

RETAIL 2020

REPORT 2: WHAT OUR PEOPLE THINK

May 2016



**THE BRC IS THE GO-TO
TRADE ASSOCIATION
FOR ALL UK RETAILERS,
DELIGHTING OUR
MEMBERS, PROMOTING
THE STORY OF RETAIL,
SHAPING DEBATES AND
INFLUENCING THE ISSUES
AND OPPORTUNITIES
THAT MATTER TO
THE INDUSTRY.**

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INTRODUCTION



The retail industry is a unique and important part of the UK economy. It is the largest private sector employer, employing over 3 million people across the UK.

It provides employment in every corner of the country, from rural areas to major cities. Our shops are community hubs and the industry is a world leader in ecommerce.

Retailers play an important role in society by offering opportunities to people across the UK at different stages of their lives and who seek work for differing reasons. For some, a job in retail is their first step into the world of work, providing valuable life skills. For many more, retail offers a fulfilling career with opportunities to progress into areas as distinct as supply chain logistics, IT, customer service, and merchandising.

The industry also plays an important role in adapting as the lives of our employees change. It is a vital provider of flexible roles, particularly for carers, people with young children, and for those people who seek non-traditional hours for studying or other reasons.

It is an industry undergoing significant structural change and this will impact on our people. Against this backdrop, the industry has come together and undertaken detailed research to consider the implications for jobs, to understand the profile and aspirations of the workforce and look forward to 2020 and beyond.

This is the second report of three the BRC will publish. As we described in our first report, *Retail 2020: Fewer but better jobs*, there could be up to 900,000 fewer retail jobs by 2025.

Though there may be fewer jobs, the industry aspiration is that the remaining jobs are better jobs. A number of retailers are working with us to explore what steps can be taken across the industry to ensure that future employment opportunities are as attractive, accessible and well remunerated as possible.

To help inform the path ahead, we wanted to understand what matters to those potentially most vulnerable in the retail workforce; what they value in their jobs, what they like and do not like, and where we can do better as an industry.

We commissioned an independent and representative survey of low paid retail workers across the country and this report, *Retail 2020: What our people think* explores the attitudes and motivations among low paid retail employees, with a particular emphasis on pay, progression and productivity.

The third and final report in the series, *Retail 2020: Solutions* will describe how the industry plans to tackle these challenges and opportunities.

A handwritten signature in black ink, which appears to read 'Helen Dickinson'.

HELEN DICKINSON OBE
Chief Executive
British Retail Consortium

KEY FINDINGS

The industry's social impact as a provider of valuable, entry level and community based roles is reinforced. Across all age groups, locality and flexibility are the most important reasons for working in retail. Pay is ranked sixth behind helping customers.

But low-paid retail employees are not a homogenous group. With age as the most defining characteristic, each age grouping differs in their needs, motivations and attitudes. A one-size-fits-all approach, on the part of employers or policy makers, will be ineffective.

For policy makers, the most significant finding is that low pay does not necessarily equate to poverty. It is the middle core who are most exposed to any reduction to tax credits and more people in this group report that working in retail is the only job they can find. As there will be fewer local retail jobs in the future, this group are most vulnerable to the ongoing structural changes in the industry.

For industry, the research highlights a series of perceived trade-offs which may be holding back some people from fulfilling their full potential or optimising their pay.

While flexibility is the second most important reason to work in retail, it also has its costs. The research suggests the existence of two groups of part-time workers: those who want more hours to earn more money, and those whose overriding priority is their part-time status, which some fear they will lose if they are promoted.

While the majority of those surveyed showed a clear motivation to give their best at work and have ideas of how things can be done better, there is a clear mid-career 'dip' suggesting untapped potential and opportunities to improve productivity.

Ambition does fade as age rises. There is a significant proportion of older people who choose not to seek job progression at all and yet for those that do, they do not always have access to the right support.

