

Using LEHD Data to Examine Employer-to-Employer Flows in the United States

January 2006

Melissa Bjelland

Bureau of Labor Statistics,
Cornell University,
& U.S. Census Bureau

John Haltiwanger

University of Maryland &
U.S. Census Bureau

Bruce Fallick

Federal Reserve Board

Erika McEntarfer

U.S. Census Bureau

Quarterly Work Histories: Constructing Employer-to-Employer Flows From Quarterly LEHD Data:

ABC to XYZ (EEb): Can be fairly sure of direction of flow

Daffy Duck's Employment Transitions

Name	Firm	Q1	Q2	Q3	Q4
Daffy Duck	ABC	\$1000	\$500		
Daffy Duck	XYZ		\$700	\$900	
Daffy Duck	QRS		\$200		
Daffy Duck	MNO				\$600

ABC to QRS (EEem): flow or multiple job holding?

Potential long nonemployment spell

Overall Employer-to-Employer Flow Rates:

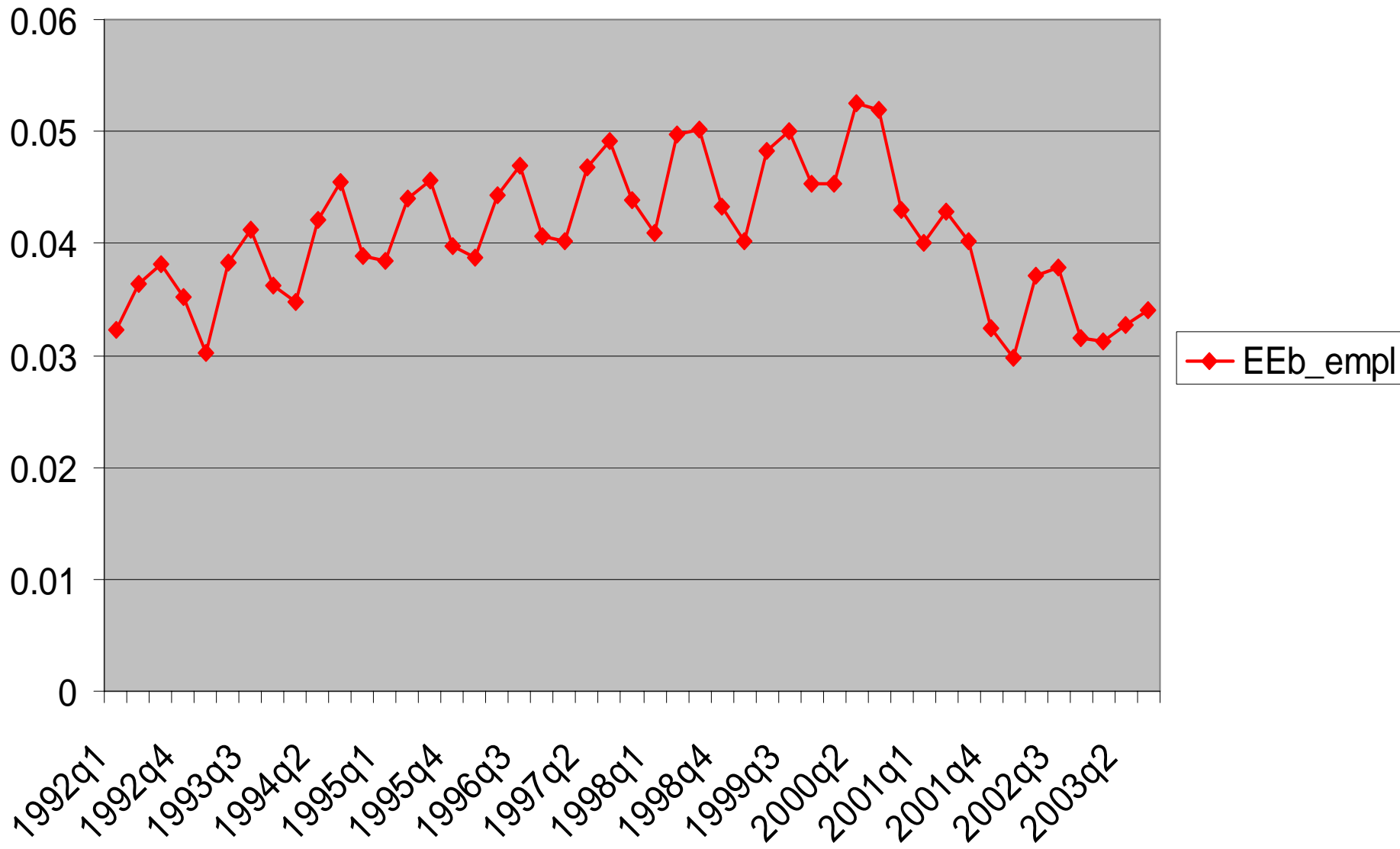
As a Fraction of Employment:

