

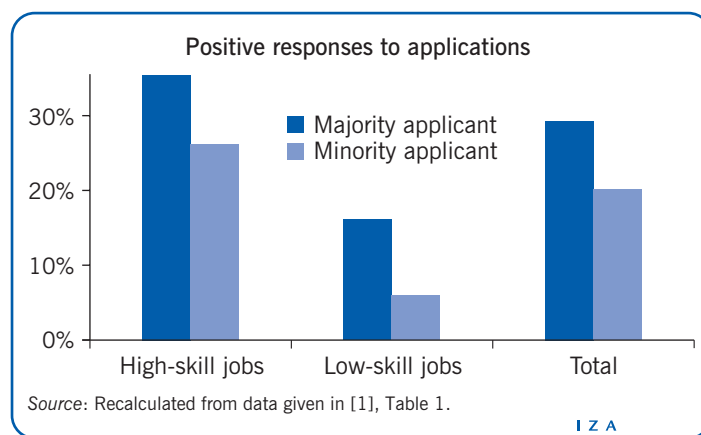
Correspondence testing studies

What can we learn about discrimination in hiring?

Keywords: correspondence testing, taste-based discrimination, statistical discrimination

ELEVATOR PITCH

Anti-discrimination policies play an important role in public discussions. However, identifying discriminatory practices in the labor market is not an easy task. Correspondence testing provides a credible way to reveal discrimination in hiring and provide hard facts for policies. The method involves sending matched pairs of identical job applications to employers posting jobs—the only difference being a characteristic that signals membership to a group.



KEY FINDINGS

Pros

- + The correspondence testing (CT) method reveals discriminatory practices at the initial stage of the recruitment process.
- + The CT method can be used to test for hiring discrimination based on race or ethnicity, gender, age, sexual orientation.
- + The CT method can determine if hiring discrimination varies by occupation and/or region.
- + The CT method can increase our knowledge of what characterizes recruiters who discriminate.
- + The results can guide policies to prevent discrimination in hiring and to inform employers.

Cons

- The CT method only measures discrimination at the first stage in the hiring process, not in wages or promotions.
- The CT method captures only those firms that use formal search methods, which casts doubts about external validity.
- It is not possible to attribute employer preferences as solely responsible for the result.
- Overuse of the CT method might encourage employers to use alternative search methods for workers.
- The CT method should not be used as sole evidence in legal proceedings.

AUTHOR'S MAIN MESSAGE

The correspondence testing method has been used to identify discrimination in hiring based on ethnicity, gender, age, sexual orientation, and looks in a wide array of countries. Its results are important for guiding anti-discrimination policies and to inform employers about their actions. However, its help in understanding group differences in unemployment is limited, since the behavior of the supply side of the labor market is not investigated.