TABLE A.2
HOME COUNTRIES IN THE SAMPLE

Country of birth	Average job autonomy in host country (0-10)	Birth-country corruption (0-5)	PISA average student performance	No. of individual observations
Russia	5.03	3.43	1444	1,184
Poland	4.89	2.13	1562	578
Germany	6.79	0.70	1545	563
Morocco	5.27	2.79		453
Bosnia and Herzegovina	4.92	2.81		417
Romania	5.17	2.72	1321	372
Turkey	4.54	2.55	1387	359
Ukraine	5.45	3.40		358
Italy	5.59	2.28	1469	324
France	6.81	1.12	1499	317
United Kingdom	6.27	0.73	1507	289
Portugal	4.98	1.47	1464	285
Finland	7.29	0.15	1588	217
Croatia	5.90	2.42	1447	178
India	6.06	2.96		163
Kazakhstan	3.95	3.44	1249	160
Belarus	4.59	3.17		152
Iraq	5.29	3.88		149
Iran	5.83	3.11		147
Netherlands	7.02	0.39	1556	147
Algeria	5.73	3.06		146
Albania	2.14	3.17	1186	145
Spain	6.35	1.42	1469	134
Slovak Republic	4.56	2.27	1416	104
United States	6.88	1.04	1476	104
Czech Republic	5.79	2.19	1500	103
Austria	6.43	0.70	1501	102
Brazil	5.31	2.56	1206	102
Bulgaria	4.62	2.67	1321	99
Tunisia	5.21	2.51	1190	94
Ireland	6.39	0.92	1547	90
Hungary	6.48	2.07	1460	89
Sweden	7.33	0.27	1446	87
Pakistan	4.60	3.43		84
Uzbekistan	4.85	3.60		79
Latvia	5.05	2.32	1481	76
Lithuania	5.42	2.29	1452	76
Denmark	7.42	0.06	1495	73
Belgium	7.13	1.07	1528	72
Suriname	5.96	2.68		72
Philippines	5.41	3.13		71
Argentina	6.26	2.96	1190	70
Ecuador	5.78	3.29		68
Georgia	4.28	2.68		68
Indonesia	5.77	3.26	1153	64
Macedonia	5.08	2.76		63

Country of birth	Average job autonomy in host country (0-10)	Birth-country corruption (0-5)	PISA average student performance	No. of individual observations
Ethiopia	5.46	3.15		57
Colombia	5.95	2.76	1179	55
Moldova	5.15	3.22		54
Nigeria	4.22	3.63		54
Sri Lanka	5.06	2.76		53
Estonia	6.12	1.57	1578	52
Norway	7.56	0.40	1488	52
South Africa	5.65	2.31		52
Greece	4.33	2.38	1397	51
Peru	6.24	2.81	1125	51
Chile	6.04	1.06	1309	47
Angola	5.09	3.81		44
Syria	4.84	3.47		44
Vietnam	5.27	3.12	1548	44
China	5.24	3.02		42
Egypt	5.51	3.06		41
Thailand	5.44	2.79	1312	41
Cape Verde	5.36	1.86		39
Lebanon	5.49	3.28		39
Yemen	4.61	3.50		38
Azerbaijan	4.40	3.54		35
Congo, Republic	4.32	3.57		34
Somalia	4.44	4.20		32
Armenia	4.39	3.08		31
Afghanistan	5.00	3.99		30
Congo, Democratic Republic	4.68	3.85		28
Jamaica	5.81	2.94		26
Kenya	6.65	3.46		26
Canada	6.40	0.53	1567	25
Libya	3.88	3.62		24
Bolivia	5.65	3.12		23
Kyrgyz Republic	5.09	3.61		23
Slovenia	4.95	1.62	1497	22
Australia	7.90	0.52	1537	21
Ghana	5.52	2.61		21
Cuba	4.15	2.21		20
Iceland	6.95	0.37	1453	19
Mauritius	6.16	2.01		19
Switzerland	7.63	0.38	1555	19
Venezuela	5.56	3.61		18
Senegal	3.88	2.79		17
Eritrea	4.88	2.90		16
Mexico	7.00	2.84	1252	16
Tajikistan	4.88	3.58		16
Uruguay	6.13	1.38	1236	16
Dominican Republic	4.40	3.17		15

Table A.2., ctd.

