



“THEY LOOK OUTWARD, BUT THE TALENT IS HERE”

Worker Voices on Economic Mobility in
Memphis

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FEBRUARY 2025



FUNDERS

This report is supported by The Freedom Together Foundation, a philanthropy that helps people who have been denied power to build it, so they can change unjust systems and create a more democratic, inclusive, and sustainable society.

The following organizations support dissemination of MDRC publications and our efforts to communicate with policymakers, practitioners, and others: Arnold Ventures, Ascendium Education Group, Yield Giving/MacKenzie Scott, and earnings from the MDRC Endowment. Contributors to the MDRC Endowment include Alcoa Foundation, The Ambrose Monell Foundation, Anheuser-Busch Foundation, Bristol-Myers Squibb Foundation, Charles Stewart Mott Foundation, Ford Foundation, The George Gund Foundation, The Grable Foundation, The Lizabeth and Frank Newman Charitable Foundation, The New York Times Company Foundation, Jan Nicholson, Paul H. O'Neill Charitable Foundation, John S. Reed, Sandler Foundation, and The Stupski Family Fund, as well as other individual contributors.

The findings and conclusions in this report do not necessarily represent the official positions or policies of the funders.

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OVERVIEW

Work is not working for everyone in Memphis, Tennessee. A third of Memphis residents, including many workers and job seekers, are currently experiencing or at risk of living in poverty; 200,000 people live near or below the poverty line, and the city's poverty rate is double the national average. Employment and education are not always pathways out of poverty: Roughly 50 percent of Memphis residents experiencing poverty are either currently employed or looking for work, and nearly 40 percent have either completed some college or earned a college degree. Workers with skills, training, and prior experience may still struggle to find living-wage jobs—that is, jobs that offer enough money to cover their family's basic needs, including food, housing, childcare, and health care.

Memphis Works for Everyone ([MemWorks](#)), a partnership between MDRC and [Slingshot Memphis](#), aims to determine what programs, policies, and interventions may be needed to help more workers access living-wage work and improve their economic mobility. The research team conducted focus groups with Memphis workers and job seekers to better understand existing employment pathways and areas that could be improved.

This report features descriptions of workers' experiences making ends meet, drawing on focus groups with over 60 Memphis workers and job seekers looking to improve their earnings. Some focus group participants expressed concern about job quality and access, including low wages, barriers to gaining experience, and poor working conditions. At times, focus group participants viewed Memphis as primarily a distribution hub with limited job diversity outside of warehouse work and few opportunities to gain additional experience or be promoted. Further, focus group participants' experience being in survival mode—a persistent state of feeling stressed and overwhelmed that can come from navigating lower-income work and poverty—could make finding and retaining a job challenging.

The research findings will guide the development of strategies to strengthen employment pathways and access to living-wage work in Memphis.

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ACKNOWLEDGMENTS

The strong partnership between MDRC and Slingshot Memphis made this work possible. Jared Barnett provided leadership and direction throughout the process. Josh Gettys and Yasmin Abdulhadi deftly led various interviews and focus groups with the support of Hannah Bullock and Ashley Riggins. Josh Gettys, Chris Timko, and Shelley Ramsey Johnson all provided insight, input, and feedback on various drafts.

We would like to thank our thought partners and contributors at MDRC. Sonia Drohojowska provided vital leadership and guidance at each stage of the project and led many interviews with Memphis stakeholders. David Selby designed and spearheaded the population data analysis work. John Martinez gave insightful direction. William Corrin provided sharp and artful feedback. Kayla Elliott dexterously supported the project. Jillian Verrillo edited this paper and Ann Kottner prepared it for publication.

Most importantly, we are grateful for the time, insight, and stories from many Memphians that brought this work to life. Staff members at various educational institutions, workforce organizations, and employers were generous and thoughtful interview participants. Eight organizations went above and beyond to coordinate in-depth focus groups with program participants and graduates: Advance Memphis, the American Job Center, the Collective Blueprint, the Excel Center, Hire Local 901 (Memphis Medical District Collaborative), HopeWorks, Memphis Inner City Rugby, and the Tennessee College of Applied Technology. To the dozens of focus group participants, thank you for sharing your ideas, experiences, and recommendations for a stronger Memphis.

The Author

Work is not working for everyone in Memphis, Tennessee. As a teenager, Kendra worked as a live-in nanny, even though it meant waking up at five o'clock in the morning to trek to school across the city.¹ With eight siblings, she knew that her parents could not afford college, so putting in the effort to save money was worth it—early mornings and all.

Later, Kendra took a job at a big-box store. The money sounded good at first—\$11.50 an hour—but for full-time work, that adds up to less than \$25,000 annually. “I think one of the biggest challenges to get a good job in Memphis is . . . our mindset around what a good job is,” Kendra said. “Not a lot of us were raised to believe that we deserve better.”