EEm_t (allows 1 quarter job to 1 quarter job flows)	EEb_t (2+ quarter job to 2+ quarter job flows)	EEf_t (3+ quarter job to 3+ quarter job flows)
0.1624	0.0407	0.0234

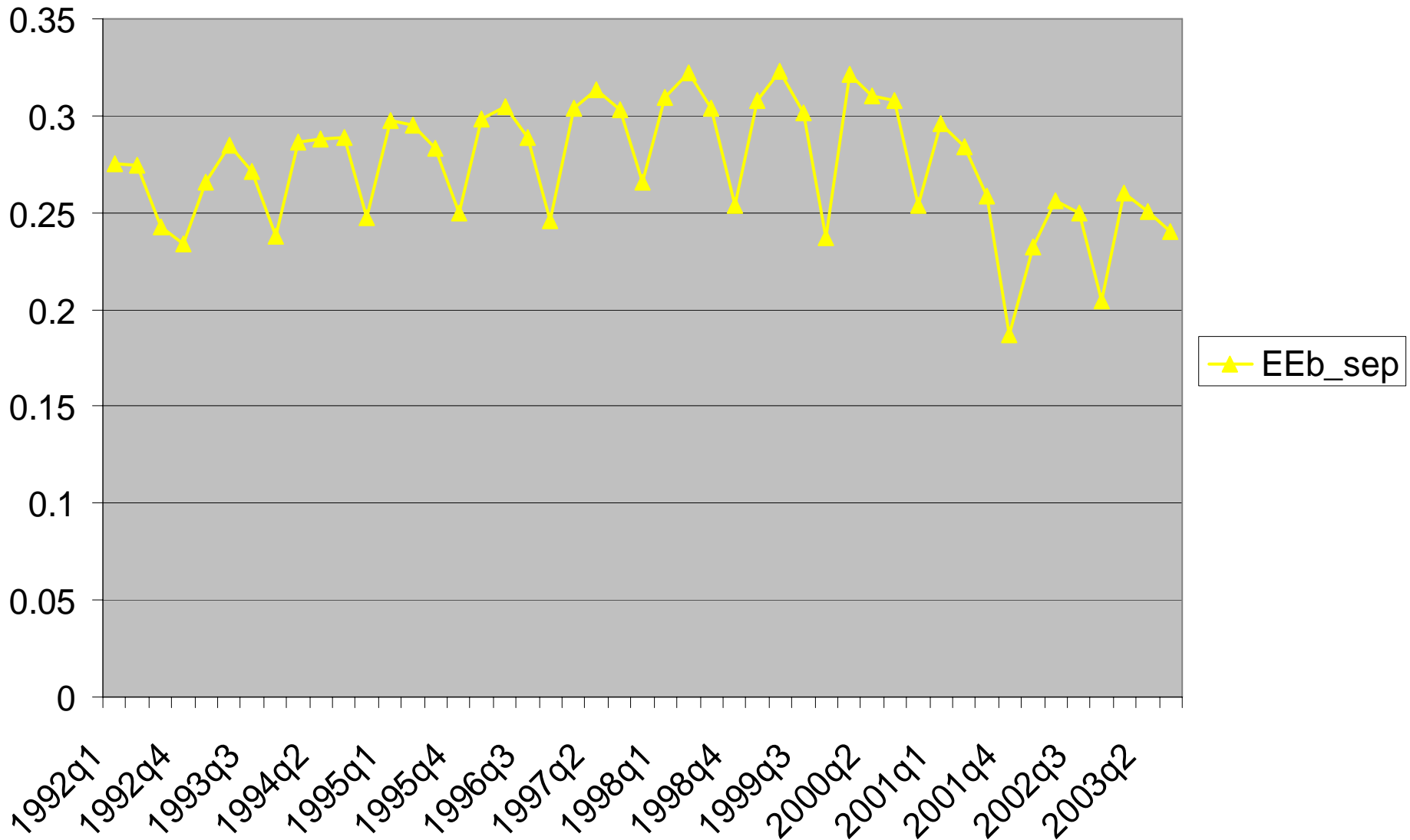
Employer-to-Employer Flow Rates:

EEb_t (2+ quarter job to 2+ quarter job flows)	As a fraction of employment	As a fraction of total separations
Overall	0.0407	0.2739
Men	0.0405	0.2737
Women	0.0409	0.2742