Country of birth	Average job autonomy in host country (0-10)	Birth-country corruption (0-5)	PISA average student performance	No. of individual observations
Netherlands Antilles	4.60	1.50		15
Paraguay	5.87	3.59		15
Bangladesh	4.71	3.63		14
Japan	4.57	1.13	1621	14
South Korea	6.50	2.05	1627	14
Cameroon	4.77	3.55		13
Côte d'Ivoire	5.15	3.49		13
New Zealand	6.75	0.15	1528	12
Madagascar	7.82	2.74		11
Zimbabwe	6.00	3.81		11
Cyprus	5.20	1.42	1326	10
Nepal	4.90	3.13		10
Rwanda	4.50	2.44		10
Sudan	3.80	3.82		10
Uganda	4.00	3.39		10
Guinea	4.22	3.51		9
Malaysia	6.44	2.26	1238	9
Tanzania	6.22	3.11		9
Gambia	2.50	3.11		8
Mozambique	6.50	3.04		8
Réunion	3.13	1.67		8
Cambodia	5.86	3.61		7
Greenland	5.57	1.29		7
Guinea-Bissau	4.71	3.63		7
Hong Kong	6.43	0.66	1661	7
Israel	8.00	1.62	1422	7
Jordan	6.71	2.30	1194	7
Martinique	5.71	1.63		7
São Tomé and Principe	5.00	2.96		7
Singapore	6.86	0.28	1667	7
Aruba	7.17	1.32		6
Togo	5.67	3.45		6
Burundi	5.60	3.60		5
Guatemala	4.40	3.09		5
Honduras	3.40	3.33		5
Turkmenistan	8.20	3.86		5
Benin	7.25	3.20		4
Burkina Faso	5.50	2.81		4
El Salvador	3.25	2.84		4
North Korea	5.00	3.97		4
Kuwait	4.25	2.06		4
Lao	3.50	3.65		4
Zambia	8.50	3.09		4
Brunei Darussalam	5.33	1.96		3
Comoros	0.67	3.24		3
Grenada	6.67	2.02		3

Table A.2., ctd.

Country of birth	Average job autonomy in host country (0-10)	Birth-country corruption (0-5)	PISA average student performance	No. of individual observations
Guyana	4.67	3.08		3
Haiti	4.33	3.85		3
Maldives	8.00	2.93		3
Nicaragua	7.67	3.17		3
Saudi Arabia	6.00	2.60		3
Trinidad and Tobago	8.00	2.76		3
Chad	0.50	3.78		2
Costa Rica	5.50	1.96	1277	2
Equatorial Guinea	7.50	4.06		2
Gabon	9.00	3.23		2
Liberia	7.00	3.27		2
Macao	3.50	1.97	1568	2
Malta	9.00	1.57		2
Mongolia	6.00	3.01		2
Niger	9.50	3.25		2
Sierra Leone	4.50	3.41		2
Taiwan	5.00	1.80	1606	2
Belize	0.00	2.70		1
Central African Republic	7.00	3.54		1
Djibouti	0.00	2.98		1
Dominica	0.00	1.84		1
French Guiana	10.00	1.55		1
Luxembourg	9.00	0.51	1469	1
Mauritania	10.00	2.99		1
Namibia	8.00	2.26		1
Panama	7.00	2.83		1
Papua New Guinea	8.00	3.62		1
Puerto Rico	9.00	1.75		1
St. Kitts and Nevis	5.00	1.72		1
Timor-Leste	6.00	3.31		1
United Arab Emirates	1.00	1.41	1324	1

Notes: Sources are OECD (2012), World Bank (2016), and author's own calculations based on data from Waves 1-7 of the European Social Survey (ESS).

