# "I FEEL LIKE I CAN'T CHANGE ANYTHING" Britain's young core workers speak out about work



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## Section one Introduction

The Trades Union Congress (TUC) is the voice of Britain at work. We represent more than 5.5 million working people in 50 unions across the economy. We campaign for more and better jobs and a better working life for everyone, and we support trade unions to grow and thrive.

We know that workplaces where a union is recognised are the safest, fairest and best paid, at all levels of the labour market. Alongside our role in improving pay, conditions and safety, unions help develop members' skills, provide training and education, and help people progress in the workplace.

But workplaces are changing: what we have characterised as "insecure" jobs – such seasonal, casual, temporary or agency work, zero-hours contracts and 'bogus' self-employment – are on the rise<sup>1</sup>. The urgency to improve the world of work is widely accepted, helped along by union exposés – and even the government has commissioned an independent review into workplace practices, the Taylor Review.

The core mechanisms to improve the experience of work remain the same: strong legal rights alongside unions well-placed in workplaces to enforce those rights and collectively bargain for better.

But of all the workforce, young workers in the private sector are least well-placed to get the benefits of union organisation in their workplaces – whilst being more likely to experience low wages and exploitation at work. And many now grow up in a world where they know no-one amongst their friends and family who are in unions or work in recognised workplaces.

Reversing the decline in young workers who are members of trade unions or working in places where unions are recognised is key to improving their labour market outcomes.

At Congress 2016, Frances O'Grady, General Secretary of the TUC, committed the trade union movement to renewing itself – and to organising the missing generation of young workers. The Reaching Young Workers programme is twofold: it aims both to raise the profile of unions amongst young people, and to reform the model of trade unionism so that it works for young workers.<sup>2</sup>

Our hunch is that how trade unions engage with their members and some parts of our offer don't seem relevant or connected to the lives of young workers. So central

<sup>&</sup>lt;sup>1</sup> See: Living on the Edge: the rise of job insecurity in Britain, TUC, 2016.

<sup>&</sup>lt;sup>2</sup> See Bance, A. *More than Twitter: new union models for a new workforce* (2016) for more details of our work in this area.

to building a new model of trade unionism that works for young workers is really understanding their lives.

In *Living for the Weekend*?, the first report in our young workers' series, we identified the group of young workers who were missing out on the benefits of trade unionism, and looked at some of the secondary evidence about their lives. We called them "Britain's young core workers", because they form the backbone of our economy, now and into the future. They are aged 21–30, not in full-time education, and work predominantly in the private sector: in our shops, warehouses, care homes, cafes, pubs, restaurants and hotels. Whilst 80 per cent of Britain's young core workers work in the private sector, just 6 per cent are members of a trade union.<sup>3</sup>

This report, *I Feel Like I Can't Change Anything*, looks more deeply into labour market trends affecting Britain's young core workers and sets out the findings of primary research that we carried out as part of our structured innovation programme to find new models of trade unionism. We are sharing this research to help others who are working out how to improve young workers' lives at work, particularly organisers and campaigners in our member trade unions.

First, this report analyses labour market trends, finding that young workers as a whole are faring particularly badly in today's economy, especially compared to young workers in previous generations. For example, workers are more qualified than ever, but pay is no longer rewarding education to the same extent as we would expect. Young workers are also much less likely to move jobs as frequently as sometimes thought – meaning they miss out on the pay gains that come with new employment. These trends are in part linked to this cohort of workers entering the labour market in the aftermath of the financial crisis and during a prolonged period of public sector spending cuts. Other cohorts have seen their incomes rise more quickly than this cohort did during their early years in employment.

We then present new qualitative evidence from the user research phase of our structured innovation programme, which we are running as a partnership with the consultancy <u>Good Innovation</u>. Forty-one young workers in a range of low-paid jobs kept WhatsApp diaries over a short period in early 2017. The report also provides a thematic analysis of more than 100 face-to-face interviews with Britain's young core workers. These diaries and interviews reveal the lived experience of Britain's young core workers in their day-to-day jobs. They highlight the problems associated with low pay and shift work, the barriers to career progression and training, many difficult working environments, and a very low sense of agency to change anything for the better. This report will be used to help the union movement develop ideas on what a new model of collective organising that works for young workers should look like. We will build the insights into a structured innovation process, alongside the key unions organising in the private sector. We will look for new products that have the potential to bring Britain's young core workers into unions, and co-produce and pilot real prototypes. In 2018, we hope to launch the innovations publicly as part of the celebrations for the TUC's 150th anniversary.

<sup>&</sup>lt;sup>3</sup> See: Living for the Weekend? Understanding Britain's young core workers, TUC, 2016.



#### Section two

# What does the data tell us about the labour market experience of Britain's young core workers?

Before reporting on the experience of young workers involved in our research, it is important to understand the position of young people in the jobs market today. This section sets the characteristics of Britain's young core workers – those workers who are the backbone of our economy now and for decades into the future, and who have perhaps the most to benefit from union representation. It then looks more broadly at the experience of young workers today, and how this compares to previous generations, in order to better understand why too many of today's young workers feel that the labour market isn't working for them.

#### Who are Britain's young core workers?

In *Living for the Weekend?*, launched in September 2016, we identified Britain's young core workers<sup>4</sup>. In broad terms, Britain's young core workers are aged 21–30, predominantly working full-or part-time in the private sector, not in full-time education, and earning low to average wages.<sup>5</sup> We looked at workers who had been with their employer for at least two years, and were thus a key target for unionisation. The TUC estimates that just 9.3% of young core workers are union members, and this falls to just 6% among those in the private sector. These workers were particularly likely to work in retail, health and social work, and accommodation and food services – in jobs that most of us come into contact with in our daily lives.

We found that this group of young workers faced particular challenges:

• We selected this group to focus on **low pay** – as these are the young workers who may have most to gain from being represented by a trade union. But young people in general are more likely than any other group to be in low-paying jobs: despite

<sup>&</sup>lt;sup>4</sup> For further detail on how these definitions were generated, see: *Living for the Weekend? Understanding Britain's young core workers*, TUC, 2016.

