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

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A B S T R A C T

Among the common assumptions made about the journalistic labor market is that is hierarchical, with entry-level hiring done almost exclusively by smaller organizations. Individuals are thought to be able to gain employment at larger media organizations only after they have served time in smaller ones. The assumed normal career progression for a newspaper journalist is from a small newspaper, perhaps even a weekly, to a larger one and on up the chain, with employment at larger organizations open only to those who have served their time at the lower levels of the employment chain. It generally is assumed that these patterns of employment have remained relatively stable across time.

This paper draws on an unusual data source consisting of surveys of daily newspaper editors in 1986 and every five years after, with the most recent survey conducted in 2001. Questions on each of the instruments provide basic data on hiring in the newspaper industry the year before.

Analysis of these data shows that most entry level hiring is done by smaller daily newspapers. There are exceptions, however, with some larger organizations also hiring journalists with no prior journalistic experience. The analysis shows that this pattern has not changed markedly over the last 20 years. It also shows that membership in a newspaper group impacts hiring.

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Journalistic labor markets are commonly assumed to be hierarchical, with entry-level hiring done almost exclusively by smaller organizations. Individuals are thought to be able to gain employment at larger media organizations only after they have served time in smaller ones. This assumption is thought to hold for both print and broadcast media.

As a result, the normal career progression for a newspaper journalist is expected to be from a small newspaper, perhaps even a weekly, to a larger one and on up the chain, with employment at larger organizations open only to those who have served their time at the lower levels of the employment chain. For example, Lacy and Simon (1993, p. 270) discuss "the newspaper tradition of hiring entry-level journalists at low wages, especially in small markets, expecting them to move up to better paying newspaper organizations."[1] Relatively little cross over from other journalistic organizations to the newspaper industry is thought to take place.

It generally is assumed that these patterns of employment have remained relatively stable across time, even though there have been dramatic changes in the daily newspaper industry itself, and that the patterns have not been influenced greatly by changes in the larger labor market or even the overall economy.

Despite these assumptions, there is little more than anecdotal data to support them. Little systematic research on hiring in the daily newspaper industry exists. Almost nothing has been done to delineate the characteristics of the labor market that exists.

This paper draws on an unusual data source consisting of surveys of daily newspaper editors in 1986 and every five years after, with the most recent survey conducted in 2001. Identical questions on each of the instruments provide basic data on hiring in the newspaper industry the year before.

Analysis of these data shows that most entry level hiring is done by smaller daily newspapers, consistent with the assumption. There are exceptions, however, with some larger organizations also hiring journalists with no prior journalistic experience. The analysis shows that this pattern has not

[1] Lacy and Simon (1993, p. 270, 279) argue this pattern hurts the quality of smaller newspapers. The effect of hiring on quality is a subject worthy of research. However, the question is beyond the scope of this study.

changed markedly over the last 20 years. It also shows that membership in a newspaper group impacts hiring.

The Daily Newspaper Industry

The daily newspaper industry is characterized by a large number of relatively small organizations spread geographically around the country. The large metropolitan dailies that have national or even regional reputations are the exceptions, rather than the norm, in the daily newspaper industry. Most newspapers are monopolies in their markets, and, as such, they are the only possible employers for daily newspaper journalists in those communities.

Traditional assumptions about the progression of newspaper careers and the large number of smaller dailies suggest that the larger papers can focus on hiring those with more experience or skills. The distribution of newspaper size in the United States is consistent with this assumption. In 2000, about 85 percent of 1,480 U.S. dailies had a circulation of less than 50,000 (American Newspaper Publishers Association, 2001). This distribution has remained almost consistent since 1970. There were only 223 newspapers larger than 50,000 circulation in 2000, but 53 percent of those had 100,000 circulation or less (American Newspaper Publishers Association, 2001).

The structure of newspaper competition is also consistent with traditional assumptions about journalists moving up in the industry. Newspaper markets are defined geographically by the extent of a paper's circulation, and the core of those markets is usually the city or county where the paper is located. Head-to-head competition exists only in a handful of newspaper markets. Most daily markets have either a monopoly newspaper or indirect competition between different layers of newspapers (Lacy & Simon, 1993, p. 112-115). The so-called umbrella model suggests regional metropolitan dailies, one layer, compete with satellite-city newspapers that emphasize local coverage, a second layer. Regional dailies may also compete with suburban dailies, which are a third layer. A fourth layer of competition includes weeklies, shoppers and specialized newspapers. National dailies are a fifth layer of competition, and group-owned suburban newspapers make up a sixth layer (Lacy & Simon, 1993, p.114). Empirical studies support this model (Lacy, 1984, 1988; Lacy & Dalmia, 1993; Lacy & Davenport, 1994).

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A second major trend in the newspaper industry also appears consistent with employment as a progression from smaller to larger papers. Independent daily newspapers are increasingly rare. Most newspapers are members of a group. Newspaper Association of America data show that 20 newspaper groups with the largest circulation accounted for 67 percent of all daily circulation in the United States in 2000 (American Newspaper Publishers Association, 2001). However, these 20 groups owned just 38 percent of U.S. newspapers.

Newspaper groups of all sizes also use a strategy of assembling clusters of commonly-owned newspapers in geographically adjacent markets, in part to share resources such as newsroom personnel (Lacy & Simon, 1997; Martin, 2002). A third of all U.S. dailies were part of a cluster in 1998 (Martin, 2002).

Lacy and Simon (1993, p. 279) suggest groups can rapidly move young, promising employees from smaller to larger newspapers. The dominance of groups in the newspaper industry, and resource sharing strategies such as clustering, suggest that if traditional hiring patterns exist they may also work internally in groups.

In other words, if there is no umbrella competition in a particular market, the local daily newspaper will be the local daily newspaper labor market. In markets with clustered newspapers, the commonly-owned papers may also dominate the newspaper labor market. In such cases, an individual employee may move within that labor market only by moving within the single newspaper company. Journalists who leave a newspaper in search of another daily newspaper job would have to move to a geographically different labor market.

But if a local group owns newspapers of differing sizes, then journalists could move up within the group without changing overall employers. The labor market of the single employer would cut across individual newspapers and across geographically separate communities.

Labor markets are the site of exchanges involving individuals and organizations. Such exchanges are governed by institutions, or rules for social relationships and actions. Labor market interactions could therefore be addressed from a variety of theoretical perspectives. For example, some

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sociologists argue that institutional rules become taken-for-granted understandings about possible states of the world. These understandings then determine and constrain the range of options that individuals believe are available when making employment decisions (Powell & DiMaggio, 1991). Other researchers (Coverdill & Finlay, 1998) have concluded that employment decisions are only partly based on a candidate's education, skills and experience. Another key variable in hiring is a candidate's fit, or "compatibility with a particular organization's culture, norms, and strategies … [and] with the hiring authority and interviewers" (p. 122.). A third perspective (Granovetter, 1995) argues that personal contacts "are of paramount importance in connecting people with jobs" (p. 22). Granovetter argues that the best paying, most satisfying, and prestigious jobs are often found this way.

