

Impact of Job Search Method and Effort On Search Outcomes*

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I. Introduction

Research on the behavior of job seekers has been extensive in the economics discipline. In more recent years this research has been supplemented by insights and contributions from other fields including sociology and human resources management. Since Stigler's pioneering studies in the early 1960s (1961, 1962), the analysis of the economics of job search has been dominated by "sequential stopping models" in which job seekers are assumed to sample wage offers sequentially one after another. The job seeker is viewed as deciding whether or not to accept an offer on the basis of the relationship of the wage offer to the individual's reservation wage (McCall, 1970; Mortensen, 1970; Gronau, 1971). Subsequent empirical literature has elaborated on this basic framework by exploring factors affecting search intensity and search outcomes. Among the factors explored have been a variety of financial and nonfinancial resources

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allocated to job search, the availability of various forms of unemployment insurance (UI) benefits, other forms of non-search related income, and so forth (Blau & Robins, 1986; Blau, 1991; Barron & Gilley, 1979; Barron & Mellow, 1979; Keeley & Robins, 1985). A second, but obviously related body of economics literature has examined job seeker decision making related to choice of job search methods and the impact of various job search methods on employment outcomes (Rees, 1966; Rees & Schulz, 1970; Stevens, 1977; Azevedo, 1974; Holzer, 1987; Blau, 1992).

Sociological literature on job search and job finding emphasizes the extent to which the behavior of job seekers is "embedded" in networks of interpersonal relationships (Granovetter, 1974, 1986). In particular, Granovetter argues that job seekers rely heavily on existing sets of personal contacts in obtaining information about job openings and their characteristics since high quality information related to job offer success moves through personal contacts. These studies primarily show that informal contact networking is the most effective search method in obtaining a "good" job in terms of wages and nonwage returns (Corcoran, Datcher, & Duncan, 1980; Lin, Ensel, & Vaugh, 1981; Ericksen & Yancey, 1980; Datcher, 1983).

Human resource management, on the other hand, has given us insight into job search behavior largely by focusing attention on the other side of the labor exchange. This literature emphasizes organizational choice of recruitment sources, examining how employers choose between different recruitment methods and how different recruitment sources might affect post-hiring outcomes such as turnover, performance, absenteeism, and job satisfaction (Wanous, 1980; Ullman, 1966; Schwab, 1982; Taylor & Schmidt, 1983; Breaugh, 1981; Decker & Cornelius, 1979; Breaugh & Mann, 1984; Boudreau & Rynes, 1985). The studies find informal sources to be frequently used because of lower average costs. In addition, this literature finds informal recruitment methods to be more effective in yielding positive post-hiring outcomes than for-

mal sources, but to offer only limited consistency in results concerning specific recruitment sources. In reviewing these three disciplines, this paper attempts to examine two issues: 1) how do job search methods vary in yielding search outcomes (i.e., job offer success) ?; and 2) to what extent does job search effort affect post-hire performance (i.e., job satisfaction) ?

II. Previous Studies

1. Job Search Method Effectiveness

Rees (1966) points out that informal search methods such as friends and relatives tend to provide information which deepens understanding of specific job openings, while formal methods are most effective in broadening information on the number of job openings. Granovetter (1974, 1986) also finds informal methods provide higher quality of information about specific job openings than do formal methods. Focusing on the dynamics of information flow through social networks, Granovetter(1974) asserts that job seekers rely heavily on existing sets of personal contacts in obtaining information about job openings and their characteristics. He emphasizes that high quality of information for job offer success is more likely to move through personal contacts than through impersonal media (i.e., formal methods).

