

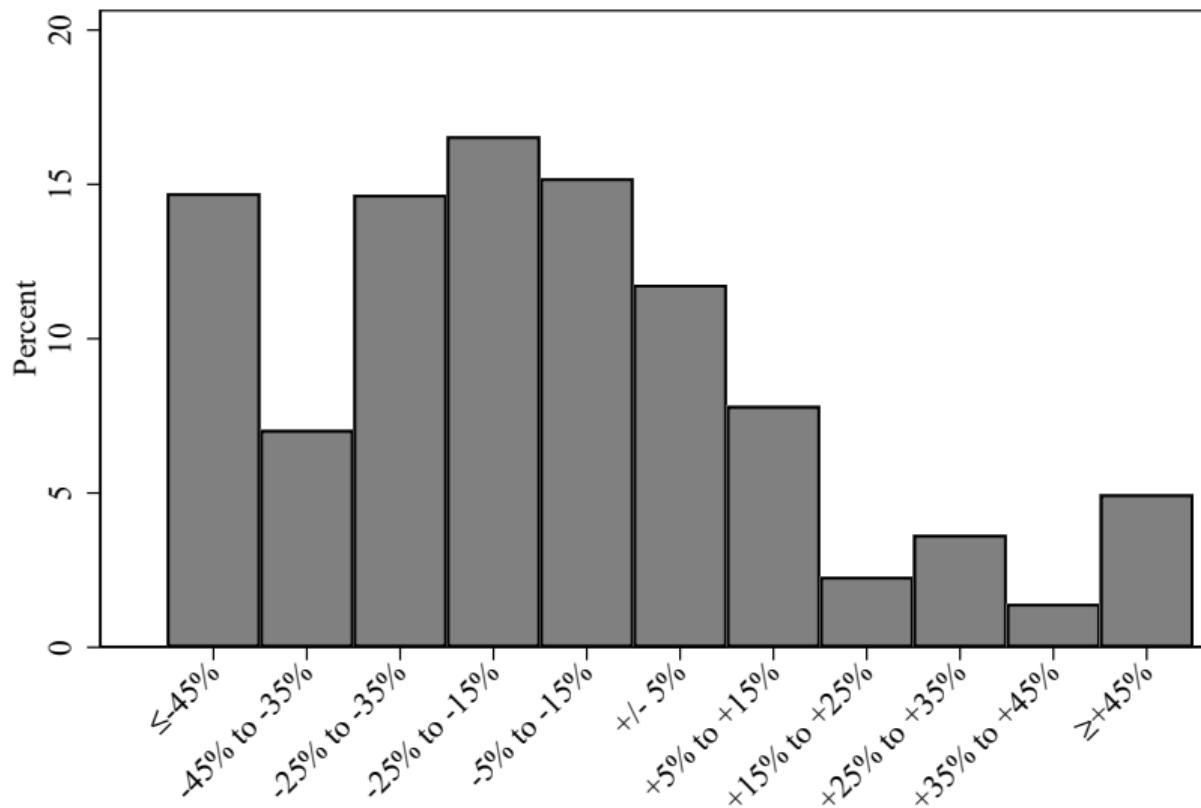
Bringing Data to Labor Markets

Zoë Cullen

NABE 2022

Employee-Side Information Frictions

Employees Perceptions about Managers' Salaries



Results: Behavior

$\log(E[\text{Future Salary}])$	Effort and Performance				
	+1 year (1)	+5 years (2)	$\log(\text{Hours})$ (3)	$\log(\text{Emails})$ (4)	$\log(\text{Sales})$ (5)
$\log(\text{Perception-Truth})$					
Observations					

Cullen, Perez-Truglia (2022) How Much Does Your Boss Make? Effects of Salary Comparisons. *Journal of Political Economy*

Results: Behavior

	log(E[Future Salary])		Effort and Performance		
	+1 year (1)	+5 years (2)	log(Hours) (3)	log(Emails) (4)	log(Sales) (5)
<i>log</i> (Perception-Truth)	0.041 (0.030)	0.204*** (0.059)			
Observations	2,033	2,026			

