

Skills-First Pathways

Insights on the Economy, Jobs and Workplace Culture
from Black Talent Without Degrees

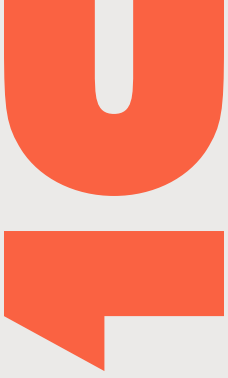
A research study by OneTen
in partnership with Bully Pulpit
International



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While recent data¹ suggests a decline in both the pay gap between Black and white workers and in the Black unemployment rate, the lived experiences of Black workers without a four-year degree tell a much more complex story. The journey of Black talent in the labor market, particularly amidst rising inflation, underscores a stark reality: when it comes to achieving inclusive and equitable experiences for Black talent, there is still much work to be done. Adopting skills-first hiring approaches can provide these workers with greater opportunities while fostering a more equitable workforce.



Executive Summary

Today, Black workers without a four-year degree continue to face significant barriers to achieving equitable employment, including navigating a competitive job market, economic challenges and workplace culture issues. Despite recent job growth,² racial disparities in employment persist. Black unemployment rates³ remain significantly higher than those of white workers, especially in major cities.⁴

By refocusing talent acquisition on skills and competencies rather than on formal education, the skills-first movement has the potential to uplift all workers, especially those traditionally marginalized by the labor market. And for employers committed to skills-based hiring practices, addressing the needs of Black talent is crucial. This group represents the largest segment of the non-degreed workforce, since 76% of Black talent⁵ do not hold four-year degrees. Including this significantly untapped talent pool can contribute to organizational success, allowing organizations to achieve greater workforce equity and access a broader range of skills and perspectives that drive innovation and growth.

Furthermore, the current workforce landscape presents an ideal opportunity

for adopting skills-first practices. Challenges such as the departure of college-educated workers⁶ from major economic hubs, an aging workforce,⁷ declining birth rates⁸ and fewer young people⁹ pursuing higher education due to concerns about debt¹⁰ and the value of a four-year degree,¹¹ contribute to this complex environment. Additionally, post-pandemic workforce participation has not returned to its previous levels, which has resulted in a labor shortage.¹²

Skills-first practices effectively address these challenges by broadening the talent pool. Implementing these practices benefits both individuals and the economy and align with broader demographic and economic trends, offering significant benefits for businesses¹³ while fostering a more equitable and inclusive workforce.¹⁴

To attract and retain talent from this underrepresented group, employers need to understand the experiences of Black employees—and what they require for success—so they can adjust workplace culture accordingly. Proactively recognizing and addressing the unique challenges faced by Black workers can help organizations create supportive environments where all employees can thrive.

Research Objectives

OneTen aimed to understand the current economic and workplace climate from the perspective of Black talent without four-year degrees to identify insights that can help companies accelerate their skills-first approaches towards a more equitable workforce. In partnership with Bully Pulpit International (BPI), OneTen conducted focus groups and a quantitative survey of 2,999 **Black talent without four-year degrees who earn less than**

a family sustaining wage (\$50,000 personal income or \$80,000 household income), which is defined as a wage that can cover the full range of costs required to meet the basic needs of an average family based on where they live. The survey was conducted from February 26 to March 12, 2024. The comprehensive survey assessed views on the economy, job satisfaction, career opportunities and workplace culture.

Key Findings

Economic and Job Market Outlook

- **Inflation Concerns:** Black talent without four-year degrees are significantly more worried about inflation than the general American population, with only 23% rating their economic situation as good or excellent, compared to 46% of all Americans.
- **Unemployment Rates:** Four out of 10 individuals surveyed are unemployed, double the rate of their peers with degrees. Only 34% of participants surveyed are employed full-time, compared to 63% of prime-age Americans, and the majority of those employed hold hourly wage jobs rather than salaried positions.
- **Wage Challenges:** Three out of four individuals surveyed earn under \$50,000 and cite that they struggle to find jobs that pay a family-sustaining wage, which they define as approximately \$62,000 annually.

Job Satisfaction and Workplace Trust

- **Sense of Belonging:** A low sense of belonging and feeling undervalued contribute to job dissatisfaction. Only 27% of those surveyed indicate feeling a strong sense of trust in their organizations' appreciation for Black employees.