As we highlighted in our first report, *Retail 2020, Fewer but better jobs*, a reduction in the number of jobs seems inevitable. Retailers will respond individually and there will be positive outcomes for many. However, these trade-offs do highlight opportunities for the industry to work together to enhance and accelerate the move towards to the industry's aspiration of fewer but *better* jobs. These are around how:

1. The employment offer is personalised to differing life needs
2. Training supports progression
3. Progression is enabled across various groups in different ways
4. People are engaged in improving productivity

Identifying solutions to deliver these opportunities will ensure we move closer to making the aspiration a reality.

“
**LOW PAY
DOES NOT
NECESSARILY
EQUATE TO
POVERTY**”

**INDUSTRY
ASPIRATION:
FEWER BUT
BETTER JOBS**

UNDERSTANDING OUR PEOPLE

While there are different perspectives on different aspects of working in retail by gender, ethnicity, region and employment status, the most striking differences relate to age. We separated the group of younger employees further into students and non-students.

Using a definition of low pay as an hourly rate up to 20% above the national minimum wage, around 1.5m people in the UK work in low paid¹ roles in the retail industry, of which 70% are female and one in five are recipients of means-tested working age tax credits.

TABLE 1: PROFILE OF LOW PAID EMPLOYEES IN RETAIL

GROUP	% OF TOTAL	DEFINITION	MEAN AGE	% FEMALE	% IN RECEIPT OF TAX CREDITS
All retail low paid	100	All retail employees earning less than 20% above minimum wage	35	70	21
Students	17	Currently a student	19	70	6
Young and ambitious	23	Non-students aged 16 to 25	21	58	10
Established	14	Non-students aged 26 to 34	29	62	36
Middle-aged	17	Non-students aged 35 to 45	40	78	44
Older workers	18	Non-students aged 46 to 57	52	79	19
Pensioners or nearly	11	Non-students aged 58 plus	64	75	4

Source: ONS Understanding Society. Tooley Street Research analysis. Total sample size of low-paid retail workers earning less than 20% above the national minimum wage was 1,417 giving a sample size of 156 for the smallest group: 'pensioner or nearly'. The implied UK population size of low paid retail workers according to this definition is 1.5m.

The table highlights the finding that low pay does not necessarily equate to poverty. Many in the industry are young and are 'passing through' the retail industry before taking up different careers. Others may have family circumstances that mean they are not especially vulnerable – for instance, they may be a second earner, with a higher-earning spouse.

¹ This definition of 'low pay' precedes introduction of the government's 'National Living Wage' set at £7.20 for those aged 25 and over in April 2016

However, using the eligibility for tax credits as a proxy for economic hardship demonstrates that the cohort of particular policy interest is most likely to be found amongst middle-aged low-paid workers, but even here less than half of all employees are entitled to means-tested benefits.

Most interestingly pay is not within the top 5 reasons to work in retail. Across all age groups, location is the most important reason. Flexibility offered by employers is also highly valued across all age groups, with students the highest, followed by part-time employees and women. Pay is ranked 6th.

TOP 5 REASONS TO WORK IN RETAIL



1 WORK NEAR WHERE I LIVE



2 FLEXIBILITY IN HOURS



3 PEOPLE I WORK WITH



4 PERKS AND BENEFITS



5 HELPING CUSTOMERS

PEN PORTRAITS¹

STUDENTS

- PASSING THROUGH**
- 70% FEMALE**
- 17% OF TOTAL**
- 6% GET TAX CREDITS**
- Vast majority working part time and living with parents
- More likely to be in a temporary job, earning cash for pocket expenses
- Less concerned about finding a better job with current employer, but keen to do a good job and learn

53%
AGREE THAT IT IS NOT THE JOB THEY WANT, BUT ONLY WORK THEY CAN FIND

71%
MOTIVATED TO GIVE THEIR BEST

35%
AGREE THEY WOULD BE HAPPY TO HAVE THE SAME JOB IN 2 YEARS' TIME,

59%
DISAGREE

16-25 NON STUDENTS : YOUNG AND AMBITIOUS

- HIGH HOPES**
- 58% FEMALE**
- 23% OF TOTAL**
- 10% GET TAX CREDITS**
- Most gender balanced group
- Mostly still living with parents
- Least satisfied with current job
- Flexibility very important but most likely to want to increase their hours
- See promotion with current employer as an attractive option
- Most keen to progress career, but least likely to know how to go about it
- Unlikely to have a degree, large proportion have A levels
- Most likely to benefit from training and see that training helped them increase pay