<sup>&</sup>lt;sup>5</sup> This was defined as earning £10.26 or less per hour (excluding overtime), referring to the bottom 60 per cent of earners in this category, based on Labour Force Survey data for Q4 2015. For the purpose of this second wave of research, we increased the pay cut-off to £11.50 per hour outside of London and £15 in London. Workers in this group who had been with their current employer for two years or more were the focus of this study. However, for operational reasons, this second wave of research looked at workers who had been with their present employer for one year or less.

accounting for 21.7 per cent of the working population, 21–30 year olds make up 27.5 per cent of workers in low-paid sectors such as manufacturing, retail, accommodation, food and beverage services, social work and leisure.<sup>6</sup>

- They are likely to face **insecurity** at work: many young workers work in sectors where the concentration of insecure jobs is highest, and young people aged 16–24 are the group most likely to be working on a zero hours contract or in agency or casual work<sup>7</sup>.
- They face a **lack of training and poor opportunities for progression**; we found that nearly two-thirds (65.6 per cent) of Britain's young core workers had neither participated in or been offered training in the previous three months.<sup>8</sup>
- They are particularly likely to face **under employment**: Britain's young core workers are especially likely to be underemployed they are 60 per cent more at risk of underemployment than employees in general. And particularly strikingly, more than a third of part-time workers amongst Britain's young core workers (35.7 per cent) said that they work part-time because they are unable to find a full-time job.<sup>9</sup>
- Many of them are **juggling work and family life**: More than more than a quarter (28.7 per cent) of Britain's young core workers are responsible for a dependent child, significantly higher than amongst other employees of their age group.<sup>10</sup>
- They **lack a voice at work**: just 9.4 per cent of Britain's young core workers are union members, and just 16.5 per cent are covered by union negotiated terms and conditions.<sup>11</sup>

#### How are today's young workers faring compared to those in the past?

There's a tendency to dismiss the concerns of young workers as simply part of the experience of being young and starting out in the world of work. And it is true that we would expect in general people's pay to get better as they gain more experience at work.

But there are worrying signs that today's young workers are seeing worse terms and conditions than those experienced by their parents. Of course, it's not just young workers who have missed out in recent years; since the financial crisis, workers across the board have experienced the largest fall in their wages since Victorian times, and a sharp rise in insecurity at work.<sup>12</sup>

<sup>10</sup> Ibid <sup>11</sup> Ibid

<sup>&</sup>lt;sup>6</sup> LFS, Q3 2016 (workers not in full-time education); calculations based on *National Living Wage: Low Pay Commission Report* LPC, Autumn 2016.

<sup>&</sup>lt;sup>7</sup> Living on the Edge: the rise of job insecurity in modern Britain TUC (2016)

<sup>&</sup>lt;sup>8</sup> Living for the Weekend? Understanding Britain's young core workers, TUC, 2016: p. 11.

<sup>&</sup>lt;sup>9</sup> Ibid.

<sup>&</sup>lt;sup>12</sup> Living on the Edge: the rise of job insecurity in modern Britain TUC (2016)



But young people have been on the sharp end of many of these trends, leaving them falling further behind at a time when they would expect to progress. Here we briefly set out how young workers are missing out due to:

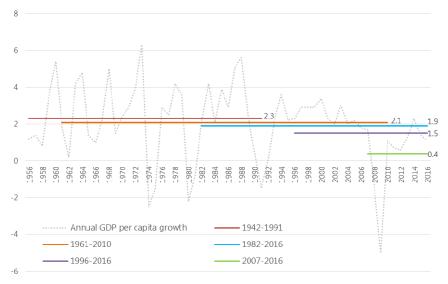
- a period of slow economic growth and exceptionally weak wage growth which has coincided with the time when today's young workers have entered the labour market
- a change in the link between qualifications and pay, meaning that while today's young workers are more qualified than ever before, this no longer has the same boosting impact on their pay
- the decline in trade union coverage, with clear evidence showing that collective bargaining by trade unions is associated with better pay and conditions for young workers in particular.

### *Today's young people have come of age at a time of low economic growth and poor wages*

Following the financial crisis in 2007–08, changes to the labour market have had a negative impact on everyone's prospects, following several decades of volatile but gradually declining economic growth. But for many of today's young workers, this period of low economic growth and exceptionally poor wage growth has made up the whole of their working lives.

The graph below maps the average annual GDP growth across different generations' working lives (from age 16 to the state pension age). It shows that those who entered the workforce in the post-war years, or who retired in the 1990s and early 2000s, experienced GDP growth per capita 50 per cent higher than the youngest, who started work from 1996. The same group experienced GDP per capita growth around six times greater than those who started out around the time of the crisis – see graph on next page:

Whats does the data tell us about the labour market experience of Britain's young core workers?



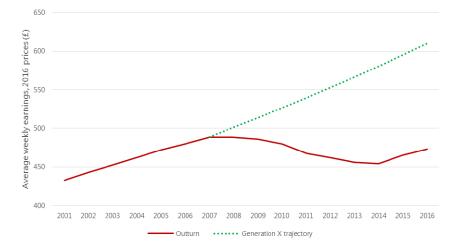
### Average annual GDP per capita growth during different generations' working lives (%)

Source: TUC analysis of ONS GDP data

While the relationship between economic growth and wages is not always straightforward, it's striking that as economic growth has slowed over the past near decade, wages have fallen too; the period since the financial crisis has seen the longest squeeze on wages since Victorian times.

In the below graph, we estimate what real wages might have looked like in 2016 if GDP growth experienced by Generation X (those born between 1966 and 1980) during their pre-recession working lives had been sustained beyond 2007. (This assumes that GDP growth is allocated evenly between workers and firms). Using this measure, average weekly earnings for all workers could have been up to a third (30 per cent) higher – making a difference of over £135 per week, or over £7,000 per year (see graph on next page).





Real earnings: outcomes vs Generation X trajectory, 2016 prices

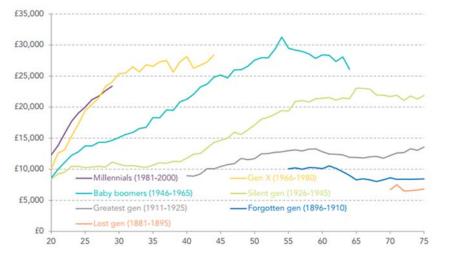
Source: TUC analysis of ONS Labour Force Survey and GDP data

#### Young workers are facing a tougher time converting qualifications into better pay

The slowdown in wage growth for everyone helps explain why the assumption that each generation will be better off than the one before is now under threat. The Resolution Foundation has shown that people born between 1981 and 2000 have not experienced the same income gains previous generations had since entering the labour market. More worrying still, workers in their late 20s are earning less than those born between 1966 and 1980 did at their age: the first time that a generation has fallen behind another since records began.<sup>13</sup> (See graph on next page.)

