

How Workers Are Advancing to Better Jobs Today

(A recently-released five year study by Burning Glass Institute, incorporating more than 3 million worker histories, shows considerable mobility of workers who start in non-professional positions such as retail clerk, logistics tech, customer service representative—far more mobility than commonly thought. And the authors set out ways companies can do more in skills and wage advancement.)

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Has the labor market become increasingly stratified in recent years, so that workers without college degrees are unable to advance? Are workers who start in positions such as retail clerk, customer service rep, or logistics/warehouse worker, increasingly locked into these entry level, lower paid positions? And if so, what, if any, policies, might increase mobility? These questions are at the top of agenda of workforce groups today.

An extensive, multi-faceted, and nonpartisan study of worker mobility by Burning Glass Institute, issued in October, sheds light on these questions and other of how workers advance. The study, “The American Opportunity Index”, draws on the work histories of more than 3 million workers at America’s largest employers, over a five year period, 2017-2021. It analyzes career histories and salaries of workers in these firms as well as job requirements in 40 million annual job postings. It draws on the Lightcast database, which includes millions of career histories from sources like LinkedIn as well as data from Glassdoor.

The study was led by Burning Glass Institute President Matt Sigelman, formerly the CEO of Burning Glass (now Lightcast), one of the world’s leading firms on labor market analytics. The other chief authors include Joseph Fuller, a Harvard Business School Professor who has written extensively about low wage workforces and mobility, and Gad Levanon and Nik Dawson, Chief Economist and Economist at Burning Glass Institute.

The richness of the data and the insights on mobility are not easily summarized. But three points stand out in relation to America’s workforce system and the current concerns about mobility for entry level workers:

- (1) Most of the conventional wisdom in the workforce field today about worker mobility is wrong—there is far more advancement in entry level jobs than usually thought.
- (2) The paths of mobility are multiple, within companies, across companies within the same sector, and among sectors.
- (3) Companies are undertaking a number of strategies to increase mobility, for increased worker recruitment and retention.

Let’s say a word about each of these points:

Workers advancing within firms: The study’s focus is the experience of workers in entry level jobs in which thirty percent or more of workers lack a college degree. “The majority of U.S. workers don’t have four-year degrees,” the authors write, “their upward mobility hinges far more on corporate practice than on academic attainment.”

And among the 242 firms studied, there is considerable mobility

already underway in these entry level jobs. At the firms ranked in the top quintile for promotions, the average entry level worker received a promotion (movement from one job category to a higher one) within two years. Even among firms ranked in the bottom quintile, an entry level workers received a promotion within three years.

The study builds on other recent research on worker mobility undertaken by these authors, including Entry-Level Work as a Stepping Stone, Not an End Point (2021) and Building From the Bottom Up (January 2022). These previous studies showed entry level workers at a wide range of firms advancing over time into jobs paying a living wage.

The first of these two studies looked at youth, 16-24, not in school, without college degrees and lacking work experience. Despite typically being written off, more than half of these youth advanced to better paying jobs over five years, such that sixty-three percent found their way to occupations paying a living wage. The second study focused on workers of all ages who were in low wage jobs (occupations with a median national wage of \$39,970 or below in May 2018), and tracked 181,891 workers in these jobs between 2012-2017. Although these workers are often considered to be in “poverty trap jobs”, more than 40% of these workers advanced to living wage salaries within five years.

The publication of Barbara Ehrenreich’s best-selling Nickel and Dimed in 2001 created a narrative of workers stuck in low wage jobs, with no hope of advancing. Though the narrative was never accurate for a good percentage of low wage workers, it became a form of conventional wisdom in the workforce field and has continued to the present. This recent study, combined with the previous two, should help develop a more nuanced and accurate narrative.

The paths of mobility are multiple: The study ranks 242 of the biggest public companies on nine metrics grouped in three categories: (i) Access to entry level jobs for workers without college degrees, (ii) Pay levels, and most of all (iii) Mobility.

The Mobility category encompasses six of the nine metrics, including the number of promotions a typical worker receives over the five year period within the firm, the speed of promotions within the firm, the percentage of employees who receive a promotion after leaving the company, and the frequency with which a company fills open roles by promoting an employee from within. Companies are scored on each of the nine metrics and an overall score and ranking is developed.