Workplace Culture and Inclusivity

- **Perceptions of Diversity, Equity and Inclusion:** While 64% of Black talent surveyed believe their organizations are diverse, fewer believe they are equitable (58%) and inclusive (53%). Many suggest that better investment in inclusivity programs could enhance their workplace motivation and productivity.
- **Improving Workplace Culture and Inclusivity:** The majority of those surveyed indicate clear, consistent performance evaluations, equitable access to promotable projects and focused organizational commitments to inclusive work cultures as key steps towards creating a more inclusive and equitable work environment.



Economic Outlook



Focus Group Insight

“The price of everything is going up but jobs don’t want to pay more... It is not possible to survive working one job on minimum wage.”

Less than 25% of Black talent surveyed rate their current economic situation as good or excellent, compared to 46% of the general American population, according to recent Gallup polling.¹⁵ Black workers are disproportionately affected by economic instability¹⁶ and face higher rates of unemployment, underemployment¹⁷ and job insecurity.¹⁸ Furthermore, the rising

cost of living,¹⁹ which includes the costs of food, housing and healthcare, exacerbates these challenges and undermines the economic prospects for Black talent.

Approximately 77% of Black talent surveyed rate their economic circumstances as fair or poor, compared to 53% of the broader U.S. population.¹⁵

53%

of the general U.S. population rates their economic circumstances as fair or poor¹⁵

77%

of Black talent without college degrees reported their economic circumstances as fair or poor



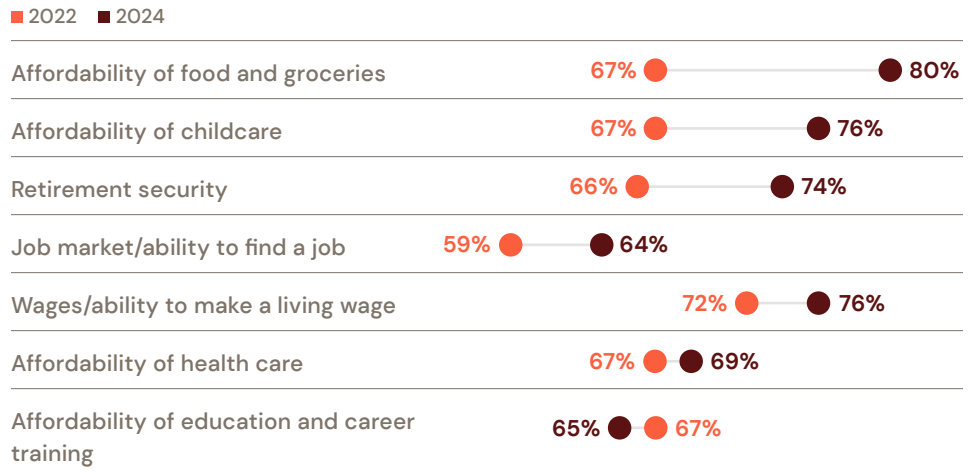
Focus Group Insight

“I end up having to [pick up additional work on] Uber, Grubhub, Instacart to make ends meet.”

Comparing the results of this survey to our 2022 State of the Black Workforce survey²⁰ reveals that concerns about the cost of living and retirement are prevalent among this audience and have worsened over time:

- 80% rate the affordability of food and groceries as poor or fair, a 13-percentage-point increase
- 76% rate childcare affordability as fair or poor, a nine-percentage-point increase
- 74% rate retirement security as fair or poor, an eight-percentage-point increase

Comparative Ratings of Key Aspects of the U.S. Economy: 2022 vs 2024 (%Fair/Poor)



Job Dynamics

Black talent without four-year degrees face significant employment hurdles. Many struggle to secure full-time employment, often ending up in lower-wage, hourly jobs with limited advancement opportunities. This lack of career progression stunts income growth, skill development, job security and wealth accumulation, severely hindering economic mobility⁴ and perpetuating economic inequality.²¹

Among the younger job seekers surveyed (aged 18–29), nearly half report that not having a college degree is a major obstacle in their job search, despite acknowledging that a degree is often unnecessary for job performance. As one respondent noted, “Sometimes people want you to have a degree, but it doesn’t pertain to the job.” Younger job seekers, in particular, report that lacking a four-year degree makes it challenging to find jobs that provide a family-sustaining wage.

Among the Black talent surveyed, 26% are employed part-time and only 34% are employed full-time, compared to 63% of prime-age Americans.²² Additionally, almost 40% report being unemployed, which is double the 24% unemployment rate²³ of Black Americans with four-year degrees.

