

WHAT DO LOW-PAID WORKERS THINK WOULD IMPROVE THEIR WORKING LIVES?

The mounting challenge of in-work poverty, combined with public scrutiny over employment practices including zero-hour contracts, has shone the spotlight on employers of low-paid workers. But how do these workers feel about work, and what do they think would most improve their working lives? This study explored the experiences and perceptions of low-paid, low-income workers in the retail, hospitality and care sectors.

Key points

- While many workers valued the overall flexibility and convenience offered by low-paid work, they often described their day-to-day experience as stressful, characterised by ever-changing targets, feeling understaffed, overstretched and unsupported by senior management.
- Low-paid, low-income workers had purely functional relationships with their jobs, with very few expectations of their employer and for their own prospects in the company. Symbols of insecurity such as low- or zero-hour contracts and staff turnover tended to further reinforce this.
- When workers were asked to consider what they would most like to change about their jobs, they invariably focused on pay. This was usually their base rate of pay, but also fairer recognition of their time spent at work, including breaks, time in training and overtime.
- As most low-paid workers' primary objective was to be able to support their families while working in a job that fitted around their lives, actions that would provide greater security outside work were also appealing to them, including paid sick leave and support with childcare.
- With low expectations of their employers and cynicism about their employers' motivations, low-paid workers were clear that a sound business case would have to be made for any changes in their working conditions: namely, that better staff satisfaction would translate directly into greater customer satisfaction and profit.

The research

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BACKGROUND

This research explored the realities of in-work poverty – and potential solutions – through the eyes of workers in the retail, hospitality and care sectors. All participants were earning less than the Living Wage and were in low-income households, defined according to the Minimum Income Standard (based on what members of the public think is needed for a minimum acceptable standard of living).

Attitudes to work

Many low-paid workers, particularly in retail and hospitality, described purely functional relationships with their jobs. While work might take up a significant proportion of their time, none felt that their jobs were central to their life or identity. In describing their jobs, the most common responses centred on work as “necessary to pay the bills”.

“We don’t do this job because we want to, it’s because we have to.”

Male hospitality worker, Eastleigh

Many low-paid workers judged whether a job was good or bad by how well it fitted around their lives and other responsibilities, including childcare and other care commitments, rather than factors such as promotion prospects or job interest. Participants emphasised the flexibility of shift work compared to senior or office-based roles, and often felt that few alternative options were available to them that would fit so well with their day-to-day lives.

Working in a low-paid job

Despite valuing the flexibility and convenience of their work, and seeing few other options available, employees across the three sectors generally described working in a low-paid job as stressful, insecure and precarious.

The most commonly reported stress factors at work included unrealistic expectations driven by goals and targets, increased pressure because of understaffing, and the physical impacts of being on one’s feet and constantly on the go. Many participants reported an ‘us and them’ mentality when describing senior management, feeling that managers had little understanding of these day-to-day pressures, and expressing deep cynicism about their employers’ motivations.

For some workers, feelings of insecurity and precariousness at work were exacerbated by high staff turnover, uncertainty about their rights and, for those on low or zero-hour contracts, how many hours per week they were able to work, along with constantly changing goalposts. This had left many workers ‘living in the moment’ and coping with day-to-day rather than week-to-week challenges or thinking about the future.

“My contract is four hours a week but I normally do 30 hours. So I don’t get a pension, and when I went on maternity leave I couldn’t take my full leave because of my four-hour contract.”

Female retail worker, Slough

Attitudes to progression

The tendency for low-paid, low-income workers to focus on the kind of work that suited them at present and allowed them to support their family from week to week or month to month had important implications for their attitudes to progression. While participants saw training as a crucial

part of a 'good' job, they viewed gaining additional responsibility through promotion in a mixed light at best, and at worst perceptions were actively negative.

Hospitality and retail workers often viewed more senior roles and management positions as within reach, but as offering very little benefit and poor recompense for the additional responsibility. In particular, a common perception among low-paid workers from these sectors was that greater seniority would result in more regular hours and, consequently, much less flexibility compared to the shift working that first attracted them to the industry.

