

# Racial Equity and Job Quality

**Causes Behind Racial Disparities and Possibilities to Address Them** 

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The COVID-19 pandemic and ensuing economic recession have underscored that job quality varies across workers, resulting in uneven impacts on worker health, wealth, and stability. Black and Latine workers, who disproportionately hold low-paying and "essential" jobs, were more likely to feel these negative impacts. Racial disparities in job quality are not new but are long-standing fixtures of the US labor market. This brief summarizes what we know about racial disparities in job quality and some of the causes behind them. It concludes by outlining some gaps in our knowledge and additional information and research that can help us move forward to address racial inequities in job quality.

Job quality is a multidimensional concept made up of multiple elements—from amount of pay and benefits to degree of safety, promotion possibilities, and level of worker autonomy (box 1). The quality of a job greatly affects worker well-being (Congdon et al. 2020). Job quality impacts not only workers' earnings and wealth, but also their career trajectory, physical and mental health, and family well-being. Yet, as this brief will document, access to good jobs is unequal across race in this country. One leading challenge is understanding the barriers to job quality that exist and how to advance racial equity in job quality. In addition, it is important to consider the role unequal job quality plays in racial inequities in economic mobility.

To address these challenges, this brief first summarizes the literature on disparities in job quality by race. More evidence exists on some elements of job quality than others, but by and large, the data show that Black workers' jobs have disproportionately lower job quality. (The conclusion holds true for other people of color, where information is available.) To understand and address these disparities,

policymakers need to understand the root causes of racial inequities in today's workforce that lead to inequities in job quality. We summarize evidence on these causes. Finally, we discuss gaps in knowledge for which policymakers need more information to address racial inequities in job quality.

#### BOX 1

#### What Is Job Quality?

Job quality is a multidimensional concept that affects outcomes at the worker, organizational, and systematic levels. It is inextricably tied to worker outcomes such as job retention, income stability, and physical and mental well-being. Jobs can be made up of multiple elements, including wages, benefits, job design, and career advancement. Taken together, elements may define what is considered a "good" job. This brief is part of a larger project exploring job quality and worker mobility. In previous work, we developed a framework for considering definitions of job quality and reviewed the evidence on connections between elements of jobs and worker well-being, with a focus on economic mobility. Building off our research, we have outlined a research agenda for a better understanding of the connections between job quality and worker outcomes, including economic mobility. Furthermore, we have investigated the job-quality elements different workers value<sup>c</sup> and analyzed the importance and impact of different aspects of job quality.

<sup>a</sup> William J. Congdon, Molly M. Scott, Batia Katz, Pamela J. Loprest, Demetra Smith Nightingale, and Jessica Shakesprere, Understanding Good Jobs: A Review of Definitions and Evidence (Washington, DC: Urban Institute, 2020),

https://www.urban.org/research/publication/understanding-good-jobs-review-definitions-and-evidence.

<sup>b</sup> Pamela J. Loprest, Batia Katz, and Jessica Shakesprere, "Good Jobs: An Agenda for Future Study" (Washington, DC: Urban Institute, 2021), https://www.urban.org/research/publication/good-jobs-agenda-future-study.

<sup>c</sup> Molly M. Scott and Batia Katz, "What's Important in a Job? An Analysis of What Matters and for Whom" (Washington, DC: Urban Institute, 2021), https://www.urban.org/research/publication/whats-important-job-analysis-what-matters-and-whom.

<sup>d</sup> William J. Congdon, Batia Katz, and Jessica Shakesprere, "Job Quality and Economic Mobility: Potential Mechanisms, an Empirical Approach, and Directions for Research" (Washington, DC: Urban Institute, 2021),

https://www.urban.org/research/publication/job-quality-and-economic-mobility-potential-mechanisms-empirical-approach-and-directions-research.