<sup>&</sup>lt;sup>13</sup> Corlett A (2017), *As Time Goes By: shifting incomes and inequality between and within generations*, Resolution Foundation

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#### Average household income for each generation by age, after housing costs

Source: Resolution Foundation analysis of IFS & DWP, Households Below Average Income

The Resolution Foundation have shown how some of this slowdown in wages for young workers is accounted for by changes in the way the labour market works. For example, young workers are more educated than any other generation, following a long-running trend of increased attainment throughout the generations. But the usual arguments that education leads to improved labour market outcomes is under pressure, as young workers' "qualifications boost" to pay from having a degree is less than half the average experienced by older cohorts.

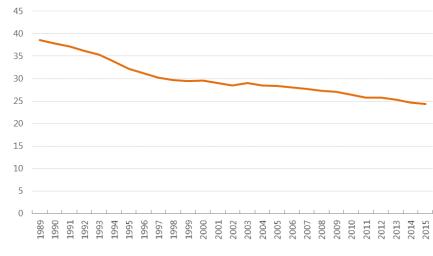
Young workers are also more likely to be self-employed, in precarious work and other non-standard forms of employment than previous generations at their age, putting downward pressure on expected wage growth; and, counter to prevailing views, job mobility (moving from one job to another) has fallen for all age groups, and particularly fast for the youngest. This means young workers are missing out on the ~15 per cent typical real pay rise each time they change jobs.<sup>14</sup>

#### The decline in trade union coverage may be hitting young workers particularly hard

We know that trade unions can help protect against many of the trends we have seen in recent years that disadvantage young workers, including low pay and insecurity at work. But trade union coverage has slowly declined during young core workers' lifetimes, worsening the impacts of the gradually deteriorating macroeconomic conditions. There were over 10m trade union members in 1989, and 7m in 2013–14. This marks a 14.2 percentage point decline in union membership density:

<sup>&</sup>lt;sup>14</sup> Gardiner L (2017). *Study, Work, Progress, Repeat? How and why pay and progression outcomes have differed across cohorts,* Resolution Foundation

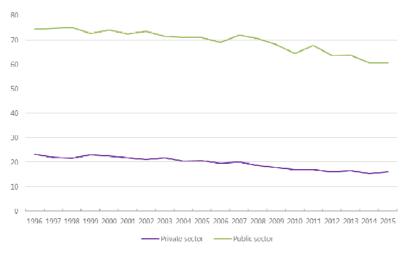




Trade union membership density (%), 1989–2015

Source: BEIS 2016

Collective agreement coverage is also in decline, though is still relatively strong in the public sector (at over 60 per cent in 2015). However, the TUC estimates that just 13 per cent of Britain's young core workers were employed in the public sector in 2015. Private sector collective agreement coverage fell to 16.1 per cent in 2015, from 23.2 per cent in 1996.



#### Collective agreement coverage by sector (%), 1996-2015

Source: BEIS 2016

Whats does the data tell us about the labour market experience of Britain's young core workers?

There is clear evidence that greater coverage of collective bargaining can improve the pay and working conditions of young workers in particular. In a 2015 book, Reinecke and Grimshaw investigated labour market inequality between generations across a variety of nations, identifying a link between low levels of collective bargaining and poor labour market outcomes for young workers in particular. They find that lack of unionisation is an obstacle for young workers in labour markets where there is a higher proportion of people in low wage jobs. Here lower levels of union membership and collective bargaining makes transitioning out of low-paid work less likely. This implies that young workers remaining in the same firm (or sector) are unlikely to advance in pay, skill level or responsibilities. Conversely, they demonstrate that stronger labour market regulations provide incentives – and compensation – for transitions out of informal or unprotected work.<sup>15</sup>

The extent of the impact of unionisation in reducing inequality depends on whether systems are exclusive or inclusive. Exclusive systems – like those in the US, Canada and UK – limit collective bargaining agreements to bargaining units, whereas inclusive systems tend to involve multi-employer bargaining settings where collective agreements exceed union membership. Reinecke and Grimshaw find that young workers in inclusive collective bargaining systems – like those in Scandinavia and Northern Europe – benefit from higher shares of school leavers in quality apprenticeships and vocational training and much lower labour market inequality between generations. In these cases social partners have a greater role in participating and cooperating in skills policy and programmes. In contrast, it is more likely that young – especially the lower qualified – workers in the UK and US experience greater wage differentials and less training – holding progress back further.<sup>16</sup>

#### Improving young workers' prospects

The tough conditions facing young core workers have been exacerbated by policies put in place since the financial crash which penalise young workers in particular, including the exclusion of under 25s from the mandatory National Living Wage, withdrawal of housing benefit for 18- to 21-year-olds, cuts to further education, and the increased costs of higher education leading to high levels of student debt.

But there is little evidence to support the account that the slower progress experienced by this generation of young core workers is the result of policies that have systematically favoured young over old. TUC research shows that housing tenure, occupation and geographical location are better markers of wealth than age.<sup>17</sup> So the answer to the problems of todays' young workers can't be an approach that seeks to benefit young at the expense of old. Rather, we need strategies to make work better for everyone – which are likely to see young people benefit most. That's why

<sup>&</sup>lt;sup>15</sup> Reinecke, G and Grimshaw, D. "Labour Market Inequality Between Youth and Adults: A Special Case?" In *Labour Markets, Institutions and Inequality: building just societies in the 21st century*, edited by Berg, J, 2015, pp. 29–30, 378.

<sup>&</sup>lt;sup>16</sup> Ibid., pp. 381–3.

<sup>&</sup>lt;sup>17</sup> Young Against Old? What's really causing wealth inequality?, pp16–20, TUC 2015



extending trade union coverage is so important – not just for the survival of our movement, but to give young people the working conditions they deserve.

The next sections of the report set out how young people are experiencing the changing world of work

#### Section three

# Examining young people's lived experience at work

Against the backdrop of evidence that young workers are faring particularly badly in today's labour market compared to previous generations, the TUC has conducted qualitative research into what this feels like 'on the ground'. This research will be used to help inform unions as they attempt to reverse the decline in membership, particularly those unions who are active in the private sector and seek to organise Britain's young core workers.

Our first research phase involved asking 41 workers aged 21–30, predominantly in low-paying parts of the private sector, and not in full-time education, to complete a WhatsApp diary recording their experiences at work. Participants worked in retail, private social care, hospitality and leisure sectors across the UK, in companies with at least fifty employees, and were not union members. Those sectors were chosen as Britain's young core workers are disproportionately likely to work in them. The respondents had been with their employer for at least 12 months. The diaries were recorded through photos, videos and texts over five days, answering a series of questions about experiences at work and how to improve it. The results are an invaluable source of real, grassroots intelligence, providing evidence that supports the themes the data pointed towards in section one.

