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GATHERING WORKER VOICES

These past two years, I’ve been laid off from work many times due to the COVID pandemic. I was interested in the title [of the study], ‘The worker’s voice,’ because it makes me think we have a voice. The voice of those who are not heard. And I felt the urge to share my experience with other people.

– Worker Voices participant

During times of economic crisis, we look to the labor market to understand the strength of the nation’s economic recovery. Employment data help us understand job creation and hiring trends, while input from businesses provides insight on industry strength and business conditions. This study was launched in May 2022, when many indicators demonstrated an economy rebounding from the COVID-19 pandemic, including unemployment at a historical low, wages on the rise, and employer shifts in hiring practices to open the doors to more job seekers.

In that same month, there were approximately two job openings for every one job seeker, and labor force participation lagged prepandemic rates. This disconnect raised the question: What are workers looking for in employment? While policymakers, researchers, and practitioners debated the rapidly changing market, we turned our attention to learning how workers were navigating those changes. To better understand the nation’s economic conditions, we looked beyond the numbers to hear about the experiences and the decisions of nondegree workers and job seekers about their engagement in the labor market.

In previous downturns, the individuals who have felt the greatest impact of economic shocks were those who were already in financially unstable positions. In the job market, this includes workers in low-wage roles, workers of color, and workers without a four-year degree, all of whom bore the brunt of the initial pandemic layoffs, with increased job loss and rising instability of work. Previous downturns have demonstrated that these individuals are typically first to lose their jobs and slower to rebuild assets during the subsequent recoveries. Examining the lived experiences of those most at risk in the labor market can aid in a broader understanding of employment needs or barriers for how
such workers navigate economic shocks, as well as inform future research, policy, and business choices.

One of the tasks of the Federal Reserve is to keep a finger on the pulse of economic conditions. Doing so helps the Fed achieve its dual mandate of price stability and maximum employment. While employment data can provide a picture of unemployment, labor force participation, and unfilled jobs, they do not always tell us the full story about disparities in recovery nor worker experiences and preferences. This research paper set out to capture these worker experiences and perspectives.

The Worker Voices Project is a Federal Reserve System research effort that engaged workers in low-wage roles and nondegree job seekers in focus groups to understand their experiences of the economy during the recovery. The research enabled the workers engaged in this process to answer questions about their experiences with the labor market: What were their experiences with employment during the onset of the pandemic and the economic recovery? Do these workers believe they are benefiting from strong labor market conditions and experiencing greater economic stability? What barriers persist and prevent them from returning and remaining in the labor market? How are they navigating recent labor market conditions, and what does that tell us about what they will prioritize going forward?

From these conversations conducted from May 2022 through September of 2022, four major themes emerged. We discuss each in this report.

- Workers in this study weighed complex choices around employment, often balancing risks of financial instability against health and safety concerns, caregiving demands, and other barriers. Their comments reflected the mental health impacts of these stressors on their work and family lives.

- The tight labor market may not have benefited all workers equally. Most respondents in this study described their experiences with heavy workloads and increased burnout. Others spoke of struggling to find employment, even in a time of significant job availability.

- Workers shifted their expectations of jobs and are seeking higher-quality employment opportunities. Nearly all participants spoke about job stability, agency, dignity, livable wages proportional to their job responsibilities, and flexibility as aspects of what they now expect in a good job.

- Participants are actively reinventing themselves to achieve better employment opportunities. Some are investing in their skills through formal, informal, and self-directed educational opportunities and others are exploring entrepreneurship as a means to achieve economic opportunity. Most participants focused on economic mobility in the near term through higher-paying job opportunities to secure economic stability in the long run.

These focus groups allowed nuanced discussions offering insight regarding worker decisions about job searching and overall labor force participation. Gathering worker perspectives, especially from those most vulnerable in the economy, helps researchers, policymakers, and practitioners better understand the labor market and support an inclusive and resilient economy.
ECONOMIC BACKGROUND

From the initial impacts of pandemic-era layoffs to continued disruptions in work, research has demonstrated that the COVID-19 pandemic sharpened existing inequalities in the labor market. Because of emergency stay-at-home orders and other pandemic precautions, millions of people lost their jobs when businesses shut down.

These closures had an outsized impact on low-wage workers, including minorities and those with less than a college degree, who often hold frontline jobs. Other research demonstrated that women of color were disproportionately affected by the initial wave of layoffs, largely owing to occupational segregation in jobs that require high contact with the public. Furthermore, lower-wage customer service jobs in hospitality, retail, and food service industries, which tend to employ workers without college degrees, represented a higher proportion of low-income and minority workers who lost their jobs because of the pandemic.

Additionally, according to an April 2020 Kaiser Family Foundation Health Tracking Poll, 34 percent of US adults said they had been deemed essential workers and were working outside their homes. These workers were more likely to be Black, have a household income under $40,000, and not have earned a college degree. The majority of frontline workers and those affected by pandemic layoffs were women and nondegree workers, and they were disproportionately people of color. Knowing this background, we focused this study on workers without four-year degrees, workers of color, workers in workforce programs, and workers in industries such as those identified previously.

The COVID-19 pandemic created a safety imperative for people to work from home. But the ability to work remotely was not guaranteed, particularly for workers in low-wage roles. During the height of the pandemic, Barrero, Bloom, and Davis estimated that those working from home accounted for about 50 percent of paid work hours. However, workers without college degrees were less likely to be able to work remotely. To illustrate this disparity, roughly three out of every five workers with a bachelor's degree were able to work from home, versus one in eight workers with a high school degree or less. Furthering these disparities, when comparing race, white workers were able to work from home at a higher rate than Black and Hispanic workers.

At the midpoint of data collection of this research in July 2022, Job Openings and Labor Turnover Survey (JOLTS) data showed roughly two open jobs for every one job seeker. The national unemployment rate was at a 50-year low of 3.5 percent. At the same time, the labor force participation rate lagged prepandemic levels, which left many industries struggling to find workers, particularly hospitality, retail, and other sectors with a disproportionate share of lower-wage jobs. Employers reported labor as a primary challenge, and many indicated they were shifting practices to attract talent and widen the hiring pool. These practices
included reducing degree requirements on jobs at significant rates and becoming more flexible on background checks to not exclude justice-impacted individuals. Additionally, real wage growth was occurring for the lowest-paid roles in the economy.

The recovery from the COVID-19 pandemic included movement in and out of work, particularly in low-wage sectors. In 2021, 47.8 million American workers quit their jobs, the highest number in JOLTS data collection history. A survey from the Pew Research Center found that in 2021, workers quit jobs primarily because of low pay, no opportunity for advancement, and feeling disrespected; workers without a college degree were more likely than those with bachelor’s degrees to quit because of a lack of flexibility, insufficient hours, and vaccine requirements. The pandemic also hit automatable jobs held by minority workers particularly hard, resulting in possible long-term jobs losses as employers continue to shift to automation to reduce risks. Whether these factors have been demand-push or supply-pull, the pandemic has brought substantial changes to the landscape of work for nondegree workers.

All these factors set the context of our conversations and the direction of the research questions. This project aims to supplement existing research and to understand the experiences, motivations, and priorities of workers without a bachelor’s degree in relation to the labor market. Knowing if and how their priorities around work have changed will contribute to supply-side research and provide insights that will broaden economic context in a postpandemic labor market.

METHODOLOGY

Focus group–based data collection and qualitative analysis methods were used to facilitate discussions on barriers and motivators to identify experiences, attitudes, and perceptions that influence worker behavior change using a qualitative methodology. An inductive approach was used to ask questions, identify themes, and find conclusions. Participants were selected through a convenience sampling approach leveraging more than 60 community-based workforce development partners of the 12 Federal Reserve Banks to refer participants. A total of 1,243 workers and job seekers responded to a questionnaire, from which 175 participants were selected for focus groups. Selected participants were from 33 states, representing 147 zip codes. They were between the ages of 20 and 55 and did not have a bachelor’s degree. A total of 20 virtual, 90-minute focus groups, including one pilot session to refine questions and the facilitation process, were conducted between May 2022 and September 2022. This study represents our analysis of input from 167 participants through 19 focus groups conducted following the pilot session.

