Meet Your Future

Experimental Evidence on the Labor Market Effects of Mentors

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Africa Youth Un(der)employment Challenge

- 420 million young people in Africa today
- 140 million are unemployed; 130 million are underemployed [AfDB 2018]
- Consequences for well-being of millions, countries’ economic growth and world-wide development

Supply-Side Information Frictions are Relevant in Low-Income Settings

- How to find out about vacacies [Jensen 2012; Beam 2016; Groh et al. 2016; Abel et al. 2019; Abebe et al. 2021; Bandiera et al. 2022]
- Search process [Abebe et al. 2021; Carranza et al. 2021; Bassi and Nasamba 2021]
- Overly optimistic beliefs about their labor market prospects [Spinnewijn 2015; Mueller et al. 2021, Potter 2021; Abebe et al. 2021; Banerjee and Sequeira 2021; Bandiera et al. 2022]

Meet Your Future: Tailored, Relevant, Credible, and Low-Cost Information

Research Question: Can connecting young jobseekers with experienced workers improve their labor market trajectories?

Methodology: Experimentally generate mentorship relationships between skilled youth and successful workers in their sector of training

Data: 6 survey rounds spanning 3 years and audio recordings of the mentoring sessions

Main Findings: The program improved participants career trajectories

- ✗ Not via job referrals nor by building search capital
- ✓ Via info that corrects overoptimism and raises perceived returns to experience

Policy: Cost effective and scalable program with an estimated IRR of 300%

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Setting and Experimental Design

Ugandan Urban Labor Markets

5 Vocational Training Institutes

- Post-secondary 2-year course in one of 13 occupations ▸ Relevance
- Common tool used to upskill youth [Alfonsi et al. 2020]

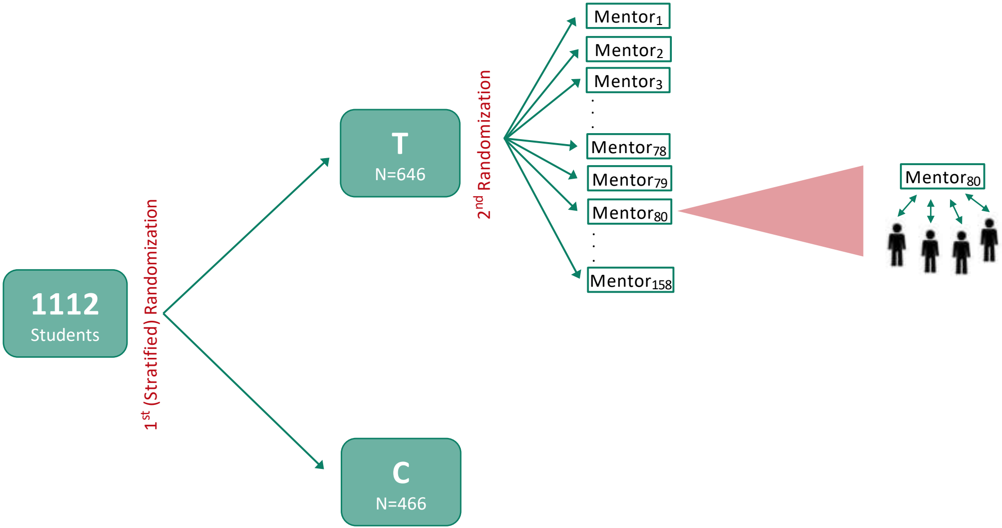
1112 Students

- 20 years old on average
- Pervasive overoptimism about entry wages and poor knowledge of wage dynamics ▸ Details

158 Mentors

- 25 years old on average
- Successful alumni of the same VTIs and courses ▸ Digitization ▸ Selection

Experimental Design



1112
Students

1st (Stratified) Randomization

T
N=646

C
N=466

2nd Randomization

Mentor$_{1}$
Mentor$_{2}$
Mentor$_{3}$
.
.
.
Mentor$_{78}$
Mentor$_{79}$
Mentor$_{80}$
.
.
.
Mentor$_{158}$

Mentor$_{80}$

▸ Stratification ▸ PAP ▸ 12$ ▸ Timeline

Impacts on Labor Market Outcomes

In the Short Run Treated Students Work More While Earning the Same

$$Y_{i,s,t} = \beta_0 + \beta_1 T_i + X_i'\delta + \lambda_s + \epsilon_{i,s,t}$$

	Out of the Labor Force (1)	Days Worked Last Month (2)	Hours Practicing Technical Skills (3)	Total Earnings Last Month (4)	First Job Duration (5)
MYF Treatment	-.057***	1.267**	17.234***	1.900	18.469***
	(.019)	(.540)	(5.041)	(2.081)	(5.150)
	[.003]	[.010]	[.002]	[.078]	[.002]
Control Mean	.21	16.15	52.15	11.35	81.18
Treatment Effect (%)	-26.57	7.85	33.05	16.73	22.75
N	934	934	838	933	833

Notes: ITT estimates: OLS coefficients, clustered se in parentheses.

- At 3 months treated students are 27% less likely be out of the labor force, work more and spend more time practicing technical skills
- No differences in earnings nor job quality
- Initial matches are more stable

Labor Market Trajectories Get Steeper in the Medium Run

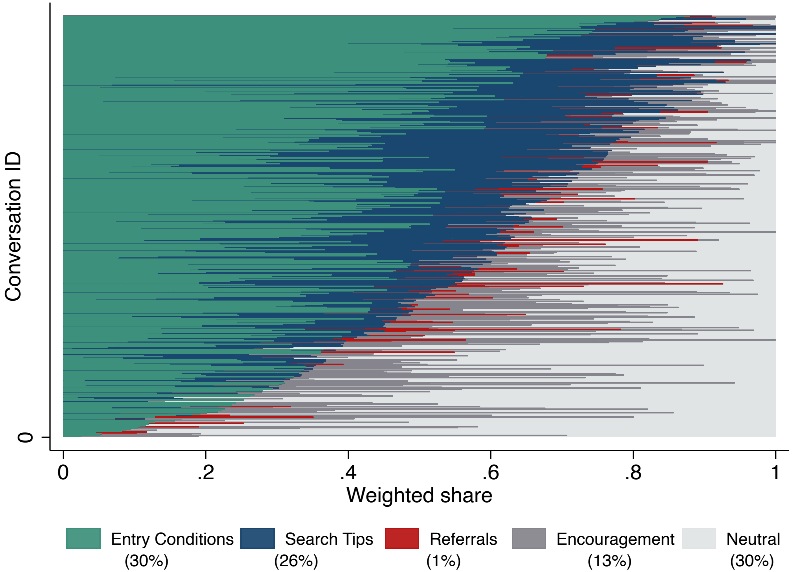
	Transitions		**Medium Run**	
	Internship to Job Transition Within Firm (1)	Internship to Job Transition Between Firms (2)	Out of the Labor Force (3)	Total Earnings Last Month (USD) (4)
MYF Treatment	.041**	.076**	-.025	6.149*
	(.019)	(.033)	(.022)	(3.601)
Control Mean	.18	.37	.26	34.84
Treatment Effect (%)	22.87	20.70	-9.46	17.65
N	934	934	916	916

Notes: ITT estimates: OLS coefficients, clustered se in parentheses.

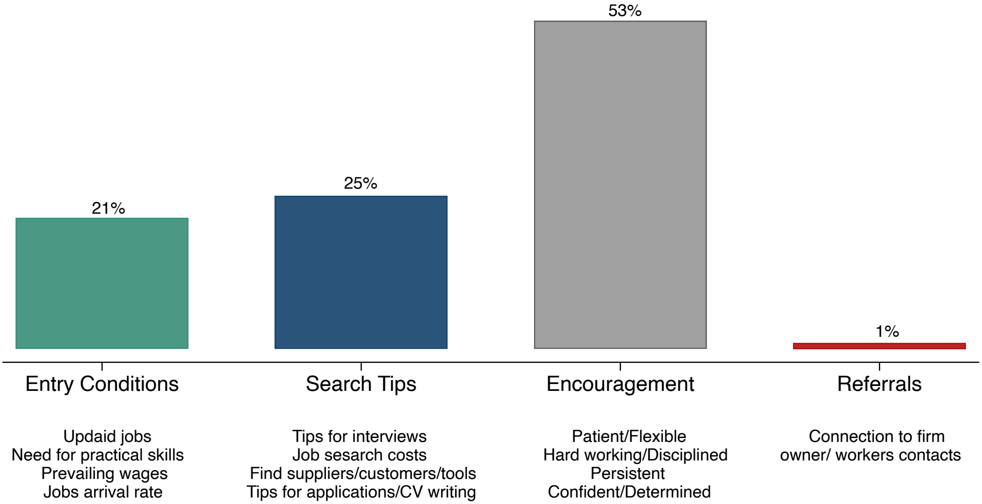
- More stable matches set them on a steeper job ladder
- 1 year later, treated students earn 18% more ▸ QTEs ▸ Cumulative earnings

