



# In the Shadow of the Great Recession: Experiences and Perspectives of Young Workers

November 2014

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM





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# Preface

The Federal Reserve Board's Division of Consumer and Community Affairs (DCCA) conducted the Survey of Young Workers and prepared this report.

DCCA directs consumer- and community-related functions performed by the Board, including conducting research on labor market and financial services policies and practices and their implications for consumer financial stability, community development, and neighborhood stabilization.

DCCA staff members Alexandra Brown, Nuha Elmaghrabi, Lindsey Holthaus, and Heidi Kaplan prepared this report. Extensive comments, feedback, and technical assistance were provided by the following DCCA staff members: Mario Arthur-Bentil, Sam Dodini, Marysol McGee, Barbara Robles, Maximilian Schmeiser, and Howard Williams. Feedback on the Survey of Young Workers and report was provided by the following Federal Reserve Bank (FRB) staff: Jen Giovanitti (FRB Richmond), Todd Greene

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# Executive Summary

Young adults in the United States have experienced higher rates of unemployment and lower rates of labor force participation than the general population for at least two decades.<sup>1</sup> The Great Recession exacerbated this phenomenon.<sup>2</sup> Despite a substantial labor market recovery from 2009 through 2014, vulnerable populations—including the nation’s young adults—continue to experience higher rates of unemployment.<sup>3</sup>

Meanwhile, changes in labor market conditions, including globalization and automation, have reduced the availability of well-paid, secure jobs for less-educated persons, particularly those jobs that provide opportunity for advancement. Furthermore, data suggest that young workers entering the labor market are affected by a long-running increase in the use of “contingent” work arrangements, characterized by contracted, part-time, temporary, and seasonal work.<sup>4</sup>

In light of these trends, in 2013, the Federal Reserve Board’s Division of Consumer and Community Affairs began exploring the experiences and expectations of young Americans entering the labor market. Staff reviewed existing research and engaged external research and policy experts to identify the potential economic implications of these labor market trends on young workers.

This initial exploration raised several questions about the experiences of young workers that were not fully explained by existing data. In response, the Federal

Reserve conducted a survey, the Survey of Young Workers, in December 2013 to develop a deeper understanding of the forces at play. The online survey was intended to be exploratory—ultimately confirming some insights and highlighting areas worthy of additional study. The Survey of Young Workers was administered by GfK (formerly Knowledge Networks), using its Internet panel.<sup>5</sup> The 2,097 survey respondents ranged in age from 18 to 30. Details about the survey, its methodology, and limitations can be found in the body of the report and in a methodological appendix (Appendix A: Methodology).

This report is intended to serve two principal purposes. First, it summarizes insights from the Survey of Young Workers and related research in the field. Second, it frames policy and research issues for future consideration by the Federal Reserve Board and others interested in young workers.

## Key Findings

This report presents findings from the December 2013 survey. Key findings include the following:

### Connecting Education and the Labor Market

*Educational programs and goals should align with labor market demands in order to prepare students to join the workforce*

- Students need information on potential job outcomes from a variety of educational options to guide their career-planning decisions. In fact, respondents noted that uncertainty about job outcomes is a barrier to enrollment in postsecondary education.

<sup>1</sup> U.S. Department of Labor, Bureau of Labor Statistics (2014), Current Population Survey (CPS), *Unemployment by Age, Sex, and Marital Status, Seasonally Adjusted*, table A-10, [www.bls.gov/web/empsit/cpseea10.htm](http://www.bls.gov/web/empsit/cpseea10.htm).

<sup>2</sup> Bureau of Labor Statistics, CPS, table A-10.

<sup>3</sup> Heidi Shierholz, Natalie Sabadish, and Nicholas Finio (2013), *The Class of 2013: Young Graduates Still Face Dim Job Prospects*, Economic Policy Institute briefing paper no. 360 (Washington: EPI, April).

<sup>4</sup> U.S. Department of Labor (1994), *Commission on the Future of Worker–Management Relations*. See [www.dol.gov/\\_sec/media/reports/dunlop/section5.htm](http://www.dol.gov/_sec/media/reports/dunlop/section5.htm).

<sup>5</sup> KnowledgePanel is a large-scale online panel based on a representative random sample of the U.S. population. GfK supplies a free computer and Internet service to participating households that lack Internet access. See [www.gfk.com/us/Solutions/consumer-panels/Pages/GfK-KnowledgePanel.aspx](http://www.gfk.com/us/Solutions/consumer-panels/Pages/GfK-KnowledgePanel.aspx).

- The current gap in alignment between education and the labor market may contribute to the number of young workers who have not found paid work in their chosen field of study. Only 42 percent of working respondents in the survey have a job that is closely related to their field of study.
- Many high school students are not receiving adequate information about job planning. In the survey, 63 percent of respondents reported that they received information about jobs and careers during high school, while 24 percent of respondents reported that they received none.
- This situation is similar for college students. Among respondents who attended any college, 66 percent received information about jobs during these years, while 22 percent reported that they received none.
- According to survey respondents, school counselors and teachers are the primary source of job information in both high school and college. Hence, educational institutions have an opportunity to provide students with more information about the labor market.

*Young workers are responding to the labor market's increasing demand for postsecondary credentials and degrees*

- Thirty-seven percent of the respondents reported that they have the level of education and training needed for the type of job that they would like to hold in the next five years. As expected, the respondents' confidence in their education increases with each level of attainment.
- In response to the need for more education, nearly one-third of the total respondents are currently enrolled in an education or training program.

*The labor market rewards education and work experience with career paths and higher earnings*

- Respondents with higher levels of education are more likely to be employed, to be working in a field related to their education and training, and to characterize themselves as being in a "career" rather than "just a job."
- Respondents with higher levels of education and work experience are more likely to have higher earnings and to be able to cover their monthly household expenses.
- Respondents with early work experience, such as a high school job, are more likely to be currently

working and more likely to have a full-time job than those who did not work during high school.

- Workers with a postsecondary degree have the most opportunity for upward mobility, with 39 percent describing their job as a "career" and 23 percent reporting they have "just a job."<sup>6</sup>

*The ability to pay for postsecondary education affects a young adult's decision to enroll*

- Nonstudents who are interested in additional education named financial considerations—including not being able to afford school or not wanting to take out loans—as their top barriers to enrollment.
- Twenty-three percent of respondents reported that the financial benefits of their education do not outweigh the cost of their education.<sup>7</sup> These respondents are more likely to have student loans associated with their education.
- Meanwhile, respondents who reported a high financial value for the cost of their education are more likely to have received a scholarship, cash for their education, or financial assistance from an employer for their education. One possible explanation for this finding is that because these respondents are less likely to have student debt, their perceived return on investment is typically higher than their counterparts with student loans.

### **Job Fit**

*Job satisfaction is driven by compensation and schedule*

- According to the survey, 66 percent of respondents are somewhat satisfied or very satisfied with their job arrangements over the past five years. The satisfaction of these respondents is attributed to their compensation and their schedule.
- Likewise, lack of job satisfaction is driven by compensation and schedule.

*Despite the importance of education and work experience, intangibles still play a role in the labor market*

- According to the survey, landing a job is still heavily based on personal connections. Respondents identified personal networks as a primary source in their job search process.

<sup>6</sup> In this analysis, postsecondary degree includes an associate's, bachelor's, master's, professional, or doctorate degree.

<sup>7</sup> All respondents were asked this question. The analysis includes (1) enrolled respondents who have a postsecondary degree, (2) non-enrolled respondents with a postsecondary degree, and (3) non-enrolled respondents with some college but no degree.

- Demographics also play an important role in labor market outcomes. For example, non-Hispanic white respondents are more likely than other racial and ethnic groups to have early job information and experience. This subgroup was more likely to receive this information from their parents, friends and family, and their place of work. This group is also more likely to have held a job while in high school and college.

### Upward Mobility

*“Traditional jobs” (defined as permanent, full-time jobs) are associated with “careers” and upward mobility, while the opportunities associated with contingent work are less clear*

- Respondents with traditional jobs are more likely to have higher salaries and wages than those with temporary or part-time employment.
- Full-time workers are more likely to have received a promotion in the past year and to perceive opportunities for advancement in their job than part-time workers.

*The lack of labor market opportunities may have pushed workers to accept jobs for which they are over-qualified*

- Twenty-eight percent of working respondents reported that they are overqualified for their current job. Respondents with an associate’s or bachelor’s degree are most likely to report they are overqualified for their job.
- Less than one-third of those who described themselves as overqualified for their current job are working in a field related to their education or training.
- The data suggest that in some cases less-educated workers have been pushed out of previously available, well-paid, secure jobs that are filled by overqualified workers. And, as a result, 83 percent of those seeking a job have not completed a postsecondary degree.

### Young Workers’ Unemployment

*Close to half of respondents who do not have a paid job are seeking paid employment*

- Most of the unemployed respondents have low levels of educational attainment, including 83 percent who have not completed a postsecondary degree.

- Only 20 percent of the job seekers had a job interview in the four weeks prior to completing the Survey of Young Workers.

### Young Workers’ Outlook

*Young workers value job stability*

- When given the choice, young workers generally prefer steady employment (67 percent) to higher pay (30 percent).
- Going forward, young workers expect greater job stability than they have experienced to date. Young workers generally have not experienced much job stability, as 29 percent have held a single, full-time job for one year, and another 14 percent have held a single, full-time job for five years. However, they expect greater job stability in the future, with 43 percent expecting to have a single, full-time job for the next five years.

*Education, work experience, and job opportunities are the main drivers of a young worker’s outlook about their job future*

- In the survey, 45 percent of respondents reported that they are optimistic about their job future. Respondents with higher levels of education, work experience, and job opportunities are more likely to be optimistic about their job future than respondents who lack such skills and experiences.
- Likewise, the 21 percent of respondents who reported that they are pessimistic about their job future are more likely to lack economic opportunity, job experience, and education.
- In the survey, 34 percent of respondents are not sure about their job future.

### Policy and Research Implications

The survey demonstrates the association between postsecondary education and positive labor market outcomes, ranging from optimism about one’s job future to higher earnings. Hence, it is critical that young workers receive appropriate information that enables them to select an educational program that maximizes their job opportunities. Young adults considering postsecondary education must choose from a range of public, nonprofit, and for-profit institutions offering an assortment of degrees and training programs. However, limited information is available to young workers regarding the likelihood of landing

a job or the expected salary from these alternative options. The decision is further complicated for the majority of potential students who do not have the personal resources to pay for their education upfront or lack the ability to earn a full scholarship.

Because education plays such an important role in a young person's career opportunities, additional research on the outcomes from various educational paths is essential. School teachers, counselors, and other providers of career information also need these valuable resources to properly advise individuals as they develop a career path.

The Survey of Young Workers is intended to provide a general overview of individuals at the onset of their

workforce experience. The report highlights some notable differences based on respondent characteristics such as race and ethnicity, gender, and geographic location. These preliminary findings and the policy solutions that seek to address them merit additional analysis. While the survey adds to the body of knowledge provided by previous surveys and research on this topic, much remains to be explored. The Federal Reserve intends for this report to help shape future inquiry among workforce researchers, policymakers, and practitioners. To this end, the Federal Reserve will make the survey's data available to the public. In addition, the Federal Reserve will encourage additional use of these data for research both within the Federal Reserve System and among external parties.

# Introduction

In recent years, the labor market has made a substantial recovery from the Great Recession. For example, the U.S. unemployment rate decreased from 10 percent in October 2009 to 5.9 percent by September 2014.<sup>8</sup> Yet despite this overall improvement, vulnerable populations—including the nation’s young adults—continue to experience higher rates of unemployment compared with the national average. In September 2014, unemployment among those ages 16 to 24 remained just over two times (2.3) that of the national average.<sup>9</sup> In 2014, unemployment gradually improved among 18- to 24-year-olds and unemployment among workers from ages 25 to 34 tracked the national average.<sup>10</sup> According to the Economic Policy Institute, young workers have historically experienced disproportionate increases in unemployment during economic downturns.<sup>11</sup>

While a recent decline in unemployment is encouraging, the accompanying decrease in labor force participation among young people is a cause for concern. The labor force participation rate for 16- to-24-year-olds has declined from about 66 percent in 2000 to roughly 55 percent in mid-2014. In fact, the decline in participation for this group has been so large that it accounts for roughly 40 percent of the downtrend in aggregate participation over this 15-year period. While this trend has been documented by a number of researchers, a cohesive explanation has remained elusive.<sup>12</sup>

In addition to higher rates of unemployment since the recession, workers face broader changes to the labor markets. Globalization, automation, and improved efficiencies in the workplace are changing how employment and training programs connect workers to jobs, particularly those that require special skills and provide for wage advancement. As employers seek new ways to make the employment relationship more flexible, they have increasingly relied on a variety of arrangements popularly known as “contingent work.” The use of independent contractors and part-time, temporary, seasonal, and leased workers has expanded in recent years.<sup>13</sup>

In December 2013, the Federal Reserve Board’s Division of Consumer and Community Affairs conducted the Survey of Young Workers. The survey is an initial inquiry into the work experiences and expectations of young workers. In this report, the term “young workers” is used to refer to the full sample of respondents as workers and potential workers. The Federal Reserve conducted the survey using an Internet panel. The survey focuses on young workers’ outlook on the labor market, connections between education and labor market outcomes, job fit and upward mobility, unemployment, labor market expectations, and self-employment. Some findings confirm other research results, others provide new insights, and still others raise questions that suggest areas for further investigation. Other literature and research also are used to supplement the findings from the survey.

## About the Survey

The Survey of Young Workers was administered by GfK, an online consumer research company, on behalf of the Federal Reserve. The survey was conducted using a sample of adults between the ages

<sup>8</sup> Bureau of Labor Statistics (2014), Labor Force Statistics from the Current Population Survey. See <http://data.bls.gov/timeseries/LNS14000000>.

<sup>9</sup> Bureau of Labor Statistics, CPS, table A-10.

<sup>10</sup> Bureau of Labor Statistics, CPS, table A-10.

<sup>11</sup> Shierholz, Sabadish, and Finio, *The Class of 2013: Young Graduates Still Face Dim Job Prospects*. Data for the Survey of Young Workers were collected in December 2013. Bureau of Labor Statistics data in this report were selected for the same period.

<sup>12</sup> Stephanie Aaronson, Tomaz Cajner, Bruce Fallick, Felix Galbis-Reig, Christopher L. Smith, and William Wascher (2014), “Labor Force Participation: Recent Developments and Future Prospects,” Finance and Economics Discussion Series 2014-64 (Washington: Board of Governors of the Federal Reserve

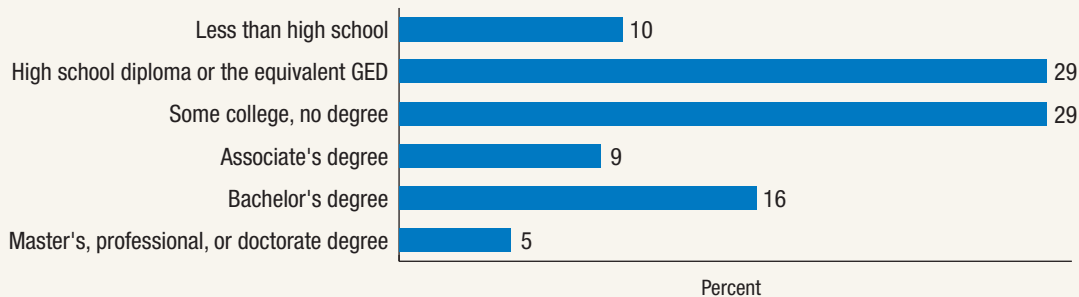
System, September), [www.federalreserve.gov/pubs/feds/2014/201464/201464pap.pdf](http://www.federalreserve.gov/pubs/feds/2014/201464/201464pap.pdf).

<sup>13</sup> U.S. Department of Labor, *Commission on the Future of Worker–Management Relations*.



**Figure 1. Distribution of educational attainment**

Percent of survey respondents with indicated level of education completed



Note: Number of responses is 2,097.

18 to 30 from the KnowledgePanel, a proprietary, probability-based web panel of more than 50,000 individuals from randomly sampled households; the sample was designed to be representative of the U.S. population.