In analysing the themes that emerged from the diaries, we have copied some text, transcribed spoken entries, and paraphrased some messages. The insights are detailed below, and fall under three broad themes: training and progression, pay and shifts, and rewarding work.

#### **Training and progression**

A key theme from participants describing issues faced at work or things they would like to improve centred around training and progression. There was a strong desire for in-work training, but a perception that the employer was unable or unwilling to provide sufficient resources:

Low point: frustrated on not being able to progress at work – reminds me how my company doesn't care – will leave soon – Hospitality/London

We also don't get enough training...it can be frustrating for those of us that want to develop our skills – Retail/London

[On biggest issues at work] Zero hours contracts and limited opportunities to progress – Hospitality/Cardiff



I've been talking to management for months asking for training, I even got other colleagues to show me how to do certain things so that I could then later say to the management that I have the knowledge of x y and z and now I just need the authority to go ahead and do it. Unfortunately things don't seem to work like that where I work. It's all too rigid where it need not be. – Retail/London

They present a career path (when you start). But then many make false promises.

*I'm on the technical team but received no training. You ask your colleagues questions and pick it up.* 

Promises for progression but it never happens.

Some reported that shift work, insufficient pay, and other commitments meant access to vocational or other training was limited:

*Vocational training would help – but that requires time and financial commitment which is hard because of work and other commitments – Retail/London* 

Hours can stop you from progressing in other areas of your life - Hospitality/London

Many also felt disempowered, or that their development was held back by difficult relationships with management or lack of transparency over how to progress:

Progression: it's not about how hard you work but who you know – Logistics/Birmingham

*Unless you play the game/are a yes person... you won't progress or be recognised* – Energy/Cardiff

I suppose the next step would be to contact the HR [department] and see if they can offer any training, but I would feel like I'm being somewhat disloyal and maybe even triggering bad relations between me and my management – Retail/London

#### Pay and shift work

These barriers reinforced the sense that dissatisfaction with work was difficult to overcome. The main sources of concern revolved around **pay and working hours**, where most respondents felt helpless.

Some pointed towards difficulties in financial planning, or getting by:

Get paid 4-weekly so the date changes every month – Manufacturing/Birmingham

Late payments... seems like every day I'm asking 'where is my payment'? – Retail/London

*Pay is low for the work... get shares in [the company] but that won't help with getting mortgage – Call Centre/Cardiff* 

Several raised concerns over sick pay:

Feels like you have less rights (even though you have the same): when I worked in NHS there was full sick pay, transparent procedures. Here you get pushed to leave after being off sick for a while – Hospitality/Birmingham

Don't get paid sick pay and then don't get paid overtime to cover your work – Retail/London

Even more emotive than issues of objective pay were concerns over transparency and fairness. A particular trigger for young core workers is feeling they have been treated unfairly in comparison with others:

Special treatment: different people on different commission amounts, some people get pay deducted for time off due to emergencies – others keep the pay, inconsistency... been warned not to discuss pay with each other – Hospitality/Birmingham

Found out that I'm paid less than others who started off later than me, have raised with managers several times but they won't do anything which is sad – Retail/London

Wish pay was different – money is taken away if feedback scores aren't 9 or 10" – Retail/London

Sometimes I have to stay extra without being paid – Retail/London

To combat low hourly pay, several respondents highlighted the need to work long hours to make ends meet – with ramifications for personal life:

*Issues with retail: long tiring hours for very little money – absolute minimum wage... shift patterns [are] hard – one day early shift, one day late... that makes it hard to see family and do things out of work – Retail/London* 

*Only* [*have*] 3 *hours between leaving work...and getting up to look after* [*my*] *son...* [*we need*] *more compensation for the hours that we do* – Private social care (nights)/London

*Closing at 12 [midnight] means it's hard to get more work to get more income –* Hospitality/London

**Young parents** showed that getting enough hours at the right times can be very challenging. Flexibility is a key priority:

People need to understand that I need to be flexible because of children". [On issues would like to change]: "would most want to resolve shift patterns... having to work on Sundays and missing family time ...and childcare being difficult to organise. – London/Hospitality

Don't open until 12pm and close at 10pm... Tried different shift patterns... now [do] 3 long days which works better, but...missing too much time with little girl... tried to talk to bosses but they won't listen – Liverpool/Hospitality

After maternity leave I asked if I could reduce my hours with 2 set days... head office and my area manager made the whole process very stressful. They refused" – Birmingham/Services



Shift work was a challenging issue for most of the participants, for example:

*Shift pattern [is] hard – one day early shift, one day late. That makes it hard to see family and do things out of work –* London/Retail

[On issues at work]: *Notice of shift changes: can even be an hour before your shift* – Birmingham/Retail

You get allocated extra [shifts] when you don't want them/don't get them when you need them – Birmingham/Retail

Shift work can also impact employees' ability to communicate with colleagues, limiting the impact of worker voice:

*Negative: trying to establish a time with co-workers to talk. Hard to communicate as I work alone and have different work patterns. – Birmingham/Leisure* 

*Can't get together with other like-minded staff – live too far away and too busy... if I involve other people I risk blowing a lid on my opinions –* London/Retail

Shift problems and resources are also related to pressure at work, a common theme among all participants:

[On issues at work]: *Not having time at work to have lunch... working 7 days in a row without a day off... Last minute rotas... rotas coming late –* London/Vehicle repairs

[On short-staffing]: *Feel terrible leaving a member of staff on their own so work 24 hours –* London/Private social care

[Hours] are long and unsocial...If we are short of labour we have literally a half hour window before we are totally unable to call somebody in. – Birmingham/Manufacturing

There was evidence that these issues can affect staff morale:

Work has become more about saving more than to put quality in your work so a lot of people's passion has deteriorated –London/Retail

Making matters worse, several respondents signalled that they are too often on the sharp end of **abuse**, with little indication of support. Some described the challenges of dealing with "rude", "angry" or "verbally abusive" customers: rude customers were frequently named as the worst problem at work. One respondent also pointed to racism at the workplace, noting that "ignorant jokes about race" were a problem (London/hospitality).