Each perspective contributes to understanding labor markets. The most basic characteristics of such markets, however, are exchanges of labor in return for pay. Economics is the study of exchanges and their outcomes. Exchanges in labor markets must resolve conflicts between preferences of the parties involved. Tradeoffs are required to make resolution possible. Wachter and Wright (1990) argue that economics is particularly suited to the study of tradeoffs in the Internal Labor Markets (ILMs), which are the focus of this study. This is because tradeoffs in ILMs "are similar to the tradeoffs that economists analyze in their study of resource allocation, [therefore] the economic model can be used to illuminate the precise tradeoffs as well as to describe the choices made by particular firms and workers" (Wachter & Wright, 1990). Doeringer (1986) also discussed the importance of sociological variables for the development of ILMs while incorporating these variables into an economic analysis. For example, stable social relationships contribute to the development of increased bargaining power among workers, and to agreement about the distribution and pace of work (Doeringer, 1986). Therefore, this paper adopts an economic perspective for the analysis of internal labor markets.

Hiring as Process

Descriptions of newspaper labor markets are consistent with more general theoretical discussions in the economics and organizational literature. Economists model hiring as a process of

matching vacant jobs with people qualified to fill them (Petrongolo & Pissarides, 2001, p. 392).[2] Firms search for employees and employees search for jobs, but matches are not always efficient. Mismatches result if there are "large differences" (p. 399) between worker skills and job requirements. Mismatches also result if workers are located in one market and jobs are located in another (p. 400). Other factors affecting job matches are the intensity of job searches[3] and competition between unemployed and employed job seekers (p. 416-418). For instance, workers earning less than their desired wage may search for better jobs during economic expansions, and employers may respond by opening more vacancies that are attractive to those workers (p. 418).

The inefficiencies, or frictions, in job matching offer a framework for the traditional view of newspaper job markets. Employers and employees both want to reduce the probability of mismatches. Newspapers may generally hire from those educated for or active in the industry to reduce the probability of hiring someone with the wrong skills. Journalists can reduce search costs by focusing on newspapers considered appropriate to their level of experience. For instance, college graduates may look first at smaller newspapers. As journalists accumulate experience and can command higher wages, they move up to larger newspapers that are willing to hire them because their record helps predict their future performance.

Uncertainty about the performance of workers after they are hired is another variable influencing job matching. Hiring means making a contract.[4] Neoclassical economics suggests contracts are intended to control costs associated with economic transactions (Williamson, 1985; Williamson, 1979).[5]

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[2] A simple formal model of this matching function is M=m(U,V), where M is the number of jobs at a given time, U the number of workers looking for jobs, and V the number of vacant jobs. If markets are efficient, the probability that workers find jobs is m(U,V)/U. The probability a vacant job is filled is m(U,V)/V (Petrongolo & Pissarides, 2001, p. 392).

[3] Intensity is defined as the "number of 'units' of search supplied by a given individual" (Petrongolo & Pissarides, 2001, p. 403). There is a cost associated with each search unit, so individuals provide different numbers of units based on their search costs, the costs of being unemployed, and their expected return from finding a job.

[4] Contracts do not have to be formalized; any agreement to terms of employment is a contract.

[5] Williamson (Williamson, 1985) describes transaction costs as separate from the costs associated with production of a good, such as a newspaper. Transaction costs are the "economic equivalent of friction in physical systems" (p. 19).

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Contracts control transaction costs by specifying each party's obligations and how disputes will be settled.[6]

Transaction cost analysis identifies two other sources of inefficiency (Williamson, 1985) that are relevant to job matching. The first is uncertainty, because neither the potential employee nor the potential employer can predict all contingencies that may arise after someone is hired. The second is specificity, or the degree to which employee skills are specialized so they cannot easily be replaced.[7] These dimensions interact, because employees with widely available and more general skills easily can be replaced. Therefore, uncertainty about their performance is less important when negotiating their employment. However, as skills become more specialized employees are harder to replace. For example, newspaper groups may reduce frictions by hiring from within, promoting employees whom managers already know quite well. Friction can also be reduced, and productivity can increase, because employees are used to working together. Stable work groups tend to agree on the distribution of both work and income (Doeringer, 1986, p.49-50).

Martin (1997, p. 12-13) argued that transaction cost analysis suggests an individual newspaper has little incentive to make substantial investments in employees with skills that are widely available in the newspaper industry. However, a newspaper has incentives to make such investments in employees with specific skills or knowledge, such as editors with intimate knowledge of newsroom operations. This analysis can be extended to internal hiring across newspaper groups with similar results.

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[6] Two assumptions underlie the argument that firms use contracts to control transaction costs (Williamson, 1985, chap. 2). First, economic actors have limited rationality, and cannot anticipate all the contingencies likely to arise in an economic relationship. Second, economic actors want to satisfy their own interests and will do so "with guile" (47).

[7] Formally, specificity is the degree to which assets or parties to a contract are unique (Williamson, 1985, chap. 2). As specificity increases, it becomes harder to find substitutes. Uncertainty suggests parties cannot predict the probability that contracts will be fulfilled for unanticipated contingencies. Specificity and uncertainty interact because if there are surprises involving nonspecific assets, those assets easily can be replaced. However, as uncertainty and specificity increase, more complex contracts are needed to manage the costs of ensuring that investments in the specific assets are recovered. As governance of the relationship becomes more complex, governance costs increase. So a third important dimension is the frequency of transactions between the parties. The cost of complex governance structures cannot be recovered unless transactions occur often enough to justify the investment.

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Internal vs. External Labor Markets

Economic theory, then, suggests newspapers may hire from either external or internal labor markets. Newspapers compete with other firms in external labor markets. Newspapers that fill jobs by hiring from within have internal labor markets (ILMs). Doeringer and Piore (1971) offered the standard definition of ILMs:

> "The internal labor market, governed by administrative rules, is to be distinguished from the *external labor market* of conventional economic theory where pricing, allocating and training decisions are controlled directly by economic variables. These two markets are interconnected, however, and movement between them occurs at certain job classifications which constitute *ports of entry and exit* to and from the internal labor market. The remainder of jobs within the internal market are filled by the promotion or transfer of workers who have already gained entry. Consequently, these jobs are shielded from the *direct* influence of competitive forces in the external market" (p.2).

Pinfield (1995, p. 12) lists five structural elements of an ILM as (1) limited ports of entry, (2) job ladders, (3) administrative criteria for promotion and cutbacks, (4) stringency of rules limiting managerial discretion, and (5) a compensation system. Employees enter ILMs at ports of entry, typically the least demanding in a progression of increasingly demanding and rewarding jobs. This progression of jobs is called a job ladder.

Neoclassical economic theory suggests employers with ILMs might compete for employees with other firms that are part of the External Labor Market (ELM). External employers would compete for the firm's employees by offering better wages. Doeringer and Piore (1971), however, noted that when employers surveyed wages at competing firms, the results had little influence on wages at the firm conducting the survey. Wages were primarily determined by the firm's internal job classification system. Doeringer (1986) subsequently described ILMS as "highly resistant to competitive influences" (p. 48). This resistance can generally be overcome only by competition from new products or changes in the

structure of the external labor market. Neoclassical models of wage competition do not apply to ILMs because those models assume (a) there are no fixed costs of employment and (b) workers can easily transfer from one firm to another (Doreinger & Piore, 1971, p. 74). If this is the case, workers earn wages equivalent to the amount they could earn elsewhere. Prevailing wages also equal a worker's marginal product, which is the increase in output from hiring the worker. In this model, wages are a variable cost.

The model does not apply if there are fixed costs--such as training costs--associated with employment. In such cases, each worker's marginal productivity must equal those fixed costs plus the variable wage she or he is paid (Doreinger & Piore, 1971). The worker, however, may not immediately produce enough to cover those costs. This means training or other investments cannot be recovered if the worker leaves, resulting in "job immobility…If workers were to switch jobs or firms were to discharge workers, the sunk investments would be lost" (Wachter & Wright, 1990, p. 243).

