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Not just for investors: The role of earnings announcements in guiding job seekers☆

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ABSTRACT

We study the information content of earnings announcements and its relevance for job search using detailed search data from half a million anonymous job seekers. We find evidence consistent with job seekers initiating job-search activity in response to a prospective employer's earnings announcements. Job seekers search more intensely for employers with media coverage and earnings growth, consistent with the attention and information roles of earnings announcements. We find corroborating evidence about the usefulness of earnings announcements' financial information content to job seekers: (1) a survey experiment indicates that job seekers are more willing to apply to firms when provided with evidence of positive performance; (2) job seekers search for financial information during applications and interviews; and (3) financial information is predictive of future job prospects, including job openings and career growth. Overall, our paper suggests that earnings announcements—among other sources—prompt and guide job seekers' search activities.

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1. Introduction

In 2019, 60 million workers accepted new employment offers. Of these new hires, 30 million switched from one employer to another, which is consistent with on-the-job search.[1] A worker's choice of employer significantly affects her career trajectory. Therefore, it is important to consider such questions as: what drew these workers to their new employers? What factors triggered job search initiation? How did they identify their new employer among the thousands of prospective employers? The answers to these questions are not obvious because the labor market is characterized by information asymmetry between job seekers and prospective employers (Autor, 2001). Job seekers have limited attention and may be unaware of prospective employers. Even if a job seeker knows of a firm, she is often unsure whether or when the firm will post new jobs or what kinds of professional development opportunities those jobs will provide. In light of this information problem, earnings announcements may plausibly facilitate job search and help job seekers identify prospective employers.

We examine whether job seekers' search activity responds to earnings announcements. Beaver (1968) examines whether capital market participants take actions based on earnings' perceived information content by measuring contemporaneous abnormal trading volume. In contrast to Beaver (1968), we examine whether job seekers (a class of labor market participants) take action based on earnings announcements. We focus on earnings announcements because they deliver a discrete and timely summary of a firm's financial performance and allow for more precise measurement of job seeker response (Beaver et al., 2018). Earnings announcements are also salient corporate events covered extensively in the media, so they may plausibly draw job seekers' attention (Bushee et al., 2010). Moreover, key financial performance metrics discussed in earnings announcements (e.g., revenue growth) may be intuitive to job seekers, making them more likely to understand the information content of earnings announcements.[2]

To examine firm-specific job search activity, we study users' search data on TeamBlind, an anonymous online professional network (Kim and Leach, 2020). On TeamBlind, users freely and anonymously share job market information and search for career advice on salaries, offers, interviews, and professional development. The TeamBlind data confer three unique advantages to our study. First, TeamBlind is designed for job search activity, which gives us confidence that our measures are specific to job seekers and not other stakeholders. Second, because users search for companies in the TeamBlind search bar, we can quantify job search activity directed at a given firm. Third, users' current employers and search activity indicate that TeamBlind users are highly educated, which suggests they can interpret basic financial information. For our analyses, we examine the activity of half a million users searching for 513 public companies between Q3 2018 and Q1 2021. We quantify firm-specific job search volume by counting the number of unique users who search for that firm in TeamBlind's search bar during a given week.

In the main analysis, we find consistent evidence that a firm's earnings announcement is associated with job search activity for that firm. We specifically look for job search activity in the nine weeks surrounding earnings announcements. During event weeks -4 to -1 (i.e., the pre-announcement period), job search activity is constant. During the earnings announcement week (event week 0), such activity increases. The magnitude is 6% of the mean-scaled searches, which translates into 19 additional searches for an average employer per week. From the firm's perspective, earnings announcements draw attention from a job seeker pool equivalent to 2% of its workforce. Compared to the mean quarterly employee turnover rate of 9%, the 2% magnitude is economically significant (Choi et al., 2022). The abnormal search volume continues for at least one week after the earnings announcement.

Building on prior literature, we dive into two plausible mechanisms underlying the positive relation between earnings announcements and job searches: an attention mechanism and a job prospect mechanism (i.e., an information channel). Under the attention mechanism, job seekers may respond to earnings announcements regardless of the nature of the news. These salient corporate events could lead attention-limited job seekers to search for employers without an immediate intention to apply.[3] Under the job prospect mechanism, job seekers may perceive the information content of earnings announcements and its relevance to employment. Survey evidence suggests that, at any given time, 43% of job seekers are evaluating prospective employers. More specifically, they are assessing these prospective employers' future job prospects: i.e., the likelihood of future job openings and the extent to which those openings will provide professional development, career growth, and high salaries (Skandalis, 2018).[4] These long-term job characteristics are implicit claims that cannot be specified in contracts, but their fulfillment can often be predicted with firm financial performance (Bowen et al., 1995; Dou et al., 2016). We conjecture that earnings announcements inform job seekers about future job prospects at prospective employers. Job seekers may become informed either directly, by using the financial information in earnings announcements, or indirectly, through information intermediaries such as the media. Regardless, job seekers can use the information content of earnings announcements to narrow down the set of candidate employers.

[1] See U.S. Census (2023).

[2] One possible criticism of our approach is that earnings announcements are not necessarily contemporaneous with job switching. However, switching jobs is a time-intensive process. Therefore, we focus on users' job search data and complement our main analysis with job application analyses in the online appendix because the search data are more likely to capture an immediate response to earnings announcements than the job application data.

[3] This definition is consistent with Bushee et al. (2020), who ascribe attention-driven behavior as investing in equity due to media coverage during corporate events without perceiving the content of those corporate events.

[4] See McClear (2019).

We conduct multiple analyses to document the existence of these mechanisms. We augment our main regressions to include media coverage as a measure of attention. We find that media coverage affects job seekers' search activities by an amount comparable to the volume attributable to earnings announcements. We also find that earnings announcements with media coverage attract more job searches. Our results indicate that some job seekers initiate a search without processing the earnings news; this is consistent with the attention mechanism. Controlling for media coverage, we find that the magnitude of job search activity at earnings announcements increases in year-on-year earnings growth. The abnormal job search volume is statistically significant only for those firms with above-median earnings growth, which is consistent with the job prospect mechanism. Examining individual-level job search data following earnings announcements, we find that earnings announcement induced job seekers continue their search, and that those who respond to above-median earnings growth news are more likely to continue searching in the following weeks than those who respond to news of below-median earnings growth. Collectively, therefore, these results support both the attention and job prospect mechanisms. We then explore the interaction between these mechanisms. We replicate our main results conditioning on media coverage. We find evidence that attention is a necessary condition for job seekers to respond to the information content of earnings announcements, which is consistent with prior literature (Blankespoor et al., 2020).

In our final section, we ensure the robustness of our results by providing more detailed and causal evidence of job seekers' use of financial information. First, we use a survey experiment to vary financial information across survey participants. We determine that job seekers are more (less) willing to apply to a company with good (bad) financial performance news than a company with no news.[5] Second, we demonstrate that financial information searches are associated with two important job market events: job applications and interviews. The test exploits regional and time-series variation in financial information search, job postings, and job interviews at the firm level, and its results support the use of financial information by job seekers. Third, we validate our assumption that a prospective employer's financial performance contains meaningful information about its job prospects. We observe a positive association between financial performance and three measures of future job prospects—future job postings, future job postings specific to managerial roles, and future job postings that use cognitive and social skills—up to two months ahead.[6] Fourth, we examine the importance of financial information across different groups of job seekers. We find that job seekers respond to earnings announcements more strongly when uncertainty about the firm is greater, that the relation between earnings announcements and job search activity is stronger for the sample of earnings announcements associated with firms that use above-median stock-based compensation per employee, and that firms that have publicly announced permanent remote work policies receive more searches during earnings announcements. These cross-sectional results strengthen the credibility of our main result.

Our paper makes two important contributions. First, we contribute to the accounting literature by providing robust evidence that *job seekers* are important beneficiaries of earnings announcements.[7] A nascent literature explains if, when, and how labor market participants use financial information in their decision-making processes.[8] As early as Maundersand and Foley (1974), the accounting literature alluded to the potential usefulness of accounting information to employees.[9] Bowen et al. (1995) and Dou et al. (2016) both studied disclosure decisions of firms responding to labor market conditions. Implicitly, these authors assume that labor market participants care about financial reporting. To our knowledge, however, the prior literature neither directly tests this assumption nor examines the relation. We suspect the absence of testing stems from data limitations. By examining labor market participants' use of financial reporting with new data, our paper expands the prior literature and serves as a bridge to new research questions. Relative to other literature at the intersection of labor and accounting choices, we explore the importance of both attention and information (the latter as captured by the job prospect channel).

In concurrent work, DeHaan et al. (2023) document that current employees start job searches during their own employer's earnings announcement, regardless of earnings news, due to improved information regarding the value of their human capital in their current workplace. Voluntary turnover decisions and searching for a new employer are two distinct research areas in personnel economics (Lazear and Shaw, 2007). We complement DeHaan et al. (2023) by emphasizing the latter topic. Our paper also complements the accounting literature on the information content of financial statements for equity prices

[5] One respondent said that the financial performance indicated "a lot more room to grow"; another respondent conveyed a similar idea, describing a firm with strong financial performance as a place that "trends upward" and is, therefore, a good place to work in the long term or as a stepping stone to more opportunities.

[6] In addition, we examine the job posting activities around earnings announcements. We do not find any evidence that job seekers' response to earnings announcements is due to contemporaneous job postings. We also analyze search terms entered alongside company names in the TeamBlind search bar. Among the top 10 co-searched terms are salary, compensation, offer, interview, and manager. These terms are consistent with job seekers directing searches to promising prospective employers to understand the job prospects of those employers better.

[7] Another nascent literature also emphasizes the importance of earnings announcements for consumers (Costello and Wittenberg-Moerman, 2011; Noh et al., 2021b). For example, Noh et al. (2021b) find that consumers increase their store visits to firms announcing earnings.

[8] Although the relevance of financial information to capital providers has been studied extensively in the academic literature (Ball and Brown, 1968; Beaver, 1968; Kothari, 2001; Leuz and Wysocki, 2016), comparatively little empirical evidence of its significance to job seekers has been documented (Benson et al., 2020; Zingales, 2000; Dechow et al., 2010).

[9] Sunder (1997) has made a similar argument. Financial accounting textbooks also frequently state that employees are important users of financial statements. For example, Hanlon et al. (2020) notes, "[P]rospective employees often examine the financial statements of an employer to learn about the company before interviewing for or accepting a new job."

and emphasizes that financial information is relevant to the job market (Hann et al., 2021; Golshan et al., 2021; Chakravarthy et al., 2014).

Second, we contribute to the personnel economics literature by identifying a driver of job search initiation and behavior (Lazear and Shaw, 2007). Our paper shows that financial information (in our setting, earnings announcements) may be a source of information helpful for job searches for specific firms, partially in anticipation of future job prospects (e.g., job postings and opportunities for professional development, career growth, and future salaries). More broadly, we provide evidence that financial information—both the content and timing—plays a substantive role in the labor allocation process.

Like any study, our paper should be interpreted in the context of its limitations. Our study is inherently an association study because the timing of earnings announcements is endogenous (Chambers and Penman, 1984; Noh et al., 2021a) and measuring the full information content disseminated during earnings announcements is challenging (Beaver et al., 2020). Our measures of job search activities are mainly job search initiation for potential employers (as opposed to job applications and interviews). We cannot remove curiosity driven job searches. Finally, the sample has an abnormal number of tech firms, and the sample period is three years, overlapping with the COVID-19 pandemic.

