

How women can steer toward growing industries and companies

To build up their experience capital, women can pick the occupations, industries, and geographies that present the best opportunities to enhance their careers.

by Kweilin Ellingrud, Lareina Yee, and María del Mar Martínez

Workplaces are full of talented, educated, and hardworking women. Many are caught off guard when, several years into their careers, they see that they are falling behind their peers, and they can't put a finger on exactly how or why.

Women, after all, are doing everything they can to prepare themselves for successful careers. As early as kindergarten, girls on average outperform boys across all disciplines, including math. Women in almost all developed countries earn undergraduate and graduate degrees at higher rates on average than men, with better grade point averages.

Yet quite quickly after graduation, many women start losing ground in the workplace. Despite making up 59 percent of college graduates in the United States, women represent only 48 percent of those entering the corporate workforce. And then come the first promotions to management roles: For every 100 men, only 81 women are promoted. The blended average of 81 women overall breaks down to 99 Asian women, 89 White women, 65 Latina women, and 54 Black women. This advancement gap persists and compounds over women's careers, with lower representation of women at every step of the corporate-leadership ladder. We call this phenomenon the "broken rung."

The first broken rung of the corporate ladder opens up a gender gap that widens further at every subsequent rung, including senior-leadership positions. It is that first broken rung, however, that affects the entire talent pipeline. Despite initiatives to improve gender parity in the corporate ranks over the past decades, gains have been modest. The largest improvement has been in the C-suite, where women have moved from being one in five top executives to just over one in four reporting to the CEO. But 29 percent in the C-suite is still far from gender parity.

This disparity is not due to a lack of ambition. McKinsey's Women in the Workplace report, conducted with LeanIn.Org, and other global surveys show that over the past decade, women have consistently shown a similar desire as men to be promoted and hold leadership positions.¹ Seventy percent of men and women say they are interested in being promoted to the next level; the level of ambition to be a leader, be promoted, or hold the top job is even higher among women under 30 and women of color. Yet year after year, the data shows that this level of ambition does not come to fruition. Why?

After analyzing job profiles posted online across India, Germany, the United Kingdom, and the United States and using longitudinal data to trace actual career trajectories, we made an intriguing discovery. On average, for men and women, roughly half of their lifetime earnings come from the value they bring to the table when they start their careers, including their natural talents and formal education. The other half of their earnings stem from the value of the skills and experiences gained on the job, or what we call experience capital.

As we reviewed career trajectories of men and women in the United States, it became clear that women are not building the same levels of experience capital as men; they are not amassing the specific skills and experiences on the job that they need to be promoted at equal rates and to maximize their earning potential.

On average, for every ten years that a man is in the workforce, a woman is working for 8.6 years, given that women have the majority of part-time roles, formally work fewer hours, and take more frequent and longer leaves (typically to give birth or take care of children, or to take care of parents or in-laws). In addition, women are more likely to make occupational switches—accepting jobs that are more flexible or less competitive—that decrease their income quintile. Very little of the pay gap is because of initial jobs when men and women start out.

Although skills can be built without changing jobs, they are developed and recognized the most when an individual is promoted to a new role. And so the gender gap in job moves or promotions is a long-hidden driver of the gap between women's and men's incomes over the course of their careers.

Companies can take important steps to fix the broken rung by making sure employees are getting equal opportunities for leadership and promotion. But waiting for companies to change is not a strategy. In the meantime, women can take individual action to build their own experience capital. That is why we wrote *The Broken Rung: When the Career Ladder Breaks for Women—and How They Can Succeed in Spite of It* (Harvard Business Review Press, March 2025). We wanted to help women understand the data on the broken rung and empower them to climb over it by making decisions to steer toward the industries, companies, and strategies that can enable them to build more experience capital.

Understand that job change is a constant

When choosing an occupation, it pays to be strategic and pick an area that is growing—where the wind is at your back instead of in your face, so to speak. If you are in an occupation that is shrinking, you may need to think more urgently about reskilling and upskilling to find your next job.

¹"Women in the Workplace 2024: The 10th-anniversary report," McKinsey, September 17, 2024.

Occupational shifts have been going on for centuries, of course, as new tools and technologies reduce the need for some existing job categories and open space for new ones. But these changes are happening on a bigger and faster scale now, and they have been compounded by additional factors, including the impact of the COVID-19 pandemic, demographic changes, and long-term trends in automation and, more recently, gen AI.

During the first three years of the pandemic in the United States, nine million occupational shifts took place—50 percent higher than the prepandemic rate. With projections of economic growth and demographic shifts, we expect to have more jobs in the future than we do today in the United States. These will be higher-wage jobs, on average, which is great news. The catch is that they will also, on average, require higher skills. So the challenge for society is to build the skills that we need for future jobs in the workforce that we have today.

At the same time, most of the jobs in shrinking occupations from which people will need to switch are held more often by women. That number represents 7 to 8 percent of US workers today. Across China, France, Germany, India, Japan, Spain, the United Kingdom, and the United States, an estimated 107 million additional occupational switches may need to happen by 2030, representing about 7 percent of the workforce.