Participants also strongly associated progression with greater stress. In the private care sector, workers associated progression with greater accountability as well as responsibility, particularly in giving medication to service users. In a climate of low public trust in the care sector, some care workers were actively afraid of progression.

“It’s about 20p an hour more to be a senior care assistant, but you could get sued or go to prison because you’re giving out medication, which you don’t do at my level.”

Female care-home worker, Grimsby

What matters to low-paid workers

Although pay was not the be-all and end-all, for most low-paid workers it was the element of their jobs they liked the least, and the one they would most like to change to feel happier at work. Inevitably, pay had a huge impact on workers’ lives and their ability to keep up with the cost of living, but was also a reflection of their status within the sector and in society more broadly. Consequently, the concept of the Living Wage appealed strongly.

Importantly, however, low-paid workers did not perceive increasing their base rate of pay as the only way for them to be paid ‘better’ or ‘more fairly’. The most commonly mentioned challenges across all three sectors included unpaid breaks (which were often missed anyway because of pressure at work), unpaid training time, unpaid overtime and no paid or compassionate leave beyond the statutory minimum. Community carers also included unpaid travel time among these challenges.

Ideas for improving work

Reflecting the precarious experience of low-paid work, the most popular initiatives that participants suggested for improving their employment were those offering greater security in their lives outside work, usually financially, through increased pay, paid sick leave and support with childcare. Importantly, however, low-paid workers wanted more security from their work without having to reveal personal information to their employers.

Workers’ ideas for improving their working lives also focused on enhancing internal communications. Opportunities for more say in decision-making and working alongside their managers as colleagues rather than employees were universally popular. Those employed in companies with direct communication channels with their employees, including informal channels such as social media, and where the reasoning behind major decisions was communicated to workers spoke in very different terms about their jobs and employers.

“Credit to my employer, they do get off their high horse and actually talk to the staff in a way that we all feel comfortable [via an employee Facebook page].”

Male hospitality worker, Stockport

With low expectations of their employers and cynicism about employers’ motivations, low-paid workers were clear that a sound business case would have to be made for any changes: namely, that better staff satisfaction would translate directly into greater customer satisfaction and profit.

Conclusion

The following recommendations are suggested for employers across the care, retail and hospitality sectors:

- Review employees' overall package, including their base rate of pay (e.g. any elements of the employee package with very low take-up might be better re-invested in the base rate of pay).
- Consider the benefits associated with becoming a Living Wage employer, which appeals strongly to employees once the concept has been introduced to them.
- Review the recognition of workers' time spent at work, including breaks (which are often missed) and time spent in training. For those in the care sector, recognising time spent travelling between appointments would be very important.
- Explore options for paid sick or compassionate leave beyond the statutory minimum.
- Assess whether low- or zero-hour contracts are being used in a way that is unfavourable to employees' interests. While some employees might value the flexibility that such contracts can offer and understand their implications, many workers feel that they are 'forced' to accept these terms because they have very few alternative options.
- Check the meaning and sense of targets and other internal communication from employees' perspective.
- Reconsider how to put forward progression opportunities, in light of how employees might fear the increased responsibility and decreased flexibility, perhaps with clearer intermediate steps to the next level. For example, could shadowing by a new member of staff for the day be expressed as playing a part in colleague development or training?
- Consider what role employers could play (if any) in supporting staff in planning for the future, such as financial planning for retirement and pensions, but also for changes in their circumstances, or in developing their skills to ensure that alternative options within the company are available to them.
- Ensure that the reasoning behind changes within the company – particularly change designed to benefit employees – is made clear to employees and based on a sound business case.

About the project

The research was based on 14 focus groups conducted from March to August 2014. These comprised 98 low-paid, low-income workers from the retail, hospitality and social care sectors, where jobs paying within five pence of the minimum wage are most prevalent. The fieldwork was spread across six varied locations in England, with differing employment conditions based on rates of unemployment and economic inactivity.

FOR FURTHER INFORMATION

This summary is part of JRF's research and development programme. The views are those of the authors and not necessarily those of JRF.

The full report, **What do low-paid workers think would improve their working lives?** by Cordelia Hay, is available as a free download at www.jrf.org.uk

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