# Disparities in Job Quality by Race

The COVID-19 pandemic provides urgent context to the discussion on racial disparities in job quality, highlighting entrenched inequities. Communities of color have been particularly hard hit by the economic fallout, and work is an important aspect of that. Essential and frontline workers are disproportionately people of color, exposing them further to health risks (Dubay et al. 2020; Pryor and Tomaskovic-Devey 2021). Workers of color are also disproportionately employed in hospitality, retail, tourism, and other industries vulnerable to job loss and decreased wages (Langston, Scoggins, and Walsh 2020). COVID-19 has also drawn attention to the many job-quality disparities essential workers of color face. Not only do people of color make up the majority of essential workers in several major industries, but essential workers of color are paid less on average than their white counterparts.<sup>2</sup>

Tables 1 and 2 show selected findings from the literature relating elements of jobs to worker well-being by race. Table 1 shows studies related to pay and benefits, for which there is more concrete evidence in the literature. Table 2 compiles findings related to working conditions, business culture and job design, and career advancement, which tend to be sparser and less concrete. Different studies also define disparities by race in different ways: Many explore only the job quality of Black versus white workers. Others include Latine workers in their analyses, and fewer include other racial categories. We include various studies to show the mix of evidence we have—and where gaps in the research exist.

TABLE 1

Evidence Summary on Racial Disparities in Pay and Benefits

Selected findings from the literature relating elements of jobs to worker well-being by race

Job element	Finding	Dataset used
Pay		
Henry and Frederickson (2014) PayScale (2020)	People of color were less likely than all other workers to earn a living wage. Racial earnings gaps highlight that Black men and Black women have some of the lowest earnings compared with white men.	Community Survey, 2013 PayScale survey, 2018-
Holder (2020)	Women of color, particularly Black women, face a "double gap" from the gender wage gap and the racial wage gap.	Census, American Community Survey, 2017
Benefits Kristal, Cohen, and Navot (2018)	The benefits gap (health insurance, life insurance, sickness and accident insurance, pension, paid leave, supplemental pay, etc.) is larger than the wage gap by race but smaller by gender.	Bureau of Labor Statistics, Employer Costs for Employee Compensation 1982–2015 Census, Current Population Survey 1982–2015
Health insurance/retirement Hersch and White-Means (1993) Semyonov, Lewin-Epstein, and Bridges (2011)	White men are more likely to have access to health insurance and pension benefits through their jobs than women and Black men.  Significant gaps exist in access to pensions and health insurance by race, with Latine workers at the greatest	Census, Current Population Survey, Survey of Employer Benefits, 1988 Census, Current Population Survey, 2006
Leave National Partnership for Women and Families (2018)	Most people have no access at all to paid family leave, and this has greater consequences for people of color.	Republished data from Horowitz et al. (2017) and Diversity Data Kids (2015)

Source: Authors' review of the literature.

#### TABLE 2

# Evidence Summary on Racial Disparities in Working Conditions, Business Culture and Design, and Career Advancement

Selected findings from the literature relating elements of jobs to worker well-being by race

