

Study shows looking for job on Internet reduces unemployment time

October 5 2011

A new study shows that using the Internet to look for a job reduces the time spent unemployed by an average of 25 percent.

The discovery directly contradicts a 2004 study showing that using the Internet actually prolonged [unemployment](#).

"In 2004 the researchers came up with two scenarios for their findings – the Internet was not an effective tool or that people who looked on-line for [jobs](#) were not as qualified," said Hani Mansour, Ph.D., assistant professor of economics at the University of Colorado Denver who conducted the new study with Peter Kuhn, economics professor at the University of California at Santa Barbara.

The sweep and depth of the Internet has also changed dramatically since the late 1990s, Mansour said. The share of young unemployed workers using the web to look for employment increased from 25 percent in 1998/ 2000 to 74 percent in 2008/2009.

Utilizing the Internet has a large impact on the duration of unemployment especially when used to contact friends and family. A decade ago, Mansour said, people who didn't have personal contacts used the Internet for their job search to little effect. Now, those using personal contacts on-line have dramatically increased their chances of finding employment.

Job sites themselves are better designed and far more specific and user

friendly than in the past.

"This hypothesis is certainly consistent with our findings that the Internet is highly effective when used to look at ads, to send out resumes and to fill applications," the study said. "Simply because the Internet now connects each work to many more firms (and vice versa) in several new and low-cost ways it may be a more powerful tool in the job search process than it was a decade ago."

Mansour and Kuhn's study drew on data collected from surveys of young job seekers, asked a series of questions about the methods they used to find employment.

"What we don't find is that online [job search](#) increases wages compared to the worker's last job," Mansour said.

The findings, says Mansour, help solve the puzzling results of the 2004 study showing the Internet increased the time spent unemployed.

"We speculate that significant improvements in technology over this period, ranging from better on-line job sites to network externalities associated with greater overall Internet penetration itself, might explain this change over time," the study said.

Provided by University of Colorado Denver

Citation: Study shows looking for job on Internet reduces unemployment time (2011, October 5) retrieved 26 April 2024 from <https://phys.org/news/2011-10-job-internet-unemployment.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.