Our paper proceeds as follows. Section 2 describes the mechanisms and prior literature. Section 3 describes the research design. Section 4 describes our main results. Section 5 describes our mechanism results. Section 6 summarizes our robustness results. Section 7 concludes.

2. Mechanisms and prior literature

2.1. Plausible mechanisms

One's choice of employer affects economic well-being. An August 2021 survey by PwC U.S. indicates 65% of employees are looking for a new job.[10] A fundamental question in labor economics is when and why job seekers search for specific companies. In this paper, we hypothesize that earnings announcements—among other sources—influence job search behavior. Building on prior literature, we identify two mechanisms that may explain a potential relation between earnings announcements and firm-specific job search.

The first mechanism is the conveyance of information to job seekers. Prior studies have demonstrated that earnings announcements convey information to investors. Beaver (1968) documents that abnormal trading volume and stock prices increase in the week surrounding an earnings announcement. Subsequent papers have documented the increasing importance of earnings announcements to capital market participants over time.[11]

Financial information is valuable to job seekers because it mitigates an information asymmetry. Abundant survey evidence suggests job seekers are interested in information about future job openings, professional development, and career growth at prospective employers.[12] We refer to these outcomes and characteristics as future job prospects. Another recent survey indicates that the majority of workers initiate a search in hopes of securing stronger future job prospects.[13]

Financial information is well-suited to help job seekers resolve the information asymmetries around firm-specific future job prospects.[14] In their examination of accounting choices, Bowen et al. (1995) emphasize the importance of financial performance as a signal of the firm's ability to fulfill implicit claims. Positive financial performance likely signals that employers will continue to grow and hire additional workers. Such growth may also lead to additional (better-paid) managerial and senior positions. Likewise, many aspects of future job prospects—such as career growth and professional development—are implicit claims that cannot be specified in contracts, but their fulfillment can often be predicted by a firm's financial performance. Financial performance may also help job seekers assess future wage growth. For example, tournament theory indicates that potential upward mobility may be associated with pay growth (Lazear and Rosen, 1981). If financial information helps predict growth and upward mobility, it can also be used to predict future pay growth. The information content of earnings announcements (and financial information more broadly) may help job seekers allocate their search time more productively. Thus, we expect job seekers to engage in a job search for firms at their earnings announcements. We also predict that job seekers search more intensely for firms with strong earnings announcements than for those with weak ones.[15]

[10] See PricewaterhouseCoopers (2021).

[11] Atiase and Bamber (1994) argues, "trading volume reaction to a public announcement is an increasing function of both (1) the magnitude of the associated price reaction and (2) the level of predisclosure information asymmetry among investors." Landsman and Maydew (2002) document that earnings announcement informativeness increases over time; their results are robust to various firm characteristics, including firm size and market-to-book ratio. Beaver et al. (2020) argues that earnings announcements have become more informative because they are now more likely to be bundled with management forecasts and corporate event announcements.

[12] See Glassdoor (2018).

[13] See CNBC (2020).

[14] Firms also have information frictions when trying to evaluate prospective employees' productivity. We omit those frictions for brevity.

[15] Anecdotal evidence from Snap Inc. in the online appendix supports this hypothesis.

The second mechanism we identify is the attention mechanism. Earnings announcements are salient corporate events that may prompt attention-limited job seekers to search for an employer regardless of the nature of the news.[16] In fact, attention-limited job seekers may even search for firms with grim earnings news (Bushee et al., 2020). Prior research has emphasized the importance of attention in investor decision-making. Blankespoor et al. (2020) use a taxonomy of awareness and acquisition to frame information processing costs. In other words, as managers direct investors' attention to events (in our case, earnings announcements), those investors become aware of those events and acquire information from them. On the other hand (Barber and Odean, 2008), state, "We posit that this is so because attention affects buying—where investors search across thousands of stocks—more than selling—where investors generally choose only from the few stocks that they own." We conjecture that job seekers search for thousands of potential companies to apply for, meaning that the same attention-driven job searches could be due to traditional and social media coverage and word-of-mouth (Blankespoor et al., 2019).

The two mechanisms we describe differ in whether a job seeker initiates search in response to the information in an earnings announcement or in response to the earnings announcement and related coverage. To mirror the framework in the accounting literature, we refer to these mechanisms as a job prospect mechanism (i.e., equivalent to an information mechanism) and an attention mechanism. As we examine these mechanisms, we also discuss their interaction to better understand the role of earnings announcements in the labor allocation process.

2.2. Related prior literature

2.2.1. Labor market and accounting choices

Two streams of papers examine the relationship between the labor market and accounting choices. One highlights earnings-management incentives for firms with unions. Liberty and Zimmerman (1986) demonstrate that firms have incentives to manage earnings downward during wage negotiations to reduce labor costs. Aobdia and Cheng (2018) find managers use financial reporting to influence wage negotiations at peer firms. The other stream studies managers' disclosure decisions under pressure from the labor market in the context of implicit employment contracts. Dou et al. (2016) find that, to maintain the current workforce and attract talent, firms have incentives to maintain income-increasing accounting policies. Gao et al. (2018) document that a reduction in labor mobility due to non-compete clauses discourages managers from engaging in income-increasing accounting policies. These papers suggest that job seekers may use financial information but neither explicitly explore nor test how financial information influences job searches.[17]

2.2.2. Unemployment risk and job search

Whether job seekers should care about prospective employers' financial health is not obvious and thus an empirical question (Stigler, 1962). In canonical labor models, workers are compensated based on their marginal productivity, which may be independent of firms' financial performance (Mincer, 1974). Likewise, if workers can easily switch jobs without affecting their compensation, a firm's financial information becomes less relevant (Mortensen and Pissarides, 1994).

A handful of papers have examined the labor market reactions to financial information. Brown and Matsa (2016) focus on unemployment risk at prospective employers. They conclude that, during financial crises, financial professionals apply less often to companies that are more likely to file for bankruptcy, due to the increased separation risk. In addition, finance companies targeting financial professionals tend to offer higher wages. Separately, another paper examines how employees react to unemployment risk at their current employer. Gortmaker et al. (2019) argue that a firm's credit deterioration incentivizes current employees to connect to more people on LinkedIn. Unemployment risk and job prospects are two related but distinct motivations for job seekers. Undoubtedly, job seekers wish to minimize unemployment risk, but extensive survey evidence suggests that they also value maximizing other job features, including professional development, career growth, and future salary.[18] We believe that the job prospect mechanism broadens the usefulness of earnings announcements beyond the unemployment risk hypothesis. If unemployment risk is their sole motivation, job seekers may prefer minimal variance in financial performance and may not respond to earnings growth, as we document they do below.

3. Data and research design

3.1. Institutional setting and data

Our study uses proprietary data from TeamBlind. TeamBlind is an online professional social network where users may communicate about their employers via firm-specific forums or discuss general job market topics in non-specific forums. The

[16] This definition is consistent with Bushee et al. (2020), who define attention driven behavior as investing in equity due to media coverage during corporate events without perceiving the content of those events. Relatedly, Zhi et al. (2011) uses Google search trends as a proxy for attention and finds that earnings announcements attract investors' attention.

[17] Another stream of the accounting literature studies how labor as an input for accounting systems shapes accounting quality (Call et al., 2017; Barrios, 2022).

[18] See Glassdoor (2018).

Table 1
Descriptive statistics of job seekers.

Panel A: Users and Search Descriptive Statistics

	N	Mean	SD	P25	P50	P75
Users	508,704					
Searches	18,214,371					
Searches Per User		599.14	1724	51	172	505

Panel B: Co-Searched Terms and Current Employers

	Top 10 Search Terms	Top 10 Current Employer
1	Salary	Amazon
2	Offer	Microsoft
3	Total Compensation	Google
4	Interview	Facebook
5	Manager	Apple
6	Software	Uber
7	Engineer	Intel
8	Data	Oracle
9	Compensation	Salesforce
10	Director	Expedia

This table describes TeamBlind user and search attributes. The sample firms are those matched between the TeamBlind data set and the IBES data set, and the sample period is Q3 2018 to Q1 2021. Panel A reports the number of distinct users measured by the number of anonymous IDs. Search volume is defined as the sum of unique users who entered the company's name as a search query in the TeamBlind search bar. If a user enters multiple queries for the same firm within a day, the queries are treated as one search. Using these searches, we rank employers and co-search terms based on the frequency in Panel B.

website is similar to LinkedIn but offers complete user anonymity to encourage sharing important job market information (including offers, career choices, and interview questions). Anyone can access TeamBlind, but full access to the site requires the user to reveal her current employer. The company does not store any other information about user identities. At present, TeamBlind has millions of users across the world. TeamBlind's daily active user count is high, which allows us to observe search behaviors over time.

TeamBlind provided us with the search queries on its platform from Q3 2018 to Q1 2021. Each observation includes the TeamBlind user's unique identifier, the exact search query, the date and time of the query, and the user's current employer. This dataset confers three major advantages that allow us to study job seeker behavior.[1919] First, because TeamBlind is designed to support job search, we have confidence that our analysis evaluates the search activity of job seekers, not investors or other stakeholders. Users of TeamBlind could plausibly attempt to re-purpose the website forums to discuss investment strategies. To ensure our sample is composed of job seekers and not investors, we inspect the most frequently searched terms (excluding company names) for words commonly used by investors, including buy, hold, sell, and invest. These investor-specific terms do not appear in the top 200 terms. Second, because TeamBlind users search for companies in the TeamBlind search bar, we can precisely quantify job search activity targeting individual firms. Third, TeamBlind users often work at public companies or are interested in the technology and finance industries. These industries typically require high levels of education, which gives us confidence that TeamBlind users are more likely to understand the basics of firm financial performance. These public companies also typically use stock-based compensation, which increases job seekers' incentive to pay attention to financial performance.

Many of the features of earnings announcements that are valuable to investors also benefit job seekers. Earnings announcements deliver a discrete and timely summary of a firm's financial performance, and many firms' announcements are covered extensively in traditional and social media. This coverage is likely to attract job seekers' attention. Furthermore, intermediaries analyze this financial news and make earnings announcements more easily understood, increasing the possibility that job seekers of all professional backgrounds might learn about them and from them. In other words, we believe that job seekers can more easily assess the information content of earnings announcements relative to other pieces of financial information. As a result, financial reporting events allow for a more precise measurement of job seeker response.

Because we are interested in job search activity and earnings announcements, we limit our data sample to user search queries for public firms. Table 1 summarizes our sample. We identify 513 public firms across 52 industries as defined by three-digit NAICS codes. These firms were searched by approximately half a million unique users, who conducted a total of 18 million unique searches. Employers with the most queries include Amazon, Meta, and Expedia. These top firms provide further evidence of our job prospects hypothesis: in 2020, they were not in financial distress and were not characterized by high unemployment risk.

[19] Our focus is on the possible new job that job seekers target. DeHaan et al. (2023) focus on current employees' decisions to switch jobs and use the timing of Glassdoor users' job reviews as a measure of job search.

For each of the 513 companies, we measure search volume for each week in our sample period, from Q3 2018 to Q1 2021. Search volume is defined as the number of unique users who entered the company's name as a search query in the TeamBlind search bar. If a single user searches "Barclays" 10 times in one day, we log that as only one search. Following the practice of scaling variables in trading volume in Beaver (1968), we scale job search volume to improve comparability across firms. We use two scaling methods. The first method divides search volume for each firm by the number of TeamBlind users who identify as current employees of that firm; we use this to capture the baseline search interest for a firm. The second method is simply the log of 1 plus the search volume. In general, our results are robust to both measures.

