Entry-Level Work as a Stepping Stone, Not an End Point

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1. Executive Summary
Every career starts with a first job. At the beginning of nearly every person’s working life are work experiences that offer low wages, unpredictable schedules, and great uncertainty as to whether and how these jobs will lead to more stable work. Young people of means and those from more modest backgrounds alike participate in entry-level work. But with weaker social capital and fewer educational opportunities, youth from lower-income backgrounds and more challenged academic experiences often find themselves struggling to move from these initial work experiences into family-sustaining roles and viable careers.

With the support of the Schultz Family Foundation and in partnership with the 100,000 Opportunities Initiative (100K), Burning Glass Technologies sought to understand the experience of young people aged 16-24 not in school, without college degrees and lacking work experience. These “opportunity youth” often find themselves in entry-level work that may or may not lead to better opportunities and family-sustaining careers. While the research was conducted and completed prior to the onset of the COVID-19 pandemic and its economic fallout, the lessons from these young people and their experiences can be instructive in how employers reconsider hiring and employment practices amidst economic recovery, and how those serving opportunity youth can better position them for success going forward.

As the post COVID-19 economic recovery takes shape and employers face new realities, they can use this unique moment to reevaluate and redesign hiring and employee development in a way that helps their bottom line and allows the benefits of economic recovery to be shared more broadly than prior to the crisis. By intentionally employing, developing and promoting opportunity youth and others who have been disproportionately impacted by the dual health and economic crises, employers can not only better engage, retain and nurture talent, but also facilitate opportunity to those with the fewest resources and drive recovery that is equitable and enhances social mobility.

This research looks at tens of thousands of work histories as expressed in resumes uploaded to various websites, and charts various forms of career progression and stagnation.

The analyses looked at worker experience across three dimensions at companies who have joined the 100K coalition and in so
doing have committed to hiring, retaining, and supporting opportunity youth:

**Hiring:** How often are opportunity youth hired to fill entry-level vacancies?

**Retention:** How long do opportunity youth work at their first listed employer?

**Promotion and Advancement:** What is the career progression of opportunity youth following initial employment? How do they fare over five years in terms of occupational trajectory, salary, and achieving at least a $15/hr wage?

The analyses revealed several observations:

**Among the firms studied, young workers with limited education and employment history cluster in four main career areas.** Nine in 10 of these workers get their start in sales, administrative support, food service, and transportation.

**Many young workers who begin with limited work experience and education advance to better paying jobs and earn a living wage.** Just over half of such young people hired into entry-level work at the companies studied advance from entry-level to better paying jobs in the first five years—not necessarily at the same employer, but over the course of their employment. Further, after these five years, 63% of these young workers are in occupations paying a living wage, up from 39% in their initial job. The resume data does not indicate individuals’ racial identity, but disparate experiences of racial and ethnic minorities in other areas (rates of disconnection, wage levels, etc.) indicate that those individuals generally face greater challenges in entry-level employment, and likely face similar disparities in advancement.

**The data reveals three major patterns of career progression.** In an analysis that studies where new hires land five years after their first job, the experience of young employees with limited work and education backgrounds present three quite distinct profiles:

- **Leapfrogging** – 44% of young workers in this cohort showed progression from their entry-level job, most moving into better paying jobs in other areas.

- **Levelling Up** – 8% of the studied young workers progress to better-paying jobs within the career area of their initial entry-level role.
• **Spinning Wheels** – 48% of the young workers in the database appear to be stuck, with fewer than half earning a living wage after 5 years working.

The average tenure listed on the professional resumes of young people with limited educational and work experience who got their start at 100K employers was 17 months. While job retention is important for both the employee and the employer, it is not clear whether these workers are experiencing greater benefit from retention, or whether they have stagnated in their career experience and are missing out on opportunities for advancement into better jobs with better wages and schedules.

There are a variety of jobs that young workers with limited education and work experience tend to take when they advance. When these young workers transition out of entry-level work, they do so most frequently by taking on roles as managers or supervisors; some also transition to jobs as computer user support specialists, nursing assistants, and office clerks – all roles that may become more accessible by virtue of them developing work habits and career experiences generally, but that are outside of the industries and career areas that characterize their first jobs.

Substantial, career-altering benefits can accrue to young workers with limited educational or work experience who begin as entry-level workers, but those benefits are by no-means assured. The experiences of those who Leapfrog and Level Up offers hope to workers and can encourage employers and sectors who employ large numbers of these workers to make these positive outcomes more common, with benefits for workers, their families and the economy as a whole.

As the U.S. navigates recovery from the COVID-19 crisis and its economic outcomes, society can ill-afford to let young people’s economic uncertainty deepen further. Rather, at this time of reimagining how best to drive recovery, it is critical to fully reimagine entry-level work as a stepping-stone rather than a trap, and to ensure all workers can use these early work experiences to launch successful, meaningful working lives.
2.