Participants in this study, as they were identified through community-based workforce providers or training organizations, bias the study’s sample toward workers and job seekers who were more likely to have received employment placement services and supports or who were previously or are currently enrolled in training programs.

A full discussion of the study’s methodology, coding approach, community-based participatory research principles employed, and limitations is in Appendix A; statistics on participant demographics are in Appendix B; and the facilitation guide questions used are in Appendix C.
During the pandemic, many workers, especially those in low-wage roles or without the ability to work remotely, were faced with the choice between a loss of income and a variety of risks to health and well-being for both them and their families. These experiences were described as “traumatic” and “scary” realities, in which many participants had to weigh safety concerns, economic insecurity, caregiving, and other persistent barriers that were exacerbated by the pandemic, such as child care support and transportation access. Some participants recounted the highly nuanced calculations they made around if and where to work during the pandemic, and reflected on how those experiences affected how they approached future employment opportunities.

**PANDEMIC-INDUCED JOB INSECURITY AND FINANCIAL PRECARITY**

I was in a cleaning company, and they kind of shut down completely ... it was really hard for me because I was trying to support three kids myself. They didn’t do any incentives. It just literally just closed right down, and kind of we got left to find new jobs or, you know, stuck.

For many participants, their experiences with job instability during the onset of the pandemic and the economic recovery caused significant financial insecurity. Some participants who experienced layoffs at the onset of the pandemic shared concerns about being able to pay their bills and find long-term stable work.
Others who remained employed shared the fear and stress they endured wondering if and when the economic downturn would affect their employment security. Many participants indicated they were scrambling to find income to survive these job losses. One noted:

*With time, there were more layoffs, layoffs, layoffs, and layoffs, until it was also my turn. I got fired too. And then I had to clean houses, clean toilets, anything to survive that pandemic year. Well, even now. I’m still doing it.*

Concerns about job instability and unpredictable income loss were among the primary factors some participants weighed when making decisions about how to approach their return to the labor market. Participants in the food and hospitality industry, especially, indicated that they were looking for different types of jobs in order to avoid the insecurity they experienced in those sectors, as the following comments from two participants reflect:

*I was in the restaurant business, so it definitely shifted. I’m not going to put all my eggs in that one basket no more ... so yeah, I’m not — I’m definitely not going back to the restaurant. I mean, if this happens again [economic closures], I’m back — I’m really back in the hole, you know?*

*It just seems like ... that industry isn’t as stable as I always thought that it was. And it’s funny because that’s what I used to always say. As a bartender, I used to say, ‘Well, this is recession-proof. This is something that won’t go away, no matter what.’ And then it did ... so jumping away from it just kind of seemed a little bit natural because going back after being away — just seemed like taking a huge leap backwards.*

Workers not born in the United States who participated in the focus groups in particular expressed feeling that they were in roles that had no guarantee of stability. These individuals articulated anxiety around the precarious nature of their employment status as migrant workers. As one participant noted:

*But still, I was feeling uncertain about the possibility that I could be laid off because, when they do cutbacks, migrants are the first people they fire. And I was struck by anxiety — I mean, I could be fired at any time.*

During this time, extended unemployment benefits and stimulus checks were released to ease the income losses that many experienced as a result of the pandemic. Individuals in focus groups who did receive unemployment benefits or stimulus checks indicated the programs gave them a chance to temporarily make ends meet but did not provide sufficient financial security. As several participants noted:

*It was a help, but trust me, before it came, it was gone.*

*The stimulus was just a means to like catch up.*

*Unemployment was, like, terrible compared to like your living wage ... it was so far from what my income was, but it was the most I could get.*
All participants who received financial supports through unemployment and stimulus dollars indicated that those funds did not provide sufficient resources to stop seeking employment altogether. While some participants found the public benefits provided them with financial stability in a time of income insecurity, others indicated that the benefits allowed them to seek better employment and better pay. One participant shared how stimulus dollars gave them a chance to enjoy financial security for the first time in their life, which allowed them to be particular in their job search and find a role that met their needs. Their story uplifts how the stimulus dollars offered a smoothing effect to ease issues of financial instability while job seekers focused their efforts on their job search and trying to find the right job for them.

Conversely, several participants talked about why they did not receive unemployment benefits or did not receive them in a timely fashion. Some were ineligible based on employer determinations, limited work histories, or immigration status barriers. Others spoke of processing issues causing significant delays in receiving funds.

Finally, some articulated that they did not apply because of mistrust in government programs and a belief that the money would have to be paid back. These issues prevented workers from either filing or receiving unemployment benefits. As one participant described their experience:

*So it was during this entire pandemic, it’s just literally been me grinding and hustling and trying to make ends meet by myself. No, like, extra pay. No assistance from the government, and like that’s hard … we have to adjust to it or, in a sense, eat or be eaten, and that’s how you really got to put it.*

This left some participants reliant on even more precarious sources of income, such as support from community-based or faith-based networks. Some also shared they chose to engage in various forms of gig work, such as app-based forms of employment or as independent contractors, for short-term and often hourly and part-time work.
HEALTH AND SAFETY CONCERNS

Workers experienced significant concerns around their health and safety in the workplace at the onset of the pandemic. This was particularly true of workers who were deemed “essential,” who were disproportionately Black, Hispanic, and low-income workers, and who were at a greater risk of infection due to their frontline roles. Research has shown that many workers were on the sidelines of the labor market because of a fear of contracting COVID-19 through as late as May 2022, when these focus groups began. Many participants discussed how they balanced concerns for their own personal health and safety and the health and safety of those in their household, particularly if they were unable to work remotely. Some shared they dropped out of the workforce altogether for fear they would endanger high-risk family members.

Others shared how they needed to work regardless of the health risks they were taking for themselves and their families, as the income loss tradeoff was too much for them to withstand. As one caregiver participant noted:

"I'll say for me, it wasn't really easy. It was very challenging because ... I was very concerned for my health and for the health of my child ... I was also very scared because I thought maybe I could lose my job and I wasn't going to be able to provide the necessary means for my children. And it was a very tough and challenging moment for me at that period.

Additionally, participant perceptions that employers were mismanaging safety guidelines or failing to adhere to safety protocols negatively affected many participants’ work experiences, particularly those who were unable to work from home. Some shared how they felt “left in the dark” or caught in the middle of shifting safety measures and expected to act as enforcers of COVID safety guidelines in the workplace — for coworkers and customers — with little support. These experiences sometimes led participants to engage differently with employment and seek different types of jobs. As one former food service worker reflected:

"It was, it was scary. But, I mean, I had to work, because ... the bills weren't stopping, so you've got to go to work and just do what you've got to do.

And the restaurant, the restaurant I worked at, they weren't keeping us safe. They were just worried about trying to recoup the money they lost, so they weren't following guidelines. They weren't keeping up with it, and if you said you were sick or said you had symptoms, they blew you off because they needed you there more than they didn't need you there. You know? And if you said you were feeling sick, they would make you sit on the side for two or three hours, and then say you can go home. I don’t — I didn’t see how that was fair, so I couldn’t do that no more ... people were coming around sneezing, coughing, no mask. Hand washing was minimal ... I moved on to something else where I could stay safe and keep my family safe."
PANDEMIC EXACERBATED BARRIERS

Currently, I live in a family shelter ... So I’m trying to work on my credit while trying to find housing while trying to find a car while trying to find a job while trying to find child care. Like it just — it just doesn’t stop.

As participants recalled how they navigated new challenges brought on by the pandemic, they shared how the barriers that historically affected employment instability remained and became more significant for them. These longstanding issues, such as affordable and accessible child care, caregiving responsibilities, transportation limitations, justice-impacted complexities, immigration status, disability barriers, and housing insecurity, were exacerbated by public health measures, school closures, income loss, and rising costs of living.