54%
AGREE THAT IT IS THE ONLY WORK THEY COULD FIND

71%
AMBITIOUS TO PROGRESS

60%
DISAGREE THAT IT IS NOT WORTH BEING PROMOTED AS YOU HAVE TO WORK A LOT HARDER FOR NOT MUCH MORE PAY

77%
DISAGREE THAT THEY DO NOT HAVE THE NECESSARY SKILLS OR EDUCATION TO GET PROMOTED

26-34 : ESTABLISHED

- COMPETING PRESSURES**
- 62% FEMALE**
- 14% OF TOTAL**
- 36% GET TAX CREDITS**
- Still ambitious, but starting to feel competing pressures of other responsibilities such as family
- A third would worry about promotion due to family commitments
- Most likely to apply for promotion, though feel that they do not get enough support from their employer
- Less optimistic about promotion and more satisfied with current job, though there is a split – around two in five would be happy to have the same job in 2 years time, but a similar proportion would not

PAY
IS 3RD ON PRIORITY LIST

MAJORITY
PREFER CASH TO PERKS

56%
AMBITIOUS TO PROGRESS

60%
FEEL OVERQUALIFIED FOR THE WORK THAT THEY DO

16%
APPLIED FOR PROMOTIONS, BUT WEREN'T SUCCESSFUL (VS. 10% OVERALL)

¹ The statistics presented on the right hand side of each page have been taken from the Suration survey which used age bands of 18-24, 25-34, 35-44, 45-54, 55+, differing marginally from those presented in the cluster analysis. Students are incorporated in these bandings.

35-45 : MIDDLE AGED

MOTIVATIONS CHANGE

78% FEMALE

17% OF TOTAL

44% GET TAX CREDITS

- Mostly parents
- Promotions are less attractive due to perceived effect on family life, and around three in five part-time workers would not accept a promotion if they lose part-time status.
- Majority would be happy with the same job.
- Majority want more hours to get cash, but only a third is likely to want a promotion
- Less well qualified
- Low expectations of getting a better job, more satisfied with the current one

26%
ARE AMBITIOUS TO
PROGRESS ONLY

52%
HAPPY TO HAVE THE SAME
JOB IN 2 YEARS' TIME

4 IN 10
WORRY ABOUT
PROMOTION DUE TO
FAMILY COMMITMENTS

25%
THINK THERE IS NO POINT
TO BE PAID MORE, AS YOU
MAY LOSE STATE BENEFITS

46-57 : OLDER WORKERS

FEELING UNDER-VALUED

79% FEMALE

18% OF TOTAL

19% TAX CREDITS

- Low qualifications and low expectations
- Feel least valued and least motivated
- Most likely to think that promotion is not worth it
- More likely to be happy with the same job and see no need to change
- More concerned about control over their time and would like their shift patterns to be organised better/well in advance

1 IN 5
STRONGLY DISAGREE THAT
THE EMPLOYER KNOWS
ABOUT THEIR AMBITION
AND ASPIRATIONS

7%
APPLIED FOR
PROMOTIONS, BUT HAVE
NOT BEEN SUCCESSFUL

31%
FEEL THAT THEIR IDEAS ARE
TAKEN SERIOUSLY (VS. 44%
ACROSS ALL AGE GROUPS)

11%
THINK THAT TRAINING
ALLOWED THEM TO EARN
MORE

58+ PENSIONERS OR NEARLY

A DIFFERENT KIND OF MOTIVATION

75% FEMALE

11% OF TOTAL

4% TAX CREDITS

- Motivations change again
- Pay and ambition are less important
- Company of colleagues and serving customers more important
- Most motivated to give their best at work vs. other age groups
- Most satisfied with their jobs – two thirds are happy and see no reasons for change
- Proud to work in retail
- Would prefer to keep perks and benefits rather than get extra cash

18%
ARE AMBITIOUS TO
PROGRESS THEIR CAREER

74%
MOTIVATED TO GIVE THEIR
BEST AT WORK

78%
HAVE IDEAS OF HOW
THINGS CAN BE DONE
BETTER FOR THE BUSINESS

TRADE-OFFS: CAN THEY BE RESOLVED?

