The Role of Labor Market Information in Educational Decisions

Education is known to affect the labor market prospects of individuals. The literature shows that beliefs about how education influences labor market prospects plays a role in decisions on whether, where and in what program to enroll. However, the effects are not always large and differ strongly by subpopulation. Moreover, a number of potentially influential factors have not been studied yet. While many studies provide different types of information, none has looked at the potentially detrimental effect of information overload. Furthermore, while information is often provided by an individual, the effect of the individual on the use of information is unclear. We present a design with which we hope to provide more evidence on the effect of labor market information in education decisions and fill in some of the existing gaps in the literature.