Class, mobility, and earnings

19 May 2019

Results

This section outlines the main results of the paper. First, I explore the prominence of mobility in the sample. Second I outline the wage differences between movers and non-movers. Third, I present the results of four fixed-effects models which estimate the effect of mobility for each social class group. I conclude the section with a general discussion of the hypotheses.

Mobility types

The table below presents mobility statistics in two ways, between observations, and between respondents. Columns 1, 2, and 3 consider observations. In total, 79% of all responses captured non-movement, instances where people remained in the same job with the same employer. 4% of observations captured a promotion, 1% captured a lateral move, and 15% captured an exit from the firm. Whether such exits are voluntary or involuntary, are unknow. Columns 4, 5, and 6 consider respondents. Between respondents 88% experienced staying in the same job with the same employer at least once during the study. Further, 10% experienced a promotion at least once, and 3% experienced a lateral move at least once. Finally 31% of respondents experienced an exit from the firm, wither voluntary or involuntary at least once during the five-year period.

Mobility type	Observations	Total	Percent	Respondents	Total	Percent
Same	35,567	45,018	79.01	14,109	15,939	88.52
Promotion	1,978	45,018	4.39	1,632	15,939	10.24
Lateral	553	45,018	1.23	507	15,939	3.18
Exit	6,920	45,018	15.37	5,094	15,939	31.96

Three points are worth mentioning. First, the majority of respondents do not move jobs. Most workers remain in the same job with the same employer over the five year period. Second, when respondents do change jobs, they are most likely to change employers as well as jobs. The most common form of mobility in the sample is exit to a new employer. This type of mobility may be voluntary (quits to new opportunities) or involuntary (redundancy, dismissal, firm closure etc...) Lastly, Promotions, which are mostly volutnary forms of job mobility, occur rarely in the data, suggesting they are unique opportunities for earnings growth.

Social class	Mobility type	Observations	Total	Percent	Respondents	Total	Percent
High	Same	13,796	17,130	80.54	6,143	7,158	85.82
High	Promotion	1,265	17,130	7.38	1,073	7,158	14.99
High	Lateral	197	17,130	1.15	182	7,158	2.54
High	Exit	1,872	17,130	10.93	1,590	$7,\!158$	22.21
Medium	Same	4,002	5,219	76.68	2,331	3,009	77.47
Medium	Promotion	249	5,219	4.77	226	3,009	7.51
Medium	Lateral	78	5,219	1.49	78	3,009	2.59
Medium	Exit	890	5,219	17.05	819	3,009	27.22
Low	Same	15,624	20,026	78.02	7,136	8,423	84.72
Low	Promotion	280	20,026	1.40	261	8,423	3.10
Low	Lateral	245	20,026	1.22	227	8,423	2.70
Low	Exit	3,877	20,026	19.36	2,966	8,423	35.21

Regarding mobility between classes, the three

Mobility and earnings

This section consider the earnings of movers and non-movers. Although the paper mostly focuses on the effects of moving between positions, it is worth considering the earnings of movers overall

Change	Ever exited (mean wage)	Ever promoted (mean wage)
No	21,507.42	19,546.46
Yes	22,144.03	26.629.98

Results suggest that earnings

Social class	Ever promoted	Median wage	Mean wage
High	No	19,000	23,687.79
High	Yes	25,000	30,574.79
Medium	No	15,000	20,175.89
Medium	Yes	20,000	24,154.33
Low	No	15,000	$18,\!431.55$
Low	Yes	20,000	21,469.46

there's more evidence of mobility premiums below