After generating the TeamBlind panel data, we merge earnings announcement information from IBES and financial performance information from CRSP-Compustat. We use a fuzzy matching algorithm to identify plausible matches between the company names in TeamBlind and IBES. We review each match to ensure it is correct. IBES data include the firm's eight-digit CUSIP, which we use to merge the data with CRSP-Compustat.[20]

3.2. Research design

Our research design is a time-series analysis of the nine weeks surrounding the earnings announcement (the "announcement period"). The design largely follows Beaver (1968) and Landsman and Maydew (2002), but the dependent variable is job search activity instead of investor activity. The specification is

$$JobSearch_{jt} = \sum_{t=-4}^{t=4} \beta_t \cdot EA_t + \alpha_{jy(t)} + \tau_t + \varepsilon_{jt}, \quad (1)$$

where j indexes company, t indexes year-week, and y indexes year. We include (1) separate indicators for each week in the announcement period (i.e., the Event Weeks), (2) week-year fixed effects to account for idiosyncratic shocks due to common events, and (3) firm*year interacted fixed effects both to control for time-varying firm characteristics and to address the increase in TeamBlind users over time. This specification benchmarks search activity during the announcement period to search activity outside of it.

We also test the relation between job search and earnings announcements using variations of this specification. The first variation modifies the specification to include only a single indicator for Event Week 0. This specification benchmarks search activity in Event Week 0 to all search activity outside of that week. The second variation modifies the specification to include a single indicator, equal to 1 for Event Week 0 to Event Week 4. This specification tests for prolonged search activity after Event Week 0 and benchmarks to search activity outside of Event Week 0 to Event Week 4. The final variation modifies the specification to include all event week indicators except Event Week −4 and limits the sample to only the announcement period. This specification benchmarks search activity to Event Week −4. We cluster standard errors by firm, but our results are qualitatively the same if we double cluster by firm and week-year.

Our primary aim is to understand the role of earnings announcements in guiding job seekers to prospective employers. The assumption underlying our interpretation is that the timing of earnings announcements is independent of the error term. We view any media coverage or word-of-mouth news about earnings announcements as mediators through which earnings announcements give rise to job search activity. This assumption is consistent with prior studies (Beaver, 1968; Bushee et al., 2010; Noh et al., 2021a). Nonetheless, we conduct multiple tests to understand the mechanisms by which earnings announcements lead job seekers to prospective employers. In addition, one threat to our interpretation is reverse causality: managers may try to time earnings announcements to coincide with new job postings. We conduct a robustness test to examine this possibility in the online appendix.

4. Main results

4.1. Sample description

Table 1 Panel A summarizes our final sample in terms of users and search activity. Our sample encompasses 508,704 TeamBlind users and their search activity. Over the sample period of Q3 2018 to Q1 2021, the median number of searches per user is 172. Stated differently, the median user searched 1.2 times per week. In Panel B, we identify the most common terms entered with company names in the platform search bar. These "co-searched" terms include salary, offer, and compensation, reflecting job seekers' interests in monetary benefits. Interview is another common co-searched term, consistent with job seekers asking about the interview process. Terms such as manager, engineer, and director are consistent with job seeker interest in career development. In Panel B, we also identify the top 10 most common employers of current platform users.

In Table 2 Panel A, we document the firm characteristics of 513 public employers searched for by job seekers. These firms are large and have high market-to-book ratios and sales growth. Table 2 also summarizes the search activity for these firms. We define search activity as the number of distinct users per week who search for a specified employer. Scaled search is the

[20] We winsorize the Compustat-CRSP variables at the 1st and 99th percentile of all Compustat-CRSP firms to minimize the influence of outliers.

sum of firm-specific searches on the platform every week divided by the number of TeamBlind users working for the employer. As an alternative measure of searches, we use the logarithm of 1 plus the number of searches. The median of scaled search is 0.1385, meaning that, for example, 139 searches occur per week for a company with 1000 employees on the platform.

Table 2 Panel B shows firm-level variable correlations. Our two measures of search activity are correlated, and the correlation is statistically significant. After Table 3, we use scaled search as our main measures of search activity because it is less correlated with firm characteristics, including size and market-to-book ratio.

Table 2 Panel C summarizes the industry composition of our sample firms. The sample spans the entire industry distribution based on one-digit SIC codes. In particular, the top industries in our sample mirror the top three industries in Compustat (Manufacturing, Finance, and Services), although the distribution is slightly different. The similarity between our sample and Compustat gives us some confidence in the generalizability of our results. Nonetheless, in later sections, we conduct cross-sectional tests to understand the heterogeneous effects of earnings announcements on job searches.

4.2. Job search activity and earnings announcements

Table 3 summarizes our main analysis of the relation between job search activity and earnings announcements. The result is consistent with our expectations. Columns (1) through (4) use *ScaledSearch* as the dependent variable. As detailed in section 3, our main specification includes indicators for event weeks −4 to 4, centered on Event Week 0 (the week of the earnings announcement). By including these indicators and the entire sample, we benchmark user search activity during the earnings announcement period to all weeks outside the earnings announcement period. Column (3) is our main specification. We find that job search activity during Event Weeks −4 to −1 (i.e., the pre-announcement period) is constant and statistically equivalent to job search activity outside the announcement period. During the earnings announcement week (Event Week 0), we find a statistically significant increase in job search activity relative to the mean of *ScaledSearch*. The abnormal search volume continues for another week after the earnings announcement. Fig. 1 plots the coefficients from column (3).

Table 2
Descriptive statistics of job searches.

Panel A: Firm-level Descriptive Statistics

	Count	Mean	StdDev	p25	p50	p75
Scaled Search	44,369	0.3347	0.7231	0.0476	0.1385	0.3098
Log(Searches + 1)	73,272	1.7816	1.6480	0.6931	1.3863	2.6391
Media Coverage	73,272	2.3033	10.038	0	0	1
Earnings Growth	3,531	0.1609	3.8897	−0.1558	0.1213	0.4366
Stock-based Comp	3,179	7.4019	15.840	0.7085	2.5802	8.8958
Size	20,149	8.5689	2.0673	6.8867	8.4344	10.227
ROA	20,149	0.0030	0.0390	−0.0136	0.0108	0.0248
Leverage	20,149	0.2960	0.1924	0.1398	0.2923	0.4235
Market to Book	20,149	8.4276	10.773	2.3974	5.4017	12.360
Sales Growth	20,149	0.0579	0.2432	−0.0150	0.0410	0.0987

Panel B: Firm-level Correlation Table

	Scaled Search	Log(Searches + 1)	Size	ROA	Leverage	Market to Book	Sales Growth
Scaled Search	1.00						
Log(Searches + 1)	0.21***	1.00					
Size	−0.05***	0.19***	1.00				
ROA	−0.00	−0.01	0.50***	1.00			
Leverage	0.02**	0.02***	0.21***	0.18***	1.00		
Market to Book	0.08***	0.21***	−0.26***	−0.11***	0.04***	1.00	
Sales Growth	0.03***	0.03***	−0.10***	0.08***	−0.05***	0.08***	1.00

Panel C: Industry Composition of Searched Firms

SIC	Description	Sample	Compustat
01−09	Agriculture, Forestry, and Fishing	0.29	0.24
10−19	Mining and Construction	1.84	6.58
20−39	Manufacturing	39.44	33.67
40−49	Transportation, Communications, Electric, Gas, And Sanitary Services	5.20	8.36
50−59	Wholesale and Retails Trade	9.55	6.50
60−69	Finance, Insurance, and Real Estate	11.18	30.14
70−89	Services	31.72	13.65
90−99	Public Administration	0.78	0.86

This table describes firm-level descriptive statistics and correlations for our main data set. The sample firms are those matched between the TeamBlind data set and the IBES data set, and the sample period is Q3 2018 to Q1 2021. *ScaledSearch* is defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *Log(Searches + 1)* is defined as the log of one plus count of unique job seekers who search for a given firm. Both *ScaledSearch* and *Log(Searches + 1)* primarily measure search by prospective employees, as fewer than 10% of all searches are conducted by existing employees. Variable descriptions are included in the Appendix.

Table 3
Job search activity and earnings announcements.

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Scaled Search				Log(Searches + 1)			
Event Week −4			−0.0017				−0.0077	
			(0.0059)				(0.0087)	
Event Week −3			−0.0042	−0.0018			−0.0083	−0.0008
			(0.0074)	(0.0067)			(0.0096)	(0.0095)
Event Week −2			0.0049	0.0098			−0.0003	0.0071
			(0.0067)	(0.0073)			(0.0092)	(0.0101)
Event Week −1			0.0007	0.0062			−0.0040	0.0034
			(0.0082)	(0.0073)			(0.0093)	(0.0109)
Event Week 0		0.0191***	0.0214**	0.0248***		0.0374***	0.0406***	0.0459***
		(0.0067)	(0.0093)	(0.0083)		(0.0075)	(0.0097)	(0.0111)
Event Week 1			0.0144*	0.0140*			0.0283***	0.0300***
			(0.0076)	(0.0081)			(0.0091)	(0.0116)
Event Week 2			0.0087	0.0077			0.0199**	0.0198*
			(0.0065)	(0.0083)			(0.0095)	(0.0115)
Event Week 3			−0.0040	−0.0034			−0.0109	−0.0109
			(0.0073)	(0.0097)			(0.0086)	(0.0125)
Event Week 4			−0.0081	−0.0089			−0.0002	−0.0031
			(0.0078)	(0.0094)			(0.0092)	(0.0121)
Event Weeks 0–4	0.0066				0.0185***			
	(0.0042)				(0.0050)			
Observations	44,369	44,369	44,369	23,497	73,272	73,272	73,272	34,514
R-squared	0.8228	0.8228	0.8228	0.8453	0.9215	0.9215	0.9215	0.9308
Year*Week FE	Y	Y	Y	Y	Y	Y	Y	Y
Firm*Year FE	Y	Y	Y	Y	Y	Y	Y	Y

This table describes the relation between job search activity and earnings announcements. The sample firms are those matched between the TeamBlind data set and the IBES data set, and the sample period is Q3 2018 to Q1 2021. Event Week 0 is the week of the earnings announcement. We estimate each specification with our two measures of prospective employees' job search activity: *ScaledSearch* and *Log*(*Searches* + 1). *ScaledSearch* is defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *Log*(*Searches* + 1) is defined as the log of one plus count of unique job seekers who search for a given firm. Both *ScaledSearch* and *Log*(*Searches* + 1) primarily measure search by prospective employees, as fewer than 10% of all searches are conducted by existing employees. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are reported in parentheses. *p < .10 **p < .05 ***p < .01.

We find comparable results using the alternative specifications. In column (1), the specification is a single indicator equal to 1 for Event Weeks 0–4. The coefficient on the indicator is positive but not significant. In column (2), the specification is a single indicator equal to 1 in Event Week 0; the coefficient is positive and significant at the 1% level. In column (4), the specification includes all indicators except Event Week −4 and only observations in the announcement period. The coefficients on Event Week 0 and Event Week 1 are positive and significant. Columns (5) through (8) repeat these specifications using *Log*(*Searches* + 1) as a dependent variable, and the results are even stronger: in columns (7) and (8), the earnings announcement effect lasts up to Event Week 2, and in column (5), the earnings announcement effect over Event Weeks 0–4 is positive and statistically significant.

