

<i>Factor</i>	<i>Relation to search effort</i>	<i>Relation to reservation wage</i>
Sorting	High effort searchers find jobs more quickly, leaving the low effort ones	Low reservation wage searchers depart unemployment soon, leaving high reservation wage searchers.
Directed search	Searchers find out about available jobs fairly easily at the outset of search and then spend time waiting for prospects to materialize	Wages are known at the outset, so there is no decline during unemployment
Learning	Searchers reduce effort after early results are unfavorable	Searchers cut reservation wages after learning that higher-wage jobs are not
Wealth	As wealth is depleted, search becomes more intense	As wealth is depleted, reservation wages decline
Unemployment insurance	Once benefits are exhausted, search becomes more intensive.	Benefits: Once exhausted, reservation wage declines.