Job element	Finding	Dataset used
Working conditions		
Adequate hours Golden and Kim (2020)	Involuntary part-time work is more common among people of color.	US General Social Survey and its International Social Survey Program compendium, 2016
Stable/predictable schedules Storer, Schneider, and Harknett (2020)	Overrepresentation of Black and Latine workers in sectors where work schedule instability is prevalent (such as food service and retail).	Harvard Kennedy School, Shift Project Survey, 2019
Health and safety Loomis and Richardson (1998)	Black workers face higher occupational fatality rates than white workers.	Medical examiner, 1991– 1997 Census, 1980 and 1990
Stanbury and Rosenman (2014)	Black people were at greater risk of work-related health concerns (e.g., silicosis, asthma, burns) than white people, and Latines had higher rates of acute fatal and pesticide injuries than non-Latines.	Census and occupational health surveillance data, 2013
Mabud et al. (2021)	Black and Latine workers are most concerned of all workers about employer retaliation for speaking up about unsafe workplace conditions.	National Employment Law Project, Just Recovery Survey, October 2020 <sup>a</sup>
Business culture and job desi	ign	
Job satisfaction		
Rothwell and Crabtree (2019)	Black women are more likely than members of any other large racial/gender group to express disappointment driver by lack of control over schedule, pay instability, and day-to-day experiences.	
Belonging		
	Situational cues contribute to disparate psychological experiences for racial and ethnic minorities at work.	N/A
Autonomy		
Petrie and Roman (2004)	Black workers, particularly Black women, were less likely to have autonomy in the workplace than white male peers.	Polco, National Employee Survey, 1993 and 1997
Workplace discrimination		
Fekedulegn et al. (2019)	25% of Black women face workplace discrimination compared with 11% of white men. Black workers face a 60% higher rate of discrimination than white workers.	University of Alabama, REGARDS Study, 2003– 2007
Career advancement		
Promotion opportunities Wilson and Roscigno (2016)	Workers of color are less likely to be promoted than white workers.	University of Michigan, Panel Study of Income Dynamics
Wilson, Sakura-Lemessy, and West (1999)	Even when workers of color have access to promotion opportunities, they generally have narrower and more circumscribed paths than comparable white workers.	University of Michigan, Panel Study of Income Dynamics, 1988–1992

Job element	Finding	Dataset used
Job placement		
Pager, Bonikowski, and Western (2009)	Low-wage Black workers are less likely to be hired when applying for jobs and more likely to be directed into lower-paying back-of-the-house positions.	Field experiment
Couch and Fairlie (2010)	Black workers are often the first fired during layoffs.	Census, Current Population Survey, 1989–2004

Source: Authors' review of the literature.

Notes: N/A = not available.

We know, though anecdotally, that job quality shows significant racial disparities beyond wages and nonwage benefits. Recent quantitative data are more limited. Of less-tangible benefits, working conditions are the most frequently measured, and evidence exists of major racial gaps. One example is racial disparities in occupational health and safety. Multiple studies show that Black and Latine workers face a higher risk of work-related fatality, injury, and illness than white workers (Loomis and Richardson 1998; Stanbury and Rosenman 2014). Adding to this heightened risk, as Mabud and coauthors (2021) find, racialized workers are likelier than white workers to fear retaliation from speaking up about health and safety concerns at work. This may have a chilling effect that results in even more health inequity in the workplace. Evidence of racial disparities also exists in scheduling and flexibility: racialized workers have more exposure to precarious scheduling than white workers (Storer, Schneider, and Harknett 2020). Studies also find that workers of color have more work instability and are likelier to work nonstandard hours (Presser 2003; Storer, Schneider, and Harknett 2020).

Racial inequity can also appear in several elements of job quality related to job design and business culture. While these elements are difficult to measure, there is some limited evidence on these disparities. For example, Petrie and Roman (2004) find that Black and female workers tend to have less autonomy at work than their white male peers. Workers of color are also disproportionately likely to experience "social identity threat" at work (Emerson and Murphy 2014). This means that white coworkers and managers, consciously or unconsciously, communicate biases and cues to workers of color that make them feel devalued or disrespected in the workplace. These patterns suggest the possibility that employers may discriminate in layoff choices. Notably, a study reviewing data from a US retail firm finds that workers managed by someone of their same race are more likely to have better outcomes in terms of lower likelihood of quitting or being dismissed from a job (Giuliano, Levine, and Leonard 2011). Rothwell and Crabtree (2019) find that Black women are likelier than any other group to feel dissatisfied by their day-to-day experiences at work. Finally, and perhaps unsurprisingly, Black workers—particularly Black female workers—face significantly higher rates of discrimination in the workplace than comparable white workers. For example, 25 percent of Black women face workplace discrimination compared with only 11 percent of white men (Fekedulegn et al. 2019).

