Beyond the unemployment rate: Meet the out-of-work

Brookings Metro shows the diversity of jobless adults at the local level and offers strategies to connect them to employment

Washington, D.C. — A new report from the Brookings Institution Metropolitan Policy Program provides a first-ever view of adults ages 25 to 64 who are out-of-work in 130 large cities and counties across the U.S. It shows that despite a low national unemployment rate, millions of Americans still want or need work, and their profile varies greatly across different communities.

In “Meet the out-of-work: Local profiles of jobless adults and strategies to connect them to employment,” Martha Ross and Natalie Holmes show the differing circumstances and challenges facing out-of-work adults. The authors divide the out-of-work population into seven major groups based on factors such as educational attainment, age, work history, disability status, English language proficiency, and family status. Ross and Holmes then identify several evidence-based strategies that local officials can adopt to help these different groups prepare for and find jobs.

The report highlights three key findings:

- The adult out-of-work population (ages 25 to 64) is disproportionately composed of people with low levels of education, limited work experience, limited English proficiency, and other barriers to employment.
- The out-of-work population can be segmented into seven major groups of similar individuals with shared challenges to employment. In the report, each of these groups is represented by two composite personas developed to put a face to out-of-work Americans.
  - Young, less-educated, and diverse (11 percent)
  - Less-educated prime-age people; many English language-learners (38 percent)
  - Diverse, less-educated, and eyeing retirement (6 percent)
  - Motivated and moderately educated younger people (14 percent)
  - Moderately educated older people (12 percent)
  - Highly educated and engaged younger people (9 percent)
  - Highly educated, high-income older people (11 percent)
- The seven groups distribute differently across places, reflecting how demographics and regional economic strength vary across the country.

“Headline statistics like the unemployment rate never tell the whole story,” said Martha Ross. “This analysis shines a light on how labor market challenges vary across places and groups of people. It can help local leaders
better understand who in their community wants or needs work, and which strategies are best suited for connecting their diverse out-of-work residents to employment.”

The report is accompanied by an interactive website that allows users to explore local data. A companion analysis on the out-of-work population ages 18 to 24 across the 130 study jurisdictions is forthcoming.

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