Cullen, Perez-Truglia (2022) How Much Does Your Boss Make? Effects of Salary Comparisons. *Journal of Political Economy*

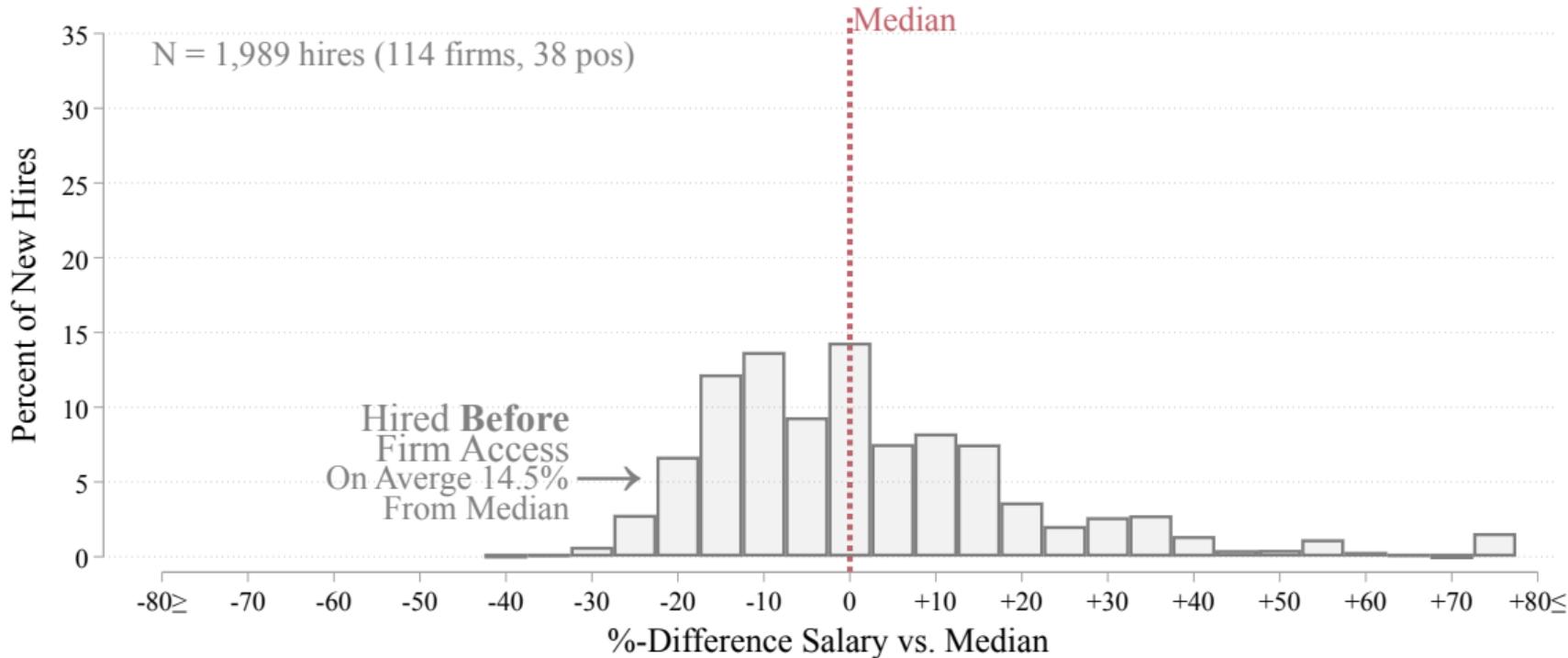
Results: Behavior

	$\log(E[\text{Future Salary}])$		Effort and Performance		
	+1 year (1)	+5 years (2)	$\log(\text{Hours})$ (3)	$\log(\text{Emails})$ (4)	$\log(\text{Sales})$ (5)
$\log(\text{Perception-Truth})$	0.041 (0.030)	0.204*** (0.059)	0.212** (0.099)	0.170*** (0.052)	0.437*** (0.154)
Observations	2,033	2,026	602	2,060	755

