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Presentation

We use data on job applications and labor market outcomes within a large (anonymous) firm over a 5-year period to develop and estimate a two-sided search and matching model of a multistage hiring process. Workers inside and outside the firm solve lifecycle career problems by choosing which jobs to apply for and negotiating their wages for vacancies they are interviewed. Committees cull the set of applicants for each job vacancy to determine which candidates will be interviewed by a personnel manager. In equilibrium, the final noncooperative bargaining stage of the hiring process determines who gets hired, the expected productivity, opportunities for advancement offered by the position, worker relocation costs and wages. We solve counterfactuals for the estimated model to predict the outcomes of alternative hiring schemes for workers and the firm.