We use column (3) to quantify the economic magnitude of our results. During the earnings announcement week (Event Week 0), we find a 6% increase in job search activity relative to the mean of *ScaledSearch*. Earnings announcements draw additional job seekers' attention, comparable to 2% of their workforce every quarter. Compared to the mean quarterly employee turnover rate of 9% (Choi et al., 2022), the magnitude is economically significant.

5. Mechanism analysis

5.1. Firm-level mechanism analyses

In Section 2, we discussed two mechanisms that plausibly drive the positive relation between earnings announcements and job search: a job prospect mechanism and an attention mechanism. In this section, we test these mechanisms explicitly. We incrementally modify Equation (1) to account for these mechanisms. First, we introduce media coverage as a control variable for attention.[21] We measure media coverage with the RavenPack data set, which captures finance news articles from Dow Jones Newswires and regional editions of the Wall Street Journal, Barron's, and MarketWatch (Noh et al., 2021a). The

[21] We use media coverage as a measure of attention. Prior literature has established that information intermediaries play an important role in the capital market. For example, Bushee et al. (2010) document that the business media processes financial information and disseminates it to investors. To the extent that media coverage also helps job seekers pay attention to earnings announcements, the media coverage variable allows us to examine both the attention and job prospect mechanisms.

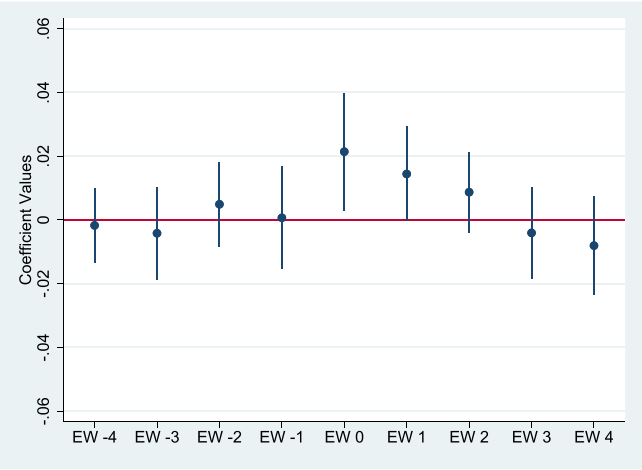

Fig. 1. This figure summarizes search activity in response to earnings announcements for all earnings events. This figure plots coefficients from the full specification in Table 3 Column (3). In Table 3 Column (3), we estimate the following specification with *ScaledSearch* as a dependent variable: $JobSearch_{jt} = \sum_{t=-4}^{t=4} \beta_t \cdot EA_t + \alpha_{jy(t)} + \tau_t + \epsilon_{jt}$ where *j* indexes company, *t* indexes year-week, and *y* indexes year. Event Week 0 (EW 0) is the week of the earnings announcement and β_0 is the coefficient of $\cdot\ EA_0$. *ScaledSearch* is defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *ScaledSearch* primarily measures search by prospective employees. The sample firms are those matched between the TeamBlind data set and the IBES data set. The sample period is Q3 2018 to Q1 2021. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are used to report the 95% confidence internal for each coefficient value.

Wall Street Journal and Barron's together have more than 3.6 million subscribers, and readership is certainly wider.[22] Second, to capture the job prospect mechanism, we re-estimate this amended specification in two separate subsamples: earnings announcements with above-median earnings growth and earnings announcements with below-median earnings growth. The subsample analyses are based on the job prospect mechanism's prediction that job seekers search for firms with strong earnings announcements more than those with weak ones.

If the attention mechanism or the job prospect mechanism were solely dominant, we would expect the coefficient on the Event Week 0 indicator to attenuate significantly or the coefficient on the media coverage variable to load insignificantly, respectively. In contrast, positive and significant coefficients on both the Event Week 0 and media coverage variables would support both the attention and job prospect mechanisms. A stronger coefficient in the above-median earnings growth subsample as compared to the below-median earnings growth subsample would also support the job prospect mechanism.

Table 4 summarizes these tests. In Columns (1)–(4), we see that, after controlling for media coverage, our results are qualitatively unchanged from Table 3. We continue to find job searches increase during the earnings announcement week, although the magnitude of the coefficients on earnings announcements is slightly smaller than in Table 3. The coefficients on *Media Coverage* are also positive and significant. These results suggest that job seekers learn about earnings announcements through the media, but earnings announcements provide information above and beyond simple attention due to media coverage. In Columns (5)–(8), we find that, even after controlling for media coverage, earnings with above-median growth prompt more search, which is consistent with the job prospect mechanism.[23] We plot the coefficients in columns (5) and (6) graphically in Fig. 2 with confidence interval estimates, and we interpret Table 4 to mean that both the job prospect and attention mechanisms are driving the positive relation between earnings announcements and job search.

In Table 5, we again examine the job prospect and attention mechanisms but this time focus on their complementary nature. In Columns (1)–(4), we split the sample into earnings announcements with media coverage and those without. We observe that earnings announcements with media coverage draw 60%–80% more job search activity than earnings announcements without media coverage. This increase is consistent with the attention mechanism and suggests that attention is a necessary condition for the job prospect mechanism. The results also align with prior literature on information processing costs where the first step is information awareness (Blankespoor et al., 2020).

In Columns (5)–(8), we limit our sample to only earnings announcements with media coverage. We then split the sample into earnings announcements with above-median earnings growth and announcements with below-median earnings growth. We find that, conditional on media coverage, companies with above-median earnings growth draw three times more

[22] See Florin and Kennedy (2020).

[23] Our media coverage results are robust to using The New York Times as a measure of media coverage. We scrape The New York Times website over the duration of the sample period. We selected The New York Times as another measure of media coverage because of its broad reader base, including job seekers.

Table 4
Job search activity, earnings announcements, and mechanisms.

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Scaled Search							
					EG ≥ Median	EG < Median	EG ≥ Median	EG < Median
Event Week −4			−0.0011		0.0009	0.0047		
			(0.0059)		(0.0076)	(0.0091)		
Event Week −3			−0.0040	−0.0020	−0.0012	−0.0051	−0.0003	−0.0056
			(0.0074)	(0.0067)	(0.0086)	(0.0118)	(0.0086)	(0.0099)
Event Week −2			0.0051	0.0096	0.0047	0.0085	0.0099	0.0097
			(0.0067)	(0.0073)	(0.0088)	(0.0101)	(0.0101)	(0.0115)
Event Week −1			0.0010	0.0060	0.0052	−0.0064	0.0114	−0.0071
			(0.0082)	(0.0073)	(0.0090)	(0.0115)	(0.0107)	(0.0136)
Event Week 0		0.0150**	0.0167*	0.0214***	0.0208*	0.0045	0.0263**	0.0040
		(0.0065)	(0.0090)	(0.0081)	(0.0118)	(0.0120)	(0.0118)	(0.0145)
Event Week 1			0.0117	0.0118	0.0175**	0.0124	0.0154	0.0026
			(0.0074)	(0.0081)	(0.0086)	(0.0097)	(0.0114)	(0.0131)
Event Week 2			0.0063	0.0056	0.0167**	0.0035	0.0116	−0.0083
			(0.0064)	(0.0084)	(0.0085)	(0.0091)	(0.0119)	(0.0140)
Event Week 3			−0.0059	−0.0052	0.0005	−0.0077	−0.0011	−0.0187
			(0.0073)	(0.0099)	(0.0102)	(0.0085)	(0.0105)	(0.0146)
Event Week 4			−0.0088	−0.0101	0.0050	−0.0171	0.0017	−0.0299*
			(0.0078)	(0.0094)	(0.0095)	(0.0104)	(0.0098)	(0.0165)
Event Weeks 0–4	0.0038							
	(0.0042)							
Media Coverage	0.0212***	0.0205***	0.0199***	0.0118**	0.0231***	0.0228***	0.0076	0.0083
	(0.0050)	(0.0049)	(0.0048)	(0.0052)	(0.0050)	(0.0067)	(0.0065)	(0.0090)
Observations	44,369	44,369	44,369	23,497	31,941	31,623	11,064	10,747
R-squared	0.8229	0.8229	0.8229	0.8454	0.8219	0.8251	0.8629	0.8614
Year*Week FE	Y	Y	Y	Y	Y	Y	Y	Y
Firm*Year FE	Y	Y	Y	Y	Y	Y	Y	Y

This table describes the relation between job search activity and earnings announcements in the presence of media coverage and in subsamples. The sample firms are those matched between the TeamBlind data set and the IBES data set, and the sample period is Q3 2018 to Q1 2021. Event Week 0 is the week of the earnings announcement. The dependent variable is *ScaledSearch*, defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *ScaledSearch* primarily measures search by prospective employees. The unit of observation is firm-week-year.*MediaCoverage* is the count of media outlets covering a firm in that year-week. We split earnings announcements into above-median and below-median earnings growth for Columns (5)–(8). We estimate each specification separately for each group. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are reported in parentheses. *p < .10 **p < .05 ***p < .01.

job searches than companies with below-median earnings growth.[24] The magnitude for strong earnings growth firms in Table 5 is larger than that in Table 4. This finding is consistent with the job prospect mechanism reinforcing the attention mechanism. We plot the coefficients Columns (7) and (8) in Fig. 3, which is comparable to Fig. 2.

5.2. Job seeker-level mechanism analyses

We provide further evidence on the role of these two mechanisms by investigating individual users' job search dynamics. We create an individual user-level dataset. We randomly select 1% of users as identified by their unique IDs.[25] For each user, we construct a balanced panel of her search activity for those firms in her search history. Each observation in the data set is a user-year-week-firm tuple. Our variable of interest is an indicator variable equal to 1 if the user searches for a firm during the firm's earnings announcement week (i.e., Event Week 0) and 0 otherwise. Our dependent variable is the user's firm-specific search activity for the next 4 weeks. We again split the sample based on whether the earnings announcement growth was above or below the median. Both samples include all non-announcement period weeks. We regress our future search dependent variable on our variable of interest in each subsample.

Under the job prospect mechanism, we expect job seekers who perceive the information content of earnings news (as opposed to job seekers motivated purely by attention) to search for a company with earnings growth in the weeks following

[24] The prior literature documents asymmetric media coverage of earnings events. Noh et al. (2021a) causally show earnings announcements scheduled based on calendar rotations induce media coverage and confirm the earlier finding of Niessner and So (2018) that earnings announcements with bad performance receive approximately 11%–19% more media coverage than earnings announcements with good performance, after controlling for firm characteristics. We test whether above-median earnings growth announcements receive more news coverage by replicating the Niessner and So (2018) research design in our sample. We regress media coverage on an earnings announcement week indicator separately for above-median and below-median earnings growth announcements. Our results (summarized in our online appendix) are directionally consistent with Niessner and So (2018): we find weak evidence that below-median earnings growth prompts more news coverage than above-median earnings growth. These findings suggest that the results in Columns (5)–(8) are unlikely to be driven solely by differences in media coverage.

[25] We use a 1% sample because using the full sample is computationally challenging.

