

Change and Stability in the Newspaper Industry's Journalistic Labor Market

Lee B. Becker

Tudor Vlad

Hugh J. Martin

University of Georgia

Assumptions about the Labor Market

- It is hierarchical
 - Progression is from small newspaper up the chain
- Patterns have remained stable across time
 - Pattern not influenced by changes in the labor market or in the overall economy.

Internal vs. External Labor Markets

- Hiring in competition with other firms is use of external labor market
- Filling jobs by hiring from within is use of an internal labor market

Characteristics of an ILM

1. Limited ports of entry
2. Job ladders
3. Administrative criteria for promotion and cutbacks
4. Stringency of rules limiting managerial discretion
5. A compensation system

Extended Internal Labor Market

- A labor market that cuts across organizations.
- Correctly constructed, such a labor market should lengthen the job ladder.
- Such a ladder would be more efficient for the organization.
 - Less exposure to the External Labor Market
 - Better use of staff resources
 - Better return on investment in personnel training

Hypotheses

- H1. Daily newspapers should engage in more hiring from the External Labor Market when the economy is robust and unemployment is low than in periods of a weakened economy with high unemployment.
- H2. Daily newspapers that are part of an Internal Labor Market cutting across several newspapers of differing sizes should be less likely to hire from the External Labor Market than daily newspapers with a less sophisticated Internal Labor market.

Methodology

- Secondary analysis of four mail surveys
 - 1986, 1991, 1996, 2001
 - Daily newspaper editors asked about hiring the year before
 - Studies conducted by the Dow Jones Newspaper Fund, in the School of Journalism at Ohio State University, in the Cox Center in the College of Journalism and Mass Communication at the University of Georgia

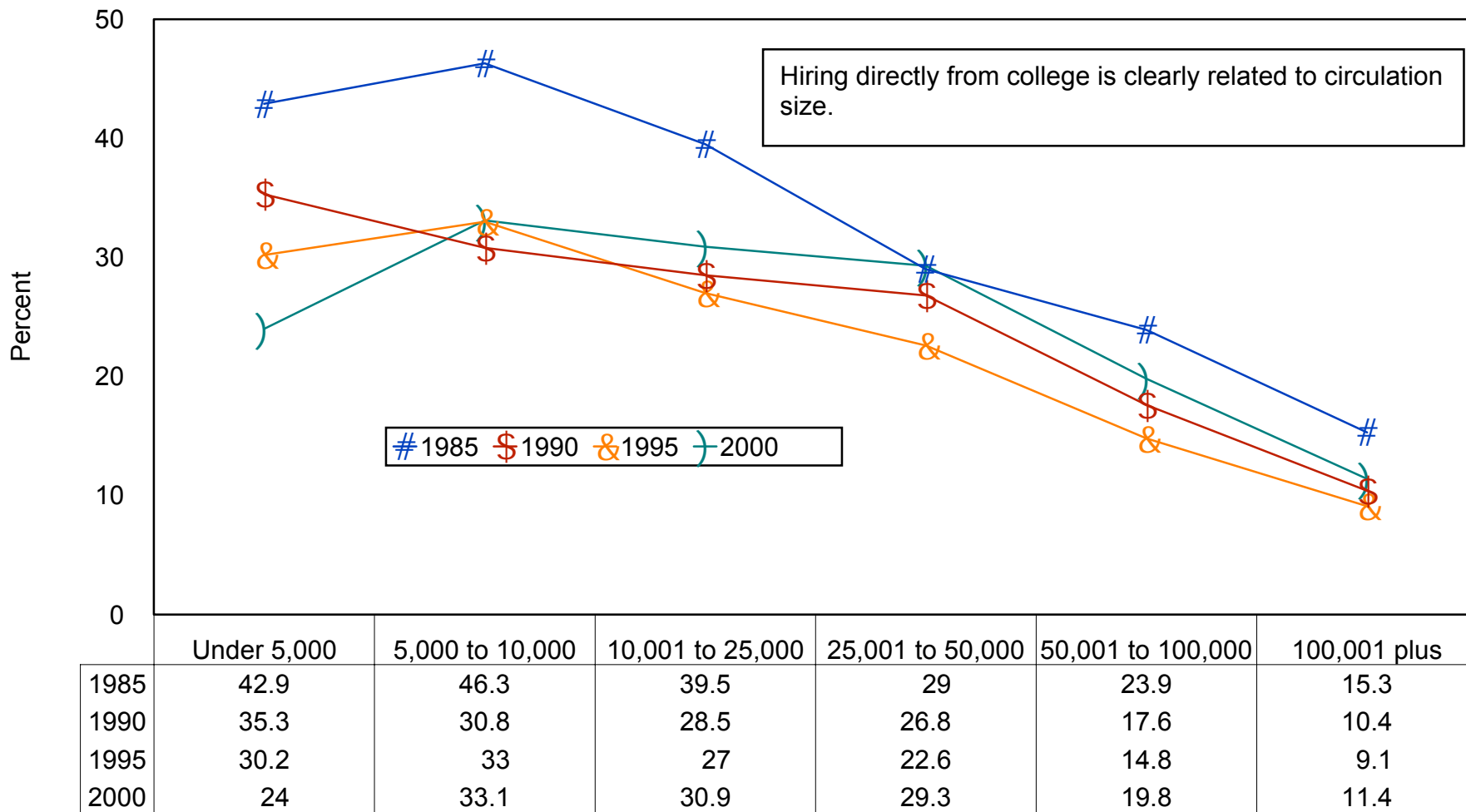
Measurement of Entry-Level Hiring

- Hiring directly from college treated as one indicator
- Better measure would be of hiring from smaller organization and knowledge of relationship between smaller and larger organizations