Of those surveyed, 88% of talent reported working hourly wage jobs, compared to the 58% national average reported by the Labor Department.²⁴

The majority (75%) of the Black talent surveyed believe it would be difficult to find a job that pays a family-sustaining wage. These respondents, all of whom earn under \$50,000 annually, estimate they need an average of approximately \$62,000 to support the basic needs of their families based on where they live.

58%

of the general U.S. population works hourly wage jobs²⁴

88%

of Black talent without college degrees reported working hourly wage jobs

63%

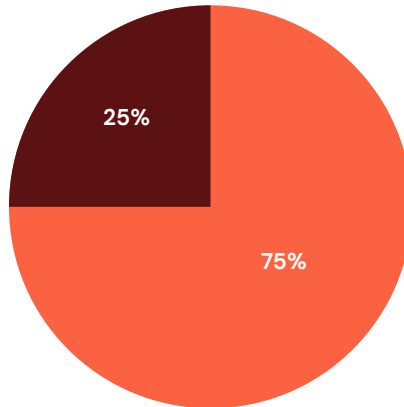
of the general U.S. population is employed full-time²²

34%

of Black talent without college degrees reported being employed full-time

Perceived Difficulty in Finding Family-Sustaining Jobs with Good Benefits

■ Difficult ■ Not difficult



Focus Group Insight

“I feel like I can be easily replaced. I’m next. I’m still like one of the new people. All the people that came after me are gone.”

Even among the employed talent surveyed, increasing layoffs²⁵ have contributed to a feeling of skepticism about job stability.

Our findings align with other research that shows that job instability for Black talent is exacerbated by the persistent threat of layoffs²⁶ and the perception of being easily replaceable. These factors contribute to a profound sense of job insecurity among Black talent, who often feel marginalized within the labor market.²⁷

With 79% of well-paying jobs²⁸ in the U.S. requiring a four-year college degree, Black talent without such qualifications

face substantial hurdles. This issue is exacerbated by the fact that 76% of Black talent⁵ do not possess a degree, compared to 58% of white adults. Furthermore, Black families have a median net worth roughly six times less²⁹ than that of white families, highlighting the unique economic challenges they face.





A skills-first approach to hiring can help Black talent without four-year degrees secure a job with a family-sustaining wage to cover daily living expenses and allow for savings and investments, promoting financial stability.

Understanding the Needs of Black Talent in the Workplace










To create a more supportive and satisfying work environment for Black talent without four-year degrees, it's essential for organizations to identify—and subsequently offer—the benefits and workplace characteristics that are most valued by this group when looking for a new role. Our survey revealed that

wage/salary, work-life balance, benefits and job security are top considerations when evaluating potential jobs. More specifically, those surveyed identified healthcare (69%), paid sick days (66%), opportunities for bonuses and flexible hours (66%) and 401k/retirement plans (65%) as their most highly valued benefits.

Top Priorities of Black Talent When Seeking a Job

Wage/Salary		68%
Work-life balance		43%
Benefits (healthcare, paid time off, retirement, etc)		32%
Job security		28%

Workplace Benefits Most Valued by Black Talent

Healthcare		69%
Paid sick days		66%
Opportunities for a bonus		66%
Flexible work hours		66%
401K/Retirement benefits		65%
Onsite training and educational opportunities		60%
Paid vacations		59%
Funding for college tuition/Education		45%
Professional career mentorship		39%

As essential as it is to find and attract the right talent, retaining and growing that talent is equally as important, if not more so. Recent research data from the Pew Research Center²¹ shows that Black talent frequently experience workplace discrimination and a lack of career advancement opportunities, which can lead to higher job dissatisfaction and turnover. Our study reinforced this, finding high levels of active job searching among those surveyed, with half of currently employed Black talent actively looking for new jobs and 32% saying that they are likely to leave their current job.

To retain Black talent, organizations need to better understand potential sources of job dissatisfaction among this group, which largely comes down to inadequate support and lack of opportunity. When asked about primary drivers of current job dissatisfaction, four out of 10 Black talent report being dissatisfied with the level of support they receive from their direct

managers, and are dissatisfied with career advancement opportunities.

Our findings highlight that career advancement and supportive direct management are crucial for the development and economic mobility of Black talent without four-year degrees. Offering robust career development and advancement opportunities can help organizations retain top talent, as well as help Black talent achieve greater income mobility, skill development and job security, all of which are essential for building wealth and achieving long-term financial stability.

By offering adequate compensation and benefits, along with opportunities for career growth and flexibility, organizations can play an active and significant role in helping mitigate the systemic barriers—such as low-wage jobs and job insecurity—that hinder career growth and economic mobility for many Black talent.