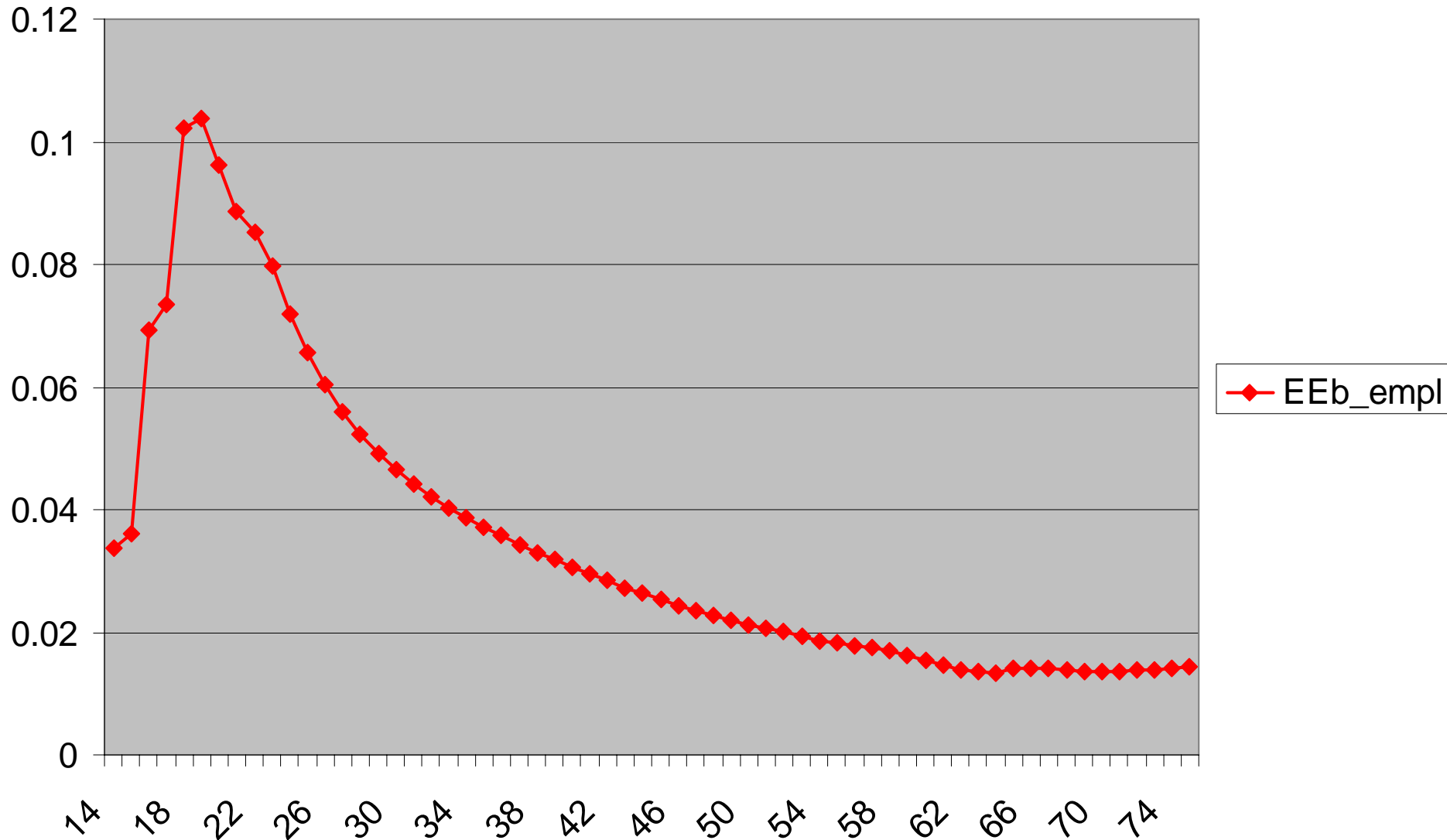
Employer-to-Employer Flow Rates by Year and Quarter (Number of Flows as a Fraction of Employment)