This does not mean external economic pressures are entirely absent. Rather, wage competition is "rechanneled" (Wachter & Wright, 1990, p. 245) to jobs that are ports of entry into the ILM. Employees in an ILM have bargaining power because the firm must recover its investment. This allows them to negotiate arrangements with the firm to divide the surplus--or gains in productivity available from their firm specific knowledge---with the firm. If workers are more risk averse than their employers they will at times accept wages that are less than their marginal productivity in the expectation of later earning wages that are higher than their marginal productivity when the firm's investment in the worker begins to pay off (p. 246-247). The contracts that allow firms and workers to share the risks and rewards available from ILMs can be quite complex. Detailed discussions of these issues can be found in Doreinger (1986), Doreinger and Piore (1971) and Wachter & Wright (1990).

Job ladders are a key variable in the structure of ILMs (Baron, Davis-Blake, & Bielby, 1986, p. 256; Cohen & Pfeffer, 1986, p. 12). These researchers argue job ladders allow organizations to select employees according to hiring standards determined by the technical requirements of the job. Job ladders also allow groups such as managers or professionals to exercise organizational power by

imposing such standards (Baron et al., 1986, p. 270 ; Cohen & Pfeffer, 1986, p. 20).[8]

Baron et al. (1986, p. 256-257) list four characteristics of job ladders. First, ladders must be long enough to avoid dead-ends at the top, ensuring employees can be promoted and retained over long periods. Second, jobs should not be concentrated at the bottom of a ladder because that limits opportunities for promotion and fails to separate employees according to seniority. Third, jobs above the lowest rung on the ladder should mostly be closed to outsiders to protect skilled workers from outside competition. Fourth, links between jobs should be clear to employees so they know exactly what set of jobs they might be promoted into next. Baron et al. (1986, p. 252) note that transaction cost analysis suggests the location of jobs on a ladder are determined by the jobs' characteristics. In other words, job ladders exist not at the organizational level, but arise within organizations to select employees who are both qualified for and can be depended on to perform specific jobs.

The theoretical description of ILMs and job ladders is consistent with suggestions that newspaper groups may form their own labor markets. Groups could be expected to do this to reduce job mismatches. For instance, larger dailies in groups might search first for new hires at smaller dailies in the group because that reduces time spent identifying a pool of qualified candidates. However, groups will have much stronger incentives to create ILMs if they have jobs that require highly specific skills and knowledge. In such instances, the creation of job ladders both within and across daily newspapers helps the group enforce standards for hiring into those jobs. Job ladders also reduce the probability that employees will fail to perform as expected. Employees, on the other hand, benefit from knowing what is required to obtain promotions and what will be expected once they are promoted. For example, a group that has a highly developed set of qualifications for newsroom managers can be expected to create an ILM for managers.

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[8] Both studies (Baron et al., 1986; Cohen & Pfeffer, 1986) test alternative perspectives about the function of job ladders and ILMs. Cohen & Pfeffer (1986, p. 2-3) describe four perspectives. The first is technical; ILMs screen workers to meet hiring standards. The second argues hiring standards in ILMS are used to control employees, ensuring they are reliable and conform to organizational norms and values. The third is institutional, arguing ILMs meet normative expectations about the right way to handle personnel matters. The fourth is political, arguing ILMs enable groups within the organization to benefit from the enforcement of standards that serve their interests. As noted, results support the first and fourth perspectives.

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Pinfield (1995, p. 19-20), however, argues that ILMs are unlikely to be entirely closed to outsiders. Job ladders only approximate the overall structure of jobs within an organization because (1) organizational systems are rarely stable and closed, (2) job performance is not independent of the persons assigned to jobs, and (3) job performance is not independent of the ways in which other jobs are performed.

Pinfield notes jobs are filled through vacancy chains. These are similar to job ladders, but vacancy chains can exist without upward movement. When an employee vacates a job, someone else generally at the same level or below must fill the position. If the job is filled, the position of that employee becomes vacant in turn. This creates another job that must be filled, hence the idea of a chain.

However, Pinfield (1995, p. 19) points out, "Arrangements of positions and jobs are not static, but change in reaction to and anticipation of internal and environmental exigencies." Managers sometimes take advantage of vacancies to reorganize departments, adjusting to changes in the organizational or external environment.

Therefore, even newspaper groups with ILMs may not always rely on them to fill jobs. There may be times when the group will seek external candidates in response to changing conditions.

Empirical Findings

Althauser (1989, p. 144) reviewed research into ILMs, finding a lack of agreement about the defining characteristics of the ILM concept and a variety of measures or indicators of ILMs. Studies disagreed about whether ILMs include all or just some of the jobs in a firm, and whether ILMs arise from particular occupations or from organizations (p. 144-149). The disagreements were partly rooted in different theoretical justifications for ILMs (p. 151-155).[9] However, Althauser reported there is empirical support for an argument that ILMs provide firms with "renewable supplies of otherwise scarce, highly skilled workers" (p. 154).

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[9] Althauser (1989, p.151-155) reported little support for the theoretical arguments that ILMs are derived from markets or sectors of the larger economy. Other perspectives suggested (a) ILMs arose from struggles between workers and management, (b) were a consequence of formal bureaucratic controls in organizations, or (c) resulted from the need for training on the job and firm specific skills. Another perspective suggested ILMs provide employers with a renewable source of skilled workers.

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Despite theoretical disagreements over the reason for ILM's, there is little disagreement about their existence. Pinfield (1995) reports a case study of a company with three regional units handling (a) marketing and distribution, (b) packaging, and (c) corporate affairs. The company had 68 geographically separate divisional subunits, most with fewer than 50 salaried employees. Managers at the company preferred internal job candidates because they were familiar with the firm's operations and with their co-workers, and learned new jobs faster than external hires (Pinfield, 1995, p. 321). Managers also were less uncertain about how current employees would perform in a new job. "Other factors being equal, the appointments of inside candidates were judged to have lower associated risks than those of external candidates" (p. 321). Internal promotions also created incentives for employees to learn new skills.

Cohen and Pfeffer (1986, p. 9) examined data from interviews with personnel officials at a random sample of 306 San Francisco area organizations.[10] Regressions were significant for a scale measuring ILM practices--whether companies had promotion from within policies and followed them--among clerical, skilled, and unskilled workers. The dependent variable was a scale measuring requirements for selecting workings in those occupations.

Baron et al. (1986, p. 254) examined data for 1,883 jobs at 100 establishments in California.[11] Factor analysis measuring the presence of job ladders showed 84 of the establishments had at least one ILM (p. 258). Results from this study also showed "tremendous diversity in how broadly or narrowly" (p. 272) ILMs were defined by various establishments. The authors argued that workers in professional or craft labor markets can advance by moving from firm to firm instead of climbing internal job ladders. This is because such jobs mostly require general knowledge and skills tat are useful across different organizations (p. 249-250). Results did show a lack of job ladders for craft labor markets, including a radio station (p. 258). Job ladders also were less likely for professional jobs requiring "complex informational skills" (p. 265) such as television news director. Baron et al. (1986) found that even if non-manufacturing jobs where in ladders, those jobs could sometimes be entered from outside the firm.

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[10] The interviews were conducted from1966 to 1968 (Cohen & Pfeffer, 1986, p. 9).
[11] The data was collected from 1965 to 1979 (Baron et al., 1986, p. 254).

