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Title: We'd Love to Hire Them, But ...: The Meaning of Race for Employers

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# Stevens F55

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# "We'd Love to Hire Them, But ...": The Meaning of Race for Employers

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... In this paper we explore the meaning of race and ethnicity to employers, the ways race and ethnicity are qualified by—and at times reinforce—other characteristics in the eyes of employers, and the conditions under which race seems to matter most. Our interviews at Chicago-area businesses show that employers view inner-city workers, especially black men, as unstable, uncooperative, dishonest, and uneducated. Race is an important factor in hiring decisions. But it is not race alone: rather it is race in a complex interaction with employers' perceptions of class and space, or inner-city residence. Our findings suggest that racial discrimination deserves an important place in analyses of the underclass.

# RACE AND EMPLOYMENT

In research on the disadvantages blacks experience in the labor market, social scientists tend to rely on indirect measures of racial discrimination. They interpret as evidence of this discrimination the differences in wages or employment among races and ethnic groups that remain after education and experience are controlled. With a few exceptions they have neglected the processes at the level of the firm that underlie these observed differences.\(^1\) ...

The theoretical literature conventionally distinguishes two types of discrimination, "pure" and "statistical." In pure discrimination, employers, employees, or consumers have a "taste" for discrimination, that is, they will pay a premium to avoid members of another group. Statistical discrimination is a more recent conception that builds on the discussions of "signaling." In statistical discrimination, employers use group membership as a proxy for aspects of productivity that are relatively expensive or impossible to measure. Those who use the concept disagree about whether employers' perceptions of group differences in productivity must reflect reality. In this discussion, we are concerned with statistical discrimi-

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nation as a cognitive process, regardless of whether the employer is correct or mistaken in his or her views of the labor force. ...

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The distinction between pure and statistical discrimination is a useful one. However, it is also useful to recognize the relationship between the two. There are several ways in which a taste for discrimination in employment practices may lead to perceived and actual productivity differences between groups, making statistical discrimination more likely. Social psychological evidence suggests that expectations about group differences in productivity may bias evaluation of job performance.5 These expectations may also influence job placement. In particular, workers of lower expected productivity may be given less on-the-job training. Finally, and most important for our study, productivity is not an individual characteristic; rather, it is shaped by the social relations of the workplace. If these relations are strained because of tastes for discrimination on the part of the employer, supervisor, coworkers, or consumers, lower productivity may result.6 Thus what begins as irrational practice based on prejudice or mistaken beliefs may end up being rational, profit-maximizing behavior.

### DATA

This research is based on face-to-face interviews with employers in Chicago and surrounding Cook County between July 1988 and March 1989. Inner-city firms were oversampled; all results here are weighted to adjust for this oversampling. Our overall response rate was 46 percent, and the completed sample of 185 employers is representative of the distribution of Cook County's employment by industry and firm size.7

Interviews included both closed- and open-ended questions about employers' hiring and recruitment practices and about their perceptions of Chicago's labor force and business climate. Our initial contacts, and most of the interviews themselves, were conducted with the highest ranking official at the establishment. Because of the many open-ended questions, we taped the interviews.

Most of the structured portion of the interview focused on a sample job, defined by the interview schedule as "the most typical entry-level position" in the firm's modal occupational category-sales, clerical, skilled, semiskilled, unskilled, or service, but excluding managerial, professional, and technical. The distribution of our sample jobs approximates the occupational distribution in the 1980 census for Cook County, again excluding professional, managerial, and technical categories. In effect, what we have is a sample of the opportunities facing the Chicago job-seeker with minimal skills. ...

Although we do not present our findings as necessarily representative of the attitudes of all Chicago employers, as the rules of positivist social science would require, they are representative of those Chicago employers who spoke to a particular issue. A standard rule of discourse is that some things are acceptable to say and others are better left unsaid. Silence has the capacity to speak volumes. Thus we were overwhelmed by the degree to which Chicago employers felt comfortable talking with us—in a situation where the temptation would be to conceal rather than reveal—in a negative manner about blacks. In this paper we make an effort to understand the discursive evidence by relating it to the practice of discrimination, using quantitative data to reinforce the qualitative findings.