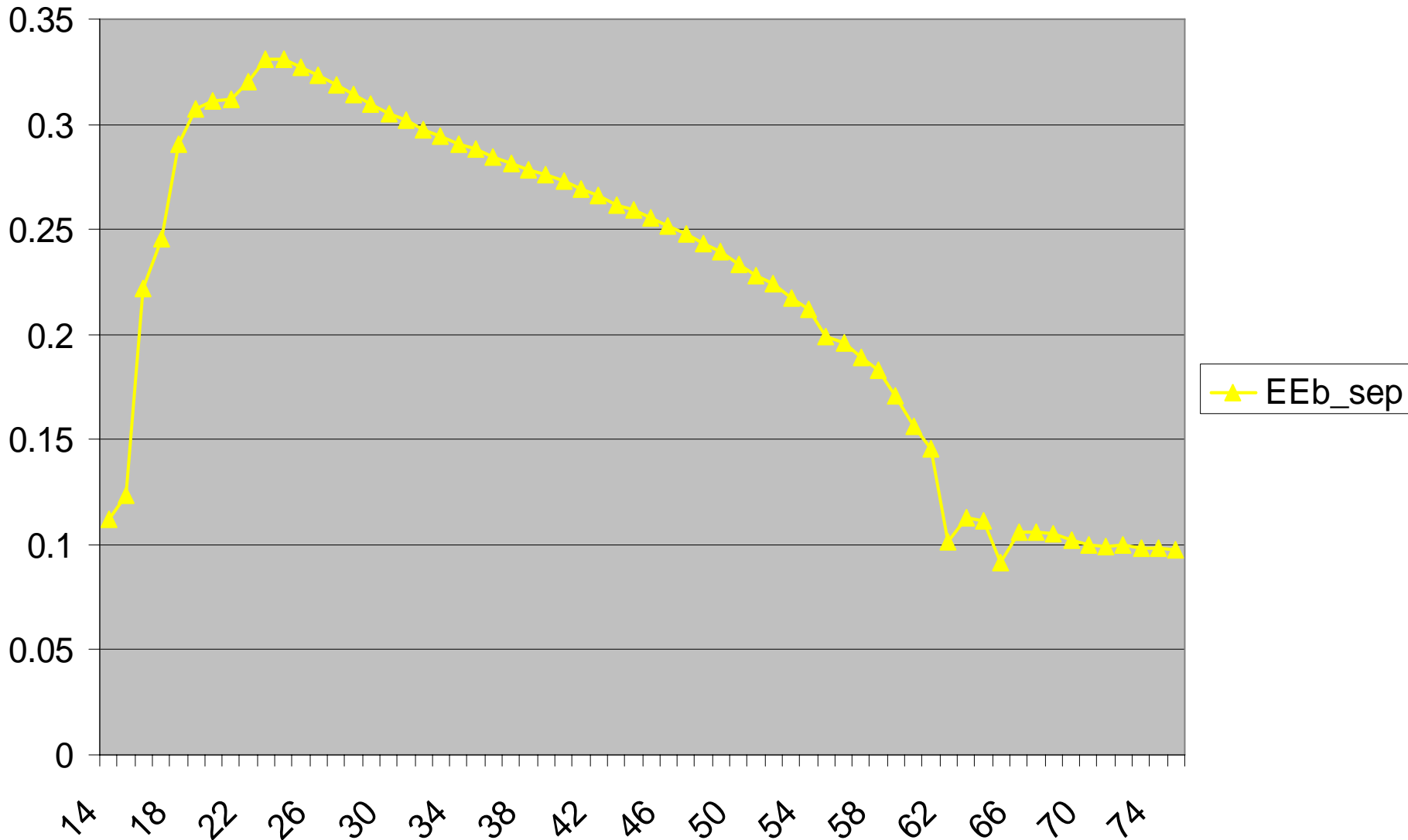
Employer-to-Employer Flow Rates by Year and Quarter (Number of Flows as a Fraction of Separations)