There are several areas where we see perceived trade-offs, which may be stopping our people from progressing their career, optimising their pay and their contribution to the business they work for.

LOCATION VS. ANOTHER, POSSIBLY BETTER PAID JOB

Almost every age group – and every group by any other characteristic – see the ability to work near where they live as the most important reason to work in the industry. There were two exceptions. Students and BME employees put flexible hours and pay above location.

The importance of location rises with age, while the importance of pay decreases. For those older than 35, the proximity to home is a top reason to work in retail for more than 60% of employees.

Notably, those in the middle core of their career, 70% of whom are women, are likely to be more vulnerable to the ongoing structural changes in the industry. They are more likely to be in receipt of tax credits, hence most exposed to any reduction in them and more people in this group report that working in retail is the only job they can find. This may be due to caring or family responsibilities, and the flexibility offered by retail jobs enables them to fit work around their wider commitments.

As the industry changes there will be fewer local jobs thereby impacting those most vulnerable – the 35+ women with caring responsibilities. These people may struggle to find alternative employment that would allow them to continue to carry out their caring responsibilities.

NEED FOR FLEXIBILITY VS. PROGRESSION

A majority of retail employees value the flexibility it offers around other commitments. They are balancing study, caring or other responsibilities with work.

The research shows that flexibility is more important than achieving one's potential for a large proportion of workers: conversely it also suggests that once flexibility is achieved and secured, there may be potential for individuals to contribute more, as long as it is not jeopardised.

 **56%** BELIEVE THAT PEOPLE ARE LESS LIKELY TO GET PROMOTED IF THEY WORK PART-TIME

 **54%** OF PART-TIMERS WOULD ACCEPT PROMOTION IF IT ALLOWED THEM TO KEEP THEIR PART TIME STATUS

We also see that a majority of part-time workers are keen for more hours to increase their earnings. This suggests the existence of two distinct cohorts of part-time workers: one group who are underemployed because they want to contribute more hours to earn more money, and another whose over-riding priority is their part-time or flexible working status and so are underemployed because of their perceived conflict between the opportunity for a higher hourly rate and the ability to work part-time. Understanding the differences between these two groups is key to unlocking the economic potential of retail workers.



50%

OF THOSE AGED 18-44 REPORT THAT RETAIL IS THE ONLY WORK THEY COULD FIND



45%

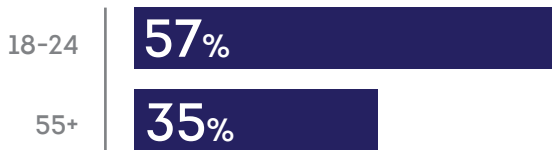
OF THOSE RECEIVING TAX CREDITS: RETAIL IS THE ONLY WORK THEY CAN FIND

54% "I TOOK THIS JOB BECAUSE I NEED FLEXIBILITY AROUND MY OTHER COMMITMENTS"

CASH VS. EMPLOYER BENEFITS

Low paid employees are eligible for a wide range of employer benefits. Over 4 out of 5 receive staff discounts. The research suggests we can do more to personalise the benefits to the preferences of different cohorts. Whilst the majority of young employees would prefer a cash substitute, this figure reduces significantly for those over 55.

PREFER CASH vs PERKS?



LEVEL OF MOTIVATION VS. UNTAPPED POTENTIAL

The majority of those surveyed showed a clear motivation to give their best at work, though there is a clear mid-career 'dip' suggesting untapped potential and opportunities to improve productivity in the industry.

67% FEEL MOTIVATED TO GIVE THEIR BEST AT WORK



Most people say that they often see ways in which things could be done better, but many also feel their ideas would not be taken seriously. There is an opportunity to engage more openly with our people to enable them to initiate improvements to working practices and take additional responsibility.

