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PREFERENCE FOR PUBLIC SECTOR JOBS AND WAIT UNEMPLOYMENT: A CASE STUDY OF DISTRICT ABBOTTABAD

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Abstract

Mostly educated people prefer public sector jobs, therefore their unemployment duration is more. Many developing countries have experienced a meaningful rise in unemployment among educated workers. This unemployment of educated workers arises as a result of employment preference, since the educated individuals prefer to remain unemployed rather than seek jobs in the private sector. Primary data has been used, which is collected from 210 respondents in district Abbottabad. Descriptive analyses and multiple regression analyses has been used to estimate the relationship between Preference of individuals for public sector jobs (Ui), duration of unemployment (Yi) and wage per month (LnWsi) and the demographic factors. The impact of Age on preferences for public sector job is negative and insignificant. The impact of wage differences, Gender differences, Education and job Insecurity on preference for public sector jobs are positive and insignificant. It is suggested that if private sector owners decrease per day working hour and increase wage per hour then more individuals attracted toward private sector jobs and wait unemployment will be decreased.

Keywords: Preferences, Public Sector Jobs, Private Jobs, Wait-Unemployment

1. Introduction

Public sector organizations are directly under the control of government, while private sector organizations are run by individuals or groups of individuals. Public sector organizations are responsible and controlled by central authority/ government representatives. Private sector jobs are not stable during economic crises, since there are chances of elimination. Though some private companies offer insurance and retirement plans, they are not comparable to those offered in public sector jobs. Also, there are no pensions and other fringe benefits given by the private sector. Public sector jobs are permanent even in economic crises and also secured. Hourly wage rate in public sector jobs is higher than private sector jobs. Health benefits, pension, transport facility, accommodation facility and retirement packages are also given by the public sector. However, entry into the public sector for employment is comparatively difficult because there are different levels of positions which require specific level of qualifications and experience for which the individuals follow some rules of government to enter in public sector.

Many developing countries have experienced a rise in unemployment among educated workers, mostly those possessing university degrees (Blaug, 1979). This unemployment of educated workers arises because of employment preferences, since the educated individuals prefer to remain unemployed rather than seek jobs in the private sector. The rationale behind awaiting unemployment in the public sector is since

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individuals try to maximize his or her discounted lifetime utility subject to his or her budget constraint (Boudarbat, 2005).

Private enterprises are either capital intensive or small, so their impacts are limited to society and on economy. In public sector wages are not determined on productivity process it is determined by political and regular service bases (Gunderson, 1979). In private sector wages are determined by supply and demand of labor market, therefore in public sector employees enjoy higher wages as compared to private sector.

Public sector jobs should become fashionable because private sectors will never provide the fully desire hours of working and household to the economy and the persistent labor underutilization represent more waist of economic resources while public sector given full employment strategy to the individuals (Mitchell, 2007).

More educated people prefer public sector jobs their unemployment duration was also maximum, from the total of one fifth were university degree holders in which 42% were unemployed for more than one year (Hyder, 2007). Hourly wages in public sector are higher than in the private sector. In public sector employed earn 37% more hourly wages as compared to private sector jobs (Hyder, 2007).

The mean age of unemployed group who prefer public sector jobs was 24 years. At this age more individuals either female or male depend on their family therefore they prefer to wait for a public sector job rather than join a private sector job (Hyder, 2002). The people who preferred public sector job were unmarried, in Pakistan almost 77% individuals were singled and only 23% were married so unmarried people have less or no financial responsibilities of household and they prefer to wait for an expected good job according to their level of education (Hyder & Reilly, 2005). 88% of people live in their present district birthplace since they live from a very long time where they were settled and to wait for public sector jobs rather than work in a private sector.

In Pakistan two types of jobs are provided to the individual's formal sector job and informal sector job (Pradhan & Van Soest, 1995). In a formal sector job the entry relatively difficult and not only required high content of human capital but also required a strong connection, it is primary in nature and known as public sector job while in a informal sector job the entry is easy and also not required a high level of experience this job is of secondary in nature and known as private sector job. The wages in private sectors are less because it is determined by market condition and also required low skill (Kemal & Mahmood, 1993). The condition of work and wages are not determine by legally in private sector so they are not satisfactory (Ghayur, 1993).

Public sector jobs are more secure than private sector jobs, workers feel more secure in permanent public sector jobs as compared to private temporary jobs (Clark & Vinay, 2005). Among young people unemployment rates are higher than among adults, as youth struggle to enter the labor market and find that type of job which is according to their level of qualification and interests (Willis & Rosen, 1979). As compared to private sector jobs public sector jobs more secure with fewer hours of working, wages and other benefits, therefore young people prefer public sector jobs, around 90% of unemployed young women in which 71% women are looking a public sector job (Kabbani & Al-Habash, 2008).

