

Dismantling 'work as a route out of poverty'

Exploring experiences of underemployment and active labour market policy

Professor Vanessa Beck & Dr Levana Magnus
Bristol Poverty Institute Event 22nd May 2023

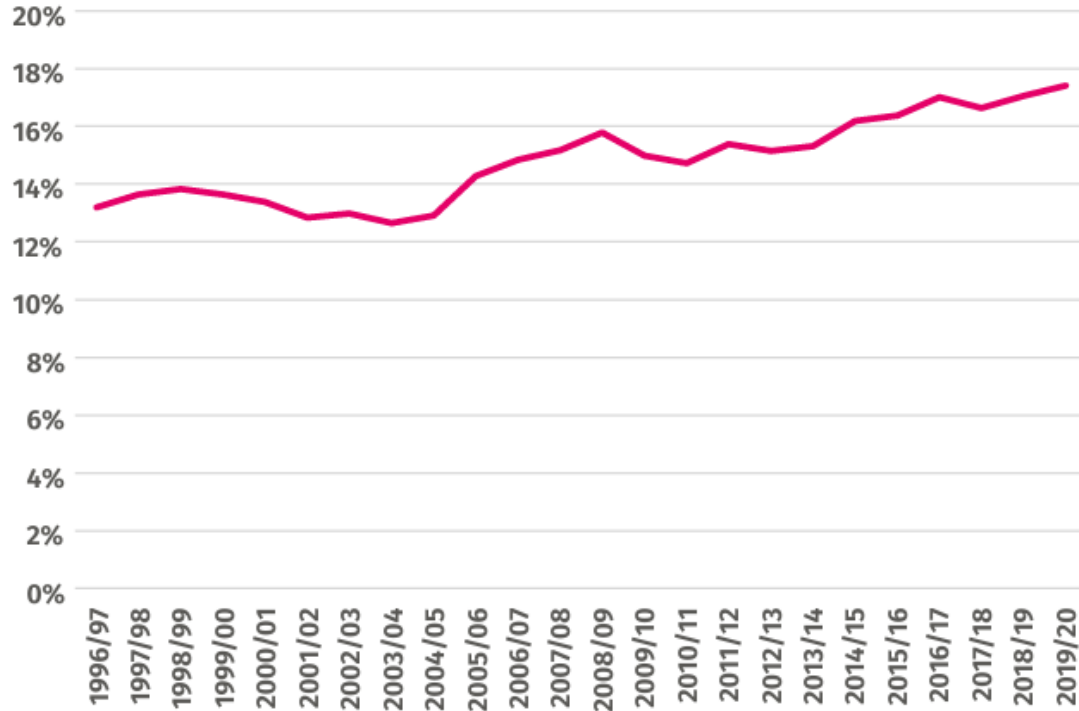


Overview

- UK Context
 - Active labour market policy in UK: Work First & In-work conditionality
 - Good Work Agenda
- Findings from:
 - The Underemployment Project
 - Welfare-to-Work at the street-level and in the household

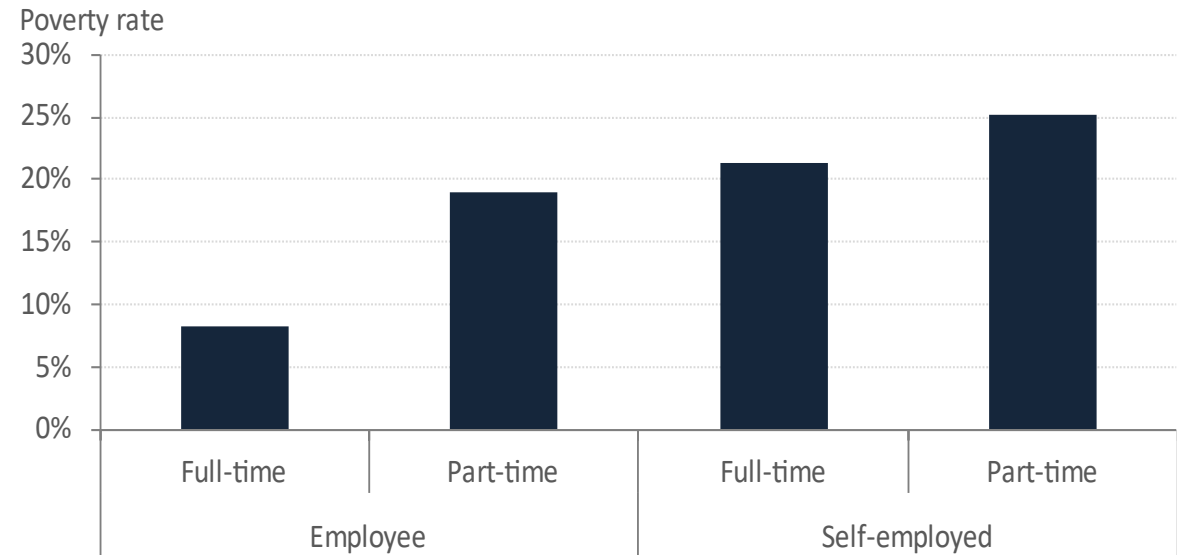
Rises In-work poverty

Among those living in working households, the likelihood of being in poverty has increased
In-work relative poverty, after housing costs



Source: IPPR analysis of Households Below Average Income (DWP 2020a) and Family Resources Survey (DWP 2020b)

4.2 million child growing up in poverty in the UK, 7 out of 10 have at least one parent in work (Stewart et al., 2023)



Source: Joseph Rowntree Foundation, UK Poverty 2024, Households below average income 2021/2022 DWP

Source: McNeil et al. (2021) No Longer 'Managing': The Rise of working poverty and fixing Britain's Broken Social Settlement