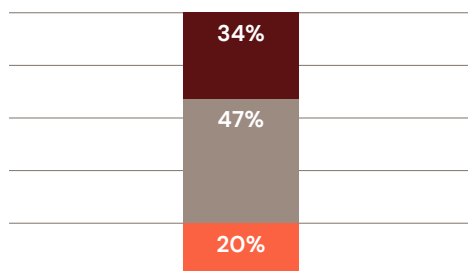
Focus Group Insight

“People who look like us are the last to be promoted. We’re the last to get those officer positions. Even down to little jobs, retail, food service, a lot of those jobs, we don’t get promotions.”

Job Satisfaction and Retention

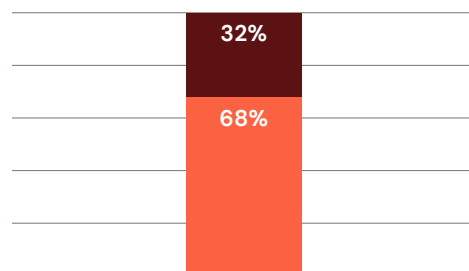
How satisfied are you with your current or most recent job?

- Not satisfied
- Somewhat satisfied
- Very satisfied



Over the course of the next year, are you likely to stay or likely to leave your current job?

- Likely to leave
- Likely to stay



Experience with Workplace Culture



Focus Group Insight

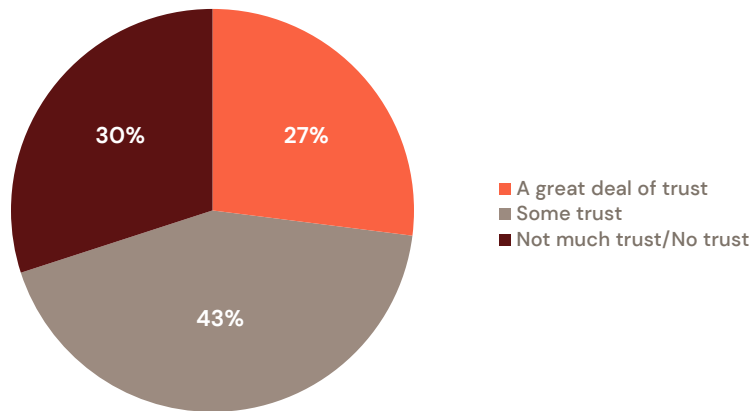
“I applied to [a company], and I saw the type of people who work [there]. It wasn’t a lot of people who looked like me.”

Many Black talent without four-year degrees face significant challenges in finding an inclusive and supportive work environment—especially one that they can trust and believe in. Only 27% of those surveyed report having a great deal of trust that their organization values Black talent. Another 43% have just some trust that Black talent is valued by their organizations. Finally, many express skepticism that their organization genuinely views Black talent as an asset, rather than a PR move.

Despite efforts by organizations to improve workplace culture, our study revealed that many Black workers feel undervalued and lack trust in their organizations, which can impact their overall job satisfaction and mental health. This disconnect between perceived and actual equity and inclusivity is evident in their lived experiences. Black talent frequently report feeling unmotivated, burnt out, anxious or depressed due to discrimination at work, highlighting the importance—and very real impact—of workplace equity and inclusion.

Trust in Organizations’ Value of Black Talent

How much trust do you have that your organization sees hiring Black talent as an asset to the organization, not just a P.R. move?



Of those surveyed, 64% believe their organization is diverse, 58% agree their organization is equitable and 53% agree their organization is inclusive. Black talent also express a desire to see DE&I connect to

belonging. In particular, respondents closely align inclusion with a sense of belonging and job satisfaction. As one participant put it, “I [want to] have a sense of belonging ... not just like I am working there.”



Focus Group Insight

“I have a very unique name. At times, I think I don’t get the position by just looking at the environment.”

Almost one-third of Black talent report feeling unmotivated, burnt out, anxious or depressed due to treatment of

discrimination at work, which showcases the significant impact workplace culture can have on mental health.