Finally, it is difficult to measure career advancement within the scheme of a particular job. However, several studies of elements of career advancement find significant racial disparities. Relative

<sup>&</sup>lt;sup>a</sup> The Just Recovery Survey had a nationally representative sample, with an oversample of Black and Latine respondents.

to their white peers, workers of color are less likely to be promoted (Maume 1999; Wilson and Roscigno 2016), more likely to be fired (Couch and Fairlie 2010), and less likely to receive favorable performance reviews or additional compensation as a result of positive performance reviews (Castilla 2008). Even when they do have access to promotion opportunities, workers of color usually have narrower and less flexible paths to advancement than comparable white workers (Wilson, Sakura-Lemessy, and West 1999).

Disparities in job quality may have long-term outcomes for workers. The income gap is a key driver of the wealth gap. The widening racial wealth gap particularly disadvantages Black families and limits both prospects and economic power (Aliprantis, Carroll, and Young 2019). It also has intergenerational effects, namely attributable to inheritances, with a study finding almost 70 percent of middle-class Black children are likely to fall out of the middle class as adults (Hancock et al. 2021). Furthermore, a lack of health insurance contributes to worse health outcomes, limiting participation in the full-time workforce and ultimately leading to financial difficulties. Racial discrimination also may have long-term negative impacts on physical and mental health (Williams, Neighbors, and Jackson 2003).

For the less-tangible job-quality elements, little research exists on long-term outcomes. However, it is easy to imagine these disparities multiplying to create more inequity over time: disparities in occupational health and safety are likely to result in long-term health disparities, disparities in promotions may inhibit the long-term career growth of workers of color, and even day-to-day racial biases in interactions may compound into long-term psychological stress for workers. Racial disparities in job quality are not isolated to a single job and perpetuate structural disparities throughout a worker's lifetime and generations to come.

# Factors of Disparities in Job Quality

As shown above, racial inequality in job quality is a pervasive and long-standing feature of the US labor market. These differences are not the result of individual decisions or failures. Racial disparities are the result of structural disadvantages and discriminatory practices, including established laws, institutional practices, and cultural norms. The US economy was built and sustained on the exploitation of racialized workers (particularly Black workers) through a legacy of enslavement and governmental and institutional policies, such as Jim Crow and New Deal–era programs that institutionalized racial disparities, as well as individual and organizational discriminatory practices. Legislation in the 1960s outlawing employment discrimination by race improved racial equity in the labor market. Even so, large disparities remain today. Together, policy decisions and practices have led to persistent racial disparities in job quality through lack of access to labor market opportunities for workers of color, particularly Black workers.

In this section, we explore some of the labor market practices and structures that contribute to racial disparities in job quality. Many factors contribute to unequal labor market opportunities for people of color. These include policies and practices in systems other than the labor market, such as the education and criminal justice systems. Segregated schools and housing (García 2020), redlining

policies, and inequalities in opportunity to develop wealth (Bhutta et al. 2020) have contributed to lower access to quality public schooling and less ability to pay for postsecondary education, leading to disadvantage in the labor market. Racial inequities in the criminal justice system and mass incarceration of Black men have led to missed labor market experience and greater difficulty finding employment after incarceration (Burkhardt 2009). We do not discuss these factors further in this section but point out that addressing these issues will also help increase access to quality jobs for people of color.

## **Occupational Segregation**

The extensive history of occupational segregation in the United States is a major driver of racial gaps in job quality. Though explicit discrimination in hiring by race was outlawed by civil rights legislation in the 1960s, significant informal segregation has persisted as enforcement of equal employment laws declined after the 1980s (Stainback and Tomaskovic-Devey 2012). This phenomenon isolates people of color into jobs that have lower job quality on average.

People of color and women are overrepresented in particular industries and occupations and underrepresented in others. Occupations with higher concentrations of people of color and women tend to have lower job quality on average. For example, Black women are overrepresented in low-wage jobs, such as nursing assistants, personal care aides, and retail cashiers. Meanwhile, Latino men are overrepresented in low-wage jobs in construction, delivery driving, and food service. This informal segregation by occupation helps researchers contextualize racial gaps in job quality, though other factors, such as employment structure, lack of voice, employer biases, and even outright discrimination, also exacerbate the problem.