The main earning differentials between private sector jobs and public sector jobs are government control and profit earning. The impact of loss in private sectors indirectly affected workers, while in public sector the impacts of loss with endurance by the government (Gunderson, 1979). Male earns more income from female. The difference between male and female earning is due to the change of work experience and objectives (Blinder, 1973). Mostly male prefer high pay job and they easily access to high pay job as compared to female. Mostly female prefer well secure job, they prefer to wait for a well secure job rather than join a high pay and less secure occupation (Zellner, 1972).

Higher educated individuals' preferences for jobs are different from less educated individuals and uneducated individuals. Educated individual expenditures are 34% more than less educated individuals, and 64% more than from uneducated individuals. Mostly higher educated individuals prefer to wait if they did not find well pay job, to fully feel their past cost of education and for their better future (Griliches, 1977).

Job preferences of individuals change with working conditions. Private sector jobs are tougher jobs than public sector jobs, geographical mobility is very low in private sector jobs. The promotion of jobs and

possibility of increasing wages are very less in private sector jobs, and the main drawback of private sector jobs is decentralization (Carlo et al., 2005). Public sector jobs are more secure jobs; there are no chances of elimination in public sector jobs. Mostly people prefer public sector job because of more advantages than private sector job. Unemployment among the young and educated individuals is increasing because of their preference for public sector jobs are maximum and for the private sector jobs are minimum (Dell'Aringa et al., 2007).

Public sector plays a very important economic role in developing countries as compared to industrial countries. Public sector jobs are mostly under the control of government where chances from job elimination are less, the impact of loss in any government project on government not on poor workers. Public sectors are very large as compared to private sectors, at a time large number of workers required different levels of jobs which control youth unemployment to some extent (Stevenson, 1992).

Public sector employment has grown very rapidly in Scandinavian countries in the last 25 years, because of cash transfer. The main cash transfer programs are pensions, tax revenue and subsidized housing and job mobility which are absent in private sector job. Mostly people prefer to work in urban areas because of more luxuries as compared to rural area; it is only public sector job in which transfer of job is possible from one place to another place (Nickell, 1990).

The most share of employment in almost all economies is public sector jobs. The main reason of differential between public sector jobs and private sector jobs are those rules which are used in public sector jobs and private sector jobs. In private sector jobs for more work time, wages were less than public sector jobs. The main purposes of private sector owners earn more profit and main aim of public sector jobs are making social welfare not to earn the profit (Hyder & Reilly, 2005).

In a labor force survey of 1997, more current graduates remain in formal education system. 32% of 25 years age individuals continue their study or are busy in training in other vocational centers while 7% of 30 years old age individuals continue their study. Unemployment rate among the 25 year educated individuals is more than 30 years old age individuals. Mostly individuals prefer stable job even in a low position (Mora et al., 2000).

In developing countries unemployment rate among the educated people is higher because of general wage differences between public sector jobs and private sector jobs. Public sector jobs are also more stable than private sector jobs and more educated people prefer to wait for public sector jobs if they are jobless (Boudarbat, 2004). The differentials among wages in urban areas and rural areas in developing countries are more. To get more wages, mostly individuals in rural areas migrate to urban areas which affected employment negatively and increased unemployment in urban areas (Harris et al., 1970).

According to Bureau of Labor Statistics survey, in 1971 public sector job is more attractive than private sector jobs because of the higher job security and wages. According to national survey, the fringe benefits given in public sector jobs were better and good as compared to private sector jobs. Private sector jobs were not stable for more than one year. Due to more job stability and good salaries packages most people demand for public sector jobs, they prefer to wait for good and stable jobs, and it became the cause of unemployment (Fogel & Lewin, 1974).

In 1990 the existence of private sector was slightly more than public sector. Almost employment was public sector except the agriculture employment. In public sector wages were set by government, according to marginal productivity and other contemplation of the labor such as their struggle etc. But it was very hard to measure the productivity and make salary according to it and bother the workers because of no change in skill and productivity (Jackman et al., 1994). But in 1996 private sector jobs increase very rapidly, the wages offer in private sector are more than public sectors and also offer new scale and productivity, then mostly people prefer private sector, after this government offer some fringe benefits with salary for the most educated people and make it permanent. Then demand for public sector was increase because of more fringe benefits and stability of job (Adamchik & Bedi, 2000).

A preference for public sector jobs is one of the main causes of increasing unemployment in almost all developing countries. Wait unemployment is increasing every year because of increasing population.

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Mostly individuals are educated and cost of education is increasing day by day, therefore educated individuals prefer to wait if they do not find a good job which is according to their dream and level of qualification and this preference of individuals become the cause of high unemployment rate.