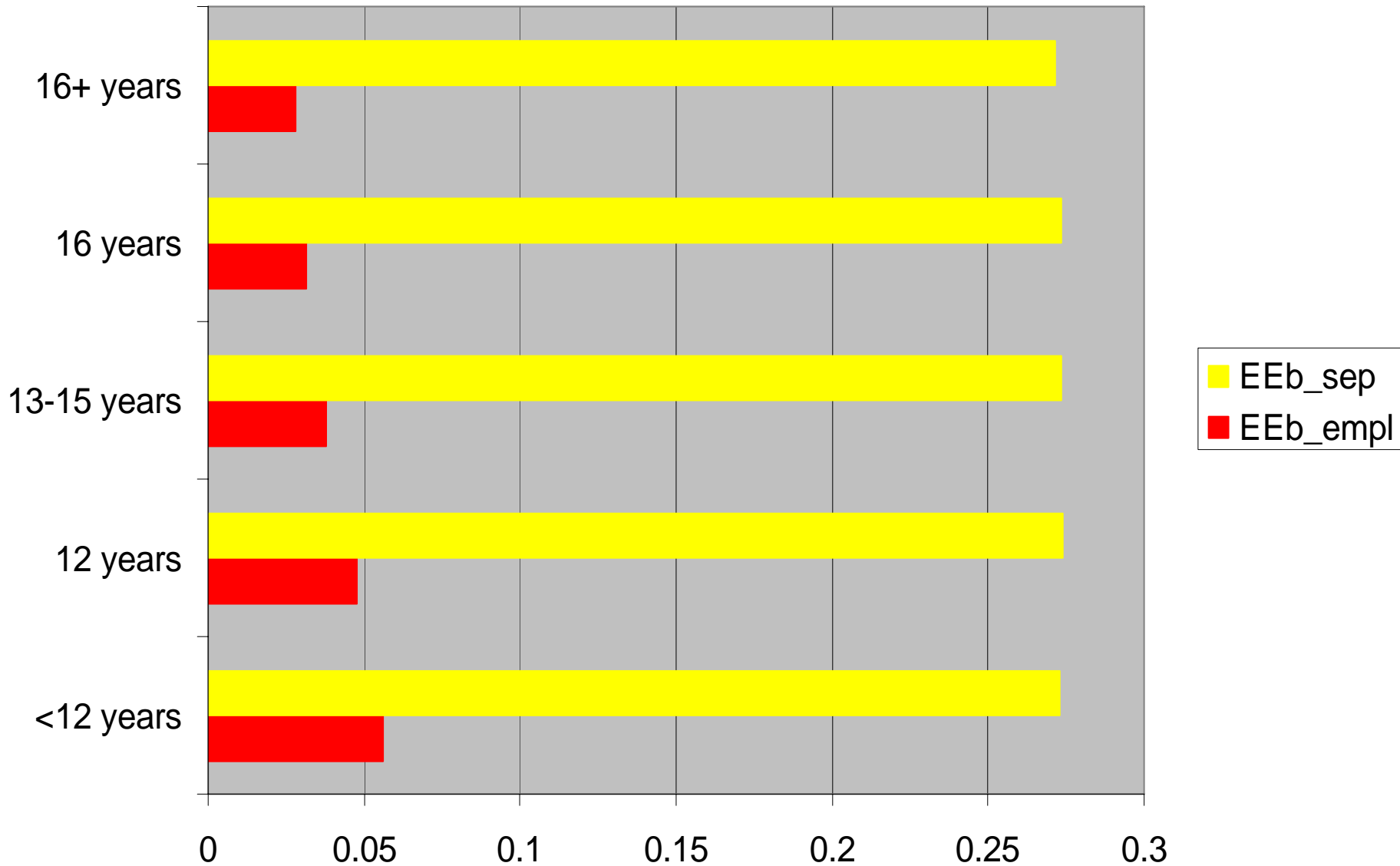
Average Employer-to-Employer Flow Rates by Age (Number of Flows as a Fraction of Employment)



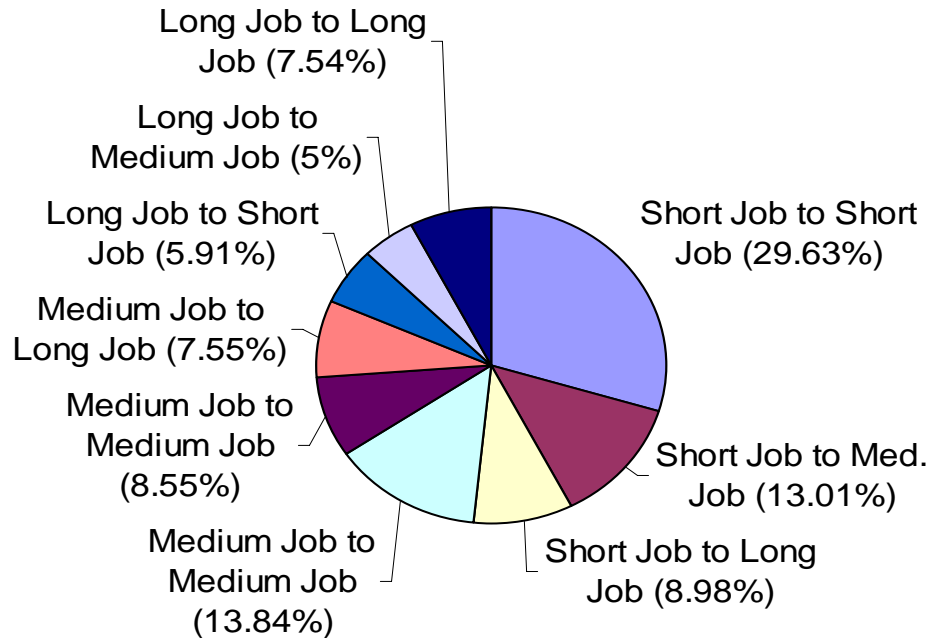
Average Employer-to-Employer Flow Rates by Age (Number of Flows as a Fraction of Separations)