Introduction: Employing Young People at the Entry-level in Uncertain Times
For young people who are not employed and not in school, an entry-level job can seem like the first step towards a bright future. Among the 4.5 million young people in the U.S. who are disconnected from work and school, there is a kernel of truth to this idea. Nearly any job represents progress, and some fraction of these young people work in entry-level jobs that enable them to develop skills, forge a career path, and eventually earn a living wage. However, entry-level work is often marked by low pay, unpredictable hours, harried conditions, high levels of physical proximity to colleagues and customers, and workers in these roles are by no means assured of a path to prosperity. Broad socioeconomic trends such as rising inequality and flattening economic mobility defy the notion that entry-level work inevitably leads to a stable career.

As acute as they were prior to 2019 when this research was conducted, the COVID-19 crisis and its economic impacts have only exacerbated the challenges facing young workers and opportunity youth in particular. Young workers and people of color have disproportionately suffered the negative impacts of the COVID-19 economy, and can expect to face greater challenges than their majority counterparts as the economy recovers.1 With high numbers of unemployed youth and adults vying for a narrower set of occupations, all workers can expect greater competition for employment, and workers with less experience and education are relegated to an even narrower set of opportunities.

At the same time, employers across the economy are urgently seeking workers to fill skills gaps. Those who have lost their jobs in the COVID-era may be accepting lower-wage and lower-skilled jobs, flooding the labor market. Typically, recessions result in increased demand for higher-level workers and individuals with niche skill sets, while putting downward pressure on wages and opportunities for lower-wage and lower-skilled workers. The current economic downturn, however, is unique in many ways, not the least of which is the bifurcation of opportunity where we see high levels of demand for individuals in retail and logistic sectors, and decimation of jobs in hospitality, and alternatively cratering and spiking demand in various corners of the food and restaurant sectors. Where demand is increasing in grocery and big-box stores, specific or high-level skills may not

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be a factor. Rather, workers’ courage as they expose themselves to the potentially-infected public is a distinguishing feature. Equally important in this era of economic inequality may be these workers’ need to continue working and exposing themselves to illness, as their pre-pandemic wages did not allow for substantial savings needed to suspend work and place a higher priority on one’s own health, and that of their families.

Whether young or more seasoned, the workers in these areas with high numbers of job openings continue to work in these roles with limited view for how these jobs can parlay into more stable opportunities that can move them towards greater economic mobility. Many companies that do hire young workers with limited education and work experience lack a plan for how to develop these employees so that they can succeed in their initial roles and build the skills they need for more demanding jobs that would put them on a career pathway, and ensure their ability to earn a living wage. As companies increasingly look to youth and others to meet their demand for entry-level workers, it is worth exploring employer behavior towards this population and the career trajectories these workers experience.

A unique opportunity to conduct such research is presented by a national project called 100K.

100K is a national coalition of large employers that have pledged to hire, retain, and promote young people who are not working and not in school. Since its founding in 2015, the coalition has met its goal, twice over: Member companies have hired more than 200,000 such young people.

100K includes firms employing large numbers of entry-level workers and a visible commitment to hiring and supporting opportunity youth; and offers a small sample of firms from which to extract general lessons about work in and after entry level jobs.
Ordinarily, studying the employment experience of a large and geographically dispersed set of workers or the hiring and retention experience of hundreds of employers is prohibitively complex, because no common measures or datasets exist across the wide diversity of companies and employees. To overcome this challenge, Burning Glass leveraged two of its unique assets: a database of more than one billion current and historical job postings which provide a detailed view into the jobs and skills that employers demand, and a database of over 50 million resumes illuminating the actual career progression of American workers. By curating and analyzing these rich compilations of data, Burning Glass can detect patterns and shine a light on complex dynamics that other methods of study cannot reveal.

With support from the Schultz Family Foundation, Burning Glass sought to better understand the experiences of entry-level workers and their employers — especially those who are members of the 100,000 Coalition — and to examine the nature of labor market demand for jobs that young people with limited work and education experience could fill. Burning Glass scanned its millions of resumes for workers that met three characteristics: no bachelor’s degree, not in school, and fewer than seven years of work experience. Burning Glass further subset the same to workers who started off in entry-level jobs, jobs typically requiring little education and work experience. Burning Glass included resumes with a first job as early as 2010, in order to capture the career trajectories typical of the current workforce. Finally, Burning Glass sorted workers according to whether their entry-level job was at a 100K employer or a broader peer group of top retail companies, hospitality companies, and food service firms to assess the work of the companies in the coalition.
Burning Glass Technologies used aggregate data from millions of resumes and job postings to study three large questions:

- **What jobs are held by workers with limited educational attainment and work experience?** How often are these workers hired to fill entry-level vacancies? Are there differential patterns of hiring for this population across the labor market, for example by industry? Do experiences differ between workers in 100K coalition companies and other companies?

- **What is the career progression of workers with limited education and work experience following entry-level employment?** How do they fare over five years, in terms of retention at their initial place of work, salary increases, and career advancement? Are some pathways into and beyond entry-level jobs more likely to lead to advancement than others?

- **Can employers successfully hire and retain more entry-level workers with limited education and work experience?** What is the nature of demand for such workers, and where is demand the greatest? Can efforts to hire more such young workers, like those of 100K, produce evidence of their impact? Are some sectors or industries particularly well-suited to this approach?