Universal Credit & Active labour market policy

- **Labour market activation, welfare-to-work, workfare:** ‘Programmes aimed at promoting the employability, labour market and social participation of benefit recipients of working age’ (van Berkel et al., 2017)
- Universal Credit main working-age benefit for people who are unemployed and on a low income in the UK
- **Conditional social security** – UC recipients are required to meet certain conditions to receive their benefit
 - Extended to those in-work for the first time
 - Completing up to 35 hours of work search per week
- **Work First** – DWP’s ABC approach: any job, better job, career
 - People are expected to enter work rapidly, and then increase earnings, either through progressing or working more hours – ‘Work First, Work More’ (Jones & Carson, 2024)

Active Labour Market Delivery

- **National offer:** DWP oversees delivery of Universal Credit and active labour market provision through the Jobcentre network*
- **Programmes:** e.g. KickStart, Work and Health Programme, Restart
- **Other providers:** contracted-out prime providers, local services
 - **Bristol:** One Front Door, Future Bright, Women's Work Lab

* in England, Wales and Scotland



Framing good work

- Plethora of ways to look at different forms of unsatisfactory forms of work, e.g.:
 - Precarity (Standing, 2011)
 - Insecure work (Turnbull and Wass, 1997)
 - Poor (quality) work (Warhurst and Knox, 2022)
 - Bad jobs (Anton et al, 2012)
 - Bullshit jobs (Graeber, 2019)
 - Nonstandard work (Adler, 2021)
 - Marginalised work (Grandy et al, 2015)
 - Decent work (Ferraro et al, 2015)
- Overlapping but different aspects of problematic work: insecurity, insufficiency, inadequacy.
- An increase in these forms of non-standard work is reframing the nature of work (not just zero-hour contracts).
- Workers bears the risks: workers are expected to being permanently available whether employed or self-employed, to work in jobs below their potential or preference in terms of hours, wages and/or skills.

Moving towards better employment

- 2017 Taylor Commission on Good Work
- Movement on Workers' Rights: Flexible Working Bill, Labour's New Deal for Working People
- Living Wage Campaign

Local level initiatives:

- West of England Good Employment Charter
- Bristol City Goals: including ending pay gap and supporting progression

Work first, welfare conditionality and good work

- Rise of in-work poverty & persistence of insecure work, poor quality work in UK labour market
- Entrenchment of work-first & increasing welfare conditionality: Research shows that harsh ALMPs & sanctions can lead to short-term job entry, limited evidence for longer term outcomes (NAO, 2016)
 - People with multiple barriers less likely to enter, sustain or progress in employment (Dall and Danneris, 2019)
 - Can result in counter-productive job seeking practices (Ingold, 2020)
 - Low-pay, no-pay cycle (Shildrick et al., 2012)
- Researchers drawing connections between UK insecure & low pay work & welfare system that disempowers and limits choice (Wiggan, 2015, Greer, 2016; Jones and Kumar, 2022; Jones et al., 2024).



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The Underemployment Project

ESRC 2023-2026



The University of
Nottingham



A sociological investigation of underemployment and the lived experiences of underemployed workers

- ESRC funded, 3-year longitudinal mixed method research
- 4 universities (Bristol, UWS, Nottingham, Salford) & 4 partners (Bristol One City, the Poverty Alliance, Citizens UK Nottingham, Salford City Council)
- 4 datasets: Labour Force Survey, EU Working Conditions Survey, the UK Household Longitudinal Study, and the CIPD UK Working Lives Survey
- Qualitative research: 1) 60 participants, 4 interviews over 2 years, lived experience of underemployment within and out with work for the individual and households; 2) employers and unions; 3) community groups and other stakeholders
- Project Team: Professor Vanessa Beck, Dr Vanesa Fuertes, Professor Daiga Kamerade, Dr Levana Magnus, Carolyn Morris, Miguel Munoz, Dr Luis Torres-Retamal, Professor Tracey Warren



Effects of underemployment

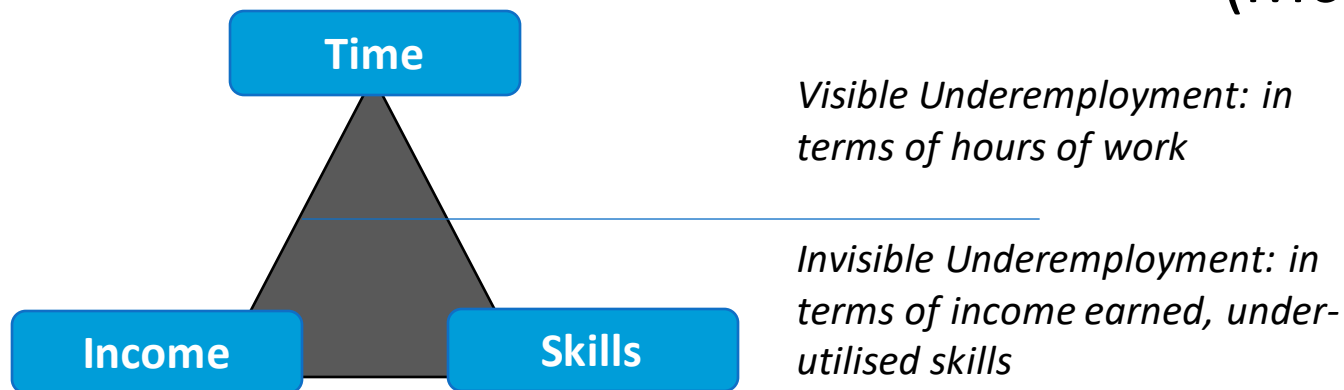
- Underemployment is more akin to unemployment than employment in its consequences.
- Affecting psychological health, wellbeing and self-esteem of the individual (Dooley 2003).
- Linked to risky behaviours (Dooley and Prause, 1998).
- Affecting job satisfaction, performance, turnover, organisational outcomes, commitment, work behaviours.
- Financial disadvantaged and poverty.
- Missing: what is the effect of different dimensions of underemployment; what is the effect on the household, social relations, community and civic engagement.