Participants who were caregiving for children, regardless of their employment status, overwhelmingly noted issues with child care access and remote learning during the pandemic period. Beyond balancing caregiving responsibilities with work or employment prospects, some participants surfaced the added burden of food costs to cover meals normally provided at school or daycare. As one participant noted:

It is hard being a parent and going through the pandemic ... jobs shutting down, your kids are home ... they’re not getting their meals from school, so now you have to add an additional meal, which some families did not have an abundance of money for that to begin with, you know?

Participants who were dependent on public transportation to get to work shared concerns about the jobs available to them, given where they lived and their proximity to limited, unreliable, or unavailable transit options made worse because of pandemic reductions in service. Other participants who had their own vehicles noted rising gas prices at the time creating a disincentive to work in jobs with longer commutes and lower wages. Participants noted these transportation barriers and related costs were compounded as a result of the pandemic and added additional complexity to their decisions around employment.

Participants who were housing insecure spoke of unique challenges weighing the need for a job against rising costs of living and finding income that covered basic housing. Other individuals in our focus groups, specifically those with a disability, indicated how the pandemic caused them to weigh considerable health risks against their need for income and their need to prioritize jobs that accounted for their disability.
INCREASED MENTAL STRESS

Like all of us during the pandemic, participants in our study were navigating a global health crisis. The stress of work, caregiving, and health concerns took its toll on their mental well-being. Participants shared stories of job loss and experiences with homelessness and evictions, and some experienced loss of loved ones and family members. All these factors impacted their mental well-being, which in turn affected how they engaged with work and what jobs they pursued.

Employment-specific experiences at the onset of the pandemic brought about unique mental stresses, including fear of contracting the virus, fear of death, fear of job loss, and fear of financial ruin. One participant shared how their physical and mental state were affected during this period:

I didn’t get a lot of sleep. There was oftentimes that I went to work on two hours of sleep. There was oftentimes where I spent my lunch breaks just sleeping. I didn’t eat at those times. There were times when I unfortunately had to call in because I was just so drained physically, mentally, emotionally … it was definitely very, very hard.

Another participant shared how hopeless they felt in the aftermath of the pandemic:

The sense of hopelessness is so deep, and so far-reaching … we’re all doing our best to try to find that hope … I think that the biggest thing the pandemic has shown a lot of working-class folks … is that no one’s coming to save us.

All in all, participants shared a nuanced, highly complex approach to how they weighed personal and familial risks and made day-to-day decisions around employment. Workers in lower-wage roles and nondegree job seekers in these focus groups made tradeoffs among job stability, health and safety, caregiving responsibilities, and mental health. The complex choices they described caused a shift in their perspectives around work and how they navigate the labor market.
As previously mentioned, at the time we conducted the focus groups, unemployment was low, job openings were high, with two jobs open for every one job seeker, and wages showed moderate growth. While aggregate economic data suggested a labor market in which workers were in high demand, many participants in this study shared they did not experience the benefits usually associated with tight labor markets. In a 2021 worker survey, respondents expressed frustration in their job searches for a variety of reasons, including unresponsive employers, a lack of job openings for preferred positions or jobs of higher quality, not being selected for an interview, and jobs being available but not worth pursuing. Research by the Federal Reserve Bank of Minneapolis found similar experiences with barriers to finding jobs, such as low pay and a lack of response to job applications. Participants in our study echoed these frustrations while recounting their job search experiences.

Moreover, participants we spoke with who were currently or had recently been employed shared their experiences of burnout because of labor shortages on the job. The struggle to find workers, particularly in lower-wage roles, caused the participants to take on more and more responsibilities, with many articulating that this took place without an increase in compensation. Their comments illustrate a tight labor market that had a particular — and in many cases adverse — impact on workers in lower-wage roles and workers without a college degree.

**KEY THEME #2:** The tight labor market has not benefited all workers equally.

I do the tech thing Monday through Friday, eight to five, and I still wait tables Thursday, Friday, and Saturday night, just to keep my family above water, and I’m not even saying comfortably. I’m just saying above water, keeping the bills paid, keeping food on the table, keeping the lights on, keeping the roof over our heads. We’re in a bad situation right now, and it doesn’t look like it’s getting any better.

— Worker Voices participant

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**JOB SEARCH CHALLENGES**

Even though I have 10 years in warehouse management, that should be sufficient enough for it. Like I said, I probably have 30 applications on each one of these [job application tracking] sheets I have. And there’s six sheets. And five called back.

During tight labor markets, specifically when many jobs were open and workers were switching jobs at a higher rate as was the case in 2022, workers and job seekers theoretically have a relatively easy time finding employment or improving their employment situations. However, many of the participants engaged in this study who were looking for work or better employment options shared challenges related to their job searches and expressed their frustrations about the lack of success securing employment. These
difficulties, expressed by one participant below, led them to question how strong the job market was:

I’ll just say like, I’m part of a job board, and like daily, you’ll see people putting their resumes out saying they’ve applied for like 20, 30 jobs, and they haven’t been called. So I don’t know what it is that people aren’t hiring or because most of these people are like, fresh out of college with degrees, and they can’t even find work... how [are] so many people are looking for work that still can’t find it when, you know, all we hear is like the economy’s coming back, the economy is coming back, but how are so many people looking for jobs?

These were not isolated or singular experiences. Many participants who were trying to reenter the job market or change jobs also lamented the lack of any follow-up from prospective employers after applying for anywhere from 30 to over 100 jobs in their job search. While most noted they would send a job application and not receive any response, some noted they had received only rejections to their applications, while others were notified that their qualifications and experience were below expectations for the role. As two participants noted:

I applied to a total of 75 jobs. And I was given a lot of [employment] resources [from the trade school I attended]. Maybe I didn’t have enough experience in my trade in order to get a job ... I do know, however, that I sent out a lot of applications and only heard rejections.

I’ve probably put in for the last three months about I would say 80 to 100 applications, and so since I haven’t been able to find a job ... I’ve been pulled in for interviews and not selected because I’m not what they’re looking for.

Specifics as to why job search efforts were so unsuccessful were not captured during the study. It was not clear in their comments whether workers were applying for roles parallel to jobs they held previously or if they were pursuing opportunities that required higher levels of education or experience and were potentially more competitive roles. However, while employers were removing degree requirements, lessening expectations of experience,46 and increasing flexibility of hiring policies to widen applicant pools,49 the participants in our focus groups did not necessarily feel more doors had been opened.

The roles that implicit and explicit bias, systemic discrimination,50 or structural racism played in hiring barriers were not directly discussed by participants, although existing research shows how significant these factors can be in preventing workers from attaching to employment.51 An outlier in our focus groups, immigrant participants in particular did note the discrimination they experienced through employer treatment, which influenced how and where they found work. As one participant shared:

I was mistreated because some clients wanted to mistreat me ... at least in my case, for being Latina, and they wanted to treat me poorly, and that was one of the reasons I didn’t want to keep looking for a job ... I worked for some time cleaning houses, and I had the problem that I told the clients how much I was charging for the service, and afterwards they wouldn’t pay what I was asking. They say my work was not worth what I considered. So they decided I wasn’t worthy, that I was worth less, and they wanted to pay whatever they felt like.

Another participant who identified as a Black man noted his experience with poor treatment in traditional employment and how that experience motivated him to consider looking to self-employment as a future option:

I’m going through a lot working for people, and I’ve seen the way how they are not treated — how they have not been able to treat me nicely, because of my race and color. So, I’m kind of going through a lot, doing all this kind of work. So, I would love to be a boss of my own.
Another significant challenge participants noted was their observation of fairly low levels of pay amid the abundance of job openings. While labor market data show significant wage growth in low-wage work more so than in higher-paid roles during the economic recovery, some participants expressed that wages associated with open positions were too low to entice them to pursue the job at all:

“I see there are more opportunities, but the pay is not attractive enough, and that has been my experience looking for a new job.”

“Jobs are out there, but they’re not really giving you enough money to maintain ... $12, $13, $14 an hour is just not going to work.”

These comments offer anecdotal evidence of how many participants were struggling during the tight labor market period, when data would suggest more favorable employment options and conditions for workers.