One third of Memphis residents, including many workers and job seekers, are currently experiencing or at risk of living in poverty. Poverty is a significant problem in Memphis, where 200,000 people live near or below the poverty line, and the city’s poverty rate is double the national average.² Further, employment and education are not always pathways out of poverty. Roughly 50 percent of Memphis residents experiencing poverty are either currently employed or looking for work, and nearly 40 percent have either completed some college or earned a college degree.³ Workers with skills, education, training, and prior experience may still struggle to find living-wage jobs to support their families.⁴

Memphis Works for Everyone ([MemWorks](#)), a partnership between MDRC and [Slingshot Memphis](#), aims to determine what programs, policies, and interventions may be needed to help more Memphis workers access living-wage work and improve their economic mobility. The research team conducted focus groups with Memphis workers and job seekers to better understand existing employment pathways and areas that could be improved.

This report features descriptions of workers’ experiences making ends meet, drawing on focus groups with over 60 Memphis workers and job seekers looking to improve their earnings, including people who experience poverty. It explores three findings:

1. Many Memphians struggle to access living-wage jobs.
2. For some Memphians, it can be nearly impossible to break out of “survival mode,” a persistent state of feeling stressed and overwhelmed that can come from navigating lower-income work and poverty.
3. Some Memphians think there are few economic opportunities in Memphis.

1. All names have been changed to protect the identity of the speakers.
2. MemWorks (2024).
3. MemWorks (2024).
4. A living wage is the amount that individuals must earn to cover their family’s basic needs, such as food, housing, childcare, health care, internet and phone access, and transportation. It does not include nonessential household expenses like eating out at restaurants, taking vacations and leisure time, or saving for retirement. See Glasmeier (2024).

ABOUT MEMWORKS

MemWorks aims to promote economic mobility for all Memphis workers and job seekers. In 2022, MemWorks launched its current initiative with a blank canvas. The research team did not want to start with preconceived ideas about what solutions were needed to strengthen pathways to living-wage work for people experiencing poverty. Instead, the research team took an exploratory approach by letting data drive the decision-making, synthesizing the results of population-level data analysis with findings from interviews and focus groups. The MemWorks approach comprises three phases:

- **Phase 1: Develop an analytical understanding of the workforce development ecosystem and the potential employment roadblocks in Memphis.** To better understand workforce development in Memphis and the characteristics of the people who experience poverty or near-poverty,⁵ the research team analyzed census data on demographics, employment, education, and the availability of local workforce services, and paired that information with relevant existing research. The findings were published in 2024 and are referenced throughout this report.⁶ The research team used these findings to define initial employment roadblocks for Memphians experiencing poverty.⁷
- **Phase 2: Integrate the perspectives of people experiencing poverty or seeking to improve their earnings.** The research team conducted focus groups and interviews with Memphians seeking to improve their earnings to get a deeper, more nuanced understanding of their experiences with employment and job searching. These discussions helped inform the research team’s understanding of Memphians’ employment roadblocks and determine a direction for suggested action plans. This report focuses on findings from Phase 2.
- **Phase 3: Design and implement evidence-based solutions.** The findings from Phase 1 and 2 helped the research team determine what programs, policies, and interventions may be needed to help more Memphis workers access living-wage jobs. MemWorks has started to work with key community partners to bring these ideas to life through a set of suggested action plans.

In fall 2023, the research team conducted focus groups and interviews with Memphians to discuss their experiences accessing living-wage jobs, participating in training, receiving workforce services, and working. The team conducted nine focus groups with nearly

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5. “Near-poverty” is defined as making more than the federal poverty line but less than a living wage.
 6. MemWorks (2024).
 7. The research team identified 11 employment roadblocks and selected 5 to prioritize. The priority employment roadblocks are: (1) insufficient math and literacy skills, (2) the incompleteness of postsecondary degrees due to extraneous factors, (3) limited coordination within and between workforce services and systems, (4) insufficient support services that align people’s aptitudes with living-wage career pathways, and (5) the prevalence and lasting effects of trauma. See MemWorks (2024).

60 people who were recruited from organizations that serve people experiencing poverty or looking to improve their earnings, including training organizations, technical colleges, and nonprofit organizations. Those organizations were Advance Memphis, the American Job Center, the Collective Blueprint, the Excel Center, Hire Local 901 (Memphis Medical District Collaborative), HopeWorks, Memphis Inner City Rugby, and the Tennessee College of Applied Technology. (Two focus groups took place with participants from the Collective Blueprint.) The team also conducted 17 interviews with training program staff members and individuals from other workforce organizations and local employers.