Research occupations that present opportunities

Which occupations are growing, and which are shrinking? In the United States, healthcare jobs could grow by up to 30 percent by 2030, including 3.5 million more aides, technicians, and wellness workers, along with two million more healthcare professionals. Jobs in science, technology, engineering, and mathematics (STEM) could grow by 23 percent. Transportation, which includes order fulfillment, delivery workers, and ridesharing drivers, could grow by 9 percent. To a slightly lesser degree, occupations in business, the legal profession, and management, as well as in education and education training, are also expected to grow.

Nurses and home healthcare aides are two of the fastest-growing occupations. This should come as no surprise given the aging of the global population. People are living longer, while the retirement age has been steady globally, meaning people have more postretirement years.

These demographic shifts will affect jobs across all industries, not just healthcare. Retired people have different priorities and spending patterns than those who are still working, which has knock-on effects in areas such as what kinds of consumer products people buy, how people invest and spend their money, pharmaceutical sales, and broader consumption habits across industries.

The job categories that are shrinking the most fall into four main categories. First are customer service and sales roles, which have been affected by the shift to e-commerce and the automation of data collection and processing. Next are food services roles that can be automated and that are affected by a shift toward remote work (while waiters, bartenders, and cooks are still needed, ordering online or with a self-service tablet means that fewer are needed than before). The third category of shrinking occupations is

production jobs, which are declining because of automation—despite an upswing in the overall US manufacturing sector. Finally, office support and administrative assistant roles are also continuing to shrink because of automation and an increase in remote work.

Together, these four categories account for almost ten million of the 12 million occupational shifts expected by 2030 in the United States. Women are disproportionately represented across three of the four categories: office support, customer service and sales, and food service roles. As a result, women are projected to be 50 percent more likely than men to have to switch occupations by 2030. Globally, 40 million to 160 million women may need to transition in this time frame.

The sting will be felt the most by workers in lower-income tiers. The jobs in the two lowest-wage quintiles (those earning less than \$30,800 a year and those earning between \$30,800 and \$38,200) are disproportionately held by women, workers who report lower education levels, and people of color. Workers in those two lower-wage quintiles are *14 times* more likely than the highest earners to need to change occupations by 2030. That statistic is staggering.

The good news is that as low-paying roles are declining, the number of jobs in the highest-wage quintile (those earning more than \$68,700) is expected to grow by up to 3.8 million by 2030 in the United States. Medium-wage jobs are set to remain relatively static. These changes represent opportunities for women and other displaced workers to shift into higher-paying roles.

Of course, these higher-paying jobs often require more advanced skills and higher levels of education. Reskilling and upskilling yourself and proactively seeking opportunities will be key to staying in the mix. Being in growing occupations is a good way of maximizing your experience capital.

Consider brand-new jobs

In addition to the growing and shrinking job categories, between now and the end of 2030, technology will help create entirely new occupations, creating additional job opportunities. Each decade in the United States, around 9 percent of jobs are entirely new. Examples from the past decade include machine learning and AI experts, ridesharing drivers, and social media influencers. Emerging high-paying jobs are likely to include gen AI prompt engineers and machine learning analysts.

Women are underrepresented in the highest-paying new and emerging job categories. Research by the economist David Autor finds that new and emerging occupations in the United States typically fall into three categories: wealth jobs, last-mile jobs, and frontier jobs.

Wealth jobs typically involve providing labor-intensive, in-person services to affluent consumers; these jobs typically pay average wages and include occupations such as baristas, beauty care specialists, exercise coaches, nannies, pet care workers, sommeliers, and yoga instructors. These roles tend to be filled mostly by women, who supply 62 percent of the hours devoted to them. Broadly, while these roles often do

not demand technical skills, they are still increasing in importance as incomes rise, particularly in urban areas.

Last-mile jobs offer lower-than-average pay. Workers in these jobs carry out tasks that have largely been automated but retain a residual human component, such as order fulfillment workers, data entry clerks, and underground utility cable locators. These jobs are more evenly split between men and women.

Lastly, frontier jobs, such as AI specialists, roboticists, and machine learning engineers, are highly paid and tend to be held mostly by men. Women work only 28 percent of the total hours spent in frontier jobs. Highly paid frontier jobs therefore represent untapped opportunities. If women can build the skills needed to get those roles, they will have access to a much broader set of growing opportunities, with a higher likelihood of continuing to increase their experience capital.

Turn yourself into a technologist

Developing technology skills is now a requirement for almost every woman hoping to develop her career. Automation, AI and gen AI, and other technologies will reshape most career tracks. As Erik Brynjolfsson, the director of the Stanford Digital Economy Lab, notes, “AI won’t replace managers, but managers who use AI will replace those who don’t.” In fact, employers estimate that 44 percent of their workers’ skills will be disrupted in the next five years. Our research estimates that between 2030 and 2060, half of today’s work activities could be automated globally.