#### **Rewarding work**

These challenges fed into wider evidence of a desire for a different working environment that recognises and rewards good work, offers supportive management, and above all, gives workers a greater sense of empowerment. We asked respondents to imagine the characteristics of their ideal job. Many respondents consulted other colleagues to find collective answers. Some answers are provided below:

[I want to] be judged by my own effort... and really see a difference at the end of the job I do – London/Retail

[We would like to see] bonus and rewarding of individual staff who work hard and when the shop as a whole does well – London/Retail

Most importantly, [I] want a job that feels worthy – Cardiff/Hospitality

*Characteristics of ideal job: great boss, growth opportunities, good work environment.* – Birmingham/Hospitality

Ideal job: flexibility (employer understands having kids)... training and development... progression; recognition for hard work... team spirit [and] support – Birmingham/Services

Against a backdrop of low pay, difficult shift patterns, and a demotivating working environment, a significant barrier for participants realising their ideal jobs was **empowerment**.

Some felt that speaking up would be futile or could harm others' perception of them:

*Never thought about taking action – managers oversee everything so can just ignore ideas –* Birmingham/Retail

*It's out of everyone's control – head office makes the decisions –* Private social care/Liverpool

*We don't feel confident/comfortable to just say to management what [we] feel and why – be seen as cheeky – Birmingham/Services* 

[On discussing issues will colleagues]: "Need the confidence to do it without looking like you are trying to cause trouble. At the moment no because I wouldn't want to come across as a trouble maker – Birmingham/Services

Several felt the security of their job, or chances of progression, were on the line if they spoke up – signalling a strong sense of job insecurity:

Most of us agree that the way we [are] treated by the employer needs to change...No one else will ask because they don't want the responsibility of losing their jobs – Retail/London

Don't want to draw negative attention/risk my job - London/Retail

*International colleagues tend to stand up less as if they lose their jobs they can't afford to stay in Britain –* London/Retail

*I wouldn't want to do anything about it – could be replaced – Birmingham/Logistics* 

Some felt their best form of action would simply be to quit. For example:



*Staff have brought [pay] up in meetings and with manager but don't have the scope to change pay – feels like they will just leave – Liverpool/Leisure* 

But participants were positive about the research exercise, which prompted them to get colleagues together, where possible, to discuss issues at work and how to tackle them.

#### Section four

# Investigating barriers to workplace empowerment

The second phase of primary research is based on over 100 semi-structured face-toface interviews with the young workers who completed the WhatsApp tasks and some newly recruited participants. Those who took part in WhatsApp brought a colleague who was also a young worker. Participants worked in retail, private social care, hospitality and leisure sectors across the UK, in companies with at least fifty employees, and were not union members. They had been with their employer for at least 12 months. These interviews were intended to look more deeply into barriers to empowerment for young workers in the workplace. The young workers were asked a range of questions, including on their perceptions of unions and organising to issues and challenges at work. Overall, the findings can be divided into three main categories: jobs and aspirations, issues at work and joining a union and unionising.

#### Job and aspirations

The young workers were asked about why they do the job they do, and what their future aspirations were. Some of the overarching themes we uncovered related to a sense of reward and satisfaction and 'love for the job'. 'Taking pride in my work' was often cited. For example:

*I enjoy that we have a laugh, it's fairly easy going and the time goes really fast. I would hate to be in a job where you are clock watching.* 

*I* do like chatting to other people at the café – you feel you are helping them because they are lonely.

Other notable (though less prominent) motivations included: doing the job for an income, not having to take the job home, having a second job, seeing the job as a 'stop gap' and the job being convenient. Some insightful narratives are outlined below:

*I want to do something I'm passionate about. I did a sociology degree and I've never used it. I would love to work with children with special needs.* 

I want to develop... to General Manager level.

Now I just don't care about trying to change things. I just do it, do my job and go home.

Leave work at work – so I can enjoy myself.

I'm comfortable as who I am. No aspirations.



The aspect of aspirations was varied, but common to most respondents was a desire to progress. This built on the evidence we gathered from the first round of research, which highlighted a strong appetite for in-work training and development. Many young workers reported a desire to move up in their company, whilst others felt the urge to move to another company, consider a different career, or leave their company altogether. These sentiments are best captured by these comments:

*I* want a job where *I* can see myself developing more in the company.

Want to leave job and have better conditions/manager/pay.

*I have a five-year plan to move up in the company, then I get more stability and more money.* 

[I] want to leave [my] job and have a career.

Don't want to be doing this in the future... I want to start my own business.

#### Job quality: pay, flexibility and workloads

Although many of the young workers demonstrated future aspirations and a desire to progress (either within their job or move onto another one), the majority identified many barriers to getting on in work, notably pay, flexibility and stressful workloads. These built on the evidence we discovered in the first round of research.

In this vein, issues around **pay** regularly came up. In particular, low pay, not receiving the correct pay for the work done and feeling that pay often does not reflect responsibilities were prominent issues.

Some felt their low pay, or lack of an increase in pay over the years, reinforced their employer's indifference towards them:

I'm upset that I've been there for 11 years and am still on minimum wage.

Others wondered how it was possible to have a family with such low pay:

I earn £9 [per hour] but childcare costs £7 – hard to survive

The only way to get more money it to work more shifts and I can't because I'm a mum

Some highlighted how they are expected to be at work before and after the time agreed in their contracts, but they are not compensated accordingly:

We are paid until 2pm, but they will keep taking orders to 2pm and you still need to clean up and mop the floors. But it's not my café so I can't say "no".

I have to begin calling at 6pm or I get penalised, so I come in 30 minutes early to get a desk and set-up...but you don't get paid for that. It's unfair.

We have a 30 minute break in a 12 hour shift, but don't get paid for it

About a third of respondents talked about the discrepancy between the amount of pay they receive and their responsibilities – especially compared to other employees:

We have a harder job than managers and are paid less

I'm the assistant manager, I do more but get paid the same. Shop floor do more than me but are paid less.

Too many responsibilities for what we get paid

Sick pay was also discussed. Those that did not receive it often said they would work regardless, but recognised that this was unfair, especially noting unfairness when other employees weren't receiving it:

*No sick pay = not fair, not valued, not looked after* 

Changed contracts so newer staff don't get paid the first three days off sick

A few respondents said that they did not expect to be paid when they fell ill – in some cases, they saw sick pay in a negative light – albeit from the employer's point of view:

I can understand why there's no sick pay... [it] stops colleagues pulling a sickie

No sick pay just makes you more inclined to go to work

As well as issues around pay, another theme compounding the first phase of research was around the **inflexibility of work**. In particular, a significant problem for respondents was the short notice of being given a shift or sudden rota changes:

You get a call one hour before to cover a shift

Sometimes they just put the rota up the day before

They change the rotas and just put it on the noticeboard. People don't know.

