

WORKING AROUND THE BIOLOGICAL CLOCK:

Wharton's **Corinne Low** on the very real economic tradeoffs facing women in the workplace

THE PROBLEM:

Sooner or later, most working women come up against the same conundrum: Is it time to focus on their career or to start a family? For a majority of women, the pressure to make this decision kicks in around their 30s – just as their earning potential starts taking off, but fertility may begin to drop. Firms tend to underestimate how much of a bind this is for their female employees. Having a baby is typically construed as something private that doesn't sit within the purview of work; a personal choice that belongs to the realm of feelings and emotions. [But new research by Wharton's Corinne Low](#) argues that the biological clock should sit squarely in the domain of hard economic fact. In reality, working women are being challenged to optimize two different sources of value creation, she says: one in the market, the other in the home. And the trade-offs they face can have very real and very serious economic outcomes.



THE RESEARCH:

Low, an assistant professor of business economics and public policy, asserts that the economic costs of the biological clock to working women are demonstrable and quantifiable. In one experiment, she uses an online dating experiment to map how much women's attractiveness in the marriage market starts to decline after 30. Who you marry is a key determinant of household wealth, she says, since both incomes matter for total purchasing power.

While women have long known the biological clock was a factor in their own decisions, Low's research shows that it impacts men's decisions on the dating market as well, thus creating real financial costs to women who delay marriage to invest in careers. Low's research shows that for every year over 30 that a woman ages, she has to make \$7,000 more to remain equally attractive to potential partners. This tradeoff between what Low calls "reproductive capital" and human capital is reflected in matching patterns.

In another study, she finds that throughout the 20th century, women with graduate degrees married poorer spouses than women with college degrees, despite earning more themselves, because they entered the marriage market older. This penalty has lessened as family sizes have fallen, and graduate-educated women today tend to marry richer spouses than college-educated women. But the very real tradeoff between making time-intensive career investments and the costs of aging on the marriage market remain.

THE BIOLOGICAL CLOCK:

Tradeoffs in human capital and reproductive capital facing women

- As women age from 30 to 40 they rate less highly in dating apps.
- To offset this decline, they have to become more financially attractive.
- Ratings drop as women get one year older, but go up as their income increases.
- Analyzing women's ratings, Low calculates that the index of substitution is \$7,000. In other words, women need to earn \$7,000 more every year between 30 and 40 to maintain their attractiveness score.
- Historic data also points to penalties facing older women.
- Until the 2000s, graduate-educated women have married poorer spouses than college-educated women, despite being higher earners themselves.
- This penalty continues to 2000 where it's likely that the norm for smaller family sizes starts to reduce the pressure on women to bear children earlier in their lives

Sources:

["Pricing the Biological Clock: The Marriage Market Costs of Aging to Women,"](#) Corinne Low, 2022.

["The Human Capital – Reproductive Capital Tradeoff in Marriage Market Matching,"](#) Corinne Low, 2022.

RECOMMENDATIONS:

Don't Make Women Choose Between Career And Family

Firms looking to capitalize on the talent, ideas and innovation a gender-diverse workforce delivers need to understand the complex economic decision-making women must do throughout their careers. Companies looking to recruit and retain the most talented women should:

1. Understand That Time Is Money

Give women's decisions the seriousness they deserve as genuine economic trade-offs and not simply personal choices. Making investments that delay marriage and childbearing can cost women real financial returns in terms of household income.

2. Stop Forcing Women To Choose

Ideally, firms can find strategies to let women have children "on schedule" and yet remain on the "fast track." This might be offering reduced hours programs that still let women remain on their desired career path (e.g., an 80% workload partner track), utilizing remote work and flexible hours, and finding ways to promote before, during, and after maternity leaves.

3. Rethink Flexibility

Reproductive capital depreciates non-linearly in a woman's 30s, which is when salaries tend to appreciate most substantially as people make career leaps. But it doesn't have to be that way. Firms can think about how to offer flexibility for women over the lifecycle of their careers, not just across the work week. Look at the policies or structures you can enact to help women step back versus "lean in" at different points in their lives and careers, and actively recruit talented women who are ready to return to high intensity careers later in life.

4. Understand The World Has Changed

The reality is that home production and caregiving take time, and that very few workers have a full-time stay-at-home partner. Households with two full-time workers mean that more and more employees are looking for structures that let them balance professional and family responsibilities. Figuring out ways to make caregiving time possible will make work more sustainable and appealing for everyone, with the added benefit of contributing to gender equity (since women are even less likely to have a home-making spouse).

5. Know Transformation Won't Be Easy

But if you really want to recruit and retain top talent, then you can't risk excluding half of the labor force. Systemic barriers that have kept women out of C-suite jobs mean that there is untapped talent among the highly educated female labor force, and thus reducing the reproductive capital – human capital tradeoff can give your firm a competitive edge if you're willing to make bold changes.



THE SCHOLAR: *CORINNE LOW*

Corinne Low holds a PhD in Economics from Columbia University. Since 2014 she has been assistant professor of business economics and public policy at Wharton. Prior to receiving her PhD, Corinne worked as a consultant with McKinsey and Company. Her areas of expertise include family, gender, development and experimental approaches.

Low says she is fascinated by the tension between value created in the market and value that is created in the home. She wants scholars and others to rethink the home as a source of real economic value, and to do so with the same seriousness we apply to markets.

“I hope to see firms thinking about different ways of doing things that go beyond just asking women to freeze their eggs. I’d like to see them really re-examine their culture and expectations especially around these periods of accelerated career growth – and find ways of making this possible for women while not simultaneously delaying having a family.

I’d also like to see more people studying this to help solve the problems we have in a society where gender roles have converged a lot in the workplace without fully converging at home – partly due to the biological realities that women are the ones who are pregnant, birth children, and breastfeed. How do we solve the problem that women are expected to produce equal economic value in the market, and yet they are still doing a disproportionate share of the value creation in this other domain?”

The Wharton Coalition for Equity and Opportunity (CEO) creates research-driven solutions to help current and future leaders ensure equity in business relationships and leadership. Dean Erika James, who is Wharton’s first Black and first female dean, is emblematic of a paradigm shift in executive leadership. She has launched the Wharton Coalition for Equity and Opportunity as the hallmark of her leadership commitment to diversity, equity, and inclusion. The initiative is being led by Kenneth L. Shropshire, Wharton emeritus professor of legal studies and business ethics. Shropshire is the former director of the Wharton Sports Business Initiative and former CEO of the Global Sport Institute.