1.1 Problem Statement and Research Gap

Labor force is increasing every year due to the addition of new graduates, in which many graduates searching and waiting for a job according to their level of qualification for a long period of time and a very small number of graduates get public sector jobs according to their level of qualification on time. Degree holders have also some dreams and aims due to which they search and wait for a good job and do not work in a private sector which is not according to their level of qualification. They mostly hope for good jobs in big companies having more salary and other fringe benefits with job security. Unemployment is increasing day by day when people wait for a good job. Previous studies have found the people's perceptions about their preferences for public sector jobs and measured the duration of wait-unemployment for public sector jobs. Blaug (1979) studied the impact of higher education on public sector jobs. Clark and Vinay (2005) studied the relation between wait unemployment duration and job security and job protection. In past studies, the impact of different variables was analyzed on preference for public sector jobs and increasing wait unemployment by using purely qualitative data analysis techniques. The previous researches studied the causes of increasing wait unemployment at the provinces level (Hyder, 2002, 2005, 2007). More in-depth study is needed to study the impact of socio economic, demographic, financial and job-related factors on the public sector job preferences and wait unemployment using more quantitative techniques. The present study is an attempt to analyze these causes in more empirical way which helps the private sectors owners to make their job policy as good as to attract the people. This study is also helpful for the policy maker of public sector jobs and will pave the way for further research.

1.2 Objective of the Study

1. To study respondents' preference about public and private sector jobs and to find their wait unemployment time for the public sector jobs;
2. To analyze the determinants of public sector job preferences of the labor in district Abbottabad;
3. To estimate the effects of different factors on wait unemployment in the labor market in the study area;

1.3 Hypotheses of the Study

1. Personal characteristics (i.e. Age, marital status, job insecurity, gender differences and education etc) do not affect job preferences and wait unemployment
2. Financial and fringe benefits do not affect job preferences and wait unemployment

2. Research Methodology

2.1 Theoretical Framework

One of the most significant theories in this area is Maslow's hierarchy of needs. Abraham Maslow presented Maslow's theory of hierarchy of needs in his 1943 Maslow's theory suggests that individuals have a hierarchy of needs, ranging from physiological needs (such as food, water, and shelter) to self-actualization needs (such as personal growth and fulfillment) (Maslow, 1943). According to this theory, individuals may be more likely to seek out public sector jobs if they believe these jobs can better satisfy their higher-level needs, such as the need for self-actualization or a sense of purpose.

Another relevant theory is the social exchange theory, which was presented by George Homans, an American sociologist, in the 1950s, which suggests that individuals make decisions based on the costs and benefits of their interactions with others. In the context of job preferences, individuals may be more likely to choose public sector jobs if they believe the benefits of these jobs (such as job security and social value) outweigh the costs (such as lower salaries or limited opportunities for advancement) (Blau, 1964).

In addition, the institutional theory presented by John W. Meyer and Brian Rowan in 1977 proposes that individuals' preferences for public sector jobs can be influenced by cultural and societal norms. For example, in countries where the public sector is highly respected and valued, individuals may be more likely to pursue public sector careers. Similarly, the resource dependence theory suggests that individuals may be

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more likely to choose public sector jobs if they believe these jobs offer greater access to resources (such as funding or political connections) that can help them achieve their goals.

Overall, these theories and concepts provide a framework for understanding why individuals may prefer public sector jobs over private sector jobs. By considering factors such as Maslow's hierarchy of needs, the social exchange theory, the institutional theory, and the resource dependence theory, employers and policymakers can gain insights into how to attract and retain top talent in both the public and private sectors.

2.2 Data and Data Collection

This research depends on primary data, which will be collected from district Abbottabad of the Khyber Pakhtunkhwa province of Pakistan. Abbottabad is selected on the grounds that no such study has been conducted here in the past and also it contains mass of businesses and head offices of many public and private organizations, that is why the job opportunities in this district are relatively more.

2.3 Sample Size and Sampling Technique

Primary data will be collected from 254 respondents through survey. Respondents will be selected on the premise of convenient sampling technique. The unknown populations sample size formula will be used to find out the total populations size. Formula is given below;

$$\text{Necessary Sample Size} = \frac{(Z\text{-score})^2 \times \text{Std Dev} \times (1 - \text{Std Dev})}{(\text{margin of error})^2}$$

$$n = \frac{(p)(1-p)^2\left(z_{\alpha/2}\right)^2}{e^2}$$

$$n = \frac{.21(1-2.1)(1.96)^2}{(.05)^2}$$

$$n = \frac{.636}{.005} = 254$$

z= Normal Standard deviation set at 95% confidence level
p= Percent selection of a choice or Proportion (Min value = 6% = .06; Max value = 99% = .99)
e= Margin of error = 5% or .05

All respondents are selected based on convenient sampling technique.

2.4 Econometric Models

2.4.1 Model I (To Analyze Preference for Public Sector Jobs). The following binomial logistic model is used to analyze preference for public sector jobs. The impact of personal characteristics (age, education and gender differences), Job insecurity and Fringe benefits check on preference of individuals for jobs (Hyder, 2007):

$$U_i = \beta_0 + \beta_1 EX_i + a_1 W + a_2 I + a_3 B + \mu_i \ (1)$$

Where

U_i= preference of individuals for public sector jobs (i.e. one for public sector job preferences and zero otherwise)
X_i= personal characteristics (age, education and gender differences)
W= wage differences among public and private sector jobs (in hours i.e. weekly earnings divided by the number of hours)

Note. Page 7 of the supplied file contains corrupted OCR numerals that cannot be reproduced without reconstruction.

