Youth Employment and Economic Mobility
exploring pathways to good jobs

A presentation of forthcoming research on:

Pathways to high-quality jobs for young adults from disadvantaged backgrounds
by Martha Ross and ChildTrends

Pathways to good jobs and promising jobs in Metro Atlanta’s Opportunity Industries
by Chad Shearer
What helps disadvantaged teens find their way to good jobs by their late 20s?

- Employment and wage trends among 29-year-olds
- Overview of data and analysis strategy
- Findings
- Recommendations
The gap in employment rates by education is huge…

Employment rates for 29-year-olds, by education level

United States, 2003-2017

...as is the wage gap

Median real annual wages for 29-year-olds, by education

United States, 2002-2016

Note: Wages are adjust to 2016 dollars using CPI

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Defining the sample: disadvantaged and employed

Disadvantaged in adolescence:
- Income at or less than 200 percent of FPL?
  - Yes or
  - Parents do not have post-secondary degree?
    - Yes or
    - Family receives public assistance?
      - Yes or
      - Mother was in her teens at first birth?
        - Yes

Employed at age 29:
- Employed?
  - Yes

Analytic Sample: Disadvantaged and Employed
Defining job quality on a scale of 0 to 8

- Wages
- Paid leave, retirement plan, health insurance
- Weekly work hours
- Job satisfaction

- Low Quality (score=0)
- Medium Quality (score=1)
- High Quality (score=2)

Good Job Score
0 to 8 scale
What helps disadvantaged teens find their way to good jobs by their late 20s?

Employment and wage trends among 29-year-olds

Overview of data and analysis strategy

Findings

Recommendations
29-year-olds from disadvantaged backgrounds have lower employment rates

78% of 29-year-olds from disadvantaged backgrounds are employed

Disadvantaged: 78%
Not disadvantaged: 89%

Source: Child Trends analysis of NLSY'97 data
29-year-olds from disadvantaged backgrounds are less likely to hold high quality jobs.

37% of 29-year-olds from disadvantaged backgrounds are employed in high quality jobs.

Disadvantaged: 37%
Not disadvantaged: 47%

Source: Child Trends analysis of NLSY97 data
**Job quality also varies by gender and education**

Males are more likely to have higher quality jobs

<table>
<thead>
<tr>
<th></th>
<th>Low quality</th>
<th>Medium quality</th>
<th>High quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>17%</td>
<td>48%</td>
<td>35%</td>
</tr>
<tr>
<td>Male</td>
<td>12%</td>
<td>48%</td>
<td>40%</td>
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</table>

Those with more education have higher quality jobs

<table>
<thead>
<tr>
<th></th>
<th>Low quality</th>
<th>Medium quality</th>
<th>High quality</th>
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<tbody>
<tr>
<td>Drop out / GED</td>
<td>23%</td>
<td>55%</td>
<td>22%</td>
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<tr>
<td>High school diploma</td>
<td>14%</td>
<td>50%</td>
<td>36%</td>
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<tr>
<td>Post-secondary degree</td>
<td>8%</td>
<td>38%</td>
<td>54%</td>
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</table>

Source: Child Trends analysis of NLSY97 data
### Predictors of job quality

<table>
<thead>
<tr>
<th>Positive predictors of job quality</th>
<th>Negative predictors of job quality</th>
</tr>
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<tbody>
<tr>
<td>Relationship-based career and technical education in high school (cooperative education, internship/apprenticeship, mentoring)</td>
<td><strong>Unemployment</strong> spells in one’s 20s</td>
</tr>
<tr>
<td>High school diplomas and 2- or 4- year degrees earned by age 27</td>
<td>History of <strong>incarceration</strong></td>
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<td><strong>Training certificates</strong> earned between ages 24 and 27</td>
<td><strong>Being female</strong></td>
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<td><strong>Teen employment</strong> between ages 16 and 18</td>
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<td><strong>Higher earnings</strong> at age 23</td>
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</table>
What helps disadvantaged teens find their way to good jobs by their late 20s?