Mechanisms

Conversation Content: Info on Entry Conditions, Few Job Referrals



Students Main Takeaway



▸ Micro-topics ▸ Micro- takeaways ▸ Over time

Combining Direct Measures of Intermediate Outcomes with a Mentor IV Design We Find:

- Job Referrals ✗ → 7.4% received or were offered a referral
  → 2.6% found job via mentor, results hold withouth them
- Search Tips ✗ → Treated students are not better at searching
- Entry Conditions ✓ → Reservation wages down by 30%
  → 13% higher willingness to accept an unpaid job
  → Reject 27% fewer job offers
  → Results driven by the most optimistic
- Encouragement ✓ → More likley to start job search
  → Less likely to get discouraged and drop out of labor force
  → Mentors giving encouragement drive medium run results

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Conclusions

- A mentorship program able to provide credible and relevant information to young job seekers improves employment outcomes, career trajectories, and education-career synergies
- Not by changing the fundamentals of the search problem, rather, the way young and overly optimistic jobseekers perceive it
- Our findings highlight:
  - Role of distorted beliefs as an important channel by which info frictions decrease earnings and career advancement
  - Importance of balancing bad news with hope for better future outcomes to prevent *discouragement*, dropout and human capital wastage

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Additional Slides

Job Search Behavior and Reservation Wages

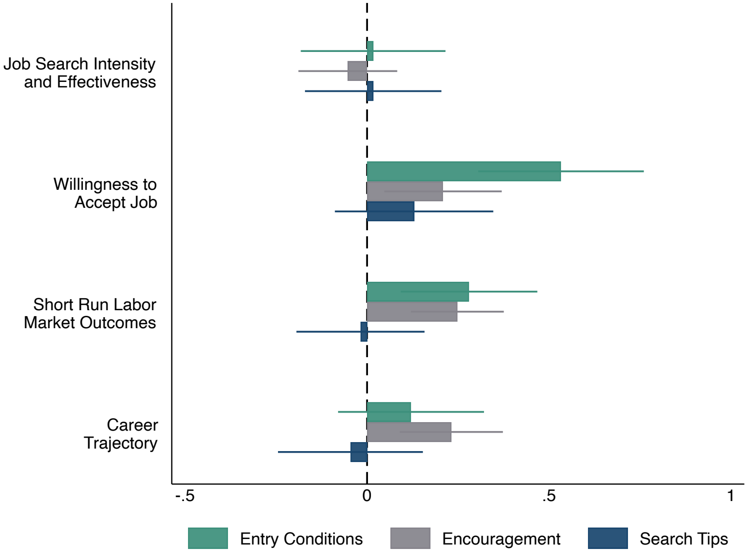
	Willingness to Accept a Job			**Job Search**			**Search Duration**
	Reservation Wage (1)	Would Accept Unpaid Job (2)	Refused Job Offer | Searched (3)	Search Efficacy Index (4)	Search Intensity Index (5)	Started Job Search (6)	Search Duration | Searched (7)
MYF Treatment	-11.581***	.071**	-.057**	-.056	.018	.029**	-8.525**
	(3.357)	(.031)	(.026)	(.059)	(.068)	(.014)	(4.053)
	[.004]	[.052]	[.052]	[.128]	[.293]	[.052]	[.052]
Control Mean	36.76	.54	.21	.04	-.01	.93	28.28
Treatment Effect (%)	-31.50	13.09	-27.24	-157.94	-161.15	3.10	-30.14
N	737	739	745	934	934	934	885

- Treated students revise their reservation wages down by 30%, are more willing to accept an unpaid job and reject fewer job offers ▸ Pathways analysis
- They search for a shorter time. However, they are neither better at searching nor search more intensively
- Results are driven by the over-optimistic students ▸ Het

Learning How Each Topic of Conversation Affects Outcomes

- Goal: $Y_i = \beta_0 + \beta_1 Info_i + \beta_2 Enc_i + \beta_3 Search_i + X_i' \delta + \epsilon_i$
- Identification issue: Non guided conversations
- Solution: Leverage the second randomization and instrument the conversation content with 158 mentor indicators
- Assumptions: Relevance; Exclusion Restriction

Mentors Providing Entry Conditions Info and Encouragement Drive Results

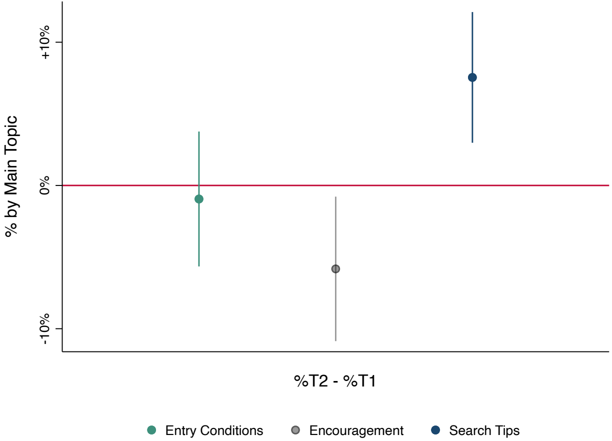


▸ Table

▸ Mentors matter

▸ Demographics

Cash Makes the Mentors Give More Actionable Search Tips Crowding Out Encouragement



- Students who received the cash tranfer received less encouragement and more actionable search tips

An Ineffective Cash Transfer

	Transitions		Medium Run	
	Retained post Internship (1)	Internship to Job Transition (2)	Out of the Labor Force at 1 Year (3)	Total Earnings Last Month at 1 Year (4)
T1 (MYF)	$.06^{**}$	$.11^{**}$	$-.06^{*}$	10.84^{**}
	(.02)	(.04)	(.03)	(4.19)
T2 (MYF+Cash)	.02	.01	.01	1.95
	(.03)	(.04)	(.03)	(3.80)
Control Mean	.18	.41	.26	34.84
T1 Effect (%)	32.69	27.38	-22.77	31.10
T2 Effect (%)	13.57	3.10	2.45	5.61
N	934	844	916	916
T1=T2	0.28	0.08	0.12	0.02

- The cash transfer had no differential impacts in the short run but attenuated the effects at 1 year

▸ Search and Willingness to Accept ▸ Short Run

Conclusions

- Connecting young jobseekers with experienced workers is effective at improving labor market outcomes
- Not by changing the fundamentals of the search problem, rather, the way it is perceived
- MYF is a cost effective and scalable program with an estimated IRR of 300%

Next: Why are young jobseekers overly optimistic?

MYF Dream Team

Research Assistants

- ⋆ Pedro De Souza Ferreira
- ⋆ Ottavia Anna Veroux

URAP students

- ⋆ Elena Kiryakova
- ⋆ Yash Dave
- ⋆ Hao Wang

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- ⋆ Cristina Perricone
- ⋆ Matteo Giugovaz
- ⋆ Marco Vicini
- ⋆ Elvin Bora
- ⋆ Yannik Stuka
- ⋆ Matilde Casamonti
- ⋆ Carmelita Gatto
- ⋆ Paola Giannattasio

Enumerators

- ⋆ Sylvia Ssenyonjo
- ⋆ Lillian Ahirwe
- ⋆ Christine Akumu
- ⋆ Mariam Nakaziba
- ⋆ Elisabeth Nassuna
- ⋆ Benedict Kole
- ⋆ Caroline Busingye
- ⋆ Jackson Nsibo
- ⋆ Vivian Nshemerirwe
- ⋆ Moreen Mugaba
- ⋆ Winnifred Nabukeera
- ⋆ Nanziri Juliet
- ⋆ Nyakato Brenda

Funders: IDRC via CEGA, J-PAL PPE, G^2LIC|IZA, CAS & IRLE @UCB

Thank you!