Defining Underemployment

Paid employment that is lesser or inferior for a worker compared to some standard.

"A job that is substandard in some way"... "Underemployed workers are labelled as inadequately employed, underutilised, underpaid, overeducated, overskilled, and overqualified, or having low skill utilization or reemployment quality“.

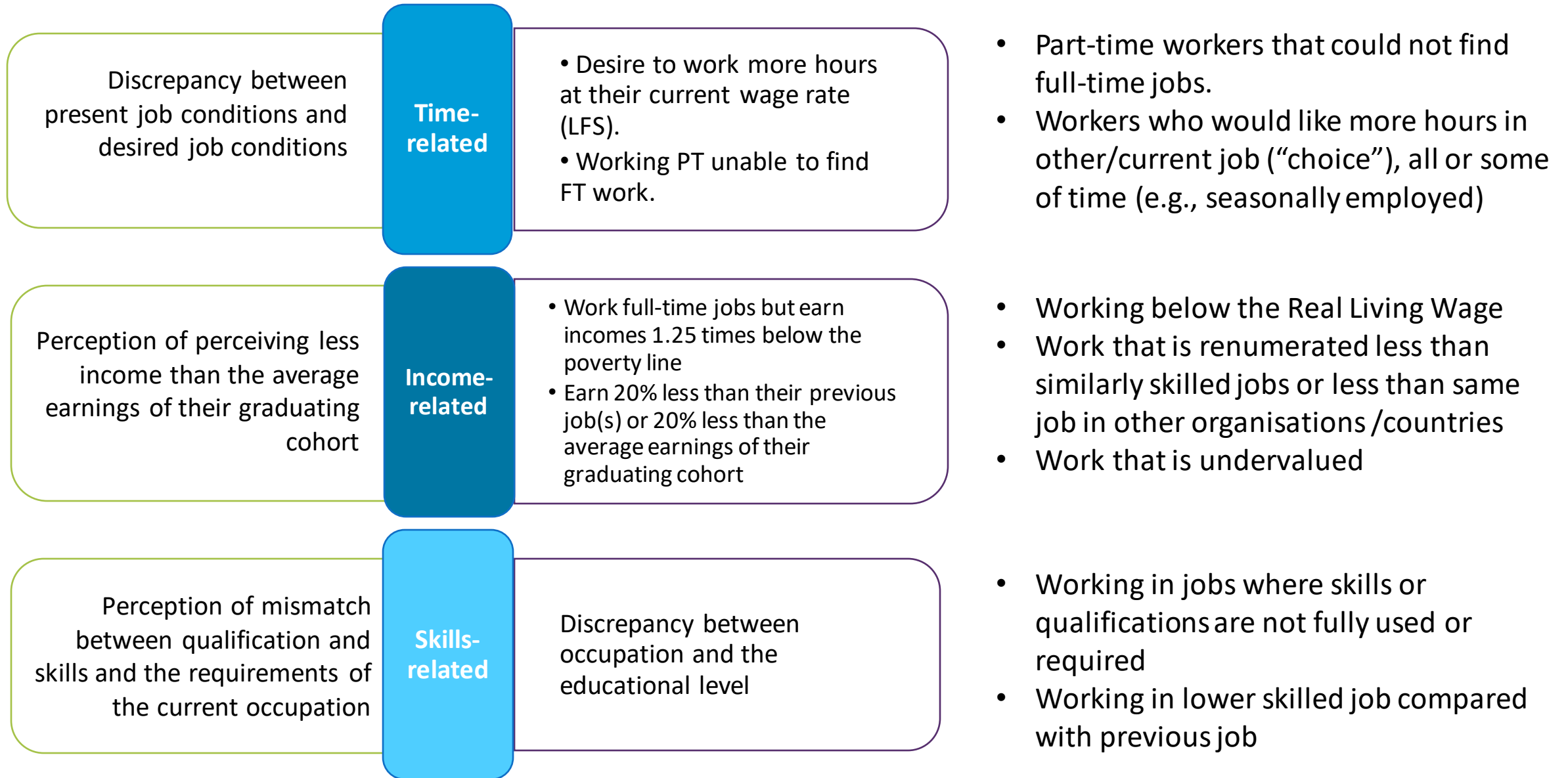
(McKee-Ryan and Harvey 2011: 964)