More generally, their experiences with low wages and observations of low wage ranges on job openings illustrate that while there were many job opportunities available, the pay was below participants’ financial expectations and thus the openings were not considered viable options.

LABOR SHORTAGES AND EXPERIENCE WITH BURNOUT

It’s the turnover. I’m not the one that’s doing the hiring for the company, but for whatever reason, the shortage of bodies ... I feel like there’s a lot of extra time spent on training and, yeah, and there’s a lot of overtime hours ... I feel like that’s paving the road to, you know, some new burnout for people.

In addition to job search challenges, many participants described conditions of their jobs related to labor shortages that caused them stress and had profound negative effects on their quality of life. Most workers in this study who remained employed reported taking on more and more responsibilities on the job because of these labor shortages and having to consistently manage multiple tasks previously covered by one or more other positions. Participants described long hours, unrealistic job expectations, and wages disproportionate to their job responsibilities:

They kept asking too much of us.

We work harder and earn less, that’s our experience.

We currently work more hours, and the salary reduces.

These issues of misalignment in responsibilities and wages were not just realities they experienced on the job. They were also reflected in job postings.
All these experiences with labor shortage stressors and increased workloads led many participants to describe the complexities of burnout effects they endured on the job and how those experiences caused them to reevaluate what they expected from employment:

Talking about observations on trying to find a job. One thing I noticed, it seems like a lot of companies want a huge list of things that you’re going to be responsible for, for paying less. They want you to do everything and to not pay. How can you stretch somebody so thin and expect to pay so little? I’ve noticed that a lot.

The mental and physical stress these workers noted not only caused dissatisfaction in their work life but also contributed to their home life suffering as well, since many had to juggle inflexible schedules, long shifts, and child care responsibilities, among other issues in their lives. Some participants quit their jobs. Others stayed in their roles out of a financial necessity, even though they were taking on too much responsibility. Some said that the difficulties they faced had forced them to reconsider what jobs they pursued or whether they wanted to work at all. As one participant noted:

They hired people, and then they don’t have enough people to work. And … leave us to do, like, our job and other people’s job, which … causes a lot of stress. [It] makes you not even want to work. [It’s] really hard.

Among the many participants who noted their experiences with burnout, descriptions were common across many different sectors, from logistics to manufacturing to healthcare. Burnout was particularly prevalent among workers previously or currently employed in the food service and hospitality sectors.
Nearly all focus group participants articulated how their expectations of work had shifted because of two things: their experiences at the onset of the pandemic, when they were making complex calculations about health and financial risks associated with employment, and their experiences navigating labor shortages and tight labor market conditions. While researchers and stakeholders have articulated various frameworks around job quality,53 these focus groups provided an opportunity for workers to share both their own definition of a good job and their perceptions of job quality. Research suggests workers in low-wage roles are increasingly seeing quality attributes as a minimum expectation, rather than aspirational and available only to workers in higher-wage occupations or with higher levels of educational attainment.54 Participants in this research echoed that sentiment. While in theory job quality is a multidimensional, multidisciplinary phenomenon shaped by the individual, organizations, and society, in practice job quality is a flexible construct based on job factors and life circumstances,55 which the participants discussed at length.

The conversation among almost all the participants focused on the job quality attributes they now expect from employment opportunities. They shared perspectives on how they saw job quality as connected to enhanced job security and stability56 and improved job satisfaction that would reduce their stress,57 which aligned to existing research on the effects of job quality, specifically for workers in low-wage occupations.58

Many participants discussed their baseline expectations from jobs in the postpandemic labor market, with many noting various elements of personal necessities as top priorities, like flexibility and feeling valued. Very few, however, indicated that wages alone would meet their new expectation of a quality job. Although having a job with a wage that covers the costs of living and is proportional to job responsibilities is of high importance, participants highlighted how critical elements of feeling respected, having agency to determine work boundaries, or flexibility to achieve a greater work-life balance are all aspects of work that now have a higher premium to these workers than in the pre-pandemic labor market. Additionally, their comments reinforced how critical job security and stability are to minimize negative effects on their mental well-being. These feelings stemmed from employment experiences at the onset of the pandemic when hours or entire roles would be reduced or eliminated at any point with no warning.
STABLE EMPLOYMENT

Experiences with precarious employment led many participants to prioritize job stability as a characteristic of future employment. Those with higher barriers to sustained employment, such as immigrants or those who were justice-impacted, noted anxiety at the possibility that they could lose their job at any time. Concerns of being “let go” without explanation or “being next” in a round of layoffs changed how they looked at work. Through their comments, they shared how these concerns affected their decision-making around work:

These experiences shaped participants’ loyalty or disloyalty to an employer, what they looked for in a new job, and what they expected from an employer. Others talked about employment stability as a means to greater stability in their life in general. As one participant noted, they were searching not for a dream job but simply a stable one, reinforcing the baseline importance of job stability, particularly for those whose lives have been adversely affected by experiences with precarious employment:

I don’t have a dream job. I just need something that — or would like something that’s going to give me, get me back on a, you know, stable life.

You understand that you should look for something more essential, that could guarantee at least stability during harsh times, like the one we’re going through.

AGENCY, DIGNITY, AND VALUE IN WORK

Most participants reinforced the importance of feeling valued by their employer. In some cases, they talked about having a job in which they felt they were providing value and had pride in the work. Some participants spoke about how their employment experiences during the pandemic caused them to gradually realize their own need for agency or to have the ability to drive change in the workplace. These participants also expressed their need to set boundaries with employers and to feel confident to ask for what they deserve in terms of respect, communication, and pay. They also shared how they expected employers to treat them with dignity as a person and not just as a worker, as this participant noted:

I think everything is encapsulated into treating other people as just being a good human being, you know? Now, what an employer should do for an employee is one, respect his opinion … secondly, he should treat him as himself, not as just a worker.
Some participants surfaced how a positive work environment took priority over marginal differences in wages and also increased their productivity on the job. As one participant noted:

> [The work environment is] more important to me than pay, honestly ... I was earning like 50 cents more, but I was not treated well ... making sure that like you’re treated kind of like you’re actually a person, and that way, like it just helps. Like, I feel like it helps me work better because I actually feel like they value me as a team member.

Some participants shared stories of how they started to exercise their agency on the job by “sticking up for [themselves]” and setting boundaries on what they were and were not willing to accept in terms of responsibilities and hours. As these participants noted:

> I’ve learned that, like when I was working at jobs, and they’d be like, hey, can you do this? I would overextend myself, but for what? Now I’m tired. Just put your foot down. Like, know your boundaries, too. Because at the end of the day, we are essential for the business to run.

> I’ve kind of really realized my worth, and I will stick up for what I believe in ... because whenever you work 100 hours a week, and you don’t get offered time for if you get sick ... you don’t get any type of [additional] compensation. You very much realize how little you matter. And I know myself, I matter more than that.

One participant shared frustrations about their perceived lack of agency in the wider job market and offered an opinion that the economy did not recover in a way that established bargaining power for safety or wages for workers. Whereas research has shown that unemployment insurance has historically increased job quality selectivity for a worker, one participant offered a different point of view on their perceptions of job opportunities following their experience with unemployment:

> The stimulus checks and unemployment was just enough to cover my bills ... I know that with the little extra bump that we were getting, it was okay for a little bit. But for two years, it was almost like the country put us in a place that made us desperate to do anything to go back, and didn’t really have a leg to stand on, as far as bargaining [for] safety, or wages, or how we’re coming back.

Another participant noted they did not feel empowered to advocate for higher wages out of fear of losing the job, highlighting their lack of agency, which runs counter to how a tight labor market and high inflationary period, such as the conditions during this study, should typically enable greater negotiating power around wages for workers:

> They want me to do more responsibility but not with any additional pay. It’s not that it’s harder work. It’s just more. I’ve only been there six months. So, and I’m fine with the pay, but it’s kind of like, um, you know, I guess I’m fearful to ask like, so, I keep getting all these new responsibilities. When do I get a pay [increase]?