Across focus groups, experiences with work and job searching varied. Some people reported having stable employment while others had a scattered work history or experienced chronic unemployment. Some pursued educational milestones, including GEDs, industry certificates, associate's degrees, and bachelor's degrees. Others were actively job searching, often seeking immediate work. Some earned living wages while others' paychecks did not cover basic needs.

This report features stories about finding living-wage work in Memphis from some of the people who know it best: the workers.

FINDINGS

1. Many Memphians struggle to access living-wage jobs.

For Anita, it never used to be this hard to find a good job. "I've been working since I was 15," Anita said. "I changed my birth certificate at the age of 15 to say I was 16. I got my first job." Over the years, Anita advanced to different roles, from inspector to trainer to supervisor. When the COVID-19 pandemic hit in 2020, everything changed. Anita searched for a job for almost a year before she decided to take a different approach and join a training program that was focused on in-demand skills.

When it comes to employment, as another focus group participant put it, "It's not that people don't wanna work." Instead, some Memphians said that, for many jobs, the pay is too low to make ends meet:

I do everything: housekeeping, cooking, raising children. I did all that. But you look at me and you tell me that you only give me \$10.50 an hour. . . . It's not that people don't wanna work. It's [that] they can't work because they're working hard every day.

MemWorks found that one in three people in Memphis does not earn a living wage, making it difficult to secure basic needs like housing, food, transportation, and health care.⁸ The

**SINCE I WAS
17 YEARS OLD,
I'VE NEVER HAD
A PROBLEM
GETTING A JOB.
THE PROBLEM
IS IT'S A LOW-
PAYING JOB.**

8. MemWorks (2024).

question of how to make a living is particularly pressing for Memphis: For more than a decade, the city has had the highest or second-highest poverty rate among the most populous metropolitan areas in the United States.⁹ Further, Memphians experience poverty or near-poverty at a higher rate (33 percent) than Tennessee residents across the state (20 percent).¹⁰

Work is not always a pathway to a living wage, and some working Memphians still experience poverty. MemWorks found that one in two Memphians who experience poverty is either currently employed or looking for work.¹¹ One training participant said, “Since I was 17 years old, I’ve never had a problem getting a job. The problem is it’s a low-paying job.” Tennessee adheres to the federal minimum wage of \$7.25 per hour.¹² Anyone working full time for the minimum wage skims the poverty line, and individuals with households of two or more people sink well into poverty.

To reach a living wage, a single-person household in Memphis would need to earn \$20.60 an hour for full-time work, nearly triple the minimum wage.¹³ (See Table 1.) Focus group participants corroborated that fact, with one person saying, “Most jobs here probably [pay] under \$20 an hour. Even at \$20 an hour, you’re still struggling. The closer you get to \$30— you might be a little bit better off.”

Table 1. Living Wage Thresholds for Full-Time Employment in Memphis, 2024 Estimates

Household/Family Size (for 1 Working Adult)	Poverty Wage (Hourly)	Poverty Wage (Annual)	Living Wage (Hourly)	Living Wage (Annual)
0 children	\$7.24	\$15,029	\$20.60	\$42,848
1 child	\$9.83	\$20,446	\$33.54	\$69,763
2 children	\$12.41	\$25,813	\$41.52	\$86,363
3 children	\$15.00	\$31,200	\$52.04	\$108,243

SOURCE: Amy Glasmeier, “Living Wage Calculator” (website: <https://livingwage.mit.edu/metros/32820>, 2024).

NOTE: A living wage is a measure of the minimum income that individuals need for full-time work to support themselves and their family based on the cost of living in a certain location. An individual earning the poverty wage or less would be considered at or beneath the federal poverty level. The hourly wage rates assume full-time work (2,080 hours a year). See Glasmeier (2024) for more information.

9. Delavega and Blumenthal (2023).
10. MemWorks (2024).
11. MemWorks (2024).
12. United States Department of Labor (2024).
13. Glasmeier (2024).

Over the past few years, wages have increased for lower-income workers across the country. Even in states like Tennessee, where the minimum wage has flatlined since 2009, low-end wages grew over 7 percent between 2019 and 2023. That increase in wages, however, is not enough. A full-time worker at the tenth percentile of the wage distribution (\$13.66 per hour) cannot cover basic needs anywhere in the country.¹⁴ One focus group participant was frustrated about being unable to rise above her circumstances:

It is like entrapment, but what did I do to become trapped? . . . What did I do?
What did I personally do that I can't advance myself in this way?