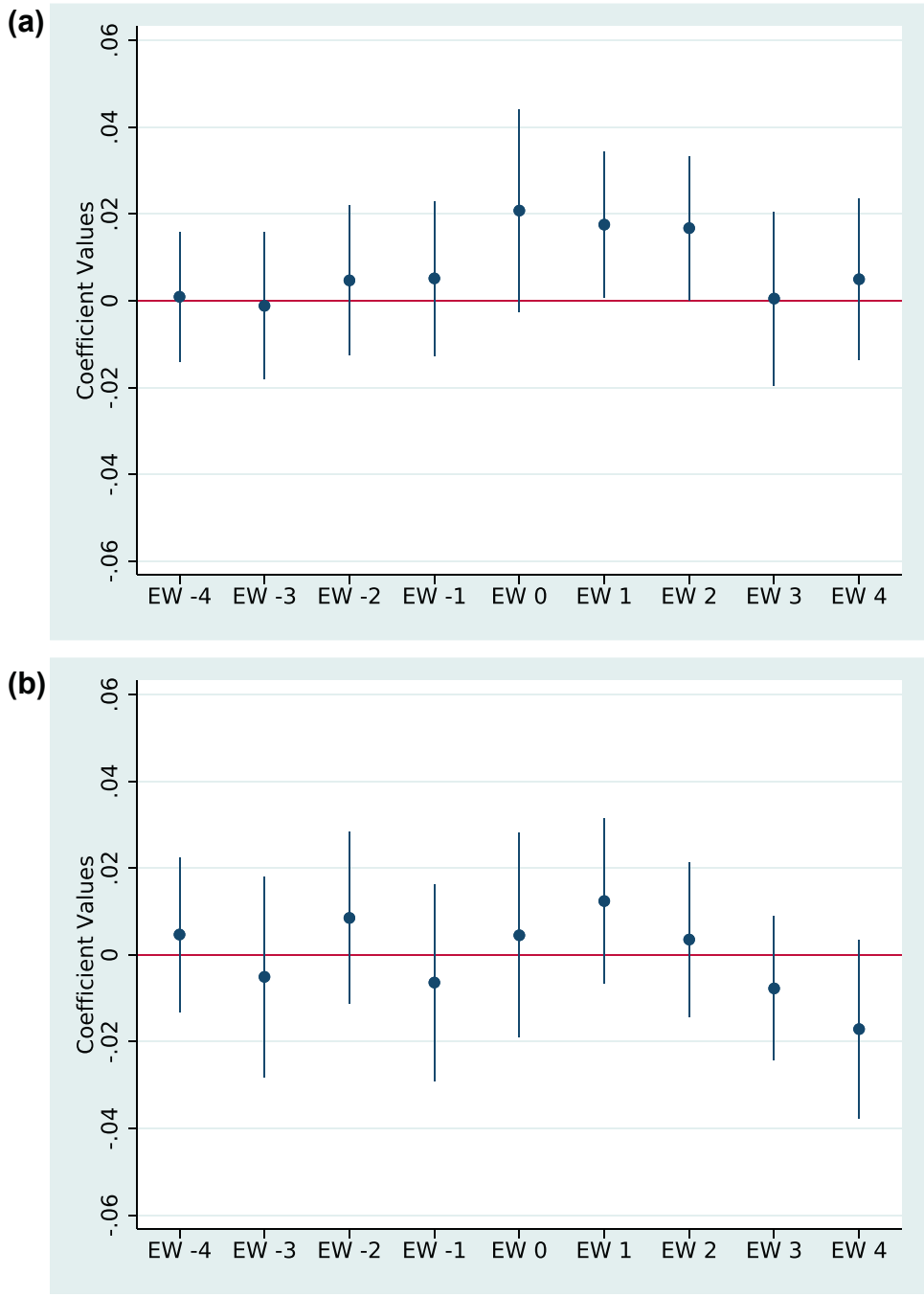

Fig. 2. These figures summarize search activity in response to earnings announcements for below- and above-median-earnings growth events separately. For those two separate groups of observations, we estimate the following specification with *ScaledSearch* as a dependent variable: $JobSearch_{jt} = \sum_{t=-4}^{t=4} \beta_t \cdot EA_t + \alpha_{jy(t)} + \tau_t + \epsilon_{jt}$ where j indexes company, t indexes year-week, and y indexes year. Event Week 0 (EW 0) is the week of the earnings announcement and β_0 is the coefficient of $\cdot\ EA_0$. *ScaledSearch* is defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *ScaledSearch* primarily measures search by prospective employees. The sample firms are those matched between the TeamBlind data set and the IBES data set. The sample period is Q3 2018 to Q1 2021. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are used to report the 95% confidence internal for each coefficient value. (a) This figure plots coefficients from the full specification in Table 4 Column (5). (b) This figure plots coefficients from the full specification in Table 4 Column (6).

an earnings announcement that conveys stronger job prospects. In Table 6, we find the earnings-announcement-week search activities are more positively associated with subsequent search activities following above-median earnings growth news. These job seekers' subsequent behaviors are consistent with job seekers perceiving the content of earnings announcements. At the same time, we find that the coefficients are statistically significant for both groups, which supports the attention

Table 5
Attention and information roles of earnings announcements in job search.

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Scaled Search							
	Media Coverage				Earnings Announcements with Media Coverage			
	No Media	Media	No Media	Media	EG ≥ Median	EG < Median	EG ≥ Median	EG < Median
Event Week −4			−0.0024	−0.0012			−0.0031	0.0027
			(0.0094)	(0.0071)			(0.0093)	(0.0123)
Event Week −3			−0.0190	0.0006			0.0020	−0.0003
			(0.0125)	(0.0087)			(0.0099)	(0.0137)
Event Week −2			0.0018	0.0024			−0.0040	0.0116
			(0.0117)	(0.0080)			(0.0098)	(0.0132)
Event Week −1			−0.0127	0.0029			0.0099	−0.0103
			(0.0155)	(0.0088)			(0.0104)	(0.0141)
Event Week 0	0.0132	0.0207**	0.0123	0.0231**	0.0234**	0.0079	0.0278*	0.0079
	(0.0093)	(0.0082)	(0.0111)	(0.0114)	(0.0111)	(0.0125)	(0.0146)	(0.0161)
Event Week 1			0.0048	0.0187**			0.0267**	0.0127
			(0.0123)	(0.0090)			(0.0107)	(0.0123)
Event Week 2			0.0180	0.0050			0.0156	0.0004
			(0.0125)	(0.0072)			(0.0095)	(0.0106)
Event Week 3			0.0009	−0.0068			−0.0099	−0.0047
			(0.0130)	(0.0093)			(0.0109)	(0.0121)
Event Week 4			−0.0046	−0.0087			0.0038	−0.0191
			(0.0105)	(0.0101)			(0.0110)	(0.0146)
Observations	28,202	37,035	28,202	37,035	28,919	27,911	28,919	27,911
R-squared	0.8313	0.8102	0.8314	0.8102	0.8135	0.8122	0.8136	0.8122
Year*Week FE	Y	Y	Y	Y	Y	Y	Y	Y
Firm*Year FE	Y	Y	Y	Y	Y	Y	Y	Y

This table describes the relation between job search activity and earnings year-on-year growth in the presence of media coverage. The sample firms are those matched between the TeamBlind data set and the IBES data set, and the sample period is Q3 2018 to Q1 2021. Event Week 0 is the week of the earnings announcement. The dependent variable is *ScaledSearch*, defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *ScaledSearch* primarily measures search by prospective employees. In columns (1) to (4), we split earnings announcements into those with and without media coverage. In columns (5) to (8), we limit the sample to earnings announcements with media coverage and split this smaller sample into earnings with above-median and below-median growth. We estimate each specification separately for each group. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are reported in parentheses. *p < .10 **p < .05 ***p < .01.

mechanism. These results are consistent with job seekers paying attention to employers continuously regardless of the employers' diverging job prospects.

6. Robustness and corroborating evidence

6.1. Financial information content of earnings announcements for job seekers

The job prospect mechanism assumes that job seekers respond to the information content of earnings announcements; the mechanism also implies the acquisition of financial information during the job search process and requires that financial performance is predictive of future job prospects. In this section, we introduce new data and find evidence consistent with these expectations.

6.1.1. Survey experiment

We design and field a survey experiment to establish a causal relation between financial information and job search. The survey experiment randomly varies the content of financial information provided to job seekers.[26] Use of survey experiments has increased in recent years as a tool for more targeted inference (Bloomfield et al., 2016; Di Tella and Rodrik, 2020).

Our experiment uses a 1x4 between-participants design: one control and three treatment arms. Participants are placed into a single arm at random. We introduce the same fictional company, NexusLead, in each arm, including the control arm.[27] We vary the treatment arms by supplementing this information with an excerpted news article from a "major metropolitan newspaper." The treatment varies in the content of the news excerpt. In the first treatment arm, the news is neutral: a summary of recent product changes. In the second treatment arm, the news is negative: a summary of recent product changes

[26] According to Bloomfield et al. (2016), our approach can be classified as a lab experiment because we control the environment, an independent variable. We use the term "survey experiment" because the environment is a survey. The survey experiment was approved under one of our institutions' IRB.

[27] Our design originally included another arm that did not name the fictional company and referred only to the fictional company's industry. Our results are unchanged if we include this arm. We omit it for brevity.