The data collection for the Survey of Young Workers began on December 4, 2013, and concluded on December 17, 2013. E-mails were sent to 4,242 randomly selected respondents from the KnowledgePanel. The 2,097 respondents represented 49 percent of those contacted. The median time to complete the survey was approximately 14 minutes.

This report summarizes key findings from the Survey of Young Workers. The numbers cited in this report are derived from the survey unless otherwise noted. All data are weighted to yield estimates for the U.S. population.

## Profile of Respondents

The Survey of Young Workers respondents were asked to describe three distinct aspects of their employment path and to treat each aspect of their work path independently: (1) education and training, (2) experience as a paid employee, and (3) self-employment activities.

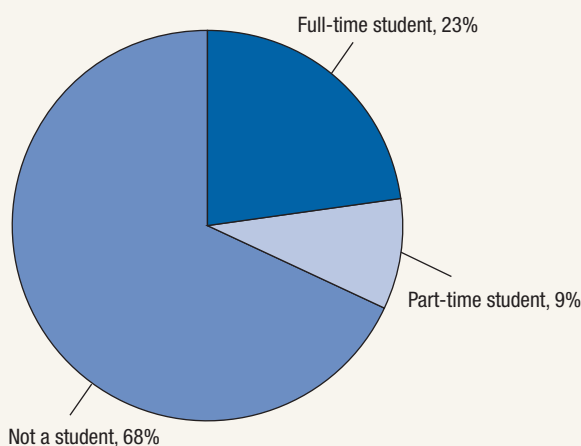
The survey sample is weighted to reflect the educational attainment of 18- to 30-year-olds nationwide. As such, 10 percent of the respondents have less than a high school education, 29 percent have completed

high school, 29 percent have some college experience, 9 percent hold an associate's degree, and 21 percent hold a bachelor's degree or higher (figure 1). Thirty-two percent of respondents are currently enrolled as students in either an educational or training program. Of those enrolled, 73 percent are full-time students and 26 percent are part-time students.

In the survey, 23 percent of the respondents are enrolled as full-time students and 9 percent are enrolled as part-time students (figure 2). Of the total sample, 68 percent of respondents are not currently enrolled in an education or training program.

**Figure 2. Student status**

Percent of respondents who are full-time students, part-time students, or not enrolled as students

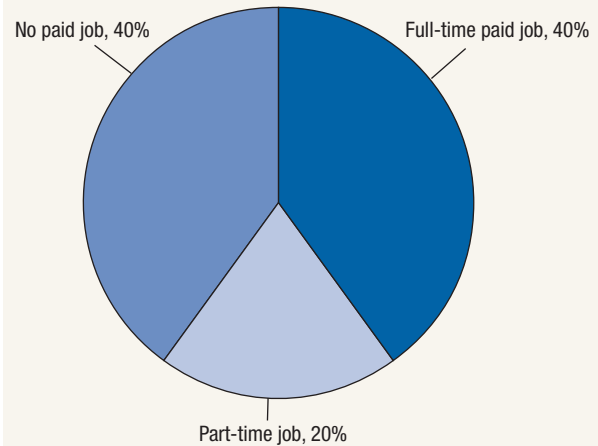


Note: Number of responses is 2,097.

In the survey, 60 percent of the respondents currently have a paid job, and 40 percent do not have a paid job (figure 3). Of those with a paid job, 67 percent work full time, and 33 percent work part time. For respondents who do not have a paid job, nearly half (47 percent) are unemployed and actively seeking employment, while slightly more than half (53 percent) are not seeking a paid job. Sixteen percent of the respondents are engaged in some form of self-employment. More specifically, 4 percent of respondents own a business, 2 percent run a nonprofit organization, and 10 percent generate income from activities where they are their “own boss.”

**Figure 3. Paid work status**

Percent of respondents who are working full time, working part time, or not working a paid job



Note: Number of responses is 2,097.





# Connecting Education and the Labor Market

The 21st century workforce is shaping up to look quite different from the workforce of the 20th century. The U.S. job market has seen a steady decline in well-paid, secure jobs, such as in manufacturing, and an increase in demand for cognitive knowledge, skills, and abilities. This change in the job market has meant a shift from jobs that require no more than a high school diploma to jobs that require at least some postsecondary education. As evidence of this shift, in the aftermath of the recession, college-educated workers continue to fare significantly better than those without a postsecondary degree.<sup>14</sup>

Connecting education and the labor market is increasingly important for young workers. With the labor market's growing demand for formal educational attainment, choosing a postsecondary program is the first substantial investment decision many young people will make. Young adults need to understand the risks and rewards associated with their choice of postsecondary institution and field of study. As the cost of certificates and degrees grows and the labor market demands shift, prospective students need more information to guide their choices and to ensure higher returns on their investment. Furthermore, aligning education more closely with careers promotes student success, as people with a sense of where they are going are more likely to achieve their desired goal.<sup>15</sup>

As described further below, the survey responses supported the notion that postsecondary degrees are associated with greater optimism about the labor market, early career planning, and higher earnings.

<sup>14</sup> Anthony Carnevale, Tamara Jayasundera, and Ban Cheah (2012), *The College Advantage: Weathering the Economic Storm* (Washington, D.C.: Georgetown University, Georgetown Public Policy Institute, August), <https://georgetown.app.box.com/s/vzqem30apzdt4e3vmo9n>. In this analysis, postsecondary degree includes an associate's, bachelor's, master's, professional, or doctorate degree.

<sup>15</sup> Carnevale and others, *The College Advantage*.

## Rising Demand for Educational Attainment

Given the changing nature of the labor market, many workers are not confident that their current level of education is suitable for the job market. For example, in 2011, a Pew study found that just under half of the general population believes they have the necessary training to be successful in a career.<sup>16</sup> In the same study, high school graduates were less clear about what they needed but mainly agreed on the importance continued education at some level.<sup>17</sup>

In the Survey of Young Workers, 37 percent of the respondents believe they have the level of education and training needed for the type of job that they would like to hold in the next five years. As expected, the respondents' confidence in their education increases with each level of attainment, with 32 percent of those with a high school diploma, 42 percent with an associate's degree, 60 percent of those with a bachelor's degree, and 73 percent of those with a master's, professional, or doctorate degree reporting that they have the necessary level of education. (For a discussion of confidence and gender, see [box 1](#).)

Respondents to the survey are continuing to increase their level of education and training in response to labor market demand. Nearly one-third (32 percent) of the total respondents are enrolled in an education or training program. The student respondents include 42 percent of those who reported they lack the necessary level of education. Notably, of those who reported they do have the necessary level of education for their desired job in the next five years, 26 percent are students.

<sup>16</sup> Paul Taylor, Kim Parker, Richard Fry, D'Vera Cohn, Wendy Wang, Gabriel Velasco, and Daniel Dockterman (2011), *Is College Worth It?* Pew Research Center, [www.pewsocialtrends.org/files/2011/05/higher-ed-report.pdf](http://www.pewsocialtrends.org/files/2011/05/higher-ed-report.pdf).

<sup>17</sup> Taylor and others, *Is College Worth It?*

### Box 1. Compared to Young Men, Young Women Lack Confidence in Their Educational Attainment

In the Survey of Young Workers, as in national data, more female respondents are enrolled in education or training programs than men. Likewise, more women have incurred debt for education than men. Yet, female respondents are less likely to be confident that they have the level of education needed for the next five years in the workforce. In fact, when the level of education is controlled for, male respondents are more confident in their level of training than women.

Nearly three-fourths (73 percent) of the student respondents are enrolled full time, while one-fourth are enrolled part time. Most of the students are enrolled in a degree program, including 20 percent working toward an associate's degree, 44 percent working toward a bachelor's degree, and 14 percent working toward a graduate or professional degree.

According to a study by Georgetown University, certificates are the fastest-growing postsecondary credential awarded over the past several decades, as they are relatively cheap, can be completed quickly, and may lead to industry-based certifications. Georgetown University reports that certificates have grown from 6 percent of postsecondary awards in 1980 to 22 percent in 2012.<sup>18</sup>

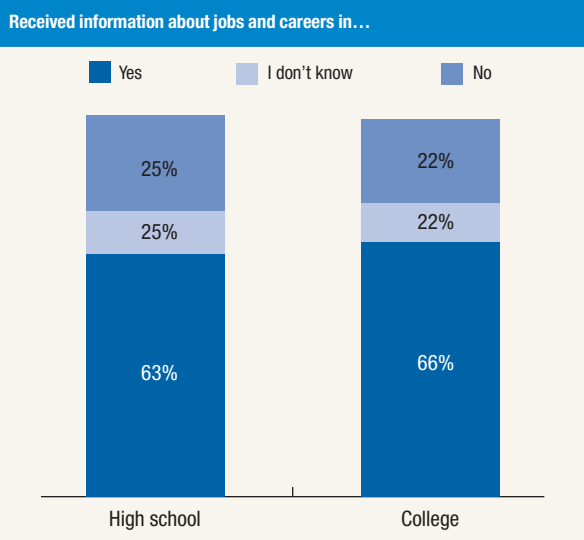
In the Survey of Young Workers, 7 percent of respondents are enrolled in a vocational program. Although the survey does not measure total certificates earned, it appears that this group is underrepresented in the sample.

## Alignment of Education and Career Path

In order for students to get the most out of their education, it is important that educational programs and goals align with the needs of the labor market. This alignment is key, as workers attempting to satisfy the labor market's increasing demand for education must also identify a field of study that will offer career opportunities. For individual workers, the connection

<sup>18</sup> Anthony P. Carnevale, Stephen J. Rose, and Andrew R. Hanson (2012), *Certificates: Gateway to Gainful Employment and College Degrees* (Washington, D.C.: Georgetown University, Center on Education and the Workforce, June), <http://cew.georgetown.edu/certificates>.

Figure 4. Many students did receive information about jobs and careers in school



between education and the labor market should occur during their educational process.

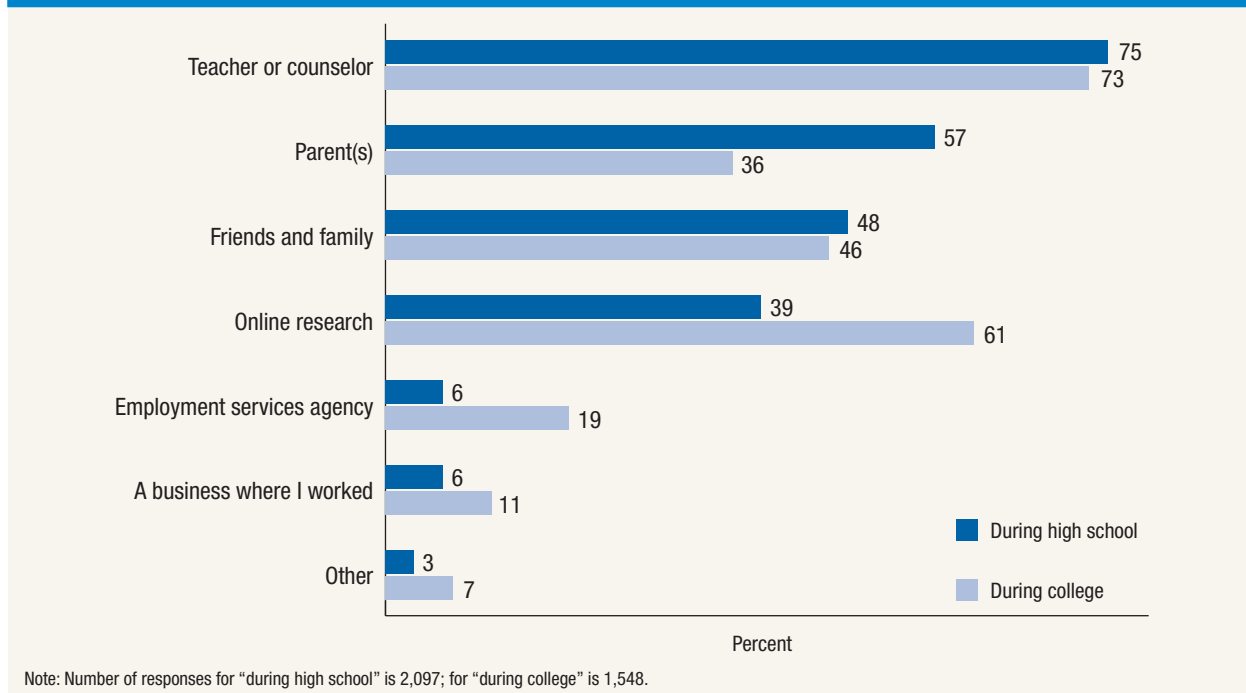
In the Survey of Young Workers, 63 percent of respondents reported that they received information about jobs and careers during high school (figure 4). Although the survey does not measure the value or accuracy of this information, nearly two-thirds of students are obtaining labor market information during their high school years. High school staff is a key source of job information, as three-fourths of those who received this information credited their high school counselors and teachers as the source (figure 5). While in high school, respondents who received information about jobs also noted personal networks, including parents (57 percent) and friends and family (48 percent) as the source.

Some high school students (21 percent) reported that the information they received helped them find a job. Without knowing whether the high school students are seeking a job, it is difficult to assess the implications of this number.

That said, 25 percent of respondents reported that they did not receive any information about jobs during high school. An additional 11 percent are not sure if they received such information or not. This represents a substantial number of respondents who exited the K–12 educational system without formal or informal communication about planning for a job or career.

**Figure 5. Teachers and counselors are the largest source of job and career information**

Sources of information about careers and jobs (respondents may select more than one response)



The Survey of Young Workers found that college students received job and career information at similar rates as high school students. Among respondents who attended any college, 66 percent received information about jobs during these years. Likewise, for those who received information, 73 percent reported receiving this information from school counselors and teachers. College students are more likely to rely on online resources when seeking job information (61 percent).

Again, similar to the high school students, 22 percent of those who attended college reported that they did not receive information about jobs and careers at this time. An additional 10 percent were not sure. Per the previous comment, this represents a sizable number of respondents who participated in postsecondary education without receiving formal or informal information about jobs and careers.

College students offer a striking difference from high school students when considering whether the information they received helped them obtain a job. Forty percent of the respondents who received information from their college reported that the information helped them find a job.

The current gaps in alignment between education and the labor market may contribute to the number of young workers who have not found paid work in their chosen field of study. Accordingly, more than half (51 percent) of working respondents in the survey do not have a job that is closely related to their field of study. Respondents who invest in higher levels of education have been more likely to find a job in their field of study. To that point, 26 percent of workers with a high school education, 67 percent of workers with a bachelor's degree, and 84 percent of workers with a master's degree or greater reported that they are working in their chosen field.

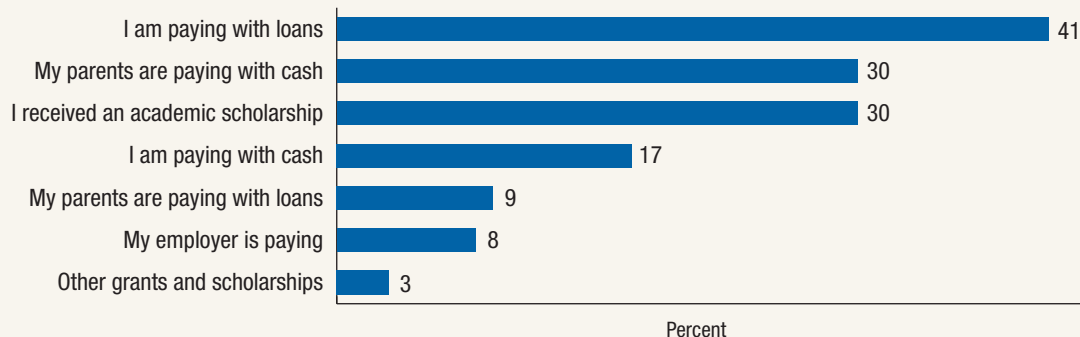
## Cost of Postsecondary Education

The ability to pay for postsecondary education affects a young adult's decision to enroll in a training or educational program. The cost of higher education has grown more rapidly than median family income, leaving many students and families with little choice but to borrow money.<sup>19</sup> Moreover, the average

<sup>19</sup> Shierholz and others, *The Class of 2013: Young Graduates Still Face Dim Job Prospects*.

