

Interdisciplinary Academic Conference on Behavioural Incentives in Work

On Tuesday 7 June, academics from the UK, Norway and the US gathered in the Sir Duncan Rice Library to discuss how incentives in work have both positive and negative impacts on work. Hosted by the Business School's [Centre for European Labour Market Research](#) and the [Scottish Experimental Economics Laboratory](#), the conference had a decided interdisciplinary feel with papers from a variety of disciplines – economics, psychology, history and health, each bringing their own distinct approaches to the study of incentives and health in the workplace.

The conference, entitled, 'Interdisciplinary Approaches to Performance-related Pay and Incentives in Work,' was funded by the ESRC as part of the project, 'Performance-related Pay and Health: An Interdisciplinary Study'. The audience consisted of over 25 academics and students. The papers presented covered a wide range of topics with titles such as:

- Experimental evidence of the effect of performance-related pay on stress
- Thyroid dysfunction: Can it help explain the gender wage gap
- German copper miner's contracts and earnings in the 16th Century
- The impact of stress and fatigue on situation awareness in farming and forestry
- Does performance pay influence hours of work?

"The diversity of approaches to real world issues was a real strength of the program of papers," said Professor Keith Bender, PI on the project and conference organiser. "The interdisciplinary nature of the conference added deep understanding to the challenges of performance-related pay and all manner of incentives in work on health, fatigue and stress."

The conference benefited from two keynote speakers. [Professor Derek Johnston](#), Emeritus Professor of Psychology at the University of Aberdeen, reflected on a career's worth of research in health psychology examining the interaction of reward, demand and stress at work. [Professor John Heywood](#), Distinguished Professor of Economics at the University of Wisconsin-Milwaukee, presented new research on worker stress and performance pay among German workers.

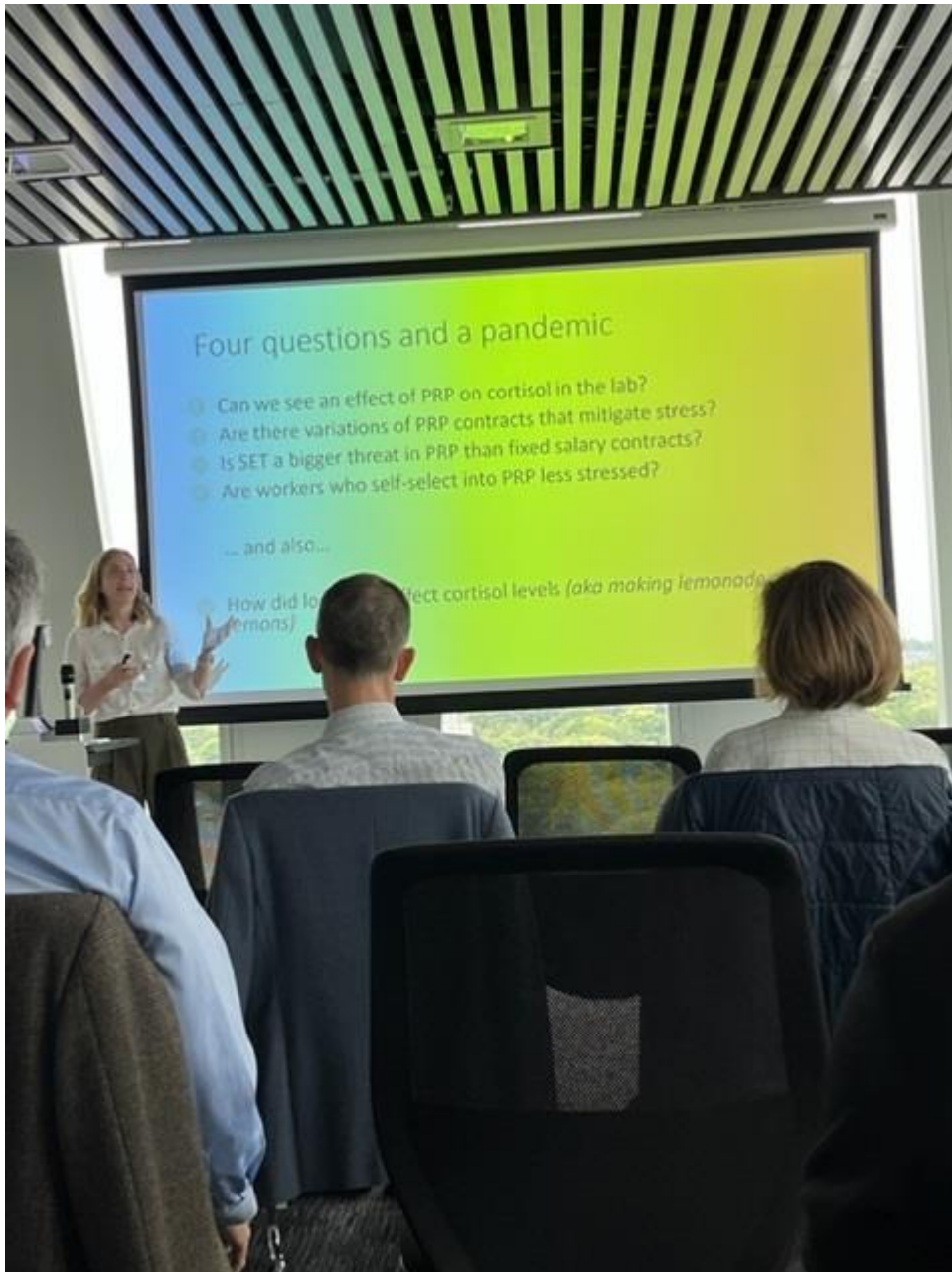
Dr Nicole Andelic, the Research Fellow on the ESRC project reflected, "The range of topics that were presented at the conference emphasises the complexity of incentivisation at work. On one hand, rewards at work can be a buffer between demands and stress. On the other hand, incentivised pay can be the direct cause of stress and this has real-life implications for policy not the least being public health policy."