Most empirical studies support the theoretical expectation (Corcoran, Datcher, & Duncan, 1980; Lin, Ensel, & Vaugn, 1981; Rees & Schulz, 1970; Stevens, 1977; Holzer, 1987, 1988). For example, Rees and Schulz (1970) reported that informal sources represented more than 80 percent of all blue-collar hires. Stevens (1977) demonstrated that friends and relatives were responsible for jobs in a median of 34% of cases, while direct application to employers was responsible in 32% of the cases. Other studies document advertising in

newspapers to be a frequently used source but among the least effective in job finding (Bradshaw, 1973; Camil Associates, 1976; Mangum, 1982; Wegman, Chapman, & Johnson, 1985). The studies of the quality of newspaper ads indicate that newspaper ads represent poor post-hiring performances such as absenteeism and satisfaction (Breugh, 1981). As to the linkage between personal contact networks and economic returns, Granovetter (1974: 14-15) reports that "those who found their current job through contacts reported substantially higher wages than those using other methods". Subsequently, studies found that informal methods led to higher wage returns than formal methods (Corcoran, Datcher, & Duncan, 1980; Lin, Ensel, & Vaugn, 1981).

Empirical studies on search method effectiveness, however, have typically been based on descriptive analyses. In addition, the studies have emphasized that job search outcome (primarily measured by employment probability) is a function of job search methods, search intensity, and reservation wages as shown in a number of cases in the economics literature (Rees & Schultz, 1970; Stevens, 1977; Barron & Gilley, 1979; Keeley & Robins, 1985; McCall, 1970; Holzer, 1987). These studies, however, have not separated the impact of job search methods on job offer success from the impact on employment probability. In other words, since success in terms of receiving job offers is different from the decision of whether to accept job offer or not, using employment probability (instead of job offer success) as a dependent variable may underestimate the true effectiveness of job search methods. Thus employing job offer success as its dependent variable, this study examines the effects of job search methods on job offer success.

2. Impact of Search Effort on Post-hire Performance

The second issue concerns the effect of search effort on the quality of attained employment. Since Schwab, Rynes, and Aldag (1987)'s call for re-

search on this issue, few studies have been conducted (Rynes, 1991). Studies of job search behavior in the human resource management field have focused attention on the employer side of the labor exchange. This literature emphasizes organizational choice of recruitment sources, examining how employers choose between different recruitment methods and how different recruitment sources might affect post-hiring outcomes such as turnover, performance, absenteeism, and job satisfaction.

Focusing on the issue of different source effectiveness, the literature presents three major explanations: 1) realistic job information; 2) prescreening; and 3) individual differences hypothesis. According to the realistic job information approach, particular sources provide applicants with more "realistic information" about jobs than do other sources. This difference in information leads to more reasonable expectations, and consequently less turnover and greater satisfaction once on the job (Wanous, 1980). The prescreening hypothesis indicates that recruitment sources vary in effectiveness based on differences in the quality of applicants using various search methods. That is, since current employees prescreen those that they might refer to the employer for a job, the pool of resultant applicants represent a relatively higher quality mix than the pool of candidates emerging without employee referral (Ulman, 1966). The individual differences approach argues that source effectiveness does not depend only on the information provided, but also relies on the quality of applicants because there are differences among individuals recruited from different sources in terms of abilities and values affecting job performance as well as job satisfaction and related participation behaviors (Schwab, 1982).

Following these frameworks, empirical studies find informal sources to be frequently used because of lower average costs. In addition, this literature finds informal recruitment methods to be more effective in yielding positive post-hire outcomes than formal sources, but offer only limited consistency in results concerning specific recruitment sources (Breugh, 1981; Breugh & Mann, 1984;

Caldwell & Spivey, 1983; Decker & Cornelius, 1979; Gannon, 1971; Hill, 1970; Kirnan, Farley, & Geisinger, 1989; Taylor & Schmidt, 1983).

As measures of post-hire performance, turnover has been most frequently examined, even though productivity, absenteeism, and worker attitudes have also been studied (Rynes, 1991). Among the measures of post-hire performance, job satisfaction has been least studied. As a consequence, this study examines the impact of search effort on post-hire performance measured by job satisfaction. The major research issues here involve two conflicting possibilities: that a high search intensity leads to more accurate job information and greater job choices by "deepening" information, thereby increasing post-hire performance (Rees, 1961). Alternatively, a high search extensity may broaden information but at the expense of the quality of obtained employment, because particular methods provide more "unrealistic information" about jobs than do other methods, and this difference in information then leads to unreasonable expectations and consequently lower post-hire performance (Wanous, 1980).