These sentiments illustrate how participants experienced feelings of being unvalued or undervalued in jobs during the pandemic and up to the time of the focus groups, as well as how these feelings influenced how and if they engaged with employment and what they prioritized in their job search. Some comments were aligned with the idea of not settling for certain jobs or work environments. These sentiments reflect the nuanced nature of the worker experiences shared in this research, since some participants indicated they could not find work at all, and others noted their lack of agency in their job or the labor market more broadly and had to work anywhere doing anything to survive. Participants shared how they were shifting their perspectives around agency,
dignity, and value in their work, or in the qualities they sought from an employer. They talked about a shift in their perspective on work as a result of pandemic workplace realities. One participant explained:

And I think during the pandemic — it kind of flipped the tables a little bit. Like, no, you know, like, I know that I can bring a lot to the table. Are you going to uphold your end of the half as an employer? So at least for me, it gave me a different perspective of like, you know, like don't settle for less.

WAGES AND COMPENSATION

When participants discussed what they were looking for from a job, compensation came up in two ways. First, participants articulated the need for wages that would cover their costs of living. Second, workers sought a job with compensation that matched job expectations. While the definition of “livable” wages differed depending on locality and family composition, generally workers agreed that wages that covered costs of living were a “must have” in a good job.

However, wages were rarely noted as a standalone priority and always taken into consideration with other quality attributes, like having dignity and agency or flexibility in a job. Mostly, workers spoke about how wage levels were an immediate qualifier or disqualifier during their job search. If wages were too low, they would not consider the job opportunity at all. Wages were noted as critical, considering the rising costs of living participants had been experiencing, as these participants noted:

Workers spoke about not only how much additional work they were taking on but also how low their levels of pay were to begin with. This finding adds context and depth to national data on wages, which show wages have risen significantly for lower-wage roles. Participants in this study articulated that wages were too low to start, and even with increases brought on by tight labor market conditions, wages often fell short of covering costs of living. Moreover, as previously discussed, many noted their experiences of misaligned responsibilities and pay on the job. Many participants shared common experiences around increasing workloads while pay remained flat. As one participant stated:

I would just say the obvious for anybody that's struggling throughout the pandemic, which would be a starting livable wage.

I'm only getting $10.25, $10.75 and I'm doing more than — more than they require me to do. In my mind, it's like, why are we not getting paid more?
Another participant noted that while jobs were available, making it easier from their perspective to find work, the jobs available were not offering the same pay as before. While businesses indicated they were reducing job requirements to ease labor shortages, participants in this study felt that the reductions in credentials or educational requirements were also matched with reductions in pay, reflected in this worker’s comment:

“It’s kind of easier now [to find a job] because people kind of have eased up on that part [job requirements] … they’ll change the title and lower the pay … it could be the same administrative position they offered last year, it’s just lowered by $2 hourly pay.

FLEXIBILITY AND WORK-LIFE BALANCE

I think number one is going to have to be flexibility, and how, for me it’s like just the good — the environment that you work in, taking care of us like … they expect us to take care of the company.

Almost all workers in our study indicated that pandemic disruptions shifted their own priorities and that they now value a flexible work environment in ways they did not previously. Workers noted that flexibility can come in many forms: in hours, in schedules to balance personal responsibilities, at work, and in employers’ responses to their personal and familial needs. This premium on flexibility was born out of participants’ experiences during the pandemic, when many employers did not mitigate illness or COVID exposure absences or effectively accommodate caretaking responsibilities and child care issues due to school closures. In instances where employment situations were flexible, participants praised their employers or managers and spoke about how they felt respected and valued by the flexibility offered to them. Several participants noted they would be willing to leave a job to find flexibility in a new work opportunity, as expressed by one participant:

So, I had to quit my job. And I have been jumping ever since from job to job. Because I’m craving, I need that flexibility in order to keep my family afloat. And I’m still in management. And it doesn’t matter if you’re in management or if you’re down there … every job that I have been at, they are not letting me work from home or giving me flexibility or anything at all...
Participants also recognized that not only do they want flexibility from their employer but also that they must be flexible and empathetic about the needs of their coworkers:

_I think money is not everything. Because there are some jobs you have money, but you don’t have time for your family. There are some jobs you have for you, you don’t have time to sit down with your children. There are some jobs you have, you don’t even have time to go to any other thing but for the job._

The pandemic shift also left workers wanting more time with family or time to spend pursuing their own personal development, further prioritizing flexibility in schedules and work arrangements that would support a better work-life balance. Of the caregivers engaged in this research, many wanted time with their children to be a priority and were searching for more flexibility to allow for that. As one participant noted:

_And my view has changed from before to now. I used to think, ‘Oh, if he cannot make it, he’s probably making excuses,’ to now thinking, ‘Well, child care is really hard to come by now…’ so, it kind of has given me that perspective of trying to be more human … trying to understand people where they’re coming from, because I’m in the same position as them._

Flexibility is something many of these workers said they were not afforded during the onset of the pandemic and through the economic recovery. This lack has caused them to reassess what they are looking for from a job and in many cases influenced them to transition to another job. Some were looking exclusively for remote work options, and some mentioned their desire to move into the technology field as a way to increase their job security and ensure a flexible or remote work environment. Regardless of the reason they valued flexibility, it was a key quality they sought from employment.
Reflecting on experiences with employment at the onset of the pandemic, many workers sought to reinvent themselves through skill development and training to increase what they saw as better employment opportunities available to them. Acknowledging that focus group participants were recruited from workforce agencies, which biases our sample, many in the focus groups talked about gaining skills to secure jobs that garnered higher wages, to support transitions into what they saw as recession-proof sectors or occupations. Others shared their hopes to create opportunities for self-employment to ensure their work life more closely aligned with their definition of a quality job.

There is longstanding literature on the positive relationship between increased education and wage growth.62 Understanding that higher skills and education equate to wages is one thing, but actuating skill training for a worker in a low-wage job is another thing since their employment precarity and time constraints limit their ability to participate.63 Moreover, higher-wage employment varies based on educational attainment, and a study showed that only slightly more than 5 percent of workers in low-wage jobs found a higher paying job in 12 months.64

Many participants in our study saw skill development and training as ways to embark on a new career pathway rather than ways to find a new “job.” The US Chamber of Commerce surveyed people who lost their jobs during the pandemic to surface the motivations of individuals who were still out of the labor force a year later (2021). In its May 2022 update to this survey, the Chamber found that 36 percent of respondents aged 25 to 34 were focused on skill development and training before reentering the job market, as opposed to 23 percent of their overall sample that includes workers aged 18 to 64.65

Workers reflected on opportunities they undertook to improve their skill development, increase their employment potential, and positively impact their long-term employability. The respondents in our focus groups felt hopeful and were motivated to find sustainable and well-paying jobs in attainable occupations or career pathways, or to use their current or newly developed skills to become self-employed.

KEY THEME #4:
Many workers are reinventing themselves through skill development and self-investment to change their economic opportunities

I’ve seen my call center where everyone makes almost six figures or close to it or more, 500 employees, down to 100 employees that’s working from home. Because no one is secure. No one is safe at this point. And I dove into investing in myself into real estate. So I’m now a Realtor … my determination to get other avenues under my belt to make money. And now I’m currently in [a] WIOA program as a freight broker. And that’s a one-year apprenticeship. And that’s my story.

– Worker Voices participant
Among those who actively pursued training, many engaged in upskilling with a technology or information technology focus. These participants generally felt like technology career pathways would provide greater economic stability than their prior employment experiences. They discussed how they valued the perceived work flexibility and remote work options offered by technology jobs. Some talked about technology jobs as future opportunities in the labor market that had staying power and would be good opportunities to sustain employability in the long term. One respondent mentioned:

**SELF-EMPLOYMENT ASPIRATIONS**

I’m actually in school to be able to own one of my own businesses and be able to provide a sustainable and a well-paying and a likeable job for people. Because I know how hard it must have been for people during the pandemic and how hard it is now, still, two years later.

Some participants discussed self-employment of all kinds. Many of their comments were rooted in the idea that becoming self-employed would give them more autonomy, grant more flexibility, create a better work-life balance, and shift the power dynamic from creating profits for someone else to creating profits for themselves. These findings are in line with existing research that shows that many people who are self-employed or own a small business do so for nonfinancial motivations such as creating a work environment for themselves that allows for greater agency, flexibility, and autonomy. Moreover, our focus group findings are consistent with studies on how low-income individuals use informal work and hold multiple jobs to make financial ends meet.

**FORMAL, INFORMAL, AND SELF-DIRECTED LEARNING**

Most participants who noted they were pursuing education and learning opportunities were enrolled in shorter term training programs like bootcamps or other proprietary courses associated with workforce or community-based agencies. Some were enrolled in more formal degree or credential pathways offered by community colleges in areas such as early childhood education and healthcare career pathways. Others were in apprenticeship programs for industrial trades and information technology. Over one-quarter of workers in our focus groups participated in self-directed or informal learning through online offerings and platforms like YouTube in service of improving skills to increase their economic mobility. Some saw informal training as a way to better their employment opportunities. Others spoke of spending time taking courses that would more closely resemble personal enrichment, e.g., cooking, creative writing, or public speaking classes.

As mentioned earlier, many respondents indicated that they worked in essential roles, such as grocery store workers, or in customer-facing roles that were heavily impacted by pandemic closures and layoffs, such as restaurant workers. This job instability made them rethink their career trajectory. Many viewed training as a readily available option that would build their skills and enable a move into a job with greater income potential or into a new career pathway entirely, as this participant noted:

During the pandemic, I realized that there was the insecurity of my job. I’m trying to transition to software development. I’m going into software, going to working remotely. I feel like there’s more security in that area. So I’ve been taking some tutorials. It’s not been easy, but I’m still pushing through.

I was working in the supermarket store. I was also learning one or two IT programs like data analysis. So it helps me a lot ... I have to change jobs, and for now, the pay is a little bit better just to, you know, achieve my goals and make my family comfortable just a little bit.
For many of our participants, informal self-employment or gig-based work was not new. Many engaged in these activities while they were trying to make ends meet during the height of pandemic closures. Many indicated that they engaged in making and selling food, babysitting and child care, running errands, providing salon or car services, and offering other forms of day labor for primary or supplemental income. One participant who mentioned that they got laid off at the beginning of the pandemic and were unemployed for roughly a year and a half recalled how they turned to independent work as a means to support their family:

During all that time I was unemployed, I was only working for a few hours. Sometimes I cleaned some houses with some neighbors, or [babysat] for a few hours. I also took care of elderly people. I did some independent work because I didn’t have a job and I didn’t have any other income. That was the only way to support my family.

Some participants aspired to self-employment as a mechanism of control and a way to ensure they had agency in their jobs, while others were already starting a business. Some mentioned that although they knew being an entrepreneur was not going to be easy, they liked the empowerment that came with it:

I had in a sense an entrepreneur mindset ... so it was during this entire pandemic, it’s just literally been me grinding and hustling and trying to make ends meet by myself. No like extra pay. So, if anything, COVID really just taught me that there’s no limitation on what I can do as far as being an entrepreneur. You just really got to have the mindset of being able to bounce back from anything.

Others saw self-employment and entrepreneurship as a way to better their and their families’ futures. When a participant was asked why they were pursuing their bachelor’s degree in entrepreneurship, they responded:

The reason behind it is kind of because I want to create generational wealth. You know, I have a child. I don’t want him to be stuck in the loop of poverty as I grew up with. So, I want to find a path to where not only am I free to be who I am, you know, not tied to an employer, not being afraid living paycheck to paycheck but also creating an avenue to where he can actually explore himself and not be worried about those same things I was.
While the COVID-19 pandemic disrupted work for most people, many of the workers and job seekers who participated in this study faced particular challenges with employment and navigating the labor market. This project sought to answer specific questions about how employment experiences during the pandemic and in the postpandemic labor market influenced worker behavior, perceptions, expectations around employment, and the ways in which they are reinventing themselves for future employment opportunities. Findings from this study offer relevant insight on how workers in general navigate economic shocks and raise questions about the possible outcomes of these shifts to the labor market, both in the short and long terms. The perspectives of these workers provide nuance to labor market data and offer considerations for employers, policymakers, and workforce organizations.

Although further research is needed, these findings suggest that nondegree workers’ expectations and behaviors shifted because of their experiences of work during the COVID-19 pandemic. The participants’ comments and themes that emerged from this research underscore the value of qualitative data to understanding the “why” behind labor market trends, as well as how workers may navigate this moment and future labor market disruptions.

SHIFTING PERSPECTIVES AND PREFERENCES

When we consider what is necessary to facilitate greater attachment to the labor market, the perspectives revealed in this study may demonstrate how a tight labor market may not be beneficial to all job seekers, particularly those in lower-wage roles. The individuals who participated in focus groups had unique experiences of financial precarity due to the COVID-19 pandemic, with many experiencing job loss. Many of those who remained employed were forced to make difficult choices regarding health risks, income, and increased stress on the job. The challenges they discussed, including job instability, child care, and perceived discrimination, reveal some of the systemic barriers that may contribute to labor market shortages.

This study also suggests shifts in worker preferences around jobs and in how workers are reinventing themselves in order to achieve stability and economic mobility. Many workers spoke to their enhanced expectations for treatment at work, including agency and dignity, better stability and safety at work, wages and compensation, and flexibility. These preferences inform worker behavior, as many participants sought to reinvent themselves through job training and skill development. Others are planning entrepreneurial endeavors and considering self-employment.
options to increase agency, autonomy, and flexibility, among other nonfinancial benefits. These shifts in preferences raise questions about what is needed to attract and retain talent and how this might inform future trends in worker behavior.

CONSIDERATIONS GOING FORWARD: WORKER VOICES

This study raises several questions that make way for further research and inquiry related to the current and future of the US labor market as well as the future of worker expectations and preferences:

• **Cyclical or structural changes**: Are these post-economic shocks structural or cyclical changes? If the shifts documented in this study are more than cyclical and represent structural changes in worker expectations and behavior, could this result constitute permanent changes to the labor market? Will employers engage differently with the workforce to ease hiring barriers and increase long-term retention in the labor market?

• **Worker expectations and preferences**: Will worker priorities around wages and job quality shift during an economic downturn, or will workers’ expectations and preferences remain and contribute to increased pressures to create better employment opportunities in the labor market? How will their participation in the postpandemic labor market change over time?

These perspectives are worth capturing and understanding with further study and continued conversations with workers, especially those in low-wage roles, to help inform long-term trends in the labor market and the effect of these trends on economic growth.

In considering the application of this research, this study presents an opportunity to deepen our understanding of workers’ experiences and needs so we can better understand labor market trends. The research also might inform interventions necessary for employers, policymakers, and workforce organizations in fostering maximum employment. The elements that are motivating and limiting nondegree workers and job seekers also offer an opportunity to better understand labor force participation trends and provide nuance around quantitative data. The Federal Reserve’s research and engagement efforts to analyze and understand worker and employer perspectives aims to enable further inquiry around these trends as we consider elements necessary for a more inclusive labor market.

This research can also help answer questions raised by employers and industry leaders around the labor shortage. The priorities shared by the workers in these focus groups in what they look for in a quality job could help employers consider how they can fill labor gaps and better hire, retain, and upskill talent. Addressing structural barriers discussed in the first two findings of this research may also inform the work of nonprofit organizations directly serving workers, as well as policymakers. For researchers and practitioners, the perspectives shared by the workers offer important nuance around the needs of nondegree workers and job seekers, an important segment of the labor force.

In order to foster a more inclusive and resilient economy, it is imperative that low-income and nondegree workers have opportunities and connect to employment in any economic cycle and in the long term. By including worker voices to inform policy and practice, we can work toward building an economy that works for all.
APPENDIX A: METHODOLOGY

The Federal Reserve's Worker Voices Project conducted focus groups with workers without a bachelor’s degree to supplement aggregate quantitative data that may not detail this population. Insights from job seekers and workers, especially those who are low- to moderate-income and who experience barriers to economic mobility, enhances the Federal Reserve’s understanding of the labor market and broader economic conditions to support its dual mandate of full employment and price stability. This was a qualitative study whose objective was to explore the experiences of workers and job seekers on how they navigated the labor market during the COVID-19 pandemic and afterward.

RESEARCH TEAM

The Federal Reserve Banks of Atlanta and Philadelphia led the project and partnered with each of the 12 Reserve Banks in the Federal Reserve System to conduct this research. The project secured Public Works Partners, a public and nonprofit sector community consulting and research firm, to select participants and facilitate focus groups with workers across the United States. Public Works Partners was secured as a third and neutral party to support this project for a few reasons: to mitigate selection bias, to provide neutral facilitation of discussion, and to coordinate logistics of the focus groups. The Federal Reserve research team consisted of project leads (Sarah Miller, Federal Reserve Bank of Atlanta, and Ashley Putnam, Federal Reserve Bank of Philadelphia), subject matter experts, and qualitative research analysts. The project protocols and methodology design were informed and guided by a Project Design Advisory Committee made up of various subject matter experts from a subset of the Federal Reserve Banks. Members of this group included community affairs officers, outreach specialists, labor economists, and qualitative research experts. Dr. Rosemary Frasso, visiting scholar with the Federal Reserve Bank of Philadelphia and a professor and program director of public health at Thomas Jefferson University, served as an advisor in development of the research design, coding, and analysis.
QUALITATIVE RESEARCH DESIGN

This research sought to investigate three sets of research questions:

• Why have workers without a bachelor’s degree made the decision to work, or not to work, during the pandemic? What has prevented people from returning to work or remaining in their jobs?

• What changes are workers without a bachelor’s degree trying to make in the current labor market to better their jobs or career opportunities? What priorities are influencing their actions?

• How are workers without a bachelor’s degree anticipating and preparing for their next transitions in the labor market? How has their employment experience during the pandemic impacted these future plans?

To answer the study’s research questions, focus group-based data collection and qualitative analysis methods were used to identify experiences, attitudes, and perceptions that influence worker behavior, as well as barriers and motivators for behavioral change. An inductive approach was used to ask questions, identify themes, and find conclusions.

To actuate this framework, we used focus groups as its qualitative methodology to understand the nuanced perspectives of job seekers and workers, especially those who are low- to moderate-income, their employment decisions during the pandemic and in the current labor market, and their next employment transitions. During these sessions, participants were asked semistructured questions from a facilitation guide about their experience with the labor market at the onset of the pandemic, their experience after the pandemic’s peak, and their perspective on work moving forward.

The creation of the facilitation guide was an iterative approach. Initial research questions and facilitation guide prompts were reviewed by workers and job seekers via two methods: One-on-one interviews were conducted with six workers to refine questions and prompts, and a pilot focus group session was conducted to aid in conversation facilitation and to ensure clarity of communication to participants. We conducted a pilot focus group in May 2022 to improve the facilitation guide and continued to refine and then finalized the guide after the first three focus groups. This final facilitation guide was used for 16 of the focus groups, but with subject-relevant questions added for three topic-focused sessions on job quality, challenges to rural communities, and wage and inflation pressures. Additionally, three of the 16 sessions were conducted exclusively in Spanish to reach the Latinx and Hispanic subgroups of the population, which have disproportionately high rates of workers in low-wage occupations, given their share of the workforce. The facilitation guide design and recruitment followed “do no harm” expectations of ethical research standards, and participants had to have agreed to the informed consent before being placed in the candidate pool. An example facilitation guide can be found in Appendix C. This guide was translated for the facilitators conducting groups in Spanish.

A total of 20 virtual focus groups of 90 minutes each were conducted over the spring and summer of 2022. Focus groups were conducted virtually via Zoom, with a phone-in option, to increase the geographic diversity of participants, avoid health risks associated with in-person meetings, and decrease the travel burden for the research team. They were held after traditional working hours to minimize potential conflicts for participants.

PARTICIPANT RECRUITMENT AND SELECTION

The research team employed a convenience sampling strategy and identified more than 60 community-based partners of the 12 Federal Reserve Banks to conduct recruitment. These organizations included community-based, worker-serving nonprofits (e.g., Goodwill, the United Way), job training providers, and workforce agencies or American Job Centers. Additionally, many individuals were referred by workers’ friends or family. Recruitment was conducted separately for each focus group, aside from the three
topic-specific sessions (job quality, wages and inflation, and rural areas), in which participants were selected from existing qualified applicants who were recruited but not selected for earlier sessions.

Participant inclusion criteria included two factors: age (20–55 years old) and educational attainment (workers and job seekers with less than a bachelor’s degree). Age parameters were included as the study posed three research questions along a time horizon and asked for detail on employment experiences at the onset of the pandemic. The lower age bound for study participation was determined as 20 years old, presuming that those participants had a higher probability of working in the spring of 2020. The upper age bound was determined as 55 years old to engage with workers who have been actively navigating the labor market for a significant period. The study specifically focused on workers with less than a bachelor’s degree, since these workers are disproportionately affected by economic and labor market shocks, like those seen during the pandemic, and have greater precarity in employment generally.72

Selection of participants for each focus group started with partner organizations distributing project information, including the opportunity to earn a $75 gift card, to potential participants. Interested individuals completed an online questionnaire that included demographic information (including age and educational attainment) and an agreement to the informed consent. Public Works Partners selected individuals to invite to each session from the pool of eligible participants. Approximately 40 percent of the 1,243 survey respondents were eligible for participation, based on the qualifying criteria of age and education. For the first 10 focus groups and the topic-specific sessions, participant selection was designed to reflect the demographics of those who filled out the survey for that session. For the final 10 sessions, Public Works Partners prioritized demographics that were underrepresented in the first 10 sessions; these groups included young men, people of color, Native Americans, and those living in rural areas. The topic-specific session on job quality prioritized individuals from industries likely to have organized labor, and the rural session prioritized Native Americans and individuals from rural areas.

A total of 289 respondents were invited to the 20 sessions to achieve a total of 175 participants. On average, 14 respondents were invited to each session, and on average, nine participants participated in each session. Focus group participants were drawn from 33 states and 147 zip codes across the United States in urban, suburban, and rural areas. Participants had diverse racial, ethnic, educational, and family backgrounds. Fifty-eight percent of participants identified as caregivers, and 60 percent identified as being employed. Analysis in this study represents input from 168 participants in the 19 focus group sessions conducted following the pilot. Expanded participant demographic information can be found in Appendix B.

Participants were provided an individualized Zoom link to associate them with the demographic information they provided in the screening questionnaire. At the beginning of each session, the Federal Reserve team presented slides on the project’s purpose, recording, confidentiality, and informed consent, Zoom tips, focus group etiquette, and gift card disbursement. Public Works Partners shared participant demographic data and preliminary insights after each focus group to the Federal Reserve research team.

FOCUS GROUP TRANSCRIPT CODING AND ANALYSIS

To analyze the qualitative data, the coding team used the pilot focus group transcript to employ an inductive coding approach, in which codes were created and then themes emerged.73 First, the coding team employed open coding to identify topics, themes, and an initial set of codes. To test the code definitions and increase intercoder reliability, multiple coders coded the first focus group transcript and then compared outcomes. Adjustments were made as needed. From there, analysts used selective coding to analyze group codes into categories, then themes, respectively.74 Next, they used an iterative approach to define specific
codes for the final code book as they reviewed subsequent focus groups.

The codebook was developed by Federal Reserve System analysts from the transcripts to include broad themes, definitions, examples, and relevant subcodes. Themes derived from the transcript data that were included as high-level (“parent”) codes in the codebook include: (1) barriers to employment, (2) job quality, (3) increases in mental health concerns, (4) changes in preferred employment characteristics, (5) improved employment opportunities or financial stability, (6) system/government interactions, and (7) resources and networking.