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Baron et al. (1986) also found that labor markets within organizations had diverse characteristics. Larger firms, and firms that were part of larger organizations, were more likely to have ILMs than their smaller or independent counterparts. The study reported "in may instances, internal and external labor markets may co-exist in a given line of work" (p. 266) as a response to market conditions. One constant associated with many ILMs was the need for firm-specific knowledge. These results suggest that if ILM's exist in newspapers, they may not be present for all jobs.

Easily transferable skills, such as reporting jobs, may not be part of an ILM or may be part of an ILM that also allows entry from outside the organization. Jobs that require firm-specific knowledge, however, such as some management jobs, are likely to be part of an ILM. The characteristics of the firm also will affect the presence of an ILM. Smaller newspapers, or independent newspapers, will be less likely to have ILMs than their larger, or group-owned counterparts.

Baker and Holmstrom (1995, p. 255) examined relationships between wages and promotions over more than a decade at two major firms.[12] The study examined white-collar jobs, in contrast to ILM research into blue-collar jobs. Results showed both firms had well-defined job ladders and there was "some evidence that workers are shielded from external market forces" (p. 258). However, there was less evidence of clearly defined ports of entry -- entry into and exit from the firms occurred at all levels of the ILMs. Most significant, the researchers argued, was the association between higher than average wage increases and subsequent promotion. Baker and Holmstrom (1995, p. 257-258) argued the higher wages were given to more productive workers. Ability, not administrative rules for promotion, may be a key variable in white-collar ILMs, the study concluded (p. 259).

Another study examined how firm-specific skills affect job turnover (Glenn, McGarrity, & Weller, 2001). This study did not include a variable for ILMs. However, the study is relevant to arguments that ILMs protect skills specific to a firm. Glenn et al. (2001) examined trades of professional baseball players in positions, such as catcher, who must work closely with teammates. These trades were compared with

[12] The study used 20 years of data, and about a half million records, from a U.S. manufacturing firm. About 80,000 records from 13 years of data from U.S. service firm also were used (Baker & Holmstrom, 1995, p.255).

players, such as outfielders, whose productivity is not so dependent on other members of the team. Results from 92 years of data showed players in positions requiring team-specific knowledge were less likely to be traded. This study supports arguments firms place a higher value on retaining employees with firm specific skills (Glenn et al., 2001).

Van Buren (1992, p. 316-317) examined relationships between organizational size, organizational growth[13] and ILMs. The study used survey responses from 154 businesses. Results supported predictions that organizations linked to larger firms, which have more opportunities to move employees from place to place, are more likely to have ILMs (p. 322). Results also supported predictions that firms with higher growth rates are less likely to have ILMs because growth outstrips their capacity to promote employees. However, Van Buren (1992, p. 324-325) cautioned the regressions had low predictive power,[14] possibly because the study did not measure differences within organizations.

Therefore – setting aside the theoretical disputes over ILMs[15] -- there is considerable empirical support for their existence. Results also suggest hiring in ILMs is contingent on several variables, including the degree to which specific skills are required and the availability of those skills in external labor markets.

For instance, a daily newspaper that hires from other newspapers with different owners is using the external labor market. The newspaper uses internal labor markets, however, when it promotes a reporter to a more desirable reporting job, or moves a reporter to assistant city editor or city editor. The creation of a newspaper group may expand this internal labor market. Newspaper groups have the

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[13] Size was measured as the natural logarithm of total employees in an organization. Growth was measured using the natural log of an index based on percentage changes in the number of employees (Van Buren, 1992, p. 316-319).

[14] The R^2 for regressions was 0.16 (Van Buren, 1992, p. 324).

[15] Baker and Holmstrom (1995) write, "That firms employ internal labor markets, in which wages and careers are partly shielded from the vagaries of external labor markets, seems well accepted" (p. 255). Labor economics textbooks, however, give ILMs little attention because transaction cost and information search models are considered sufficient to explain their existence. Baker and Holmstrom (1995, p. 255) said a seminal study of ILMs did not offer a theory to explain its findings. Doeringer (1986), one author of the seminal study, has responded to this criticism. He argues a focus on competition for jobs and efficiency fails to account for important characteristics of ILMs. Social groups form ILMs to reduce outside competition for jobs, distributing those jobs among their members (Doeringer, 1986, p. 50-51).

potential to integrate internal labor markets across communities, allowing any given newspaper to reduce the chance that it must seek employees outside the internal labor market of the group to fill a vacancy.

Hypotheses

The existing literature suggests that the distinction between an Internal Labor Market and an External Labor Market is meritorious and that the labor market of the daily newspaper industry can be profitably viewed in these terms.

The literature suggests that not all hiring will be done from within the ILM. Internal as well as external forces should play a role. It seems reasonable to expect, for example, that hiring from outside the Internal Labor Market would be greater in times of economic prosperity and low unemployment, as workers would have many opportunities, making the boundaries of the ILM more porous. The level of hiring from the External Labor Market under these circumstances should be greater than under circumstances of a weaker economy and higher unemployment. This can be stated as the following format hypothesis:

> *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.*

Consistent with the literature, it is reasonable to expect that the longer the set of vacancy chains in an ILM, the greater the protection of internal candidates from the competition from the ELM. For this reason, it is reasonable to expect fewer hires from the ELM if the vacancy chain is long, as it would be the case in a developed ILM consisting of several newspapers of differing sizes integrated via a common personnel policy. In other words, ILMs would be larger and vacancy chains longer in newspaper groups with papers spread across different circulation sizes. It also is reasonable to expect vacancy chains to be more reflective of what happens in newspapers than ladders, which are more rigid than what seems likely in a newspaper.

One of the consequences of the merger or assembly into a single company of daily newspapers of differing sizes is the potential to create an Extended Internal Labor Market. In fact, it could be that

creation of an Extended Internal Labor Market is a reason for assembly of this type of newspaper company. The advantages of such a grouping of newspapers into an Extended Internal Labor Market is less exposure to the External Labor Market, better use of staff resources (human capital), and better return on investment in that personnel (training).

This expectation can be summarized in the following formal hypothesis:

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

To test these expectations, secondary analysis was undertaken of data from four mail surveys of daily newspaper editors, conducted in 1986, 1991, 1996 and 2001. In each survey, editors were asked questions about hiring the year earlier, specifically in 1985, 1990, 1995 and 2000. The questions were identical in the last three surveys and very similar across all four surveys. In the tables and the text that follows, these surveys will be referred to by the dates for which data were reported, 1985, 1990, 1995, and 2000, rather than the field dates.

The 1985 survey was conducted by the Dow Jones Newspaper Fund and was a replication of surveys conducted by the Newspaper Fund at irregular intervals beginning in 1970 to provide a widely cited statistic in journalism education, namely the percentage of entry-level hires by daily newspaper that hold journalism degrees. (See Becker, Vlad, Papper & Gerhard, 2001, for a report on these data over time.) In the 1985 survey, results were obtained after two mailings from 471 (28.1%) of the 1,676 daily newspaper editors in the country.

The 1990 survey was conducted for the Dow Jones Newspaper Fund by the School of Journalism at the Ohio State University (Becker, Stone & Graf, 1996). Editors at 1,590 daily newspapers in the United States were sent a questionnaire in January of 1991. After two mailings, 704 (44.3%) responded.