Subjective Measures

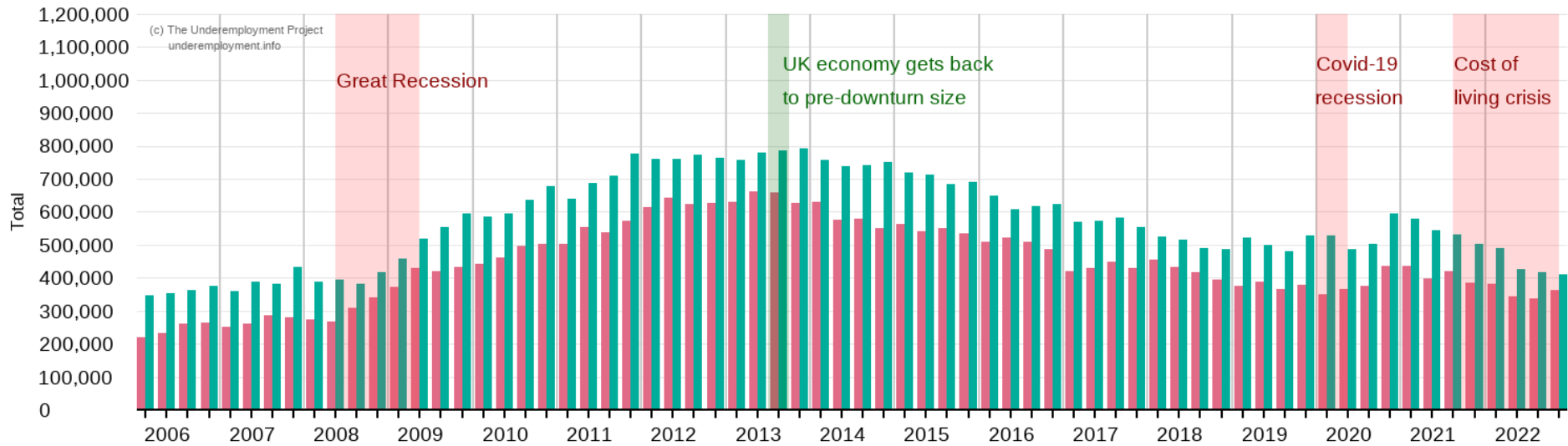
Objective measures

Our measures

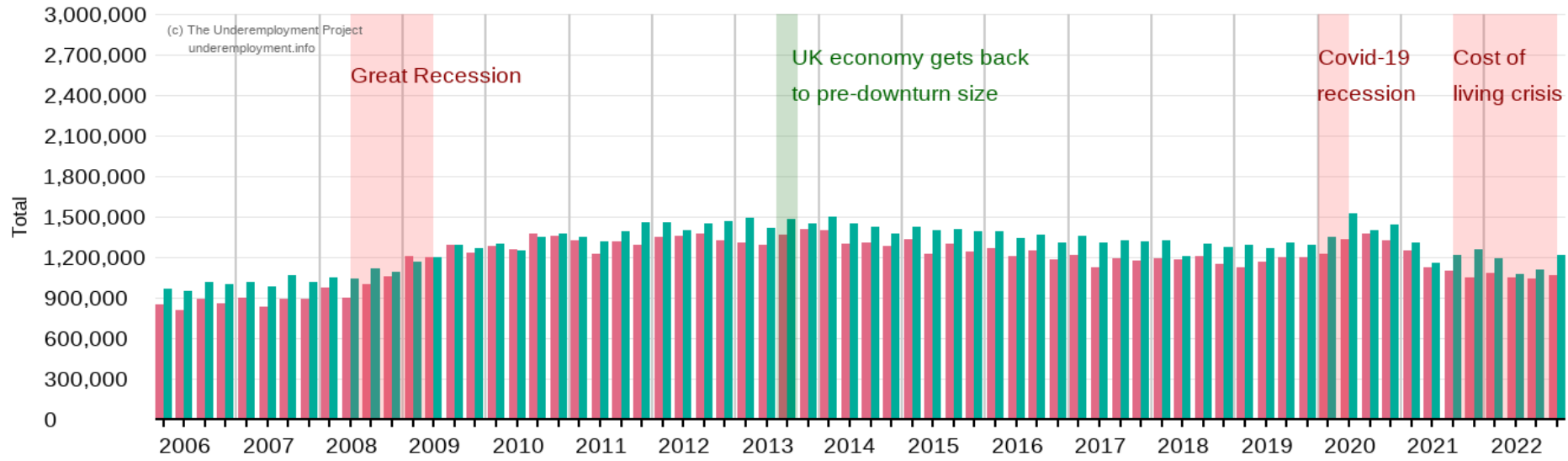


Labour Force Survey Initial Findings

Time:
Part-time workers who could not find a full-time job



Time:
Wants to work more hours in current job at same pay rate per hour

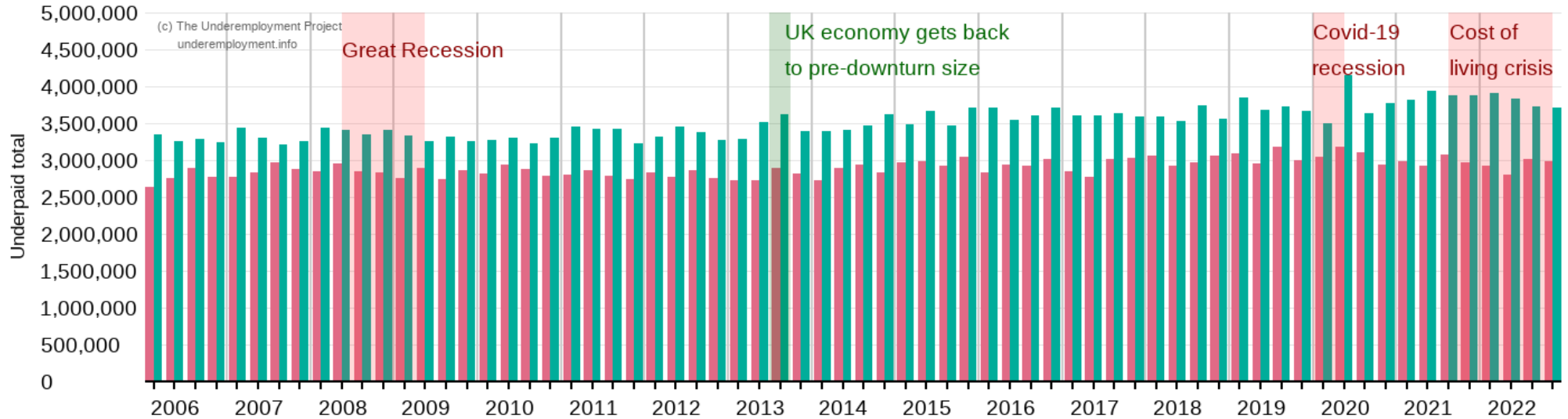


Men Women

Note: Applies to all respondents who are not looking for a different or additional job

Wage:

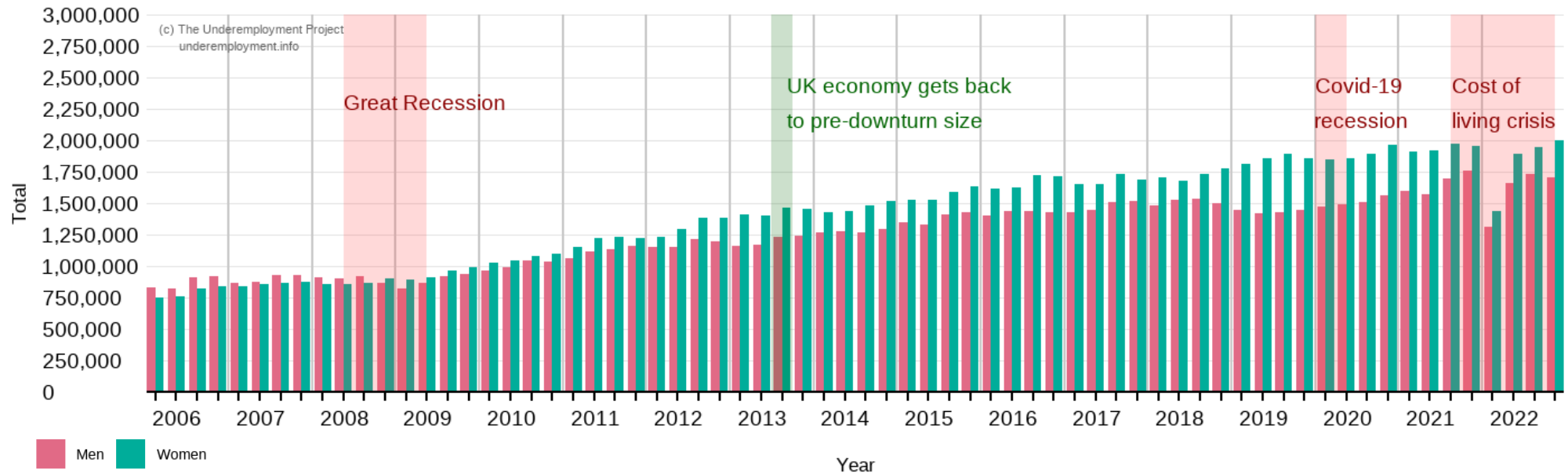
Employees paid less than two thirds of the hour paid median




Note: Based on the percentage of employees with wages equal or below 20% of the median hourly wage in the occupational track

Skills:

Workers who have skills greater than required in their current job





Case study 1: Victoria

- “Victoria” works in forensic adult mental health. She is responsible for keeping people safe, and supporting people move into independent living.
- She is a single parent, her son (11) has epilepsy. She has no childcare available as the father moved away and her mother is elderly and deaf.
- **Time:** 16 hours per week on a flexible working contract. Shift work. This suits her well, though she has to leave work if her son has an epileptic fit.
- **Skills:** Victoria wants to be a manager and has the skills (Dip in Health and Social Care) and experience. She applied for the manager job, but did not get it (her ‘face did not fit’). She was asked to act up to fill the post, but on her current pay, which she declined. Now she is part time, she is ineligible for promotion.
- **Wage:** Paid £11.03 an hour in 2023. Receives a top-up from UC. She is better off now compared to when she worked 30 hours a week and on tax credits.

Case study 2: Robert

- “Robert” is a support work for adults with additional needs, helping them with care plans and promoting independence.
- Robert has a chronic long term health condition, which he has managed since 2010.
- **Time:** 18 hours per week. In the summer, he takes on overtime shifts and works up to 25 hours per week. His health condition worsens during the winter, which seasonally limits the number of hours he can work.
- **Skills:** Robert has the skills and experience to move into management. However, managers are paid £3-4 more an hour, and the increase in pay did not reflect the additional stress and responsibility - ‘it’s not worth the hassle’. He also felt that his 15 years working in care had ‘de-skilled’ him and felt ‘stuck’.
- **Wage:** £11.40 per hour. He also receives a ‘top up’ from UC, which fluctuates when his hours drop seasonally.

Initial employer feedback

CIPD annual conference: Evidence lab discussion

- Round table with employers from hospitality, construction, manufacturing and public company
- Some employers said that people wanting more hours isn't an issue. In their experience, employees do not want to take additional hours. One company trialled a scheme called 'collect your shifts' to encourage to take on more hours/shifts but it wasn't successful.
- Employers said they were struggling to find and motivate workers to take up their schemes that offer additional qualifications (e.g. becoming a chef, moving into a supervisory role).
- Hospitality employers aware that overqualified staff was a common issue in the sector.
- Some comments on the need to identify at the recruitment stage the potential to develop beyond the role.

Concluding thoughts and outlook

- Underemployment is a multi-dimensional issue, and impacts employers, workers, and their families and communities
 - Overqualification growing issue in the UK economy
 - Time-related underemployment responsive to labour market change
 - Wage underemployment impacts large proportions of UK workforce
- Pathways to progression are complex, particularly for those experiencing multiple dimensions of underemployment
 - Those with health needs and caring responsibilities face additional challenges
- Early research stage: further inquiry needed

Welfare-to-work at the street-level and the household

- **New landscape of Active Labour Market policy under Universal Credit:** merging of in-work and out-of-work benefits, the extension of conditionality requirements, DWP organisational changes, creation of the Work Coach role, the digitalisation of services, and the role of quasi-markets in programme delivery
- **Coupled claimants:** increasingly targeted for intervention, particularly second earners & primary carers of children – largely women.

How do frontline staff and joint claimants enact and experience active labour market policy at the street-level and in the household?

Jobcentre Work Coaches

- Work Coaches are tasked with providing a service that is ‘personalised’ and ‘supportive’, but also ‘challenges behaviour’ (DWP, 2018)
- Work and Pensions Select Committee (2016) has described them as having to be:

A new kind of public servant, possessing new skills and operating on a new agenda. They will need to address structural barriers to progression, such as access to childcare, skills development and job opportunities, on a personalised basis. They will also need to understand local labour markets and engage with employers to a far greater extent than they have done before.

