Job tenure of workers in January 1981

FRANCIS W. HORVATH

Close to 30 percent of all workers during January 1981 had been on their jobs less than 1 year. At the same time, however, nearly one-fourth had been at the same job more than 10 years. (See table 1.) Overall, the median job tenure was 3.2 years.

This report gives the most recent summary statistics on job tenure derived from a special supplement to the January 1981 Current Population Survey and reviews some basic relationships in the data.¹

Job tenure is a measure of the length of time an employee has worked continuously for the same employer, although not necessarily in the same occupation; continuous employment is broken only by interruptions other than vacations, temporary illnesses, strikes, layoffs of less than 30 days, or other short-term absences. A person terminates his or her tenure by quitting, being laid off for 30 days or more, entering the Armed Forces, or transferring to a job in a different company.

Measurement of job tenure is affected by many of the same methodological issues which complicate other time-based indices such as unemployment duration. Just as the average duration of unemployment is not a measure of how long a person is likely to remain unemployed,² job tenure is *not* a measure of how long a person will stay with a single employer. Rather, it is an index of how long one has been with an employer as of a specific point in time. This is an important distinction, which may be illustrated by comparing the average age of a population with its life expectancy. The average age tells nothing about completed life spans; it measures only the age of those who are still living. Similarly, job tenure is an index of accumulated time on the job for those still working.

Job tenure should not be confused with occupational mobility (discussed in more detail on page 29): Job tenure is a duration concept. On the other hand, occupational mobility pertains to persons who change occupations but not necessarily employers. Also, occupational mobility is more frequently discussed in terms of rates of change, while job tenure is usually presented as a length of time.

Job tenure is influenced by both voluntary and involuntary choices. For example, the part-time and summer jobs of most young persons are not intended to be permanent. For others, especially those who work in indus-

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Table 1. Length of time on current job, workers 16 years and older, by sex, race, and Hispanic origin, January 1981

Length of time on current job	Both sexes	Men	Women	White	Black	Hispanio origin	
Total: Number	92,557	52,700	39,857	82,375	8,514	4,734	
Percent	100.0	100.0	100.0	100.0	100.0	100.0	
6 months or less	18.2	15.9	21.4	18.3	17.5	23.2	
7 to 12 months	9.5	8.9	10.4	9.6	8.6	11.3	
Over 1 to 2 years	11.6	10.3	13.3	11.5	11.4	13.6	
Over 2 to 3 years	9.2	8.6	9.9	9.2	8.9	10.0	
Over 3 to 5 years	12.0	11.5	12.6	12.0	11.4	13.3	
Over 5 to 10 years	15.9	16.2	15.6	15.7	18.2	14.5	
Over 10 to 15 years	9.6	10.4	8.4	9.4	11.5	7.6	
Over 15 to 20 years	5.3	6.4	3.9	5.4	5.4	3.0	
Over 20 to 25 years	3.4	4.4	2.2	3.5	2.9	2.0	
Over 25 to 30 years	2.4	3.3	1.3	2.5	2.4	.9	
Over 30 to 35 years	1.7	2.5	.7	1.8	1.2	.4	
Over 35 years	1.2	1.7	.5	1.2	.6	.2	
Median years	3.2	4.0	2.5	3.2	3.6	2.2	

tries such as construction or retail trade, regular cycles of expansion and contraction in employment can reduce the length of one's tenure.

With the termination of the BLS Labor Turnover Survey because of budget reductions, job tenure information has become an important official data source relating to labor turnover. Even though the tenure survey is conducted only every 3 to 5 years, it provides valuable insights into the magnitude of job turnover and stability in the economy.

Job tenure data can also be combined with mortality projections to provide estimates of the proportion of workers who will remain on the job for a specified number of years. For example, the data may be used to estimate how many of a company's current employees might be eligible to receive future benefits under existing pension provisions.³

Not surprisingly, young workers have the lowest levels of job tenure. Fifty percent of all teenagers working in January 1981 had been at their jobs for 6 months or less. Almost 70 percent had started their jobs within

Table 2. Median years on current job, by age, race, and Hispanic origin, and sex, January 1981

Age	All workers			White		Black		Hispanic origin	
	Both sexes	Men	Women	Men	Women	Men	Women	Men	Women
Total, 16 years old and over	3.2	4.0	2.5	4.0	2.4	4.0	3.3	2.3	2.0
16 to 24 years	8.	.9	.8	.9	.8	.7	.8	.9	.9
25 to 34 years	2.5	2.9	2.0	2.9	2.0	3.0	2.7	2.4	1.9
35 to 44 years	4.9	6.6	3.5	6.7	3.3	6.2	5.2	3.7	3.2
45 to 54 years	8.4	11.0	5.9	11.2	5.7	10.0	8.1	6.4	4.4
55 to 64 years	11.9	14.8	9.1	14.9	9.1	14.4	10.3	8.6	5.8
65 years and older .	10.2	10.3	10.0	10.1	9.8	12.0	11.9	(1)	(1)

