Research Project Title: "Career Choice Problem: Modelling Expected Utility Function."

Description for The General Public

In the era of dynamic changes in labour market and existence of new phenomena among its participants like job-hopping and down-shifting, the problem of career choice seems to gain on importance not only for people at the beginning of their career path but also for governments striving to encourage people to become entrepreneurs by implementing various incentive-based policies. For the purpose of this research, career choice is defined as a selection between becoming an entrepreneur or being an employee. The main research objectives are to find out how younger participants of the labour market (master studies graduates) make such decisions, what drives them in particular (what job attributes are most and least important to them and what trade-offs do they make) and how likely are they to become entrepreneurs at some point of their career.

In order to answer these questions, a new theoretical model inspired by the work of Douglas and Shepherd has been created. The model consists of eight carefully selected job attributes, namely: *Effort*, *Interdependence of work performance and income*, *Decision making*, *Income*, *Being able to see a job through to completion*, *Sense of responsibility*, *Legal and financial responsibility*, *Availability*. In order to model the utility functions representing the reasoning of respondents facing a career choice, an Adaptive Choice Based Conjoint Analysis (ACBC) method has been used. Thanks to the selected method a fully personalised "tailor-made" questionnaire has been created. While filling in the questionnaire, respondents are facing choices similar to potential job offers they might encounter in reality. The job offers are described on the grounds of abovementioned job attributes.

It is important to understand decisions of young participants of the labour market in order to construct more advanced and more accurate decision models as well as predict and understand consequences of the choices being made on labour market. Apart from scientists, conclusions stemming from such research may be of potential importance to the authorities as well as entities looking for employees.