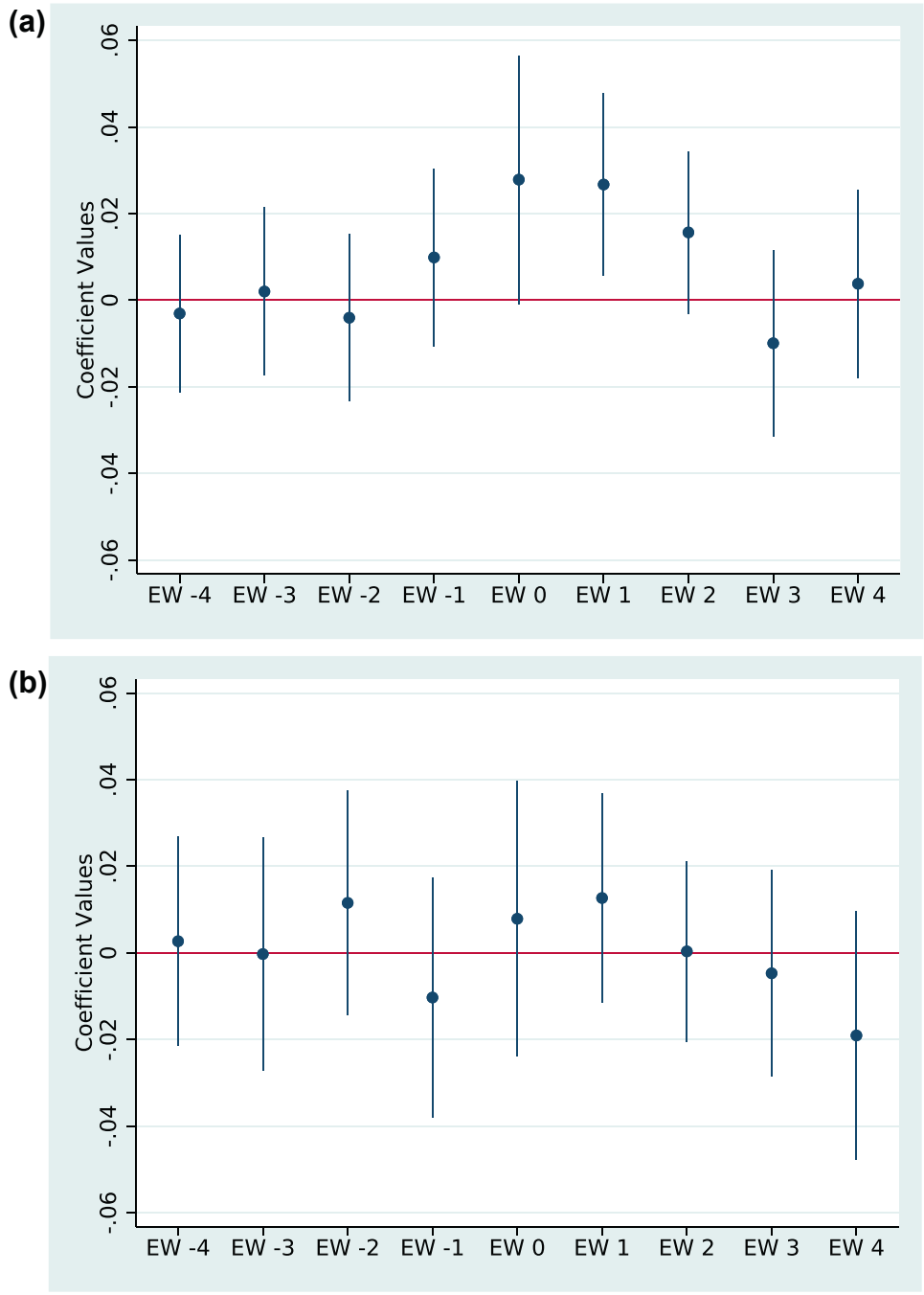

Figure 3. These figures summarize search activity in response to earnings announcements for below- and above-median-earnings growth events separately, conditional on media coverage. For those two separate groups of observations, we estimate the following specification with *ScaledSearch* as a dependent variable: $JobSearch_{jt} = \sum_{t=-4}^{t=4} \beta_t \cdot EA_t + \alpha_{jy(t)} + \tau_t + \epsilon_{jt}$ where j indexes company, t indexes year-week, and y indexes year. Event Week 0 (EW 0) is the week of the earnings announcement and β_0 is the coefficient of $\cdot\ EA_0$. *ScaledSearch* is defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *ScaledSearch* primarily measures search by prospective employees. The sample firms are those matched between the TeamBlind data set and the IBES data set. The sample period is Q3 2018 to Q1 2021. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are used to report the 95% confidence internal for each coefficient value. (a) This figure plots coefficients from the full specification in Table 5 Column (7). (b) This figure plots coefficients from the full specification in Table 5 Column (8).

followed by news about poor financial performance. In the third treatment arm, the news is positive: a summary of recent product changes followed by news about strong financial performance. Relative to the No News control arm, the Neutral News treatment arm is designed to test the attention mechanism by varying only news coverage, and the Positive and Negative News treatment arms are designed to test the job prospect mechanism by incorporating financial information.

Table 6
Job search dynamics and earnings announcements' roles.

VARIABLES	(1)	(2)	(3)	(4)
	Search Week 1–4		Log(Search Week 1–4 + 1)	
	EG ≥ Median	EG < Median	EG ≥ Median	EG < Median
EA Job Search	1.1682***	0.2763***	0.1138***	0.0353***
Observations	247,282	250,995	247,282	250,995
R-squared	0.5595	0.6992	0.5320	0.5626
Firm*User FE	Y	Y	Y	Y
Year*Week FE	Y	Y	Y	Y
Firm*Year	Y	Y	Y	Y

This table describes individual job seekers' dynamic search activities. We randomly select 1% of users as identified by their unique IDs. For each user, we construct a balanced panel of her search activity for those firms in her search history. The sample period is Q3 2018 to Q1 2021. Each observation in the data set is a user-year-week-firm tuple. EA Job Search is an indicator equal to 1 if a job seeker searched for an employer during the week of an earnings announcement (i.e., Event Week 0) and 0 otherwise. Our dependent variable is the user's firm-specific search activity for the next 4 weeks after the earnings announcement. We split the sample into earnings announcements with above-median and below-median earnings growth. Variable descriptions are included in the Appendix. Clustered standard errors by industry are reported in parentheses. *p < .10 **p < .05 ***p < .01.

Regardless of which arm the participant is assigned to, he or she is asked the same question: based on the information you have been provided, how likely are you to apply to NexusLead for a job?[28] The participants respond using the following options, which are subsequently converted to a Likert scale from 1 to 7: Very Unlikely, Unlikely, Somewhat Unlikely, Undecided, Somewhat Likely, Likely, and Very Likely. We recruit survey participants using Prolific, a survey participant recruitment service used extensively in the academic literature (Cardinaels and Feichter, 2021). We recruit 100 participants per arm. To be included in our study, the participant must identify as a job seeker to Prolific. We determine the required number of participants using a multivariate regression power analysis to ensure we could credibly reject a null hypothesis.[29] Our sample covers a wide range of the demographics (e.g., age and education). We validate the covariate balance in demographics across randomized participant groups in the online appendix.

Table 7 shows that, relative to the No News treatment, the Positive News treatment increases job-seeker interest in job opportunities at NexusLead. The magnitude of the effect is 0.53. The baseline likelihood of application is 4.14 on a Likert scale of 1–7, where 7 is Very Likely. The Negative News treatment decreases job seeker interest in job opportunities at the firm; the result is negative and comparable in magnitude to the effect arising from the Positive News treatment. Although the

Table 7
Financial information relevance to job search experiment.

VARIABLES	(1)
	Job Seeker Interest
Neutral News	0.2301
	(0.2111)
Negative News	−0.5188**
	(0.2118)
Positive News	0.5288***
	(0.1967)
Constant	4.1441***
	(0.5326)
Observations	373
R-squared	0.1614
Industry FE	Y
Controls	Y

This table describes the survey experiment results. The dependent variable is Job Seeker Interest measured based on a 1–7 Likert Scale for each survey participant. The independent variables reflect the tone of financial news randomly assigned to each survey participant. We use age, gender, and education control variables, and industry fixed effects. Variable descriptions are included in the Appendix. Clustered standard errors by industry are reported in parentheses. *p < .10 **p < .05 ***p < .01.

[28] We interpret the likelihood of applying for a job as a strong indicator of the job seeker engaging in a job search.
[29] By comparison, prior research often uses 30 observations per arm (List et al., 2011).

Table 8
Job search activity and financial information acquisition.

VARIABLES	(1)	(2)
	Financial Info Search	Financial Info Search
Job Postings	0.0752***	
	(0.0105)	
Interviews		0.5731***
		(0.0448)
Financial Performance	0.0011	0.0011
	(0.0017)	(0.0015)
Size	0.0633***	0.0493***
	(0.0137)	(0.0138)
Leverage	−0.0425	−0.0464
	(0.0460)	(0.0517)
Observations	5,483,188	3,908,369
R-squared	0.3636	0.3600
County FE	Y	Y
Month*Year FE	Y	Y
Firm FE	Y	Y

This table shows the relations among financial information acquisition, job applications, and interviews. The sample firms are public firms with Edgar search results, job postings on the Burning Glass Technology data set, and interviews in the Glassdoor data set. The sample period is 2010−2016. The dependent variable is *FinancialInfoSearch* and is measured by (residential) Edgar searches at the county-month-year-employer level. The independent variables are *JobPostings* and *Interviews*, indicator variables about whether employers issue a job posting or conduct an interview, respectively, in a county-month-year. *FinancialPerformance* is defined as the sum of a firm's quintile ranks of ROA, Sales Growth, and Market to Book Variable descriptions are included in the Appendix. Clustered standard errors by industry are reported in parentheses. *p < .10 **p < .05 ***p < .01.

magnitude of the coefficient of Neutral News is half that of the coefficient of Positive News, it is not statistically significant.[30] Our survey questionnaire is included in the Appendix. Overall, the survey experiment findings are consistent with job seekers initiating search in response to the perceived information content of earnings announcements.[31] Collectively, these results support the job prospect mechanism.[32] We believe that these tests provide corroborating evidence for the positive relation between earnings announcements and job search, as well as the attention and job prospect mechanisms.

6.1.2. Financial information search

Throughout this paper, we have remained agnostic about the mechanics of financial information acquisition. We expect that if financial information provides information about future job prospects, job seekers may access this information repeatedly during the job search process. To investigate the *direct* use of financial information by job seekers, we estimate the relation between financial information acquisition and two important milestones that take place during the job search process: job postings and job interviews.[33]

We measure job postings and job interviews using data from Burning Glass Technologies (BGT) and Glassdoor, respectively. We measure financial information acquisition as the number of downloads on SEC.gov's IP log data (Zhi et al., 2011; Lee et al., 2015; Ben-Rephael et al., 2017). The SEC.gov IP log data capture not only downloads on the Edgar platform but also links on company websites to SEC filings. For example, Alphabet's Investor Relations page directs users to its filings hosted at SEC.gov. We filter the SEC.gov IP log data to only residential IPs to reduce the probability of observing commercial investors' financial information acquisition.[34]

The specification is

[30] In addition, our pilot test and the main test have different signs for the coefficient on Neutral News. We conducted the pilot test with the same setting for a smaller number of participants for power analysis.

[31] We conduct a follow-up survey where we ask respondents about how financial information informs their likelihood of applying to a firm. Respondents overwhelmingly indicated that strong financial information increases their interest in a company. Multiple respondents noted that they expected a company with strong financial performance to offer higher salaries. One respondent said that the financial performance indicated there was "a lot more room to grow." Another respondent conveyed a similar idea, describing a firm with strong financial performance as a place that "trends upward" and is, therefore, a good place to work in the long term or a stepping stone to more opportunities. Finally, a respondent suggested that strong financial performance may imply "good company processes," one of which could plausibly be talent management and promotion. These job seekers did not share exactly what computations they performed: however, they indicated that they use financial information to assess a prospective employer.

[32] We also test whether a firm's financial performance information is positively correlated with job application intensity in the online appendix. We find a positive relation, which is consistent with the job prospect mechanism, as a job seeker's interest is likely to be greater for high-performing firms.

[33] In untabulated results, we conduct the same analysis with earnings announcements and find qualitatively the same results as job postings and job interviews.

[34] We acknowledge that our measure of financial information search is not a direct measure of the use and acquisition of financial information. In untabulated tests with a larger sample, we compared this definition of financial information acquisition with Google Trends data and found comparable results. In untabulated tests, we also find stronger results for jobs requiring more education and financial knowledge. We also acknowledge that job seekers are only one of the many categories of stakeholders who use financial information hosted at SEC.gov.

Table 9
Future job prospects and financial performance.