The research suggests policies that can be implemented to support workers in entry-level work, particularly among engaged employers like those in 100K. This report shares the findings and the implications of this work, and emphasizes that even lower-wage/lower-skill opportunities can lead to advancement, and that employers have multiple tools at their disposal to be agents in increasing economic mobility and addressing inequities.

While today’s labor market dynamics have changed substantially and the supply of and demand for workers is not what they were just a few months ago, fundamentally the findings in this report remain applicable. However long this economic downturn lasts, there is never a bad time to invest in workers, in their skills, and in opening up new opportunities for our increasingly diverse youth population.
100,000 Opportunities Initiative

The 100,000 Opportunities Initiative (100K) is a national coalition of employers, foundations, and community organizations committed to reinventing hiring, retention, and advancement of young people who have limited educational and work experience. These young workers are out of school and ready to work but often face social, geographic, and financial barriers to economic opportunity; they are disproportionately people of color from low-income communities. Measure of America estimates there are 4.5 million opportunity youth in the United States.²

Since its launch in 2015, 100K has brought together more than 55 employers with private sector and non-profit partners. Working together, they access new sources of talent that have not traditionally been included in our nation’s prosperity. The Initiative has exceeded its initial goal twice over: more than 200,000 young workers have been hired by coalition partners.³ Recently, the Initiative embraced an accelerated, ambitious goal: to ensure one million such young adults are hired by 2021.

Connecting these young people to employment is an important first step, but 100K is invested in their full career. The Initiative advocates for the retention and advancement of these workers once they are on the job, and coalition partners have developed training programs, built scheduling systems that prioritize flexibility and predictability, and funded initiatives that create career pathways.

Hiring young workers who have limited education and work experience can help businesses thrive. The coalition is working with more than 55 companies that recognize the value of engaging with these young workers. This process helps companies close the gap between their demand for labor and the limited supply of workers they can access using a traditional set of requirements. Supported by collaboration with the coalition’s community partners, these companies see their youth employment efforts yield significant returns through increased retention rates and more motivated and successful employees.

To ensure success in hiring and retention, partner employers gain access to an under-utilized talent pool of young people who have the skills and ability to successfully take on entry-level roles. Many coalition partners rely on the learning they do with one another: Employers and organizations share best hiring and retention practices, learn from their unique experiences, and collectively build on success. By demonstrating leadership around youth employment and sparking innovation, participating companies contribute to the strength and resilience of their local communities.

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² “Making the Connection” (Measure of America, 2019) by Kristen Lewis

³ “Halve the Gap” (Measure of America, 2013) by Kristen Lewis and Sarah Burd-Sharps
3. Context
The challenges facing young people who have little work experience and lower educational attainment are not new, but the population received renewed attention and garnered new forms of engagement when its ranks swelled by more than 800,000 in the years following the Great Recession. Historically, the public and civic sectors have engaged these young people directly, through expanded pathways to formal education, skills training and credentialing, and job placement. These actors have also been trying to make the business case to employers that youth with limited education and work history could be the right talent to meet their employment and workforce needs. As a function of broad economic recovery and the renewed activity around young people who have limited educational and work experience, the rate of youth disconnection — a measure of young people who are neither in school nor employed — was in 2019 down to 11.7% after the post-recession high of 14.7%.

The number of young people who are neither in school nor employed is expected to rise dramatically given the economic shock-waves from COVID-19. Experts expect the gains made over the last decade will be erased completely.

Intervention on behalf of these young people has traditionally been the domain of governments, policymakers, and community organizations, rather than the corporate sector. The Annie E. Casey Foundation (2012) traces government involvement targeting youth who were not working or in school to the 1960s. An article in the Stanford Social Innovation Review (2014) reminds readers that even disconnected youth are connected—to friends, families, and their community—and that often these actors are the first to lend support. Measure of America (2019) spotlights the work of government and community organizations in reengagement projects in King County, Washington; Nashville, Tennessee; and the state of Colorado that collect and share

4 “A Decade Undone” (Measure of America, 2020) by Kristen Lewis https://ssrc-static.s3.amazonaws.com/moa/ADecadeUndone.pdf
data and use their collective knowledge to reengage disconnected young people with education or employment. Bringing employment opportunities directly to young adults is an important feature of these programs, since a special report from the Congressional Research Service (2015) found that nearly a third of disconnected youth (36%) cite an inability to find work as their cause for disconnection. Governments, policymakers, and community organizations remain very involved with connecting young people to employment.

However, no group is better positioned to connect youth with employment than employers themselves. Advocates for youth have long been vocal in their requests for employer participation. In their National Roadmap for Opportunity Youth, Civic Enterprises (2012) calls for meaningful engagement of employers as part of the solution. In its annual reports, Measure of America spotlights where employers build apprenticeships or other programs to help young people with limited education and work experience to connect with employment.

