



## EMPLOYMENT AND UNEMPLOYMENT



# How do jobseekers search for jobs? New data on applications, interviews, and job offers

## By Michael R. Dalton and Jeffrey A. Groen

How successful are jobseekers in finding jobs? How many applications does it take to get an interview? How likely is a job offer after an interview? Are job offers accepted or turned down? Data on job search are typically not available for large representative samples or do not address all of these questions. However, data have become available that quantify job-seeking activity at a specific time during a person's unemployment spell.

This **Beyond the Numbers** article explores aspects of job search using data from a supplement to the Current Population Survey (CPS) in May and September 2018 which obtained information about the job search of those

who were not employed and asked whether people applied for and received unemployment insurance (UI) benefits. The CPS is a monthly survey of about 60,000 households that provides data on employment and unemployment in the United States, including the national unemployment rate. In the supplement, questions about job search were asked of those who were without a job and had looked for work recently. In this analysis, we restrict the sample to those who were unemployed at the time of the survey and had looked for work in the past 4 weeks.

# Applications, interviews, and job offers

Data have rarely been available to explore, in depth, the mechanisms behind job searches. In particular, little is known about the number of applications sent, job interviews conducted, and job offers made over the job-search spell. Three studies analyze job search behavior using data from the American Time Use Survey and a survey of New Jersey UI recipients.<sup>1</sup> The analysis in these studies relies on time spent on job search activities as the measure of job search intensity. The survey of New Jersey UI recipients also asks about job offers, allowing some analysis of the relationship between search efforts and job offers. Another study examines job search activity by using online job application data, although the data do not contain any information about interviews or job offers received as a result of the applications.<sup>2</sup>

The CPS supplement asks a series of questions to help analysts better understand relationships among applications, interviews, and job offers. The CPS supplement asks jobseekers how many jobs they applied for in the last 2 months and how many of those jobs applied for led to an interview. The supplement also asks jobseekers how many job offers they received since they last worked.

Table 1 shows the relationship between the number of job applications sent and the number of interviews received as a result of these job applications. For the survey, the response options were banded together in groups. The table shows the percent distribution of the number of interviews for each application group. There is a clear pattern that more applications lead to more interviews.<sup>3</sup> For example, those who applied for 1 to 10 jobs typically had 0, 1, or 2 interviews, whereas those who applied for 21 to 80 jobs typically had 1 to 7 interviews. The data in table 1 shows an approximate ratio of 1 interview per 6 applications submitted.

Interviews				
1 or 2 3 to 7 8 or more T	Total			
47.3 12.6 1.8 100.0	0.0			
35.1 32.0 6.2 100.0	0.0			
32.7 33.4 14.7 100.0	0.0			
19.9 35.4 29.9 100.0	0.0			
	-			

## Table 1. Applications sent and interviews received by jobseekers, 2018

Source: U.S. Bureau of Labor Statistics, supplement to the Current Population Survey, 2018.

Table 2 shows how the numbers of applications and interviews vary by duration of unemployment.<sup>5</sup> The duration of unemployment categories are less than 5 weeks, 5 to 14 weeks, 15 to 26 weeks, and 27 weeks and over. We use 26 weeks as a break between the third and fourth categories because during 2018, the typical maximum duration of unemployment benefits was 26 weeks. The average number of applications were a bit less for those with unemployment durations of 14 weeks or fewer than for those with durations of 15 to 26 weeks. The average

number of interviews follows a similar pattern. As a result, the average interview-to-application ratio stays fairly constant across unemployment duration categories.

Duration of unemployment	Average number of applications	Average number of interviews	Average interview-to-application ratio
All jobseekers	13.67	1.93	0.168
Less than 5 weeks	10.32	1.63	0.168
5 to 14 weeks	15.40	2.09	0.174
15 to 26 weeks	17.22	2.38	0.180
27 weeks and over	13.92	1.81	0.153

Table 2. Number of applications and interviews, by duration of unemployment, 2018

Source: U.S. Bureau of Labor Statistics, supplement to the Current Population Survey, 2018.

Table 3 shows the likelihood of receiving a job offer and how it relates to the number of applications sent. Although there is not a monotonic relationship between applying for more jobs and being more likely to have received a job offer, there appears to be a positive association. Among jobseekers who sent up to 80 applications, those who applied to more jobs were more likely to have received a job offer; however, the group that applied for 81 or more jobs was less likely to have received a job offer than those who applied to 21 to 80 jobs.<sup>6</sup> One possible explanation is that jobseekers who apply for many jobs believe their chances of getting a job offer are lower, so that applying for more jobs is meant to balance a difficult job search for themselves. Another possible explanation is that these jobseekers have more urgency in finding a job and are therefore less targeted in their application process.

Table 3. Percentage of	iohsoekers receivir	na a iob offer	by number of a	onlications 2018
Table 5. Fercentage of	JODSEEKEIS IECEIVII	iy a job ollel,	by number of a	Jpnications, 2010

Applications	Probability of receiving job offer
All jobseekers	26.24
0	13.21
1 to 10	27.20
11 to 20	29.48
21 to 80	30.89
81 or more	20.36
Source: U.S. Bureau of Labor Statistics, supplement to	the Current Population Survey, 2018.

Table 4 shows the relationship between interviews and having received a job offer. Those having at least one interview from their applications sent in the last 2 months had about a 37-percent chance of having received a job offer, while those with no interviews had about a 10-percent chance of having received a job offer.<sup>I</sup>

## Table 4. Percentage of jobseekers receiving a job offer, by number of interviews

Had at least one interview? Probability of receiving job offer	
All jobseekers	27.74
No	9.94
Yes	36.89

Source: U.S. Bureau of Labor Statistics, supplement to the Current Population Survey, 2018.

