



## The limits of employability

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### review of

Shildrick, T., R. MacDonald, C. Webster and K. Garthwaite (2012) *Poverty and insecurity: Life in low-pay, no-pay Britain*. Policy Press. (PB, pp. 264, £26.99, ISBN 9781847429100)

At a time when in the UK the government is undertaking a fundamental reform of social security, this book should be made compulsory reading by everyone involved in designing and delivering welfare payments systems, from Ministers to frontline staff. The book explores the dynamics of the lives of people who 'churn' between low-pay jobs and social welfare. Unlike most of this special issue, it is not specifically focused on the concept of 'employability', but the research emerged out of previous work by the authors which examines the early transitions of young people into the labour market. Those studies had highlighted a particular concern with the degradation of work opportunities in the local labour market, Teesside. The researchers wanted to follow up the observation that many of the jobs experienced by their interviewees were increasingly low paid and highly insecure, leading them to make fairly regular transitions in to and out of the labour market.

This project set out to establish the dynamics of the effects of cycles of engagement with low paid jobs combined with periods out of employment. They recruited 60 participants with this pattern of labour market experiences from areas of Teesside that are known to have high levels of deprivation. In many respects, although the geography is important throughout the book, the story of post-industrial changes to labour markets is familiar to anyone who has lived outside the South East of England. The decline of local steel and chemical

manufacturing has been replaced with often low-paid and insecure work in retail, social care and hospitality. The experiences of the participants are vividly presented and a major strength of the research and analysis is that their voices are heard loud and clear.

A central argument of the book is that these cycles of low-pay and no-pay should not be understood to be 'stepping stones' into better employment in the future. Although some of the participants were recruited as part of the previous studies into young people's labour market transitions, they are now in their late 20s and 30s and these patterns of work and non-work persist. Equally, many of the participants are older and have experienced cycling between work and social security. In short, many jobs in the UK labour market are not providing upward trajectories. Indeed, the opposite is true in many cases. The particular ways in which low paid and insecure work can 'trap' people into cycles of poverty are lucidly explored. The book is highly relevant to issues raised by the problematic notion of 'employability'. The patterns of moving in and out of employment described by the participants interviewed emphasise the fact that in the post-industrial labour market of Teesside there is neither the quantity nor the quality of the jobs needed for the participants in the study to make secure transitions into work that would offer them stable income and opportunities. This was true before the recessions of the great financial crisis and it will be the case after.

As is true of all of the themes of the book, issues of employability are discussed sensitively and in a multi-faceted way. In fact, it is undoubtedly important that they are not discussed using the word 'employability' as the term focuses attention onto the supply side of the labour market. A central objective of the book is to confront readers with the realities of the lack of opportunity to find long-term employment in the local Teesside economy. Despite the lack of good quality work, some interventions to support people into work were successful. Participants clearly differentiated between support given to them by different kinds of 'welfare to work' agencies; some emerged very positively, others negatively. It will be of no surprise to anyone who has done research in this area that Jobcentre Plus (JCP) is not regarded with much enthusiasm. Echoing many of my own research findings, JCP is seen as largely ritualistic with advisors having very little time to respond to individual needs.

By contrast, the local Pathfinders agency had resources and scope to address a wide range of factors that might lead to exclusion from the labour market. Specific forms of help discussed in the book include help for job seekers to gain new qualifications and registrations (e.g. for security jobs), funding for alternative forms of transport (driving license, theory test, etc.), contributing to buying new work clothes, applying for identification (e.g. passports), and more.

The constraint is that people are only referred to Pathfinders after a considerable period of time on Jobseeker's Allowance. The longest identified in the book was 18 months and the Pathfinders intervention was successful in supporting a job seeker to retrain and secure work as a security guard.

Importantly, much of the assistance given to job seekers aimed at enhancing their employability was explicitly highlighted as being of little importance in finding the kinds of jobs relevant to the people interviewed for this study. At one point the authors explicitly say:

Polished CVs and interview performances were not usually required. The interviewees accessed employment that did not appear to discriminate against them on the basis of educational qualifications, skill levels or work history... (p. 121)

This was equally true of participants with criminal records and/or histories of problematic drug use. Rather, personal networks were much more important. What employers wanted was 'a willing worker physically capable of doing the job who possessed the "right attitude"' (p. 121).

In this regard, the book presents a very helpful empirical contribution to ideas about 'employability'. To be clear, that is not its main objective but is an important sub-theme to at least two of the chapters, which should be read by anyone with an interest in the area. The central argument is about the complexity of provisions and outcomes in the 'welfare to work' industry, where some interventions result in employment (still often low-income and precarious) while others do not. Often there is relatively little that support agencies can do to address the most profound barriers to work. For me, one of the most important points relates to the concept of 'the better-off calculation'. In other words, JCP staff often use the idea of being 'better off' in work and this notion has been at the heart of the social security policies of the past 20 years. JCP staff actively use the idea in interviews and meetings with service users with the intention of encouraging them to make applications for advertised jobs. The problem is that the 'better-off test' fails to account for two major aspects of the lives of the participants: the costs associated with work and the insecurity of work being offered. Travel and childcare are two of the most problematic costs. Not only is there a real cost associated with these, but there are often issues about lack of access to both to cover the kind of flexible shifts demanded by employers. Neither childcare nor public transport is routinely provided beyond normal working patterns making many jobs impossible for many of the participants. Employers who help employees access either or both are regarded with considerable esteem.

