

# On Assigning Implicit Reputation Scores in an Online Labor Marketplace

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## ABSTRACT

In online labor marketplaces employers post job openings and receive applications by workers interested in them. The employers decide which applicant to hire and then they work with the selected worker to accomplish the job requirements. At the end of the contract, an employer can provide his worker with some rating that becomes visible in the online worker profile and can guide future hiring decisions of other employers. In this paper, we discuss some of the shortcomings of the existing reputation system and we propose a new reputation mechanism that combines employer implicit feedback signals in a link-analysis-based approach. The new system addresses the shortcomings of the existing one while yielding similar or better signal for the worker quality.

## 1. INTRODUCTION

In online labor marketplaces, such as oDesk, Elance and Freelancer.com, two parties are involved; employers and workers. Employers post job openings and candidate workers apply to them, based on their qualifications, skills and interests. The employers review the applicants' online resumes, and interview few applicants to take hiring decisions. The worker reputation, i.e., the ratings that the worker has received in his past jobs in the platform, is one of the most important considerations for the employer hiring, since it reveals how other employers evaluate the worker true ability in real job scenarios. Although the reputation information is a useful signal, it is usually very *sparse*, since a worker needs to apply, get hired and complete few jobs before he obtains a representative reputation score. The reputation scores are also *skewed* towards high ratings [1], because employers care about the impact of their feedbacks on the workers' future opportunities for jobs in the marketplace. The skewed distribution of ratings make them less helpful in identifying very competent workers.

To address the limitations of existing reputation systems in labor marketplaces, we present *WorkerRank*, a new reputation system that leverages employers' implicit judgements at the application evaluation moment, rather than the employer's explicit feedback

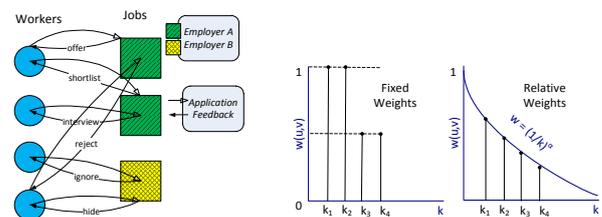


Figure 1: Left: Bipartite graph between workers and jobs posted by employers, Right: Weight Graphs

at the job completion moment. Although the implicit judgments are more noisy than the explicit ones, they are more broadly available, since the number of applications is usually one to two orders of magnitudes higher than the number of hires. Moreover, the implicit actions of the employers are not revealed and consequently the employers do not bias their judgments towards high ratings (as happens when they aim to avoid the negative impact on the workers). As a result, the obtained ratings are not skewed. To deal with the noise of implicit judgments we present various weighting schemes (Section 2) that we evaluate on a real-world dataset from oDesk (Section 3). Our results show that the new reputation system not only provides information for far more workers in the marketplace, but it also serves as a better discriminatory signal for hiring decisions.

## 2. WorkerRank MODEL

In this section we present the basic elements of WorkerRank. We represent the marketplace data with a symmetric directed bipartite graph  $G = (U, V, E)$  (see figure 1);  $U$  is the set of jobs posted by employers within a specific time period;  $V$  is the set of workers who applied to the posted jobs. An edge  $(v, u) \in E$  represents the application of the worker  $v \in V$  to job  $u \in U$ . The edge  $(u, v) \in E$  represents how successful the application was, based on the employer's decision. We label edges with employer responses: {offer, interview, shortlist, ignore, hide, reject}.

We build reputation system WorkerRank that is based on the HITS algorithm [2]. Each node is assigned a score based on the cumulative scores of the incoming edge source nodes. Each worker node  $v \in V$  is assigned a *reputation* score  $r(v) \in \mathbb{R}$  and each job node  $u \in U$  is assigned a score  $b(u) \in \mathbb{R}$ . Regarding the assignment of weights (Figure 1) to the graph edges, we developed three different approaches:

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In the first approach we assign *fixed* weights to edges for the different application success types. Since edges carry the success information, we assume that edge weights are proportional to the application success level for all candidates of a given job. For example, a candidate with successful applications deserves higher credit than candidates whose applications were rejected. Fixed weights overlook the fact that the data are structured in job-wise fashion. In fact, application success of an applicant is not independent from the application success of the remaining candidates at a particular job, since his hire probability is affected by their performance. Hence in the second approach we allow for *relative ranks* of candidates compared to the ranks of other candidates, when ranked by application success in that job. Finally, a job may have twice as many applicants as another job; gaining an offer would then be more competitive in the first and the recipient should receive higher credit. In the third approach we multiply the above weighing schemes by *selectivity* factor  $\frac{n-n_l}{n}$ , where  $n$  is the total number of applicants to a job and  $n_l$  is the total number of applicants to the job with label  $l$ . In the context of job-wise structured data, competitiveness serves as a normalization factor along weights in different jobs of the marketplace.