To succeed in this digital-first future, both women and men need to be technologists. The challenge is especially acute for women, who continue to be underrepresented in STEM, particularly in computer science. In 1995, women represented 37 percent of computer science workers in the United States; by 2022, that number had fallen to 22 percent. The challenge isn’t an issue only for women hoping to work in the technology field. Women with careers in female-dominated fields also need to shore up their future with technology skills. For instance, nurses may find that 30 percent of their work activities could be automated, while in education, 40 percent of activities could be automated.

What can help women broaden their career options in the future? It’s a matter of understanding how to incorporate technologies into their jobs to create “superpowers,” or new ways to accomplish tasks. While developing skills in college is helpful, it’s never too late for any woman to learn how to be a technologist.

A starting point is to set aside 10 percent of your workweek to invest in yourself. Ideally, you can find ways to invest in yourself that count twice—methods that build your experience capital and are helpful in your current role. Embracing continuous learning or online classes could be part of this. In addition, learn more about new technology or tech-adjacent roles in your organizations. The goal is clear: Prepare yourself for a future in which technology will play a critical role in just about every job and career.

Escape a shrinking industry

Entire industries shrink or even disappear over time, often leaving workers feeling stuck and unable to transition to a new job in a different industry. Yet while some occupations, such as nurses, are industry-specific, others are far more portable, and those tend to be in support functions.

Workers in human resources, accounting, and operations, for example, can choose to work across multiple industries over the course of their careers, as their skills can be broadly applicable. Workers often don't realize that it's possible to do a very similar job in a very different industry. But as sectors evolve, it's important to think about your skill set in a broader way instead of as something you use in your current job.

If you are in a shrinking occupation, regardless of industry, it is likely that you will need to reskill or upskill to move into a growth area. This may be more urgent if you are in a shrinking occupation within a dying industry—a double whammy. But if you are in a stable or growing occupation in a shrinking industry, transitioning to a new role will be more about developing a flexible work mindset and thinking creatively and strategically about your next move.

It's similar to how you might think about your skills and how to market yourself when making a move to a new occupation. You will be taking relevant skills with you. So all is not lost if you find yourself in a shrinking industry. It could be just the push you need to find a bigger opportunity in your career.

Explore industries with growth potential

So which industries are growing, and which are shrinking?

In addition to healthcare, growing industries include social assistance, construction, transportation and warehousing, arts, entertainment, recreation, manufacturing, utilities, and professional, scientific, and technical services. Industries that are remaining static include agriculture, forestry, fishing and hunting, and educational services. The top shrinking sectors are accommodation and food services, real estate, wholesale trade, mining, finance and insurance, and retail.

It is also helpful to look at industries and occupations together to gain a more specific view of where things are going and areas you may want to target in your job search. While many occupations are either growing or shrinking consistently across industries, there are exceptions. In some industries more than others, specific skill sets are needed, causing occupations in those sectors to grow. For example, demand for architects in mining is expected to decrease by 16 percent by 2030, while there will likely be 18 percent more architect jobs in healthcare, such as for designing hospitals, nursing homes, and other facilities.

While working in a growing industry can drive experience capital and therefore lifetime earnings, it is important for other reasons too. After all, it is far more pleasant to go to work each day when there are ample opportunities to grow and develop the skills of the future.

When workers feel secure in their jobs and growth is plentiful, they are more likely to support one another, increasing the likelihood that these jobs will drive personal satisfaction and other career benefits. By contrast, people in shrinking industries may feel threatened and territorial, and their sharp elbows can come out (not typically a recipe for job satisfaction). In some cases, it may be worth trading salary for a growing occupation in a growth sector. Doing so can provide some level of job security and can make for a more satisfying work experience.

When it comes to your occupation, ask yourself how many of your regular tasks could potentially be automated and what unique skills you have that cannot be replicated by a machine. It's helpful to also look at what is going on within your organization. Is the number of people in your role being reduced? Or has hiring for people in your position stopped or slowed? These are clear signs that your occupation may be shrinking.

When it comes to your industry, it pays to follow the news and the markets to see where things are moving. Also pay attention to the amount of investment in your industry. Keep your antennae up so that you are more aware of what is coming.

Consider moving to where the jobs are

Finally, when you think about the trajectory of your career, it's important to consider where you will physically live and work. It's always been the case that some cities are thriving and offer plentiful job opportunities, while others have more depressed economies.

This is true even with many remote and hybrid working models, since being close to the headquarters office and going in at least some of the time is often required. Job opportunities are worth considering now more than ever when choosing where to live. Your next job and your network will likely be in that city, so picking an opportunity in a vibrant place can be helpful. If you are open to moving, look at whether jobs are growing or shrinking in that area.

Ultimately, you are in control of where your career is going in terms of occupation, industry, and where you work geographically. Understanding where you are likely to have greater opportunities to grow and learn—and build your experience capital—is vital to maximizing your career. [Q](#)



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