Gender Dynamics in Search Frictions in Online Job Matching in Bangladesh

Ashley Pople
University of Oxford
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Job matching technologies and their potential

• COVID-19 pandemic has introduced **new barriers** to the labour market, disproportionately affecting women and young people.

• New **job matching technologies** offer the opportunity to overcome these barriers.

• While the focus has been predominantly on high-skilled jobs to date, new technologies have been developed for **low-skilled jobs**.
What would be the best way to design these technologies?

- It remains an open question about how to best design online matching markets.

- Technology aims to reduce all “frictions” or application costs, but the effect is ambiguous.
  - On the one hand, lower frictions mean that it is easier for jobseekers to apply for jobs and for firms to sift through applications
  - On the other hand, there are high volumes of ill-targeted online applications, and it is difficult to filter for “good fit”

- Firms rely on referrals and proxies to filter through applications, which tend to be inequality-enhancing
Five lessons from a qualitative study in Dhaka

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3. Interview attendance rates are low and there is high offer rejection rates and turnover rates (high rate of job shopping)
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2. Education qualifications are known to be poor proxies of job fit.
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4. There is enormous variation in preferences and aspirations across jobseekers.
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4. There is enormous variation in preferences and aspirations across jobseekers
5. Entry-level jobseekers hold high aspirations and misaligned expectations for their first job
Research questions

1. How are job matching technologies being used to support jobseekers find jobs in the service sector?
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2. Can positive frictions result in better matches between firms and jobseekers and reduce inequality for women and other marginalised jobseekers?
How are job matching technologies being used to support jobseekers find jobs in the service sector?

Jobseeker searches for a job

Jobseeker uses the job matching platform

Applicants are shortlisted and invited to interviews

Applicant offered a job

Applicant takes up a job

Job satisfaction

Wages

Retention
How are job matching technologies being used to support jobseekers find jobs in the service sector?

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How does these outcomes differ by gender?
The positive friction appears before applicants apply

Applicant downloads the job matching platform

Applicant provides consent to be part of the study and contact information

Applicant searches for a job

Applicant reads the job description

Applicant experiences a positive friction and decides whether or not to incur the friction

Applicant applies for a job or searches for a new job
Research design: A randomized control trial

2000 jobseekers per treatment arm

**Small positive friction**
One multiple-choice question about the job description during the application process

**Large positive friction**
Three multiple-choice question about the job description

**Competency test**
One multiple-choice question about the soft skills required for the job

**Control group**
No positive friction
Outcomes of interest

Disaggregate by gender

**Short term**
Drop-off rates, application rates, and shortlist to hire

**Medium term**
Interview attendance, job offer, job take-up

**Long term**
Retention, wages, job satisfaction
Outcomes of interest

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Collected via the platform
Outcomes of interest

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Collected via surveys with jobseekers and firms
What are the implications for policy?

This project seeks to:

1. Provide granular insights into **how jobseekers are using a job matching technology**

2. Explore **how this experience differs by gender and other dimensions proxying for exclusion** (urban vs rural)

3. Explore **how best to design a job matching platform** and leverage behavioural tools to broaden the information used to match jobseekers and employers.