III. Method

1. Data

For the purpose of this study, samples were drawn from the 1981 youth cohort of the National Longitudinal Survey (NLS) of labor market experience consisting of about 12,687 young men and women, whose ages range from 16 to 23. The NLS primarily contains data on the labor force experience (i.e., current labor force and employment status, work history, and characteristics of current /last job) of individuals. NLS data have been used as an important tool for economists, sociologists, and other researchers in the study of job search and other labor market issues. The youth cohort of NLS (NLSY) represents national

sample of 12,686 young men and young women who were 14 to 22 years of age when they were first surveyed in 1979. Since 1979, these young individuals have finished their schooling, made decisions on continuing education and training, entered the labor market, and conducted job search.

Data collected during the yearly surveys of the NLSY provide researchers with valuable information concerning individuals' labor market activities and transitions. The data include current labor force status (i.e., employed, unemployed, and out of labor force), and for those employed, job characteristics, job satisfaction, and hours worked per week for current /most recent job. The data in NLSY also provide detailed job information on up to five jobs held by respondent since the last interview.

Although each survey year of NLSY contains data on job search behavior of individuals, the 1981 survey year represents the most comprehensive data on job search and job finding of those employed and unemployed. Consequently, the analysis of this study includes employed and unemployed job seekers for 1981 who searched for work in the past 4 weeks, and who were not enlisted in the military or enrolled in school. If they had searched for work, they were then asked about which methods of search they had used, time spent using search methods, whether or not they received a job offer, and whether or not the job offer was accepted. The final samples are reduced to 888 and 974 for employed and unemployed job seekers, respectively.

2. Job Search Method Effectiveness

The first issue explored here involves the effectiveness of various job search methods in terms of search outcomes proxied by job offer success. From the theoretical points of view, Granovetter (1974, 1986) argues that informal methods (i.e., personal contacts) provide higher quality of information than formal methods in obtaining employment and increasing employment wages. Rees

(1966) indicates that informal methods provide accurate and reliable information at the intensive margin by deepening information, while formal methods broaden information about job openings at the extensive margin. Most empirical studies support the theoretical expectation (Corcoran, Datcher, & Duncan, 1980; Lin, Ensel, & Vaugn, 1981; Ericksen & Yancey, 1980; Rosenfeld, 1975; Rees and Schultz, 1970; Stevens, 1977; Azevedo, 1974; Holzer, 1987, 1988).

The effect of search effort and job search method choice on job offer success was estimated using the following:

$$(1) P_o = P_o(SM, X) + e$$

where P_o represents the probability of receiving job offer; SM stands for a vector of job search methods; and X stands for a vector of control variables including age, sex, race, education, local unemployment rates, urban residency, number of dependents, unemployment compensation benefits, net family income, and geographic region. Description of these variables is presented in Table 1.

As for the effect of job search method, previous studies have found informal search methods to offer greater effectiveness in job finding by deepening the job information at the "intensive" margin than formal methods which broaden information at the "extensive" margin (Rees, 1966). The equation (1) was estimated by logistic regressions since the dependent variable (OFFER) is dichotomous.

This study includes two samples of job seekers: employed and unemployed job seekers. Previous studies document that employed job seekers differ from unemployed seekers in terms of search effort and outcomes. For example, comparing employed job seekers to unemployed job seekers, Barron and McCafferty (1977) provide a theoretical framework indicating that search intensity (i.e., the percentage of a searcher's time spent searching) is an important choice variable for the searcher. They propose that an increase in current

Table 1. Description of dependent and independent variables for job search method effectiveness

Dependent Variable

OFFER : dummy variable; probability of receiving job offer (1, if received job offer(s) as a result of job search methods)