Table 1
Variable Definitions and Measurement

Variable	Definition	Source
Job Insecurity	Whether job is permanent or not.	Clark (1996); Bellante and Link (1981)

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Variable	Definition	Source
Fringe Benefits	Fringe benefits are an extra payment to the workers in form of cash, services or goods in conjunction with their wages.	Artz (2010); Heitmueller (2006)
Marital Status	Duration of unemployment among unmarried people is more than married people.	Waite (1995); Hoffman and Duncan (1995)
Education	Mostly educated people prefer well secured and well-paid job.	Mora et al. (2000); Willis and Rosen (1979); Hyder and Reilly (2005)
Gender Differences	Mostly females prefer public sector job if they do not find a public sector well secured job they prefer to wait for public sector job but do not join private sector job.	Greenhalgh (1980); Hyder and Reilly (2005)

Note. Table reconstructed from the variable definitions in the source text; page 8 of the supplied file contains partially corrupted tabular content.

2.5 Estimation Technique

Descriptive analyses and multiple regression models are used to estimate the relationship between explanatory variables and explained variable. The various assumptions pertaining to regression analysis are also checked which increases the reliability of the results. For example, the existence of Normality, multicollinearity, and heterogeneity is checked by using different statistical tools.

3. Analysis of Data

3.1 Descriptive Statistics

In the first step the research provides descriptive statistics of the most important aspects affecting the wait unemployment and preferences for public sector job.

3.1.1 Gender and Age of Respondents

Table 2

Responses of the Respondents About Their Gender and Age

Gender	Frequency	Percent	Age	Frequency	Percent
Male	107	51.0%	24–28	63	30.0
Female	103	49.0%	29–32	68	32.4
Total	210	100.0	33–37	62	29.5
			38–42	15	7.1
			43–47	1	1.5
			48–51	1	1.5
			Total	210	100.0

Source: Survey results 2026.

The above table shows that number of males are 51% and number of females are 49%. Both male and female are important factors of research because both of sex has different views about preference of jobs. Mostly educated female in district Abbottabad prefer government job, according to their perspective public sector jobs are more secure, permanent and comfortable. They prefer to wait for public job rather than join a temporary private job. Mostly educated male prefer that job which is well paid with less working hours, permanent, secure and with more fringe benefits and also according to their level of qualification. While those educated individuals who are above 32 or 33 years, mostly male become independent they want to join a well paid job which is according to their level of qualification, if they did not get a public sector job they temporary join a private sector job for completion of their studies or want to fulfill their basics needs of life, but mostly educated female in this range are remain unemployed and wait for public sector job.

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3.1.2 Education and Marital Status of the Respondents

Table 3

Marital Status and Education of Respondents

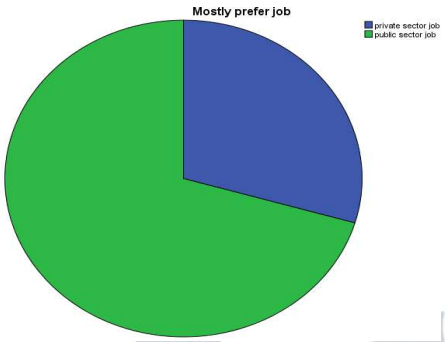
Education	Frequency	Percent	Marital Status	Frequency	Percent
Master or BS	164	78.1	Unmarried	140	66.7
MS or M.Phil or PhD	46	21.9	Married	70	33.3
Total	210	100.0	Total	210	100.0

Source: Survey results 2026.

Most graduates who have completed their graduation start searching for a public sector job in which very few get a good job according to their level of qualification on time. While more remained unemployed and waiting for a good or public sector job. MPhil and PhD scholars also wait for a public and well secure job which is according to their level of qualification, although some private sectors offer a good job with more salaries, they prefer public sector jobs for their long-term prosperity and want to fulfill their budget constraint. In given data mostly individuals are unmarried and most of them have no are fewer house responsibilities, they are dependent and prefer to remain unemployed rather than join a private sector job they wait for a well-paid and secure public sector job and according to their level of qualification and fulfill their life dreams. People who are married have some house responsibilities they want to get a well-paid secure job if they did not get a public sector job, they join a private sector job temporary but they still searching a public well paid secure job because private sector job is not secure chances of elimination are more and also have no other pension and other facilities are given.

Figure 1

Mostly Prefer Job



Note. Pie chart showing job preferences. Most of the respondents prefer to wait for public sector rather than join private sector. Because more working hours and no or less fringe benefits are given in private jobs. Therefore, unemployment rate is increasing every year, when most people prefer to wait for a public job and do not join private sector jobs.

3.1.3 Current Occupation of the Respondents

Table 4

Current Occupation of the Respondents

Current Occupation	Frequency	Percent
Permanent (public sector job)	70	33.3
Permanent (private sector job)	42	20.0
Temporary (private sector job)	28	13.3
Contract job (public)	1	.5
Other	69	32.9
Total	210	100.0

For long term protection mostly, people prefer public sector well-paid jobs. If they are strong financially and have no pressure from family side they prefer to wait for a public sector job and do not join privately.

