Are Social Networks an Effective Job Search Channel?

First Results from a Randomized Experiment

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January 14, 2013

Abstract

This project assesses the relevance of social networks as a job search channel. Earlier survey evidence suggests that job search networks are important since many employed individuals found their current job via a lead from their friends or former colleagues.

To assess the relevance of social networks, we contacted all job seekers who entered unemployment in the period February 2012 to April 2012 in a large region of Switzerland. We first asked them to complete a detailed baseline survey covering their family and friend networks. Subsequently, about 50% of all job seekers were also exposed to information covering the importance of job search via social networks in a quasi-random fashion.

Preliminary analyses are based on all de-registrations from unemployment between February 2012 and November 2012. Results indicate that information on the relevance of social networks was indeed allocated as if it happened by chance. We do not find any evidence that information on networks helped job seekers de-register more quickly. Information on the importance of job search networks appears to have helped women locate more jobs rather than de-registering for other reasons. No corresponding effect is found for men.