Borradores de Economía - Signaling Worker Quality in a Developing Country: Lessons from a Certification Program

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Publication Date: Thursday, 21 of December 2023 **Abstract**
We evaluate the returns to signaling occupation-specific skills using unique administrative data from a nationwide certification program in Colombia. The program certifies skills and issues three certificates: basic, intermediate, and advanced. We use regression discontinuity methods to compare workers' earnings around certificateassignment thresholds. Signaling advanced occupation-specific skills yields significant returns: 9.7% on average within two years of certification. Instead, we find no effects from signaling basic or ntermediate occupation-specific skills. Two mechanisms drive our findings. First, the increase in earnings for salaried workers comes from promotions within a firm. Second, the certificate facilitates transitions from self-employment to salaried work.

Fuente: https://www.banrep.gov.co/en/borradores-economia-signaling-worker-quality-developing-country-lessons-certification-program