**Figure 6. Loans are the most frequent source of financing for postsecondary education**

Financing used to pay for current enrollment (respondents may select more than one response)



Note: Number of responses is 648.

debt is substantial, which could also limit career choices, as students may need to take jobs that allow them to pay off their loans.

In the Survey of Young Workers, students reported that they are financing their education with cash, loans, and scholarships (figure 6). At 41 percent, personal loans are the form of financing most commonly used by students who are currently enrolled in school, while 9 percent of student respondents have parents that took out loans for their education. Thirty percent of student respondents have parents that are paying for their education with cash, and 17 percent are paying with their own cash. Thirty percent of students have academic scholarships. And, finally, 8 percent of respondents have employers paying for their education.

Students may use more than one source of financing to pay for their postsecondary education. A survey by the Heldrich Center for Workforce Development found that 65 percent of recent college graduates relied on two sources of financing, namely government loans (56 percent) and family savings (49 percent).<sup>20</sup>

Financial barriers top the list of reasons that nonstudents who are interested in additional education do not enroll. Half of the nonstudents in the survey are interested in additional education. However, 63 percent of nonstudents who are interested in additional education do not want to borrow money and 58 per-

cent reported that they are not able to afford an educational program.

The value of additional education in the current job market is also important for these respondents. Forty-four percent of respondents interested in additional education reported being concerned about not being able to land a job after completing the program and 39 percent reported that they do not know which program would improve their job opportunities. These challenges to enrollment again speak to the importance of reliable information about postsecondary education outcomes.

## Valuing Postsecondary Education

Survey respondents were asked whether they believe the lifetime financial benefits of their most recent educational program outweigh the program's financial cost.<sup>21</sup> In the survey, 41 percent of respondents reported that their educational investment is greater than the cost of their education ("high valuers") (figure 7). Meanwhile, 23 percent reported that the financial value of their education is smaller than the cost of the education ("low valuers").

High valuers are more likely to have an educational experience that aligns with both their current job and their employment aspirations. They are more likely to be working in a career that is closely related to their field of study (72 percent) than low valuers (39 percent). In addition, high valuers tend to be more con-

<sup>20</sup> C. Stone, C. Van Horn, and C. Zukin (2012), *Chasing the American Dream: Recent College Graduates and the Great Recession* (New Brunswick, N.J.: John J. Heldrich Center for Workforce Development, Rutgers, The State University of New Jersey, May).

<sup>21</sup> All respondents were asked this question. The analysis includes (1) enrolled respondents who have a postsecondary degree, (2) non-enrolled respondents with a postsecondary degree, and (3) non-enrolled respondents with some college but no degree.

**Figure 7. Less than half report that the financial benefits of postsecondary education are larger than the costs**

Perceived value of postsecondary education



Note: Number of responses is 1,209.

fidant that their education is sufficient for the type of job they would like to hold in the next five years (58 percent) than low valuers (39 percent).

High valuers are also more likely to have employment with more stability and opportunities for upward mobility. For example, these respondents are more likely to have full-time employment (77 percent) than low valuers (71 percent). High valuers are more likely to be in a “career” (46 percent) with a salary (48 percent) than low valuers (24 percent and 25 percent, respectively). Finally, high valuers are more likely to believe there is opportunity for advancement at their current job (66 percent) than low valuers (44 percent).

In the survey, respondents who are currently enrolled in an educational or training program were asked how they are financing this undertaking. High valuers are more likely to be paying for their education with upfront cash and scholarships, while low valuers are more likely to have loans to be paid after they enter the workforce. High valuers are more likely to be paying for their education with their own cash (26 percent) or cash from their parents (26 percent) than low valuers (12 percent and 13 percent, respectively). High valuers are also more likely to have a scholarship (32 percent) or an employer to cover tuition (20 percent) than low valuers (22 percent and 15 percent, respectively). One possible explanation for this finding is that because these respondents are less likely to have student debt, their perceived return on investment is high.

Meanwhile, low valuers are more likely to be paying for their education with personal loans (68 percent) than high valuers (42 percent). Because these respondents took on student debt, they may have to earn more to feel that they received an appropriate return on their investment.

## Importance of Early Work Experience

National data show that 66 percent of all students balance a full- or part-time job while attending school, including work–study.<sup>22</sup> According to the Bureau of Labor Statistics (BLS), 20 percent of high school students are employed and 50 percent of college students ages 16 to 24 are employed while attending school.<sup>23</sup> Although some students work to meet their financial needs, students also maintain jobs to gain early work experience before embarking on a longer-range career. In the Survey of Young Workers, 57 percent of all full-time students and 55 percent of all part-time students are working and attending school. (For a discussion on racial and ethnic early work experience, see [box 2](#).)

<sup>22</sup> U.S. Department of Education, National Center for Education Statistics (NCES) (2013), *2011-12 National Postsecondary Student Aid Study*, <http://nces.ed.gov/pubs2013/2013165.pdf>. Computation by NCES PowerStats on March 11, 2014.

<sup>23</sup> Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, table A-16, [www.bls.gov/web/empsit/cpseea16.htm](http://www.bls.gov/web/empsit/cpseea16.htm).

### Box 2. Non-Hispanic White Respondents Have More Early Work Experience

In the Survey of Young Workers, non-Hispanic white respondents are more likely to have worked in high school and college than respondents of other racial and ethnic groups. Moreover, non-Hispanic white respondents are more likely to have received information about jobs during high school and are more likely to have held a paid job at this time. This group primarily received this information from their parents, friends and family, and their place of work.



In a 2014 study by the Brookings Institution, teen employment is associated with improved employment and earnings' outcomes later in life. Although problems finding work affected all young people in the past decade, those with work experience, those with higher levels of education, and those from higher income households have been more successful in the labor market. Therefore, for teens and young adults, employment history is a strong predictor of current employment. Because teen and young adult unemployment is concentrated among less-educated and low-income individuals, this phenomenon threatens the upward mobility of already vulnerable populations.<sup>24</sup>

Consistent with the Brookings findings, respondents to the Survey of Young Workers who had a paid job during high school are more likely to be currently working (69 percent) than those who did not have a paid job during high school (48 percent). Furthermore, respondents who worked during high school are more likely to have a full-time job (70 percent) than those who did not work during high school (60 percent). Some of this relationship may be

<sup>24</sup> Andrew Sum, Ishwar Khatiwada, Mykhaylo Trubskyy, and Martha Ross with Walter McHugh and Sheila Palma (2014), *The Plummeting Labor Market Fortunes of Teens and Young Adults* (Washington: The Brookings Institution, March), [www.brookings.edu/~media/research/files/reports/2014/03/14%20youth%20workforce/youth\\_workforce\\_report\\_final.pdf](http://www.brookings.edu/~media/research/files/reports/2014/03/14%20youth%20workforce/youth_workforce_report_final.pdf).

explained by those who did not work while in high school being more focused on preparing for college. Nevertheless, even among persons who went to college, the survey indicates that those who complemented their study with work experience had better job outcomes.

The Survey of Young Workers indicates that high school and college students who complemented their study with work experience had better job outcomes. For example, respondents who gained work experience during school are more likely to be working in a job related to their educational field (49 percent) than those who did not work during school (31 percent). Likewise, respondents who combined work experience and education are more likely to be working in a job they perceive as a career (29 percent) or a stepping stone to a career (39 percent) than those who did not (19 percent and 29 percent, respectively).

The Survey of Young Workers suggests that the Great Recession affected the percentage of high school students in the workforce. Post-recession graduates, those age 18 to 21 years old, are less likely to have worked in high school (39 percent) than respondents graduating during the recession, ages 22 to 25 years old (57 percent) or pre-recession, ages 26 to 30 percent (62 percent).

# Job Fit

The existing literature suggests a vast majority of young workers appear satisfied in their jobs. However, many young workers have made concessions in the near term, as they forgo traditional work or higher pay in favor of a steady job. A survey by Pew Research Center from early 2012 found that half (49 percent) of young Americans ages 18 to 34 said that they took a job they did not want so that they could pay their bills.<sup>25</sup>

## Job Satisfaction

According to the Survey of Young Workers, 66 percent of respondents are somewhat satisfied or very satisfied with their job arrangements over the past five years (figure 8). The satisfaction of these respondents is attributed to their compensation and their schedule (figure 9). For example, one respondent stated, “my jobs had decent hours, decent pay, and I was never involuntarily unemployed.” Another stated, “I got experience that I can utilize in other fields/jobs, and the payment I received helped me get through that certain [sic] time.”

Thirty-three percent of respondents who have held a job in the past five years reported being dissatisfied with their job arrangements. Again, pay and schedule are the leading reasons for this level of dissatisfaction (figure 10). One respondent said, “Employers didn’t pay well enough to survive without taking on another job.”

## Job Attainment

A 2012 study by the Heldrich Center found that job seekers turned to two primary sources to obtain their first jobs. About 60 percent turned to personal con-

nections to help find employment. And the same number turned to the Internet to search formal online job sources, such as Monster or CareerBuilder, or employers’ job-site boards. The Heldrich Center found there was much less reliance on college placement offices (less than one in three) and employment agencies or government job centers (16 percent).<sup>26</sup>

In the Survey of Young Workers, respondents also identify personal connections as a primary source in a job candidate’s search process. In the survey, 14 percent of working respondents had a parent who provided the contact information for their current job, and 26 percent of respondents said that networks of friends and other family played a role in finding their current job.

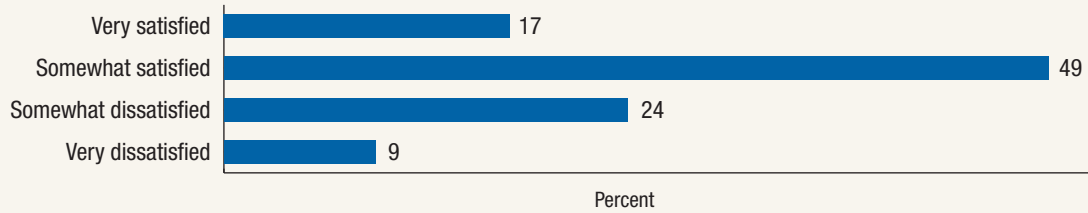
Likewise, in the Survey of Young Workers, employment services do not play a key role in finding a job for the respondents. Despite respondents reporting that teachers and school counselors are a key source of information while in high school and college, only 10 percent of respondents credited school counselors with helping them obtain their current job. Furthermore, young workers do not use employment centers with any great regularity, as 9 percent of respondents with college experience used employment centers in their pursuit of employment and only 8 percent of working respondents credit job centers as the source for landing their current job.

<sup>25</sup> Richard Fry and Kim Parker (2012), *Record Shares of Young Adults Have Finished Both High School and College*, Pew Research Center, [www.pewsocialtrends.org/2012/11/05/record-shares-of-young-adults-have-finished-both-high-school-and-college/](http://www.pewsocialtrends.org/2012/11/05/record-shares-of-young-adults-have-finished-both-high-school-and-college/).

<sup>26</sup> Stone and others, *Chasing the American Dream*.

**Figure 8. Most respondents are satisfied with current job arrangements**

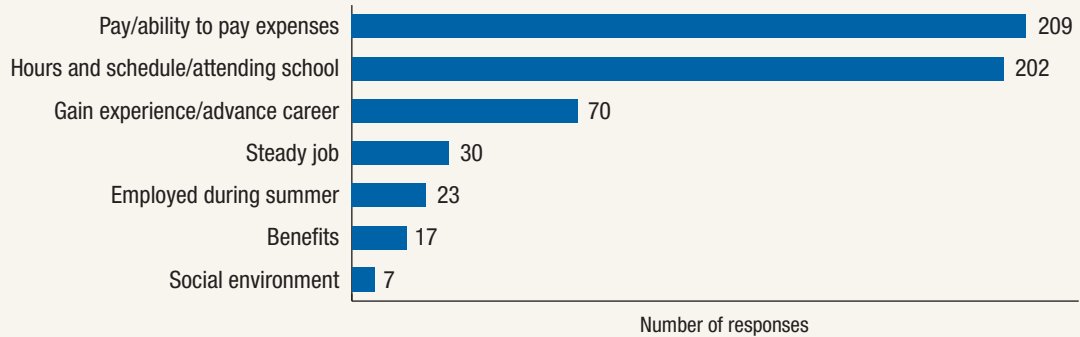
Respondent satisfaction with their job arrangement



Note: Number of responses is 1,293.

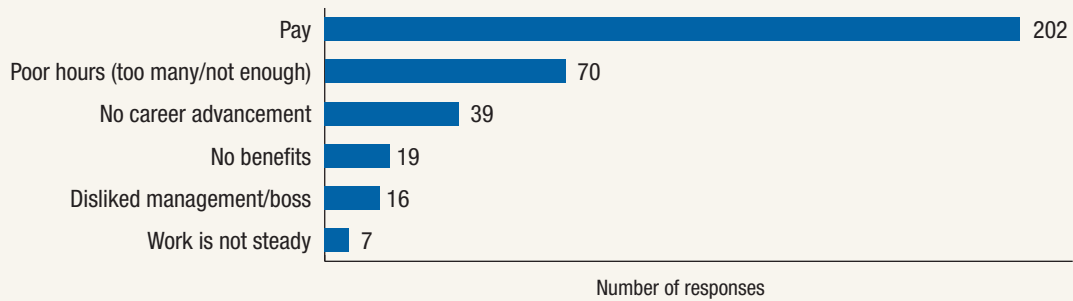
**Figure 9. Job satisfaction is driven by compensation and schedule**

In their own words, why respondents are satisfied with their job arrangements (data from unstructured responses)



**Figure 10. Lack of job satisfaction is driven by compensation and schedule**

In their own words, why respondents are dissatisfied with their job arrangements (data from unstructured responses)





# Upward Mobility

As young people enter the workforce, they may be accepting a job to simply make ends meet or trying to establish a career path with future payoffs and upward mobility. The characteristics of early jobs often have long-lasting effects on job opportunities and growth. Research shows that young people that do not get a strong foothold in the job market typically maintain a below median wage throughout their careers.<sup>27</sup>

In the changing labor market, it is often difficult to determine the paths for upward mobility. For example, young workers, like their older counterparts, are increasingly acting as their own agents of employment with multiple firms, rather than as employees of a particular firm. While these arrangements allow many workers the opportunity to negotiate the terms of their employment, it reduces economic stability for many households, particularly low-wage workers. As the relationship between employers and workers shifts, employers may be less likely to provide traditional salaries and benefits to workers. And the opportunities to build a career under these conditions are unclear.

In the Survey of Young Workers, 54 percent of working respondents hold a “traditional job” (defined as a permanent, full-time job). The survey reveals that traditional jobs are associated with positive outcomes including greater optimism about the labor market, higher pay, and upward mobility.

## Job versus Career

In 2012, the Heldrich Center’s Work Trends surveys revealed that approximately one-fourth of recent college graduates reported they have a career, and nearly

<sup>27</sup> Philip Oreopoulos, Till Von Wachter, and Andrew Heisz (2006), “The Short- and Long-Term Career Effects of Graduating in a Recession: Hysteresis and Heterogeneity in the Market for College Graduates,” National Bureau of Economic Research Working Paper 12159 (Cambridge, Mass.: NBER, April), [www.nber.org/papers/w12159.pdf](http://www.nber.org/papers/w12159.pdf).

one-half reported their job is a stepping stone to a career.<sup>28</sup> The remainder reported their current job allows them to make ends meet. Recent high school graduates without a postsecondary degree were more likely to report their jobs are a stepping stone to a career or just to get them by.<sup>29</sup>

In the Survey of Young Workers, respondents also differentiated between careers that offer upward mobility and jobs that help them get by. Twenty-five percent of respondents with paid employment described their job as a “career,” 35 percent described their job as a “stepping stone to a career,” and 37 percent described their job as “just a job.”

In the Survey of Young Workers, workers with a postsecondary degree have the most opportunity for upward mobility through a career. Within this educated group, 39 percent of respondents describe their current employment as a career, while 23 percent describe their current employment as “just a job” (figure 11). Respondents who are working while enrolled in a degree program are the least likely to have a “career” (9 percent).