Informal segregation exists in the workplace beyond occupation. Research shows that Black workers in the private sector are underrepresented in the industries and geographies with the most growth (Pfeffer and Killewald 2019). Segregation exists within occupations as well, and evidence has shown that people of color are segregated out of the highest-level, highest-quality positions. For example, Latine workers are heavily underrepresented in executive-level jobs. <sup>5</sup> Occupational segregation is a common, prevalent feature of work in the United States and continues to deepen racial disparities in job quality (Brown 2020).

Occupational segregation is related to and reinforces other structural barriers to economic mobility for people of color. For example, residential and transport patterns, which have a long history of deliberately racist planning and policy, to this day limit people's proximity to high-quality jobs. <sup>6</sup> Educational disparities, similarly, can hinder people of color from gaining the skills required for good jobs. But, while research shows that spatial mismatch matters in determining Black employment, discrimination may play a bigger role (Hellerstein, Neumark, and McInerney 2008). Countless mechanisms interact to create an environment in which people of color are disproportionately represented in jobs with lower pay, fewer benefits, and less security, such as the retail industry (box 2).

#### BOX 2

#### Race and the Retail Industry

Retail is the second-largest industry for Black employment in the United States and is one of the fastest-growing industries overall. Yet, significant racial inequality exists in the industry. Black and Latine retail workers are significantly more likely to live beneath the federal poverty level than comparable white retail workers. Part of this is from occupational segregation at the position level: retail workers of color are less likely to be in supervisory positions and they are overrepresented as cashiers, one of the lowest-paying roles in retail. However, even within the same positions, retail workers of color are systematically underpaid. Cashiers of color earn 90 percent of their white peers' earnings, and salespeople of color earn only 75 percent of what white salespeople earn. Retail workers of color are also more likely to face unpredictable scheduling and involuntary part-time work than white peers, making them more vulnerable to reduced hours and lower pay. As retail continues to grow, advocates of equitable job quality should pay attention to disparities in the industry.

**Source:** Catherine Ruetschlin and Dedrick Asante-Muhammad, *The Retail Race Divide: How the Retail Industry Is Perpetuating Racial Inequality in the 21st Century* (New York: Demos, 2015).

## **Employee Work Arrangements and Nonstandard Work**

Work arrangements also greatly determine job quality and compound racial inequity in job quality. By work arrangements, we mean the work relationship between employer and employee. Such a relationship can be a traditional arrangement in which an employer's treatment of workers is covered by labor laws, or a "nonstandard" arrangement in which a worker is an independent contractor, a temporary worker, or a "gig" worker not covered by laws and regulations. Workers in nonstandard arrangements are not considered employees and therefore are not covered by most labor laws. This exacerbates the inherent instability of nonstandard work and shifts risks onto individual workers.

New Deal–era programs tied workplace protections to permanent, full-time employment with a single employer—a work arrangement which, coupled with enforcement of labor standards, generally improved job quality. Covered jobs, however, were given and remain mostly accessible to white men (Steward, Foster, and Reder 2019). Many workplace protection programs explicitly excluded farm and domestic work from worker protections, such as minimum wage, to exclude from coverage the Black workers, women, and immigrants who disproportionately held these jobs (Katznelson 2013).

Over the past fifty years, globalization, technological advancement, and revisions in corporate governance have led businesses to revise work structures to prioritize short-term profits (Lazonick and O'Sullivan 2000). These changes have led many companies to adopt an employment structure often termed a *fissured workplace*, in which companies replace the traditional employer-employee relationships for certain operations, often with low profit margin subcontracted organizations that directly employ full-time workers, shifting employer responsibilities under workplace protection laws (Weil 2014). Fissured workplaces are coupled with the rise of other employment arrangements, such as temporary staffing agencies and franchise relationships, without traditional employer responsibilities.