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3.1.4 Respondents Reasons of Jobless

Table 5

Respondents Reasons of Jobless

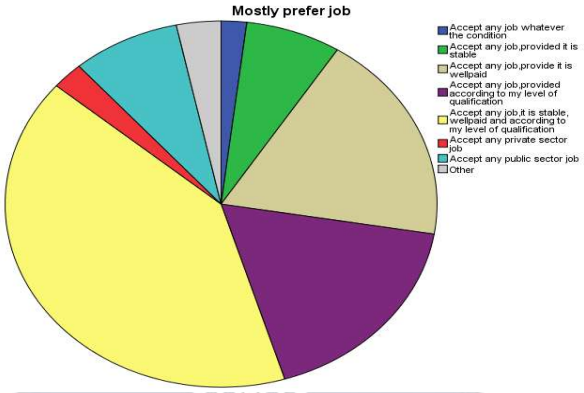
Reasons of Jobless	Frequency	Percent
Look for a public sector job	61	29.0
Look for a private sector job	16	7.6
To gain work/job experience	32	15.2
Stay at home	2	1.0
To make connection that could lead to future employment	6	2.9
Immediately go for further education/training	9	4.3
Do not know	11	5.2
Other	73	34.8
Total	210	100.0

Most of the respondents wait for public sector jobs because they are more secure than private sector jobs and the presence of fringe benefits and pension facilities.

3.1.5 Job Preferences of the Respondents After Completion of Education/Training

Figure 2

Mostly Prefer Job

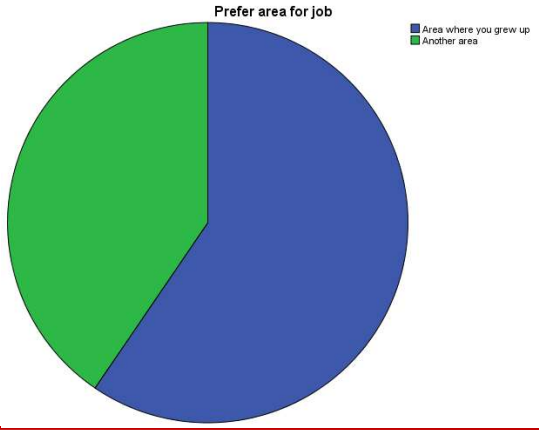


Note. Pie chart showing job preferences after completion of education/training. Mostly people prefer that job which is according to their level of qualification and not only well-paid but also stable. Private sector working hours are more and chances of elimination are more than public sector. Therefore, mostly individuals prefer to wait for a public sector job and remain unemployed for a long time.

3.1.6 Prefer Job Area of the Respondents

Figure 3

Prefer Job Area of the Respondents



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Note. Pie chart showing preferred job area. Most of the respondents prefer that area for job which is their current residence. In public sector, job transfer of job is possible while in a private sector transfer of job is not possible. Therefore, more respondents prefer public sector jobs rather than private sector jobs. They prefer to remain unemployed rather than going to other hard area for a private sector job due to which unemployment is increasing.

3.1.7 Fringe Benefits

Figure 4

Fringe Benefits in Public Sector Job

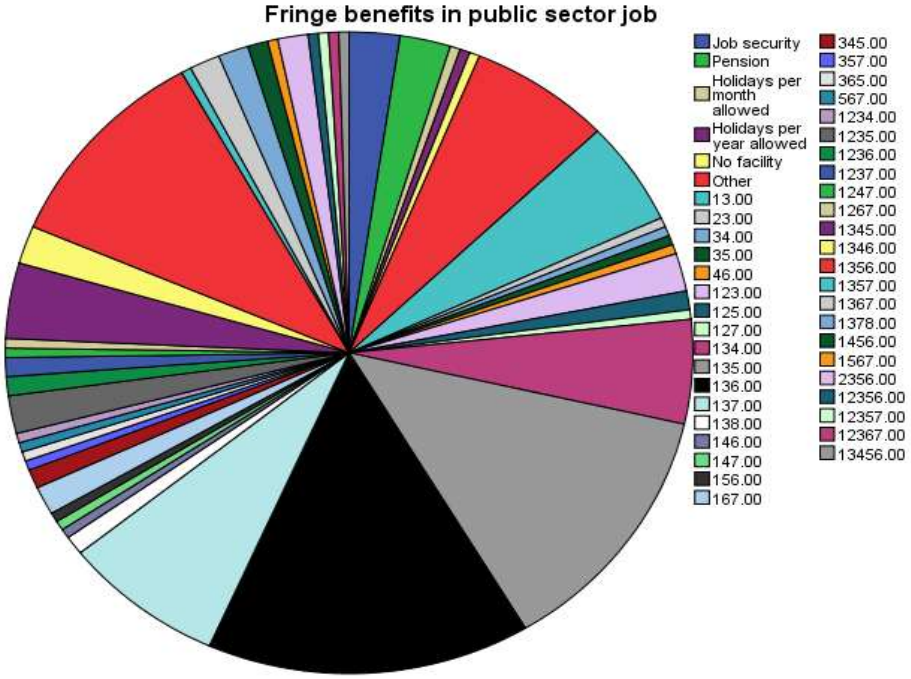
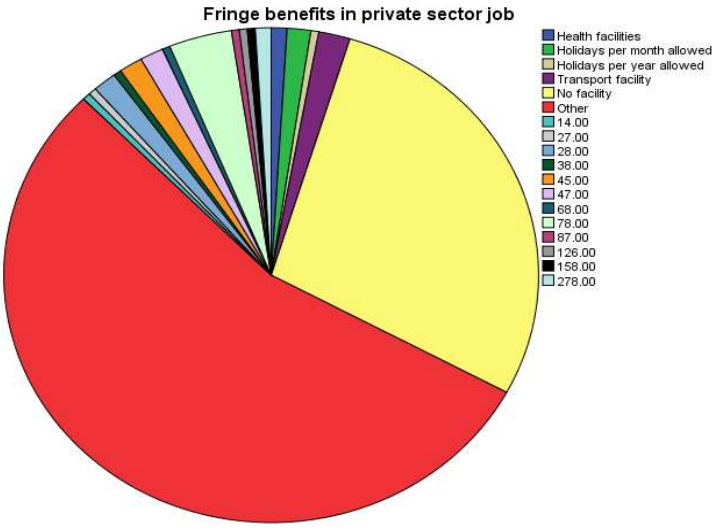