The conference highlighted the ESRC-funded research project which has focused on the use of experimental methods to examine the effect of performance-related pay on stress, measured both by subjective evaluation and by salivary cortisol, the so-called 'stress hormone'. Published findings from the experiments show that the recovery from the stress of a task where payment is paid by performance is slower than when payment has little to do with the task. Further preliminary results using survey data from workers in the UK show those paid by performance were more likely to have higher mental health problems and inflammation markers in their blood and often have less active leisure activities and sleep.

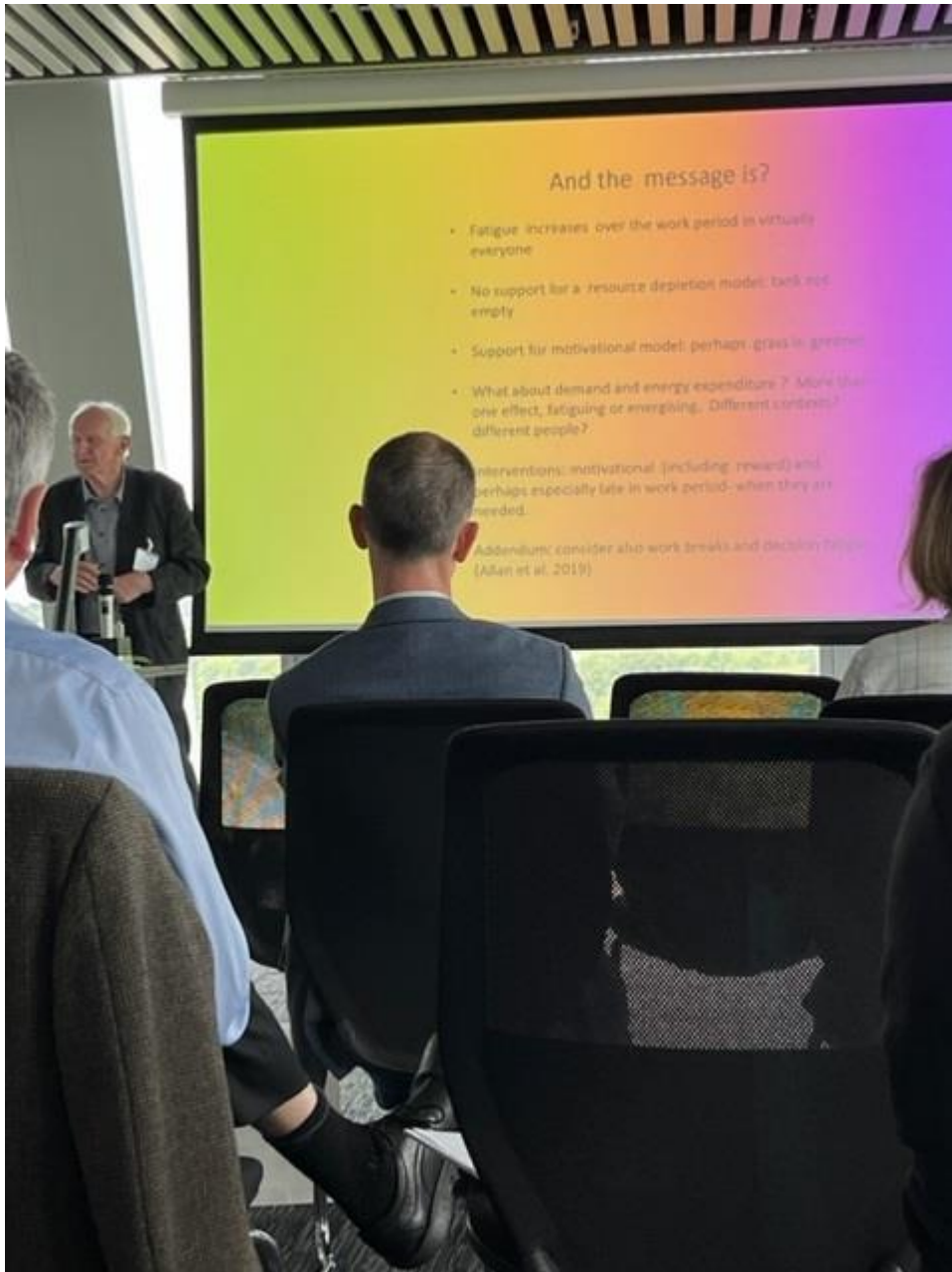
More information on the research associated with the grant can be found here:
<https://www.abdn.ac.uk/business/research/PRPH.php>