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... Explanations for the high rates of unemployment and poverty among blacks have relied heavily on the categories of class and space.8 We found that employers also relied on those categories, but they used them to refine the category of race, which for them is primary. Indeed, it was through the interaction of race with class and space that these categories were imbued with new meaning. It was race that made class and space important to employers.

Although some employers regarded Chicago's workers as highly skilled and having a good work ethic, far more thought that the labor force has deteriorated. When asked why they thought business had been leaving Chicago, 35 percent referred to the inferior quality of the work force. ... Several firms in our sample were relocating or seriously considering a move to the South in a search for cheap skilled labor. Employers of less skilled labor can find an ample supply of applicants, but many complained that it was becoming more difficult to find workers with basic skills and a good work ethic.

These employers coped with what they considered a less qualified work force through various strategies. Some restructured production to require either fewer workers or fewer skills. These strategies included increasing automation and deemphasizing literacy requirements—using color-coded filing systems, for example. But far more widespread were the use of recruiting and screening techniques to help select "good" workers. For instance, employers relied more heavily on referrals from employees, which tend to reproduce the traits and characteristics of the current work force: the Chicago Association of Commerce and Industry has reported a dramatic increase in the use of referral bonuses in the past few years. Or employers targeted newspaper ads to particular neighborhoods or ethnic groups. The rationale underlying these strategies was, in part, related to the productivity employers accorded different categories of workers.

For instance, whether or not the urban underclass is an objective social category, its subjective importance in the discourse of Chicago employers cannot be denied. Their characterizations of inner-city workers mirrored many descriptions of the underclass by social scientists. Common among the traits listed were that workers were unskilled, uneducated, illiterate, dishonest, lacking initiative, unmotivated, involved with drugs and gangs, did not understand work, had no personal charm, were unstable, lacked a work ethic, and had no family life or role models.

Social scientists discover pathologies; employers try to avoid them. After explaining that he hired "the best applicant," the owner of a transportation firm added, "Probably what I'm trying to say is we're not social minded. We're not worried about solving the problems of sociology. We can't afford to." But despite not being worried about the "problems of sociology," employers have become lay social theorists, creating numerous distinctions among the labor force that then serve as bases for statistical discrimination. From their own experiences and biases, those of other employers, and accounts in the mass media, employers have attributed meaning to the categories of race and ethnicity, class, and space. These have then become markers of more or less desirable workers.

These categories were often confounded with each other, as when one respondent contrasted the white youth (with opportunities) from the North Shore with the black one (without opportunities) from the South Side. Although the primary distinction that more than 70 percent of our informants made was based on race and ethnicity, it was frequently confounded with class: black and Hispanic equaled lower class; white equaled middle class. And these distinctions also overlapped with space: "inner-city" and at times "Chicago" equaled minority, especially black; "suburb" equaled white. In fact, race was important in part because it signaled class and inner-city residence, which are less easy to observe directly. But employers also needed class and space to draw distinctions within racial and ethnic groups; race was the distinguishing characteristic most often referred to, followed respectively by class and space. ...

# Race and Ethnicity

When they talked about the work ethic, tensions in the workplace, or attitudes toward work, employers emphasized the color of a person's skin. Many believed that white workers were superior to minorities in their work ethic. A woman who hires for a suburban service firm said, "The Polish immigrants that I know and know of are more highly motivated than the Hispanics. The Hispanics share in some of the problems that the blacks do." These problems included "exposure to poverty and drugs" as well as "a lack of motivation" related to "their environment and background." A man from a Chicago construction company, expressing a view shared by many of our informants, said, "For all groups, the pride [in their work] of days gone by is not there, but what is left, I think probably the whites take more pride than some of the other minorities." (Interviewer: "And between blacks and Hispanics?") "Probably the same."