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Recommendations

**Increase the use of Positive Youth Development practices in career and technical education**

- Foster young people’s social, emotional, behavioral, and cognitive skills
- Focus on their assets, develop their competencies, and cultivate relationships with caring adults

**Increase completion rates of post-secondary degrees and certifications - by reforming programs, not by screening out less prepared students**

- Advising, financial aid, guided pathways, dual enrollment (high school and college), bridge programs

**Strengthen on-ramps to employment**

- Internships, apprenticeships, stronger career counseling and advising, subsidized jobs programs for the most disconnected, skills training that is closely tied to local employer needs and mimics the workplace
What helps disadvantaged teens find their way to good jobs by their late 20s?

How can Metro Atlanta create more good jobs for sub-baccalaureate workers and improve career pathways to them?
These forces are polarizing job and wage growth

Change in real personal annual earnings in Metro Atlanta
among wage and salary workers, 2006 to 2016

Source: Brookings analysis of American Community Survey microdata.
Sub-baccalaureate workers have born the brunt of these shifts

Employment rate in Metro Atlanta among 18-67 year-olds, 2016

- High school: 66%
- Post-secondary: 75%
- Bachelor's degree: 83%

Change in annual median earnings in Metro Atlanta among wage and salaried workers 18-67 years old, 2006-2016

- High school: -10%
- Post-secondary: -12%
- Bachelor's degree: -4%

Source: Brookings analysis of American Community Survey microdata.
NEW STRATEGIES

Communities must create more good jobs and improve pathways to them to foster inclusive growth and prosperity.
How can Metro Atlanta create more good jobs for sub-baccalaureate workers and improve career pathways to them?

Definitions and stock of “good jobs” and “promising jobs”

Findings on pathways and access to good jobs

Implications
What are the dimensions of a “good job”?

- Opportunity
- Compensation
  - Wages
  - Benefits
- Context
- Accessibility
- Security
This research involves a novel analysis of local career pathways

Common pathways from being a credit clerk

- Credit clerk
- Retail Supervisor
- Loan Reviewer
- Nurse Aide
- Personal Care Aide
- Loan Officer
- Teacher
- Loan Reviewer
- Nurse Aide
- Financial Manager
- Loan Officer
- CEO

Source: Brookings analysis.
45 percent of Metro Atlanta's jobs are "good jobs" or "promising jobs"

"Other" jobs
• Do not satisfy at least one of the criteria for good, promising, or high-skilled opportunity jobs.

High-skilled good and promising jobs
• Meet "good job" or "promising job" criteria but...
• Held by workers with a bachelor's degree

Good jobs
• Pay family-supporting wage or salary
• Provide employer-sponsored health insurance
• Held by sub-baccalaureate workers

Promising jobs
• Low-pay or no-benefits jobs
• Lead to a "good job" within 10 years
• Held by sub-baccalaureate workers

Source: Brookings analysis.
Yet Metro Atlanta still does not provide enough good or promising jobs.
How can Metro Atlanta create more good jobs for sub-baccalaureate workers and improve career pathways to them?

Definitions and stock of “good jobs” and “promising jobs”

Findings on pathways and access to good jobs

Implications
Findings

• **Good jobs matter most.** As much as 40 percent of sub-baccalaureate pathways to good jobs span different industries, making the good jobs crucial for advancement.

• **Good jobs are highly concentrated.** Four sectors account for 52 percent of good jobs for sub-baccalaureate workers (*), offering opportunities for advancement.

• **High-skill good and promising jobs are also concentrated but in different industries** that tend to drive the regional growth and prosperity.

