## US Race/Ethnicity Work Trends Leadership and Remote Work

Introduction

Members of historically and systemically marginalized groups continue to face barriers in the United States (US) labor market that result in persistent racial and ethnic disparities in outcomes such as employment, wages, and promotion.<sup>1</sup> The fact that these workers tend to be concentrated in lower-income occupations and less senior positions compounds and reinforces these inequities.<sup>2</sup> Beyond the labor market, these inequities also adversely impact diverse outcomes such as physical and mental health, housing, and education.<sup>3</sup>

As such, research identifying and measuring racial labor market disparities is useful to effectively reduce them. We advance that effort in this research note by leveraging LinkedIn data to examine differences in labor outcomes, including leadership and remote and hybrid work, in the US by race/ethnicity. Our analysis focuses on individuals who were LinkedIn members as of December 2023 and self-identify as either Asian, Black, Latino, or White.

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## Key Findings

- Black and Latino workers have the highest shares of workers in entry-level positions crossindustry (at 48.5% for each group). White members have the lowest share (41.0%). While there are many potential reasons for this, the gap suggests potential barriers that these groups face in securing more senior positions.
- While leadership gaps have remained relatively constant over time between racial groups, Asian members have had the largest increase in the share in leadership positions over the last six years. Nonetheless, White members remain the group with the highest share in leadership positions (manager, director, VP, or CXO), while Latino members have the second highest share driven by a larger share of workers in manager positions compared to Asian and Black members.
- White and Black members have the highest share of job applications going to remote positions (53.7% and 51.3% respectively). Asian members have the highest rate of applications going to hybrid positions, at 26.0%. All groups saw sharp increases in the share of applications going to remote or hybrid positions since 2020, although there has since been a decline since 2022. These shares are all impacted by the stock of remote and hybrid job postings.

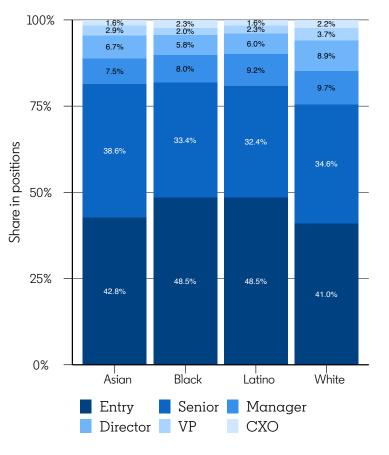
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There are two important caveats to address before proceeding. First, we interpret the disparities we report as reflective of pre-existing racial labor market disparities in the US outside of LinkedIn, which are well documented through longstanding research.<sup>4</sup> The impact of LinkedIn on these disparities would require further study. Second, our analysis is based on the subsample of US members who have self-identified their race and ethnicity, which may not be representative of US LinkedIn membership or the US economy overall, as discussed in more detail in the appendix. Nonetheless, this data—built on estimates from millions of LinkedIn members in the US who have self-identified their race—still has the power to illustrate many important insights.

## Leadership in Employment

We first examine differences in the seniority levels of members' positions in our sample by race and ethnicity. Leadership gaps are apparent across the ladder of seniority. For example, among self-identified Black members on LinkedIn, 48.5% work in entrylevel positions. The same is true among Latino members. This is substantially higher than the share of White members working in entry-level positions (41.0%). This may be due to several reasons, including differences in the average demographics (such as age) of these groups, as well as structural barriers they may face. Asian members have the highest share of members in senior positions (38.6%), while White members have the highest shares of manager, director, and VP positions. Interestingly, Black members have the highest share of members working in CXO positions at 2.3%. Latino members have the second highest share of its members who are working in manager positions (9.2%) following White members (9.7%), which grants them a higher total share of leadership and management positions (manager, director, VP, or CXO together) than Asian or Black members.