The inflexibility of work for staff – to ensure flexibility for the employer – was cited as a difficulty, particular when it came to needing consistency to plan around work:

[I'm on a] fully flexible contract... it's about what the business needs at the time

Everything is rigid... [I'm] forced to do weekends

Because the agency rules the books... there's no flexibility

As well as the difficulties with shift work, another significant issue was around **workload and staffing levels**. Many respondents cited the frequency of understaffing, and the negative impact this had on their workloads. In some instances, short staffing was perceived as deliberate by management, or the decision makers were too far removed from the work to understand the workload:

Always short staffed, it's not an accident, management under-staff shifts

Its two managers above anyone else in the store making decisions

Short staffing brings the morale down

Working more than contracted hours, and being 'overworked' were themes that were found in a very high number of respondents:

Hectic job: too much work, missing break times, stressful



#### Workload far too high

Management don't do enough to decrease workload

High targets, taking on additional shifts to complete work and the implicit threat of repercussions if such commitment was not shown to the employer were other clear themes:

Will take overtime to get on top of work

We have to hit targets, 1400 picks a day. You have to get there by 8 weeks or you're fired

[Employer makes] you feel like you're doing something wrong if you can't cover

The negative impacts of the volume and inflexibility of work on the young core workers was very clear. Respondents felt that they were often **missing out on other aspects of their life** due to work:

You need money to live and survive, but sometimes I wonder what I am working for when I spend my life around shifts

The rotas change week by week. It ruins your social life

It's a given that you miss out on life because of work

The **lack of stability** or the option to plan and keep a routine was cited as a negative impact:

I'm not in control of my hours, means I can't plan money coming in, I can't plan my life

You can't plan ahead because the rota changes every two weeks

It's frustrating that I have no stability, [work is] a big thing in life, what if it gets worse

This was particularly hard for **those with families who felt they weren't spending enough time with their children** because of work:

Shifts mean I can't see my child, it affects my life and happiness

I feel I miss out on seeing my family because I work weekends

I sometimes miss things at my son's school and feel I should be there

Respondents talked about being **stressed by their workloads and constantly worrying** about work:

[I've] always got to think about being on duty for example, if someone is off sick

Short staffing means [I'm] exhausted, overworked, trying to do 10 jobs at once

You constantly live in fear of messing up. There's so many targets. It affects my mind.

This was particularly apparent in care work, where employee's responsibilities are very high:

#### It is really hard work... I've had to watch people die

There is nothing that can prepare you for this job

Despite identifying these considerable difficulties and barriers at work, many respondents accepted their situation, and were concerned of 'upsetting the status quo' if they were to raise their concerns:

Expected to stay late if a customer comes – it's not unfair, it's just the job

My work life is certainly my whole life. I'm 100% dedicated and take problems home

*We could maybe strike on our break... never strike in work time – every time the track is stopped it costs £5k.* 

#### Interpersonal issues at work

Like many other workers, the respondents reported a number of challenges they face at work relating to relationships with managers, issues with colleagues and rude customers. Respondents experiencing difficult managerial relationships at work reported the following: not feeling appreciated by managers; not being trusted by managers; favouritism; managerial incompetence; managers "not caring"; and lack of action taken to address issues. In relation to these issues, respondents stated the following:

100% don't feel appreciated. It's partly the reason I get upset about being on minimum wage and no chance for progression.

*Don't feel appreciated. Don't get any extra thanks – makes me feel horrible about myself, always like that in private companies.* 

I work my heart out and don't feel appreciated – frustrating.

*I don't feel appreciated by the big bosses. They don't care about anything other than profits.* 

We are seen and not heard... [the] lowest of the low

Young workers also reported the issue of managerial personalities. Some reported instances of 'bullying', whilst others noticed unfairness at work:

Management can be intimidating/vindictive.

The bosses are rude and bully everyone.

So many people have been off sick with stress and depression [due to bullying by managers].

The manager is the problem rather than the company.

I'm transferring to another branch because my manager has favourites.

Some young workers who raised concerns relating to fairness considered their managers to be 'pushovers' when it came to operating the business and disciplining staff. They stated the following:



Manager has no backbone and doesn't enforce things.

Management not pulling other staff up on rudeness/lateness.

The manager just does not pull them up on it.

Manager favouritism – and the impacts of this on 'getting on' at work, such as receiving your preferred shifts – was cited as another difficulty:

[Colleagues] get away with anything because [they are] friends with the manager

Refused promotion because [I'm] not in [the] social crew

*Favouritism: people being late – [this is] fine because [they've] known the manager for ages* 

The final theme on interpersonal challenges at work concerned issues with colleagues. Some respondents reported the following issues (to directly quote): "lack of trust", "in it for themselves", "not pulling weight", "unreliable staff", "backstabbing/bitching", "negative energy", "others not doing their job", and "others affecting job performance". Other respondents added:

Everyone out for themselves and I do things for me.

I'm doing more than everyone else, frustration over people not pulling weight.

*My* colleague is bossy but doesn't pull her weight. It ruins the whole day. If I work with her she drives me insane.

Lots of them are much older so you can't really talk to them.

Interpersonal issues can be experienced by all workers at different stages in their careers, and unions have a long history of supporting members who experience such difficulties in the workplace. However, the young workers interviewed in this study were not union members, so we sought to dig deeper into the reasons behind their non-membership.

#### Joining a union and unionising

We asked respondents whether joining a trade union would be personally relevant, and many responded positively; noting benefits such as (to directly quote): "someone to support you", and "tell you if it's wrong/right". Others liked the idea of 'collectiveness', and were also attracted by personal benefits such as pay, protection, and third party representation "to find out if issues are shared", and to "stand up to management":

Yeah I'd definitely be interested in a union that's what they do- nice to have someone that knows your rights.

Unions appeal: support, expertise.

*Role of unions: understand valid issues, know if it's worth pursuing/more confidence.* 

You need someone above you to fight (i.e. management... for unions to be relevant).

There's someone there to do all the stuff we're scared of.

*I'd join a union if they said they would increase pay.* 

*Missing from union – different offer for stop gap people and those that want to develop in their company.* 

Many noted the 'pull factors' of workplace organising in general, such as: the safety and effectiveness of a group, social/fun incentives, and the power of talking about issues. However some young workers also spoke about difficulties in organising, such as: convincing others; not feeling like the right 'type of person'; not being well connected to other; concerns over small workplaces; and finding it difficult to get people together. Many also reported a lack of trust among colleagues and wariness of managers. Some responses are provided below:

More confident in a group, less reputational risk.