Importantly, the authors are not only interested in the working lives of their participants. They are keen to understand a wide range of factors that influence their opportunities and choices about work. So stories of ill-health, care responsibilities and debt also feature as important dynamics. Daily, weekly and monthly battles with social security systems are central to the stories of many of the participants. Moving into work typically means that many (although usually not all) social security payments cease. That often leaves a period of weeks before someone is paid for their work, causing difficulties with regular bills payments. More seriously, the jobs that people take are often relatively short-term meaning that when employment ends it can take a long time to re-apply for social security support. These periods of uncertainty can be the trigger for people to take loans from short-term lenders at extortionate interest rates.

The message that shines through the evidence and discussion is the willingness of the participants to work. Their enthusiasm for paid employment is clear. Even those with very serious limitations, including disabilities, were keen to stress that they would be keen to work if there were jobs that fitted around their constraints. There are probably few readers of this journal to whom this is a revelation, but it is clear that the notion of the 'undeserving poor' has been underpinning social security reform for a long time. This book provides important counter-evidence to these ideas. What emerges is a deeper understanding of how the structures of the labour market intersect with weak social security systems and personal misfortune (often resulting from circumstances brought about by poverty) to make sustained engagement with the labour market very difficult. Importantly, these stories are largely told in the voices of the participants themselves. As the authors rightly highlight, it is rare that the voices of poor people are heard in any consistent way. This book is a useful counterpoint to that tendency.

This brings us to the idea of 'insecurity' as a persistent and important theme of the book. Many aspects of the lives of the participants in the study can be described as insecure. Their engagement with the labour market is, by definition, insecure with the end of jobs being prompted by often spurious reasons that are not well understood by the workers involved. Housing is not discussed in any great detail, but we certainly know that those in private rented accommodation will experience insecurity of tenure. The social welfare system provides such a frayed safety net that some choose not to claim. Ill health is a common feature of their own lives and the lives of the people around them and often affects the wider family and friendship network because of the responsibility to provide care. Indeed, it is friends and family networks that emerge as the central pillar of security for many of the people interviewed.

These kinds of insecurity are often overlooked in debates about low-paid work and social security. The insecurity experienced by the participants in this study is deeply embedded in the economic restructuring of the 1980s and the emergent poverty created within these communities. An important point made by the authors is that the welfare system itself contributes to these insecurities. The very low levels of welfare benefits paid during periods of unemployment, and the length of time it takes to establish a claim for those benefits, create and reinforce patterns of insecurity. The illogic of this situation is that there has been a widespread belief – particularly in policy making circles – in ‘the great myth’ of worklessness that people do not *want* to work and would *prefer* to spend time on social security benefits. The evidence presented here blows apart that myth and explains why current policy intervention centred around improving the ‘employability’ of these workers is so flawed.

Importantly, although the authors largely avoid the term ‘precarious’, this book adds to our understanding of different forms of precariousness in the UK. Those experiencing ‘ordinary’ poverty are rarely explicitly discussed in debates about precariousness, which have tended to focus more on migrant work and the extension of precarious work to ‘new’ groups such as highly qualified workers. This book is a useful counterpoint and reminds us that many of the most insecure workers in the UK are in places like Teesside where the very nature of the labour market since the decline of labour-intensive industry gives people few opportunities of secure employment.

The analysis makes clear that the causes of these cycles of low-pay and no-pay are complex and intersecting. Nonetheless, the authors are very clear that at the heart of the problem are the ways in which jobs are designed and offered by employers and if I have any major criticism of the book it is that there is relatively little discussion of employers in the analysis. To be fair, they did interview a small number of employers and they do discuss the findings. However, this is not done as systematically as I might hope to build a detailed understanding of the role of employers and pressures on them in the process of designing and offering the kinds of low-paid and insecure work experienced by the participants interviewed. As the authors rightly point out, there is a huge research project in front of us collectively to understand the demand side of the labour market in much more detail.

Related to this, trade unions are also absent from the discussion of possible ways to address many of the challenges of improving the quantity and quality of work available. Again, there are clear reasons for this. It is highly unlikely that unions are directly involved in regulating many of the kinds of work in which the participants are engaged. That reflects the limitations of the contemporary trade

union movement, not of the workers themselves. However, if we seek to 're-imagine' what a re-regulated labour market might look like then we must, surely, give consideration to some form of collective organization that challenges the decisions of employers. The omission of a discussion about trade unionism from the final chapter of the book is, therefore, notable.

The focus of this special issue is employability. This book presents wonderfully rich empirical data about how, in many areas of the economy, it is not workers' lack of willingness or skills that prevents them finding and staying in work. Rather, it is the lack of suitable jobs that offer appropriate numbers of hours along with the wider support of, for example, childcare and transport. In other words, there is a significant demand side problem in the labour market that is systematically under-researched and sidelined in public policy. In areas of the country like Teesside, these demand side problems have existed since the deindustrialization of the 1980s and are not going to change any time soon. These structural changes in local and regional labour markets are not going to be addressed only by supply side interventions around polishing CVs and practicing for interviews. Acknowledging this and addressing it is, surely, one of the most profound challenges in employment policy the decades ahead.

Overall, this is a book that is well worth reading for anyone with a broad interest in work, poverty, social security, and labour market transitions. It is not specifically aimed at those with an interest in employability, but it has a significant contribution to make in this area. It speaks to researchers from a wide range of disciplines and acts as an important evidence base for those who want to counter some of the assumptions and assertions about social security and poverty that are endlessly regurgitated in current political discourse. The authors are extremely concerned about the effects of current welfare reforms on the lives of people who experience work in similar ways to those discussed in the book. I share many of their concerns and if I could make Ian Duncan Smith<sup>1</sup> read it, I would.

### **the author**

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<sup>1</sup> Ian Duncan Smith is the Secretary of State for Work and Pensions in the UK.