Over the past few years, a tight labor market stimulated the interest of employers in doing more to hire and retain youth with limited work experience and educational attainment. As it became harder to find and keep talent, employers were more willing to consider nontraditional candidates via nontraditional pipelines. This led to some innovations in practice. A 2019 report on 100K profiles a series of efforts to partner with employers in six cities where member companies were facing the greatest need for entry-level workers. The report states that in these “Demonstration Cities,” hiring fairs supported by the Initiative and community partners resulted in job offers to as many as 47% of participants, often made on the day of the job fair, after a newly designed interview and screening process. While today’s COVID-era demand picture may have shifted, the positive experiences have caused greater recognition of successes in employing opportunity youth. As companies increase their commitments to racial equity, these lessons continue to have purchase even in this challenging time.
Despite this flurry of activity, and these ongoing calls to action, little research has been conducted on employer behavior towards youth who have limited work experience and educational attainment, or the experiences of the youth who work at those firms. This paper aims to fill that gap. In what follows, Burning Glass uses its resume database to assess employer patterns of hiring, retaining young people with limited education and work experience, and to map out some future avenues for inquiry and action.
Findings
Hiring Youth with Limited Education and Work Experience

Every career begins with a job offer. The founding purpose of 100K is to ensure that literally hundreds of thousands of youth and young adults with limited educational and work experience receive and accept such invitations. Therefore, the first priority for analysis is to examine just how effectively coalition companies are hiring these young people, and what kinds of comparisons can be drawn to the experience of other companies.

100K employers hire young people with limited work experience and less than a bachelor’s degree into entry-level jobs more often than peer employers. Of the entry-level positions listed on professional resumes, young people with limited work experience and less than a bachelor’s degree hold a quarter (24%) of those positions at 100K employers relative to a sixth (16%) at other top retail and food service companies not in the 100K coalition. The rate of hiring from this population is likely higher for both employer cohorts, as these figures come from professional resumes tendered online and therefore indicate workers that are seeking at least a second job and connected to online employment networks and may omit those who have not tendered resumes subsequent to their gaining these early jobs. But the relative comparison between 100K and peer companies shows different employer attitudes can affect who is hired for similar jobs: Entry-level positions were 50% more likely to be held by young people with limited work and education experience at 100K employers relative to peer employers. To further the benefits of this openness, 100K companies and others can consider ways to build on these early engagements, reward entry-level workers’ loyalty, and advance these workers into roles with increasing responsibility and greater earnings.

Food preparation and food service industry companies have a demonstrated capacity to engage young people with limited education and employment history. Such companies hire these young people more often: Of the top five employers that fill the greatest percentage of their entry-level vacancies with such youth, four are food service companies, and the fifth is a grocery chain.

It is also worth examining who else companies hire, if not young people from this cohort. Of the remaining entry-level
positions at 100K employers listed on professional resumes, nearly a fourth had either a bachelor’s degree or were currently in college at the time of holding the position, and nearly two-thirds had by then already accrued more than seven years of work experience. There was large variation in employee characteristics between firms, however. At one large food service chain, for example, nearly a third of workers advertised a college degree on their resumes, compared to 19% of workers at other 100K food service companies.

Among the 100,000 Opportunity Initiative firms studied, young workers with limited education and employment history cluster in four main career areas. Nine in 10 of these workers get their start in sales, administrative support, food service, and transportation. Companies not yet engaged in 100K or similar coalitions are ripe for successful hiring of these workers and can become the foundations for hundreds of thousands of more career starts. As the economy recovers from the COVID-19 crisis, it will be important to see which industries emerge most forcefully and may be engaged to seek out opportunity youth to fill their increasing job openings. Policymakers can make recovery and stimulus funds contingent upon filling the newly available opportunities with job seekers who are opportunity youth.

Career Progressions of Youth with Limited Education and Work Experience

Previous Burning Glass research has explored the types of job transitions that workers make across their careers. However, there is a gap in the literature with respect to the career progressions of youth who are not working and who have stopped going to school: How and how often do they earn more money over time, advance professionally, or stay employed in the same company for a significant length of time? Supporting the career progress of youth who have limited education and who lack strong work histories is of keen interest to 100K. However, few coalition companies have set goals for themselves in this area. This research will allow such employers to better understand this terrain and consider their options.

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Burning Glass unearthed the following trends of companies hiring young people with limited education and work experience into entry-level jobs.

**Many young workers who begin with limited work experience and education advance to better paying jobs and make a living wage.** Just over half of such young people hired into entry-level work at the 100K companies studied advance from entry-level to better-paying jobs in the first five years—not necessarily at the same employer, but over the course of their employment. Further, after these five years, 63% of these young workers are in occupations paying a living wage, up from 39% in their initial job.

**The research also shows that not all young workers in this cohort will advance, once hired. Many get stuck at their initial level of responsibility, at their initial salary, or both.** Nearly half of these workers — 48% — have difficulty breaking out of entry-level work. They may still be employed, but they are not advancing. In only half of the companies studied do the majority of young workers with this background progress to occupations that are typically better paying. Many who change occupations move to jobs with a lower average rate of pay than their initial job.\(^8\) Workers may be making these transitions to benefit in other ways, such as a more flexible work schedule.