1 Median not shown where base is less than 75,000.

Table 3. Median years on current job, by age, marital status, and sex, January 1981

Age	Si	ngle		i, spouse esent	Other marital status¹		
	Men	Women	Men	Women	Men	Womer	
Total, 16 years old and over	1.2	1.2	6.0	3.1	4.3	3.4	
16 to 24 years	.8	.7	1.2	.9	1.0	.8	
25 to 34 years	2.2	2.4	3.2	2.0	2.4	1.7	
35 to 44 years	4.7	6.1	6.8	3.4	5.2	3.1	
45 to 54 years	10.5	10.9	11.5	6.2	6.7	4.7	
55 to 64 years	16.2	14.3	15.1	9.4	10.7	8.2	
65 years and older	(2)	10.7	10.3	9.8	10.9	10.0	

¹ Includes widowed, divorced, and separated persons ² Median not shown where base is less than 75,000.

the previous year. In addition to the higher exposure to layoffs or terminations that teenagers face, they are more likely to be working in temporary jobs by choice, as they attend school or sift through various jobs in search of a suitable career. Even when teenagers hold jobs that are career-oriented, their careers do not begin until formal schooling or military service is completed.

For all demographic groups shown (except men over 65 years old) successively higher age intervals show greater levels of job tenure. (See table 2.) The highest medians occur for men age 55 to 64—exceeding 14 years. Approximately 30 percent of men in this group have served the same employer for more than 25 years. At the other extreme, a basic rate of job changing seems to occur at every age level: close to 9 percent or more of the workers of all age groups with jobs in January 1981 had started them within the past year.

Men have higher overall median levels of tenure than women, 4 years compared with 2.5. (See table 2.) Part of this difference is because of the greater proportion of working women who are under age 25. Another factor is the greater likelihood of women leaving jobs to care for young children. Sharp male-female contrasts in tenure by age do not appear until after the women's prime childbearing years.

Overall, black workers had more years of job tenure than whites did in 1981. (See table 1.) White and black men had identical median job tenure of 4 years, but black women had worked longer than white women. (See table 2.) This difference may be related to the work patterns of those of childbearing age. White women with children under age 6 were less likely to be working than black women, and significantly fewer of the former were employed full time.⁴

Job tenure differences between sexes of the same race were also observed. (See table 2.) For whites, men had the longer tenure regardless of age. The largest relative difference in medians for white men and women occurred in the 35-to-44-year age group, where the female median was only about half that of men. Among

blacks, both sexes showed only slight dissimilarities in tenure from the teens to middle age; the largest difference was found among those age 55 to 64.

The inhibiting effect young children have on the worklives of wives may help account for differences in job tenure by marital status. (See table 3.) While single men and women had small relative differences in years on the job, wives had far fewer years than husbands.

Because single persons tend to be young, the typical single man or woman has accumulated a limited number of years on their current job. The median level of job tenure for both single men and women is 1.2 years, compared with about 3.1 for wives and 6 years for husbands. At most age levels below age 54, husbands have more years on the job than single men, while wives have fewer years than their single counterparts.

Firms in growing industries usually hire new persons as they expand, and these industries will thus show correspondingly low levels of job tenure. Other establishments, in areas which are stagnant or declining, do not hire as often, letting positions expire as they become vacant. If a reduction in personnel is required, it will generally be concentrated among persons with the least seniority. Each of these actions increases the observed job tenure among those still in the industry.

Table 4. Median years on current job, by occupation, industry, and sex, January 1981

Occupation and industry	Men	Women	
Total, all workers	4.0	2.5	
OCCUPATION			
Professional, technical, and kindred workers	4.9	3.1	
Managers and administrators, except farm	5.7	3.3	
Salesworkers	3.4	1.7	
Clerical and kindred workers	3.4	2.4	
Craft and kindred workers	4.4	3.4	
Operatives, except transport	3.5	3.1	
Transport equipment operatives	3.7	3.1	
Nonfarm laborers	1.8	1.9	
Service workers	2.1	1.8	
Farmers and farm managers	17.5	9.9	
Farm laborers and supervisors	2.3	4.1	
INDUSTRY			
Agriculture	7.3	4.4	
Wage and salary workers	2.3	1.5	
Self-employed workers	16.3	8.1	
Unpaid family workers	5.2	13.3	
Nonagricultural industries	3.9	2.5	
Wage and salary workers	3.7	2.4	
Mining	2.6	_	
Construction	2.4	2.1	
Manufacturing	5.2	3.2	
Transportation and public utilities	5.6	3.5	
Wholesale and retail trade	2.2	1.5	
Finance, insurance, and real estate	4.1	2.3	
Service	3.1	2.6	
Public administration	6.8	3.0	
Self-employed workers	6.2	3.4	
Unpaid family workers	(')	5.7	

¹ Median not shown were base is less than 75,000.