Together is better because you are stronger.

Feeling of positivity about coming together as group to address rota issue.

*If you speak to others you feel more confident they feel same.* 

*Type of person to organise: confident, speaks her mind, won't take any crap, managers scared of her.* 

I'm not confrontational or outspoken, I'm not that person.

Some also reported more logistical concerns on organising, such as: arranging online or in person, venues, the timing, issues of causing divides and reputational risks:

Have to meet in own time, can't book rooms.

Don't want to look like a moaner.

Hard to find people with the same opinion as you.

*Talking to other colleagues can cause a divide: some disagree, two camps.* 

Several respondents identified barriers to joining a union, including fear, lack of knowledge, and feeling as though issues at work could not be addressed through collective action. Fears related to being perceived as a "troublemaker", thinking that unionising would be "too hard", and feeling as though "[my] problem isn't big enough". Others remarked that they were not in their chosen career, so joining a union would be unnecessary. Several said they would join a union "only if others did". Further examples bring these issues to light:

At every corner the company is telling you not to join a union.

Sense that being a member takes time/energy.

Would be interested if had bad employer.

*I just see this as a stepping stone job – so it wouldn't be worth my while.* 



#### More likely to join union if lot of others at work are members.

#### If they had clout in the shop, I'd join.

Furthermore, there were also fears that joining a union or attempts at organising might be too risky. These issues included: relationship risks, concerns over "causing more problems" or being a 'snitch'; personal motivations and confidence; not recognising there is an issue or issues feeling too small; worries over reputational risk; and concerns over being personally penalised:

If you complain they would gang up and lessen your hours.

I am scared if I raise anything, they would stop all the good things about my job.

Management knowing – risk of being penalised.

Wouldn't feel comfortable addressing issues...seen other people try, nothing happens then you have to end up working with management and they know you said something.

Problems not getting addressed – destabilising bad culture.

*Colleagues will backstab you if you ask for help – no trust.* 

*I wouldn't get together with colleagues as I wouldn't trust them not to repeat things, people might try to sabotage [me] or tell the manager* 

There were significant issues pertaining to the lack of knowledge of unions. Some of these involved misconceptions, such as believing that unions were not appropriate for the individual or their sector; or only needing a union "if you are in trouble". Some had a latent knowledge, having heard from family and friends, that unions "fight for your rights" or are like "insurance". Others reported that they had "never been asked", and some questioned why they should pay or whether it would be effective. A considerable number of participants had never heard of unions. Some responses included:

No one has ever asked me to join a union.

No idea about trade unions.

Unions are for bigger companies, not small ones.

I'd consider joining a union if something came up.

Additionally, some respondents signalled pessimism about unions, reporting barriers to addressing issues at work. Others indicated that they needed to see a tangible benefit from getting together to share thoughts and opinions with colleagues:

*Tackling issues: felt good to go to senior management as a group but nothing changed so felt like waste of time.* 

There are so many things I complain about all the time but nothing happens.

*No belief that it can change- don't bother trying.* 

*If I saw that getting together with others actually worked, I'd be way more inclined to give it a go.* 

However, a minority of the respondents did identify instances or situations which would drive them to consider addressing issues at work – namely unfairness, not being treated equally and an issue directly impacting upon them. Some had experience of raising concerns at work:

I tend to raise things where I'm being treated unequally

[I] spoke up about pay because "it dictates your life"

I was angry it was unfair – that's why I spoke up

Another potential trigger was standing up for others, for example when bullying occurred (perpetrated by both management and other colleagues):

I don't like injustice – that's why racism makes me take action

I speak up on bullying because it's just unfair

[I] stood up for a girl being sexually harassed, [she] wouldn't speak out but I said I'd witnessed it

Some respondents said they would definitely take action – if the situation was 'really bad' or 'serious enough' – as defined on their own terms:

Can see myself organising a meeting if issue is serious enough

I would only look at my rights if something really bad happened

I would only do something if it gets really bad and it was really stressing me out

Many of these perceived barriers to joining unions are not new. But with less than 1 in 10 young workers in a union today, and far fewer in the private sector, it is vital that the trade union movement considers how to reach out to young workers, so these views and their causes are understood. The findings around Britain's young core workers' motivations of raising concerns at work should provide a good insight into what could lead this group to unionise.



Section five

## Analysis

Young people are undoubtedly at a disadvantage in the labour market, more so than previous generations at their age. This problem is partly driven by a diminishing "qualifications boost" to pay, by increasing self-employment, precarious work and other non-standard forms of employment, and by lower job mobility. These trends are set against a backdrop of decades of declining economic growth, exacerbated by poor timing, with beginning careers around the time the recession hit, and policy levers that limit opportunities to progress, such as the exclusion of 21-25 year olds from the National Living Wage.

In the WhatsApp diaries, the most significant concerns for participants were low pay and shift work particularly when there was a sense of unfairness in comparison to others. Problems associated with shift work manifested in different ways, with many respondents demonstrating the need to work longer hours to help make ends meet, and others showing that shifts precluded opportunities for progression relating to, or outside of, work. There was a clear appetite to progress careers, but a strong sense that this was made difficult by limited opportunities in the workplace and lack of affordable vocational training or further education. Working parents in particular showed signs of feeling 'trapped' in their work, badly needing flexibility to juggle work and family commitments. Many respondents also showed that the atmosphere at work is often challenging, with instances of abusive behaviour from customers and a lack of trust among colleagues.

Above all, the strongest theme coming out of this phase of research was the workers' sense that they lacked the ability to speak up and change anything. Despite facing so many difficulties at work, not a single respondent felt they could challenge the status quo in a viable way. Several wrote that they felt their best option if facing difficulties was simply to quit.

Findings from the face to face interviews indicated that young workers enjoyed some of the social aspects of work, while for others their jobs represented a 'stop gap', or just a means of earning some money. At the same time, young workers expressed a clear desire for promotion and development – but described how pay and shift work were considerable barriers. This was particularly evident for young parents. Like all workers, young workers faced several challenges at work; these ranged from poor managers to challenging colleagues.

In exploring some of the barriers to joining a union and unionising several issues relating to interpersonal dynamics were identified: many respondents were wary of management, concerned about their reputation at work, and uncertain how any action they could take could would have any desirable impact. Those in the most precarious jobs feared it could cost them their employment. And throughout there was a lack of knowledge and understanding about unions and how they can help overcome the identified barriers at work.