**The data reveals three major patterns of career progression.** In an analysis that studies where new hires land five years after their first job, the experience of young employees with limited work and education backgrounds present three quite distinct profiles:

+ **Leapfrogging** – 44% of young workers in this cohort: These workers progress from their entry-level job into better paying jobs and can be found in a career area different from the one in which they were first employed. For example, these workers transition from retail to human resources, or from food service to health care. After five years these workers are employed in occupations that pay on average $25,000 more than their entry-level job. More than four-fifths of them – 82% – are in occupations that typically pay a living wage.

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\(^8\) According to estimates of compensation by occupation according to the Bureau of Labor Statistics
+ **Levelling Up** – 8% of the studied young workers: These workers progress to better-paying jobs within the career area of their initial entry-level role. That is, a retail worker stays in retail but advances to an occupation with a higher average pay. They are in occupations that typically pay more than $17,500 over what they would have earned in their first job; 59% of them are paid a living wage. That this form of advancement is less common than leapfrogging to another career area is indicative of an obvious fact about entry-level work: There are fewer occupations in career areas like food service and retail that pay a living wage.

+ **Spinning Wheels** – 48% of the young workers in the database: These workers are stuck. While they can and do change jobs, they tend either to stay in the same occupation or move to one that is typically lower-paying. They are in occupations that on average pay no more than their initial job, and only 41% of them earn a living wage.

Critically, these trends and trajectories are universal, and not confined to the companies studied. The data show little difference in the experiences of workers within the coalition, or outside it. Leapfrogging occurs with 48% of studied young workers in companies outside the 100K coalition, compared with 44% inside 100K companies. Levelling Up advancement affects 7% of these young workers in companies outside the 100K coalition, as contrasted with 8% inside it. Spinning Wheels is marginally less likely in companies outside the 100K coalition: 45% of youth workers studied are stuck in large companies outside the coalition, compared to 48% within it.

**Outcomes vary widely, with major consequences.** These three patterns outline strongly contrasting trajectories, with large impacts on the individuals involved. Spinning Wheels has serious economic consequences, as it severely reduces one's prospects of making a living wage. Viewed through the longer lens of time, the young worker who spins her wheels experiences a loss of between $17,000 and $25,000 in annual earnings by the fifth year: This adds up to a cumulative loss of tens of thousands of dollars in the early years, and hundreds of thousands over the span of career. The disparity of these outcomes is acute and affects many: While Levelling-Up and Leapfrogging clearly lead to professional advancement, increased earnings, and an
improved prospect of earning a living wage, these transitions occur for only half of youth who enter entry-level roles with limited education and work experience. As we consider ways to protect businesses from closure and stimulate economic activity to drive economic recovery, special attention to younger workers is warranted in order to head-off the near-term earnings stagnation that leads to long-term wage suppression.

**The average tenure listed on the professional resumes of young people with limited educational and work experience who got their start at 100K employers was 17 months.** This number is exceeded by multiple 100,000 Opportunities Initiative companies: Food Service and Financial Service firms are among those retaining these employees at rates greater than national averages. While job retention is important for both the employee and the employer, it is not clear whether these workers are experiencing greater benefit from retention, or whether they have stagnated in their career experience and are missing out on opportunities for advancement into better jobs with better wages and schedules.

Additional research is necessary to determine the characteristics that constitute meaningful employment for young workers. Where are the inflection points in skill acquisition that enable workers to leapfrog to better work? What internal career pathways should employers develop to advance workers, and on what timetable? What modest investments in mentoring, guidance, and skills development will yield outsized benefits in the form of increased employee loyalty and value? Consistent employment for nearly a year and a half is better than spells of unemployment, but both employers and workers benefit from deliberate role architecture.

**There are a variety of jobs that young workers with limited education and work experience tend to take when they advance.** When these young workers transition out of entry-level work, they do so most frequently by taking on roles as managers or supervisors. Some also transition to jobs as computer user support specialists, nursing assistants, and office clerks – all roles that may become more accessible by virtue of them developing work habits and career experiences generally, but that are outside of the industries and career areas that characterize their first jobs. While the future of work in physical offices is uncertain, demand for nursing assistants and computer
user support specialists have remained strong, even throughout the pandemic. By highlighting these next steps for young workers and supporting associated skills development and credentialing, we can reveal viable pathways that may not be intuitive but are nonetheless common and accessible even without major investments in postsecondary education.

**Public policy decisions facing the incoming administration will be critical to supporting economic recovery and young people’s place in it.** Policy levers such as regulations or incentives can be applied to support the advancement of entry-level employees. Incentives can be designed to spur investment in employer-led workforce training and development. Worker protections can be developed to facilitate employee transitions between firms. Reporting standards can evolve to require companies to report on the working conditions and career outcomes of their entry-level workforce. Federal, state, and local governments can prioritize hiring opportunity youth, and they can encode such a priority in spending bills, public works projects, and infrastructure projects. Publicly-funded job training programs can require that opportunity youth to be among the key participants. Finally, education campaigns can expand the use of best practices in youth employment.