Experiences of Discrimination and Emotional Impact in the Workplace



Broader research³⁰ shows that workplace initiatives often fall short when not accompanied by genuine efforts to achieve inclusion and equity, resulting in environments where employees from underrepresented groups feel isolated

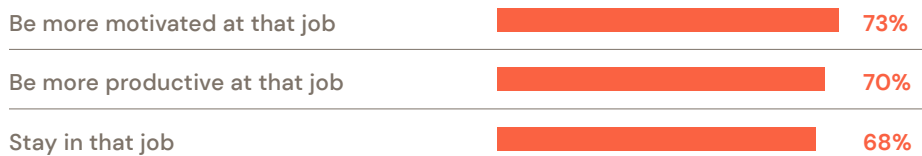
and unsupported. The gap between initiative objectives and outcomes highlights the need for more robust workplace culture strategies that genuinely implement, track and follow through with their goals.

Sense of Belonging

Many of the talent we surveyed believe that substantial investment in programs promoting a better sense of belonging

and workplace culture would enhance their motivation, productivity and retention.

If your organization did more to invest in programs that promoted a better workplace culture / sense of belonging, would you be more likely to...?

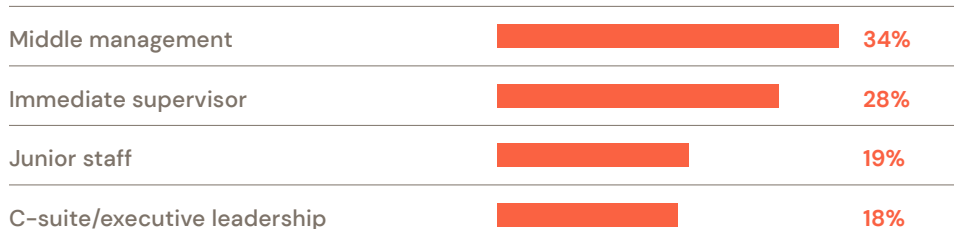


Workplace culture plays a pivotal role in engaging and retaining Black talent without four-year degrees, which is essential for organizational success. Research³¹ has consistently shown that a positive and inclusive workplace culture significantly impacts employee motivation,³² productivity³³ and retention.³⁴ For Black talent without four-year degrees who often face unique challenges and systemic barriers, these cultural factors are even more critical.

In addition, middle management plays a crucial role in improving workplace culture and fostering a sense of belonging

for Black talent. Echoing OneTen’s prior research on hiring managers,³⁵ 34% of Black talent identify middle managers as the most important group for enhancing workplace culture and inclusivity. Supportive direct managers provide essential mentorship, professional development opportunities and advocacy within the organization. This support is particularly vital for Black talent, who often face barriers and discrimination that can hinder their career growth. By prioritizing supportive management, organizations can enhance the economic mobility of Black talent, contributing to a more diverse and equitable workforce.

Which is most important when it comes to improving workplace culture/sense of belonging at your job?



Career development and inclusive practices—which are core components of a skills-first talent approach—are highly valued by Black talent without college degrees. By focusing on these key areas, organizations can better support and

engage their people, as well as greatly improve overall job satisfaction and hiring and retention among this group, who report lower levels of satisfaction in their roles and constitute most of the non-degreed workforce.

Improving Workplace Culture



Focus Group Insight

“If they’re including diversity for the actual great culture of the work environment, then yes it matters. But if they’re actually doing it just to satisfy the legal requirements then, no, it’s not going to help you.”



Focus Group Insight

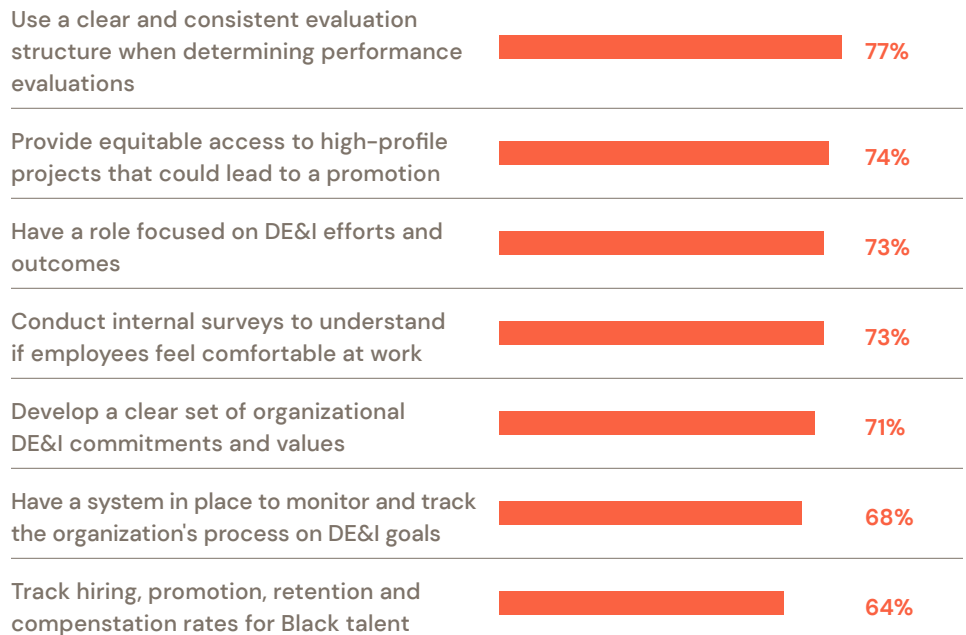
“I [want to] work somewhere where I see people like me or when you walk into a company, you can clearly see that diversity was at some point thought of.”