In the discourse of "work ethic," which looms large among the concerns of employers, whites usually came out on top. But although white workers generally looked good to employers, East European whites were repeatedly praised for really knowing how to work and caring about their work. Several informants cited positive experiences with their Polish domestic help. In the skilled occupations, East European men were sought. One company advertised for its skilled workers in Polish- and German-language newspapers, but hired all its unskilled workers, 97 percent of whom were Hispanic, through an employee network.

When asked directly whether they thought there were any differences in the work ethics of whites, blacks, and Hispanics, 37.7 percent of the employers ranked blacks last, 1.4 percent ranked Hispanics last, and no one ranked whites there. Another 7.6 percent placed blacks and Hispanics together on the lowest level; 51.4 percent either saw no difference or refused to categorize in a straightforward way. Many of the latter group qualified their response by saying they saw no differences once one controlled for education, background, or environment, and that any differences were more the result of class or space.

Although blacks were consistently evaluated less favorably than whites, employers' perceptions of Hispanics were more mixed. Some ranked them with blacks; others positioned them between whites and blacks. ...

They also believed that a homogenous work force serves to maintain good relations among workers. ... A personnel manager from a large, once all-white Chicago manufacturing concern lamented the tensions that race and ethnic diversity had created among workers: "I wish we could all be the same, but, unfortunately, we're not." An employer of an all-white work force said that "if I had one [black worker] back there it might be okay, but if I have two or more I would have trouble." But although some employers found a diverse work force more difficult to manage, few actually maintained a homogeneous labor force, at least in terms of race and ethnicity.

Employers worried about tensions not only between white and minority workers but also between Mexicans and blacks, Mexicans and Puerto Ricans, and even African and American blacks. A restaurateur with an all-white staff of waiters and a Hispanic kitchen said, "The Mexican kids that work in the kitchen, they're not, they're not kids anymore, but they don't like to work with black guys. But they don't like to work with Puerto Rican guys either." ...

Blacks are by and large thought to possess very few of the characteristics of a "good" worker. Over and over employers said, "They don't want to work." "They don't want to stay." "They've got an attitude problem." One compared blacks with Mexicans: "Most of them are not as educated as you might think. I've never seen any of these guys read anything outside of a comic book. These Mexicans are sitting here reading novels constantly, even though they are in Spanish. These guys will sit and watch cartoons while the other guys are busy reading. To me that shows basic laziness. No desire to upgrade yourself." When asked about discrimination against black workers, a Chicago manufacturer related a common view: "Oh, I would in all honestly probably say there is some among most employers. I think one of the reasons, in all honesty, is because we've had bad experience in that sector, and believe me, I've tried. And as I say, if I find—whether he's black or white, if he's good and, you know, we'll hire him. We are not shutting out any black specifically. But I will say that our experience factor has been bad. We've had more bad black employees over the years than we had good." This negative opinion of blacks sometimes cuts across class lines. For instance, a personnel officer of a professional service company in the suburbs commented that "with the professional staff, black males that we've had, some of the skill levels-they're not as orientated to details. They lack some of the leadership skills."

One must also consider the "relevant nots": what were some employers not talking about? They were not talking about how clever black workers were, they were not talking about the cultural richness of the black community, nor were they talking about rising divorces rate among whites. Furthermore, although each employer reserved the right to deny making distinctions along racial lines, fewer than 10 percent consistently refused to distinguish or generalize according to race.

These ways of talking about black workers—they have a bad work ethic, they create tensions in the workplace, they are lazy and unreliable, they have a bad attitude—reveal the meaning race has for many employers. If race were a proxy for

expected productivity and the sole basis for statistical discrimination, black applicants would indeed find few job opportunities.

