

## [Download](#)

Keep in mind

The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of *Colombia*). The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

### AUTHOR OR EDITOR

Morales-Zurita, Leonardo Fabio

Ospino, Carlos

Nicole, Amaral

The series [Borradores de Economía \(Working Papers on Economics\)](#) contributes to the dissemination and promotion of the work by researchers from the institution. On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. This series is indexed at Research Papers in Economics (RePEc). The opinions contained in this document are the sole responsibility of the author and do not commit Banco de la República or its Board of Directors.

Publication Date:

Wednesday, 06 October 2021

## **Abstract**

This paper assesses whether the expansion of online job vacancies leads to a more efficient labor market. We provide compelling evidence that the increase in online job vacancy penetration in Colombia has had an enhancing effect on the labor market's efficiency by making it easier for firms to find workers to fill their job openings. An estimation of the Beveridge Curve (unemployment to vacancies relationship), a well-established theoretical development from search models, concludes that policies that increase online vacancy posting enhance efficiency. We implement a differences in differences design to take advantage of a regulation, which mandates that all authorized online vacancy providers report any online vacancy to the Public Employment Service in Colombia. We find that sub-segments of the labor market with a relevant fraction of their vacancies posted online, presented on average nearly 15% lower vacancy rate for a given unemployment rate. Therefore, for these sub-segments, the Beveridge curve shifted inwards due to efficiency enhancements. These findings support active search policies to reduce information barriers, which reduce the odds of firms and workers finding one other in the labor market. Policies as those implemented by the Public Employment Service in Colombia seem to be beneficial.