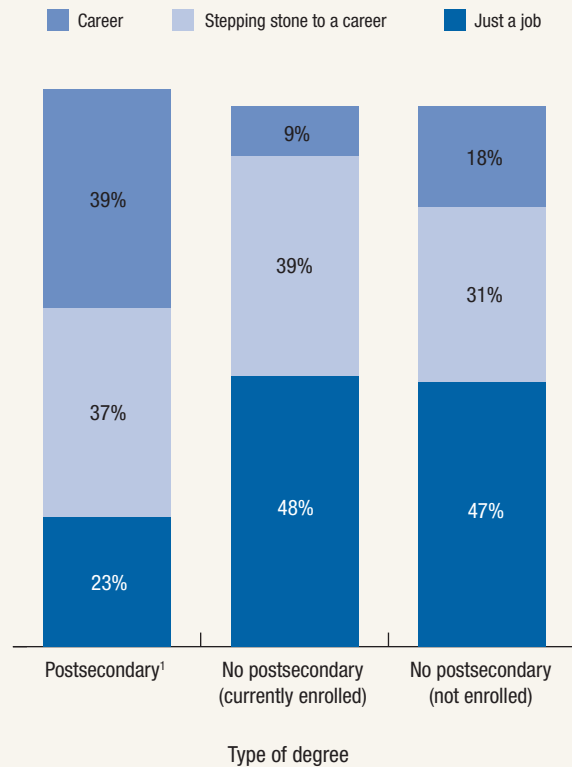
Working respondents who lack postsecondary degrees have less upward mobility through a career. For example, those without a postsecondary degree and who are not currently enrolled in school are more likely to have a job (47 percent) and less likely to have a career (18 percent).

<sup>28</sup> C. Van Horn, C. Zukin, M. Szeltner, and C. Stone (2012), *Left Out. Forgotten? Recent High School Graduates and the Great Recession* (New Brunswick, N.J.: John J. Heldrich Center for Workforce Development, Rutgers, The State University of New Jersey, June).

<sup>29</sup> J. Godofsky, C. Zukin, and C. Van Horn (2011), *Unfulfilled Expectations: Recent College Graduates Struggle in a Troubled Economy* (New Brunswick, N.J.: John J. Heldrich Center for Workforce Development, Rutgers, The State University of New Jersey, May).

**Figure 11. Workers with a postsecondary degree have the most opportunity for upward mobility**

Current job vs. career status



1. Includes associate's, bachelor's, master's, professional, and/or doctorate degree.

Note: Number of responses "postsecondary degree" is 743; "no postsecondary degree (currently enrolled)" is 209; and "no postsecondary degree (not enrolled)" is 418.

## Full-Time versus Part-Time Jobs

In the Survey of Young Workers, two-thirds of respondents with a paid job are working full time. Furthermore, 17 percent of full-time workers hold down two or more jobs. Full-time workers reported that they average 43 hours per week at the job. The respondents cluster around a 40-to-50-hour work week with a handful of outliers. This average number of hours worked includes individuals who have more than one job.

In the survey, 28 percent of respondents with a paid job are working only one part-time job. An additional 8 percent of the working respondents have two or more part-time jobs. Respondents with part-time

jobs average 22 hours of work per week.<sup>30</sup> The distribution of hours worked is broadly laid out between 0 and 40 hours with no real central tendency.

The full-time workers are more likely to have had a promotion in the past year (54 percent) and to perceive opportunities for advancement in their job (55 percent) than part-time workers (38 percent and 31 percent, respectively). The part-time workers are more likely to be students (51 percent) than full-time workers (19 percent).

## Underemployment

More than half (56 percent) of the part-time workers reported being underemployed; these respondents want to work more hours than they are currently offered.<sup>31</sup> Forty percent of part-time workers reported that they could only find part-time work, and 18 percent had their hours cut by their employer. The other half of part-time workers choose part-time jobs to support a lifestyle choice, such as attending school (54 percent), caring for family (23 percent), caring for children (16 percent), or health-related issues (8 percent).

Overall, nearly one-third of all working respondents would like additional hours of paid work; the primary reason for wanting more work is financial. Forty-three percent of respondents want more hours to cover their living expenses, 19 percent have debt, and 30 percent would like to increase their savings.

Respondents with less than a high school education reported the most need for additional hours, particularly to pay their living expenses. Respondents with a postsecondary degree are most likely to want more hours to pay off debt.

## Permanent versus Temporary Jobs

Young workers entering the labor market are affected by an increase in the use of "contingent" work

<sup>30</sup> The average number of hours is based on the number of hours worked the previous week. The average number of hours includes individuals who have more than one job.

<sup>31</sup> The Bureau of Labor Statistics defines underemployment as total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

arrangements, characterized by contracted, part-time, temporary, and seasonal work. According to a 2011 study by the Heldrich Center, jobs for recent high school and college graduates tend to be temporary. The study found that 40 percent of recent college graduates had held more than one job since graduation. In this study, 40 percent had quit a job since graduation, while 12 percent reported being laid off.<sup>32</sup>

As a respondent's level of education increases so does their likelihood of having a permanent job. The National Longitudinal Survey of Youth 2013 found that jobs held by high school dropouts were more likely to end after one year or less than were jobs held by workers with more education.<sup>33</sup>

In the Survey of Young Workers, 71 percent of working respondents have a permanent job, 18 percent have a temporary position, and 10 percent are not sure of their work status.<sup>34</sup> Significantly more young respondents, those 18 to 24 years old, held temporary jobs than the older respondents of ages 25 to 30 years old, suggesting that permanent jobs are “earned” from age and job experience. Likewise, the oldest respondents were most likely to have been in a job for two or more years (66 percent) than those 18 to 21 years old (8 percent) or their 22- to-25-year-old peers (26 percent) (figure 12).

Respondents with permanent jobs are more likely to be full-time workers (76 percent) and not enrolled in school (77 percent). Respondents with temporary jobs are more likely to be part time (61 percent) and students (52 percent).

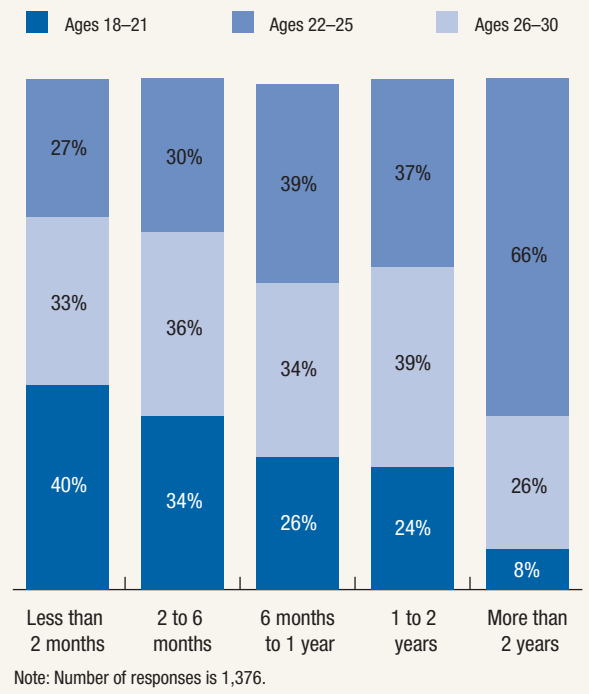
The Survey of Young Workers indicates that 26 percent of permanent employees have some college education, and 40 percent of temporary employees have some college education. Furthermore, 25 percent of permanent employees have a bachelor's degree, and 15 percent of temporary employees have a bachelor's degree. In addition, the survey found that 65 percent of respondents with a temporary job found work through their own search, and 17 percent used personal networks. Only 9 percent of temporary workers

<sup>32</sup> Godofsky and others, *Unfulfilled Expectations*.

<sup>33</sup> Bureau of Labor Statistics, National Longitudinal Study of Youth 1997, 2013. See [www.bls.gov/nls/nlsy97.htm](http://www.bls.gov/nls/nlsy97.htm).

<sup>34</sup> Respondents used “temporary” and “permanent” to include a wide range of job arrangements. For example, 72 percent of respondents with a paid job believe that they can continue at their main job as long as they wish. This number includes 14 percent of respondents who described their job as temporary.

**Figure 12. Older respondents are more likely to have a steady job (two years or more)**



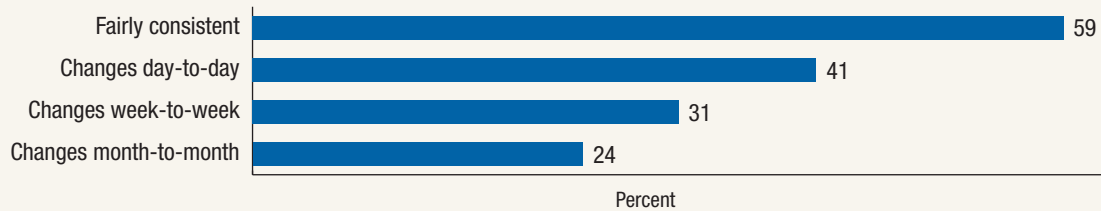
used a temporary staffing agency to find their current position.

While permanent work arrangements often offer a career path, most temporary positions do not. Thirty-two percent of permanent workers describe their job as a “career” compared with only 4 percent of temporary workers. Likewise, 35 percent of permanent workers believe their job is a “stepping stone to a career” compared with only 31 percent of temporary workers. Temporary work typically does not offer a developmental path with only 26 percent of temporary workers reporting that they have had a promotion compared with 57 percent of permanent workers. Finally, temporary workers are more likely to report that they are overqualified for their job (36 percent) than permanent workers (28 percent).

While 71 percent of working respondents have a permanent job, only half expect to stay at their job for more than one year and nearly one-fourth are not sure. Of those who plan to leave their job within one year, 19 percent reported that their job is temporary. Despite a challenging economic environment, 38 percent of those who expect to leave their job within one year expect to leave for another job.

**Figure 13. A consistent schedule is associated with greater job satisfaction**

Satisfied with work schedule



Note: Number of responses is 976.

A consistent schedule is associated with greater job satisfaction (figure 13). For example, 59 percent of workers with a consistent schedule are satisfied with their current job arrangements while only 24 percent of workers with a schedule that changes month-to-month are satisfied with their current job arrangements.

## Labor Market “Push Down”

According to the Economic Policy Institute’s research in 2011, many young labor market entrants who take a job for which they are overqualified are motivated by financial need, since they cannot afford to wait out the economy’s downturn. However, the loss or delay of human capital that occurs when a young graduate must take a job that does not use his or her acquired skills contributes to the long-run negative effect of recessions on the wages of young workers.<sup>35</sup>

According to a study by the Center for College Affordability and Productivity, while there are undoubtedly many who benefit from higher education, many Americans who obtain higher education do not achieve these economic gains.<sup>36</sup> This problem has been exacerbated because of job losses during the Great Recession. The study shows that the growth of supply of college-educated labor is exceeding the

growth in the demand for such labor in the labor market.<sup>37</sup>

In the Survey of Young Workers, 62 percent of working respondents reported that they are “adequately qualified” for their current position. Full-time workers are more likely to report they are qualified (64 percent), and respondents who describe themselves as qualified are generally more optimistic (55 percent) than the sample as a whole.

The survey supports the theory that a lack of labor market opportunities pushed workers down the career ladder to jobs for which they are overqualified. First, 28 percent of working respondents reported that they are overqualified for their current job. Respondents with an associate’s or bachelor’s degree are most likely to report that they are overqualified for their job (30 percent and 35 percent, respectively). Respondents who reported they are overqualified for their jobs are more likely to be in full-time jobs (63 percent). Respondents who describe themselves as “overqualified” for their job are more likely to be pessimistic about the future (24 percent).

Second, 49 percent of those who are qualified for their job are working in a field related to their education, while only 32 percent of those who are overqualified reported the same. These results suggest that some degree holders are being “pushed down” to jobs they are overqualified for by a lack of job opportunities.

Third, those who are overqualified typically view their job as “just a job” (55 percent) rather than a career builder compared with 37 percent of total workers. Even with their skills, they are less likely to

<sup>35</sup> H. Shierholz and K. A. Edwards (2011), *The Class of 2011: Young Workers Face a Dire Labor Market without a Safety Net*. Economic Policy Institute briefing paper no. 306 (Washington, D.C.: EPI, April).

<sup>36</sup> Richard Vedder, Christopher Denhart, and Jonathan Robe (2013), *Why Are Recent College Graduates Underemployed? University Enrollments and Labor Market Realities*, The Center for College Affordability and Productivity report (Washington: CCAP, January), <http://centerforcollegeaffordability.org/research/studies/underemployment-of-college-graduates>.

<sup>37</sup> Vedder and others, *Why Are Recent College Graduates Underemployed?*



see opportunities for advancement (42 percent) than the total population (45 percent).

Finally, those without a degree may be pushed down to unemployment. In the Survey of Young Workers, 83 percent of those seeking a job have not completed a postsecondary degree. More specifically, the unemployment rate for the survey sample is 18 percent.<sup>38</sup> In the survey, those without a postsecondary credential have an unemployment rate of 19 percent, while those with a postsecondary degree are experiencing unemployment at 10 percent. The national unemployment rate for 18- to 30-year-olds at the time the survey was administered was 18.7 percent.<sup>39</sup>

Respondents who reported they are overqualified for their job show many signs that they are working to improve their labor market prospects. For example, they are more open to moving for another job (66 percent) than total workers (56 percent). Furthermore, they are more likely to be enrolled in school (34 percent) or interested in enrolling in school (58 percent) than total workers (30 percent and 54 percent, respectively).

## Upward Mobility

Despite the job push down, many working respondents have jobs with opportunities for advancement. Nearly half (49 percent) of working respondents have enjoyed a promotion at their current job. Full-time workers were much more likely to have earned a promotion (54 percent) than part-time workers (38 percent). Furthermore, 45 percent of all workers believe there is opportunity for advancement at their current job.

<sup>38</sup> Unemployment rate calculated as the percentage of the labor force who is unemployed. The labor force is defined in the Survey of Young Workers as (1) respondents with a paid job, (2) respondents who are seeking paid job, and (3) respondents who own a business or run a nonprofit. Unemployment is defined in the Survey of Young Workers as (1) respondents who are seeking paid job and (2) respondents who do not own a business or run a nonprofit.

<sup>39</sup> Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, table 3, "Employment status of the civilian noninstitutional population by age, sex, and race," <http://www.bls.gov/cps/cpsaat03.htm>.

## Financial Footing

About two-thirds of respondents (64 percent) are able to support their current household expenses with their household income. Although younger respondents were more likely to need financial assistance, age loses its significance when other demographic variables are included in the analysis. Survey findings show that being able to cover monthly household expenses is significantly affected by education, income, marital status, and having a paid job.

Although 64 percent can cover their monthly expenses, most of these respondents could not support themselves if they were temporarily out of work. Thirty-eight percent reported that they could support themselves without work for four weeks, and 24 percent would be able to support themselves without work for 12 weeks. As noted, respondents with higher levels of education are more likely to be able to support themselves if they are temporarily out of work.

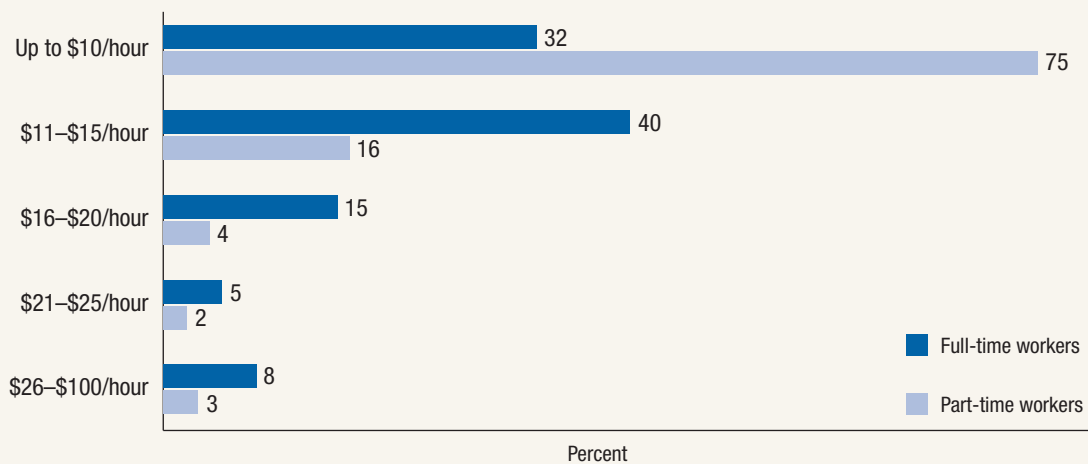
Full-time workers are more likely to earn more and be financially self-sufficient than part-time workers (figure 14). Seventy-eight percent of full-time workers reported that they are able to cover their monthly household expenses compared with 52 percent of part-time workers. Sixty-six percent of workers who are not enrolled in school are able to cover their monthly expenses. Students, both full time and part time, were less able to cover their expenses (59 percent and 65 percent, respectively).

