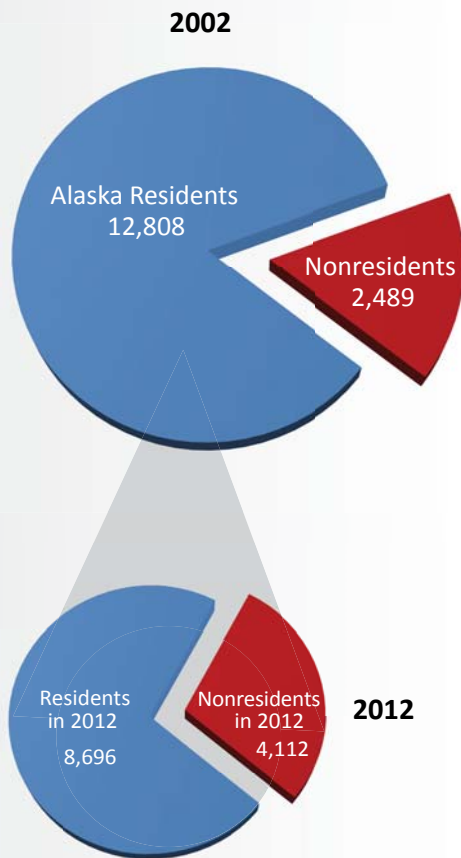


Retail Sales Workers, 10 Years Later

The career paths of those who worked retail in 2002

1 Most Are Still Residents Alaska's 2002 retail salespeople



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

More than 20,000 retail salespeople worked in Alaska in 2002, and for more than 15,000 of them, retail was their main job.

Ten years later, most of this group still lived in the state and about 17 percent of those who could be located¹ had made retail sales a continuing career. The others had moved on to more than 500 other occupations, from accounting clerks and roustabouts to registered nurses and attorneys.

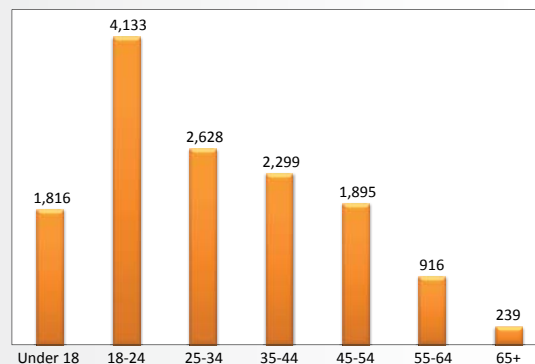
Retail salesperson is the occupation with the highest worker counts in the state and is often one of the first jobs a person has — training requirements and experience are minimal, and hours are more flexible than for most occupations. Looking at these workers and tracking their careers over a decade provides insight into how mobile Alaska workers are.

The 2002 group

Nearly 13,000 of the 2002 retail salespeople were residents and about 2,500 were nonresidents. (See Exhibit 1.) They were also predominantly

¹People who left retail sales occupations and went to work for the federal government, joined the military, or became self-employed could not be identified in 2012 beyond determining whether they were still Alaska residents.

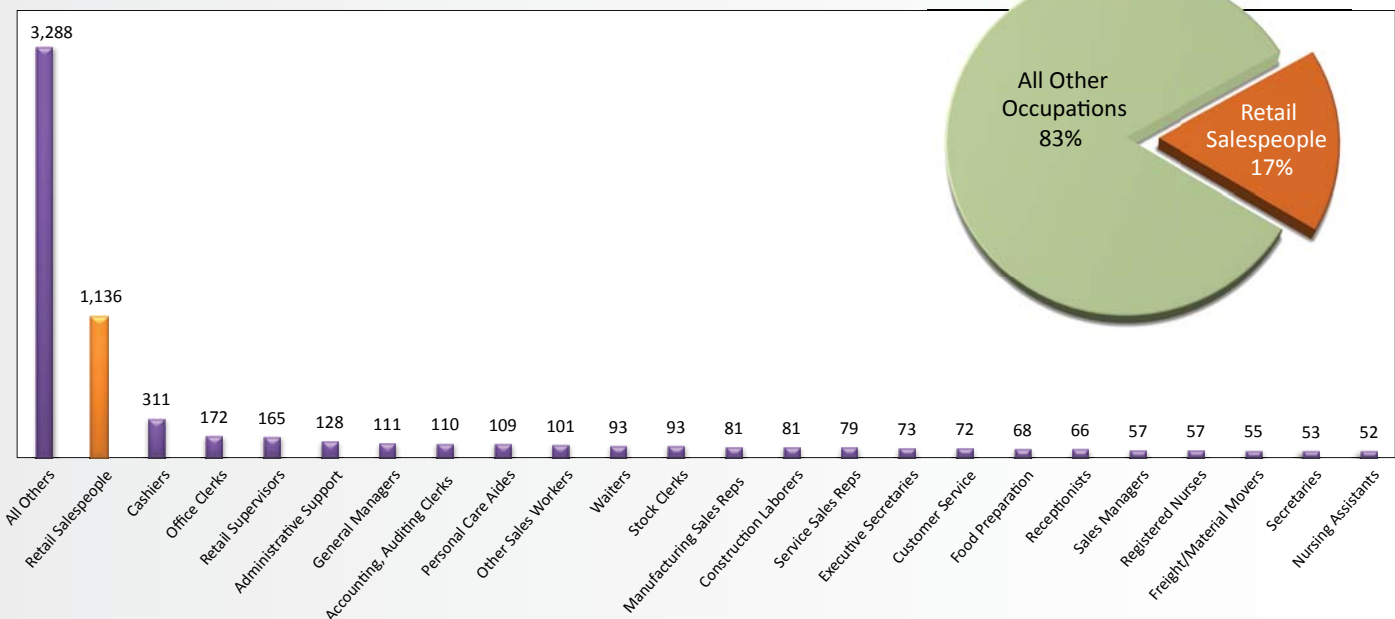
2 A Younger Workforce Alaska's 2002 retail salespeople



