

# **Rethinking good and bad jobs in Glasgow**

*A Whose Economy Seminar Paper*

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# Executive summary

Scottish politicians are now beginning to recognise that job quality matters. It affects individual and family wellbeing, rates of child poverty, company productivity, social mobility and social exclusion. If the Scottish Government is to create a fairer, wealthier Scotland, job quality needs to become embedded in policy thinking.

As a new policy concern there is as yet very little understanding of job quality and what makes jobs good or bad. This paper addresses this problem. It first outlines job quality generally, then examines some of the good and bad jobs pertinent to Glasgow, and ends with suggestions about how job quality can be better understood and improved.

Good jobs can be created and bad jobs improved. Government emphasis in Scotland has been on creating good jobs. Because good and bad jobs, and their creation, are interdependent, both currently exist and will persist. It is time therefore to also consider how bad jobs can be improved.

Using examples of the good and bad jobs created in Glasgow, through the creative industries and routine interactive services respectively, this paper shows how perceptions and experiences of job quality vary, and how better understanding of job quality is needed and can be developed in order to push forward policy. In particular, the examples highlight how supposedly good jobs can go bad for some workers, and how supposedly bad jobs can be good for other workers – though can be difficult for them to get.

The Glasgow examples are then used to indicate interventions that might help improve job quality and a new approach to understanding job quality.

# Introduction

Scottish politicians are now beginning to recognise that job quality matters. Job quality affects individual and family wellbeing, rates of child poverty, company productivity, social mobility and social exclusion.<sup>1</sup> Bad jobs in particular can stretch and shred a country's social fabric, and undermine its economic potential.<sup>2</sup> Given the current economic downturn, there is an even more pressing need for government policy commitment to improving bad jobs. More generally, if the Scottish Government is to create a fairer, wealthier Scotland, then job quality – not just job creation – needs to become embedded in policy thinking.

Government has two strategic policy options for improving job quality in the economy: creating more good jobs, or making bad jobs better. Over the past decade or so, the emphasis in Scotland (as in the rest of the UK and EU) has been the good jobs strategy. This has been pursued through the development of the knowledge economy and creative industries, promoting the example of film and TV industries. As this paper notes, these jobs are accessible only to certain, highly educated workers, limiting job opportunities in these economically important industries. There has been little strategic concern with improving bad jobs or, until recently, even acknowledging that they exist. Instead a 'work first' policy has sought to lever excluded workers into the labour market, most obviously through the New Deal. However, 'in-work poverty' is a real issue now in Scotland. Part of the problem is that, as a new – or rather, newly revisited<sup>3</sup> – policy concern, there is as yet very little understanding of job quality and what makes a job good or bad, beyond blunt measurements using pay and skills. Drawing on examples of Glasgow's job strategy, this paper highlights the need for broader understanding, and indicates how these jobs might be improved.

The paper first outlines job quality debates generally. It then examines some of the good and bad jobs pertinent to Glasgow, and how these jobs compound disadvantage for some workers. The paper ends with suggestions about how job quality can be better understood and improved.

# 1. Good and bad jobs exist and will persist

Job quality is typically measured using skill and pay.<sup>4</sup> Good jobs equate with high skill and high pay; bad jobs with low skill and low pay. Long-term structural changes to the economy driven by technology, a shift from manufacturing to services, and the demands of a more educated workforce were supposed to deliver good jobs and eradicate bad jobs. In reality, the Scottish and UK economies have polarised into good and bad jobs – or what economists Goos and Manning call ‘lovely’ and ‘lousy’ jobs – with the gap between them widening.<sup>5</sup> Glasgow is an exemplar of this polarisation: there are now more top jobs in the professions and associate professions, and more routine jobs at the bottom of the labour market in interactive services such as retail and hospitality.<sup>6</sup> This polarisation is not coincidental; it has been encouraged respectively by the development of creative clusters, particularly the TV and film industries around Pacific Quay, and the promotion of Glasgow as a regional hub for shopping – ‘Scotland with style’.