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The 1995 survey was conducted at the Ohio State University (Hollifield, Kosicki & Becker, 2001). Mail surveys were sent to all 1,539 daily newspapers in the 1995 edition of *Editor and Publisher International Yearbook* in early 1996. After three mailings, a total of 735 (47.8%) of the editors returned a questionnaire.

The 2000 survey was conducted in the James M. Cox Jr. Center for International Mass Communication Training and Research, a unit of the Grady College of Journalism and Mass Communication at the University of Georgia. In February of 2001, mail surveys were sent to the 1,464 editors of daily newspapers listed in the 2000 *Editor and Publisher International Yearbook*. After three additional mailings, 605 editors or 41.3% had returned questionnaires. Telephone interviews were conducted with an additional 133 editors, resulting in completed survey data from 738 newspapers, or 50.4% of the total in the population. Telephone contacts were selected among the refusals by circulation size and then probabilistically. The final sample of returned questionnaires was representative of daily newspapers in the United States in 2000 in terms of circulation size.

Each of the four surveys asked editors to report on hiring during the calendar year covered by the survey. Editors were first asked to indicate the total number of newsroom hires in the calendar year and then to indicate how many of these hires came from the following sources: Other Newspapers, Other Media (radio, television, etc.), Non-media Jobs, and Directly From College. (The 1985 survey instrument did not include the category of Non-Media Jobs.) Editors were next asked to indicate how many of those hired directly from college had journalism and mass communication degrees versus another college major. As noted, the survey was initiated by Dow Jones to provide this oft-cited statistic. (See Becker, Vlad, Paper & Gerhard, 2000, for a report on this statistic from 1970 to 2000.)

A precise measure of hiring from the External Labor Market would require more specification than these measures allow. Specifically, it is necessary to know if the hiring of individuals from other newspapers was from daily or weekly newspapers and from newspapers within the newspaper group or outside it. What is possible with the available data, however, is to measure how much entry-level hiring

the daily newspaper did. Hiring directly from college or from non-media jobs can be treated as an indicant of such entry-level hiring.

Because large daily newspapers are expected to hire from smaller papers, large papers would not be expected to do much hiring of entry-level journalists. This is consistent both with the assumptions made about daily newspaper hiring and the literature that underlies the statement of the two formal hypotheses. Large daily newspapers would be expected to do more entry-level hiring in times of economic prosperity and low unemployment than in other periods. Under all circumstances, large daily newspapers not a part of a group with an Extended Internal Labor Market consisting of several newspapers of differing sizes would be expected to do more entry-level hiring than newspapers in such groups.

Findings

Table 1 contains the responses of the daily newspaper editors regarding the sources of journalists hired in 2000. Only newspapers that actually did some hiring are included, and they are broken into six standard circulation categories. The unit of analysis is the newspaper, and the percentages represent the percent of newspapers in a given circulation category that hired at least one person from the sources listed on the left hand side of the table.

Daily newspapers larger in circulation are more likely to have hired journalists from other newspapers than are smaller newspapers, excepting that the very small newspapers are a bit more likely than those a bit larger in circulation to have hired from another newspaper. Most likely, this hiring at the smallest newspapers was from a weekly. (Statistical tests are not applied, since the data are approximately a 50% sample, and the standard tests would greatly overstate error estimates. The data are treated descriptively and the focus is on the pattern of the responses.)

Large newspapers are less likely than small newspapers to have hired journalists from non-media jobs or directly from college. The pattern is not perfect, but the general picture is consistent with the expectation that ports of entry to the field generally are at the smallest daily newspapers.

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The data in Table 1 are insensitive to the number of hires by any given newspaper. Table 2 looks at total number of hires for newspapers in each circulation group combined. In general, most hiring is of journalists who have worked at other newspapers, but this is most dramatically the case at the large newspapers. Of those hired at newspapers with circulations of 100,001 or larger, 79.2% had worked at other newspapers. Of those hired at dailies with circulations of 5,000 or less, only 39.3% had worked for another newspaper. The figure is 31.7% for newspapers in the 5,000 to 10,000 range.

Of those hired at the smallest dailies, 24.4% came from non-media jobs and 24.0% came directly from college. These figures are 5.1% and 11.4% respectively for dailies with circulations of greater than 100,000. Entry-level hiring isn't unheard of at the larger newspapers, but it certainly isn't so common and isn't as common as it is at the smallest dailies.

The national economy in 2000 was robust. Unemployment was 4.0 percent, the lowest it had been since 1969 (Bureau of Labor Statistics, 2002). Inflation was 3.4%, low in historical terms (BLS, 2002). Annual Newspaper Advertising Expenditures were up 5.1% from the year earlier (Newspaper Association of America, 2002).

The unemployment rate was considerably higher in 1995 (5.6%), inflation was lower (2.5%), and growth in advertising expenditure was about the same (5.8%). In 1990, unemployment also was 5.6%, inflation was higher (6.1%), and advertising growth was negative (-0.03). In 1985, unemployment was higher still (7.2%), inflation was 3.8%, and newspaper advertising was 7.0% greater than a year earlier.

If the labor market had any impact on the hiring from outside the internal labor market, it should be possible to see this by examining data from these earlier years. If the advertising market and consequent revenues had an impact, it should be possible to see this by examining 1990 particularly.

The data shown in Table 3 for 1995 are not consistent with the expectation that entry to the daily newspaper industry journalistic labor market would be more restrictive in a period of high unemployment than in a period of low unemployment, such as 2000. In fact, there is no consistent pattern in terms of hiring of college graduates dependent on circulation size if the unit of analysis is the daily newspaper.

The data in Table 4, however, which are at the level of the individual hire, do show this pattern, though it is no less pronounced in this period of higher unemployment than it had been in the lower unemployment year of 2000.

Much the same can be said for 1990, when unemployment was equally high. The newspaper unit data in Table 5 are not consistent with the hypothesis, while the individual level data are. Clearly the percentage of hires among the newspapers that is directly from college declines as circulation size increases.

Unemployment was highest in 1985, but the percentage of daily newspapers hiring journalists directly from college at even the largest newspapers was high, and circulation size is not related to this hiring decision, if the daily is the unit of analysis (Table 7). At the individual level, however, it is clear that circulation size is related to the hiring of college graduates. A lower percentage of those hired by daily newspapers in the 100,001 and up circulation group came directly from college than is the case for newspapers in the smaller circulation groupings (Table 8).

If the labor market had any impact on the hiring from outside the internal labor market, hiring from college should have varied across the years. It did not. If the advertising market and consequent revenues had had an impact, it should have altered hiring in 1990 particularly.

The daily newspaper industry is dominated numerically by small newspapers and dominated in terms of visibility by large ones. About four in 10 of all daily newspapers in 2000 had circulations of 10,000 or less, with nearly one in five having a circulation of under 5,000. Less than one percent of the dailies had circulations of more than 500,000, and only 7% had circulations of more than 100,000.

The average number of employees of a daily newspapers in 2000 was correspondingly small. The median number of employees was 77, and the median number of newsroom employees was 18. In other words, only half the papers employed more than 18 individuals in their newsrooms.

This picture of the newspaper industry is informative, but it also is a little misleading. In 2000, only 17% of the daily newspapers were listed as fully independent, though many were part of relatively small newspaper groups. The largest group that year in terms of number of daily newspapers was Community

Newspaper Holdings, with 94 properties, followed by Gannett with 73 and Liberty Group Publishing with 63.