Findings

- Hiring directly from college does vary by circulation size
- This pattern is not affected by the overall economy
- This is not consistent with Hypothesis 1

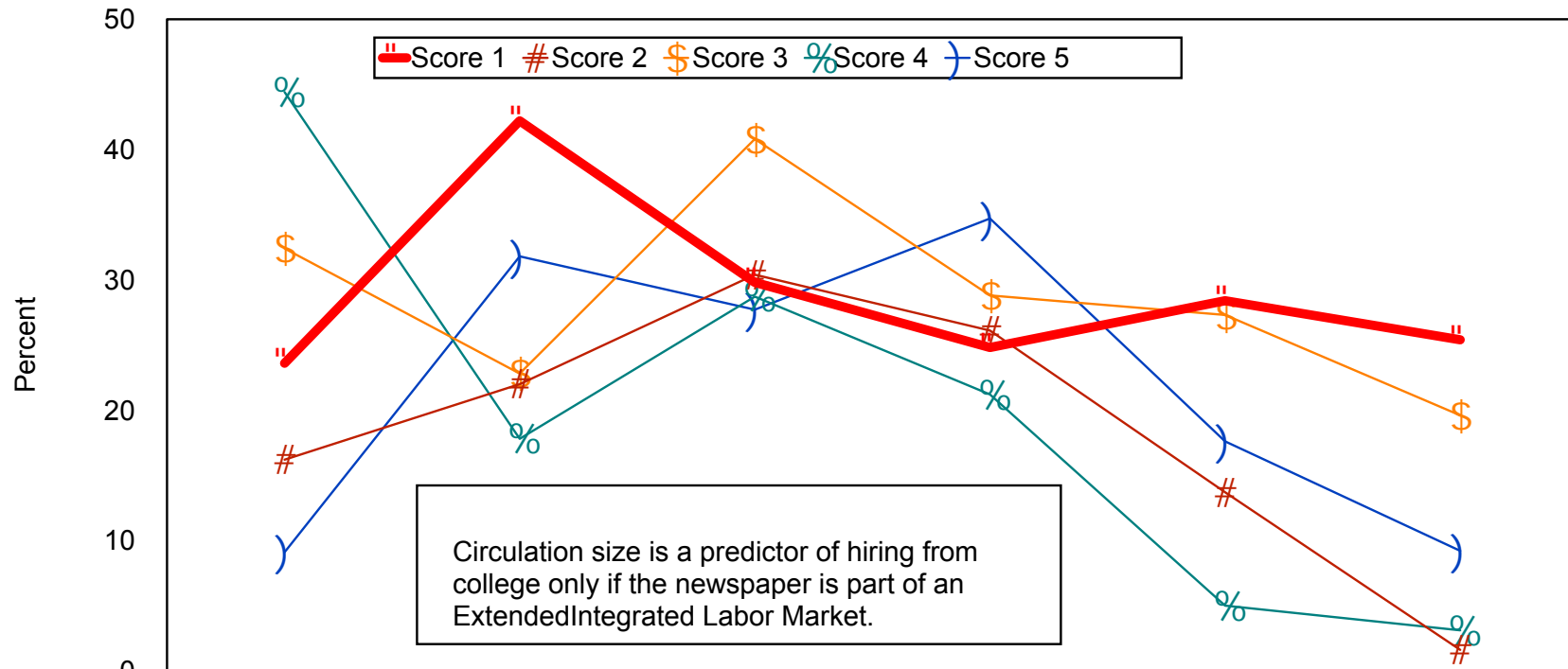
Percentage of Hiring Directly From College by Circulation Size and Year



Findings

- Large, independent newspapers are more likely to have large number of new employees come directly from college than is true for large newspapers with the potential for having created a fully developed Extended Internal Labor Market
- This is consistent with Hypothesis 2

Percentage of Hiring Directly from College by Circulation and Extended Labor Market Score



	Under 5,000	5,000 to 10,000	10,001 to 25,000	25,001 to 50,000	50,001 to 100,000	100,001 plus
Score 1	23.6	42.2	29.8	24.8	28.4	25.4
Score 2	16.2	22	30.4	26.1	13.7	1.6
Score 3	32.4	22.8	40.8	28.8	27.3	19.6
Score 4	44.4	17.8	28.7	21.2	5	3.1
Score 5	9.1	31.8	27.7	34.7	17.6	9.2

Summary: Hierarchical Nature of Labor Market

- Data only partially supportive of view that the labor market is hierarchical.
- Large daily newspapers hire entry-level applicants.
- A smaller percentage of hiring done by large newspapers is at the entry-level than is true for small papers.
- The pattern is robust.

Summary: Extended Internal Labor Market

- Creation of an Extended Internal Labor Market has influence on hiring.
- Large newspapers not part of an Extended Internal Labor Market not less likely than smaller papers to hire entry-level journalists.

Significance of Findings

- Data present first empirical picture of journalistic labor market for daily newspaper industry.
- Data suggest importance of importance of concentrating attention on ports-of-entry.
- Data suggest that small dailies are likely to invest in human capital if the capital remains with the newspapers or moves to a newspaper that is part of a larger labor market linked to the small paper.