Black talent identified important steps organizations can take to create equitable and inclusive workplaces. They cited a **clear and consistent evaluation structure, equitable access to high-profile projects and clear commitments to foster diversity, equity and inclusion as extremely or very important** based on their experiences and expectations for meaningful change.

These perspectives show that Black talent without four-year degrees want more than superficial compliance. They seek a genuine commitment to equity and inclusion that enriches workplace culture and fosters true inclusivity. By implementing actionable steps, organizations can prove their commitment to creating a more motivating, productive and inclusive environment for all employees.

Steps Organizations Can Take to Create an Equitable and Inclusive Workplace

% Extremely/Very Important





Conclusion

Organizations that embrace a skills-first approach have an opportunity to understand and address the unique needs of Black talent, who make up the largest segment of the non-degreed workforce in the U.S. To attract and retain this group, employers need to align their priorities with their goals and adapt workplace culture strategies to create a genuinely inclusive environment. Providing clear career advancement opportunities and robust support from management can further enhance the growth and engagement of Black talent.

Key priorities for attracting and retaining talent through skills-first practices include:

Skills Assessments and Career Pathways

- Use skills-based assessments to evaluate candidates' competencies rather than relying on educational credentials
- Establish clear, skills-based career pathways that offer non-degreed employees with opportunities for growth and advancement

Mentorship and Support

- Develop and expand formal mentorship programs that pair Black talent without four-year degrees with managers who can provide robust guidance, support and career advice
- Equip managers with the tools and resources necessary to foster inclusive workplace environments

Continuous Learning and Development

- Provide access to continuous learning opportunities to help non-degreed talent upskill and stay competitive in the job market

Accountability and Transparency in DE&I Commitments

- Set measurable goals and track progress to ensure accountability and transparency in efforts to create more inclusive workplaces

Detailed Methodology

To assess the opinions and beliefs of Black talent without a college degree, our partner, Bully Pulpit Interactive (BPI), conducted both qualitative focus groups and a quantitative survey of Black adults without a four-year college degree.

- Six focus groups were conducted online January 30–February 1, 2024, each of which included 35 Black talent without a college degree who earn less than a family sustaining wage (\$50,000 personal income or \$80,000 household income).

- Following the focus group sessions, BPI conducted a national survey from February 26–March 12, 2024, of 2,999 Black talent without a four-year college degree who earn less than the median family sustaining wage (\$50,000 personal income or \$80,000 household income). The survey was conducted online and via phone to ensure a representative sample. The margin of error for the survey was +/- 1.8 percentage points.

How OneTen Can Help Power Your Organization's Skills-First Strategy

Since its inception, OneTen coalition member companies have hired or promoted more than 100,000 skilled talent without four-year degrees into family sustaining careers.

OneTen customizes its approach to align with your organization's specific hiring demands and skills-first goals. Our focus includes:

- Practice change to accelerate the adoption of skills-first hiring and advancement practices
- Human capital management via our extensive, integrated network of partners and our Career Marketplace platform
- Best-in-class insights informed by leading companies, combined with rigorous internal and external data analysis

About OneTen

Founded in 2020, OneTen is a coalition of leading chief executives and their companies who are coming together to upskill, hire and promote one million Black individuals, and others, who do not have a four-year degree into family-sustaining careers with opportunities for advancement over ten years. OneTen connects employers with talent developers and other skill-credentialing organizations, leading nonprofits and community-based

partners who support the development of diverse talent. By creating a more equitable and inclusive workforce, we believe we can reach our full potential as a nation of united citizens. OneTen recognizes the unique potential in everyone—every individual, every business, every community—to change the arc of America's story with qualified, skilled talent who have been left on the sidelines.

For more information on how OneTen can help power your skills-first strategies, please visit oneten.org or sign up directly at oneten.org/skills-first

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