### Expanding the Frontier of Employer Engagement with Young Workers

Burning Glass and the Schultz Family Foundation were also curious to understand the wider context of demand for entry-level workers. How many open positions are there for workers with limited work and educational experience? In which industries are these openings concentrated? What might an employer coalition in these industries look like?

**There is substantial unmet demand for entry-level work, and young workers with limited work and education experience could supply that work.** Burning Glass explored its database of over one billion current and historical job postings to investigate how employers from industries can engage this population. The labor market for such workers is large: Since 2018, there have been over 7 million online job postings looking for workers with no more than high school education and less than five years of work experience. The 100,000 Opportunity Initiative now has a visible presence in the labor market, as
an entity: Coalition companies account for nearly 200,000 of those openings. The abundance of positions to fill — even taking into account COVID’s economic effects — warrants substantial investment in youth workforce engagement, preparation, and on-the-job training for these roles.

The companies studied are clustered in retail. There is good reason to believe that companies in other sectors may also find value in engaging young workers. In reflecting on the work of the 100K Opportunity Initiative, a recent report observed, “Beyond resetting employer expectations, 100K should look to diversify the types and sizes of employers. The kinds of jobs offered to an opportunity youth should include a wider mix of industries, particularly those with entry-level jobs projected to grow in the future....”.^9

Customer service skills developed in entry-level retail roles can be applied in other sectors where retention, advancement, and wage gain may be more likely. Non-retail sectors ought to consider targeted programs such as the 100K initiative. Expansion of investments in public health, infrastructure, and digital communications like those being considered to stimulate the economy can offer a wide range of work and learning options for youth.

The technology sector may be well-positioned to increase its hiring of youth with lower educational attainment and work experience. In the tech sector, Fiserv has posted approximately 7,800 online job ads for entry-level workers since 2018, and NCR has posted 1,600. These workers would be in computer or computer support occupations and would therefore have both a higher floor and a higher ceiling within their career area than workers who get their start in retail or food service. Intentional career awareness and retraining efforts aimed at youth in entry-level food, retail, and hospitality roles can highlight existing examples of transition between these seemingly dissimilar roles, and identify training options that facilitate these positive transitions.

Quality opportunities may also be available at companies in the health care and insurance sectors. In health care and insurance, there are a range of employers looking for entry-level workers, from diagnostic laboratories, to hospitals, to assisted living facilities. United Healthcare, a large health care insurer, has posted approximately 21,000 entry-level jobs online since 2018. Quest Diagnostics, a clinical laboratory, has posted 8,500 job ads for entry-level workers.

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However, the skills necessary for entry-level roles in computer occupations or jobs in health care and insurance differ from those needed in traditional entry-level jobs in food service and retail. Specialized training for these other skills can help open even more opportunities for entry-level work in these fields.

As the economy emerges from the COVID-19 crisis, the opportunity landscape will likely look different than it did before. Continued review of entry-level roles and their qualifications will inform which are most accessible and beneficial to opportunity youth. And as the incoming federal administration examines how to most effectively spur economic recovery, engagement and job placement of opportunity youth can be a key public investment.

The marketplace rewards a very specific set of skills that employers can seek to develop in young employees who have limited work and educational experience. The employers hiring these workers can work to clarify their expectations of employees, identify ways they can build skills, and hold themselves accountable for ensuring that all employees are challenged to grow professionally. In a recent report on the 100K Initiative, the challenge was articulated in this way: “[T]he overall quality of the work experience should be enhanced by offering more employment opportunities to youth that provide in-demand skills, lead to credentials, have the potential for upward mobility. For all positions, employers should define a core set of skills that an employee would attain within a reasonable amount of time, to facilitate a transition into higher-pay jobs.”

Advocates can promote such efforts to retain and develop talent as benefits to companies’ bottom lines, reducing the cost of employee churn, external recruitment, and onboarding.

Rather than viewing entry-level jobs in isolation, both young employees and employers need to understand them in the context of career paths and cumulative skills. Entry-level skills are not limited to entry-level roles, but can be applied as employees develop and prepare for next steps. Any by adding skills that are especially valued by employers, those workers can increase their marketability and command larger wages.

Such an approach would benefit from the data below, which captures core skills and skills with salary premia in two sectors: retail trade and accommodation and food service.

\[10\] Ibid.
Sharing this data with young workers who bring limited work and education experience, both before and after they are hired can reveal opportunities and encourage them to move forward. Companies that offer supports such as coaching and tuition assistance, can help young workers to take advantage of learning opportunities and move more intentionally toward self-sufficiency and career success.
5. Implications and Conclusion
Several themes emerge from this analysis.

+ Despite changes to our economy that have occurred over the last decades, there remain large pockets of work opportunity for those without vast work or academic experience.

+ While many young, entry-level workers achieve mobility early in their working life, far too many are unable to parlay their first jobs into career-launching experiences.

+ Companies can take affirmative steps to support career mobility and economic advancement for those without work experience or high levels of academic achievement. Engagement in coalitions like 100K is a first step provide a venue for affirming a commitment to the outcomes, tracking progress and sharing best practices.