Average Employer-to-Employer Flow Rates by Educational Attainment

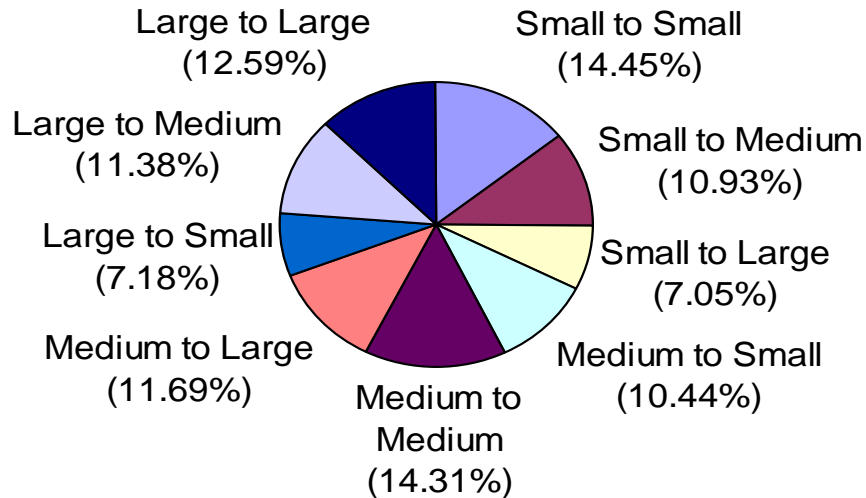


Job Tenure Transitions: Percent of All EEb Flows



Tenure at Separating Job	Tenure at Acceeding Job			% of all flows
	Short Job (2-3 quarters)	Medium Job (1-2 years)	Longer Job (>2 years)	
Short Job (2-3 quarters)	57.4	25.2	17.4	51.62
Medium Job (1-2 years)	46.23	28.56	25.21	29.93
Longer Job (>2 years)	32.06	27.08	40.87	18.45
% of all flows	49.38	26.55	24.07	

Firm Size Transitions: Percent of all EEB Flows



Size of Employer (separating job to acceeding job)	Small (<50 emp)	Medium (50-499 emp)	Large (>500 emp)	% of Flows
Small (<50 emp)	42.01	34.08	23.92	32.43
Medium (50-499 emp)	27.19	40.29	32.52	35.43
Large (>500 emp)	21.2	35.75	43.06	32.14
% of Flows	30.07	36.81	33.12	

NAICS Super-Sector Transitions in 1997

All Employer to Employer Transitions in sample with at least 2 quarters job attachment