Independent Variables

STATE : dummy variable (1, if used state employment service)
 PRIVATE : dummy variable (1, if used private employment service)
 FRIEND : dummy variable (1, if used friends /relatives)
 ADS : dummy variable (1, if used advertising in newspapers and magazines)
 DIRECT : dummy variable (1, if used direct employment contact)
 OTHERS : dummy variable (1, if used school placement, labor unions, and others)
 AGE : age of respondents
 SEX : dummy variable (1 for male)
 WHITE : dummy variable (1 for white); **reference group**
 BLACK : dummy variable (1 for black)
 ROTHER : dummy variable (1 for other race)
 HIGH : dummy variable (1 for finishing high school degree)
 REGION : dummy variable (1 for south)
 RESID : dummy variable (1 for urban)
 UNEMP : unemployment rate of individuals' current residence
 DEPEND : number of dependents
 UCBEN : dummy variable (1 for receiving uc benefit)
 NINCOME : net family income

Source : National Longitudinal Survey of Youth, 1981.

wages leads to higher probability of not searching and lowers the probability of unemployed search, even though the impact on the probability of employed search is not clear.

Following the framework proposed by Barron and McCafferty, Kahn and Low (1984) finds or found unemployed search to represent a higher intensity employed search. Holzer (1987) also reports that employed job seekers show less search intensity and extensity than do unemployed seekers, since the employed job seekers have lower costs of seeking employment due to earnings or income from a current job and higher marginal value of leisure time. Differences in search outcomes between employed and unemployed searchers also indicate that employed searchers have a lower probability of receiving

offers and a lower probability of accepting offers than do unemployed searchers.

3. Impact of Search Effort on Job Satisfaction

The impact of search effort on job satisfaction as a measure of the post-hire performance was estimated using the following:

$$(2) \text{SATIS} = f(\text{METHOD}, \text{TIME}, \text{UNION}, X) + e$$

Search effort was measured using search extensity (METHOD) proxied by the number of search methods used by the job seeker, and search intensity (TIME) proxied by the amount of job search time per week spent using search methods. X stands for a vector of control variables including age, sex, race, education, local unemployment rates, urban residency, net family income, and number of dependents, and union membership (whether the respondent is covered by a collective bargaining or not).

The sample includes those who sought and succeeded in obtaining employment (i.e., successful job seekers). SATIS represents job satisfaction and is measured by a seven-item scale based on the University of Michigan's Quality of Employment Surveys (see Table 2). In order to construct the full seven-item

Table 2. Description of Seven Items of Job Satisfaction

Thinking of your present job, would you say this is very true, somewhat true, not too true, or not at all true?

Item 1: You are given a chance to do the things you do best.

Item 2: The physical surroundings are pleasant.

Item 3: The pay is good.

Item 4: Your co-workers are friendly.

Item 5: Your supervisor is competent in doing the job.

Item 6: I would like to get some idea of the kind of job you would most like to have. If you were free to go into any type of job you wanted, what would you do? Would you take another job or keep the same job as you have now?

Item 7: How do you feel about the job you have now? Do you like it very much, like it fairly well, dislike it somewhat, or dislike it very much

Source: National Longitudinal Survey of Youth, 1981.

scale, raw scores for each item (i.e., 1 for 'not true at all' through 4 for 'very true') are converted to z scores for each individual. The scores are then to be multiplied by 100 to remove decimals and combined to obtain an unweighted average of the seven z scores.

The variables related to personal characteristics include education level, net family income, and number of dependent children. These variables were included since they may affect the individual's demand for wages and thus influence both pecuniary and nonpecuniary components of job satisfaction (Borjas, 1979). Regarding union effects on job satisfaction, studies show a negative effect of unions on overall job satisfaction after controlling for the effects of wages and demographic characteristics (Borjas, 1979; Freeman, 1978). This finding supports Hirshman's (1970) "exit-voice" hypothesis, indicating that "in order for the workers' voice to be heard effectively, it is important for the union to make them aware of what is wrong with their jobs and thus union members can be expected to express less job satisfaction than nonunion workers" (Borjas, 1979: 25). Other studies using more detailed satisfaction measure, however, report a positive effect of unions on some satisfaction facets and a negative effect of unions on other facets (Kochan, 1980; Berger, Olson, and Boudreau, 1983; Schwochau, 1987). The impact of hourly wage on job satisfaction has been examined in a number of studies and generally found to be positive (Lawler, 1971; Heneman, 1985; Kochan, 1980; Borjas, 1979).