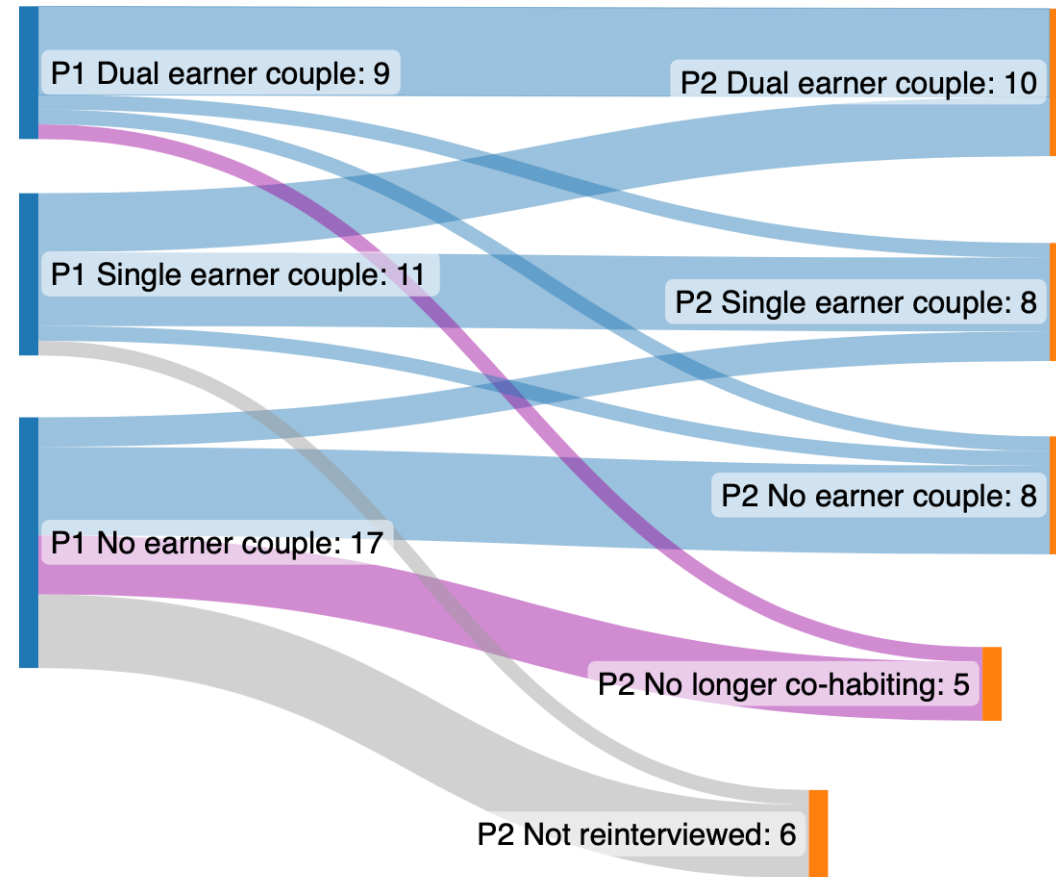
Theoretical underpinning: understanding policy from the street-level

- Street-level view of policy implementation - importance of analysing ‘what policies “are” and look like in practice, and what they “do” with the people with which they are targeted’ (Caswell et al., 2017)
 - The black box or missing middle of policy analysis.
- Street-level bureaucrats’ role in implementing, or ‘mediating’ policy. Actions constrained by legal frameworks, by organisational aims and cultures, and by limited resources, and mediated by personal background and moral positioning.
 - ‘The decisions of street-level bureaucrats, the routines they establish and the devices they invent to cope with uncertainties and work pressures, effectively become the public policies they carry out’ (Lipsky, 1980).
- Agency within frontline worker and user relations
 - ‘Creative, reflexive welfare agents’ (Wright, 2012, 2016)
 - Service users involved in strategies of compliance, negotiation and contesting policy (Howe, 1998, Hasenfeld, 1985, Wright, 2003)

