Job search methods and results: tracking the unemployed, 1991

More than one-fifth of all jobseekers surveyed in one month had found a job by the second month; 'checked with employer directly' was the most often used method of search, although 'private employment agencies' was the most successful method

Steven M. Bortnick
and
Michelle Harrison
Ports

Does the method of job search affect the likelihood of employment? In 1991, unemployed jobseekers most often contacted prospective employers directly. However, the most successful method was registering with a private employment agency.

This article examines the methods used by unemployed individuals to search for jobs in 1991. Data are from the Current Population Survey (CPS), a monthly household survey, conducted for the Bureau of Labor Statistics by the Bureau of the Census. For the first time, this study combines job search information from a given month in the CPS with information from the following month.[1] This matching of month-to-month data created a longitudinal perspective of the results of an individual's job search efforts.

Methodology and limitations

Since 1967, information about methods used to look for work has been obtained from persons identified as unemployed jobseekers in the CPS. This information is used to classify individuals as "actively searching for work." The CPS sample includes approximately 60,000 households. In each participating household, individuals are interviewed once a month for 4 consecutive months; are then dropped from the sample for the following 8 months; and are interviewed again for 4 consecutive months. This "4-8-4" rotation pattern ensures that nearly three-fourths of the sample is composed of common households across each 2-month period for this study. Ideally, about three-fourths of the individuals can be surveyed from month-to-month to track the results of their job search efforts.[2]

The job search questions currently asked in the CPS were originally recommended in 1962 by a presidentially appointed committee on employment and unemployment statistics. The group, known as the Gordon Committee, concluded that specific questions on job search activities were necessary for determining unemployment.[3] After some period of testing, explicit job search questions were added to the CPS in 1967.

The CPS currently lists six methods of active job search:

- checked with public employment agency
- checked with private employment agency
- checked with employer directly
- checked with friends or relatives
- placed or answered ads
- used other search methods

To be counted as unemployed, individuals must have used one or more of these methods.[4] These "active jobseekers" are the focus of this article.

Taking advantage of the CPS interviewing structure, we tracked the labor market activities of unemployed jobseekers over consecutive months. For each month in 1991, we identified unem-

Steven M. Bortnick and Michelle Harrison Ports are economists in the Office of Employment and Unemployment Statistics, Bureau of Labor Statistics.

ployed jobseekers and matched their records to the next month.[5] This matching technique created a longitudinal picture of jobseekers and the short-term results of their search efforts. To construct this picture for all jobseekers in 1991, we developed 12 monthly matches of CPS records, beginning with January and February 1991 as a match and ending with December 1991 and January 1992 as a match. Combining the 12 matched sets into a single panel created a longitudinal sample of more than 32,000 jobseekers in 1991.

Some jobseekers are represented in the sample more than once. For example, an individual who was an unemployed jobseeker in January and February, but found a job in March would be included in both the January-February match and the February-March match. However, each match within the sample is treated as a unique month-to-month transition and therefore represents a distinct job search effort. In the example, the January search effort of the individual led to further unemployment in February, while February's search effort resulted in a job in March. Also, it should be noted that month one, as defined in this study, is not necessarily the first month that the survey respondent was unemployed.

It is important to note that the CPS is not designed for longitudinal studies; the matching process is a by-product of the CPS interviewing structure. Because the CPS does not follow individuals who move out of a household, studies using matched CPS samples may experience more attrition than other longitudinal studies. For example, previously interviewed individuals who move or who subsequently refuse to participate in the survey cannot be matched. In addition, the sample may be biased because young persons and unemployed individuals tend to move more frequently than do older, employed persons and, hence, are more likely to be missed in the matching process. Because the extent and effect of mobility on the sample is uncertain, standard population weights could not be used. Thus, the findings in this study are not necessarily representative of all unemployed persons in the U.S. population.

Job search results

Almost as many jobseekers found a job by the second month as those who left the labor force. Of the remaining jobseekers, the majority (53.9 percent) were still searching for work and a small proportion (2.4 percent) were on layoff.[6] (See table 1.)