Climbing out of poverty can be extremely difficult. One study showed that just 16 percent of people who experienced persistent childhood poverty were both consistently connected to work or school and no longer poor by their late twenties.¹⁵ This research serves as a reminder that poverty is caused by structural barriers, not the result of individual choices or personal deficits.¹⁶

While college degrees are associated with higher earnings and lower unemployment rates, formal postsecondary education is not a guaranteed ticket to living-wage work, either. MemWorks found that nearly 40 percent of Memphians experiencing poverty have completed some college or earned an associate's or bachelor's degree. Memphians with associate's or bachelor's degrees are nearly twice as likely to experience poverty as their counterparts in other parts of the state.¹⁷

In addition to pay, access to employer-offered benefits (like health insurance, paid time off, and retirement savings plans) helps people meet basic needs and mitigate financial strain. One focus group participant said, "At the age I am now—which is 42—the money is fine, but the benefits mean more." However, many jobs do not offer benefits. Research shows that 34 percent of lower-income workers do not have paid time off, 40 percent do not have employer-sponsored health insurance, and 54 percent do not have parental, family, or medical leave.¹⁸ As one Memphian stated, "When I get sick the first time, it's all over." The message is clear: Lower-income work comes at a cost.

Trial-and-Error Careers

When the COVID-19 pandemic erupted in 2020, Shanille withdrew from college and returned to Memphis. "When I had to come home," Shanille said, "[my family] was like, 'Well, I don't know how to help you. Go get a job. I don't know what you get a job in, but you go get a job because that's how you survive.'"

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14. Gould and deCourcy (2024).
 15. Ratcliffe and Kalish (2017).
 16. Hahn and Simms (2021).
 17. MemWorks (2024).
 18. Horowitz and Parker (2023).

Seeking direction, Shanille decided to enroll in a short-term phlebotomy training course. Although she was not interested in health care, she needed work and knew that hospitals, facing the pandemic, needed workers. She got certified quickly and started working at a large hospital in the city. Eager to change course, Shanille later traded the hospital for the hospitality industry. That career felt like a better match, but without a college degree, she was not able to advance to a better-paid position. Eventually, ready for something new, Shanille enrolled in an IT training program.

Job seekers may bend career navigation into a nonlinear process in order to take advantage of job opportunities and adapt to a changing labor market.¹⁹ Like Shanille, several other focus group participants shared patterns of job-hopping and exploring different career pathways through trial and error (which did not always result in career progression). Some earned multiple unrelated certifications to facilitate career pivots in response to perceived opportunities in the job market. Others shared deliberate strategies to supplement a lack of exposure to career education, trying on various jobs, industries, and training programs for the best fit.²⁰ At times, taking time out of the labor market to complete training may feel like starting over.

Barriers to Gaining Experience

Focus group participants said that even entry-level jobs can have steep barriers to entry. Some entry-level positions require years of industry experience that may not be necessary to perform such roles, making it difficult to launch a career or break into an industry. One training program mentor (and former program participant) said,

A lot of jobs that'll say, "We want this amount of experience for this entry-level job"—I was like, "This is the job I'm supposed to do to get the experience."

An analysis of 3.8 million job postings found that 35 percent of *entry-level* position postings asked candidates for at least three years of relevant work experience.²¹ To compensate, training program graduates wished they had had more opportunities to get on-the-job experience while completing training, like job shadowing, apprenticeships, or earn-and-learn programs.

Further, some job seekers also found that college degrees were a prerequisite for many jobs, even for workers who held other relevant certifications. Graduates of one training program said that at least two employers at the program's job fair said they would not hire anyone without a college degree—despite their participation in a job fair for a nondegree program.

On a large scale, employers in the United States are trending toward eliminating bachelor's degree requirements for certain roles in favor of skills-based hiring. However, research shows

19. Fuller et al. (2023).

20. Career education helps students from grade school to postsecondary school explore different career pathways and consider the best fit (in terms of skills, interests, and opportunities).

21. Anders (2021).

that while companies have removed more degree requirements from job postings over the past decade, when controlling for occupational mix, the rate of job postings that require a college degree has fallen by only 3.6 percent.²²

Moreover, removing degree requirements from job listings does not necessarily lead to transformational change in hiring practices. One study found that companies that nixed degree requirements only modestly increased the average share of workers without bachelor's degrees that they hired (3.5 percent).²³ For almost two-thirds of the companies that removed degree requirements for some roles, there was either no increase in the share of workers without bachelor's degrees who were hired or there was a modest, short-term increase, suggesting that removing degree requirements alone is not enough to precipitate change for workers without college degrees.

Some focus group participants said justice system involvement and possession of a criminal record were common barriers to living-wage work in Memphis. The number of people who are incarcerated for every 100,000 residents in Shelby County far exceeds the national average, and, at times, has doubled it.²⁴ Focus group participants who were impacted by the justice system discussed the difficulties of getting a job after reentry. One training program participant explained that his background had excluded him from many job opportunities:

I'm qualified for a lot of construction jobs . . . but there's been a couple of jobs here that I had to pass up on because of my past. It is discouraging, it really is. It makes you wanna quit, but I won't. Not gonna do that.