It would be wrong, however, to regard this polarisation as creating two parallel economies of unconnected good and bad jobs. It is more useful to regard them as interdependent, with workers in bad jobs supporting those in good jobs. For every scientist working in a laboratory there is an office cleaner and a canteen worker; for every freelance software developer there is a barista serving coffee in the café in which the freelancer meets his or her clients; for every go-getting business executive there is someone distributing and delivering the ‘how to get ahead in business’ books ordered online through Amazon. Moreover, workers in the good jobs are often cash-rich and time-poor. As a consequence, they pay what urban studies theorist Richard Florida calls a ‘service class’ to do the tasks they no longer have time to do themselves.<sup>7</sup> This shift accounts for much of women’s employment in part-time services: as economist Sue Richardson says, women often go from putting the dinner on the table at home to putting out a meal on a table in a restaurant, and often both tasks in the same day.<sup>8</sup>

Thus good and bad jobs both exist and their persistence is encouraged. However, the supposedly good jobs in Glasgow can be bad for some workers; conversely, supposedly bad jobs can be good for other workers though difficult for them to get – despite the New Deal – as the next two sections of this paper illustrate.

## 2. When good jobs go bad

It should be noted that even good jobs can go bad. According to Richard Florida, the creative industries are the new engine of economic growth and job creation. In this 'new economy' competitiveness is based on the ideas inside workers' heads, he claims, and workers' sex, race and class are irrelevant so that 'good job' opportunities exist for all. Sold on this message, governments around the world, including Scotland, have rolled out the red carpet for Florida.<sup>9</sup> Indeed, Glasgow was one of his stopovers.

It is true that jobs in the TV and film industries are high-skill – if qualifications are the measure. Skillset data shows that over two-thirds of workers in the audio-visual industries are graduates, compared to just under one-third of the UK workforce generally. Moreover, the number of graduates entering these industries is increasing. Pay is good too, with the average annual salary higher than that for the UK generally (£32,239 against £29,331).<sup>10</sup>

However these headline facts mask significant inequalities. Not all workers benefit equally in the creative industries. What should be good jobs in TV and film can go bad for some workers. Data from the audio-visual industries that include TV and film show that female and ethnic minority workers are under-represented. Hiring is often done through informal networks, so that it is 'who you know' and who you are that matters. As one of the respondents put it in Thanki and Jefferys' research on the London media industry, 'employers essentially employ people like themselves [white] ... this is not necessarily just by race, but by class and gender' (2006-07: 114).<sup>11</sup> Having a degree is important for getting into the labour market, but having contacts is what secures the job. With the costs of higher education shifting onto students through loans in Scotland, the first step towards is increasingly expensive. Being more risk averse when it comes to 'borrowing money', and less connected to those already in the industry than youth from middle class families,<sup>12</sup> youngsters from working class backgrounds consequently struggle to enter the audio-visual industries.

There are also wide differences in pay. Women earn less than men, workers from ethnic minorities earn less than white workers, and both outcomes arise because these workers are 'sorted', as economists would say, into lower-paid jobs in the audio-visual industries. For example, women work in jobs such as make-up, hairdressing and costumes; men work in higher-paid post-production, camera and lighting departments; ethnic minorities are over-represented in cinema cleaning and have low or no representation in higher-paid jobs in animation and special effects departments. Significantly, graduate starting pay can be very low or even non-existent: nearly two-fifths of graduates work unpaid as interns before obtaining a paid job. The only way to overcome such initial low or no pay is to have the support of wealthy parents, or by having another job in another industry – such as hospitality. For example, Karren, an aspiring young actor, waits tables in between acting jobs.<sup>13</sup> However by taking these jobs, middle class youth can take away job opportunities for more disadvantaged workers – the unemployed and lone parents, for example – as the next section highlights.

### 3. When even bad jobs can be good but difficult to get

It was once assumed that technology would eradicate bad jobs. However, routine interactive service jobs, such as those in retail and hospitality, flourish because they involve the human touch.<sup>14</sup> With cost-cutting downward pressure on wages, these jobs tend to pay at, or just above, the minimum wage. However, because they require no or low qualifications and involve little prior training, they have low entry barriers. For this reason they are targeted by the New Deal in Glasgow as entry-level jobs into the labour market for lone parents<sup>15</sup> and the long-term unemployed. Unfortunately this 'work first' approach ignores the quality of the jobs being targeted and competition within the labour market for these jobs. In this respect, because they have low entry barriers, these jobs are also useful to middle class youth, such as those starting out in the creative industries or who are studying at university. Given the choice, many employers favour middle class workers for what are essentially working class jobs. As a consequence, lone parents and the long-term unemployed are losing out in the competition for these jobs. Indeed, one supermarket chain in Glasgow has even stopped advertising in job centres and switched its recruitment to university campuses.<sup>16</sup>