+ A wide range of companies that have entry-level opportunities are not yet engaged in 100K or other efforts to intentionally engage and support opportunity youth. Small behavior changes among these kinds of firms can yield substantial benefits for opportunity youth.

+ Companies can explore how more engaged supervision and mentoring, career pathway mapping between roles, company-sponsored training and tuition assistance can all be career accelerants and can, especially when applied at the entry-level, address historic inequities. Intermediaries can help facilitate sharing these practices and encouraging their wider use.

+ Public sector workforce development programs can have positive impacts, even after initial job placement. Programs can offer training and support for individuals stuck in “spinning wheels,” so they too can advance even in the absence of specific assistance from their employers.

+ Post COVID-19 economic recovery will look different, and therefore the type and range of opportunities for opportunity youth will evolve. 100K and similar firms may change hiring practices or rethink their workforce to address health concerns and otherwise survive in a changed economic environment. Stakeholders will need to see where opportunity youth are working in a post-COVID environment, and direct youth accordingly.
Many entry-level roles are likely to face risk of automation in the coming years, and remote work is likely to become more prevalent. To help opportunity youth adapt to these changing conditions, technology access and technology literacy will become increasingly important.

Large numbers of youth with limited education and work experience were hired into entry-level roles studied. Many have benefitted substantially in salary, in professional advancement, and in access to a living wage. Importantly, the companies we examined fill their entry-level roles with youth who have limited work and education experience much more often than peer companies. Learning more about how these successes have been achieved is certainly worthwhile and can help other employers adopt behaviors that similarly benefit young workers.

At the same time, not all effects on workers with limited education and work experience have been so powerful. Many such workers, inside coalition companies and elsewhere, continue to struggle. Nearly half of these young employees working in coalition companies experienced no gains in salary or professional responsibility over a five-year period. These workers were least likely to earn a living wage. They are a large body of workers for whom prospects for advancement, development, and a future of economic opportunity are not clear.

It is also important to note that many who are not advancing professionally or making additional salary are still employed, often over an extended period of time, in a way that is not always typical for youth who have struggled in school and prior employment. For this reason, while this situation is not an ideal outcome, is it not a failure. It can be built upon. The challenge is the scale of the problem – this is a condition that affects hundreds of thousands of young workers and their companies.

**Additional data should be collected and shared on the employment of young workers, especially those with limited education and workforce experience.**

Data on employment, advancement, and wage gain is often impossible to parse by occupation, industry, and firm. Without such data, however, it is nearly impossible to secure effective comparisons between companies. Data from online job postings and online resumes can provide meaningful comparisons, but these data do not reflect all firm-level labor market transactions.
Companies that promote from within can more accurately examine how those positive transitions are occurring, what company practices support employee development, and what resources enable learning, mentoring, and advancement. Such practices, if shared more widely and scaled across companies, can further accelerate movement from entry-level roles into better careers. Employer coalitions present a solution, by encouraging or requiring data-sharing among coalition members. Committing to public goals and annual reports is a way to add accountability for data collection and dissemination of best practices.

Many questions are raised by these findings. Some encourage action by employers and youth advocates:

+ What do companies, workers, and advocates do with the insight that slightly more than half of the studied young adults are experiencing substantial advancement, and just under half of the same cohort or workers find themselves in fixed, or reduced, circumstances? How might we learn more about the characteristics that determined each cohort’s path (or lack thereof)?

+ Beyond a focus on hiring, can 100K and other companies or employer coalitions also direct their attention to advancement, wage gain, and career transition?

+ How can those workers who are Spinning Wheels be engaged and supported by their companies to change the course of their work trajectory to earn more and offer greater value to their employers?

+ Does the outstanding performance of those who Leapfrog suggest that this strategy – of shifting from one career area or industry to another, in order to advance one’s career and salary – should receive future emphasis or inquiry? Might there be a strategic way to encourage and support such Leapfrogging, built into future practices? Or are those who Leapfrog able to do so because of some factors invisible in the resumes, regardless of company policy and practice?

This research also highlights gaps in our knowledge about young people who have struggled in school and are not yet experienced workers. Additional research should seek to answer the following questions:
How has the engagement of these young workers affected the practices and functions of companies?

If changes in retention or higher compensation tend to have effects on the company, what are those effects?

Are practices aimed at engaging and supporting young workers with limited work and educational experience also beneficial to other employees?

Will employers of those entry-level jobs take necessary precautions to protect the health of these more vulnerable workers?

Will increased sensitivity to racial inequities lead to changes in recruitment and hiring practices of 100,000 Opportunity Initiative companies and other employers of young, less educated and less-experienced workers?

Will the net number of jobs available to workers without formal education and lesser amounts of work experience remain stable or grow in the COVID-19 era, or are those jobs more likely to decrease in number due to automation and increased concern about health risks to colleagues and customers?