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APPENDIX

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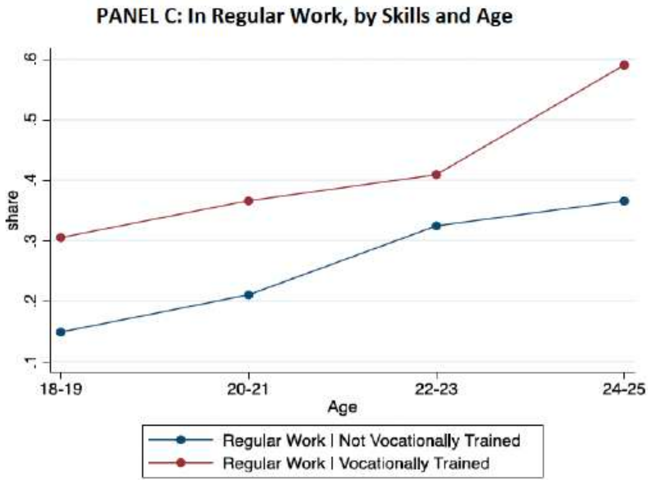
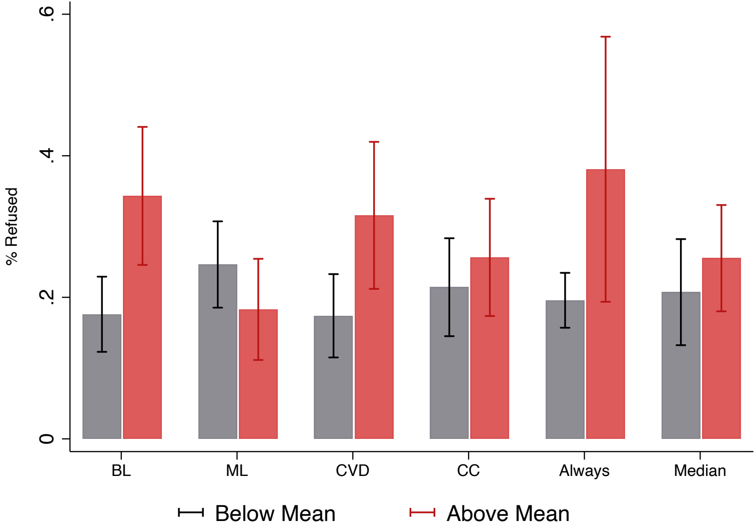
Jobs and Skills by Age



Source: Bandiera et al. 2022

Back

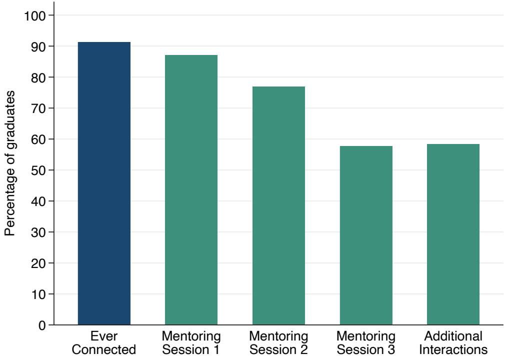
Optimism Leads to More Refusals



◂ Back

High Take-Up and Engagement with the Program

- Treatment take up: 91%
- Average # interactions: 6.8
- Average total interaction time = 3.2h
- More interactions among mentor-mentees closer in age and from same VTIs



▸ Details ◂ Back

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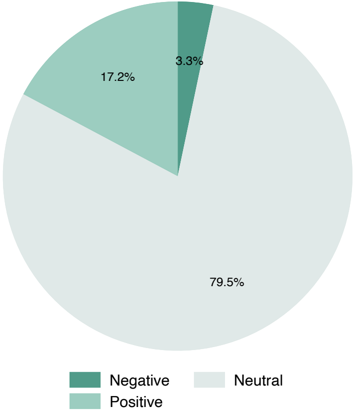
- More interactions among mentor-mentees closer in age and from same VTIs
- High satisfaction, identification and transportation across all student-mentor pairs confirm with the text data
- Neutral or positive sentiment

▸ Details



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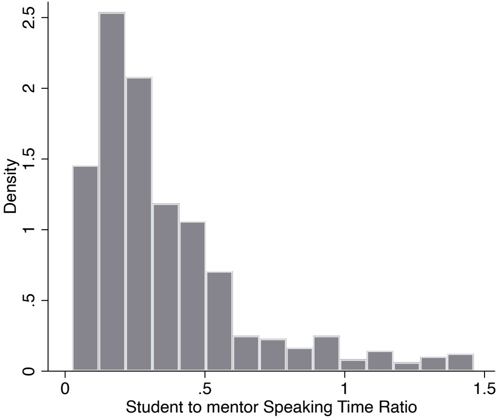
- Conversations led by the mentors but engaged students



Setting

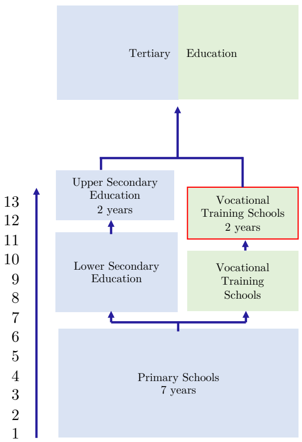
History of the VTI Industry in Uganda

- Renewed awareness of vocational education critical role in national development
- After decades of alienation (colonial and post-colonial education policies did not prioritize productive skills acquisition)
- The Ugandan VTI system traces back to the 1940's when WWII camps were converted to re-train demobilized soldiers and youth to attain skills for survival
- In 1968 the Government came up with a strategy of strengthening vocational training schemes
- The idea did not take off for another 36 years when Uganda's Parliament enacted a much broader and decisive legal framework under the BTVET Act in 2008
- Determination of: institutional and legal regime, scope and levels of different programmes, the roles of different providers, the establishment of the Uganda Business and Technical Examinations Board

◂ Back

Comparing Education Systems: Uganda, US, Germany

Ugandan Educational System



Tertiary Education

Upper Secondary Education
2 years

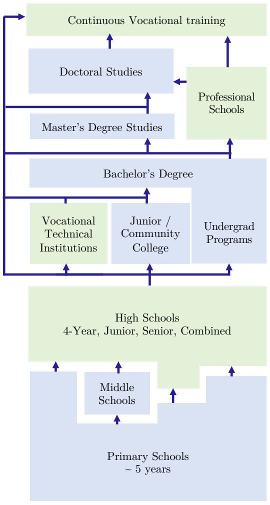
Vocational Training Schools
2 years

Lower Secondary Education

Vocational Training Schools

Primary Schools
7 years

US Educational System



Continuous Vocational training

Doctoral Studies

Professional Schools

Master's Degree Studies

Bachelor's Degree

Vocational Technical Institutions

Junior / Community College

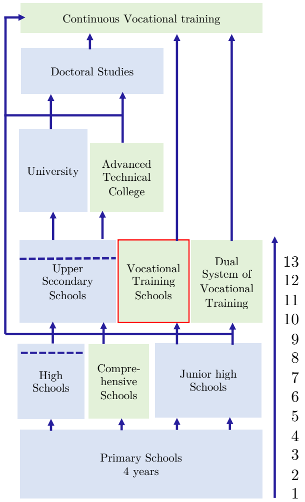
Undergrad Programs

High Schools
4-Year, Junior, Senior, Combined

Middle Schools

Primary Schools
~ 5 years

German Educational System



Continuous Vocational training

Doctoral Studies

University

Advanced Technical College

Upper Secondary Schools

Vocational Training Schools

Dual System of Vocational Training

High Schools

Compre-hensive Schools

Junior high Schools

Primary Schools
4 years

🟦 General Education 🟩 TVET

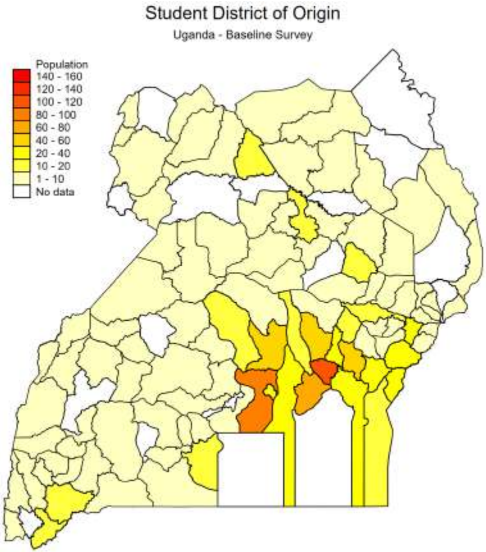
Back

Locations - Students

◂ Back

- Location of Origin
  - 84% comes from Central or Eastern Uganda
  - 56% comes from a rural area (far from town)

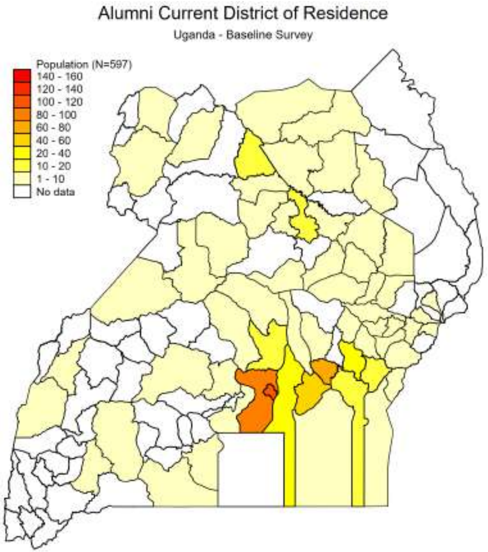
  - 72% have either Kampala or Jinja as preferred location where to search (94% if we consider up to the third preference)