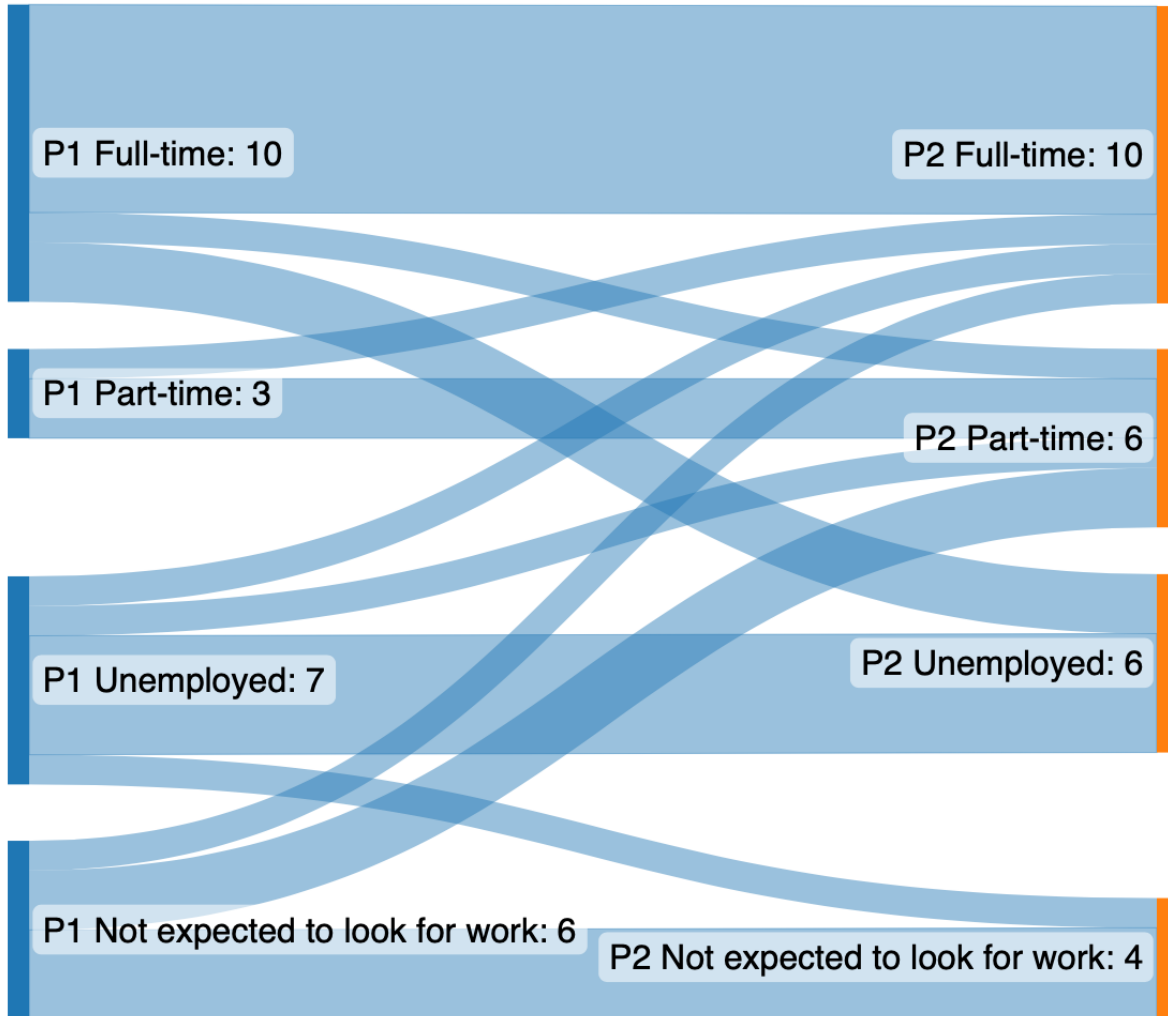
Methods

- 10 Work Coaches based across three Jobcentres in March 2020
 - Two Jobcentre visits took place in person, one over phone due to lockdown restrictions
 - Access very challenging to negotiate
- 15 local employment support staff who worked across three different welfare-to-work programmes in the South West
 - Nov 2021-Feb 2021
- Secondary analysis of interviews with 78 joint claimants from the *'Couples balancing work, money and care: exploring the shifting landscape under Universal Credit'* Project.
 - 28 couples with children & 9 couples with no dependent children
 - Phase 1: late 2018- early 2019
 - Phase 2: Sep-oct 2020
- Thematic analysis approach - 'acknowledg[ing] the ways individuals make meaning of their experiences, and, in turn, the ways the broader social context impinges on those meanings' (Braun and Clarke, 2006).

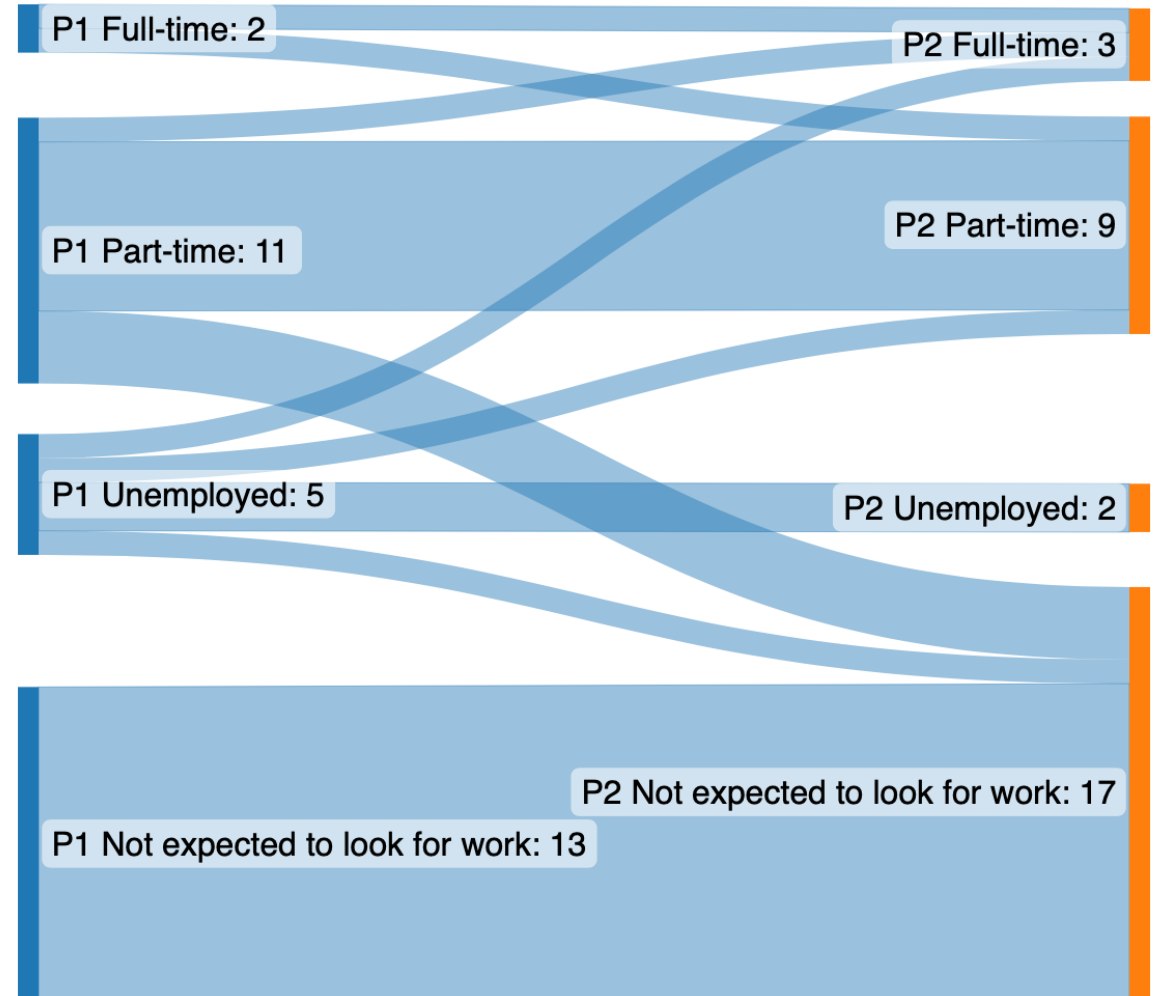
Household earner status 2018-2020



Men's employment status 2018-2020



Women's employment status 2018-2020



Conditional Work-First not fit for purpose: Couples' experiences of employment support