#### Class

Although some respondents spoke only in terms of race and ethnicity, or conflated class with race, others were sensitive to class distinctions. Class constituted a second, less easily detected signal for employers. Depending somewhat on the demands of the jobs, they used class markers to select among black applicants. The contrasts between their discourse about blacks and Hispanics were striking. Employers sometimes placed Hispanics with blacks in the lower class: an innercity retailer confounded race, ethnicity, and class when he said, "I think there's a self-defeating prophecy that's maybe inherent in a lot of lower-income ethnic groups or races. Blacks, Hispanics." But although they rarely drew class distinctions among Hispanics, such distinctions were widely made for black workers. As one manufacturer said, "The black work ethic. There's no work ethic. At least at the unskilled. I'm sure with the skilled, as you go up, it's a lot different." Employers generally considered it likely that lower-class blacks would have more negative traits than blacks of other classes.

In many ways black business owners and black personnel managers were the most expressive about class divisions among blacks. A few believed poor blacks were more likely to be dishonest because of the economic pressures they face. A black jeweler said the most important quality he looked for in his help was "a person who doesn't need a job."

(Interviewer: That's what you're looking for?)

That's what we usually try to hire. People that don't need the job.

(Interviewer: Why?)

Because they will tend to be a little more honest. Most of the people that live in the neighborhoods and areas where my stores are at need the job. They are low-income, and so, consequently, they're under more pressure and there's more of a tendency to be dishonest, because of the pressure. ...

Other employers mentioned problems that occur in the workplace when there are class divisions among the workers. These are reminiscent of the tensions created by the racial and ethnic diversity described earlier. One black business-woman told of a program wherein disadvantaged youths were sent to private schools by wealthy sponsors. She herself was a sponsor and held the program in high regard, but she hired some of these youths and they did not get along with her other young employees: "Those kids were too smart 'cause they were from a middle-class background." (Interviewer: "So these were primarily middle-class kids?") "No, they're not middle class, but they have middle-class values because they're exposed to them all the time." They made excellent employees, she said, "if you kept your store filled with just them. They're more outgoing and less afraid of the customers. But they're very intimidating to the supervisors because they know everything by the time they get to be a sophomore in high school." ...

Thus, although many employers assumed that black meant "inner-city poor," others—both black and white—were quick to see divisions within the black population. Of course, class itself is not directly observable, but markers that convey

middle- or working-class status will help a black job applicant get through race-based exclusionary barriers. Class is primarily signaled to employers through speech, dress, education levels, skill levels, and place of residence. Although many respondents drew class distinctions among blacks, very few made those same distinctions among Hispanics or whites; in refining these categories, respondents referred to ethnicity and age rather than class.

### Space

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Although some employers spoke implicitly or explicitly in terms of class, for others "inner-city" was the more important category. For most the term immediately connoted black, poor, uneducated, unskilled, lacking in values, crime, gangs, drugs, and unstable families. "Suburb" connoted white, middle-class, educated, skilled, and stable families. Conversely, race was salient in part because it signaled space; black connoted inner city and white the suburbs. ... When asked what it would take for their firm to relocate to the inner city, respondents generally thought it an implausible notion. They were sure their skilled workers would not consider working in those neighborhoods because they feared for their safety, and the employers saw no alternative labor supply there.

The skepticism that greets the inner-city worker often arises when employers associate their race and residence with enrollment in Chicago's troubled public education system. Being educated in Chicago public schools has become a way of signaling "I'm black, I'm poor, and I'm from the inner city" to employers. Some mentioned that they passed over applicants from Chicago public schools for those with parochial or suburban educations. If employers were looking at an applicant's credentials when screening, blacks in the inner city did not do well. As one employer said, "The educational skills they come to the job with are minimal because of the schools in the areas where they generally live."

A vice president of a television station complained of the inner-city work force:

They are frequently unable to write. They go through the Chicago public schools or they dropped out when they were in the eighth grade. They can't read. They can't write. They can hardly talk. I have another opinion which is strictly my own and that is that people who insist on beating themselves to the point where they are out of the mainstream of the world suffer the consequences. And I'm talking about the languages that are spoken in the ghetto. They are not English.