Locations - Alumni

Back

- Location of Current Work (pre-Covid)
  - 87% work in Central or Eastern Uganda
  - 64% work in Kampala or Jinja metropolitan area



Alumni Current District of Residence

Uganda - Baseline Survey

Sector Relevance and Gender Composition Nationwide

	(1)	(2)	(3)	(4)	(5)	(6)
	Young Adults UNHS			VTI Graduates UNHS		
	% All	% Female	% Male	% All	% Female	% Male
Food and hospitality	0.044	0.524	0.476	0.049	0.349	0.651
Tailoring	0.006	0.600	0.400	0.006	0.794	0.206
Electrical work	0.001	0.115	0.885	0.006	0.218	0.782
Motor-mechanics	0.011	0.072	0.928	0.016	0.041	0.959
Construction	0.037	0.004	0.996	0.035	0.016	0.984
Plumbing	0.001	0.000	1.000	0.003	0.000	1.000
Secretary and accounting	0.006	0.408	0.592	0.011	0.591	0.409
Teaching (pre-primary and primary)	0.024	0.470	0.530	0.171	0.495	0.505
Hairdressing	0.013	0.425	0.575	0.019	0.593	0.407
Machining and fitting	0.006	0.034	0.966	0.012	0.000	1.000
Retail	0.137	0.441	0.559	0.133	0.637	0.363
Agriculture	0.528	0.444	0.556	0.158	0.320	0.680
Other unskilled	0.099	0.153	0.847	0.141	0.204	0.796
Other skilled	0.086	0.270	0.730	0.240	0.380	0.620

◂ Back

Available Data - Students

- Baseline
    - Demographics; Savings; Employment Network (4 people); Planned job search strategy; Labor market expectations; Raven's
- Midline
    - Planned job search strategy; Labor market expectations; Employment Network (+4 people); Savings; Risk and time preferences
- CVD Survey
    - Labor market expectations; Employment network; Livelihood; Migration; Time use
- CC and CC2 Survey
    - Drop-out status and Labor market expectations
- Post Interaction Survey - *collected for treated students immediately following CS1*
    - Engagement in the conversation, topics of discussion, identification and connection with the alum, main take-always, plans for future interactions
- Endline 1 and Endline 2
    - Job search and Labor market outcomes. Content and frequency of additional interactions with alum.

◂ Back

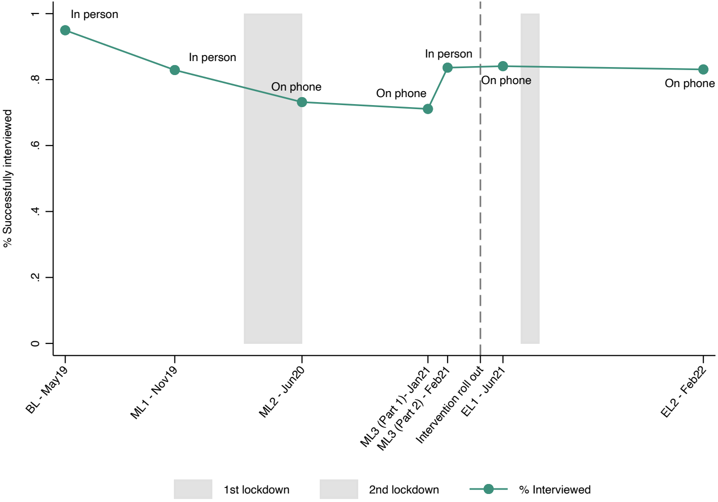
Available Data - Alumni

- Baseline
  - Demographics; First and Current job; Soft skills; Availability for program
- Follow-up 1, 2 and 3
  - Labor market outcomes during and after the Covid-19 shock [different paper]
- MYF Check-in - *collected for the 158 alumni involved in MYF*
  - For each student the alum is asked about: his/her identification with each student and a ranking between the students, each student's employability one and three months after the program and a ranking, the student's interest in the program.

◂ Back

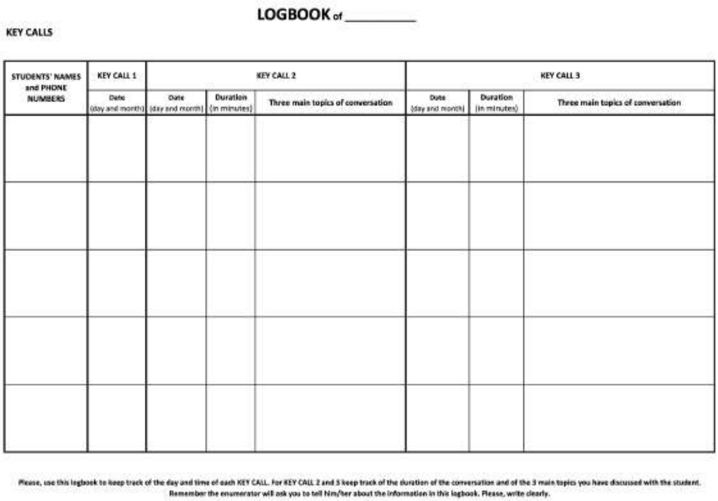
Experimental Design

Despite Covid-19 Attrition Rates Were Satisfactory



Back

Logbook



LOGBOOK of ________

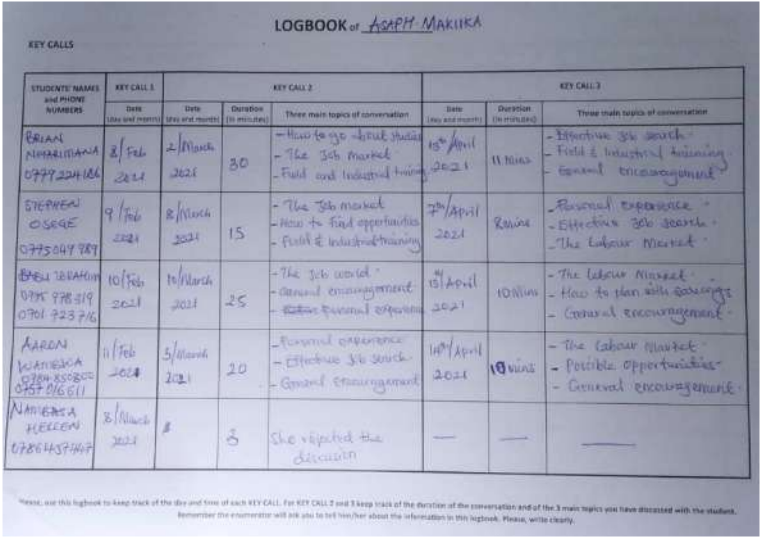
KEY CALLS

STUDENTS' NAMES and PHONE NUMBERS	KEY CALL 1	KEY CALL 2			KEY CALL 3		
	Date (day and month)	Date (day and month)	Duration (in minutes)	Three main topics of conversation	Date (day and month)	Duration (in minutes)	Three main topics of conversation

Please, use this logbook to keep track of the day and time of each KEY CALL. For KEY CALL 2 and 3 keep track of the duration of the conversation and of the 3 main topics you have discussed with the student. Remember the enumerator will ask you to tell him/her about the information in this logbook. Please, write clearly.

Back

Logbook, example



LOGBOOK of ASAPH MAKIIKA

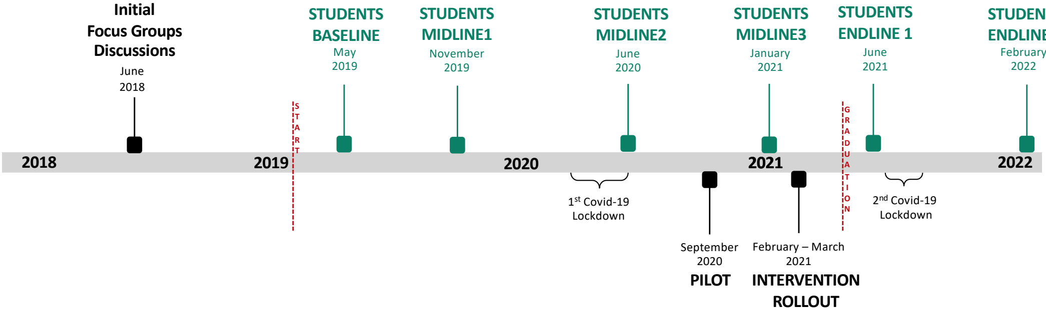
KEY CALLS

STUDENTS' NAMES and PHONE NUMBERS	KEY CALL 1	KEY CALL 2			KEY CALL 3		
	Date (day and month)	Date (day and month)	Duration (in minutes)	Three main topics of conversation	Date (day and month)	Duration (in minutes)	Three main topics of conversation
BRIAN NIYARIMANA 0779 224 186	8/Feb 2021	2/March 2021	30	- How to go about studies - The Job market - Field and Industrial training	15th/April 2021	11 Mins	- Effective Job search - Field & Industrial training - General encouragement
STEPHEN OSEGE 0775049789	9/Feb 2021	8/March 2021	15	- The Job market - How to find opportunities - Field & Industrial training	7th/April 2021	8mins	- Personal experience - Effective Job search - The Labour Market
BAGU IBRAHIM 0775 978 319 0701 723 716	10/Feb 2021	10/March 2021	25	- The Job world - General encouragement - ~~[illegible]~~ Personal experience	15th/April 2021	10 Mins	- The Labour Market - How to plan with savings - General encouragement
AARON WANZEKA 0784 850800 0757 016611	11/Feb 2021	5/March 2021	20	- Personal experience - Effective Job search - General Encouragement	14th/April 2021	10 mins	- The Labour Market - Possible opportunities - General encouragement
NAMBASA HELLEN 0786457467	8/March 2021	8	3	She rejected the discussion	—	—	—

Please, use this logbook to keep track of the day and time of each KEY CALL. For KEY CALL 2 and 3 keep track of the duration of the conversation and of the 3 main topics you have discussed with the student. Remember the enumerator will ask you to tell him/her about the information in this logbook. Please, write clearly.