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)
	Log(Job Posting + 1)		Log(Manager Job Posting + 1)		Log(Cognitive/Social Job Posting + 1)	
	t+1	t+2	t+1	t+2	t+1	t+2
Financial Performance	0.0746***	0.0707***	0.0845***	0.0768***	0.0902***	0.0714***
	(0.0169)	(0.0183)	(0.0166)	(0.0172)	(0.0180)	(0.0196)
Observations	1439	1369	1439	1369	1439	1369
R-squared	0.9067	0.9020	0.8872	0.8910	0.8968	0.8902
Firm FE	Y	Y	Y	Y	Y	Y
Year*Month FE	Y	Y	Y	Y	Y	Y

This table describes the relation between future job prospects and firm financial performance. The sample firms are all public firms matched between the Burning Glass Technology data set, the TeamBlind data set, and IBES. The sample period is Q1 2018 to Q1 2020. The Year*Month fixed effects are tied to the final month of each quarter. We define job prospects as employment opportunities, career growth, and professional development and define these terms by counting the number of future job postings, future senior-position job postings, and future job postings with social and cognitive skills, respectively. Variable descriptions are included in the Appendix. Clustered standard errors by industry are reported in parentheses. *p < .10 **p < .05 ***p < .01.

$$FinInfoSearches_{jst} = \beta \cdot JobPostings_{jst} or Interviews_{jst} + \gamma \cdot X_{jst} + \alpha_j + \mu_s + \tau_t + \varepsilon_{jst}, \quad (2)$$

where *j* indexes firm, *s* indexes county, and *t* indexes month. Our first variable of interest is $JobPostings_{jst}$, the log of 1 plus the number of job postings in a firm-county-month tuple. We count job postings using data from BGT, which covers the majority of job openings in the US (Hershbein and Kahn, 2018). The BGT data set contains information about the job posting date, employer name, industry, job title, location, and required skills.[35] We measure *FinInfoSearches* as the log of 1 plus the number of searches, also in a firm-county-month tuple. *Interviews* is the log of 1 plus the number of interviews reported in a firm-county-month tuple. Our control variables include *FirmPerformance*, the sum of a firm's quintile ranks of ROA, Sales Growth, and Market-to-Book; *Size*, the log of the previous quarter's total assets, and *Leverage*, the previous quarter's current and long-term debt divided by the previous quarter's total assets. Standard errors are clustered at the firm level. To mitigate concerns over macroeconomic and geographic factors, we use time and county fixed effects.[36] We also use firm fixed effects because large firms have more investors, employees, and job postings.

In Table 8, we find that financial information searches are positively correlated with job postings and job interviews. The median of the number of raw financial information searches is three. The number is small because we measure financial information searches at the firm-county-month level and exclude financial information searches by bots, crawlers, and commercial investors. Doubling job postings and interviews in a firm-county translates to an additional 0.2256 and 1.7193 raw financial information searches, respectively, in that firm-county.[37] Annually, doubling job postings and interviews in a firm-county increases financial information searches from 36 to 38.7072 and from 36 to 56.6316, respectively.[38] Given that the Edgar platform is one of multiple financial information sources for job prospects, our result is economically significant. Overall, our analysis supports the job prospect mechanism by documenting evidence consistent with job seekers gathering financial information about potential employers throughout the job search process.

6.2. Firm financial performance and future job prospects

The job prospect mechanism rests on the assumption that a firm's financial performance predicts future job postings and opportunities for professional development and career growth. In this section, we test this assumption explicitly by estimating the relation between financial performance and future job prospects. The specification is

$$JobProspects_{jt+k} = \beta \cdot FinancialPerformance_{jt} + \gamma \cdot X_{jt} + \alpha_j + \tau_t + \varepsilon_{jt+k}, \quad (3)$$

where *j* indexes company and *t* indexes month. Our variable of interest, *FinancialPerformance*, is measured as the sum of quintile ranks of *ROA*, *Sales Growth*, and *Market to Book*. We use the BGT data to measure three different aspects of future job prospects—future employment opportunities, future career growth, and future professional development—by counting the number of future job postings, future senior/manager-position job postings, and future job postings for positions with social

[35] The sample for this analysis covers approximately 200 firms in the TeamBlind sample. We do not have job posting information for all 513 firms due to BGT coverage and a lack of comprehensive crosswalks between the BGT data and commonly used data sets in accounting.

[36] For example, economic recovery might increase both financial information search and job postings. In addition, counties may have a large number of both investors and employees.

[37] We use the median of the number of raw financial information searches, 3, for these calculations: for job postings, 3 × 0.0752 and, for interviews, 3 × 0.5741.

[38] Our results complement Lester et al. (2020), who document that current employees search for financial information during earnings announcements.

Table 10
Heterogeneous effects of earnings announcements on job search.

VARIABLES	(1)	(2)	(3)	(4)	(5)
	Scaled Search				
	Uncertainty		Stock Option		Remote Work
	≥ Median	< Median	≥ Median	< Median	
Event Week 0	0.0372***	0.0021	0.0300***	0.0047	0.0183***
	(0.0102)	(0.0072)	(0.0082)	(0.0111)	(0.0067)
Remote Work Indicator					0.1278
					(0.0942)
EW 0 x Remote Work Indicator					0.1195*
					(0.0655)
Observations	24,252	24,318	31,683	29,472	44,369
R-squared	0.8407	0.8481	0.8314	0.7942	0.8229
Year*Week FE	Y	Y	Y	Y	Y
Firm*Year FE	Y	Y	Y	Y	Y

This table reports results from our heterogeneity tests. The sample firms are those matched between the TeamBlind data set, the IBES data set, and Compustat. The sample period is Q3 2018 to Q1 2021. Columns (1) and (2) describe the relation between job search and uncertainty. We split the sample into high-uncertainty and low-uncertainty firms based on the median of stock return volatility for the four weeks leading up an earnings announcements. Columns (3) and (4) describe the relation between job search activity and earnings announcements separately for firms with either above- or below-median stock-based compensation per employee. Column (5) describes the relation between job search activity and earnings announcements after firms announce permanent remote-first work policies. Event Week 0 is the week of the earnings announcement. *Remote Work Indicator* is equal to one for all firm-weeks with active long-term, remote-first work policies. The dependent variable is *ScaledSearch*, defined as the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm. *ScaledSearch* primarily measures search by prospective employees. The unit of observation is firm-week-year. Variable descriptions are included in the Appendix. Clustered standard errors by firm are reported in parentheses. *p < .10 **p < .05 ***p < .01.

and cognitive skills, respectively. The sample is the inner join of BGT with the CRSP-Compustat data set, limited to the firms that also appear in our final TeamBlind sample.

Table 9 summarizes our results. We find that a firm's financial performance is associated with future employment opportunities, career growth, and professional development.[39] The predictive association is significant at least two months ahead. These findings support the argument that job seekers can learn about job prospects by using the financial information in earnings announcements.

We argue that the observed increase in job search activity in the earnings announcement week is due to the perceived information content of earnings announcements. One alternative but consistent explanation for the observed relation is that firms time new job postings concurrently with earnings announcements. In that case, job search activity is a response to new job postings, not to the information content of earnings announcements. To rule out this alternative explanation, we re-estimate our main specification but replace the dependent variable with a measure of new job postings. We use the same sample of job postings as in the previous test. As shown in the online appendix, we do not find any relation between job postings and the earnings announcement week. In some cases, the coefficients are negative and statistically insignificant. Likewise, we do not find any relation between job postings and any of the weeks during the announcement period. These results indicate that an increase in job postings is less likely to be the primary reason that job seekers search for an employer during the announcement period.

6.3. Heterogeneous effects of earnings announcements on job search

In this section, we study cross-sectional variation in the relation between earnings announcements and job search. We find the relation is stronger when the information content of the earnings announcements is more valuable to job seekers. We interpret these results as further support for earnings announcements guiding job seekers.

6.3.1. Uncertainty, earnings announcements, and job search

We examine how differences in uncertainty affect the relation between earnings announcements and job search activity. When more uncertainty exists about employers, the additional information provided by earnings announcements may be more useful for learning about firms' job prospects. We measure uncertainty by using stock return volatility for the four weeks leading up an earnings announcements. We split the sample into high-uncertainty and low-uncertainty firms based on the median.

In Table 10, we document a positive relation between stock return volatility and earnings announcements with job search activities. For the low-uncertainty group, we do not find a statistically significant relation. These findings indicate that job

[39] A recent paper documents that job postings predict earnings. Gutiérrez et al. (2020) demonstrate that the disclosure of investment in human capital (i.e., job postings) contains forward-looking information.

seekers are more responsive to earnings announcement news about prospective employers when there is more uncertainty about those employers.

6.3.2. Stock-based compensation, earnings announcements, and job search

Job prospects may be more important to prospective employees when remuneration includes stock-based compensation. The benefits of career growth, professional development, and pay growth at firms that use stock-based compensation are higher because, as workers become more senior, they more directly share in the firm's profitability (Oyer and Schaefer, 2005). We expect the positive relation between earnings announcements and job search activity to be heightened among those firms that use more stock-based compensation. In addition, job seekers interested in firms with stock-based compensation are likely to have both general interest and skills in understanding financial information.

To test this association, we measure stock-based compensation per employee using data from Compustat and split our sample of earnings announcements into two groups: earnings associated with firms with below-median stock-based compensation per employee and earnings associated with firms with above-median stock-based compensation (Law and Mills, 2015). Table 10 summarizes our results. Across all specifications, we find that the relation between earnings announcements and job search activity is stronger for the sample of earnings announcements of firms that use above-median stock-based compensation per employee. The size of the coefficient in Table 10 Column (3) is 1.5 times larger than that in Table 3 Column (2).

6.3.3. Remote work policies and the COVID-19 pandemic

In this section, we test whether earnings announcements at firms with long-term remote work policies are associated with more job search activity. Job search is often geographically constrained (Moretti, 2011). For example, a job seeker may not consider job opportunities at firms located outside his or her commuting zone. Amid the COVID-19 pandemic, some firms have elected to permanently adopt remote work. Barrero et al. (2021) suggest that remote work policies will likely become permanent due to technological investments and shifted attitudes toward work from home. We expect an increase in job search activity for these firms because the earnings announcements are now relevant to a broader set of job seekers.

We identify firms with long-term remote work policies using a crowd-sourced list online and our own online searches.[40] We create an indicator *Remote Work Indicator* equal to 1 for all firm-weeks with active, long-term remote policies. To test the association, we re-estimate our simplest specification, include this indicator, and interact the indicator with Event Week 0. The interaction term is our variable of interest.

Table 10 summarizes our results. We find that the interaction term between Event Week 0 and the remote work indicator is positive and statistically significant. This finding is consistent with increased job search activity in response to earnings announcements from firms with permanent remote work policies.

The pandemic dramatically accelerated the transition to remote work, which led us to question whether our results are driven primarily by the health emergency. Forsythe et al. (2020) document that the number of job postings decreased significantly during the pandemic, in spite of broader acceptance of work from home policies. With Swedish data, Rouen and Regier (2023) demonstrate that job seekers reallocate their attention to those companies hit less by the pandemic (Lester et al., 2021). Interestingly, the paper also documents that, at the beginning of the pandemic, job search activity also declined, most likely due to health risks. In the online appendix, we find that excluding the period of March 2020 to March 2021 from the sample does not change the implication of this paper. The coefficient is comparable to that in Table 3.

7. Conclusion

In this paper, we examine how earnings announcements are associated with job seekers' job search activity. Extended the intuition of Ball and Brown (1968) and Beaver (1968) in the capital market to the job market, we show that job search activity is constant in the pre-announcement period but increases significantly during the earnings announcement week. The increased job search continues in the week after the earnings announcement before returning to levels comparable to the pre-announcement period.

Building on the prior literature, we explore two prospective mechanisms that may drive the positive relation between earnings announcements and job search. The first is the job prospect mechanism: job seekers use the information in earnings announcements to assess a firm's future job prospects (e.g., the possibility of career growth, professional development, and improved salaries) and initiate (more) job search in response to (strong) earnings performance. The second mechanism is the attention mechanism: job seekers initiate job search at earnings announcements without regard to the information content. We study these two mechanisms separately and jointly. We find evidence of increased job search under media coverage (our measure of attention), and that media attention amplifies job seekers' response to the information content of earnings

[40] This crowd-sourced data set was one of the top Google search results when searching for "company announce remote work" as of June 2021. Each observation is a company, the date of the announcement regarding remote work, and a link to the company's announcement. We rely on this crowd-sourced list because it both summarizes remote policies for analysis and plausibly serves as a source of information for job seekers. Separately, we manually verified each entry in the crowd-sourced list and confirmed that the data set was accurate. Our list of "remote first" companies includes Box, Cimpress, DropBox, Okta, Pinterest, Shopify, and Upwork.

announcements. We also find support for the job prospect mechanism: job seekers search more intensely for above-median year-on-year earnings growth (i.e., firms that enjoy strong future job prospects) even after we control for media coverage.