There are two reasons why employers favour middle class students and aspiring creative workers. The first centres on customer care skills and the working-hours flexibility that employers now demand. Lone parents want to work, and employers often have very good family friendly policies. Unfortunately these policies are often undermined by operational practice, as research into food retail shows. Supermarkets, for example, have two key criteria for workers:

- The first is flexibility: 'We look for people who ... are flexible in their working lives' said one supermarket manager. This flexibility means being able and willing to work what was called the 'troublesome feeding time' of 3-6pm, evenings, weekends and public holidays; all of which are difficult for parents generally, and nigh impossible for lone parents.
- The second criterion is the need for workers to have good 'soft skills': 'things like customer focus, communication, impact and influence' said another supermarket manager. Unfortunately, as a result of being out of the labour market – sometimes for years – and often isolated at home with little adult interaction, many lone parents lack confidence in dealing with people.

By contrast, middle class youth are said to have lots of confidence and good communication skills, and students are always available to work unsocial hours – in the evenings, weekends and public holidays – precisely the times when childcare needs are paramount.

The second reason for employers favouring middle class students is most evident in fashion retail and hospitality, and centres on what is called 'aesthetic labour' – or the need to look good and sound right to get and do jobs in these industries.<sup>17</sup> This need arises because employers want workers who 'embody' the image of their companies. With the country's rebranding as part of 'Scotland with Style', employee appearance is now considered paramount in Glasgow's retail and hospitality sectors. In one survey, 93% of employers considered it important to their business. In other Glasgow research, one hotel manager explained that the hotel hires 'people that look the part ... [who] fit in with the whole concept of the hotel'; a bar manager explained that 'if you've got nice-looking staff then it brings in people [customers]'.

With the shift to mass (but still predominantly middle class) higher education, there are now more students but with less financial support from the state. Many students now have to work to pay their way through study. As a result, the labour market is awash with students looking for jobs. Most of these students work in retail, hospitality and other routine services, with employers often drawing upon 'middle classness' in deciding what appropriate employee appearance is, and therefore who will be hired. For example, one hotel advertised its jobs in the *Sunday Times* rather than the *Evening Times* because it wanted to recruit the sons and daughters of the middle classes. As a result, its typical front-of-house employee was a well-travelled graduate.

Thus just being middle class provides employability for jobs in retail and hospitality. Lone parents and the unemployed are squeezed out of these entry-level jobs because they appear to have soft skills 'deficits' – or rather because, not surprisingly, they lack the required 'middle classness'. The danger is that these workers are further disadvantaged, and personally blamed for their exclusion from the labour market.

Bad jobs can thus be good jobs for middle class youth on their way to getting better jobs. They can also be good jobs for other workers seeking entry back into the labour market. However, the latter can lose out in the competition for these jobs because they lack the required availability and soft skills.

# Conclusion

Job quality is again being recognised as important in Scotland. As with many other cities, Glasgow has encouraged the growth of more good jobs with high pay and high skill. Undoubtedly these jobs have been created, and more are anticipated once the economy picks up.

However, the 'good job' opportunities promised by the creative industries are more restricted than policy-makers had anticipated. The TV and film industries can reproduce the old social inequalities, with female and ethnic minority workers and those from working class backgrounds being disadvantaged, discriminated against, or just plain excluded. At the same time, economic development in the city has encouraged the creation of 'bad jobs'. These are useful temporary 'safety net jobs' for middle class youth whilst they gain the qualifications or experience necessary to secure the good jobs. Because (the bad) jobs are relatively easy to get, they can also be useful to workers currently out of work, such as lone parents and the long-term unemployed, and are intended as 'springboard jobs' into the labour market. Unfortunately, such workers are losing out to the middle class youth who are colonising these entry-level jobs.

Dealing with these problems requires addressing how employment in the TV and film industries is organised. Recruitment and pay practices in particular need greater transparency and monitoring. In the case of pay, that of internships - which are now common in these industries - has to have better protection through minimum wage legislation. Of course, in terms of how the TV and film industries are organised, enforced cost-cutting exercises by the big companies such as the BBC have led to the dismantling of internal labour markets and the growth of precarious, project-based employment that allows nepotism to flourish.