Workers with permanent jobs are more financially self-sufficient than those with temporary jobs. Respondents with permanent jobs are more likely to be able to cover their household expenses (76 percent) than those with temporary jobs (55 percent).

Those who are not able to cover their monthly household expenses were asked to describe, in their own words, "how they make ends meet." The largest number of respondents, 140, noted that they rely on their parents for assistance, while 63 respondents receive assistance from family members (without specifying parents) (figure 15). Fifty-five respondents reported that they take out loans of some nature, while a few reported that they rely on savings (20) or government assistance (16).

**Figure 14. Full-time workers are more likely to earn higher hourly wages than part-time workers**

Wages earned



Note: Number of responses, “full-time workers” is 497; “part-time workers” is 317.

Furthermore, more than 40 percent of respondents currently receive assistance for rent and food from their parents or other family members. Thirty-eight percent of respondents receive assistance with miscellaneous bills such as the phone bill, and 30 percent of respondents receive assistance with health care.

## Compensation

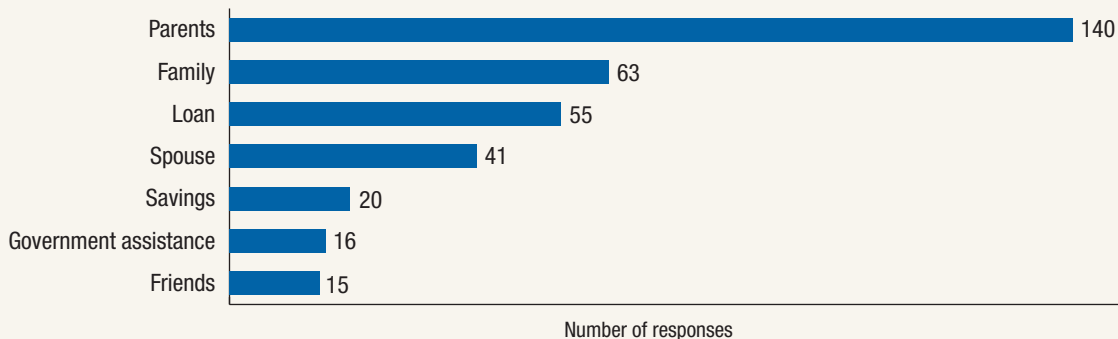
In the Survey of Young Workers, 71 percent of respondents with a paid job reported that they are paid an hourly wage, and 25 percent reported that they are paid a salary (figure 16). In addition, 41 per-

cent of working respondents earn overtime pay, tips, or commissions at their job(s).

Since compensation is correlated with numerous demographic factors including age, regression analysis was used to control for these other characteristics. As it turns out, the significance of age on having an hourly, salary, or other type of pay decreases when adding in other demographic variables. Having an hourly wage is significantly affected by having a high school diploma or some college, compared with those having less than a high school diploma. In addition, earning a salary is significantly affected by having an associate’s, master’s, or other professional degree.

**Figure 15. Respondents who cannot cover their monthly housing expenses typically rely on their parents or other family members for assistance**

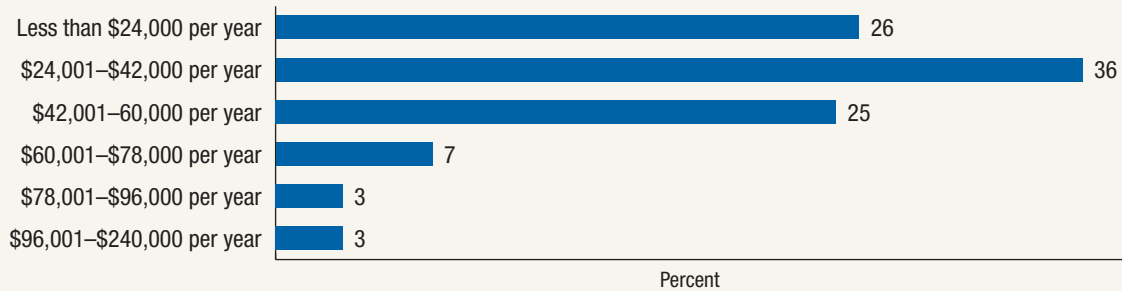
In their own words, how respondents who cannot cover their monthly household expenses make ends meet (data from unstructured responses)



Note: Number of responses is 520.

**Figure 16. Distribution of annual earnings of salaried workers in the survey**

Annual earnings of salaried workers



Note: Number of responses is 406.

As such, respondents with higher levels of education are more likely to earn a salary than an hourly wage. The shift to a salary is most pronounced for respondents who have at least a bachelor's degree. More than 80 percent of respondents without a four-year degree earn an hourly wage, while 49 percent of those with a bachelor's degree, 70 percent of those with a master's degree, and 79 percent of those with a professional or doctorate degree earn a salary.

Interestingly, permanent workers are only marginally more satisfied with their level of pay. Fifty-two percent of permanent workers are satisfied or very satisfied with their income compared with 46 percent of temporary workers. That said, permanent workers were far more satisfied with their benefits (49 percent) than temporary workers (16 percent).

Full-time students are more likely than part-time students to receive help from their parents to pay their bills including, living expenses, health care, car payments, educational loans, food, and miscellaneous bills than part-time students.

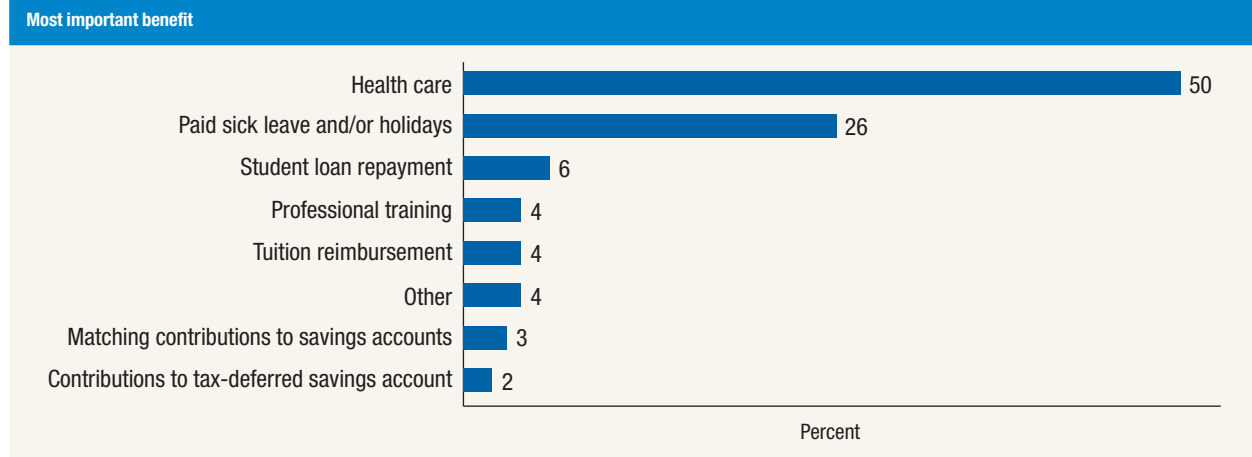
Salaries are more typical for traditional jobs and jobs that offer a career path. Most workers with a salary have a traditional job. Ninety-four percent of workers who earn a salary have a full-time job and 87 percent have a permanent job. Furthermore, 54 percent of respondents earning a salary describe their job as

a career, while only 19 percent of full-time, hourly wage earners describe their job as a career.

Respondents who aligned their education and current work are more likely to have a higher salary as they begin their career. For example, respondents with higher salaries are more likely to have higher levels of education, to have received job information during colleges, and to have worked during the school year. Furthermore, respondents who are working in a field related to their education are more likely to have a higher salary.

Higher salaries and wages provide greater financial footing for full-time workers. Respondents with higher wages are more likely to be able to pay their monthly household expenses and to be able to stay financially afloat if they are out of work for four weeks. Furthermore, respondents with higher wages associate a greater value for the cost of their education.

Higher wages for full-time workers are correlated with other benefits including a "career" position rather than a "job," consistent work schedules, and training opportunities from employers. The respondents' level of satisfaction with their salary or wages is not correlated with the amount of their salary or wages. Rather, satisfaction is likely determined by qualitative factors including expectations.

**Figure 17. Working respondents report that health care is the most important benefit associated with a job**

In the survey, 41 percent of working respondents are satisfied with the benefits they currently receive from their employer, while 27 percent of working respondents are not satisfied with their current benefits. Twenty-nine percent are neither satisfied nor dissatisfied with their benefits. Respondents identified health care as the most important benefit to receive from an employer (figure 17). Seventy percent of these

respondents have access to health care, and 65 percent of the working respondents have access to health care through their job. Finally, working respondents reported that paid sick leave or holidays is the second most important benefit to receive from their job. Fifty-three percent of working respondents currently have paid sick leave.



# Young Workers' Unemployment

Since the Great Recession, college graduates continue to be employed at greater rates than high school graduates but at far lower rates than historical norms. Young college graduates typically have a strong labor market attachment; by attending and graduating college, they have made a significant down payment on their career in terms of time and money.<sup>40</sup> Yet at 85 percent, the employment-to-population ratio of young college graduates has significantly declined from the average of 89 percent over the 1990s business cycle and 87 percent over the 2000s business cycle.<sup>41</sup>

In the Survey of Young Workers, close to half (48 percent) of respondents who do not have a paid job are seeking paid employment and, therefore, unemployed. Some are not interested in engaging in a paid job because they are attending school (45 percent), caring for family and the home (20 percent), or self-employed (4 percent). Others face barriers to employment including disabilities (7 percent), health issues (3 percent), lack of skills and training (4 percent), lack of transportation (3 percent), or a lack of faith in the job market (1 percent).

In the Survey of Young Workers, although the average length of unemployment is 22 weeks, a few respondents who are experiencing very long periods of unemployment skewed the “typical” period of job seeking. The median duration of current unemployment is 10 weeks for the respondents. A relatively small number (10 percent) of unemployed respondents have been in the job search market for a year or more.

Some of the unemployed respondents are optimistic about their search, with 36 percent expecting to find a position in the next three months. A greater percent

of job seekers (49 percent) are less optimistic, assuming it will take more than six months or an unknown amount of time to find a job. Only 20 percent of the job seekers had a job interview in the four weeks prior to completing the Survey of Young Workers.

Most of the unemployed respondents have low levels of educational attainment, including 83 percent who have not completed a postsecondary degree. Put another way, 32 percent of those with a high school diploma are unemployed compared with 10 percent of those with a bachelor's degree.

According to a 2012 study by the Heldrich Center, one in three high school graduates reported being unemployed and looking for work.<sup>42</sup> The findings reflect recent data from the BLS and Current Population Survey (CPS) that show an average jobless rate of 31 percent from April 2011 to March 2012. At the time of the Heldrich Center studies, those who graduated in the recession era were unemployed at a higher rate (37 percent) than those who graduated before the recession (23 percent).<sup>43</sup> In addition, nearly one in five high school graduates were working part time while looking for a full-time job.<sup>44</sup>

The labor market demands recent job experience as well as education. In the Survey of Young Workers, respondents who lack experience, particularly recent experience, face difficulty finding a job. The greatest numbers of unemployed respondents are coming out of an educational setting (43 percent) or time caring for children or family members at home (24 percent), rather than a previous job. Only 17 percent of the unemployed respondents were most recently in another job.

Unemployed respondents use multiple methods to job search including contacting employers directly (67 percent) and searching electronic job boards

<sup>40</sup> Shierholz and others, *The Class of 2013: Young Graduates Still Face Dim Job Prospects*.

<sup>41</sup> H. Shierholz, N. Sabadish, and H. Wething (2012), *The Class of 2012: Labor Market for Young Graduates Remains Grim*, Economic Policy Institute briefing paper no. 340 (Washington: EPI, May).

<sup>42</sup> Stone and others, *Chasing the American Dream*.

<sup>43</sup> Stone and others, *Chasing the American Dream*.

<sup>44</sup> Stone and others, *Chasing the American Dream*.

(64 percent). The unemployed also use personal networks, including family and friends (51 percent) and parents (36 percent) to search for jobs. Services from

employment centers and schools are less popular options at 26 percent and 20 percent, respectively.

# Young Workers' Outlook

## Future Work Expectations

Today's young workers prepared for the workforce in the shadow of the Great Recession. As a result, there is clearly anxiety among young individuals when thinking about their job prospects. According to Pew's studies, from 1998 and 2009, "Young workers feel more vulnerable than they used to. In a 1998 survey, 65 percent of 18- to 34-year-olds working full time or part time said they were extremely or very confident that they could find another job if they lost or left their current job. The share of highly confident fell dramatically to 25 percent in 2009. It has rebounded somewhat since then (to 43 percent in the current survey) but is still nowhere near the 1998 level."<sup>45</sup>

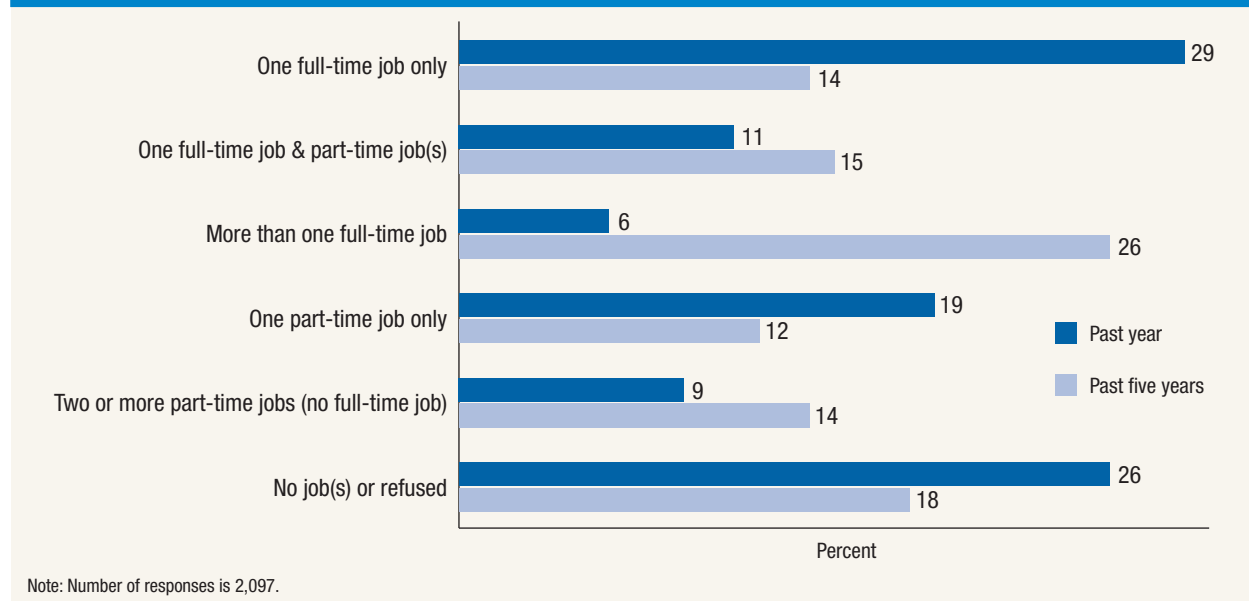
<sup>45</sup> Fry and Parker, *Record Shares of Young Adults Have Finished Both High School and College*.