One potential outcome of creation of a newspaper group, as noted above, is expansion of the Internal Labor Market. If the newspaper group integrates or even coordinates the hiring of personnel, the Internal Labor Market could be expanded to cover all or major parts of the group. Though the extent of personnel integration in the industry has never been studied, some of the groups, notably Gannett, Cox and Knight-Ridder, are known to manage and control newsroom personnel movement within the group to at least some extent.

Integration of personnel practices and movement makes most sense in a group that is configured in such a way as to allow for efficient movement of personnel from smaller newspapers to larger ones as the individual's expertise grows. An individual might be sent back "down" to a smaller paper in the group hierarchy as she or he changes assignments, only to be brought back "up" as skills in the news assignment grow. An individual might move into management, for example, from a larger paper to a smaller one, only to be able to return to the larger paper once sufficient skills have been acquired.

This notion suggests that there might be such a thing as an "ideal" type of expanded or Extended Internal Labor Market in which movement up through the group could flow most efficiently. Two indices were created to reflect this idea.

Each index of an Extended Internal Labor Market was created at the level of the group. Each newspaper in the group was assigned a score reflecting the group index. In each case, newspapers were classified first by circulation into one of five groups: (1) up to 25,000, (2) 25,001 to 50,000, (3) 50,001 to 75,000, (4) 75,001 to 100,000, and (5) 100,001 and more.

Analysis of the 2000 data showed that raw circulation is correlated highly with the number of employees in a daily newspaper and with number of newsroom employees. (In the former case, the Pearson Product Moment Correlation Coefficient was .81, while in the latter it was .96.) This suggests that using circulation as an indicant of newsroom size is appropriate. Newsroom size was not available for newspapers that did not return the survey.

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In the simple index of Extended Internal Labor Market, each newspaper group was assigned a score from 1 to 5 based on the number of circulation groupings in which the group had newspapers. If the group had at least one paper in each group, it received a score of 5. If it had a newspaper on two groups, it received a score of 2. Newspapers not in groups received a score of 1.

The second index reflected whether the total circulation for group newspapers in each category of circulation was equal. Groups were penalized for having different circulation totals in different categories. This was done using what is termed a Frechet technique (Wilansky, 1964). This formula compared the total circulation in a lower category with the total circulation within the next higher category. For example, if one category was twice in size of another category, the size of the reduction would be .33 by the Frechet weighting, and hence, the score would be .66. If the difference was four time, then the reduction increased to .43 and the score is .57. If the two amounts were equal, the group would earn a score of 1. The size of the deduction from 1 increased as the inequality increased.

Once the group score was calculated for both indices, that score was assigned to each newspaper in the group. In fact, the correlation between these two measures was extremely high, .974 (Pearson Product Moment Correlation). The simple index of Extended Internal Labor Market was correlated .28 with the number of hires the daily newspaper made from other newspapers, while the more complex measure was correlated .27. The simple index was correlated .24 with number of hires directly from college, while the more complex measure also was correlated .24 with the number of journalists hired directly from college.

Table 9 compares the top 20 newspaper groups in terms of total circulation on these two indices of Extended Internal Labor Market to see if the variability made sense on its face. Gannett scored high on both indices, Community Newspaper Holdings scored low, despite its large number of papers. In general, the variability seemed consistent with the concepts.

Table 10 compares four newspaper groups with roughly the same number of papers, but papers of different circulation sizes. The four groups, Copley Press, Pulitzer, Hollinger International, and Howard Publications, produced different scores on both measures of Extended Internal Labor Markets, with the

largest group in terms of circulation and number of papers (Howard) getting the lowest scores on each index. This was the case because Howard Publications' papers are clustered in three of the five circulation categories, while Copley, with six fewer papers, has a better spread of those papes across all five circulation groups.

Table 11 repeats the analyses shown in Table 2 for the 2000 data, but here newspapers are broken into five categories, based on the simple measure of level of development of the Extended Internal Labor Market. Those newspapers without the potential to have a fully developed Extended Internal Labor Market (because they do not have papers in any but a single circulation category) are shown in the first rows with a score of 1 on the index. Those newspapers with a score of 5 on the index are shown at the bottom. Newspapers also are classified by circulation size (using the original category scheme). The data are at the individual level.

While the pattern is not perfect, as expected, large independent newspapers (with circulations of 100,001 or more) are considerably more likely to have large numbers 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. In general, size of the newspaper doesn't matter in terms of percentage of hires coming directly from college if the score on the measure of group integration is 1. In general, it matters more at the newspapers with higher scores on the integration measure, consistent with the expectation.

Conclusions

The data presented in this paper provide the first empirical test of the common assumption that the labor market of the daily newspaper is hierarchical, with most entry-level hiring taking place at small newspapers. These newspapers, in this view, are the common ports of entry for the market. Job applicants should not waste their time trying to enter the market higher in the hierarchy of newspapers, for few if any jobs for entry-level applicants exist.

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The data are supportive of this general view, but they are not wholly consistent with it. For all four years for which data are available, large daily newspapers hired entry-level applicants. Certainly entry to the occupation of daily newspaper journalist is not only at the smallest newspapers.

On the other hand, a considerably smaller percentage of hiring done by large newspapers is at the entry-level than is true for small newspapers. The larger daily newspapers concentrate their hiring at the level of the experienced employee, hiring relatively fewer journalists who lack any daily newspaper journalism experience.

This pattern is rather robust, holding across four different years for which data are available, 1985, 1990, 1995 and 2000. Contrary to expectation, the pattern appears to be relatively unaffected by the national economy. The final year of the survey, 2000, was one in which unemployment was quite low, yet the pattern was much the same that year as in the three earlier ones, when unemployment was higher. It seems that the newspaper industry is, in this sense, relatively immune to the ebb and flow of the labor market. Why the fundamental forces of supply and demand do not seem to influence this basic pattern of employment is, at this point, not clear.

Consistent with expectations, the creation of an Extended Internal Labor Market across members of newspaper groups has influence on hiring. Those large newspapers that were not part of an Extended Internal Labor Market in 2000 were no less likely than smaller papers to hire entry-level journalists. It seems that, lacking access to the Extended Internal Labor Market, they were forced into the External Labor Market and to hire entry-level employees to compensate for the lack of access to job candidates from their internal system.

These findings are significant for a number of reasons. First, the data for the first time present a picture of the labor market of the daily newspaper industry. This picture is partly consistent with common assumptions about the market, but not completely. The data also are consistent with the notion that this labor market can be profitably viewed in terms of use of internal versus external labor markets. One of the two independent variables–membership in an Extended Internal Labor Market– to hiring from outside the

Internal Labor Market as expected. The idea of an Extended Internal Labor Market is only hinted at in the economics literature and, based on the data gathered here, worth further exploration.

The data suggest that those interested in the characteristics of journalists and in bringing about change in that labor force should concentrate their attention at the ports-of-entry, which are more likely to be at small newspapers. To create a higher quality workforce, for example, in terms of cultural, gender or ethnic diversity or in terms of education and training, one has to recognize that control of entry rests disproportionately with the smaller daily newspapers.

The data also suggest that small dailies are likely to be interested in investment in their human capital only to the extent that the capital remains with the newspaper or moves to a newspaper that is linked to it in some way. Managers at small newspapers cannot be expected to invest in diversification or education and training if they know their employees will soon move to other organizations unless they will somehow be compensated. Only in an integrated labor market, where their efforts can be recognized by their superiors, is this likely to be the case.