The 'work first' approach into entry-level jobs in retail and hospitality for other workers is necessary but clashes with other government policies, most obviously the expansion of higher education and the promotion of the creative industries. For the work first policy to be more effective, lone parents and the long-term unemployed need to be better equipped to compete for entry-level jobs in these industries. The evidence from Glasgow suggests training in soft skills would be helpful. Research by Anne Marie Cullen reveals that this training is not being sufficiently offered at the moment in Glasgow.<sup>18</sup> Better, more comprehensive and affordable childcare would also help these workers to navigate job opportunities that clash with parenting responsibilities.<sup>19</sup> Once in these entry-level jobs, it will then be important to ensure that they are able to progress to better jobs. Middle class youth already have an exit route out of such jobs, provided by their education. To be springboard jobs, further training opportunities (whether provided by employers, the state or trade unions) and the development of career ladders will be needed for other workers.<sup>20</sup> Without it, entry-level jobs will become dead-end jobs for lone parents and the long-term unemployed, and the temptation to avoid or quit them will be high.<sup>21</sup> Compared to many other countries, the UK has a more acute 'bad jobs trap', particularly for female and

poorly-educated workers, and mobility out of these jobs is juddering to a halt.<sup>22</sup> The 'work first' approach must be supplemented by 'employment enrichment' initiatives that make bad jobs better and provide exit routes out of these jobs.

Beyond interventions to improve job quality, the good and bad jobs examples from Glasgow also raise a wider point about how job quality is to be understood. Pay and skill levels are important in defining job quality but are not sufficient. Career progression, training opportunities and employment protection matter too. The Glasgow examples also indicate that understanding job quality requires a 'jobs +' approach, which envelops work and employment, industry characteristics, and surrounding welfare infrastructure.<sup>23</sup> To unravel these effects on job quality it needs to be appreciated that:

- relative and not just absolute employment standards influence perceived job quality;
- who job-holders are matters as much as the job itself in shaping experiences of job quality;
- subjective perceptions as well as objective criteria affect those experiences, and these perceptions are affected by the life-stage of workers;
- it might be useful to look at how employment is organised generally, and for specific industries, in other countries.<sup>24</sup>

Only by rethinking job quality will policy be developed and jobs reclaimed to fit the needs and aspirations of workers – as well as those of employers and Scotland as a whole – for greater fairness and wealth.

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# Notes

- <sup>1</sup> Scottish Affairs Committee (2008); Scottish Government (2008)
- <sup>2</sup> Toynbee (2003); Trebeck (2011)
- <sup>3</sup> For an overview of policy concern with job quality over past decades, see Lloyd and Warhurst (2010)
- <sup>4</sup> For an overview of research of job quality see Carré F. et al (2012)
- <sup>5</sup> Goos and Manning (2007); also Truss (2011)
- <sup>6</sup> SE Glasgow (2005)
- <sup>7</sup> Florida (2004)
- <sup>8</sup> Richardson (2011)
- <sup>9</sup> Ross (2009)
- <sup>10</sup> This material is drawn from Eikhof and Warhurst (2010)
- <sup>11</sup> Thanki and Jefferys (2006-07: 114)
- <sup>12</sup> Warhurst et al (2009)
- <sup>13</sup> Eikhof and Warhurst (op cit)
- <sup>14</sup> Holmes (2011)
- <sup>15</sup> Almost all of whom are women
- <sup>16</sup> This material is drawn from Dutton et al (2005)
- <sup>17</sup> This material is drawn from Nickson et al (2001, 2005)
- <sup>18</sup> Cullen (2010)
- <sup>19</sup> For a discussion of a 'new deal' for low waged workers in the UK see Grimshaw et al. (2008); see also Dutton et al (2005)
- <sup>20</sup> See the London example (Hakeney et al 2009)
- <sup>21</sup> Cullen (op cit)
- <sup>22</sup> See for each point respectively: Snower (1996), Mason et al (2008) and Nunn et al (2007)
- <sup>23</sup> See also Pocock and Skinner (2012)
- <sup>24</sup> For a short discussion of the new approach to researching job quality see Carré et al (op cit)

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