- Individualised conditionality: *We are parents, but to them we're individuals. Michael, male, 2 children, No earner couple*
- Limited space for both parents' care responsibilities to be recognised: *You know this isn't the olden days, you know, it's not always the man going to work and the woman staying at home. Nathan, male, 1 child, Single earner couple*
- Sanctions & individualised responsibility: *'It's like if one of you gets punished for the other one'*
As I say, it's not just [partner] who is a joint claim, you obviously worry about your kids' claims as well. Abigail, female, 2 children, Light Touch, Single earner couple

I get the rationale behind it, that there is conditionality, you need to meet your conditionality and there's consequences if you don't. However, I feel the consequences impact on the other partner who may be you know totally compliant, do everything they need to do, and on the children, because it takes a pot of money away from them. So I feel that they're being punished. Now that's the individual's responsibility because they do know that, but it just doesn't quite sit right with me. Karen, North West Jobcentre

Conditional Work-First not fit for purpose:

- Any job, not a good job – ‘nagging’, ‘hounding’, ‘hassling’ and ‘badgering’
It doesn't matter what [the job] is, it doesn't matter whether you're earning £5 an hour or £12 an hour, just as long as you're in work. It might not be beneficial for us to be in a certain job. Callum, male, 0 children, No earner couple
- Surveillance not support:
Having to keep the Journal, it's like blackmail, it's like if you don't keep that Journal, then they're going to sanction you. So even if you don't feel like doing it, it's like ... it's like they've got you by the short and curlies basically. Alice, female, 0 children, Intensive Work Search, No earner couple
- Varying experiences of Work Coach practices: information, monitoring conditionality requirements & personal treatment
 - Awareness of limitations of Work Coach decision-making power: *I don't think she'll sanction us for no reason, but I think if it comes to it she'll have to. Angie, female, 2 children, Work Preparation, No earner couple*

Family-Conditionality Project

- Working hard to comply with conditionality requirements

*I usually do my job searching you know every day, it's usually in the library or in the local Jobcentre where we're at. But like if like if I miss out, I try and like catch up with it and do like you know extra, just to cover myself and make sure that I put it in my Journal. I always make sure that I put it in my Journal no matter what. **Imogen, female, 0 children, No earner couple***

*I use my partner's phone! [...] I did actually have a touch screen, I went and sold it so I could get food in with it, because of obviously UC and how much we're getting paid. **Zoe, female, 0 children, No earner couple***

- **Complying together:** Family-Conditionality project

*He can't spell, so he feels embarrassed. [...] When he had to write in his Journal he was looking for jobs, and then I'd write in his Journal as an extra thing on top of what I was already doing! **Abigail, female, 2 children, Single earner couple***

*I always make sure he goes! I always make sure he goes, even if I have to take him down there myself! No, never, he's never missed an appointment. **Paula, female, 0 children, No earner couple***

- **Compliance strategies:** rule-based, performative, negotiating compliance

Delivering welfare-to-work: Challenging delivery contexts

- UC Policy & systems constrained personalised support
 - Policy resulted in categorisation of UC recipients
 - Rules on conditionality requirements determined frequency & content of interactions

*I mean you have time to say 'hello how are you', and then write up your notes. **Anne, South West Jobcentre***

*It's reviewing their work search really, making sure that they're meeting their commitments. **Paul, North West Jobcentre***

- Spheres of influence: Managerial steer, political contexts & Jobcentre culture?

*I think it's the hell of a lot of negativity that's in the media and the press and all of that, you know sort of forcing those up there to, to make changes. And if they make changes for the better, then you know that's great, it's worth it. **Karen, North West Jobcentre***

- High caseloads & absent staff

*To be honest, because I've got such a high caseload at the moment, I am just doing it anyway. The ones I need to see weekly, I'll see weekly but those that are a bit more advanced and capable, a bit longer. **Dan, South West Jobcentre***

Navigating competing demands of personalisation within a stratified system

- DWP's claims of personalised support within the rigid policy parameters of Universal Credit, resulted in **conflicting objectives for frontline staff**
- **Work Coaches' own values could come to the fore as they manoeuvred within the limited spaces available to tailor activation.**
- Work Coaches' different approaches often centred on **personal values**, and their own understandings on what a **good job meant**.
 - Supporting people into work
 - Implementing government policy and protecting tax-payers money.
 - Doing the best for the person in front of them, describing themselves as empathetic and understanding of people's circumstances
 - Examples of 'subverting' policy (Prior and Barnes, 2011)
 - Ideas of 'good motherhood', prioritising paid employment or unpaid care (Anderson, 2020)

*[It] is sometimes quite frustrating as a Work Coach, because why wouldn't you want to be better off and you know provide more for your children, but obviously it is not as simple as that is it. **Sarah, North West Jobcentre***

Concluding remarks

- Move away from work first to good work
- Think local – local services & employers
- Centre concepts such as choice, control, and centring ‘what matters’ to service users in public employment services design
- Relational employability: calls for co-production and a ‘central focus on promoting health and a “flourishing life”; collaboration with people who want to be part of and contribute to their community and a sustainable way of life; and an acknowledgement of the importance of relationships of mutual support’ (Pearson et al., 2023)



Katy Jones, Head of Decent Work and Productivity Centre at MMU

**Comments and
questions welcome!**

For further findings and
technical details on our
analysis:

<https://trends.underemployment.info/index.html>

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