TABLE A.3
CONSTRUCT VALIDITY OF THE JOB AUTONOMY MEASURE

Description of construct related to job autonomy	Average job autonomy (0-10)		
Current job: there is a lot of variety in my work			
Very true	7.19	(SD=3.03)	[n=12,754]
Quite true	6.16	(SD=3.15)	[n=13,259]
A little true	4.94	(SD=3.30)	[n=9,382]
Not at all true	3.82	(SD=3.62)	[n=3,752]
Current job: health/safety at risk because of work			
Very true	5.21	(SD=3.69)	[n=2,942]
Quite true	5.23	(SD=3.45)	[n=5,091]
A little true	5.84	(SD=3.31)	[n=11,497]
Not at all true	6.39	(SD=3.28)	[n=19,433]
Employment relation			
Self-employed	9.15	(SD=1.95)	[n=28,093
Employee	5.56	(SD=3.51)	[n=238,588]
Working for own family business	8.00	(SD=2.80)	[n=4,067]

Notes: Standard deviations in parentheses. Number of observations in square brackets. Source is author's own calculations based on data from Waves 1-7 of the European Social Survey (ESS).

NOTES

[1] For this paper, I focus on employer-employee trust and do not consider the reverse relationship, employees trusting their employers. In general, however, employee trust is important as well.

[2] Strictly speaking, we may distinguish between intentional signals consciously sent by prospective employees and unintentional signals or informational cues as derived by employers from observable characteristics of employees. This distinction is not material to the analysis in the present paper, however.

[3] For a popular overview of national stereotypes and corresponding graphical illustrations, see, for instance, http://www.nationalstereotype.com.

[4] Gächter and Schulz (2016) provide some interesting cross-country evidence on the link between corruption and individuals' trustworthiness on the basis of laboratory behaviour. Specifically, Gächter and Schulz (2016) find that intrinsic honesty (as measured in a laboratory game) is higher in countries that have less rule violations such as corruption. More generally, it is quite common for countries to be concerned with the negative effect of domestic corruption on the country's image abroad (e.g., India Times 2011; Smith 2007; Reuters 2013). Tirole (1996) presents an analysis of how belonging to a social group with a reputation for corruption undermines individual incentives for behaving honestly, irrespective of individuals' intrinsic motivation for being honest. Meanwhile, the analysis that follows does not require that there is a perfect link between birth country or birth-country corruption and trustworthiness. That is, the concern in this paper is not with the accuracy of birth country as a signal of trustworthiness but only with the question whether or not employers appears to use birth country as a signal of trustworthiness.

[5] While, in principle at least, there is always a concern that controlling for certain factors increases the risk of a Type II error, this risk appears particularly prominent in case of personal income. The reason is that income is also an important outcome variable in its own right, particularly when it comes to the labour market performance of foreign-borns (see Lang and Lehmann 2012 for a survey). Indeed, it seems likely that a process highly similar to the process by which decision makers are led to grant more job autonomy to migrants from some birth countries than to migrants from other birth countries also affects these individuals' income.

[6] I obtain similar results (available on request) when instead of controlling for self-reported happiness, I control for

response style using self-reported job satisfaction, which has the advantage that it pertains directly to individuals'

jobs. However, using job satisfaction comes at the cost of a much smaller sample (some 1,880 individuals from 133

birth countries), making self-reported happiness my preferred response style control variable. As with income, an

important concern with controlling for happiness is that it also an outcome variable. In fact, it seems likely that job

autonomy is a mediator in any relation between birth country and happiness, as having relatively little autonomy at

work makes individuals' jobs less pleasant and interesting (Benz and Frey 2008), which, in turn, lowers their

happiness.

[7] Of course, this argument also implies that industry can be an important mediator in the relationship between birth

country and job autonomy and that controlling for industry increases the risk of making a Type II error (cf. Notes 5

and 6).