Research and evidence on the rise of nonstandard arrangements is scarce, partially because they are difficult to track. The rise in nonstandard arrangements could be both a cause of decreased worker power—given that workers are not able to collectively bargain or have legal recourse for complaints—and an effect (Stansbury and Summers 2020). Workers of color (especially Black workers), along with women, immigrants, and people with disabilities, who are more often employed in nonstandard arrangements, have experienced a significant share of this instability, making the fissured workplace another chapter in a long history of structural racism and institutionalized inequities (Yang et al. 2020).

In addition, technology is transforming the lives of the US labor force across work arrangements and industries. The pandemic has accelerated the automation, digitalization, and computerization of work. While certain occupations will become obsolete, others will change, expand, or combine. Notably, automation disproportionately places people of color and immigrants at risk of being dislocated from their jobs. Black workers are overrepresented in support roles, such as truck drivers and home health aides, rather than directive roles, such as software developers. Support jobs are easier to automate, which leaves Black workers much more vulnerable to dislocation compared with white workers. For this reason, technology can pose a risk to workers of color. In other cases, technology can open and expand roles and opportunities.

One example of technological transformation is app-based employment platforms, which may offer workers autonomy but complicate employers' accountability by obscuring how they decide to structure and hire for jobs. App-based employment can heighten job insecurity for workers, who as a result may have no way to challenge unfair decisions because they lack bargaining power. Furthermore, when platform-based technologies are used to "manage" decentralized workforces, such as ride-share drivers, they can exacerbate employment discrimination by relying on customer reviews and algorithmic biases (Rosenblat et al. 2017). Without thoughtful design and meaningful regulation of app-based gig employment, technology may perpetuate inequities and ultimately reduce job quality for workers of color.

### **Discrimination in Hiring**

Disparity in job quality is directly related to lack of access to better jobs, including through discrimination in hiring and promotion. Hiring is a critical mechanism to economic opportunity, as it determines who can access work and support both themselves and their families. Yet, racial bias and discrimination persist in the labor market (Langston, Scoggins, and Walsh 2020). A 2017 meta-analysis of field experiments finds no evidence of improvement in hiring discrimination against Black workers in the past 25 years and only a modest decline in hiring discrimination against Latine workers (Quillian et al. 2017).

Bias against people of color, women, and other underrepresented groups has long affected hiring decisions (Quillian et al. 2017). Many organizations have implemented digital hiring technology to manage hiring decisions and offer a more "objective" lens, but these tools can affect equity measures too. For example, when software, rather than a person, screens résumés, people of color tend to be hired less often (Bogen and Rieke 2018). Algorithmic hiring tools, which apply machine learning

techniques to applications and résumés, can also reflect institutional and systemic bias, such as privileging university attendance or performance evaluation scores, and reproduce inequities even when controlling for race.

In terms of earnings, as discussed, the wage gap between racialized workers and white workers is growing. Using data from the Current Population Survey, a 2020 study evidences the Black-white wage gap, adjusted for education, sex, age, and region, reached 14.9 percent in 2019 from 10.2 percent in 2010.8 Occupational segregation plays a role in these gaps, for both Black men and all women. Black women, in particular, face larger wage gaps than the sum of the gender and race wage gaps when compared with white men. In other words, Black women face a "double wage penalty" for their race and gender greater than the gap for Black men and white women combined.9 Moreover, a study using 40 years of data from the Panel Study of Income Dynamics finds that earning discrimination increases during recessions, with higher rates of job loss and reduced work hours for Black workers. The researchers also find that the cyclical wage gap is more pronounced in states where whites hold more negative attitudes about Black people and in states with larger Black populations (Chattopadhyay and Bianchi 2020).

### **Discrimination in Internal Promotion and Mobility**

Discrimination continues after hiring, preventing many workers of color from accessing roles and opportunities that lead to promotion and upward mobility (Collins 1997). Promotion is one way to get a job with higher quality, including increased wages and benefits. Another aspect of job quality is being in a job with the possibility of promotion.