In the Survey of Young Workers, 40 percent of respondents have held one, full-time job for the past year (figure 18). Another 13 percent have supplemented a full-time job with part-time work during the past year. Fourteen percent of respondents have held a single full-time job for the past five years. Another 30 percent have supplemented a full-time job with part-time work during the past five years. Some respondents have already held more than one full-time job. Six percent of respondents held more than one full-time job in the past year, and 26 percent held more than one full-time job in the past five years.

Many respondents reported working more than one job at a time. In fact, the number of respondents who work simultaneous jobs is increasing. Forty-seven percent of those who worked multiple jobs in the past year worked more than one job at the same

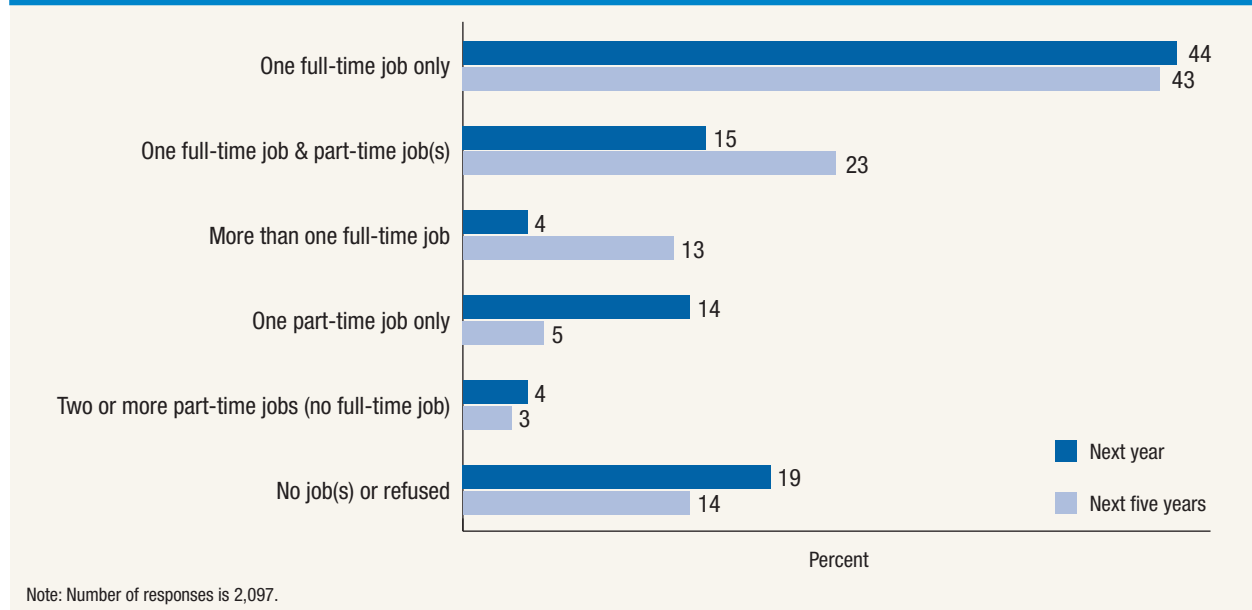
**Figure 18. Few workers have held a single full-time job for the past year or five years**

Number of jobs held



**Figure 19. Young workers expect greater job stability in the future**

Number of jobs expecting to hold



time, while 38 percent of those who worked multiple jobs in the past five years worked more than one job at a time.

Many respondents who have worked more than one job in the past five years are satisfied (50 percent) or very satisfied (17 percent) with their work arrangements. Thirty-three percent of respondents who have worked more than one job in the past five years are dissatisfied with their work relationships. Interestingly, there is no correlation between satisfaction and whether an individual worked more than one job at the same time.

According to the survey, young workers expect greater job stability in the future (figure 19). Forty-four percent of respondents expect to hold a single full-time job in the next year. The survey showed that many young workers may have difficulty imagining five years in to the future as a nearly equal 43 percent expect to have a single, full-time job for the next five years. Only 3 percent expect to have multiple part-time jobs in the next five years.

Those who expect to work more than one job also expect to manage more simultaneous jobs. Sixty-one percent of those who expect to work multiple jobs in the next year also expect to work more than one job at the same time, while 38 percent of those who expect to work multiple jobs in the next year do

not expect to work more than one job at the same time.

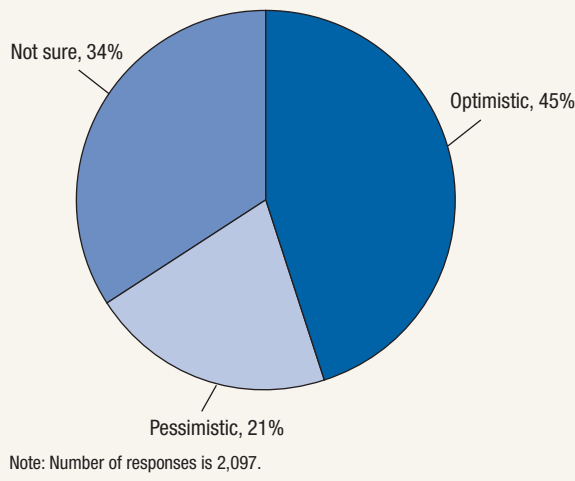
## Young Workers' Future Outlook

Although general optimism about the future has decreased since the Great Recession, young people continue to be more optimistic than the general population. According to a 2014 Gallup poll, 30 percent of Americans overall said it is a good time to find a quality job, while 46 percent of respondents ages 18 to 29 reported that this is a good time to find a quality job. The latest Gallup report continues a positive trend on this indicator for the overall population since reaching a low point of 8 percent in 2011. The recent numbers have not reached the pre-recession level of 2007 when 48 percent of the population reported it to be a good time to find a quality job.<sup>46</sup>

Likewise, respondents to the Survey of Young Workers are generally optimistic about the future. Comparable with the Gallup poll, 45 percent of survey respondents are optimistic about their future job opportunities compared with 21 percent who are pessimistic (figure 20). The remaining 34 percent are not sure about their future job opportunities.

<sup>46</sup> Gallup Polls, 2014. See [www.gallup.com/poll/168704/americans-quality-jobs-outlook-improves-april.aspx](http://www.gallup.com/poll/168704/americans-quality-jobs-outlook-improves-april.aspx).

**Figure 20. Young workers are generally optimistic**  
 Respondents' outlook



### The Impact of Education, Job Experience, and Income on Optimism

Optimistic respondents were asked to describe, in their own words, what makes them feel optimistic about their job futures. These respondents most commonly attributed their positive outlook to their level of education or their field of study (figure 21).

*What makes me feel optimistic about a future job is that I'm in school studying and learning the field. I will also intern before I graduate so I can ensure that I am fully ready.*

*The field I am in is always in high demand. I have a college degree so I feel confident I could find another job if something were to happen with my current job, however I am confident I will keep my current job for a while.*

Another sizable group of optimistic respondents attributed their outlook to their work experience or job market opportunities.

*I believe that with my accrued experience in medical device assembly, there may be other opportunities to expand in this area in the future. There are at least two other larger medical device companies in the area I live around.*

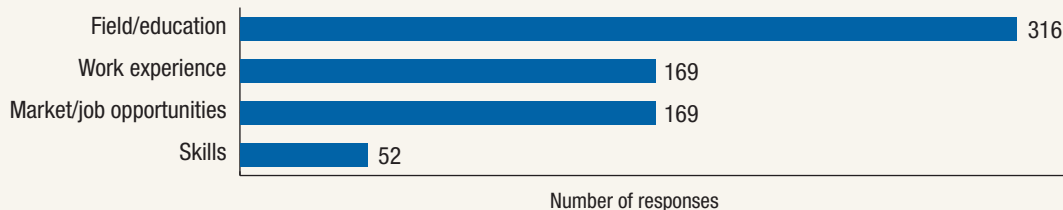
*Economy is slowly recovering, and Boston has plenty of white-collar jobs for people with financial background.*

As the Survey of Young Workers has revealed, education has a critical impact on young workers. The survey data show that respondents' optimism about their future goes hand-in-hand with higher levels of education. For example, 35 percent of respondents with a high school education, 59 percent with a bachelor's degree, and 68 percent with a professional or doctorate degree are optimistic about their job future. Being enrolled in an education program has an impact as well, as 57 percent of current students are optimistic about their job future. In addition, being enrolled full time is associated with greater rates of optimism (59 percent) than being enrolled part time (51 percent).

Because education is correlated with numerous other factors that may affect a respondent's optimism about the labor market, regression analysis was used to control for these other characteristics. The regression analysis confirmed that being "optimistic" is significantly affected by level of education, having a paid job, and income.

Respondents who obtained early job experience during their schooling reported higher levels of optimism than those who did not hold a job prior to completing school. More specifically, respondents

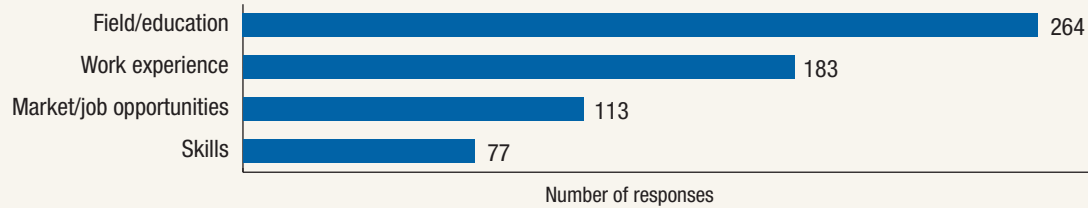
**Figure 21. Optimistic respondents often attribute their outlook to their level of education or field of study**  
 In their own words, why respondents are optimistic about future job opportunities (data from unstructured responses)



Note: Number of responses is 833.

**Figure 22. Pessimistic respondents often attribute their outlook to economic conditions, a lack of education, and a lack of job experience**

In their own words, why respondents are pessimistic about their future job opportunities (data from unstructured responses)



Note: Number of responses is 853.

who held paid jobs during high school or college are more optimistic (51 percent and 55 percent, respectively) about their own future than those who lacked this job experience (37 percent and 42 percent, respectively).

Furthermore, respondents who are currently working a paid job are more likely to be optimistic about their job future (51 percent) than those who are not employed (35 percent). Likewise, respondents with a full-time, permanent job are more likely to be optimistic than those with a part-time or contingent job. Respondents with full-time jobs are more optimistic (54 percent) than those with part-time jobs (47 percent). Respondents with permanent jobs are more optimistic about their future (56 percent) than respondents working temporary positions (45 percent).

Respondents who used their education to help define a career path are more optimistic than other respondents. For example, respondents who reported working in a field closely related to their education are more optimistic (66 percent) than respondents who are not (42 percent). Furthermore, respondents who view their job as a “stepping stone to a career” or a “career” are more optimistic (52 percent and 71 percent, respectively) than respondents who view their employment as “just a job” and those who do not see “opportunities for advancement” (37 percent and 41 percent, respectively).

As noted, the respondents’ optimism also increases with their salary and wages. Respondents who are satisfied with their current compensation are more likely to be optimistic (65 percent) about their future. Respondents who are able to cover their monthly household expenses (52 percent) as well as those who reported they could cover their expenses if out of work for four weeks (64 percent) are more optimistic than those who are not able to cover their expenses.

## The Impact of Economic Opportunity on Pessimism

Respondents who are pessimistic or unsure about their job opportunities were also asked to describe, in their own words, what makes them feel this way. A lack of opportunity in the economy, a lack of job experience, and a lack of education caused these respondents the greatest amount of concern (figure 22).

*I am currently studying in the business field. With the unemployment rate being high for a moment. I don't expect to quickly find a job with so many people graduating in the same year.*

*I don't have a college degree, and even those people I know with them are largely unemployed or in service jobs like mine.*

*So many employers require past experience, but being a college grad means I don't have any experience yet. How am I supposed to get experience if I can't get a job?*

The regression analysis noted above also revealed that being “pessimistic” is significantly, adversely affected by the respondent’s race, being in the wealthiest income bracket, marital status, and having a paid job. (Box 3 briefly discusses the effect of geography.)

## Importance of Steady Employment

Overall, young workers prefer steady employment (67 percent) to higher pay (30 percent) when seeking and selecting a job. In particular, respondents with work experience prefer steady pay and are developing a career. Respondents who held a paid job during high school are more likely to prefer steady pay



### Box 3. Residents of Non-metropolitan Areas Reported Less Positive Labor Market Conditions than Residents of Metropolitan Areas

In the Survey of Young Workers, respondents living in non-metropolitan areas reported less positive labor market conditions than those residing in metropolitan areas. Respondents who live in non-metropolitan areas are more likely to be pessimistic about their job future. Furthermore, part-time workers in non-metropolitan areas are less confident about finding full-time work than those in metropolitan areas. Finally, working respondents in non-metropolitan areas are more likely to report they have “just a job” than a career.

That said, non-metropolitan respondents reported some labor market upsides. For example, these respondents are more likely to have gained job experience in high school.

(72 percent), as are those who held a paid job during college (70 percent). In addition, respondents that are working in their field of study are more likely to prefer steady employment (70 percent). Furthermore, respondents who are in a “career” or a “stepping-stone-to-a-career” job prefer steady employment (71 percent). Those who have had a promotion in the past year with a pay increase (71 percent) or see the potential for a promotion (70 percent) prefer steady employment.

A small number of characteristics define the 30 percent of respondents who prefer higher pay. Only the youngest respondents, those under 21 years of age with minimal exposure to the labor market, prefer higher pay (38 percent). Likewise, respondents with a less defined career path and who are less financially stable are more likely to prefer higher pay. Furthermore, respondents who describe their work as “just a job” (35 percent), rather than a career, are more likely to prefer higher pay than steady employment.

In addition, respondents with less stable financial conditions are more likely to prefer higher pay than their counterparts. For example, respondents who earn hourly pay (32 percent) are more likely to prefer higher pay. Respondents who currently receive parental assistance in the form of rent (32 percent), educational loans (33 percent), and health care (35 percent) are more likely to prefer higher pay. Respondents who would prefer to be working more hours (35 percent) and those who are dissatisfied with their work schedule (43 percent) are more likely to prefer higher pay.

A Pew study conducted from 1998 to 2009 found that “young workers feel more vulnerable than they used to.” In 1998, the survey found 65 percent of 18- to 34-year-olds working full time or part time said they were extremely or very confident that they could find another job if they lost or left their current job. By 2009, the share highly confident fell dramatically to 25 percent. Currently, according to Pew, this figure has rebounded to 43 percent but is still nowhere near the 1998 level.<sup>47</sup>

Interestingly, Pew also found that “for young adults, bad times don’t trump optimism. Among those age 18 to 34, nearly 9 in 10 (88 percent) say they either have or earn enough money now or expect they will in the future. Only 9 percent say they don’t think they will ever have enough to live the life they want. Adults ages 35 and older are much less optimistic as 28 percent say they don’t anticipate making enough money in the future. While young people are less likely now than they were before the recession to say they currently have enough income, their level of optimism is undiminished from where it was in 2004.”<sup>48</sup>

<sup>47</sup> Fry and Parker, *Record Shares of Young Adults Have Finished Both High School and College*.

<sup>48</sup> Fry and Parker, *Record Shares of Young Adults Have Finished Both High School and College*.





## Policy and Research Implications

The Survey of Young Workers provides some insights into the experiences of young workers, while raising questions about others. The findings described in this report are intended to help frame future discussion among experts on this topic.

The survey highlights the association between postsecondary education and positive labor market outcomes, ranging from optimism about one's job future to higher earnings. Hence, it is critical that young workers receive appropriate information that enables them to select an educational program that maximizes their job opportunities. Young adults considering postsecondary education must choose from a range of public, nonprofit, and for-profit institutions offering an assortment of degrees and training programs. However, limited information is available to young workers regarding the likelihood of being hired or the expected salary from these alternative options. The decision is further complicated for the majority of potential students who do not have the personal resources to pay for their education upfront or lack the ability to earn a full scholarship.

Because education plays such an important role in a young person's career opportunities, additional research on the outcomes from various educational paths is essential. School teachers, counselors, and other providers of career information also need these valuable resources to properly advise individuals as they develop a career path.