The insights from both phases can be summarised by grouping Britain's young core workers into four mindsets: those who are **desperate** to retain their job, those who want to **progress in their current role or sector**, those who are **too comfortable** at work, and those who see their jobs as a **stop-gap**. We have mapped these workers onto a scale that relates the importance of their job to their focus on today versus the future.

Workers will of course move through different mindsets at different points in their lives and careers, and each mindset contains women and men from a diverse range of backgrounds, geographic locations and experiences. The mindsets are necessarily a generalisation, but they illustrates important differences between young workers.



The below infographic displays the common mindset identified in each quadrant:

Those who can be categorised as 'desperate' are in the most precarious jobs; they feel unable to focus on the future because their financial situation means that holding onto their existing job is essential to get by. Those in the 'progress' category are able to think about developing their careers and are committed to their futures in their sector. The young workers who see their job as a 'stop-gap' are also able to focus on the future, but a career change is necessary to address this. Workers who are 'too comfortable' in their jobs do not feel strongly about any injustices or difficulties at work; they see their jobs as a means to an end, sometimes as they fit around other commitments like childcare.

To help bring these different mindsets to life, we have written short exemplar biographies that are composites of the people we interviewed. They do not represent any one real individual, but all characteristics and experiences are real, and quotes are typical of the mindset.



#### **Desperate Dan**

Dan is 26 and lives in Liverpool. He lives with his girlfriend and Sam, their one year old son. He works in a retail distribution warehouse. Dan is on a zero-hours contract and only receives 24 hours' notice of his shifts. He always has to say yes to work whatever he's doing because he needs the money. He has strict targets that he has to meet each day. Recently he was penalised for being 35 seconds late back from lunch. He is stressed, anxious and scared of losing his job as three strikes for lateness and you're out.

Dan might say:

"Losing my job makes me anxious about speaking out, I'm lucky to have a job there's plenty of people who don't and are ready to take your place"

"Who would listen to someone like me if I did raise something?"

"My life is completely out of my control, I have no stability in life, no security. I'm only 26 – is this it? Is it going to get worse?"

#### **Progression Paula**

Paula is a 27-year-old care worker who lives in Birmingham. She doesn't have kids yet and lives on her own.

She thinks about work a lot at home and worries about her clients. She takes on extra shifts and responsibilities at work partly because she feels responsible and partly because she wants to maintain a good reputation with her managers, which doesn't leave time for much else. She is really passionate about her work and wants to move up in the company, but the lack of training and development frustrates her. She gets really annoyed when colleagues don't pull their weight.

Paula might say:

"I'm really passionate about my work, I love helping people"

"I can see how things could be run better at work but they just don't listen to me"

"I do just as much work as my boss but get paid way less"

#### Too comfortable Tamara

Tamara is 23 and has a two year old daughter. She's worked at a high street coffee chain for four years. She can't afford to live on her own in London so still lives with her parents. Tamara likes that her job works well around her childcare needs and her manager lets her swap shifts. She does get annoyed about some things, like that she doesn't get sick pay and gets paid less than newer employees just because she's on an old contract. But although she doesn't think this is fair, she doesn't want to speak out

or leave because she's not sure it's worth the effort given how convenient her job is for her.

Tamara might say:

"I feel lucky I can swap shifts so it seems ungrateful to complain about my pay or holiday pay"

"Unless it gets really bad it's easy to stay and put up with things, it's just convenient"

"I don't really think or speak about work when I'm not there"

#### **Stopgap Steve**

Steve is 25 and has worked as a barman at a high street chain pub for three years. He lives in Newcastle with a couple of friends from college. Steve never meant to stay at this job for so long as he wants to use his qualifications. Work often makes him feel tired and stressed because of the long and unpredictable shifts. Rude customers at work sometimes upset him and affect his mood even when he gets home. He's raised issues at work a few times but nothing's changed. He doesn't think it's worth the hassle anymore as this isn't his career and looks forward to leaving for a better job soon.

Steve might say:

"This is just a short-term job, it's not my career"

"There's no point in trying to change things, I won't be here much longer"

"I want to work on things that will benefit me in my future career"

#### **Implications for unions**

Collective bargaining is key to improving the working lives of young workers and limiting the scarring effects of their experience in the workplace to date. There is clear evidence that greater collective bargaining coverage can improve the pay and working conditions of young workers.

But today's young workers have different priorities and aspirations to many existing union members – and certainly a different view of the world to those in leadership positions in our unions. Unions' absence in the sectors where young workers overwhelmingly work means that a whole generation is in danger of missing out on the benefits brought by collective bargaining. That leaves those young workers unprotected, and it endangers the entire concept of trade unionism into the future.

Understanding what young workers – as potential union members – want and how they think about their lives is the necessary first step to designing a proposition that appeals to them. The research – particularly the mindsets model outlined above – offers important insights into how trade unions should approach young workers. The



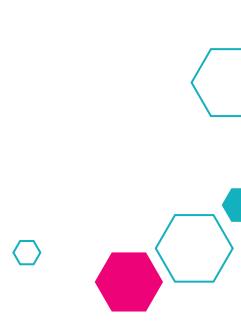
categories do not seek to "label" young workers; they merely create an insight-based way to break down the cohort into smaller groups, based on more than demographics or industry that can help us design better recruitment and organising strategies.

From the mindset work, it seems that those young workers in the progress, stopgap and desperate categories may be the most receptive to a range of targeted trade union offers that meet their needs and aspirations – certainly more so than those in the too comfortable segment (although as workers move between groups as their lives and work situation changes, that should not be necessarily a cause for concern).

The insights from this research should help the TUC and unions consider how to build a new offer of trade unionism that works for young workers. It is clear that what we have currently does not work for Britain's young core workers – and that merely investing in informing them about unions without any wider change to how unions engage with young workers will not lead to a stampede into membership.

The TUC's next steps are to build these insights into a structured innovation process, alongside the key unions organising in the private sector and our partners Good Innovation. We are looking for new products that have the potential to bring Britain's young core workers into unions. In 2017 we'll find those ideas, co-produce real prototypes with young workers, and start to pilot them. And in 2018 we hope to launch the innovations publicly as part of the celebrations for our 150th anniversary.

Although, as this report shows, young workers may have different priorities and aspirations and may work in different fields, the need for unions to guarantee that every job is a great job is as relevant as ever.





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