◂ Back

Project Timeline, Data and Attrition



Initial Focus Groups Discussions
June
2018

STUDENTS BASELINE
May
2019

STUDENTS MIDLINE1
November
2019

STUDENTS MIDLINE2
June
2020

STUDENTS MIDLINE3
January
2021

STUDENTS ENDLINE 1
June
2021

STUDENTS ENDLINE 2
February
2022

2018
2019
START
2020
2021
GRADUATION
2022

1st Covid-19
Lockdown

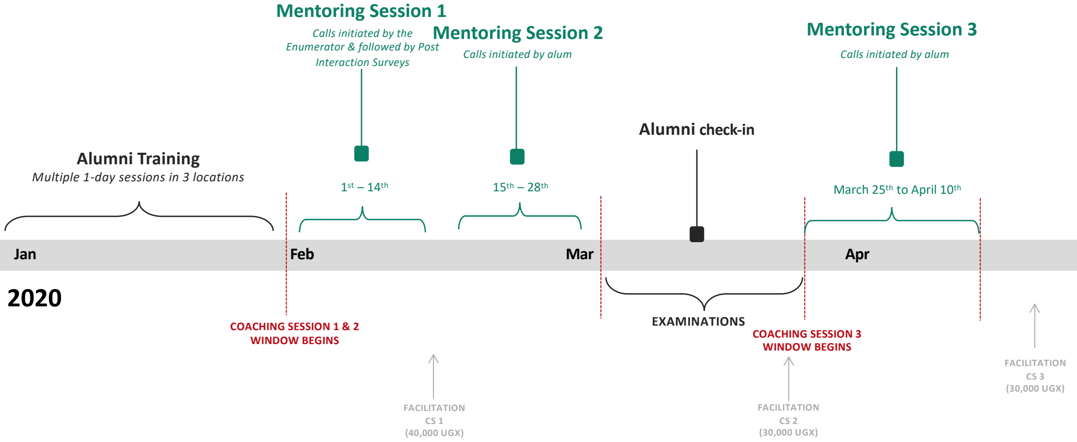
September
2020
PILOT

February – March
2021
INTERVENTION ROLLOUT

2nd Covid-19
Lockdown

▸ Data: students ▸ Data: alumni ▸ Attrition ◂ Back

The MYF Program



Mentoring Session 1

Calls initiated by the Enumerator & followed by Post Interaction Surveys

1st – 14th

Mentoring Session 2

Calls initiated by alum

15th – 28th

Mentoring Session 3

Calls initiated by alum

March 25th to April 10th

Alumni check-in

Alumni Training

Multiple 1-day sessions in 3 locations

Jan **Feb** **Mar** **Apr**

2020

COACHING SESSION 1 & 2 WINDOW BEGINS

EXAMINATIONS

COACHING SESSION 3 WINDOW BEGINS

FACILITATION CS 1 (40,000 UGX)

FACILITATION CS 2 (30,000 UGX)

FACILITATION CS 3 (30,000 UGX)

Back

The Mentors Training

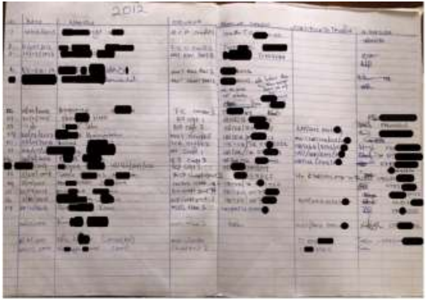
- Mentors were guided through ways in which they could help the students by going through a long list of examples in each of the 4 categories
- They were explained the structure and admin of the program
- They were given logbooks and instructed on how to fill them
- Mentors are provided ∼\$40 in three separate batches conditional on performing the three coaching sessions, as well as reimbursements of the airtime incurred to make the phone calls. The facilitation did not depend on students' success in the labor market

◂ Back

The Mentors Training

◂ Back

Alumni Sample Construction - Records digitization



2012

◂ Back

Mentors Selection

- Like most VTIs, none of our partners tracked their students' career developments or kept contact information
- We digitized schools' hard copies of registries containing contacts for the 2014-19 graduating cohorts
- We excluded 90 alumni that did not provide availability or never worked in the occupation of training
- We interviewed the rest of them (twice) and assigned scores to: (i) accessibility, (ii) quality of first and current jobs, (iii) labor market indicators, (iv) school performance, and (v) soft skills
- We matched students with the best alumni who attended their same VTI and course

◂ Back

Experimental Design

Pre-Registration and Peer Review

This study was:

1. Registered on the AEA Registry in 2019
2. Peer-reviewed based on the merits of its research question and methodological framework before empirical results realized
3. Accepted based on pre-results review at the Journal of Development Economics

◂ Back

Mentor-Mentee Closer in Age, from Same School and SES Talked More

- Data analyzed dyadically, i.e. mentors and students characteristics considered in tandem
- Becuase of the symmetry condition that follows from unidirectionality we specify [Fafchamps and Gubert 2007] dyadic regression model as:

  $$SL_{ij} = \beta_0 + \beta_1|z_i - z_i| + \beta_2(z_i + z_i) + \gamma|w_{ij}| + u_i$$

- We observe three primary inhibitors: students and mentors from different VTIs, age gaps, and different socioeconomic status
- No statistically significant differences with mixed gender pairs, yet 86% of pairs are same gender

Back

	Ever Connected (1)	Connected More Than Once (2)	Strong Link (3)
Dyad has same:			
Tribe	-0.18	-0.16	-0.24
	(-0.67)	(-0.57)	(-1.43)
Primary Language	-0.27	0.08	-0.28
	(-0.96)	(0.23)	(-1.33)
District of origin	0.06	0.06	0.38^{**}
	(0.19)	(0.23)	(2.12)
VTI	0.66^{**}	0.67^{**}	0.35
	(1.99)	(2.13)	(1.62)
Gender	-0.35	-0.30	-0.06
	(-0.93)	(-0.73)	(-0.24)
Sum of:			
Age	0.04	0.07^{*}	0.03
	(1.20)	(1.94)	(1.20)
Household Asset Index	-0.14	-0.08	-0.04
	(-1.62)	(-0.91)	(-0.68)
Difference in:			
Age	-0.07^{*}	-0.07^{*}	-0.06^{*}
	(-1.80)	(-1.67)	(-1.84)
Household Asset Index	-0.25^{*}	-0.04	-0.12
	(-1.82)	(-0.31)	(-1.12)
N	603	602	603

How much is 12$?