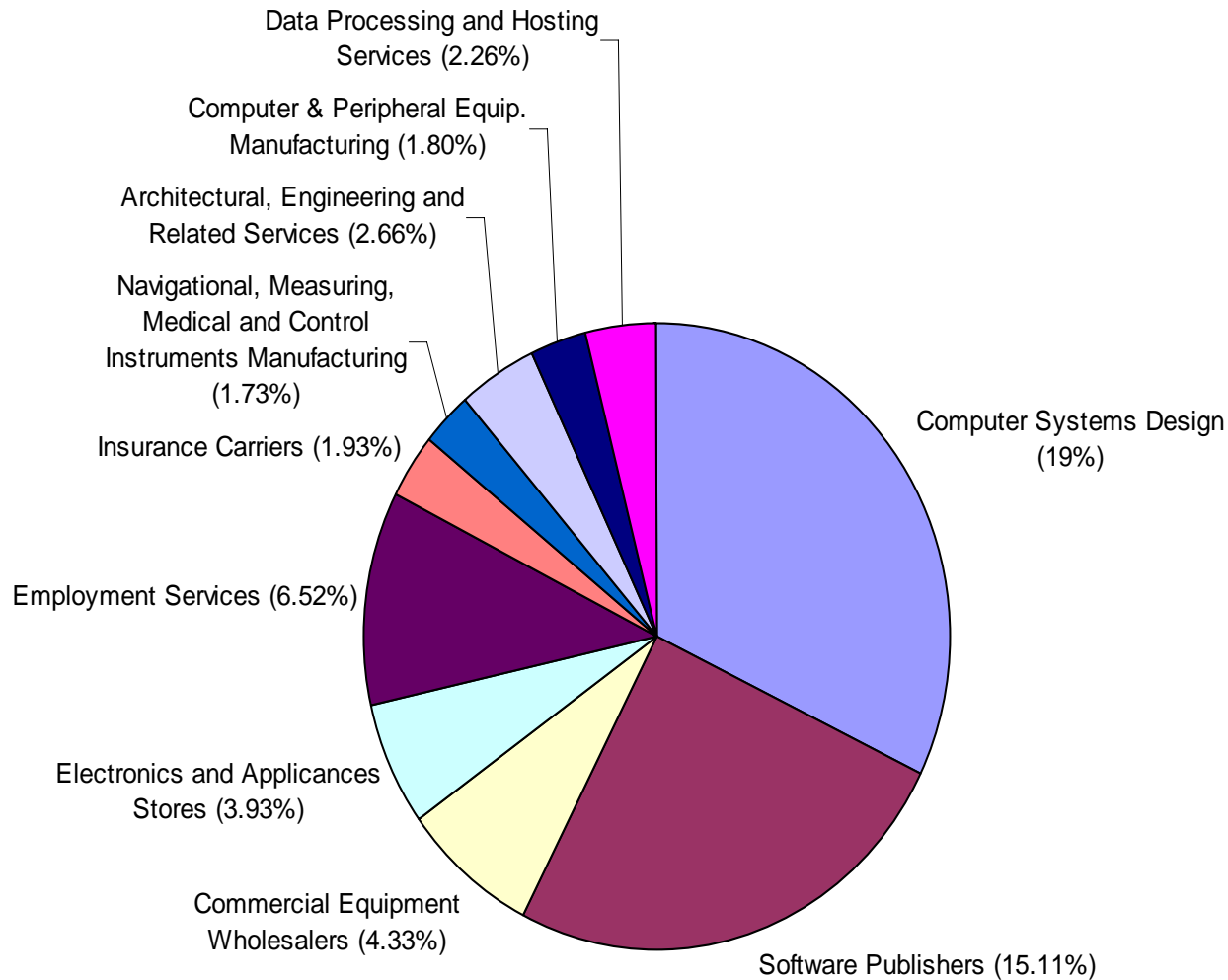
	A: Nat'l Resrc & Mining	B: Construction	C: Manufacturing	D: Trade, Trans. & Util	E: Information	F: Finance Activities	G: Prof. & Bus. Serv	H: Educ. & Health Serv	I: Leisure & Hosp	J: Other Services	K: Public Admin.	Share of Flows	Share of Emp
A: Natural Resources & Mining	22.3	10	10.1	21.6	0.5	1.4	12.7	3.43	6.4	1.95	1.66	0.78	0.80
B: Construction	1.02	50.2	11.3	12.4	0.6	2	11.9	2.94	4.4	1.8	1.43	6.23	5.60
C: Manufacturing	0.9	5.44	48.9	14.8	0.9	1.6	15.7	4.18	4.9	1.75	1	15.49	22.91
D: Trade, Transportation & Utilities	0.6	4.5	12.2	42.3	1.2	3.9	13.6	6.89	10	2.94	1.58	22.50	20.68
E: Information	0.22	2.49	9.07	15.3	32	7.2	18.2	5.68	6.3	1.78	1.58	1.56	1.89
F: Finance Activities	0.23	3.33	6.56	14.2	3.6	37	16.9	8.11	6.3	2.16	1.61	4.14	5.07
G: Professional & Business Services	0.49	4.71	24.3	15.9	2.3	5.1	30.1	7.56	6.1	2.02	1.42	18.95	8.64
H: Educational & Health Services	0.24	1.73	6.11	10.2	0.8	3	12	53.5	6.2	2.51	3.6	10.91	18.75
I: Leisure & Hospitality	0.35	2.69	8.32	20.3	0.9	2.6	11.2	6.99	43	2.43	1.13	15.19	8.39
J: Other Services (expt Public Admin)	0.68	4.82	10.8	21.7	1	3.7	14.5	10.4	9.9	20.5	1.99	2.80	2.97
K: Public Administration	0.67	5.67	7.44	16.7	1.4	3.8	13	22.9	8.1	3.39	16.9	1.47	4.31
Share of Flows	0.73	6.94	18.5	21.6	1.8	4.8	16.6	11.8	13	2.83	1.84		
Share of Employment	0.80	5.60	22.91	20.68	1.89	5.07	8.64	18.75	8.39	2.97	4.31		

Indicates within industry employer-to-employer flows (row percentages)

Top 10 Destination NAICS for College-Educated Workers in Software Publishing (NAICS 5112)

Employer-to-Employer Flows in sample with at least 2 quarters job attachment: 1995-2000

(Other Industries =40%)



Conclusions & Next Steps

EE flows are large, and display much interesting variation across time, demographics, and industry.