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

3 17 Percent* Still Worked in Retail Sales 10 Years Later

Occupations the 2002 group were working in 2012



*This percentage applies to the group who could be located in 2012, not the entire group of 2002 retail salespeople.
 Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

young, with a much larger percentage under 18 than for most other jobs. The largest age group was the 18 to 24 category, followed by gradually decreasing numbers for the older age groups. (See Exhibit 2.)

68 percent still residents

Ten years later, 68 percent of the group who were residents in 2002 were still residents. (See Exhibit 1.) That percentage is roughly in line with general migration patterns for Alaska, a state that typically has a higher percentage of its population moving in as well as out each year than any other state.

Among the workers who were under 18 in 2002, though, a smaller percentage had remained in Alaska by 2012. This is common for that age group, as people tend to move more during their college-age years and Alaska loses more in that age group than we gain.

The same is true for the two oldest age groups. Alaska consistently loses more people over age 50 to out-migration than it gains from in-migration. (For more about these older workers, see the box on page 6.)

What this research tells us applies to everyone in Alaska

Researchers may not ask themselves often enough about the practical use of their work. While it may be interesting to know that a small percentage of former retail salespeople became aeronautical engineers, how does that information help anyone?

Potential users of this type of research and analysis include:

Business owners and managers who employ retail salespeople: Knowing that more than four out of five moved into other occupations in a 10-year period lets employers know they should expect significant turnover. Business owners and managers will know best how much time and effort their company has to devote to the cycle of hiring, training, and replacing workers, but they may not know how typical their experience is. Business owners can more effectively deal with turnover and employee retention issues if they know to what extent the cause is broader than their own situation.

Students and job seekers wondering whether retail work is a dead end: Clearly it's not. This research shows that retail sales workers followed hundreds of career paths over a decade. In other words, there's no reason for a person to feel pigeonholed by an entry-level retail job. This is probably also true of other entry-level positions, such as those in food service.

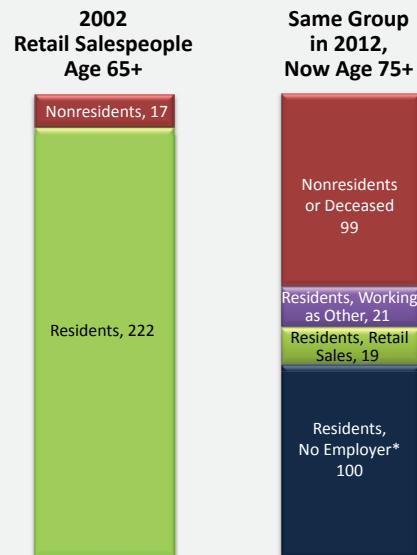
Customers and all of us. Some countries have a "servant class," but this research shows there's no permanent underclass of workers here. The man or woman who sold you your last car or pair of shoes may be operating on you or teaching your kids 10 years from now.

Senior citizens in retail sales

The group of retail salespeople who were 65 and older in 2002 was relatively small — 239 people — but an interesting group to examine in detail. Ninety-three percent were residents in 2002, a much higher percentage than for the group overall. This is probably because people in this age group are less likely to do seasonal retail work in the tourism industry, which draws primarily younger workers.