Research indicates Black and Latine employees are prevented or discouraged from face-to-face client engagement, such as by being tasked to work in the "back of the house" rather than the "front of the house" in the restaurant industry (box 3). A field experiment finds that Black and Latine applicants in the restaurant industry are routinely channeled into positions requiring less customer contact and more manual work than their white counterparts (Pager, Bonikowski, and Western 2009). Even in high-skilled service firms, workers of color are disproportionately in jobs that have less access to high-net-worth clients to build a portfolio and advance in the company (Bielby 2012; Moss and Tilly 2001).

Discrimination in promotion can happen at many levels. Results of a survey of Black and white managers in a Fortune 500 financial services firm indicate that Black managers reported a slower rate of promotion and less psychosocial support than white managers (James 2000). Furthermore, when trying to rectify discrimination cases, employers have taken approaches that place workplace discrimination on individual actors considered "bad apples" rather than on broader structural factors. The result is, rather than address organizational culture, employers mandate trainings that aim to "fix" employees. <sup>10</sup> Another discriminatory practice is recruitment efforts that aim to increase diversity in leadership by hiring externally, rather than promoting within an organization to do so (Hanleybrown et al. 2020).

#### BOX 3

#### Race and the Restaurant Industry

The restaurant industry employed more than 12 million workers before the pandemic<sup>a</sup> and is one of the fastest-growing sectors of the US economy. While some food service employers provide high-quality jobs, substantial wage inequality and occupational segregation exist in the industry. Restaurant workers of color, in particular, earn low wages and limited benefits.<sup>b</sup> People of color, particularly women, are concentrated in the lowest-paying segments of the industry.<sup>c</sup> This can be traced back to Jim Crow laws that enforced racial segregation in public spaces such as restaurants. While the Civil Rights Act of 1964 outlawed segregation, discriminatory practices continue in the restaurant industry. Racial disparities in type of service persist, such as workers of color tending to work in fast food rather than fine dining. Disparities also extend to type of position, with workers of color more likely to work in the back of the house (busser, runner, line cook) rather than the front (host, server, bartender). Furthermore, people of color are often denied career advancement or promotion opportunities to higher-paying segments of the industry.<sup>d</sup>

#### **Worker Voice**

Worker voice—or lack thereof—can contribute to disparities in job quality but can also interrupt them. "Worker voice" is a mechanism for helping employees advocate for changes in the workplace, including increased job quality. It can take different forms, including unionization, joint worker-management councils, occupational associations, joint worker-management committees, and employee-share ownership. A decline in organized labor and the percentage of workers covered by collective bargaining has kept employment relationships unequal, and this decades-long decline is highly correlated with a rise in income inequality (Bivens et al. 2017).

Lack of worker voice or power tends to disproportionately harm people of color, as several forms of labor market discrimination reduce their opportunities to improve their job quality by moving to a new job. Worker organizations such as unions have been shown to raise wages across the workforce and help close wage gaps for Black and Latine workers (Rosenfeld and Kleykamp 2012). In the past, however, union membership was largely dominated by white men, with many unions intentionally excluding Black workers from securing protections. Now, a growing percentage of unionized workers are women and people of color (Bivens et al. 2017). Yet, structural barriers to workers organizing still contribute to the decline in unionization, perpetuating gaps in job quality (McNicholas, Poydock, and Rhinehart 2021). Other types of worker voice, such as occupational associations, joint workermanagement committees, employee-share ownership, and online forums, are rarer than unionization.

<sup>&</sup>lt;sup>a</sup> "Food Services and Drinking Places: NAICS 722," Bureau of Labor Statistics, accessed August 15, 2021, https://www.bls.gov/iag/tgs/iag722.htm.

<sup>&</sup>lt;sup>b</sup> Heidi Shierholz, "Low Wages and Few Benefits Mean Many Restaurant Workers Can't Make Ends Meet" (Washington, DC: Economic Policy Institute, 2014).

<sup>&</sup>lt;sup>c</sup> Ending Jim Crow in America's Restaurants: Racial and Gender Occupational Segregation in the Restaurant Industry (New York: Restaurant Opportunities Centers United, 2015).

