

		Model Specifications			
		Main	Alternatives		
			$\theta_j = \bar{\theta}$	$\gamma_r = \Upsilon = 0$	$\theta_j = \bar{\theta}$ and $\gamma_r = \Upsilon = 0$
Share explained by:					
i) Worker Quality	$Var(\tilde{x}_i)$	71.6%	73.5%	70.4%	72.4%
ii) Firm Effects	$Var(\tilde{\psi}_{j(i)})$	4.3%	3.0%	4.3%	3.2%
iii) Sorting	$2Cov(\tilde{x}_i, \tilde{\psi}_{j(i)})$	13.0%	12.8%	13.1%	12.9%
iv) Interactions	$Var(\varrho_{ij}) + 2Cov(x_i + \psi_{j(i)}, \varrho_{ij})$	0.9%		1.2%	
v) Time-varying Effects	$Var(\psi_{j(i),t}^a) + 2Cov(x_i, \psi_{j(i),t}^a)$	0.3%	0.3%		
Sorting Correlation:	$Cor(x_i, \psi_{j(i)})$	0.37	0.43	0.38	0.43
Variance Explained:	R^2	0.90	0.90	0.89	0.89
Specification:					
Firm-Worker Interactions		✓	✗	✓	✗
Time-varying Firm Effects		✓	✓	✗	✗