Will the drastic changes in work practices brought on by COVID-19 drive broader and enduring changes in how and to what degree non-traditional work arrangements are tolerated and even encouraged?
Finally, we present three main conclusions:

First, these career progression findings show both good news and challenges. They affirm that substantial, career-altering benefits can accrue to young workers with limited educational or work experience who begin as entry-level workers. They challenge employers to think about how they can learn from those workers who Leapfrog or Level Up, and, in the case of many 100K companies, build on the momentum they have established. They pose the problem of developing and supporting the large fraction of young workers – in 100K companies and across the economy – who are stuck in entry-level jobs, and who are not seeing their careers take off. And they provide context for large-scale public investment in preparing youth for both entry-level jobs and opportunities for advancement.

Second, there is good evidence that a wide range of companies can benefit from reconsidering their strategies for employing, developing, and retaining young people with this background. The success of companies in hiring more young workers with limited work and education experience makes a strong case that employers who want to change their hiring practices can do so. Enabling more than half of such young workers to thrive, as those who are Leapfrogging and Levelling Up are clearly doing—is a sign of both hope and challenge: Great outcomes can be achieved, and companies must learn how to alter the trajectory of the many young workers whose situations are not improving. This work is also at an early stage, and is still gaining acceptance. While that can be seen as a challenge, it is also an encouraging sign of plenty: There are many such companies, with substantial resources and unmet needs, that could leverage this learning to set and meet new goals for changing both company and employee outcomes. Agencies and programs who serve youth can build on these examples to focus on replicating, expanding, and scaling the successes that have been identified, and to provide additional assistance to increase the share of entry-level young workers who experience these positive outcomes.
Finally, the development of this new data and insight offers up new lines of inquiry and potential activity. Using the ideas and questions posed by this paper, leaders in companies, advocates for youth, philanthropists, and policy makers can explore, with a new lens, ways to build on their institutional and collective efforts to transform the experiences of these young workers and advance the integration of the most effective approaches in U.S. workplaces. With the great upheavals in the labor market and among companies brought on by the COVID-19 crisis and its economic fallout, there has never been a more important time to rethink how to optimize our diverse human capital, and to help young workers join the workforce.
Appendix: Methodology
Data Sources
Burning Glass Technologies leveraged its database of more than 50 million resumes to quantify the patterns of hiring and advancement of young workers with limited education and work experience at employer partners in 100K. Burning Glass identified approximately 30,000 resumes of such workers hired into entry-level positions at coalition employers since the Initiative launched in 2015, and over 100,000 of such resumes spanning the last decade.

Burning Glass also explored its database of over one billion online job postings to investigate how 100K could build on its foundation by incorporating employers from industries that are underrepresented in the coalition, and by making explicit the skills that employers promise to develop among new hires, and the skills that will help them transition into better-paying jobs.

Definitions
Definitions for the shorthand terms used in the report — such as “entry-level job”— are provided below.

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<th>Term or Phrase</th>
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| Young workers with limited education and work experience, occasionally referred to as “opportunity youth” | Job entries on resumes that meet the following conditions:  
  • The job entry is preceded by fewer than 8 years of work experience. This is a proxy for 18 to 25-year-olds, assuming workers start their employment around age 18.  
  • The candidate to whom the resume corresponds was not concurrently enrolled in college at the time of the job and did not have a college degree. |
| Entry-level jobs | Occupations that typically require less than a bachelor’s degree and 0-2 years of experience, per Burning Glass analysis of requirements listed on job postings. |
| Peer or comparison companies | Peer companies include the 50 largest retailers not already part of the 100K coalition, according to retail sales data available here: https://stores.org/stores-top-retailers-2018/ |
Occupation mix of 100K and Peer Employers

The occupation mix of entry-level workers is similar between 100K and peer employers, with the greatest difference being a larger share of entry-level workers in Food Preparation and Serving Related Occupations in the peer employer cohort. For both 100K and peer employers, there are only minor differences in entry-level workforce composition between the 2010-2015 period and the post-2015 period: in the second period, the share of entry-level workers in Sales and Related Occupations is slightly smaller, and the share in Transportation and Material Moving Occupations is slightly larger. The introduction of the 100K coalition did not change workforce composition at 100K employers more than trends that affected peer employers in the retail sector.

Occupation Mix of Entry-Level Workers Has Remained Stable Since Introduction of 100K Coalition
Methodological Notes on Resume Data

Online resumes provide detailed career trajectories, but they are not without limitations. For example, the definition used in this report for young workers with limited education and work experience does not include the demographic and socioeconomic markers that tend to characterize the “opportunity youth” population in other reports. For this reason, this report refrains from referring to opportunity youth. Low-income and marginalized populations are likely under-represented in online resume data.

The estimate of entry-level hiring of young people with limited education and work experience reported above should be taken as a lower-bound. This estimate should be considered conservative for a variety of reasons. First, many workers remove entry-level work from their resumes after additional work experience is gained. Second, resumes are collected when the candidate to whom the resume corresponds is looking for another job. For this reason, those who are hired into and remain in a job long-term are not included in our calculation. Further, recent hires will be under-represented in our sample. Finally, online resumes presume a level of professional aptitude and connection to a professional network that requires resumes and operates online. Workers in the informal sector or who solicit jobs through personal networks will not appear in our database. Young people with limited work and educational experience are over-indexed in these informal jobs.