Professor Keith Bender



Dr Nicole Andelic



Professor Derek Johnston, Emeritus Professor of Psychology



Lunch



The project research team (not at conference, but an earlier picture): L to R: Dr Dan Powell, Dr Julia Allan, Prof Ioannis Theodossiou, Prof Keith Bender and Dr Nicole Andelic

Interdisciplinary Approaches to Performance-related Pay and Incentives in Work

Tuesday 7 June 2022, Sir Duncan Rice Library, University of Aberdeen
Conference Schedule

9:00-9:30	Registration in Sir Duncan Rice Library Lobby	
9:30-9:40	Opening comments by Head of Business School	Prof Haina Zhang (Aberdeen)
9:40-9:50	Opening comments by Conference Organiser	Prof Keith Bender (Aberdeen)
9:50-10:40	Project Overview and Experimental Evidence of the Effect of PRP on Stress	Prof Keith Bender and Dr Nicole Andelic (Aberdeen)
10:40-11:10	Thyroid Dysfunction - Can It Help Explain the Gender Wage Gap?	Prof Alexandros Zangelidis (Aberdeen)
11:10-11:30	Coffee/Tea and Comfort Break	
11:30-12:00	German Copper Miners' Contracts and Earnings in the 16th Century: Elizabethan Keswick Revisited	Prof Tim Barmby and Dr Barbara Eberth (Newcastle)
12:00-13:00	Keynote 1: Reward, Stress and Fatigue at Work	Professor Derek Johnston (Aberdeen)
13:00-14:00	Lunch	
14:00-14:30	The impact of stress and fatigue on situation awareness in farming and forestry	Ilinca-Ruxandra Tone (Aberdeen)
14:30-15:00	Executive Compensation in the UK: A Structural Estimation Approach	Dr Ian Gregory Smith (Sheffield)
15:00-15:30	Does Performance Pay Influence Hours of Work?	Prof Colin Green (Norwegian Uni of Science and Technology)
15:30-15:50	Coffee/Tea and Comfort Break	
15:50-16:20	PRP and Health - Survey Evidence	Prof Keith Bender (Aberdeen)
16:20-17:20	Keynote 2: Worker Stress and Performance Pay: German Survey Evidence	Prof John Heywood (UW-Milwaukee)
17:20-17:30	Closing comments	Prof Keith Bender (Aberdeen)