Research shows that most challenges for people returning from prison are related to employment, with 72 percent of postrelease restrictions affecting pathways to work.²⁵ In one study, only 55 percent of people who had been in prison reported any earnings in the first year after their release.²⁶ Of those who did find work, 80 percent earn less than \$15,000 annually. Some focus group participants highlighted a need for more second-chance programs, housing, and employment opportunities.

A challenging employment landscape can hardly inspire hope. Even so, some Memphians encouraged each other to keep trying and not give up, with one training program participant urging,

You just got to throw yourself at it. Be uncomfortable with it and just be like, "This might not work out, but if it doesn't work out, at least I tried."

22. Sigelman, Fuller, and Martin (2024).

23. Sigelman, Fuller, and Martin (2024).

24. Vera Institute of Justice (2024).

25. Umez and Gaines (2021).

26. Looney (2018).

2. For some Memphians, it can be nearly impossible to break out of “survival mode,” a persistent state of feeling stressed and overwhelmed that can come from navigating lower-income work and poverty.

WHEN YOU’RE IN SURVIVAL MODE, YOU CAN’T THINK ABOUT NOTHING ELSE BUT MAKING IT DAY-TO-DAY.

In MemWorks’ focus groups, many workers and job seekers described feeling overwhelmed when navigating the day-to-day, often exacerbated by limited funds or resources. A few focus group members described this experience as being in “survival mode.” Researchers who study poverty have arrived at similar conclusions: The demands of poverty may wear out the body’s stress response system, making it more difficult for people experiencing poverty to manage stressors and challenges as they arise.²⁷ A chronically overloaded stress response system can make just about everything feel more difficult. As one training participant put it, “When you’re in survival mode, you can’t think about nothing else but making it day-to-day.”

In this section, “survival mode” is used to describe the persistent experience of feeling stressed and overwhelmed that may be aggravated by the conditions of poverty. Research shows chronic stress can result from a composite of many different stressors, including traumatic events and the pressure of unmet needs, such as those related to transportation, housing, food, and childcare. When left untreated, chronic stress can lead to negative, long-term effects on physical and psychological health.²⁸ This section explores how focus group participants described their experiences with survival mode.

Prevalence of Traumatic Events

Adverse childhood experiences (ACEs) are a common measure of early hardship and have been shown to have lasting effects, with childhood and adolescent adversities negatively impacting outcomes in adulthood.²⁹ Over 50 percent of adults in Shelby County (the county that includes Memphis) have experienced at least one ACE and 12 percent have experienced four or more ACEs.³⁰ The most common ACEs in Shelby County are substance abuse at home, emotional abuse at home, and violence between adults at home.³¹ In one study, individuals with four or more ACEs were more than twice as likely to not graduate high school and to be currently unemployed than individuals with no ACEs, suggesting that early experiences affect access to later opportunities in education and employment.³²

Adverse experiences in childhood and adulthood may contribute to experiences of survival mode. Across focus groups, some individuals shared stories of trauma, difficulties, and

27. Evans and Kim (2013).

28. Harvard Health Publishing (2024).

29. United States Centers for Disease Control and Prevention (2024).

30. Adverse Childhood Experiences Center Task Force of Shelby County (2015).

31. Adverse Childhood Experiences Center Task Force of Shelby County (2015).

32. Metzler et al. (2017).

personal tragedy in both childhood and adulthood, including experiences with grief, community violence, periods of homelessness, and experiences with the justice system and incarceration. In some cases, these events upended work, school, and personal goals, leading to attrition from training programs, periods of joblessness, and prolonged uncertainty.

The negative effects of ACEs and traumatic events in adulthood can be mitigated through psychological interventions like cognitive-behavioral therapy.³³ However, some Memphis workers and job seekers face difficulties accessing physical and mental health care. Prohibitive costs, insufficient health insurance, distance to providers, social stigma, and a limited awareness of existing resources all constitute barriers to health care access.

Further, mental health care services may be harder to access in Memphis than in other cities. While crisis service units report more mental health emergencies in Shelby County than in Davidson County (which includes Nashville), Shelby County has one-half as many mental health providers per adult.³⁴

Prevalence of Basic Needs Insecurity

Survival mode may be intensified by an insufficient coverage of basic needs, from housing and food to transportation and childcare. Conversely, being overwhelmed by survival mode may make it more difficult to take the steps that are required to secure basic needs. Managing survival mode may be nearly impossible without a stable foundation, as one focus group participant described:

How do you rise above your circumstances? Well, you've gotta be settled somewhere. You've gotta be able to have a safe place—a safe zone to start with, to work from. That's—believe it or not—becoming harder.