Forty-two percent of that original group were no longer residents by 2012. Some would have died, although not as many as one might expect given that a person's life expectancy increases to about 85 once that person makes it to age 65. A substantial number would have left Alaska to spend their golden years elsewhere.

Of the 2002 group, 140 out of 239 were Alaskans in 2012, and 40 of those were still working at age 75 and beyond, earning nearly \$600,000 that year in occupations ranging from substitute teachers to bank tellers. Nineteen were still retail salespeople, a group that earned an average of \$17,000 per worker, or almost \$322,000 in all.



*In addition to those who were retired or unemployed, this group could include self-employed and federal workers.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Most had changed occupations

Two findings jump out when looking at this group's careers in Alaska 10 years later: 1) more of them were still retail salespeople than anything else, but 2) only 17 percent were still retail salespeople. (See Exhibit 3.)

The first finding may seem intuitive because though many people change jobs over a decade, they don't necessarily switch occupations — and for those who do, it probably wouldn't be to one specific other occupation. The large number of retail opportunities is probably another reason retail salesperson was the largest single occupation 10 years later.

The second finding — that just 17 percent of the group were still retail salespeople — is revealing for what it says about the mobility of this occupation, and likely others, too.

500 different occupations in 2012

After retail salesperson, the occupation with the next highest number in 2012 was cashiers, followed by office clerks and retail sales supervisors. Like retail sales, the first two occupations provide plentiful job opportunities open to a broad pool of

applicants because they don't require specific training or education. For the third, it's not surprising some retail workers had moved into retail supervisory positions. (For more on similar jobs and advancement opportunities for retail salespeople, see the box on page 7.)

Though a large number had moved into related fields, the 2012 occupational range was broad. We found a few dozen engineers, for example, with specialties ranging from aerospace and environmental to mechanical and electrical. Ten years was enough for four people to have become practicing doctors and lawyers in the state — a journey that would have included time out of state because Alaska doesn't have a medical or law school — and for nearly 100 to become elementary, middle school, or secondary school teachers.

Nearly 60 were working as nurses in the state, 12 were police officers, and more than 50 were oil and gas roustabouts or drill and pump operators. A few also became practicing dentists, veterinarians, and physical therapists.

Leave and thrive or stay and thrive

Plenty of these workers had high-wage occupations 10 years after working retail. One of the more ex-

treme examples was the small group who became petroleum pump system operators earning more than \$125,000 on average in 2012, more than three times the statewide average.

Not surprisingly, those who became engineers, doctors, lawyers, and veterinarians earned more than average, but Alaska also has a significant number of high-wage occupations that don't require a bachelor's degree or higher. The 50 or so former retail salespeople who became electricians, insulation workers, plumbers, and pipefitters earned about \$80,000, more than twice the overall average.

The 1,136 workers who remained in retail — or returned to it; the data couldn't make that distinction — also fared relatively well in 2012. They earned an average of \$33,000, just a few thousand dollars below the state average for an occupation that's often part-time. In fact, the retail workers ages 35 to 44 in 2012 earned a few thousand more than the statewide average, at \$39,000. That group is more likely than the college-age or older workers to be in retail as a career rather than viewing it as a stepping stone or a part-time source of supplemental income.

What we don't know is whether that group earned higher than average wages because they were especially good at the skills required to succeed in retail sales, or whether these jobs provide regular advancement opportunities for workers who stay with them. It's most likely a combination of the two. Those conclusions would require a more targeted study, but the data suggest it's wrong to assume relatively low-wage, entry-level sales jobs don't lead somewhere meaningful for those who stick with them.

Career Lattice shows related work and ways to advance

The Alaska Career Lattice, an online career guidance tool, is somewhat related to the research this article uses. The lattice shows how connected occupations lead to or from each other as well as the skills, abilities, and knowledge they require. As the name suggests, the lattice shows lateral connections between similar occupations as well as those that lead up or down in terms of wages, responsibility, and education requirements.

Although many of the former retail salespeople this article examined ended up in occupations with no inherent connection to their work in retail, a significant number were in related jobs 10 years later. For example, retail salespeople who gain additional experience or education often transition to higher-paying jobs as customer service representatives, sales agents, or retail managers.

To see the occupations related to retail sales in more detail, see the retail salesperson lattice page at live.laborstats.alaska.gov/cl/cl.cfm?fo=412031.

For more on the Alaska Career Lattice and how it works, see the "Alaska Career Ladder Branches Out" article in the December 2011 issue of *Trends*: laborstats.alaska.gov/trends/dec11art2.pdf.