Article continues at link below

Source: [Forbes](https://bit.ly/forbes-20221115) (11/15/2022)
<https://bit.ly/forbes-20221115>

Region	October 2021	September 2022	October 2022	Percentage Point Change	
				1 month	12 months
San José–Sunnyvale MSA	3.7%	2.2%	2.2%	0.0	-1.5
San Francisco MD	3.7%	2.1%	2.1%	0.0	-1.6
California	5.8%	3.7%	3.8%	+0.1	-2.0
United States	4.3%	3.3%	3.4%	+0.1	-1.9

Sector — October 2022	San Jose MSA	San Francisco MD	Combined Region	Percentage Change (Combined Region)	
				1 month	12 months
Total Nonfarm	1,187,300	1,196,200	2,383,500	+1.3%	+5.6%
Construction	57,600	45,900	103,500	+0.7%	+10.0%
Manufacturing	176,400	38,800	215,200	+0.4%	+3.1%
Retail Trade	76,300	70,100	146,400	+1.0%	+2.3%
Information	114,000	120,900	234,900	+0.4%	+4.8%
Professional & Business Services	266,000	320,200	586,200	+1.6%	+8.2%
Educational Services	47,500	32,600	80,100	+6.2%	+4.6%
Health Care & Social Assistance	144,700	118,700	263,400	+1.3%	+3.7%
Leisure & Hospitality	101,300	120,400	221,700	+1.1%	+14.5%
Government	95,100	131,000	226,100	+1.9%	-0.1%

Note: San José MSA (San José-Sunnyvale-Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
 San Francisco MD (San Francisco-Redwood City-South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

Labor Force by NOVA Jurisdiction — Santa Clara County (partial) + San Mateo County (complete)									
	Labor Force			Unemployment			Unemployment Rate		
	October 2021	October 2022	Change	October 2021	October 2022	Change	October 2021	October 2022	Change
• San Mateo County	440,200	456,400	+3.7%	15,400	9,000	-41.6%	3.5%	2.0%	-1.5
• Santa Clara County	1,026,200	1,060,000	+3.3%	37,000	22,900	-38.1%	3.6%	2.2%	-1.4
Cupertino	28,500	29,600	+3.9%	800	500	-37.5%	2.7%	1.8%	-0.9
Los Altos	14,400	15,000	+4.2%	400	300	-25.0%	2.7%	2.0%	-0.7
Milpitas	40,400	41,600	+3.0%	1,700	1,000	-41.2%	4.1%	2.3%	-1.8
Mountain View	50,000	52,000	+4.0%	1,200	800	-33.3%	2.3%	1.6%	-0.7
Palo Alto	35,400	36,900	+4.2%	800	700	-12.5%	2.3%	1.8%	-0.5
Santa Clara	71,700	74,300	+3.6%	2,200	1,500	-31.8%	3.1%	2.0%	-1.1
Sunnyvale	85,900	89,200	+3.8%	2,400	1,600	-33.3%	2.8%	1.8%	-1.0
NOVAworks Region	766,500	795,000	+3.7%	24,900	15,400	-38.2%	3.2%	1.9%	-1.3

Note: NOVAworks Region consists of seven cities in Northern Santa Clara County and the entirety of San Mateo County

Source: California Employment Development Department, LMID

October 2022 Layoff Events			WARN SUMMARY	
Company	Location	# Affected	Events YTD [†] :	47
Atara Biotherapeutics	South San Francisco	14	Individuals Affected YTD:	3,502
Cepheid	Multiple cities	252	Individuals Previous YTD [‡] :	7,522
Oracle America	Redwood City	201		
Owens Corning	Santa Clara	225		
Rivian Automotive	Palo Alto	208		
Robinhood Markets	Menlo Park	146		
USRA at ARC	Mountain View	2		
Total		1,048		

* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)
[†] **YTD: Year to Date** (Calendar year: January 1–Present)
[‡] **Previous YTD:** (Same date range as YTD, one year prior)

Note: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: California EDD, CalJOBS: WARN Data

REGIONAL LAYOFF ACTIVITY