<sup>&</sup>lt;sup>d</sup> Ending Jim Crow.

Worker cooperatives are an example of an employee ownership model that could help build job quality and opportunity for workers of color. <sup>11</sup>

# Gaps in Knowledge about Disparities in Job Quality

In this final section, we highlight some of the gaps in our knowledge as well as additional information and research that can help policymakers move forward to address racial inequities in job quality.

#### **Racial Disparities**

While the above synthesis demonstrates that we know a fair amount about disparities in job quality by race, some aspects of job quality are generally measured less well, and so we lack evidence on disparity. These include elements of business culture and job design such as positive diversity, equity, and inclusion culture; worker autonomy; diversity of tasks; and clearly defined career paths. Notably, research indicates most diversity training programs are not increasing diversity; rather, engaging managers in promoting interventions such as mentoring and targeted recruitment might be more effective solutions. <sup>12</sup> In addition, many studies and datasets fail to report on or measure disparities for other racial and ethnic groups, including Indigenous people, Asian Americans and Pacific Islanders, and, in some cases, Latine people. More work is needed to document disparities for these groups to focus efforts on improving job quality and measuring progress.

# **Effects on Worker Health and Well-Being**

We need more research on how the racial disparities described impact health and well-being for workers of color. Recent research during the pandemic shows adverse effects on Black workers' health—particularly contracting COVID-19—associated with differential access to personal protective equipment, paid leave, and health insurance (Gould and Wilson 2020). Our prior research (Congdon et al. 2020) summarized the evidence linking specific job elements to specific measures of well-being and found a strong base for some but less evidence for others. Research is needed on how multiple elements within a job combine to affect well-being, whether workers require and firms offer trade-offs between elements, and what the effects of those trade-offs are. Another critical outcome is what these job-quality elements mean for workers' economic mobility.

## **Economic Mobility**

The question of whether "good jobs" are a vehicle for promoting economic mobility, which we define as workers' ability to increase their lifetime earnings, advance in their careers, and acquire new skills, is particularly important for workers of color. The US has high levels of income and wealth inequality by race. Research has demonstrated a significant racial wealth gap that prevents people of color from taking advantage of opportunities for upward mobility, such as education, homeownership, and

business ownership. <sup>13</sup> More research is needed on how job-quality differences affect workers' economic mobility and how better jobs can reduce income and wealth inequality by race.

# **Effectiveness of Levers for Change**

The ultimate goal for workers and other stakeholders is to improve job quality in ways that elevate outcomes for all workers. "Levers for change" include government policy and regulation, voluntary employer practices, and worker advocacy. Research is needed into the effectiveness of different levers to improve job quality (Loprest et al. 2019). But we equally need to assess whether levers that work also reduce disparities in job quality by race. Increasing the quality of jobs without addressing barriers that reduce access to these jobs for workers of color can perpetuate, not mitigate, the marginalization of a large segment of the labor market.

## **Notes**

- For the purposes of this brief, the authors identify Latinx, Latino, Latina, and Hispanic people and households as Latine to inclusively refer to people of Latine origin of all gender identities. We choose this term because it aligns most closely with existing gender-neutral terms in Spanish, but we acknowledge that not all Latine people use the term. The research team is committed to the use of inclusive language wherever possible.
- <sup>2</sup> Celine McNicholas and Margaret Poydock, "Who Are Essential Workers? A Comprehensive Look at Their Wages, Demographics, and Unionization Rates," Working Economics (blog), Economic Policy Institute, May 19, 2020, https://www.epi.org/blog/who-are-essential-workers-a-comprehensive-look-at-their-wages-demographics-and-unionization-rates/.
- <sup>3</sup> Bureau of Labor Statistics, "Household Data, Annual Averages: 11. Employed Persons by Detailed Occupation, Sex, Race, and Hispanic or Latino Ethnicity," Labor Force Statistics from the Current Population Survey, 2020, https://www.bls.gov/cps/cpsaat11.htm.
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