"Checking with employers directly" was the most common method of job search, but it was not necessarily the most successful method. Jobseekers using private employment agencies had the highest likelihood of finding employment in 1991; almost one-fourth of them found jobs. In contrast, jobseekers placing or answering ads or using public employment agencies were among those least likely to find a job in the second month. Even so, worth noting is that there was little difference between the most and least successful job search methods.[7]

The method used to search for a job also was a factor in whether a jobseeker continued to search or exited the labor force by the second month. The use of private and public employment agencies involves registering with the agency; registered jobseekers not finding employment remain listed with an agency until they become employed or explicitly terminate their affiliation with that agency. Therefore, in the absence of employment, these jobseekers are less likely to exit the labor force than those using any other job search methods. In fact, of the jobseekers using employment agencies in 1991—private or public—about 60 percent remained unemployed in the second month, while less than 15 percent left the labor force.

Men and women. Men were only slightly more likely than women to find employment by the second month. (See table 1.) Almost 24 percent of men found employment and 21 percent of women had a job by the second month. However, women who did not find employment by the second month were less likely than men to remain unemployed jobseekers—one-half of them continued their job search, compared with almost 57 percent for men. Similarly, more than one-fourth of the women had left the labor force by the second month, compared with less than 17 percent of the men. The pattern of women leaving the labor force and men remaining unemployed jobseekers was evident regardless of the job search method used, suggesting a stronger labor force attachment for men.

The higher likelihood of employment for jobseekers using private employment agencies is primarily the result of the success of women. Almost 28 percent of the women who used private employment agencies were employed by the second month. In contrast, private employment agencies were the least successful search method for men—less than 23 percent of them found jobs.

The proportions of men and women who were employed by the second month, for the most part, were distributed evenly among job search methods. Among women, those using private employment agencies had a relatively higher likelihood (27.8 percent) of finding a job. For all other methods of job search, between 20 and 23 percent of women found jobs by the second month; similarly, between 22 and 26 percent of men found jobs by the second month, regardless of the search method they used.

Table 1. **Status of unemployed jobseekers in the second sample month, by job search method used in first sample month and sex, 1991**

Method of search in first month[1]	Total jobseekers in first month	Labor force status in second month (percent distribution)				
		Total	Employed	Unemployed		Not in labor force
				Still searching	On layoff	
Unemployed jobseekers	32,058	100.0	22.5	53.9	2.4	21.2
Men	17,143	100.0	23.8	56.8	3.2	16.2
Women	14,915	100.0	21.0	50.6	1.4	27.0
Private employment agency	2,894	100.0	24.8	59.6	3.1	12.6
Men	1,622	100.0	22.4	64.1	3.8	9.7
Women	1,272	100.0	27.8	53.9	2.2	16.2
Other methods	1,806	100.0	24.6	54.7	4.3	16.4
Men	1,121	100.0	25.6	57.2	5.7	11.5
Women	685	100.0	22.9	50.5	2.0	24.5
Employer directly	23,133	100.0	23.2	54.4	2.4	20.0
Men	12,599	100.0	24.2	57.1	3.2	15.5
Women	10,534	100.0	22.0	51.1	1.4	25.4
Friends and relatives	7,038	100.0	22.6	55.7	2.6	19.2
Men	4,262	100.0	23.7	58.3	3.1	14.9
Women	2,776	100.0	20.8	51.7	1.7	25.8
Placed or answered ads	13,375	100.0	22.4	57.5	2.5	17.7
Men	6,848	100.0	23.4	60.6	3.3	12.7
Women	6,527	100.0	21.3	54.3	1.5	22.9
Public employment agency	8,178	100.0	21.6	61.3	2.4	14.7
Men	4,742	100.0	22.6	63.6	3.0	10.8
Women	3,436	100.0	20.1	58.1	1.7	20.1

[1]Search methods are listed in order of the highest percentage employed in the second month in the sample.