In recent years, housing costs in Shelby County have risen. One in six Shelby County residents spends 50 percent or more of their household income on housing, which suggests a greater housing cost burden compared with other parts of the state.³⁵ Further, housing instability and loss have been shown to impact employment: Research found that working renters who experienced housing loss (often eviction) were 11 to 22 percent more likely to lose their jobs.³⁶

Additionally, nearly one in five Memphians experiences food insecurity.³⁷ Research shows that students facing food insecurity are more than 40 percent less likely to graduate from college.³⁸ During a focus group at one technical training school, students traded concerns

33. Lorenc et al. (2020).

34. MemWorks (2024).

35. Tennessee Department of Health (2024).

36. Desmond and Gershenson (2016).

37. Mid-South Food Bank (n.d.).

38. Wolfson, Insolera, Cohen, and Leung (2021).

about the lack of food options and accommodations on campus: no cafeteria, no coffee machine, and no napkins. Students swapped stories about putting money in the vending machines only to receive moldy food.

One training program participant, Elijah, did not always have enough to eat at the end of the day. He was working as much as he could while balancing a training program, but with fewer hours to devote to his job, it was becoming harder to get by. “I can tell you a lot of stories about what I had to do because I wasn’t making enough to make things work,” Elijah said. “I slept in the forest just so that I could go to my job because I didn’t have a way to get to my job. . . . I would not eat sometimes. I would do a lot just so I could do [the training program] and still . . . have a job.”

Most Memphians—97 percent—do not live near public transit that runs at least every 15 minutes, leaving people who do not have reliable personal transportation with limited options.³⁹ In an earlier study, MDRC found that transportation challenges may have kept Memphis participants from accessing program services.⁴⁰ Focus group participants commonly reported that transportation was a persistent barrier to work:

I would have a job if I had a way to get there.

Even with a job on the bus line . . . the buses are not accurate, at all. They may show up one day on time and the next morning you might be late to work because they didn’t come by on time.

Some focus group participants reported taking rideshares (for example, Uber) to work or training sessions, but that quickly became expensive. Some schools, training programs, and nonprofit organizations offer support by administering bus cards or paying students to offer carpool rides to classmates.

Further, 55 percent of working parents in Shelby County have experienced employment challenges due to inadequate childcare, with access compromised by high costs and a lack of providers. In Tennessee, annual childcare costs exceed the cost of in-state college tuition.⁴¹ Several focus group participants discussed their difficulties balancing parenting—often as single parents—with training or work. Some parents could not work while participating in training or school due to family schedules and parenting responsibilities.

To help participants persist through training, many programs offer benefits like transportation vouchers, referrals to supportive services, and information about applying to the Supplemental Nutrition Assistance Program (SNAP) and other public benefits. A few education and training programs in Memphis offer on-site childcare, but many do not. Whether

39. Innovate Memphis (2018).

40. Miller et al. (2016).

41. Tennesseans for Quality Early Education (2022).

program participants can access those benefits may affect whether they can complete a program and continue on the path to living-wage work.

3. Some Memphians think there are few economic opportunities in Memphis.

Becoming a new mom consumed Harmony's life after graduating from her training program. Transitioning back to work, Harmony said, "I've been able to broaden my horizon as far as meeting new people, doing new things, as well as learning what it is that I really want to do." She added, "So, now [I'm] just trying to find a role to fit that criteria."

Harmony wondered if she could find that role in Memphis. Recently, a relative had success moving from Memphis to California to work as a mechanic manager. "The skillset that he [had] in Memphis—he was considered poverty-level," she said, adding that now "he's making top dollar with the exact same experience." She concluded, "I feel like the mindset and his skills didn't change just because he moved across the country. The only thing that changed is his address."

Other focus group participants viewed Memphis as the root of their problems—if only they could move away, then they would have access to better-quality jobs, higher wages, and advancement opportunities. Harmony observed that in Memphis, "We don't know what a good job would [look like] because we've never really seen it."

THIS AVERAGE JOE THAT'S FROM MEMPHIS, YOU'RE JUST QUICK TO STICK THEM IN A WAREHOUSE. . . . WHERE IT ACTUALLY MATTERS FOR THE CITY OR FOR THE COMPANY, YOU DON'T WANT TO PUT A MEMPHIAN IN THAT POSITION.

Perception of Memphis as "Only Warehouses"

In the focus groups, some Memphians felt that living-wage jobs or pathways for advancement were out of reach for many who call Memphis home. Others felt that opportunities were limited to warehouses, with one person saying,

I feel, with Memphis, that they just want to categorize us, like a distribution place. It is only warehouses. It's only those types of jobs you can get here. But . . . it's so many different things we can do.