Table 5 shows unemployment duration and its relation to job offers. Notably, the probability of receiving a job offer did not increase as someone had been unemployed longer. This is likely a result of a selected sample in unemployment duration: individuals who get a job offer early in their unemployment spell are unlikely to remain unemployed, and the individuals with long duration could be people who didn't search intensely from the beginning of their spell.

Table 5. Percentage of	iobseekers receiv	ving a job offei	. by duration of i	unemployment, 2018
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Duration of unemployment	Probability of receiving job offer
All jobseekers	26.21
Less than 5 weeks	30.94
5 to 14 weeks	26.52
15 to 26 weeks	27.32
27 weeks and over	18.44
Source: U.S. Bureau of Labor Statistics, supplement to the Curre	ent Population Survey. 2018.

# Reason for turning down a job offer

In addition to choosing the applications they send out, jobseekers have a choice of what job offers they accept. In terms of what offers they accept, most theoretical models of job search focus only on the jobseekers' reservation wage-the lowest wage they are willing to accept in a job offer. However, jobs-and how good of a fit the job is to a jobseeker-are more complex than just the wage. One study analyzed European data from 1994 to 2001 on unemployed respondents who had turned down a job offer in the last 4 weeks. It found that only about 15 percent cited a wage that was too low as the primary reason.<sup>8</sup> The CPS supplement asked a similar question about the reason for turning down a job offer (respondents were asked to give only one reason).<sup>9</sup> The tabulations are reported in table 6. Overall, 23 percent said that they turned down the job offer because of the wage.<sup>10</sup> Inconvenient hours (12 percent), personal reasons (13 percent), commuting time (11 percent), and other reasons (16 percent) made up significant portions of the reasons.<sup>11</sup>

### Table 6. Reasons for declining a job offer, 2018

Reason	Percent
The wage was too low	23.24
Personal reasons for turning down the job (e.g., ill health, could not arrange child care, not physically able to do the job)	13.25
The hours of work were not convenient	12.13
The commute to the job would have been too long	10.97
It did not offer a flexible enough schedule	6.96
The hours of work were too few	6.51
The job was not in my usual occupation/would not use my skills well	6.04
The job would have required me to move, relocate to another part of the country	3.84
The benefits associated with the job (pension, health insurance) were not good	1.48
The job did not have good promotion potential	0
Other reason	15.58

Source: U.S. Bureau of Labor Statistics, supplement to the Current Population Survey, 2018.

## Conclusion

Our analysis of job search behavior using data from the CPS indicates that it took jobseekers on average six applications to obtain one interview. Jobseekers having at least 1 interview had about a 37-percent chance of having received a job offer, while those with no interviews had about a 10-percent chance of having received a job offer. When jobseekers turned down a job offer, only about one-quarter said it was because the wage was too low; other important factors were inconvenient hours, personal reasons (such as childcare), and commuting time.

This **Beyond the Numbers** summary was prepared by Michael R. Dalton and Jeffrey A. Groen, research economists in the Office of Employment and Unemployment Statistics, U.S. Bureau of Labor Statistics. Email: <u>Dalton.Michael@bls.gov</u> and <u>Groen.Jeffrey@bls.gov</u>; telephone: (202) 691-7391.

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#### RELATED ARTICLES

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#### NOTES

<sup>1</sup> Alan B. Krueger and Andreas Mueller, "Job search and unemployment insurance: New evidence from time use data," *Journal of Public Economics*, 2010, 94(3–4): 298–307; Alan B. Krueger and Andreas Mueller, "Job search, emotional well-being, and job finding in a period of mass unemployment: Evidence from high-frequency longitudinal data," *Brookings Papers on Economic Activity*, 2011, 1: 1–58; and Alan B. Krueger and Andreas I. Mueller, "A contribution to the empirics of reservation wages," *American Economic Journal: Economic Policy*, 2016, 8(1): 142–179.

<sup>2</sup> R. Jason Faberman and Marianna Kudlyak, "The intensity of job search and search duration," *American Economic Journal: Macroeconomics*, 2019, 11(3): 327–357.

<sup>3</sup> We reject at the 1 percent level a chi-square test that the four application groups have the same distribution of interview responses.

<sup>4</sup> To get a ratio, we assume the median of each numeric grouping in applications and interviews and the lower bound for the upper categories.

<sup>5</sup> To get specific numbers, we assume the median of each numeric grouping in applications and interviews and the lower bound for the upper categories.

<sup>6</sup> In the supplement, the reference period for questions about applications and interviews is the prior 2 months. The question about job offers refers to any offers since the respondent last worked. This means it is possible for a respondent to report having had a job offer but no applications or interviews if the job offer came more than 2 months ago.

<sup>7</sup> The qualitative patterns in job offers across application groups in table 3 and across interview groups in table 4 are similar when we analyze the data separately by unemployment-duration group.

<sup>8</sup> Peter Rupert, Elena Stancanelli, and Etienne Wasmer, "Commuting, wages and bargaining power," *Annals of Economics and Statistics*, 2009, 95/96: 201–220.

<sup>9</sup> The sample for this question is based partially on what rotation the respondent is in. All those in outgoing rotations (4th and 8th months in sample) who had received a job offer were asked the question about reason for turning down a job offer. For continuing rotations (1st, 2nd, 3rd, 5th, 6th, and 7th months in sample), individuals must not have applied for UI benefits (or if they applied, their application must have been declined) to be included in the sample for this question.

<sup>10</sup> One of the response categories in the data was, "I have not turned down a job offer." We exclude these cases from this tabulation.

<sup>11</sup> Those who provided an "other" reason were asked the specific reason. We analyzed the specific reason given by these respondents, and if the reason fit into one of the other categories we recoded it into the appropriate category.

### SUGGESTED CITATION

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