NOTE: Jobseekers are counted once for every job search method they cited using in the first month. For example, a jobseeker who placed an ad and contacted an employer directly is included on both of these lines. Thus, the totals for all job search methods exceed 32,058.

Blacks and whites. Black jobseekers had the lowest percentages of employment in the second month.[8] (See table 2.) Less than 19 percent of black male jobseekers and about 13 percent of black female jobseekers found jobs by the second month. In comparison, close to 25 percent of white jobseekers, both male and female, found employment by the second month.

Blacks who did not find employment by the second month were more likely to exit the labor force than were whites. Almost 23 percent of black men looking for employment had left the labor force by the second month, compared with less than 15 percent of white men. A similar disparity existed between black women and white women. The relatively lower percentages of blacks finding employment in the second month coupled with higher percentages of them exiting the labor force may suggest that they are more likely than other workers to stop looking for work because they believe there are no jobs available—that is, they become discouraged.

About one-fifth of black jobseekers using either private employment agencies or "other" job search methods became employed. These methods of job search were relatively more successful than other methods for blacks. However, like most other jobseekers, blacks most often contacted employers directly and placed or answered ads—methods that had a lower likelihood of employment for blacks. For example, while more than 70 percent of all black jobseekers contacted employers directly, less than 16 percent had a job by the next month.

White jobseekers, like black jobseekers, primarily contacted employers directly, but about one-fourth found employment by the second month. White jobseekers using private employment agencies were the most likely to find a job (25.7 percent), while those using public employment agencies were the least successful (23.1 percent). However, employment percentages for white jobseekers varied only slightly by method of job search. Regardless of the method, approximately one-fourth of all white jobseekers found a job by the second month.

Age. Labor force attachment is weakest for the youngest (16 to 19 years) and the oldest (65 years and over) age groups of jobseekers. (See table 3.) If these groups had not found a job by the second month, they were the most likely to have left the labor force. More than 30 percent of jobseekers in the youngest and oldest age groups exited the labor force by the second month, compared with about 20 percent of all other jobseekers.

The most successful jobseekers were in the 20- to 24-year old age group. More than one-fourth of them became employed by the second month. In fact, employment percentages were highest for young jobseekers and declined as the age of the jobseeker increased. This relationship was strongest for jobseekers using public employment agencies. Younger workers, who typically possess little or no job experience, were more likely than

Table 2. **Status of unemployed jobseekers with in the second sample month, by job search method used in first sample month and race, 1991**

Method of search in first month[1]	Total jobseekers in first month	Labor force status in second month (percent distribution)				
		Total	Employed	Unemployed		Not in labor force
				Still searching	On layoff	
Unemployed jobseekers	32,058	100.0	22.5	53.9	2.4	21.2
White	24,697	100.0	24.2	53.7	2.6	19.5
Men	13,532	100.0	24.9	57.0	3.5	14.6
Women	11,165	100.0	23.2	49.8	1.6	25.4
Black	5,776	100.0	15.7	54.9	1.6	27.7
Men	2,724	100.0	18.8	56.1	2.4	22.7
Women	3,052	100.0	12.9	53.9	1.0	32.2
Other races[2]	1,585	100.0	21.6	53.0	1.3	24.1
Men	887	100.0	21.6	57.0	1.6	19.7
Women	698	100.0	21.5	47.9	1.0	29.7
Private employment agency	2,894	100.0	24.8	59.6	3.1	12.6
White	2,262	100.0	25.7	59.5	3.5	11.3
Black	495	100.0	19.0	60.8	1.6	18.6
Other races	137	100.0	29.9	56.9	1.5	11.7
Other methods	1,806	100.0	24.6	54.7	4.3	16.4
White	1,484	100.0	25.1	55.3	4.9	14.6
Black	223	100.0	19.7	52.5	1.3	26.5
Other races	99	100.0	27.3	49.5	2.0	21.2
Employer directly	23,133	100.0	23.2	54.4	2.4	20.0
White	17,962	100.0	25.0	54.0	2.6	18.4
Black	4,178	100.0	15.9	56.1	1.7	26.4
Other races	993	100.0	21.1	55.4	1.6	21.9
Friends and relatives	7,038	100.0	22.6	55.7	2.6	19.2
White	5,465	100.0	24.2	55.7	2.8	17.3
Black	1,218	100.0	15.3	57.1	1.6	26.0
Other races	355	100.0	23.1	50.7	1.7	24.5
Placed or answered ads	13,375	100.0	22.4	57.5	2.5	17.7
White	10,775	100.0	23.7	57.8	2.7	15.8
Black	1,978	100.0	14.9	57.3	1.9	25.9
Other races	622	100.0	23.2	53.1	1.0	22.8
Public employment agency	8,178	100.0	21.6	61.3	2.4	14.7
White	6,067	100.0	23.1	61.5	2.7	12.6
Black	1,625	100.0	16.4	60.6	1.7	21.3
Other races	3,436	100.0	19.3	61.1	1.4	18.1