IV. Results

1. Job Search Method Effectiveness

Descriptive statistics and results of the logistic regression are displayed in Tables 3 and 4. All means are weighted to correct for the oversampling of

low-income individuals in the NLS. The descriptive statistics on job search outcomes show that unemployed job seekers represent significantly lower probability of receiving job offers on average than do employed job seekers, even though the unemployed engage in greater job search activities. This pattern is consistent with the notion that a given level of search effort is less productive in yielding job offers for the unemployed than for the employed. This argument was pointed out by Blau (1992:741). Blau argues that "the advantages of employed search can be realized only after spending some time on the job, and alternatively, spending some time on the job may be necessary for removing any stigma associated with having been unemployed". The relative effectiveness of employed search can also be interpreted in the context of Granovetter's framework. The argument is that employed search facilitates personal contacts which provide a valuable information yielding more favorable employment opportunities. The sample statistics also indicate that average employed job seekers have a higher average level of education than do the unemployed. As to race, the percentage in the employed sample comprised of whites was significantly larger than the percentage of the unemployed job seeker sample. Reflecting the geographical distribution of unemployment, the employed were less likely to live in southern areas than the unemployed. Local unemployment rates were significantly higher for those in the unemployed sample than for those in the employed sample. In summary, these sample statistics indicate that employed job search is significantly different from unemployed search.

As for the effects of job search methods on job offer success, results of the logistic regression in Table 4 show that most of the job search methods significantly influence job offer success for employed job seekers except direct employer contacts and other methods. For unemployed job seekers, the exception is state and private employment services and direct employer contacts, based on levels of confidence. For both groups, friends /relatives and advertising in newspaper are the two most significant methods in yielding job offers.

Table 3. Sample Statistics.
(Standard Deviations in Parentheses)

Variables	Employed	Unemployed
Dependent Variables		
<i>Job Search Outcomes</i>		
OFFER (=1, if received job offers)	0.384 (0.484)	0.245 (0.424)
SATIS (39.997)	3.073 (36.052)	3.226
Independent Variables		
STATE (=1, if used state emp. service)	0.275 (0.461)	0.462 (0.499)
PRIVATE (=1, if used private emp. service)	0.171 (0.381)	0.230 (0.406)
FRIEND (=1, if used friends and relatives)	0.826 (0.403)	0.825 (0.393)
ADS (=1, if used advertising in newspaper)	0.476 (0.500)	0.591 (0.497)
DIRECT (=1, if used direct employer contact)	0.679 (0.469)	0.757 (0.438)
OTHERS (=1, if used other methods)	0.319 (0.467)	0.366 (0.487)
AGE (1.904)	20.655 (1.971)	20.109
SEX (=1 for male)	0.563 (0.495)	0.513 (0.500)
WHITE (=1 for white)	0.842 (0.452)	0.713 (0.472)
BLACK (=1 for black)	0.133 (0.432)	0.249 (0.481)
ROTHER (=1 for other races)	0.017 (0.181)	0.037 (0.245)
HIGH (=1, if completed high school)	0.634 (0.489)	0.427 (0.484)
REGION (=1 for south)	0.309 (0.481)	0.320 (0.476)
RESID (=1 for urban area)	0.804 (0.401)	0.745 (0.432)
UCBEN (=1, if received UC benefit)	(0.324)	0.147 (0.323)
UNION (=1, if covered by collective bargaining)	0.219 (0.400)	0.109 (0.298)
UNEMP (local unemployment rate)	7.959 (2.713)	8.583 (2.822)
DEPEND (number of dependents)	0.239 (0.670)	0.225 (0.679)
NINCOME (net family income)	20068.71 (14059.13)	15828.62 (11940.67)
METHOD (number of methods used)	2.707 (0.998)	3.04 (0.976)
TIME (minutes per week spent using methods)	300.063 (860.36)	447.48 (1093.53)
Sample Size	888	974

Source : 1981 Youth Cohort of National Longitudinal Survey (NLS).