Containing the FedEx World Hub (the Hub) and other major logistics centers, Memphis has a wide reputation for warehouse work. FedEx is the largest employer in Memphis with over 35,000 local employees, including 11,000 who work in the Hub warehouse.⁴² Since 2018, FedEx has invested over \$1.5 billion in modernizing the Hub. Some focus group participants were skeptical that they would see the benefits of the expanding economic opportunity. They

42. Hartsfield and Bolton (2023) and the Tennessee Department of Economic Development (2019).

shared the perception that those economic development efforts attract new workers to the city—and that those people are given the good jobs rather than internal candidates from Memphis. As one person put it, “This Average Joe that’s from Memphis, you’re just quick to stick them in a warehouse . . . Where it actually matters for the city or for the company, you don’t want to put a Memphian in that position.”

In greater Memphis, more than 100,000 people work in transportation and material-moving occupations, including many as warehouse workers and truck drivers.⁴³ (See Table 2.) Over 36,000 people work in entry- and mid-level roles as laborers and material handlers, roles that average \$37,970 in annual wages. This amount falls short of being a living wage for all household sizes: For a single-person household, the living wage threshold is \$42,848 (shown in Table 1). Only laborers and material handlers in the top percentiles earn a living wage; nationally, people in those roles who have wages in the 75th percentile earn around \$45,000 annually.⁴⁴

Table 2. Employment and Wages for Transportation and Material-Moving Occupations in Greater Memphis, 2023 Estimates

Occupation	Number of People Employed in Greater Memphis	Average Wage (Hourly)	Average Wage (Annual)
Transportation and material-moving occupations (all)	106,230	\$21.93	\$45,620
Laborers who manually move freight, stock, and other materials	36,710	\$18.26	\$37,970
First-line supervisors of transportation and material-moving workers (except aircraft cargo handling supervisors)	6,500	\$33.24	\$69,140

SOURCE: United States Bureau of Labor Statistics, “May 2023 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates: Memphis, TN-MS-AR” (website: https://www.bls.gov/oes/current/oes_32820.htm, 2023a).

For some, starting out in a warehouse is a viable pathway to living-wage work. First-line supervisors for people like warehouse workers and truck drivers make an average of \$69,140 annually in Memphis, far exceeding the living-wage threshold for single-person households and nearly crossing it for two-person households. However, those roles are available to

43. United States Bureau of Labor Statistics (2023a).

44. United States Bureau of Labor Statistics (2023b).

fewer people, with 6,500 workers serving as first-line supervisors compared with 36,710 as laborers and material handlers.⁴⁵

Feeling stuck in low-paying work with no room for advancement may lead people to lower their expectations of themselves. Even jobs with advancement pathways do not necessarily make those pathways clear or encourage workers to take advantage of them. In one interview, a hiring manager at a warehouse disclosed that pathways for upward mobility do technically exist but are not emphasized to the warehouse workers. He said,

I don't think we do a good enough job in emphasizing [advancement]. But that pathway to excel does exist. We just need to do a better job at pushing people along. But because we have such a revolving door in [the warehouse], I don't think we pay a whole lot of attention to that. It's almost like you got to jump on board, jump on this merry-go-round, and hold on for dear life. That's one of the negatives about what we do. . . . If you're able to jump off into some great opportunity, good for you. But if you just keep holding on that merry-go-round—it's just gonna keep going around with you on the merry-go-round in the same position 5, 10, 15 years from now.

When Memphians think about what they want from work, they may not have 15 years to “hold on for dear life” in the same position. Several focus group participants expressed concern about the precarity of modern work and said that it never used to be this hard to stick with a job—or, in the long term, to find a job worth sticking with. One training program participant said, “It used to be where we stayed on a job for, like, 30, 40 years. . . . That just doesn't exist anymore. We're lucky if we can just stay on a job permanently for 1, 2, or 3 years.”

Perception of Job Quality

Across focus groups, workers and job seekers expressed concern about the quality of jobs and working conditions available to them. Several described changing jobs frequently, sometimes within weeks or months, due to factors like unsafe work environments, toxic work cultures, and inadequate training and supervision. For those workers, the pay was not worth the price. They are hardly alone in this sentiment: More workers in the United States report that their jobs have had a negative impact on their mental health (40 percent) than a positive one (30 percent).⁴⁶

Other focus group participants described simply growing bored at work. A revolving door of jobs that may seem perpetually available—like those in big-box stores and fast-food chains—can offer lower pay, come with unpredictable schedules, and consist of rote tasks, all of which can erode one's sense of satisfaction with work. Research shows that only 56

45. United States Bureau of Labor Statistics (2023a).

46. Witters and Agrawal (2022).

percent of lower-income workers said that their contributions at work were valued compared with 70 percent of upper-income workers.⁴⁷

Many focus group participants, although differing in backgrounds and experiences, shared a unified desire for more: more opportunities, more skills, more money, and simply to be seen as capable of more. One training program mentor—and former program participant—stated,

[Memphis has] a lot of jobs that tell you, “Hey, just pack this box or just seal this or just do that and you’ll be good for eight hours.” And it’s not challenging us. It’s not growing our mindsets; it’s not giving us tools that we could actually use in the real world outside of just that job. . . . I’ve worked at different places here in Memphis and all of them are temporary to me because not a lot of people care about their workers—not a lot of people care about how we get to and from those jobs, or what conditions we are in in those jobs—but just their production.