The importance of education also underscores the need to align educational opportunities with labor market demand. Creating channels of communication that allow educational institutions to better meet the needs of a changing labor market will provide better opportunities for young workers as well as employers. Furthermore, aligning education more closely with careers promotes student success, as

people with some sense of where they are going are more likely to get there.<sup>49</sup>

The Survey of Young Workers results suggest that age is an important factor when considering a young workers' job status, compensation, and outlook on their own job future. This finding is not surprising: As the demand for postsecondary education increases, the on-ramp from education to full-time careers and family formation is delayed for many young adults.<sup>50</sup> In other words, many young workers are spending more time in education and training programs, which delays their entry into the labor market compared with previous generations.

Young workers are facing substantial financial challenges today that may have lasting effects. Later entry into the workforce has increased the age at which young workers reach the median wage from 26 to 30 in the past decade.<sup>51</sup> This effect has combined with other financial challenges for young workers, including delayed job opportunities because of the Great Recession and increased student debt. The implications of these statuses may be long-lasting.

The Survey of Young Workers is intended to provide a general overview of individuals at the onset of their workforce experience. The report highlights some notable differences based on respondent characteristics such as race and ethnicity, gender, and geographic location. These preliminary findings and the policy solutions that seek to address them merit additional analysis. While the survey adds to the body of

<sup>49</sup> Carnevale and others, *The College Advantage*; Anthony P. Carnevale, Andrew R. Hanson, and Artem Gulish (2013), *Failure to Launch: Structural Shift and the New Lost Generation* (Washington: Georgetown University, Georgetown Public Policy Institute, September), <https://georgetown.app.box.com/s/8tchnjo0wq9meamwwn5f>.

<sup>50</sup> Carnevale and others, *Failure to Launch*.

<sup>51</sup> Carnevale and others, *Failure to Launch*.

knowledge provided by previous surveys and research on this topic, much remains to be explored. The Federal Reserve intends for this report to help shape future inquiry among workforce researchers, policy-makers, and practitioners. To this end, the Federal

Reserve will make the survey's data available to the public. In addition, the Federal Reserve will encourage additional use of these data for research both within the Federal Reserve System and among external parties.

## Appendix A: Methodology

In order to create a nationally representative probability-based sample, GfK's KnowledgePanel has selected respondents based on both random digit dialing and address-based sampling (ABS). Since 2009, new respondents have been recruited using ABS. To recruit respondents, GfK (formerly Knowledge Networks) sends out mailings to a random selection of residential postal addresses. Out of 100 mailings, approximately 14 households contact GfK and express an interest in joining the panel. Of those who contact GfK, three-fourths complete the process and become members of the panel. If the person contacted is interested in participating but does not have a computer or Internet access, GfK provides him or her with a laptop and Internet access. Panel respondents are continuously lost to attrition and added to replenish the panel, so the recruitment rate and enrollment rate may vary over time.

For the Survey of Young Workers, the number of KnowledgePanel members who were invited to complete the survey, and the invitation response rates, are presented in the introduction. A total of 4,242 e-mail solicitations to participate in the survey were sent out to a random selection of KnowledgePanel respondents, and data collection was terminated when the quota of 2,000 individuals completed the survey fully (a "completion rate" yield of 49 percent). To enhance the completion rate, an automatic e-mail reminder was sent to all nonresponding panel members in the sample after three days.

As with any survey method, probability-based Internet panel surveys are subject to potential survey error, such as noncoverage and nonresponse, due to the panel recruitment methods and to panel attrition. In order to address these potential sources of error, a poststratification adjustment is applied based on demographic distributions from the CPS. The variables used include gender, age, race/ethnicity, education, census region, residence in a metropolitan area, and access to the Internet. The panel demographic poststratification weight is applied prior to a probability proportional to size selection of a study

sample from KnowledgePanel. This weight is designed for sample selection purposes.

Once the sample has been selected and fielded, and all the study data are collected and made final, a poststratification process is used to adjust for any survey nonresponse as well as any noncoverage or under- and oversampling resulting from the study specific sample design. Demographic and geographic distributions for the noninstitutionalized, civilian population ages 18 and over from the most recent CPS are used as benchmarks in this adjustment.

Comparable distributions are calculated by using all completed cases from the field data. Using the base weight as the starting weight, this procedure adjusts the sample data back to the selected benchmark proportions. Through an iterative convergence process, the weighted sample data are optimally fitted to the marginal distributions.

After this final poststratification adjustment, the distribution of the calculated weights are examined to identify and, if necessary, trim outliers at the extreme upper and lower tails of the weight distribution. The poststratified and trimmed weights are then scaled to the sum of the total sample size of all eligible respondents.

There are a few reasons that a probability-based Internet panel was selected as the method for this survey rather than an alternative survey method. The first reason is that these types of Internet surveys have been found to be representative of the population.<sup>52</sup> The second reason is that the ABS Internet panel allows the same respondents to be re-interviewed in subsequent surveys with relative ease, as they remain in the panel for several years.

<sup>52</sup> David S. Yeager, Jon A. Krosnick, LinChiat Chang, Harold S. Javitz, Matthew S. Levendusky, Alberto Simpser, and Rui Wang (2011), "Comparing the Accuracy of RDD Telephone Surveys and Internet Surveys Conducted with Probability and Non-Probability Samples," *Public Opinion Quarterly*, vol. 75(4), pp. 709-47.

The third reason is that Internet panel surveys have numerous existing data points on respondents from previously administered surveys, including detailed demographic and economic information. This allows for the inclusion of additional information on

respondents without increasing respondent burden. Lastly, collecting data through an ABS Internet panel survey is cost effective and can be done relatively quickly.

# Appendix B: Responses to the Survey of Young Workers

The question numbers noted here correspond to the numbering in the survey database. Although some numbers have been skipped or reordered, it is important to keep the numbering consistent for future database users.

**Table B.1. How would you describe employment opportunities for people like you who may be looking for work in the area where you live?**

Response	Percent
Refused	0.7
Excellent	7.2
Good	31.6
Fair	37.8
Poor	22.8

Note: Number of responses is 2,097.

**Table B.2. Would you say your expectations about future job opportunities are:**

Response	Percent
Refused	0.3
Optimistic	44.8
Pessimistic	21.4
Not sure	33.5

Note: Number of responses is 2,097.

**Table B.3. What is the highest level of formal education you have completed?**

Response	Percent
Less than high school	10.2
High school diploma or the equivalent GED	29.0
Some college, no degree	29.5
Associate degree	8.5
Bachelor's degree	16.5
Master's degree	3.8
Professional or Doctorate degree	1.2
Other: Specify	1.3

Note: Number of responses is 2,097.

**Table B.4. Are you currently working as a paid employee?**

Response	Percent
Yes	59.7
No	40.3

Note: Number of responses is 2,097.

**Table B.5. Are you currently employed full-time? That is, do you typically work 35 hours or more per week at one job?**

Response	Percent
Yes	66.7
No	33.3

Note: Number of responses is 1,386.

**Table B.6A. How many paid jobs of each type do you have? Number of full-time jobs:**

Response	Percent
Refused	1.8
0	34.4
1	62.8
2	0.5
3	0.2
4	0.3

Note: Number of responses is 1,386.

**Table B.6B. How many paid jobs of each type do you have?  
Number of part-time jobs:**

Response	Percent
Refused	17.3
0	39.1
1	35.2
2	6.1
3	1.4
4	0.3
5	0.2
6	0.3
10	0.1

Note: Number of responses is 1,386.

**Table B.7. For your main job, that is the job where you work the most hours, what type of organization are you employed by?**

Response	Percent
Refused	1.5
Government	12.8
For profit	72.6
Non-profit	13.1

Note: Number of responses is 1,386.

**Table B.7A. Is your main job—that is, the job where you work the most hours—permanent or temporary?**

Response	Percent
Refused	0.9
Permanent	71.0
Temporary	17.9
I don't know	10.2

Note: Number of responses is 1,386.

**Table B.7B. How did you find your main job?**

Response	Percent
Refused	3.0
I searched on my own	65.4
I used a temporary staffing agency	8.5
Other: Specify	23.1

Note: Number of responses is 354.

**Table B.8A. Are you currently looking for a paid job?**

Response	Percent
Yes	47.5
No	52.5

Note: Number of responses is 711.

Table B.9 is omitted.

**Table B.10. Which one of the following best describes the main reason you are not looking for a paid job?**

Response	Percent
Refused	1.9
I am self employed	4.3
I believe there is no work available for me	1.3
I need education/training to get a job	3.7
I am a student	45.3
I don't need or want a job	4.8
I have health problems	3.3
I need transportation to get to and from work	3.2
Other: Specify	3.9
I am a homemaker/caring for family	20.2
I am disabled	7.3
I believe the work available does not pay enough to be worthwhile	0.9

Note: Number of responses is 371.

**Table B.11. Do you currently:**

Response	Percent
Refused	0.8
Own a business	4.3
Run a non-profit enterprise	1.5
Neither	93.4

Note: Number of responses is 2,097.

**Table B.11A. Does anyone in your immediate family own a business or run a nonprofit enterprise?**

Response	Percent
Refused	0.4
Yes	13.2
No	79.1
I don't know	7.2

Note: Number of responses is 2,097.

**Table B.12. Do you currently earn any money from activities where you are "your own boss"?**

Response	Percent
Refused	0.9
Yes	9.7
No	89.4

Note: Number of responses is 2,097.

**Table B.13. Do you currently have an unpaid job, such as an internship or a volunteer position?**

Response	Percent
Refused	1.0
Yes	10.7
No	88.3

Note: Number of responses is 2,097.

Tables B.14 and B.15 are omitted.

**Table B.16. How are you paid at your main job (the job where you currently work the most hours)?**

Response	Percent
Refused	0.8
Hourly wage	70.5
Salary	24.5
Other	4.2

Note: Number of responses is 1,386.

Table B.17 is omitted.

**Table B.18A. As a household, are you able to cover monthly expenses with your current household income?**

Response	Percent
Refused	1.4
Yes	64.3
No	34.3

Note: Number of responses is 2,097.

Table B.18B is omitted.

**Table B.18C. Did you incur debt to pay for any portion of your education or training?**

Response	Percent
Refused	1.3
Yes	33.5
No	65.2

Note: Number of responses is 2,097.

**Table B.18D. Please check off any of the following things that your parents or other family members help you with financially:**

Response	Percent
Living situation (such as mortgage, rent, or just living with parents or relatives)	47.9
Healthcare costs	29.8
Food	43.2
Miscellaneous bills (such as cell phone bills)	38.0
Car payment	15.6
Education loans	14.6
Savings	6.6
Other	4.8
Refused	28.3

Note: Number of responses is 2,097.

**Table B.19. Would you be willing to relocate to another community in order to obtain a job or advance your career?**

Response	Percent
Refused	1.0
Yes	53.7
No	17.0
I don't know	28.3

Note: Number of responses is 2,097.

**Table B.20. Do you believe you now have the level of education and training needed for the type of job that you would like to hold in the next 5 years?**

Response	Percent
Refused	1.2
Yes	36.6
No	44.3
I don't know	17.9

Note: Number of responses is 2,097.

**Table B.21. Are you currently enrolled in an education or training program?**

Response	Percent
Refused	1.3
Yes	31.6
No	67.1

Note: Number of responses is 2,097.



**Table B.22. Are you enrolled full time or part time?**

Response	Percent
Refused	0.4
Full time	73.4
Part time	26.2

Note: Number of responses is 648.

**Table B.23. What type of certification or degree program are you enrolled in?**

Response	Percent
Refused	0.1
High school diploma or the equivalent GED	12.6
Certificate or vocational program	6.7
Associate degree	19.8
Bachelor's degree	43.7
Master's degree	7.4
Professional or doctorate degree	6.4
Other: Specify	3.2

Note: Number of responses is 648.

**Table B.24. How are you financing your current education or training program?**

Response	Percent
I am paying with loans	41.2
My parents or family members are paying with cash	29.9
I received an academic scholarship	29.7
I am paying with cash	17.1
My parents are paying with loans	8.8
My employer is paying	8.0
Other grants or scholarships	7.2
Other grants or scholarships	3.4
Refused	1.2

Note: Number of responses is 648.

Table B.24A is omitted.

**Table B.24B. How would you say the lifetime financial benefits of your most recent educational program compare to the financial costs of this education?**

Response	Percent
Refused	2.6
The financial benefits are MUCH LARGER than the costs	19.6
The financial benefits are SOMEWHAT LARGER than the costs	15.6
The financial benefits are ABOUT THE SAME as the costs	12.1
The financial benefits are SOMEWHAT SMALLER than the costs	7.5
The financial benefits are MUCH SMALLER than the costs	7.2
I don't know	35.4

Note: Number of responses is 2,097.

**Table B.25. Are you interested in obtaining additional education or training?**

Response	Percent
Refused	2.4
Yes	50.7
No	24.9
I don't know	22.0

Note: Number of responses is 1,449.

**Table B.26. Seeing as you may be interested in additional education or training, please indicate whether each of following reasons describes why you are not enrolled:**

Response	Percent
I don't want to borrow money to enroll	62.7
I can't afford to enroll	57.7
I am concerned that even after the program, I will not land a job in my field of interest	44.4
I don't know which program will improve my job opportunities	39.4
The schedule does not work for me	34.2
I don't know where to enroll	26.1
I am concerned that the program will be too challenging	19.2
The program is not offered at my local institutions	18.6
I don't meet the requirements to enroll	15.8

Note: Number of responses is 1,053.

**Table B.27. During high school, did you work for pay?**

Response	Percent
Refused	1.3
Yes	53.8
No	44.9

Note: Number of responses is 2,097.

**Table B.28. During high school, did you receive information about jobs and careers?**

Response	Percent
Refused	1.8
Yes	62.6
No	24.6
I don't know	11.0

Note: Number of responses is 2,097.

**Table B.29. During high school, where did you obtain information about jobs and careers?**

Response	Percent
Parent(s)	56.6
Friends and family	48.5
High school teacher or counselor	75.2
Online research	38.8
Employment service agency	6.5
A business where I worked	6.2
Other: Specify	3.0
Refused	2.0

Note: Number of responses is 1,387.

**Table B.30. Did the information you received from your high school help you get a job?**

Response	Percent
Refused	0.2
Yes	20.8
No	70.2
I don't know	8.8

Note: Number of responses is 1,032.

**Table B.31. During college, did you work for pay?**

Response	Percent
Refused	1.5
Yes	74.2
No	24.3

Note: Number of responses is 1,548.

**Table B.32. During college, did you hold one or more unpaid internships?**

Response	Percent
Refused	1.9
Yes	21.4
No	76.7

Note: Number of responses is 1,548.

**Table B.33. During college, did you work or intern during the school year?**

Response	Percent
Refused	0.9
Yes	62.5
No	36.7

Note: Number of responses is 1,286.

**Table B.34. During college, did you receive information about jobs and careers?**

Response	Percent
Refused	2.1
Yes	66.3
No	21.8
I don't know	9.8

Note: Number of responses is 1,548.

**Table B.35. During college, where did you obtain information about jobs and careers?**

Response	Percent
College professor or counselor	73.3
Online research	61.1
Friends and family	46.0
Parents	36.2
Employment services agency	19.2
Business where I worked	11.5
Other: Specify	6.9
Refused	0.9

Note: Number of responses is 1,090.

**Table B.36. Did the information you received from your college help you get a job?**

Response	Percent
Refused	0.8
Yes	39.9
No	46.7
I don't know	12.5

Note: Number of responses is 852.

**Table B.37. Are you working in a career field that is closely related to your education and training?**

Response	Percent
Refused	2.1
Yes	41.7
No	51.2
I don't know	5.0

Note: Number of responses is 1,386.

**Table B.38. How qualified would you describe yourself for performing the tasks required of your main job (the job where you work the most hours)? Do you think you are...**

Response	Percent
Refused	1.5
Overqualified	28.2
Adequately qualified	62.0
In need of additional training	8.4

Note: Number of responses is 1,386.

**Table B.39. Do you consider your main job (the job where you work the most hours) to be a career, a stepping stone to a career, or just a job to get you by?**

Response	Percent
Refused	2.9
Career	24.8
Stepping stone to a career	34.9
Just a job	37.4

Note: Number of responses is 1,386.

