

Varying biases in matching estimates: Evidence from two randomised job search training experiments [☆]

Kari Hämäläinen ^a, Roope Uusitalo ^{a,b,*}, Jukka Vuori ^c

^a *Government Institute for Economic Research, Finland*

^b *IFAU, Sweden*

^c *Finnish Institute of Occupational Health, Finland*

Available online 6 May 2008

Abstract

We compare various matching estimators with the results from two randomised field experiments that evaluate the employment effects of job search training programmes. We find that commonly used non-experimental matching estimators tend to overestimate the programme effects, especially in the first experiment in which participation in the programme is voluntary. In the second experiment, where caseworkers assign unemployed persons to the training programme, the matching methods produce estimates that are close to the experimental results.

© 2008 Elsevier B.V. All rights reserved.

JEL classification: C93

Keywords: Job search training; Field experiments; Matching; Unemployment

1. Introduction

In 1996 the Finnish Institute of Occupational Health carried out a demonstration project “Työhön”, which evaluated the employment effects of a job search training programme, using a randomised field experiment. The participants were selected by randomly allocating half of the applicants to a training course and the other half to a control group that did not participate in

[☆] We would like to thank the Finnish Ministry of Labour for financial support, Tiina Salokangas, Elina Nykyri and Miikka Rokkanen for their excellent research assistance and two anonymous referees for their detailed comments on the earlier draft.

* Corresponding author. VATT, PO Box 1279, 00101 Helsinki, Finland. Tel.: +358 400 842 340.

E-mail address: roope.uusitalo@vatt.fi (R. Uusitalo).

training. Three years after the first experiment, job search training programmes were introduced nationwide in an attempt to increase active elements within labour market policies. In connection with this reform, another randomised field experiment was carried out in nineteen employment offices across the country. Again, participants were randomly chosen, this time by assigning two-thirds of the eligible applicants to a job search training course and leaving one-third in the control group.

In both cases over one thousand unemployed persons took part in the experiment. The demonstration project closely followed the intervention design with the researchers monitoring its implementation. The latter courses were the usual job search training courses that applied various training methods and that were organized by local employment offices. One essential difference involved the selection process. Participation in the demonstration project was entirely voluntary and the participants were recruited by means of advertisements at local employment offices and in local newspapers. In the second experiment the participants in the programme were first selected by the employment offices using their usual procedures and, after having already been assigned to a programme, they were then asked whether they were willing to take part in a randomised experiment.

The employment effects of these job search training experiments have been documented previously by [Vuori et al. \(2002\)](#) and [Malmberg-Heimonen and Vuori \(2005\)](#). These studies used data from the follow-up surveys conducted six months after programme participation. [Vuori and Silvonen \(2005\)](#) also report results based on a second follow-up study two years after the experiment. None of these studies found significant main effects, but [Vuori and Silvonen \(2005\)](#) report positive employment effects among participants who are at risk of depression.

Several previous studies have analysed the effects of job search training but in most cases job search training is part of a larger programme package. For example, [Hotz et al. \(2006\)](#) re-evaluate experimental results from the California GAIN programme. [Dolton and O'Neill \(2002\)](#) evaluate the Restart programme, and [Blundell et al. \(2004\)](#) the New Deal programme in the UK. Both programmes include not only job search training but also other elements such as monitoring, basic skills courses or subsidized job placement. [Van den Berg and Van der Klaauw \(2006\)](#) present results from a randomised social experiment that evaluates the effects of job search assistance and tighter monitoring in the Netherlands. With the exception of the Dutch study, the results show that job search assistance, possibly combined with other elements, improves the participants' employment prospects.

In this paper we evaluate the long-term effects of Finnish job search training experiments, using administrative register data on the participants that allows us to trace the effects of job search training on a monthly basis from the date of randomisation up to six years after participation. We then estimate the bias that would result if the experimental set-up were not available and the programme effects would be estimated using standard non-experimental matching methods.

Our paper contributes to the literature that compares non-experimental estimates with the experimental results, a tradition started by the [LaLonde \(1986\)](#) analysis of the National Supported Work Programme. Much of the more recent research has focused on another large-scale randomised experiment evaluating the effects of the Job Training Partnership Act described in detail by [Bloom et al. \(1997\)](#). A thorough analysis that compares the bias of several non-experimental estimators is presented by [Heckman et al. \(1998\)](#). Their conclusion is that bias in the non-experimental estimates can be substantially reduced by using data on non-participants from the same labour markets, administering the same survey instrument to both groups and by including information on recent labour market histories.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات