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Cover Page Footnote

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Latinos Need Not Apply:

The Effects of Industrial Change and Workplace Discrimination on Latino Employment

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The objective of the research described here is to assess how recent changes in the organization of industry and discrimination in the workplace affect the employment of Latinos. One of the most important developments in labor markets during the past two decades is the erosion of internal labor markets. Employers are responding to intensified competitive conditions that developed during the 1980s: increased international competition in domestic markets and deregulation in telecommunications, banking, insurance, and other industries. The development of information technologies and the diffusion of secondary and postsecondary education have enabled organizations to cut labor costs. In particular, firms are recruiting externally a greater number of workers for positions that once were filled by in-house trainees. A growing number of entry-level jobs have become divorced from internal training and career ladders. The authors conclude that the Latino workforce is affected primarily by the compositional shift of employment away from manufacturing, which has resulted in further concentration of Latinos in farming and service occupations, both of which entail low wages and few benefits. Additionally, the erosion of internal labor markets will probably result in even further diminished opportunity through seniority and experience for Latino incumbent workers who might have a chance at internal labor markets, in reduced numbers of job opportunities for future cohorts, and in the rise of part-time and temporary work.

In 1982, the National Commission for Employment Policy issued a report titled "Hispanics and Jobs: Barriers to Progress."[1] It concluded that "Hispanics generally experience common barriers to labor-market success: lack of proficiency in English, low levels of formal schooling, and discrimination." During the following decade, research on the labor-market standing of Latinos expanded tremendously. For the most part, new research demonstrated to what extent each of these main factors could explain employment or earnings differentials with respect to other workers.[2]

By now it is clear that the patterns of growing disadvantage affecting Latinos, African-Americans, and other ethnic and racial groups are not exceptional but largely the product of profound transformations in the way the economy and labor markets are organized. Certainly the root causes of these transformations continue to be the subject of heated debate among social scientists. An important development regarding Latino research is that emphasis has moved from language proficiency, educational attainment,

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"Overall, the socioeconomic profile suggests that Latinos are disproportionately represented among the working poor. Latinos are overrepresented in low-wage occupations, have high incidence of unemployment and a low proportion of full-year, full-time work, and, as a consequence of their labor-market standing, have earnings that are close to or below poverty level."

— *Edwin Meléndez*

and wage discrimination toward a more comprehensive examination of how labor markets operate and the interaction of group characteristics and discrimination in the workplace.[3]

The objective of this research is to assess how recent changes in the organization of industry and discrimination in the workplace affect the employment of Latinos. One of the most important developments in labor markets during the past two decades is the erosion of internal labor markets. Employers are responding to intensified competitive conditions that developed during the 1980s, such as increased international competition in domestic markets and deregulation in telecommunications, banking, insurance, and other industries. The development of information technologies and the diffusion of secondary and postsecondary education have enabled employers to cut labor costs. In particular, firms are recruiting externally a greater number of workers for positions that once were filled by workers who had been trained in house. A growing number of entry-level jobs have become divorced from internal training and career ladders.

We conclude that the Latino workforce is primarily affected by the compositional shift of employment away from manufacturing, which has resulted in further concentration of Latinos in farming and service occupations, both of which entail low wages and few benefits. Additionally, the erosion of internal labor markets will likely result in even further diminished opportunity through seniority and experience for Latino incumbent workers who might have a chance at internal labor markets, in reduced numbers of job opportunities for future cohorts, and in the rise of part-time and temporary work.

Despite the significant progress in understanding the barriers to workplace advancement for minorities and women, the specific mechanisms whereby the organization of work affects the advancement of Latinos in the workplace remain elusive. Most studies provide descriptive evidence of the differences in labor-market standing between Latinos and other workers, while very few studies focus on how workplace practices may create structural barriers that result in differential and adverse treatment of Latinos.

Regarding discrimination in the workplace, we found that the advancement of Latinos within organizations is affected by the structure of work or so-called career ladders or internal labor markets; stereotypes and how these interact with managerial styles; intergroup relations and group subordination; and workplace culture. Advancement within organizations is also partially affected by education and credentials, which in part are regulated by institutional arrangements external to the organizations. It is important to consider that these "demand-side" factors interact with workers' characteristics in determining labor-market outcomes. This study is based on a thorough review of the literature and the examination of existing sources of data. We have also used the Current Population Survey for several years to have the necessary data to assess structural change. We have organized the study into four parts: a socioeconomic profile of the Latino population in which the most relevant labor-market characteristics of this population are presented; an analysis of recent changes in employment structures and how these affect Latino workers; a discussion on how cultural symbols, stereotypes, work identities, and intergroup relations affect Latinos in work organizations; and a final section on policy and research recommendations.

Socioeconomic Profile of Latinos

Latinos constitute one of the fastest growing groups among U.S. workers. In March of 1992, Latinos represented 7.9 percent of the labor force, a substantial 1.7 percentage

point increase from the previous decade. Between 1982 and 1992, the Latino civilian labor force grew from 3.4 million to 9.9 million workers.[4] Our objective in this section is to discuss some of the most important socioeconomic characteristics of the Latino population in relation to its labor-market situation. Previous research has established several important characteristics of this population to consider: Latinos differ from the rest of the U.S. population in important ways; Latinos fare worse than whites on most labor-market indicators and worse than African-Americans on many of them; and there are important national origin group differences among Latinos.[5]

The Latino experience in labor markets is particularly affected by the large proportion of foreign-born among the population. Estimates from the 1980 U.S. census range from one-quarter of the Mexican population being foreign-born to more than three-quarters of the Central and South American populations foreign-born. In 1990, immigrants from Latin America and the Caribbean constituted more than two-thirds of all immigrants to the United States.[6] Evidently the immigrant experience represents a challenge to the successful incorporation of workers to a new labor market. Language proficiency and cultural differences may continue to be barriers for the employment and workplace advancement of Latinos, but only in the category of recent immigrants.

Latinos are predominantly an urban population, concentrated in a few regions of the country. In part, the concentration of Latinos in a few cities and regions responds to migration networks, links to former Mexican territories in the Southwest, or the role that the East Coast cities like New York and Miami played in the political history of Puerto Ricans and Cubans. In 1990, four states — California, Texas, New York, and Florida — accounted for 71 percent of the U.S. Latino population.[7] Latinos are also significantly more concentrated in urban areas than the population at large. In 1992, 91 percent of Latinos lived in urban areas, compared with 70 percent of the white population.

These stylized facts about the general characteristics of the Latino population suggest that its labor-market standing is influenced by economic trends affecting the demand for immigrant labor and other labor-market dynamics affecting a few states and cities where Latinos are concentrated. However, to understand the position of Latinos in labor markets fully, it is necessary to look closely at a few key indicators: labor-force participation and unemployment rates, educational attainment, occupational distribution, and earnings.

Labor-Force Participation and Unemployment Rates

As indicated in Table 1, the share of the civilian labor force held by Latino men, 8.2 percent, was higher than that held by Latin women, 7.6 percent. There are other significant gender differences regarding the labor-force standing of Latinos. Latino men have a 79.6 percent labor-force-participation rate, which is 4.4 percentage points higher than that of white men. In contrast, Latino women have a 52.2 labor-force-participation rate, which is 5.8 percentage points lower than that of white women. Notwithstanding these different patterns of labor-force participation, both Latino men and women have substantially higher unemployment rates when compared with their white counterparts.

Differences in labor-force participation by nativity are important as well. Mexican, Central and South American, and other Latino men have labor-force-participation rates higher than white men, while Puerto Rican– and Cuban-origin men have lower participation rates. Latin women of all national origin groups have lower labor-force-participi-pation rates than white women, though Central and South American and other Latin women have similar rates. These differences in participation rates among different

Table 1

Labor Force Status by Origin and Sex, March 1992

	Total	White[a]	Latino					
			Latino Total	Mexican	Puerto Rican	Cuban	Central & South American	Other
Male, 16 years and over (000)	91,237	70,892	7,499	4,698	740	420	1,099	541
In civilian labor force (000)	68,209	53,325	5,971	3,783	520	303	946	419
In civilian labor force (percentage)	74.8	75.2	79.6	80.5	70.3	72.2	86.0	77.4
Unemployed (percentage)	8.80	7.50	12.2	12.4	14.1	9.1	12.5	10.4
Female, 16 years and over (000)	99,783	76,908	7,607	4,530	845	454	1,160	617
In civilian labor force (000)	57,244	44,626	3,969	2,336	378	235	663	358
In civilian labor force (percentage)	57.40	58.0	52.2	51.6	44.7	51.7	57.1	57.9
Unemployed (percentage)	6.50	5.40	9.8	10.5	9.8	9.9	8.3	7.6

Source: U.S. Bureau of the Census, *The Hispanic Population in the United States: March 1992* (Washington, D.C.: U.S. Government Printing Office, 1993).

[a]Refers to non-Latino whites.

national origin groups are largely explained by the proportion of immigrants within each group. Recent immigrants tend to have higher participation rates than others and are more willing to work for lower wages, particularly when affected by high unemployment rates. All Latinos, no matter what their origin, experience higher unemployment rates than white workers.

Educational Attainment

Education is the most often cited factor when researchers explain the labor-market disadvantage of Latinos. Although Latinos had significant educational gains in the 1980s, these were not sufficient to close the gap with respect to whites. The median years of school completed, for example, increased for Latinos from 10.8 in 1980 to 12.0 in 1988, reducing the educational attainment gap from 1.7 years to 0.7 year.[8] Most of these gains could be attributed to the higher educational attainment of younger cohorts despite the high dropout rate and other problems that affect Latino youth. In 1992, 47.4 percent

Table 2

Population and Educational Attainment by Origin, March 1992

	Total	White[a]	Latino					
			Latino Total	Mexican	Puerto Rican	Cuban	Central & South American	Other
Total population (000)	251,447	189,216	22,096	14,062	2,352	1,041	3,084	1,557
Total 25 years and over (000)	160,838	126,620	11,624	6,860	1,266	759	1,780	958
Completed high school (%)	79.5	83.4	52.6	45.2	60.5	62.0	61.7	70.9
Bachelor's degree or more (%)	21.4	23.2	9.3	6.1	8.4	18.4	16.0	14.2
Total 25 to 34 years (000)	42,496	31,285	4,249	2,692	428	157	724	249
Completed high school (%)	86.5	90.8	58.5	51.7	70.2	78.4	63.3	84.2
Bachelor's degree or more (%)	23.2	26.1	9.6	7.4	9.4	20.5	14.7	12.8
Total 35 years and over (000)	118,342	95,335	7,374	4,169	838	602	1,056	710
Completed high school (%)	76.9	80.9	49.2	40.9	55.6	57.8	60.6	66.2
Bachelor's degree or more (%)	20.7	22.2	9.1	5.2	7.9	17.8	16.9	14.7

Source: U.S. Bureau of the Census, *The Hispanic Population in the United States: March 1992* (Washington, D.C.: U.S. Government Printing Office, 1993).

[a]Refers to non-Latino whites.

of Latinos were under 25 years old, while 33.1 of whites were this young. As shown in Table 2, the difference in the proportion of high school graduates between Latinos and whites is 32.3 points for the young adult cohort (twenty-five to thirty-four-year-olds) and 31.7 points for the thirty-five-years-and-over cohort.

Mexicans and Puerto Ricans are the most educationally disadvantaged among the Latino-origin groups. Group differences are important to consider because of the distinct geographical concentration of these groups throughout the country and the implications of such educational differences for policy planning and program development. Among the twenty-five-years-and-over population, Mexicans have the lowest proportion (45.2%) of high school graduates of all Latino groups and have a sizable gap of 38.2 points fewer high school graduates than whites. Puerto Rican (at 60.5%), Cubans (62.0%), and Central and South Americans (61.7%) have a deficit of about 20 percentage points below white high school graduates. However, when completion of the bachelor's degree is used as a

yardstick of educational attainment, Puerto Ricans are as disadvantaged as Mexicans. Their attainment is about 15 to 17 percentage points lower than that of their white counterparts. Cubans show the highest proportion (18.4%) of college completion, followed by Central and South Americans (16.0%) and other Latinos (14.2%). These patterns of relative standing in educational attainment are similar for younger or older cohorts.

Language

Like education, a lack of English proficiency is a factor cited for labor-market disadvantage. According to the 1990 U.S. census (public microdata sample), approximately 78 percent of Latinos speak Spanish at home; 50.8 percent of Latinos specified that they do not speak English "very well."[9] But the exact effect of language on Latinos in the workplace is unclear. Some research shows that among Mexican-American immigrants there does not appear to be any direct economic reward for speaking English; for U.S.-born Chicanos, there is only a small economic advantage associated with being reared as an English monolingual. However, there does appear to be a clear disadvantage directly associated with being Spanish-dominant bilingual.[10]

On the other hand, results from a study by Stolzenberg suggest that much of the occupational inequality between Latino and non-Latino white men is explained by differences in schooling and English-language fluency.[11] In fact, he finds that if Latino men speak English at least "very well" and have completed at least twelve years of school, their occupational achievement is close to that of white non-Latino men with similar English fluency and schooling. Otherwise, the occupations of Latinos are inferior to those of white non-Latino men with similar linguistic and educational characteristics. Bean and Tienda also found that lower levels of English proficiency meant Latinos were less likely to be in the labor force than their counterparts whose English proficiency ranged from fair to very good.[12] In particular, significant language effects emerged for Puerto Ricans and other Latinos.

Bean and Tienda report that Puerto Ricans with poor or no proficiency in English were 10 percent less likely to be in the labor force in 1980 than proficient English speakers, while Puerto Ricans and other Latino men with fair English skills participated in the labor market at a rate of 4 percent below their national counterparts.

Occupational Distribution

Educational attainment is closely related to the occupational achievement of Latinos. Table 3 shows the occupational distribution of Latinos and whites by sex. Latinos are extremely underrepresented in the high-earning managerial and professional occupations and overrepresented in the low-earning operator, fabricator, and laborer occupations. In 1992, only 11.4 percent of Latino men and 16.4 percent of Latino women worked as managers and professionals, while 28.6 percent and 29.7 percent of white men and women, respectively, did. This sizable gap is reversed when operator, fabricator, and laborer occupations are considered: 27.5 percent and 14.6 percent of Latino men and women, respectively, worked in this category, while only 18.0 percent of white men and 6.5 percent of white women did. Similar patterns of underrepresentation by Latinos are observed for technical occupations, and overrepresentation is the pattern in the service occupations.

The differences in occupational distribution are as pronounced among the various Latino-origin groups as they are with respect to whites. Considering the managerial and professional occupations, Cuban men (21.3%) have twice the shares of Mexicans (9.3%)

Table 3

Occupational Distribution by Origin and Sex, March 1992

	Total	White[a]	Latino					
			Latino Total	Mexican	Puerto Rican	Cuban	Central & South American	Other
Employed males, 16 yrs and over (000)	62,191	49,348	5,240	3,314	447	276	828	375
Managerial and professional specialty (%)	26.0	28.6	11.4	9.3	10.9	21.3	13.6	18.3
Technical sales and admin. support (%)	21.0	21.9	16.3	14.0	23.1	25.1	16.7	20.2
Service occupations(%)	10.8	9.0	17.7	16.6	22.4	12.4	22.2	15.5
Farming, forestry, and fishing (%)	4.0	3.7	7.8	10.9	2.2	3.5	2.8	2.0
Precision production, craft, and repair (%)	18.2	18.8	19.4	20.0	18.0	14.7	17.6	22.4
Operators, fabricators, and laborers (%)	19.9	18.0	27.5	29.2	23.5	22.9	27.1	21.7
Employed females, 16 years and over (000)	53,533	42,222	3,580	2,090	341	211	607	331
Managerial and professional specialty (%)	27.5	29.7	16.4	14.0	20.6	26.6	14.9	23.1
Technical sales and adm. support (%)	44.5	45.6	39.6	39.3	47.9	48.5	30.4	44.6
Service occupations (%)	17.5	15.4	24.9	24.6	17.7	13.1	35.5	21.5
Farming, forestry, and fishing (%)	0.8	0.9	1.7	2.8	0.0	0.0	0.3	0.4
Precision production, craft, and repair (%)	2.0	1.9	2.9	3.1	2.6	1.9	3.2	1.7
Operators, fabricators, and laborers (%)	7.7	6.5	14.6	16.2	11.2	9.9	15.7	8.7

Source: U.S. Bureau of the Census, *The Hispanic Population in the United States: March 1992* (Washington, D.C.: U.S. Government Printing Office, 1993).

[a]Refers to non-Latino whites.

and Puerto Ricans (10.9%), while other Latinos (18.3%) have rates somewhat higher than those of Mexicans and Puerto Ricans but lower than those of Cubans. The relative standing among women is different. Cuban (26.6%), other Latin (23.1%), and Puerto Rican (20.6%) women have higher proportions among managers and professionals than Mexicans (14.0%) or Central and South American (14.9%) women. Other important differences to consider are that Mexican and Central and South Americans are more concentrated in operator, fabricator, and laborer categories than men of other Latino origins, and Mexican and Central and South American women are similarly more concentrated in service occupations than women of other Latino origins.

The above discussion suggests that the educational and occupational standing of Latinos is substantially worse than that of whites. However, the analysis also indicates that there are important gender and origin group differences that must be taken into account. For instance, Mexicans and Puerto Ricans seem to be the most underrepresented in occupations requiring higher educational credentials. However, the representation of Mexican and Puerto Rican men is similar to that of whites in the craft occupations in which skill requirements and earnings are higher than in many other occupations. Similarly, Latin women are as equally represented as white women in the clerical occupations, which have been among the growing occupational sectors for many years.

Earnings

Earnings provide a good summary index of the relative labor-market standing of Latinos. Yearly earnings are the product of the length of time worked and the wage rate of workers. The wage rate, in turn, depends on the occupational position and education of workers. The previous analysis indicates that Latinos are disadvantaged on both accounts. Latino men have higher unemployment rates and lower occupational standing than white men. Latino women, in addition to those factors affecting men, have lower participation rates than white women. Thus, it is not surprising that in 1991 Latino men earned 59.8 cents for each dollar of the median earnings of white men, while Latino women earned 77.6 cents for each dollar of the median earnings of white women (see Table 4). Readers should also consider that white women earned almost $11,000 less than white men during that year. For year-round, full-time workers, the earning gap is somewhat lower for men, but there is no difference for women. Latino men earned 63.7 cents for each dollar of white men's earnings, and Latino women earned 77 cents for each dollar of white women's earnings.Of equal importance as consideration of relative earnings is the fact that, in 1991, only 61.8 percent of Latino men and 50.9 percent of Latino women were year-round, full-time workers. In comparison, the proportion of year-round, full-time white workers was 67.9 percent for men and 52.1 percent for women. Seasonal, part-year, and part-time employment seems to affect the earnings of Latinos disproportionately in comparison with white men.

Overall, the socioeconomic profile suggests that Latinos are disproportionately represented among the working poor. Latinos are overrepresented in low-wage occupations, have high incidence of unemployment and a low proportion of full-year, full-time work, and, as a consequence of their labor-market standing, have earnings that are close to or below poverty level. In part, labor-market outcomes are explained by Latinos' lower educational attainment. But the persistent segmentation of Latinos in low-wage occupations, unusual rates of intermittent work, and high unemployment suggest that other factors are at play.The following sections examine how the structure of labor markets and the organization of workplaces create barriers to the advancement of Latino workers.

Table 4

Earnings by Origin, March 1992

	Total	White[a]	Latino					
			Latino Total	Mexican	Puerto Rican	Cuban	Central & South American	Other
All Workers								
Males with earnings	72,040	56,675	6,072	3,860	530	303	951	428
Median earnings ($)	21,856	24,252	14,503	12,959	18,256	17,638	14,868	20,456
% of white earnings	90.1	100.0	59.8	53.4	75.3	72.7	61.3	84.3
Mean earnings ($)	26,817	28,769	18,150	16,477	20,985	24,288	19,207	23,041
Females with earnings	61,808	48,527	4,165	2,462	385	249	679	389
Median earnings ($)	12,884	13,406	10,399	9,260	14,463	13,124	10,635	12,844
% of white earnings	96.1	100.0	77.6	69.1	107.9	97.9	79.3	95.8
Mean earnings ($)	15,945	16,304	12,822	11,638	15,903	16,550	12,506	15,427
Year-round, Full-time Workers								
Males with earnings	47,888	38,472	3,751	2,285	356	200	626	285
Median earnings ($)	29,418	31,046	19,769	18,186	22,749	22,231	19,631	24,812
% of white earnings	94.8	100.0	63.7	58.6	73.3	71.6	63.2	79.9
Mean earnings ($)	34,354	36,357	23,251	21,258	26,009	29,700	24,210	29,161
Females with earnings	32,447	25,284	2,120	1,166	234	156	353	211
Median earnings ($)	20,550	21,089	16,244	15,645	18,656	19,749	14,290	19,999
% of white earnings	97.4	100.0	77.0	74.2	88.5	93.6	67.8	94.8
Mean earnings ($)	22,947	23,565	18,515	17,645	21,010	21,675	17,155	20,494

Source: U.S. Bureau of the Census, *The Hispanic Population in the United States: March 1992.* (Washington, D.C.: U.S. Government Printing Office, 1993).

[a]Refers to non-Latino whites.

Recent Changes in Employment Structures and Their Implications for Latino Workers

Over the past twenty years, structural change has taken the form of a compositional shift in the distribution of employment — away from manufacturing and toward service provision — and a change in the employment practices of large, stable employers. These firms, which have been targeted for enforcement of equal employment opportunity (EEO) goals, have historically been considered the environments most favorable to the improvement of promotion opportunities and career development for women and minorities because of their size and because their structured employment systems can be monitored relatively easily. Ironically, while EEO enforcement efforts targeted these settings, internal labor markets and promotion ladders weakened, and hiring for middle- and high-level positions increasingly took place in the external market from the 1970s onward. These trends in employment practices have thus limited the impact of policies geared toward improving promotion patterns within firms.[13]

The erosion of internal labor markets has resulted in both diminished opportunity through seniority and experience for minority incumbent workers and reduced numbers of job opportunities for future cohorts. Entry-level jobs, at the same time they are becoming increasingly divorced from training and promotion ladders, also run a greater risk of becoming "secondary-like," meaning that they represent lower-paid, limited-training, tenuous-employment arrangements. They may even be altogether externalized from corporations through subcontracting of production and peripheral activities to outside firms. Evidence of this trend includes the growth of part-time and temporary employment in the total workforce, as discussed below.

In consequence, Latino men and women may see their opportunities for advancement from entry- to middle-level positions, and from middle- to high-level positions, threatened because the aggregate number of job-promotion opportunities is shrinking as the mechanisms for internal promotion have weakened, and because the policy enforcement of EEO standards may have lessened as well. Women and minorities may also be at greater risk of long-term unemployment if, on losing a job following a corporate restructuring, they encounter difficulties of access to new occupations because such occupations have traditionally been dominated by nonminority males.

For the workforce as a whole, nonminority and minority, we expect the impact of structural change to manifest itself in a number of ways, some of which are more immediately verifiable than others. For example, reduced opportunities for mobility will result in shorter job tenure and limited earnings growth only in the medium and longer terms. Other consequences of structural changes are reflected in shifts in industry and occupational composition of employment, with rapid decline in some manufacturing industries and the rise of part-time and temporary work. Thus, evidence of the impact of structural change on the workforce may include increased job loss and displacement, declining unionization, increased part-time employment, and reduced opportunities in some urban areas arising from changes in the spatial organization of production.

The remainder of this section, based on the analytical arguments presented above, addresses whether these trends affect outcomes for Latino workers in ways that are similar to, or different from, those predicted for the workforce as a whole. We present information on particular aspects of the labor-market experiences of Latino workers. These include job displacement, part-time and part-year work, and the decline of unionization.

Table 5

Industrial Distribution by Sex, Race, and Ethnicity

	Latino			White		
	1984	1988	1992	1984	1988	1992
Male						
Agriculture	6.8	7.1	7.1	4.3	3.7	3.5
Mining	1.0	0.9	0.8	1.4	1.2	1.1
Construction	10.7	11.0	10.0	10.3	11.0	10.3
Manufacturing	26.3	24.5	21.0	23.8	24.3	22.1
Transportation	8.2	7.3	7.9	9.1	9.4	9.4
Wholesale trade	4.2	4.9	4.4	5.4	5.8	5.8
Retail trade	16.9	15.4	19.4	14.5	12.8	13.3
F.I.R.E.	3.9	4.0	3.8	5.2	5.1	5.4
Business and professional services	13.9	17.2	16.2	18.5	19.1	20.5
Personal services	4.5	4.3	5.7	2.9	2.6	3.3
Public administration	3.7	3.5	3.8	4.5	4.9	5.3
Female						
Agriculture	1.6	1.8	1.7	1.4	1.2	1.1
Mining	0.1	0.1	0.2	0.4	0.4	0.3
Construction	0.7	0.8	0.9	1.3	1.3	1.4
Manufacturing	23.2	19.6	17.4	14.2	13.9	12.4
Transportation	3.7	4.0	4.0	4.0	4.2	4.5
Wholesale trade	2.3	2.2	2.7	2.8	2.7	3.0
Retail trade	17.6	17.5	16.7	20.3	18.3	17.3
F.I.R.E.	7.9	9.1	7.9	8.7	10.5	9.0
Business and professional services	28.9	29.2	33.7	36.4	37.1	40.9
Personal services	9.8	11.2	11.5	6.6	5.8	5.7
Public administration	4.2	4.4	3.5	3.9	4.5	4.3

Source: Institute staff computations based on Current Population Survey computer tapes, 1984, 1988, 1992.

Shifts in Occupation and Industry Distributions

In addition to the changes within, the overall distribution of economic activity across sectors in the U.S. economy has shifted away from manufacturing, particularly of durable goods, and mining and toward service-producing activities. As a result, some occupations and industries in which Latino workers concentrate have witnessed decline.

From 1984 to 1992, Latino men and women displayed more significant changes in their occupational distribution than their non-Latino white counterparts.[14] As noted earlier, Latino men and women concentrate in blue-collar (farmer, laborer, and craft) and lower-white-collar (services, clerical, and sales) occupations. They are relatively less concentrated than white workers in upper-white-collar occupations (managerial, professional, and technical). The blue-collar occupations in which Latinos were concentrated in 1984 have declined in absolute numbers and as a share of total employment throughout the 1980s. Nevertheless, Latino workers have remained relatively concentrated in these occupations despite their decline. Similarly, white males who are relatively over-

represented in craft occupations maintained this concentration during the 1980s in spite of the aggregate decline of these occupations. The industrial distribution of Latino employment and its change over time are behind the changes in Latino occupational distributions discussed above. Table 5 shows the industrial distribution of Latino and white men and women for 1984, 1988, and 1992.

Latinos are largely overrepresented in agriculture. Latino males are significantly overrepresented in personal services, while Latino women are largely overrepresented in manufacturing and personal services. In contrast, white men and women are more evenly distributed across industries, and their concentration does not change significantly over time. From 1984 to 1992, Latinos, to a greater degree than whites, moved out of manufacturing and into services, wholesale and retail trade, and agriculture. This change in industry concentration is mirrored in the movement out of blue-collar occupations and into lower-white-collar occupations previously noted. The evolution of Latino employment during the 1980s has thus been affected by the aggregate decline of manufacturing and growth of service activities in the economy as a whole.[15] Additionally, while Latino concentration in agriculture increased over the period, it decreased for whites. The increase of Latino workers employed in agriculture may be due to sustained Central American immigration to the Southwest.

Cross-industry/occupation matrices prepared as background for this study (see endnote 13) provide further indication that the personal-service sector contributed to the increased concentration of Latino men in service occupations.[16] The business and professional–service sector contributed to the gains in occupational representation of Latino men in technical occupations and Latino women in managerial and service occupations.[17]

This compositional change in industry and employment had an adverse impact on Latino earnings during the 1980s. While Latinos and whites are paid differently within the same occupation, it is also true that Latinos in craft and laborer occupations have received higher wages than their counterparts in service occupations and, for females, in sales occupations. The same pattern holds true for Latinos in farming occupations. Latino workers' total earnings have thus been adversely affected by the increased concentration in service and farm occupations.[18]

Latino earnings relative to white earnings have also been adversely affected by the fact that Latinos have become increasingly concentrated in service occupations in which the Latino/white earnings ratio has actually worsened from 1983 to 1991. This pattern of increasing relative concentration in occupations in which Latino/white wage disparity has grown continues to drive the widening median earnings gap between Latinos and whites.

Displaced Workers

Latino workers have been particularly affected by the decline of manufacturing activities, not only because they have been employed in the sector in large numbers, but because manufacturing has held the potential to provide workers of limited education with access to pay for seniority and to union representation.

Thus, as manufacturing firms restructured their employment during the 1980s and implemented layoffs and other workforce reduction plans, Latino workers experienced job displacement relatively more frequently than non-Latino white workers. In the 1984 displaced worker survey (January Current Population Survey), Podgursky and Swaim noted that both black and Latino workers made up a larger portion of

displacements than of employed nondisplaced workers.[19] In this survey, displacements account for the number of workers who lost or left jobs as a result of plant or company closings or moves, slack work, or the abolishment of their positions or shifts during 1980–1984.[20] Latino workers accounted for 6 percent of displaced workers and 5.6 percent of the nondisplaced employed workers. Similarly, black workers accounted for 12.1 percent of the displaced and only 10.2 percent of the nondisplaced. We attributed this difference to the relative concentration of these two groups in blue-collar occupations, although in that period Latino blue-collar workers were not overrepresented among the displaced.

In an analysis of the January 1992 displaced worker survey, which reported on displacements over the period 1987–1991, Gardner found that Latino workers had the highest likelihood of displacement during this time of any racial/ethnic group: 11.8 percent lost their jobs. This rate of displacement, computed for workers with at least three years of tenure prior to job loss, was the highest registered rate for this group since the first survey in 1984.[21] In this survey, not only were Latino workers more likely to be among the displaced, they were less likely than whites to be reemployed at a new job (at the time of the survey) if displaced.[22]

Thus, Latino workers appear to have suffered from the effects of structural changes in the economy to a greater degree than either black or white workers from 1987 to 1991. This is largely due to the types of industries and occupations in which Latino workers concentrate. During this recent period, displacement rates for all workers were high in manufacturing and retail trade;[23] Latino workers are represented in large numbers in these industries. The same author also notes that the rates of reemployment for workers in services declined from 80 percent in the 1990 survey to 66 percent in the 1992 survey; therefore Latino workers employed in services (particularly in retail trade and personal services) run a greater risk of longer-term unemployment once they experience job loss.

Decline of Manufacturing and Unionization

It is important to assess union representation among Latinos because unions have traditionally offered opportunities for advancement within occupations in which Latinos are concentrated. Arguments in the literature on structural change in employment have pointed out that the decline of industries and occupations in which unions are most likely to be present have had a deleterious effect on unionization rates. In turn, the decline in union coverage (union density) has contributed to the widening of the earnings distribution across occupations and groups (non-Latino whites versus other groups) and within occupations and groups. This widening earning inequality has been pointed to as further evidence of structural change in the economy.[24] As discussed elsewhere in this study, Latino workers certainly have experienced declining incomes relative to whites and a growing intragroup income dispersion. What were the unionization trends regarding Latino workers?

From 1986 to 1992, as Table 6 indicates, union density among Latinos declined slightly, as it did for white and black workers.[25] Union coverage was higher for Latinos than for whites in 1986, because of female rates of unionization, but declined and reached the same levels as that for whites in 1992. In fact, union coverage for Latino males is lower than that for white males, while female rates, in spite of decline, also remain higher than rates for white workers. Union coverage for Latino workers is lower than for black workers of both genders throughout the period.

Table 6

Percentage of Workers Covered by a Union or Employee Association Contract

Year	Whites	Blacks	Latinos
1986	19.1	26.7	20.0
1988	18.1	25.9	17.7
1990	17.6	24.3	16.5
1992	17.1	24.2	17.0

Source: U.S. Department of Labor, Current Population Survey as reported in *Employment and Earnings* (Washington, D.C., 1987, 1989, 1991, 1993).

De Freitas's report on twenty-three- to thirty-year-olds from the 1988 National Youth Longitudinal Survey notes that once Latinos are taken out of the white and black racial groups, union coverage is greater among Latinos than among non-Latino whites: 20.5 percent versus 16.7 percent. This differential is not solely owing to the fact that Latinos concentrate in industries and occupations with greater incidence of union coverage, but may be attributed to greater interest in union representation among Latinos. Even in professional and blue-collar occupations, Latinos are more likely to have union coverage in their jobs than non-Latino white workers. This pattern holds within industry as well. Across national origin groups, Central and South American workers have the highest coverage rate (28.8%), Puerto Ricans and Cubans come next (25.2 and 24.4%, respectively), followed by Mexicans (19.6%). Nevertheless, De Freitas also notes that, even though Latino unionization rates grew in the early 1980s, by the end of the decade the union coverage of Latinos shared the same downward trend as other groups because union coverage failed to keep up with Latino employment growth.

Part-Time and Part-Year Employment

The growth of part-time and part-year employment in the workforce as a whole has also been pointed out as evidence of decreased opportunities for full-time, year-round employment. We review here two types of evidence on the incidence of part-time employment among Latino workers. First is evidence on part-time employment defined by weekly hours, namely, fewer than thirty-five. Second is evidence on part-year employment, a particularly relevant measure for Latino workers who are employed in sectors that may offer seasonal employment only. We report these figures for male and female workers.

On average, Latino workers in 1992 were no more likely to work part-time weekly hours than the workforce as a whole: 18.9 percent of Latinos did so, as compared with 19.2 percent of white and 17.9 percent of black workers. However, the nature of part-time schedules differs for Latino workers: 9.3 percent of them work part time for economic reasons (short schedules, seasonality) as compared with 5.1 percent of white and 7.9 percent of black workers (see Table 7). Conversely, fewer Latinos work part time for noneconomic reasons.[27]

Using the 1988 and 1992 March Current Population Surveys, we computed rates of part-time and full-time part-year employment and part-time and full-time full-year employment (1984 data are not reliable, so they are not reported here). Full-year employment is measured as fifty weeks or more per year.

Table 7

Incidence of Part-time Hours in the Workforce, 1992

	Total	White[a]	Black[a]	Latinos
Total (all civilians (000)	117,598	101,479	11,933	8.971
Full-time schedules (%)	80.8	80.6	82.2	81.1
Part-time schedules (%)	19.2	19.4	17.9	18.9
Part time for economic reasons (%)	05.4	05.1	07.9	09.3
Part time for noneconomic reasons (%)	13.8	14.3	10.0	09.7

Source: U.S. Department of Labor, Current Population Survey as reported in *Employment and Earnings* (Washington, D.C., 1992).
[a]Includes Latinos.

The reason for breaking down the Latino workforce along these dimensions is that Latinos are on average more likely to be employed part of a year than other groups because of the types of occupations and industries in which they work. Part-year employment can be a source of lower yearly earnings; its increase over time can also indicate reduced access to stable employment for a group.

We report the incidence of part-time and part-year work separately for male and female workers, given the different employment patterns of each gender. In 1992, Latino male workers had lower rates of full-time and full-year employment than males of other groups. The incidence of full-time, year-round employment is seven points lower among Latino males than among white males; it is more than one point lower than among black males. Latino female workers have lower incidence of full-time, year-round employment than female workers of other groups; it is almost six percentage points lower than that for black female workers.

From 1988 to 1992, the incidence of full-time, year-round employment declined by one percentage point for Latino males and grew slightly for Latino females. In fact, across all groups (except for the "other" category), the incidence of full-time, year-round employment declined for males and grew for females.

The relatively greater incidence of part-year employment in the total Latino workforce is due to its relative concentration in farm, laborer, service, clerical, and craft occupations. Part-year employment is especially prevalent among farm workers, laborers, and craft workers of both genders. In these occupations, Latino workers of both genders have the highest rates of part-year employment.

Latinos in Work Organizations

The bulk of the research on Latinos in workplace organizations has centered around a socioeconomic analysis of the labor force following the human-capital model. Though the importance of this type of research should not be understated, this approach has limited the scope of research on Latinos in the workplace.[28] The focus on labor-market analyses exclusively and the reliance on statistical inferences to assess discrimination

leave an enormous gap in our understanding of the experience and situation of Latinos in the workplace. What has been missing is documentation and information about the micropractices[29] and the everyday institutional practices[30] that result in barriers to Latino well-being, mobility, and advancement in our places of work. In other words, what is needed is more data and analyses at the level of the firm[31] or about the internal practices that act as barriers to Latinos in organizations.

We use four major categories to review and analyze data on the situation of Latinos in organizations and the barriers to their advancement. They are (1) the structure of work, (2) symbols, images, and work identities, (3) intergroup relations, and (4) workplace culture. In the following sections, we provide examples of institutional practices in each of these categories and how they specifically affect Latinos in the workplace.

Structure of Work

The structure of work refers to practices that are key to the business of an organization and that are structured either formally or informally in the daily activities and modes of the organization's operations. Explanations that focus on the structure of work shift attention from how the characteristics of individuals and ethnic-gender groups affect their job situation to how the characteristics of the job itself determine and influence the job situation of the individual.[32] In focusing on structural explanations of work discrimination, we examine the following practices: recruitment and hiring, job segregation and "tracking," mentoring, and representation in decision-making positions.

Discriminatory practices in the recruitment and hiring of Latinos result in underrepresentation of Latinos in entry-level jobs and throughout the hierarchy of organizations. But studies about discriminatory practices in hiring are difficult to conduct. In the case of Latinos, these are further limited by inconsistencies in collecting national and organizational data owing to the differences in how Latinos identify themselves.[33]

Nevertheless, some practices or barriers stand out. Bendick, Jackson, Reinoso, and Hodges, who conducted a controlled study comparing treatment among Latino and Anglo job applicants, found that discrimination was particularly prevalent for males and for city jobs that did not require a college degree and were not widely advertised.[34] Examples of specific employer behaviors that signaled discrimination included not returning telephone calls, not asking about relevant experience for a job, not moving the applicant to the next step in the process, and saying that the position is not available when it is still open.

In a study of Latinos in the military, Rosenfeld and Culbertson review the following major barriers perceived in the recruitment of Latinos: "(a) lack of visibility [of the military as employer] in the Latino community, (b) lack of awareness of opportunities provided by the military, and (c) lack of understanding on how one qualifies for entrance into military services."[35]

In a study of Latino representation in the federal government, Edwards, Thomas, and Burch report that Latino managers identified having to complete the very detailed application form required for government employment as "a major obstacle to achieving employment parity for Hispanics."[36] Other organizational barriers identified in their study included the methods of advertising jobs, unreasonable job qualifications, bias in recruitment and promotion, and insensitivity to Hispanic concerns.

Job segregation refers to the hiring and placement that confines particular groups of people to particular jobs. Labor-market analyses suggest a pattern of job segregation where Latinos are overrepresented in low-wage occupations, in part-year and part-time

occupations, and in certain industries. Reyes and Halcon suggest that Latino professionals experience another kind of job segregation that can be described as a type of "targeting" or "tracking," in which they are considered appropriate candidates for certain types of jobs only.[37] For example, Latinos are tracked into staff positions in human resource departments in business organizations rather than line management positions, and into bilingual and ethnic studies departments in educational institutions rather than into mainstream university programs. Mentoring is an informal practice that supports advancement and mobility within a firm. Kram[38] and Thomas[39] have documented the importance of this practice in the advancement of women and black professionals. Knouse identifies four unique problems faced by Latinos in the mentoring process: (1) the lack of availability of mentors, (2) issues of language and acculturation, (3) insensitivity to Latino culture and values, and (4) differences among Latinos and their different needs and styles regarding the mentoring process.[40]

Studies of Latinos in colleges and universities also stress the importance of mentoring students, especially in their completing graduate and advanced degrees.Though much information exists at this point on the importance and characteristics of mentoring as a practice which contributes to advancement and mobility, much more needs to be learned about the particular problems and specific solutions that make for good mentoring for Latinos in the workplace.

Underrepresentation of Latinos in the workplace constitutes a barrier in itself because it reinforces a cycle of disadvantages for them. This is particularly important when one considers how few Latinos are in high-level positions of authority and decision making in both public and private organizations. For example, in a review of Latinos on boards of public Fortune 500 industries and service corporations, the Hispanic Association of Corporate Responsibility (HACR) found that "Hispanics hold 84 out of 11,587 director seats and 69 out of 12,894 executive positions, less than one percent in each case."[41]

Not only are Latinos poorly represented in high-level, decision-making positions, but their representation is less significant in industries of greater national importance. Latinos have 1 to 4 percent representation in industries such as beverages, soaps and cosmetics, building materials, and motor vehicles and part industries. However, Latinos have less than one half of a percent of the positions in transportation, life insurance, diversified financing, and utilities, and no representation at all in such industries as aerospace, oil production, and rubber and plastic.

Underrepresentation at higher organizational levels and in important industries means less opportunity for Hispanics to influence national and organizational policies, programs, and practices. In addition, underrepresentation also means few role models for aspiring and upwardly mobile Latinos, and fewer social networks to support their advancement and mobility within an organization and across an industry.

Symbols, Images, and Identities

Symbols, images, and work identities in the workplace encompass analyzing data on stereotypes, dominant managerial styles and images, and their impact on the structure of work.

Stereotypes are beliefs about general characteristics used to distinguish one group of people from another. Stereotyping involves attributing specific behaviors of members of a group to "cultural" and other supposedly innate characteristics of that group,regardless of their veracity or universality. Stereotypes about women, minorities, and majority members are important because they provide the basis for images and symbols

that determine judgments about productivity, advancement potential, and work ethic. These symbols and images indirectly influence expectations about employees' performance, managerial capability, organizational fit, and a variety of other work-related practices. At the same time that stereotypes influence our perceptions about members of other social groups, they also influence perceptions about one's own group and one's self-concept.

Few data exist on Latino stereotypes in the workplace. However, the dynamic that replaces this lack of work-related stereotypes is to fill the void and lack of knowledge of Latinos with stereotypes provided by television and films. External images are brought into the workplace. Traditionally, images of Latinos in the media include the hissing villain, the gigolo, the Mexican spitfire, the lazy, shiftless Latin, or the drug dealer.[42] Clearly, these are not positive images that can help Latinos in the workplace.

Two of the studies reviewed suggest that status and class might be as important as ethnicity in determining stereotypes about Latinos in organizations. Jones found that among college students, perceived differences in work ethic among whites and Latinos stemmed from inferences about their social status and job titles, that is, about their roles in the status hierarchy.[43] She concludes that "occupational title appears to be a more central trait than ethnicity in determining American students' perceptions of people and . . . [explains] how stereotypes of Latinos and whites have acquired particular content." Her study suggests that access to status information might help eliminate bias against Latinos.

In a study of the meaning of race for employers, Kirschenman and Neckerman found that employers relied heavily on the categories of race, class, and space, not just ethnicity, to reach conclusions about the work ethic and job potential of Latinos, blacks, and whites.[44]

Together, these two studies point to the complexity and interactive nature of the process of stereotyping. We suggest that for Latinos, who are both racially and ethnically diverse, stereotyping has a self-referential nature that affects Latinos negatively regardless of their social status, ethnicity, and race. Even though status information about Latinos may help diminish the impact of negative stereotypes about them, one can expect that because employers do not make class and race distinctions in the case of Hispanics and whites, which they do in the case of blacks to determine their job potential, the stereotype of Latino as poor and uneducated precludes employers from obtaining additional and appropriate information about Latinos' "class" status. Thus, all Latinos applying for jobs may be judged as uneducated and unskilled regardless of their class.

Even positive stereotypes about Latinos may have detrimental effects on their advancement, especially in the professional and management ranks, if these stereotypes do not fit the dominant images of what a "good" manager or worker should be. Gibb and Terry describe the organizational culture and the dominant white male style of modern organizations as "a set of norms and values they expect newcomers to adhere to prior to granting them full 'club' membership." They quote John Molloy's advice to aspiring minority managers in *Dress for Success*: "If you are black or Spanish in America, and if you are moving up the rungs of corporate success, you should adhere to the dress code of the corporation and of the country, even going somewhat overboard in the direction of being conservative."[45]

Today, prevalent images of effective managers and their styles are typified by "the image of the strong, technically competent, authoritative leader who is sexually potent

Table 8

Mexican-American and Anglo-American Values

Mexican-American	Anglo-American
Present oriented	Future oriented
Immediate gratification	Deferred gratification
* Passive	Active
* Low level of aspiration	High level of aspiration
* Nongoal oriented	Goal oriented
Nonsuccess oriented	Success oriented
* External locus of control	Internal locus of control

and attractive, has a family, and has his emotions under control.46 A certain kind of "hegemonic masculinity," formed around dominance over women and in opposition to other masculinities, black or Latino, is part of the culture of modern organizations. In contrast, stereotypes of Latinos as family oriented, religious, and emotional may very well act as deterrents to seeing Latinos as potential good leaders and managers.

In summary, negative stereotypes, the lack of positive images, models in the media and throughout society, and even positive characteristics attributed to Latinos that go against dominant organizational norms and "ways of doing business" may act as barriers to Latinos in the workplace. The lack of information about the accomplishments of Latinos and the absence of realistic images about them as a people contributes to the development of myths and undifferentiated stereotypes about them.[47] Since it can affect a variety of organizational variables from initial recruitment and hiring to expectations about productivity, advancement potential, and opportunities for on-the-job training and mentoring, stereotyping becomes a focal point in a discriminatory loop that affects Latinos from their initial contact with an organization to the end of their working lives.

Intergroup Relations

The importance of intergroup relations in the workplace was established by Alderfer, Alderfer, Tucker, and Tucker in a study of black and white managers.[48] The authors, identifying such relations as identity and task groups which exist in organizations, found that managerial tasks were greatly influenced by the perceptions of membership in the groups by the black and white managers. Though this work is important in illuminating the operation of the dynamics in organizational intergroup relations, the study reflects a dominant bias in the literature that tends to define race in terms of black/white relations only. This bias ignores ethnicity as an important category in determining social identity group membership. Cox points to this problem in organizational research and suggests that researchers use the term "racioethnic" to refer to biologically and socioculturally distinct groups of people.[49]

Ramírez suggests that a culturally monolithic model has dominated the research on Latinos.[50] In this approach, other social groups are compared to Anglos, who are set as the norm. A dominant/subordinate relationship is set between Anglos and any other group in which intergroup relations are defined in terms of assimilation and acculturation to the dominant Anglo culture. While Ramírez provides an example of how the culturally monolithic model contributes to Latino stereotypes, he also provides evidence to contradict the following dominant perceptions about Mexican-American and Anglo-American values (see Table 8).

Three consequences of the cultural-monolithic model have a negative impact on Latinos in organizations. First, Latinos are found lacking in important characteristics valued in the workplace. In other words, the cultural-monolithic model leads to cultural-deficit explanations. For example, the values marked with an asterisk in the above comparison point to a lack of behavioral traits considered very important in determining managerial potential and appropriate work ethic in organizational members of any sociocultural group. According to the comparison, Mexican-Americans would be judged deficient in key traits needed to succeed as workers or managers in an organization.

Second, dominant cultural values may be at odds with the character of Latino interpersonal relationships, forms of communication, sex role expectations, and other sociocultural styles of members of Latino groups.[51] For example, in a study of Latino managers, Ferdman and Cortes found that the following were cultural themes that emerged for this group in the workplace: orientation to people, direct approach to conflict, and flexible attitude toward hierarchy.[52] Though these values are considered positive traits in highly flexible organizations, they are not highly valued in many bureaucratic organizations. Nevertheless, the authors caution against using these themes to make generalizations about Latino cultural traits.

Third, the cultural-monolithic model together with an approach to intergroup relations based on the black/white experience in the United States has two limitations. It pays little attention to the role and the impact that language, language use, and language discrimination have on Latinos in the workplace, which are considered a key factor in defining the experience of Latinos in the United States.[53] In addition, the model fails to consider the complex interaction of race, gender, and class in determining the opportunities of Latinos in organizations.[54]

Workplace "Culture" and Inhospitable Workplaces

The discriminatory practices embedded in the structure of work, symbols and images, and intergroup relations all operate to create an inhospitable workplace for Latinos. But another set of organizational practices that may affect Latinos more negatively than other groups because of their social situations and cultural background include organizational practices such as family-unfriendly policies, unhealthy environments, organizational hierarchies, and emotionally arid workplaces.

Some of these practices may have a more adverse impact on Latino women than on other groups. For example, in the case of inflexible hierarchies like the electronics industry, 75 percent of the poorly paid assembly workers and operatives who perform the most tedious and health-threatening work are Hispanic women. In contrast, the vast majority of the engineers and professionals, the most highly paid salaried employees who make up the top 25 percent in any industry, are male and non-Hispanic whites.[55] As another example, in the case of maternity, family leave policies, and lack of available day care, these may be even more important as a determinant of the quality of work life and the ability to hold on to a job for Latinas than for other social groups, as Latinos tend to have larger extended families for whose caretaking women are still mostly responsible.Though equal employment opportunity and affirmative action (AA) policies and programs should have benefited Latinos as well as other minority groups, it has been noted that AA programs have been most beneficial in advancing white women.[56] Blacks seem to have gained the most benefit in the federal and public service. On the other hand, affirmative action programs have created a climate of distrust in many organizations, where minority employees are accused by majority members of receiving

unjustly favorable treatment, especially in promotions and other opportunities for advancement. The term "reverse discrimination" is symptomatic of situations in which policies and practices implemented to redress discriminatory treatment against minorities are perceived and labeled by whites as being discriminatory against them.

Last, one of the major problems in addressing the situation of Latinos in organizations seems to be the overall emphasis policymakers and decision makers have placed on the criteria of managerial and professional advancement to assess the progress of Latinos in the workplace. Since many Latinos in organizations are concentrated in the lower-paying jobs with few opportunities for promotion and little job security, the emphasis on managerial advancement makes their concerns invisible to researchers and policymakers. It leaves the majority of Latino workers with little opportunity to progress within the kinds of jobs and the forms of work in which they really participate.

Policy Recommendations

Many strategies have been suggested throughout the years to overcome discrimination against minorities and women in the workplace. Some, like affirmative action, have been at the center of public policy debates for years. This is not the forum in which to address the different issues under contention. However, it is difficult to conceive that increasing discrimination against Latinos and other minorities is a transitory phenomenon that requires no special efforts to overcome it. The changing reality of labor markets and the lack of institutional responses in the workplace makes the current situation of Latinos particularly challenging.

Previous studies have emphasized bilingual and English-language education as the most promising strategies for overcoming Latinos' disadvantage in labor markets. The National Commission for Employment Policy study, for example, recommended such programs because they concluded that language fluency was the primary impediment to Latino progress in the workplace.[57] Today we believe that the focus of attention by scholars and policymakers alike has shifted and should shift toward structural barriers in labor markets and the workplace and away from cultural and linguistic characteristics. Language acquisition and bilingual education, although they are important, are only part of the solution.

Our policy recommendations focus on strategies targeted to remedy the challenges posed by changing employment structures and workplace dynamics. In many ways, Latinos confront an unprecedented situation in their employment outlook. They are largely concentrated in low-wage occupations and industries and predominantly employed by small employers with a limited capacity to overcome competitive pressures in their product markets. These employers are also more likely to hire other immigrants, minorities, and women, which increases real or perceived job competition, thus increasing ethnic antagonism. Many employers lack the mechanisms to capitalize on the skills, experience, and strengths that Latinos bring to the workplace.

There is no question that many of the existing federal labor-market policies and programs are necessary mechanisms to remedy the disadvantages of Latinos. Recommendations for policies that can alter the course of impact of structural change on Latino workers meet with suggestions that are suitable for the workforce as a whole.

In particular, affirmative action plans, minimum wage improvements, the extension of social security, health, and pension coverage to all workers, and parental leave

would make a tremendous difference in the economic well-being of low-wage workers. However, there are other programs that, given the socioeconomic profile and the employment situation of Latinos, may have a high impact on reducing some of the adverse effects of economic restructuring and workplace discrimination.

Changes in the Job Structure

Our recommendations toward remedying the adverse impact of structural change on Latinos follow.

1. Latino workers will benefit from policies that provide incentives and an institutional context for firms to stay away from cost-cutting production strategies. Instead, firms should be encouraged to adopt innovative production organizations that require continuous skill enhancement for workers and broader task definitions. Latinos will benefit from this approach because the adoption of high-performance production strategies will result in on-the-job skill training and greater opportunities for earning improvements. Young Latino workers will benefit particularly from continuous on-the-job skill enhancement because they have the lowest level of educational attainment of any group. They will thus benefit both from work-based adult education and from job-related skill training.

2. Because Latino workers are disproportionately represented among displaced workers, they will benefit most from improvements to the training and job-placement services provided by state employment services and retraining programs. The limits of retraining and skill-upgrading programs for displaced workers have been discussed by others; existing research points to the limits of funding and mechanisms to assess the range and levels of worker skills, as well as the lack of identification of occupations with long-term potential for retraining. Displaced Latino workers can benefit from programs geared to facilitating their transition out of declining manufacturing industries. Such programs could entail basic skill training along with job-specific training.

3. Latino workers, because of their higher-than-average experience with part-year employment and because they tend to hold jobs that do not provide benefits like pensions and health insurance, will gain from reforms to the system of benefit provision. Whether they are proffered as a legal obligation or voluntarily by employers, Latinos will be the beneficiaries of reforms that mandate employers to provide a minimum standard of benefits and a higher minimum wage and from policies that facilitate the portability of benefits across jobs and employers over the course of a worker's career. If key benefit provisions become societally based and no longer depend on an employment relationship, Latino workers in unstable employment will profit most.

4. As with other workers, Latinos will benefit from institutional reforms to the framework for union organization and collective bargaining. Latinos concentrate in industries and occupations in which union organization has historically raised wages and improved working conditions and promotion opportunities; they therefore stand to benefit from improved access to coverage from a collective bargaining agreement. Other research not reviewed here indicates that unionization has been particularly effective in reducing the wage differential between black and white workers. In fact,

black workers have higher unionization rates than whites. Thus, there are some indications that Latino workers will benefit — and their wage differentials with white workers will decrease — if there is greater ease of representation by a union organization and better enforcement of the right to organize and to bar gain collectively in good faith.

5. Unlike workers in other groups, Latinos are highly concentrated in agriculture. Although the agricultural sector in general has declined, the number of Latinos in this industry has increased. Their lives, too, will be improve with reforms in a minimum standard of benefits, a higher minimum wage, and work safety and health provisions.

Changes in Work Organizations

Barriers to the advancement of Latinos within workplace organizations require a different set of policies from the foregoing. We recommend the following:

1. Audits by the Justice Department should be used more vigorously to enforce equal opportunity laws and regulations. To date, affirmative action is the main public policy directed at employers' discrimination in hiring. Some of the problems with this policy are related to enforcement of regulations. However, job audits are becoming an effective tool to measure discrimination and to enforce equal employment opportunity laws.

In the audits, a pair of equally qualified individuals of different race or ethnicity apply for jobs listed in general circulation newspapers. Through the evaluation of employers' responses to applicants, the auditor is able to directly assess the discriminatory practices of each specific employer. Recent audits have demonstrated the extent of employer discrimination against Latinos and the direct impact of the Immigration Reform and Control Act (IRCA) in increasing employers' discriminatory practices. Regular, random audits of employers and stiff penalties for repeated violations represent a deterrent to discrimination in hiring that will benefit Latino workers.

2. The effectiveness of audits will be greatly enhanced if employers are legally mandated to post all jobs at the employment offices. Studies have shown that many entry-level positions are filled on the recommendation of other employers, recruiters, or incumbents workers. This method constitutes a discriminatory practice in its own right when workers do not have significant social relations and are not connected to minorities and women. Research has shown that Latinos are not included in mainstream job networks.

In the absence of a national employment system in which job offers are posted for the benefit of all workers, there are a vast number of community and professional job clearinghouses that introduce qualified applicants to potential employers. We recommend that employers enter into formal agreements with existing networks of grassroots organizations. The Hispanic Association of Colleges and Universities, for instance, provides assistance for the recruitment of university faculty and staff. Many of these job clearinghouses are connected to community-based and community-development organizations with strong linkages to schools and vocational training programs. Formal agreements could be encouraged by tying economic development

grants from cities and states to successful recruitment of residents of targeted communities or ethnic group members as certified by the clearinghouse.

3. Latinos will benefit from more workplace-specific strategies targeting their advancement within organizations. One such strategy is the formation of Latino caucuses or networks within large corporations and professional associations. Like African-Americans, Asians, and women, Latinos can benefit enormously from interest group organizations. These promote workplace multiculturalism and benefit employers as well as workers by providing a support network for employees. On many occasions, they promote informal mentoring that helps younger workers advance within organizations. In many ways, these groups parallel the formal and informal web of relations developed by majority workers. Latino caucuses in the police and fire departments of large cities are a good example of the positive impact these groups may have in improving the advancement opportunities of Latinos within professional organizations. To date, few Latinos in major corporations have developed collective strategies to deal with issues of professional advancement and promotion.

4. Understanding and managing cultural diversity in the workplace constitute one of the greatest challenges of the next decade. Scholars and policymakers alike concur that the demographic and ethnic composition of the workforce is changing rapidly. The U.S. Bureau of the Census predicts that by the year 2010, Latinos will constitute the largest minority group in the country.[58] An understanding of the cultural similarities and differences between Latinos and other groups as well as among Latinos themselves needs to be integrated with an understanding of the dynamics of power and discrimination that affect Latinos in organizations. Latinos could benefit from the implementation of multicultural sensitivity training in the workplace as long as it is targeted to their particular situation. And while emphasis on the diverse strengths workers bring to the workplace may help in developing an organizational climate respectful and appreciative of sociocultural differences, changes that eliminate discriminatory practices at all levels are also necessary to enable Latinos to contribute to their full potential. We recommend that activities designed to educate the workforce, managers and employees alike, about sociocultural differences among various groups of people be integrated with longer-term organizational interventions directed at changing the structure of work and the key organizational practices that act as barriers to Latinos in the workplace.

5. Latina women, like all minority women, face the dual challenge of workplace and family responsibilities. Undoubtedly, they will benefit enormously from programs created to improve the status of women in the workplace. Latinas have large households with a great number of children, large extended families, and often are responsible for caring for the elderly.

Corporate and publicly funded day care facilitates the incorporation of Latina women into the labor force; flexible work schedules (flextime) may allow mothers with infants or school-age children to work; and family-related and parental leaves may allow Latinas to respond to health and other family emergencies without having to leave a job permanently, thereby adversely affecting their career progress.

In sum, removing the barriers to the employment and workplace advancement of Latinos requires a multifaceted strategy targeting labor-market and workplace dynamics. Like all other workers, Latinos will benefit from general policies targeting disadvantaged, low-wage workers. In many cases, Latinos could benefit disproportionately from such programs.

As we have demonstrated in this study, because discrimination against Latinos in the workplace has unique causes, it requires specific solutions. We hope that our discussion has contributed to our understanding of the causes of Latino disadvantage, the specific needs of this population, and the most effective strategies to respond to such needs. However, another important aspect of this study has been to identify areas where more research is needed to better our understanding of the problems and to enable the design of more adequate interventions. ❧

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"Are children growing up in poverty more likely to be poor when they form their own households? Is this phenomenon constant across diverse racial, ethnic, and gender lines?"

— Anna M. Santiago
Yolanda C. Padilla