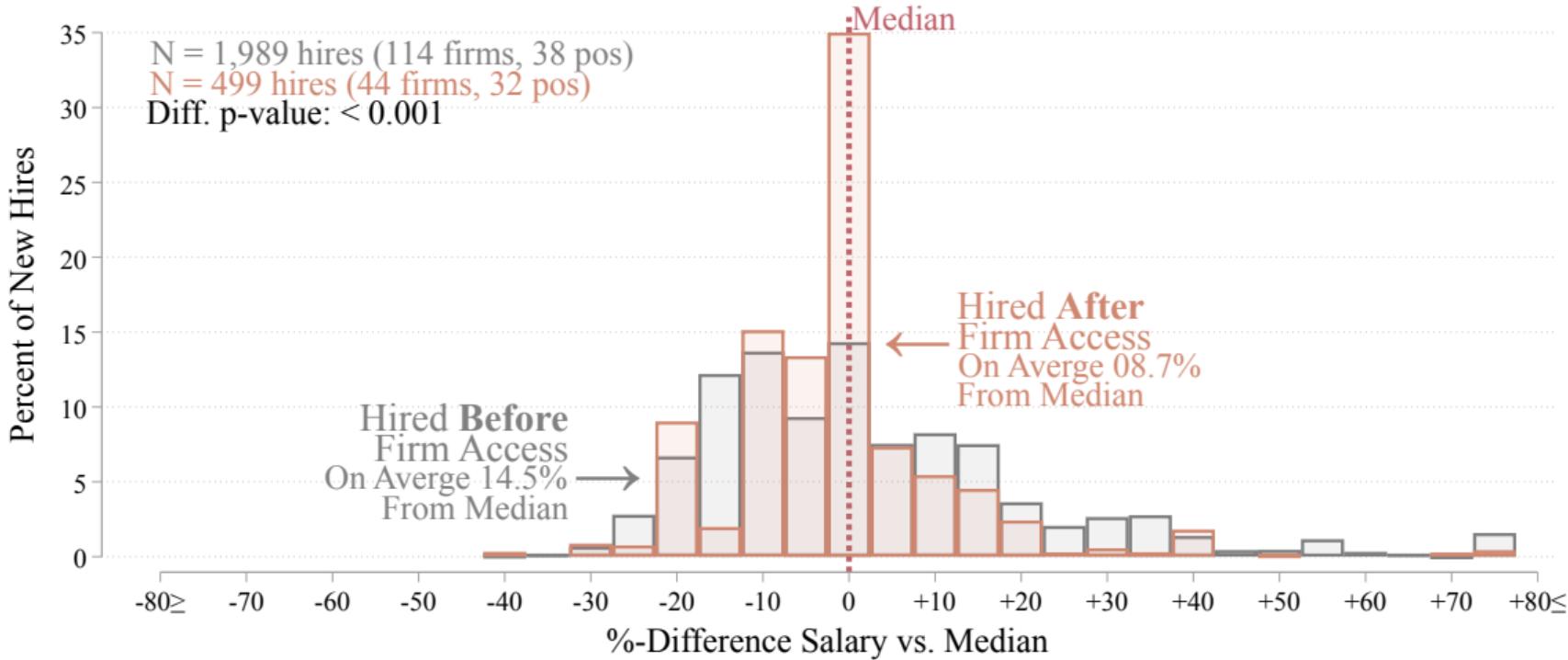
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Employer-Side Information Frictions

New Hire Salaries Before & After Market Data



New Hire Salaries Before & After Market Data



Take-Away

- Information frictions abound in the labor market

Take-Away

- Information frictions abound in the labor market
- Simple data analytics can reduce frictions and improve well-being and productivity
 - Eg. career choices / talent allocation, productivity, retention