- Average $ spent for one day of search = 4$
- Short run control mean monthly income = 12.3$ (SD = 54$)
- At baseline 70% of students reported having no savings. Of those who saved, half had savings that amounted to less than 100,000 UGX (∼27 USD)

◂ Back

ITT Estimates: Savings and Job Search Expenditures

	Job Search Daily Expenditure (1)	Saving BL (2)	Saving ML1 (3)	Saving ML2 (4)	Saving ML3 (5)	Saving EL1 (6)	Savings Above EL1 (7)	Savings Amount EL1 (8)	Saving EL2 (9)
T1 (MYF)	-.241	-.009	.042	.031	.008	-.028	.007	.545	-.009
	(.730)	(.032)	(.035)	(.028)	(.042)	(.047)	(.057)	(5.297)	(.046)
T2 (MYF+Cash)	-.257	.031	.008	.026	.037	.071**	.103***	7.566	-.038
	(.499)	(.042)	(.047)	(.028)	(.043)	(.034)	(.035)	(8.910)	(.043)
Control Mean	2.56	.33	.25	.26	.29	.41	.47	29.44	.50
Control SD	5.72	.47	.43	.44	.46	.49	.50	57.31	.50
T1 Effect (%)	-9.41	-2.75	16.86	11.77	2.63	-6.73	1.55	1.85	-1.71
T2 Effect (%)	-10.06	9.33	3.36	9.91	12.45	17.21	22.13	25.70	-7.57
N	697	1099	963	795	780	922	907	912	910
T1=T2	0.97	0.49	0.32	0.83	0.43	0.03	0.05	0.49	0.43

Randomization and Identification

Stratified (private) randomization at student level [Bruhn and McKenzie 2009]

- VTI: Potentially correlated with treatment implementation
- Hard to find: To reduce the risk of having differential attrition by treatment status
- Gender: Male positively correlated with labor market outcomes
- Indicator for smartphone ownership: strongly correlated with labor market outcomes and expected treatment take up

One balance variable [Athey and Imbens 2017]

- Ever worked pre intervention

Identification assumption: within each strata, T, and C do not differ on average in all observable and unobservable characteristics ◂ Back

Earnings Expectations Over Immediate and Future Prospects

	Immediate Prospects (3 months)			**Future Prospects (1 Year)**		
	Expected Earnings Minimum (1)	Expected Earnings Maximum (2)	Expected Earnings T-Average (3)	Expected Earnings Minimum (4)	Expected Earnings Maximum (5)	Expected Earnings T-Average (6)
MYF Treatment	-7.943	-13.308***	-11.567*	1.538	2.186	1.114
	(4.801)	(4.829)	(6.765)	(3.973)	(4.957)	(4.561)
Control Mean	97.99	171.24	147.21	88.58	156.10	134.33
Control SD	75.08	74.94	97.23	54.49	68.65	77.79
T Effect (%)	-8.11	-7.77	-7.86	1.74	1.40	.83
N	926	883	926	922	879	909

◂ Back

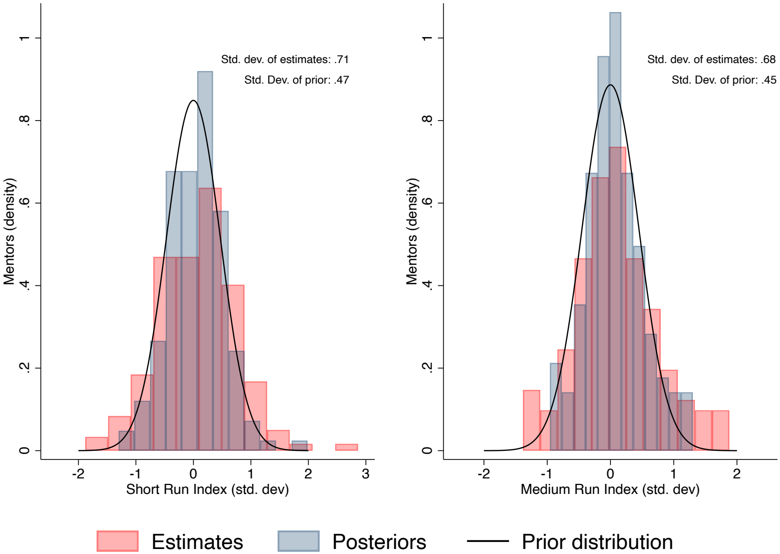
Overoptimistic Students Drive Results on Reservation Wage and Willingness to Accept Job

	Reservation Wage (1)	Would Accept Unpaid Job (2)	Refused Job Offer | Searched (3)	Search Duration | Searched (4)
MYF Treatment	-11.58***	.07**	-.06**	-10.58**
	(3.36)	(.03)	(.03)	(4.90)
MYF Treatment				
× Feb expectations above mean	-23.52***	.14**	-.11	-8.06
	(5.99)	(.06)	(.09)	(8.32)
× Feb expectations below mean	1.43	.02	-.06	-5.85
	(3.13)	(.05)	(.06)	(6.53)
Difference	-24.951	.116	-.052	-2.204
P-Value	.000	.131	.545	.835
Control Mean	36.76	.54	.21	33.94
Control SD	48.14	.50	.41	73.45
Treatment Effect (%)	-31.50	13.09	-27.24	-31.17
N	737	739	745	740

◂ Back

Mentors Heterogeneity Matters

$$Y_i = \gamma_{i1} + X_i'\delta + \mu_i$$



◂ Back

Mentors Providing Info and Encouragement Drive the Results on Labor Market Outcomes

$$Y_i = \beta_0 + \beta_1 \widehat{Info_i} + \beta_2 \widehat{Enc_i} + \beta_3 \widehat{Search_i} + X_i'\delta + \epsilon_i$$

	Mechanisms		**Labor Market Outcomes**	
	Search Behavior Index (1)	Willingness to Accept Job Index (2)	Short Run Impacts Index (3)	Medium Run Impacts Index (4)
Entry Conditions	.02	.57***	.28**	.11
	(.12)	(.15)	(.11)	(.12)
Encouragement	-.05	.29***	.25***	.23***
	(.08)	(.11)	(.08)	(.09)
Search Tips	.02	.10	-.02	-.05
	(.11)	(.15)	(.11)	(.12)
Control Mean	-.01	-.24	-.13	-.09
N	934	537	933	833
F-Test of joint significant (pval)	.47	.00	.04	.04
AP Partial F (pval)- Info	.00	.00	.00	.00
AP Partial F (pval)- Encouragement	.00	.00	.00	.00
AP Partial F (pval)- Search Tips	.00	.00	.00	.00
Sargan (pval)	.85	.77	.22	.10

◂ Back

Type of Support Provided, Job Search and Willingness to Accept a Job

Table 1/2

	Willingness to Accept a Job			**Job Search**			**Search Duration**
	Started Job Search (1)	Search Efficacy Index (2)	Search Intensity Index (3)	Reservation Wage (4)	Would accept Unpaid Job (5)	Refused Job Offer | Searched (6)	Search Duration | Started (7)
Entry Conditions	-.04	.07	.05	-21.83***	.13**	-.12**	-4.56
	(.05)	(.11)	(.10)	(5.74)	(.06)	(.05)	(6.66)
Encouragement	.02	-.11	-.01	-11.26***	.09*	-.04	-9.05**
	(.03)	(.08)	(.07)	(4.17)	(.05)	(.03)	(4.54)
Search Tips	.03	-.09	.04	-1.09	-.07	.02	-14.41**
	(.05)	(.11)	(.10)	(5.63)	(.06)	(.05)	(6.32)
Control Mean	.78	.04	-.01	36.76	.54	.21	28.28
N Mentors	158	158	158	158	158	155	155
N	934	934	934	737	739	745	885
F-Test of joint significance (pval)	0.64	0.35	0.93	0.00	0.02	0.10	0.05
AP Partial F (pval)- Info	.00	.00	.00	.00	.00	.00	.00
AP Partial F (pval)- Encouragement	.00	.00	.00	.00	.00	.00	.00
AP Partial F (pval)- Search Tips	.00	.00	.00	.00	.00	.00	.00
Sargan (pval)	.54	.73	.42	.04	.06	.13	.97

◂ Back

Type of Support Provided and Labor Market Outcomes

Table 2/2

	Short Run Impacts					**Transitions**		**Medium Run Impacts**	
	Out of the Labor Force (1)	Days Worked Last Month (2)	Time Practicing Technical Skills (3)	Total Earnings Last Month (4)	First Job Duration (5)	Retained post Internship (6)	Internship to Job Transition (7)	Out of the Labor Force (8)	Total Earnings Last Month (9)
Entry Conditions	-.08*	1.73*	13.92	6.34	17.94	.03	.01	-.02	11.36*
	(.05)	(1.05)	(13.76)	(4.51)	(13.83)	(.05)	(.06)	(.05)	(6.09)
Encouragement	-.07**	1.14	20.84**	3.02	26.44***	.08**	.08*	-.04	8.79**
	(.03)	(.71)	(9.40)	(3.07)	(9.43)	(.03)	(.04)	(.04)	(4.25)
Search Tips	-.01	.10	1.67	-5.54	3.41	-.04	.05	-.00	-2.13
	(.04)	(.99)	(12.97)	(4.23)	(13.02)	(.05)	(.06)	(.05)	(5.92)
Control Mean	.21	16.15	52.66	11.35	78.07	.18	.41	.26	34.84
N Mentors	158	158	158	158	158	158	157	157	157
N	934	934	934	933	929	934	844	923	916
F-Test of joint significance (pval)	0.08	0.22	0.15	0.17	0.04	0.05	0.28	0.72	0.07
AP Partial F (pval)- Info	.00	.00	.00	.00	.00	.00	.00	.00	.00
AP Partial F (pval)- Encouragement	.00	.00	.00	.00	.00	.00	.00	.00	.00
AP Partial F (pval)- Search Tips	.00	.00	.00	.00	.00	.00	.00	.00	.00
Sargan (pval)	.44	.01	.02	.06	.01	.07	.47	.26	.04