A larger number of subcodes (“child” codes) were developed to further analyze content pertaining to secondary themes within each high-level theme. Using the code book, the coding team coded subsequent transcripts independently and then jointly reviewed to validate codes to increase intercoder reliability. Analysts and coders had access to video and audio recordings as well as transcripts that were transcribed by CaptionSync. An analysis of all transcripts was conducted by the authors of this report, the coding team, and the research team. The coding team, authors, and analysts worked directly with the code transcripts to examine overlap of codes, quotes within individual codes, and language used to describe themes.

COMMUNITY-BASED PARTICIPATORY RESEARCH PRINCIPLES

Workers were engaged throughout the research design and implementation process. Workers offered insights to improve the screening questionnaire used to source focus group participants, to help iterate on the facilitation guide used in each focus group, and to validate research findings to ensure framing and language use resonated. Individual interviews were conducted at the onset of project design to test and refine research questions and to inform the semistructured focus group protocol. These conversations helped the research team reframe questions, reduce bias or leading elements in questions, and learn how participants would hear and respond to certain prompts. A pilot focus group was conducted to help improve how the conversation was facilitated, to refine flow and structure of questions, and to reduce administrative barriers from the screening questionnaire and improve guidance on technology access to join the virtual focus groups.

To validate findings from this research, three additional focus groups were held with a subset of workers initially engaged. These conversations shared topline findings and summaries from themes to confirm that the qualitative processes employed resulted in an accurate reflection of participant sentiment and perspectives from the 2022 discussions. These conversations also informed certain language and word use in this report. For example, we use workers in low-wage roles as opposed to low-wage workers. These conversations allowed for a confirmation on findings and to ensure language was respectful and reflective of their perspectives.

Additionally, two community-based organizations focused on workforce development and wraparound supports for workers and job seekers were engaged to provide a review of this paper. Their review focused on ensuring we were comprehensive in framing issues their participants experienced and that language and phrasing used were appropriate and respectful of the realities of these workers and job seekers.

LIMITATIONS

It is important to discuss the biases and limitations that are important for the reader to keep in mind when interpreting these findings. First, there is a tradeoff in research from conducting qualitative research to gain nuanced insight into the subject matter, knowing these results may not be generalizable to the broader population. The research team acknowledges these limitations, but through qualitative research techniques and coding, there are overall themes that can be considered.

Second, this project employed a convenience sampling strategy that used community-based organizations to conduct
recruitment. Selection bias occurred because individuals who received the demographic screening questionnaire were connected to those community-based organizations, workforce development agencies, and training providers, and were therefore connected to the workforce system in some way; this could upwardly bias selection toward those who are unemployed and would disproportionately have higher barriers to employment in the labor market than a standard sample of the workforce. This population is more likely to be participating in training and more likely to be actively engaged in a career change or job search. Given inclusion criteria for worker age, the results of research reflect those of close to prime-age working status and do not delve into barriers to employment affecting exclusively youth or older workers in the labor market.

Finally, by using virtual focus groups, this study has limitations on gathering insights from workers or job seekers with barriers to broadband access or digital devices, since an email address was required to complete the demographic questionnaire, access the individualized session participation link, and receive the participant incentive. This method of data collection and dissemination excluded individuals who did not have email addresses, which results in response bias in the sample. As needed, participants were provided a phone number to dial into the session to participate in the focus group.
APPENDIX B: PARTICIPANT DEMOGRAPHIC INFORMATION

Of the 175 focus group participants, 58% identify as female, 40% identify as male, and 2% identify as transgender, gender nonconforming, or did not answer. Their ages range from 20 to 55 years old, with 22% ages 20–24, 40% ages 25–34, 25% ages 35–44, and 13% ages 45–55.

Focus group participants were drawn from 33 states and 147 zip codes across the United States, with 54% residing in urban communities, 29% in suburban communities, and 17% in rural communities.
Of 175 participants, 58% identified as caregivers. Of 102 caregivers, 68% are responsible for one or two people and 32% are responsible for three or more people.

Among 102 caregivers, there were 87 total instances of individuals having at least one child in their care (65%) and 46 total instances of having a parent(s) or grandparent(s) in their care (35%).
Of 175 participants, 63% identify as Hispanic, Latinx, or Spanish. Of the other participants, 48% identify as Black or African American, 29% identify as white, 8% identify as with an Indigenous group, and 1% identify as Asian or Asian American. Additionally, 6% are self-described or preferred not to answer and 8% identify with multiple races.

Nearly half (46%) of the participants attended some college, 11% earned an associate's degree, 27% earned a high school or high school equivalent degree, and 14% attended some high school, while only 2% earned a foreign degree.
A majority of participants (77%) attended alternative education programs. Of these 135 participants, 54% participated in a noncollege training or workforce program; 53% participated in a trade, technical, or vocational program; and 33% participated in an apprenticeship program.

Of 175 participants, 60% are employed. Of the 105 who reported they were employed, 62% work full-time, 28% are self-employed, and 28% work multiple jobs.
APPENDIX C: EXAMPLE FACILITATION QUESTIONS

LOOKING BACK: ONSET OF THE PANDEMIC (15 MINUTES)

• We want to learn a little bit about your experience with work at the start of the pandemic. How would you describe your job during this time? For folks who stopped working, tell us more about how you navigated that.
• How did your employer’s treatment of its employees influence your decision to remain in your role, seek a new job, or stop working altogether?
• For those of you who are parents or maybe take care of a family member, how did that influence your decisions around work (March–May 2020)?
• Did anyone start working for an app like Uber, Lyft, TaskRabbit, DoorDash? What was that experience like, and why did you make this shift?
• Did anyone start working for themselves or start their own business?
• Did anyone take time during the pandemic to learn new skills or go back to school?

CURRENT CHANGES IN LABOR MARKET: JUNE 2020–PRESENT (20 MINUTES)

• Did you have a shift in perspective around work? What factors influenced your shift in perspective?
• We know that as the pandemic progressed, many people made the decision to change jobs. Did that happen to anyone here today? Tell us more about why you changed jobs.
• We have also heard many employers have changed what they are looking for in terms of hiring. Have you experienced this?
• Did you find that stimulus checks, unemployment insurance, gave you more flexibility in jobs or training? Did this additional support impact your decisions around work? If so, how?

MOVING FORWARD: LOOKING TO THE FUTURE (15 MINUTES)

• How has working during the COVID-19 pandemic affected your perspective on work going forward? How have your priorities shifted?
• Looking forward, do you feel more compelled to start your own venture or work for yourself?
• Does anyone see themselves pursuing a role that is out of your comfort zone?
• Do you want to pursue additional training/education to build your skills?
• For those pursuing jobs or planning to pursue a new job, how are you hearing about these opportunities?
• Did the skills you gained over the course of the pandemic enable you to pursue a new job?
ENDNOTES


4 Ranjay Gulati, “The Great Resignation or the Great Rethink?”, Harvard Business Review hbr.org/2022/03/the-great-resignation-or-the-great-rethink


9 Georgetown University Center on Education and the Workforce, “Tracking COVID-19 Unemployment and Job Losses cew.georgetown.edu/cew-reports/jobtracker/


14 Ibid.


16 Molly Kinder and Martha Ross, Reopening America: Low-Wage Workers Have Suffered Badly from COVID-19 so Policymakers Should


20 Ibid.


22 Federal Reserve Bank of St. Louis, “Unemployment Rate (UNRATE),” Federal Reserve Economic Data (FRED), accessed April 2023. fred.stlouisfed.org/series/UNRATE


26 Justice-impacted individuals include those who have been incarcerated or detained in a prison, an immigration detention center, a local jail, a juvenile detention center, or any other carceral setting; those who have been convicted but not incarcerated; those who have been charged but not convicted; and those who have been arrested.


48 Fuller, Langer, and Sigelman, “Skills-Based Hiring is on the Rise.”


60 Fuller, Langer, and Sigelman, “Skills-Based Hiring is on the Rise.”


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