**Table B.40. Please indicate whether you used each the following strategies to find your main job (the job where you work the most hours):**

Response	Percent
I contacted the employer directly	67.1
Other family and friends provided a contact	26.5
Searched electronic job boards (e.g., Monster, CareerBuilder, Craigslist, Indeed)	20.6
My parent(s) provided a contact	13.7
Services from school teacher, professor, or counselor	9.7
Posted online resume/advertisement (e.g., LinkedIn, Twitter, Facebook, Craigslist)	8.8
Services from an employment center	8.4
Other: Specify	7.6

Note: Number of responses is 1,386.

**Table B.41. Have you been promoted with a pay increase since you started your main job (the job where you work the most hours)?**

Response	Percent
Refused	1.5
Yes	48.6
No	49.9

Note: Number of responses is 1,386.

**Table B.42. Are there opportunities for advancement with a pay increase at your main job (the job where you work the most hours)?**

Response	Percent
Refused	3.1
Yes	45.0
No	30.6
I don't know	21.3

Note: Number of responses is 671.

**Table B.43. How quickly do you expect to be promoted?**

Response	Percent
Within the next 6 months	20.6
Within next year	19.4
Within the next 2 years	15.8
In more than 2 years	8.4
I do not expect to be promoted	13.2
I don't know	22.5

Note: Number of responses is 310.

Table B.44 is omitted.

**Table B.45. Compared to the number of hours you worked last week, would you prefer to work:**

Response	Percent
Refused	2.5
Work more hours	31.3
About the same number of hours	51.8
Work less hours	14.4

Note: Number of responses is 1,386.

**Table B.46. What is the main reason you are seeking more hours?**

Response	Percent
Refused	0.4
To pay my living expenses	43.2
To pay off debt	19.3
To increase my savings	29.8
To gain more work experience	3.5
Other: Specify	3.7

Note: Number of responses is 352.

**Table B.47. How satisfied are with your work schedule for your current job or jobs?**

Response	Percent
Refused	2.5
Satisfied	49.8
Neither satisfied nor dissatisfied	34.6
Dissatisfied	13.1

Note: Number of responses is 1,386.

**Table B.48. Is your work schedule for your job or jobs:**

Response	Percent
Refused	2.4
Fairly consistent	65.1
Changes day-to-day	14.0
Changes week-to-week	15.9
Changes month-to-month	2.6

Note: Number of responses is 100.

**Table B.49. Please indicate whether each of the following is a reason that you are currently working part time rather than full time:**

Response	Percent
I prefer part-time work	47.8
My employer cut my hours due to business conditions	18.0
I could only find part-time work	40.1
I am enrolled in school/training program	54.1
I am caring for young children	15.9
I have family responsibilities	23.4
I have health problems	7.9
Other: Specify	5.0

Note: Number of responses is 410.

**Table B.50. A year from now, do you expect to have a full-time job (35 hours or more per week) with a single employer?**

Response	Percent
Refused	1.6
Yes	40.2
No	32.8
I don't know	25.4

Note: Number of responses is 410.

**Table B.51. A year from now do you expect to be working full time (35 hours or more per week) but for more than one employer?**

Response	Percent
Refused	1.8
Yes	9.4
No	60.2
I don't know	28.6

Note: Number of responses is 410.

**Table B.52. How long have you been employed at your main job (the job where you work the most hours)?**

Response	Percent
Refused	2.4
Less than 2 months	8.2
2 to 6 months	19.5
6 months to 1 year	15.4
1 to 2 years	18.6
More than 2 years	35.9

Note: Number of responses is 1,386.

**Table B.53. Do you think you can continue to work at your main job as long as you wish?**

Response	Percent
Refused	1.7
Yes	72.2
No	11.2
I don't know	14.9

Note: Number of responses is 1,386.

**Table B.54. How long do you expect to be at your main job (the job where you work the most hours)?**

Response	Percent
Refused	2.9
Less than 2 months	3.7
2 to 6 months	7.8
6 months to 1 year	10.2
1 to 2 years	18.8
More than 2 years	33.3
I don't know	23.3

Note: Number of responses is 1,386.

**Table B.55. What is the most important reason you expect to leave your main job within a year?**

Response	Percent
Refused	1.6
Job is temporary	19.3
Business conditions may cause my employer to cut back	1.5
New technology will eliminate my job	0.5
I want to be my own boss	3.4
I am moving	9.8
I will get another job	37.9
I will be attending school	12.3
Family responsibilities	4.4
I have health problems	1.3
Other: Specify	8.1

Note: Number of responses is 310.

**Table B.56. If you had to choose, is it more important to have a job that pays more or a job that is more likely to provide steady employment?**

Response	Percent
Refused	2.9
Higher pay	30.0
Steady employment	67.1

Note: Number of responses is 1,386.

**Table B.57. Do you receive overtime pay, tips, or commissions from any of your paid jobs?**

Response	Percent
Refused	2.4
Yes	40.8
No	56.8

Note: Number of responses is 1,386.

**Table B.58. How satisfied are you with the total amount of salary or wages you earn from the paid job or jobs you now hold?**

Response	Percent
Refused	2.2
Very satisfied	12.3
Somewhat satisfied	37.9
Neither satisfied nor dissatisfied	19.2
Somewhat dissatisfied	21.0
Very dissatisfied	7.3

Note: Number of responses is 1,386.

**Table B.59A. If you were out of work for the next four weeks, would you be able to pay your living expenses?**

Response	Percent
Refused	2.6
Yes	38.2
No	47.8
I don't know	11.4

Note: Number of responses is 1,386.

**Table B.59B. If you were out of work for the next three months, would you be able to pay your living expenses?**

Response	Percent
Refused	2.9
Yes	24.4
No	59.9
I don't know	12.8

Note: Number of responses is 1,386.

**Table B.60. How satisfied are you with the benefits you currently receive from your employer or employers?**

Response	Percent
Refused	2.6
Very satisfied	17.5
Somewhat satisfied	23.6
Neither satisfied nor dissatisfied	29.4
Somewhat dissatisfied	14.5
Very dissatisfied	12.5

Note: Number of responses is 1,386.

**Table B.61. Do you receive paid time off for sick leave and/or holidays from any of your paid jobs?**

Response	Percent
Refused	2.8
Yes	53.3
No	43.9

Note: Number of responses is 1,386.

**Table B.62. Do you have health care from any source?**

Response	Percent
Refused	2.7
Yes	70.2
No	27.1

Note: Number of responses is 1,386.

**Table B.63. Do you receive this health care either through an employer or employment agency?**

Response	Percent
Refused	0.2
Yes	65.5
No	34.3

Note: Number of responses is 1,056.

**Table B.64. Does your employer pay for:**

Response	Percent
Refused	0.5
All of your health care premium	23.4
Part of your health care premium	64.1
None of your health care premium	12.0

Note: Number of responses is 742.

**Table B.65. Do you have training opportunities through an employer or employers?**

Response	Percent
Refused	2.1
Yes	44.2
No	37.1
I don't know	16.6

Note: Number of responses is 1,386.

Table B.66 is omitted.

**Table B.67. Are you a member of a labor union or an employee association similar to a union?**

Response	Percent
Refused	2.0
Yes	6.7
No	85.0
I don't know	6.3

Note: Number of responses is 1,386.

**Table B.68A. How many full-time jobs have you had in the past year?**

Response	Percent
Refused	11.7
0	42.3
1	39.6
2	4.8
3	1.1
4	0.3

Note: Number of responses is 2,097.

**Table B.68B. How many part-time jobs have you had in the past year?**

Response	Percent
Refused	17.2
0	42.3
1	28.5
2	8.4
3	2.7
4	0.5
6	0.2

Note: Number of responses is 2,097.

**Table B.68C. Did you work at more than one of these jobs at the same time?**

Response	Percent
Refused	0.7
Yes	47.2
No	52.1

Note: Number of responses is 625.

**Table B.69A. How many paid full-time jobs have you held in the past five years?**

Response	Percent
Refused	11.0
0	33.9
1	29.8
2	15.1
3	6.6
4	2.2
5	1.0
6	0.4
7	0.1
10	0.1

Note: Number of responses is 2,097.

**Table B.69B. How many paid part-time jobs have you held in the past five years?**

Response	Percent
Refused	15.7
0	28.2
1	24.9
2	13.5
3	8.7
4	4.4
5	2.7
6	0.7
7	0.5
8	0.2
10	0.3
12	0.1

Note: Number of responses is 2,097.

**Table B.69C. Did you work at more than one of these jobs at the same time?**

Response	Percent
Refused	0.1
Yes	38.0
No	61.8

Note: Number of responses is 1,293.

**Table B.69D. How satisfied are you with your full- and part-time job arrangements over the past five years?**

Response	Percent
Refused	0.7
Very satisfied	16.6
Somewhat satisfied	49.2
Somewhat dissatisfied	24.2
Very dissatisfied	9.3

Note: Number of responses is 1,293.

**Table B.70A. Looking to the future, approximately how many paid full-time jobs do you expect to have in the next year?**

Response	Percent
Refused	12.5
0	24.8
1	59.3
2	2.2
3	0.8
4	0.2
5	0.2

Note: Number of responses is 2,097.

**Table B.70B. Looking to the future, approximately how many paid part-time jobs do you expect to have in the next year?**

Response	Percent
Refused	23.2
0	42.4
1	27.1
2	6.3
3	0.7
4	0.1
5	0.2
6	0.1

Note: Number of responses is 2,097.

**Table B.70C. Do you expect to work at more than one of these jobs at the same time?**

Response	Percent
Refused	0
Yes	61.5
No	38.4

Note: Number of responses is 510.



**Table B.71A. Looking to the future, approximately how many paid full-time jobs do you expect to have in the next five years?**

Response	Percent
Refused	10.0
0	11.8
1	65.8
2	9.1
3	2.3
4	0.7
5	0.4

Note: Number of responses is 2,097.

**Table B.71B. Looking to the future, approximately how many paid part-time jobs do you expect to have in the next five years?**

Response	Percent
Refused	27.0
0	38.3
1	23.7
2	7.0
3	2.1
4	0.4
5	0.8
6	0.4
8	0.1

Note: Number of responses is 2,097.

**Table B.71C. Do you expect to work at more than one of these jobs at the same time?**

Response	Percent
Refused	0.2
Yes	38.0
No	61.8

Note: Number of responses is 825.

**Table B.72A. How much longer do you expect it to take you to find a paid job?**

Response	Percent
Refused	3.5
Less than 2 months	21.9
2 to 3 months	14.2
3 to 6 months	11.9
More than 6 months	8.4
I don't know	40.1

Note: Number of responses is 340.

**Table B.73. Please indicate whether you have used each of the following strategies to find a paid job:**

Response	Percent
I searched electronic job boards (e.g., Monster, CareerBuilder, Craigslist, Indeed)	63.8
I contacted the employers directly	66.6
Other family and friends provided me with contacts	50.9
My parent(s) provided me with contacts	36.2
I posted a resume/advertisement (e.g., LinkedIn, Twitter, Facebook, Craigslist)	29.0
An employment center provided services	26.5
The school provided services from school teacher, professor, or counselor	20.2
Other: Specify	9.9

Note: Number of responses is 340.

**Table B.74. Have you been interviewed for a job in the past four weeks?**

Response	Percent
Refused	2.2
Yes	19.8
No	78.0

Note: Number of responses is 340.

**Table B.75. Before you started this job search, what was the main thing you were doing?**

Response	Percent
Refused	3.9
Attending school	42.5
Caring for family	24.1
Working	16.9
Military service	0.9
Other: Specify	11.7

Note: Number of responses is 340.

**Table B.76. Why did you leave your last job?**

Response	Percent
Refused	1.8
I was laid off	40.4
I quit	19.6
The job was temporary	23.0
I was fired	15.1

Note: Number of responses is 66.

**Table B.77. Which statement best describes your self-employment enterprise?**

Response	Percent
Refused	5.8
A part-time business to supplement other income	32.0
A start-up business with the potential to become my permanent, main source of income	27.5
A career that supplies my main source of income	25.0
Other: Specify	9.7

Note: Number of responses is 298.

**Table B.78. Please indicate whether each of the following was a reason that you started your own business or became your own boss:**

Response	Percent
I always wanted to be my own boss	63.7
I thought I could earn more money by having my own business	57.8
I had a great business idea	46.9
I thought my knowledge and skills were best suited to being an entrepreneur	46.4
I wanted to feel good about the contributions my work makes to society	43.8
I was inspired by a successful entrepreneur	43.1
Friends/relatives suggested that I become an entrepreneur	40.5
I had no other option to earn a living	30.4

Note: Number of responses is 298.

Table B.79 is omitted.

**Table B.80. Which one of the following best describes how you came to own this enterprise?**

Response	Percent
Refused	6.5
I started the business myself or with partners	42.6
I bought the business	18.2
Took over a family business	22.4
Other: Specify	10.3

Note: Number of responses is 111.

**Table B.81. Are you the sole owner of this enterprise?**

Response	Percent
Refused	7.0
Yes	48.8
No	44.2

Note: Number of responses is 111.

Tables B.82 and B.83 are omitted.

**Table B.84. How many people does your business currently employ, including part time and temporary? (Do not include yourself or outside contractors.)**

Response	Percent
Refused	15.3
0	27.1
1	16.4
2	10.2
3	9.7
4	9.3
5	5.0
6	3.1
10	0.1
14	1.8
20	1.5
25	0.1
40	0.2
87	0.2
342	0.1

Note: Number of responses is 111.

**Table B.85. Please indicate whether each of the following sources of financing was used to fund the start of your business:**

Response	Percent
Personal savings	73.7
Bank loan	30.4
Credit card	25.6
Government loan	24.9
Crowd funding	24.2
Loan from small business support organization	21.6
Gifts or loans from family and friends	13.2
Other: Specify	10.5

Note: Number of responses is 81.

**Table B.86. Please indicate whether each of the following types of assistance was used to start or grow your business:**

Response	Percent
Developing a business plan	28.9
Marketing assistance	24.4
Financial management	22.2
Legal guidance	21.0
Tax assistance	18.9
Assistance with Certifications	11.9
Other: Specify	8.6

Note: Number of responses is 298.

**Table B.87. Do you have any interest in starting a business or "being your own boss" in the next five years?**

Response	Percent
Refused	3.1
Yes	20.3
No	53.1
I don't know	23.5

Note: Number of responses is 1,799.

**Table B.88. What is the main reason that best describes why you might want to start your own business?**

Response	Percent
Refused	5.7
I wanted to be my own boss	30.3
I think I could earn more money by being my own boss	15.9
I have a great business idea	9.9
I want to feel good about the contributions my work makes to society	8.5
I think my knowledge and skills were best suited to being an entrepreneur	8.3
I am inspired by successful entrepreneurs	6.3
I have no other option to earn a living	4.7
Friends/relatives suggest that I become an entrepreneur	3.5
Other: Specify	6.9

Note: Number of responses is 100.

**Table B.89. Please indicate whether each of the following reasons describes why you have not become your own boss:**

Response	Percent
Lack of funding	79.0
Lack of knowledge about starting a business	67.6
Lack of network/business contacts	63.5
Too much risk	55.0
Fear of failure	46.7
Other: Specify	12.6

Note: Number of responses is 790.

**Table B.90. Summary demographics**

Demographic	Percent
<b>Age</b>	
18	7.1
19	6.7
20	7.7
21	7.5
22	9.0
23	7.8
24	8.1
25	6.4
26	6.5
27	9.8
28	7.2
29	6.9
30	9.3
<b>Race/ethnicity</b>	
White, non-Hispanic	57.1
Black, non-Hispanic	13.3
Other, non-Hispanic	7.0
Hispanic	20.4
2+ races, non-Hispanic	2.2
<b>Gender</b>	
Male	49.6
Female	50.4
<b>Household head</b>	
No	53.0
Yes	47.0
<b>Marital status</b>	
Married	21.0
Widowed	0.1
Divorced	2.0
Separated	0.8
Never married	62.5
Living with partner	13.7
<b>MSA status</b>	
Non-metro	13.3
Metro	86.7
<b>Region</b>	
Northeast	18.4
Midwest	20.8
South	35.9
West	24.9

Note: Number of responses is 2,097.



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