There are other interesting results in terms of the coefficients of explanatory variables. First of all, for employed job seekers, male and white job seekers experienced higher job offer success rates on average than did female and black job seekers. In addition, individuals living in southern and urban areas were more likely to experience job offer success than were those living in other areas, controlling for other effects. Accordingly, for the unemployed job seekers, the age effects are more significant than for the employed. Moreover, a higher local unemployment rate was found to be significantly correlated with lower job offer rates. Overall, the estimated coefficients of the determinants of job offer success are consistent with earlier studies (Rees, 1966; Holzer, 1987; Blau, 1992; Yoon, 1981; Barron & Gilley, 1981).

Table 4. Estimation of Coefficients of the Determinants of Job Offer Success
(Standard Errors in Parentheses).

Variable	Employed	Unemployed
Intercept	-3.336*** (1.228)	-4.950*** (1.187)
STATE	0.408** (0.182)	0.204 (0.179)
PRIVATE	0.688*** (0.205)	0.033 (0.197)
FRIEND	0.539** (0.229)	0.652** (0.266)
ADS	0.405** (0.163)	0.631*** (0.180)
DIRECT	0.277 (0.192)	0.252 (0.211)
OTHERS	0.243 (0.174)	0.476*** (0.174)
AGE	0.053 (0.052)	0.087* (0.052)
SEX	0.340** (0.166)	-0.033 (0.172)
BLACK	-0.498** (0.201)	-0.199 (0.183)
ROTHER	-0.625 (0.517)	0.015 (0.352)
HIGH	-0.239 (0.199)	-0.092 (0.194)
REGION	0.445** (0.193)	0.045 (0.204)
UCBEN		-0.535* (0.281)
RESID	0.499* (0.271)	0.295 (0.247)
DEPEND	-0.031 (0.127)	0.078 (0.121)
UNEMP	0.032 (0.032)	0.063** (0.031)
-2 Log L	913.639	905.857
Sample Size	832	877

Notes: Equations estimated using logit.

* Significant at the 0.10 level; ** Significant at the 0.05 level; *** Significant at the 0.01 level.

2. Impact of Search Effort on Job Satisfaction

Table 5 presents the maximum likelihood estimates of OLS model for the determinants of job satisfaction. The model is estimated separately for employed and unemployed job seekers who sought and succeeded in obtaining employment. In particular, the estimation is done on the part of the job seeking population who did in fact receive and accept a new job offer in 1981 and who did respond to questions regarding job satisfaction in 1982.

Table 5. Estimation of Coefficients of Determinants of Job Satisfaction
(Standard Errors in Parentheses).

Variable	Employed	Unemployed
Intercept	122.791*** (46.487)	38.949 (44.310)
METHOD	-6.295** (3.000)	2.166 (4.187)
TIME ^a	0.0004 (0.004)	-0.003 (0.002)
AGE	-3.686* (1.934)	-0.645 (1.977)
SEX	-5.929 (5.980)	-3.590 (6.879)
UNION	-4.886 (6.603)	8.099 (10.850)
BLACK	-11.305 (7.053)	-0.962 (7.451)
ROTHER	30.387 (19.739)	-12.326 (14.920)
HIGH	9.379 (7.341)	0.131 (7.894)
DEPEND	12.907*** (4.159)	-0.001 (4.527)
REGION	-4.786 (7.065)	-2.477 (8.371)
RESID	-19.057** (8.737)	1.050 (9.183)
UNEMP	-2.010* (1.115)	-1.755* (1.174)
NINCOME	0.0004** (0.0001)	-0.0003** (0.0002)
F value	2.092	0.532
R-square	0.160	0.062
Sample Size ^b	192	130

Notes: Equations estimated using OLS

a Total minutes per week spent using job search methods

b Sample sizes are based on job seekers who accepted job offers.