[1]Search methods are listed in order of the highest percentage employed in the second sample month.

[2]The sample size for individuals of Hispanic origin was considered too small to extract any information. As well, the "other races" category is a combination of several distinct racial groups of small sample sizes. The "other races" category is included for completeness.

NOTE: Jobseekers are counted once for every job search method they cited using in the first month. For example, a jobseeker who placed an ad and contacted an employer directly is included in both of these lines. Thus, the totals for all job search methods exceeds 32,058.

Table 3. **Status of unemployed jobseekers in second sample month, by age of all jobseekers and of those using public employment agencies in the first sample month, 1991**

Age group	Total jobseekers in first month	Labor force status in second month (percent distribution)				
		Total	Employed	Unemployed		Not in labor force
				Still searching	On layoff	
Unemployed jobseekers	32,058	100.0	22.5	53.9	2.4	21.2
16–19 years	5,689	100.0	23.9	43.0	0.6	32.5
20–24 years	5,602	100.0	26.8	49.9	1.5	21.8
25–34 years	8,595	100.0	23.2	55.8	2.9	18.1
35–44 years	6,349	100.0	20.5	60.0	3.2	16.3
45–54 years	3,526	100.0	20.3	60.5	3.1	16.1
55–64 years	1,832	100.0	15.7	58.5	3.8	22.0
65 years and over	465	100.0	11.8	50.3	2.6	35.3
Public employment agency[1]	8,178	100.0	21.6	61.3	2.4	14.7
16–19 years	791	100.0	25.2	50.6	1.4	22.9
20–24 years	1,512	100.0	24.9	56.8	1.3	17.1
25–34 years	2,467	100.0	22.2	62.1	2.6	13.1
35–44 years	1,920	100.0	19.7	65.4	3.2	11.7
45–54 years	985	100.0	18.9	64.9	3.1	13.1
55–64 years	422	100.0	15.9	65.4	2.8	15.9
65 years and over	81	100.0	12.3	61.7	2.5	23.5

[1] The remaining methods of job search are excluded because the results, by age, are quite similar to those for all jobseekers.

older workers to find a job through a public employment agency. More than 25 percent of jobseekers 16 to 19 years old who used a public employment agency became employed. However, despite having job skills and prior work experience, older jobseekers using public employment agencies experienced a low likelihood of employment in the second month. In fact, the data indicate an inverse relationship between age and employment among jobseekers using public employment agencies. However, this relationship may simply reflect the willingness of young jobseekers to accept a job more readily.

Effects of multiple methods

The number of job search methods used by jobseekers appeared to have a relatively small effect on chances of employment in the second month.[9] (See table 4.) Some studies have suggested that the number of search methods used could be a reasonable proxy for job search. Increased intensity might be expected to result in a higher likelihood of employment. Yet, the data show that the likelihood of finding a job increased only slightly with each additional method of job search, and declined when five or more methods were used.

Two distinct, but complementary patterns emerged for jobseekers who did not find employment. (See table 4.) First, the likelihood of jobseekers continuing their search in the second month steadily increased with the number of methods they used in the first month. For example, about two-thirds of the jobseekers who used four or more search methods in the first month continued to look for work in the second month, while less than one-half of those using only one method kept searching.