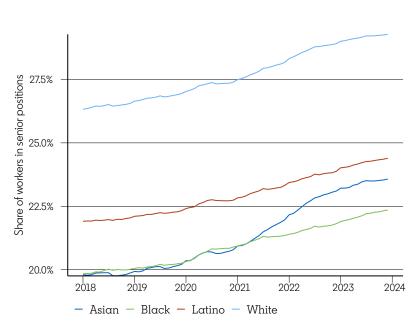


Next, we track the proportion of workers in leadership/senior positions (managers, directors, VPs, and CXOs combined) among a balanced sample of workers who had registered for LinkedIn by January 2018 or earlier. We do this to hold the sample composition fixed, which allows us to clearly observe the

#### US Race/Ethnicity Work Trends

trend of an increasingly senior cohort who are more primed for leadership as is reflected in the increasing share of leadership positions across all groups in the below line chart. Otherwise, fluctuations from the entry of new, presumably younger members with more entry-level positions would obscure the trajectory of senior workers in the sample over time. Appendix Figure A1 shows the same trend with an unbalanced sample, allowing entry of new members (and thus an increasingly young sample with each year).

While the balanced sample shows all groups increasing in the share of workers in leadership positions over time (as they age, are promoted, etc.), it highlights Asian members' exceptional progress. Asian and Black members held the lowest shares of senior positions and were on similarly paced upward trajectories, before Asian members accelerated closer to Latino members' second-highest share of senior positions. While the unbalanced panel in Appendix Figure Al shows decreasing share in leadership positions (as more and more young workers join LinkedIn), the same ordering and same separation in 2021 between Asian and Black members is apparent.

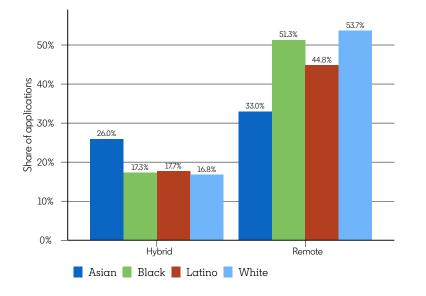


## Remote and hybrid work

The COVID-19 pandemic changed how many people work and increased the availability and potential of remote occupations. As shown in our recently published <u>Global State of Remote and Hybrid Work</u> <u>Report</u> jobseeker interest in remote work (in terms of the share of job applications to remote jobs) has increased.<sup>5</sup> Job applications for remote positions grew substantially from 2020 until peaking in early 2022. Despite the subsequent drop in these applications after 2022 (which is likely primarily due to decreases in the availability of remote jobs), it is important to note that the share has remained relatively high. Meanwhile, the share of applications for hybrid positions has only increased. As of December 2023, over half of the job applications submitted by White members on LinkedIn were for remote positions, with another 16.8% for hybrid positions as of December 2023. The former is the highest among all racial groups, with Asian members applying to remote positions at the lowest rate (33.0%), while applying at the highest rate for hybrid positions (26.0%). This may be due to several factors, such as occupation, industry, and age of the different groups. Additional research would help explore the extent to which these observed factors explain the gaps by race and ethnicity.

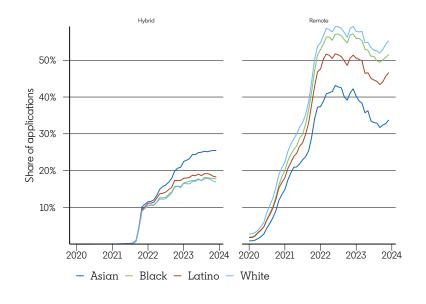
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Share of applications for hybrid and remote positions, December 2023

Share of applications for hybrid and remote positions over time, balanced panel



# Appendix

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### Methodology

**Data and Privacy** This body of work represents the world seen through LinkedIn data, drawn from the anonymized and aggregated profile information of LinkedIn's 930+ million members around the world. As such, it is influenced by how members choose to use the platform, which can vary based on professional, social, and regional culture, as well as overall site availability and accessibility.

In publishing these insights from LinkedIn's Economic Graph, we want to provide accurate statistics while ensuring our members' privacy. As a result, all data show aggregated information for the corresponding period following strict data quality thresholds that prevent disclosing any information about specific individuals.

For the analysis, we limit attention to non-restricted, active accounts. Race/ethnicity is derived from members self-identification (see <a href="https://members.linkedin.com/equal-access">https://members.linkedin.com/equal-access</a>). As individuals self-select into identifying their demographics, our sample is not a random sample representative of all US LinkedIn members, let alone the underlying US workforce population. All results should be interpreted with this caveat in mind. Nonetheless, the analysis is based on millions of US members who have opted to self-identify, and thus represents a meaningful sample of interest to contrast outcomes between groups.

## Appendix

### References

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## Appendix

### Supplementary figures

Figure A1. Share of workers in leadership positions, unbalanced panel