Next steps:

Putting the measures into production mode.

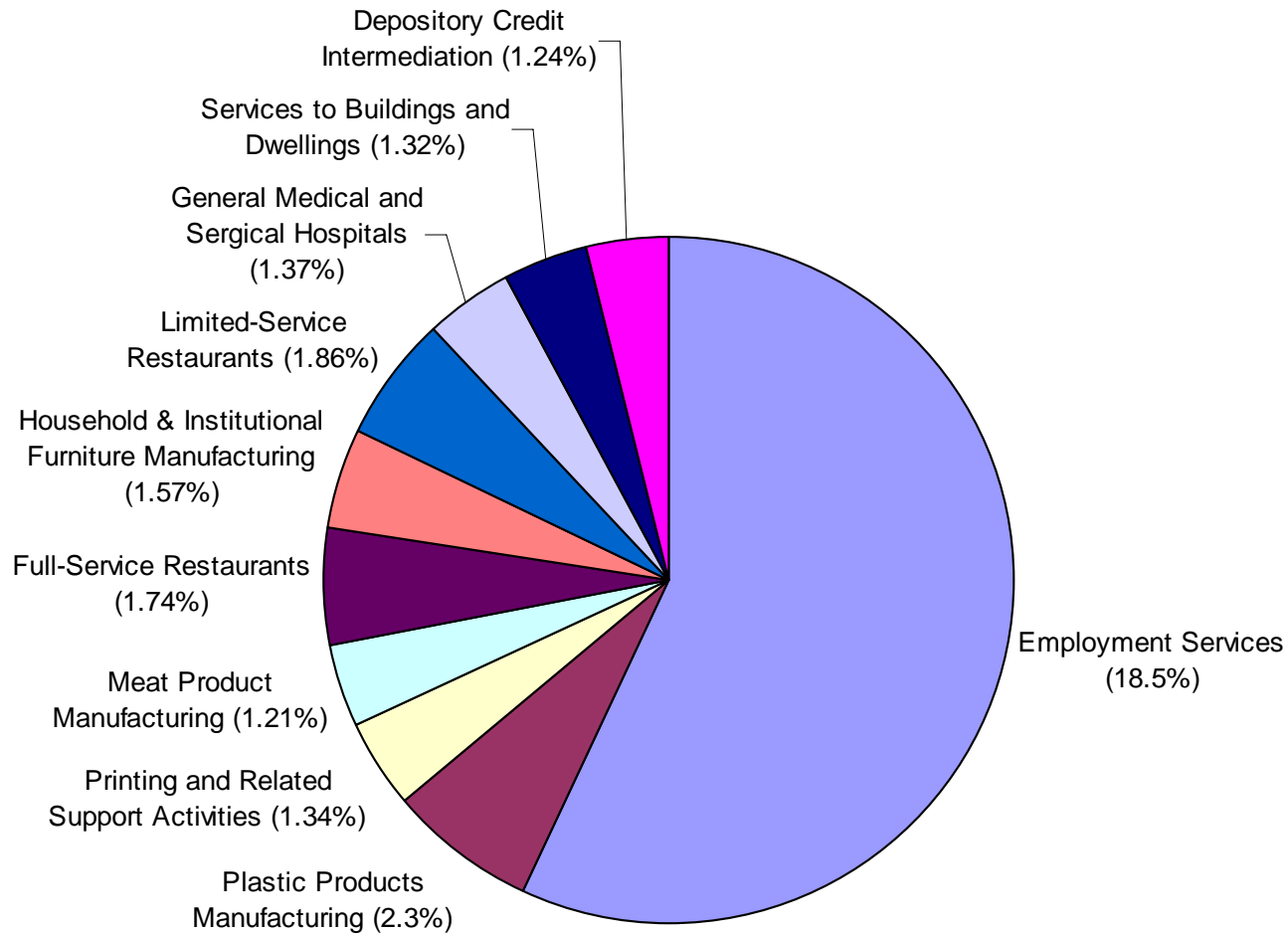
Further research:

Sub-populations of particular interest, and conditional variation.

Business cycle, secular trends, industry reallocation, and retirement.

Top 10 Destination NAICS for Workers in Temporary Services (NAICS 56132)

All Employer-to-Employer Flows in sample with at least 2 quarters job attachment: 1995-2000
(Other industries=67%)



NAICS Industry Switching by Age Group: 1997:2

All EE flows in sample with 2 quarters job attachment
(percent of EE flows on X axis)