The data presented here are limited. They do not provide for the ideal measure of hiring from within or outside of the daily newspaper Internal Labor Market. What they do show, however, is quite suggestive of the importance of this theoretical perspective on the industry's labor market. The findings they provide offer suggestions for newspaper managers, those inside and outside of the industry interested in personnel change, and for those interested in developing fuller theories of the labor markets of media industries.

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Table 1
Percentage of Newspapers Hiring from Different Sources 2000

Source of Hiring 2000		Circulation						Total
		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	
Other Newspapers	Count	62	78	152	107	57	41	497
	%	67.4%	52.3%	79.6%	93.9%	98.3%	93.2%	76.7%
Other Media	Count	12	20	28	24	14	8	106
	%	13.0%	13.4%	14.7%	21.1%	24.1%	18.2%	16.4%
Non Media Jobs	Count	38	73	97	51	25	16	300
	%	41.3%	49.0%	50.8%	44.7%	43.1%	36.4%	46.3%
College	Count	40	95	140	85	40	28	428
	%	43.5%	63.8%	73.3%	74.6%	69.0%	63.6%	66.0%
Other	Count	7	13	19	14	5	5	63
	%	7.6%	8.7%	9.9%	12.3%	8.6%	11.4%	9.7%
Total	Count	92	149	191	114	58	44	648

Table 2: Allocation of Daily Newspaper Hires in 2000 by Origin

Circulation	Number of hires came from other newspapers	Percent of hires came from other newspapers	Number of hires came from other media	Percent of hires came from other media	Number of hires came from non-media jobs	Percent of hires came from non-media jobs	Number of hires came directly from college	Percent of hires came directly from college	Number of Other Hires	Percent of Other Hires	Total Number of Hires
Under 5,000	95	39.3%	16	6.6%	59	24.4%	58	24.0%	14	5.8%	242
5,000 to 10,000	156	31.7%	27	5.5%	124	25.2%	163	33.1%	22	4.5%	492
10,001 to 25,000	457	44.5%	45	4.4%	174	17.0%	317	30.9%	33	3.2%	1,026
25,001 to 50,000	547	52.3%	39	3.7%	114	10.9%	307	29.3%	39	3.7%	1,046
50,001 to 100,000	489	65.4%	26	3.5%	62	8.3%	148	19.8%	23	3.1%	748
100,001 plus	905	79.2%	17	1.5%	58	5.1%	130	11.4%	33	2.9%	1,143
Total	2,649	56.4%	170	3.6%	590	12.6%	1,123	23.9%	164	3.5%	4,697

Table 3
Percentage of Newspapers Hiring from Different Sources
1995

Source of Hiring 1995		Circulation						Total
		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	
Other Newspapers	Count	39	104	175	110	56	50	534
	%	50.6%	65.4%	83.7%	93.2%	100.0%	98.0%	79.7%
Other Media	Count	14	15	32	17	2	16	96
	%	18.2%	9.4%	15.3%	14.4%	3.6%	31.4%	14.3%
Non Media Jobs	Count	31	67	74	39	19	25	255
	%	40.3%	42.1%	35.4%	33.1%	33.9%	49.0%	38.1%
College	Count	42	97	127	67	39	31	403
	%	54.5%	61.0%	60.8%	56.8%	69.6%	60.8%	60.1%
Other	Count	3	5	14	7	3		32
	%	3.9%	3.1%	6.7%	5.9%	5.4%		4.8%
Total	Count	77	159	209	118	56	51	670

Table 4: Allocation of Daily Newspaper Hires in 1995 by Origin

Circulation	Number of hires came from other newspapers	Percent of hires came from other newspapers	Number of hires came from other media	Percent of hires came from other media	Number of hires came from non-media jobs	Percent of hires came from non-media jobs	Number of hires came directly from college	Percent of hires came directly from college	Number of Other Hires	Percent of Other Hires	Total Number of Hires
Under 5,000	62	34.6%	14	7.8%	46	25.7%	54	30.2%	3	1.7%	179
5,000 to 10,000	215	41.5%	23	4.4%	99	19.1%	171	33.0%	10	1.9%	518
10,001 to 25,000	536	55.1%	36	3.7%	113	11.6%	263	27.0%	25	2.6%	973
25,001 to 50,000	409	62.4%	20	3.1%	60	9.2%	148	22.6%	18	2.7%	655
50,001 to 100,000	373	75.7%	8	1.6%	34	6.9%	73	14.8%	5	1.0%	493
100,001 plus	849	78.5%	55	5.1%	80	7.4%	98	9.1%	0	0.0%	1,082
Total	2,444	62.7%	156	4.0%	432	11.1%	807	20.7%	61	1.6%	3,900

Table 5
Percentage of Newspapers Hiring from Different Sources
1990

Source of Hiring 1990		Circulation						Total
		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	
Other Newspapers	Count	30	74	148	109	68	63	492
	%	58.8%	53.6%	70.5%	87.9%	98.6%	98.4%	75.0%
Other Media	Count	7	27	45	31	29	33	172
	%	13.7%	19.6%	21.4%	25.0%	42.0%	51.6%	26.2%
Non Media Jobs	Count	27	68	104	52	35	39	325
	%	52.9%	49.3%	49.5%	41.9%	50.7%	60.9%	49.5%
College	Count	30	76	127	78	48	44	403
	%	58.8%	55.1%	60.5%	62.9%	69.6%	68.8%	61.4%
Other	Count	3	3	17	5	5	9	42
	%	5.9%	2.2%	8.1%	4.0%	7.2%	14.1%	6.4%
Total	Count	51	138	210	124	69	64	656

Table 6: Allocation of Daily Newspaper Hires in 1990 by Origin

Circulation	Number of hires came from other newspapers	Percent of hires came from other newspapers	Number of hires came from other media	Percent of hires came from other media	Number of hires came from non-media jobs	Percent of hires came from non-media jobs	Number of hires came directly from college	Percent of hires came directly from college	Number of Other Hires	Percent of Other Hires	Total Number of Hires
Under 5,000	42	31.6%	7	5.3%	37	27.8%	47	35.3%	4	3.0%	133
5,000 to 10,000	131	31.7%	35	8.5%	120	29.1%	127	30.8%	4	1.0%	413
10,001 to 25,000	386	44.3%	61	7.0%	176	20.2%	248	28.5%	32	3.7%	871
25,001 to 50,000	407	53.6%	47	6.2%	102	13.4%	204	26.8%	9	1.2%	760
50,001 to 100,000	459	63.1%	50	6.9%	90	12.4%	128	17.6%	8	1.1%	727
100,001 plus	1,108	73.9%	115	7.7%	121	8.1%	156	10.4%	38	2.5%	1,500
Total	2,533	57.5%	315	7.2%	646	14.7%	910	20.7%	95	2.2%	4,404

Table 7
Percentage of Newspapers Hiring from Different Sources
1985

Source of Hiring 1985		Circulation						Total
		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	
Other Newspapers	Count	14	54	102	80	47	39	336
	%	42.4%	58.7%	74.5%	87.0%	97.9%	97.5%	76.0%
Other Media	Count	4	17	37	37	16	21	132
	%	12.1%	18.5%	27.0%	40.2%	33.3%	52.5%	29.9%
College	Count	17	67	94	64	31	33	306
	%	51.5%	72.8%	68.6%	69.6%	64.6%	82.5%	69.2%
Other	Count	12	23	38	29	18	13	133
	%	36.4%	25.0%	27.7%	31.5%	37.5%	32.5%	30.1%
Total	Count	33	92	137	92	48	40	442

