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Profitable Career Paths: The Importance of Occupational and Industry Expertise

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(The paper is available upon request from the author)

Abstract

This paper departs from the conventional assumption that divides accumulated in work human capital into employer-specific and general labour market skills, and pursues the idea of industry and occupational specificity. Occupation-specific skills are estimated to have an important contribution in wage determination, while the evidence on industry specificity is not strong and in some cases inconclusive. The findings also outline that industry and occupational expertise are truly important to individuals' earnings in industry sectors and occupations that are characterised by high-paying, prestigious but, competitive and demanding jobs, like *professional* and *managerial* jobs or jobs in the *banking* and *finance* sector.

Keywords: Human Capital; Occupational Expertise, Industry Experience, Wages

JEL classification: J24, J31, J41

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