Another pattern is the strong inverse relationship between the likelihood of exiting the labor force and the number of search methods used by the jobseeker in the previous month. As jobseekers used more search methods in the first month, they were less likely to be out of the labor force in the following month. In fact, the likelihood of jobseekers exiting the labor force steadily declined to fewer than one-tenth for those who used four or more search methods. Together, the two trends indicate a much stronger labor force attachment for jobseekers who used more search methods.

While jobseekers who used two job search methods were slightly more likely to find employment than those who used one method, the choice of job search methods had a stronger effect on the likelihood of employment than the number of methods used.[10] (See table 5.) Almost 26 percent of jobseekers using only a private employment agency found employment. Jobseekers using private employment agencies and another job search method were also among the most likely to find a job. In contrast, the use of public employment agencies—either alone or with another search method—resulted in the lowest likelihood of employment in the second month.

Table 4. **Status of unemployed jobseekers in second sample month, by number of job search methods used in first sample month, 1991**

Method of search in first month	Total jobseekers in first month	Labor force status in second month (percent distribution)				
		Total	Employed	Unemployed		Not in labor force
				Still searching	On layoff	
Unemployed jobseekers	32,058	100.0	22.5	53.9	2.4	21.2
One	15,338	100.0	21.8	49.0	2.1	27.1
Two	10,937	100.0	23.0	56.2	2.5	18.4
Three	4,266	100.0	23.2	61.8	3.1	11.9
Four	1,180	100.0	24.7	64.7	2.5	8.1
Five or more	337	100.0	21.7	68.8	3.0	6.5

NOTE: Unlike tables 1, 2, and 3, jobseekers are counted only once here because the focus is exclusively on the number of methods. Thus, each category of job search effort is mutually exclusive.

Table 5. **Status of unemployed jobseekers in second sample month, by selected combinations of job search methods used in first sample month, 1991**

Method of search in first month[1]	Total jobseekers in first month	Labor force status in second month (percent distribution)				
		Total	Employed	Unemployed		Not in labor force
				Still searching	On layoff	
Unemployed jobseekers	32,058	100.0	22.5	53.9	2.4	21.2
One method:						
Private employment agency	320	100.0	25.9	45.9	3.1	25.0
Other search methods	839	100.0	24.2	49.0	6.0	20.9
Employer directly	9,730	100.0	22.5	48.8	1.9	26.8
Friends/relatives	816	100.0	22.4	40.9	1.7	34.9
Placed/answered ads	2,501	100.0	19.1	50.3	1.5	29.1
Public employment agency	1,132	100.0	18.7	54.5	2.1	24.6
Two methods:						
Friends/relatives and private employment agency	62	100.0	30.6	45.2	3.2	21.0
Employer directly and other	293	100.0	30.0	50.5	4.1	15.4
Employer directly and private employment agency	330	100.0	27.3	54.2	4.5	13.9
Placed/answered ads and private employment agency	262	100.0	26.0	59.9	1.9	12.2
Employer directly and placed or answered ads	4,037	100.0	23.9	55.7	2.6	17.8
Private employment agency and other	21	100.0	23.8	66.7	4.8	4.8
Friends/relatives and employer directly	1,591	100.0	23.4	52.0	1.8	22.8
Public and private employment agency	128	100.0	22.7	52.3	1.6	23.4
Placed/answered ads and other	131	100.0	22.1	61.1	0.8	16.0
Employer directly and public employment agency	2,061	100.0	21.8	61.2	2.3	14.7
Friends/relatives and placed/answered ads	796	100.0	20.6	51.4	2.4	25.6
Placed/answered ads and public employment agency	881	100.0	19.6	59.8	2.5	18.0
Friends/relatives and public employment agency	229	100.0	18.3	55.5	1.7	24.5
Public employment agency and other	68	100.0	17.6	60.3	1.5	20.6
Friends/relatives and other	47	100.0	12.8	63.8	6.4	17.0
Three or more methods in any combination	5,783	100.0	23.4	62.8	3.0	10.8

[1]Search methods listed in order from highest to lowest percentage employed in the second month in sample.