Note: Dashes indicate data not available.

Table 5. Median years on current job of women by age, marital status, and full- and part-time status, January 1981

_	Sin	igie		spouse sent	Other marital status ¹	
Age	Full time	Part time	Full time	Part time	Full time	Part time
Total, 16 years old and over	1.6	0.6	3.4	2.3	3.4	3.6
16 to 24 years 25 to 34 years 35 to 44 years 45 to 54 years 55 to 64 years 66 years and older	.8 2.6 6.2 11.9 15.3 (²)	.6 .9 (2) (2) (2) (2)	1.0 2.4 3.8 6.7 10.7 11.5	.5 1.2 2.4 4.8 5.8 7.4	.8 1.7 3.2 4.8 8.7	(2) 1.2 2.3 3.8 5.5 8.5

¹ Includes widowed, divorced, and separated persons.
² Median not shown where base is less than 75,000.

In addition, job tenure will also be influenced by skill level of the work force. Employers are less likely to lay off or fire skilled workers, as it costs more in hiring and training costs to replace them.⁵ Employers may try to reduce voluntary terminations of more valuable employees by linking vacation or pension benefits to increased seniority.

By industry, self-employed men in agriculture had the longest spells of job tenure. Self-employed workers in nonagricultural industries also had a high level of job tenure, although male wage and salary workers in public administration ranked highest. (See table 4.)

Since 1963, surveys have found farmers to have the longest job tenure of any occupational group. They tend to own their own farms, and remain at work regardless of cyclical fluctuations. In January 1981, median job tenure for male farmers was 17.5 years, well above that of all other occupations. Managers and administrators have the next highest level of job tenure for men, followed by professional workers. Laborers—both farm and nonfarm—have the lowest tenure on their current job. For women, the patterns by occupation are similar except farm laborers have relatively high tenure; probably these women work on family farms owned or operated by their husbands.

Tabulations of years of tenure were also compiled by full- or part-time status on one's current job. In general, part-time workers had less job tenure than full-time ones. A typical pattern is displayed in table 5, which lists job tenure for women by full- and part-time status.

For women who are widowed, divorced, or separated, relatively little difference by job status is apparent, but for wives, part-time work on the current job correlates with fewer years of tenure. Again, it seems likely that a desire to rearrange work schedules to facilitate child care is a major factor behind the relationship.

— FOOTNOTES—

the Bureau of the Census for the Bureau of Labor Statistics. Most of the data relate to persons who are 16 years old and over employed in the civilian labor force in the week ending January 17, 1981. Sampling variability may be large where numbers are small. Therefore, small differences between estimates or percentages should be interpreted with caution.

Employment figures in this study differ significantly from those reported in the regular Current Population Survey (CPS) for January 1981. The primary reason for this difference is that the job tenure data are not adjusted for nonresponse as are the CPS figures. See *The Current Population Survey: Design and Methodology*, Technical Paper No. 40 (U.S. Department of Commerce, 1978), for more information.

This is the seventh in a series of reports on this subject. The latest contained data for January 1978 and appeared in the December 1979 Monthly Labor Review. It was reprinted with additional tabular data and an explanatory note as Special Labor Force Report 235, "Job Tenure Declines as Work Force Changes." There are no comparisons in this report between 1978 and 1981 median tenure data, because of a change in the procedure used to calculate the medians. The 1981 Job Tenure Survey obtained more detail than earlier ones about persons who had begun their jobs during the previous year. Such people were asked the month in which they started work with their present employers. Additional information can be obtained from the Division of Labor Force Studies.

² Norman Bowers, "Probing the issues of unemployment duration," *Monthly Labor Review*, July 1980, pp. 23-32.

"Job Tenure of Workers, January 1973," Special Labor Force Report 172 provided an example of how this might be done.

⁴ Allyson Sherman Grossman, "More than half of all children have working mothers," *Monthly Labor Review*, February 1981, pp. 44-46; and unpublished tables from the March 1981 Current Population Survey.

³ One of the best treatments of these issues is Walter Y. Oi, "Labor as a Quasi-Fixed Factor," *Journal of Political Economy*, December 1962, pp. 538-55. Also see Donald Parsons, "Specific Human Capital: An Application to Quit Rates and Layoff Rates," *Journal of Political Economy*, November-December 1972, pp. 1120-43.

How European unions cope with new technology

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In European countries, as in the United States, computerized production systems and robots are being introduced into manufacturing plants. Electronic systems are eliminating many tasks for which workers previously were needed in warehouses, stores, banks, and insurance companies. Many secretaries, government workers, reporters, telephone operators, engineers, and technicians are working at electronic screens called video display terminals. Such changes threaten job security and could make the jobs which remain less interesting, more isolated and stressful.

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^{&#}x27;This report is based primarily on information from a supplementary question, "When did . . . start working at his present job or business?" in the January 1981 Current Population Survey, conducted by