Figure 5

Fringe Benefits in Private Sector Job



Note. The data given shows that more fringe benefits are given in public sector jobs as compared to private sector jobs. In public sector jobs, health facilities, accommodation facilities, transports facilities and pension facilities are given more. In all private sector jobs health facilities, accommodation and transport

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facilities are not given in some private sector given these facilities but it is not comparable to those which are given in public sector jobs. While pension facilities are not provided in private sector jobs. Per month and per years holidays (i.e summer vacations and winter vacations) are given more in public sector jobs as compared to private sector jobs. Only transport facilities are almost given in any private sector, according to the responses of respondents. The presence of more fringe benefits in public sector jobs is mostly individuals prefer public sector jobs they prefer to wait for a public sector job rather than join private sector job.

3.1.8 Wage and Time Differences Between Public and Private Sector

Figure 6

Per Week Working Days

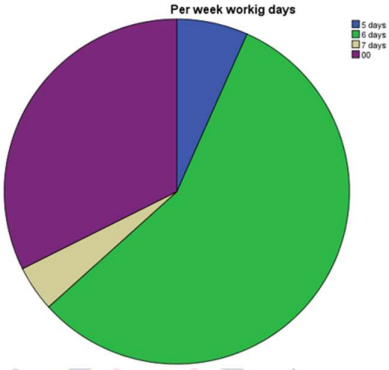

Figure 7

Per Day Working Hour

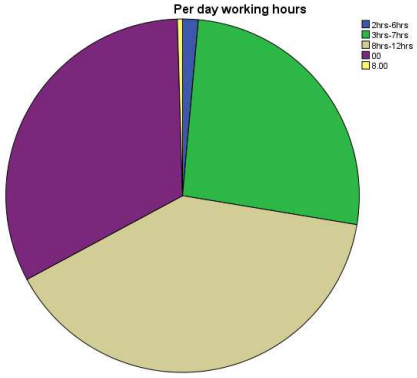

Figure 8

Wage per Week

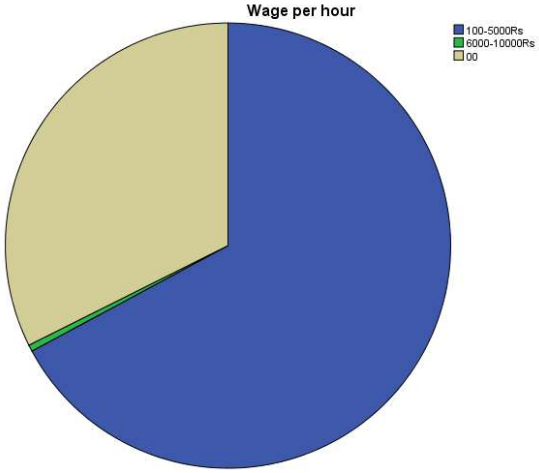

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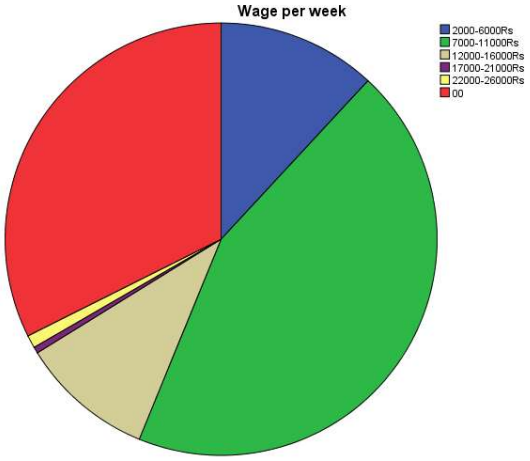
Figure 9
Wage per Month



Note. Most of private and public sector job working days are same but per day working hours are different. In private sector working hours are more than public sector job if in some private sector wages per month are given more, but these jobs are not secured. Chances of promotion are very less in private sector and chances of elimination are more in private sector jobs. Therefore, most of the respondents prefer stable and secure jobs and they prefer to wait for public sector jobs rather than working in private sector.