Finally, we provide corroborating evidence about the usefulness of earnings announcements' financial information content to job seekers. A survey experiment we designed indicates that job seekers are more willing to apply to firms when provided with evidence of positive performance. In addition, archival evidence indicates job seekers engage in information acquisition around job postings and interviews and, separately, that financial information is predictive of future job prospects. We also explore cross-sectional variation in the relation between earnings announcements and job search, finding that it is stronger when the information content of the earnings announcements is more valuable to job seekers. We interpret these results as further evidence that earnings announcements guide job seekers' search activity.

Our paper has multiple limitations, and an opportunity exists to extend our findings in several ways. We do not claim that financial-reporting events are the sole source of job search information; instead, we suggest that financial reporting events are part of the kaleidoscope of information that job seekers consider when initiating search, suggesting that other financial events may be of interest to job seekers. Earnings announcements are often bundled with management forecasts, suggesting that information other than earnings growth may also drive the relation between earnings announcements and job search. The job market implication of earnings announcements studied in our paper is limited to initiating job search activities. Exploring the association of earnings announcements with the entire job search processes from job search initiations through job applications and interviews to job offer acceptances will raise important new questions for scholars. Finally, we do not directly explore the equilibrium or spillover effect of earnings announcements on job search. Our hope is that future research will continue to explore in detail how financial information shapes the job market.

Appendix A. Supplementary data

Supplementary data to this article can be found online at https://doi.org/10.1016/j.jacceco.2023.101588.

Appendix

A Variable Description

Variable	Definition	Source
Scaled Search	the count of unique job seekers who search for a given firm scaled by the number of TeamBlind users who identify as employees as that firm, computed at the year-week level	TeamBlind
Log(Searches + 1)	the log of one plus count of unique job seekers who search for a given firm, computed at the year-week level	TeamBlind
Event Week	Event Week −4 to 4 representing a week relative to earninngs announcement weeks	IBES
Earnings Growth	current earnings per share minus earnings per share lagged four quarters, divided by the absolute value of earnings per share lagged four quarters. All earnings per share are quarterly	IBES
Media Coverage	the count of media outlets covering a company, which is measured as a continuous variable	Raven Pack
Search Week 1–4	the number of job searches for an employer for 4 weeks after an earnings announcement at the individual level	TeamBlind
EA Job Search	1 if a user searches for an employer during an earnings announcement week and 0 otherwise	TeamBlind
Log(Job Postings + 1)	the log of one plus count of new job postings at a firm, computed at the year-week level	BGT
Uncertainty	stock return volatility for the four weeks leading up to earnings announcements	CRSP
Remote Work Indicator	an indicator equal to 1 if a firm's management publicly announced that the firm will continue remote work after the pandemic. The indicator turns on during the year-week of the announcement and remains on through the end of the sample period	Google
Stock-based Comp	stock-based compensation expenses divided by the number of employees, as identified in Compustat	Compustat
ROA	the sum of the last four quarters of operating income after depreciation divided by total assets five quarters ago	Compustat
Sales Growth	previous quarter's sales minus sales lagged five quarters, divided by sales lagged five quarters	Compustat
Market to Book	previous quarter's market cap divided by previous quarter's common equity	Compustat
Size	the log of previous quarter's total assets	Compustat
Leverage	the previous quarter's current and long-term debt divided by previous quarter's total assets	Compustat
News	the content of news about NexusLead in a survey experiment: Neutral, Negative, and Positive	Survey
Job Seeker Interest	how likely are you to apply to NexusLead for a job? (Response is a Likert scale from 1 to 7, where seven is a Strongly Agree)	Survey
Job Application Intensity	how intensely do job seekers search for an employer's job posting on the Indeed platform?	Indeed
Financial Performance	the sum of a firm's quintile ranks of ROA, Sales Growth, and Market to Book	Compustat
FinInfoSearches	the log of 1 plus the number of searches, also in a firm-county-month tuple	SEC
Job Postings	the log of 1 plus the number of job postings in a firm-county-month tuple.	BGT
Interviews	the log of 1 plus the number of interviews reported in a firm-county-month tuple	Glassdoor

B Job Search

The search and match process generally starts when an employer advertises a job vacancy. Job seekers face twin information problems: identifying job vacancies and evaluating the prospective jobs and employers. Workers could hypothetically spend infinite time and energy applying for jobs, but, in reality, they only apply to the subset of prospective jobs and employers that they find most appealing. Job postings typically do not contain sufficient information to make that determination, so job seekers must engage in information acquisition.[41]

Historically, job seekers read help-wanted advertisements in newspapers to identify vacancies. The dramatic acceleration of the internet in the 1990s and 2000s changed the dynamics of job search substantially. Now, millions of vacancies are summarized in centralized online job boards. For example, as the leading job board in early 2000s, Monster.Com offered 3.9 million resumes and 430,000 jobs in August 2000 (Autor, 2001). These online job boards are heavily utilized by job seekers. Current Population Survey (CPS) estimates suggest that, by 2011, approximately 75% of job seekers used online job search compared to approximately 25% in 2000. Likewise, the internet made information about employers more accessible (Gao and Huang, 2020). Firm financial reports are now readily available through company websites and the SEC's Edgar system.

The development of these platforms has not eliminated the information frictions faced by job seekers. In fact, by some measures, they have exacerbated them. Instead of scanning a few newspapers for vacancies, job seekers now have access to millions of vacancies. This has increased the challenge of identifying the subset of positions to which job seekers want to apply. Importantly for researchers, these platforms provide an opportunity to trace previously unobservable job seeker behavior during the job search process.[42]

After applying to vacancies advertised by employees, job seekers may be contacted by firms for an interview. Firms use interviews to screen and acquire more information about prospective employees (Barach and Horton, 2021). Job seekers can use interviews to highlight their fit for the vacancy and evaluate the company (Judge et al., 2000). Many job seekers spend time preparing for their interviews by researching the prospective employer and networking with current employees. They may also engage in financial information acquisition. If the company decides that the job seeker is a good match, it may extend an offer. Wage negotiation may follow. Once the offer is accepted, the job search process is complete.

C Data Processing

Our analysis starts with the IBES quarterly EPS data. We clean the IBES data by ensuring that each IBES ticker is associated with a single, populated company name, including standardizing company names. We drop all observations that either do not have a populated name or EPS. We generate a year-week variable and ensure the data is unique at the company-year-week tuple. We also generate a calendar year quarter variable using the period-ending date associated with the IBES number and ensure the data is unique at the company-quarter tuple.

We merge the IBES data to quarterly-CRSP/Compustat data on 8-digit CUSIP and period end date. Note that this is not a perfect match in that some IBES observations are not matched to a Compustat observation. We elect to keep all IBES observations. We define year-on-year revenue growth and quarter-on-quarter revenue growth when data is available.

We then turn to our data from TeamBlind, which provides us with the universe of search queries completed on its platform between Q3 2018 and Q1 2021. Each observation is the unique identifier for the TeamBlind user, the exact search query entered by the user into the TeamBlind search bar, the date and time of the search, and the user's current employer. We process the TeamBlind data in parts. First, we remove all punctuation from all text fields. Second, we identify the top 100 most frequent current employers as entered by TeamBlind users and standardize the names. Third, we map the standardized company names in TeamBlind with their IBES counterparts. We use a fuzzy matching algorithm to create the initial matches and review all matches with a 75% match rate or higher for accuracy. Our goal is to measure the number of searches for individual companies. We drop an observation if, after fuzzy matching, the search query does not include a company name.

After processing, each observation is the unique identifier for the TeamBlind user, the standardized company name in the search query, the date and time of the search, and the standardized company name for the user's current employer. Rarely, a user will search for two companies at once (e.g., “Apple vs. Google”), and we log those as one search for each company. If a user searches for a company multiple times in a single day, we log this as a single search only. We sum the number of searches by company-year-week tuple. We fill all gaps in the panel as zero searches where applicable. We merge this data with our IBES panel by company-year-week to identify the earnings announcement weeks. Earnings announcement weeks are coded as event week 0, and the surrounding 8 weeks are defined in the event time relative to the event week.

[41] In fact, most job postings do not include details about job prospects and compensation.

[42] Internet platforms also have reduced firms' information acquisition costs about prospective employees. Information about workers' characteristics can be divided into two categories: low- and high-“bandwidth” variables (Autor, 2001). Low-bandwidth data are objectively verifiable information such as education and experience. In recent years, multiple intermediaries including LinkedIn have started to provide this verifiable information at a lower cost by publicly posting resumes of its members.

D Survey Experiment Questionnaire

Our survey experiment has four arms: one control arm and three treatment arms. Each survey participant is randomly assigned to an arm and shown a passage to read. We display the following passages to each arm.

No News Arm assumes that NexusLead is a 10-year-old company based in Palo Alto, CA, that develops customer relationship management software for firms of all sizes. The firm went public 5 years ago.

Neutral News Arm assumes that NexusLead is a 10-year-old company based in Palo Alto, CA, that develops customer relationship management software for firms of all sizes. The firm went public 5 years ago. NexusLead was featured in a major metropolitan newspaper recently. Please read an excerpt of the article below:

"Nexus issued an update to its customer relationship management software on Monday. The update improves compatibility with offerings from other software providers."

Negative News Arm assumes that NexusLead is a 10-year-old company based in Palo Alto, CA, that develops customer relationship management software for firms of all sizes. The firm went public 5 years ago. NexusLead was featured in a major metropolitan newspaper recently. Please read an excerpt of the article below:

"Nexus issued an update to its customer relationship management software on Monday. The update improves compatibility with offerings from other software providers. In addition, the company posted its quarterly profits, which are down 15% compared to the same period last year."

Positive News Arm assumes that NexusLead is a 10-year-old company based in Palo Alto, CA, that develops customer relationship management software for firms of all sizes. The firm went public 5 years ago. NexusLead was featured in a major metropolitan newspaper recently. Please read an excerpt of the article below:

"Nexus issued an update to its customer relationship management software on Monday. The update improves compatibility with offerings from other software providers. In addition, the company posted its quarterly profits, which are up 15% compared to the same period last year."

Regardless of which arm they are randomly assigned to, each participant answers the following questions. Permitted answers are noted in parentheses.

- Based on the information you have been provided and assuming you were open to new employment opportunities, how likely are you to apply to NexusLead for a job? (Response is a Likert scale from 1 to 7 where seven is a Strongly Agree)
- What is your gender? (Male, Female, Fill in, Prefer not to disclose)
- What is your age (Fill in, Prefer not to disclose)
- What is your highest level of education? (Less than high school, high school graduate, some college credit, associate's degree, bachelor's degree, Master's degree & Professional degree, Doctorate degree, Prefer not to disclose)
- What is your employment status? (Employed, Unemployed, Prefer not to disclose)
- Which industry/sector is your current (or most recent) employer in? (Agriculture, Mining, & Utilities; Manufacturing; Wholesale and Retail Trade; Information Technology; Finance; Transportation, Accommodation, and Food Services; Professional, Educational, Health, and Social Services; Full in.)

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