◂ Back

ITT Estimates: Willingness to Accept Job and Search by Treatment Arm

	Willingness to Accept a Job			**Job Search**			**Search Duration**
	Reservation Wage (1)	Would Accept Unpaid Job (2)	Refused Job Offer | Searched (3)	Search Efficacy Index (4)	Search Intensity Index (5)	Started Job Search (6)	Search Duration | Searched (7)
T1 (MYF)	-13.42***	.08**	-.02	-.10	.01	.03*	-11.60**
	(3.89)	(.04)	(.03)	(.07)	(.08)	(.02)	(4.49)
T2 (MYF+Cash)	-9.74***	.07*	-.09**	-.02	.03	.03	-5.61
	(3.59)	(.04)	(.03)	(.08)	(.07)	(.02)	(4.68)
Control Mean	36.76	.54	.21	.04	-.01	.93	28.28
T1 Effect (%)	-36.50	14.15	-10.42	-279.37	-75.11	3.37	-41.02
T2 Effect (%)	-26.50	12.03	-43.30	-42.91	-242.67	2.86	-19.84
N	737	739	745	934	934	934	885
T1=T2	0.27	0.79	0.04	0.31	0.69	0.74	0.17

- MYF only and MYF + Cash have the same effects on willlingness to accept a job. Neither has an effecton job search intensity/efficacy

ITT Estimates: Short Run Labor Market Outcomes by Treatment Arm

	Out of the Labor Force (1)	Days Worked Last Month (2)	Hours Practicing Technical Skills (3)	Total Earnings Last Month (4)	First Job Duration (5)
T1 (MYF)	-.05**	1.54**	22.71***	3.19	17.96**
	(.02)	(.65)	(7.16)	(2.55)	(7.40)
T2 (MYF+Cash)	-.06**	1.00	12.39**	.67	18.92**
	(.02)	(.63)	(5.59)	(2.41)	(7.01)
Control Mean	.21	16.15	52.15	11.35	81.18
T1 Effect (%)	-22.90	9.56	43.55	28.11	22.13
T2 Effect (%)	-30.04	6.22	23.75	5.91	23.30
N	934	934	838	933	833
T1=T2	0.59	0.43	0.19	0.35	0.92

- Treatmend effects on short run outcomes are equally strong for students who received MYF only and those who received MYF + Cash

◂ Back

Decomposition of the Effect of MYF on Pathways to Employment

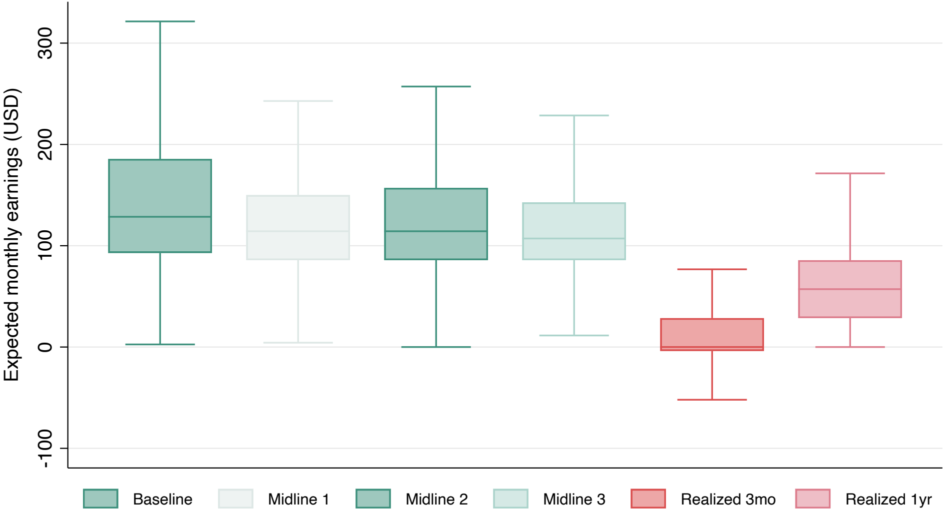
Reduced-form Estimates of the Effects of MYF on Pathways to Employment at 1 Year

	Unemp ↓ Unemp (1)	Unpaid ↓ Unemp (2)	Unpaid ↓ Paid (3)	Paid ↓ Unemp (4)	Paid ↓ Paid (5)
MYF Treatment	-.023	-.024	.056*	.005	.015
	(.016)	(.030)	(.032)	(.024)	(.029)
Control Mean	.07	.24	.26	.12	.22
T Effect (%)	-33.08	-9.84	21.52	3.85	6.89
N	844	844	844	844	844

- Each pathway is described by the combination of one of three possible statuses: unemployed; working for zero/negative wage; working for positive wage
- We report pathways with >5% of students
- Treated students are more likley to make the unpaid work to paid work transition

◂ Back

Overoptimism: Expected and Actual Earnings at First Job | Employment



◂ Back

Limited Knowledge of Labor Market Dynamics: Expected and Actual Job Ladders

1 YEAR

Expected

	Paid	Unpaid	Unemp
Paid	52%	48%	42%
Unpaid	22%	25%	33%
Unemp	26%	28%	25%

Actual

	Paid	Unpaid	Unemp
Paid	61%	55%	15%
Unpaid	3%	6%	3%
Unemp	36%	39%	82%

3 MONTHS

- Students undervalue unpaid initial job spells
- Underestimate the risks related to being unemployed for long

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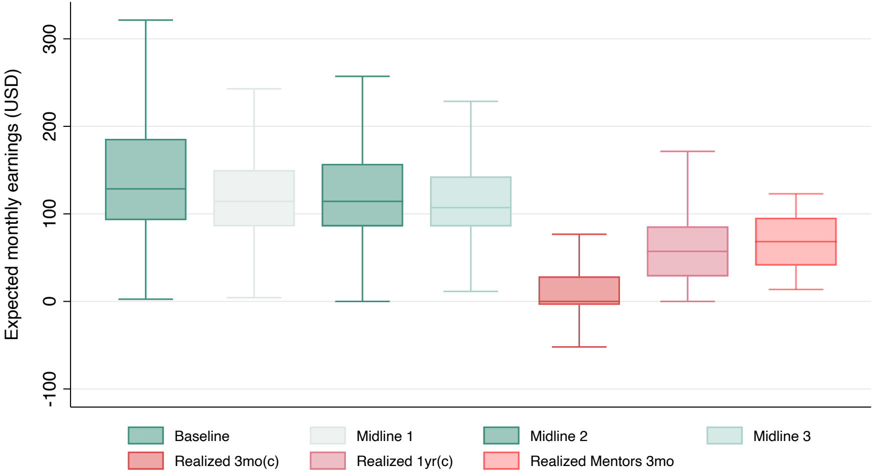
Overoptimism Also Using (Pre-Covid) Mentors Data



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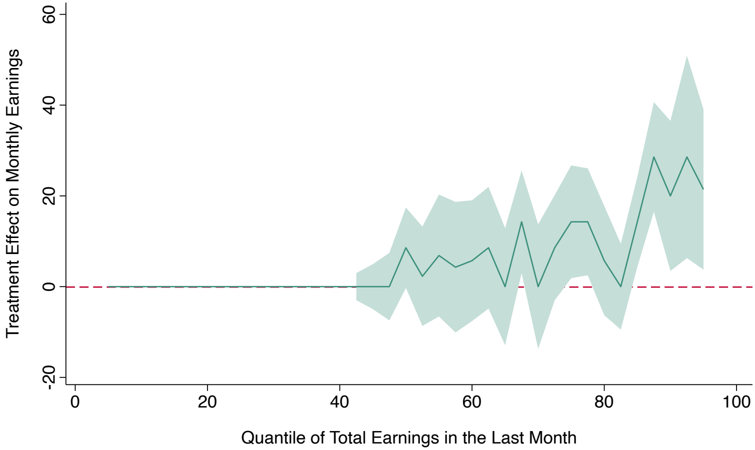
Quantile Treatment Effects of MYF on Monthly Earnings