* Significant at the 0.10 level; ** Significant at the 0.05 level; *** Significant at the 0.01 level

The results show that search extensity (METHOD), measured by number of methods used, has a significant inverse relationship with job satisfaction for employed job seekers, while search intensity (TIME), measured by total minutes per week spent using job search methods, does not have significant effects on job satisfaction for either group. The inverse METHOD effect on job satisfaction is consistent with the interpretation that extensive search effort through the use of multiple search methods is correlated with poorer post-hire outcomes (i.e., job satisfaction). This finding also suggests that the extensive search by increasing the use of search methods tends to broaden information, but particular methods provide more "unrealistic information" about jobs than do other methods. This difference in information may have led to more unreasonable expectations, and consequently lower job satisfaction (Rees, 1966; Wanous, 1980).

The insignificant TIME effects may be potentially explained by TIME being a weak measure for search intensity in representing the quality or accuracy of information. Actually, few studies have been successful in measuring the amount of information provided by different search methods to job seekers. In other words, it is frequently unclear in the studies how information is measured, how accurate or realistic the information is, and to what extent job seekers utilize information provided by a source in seeking a job (Rynes, 1991).

V. Discussions

Job search and recruitment are labels given to two subprocesses which together we term the labor exchange process. Within each of these subprocesses is a variety of issues which have received differing amounts of conceptual and empirical attention.

The first issue this study examined involves the effectiveness of various job

search methods in terms of search outcomes such as job offer success. Results showed that for both employed and unemployed job seekers, friends/relatives and advertising in newspaper and magazines, respectively, increase the probability of receiving job offers significantly.

The second issue concerns the effects of search effort on the quality of attained employment. Since Schwab, Rynes, and Aldag (1987)'s call for research on this issue, few studies have been conducted on the impact of search effort on post-hiring performance. Results showed that search extensity (METHOD) had a significant inverse relationship with job satisfaction for employed job seekers, while search intensity (TIME) did not have significant effects on job satisfaction for either group. The inverse METHOD effect on job satisfaction is consistent with the interpretation that extensive search effort through the use of multiple search methods is correlated with poorer post-hire outcomes (i.e., job satisfaction). Yet generalization of this finding is limited because the METHOD effect on job satisfaction was significant only for employed job seekers and estimations of the effects were based on small sample sizes (i.e., about 150).

Findings of job search method effectiveness indicate that both formal and informal methods are effective in yielding job offer success. An interesting research question in relation to this issue is the interactive effects of job search methods on job offer success. Since most job seekers use more than one method, it would be noteworthy to know how search method effectiveness varies when use of multiple methods is empirically accounted for and measured.

Other research questions relating to search outcomes involve determinants of the probability of accepting job offers. According to sequential stopping models, the probability of accepting job offers will be negatively related to the ratio of reservation wage to offered wage, indicating job seekers accept job offer when offered wage is higher than reservation wage (see Holzer, 1987). However, Blau (1992) questions the sequential stopping models, arguing that job seekers accept

job offer with a wage below their self-reported reservation wage. Thus it might be interesting to examine this controversy in relation to search outcomes as a future research question. Moreover, in relation to the search outcomes, another interesting research question is "to what extent do we know why job seekers do not accept job offers?" Few studies have examined this issue: the impact of non-reservation wage characteristics on the probability of accepting job offers.

In conclusion, the findings of job search method effectiveness show that for both employed and unemployed job seekers, friends /relatives and advertising in newspaper and magazines, respectively, increase the probability of receiving job offers significantly. The findings of post-hire performance also indicate that quality of search is sacrificed by extensity, at least measured by satisfaction with the job received. Generalization of the findings is somewhat limited because this study focuses on young job seekers who are likely to involve different occupations and search behavior from older job seekers. An important extension of this study would be to use data including older job seekers and to control more accurately for possible unobserved differences between employed and unemployed searchers.

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