3.1.9 Reasons of Respondents to Refused Private Sector Job

Table 6
Reasons of Refusing Offered Job

Reasons of Refusing Offered Job	Frequency	Percent
Wages offered were low	68	32.4
Work was not interested	15	7.1
Location was not convenient	23	11.0
Work were not match according to my level of qualification	16	7.6
Work would required too many hours	8	3.8
Wait for a better job offer	17	8.1
Other	63	30.0
Total	210	100.0

Usually, private sector offers jobs to well-educated individuals, but everyone does not accept this offer, they refuse these jobs for many reasons. The reason behind these refused jobs offered is that most of the respondents prefer public sector jobs, which has become the cause of increasing unemployment.

3.1.10 Annual Increments

Figure 10
Annual Increments in Public Sector Job

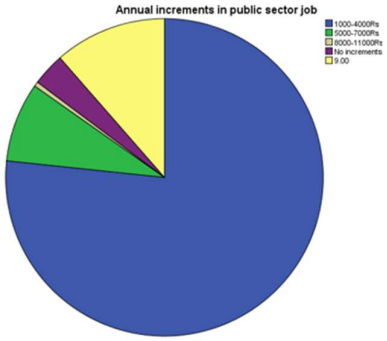


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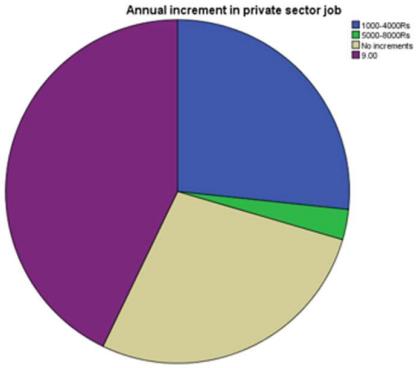
Figure 11
Annual Increments in Private Sector Job



Note. More annual increments are given in public sector jobs as compared to private sector jobs. Therefore, more respondents prefer public sector jobs. Although some private sector salaries are more than public sector jobs and give some annual increments. But these increments are given after a long time and struggle. In public sector jobs increments are given usually after one year. Therefore, respondents prefer to wait in the public sector and do not want to join a private sector job.

3.2 Regression Analysis

3.2.1 Measurement of Preference of Public Sector Jobs. Binomial logistic model is used to measure the public sector jobs preference of the individuals. The results of multiple regression analysis are given below;

Table 7
Determinants of Preference of Public Sector Jobs

Variable	Coefficient	Standard Error	*t*	Sig.
(Constant)	1.304	.274	4.756	.000
Age	−.002	.028	−.083	.934
Gender	.054	.045	1.207	.232
Education	.191	.061	3.131	.002
Wage Difference	.004	.023	.169	.866
Insecurity	.130	.023	5.588	.000
Fringe Benefits	−.442	−.030	−14.641	.000
R^2	.810	.810		
F-Statistics	44.07			
Adjusted R^2	.792	.792		
Sig.	.000			
Durbin Watson	2.073	2.073		

The coefficient value of Age is −.002 it shows negative relationship with job preference (U_i) which means that individuals with less age are mostly dependent on other family members they prefer to wait for a public sector job, but with increasing age they become independent and this preference are decrease with time (Gyourko et al., 2007). Coefficient value of Gender Differences is .045 which shows positive relationship. In the given data the ratio of male are more than female and mostly male prefer public sector job because of more job security with less responsibilities than private sector job (Nunberg, 1985; Tansil, 1999; Said, 2004). The coefficient value of Education (Edu) is .191 which shows positive relation with dependent variable, preference of public (U_i) sectors are more with high level of education and less with low level of education (Khan & Hijazi, 2003; Hyder & Reilly, 2005). Coefficient value of Wage Differences are .004, and shows positive relation with preference of public (U_i) sector jobs (Hyder, 2002; Carlo et al., 2005). The coefficient value of job insecurity is .130 which shows positive relationship. When job Insecurity (I) increases preference of public sector jobs increases and decrease with job insecurity in other sectors (Bellante & Link, 1981; Hyder,

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2007). Coefficient value of Fringe Benefits (B) is −.442 which shows that if fringe benefits given less in other sectors, preferences of public (U_i) sector jobs increase because of more fringe benefits (Baily, 1978).

3.2.2 Measurement of Unemployment Duration. Multiple regression technique is used to measure the unemployment duration of the individuals.