### 3. EXPERIMENTAL RESULTS

In our experiments we use relative ranking combined with selectivity (see weighting schemes briefly discussed in Section 2) and we compare WorkerRank’s performance against the explicit reputation (feedback-based) approach. We used a sample of real-world application data and reputation scores provided by oDesk. The dataset spans the time period of 53 weeks between March 2012 through March 2013 and it contains approximately 17M applications submitted by 0.5M workers to 0.8M jobs posted by 0.2M employers.

First, we show that since WorkerRank’s results become available at the time of application, there is higher coverage in the percentage of workers for whom we obtain reputation information, compared to the explicit reputation (feedback-based) approach. In particular, we run WorkerRank over the applications of the first 52 weeks of our dataset. During this time period we also keep track of the feedback ratings that the workers receive after the end of accomplished jobs. Then we report the number of applications of the 53th week for which there is a WorkerRank score versus the applications for which there is an employer feedback score. Our results show that out of 88,294 applications in the 53th week, we have WorkerRank scores for 79,083 (89.6%), while we have feedback scores only for 52,471 (59.4%). The increase in the marketplace application coverage is 50.7%. Note that the above measurements account for both active and inactive applications.

Second, we show that WorkerRank is faster in acquiring signal for new workers joining the system, compared to the feedback-based approach. Since the online marketplaces grow fast, the identification of new competent workers is very significant for their healthy development. For all workers who joined the oDesk platform during the last 12 weeks of our study period, we calculate the percentage of workers for which we obtain reputation signals within  $X$  weeks.  $X$  is varying from 1 to 12 weeks. As presented in Figure 2, the WorkerRank scores are available for more than 75% of the new workers within one week of their joining the platform and the percentage ratio grows to 95% after 12 weeks. On the contrary, there are less than 1% of new workers who received feedback at the end of their first week at platform and this percentage does not exceed 5% at the end of the 12-week period.

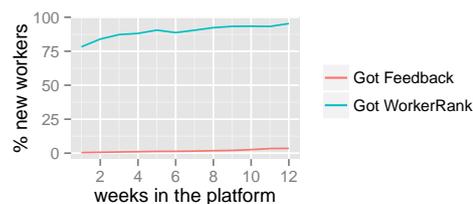


Figure 2: Time required to learn reputation for new workers

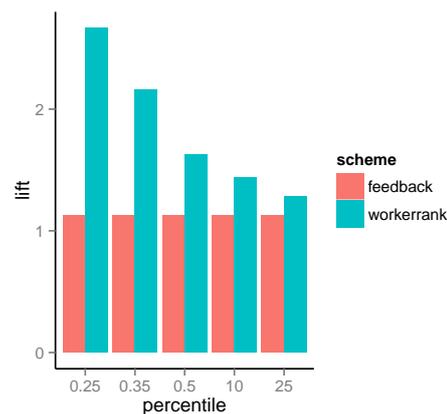


Figure 3: Lift in predicting the hiring outcome

Finally, to evaluate the quality of WorkerRank scores, we compare them with the feedback-based reputation scores as signals for taking hiring decisions. We use the data of the first 52 weeks of our dataset to calculate the WorkerRank scores, and we then use these scores as predictors for the hiring outcomes of the applications submitted during the 53th week. First we rank applications by WorkerRank and by feedback scores; then we calculate *hiring lift* as the hiring probability in the top  $x$  percent of applicants over the hiring probability across all applicants (Figure 3). Lift shows the performance of our methods versus that of a random scoring of the applicants. We show that the top-0.25% of applicants as ranked by WorkerRank are 2.66 times more likely to be hired than a random applicant, versus 1.1 when ranked by feedback scores. The results show that the WorkerRank reputation system provides a more accurate signal for the worker application success than the existing feedback-based system.

### 4. CONCLUSION

The results of our experiments show that WorkerRank improves rank prediction accuracy compared to baseline approaches. What is more, WorkerRank solves the basic problems encountered in industrial reputation systems (unreliable employer ratings, coverage, cold start). Our future work includes research on weighting schemes and modeling implicit actions on the marketplace website.

### 5. REFERENCES

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