Table 8: Allocation of Daily Newspaper Hires in 1985 by Origin

Circulation	Number of hires came from other newspapers	Percent of hires came from other newspapers	Number of hires came from other media	Percent of hires came from other media	Number of hires came directly from college	Percent of hires came directly from college	Number of Other Hires	Percent of Other Hires	Total Number of Hires
Under 5,000	21	30.0%	5	7.1%	30	42.9%	14	20.0%	70
5,000 to 10,000	85	34.8%	20	8.2%	113	46.3%	26	10.7%	244
10,001 to 25,000	239	42.9%	46	8.3%	220	39.5%	52	9.3%	557
25,001 to 50,000	282	52.1%	59	10.9%	157	29.0%	43	7.9%	541
50,001 to 100,000	253	59.3%	32	7.5%	102	23.9%	40	9.4%	427
100,001 plus	483	69.8%	57	8.2%	106	15.3%	46	6.6%	692
Total	1,363	53.9%	219	8.7%	728	28.8%	221	8.7%	2,531

Table 9: Top 20 Newspaper Groups in Terms of Circulation, with Indices of Extended Internal Labor Market

			Index of Integrated Extended Labor Market	
Group Name	**Total Circulation**	**Number of Papers**	**Frechet Index**	**Number of Classes**
Gannett Co. Inc.	5,948,037	73	3.48	5
Knight Ridder	3,890,071	32	2.91	5
Advance Publications	2,786,684	22	3.54	5
New York Times Co.	2,387,031	21	3.82	5
Times Mirror Co.	2,374,795	9	1.51	2
Dow Jones & Company	2,309,967	20	3.23	5
Hearst Newspapers	1,752,342	13	2.72	4
MediaNews Group Inc.	1,728,990	46	3.45	5
E W Scripps Co.	1,400,305	20	3.17	5
McClatchy Co.	1,323,291	11	2.64	4
Tribune Co.	1,268,321	4	1.52	2
Cox Newspapers Inc.	1,120,329	15	2.22	3
Thomson Newspapers	1,082,733	54	2.83	4
Freedom Communications Inc.	946,398	27	2.13	3
Belo	937,295	8	2.32	3
Washington Post Co.	816,563	2	1.5	2
Media General Inc.	802,623	21	2.06	3
Central Newspapers Inc.	767,692	6	2.1	3
Community Newspaper Hold.Inc	752,915	94	1.1	2
Morris Communications Corp.	723,446	28	2	3

Table 10: Four Newspaper Groups Comparable in Size, with Indices of Extended Internal Labor Market

Group Name	Total Circulation	Number of Papers	Circulation Class 1	Circulation Class 2	Circulation Class 3	Circulation Class 4	Circulation Class 5	Frechet Index	Number of Classes
Howard Publications	453,908	16	165,213	110,483	0	178,212	0	2	3
Pulitzer Inc.	597,957	14	122,911	78,505	93,227	0	303,314	3	4
Hollinger International	716,435	15	106,259	29,677	112,329	0	468,170	2	4
Copley Press Inc.	718,281	10	62,928	64,295	129,773	84,681	376,604	4	5

Circulation	Number of hires came from other newspapers	Percent of hires came from other newspapers	Number of hires came from other media	Percent of hires came from other media	Number of hires came from non-media jobs	Percent of hires came from non-media jobs	Number of hires came directly from college	Percent of hires came directly from college	Number of Other Hires	Percent of Other Hires	Total Number of Hires
Integrated Group Score: 1											
Under 5,000	61	41.2%	4	2.7%	38	25.7%	35	23.6%	10	6.8%	148
5,000 to 10,000	68	25.4%	14	5.2%	61	22.8%	113	42.2%	12	4.5%	268
10,001 to 25,000	170	42.2%	29	7.2%	74	18.4%	120	29.8%	10	2.5%	403
25,001 to 50,000	74	44.8%	6	3.6%	27	16.4%	41	24.8%	18	10.6%	165
50,001 to 100,000	83	53.5%	10	6.5%	15	9.7%	44	28.4%	3	1.9%	155
100,001 plus	79	69.3%	1	0.9%	3	2.6%	29	25.4%	2	1.8%	114
Total	535	42.7%	64	5.1%	218	17.4%	382	30.5%	55	4.3%	1,253
Integrated Group Score: 2											
Under 5,000	15	40.5%	10	27.0%	6	16.2%	6	16.2%	0	0.0%	37
5,000 to 10,000	32	32.0%	5	5.0%	34	34.0%	22	22.0%	7	7.0%	100
10,001 to 25,000	61	48.8%	4	3.2%	17	13.6%	38	30.4%	5	4.0%	125
25,001 to 50,000	61	66.3%	1	1.1%	6	6.5%	24	26.1%	0	0.0%	92
50,001 to 100,000	49	67.1%	2	2.7%	12	16.4%	10	13.7%	0	0.0%	73
100,001 plus	176	94.6%	4	2.2%	3	1.6%	3	1.6%	0	0.0%	186
Total	394	64.3%	26	4.2%	78	12.7%	103	16.8%	12	2.0%	613
Integrated Group Score: 3											
Under 5,000	13	35.1%	0	0.0%	11	29.7%	12	32.4%	1	2.7%	37
5,000 to 10,000	24	42.1%	3	5.3%	14	24.6%	13	22.8%	3	5.3%	57
10,001 to 25,000	48	31.6%	6	3.9%	32	21.1%	62	40.8%	4	2.6%	152
25,001 to 50,000	116	51.3%	5	2.2%	30	13.3%	65	28.8%	10	4.4%	226
50,001 to 100,000	80	62.5%	0	0.0%	10	7.8%	35	27.3%	3	2.3%	128
100,001 plus	192	71.1%	1	0.4%	10	3.7%	53	19.6%	14	5.2%	270
Total	473	54.4%	15	1.7%	107	12.3%	240	27.6%	35	4.0%	870
Integrated Group Score: 4											
Under 5,000	3	33.3%	0	0.0%	2	22.2%	4	44.4%	0	0.0%	9
5,000 to 10,000	27	60.0%	3	6.7%	7	15.6%	8	17.8%	0	0.0%	45
10,001 to 25,000	62	50.8%	5	4.1%	17	13.9%	35	28.7%	3	2.5%	122
25,001 to 50,000	83	60.6%	5	3.6%	15	10.9%	29	21.2%	5	3.6%	137
50,001 to 100,000	70	87.5%	3	3.8%	3	3.8%	4	5.0%	0	0.0%	80
100,001 plus	114	89.1%	3	2.3%	7	5.5%	4	3.1%	0	0.0%	128
Total	359	68.9%	19	3.6%	51	9.8%	84	16.1%	8	1.5%	521
Integrated Group Score: 5											
Under 5,000	3	27.3%	2	18.2%	2	18.2%	1	9.1%	3	27.3%	11
5,000 to 10,000	5	22.7%	2	9.1%	8	36.4%	7	31.8%	0	0.0%	22
10,001 to 25,000	116	51.8%	1	0.4%	34	15.2%	62	27.7%	11	4.9%	224
25,001 to 50,000	213	50.0%	22	5.2%	36	8.5%	148	34.7%	7	1.6%	426
50,001 to 100,000	207	66.3%	11	3.5%	22	7.1%	55	17.6%	17	5.4%	312
100,001 plus	344	77.3%	8	1.8%	35	7.9%	41	9.2%	17	3.8%	445
Total	888	61.7%	46	3.2%	137	9.5%	314	21.8%	55	3.8%	1,440