Table 8

Measurement of Unemployment Duration

Variable	Coefficient	Standard Error	*t*	Sig.
(Constant)	3.577	.784	4.563	.000
Wage Difference	.009	.181	.049	.961
Insecurity	.302	.192	1.572	.121
Fringe Benefits	−.015	.247	−.061	.951
R^2	.036	.036		
F-Statistics	.827			
Adjusted R^2	−.008	−.008		
Sig.	.484			
Durbin-Watson	1.494	1.494		

The coefficient value of Wage Differences is .009 shows positive relationship between Wage Differences and Unemployment Duration (Y_i). It means that Unemployment Duration (Y_i) more when wage differences more and unemployment duration less when wage differences less (Pederson et al., 1990; Nasir, 2000). Coefficient value of job insecurity is .302 shows positive relation with unemployment duration. Unemployment Duration (Y_i) increase with increase job insecurity in private sector and decrease with less job insecurity in private sector (Boudarbat, 2005; Schucher, 2014). The coefficient value of Fringe Benefits is −.015. It means that Unemployment Duration (Y_i) is more when Fringe Benefits are given less and less when Fringe Benefits given more (Baily, 1978; Mueller, 1998).

3.2.3 Measurement of Wage per Month

Table 9

Multiple Regression Technique Used to Measure Wage per Month of Individuals

Variable	Coefficient	Standard Error	*t*	Sig.
(Constant)	2.003	1.003	1.997	.048
Age	.731	.151	4.849	.000
Marital status	−.551	.235	−2.349	.020
Education	.221	.013	17.00	.000

Note. The source table is truncated after Education; the subsequent coefficients discussed in the text (Gender Difference, Current Occupation, Job Insecurity, Fringe Benefits) are reported below without accompanying standard errors or significance values in the supplied file.

Coefficient value of Gender Difference .070 shows positive relation with Wage per Month. Males earn more than female and when Gender Difference increase Wage per Month also increase (Stewart, 1983; Hyder, 2007). Coefficient value of Current Occupation −.285 shows negative relation with Wage per Month. Mostly individuals did not get public sector jobs they temporary enter into private sector, as cost of production cannot be decreasing then private sector owners decrease per month wage or private sector owners increase working hours of workers which indirectly decrease wages per month of workers (Danninger, 2016). The coefficient value of job Insecurity is 0.042. It means that relationship between job Insecurity and Wage per Month is positive. Sometimes private sector offered more wages than public sector but private sector jobs are not secured as compared to public sector job and more chances of elimination. Therefore with more job insecurity wages per month more and with less job insecurity wages per month less (Bellante & Link, 1981). Coefficient value of Fringe Benefits is .160 shows positive relation with Wage per Month (Hyder, 2002; Said, 2004).

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4. Conclusions

In this research preference for public sector jobs and unemployment duration of the educated individuals in district Abbottabad are studied. Primary data is used, which is collected from 210 respondents in district Abbottabad. Preference of individuals for public sector jobs (U_i), duration of unemployment (Y_i) and wages per months (W_i) are taken as dependent variables. Six variables Age, Gender differences, Education, Wage differences, job Insecurity and Fringe Benefits are analyzed. It is concluded that all these variables have a strong impact on preference of individuals for public sector jobs. It can be concluded that as wage differences between public and private sector jobs increase, preference of individuals for public sector jobs is also increased. The impact of job Insecurity on preference for public sector job is positive and significant. The impact of fringe benefits on individual's preference for public sector job is negative and significant. In the second model the impact of three variables wage differences, job insecurity and fringe benefits on unemployment duration are analyzed. The impact of job insecurity on unemployment-duration is positive and insignificant. The impact of fringe benefits on unemployment-duration is negative and insignificant. In the third model, the impact of Age on wage per month is positive and significant. The impact of Marital Status on wage per month is negative and significant. The impact of Education on wage per month is positive and significant. The impact of gender differences on wage per month is positive and insignificant. The impact of current occupation on wages per month is negative and significant. It is suggested that if individuals join private sector job to get job experience rather than wait for a public sector job their unemployment could be minimized. It is suggested that in government jobs promotion should be given on qualification not on experience.

Author's Contributions

All authors participated in ideation, development, and writing the manuscript. All authors read and approved the final manuscript.

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Informed Consent

Informed consent was obtained from all participants prior to data collection. Participants were informed about the purpose of the study, the voluntary nature of their participation, and their right to withdraw at any time without any consequences. The confidentiality and anonymity of respondents were guaranteed throughout the research process.

Originality and Exclusive Submission

The authors confirm that this manuscript has not been published previously and is not currently under consideration for publication in another journal.

AI Use Statement: No tool was used to generate research data, conduct data analysis, or make research decisions. The authors reviewed and verified all AI-assisted content and take full responsibility for the accuracy, integrity, and originality of the manuscript.

Data Availability

The datasets generated and analysed during the current study are available from the corresponding author upon reasonable request. The authors are committed to transparency and will provide detailed methodological information and analysis protocols upon request.

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