Employers were clearly disappointed, not just in the academic content and level of training students receive, but in the failure of the school system to prepare them for the work force. Because the inner city is heavily associated with a lack of family values, employers wished the schools would compensate and provide students the self-discipline needed for workers socialization. Additionally, they complained that black workers had no "ability to understand work." ... It is not only educational content per se that employers were looking for; some were concerned with the educational "experience." One talked about how it just showed "they could finish something." Thus inner city is equated with public school attendance, which in turn signifies insufficient work skills and work ethic.

... Another employer used space to refine the category of race: "We have some black women here but they're not inner city. They're from suburbs and ... I think

they're a little bit more willing to give it a shot, you know, I mean they're a little bit more willing [than black men] to give a day's work for a day's pay."

Employers readily distinguished among blacks on the basis of space. They talked about Cabrini Green or the Robert Taylor Homes or referred to the South Side and West Side as a shorthand for black. But they were not likely to make these distinctions among whites and Hispanics. They made no reference to Pilsen (a largely immigrant Mexican neighborhood), Humboldt Park (largely Puerto Rican), or Uptown (a community of poor whites and new immigrants).

For black applicants, having the wrong combination of class and space markers suggested low productivity and undesirability to an employer. The important finding of this research, then, is not only that employers make hiring decisions based on the color of a person's skin, but the extent to which that act has become nuanced. Race, class, and space interact with each other. Moreover, the precise nature of that interaction is largely determined by the demands of the job. ...

#### CONCLUSION

Chicago's employers did not hesitate to generalize about race or ethnic differences in the quality of the labor force. Most associated negative images with inner-city workers, and particularly with black men. "Black" and "inner-city" were inextricably linked, and both were linked with "lower-class."

Regardless of the generalizations employers made, they did consider the black population particularly heterogeneous, which made it more important that they be able to distinguish "good" from "bad" workers. Whether through skills tests, credentials, personal references, folk theories, or their intuition, they used some means of screening out the inner-city applicant. The ubiquitous anecdote about the good black worker, the exception to the rule, testified to their own perceived success at doing this. So did frequent references to "our" black workers as opposed to "those guys on the street corner."

And black job applicants, unlike their white counterparts, must indicate to employers that the stereotypes do not apply to them. Inner-city and lower-class workers were seen as undesirable, and black applicants had to try to signal to employers that they did not fall into those categories, either by demonstrating their skills or by adopting a middle-class style of dress, manner, and speech or perhaps (as we were told some did) by lying about their address or work history.

By stressing employers' preconceptions about inner-city workers, we do not mean to imply that there are no problems of labor quality in the inner city: the low reading and mathematics test scores of Chicago public school students testify to these problems. But if the quality of the inner-city labor force has indeed deteriorated, then it is incumbent on employers to avoid hiring inner-city workers. This is precisely the result one would expect from William Julius Wilson's account of increased social dislocations in the inner city since the early 1970s. Because race and inner-city residence are so highly correlated, it would not be surprising if race were to become a key marker of worker productivity.

However, productivity is not an individual characteristic. Rather it is embedded in social relations. The qualities most likely to be proxied by race are not job

skills but behavioral and attitudinal attributes—dependability, strong work ethic, and cooperativeness—that are closely tied to interactions among workers and between workers and employers. Our evidence suggests that more attention should be paid to social relations in the workplace. Antagonisms among workers and between workers and their employers are likely to diminish productivity. Thus employers' expectations may become self-fulfilling prophecies.

## **NOTES**

- 1. One of the exceptions is Braddock and McPartland (1987).
- 2. Becker (1957).
- 3. Phelps (1972); Arrow (1973); and Spence (1973).
- 4. See, for example, Thurow (1975); Aigner and Cain (1977); and Bielby and Baron (1986).
  - 5. See Bielby and Baron (1986) for a discussion.
  - 6. Anderson (1980).
- 7. The sample and survey methods are described in more detail in the "Employer Survey Final Report," available from the authors.
- 8. Wilson (1980, 1987); and Kasarda (1985). We use the term "space" in the tradition of urban geography. We do this to draw attention to the way people categorize and attach meaning to geographic locations.

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