• **Some sectors concentrate entry-level jobs but not much opportunity.** Retail, hospitality, and administrative services provide 44 percent of promising jobs but offer just a 1/5 chance of getting a good job.
Concentration of good and promising jobs by occupation group in 2017

<table>
<thead>
<tr>
<th>Occupation Group</th>
<th>Promising jobs for sub-baccalaureate workers</th>
<th>Good jobs for sub-baccalaureate workers</th>
<th>High-skill good and promising jobs</th>
<th>Other jobs</th>
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<td>Maintenance</td>
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<td>Management</td>
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<td>Facilities</td>
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<td>Personal care</td>
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Findings

- **Good jobs are highly concentrated in blue-collar occupations.** Four occupation groups (*) account for 47 percent of good jobs and 40 percent of promising jobs.

- **Many good jobs for sub-baccalaureate workers are similar to good high-skill jobs.** Management, Business, and STEM occupations provide 30 percent of good jobs for sub-baccalaureate workers.

- **About 77 percent of promising pathways for sub-baccalaureate workers entail a career switch.** Promising entry points and good jobs are in different industries and occupations.

Source: Brookings analysis.
Most sub-baccalaureate workers will switch careers to get a good job

Share of promising pathways that involve a career switch*

by major occupation group

Source: Brookings analysis.

Sub-baccalaureate average
Sub-baccalaureate workers upward mobility depends on learning

Correlation of wage growth to changes in the content of work in Metro Atlanta in promising career pathways for sub-baccalaureate workers

Knowledge (K), Skills (S), and Abilities (A)

- Science (S)
- Installation (S)
- Equipment Selection (S)
- Repairing (S)
- Equipment Maintenance (S)
- Inductive Reasoning (A)
- Problem Sensitivity (A)
- Deductive Reasoning (A)
- Complex Problem Solving (S)
- Flexibility of Closure (A)
- Judgment and Decision Making (S)
- Reading Comprehension (S)
- Category Flexibility (A)
- Critical Thinking (S)
- Active Learning (S)
- Speed of Closure (A)
- Systems Analysis (S)
- Perceptual Speed (A)
- Oral Comprehension (A)
- Engineering and Technology (K)

Correlation with wage growth

Source: Brookings analysis.
Education greatly improves peoples’ chances of obtaining a good job

Share of Metro Atlanta workers who hold a good or promising job

by education

- High school diploma: 28%
- Some college or certificate: 38%
- Associate's degree: 51%
- Baccalaureate or higher: 72%

Source: Brookings analysis.
But workers have different chances of getting a good job based on their gender.

Share of Metro Atlanta workers who hold a good or promising job by education and gender:

- **High school diploma**
  - Women: 15%
  - Men: 37%

- **Some college or certificate**
  - Women: 27%
  - Men: 50%

- **Associate's degree**
  - Women: 43%
  - Men: 60%

- **Baccalaureate or higher**
  - Women: 67%
  - Men: 77%

Source: Brookings analysis.
And workers have different chances of getting a good job based on their race.

Source: Brookings analysis.

Share of Metro Atlanta workers who hold a good or promising job by education and race or ethnicity:

- **High school diploma**
  - Hispanic: 17%
  - Black: 21%
  - White or Asian: 36%

- **Some college or certificate**
  - Hispanic: 28%
  - Black: 31%
  - White or Asian: 46%

- **Associate's degree**
  - Hispanic: 36%
  - Black: 44%
  - White or Asian: 58%

- **Baccalaureate or higher**
  - Hispanic: 62%
  - Black: 68%
  - White or Asian: 74%
How can Metro Atlanta create more good jobs for sub-baccalaureate workers and improve career pathways to them?

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Implications
Implications

**GROW** good jobs that are crucial to the economic mobility of sub-baccalaureate workers by prioritizing Opportunity Industries

**IMPROVE** the quality of jobs in all industries, especially those that provide few good jobs or pathways to them

**PREPARE** people for good jobs in Opportunity Industries by arming them the skills and abilities needed to thrive in today’s labor market

**CONNECT** people to opportunities to obtain education, training, and good by raising awareness and addressing barriers
Acknowledgments

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The Brookings Metro Program will publicly release the above-mentioned research reports, authored by Ms. Ross and Mr. Shearer, early this fall. Please do not cite the findings included in this presentation until that time.

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