CONCLUSION

MemWorks cannot improve access to living-wage work without first understanding the pitfalls of the existing employment pathways. The research team found that many Memphians who are looking to increase their earnings may struggle to find living-wage jobs to support their families. Work and education are not always pathways out of poverty; about 50 percent of Memphians experiencing poverty are either currently employed or looking for work, and nearly 40 percent have either completed some college or earned a college degree. Further, seemingly extrinsic factors—including unmet basic needs like housing, childcare, and transportation—may disrupt and derail the completion of college and other postsecondary training pathways.

Workers and job seekers also expressed concern about job access and barriers to gaining experience. Several training program participants described nonlinear career paths—such as earning multiple unrelated certifications—to pivot their skill set in a changing labor market. Some jobs fall short of providing workers living wages and much-needed benefits, which focus group participants corroborated by sharing their experiences of low pay and difficulty making ends meet. Other jobs do not provide workers with clean and safe work environments, adequate training and supervision, and opportunities for career progression.

At times, focus group participants viewed Memphis as primarily a distribution hub with limited job diversity outside of warehouse work and few opportunities to gain additional experience or promotion. Some felt like Memphis is leaving them behind—that the city is attracting out-of-town workers for higher-paying jobs rather than hiring from within.

47. Horowitz and Parker (2023).

The prevalence of trauma and experiences with survival mode can further complicate pathways to a living wage. One training participant said that a limited mindset can be a barrier to getting a good job, too: “Not a lot of us were raised to believe that we deserve better.”

The interviews and focus groups helped shape the research team’s understanding of the roadblocks that Memphis workers face and determine what programs, policies, and interventions are needed to fill out the workforce development landscape in Memphis. In 2024, MemWorks began working with several community champions to pilot a network of action plans that address priority employment roadblocks and respond to workers’ and job seekers’ needs. Examples include the following:

- One action plan aims to help more people access living-wage careers in health care by expanding training offerings with a local sector-based training program. Through this initiative, the program will increase the number of trainees who are served and expand its offerings to include training for several new, in-demand career tracks that pay living wages.
- A second action plan aims to help more community college students graduate. This initiative seeks to strengthen comprehensive student support services to give students the resources to handle extrinsic factors without significantly delaying or derailing their education.
- A third action plan aims to prepare more people to enter training programs and gain industry credentials by improving their math and literacy skills. MemWorks is designing an adult math and literacy program to help more people get the skills they need to access a greater number of work, education, and training opportunities that lead to living-wage careers.

These action plans are currently in progress and are subject to change. More information about these plans and other initiatives will be available from MemWorks in 2025.

While some focus group participants indicated that Memphis workers may be held back by limited mindsets, others pointed to employers: Perhaps employers are the ones whose mindsets are limited. Perhaps Memphis workers and job seekers are capable of more than they are offered. One training program participant urged employers to “take a chance on a Memphian,” saying,

I would just say, tell jobs [to] . . . take a chance on a Memphian. . . . We have legit geniuses in Memphis, great talent. But . . . for those high-level positions . . . they look outwards, but the talent is here. The skills are here, the people are here, but you’ll never know unless you actually give them a chance.

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ABOUT MDRC

MDRC, a nonprofit, nonpartisan social and education policy research organization, is committed to finding solutions to some of the most difficult problems facing the nation. We aim to reduce poverty and bolster economic mobility; improve early child development, public education, and pathways from high school to college completion and careers; and reduce inequities in the criminal justice system. Our partners include public agencies and school systems, nonprofit and community-based organizations, private philanthropies, and others who are creating opportunity for individuals, families, and communities.

Founded in 1974, MDRC builds and applies evidence about changes in policy and practice that can improve the well-being of people who are economically disadvantaged. In service of this goal, we work alongside our programmatic partners and the people they serve to identify and design more effective and equitable approaches. We work with them to strengthen the impact of those approaches. And we work with them to evaluate policies or practices using the highest research standards. Our staff members have an unusual combination of research and organizational experience, with expertise in the latest qualitative and quantitative research methods, data science, behavioral science, culturally responsive practices, and collaborative design and program improvement processes. To disseminate what we learn, we actively engage with policymakers, practitioners, public and private funders, and others to apply the best evidence available to the decisions they are making.

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