NOTE: Unlike tables 1, 2, and 3, jobseekers are counted only once here because each category of job search effort is mutually exclusive. Jobseekers are grouped according to the number of methods they used. Within each group, specific combinations of methods are ranked by employment percentages in the second month.

IN SUMMARY, the method of matching unemployed jobseekers has provided results of short-term job search efforts. The most common job search strategy involved only one method—direct contact with a potential employer. About one-third of all jobseekers concentrated their efforts on contacting employers directly. Nearly 23 percent of them became employed, while more than 25 percent left the labor force, and about 50 percent continued to search for a job in the second month. The second most common search strategy involved using two methods: direct employer contact and placing or answering ads. Almost one-fourth of the jobseekers using this approach found a job. Thus, the findings suggest that the type, as well as the number, of job search methods used influences job search outcomes. □

Footnotes

[1] This study is quite different from a BLS study on unemployed jobseekers actively searching for work in 1976. The earlier study surveyed unemployed jobseekers on their jobseeking activities, and other factors of employment, only once, while this study surveys such jobseekers in one month and tracks these jobseekers in the following month. See Carl Rosenfeld, "Job Search of the Unemployed, May 1976" *Monthly Labor Review*, Nov. 1977, pp. 39–43.

[2] The CPS covers 50 States and the District of Columbia. It is the main source of employment and unemployment statistics in the United States. Individuals who move out of a household between surveys cannot be tracked. Additional information regarding the sample of unemployed jobseekers is available from the authors.

[3] See Robert A. Gordon, and others, *Measuring Employment and Unemployment—President's committee to appraise employment and unemployment statistics* (Washington, D.C., U.S. Government Printing Office, 1962), pp. 50–51.

[4] The unemployed are assembled from three distinct categories in the CPS: (1) persons not working while looking for a job; (2) persons on layoff (expecting to return to their job and therefore not looking for work); (3) persons waiting for the start of a new job within 30 days. The CPS further distinguishes between active and passive jobseekers. Individuals who are actively seeking work are counted as unemployed. Passive jobseekers are not considered unemployed; rather, they are counted as not in the labor force. For this article, only unemployed persons, actively searching for employment, are considered.

[5] The interviewing periods allow for the matching of persons participating in the survey in consecutive months. Individuals are matched according to several identifying characteristics.

[6] We did not expect the layoff percentage to be as significant as it appears in some instances. Typically, an individual will have worked for an extended period of time before being laid off. It is, therefore, rare for a person to be an unemployed jobseeker (not on layoff) in one month and laid off in the following month. At least some of this discrepancy may be attributable to response variance and other sources of nonsampling error. The layoff column is included in the tables for completeness.

[7] Another study by John Bishop, John Barron, and Kevin Hollenbeck found larger variations between the employment likelihoods of different job search methods. In that study, they suggest that informal job search methods such as contacts with employers directly and friends or relatives are more likely to lead jobseekers to employment. We found that female jobseekers using private employment agencies, a formal search method, were the most successful. However, we also found that the use of a formal job search method, like a public employment agency, was less effective, compared with informal search methods. See John Bishop, John Barron, and Kevin Hollenbeck, *Recruiting Workers: How recruitment policies affect the flow of applicants and quality of new workers* (Columbus, The Ohio State University, The National Center for Research in Vocational Education, September 1983), pp. 118–19.

[8] The following races were combined to construct the "other" race category in table 2: Aleutian Eskimos, American Indians, Asian or Pacific Islanders, and others (as classified in the CPS).

[9] Only nine individuals reported using all six job search methods.

[10] Individuals may report using any combination of the six job search methods in the CPS. Jobseekers in the sample primarily used either one or two job search methods (the average number of job search methods used, for all the jobseekers in the sample, was 1.7). Therefore, table 4 focuses exclusively on the explicit combinations involving one or two search methods.