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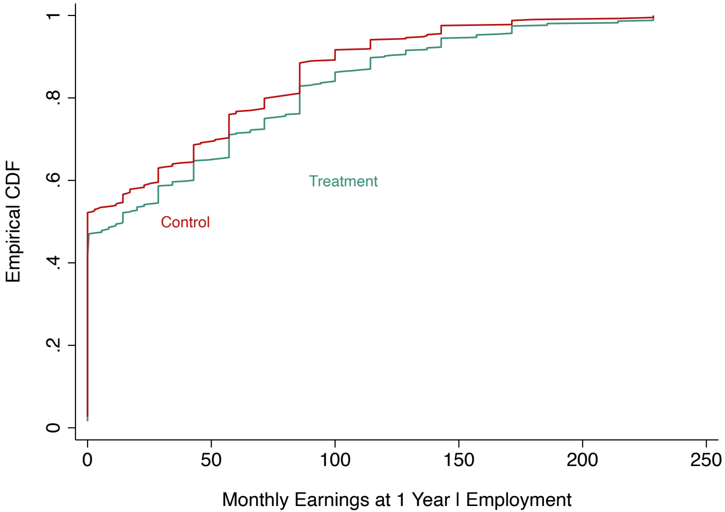
Empirical Distributions of Monthly Earnings in Treatment and Controls



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Construction of Mentor Types

- Each mentor is randomly assigned to N students. Or, in other words, to a student i and the rest of the students $N - i$
- For each student i we use the leave-out mean of the topics discussed by the mentor with the $N - i$ to define a mentor type
- For example, the leave-out mean for the general information dummy tells us the number of times in which general information was the main topic discussed by the mentor with the $N - i$ students. It can be written as:

$$Info_{-i} = \sum_{i=1}^{N-1} Info_i$$

- Last, for each i the mean mentor type is built by taking the highest of the three leave-out means, that is:

$$\overline{Info_i} = 1 \quad if \quad Info_{-i} > Encouragement_{-i} \quad and \quad Info_{-i} > Search_{-i}$$

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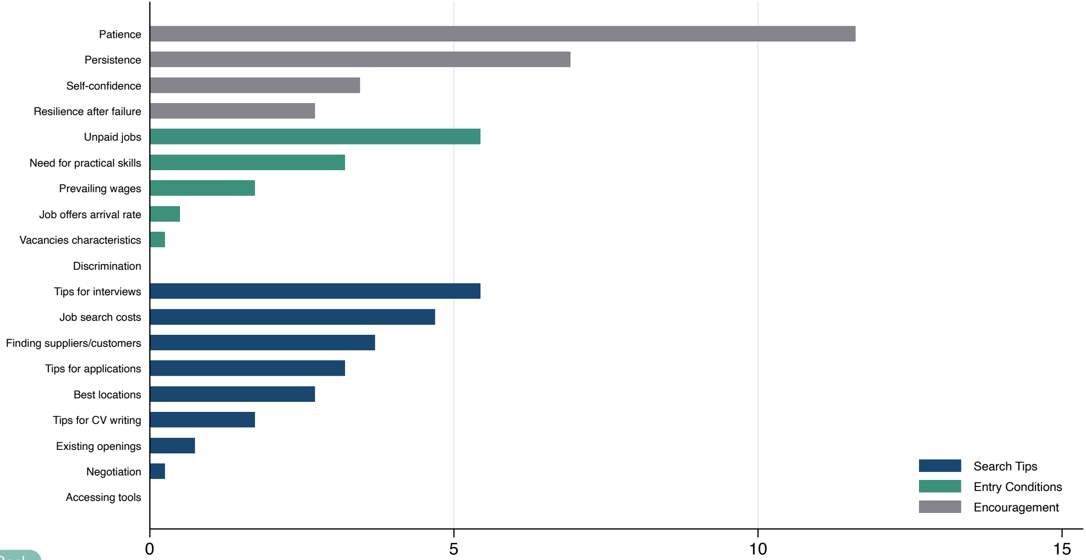
Understanding the Treatment: Students Main Takeaway in Detail



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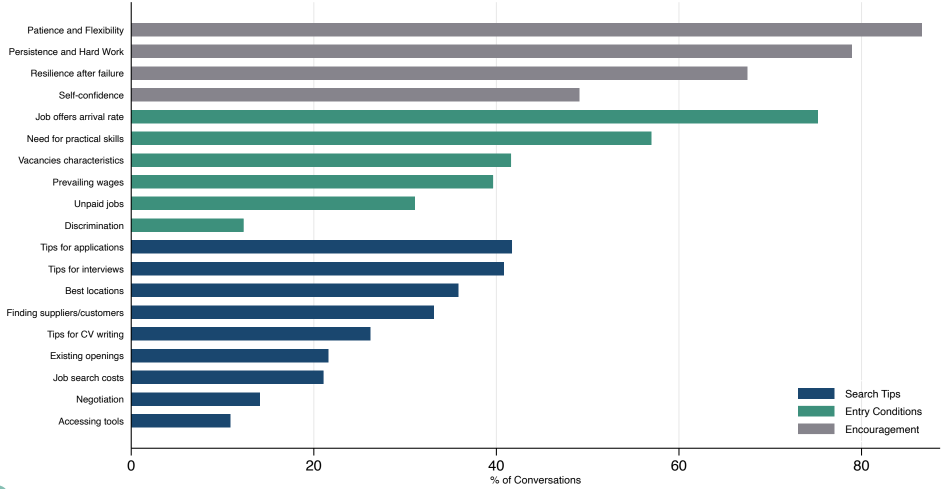
Understanding the Treatment: Micro-Topics in Detail



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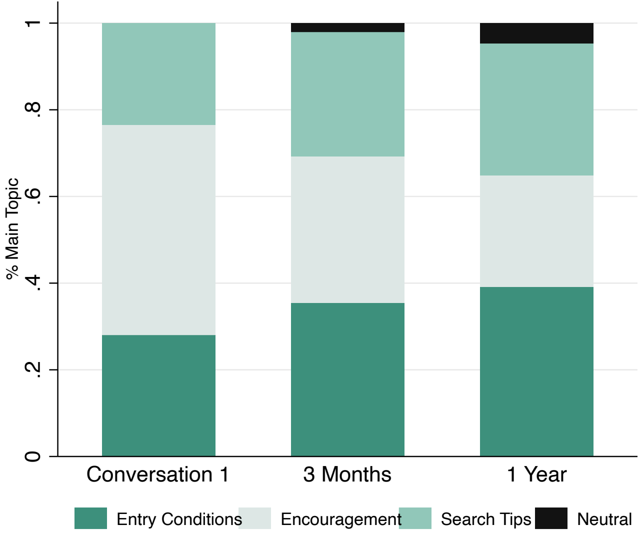
Understanding the Treatment: Main Takeaway Over Time

Frequency

- Take-up: 91%
- Recording: 90%
- Talking at 3 months: 75%
- Talking at 1 year: 54%

Content Stability

- 41% exclusively General Info or Encouragement
- 7% exclusively Search Tips



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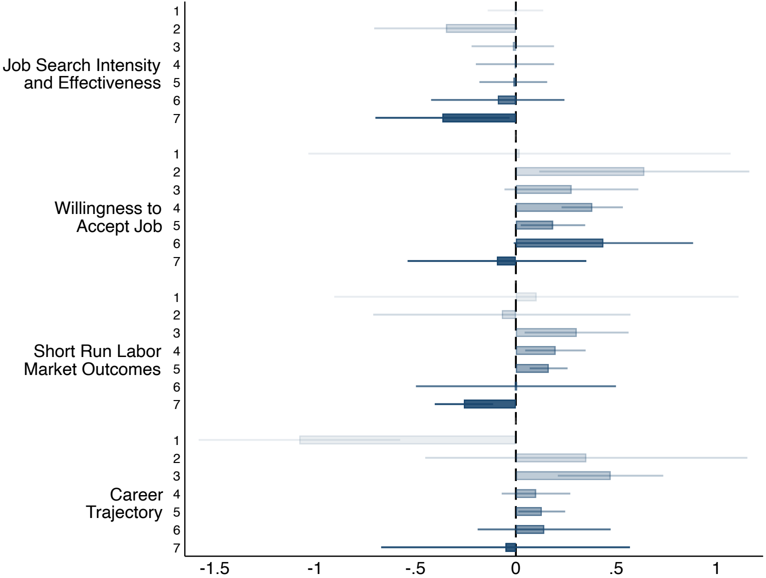
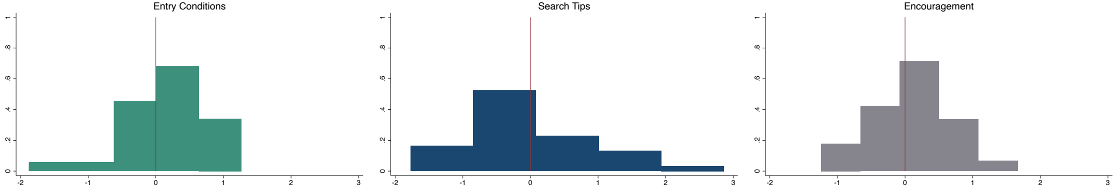
Mentors Heterogeneity by Number of Assigned Mentees



Mentors Heterogeneity by Type: FE Distributions

Panel A: Short Run Labor Market Index



Panel B: Career Trajectory Index