HAVE IDEAS OF HOW THINGS CAN BE DONE BETTER



OF WHICH ONLY
44% FEEL THAT
IDEAS TAKEN
SERIOUSLY



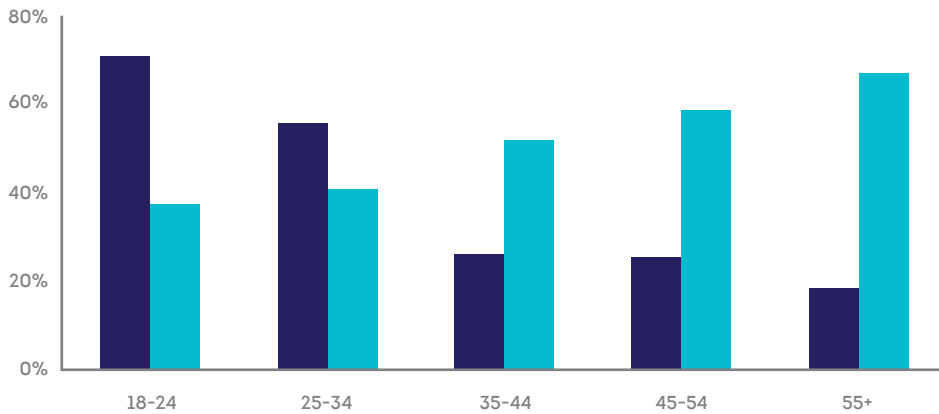
52%

OF WORKERS THINK
THAT THEY ARE
OVERQUALIFIED FOR
THE WORK THEY DO

LEVEL OF AMBITION VS. SUPPORT TO PROGRESS

Fewer than half of low paid employees agree with the statement “I feel ambitious to progress my career”. Age is the dominant theme, with ambition fading as the age group rises. The variation is striking as highlighted in the chart below.

LEVELS OF AMBITION:



✗
44%

BELIEVE THAT IT IS NOT WORTH GETTING PROMOTED AS YOU HAVE TO WORK A LOT HARDER FOR NOT MUCH MORE PAY

- "I FEEL AMBITIOUS TO PROGRESS MY CAREER"
- "I'D BE HAPPY IF I HAD THE SAME JOB TWO YEARS FROM NOW"

However, there is also a significant proportion who choose not to seek job progression – either due to lack of aspiration or because pay differentials are not seen to reflect the level of additional responsibility.

.....
42%

THINK THAT THERE IS NOT MUCH SUPPORT AND ENCOURAGEMENT TO GO FOR A PROMOTION

.....
24%

DO NOT KNOW HOW TO GO ABOUT GETTING A PROMOTION

.....
42%

FOR 18-24 YEAR OLDS

.....
✓
45%

ARE HAPPY WITH THEIR JOBS AND SEE NO REASONS FOR CHANGE

There are opportunities around providing more or different support for those who do want to improve their pay and career prospects, as employees do not see that there is a lot of support available.

Training is an important way to improve performance. Though a significant majority receive some form of training, only one in five report that training they received allowed them to earn more in their role.

THE OPPORTUNITIES

As we highlighted in our first report *Retail 2020: Fewer but better jobs*, a reduction in the number of jobs seems inevitable. Retailers themselves will respond individually to the changing environment of doing business and the cost pressures of new Government policies.

There will undoubtedly be positive outcomes for some. Productivity will improve and increasing rates of pay will provide added impetus for improving the quality and contribution of the remaining jobs in retail. Our aspiration is that the jobs that remain are better jobs.



-
- Best route to social mobility (“get in, get on” in life)
 - Rich, rewarding career while maintaining flexibility
 - Community hub, positive role in society
 - Diversity and inclusion leader
-



-
- Some tasks are automated to enable higher value added roles – better use of “human touch”
 - Wide variety of roles
-



-
- High calibre leaders – widely recognised training ground for general management, highly sought after jobs
 - Leadership in local community
-



-
- Opportunities for progression regardless of academic background
 - Training ground for core employability skills
 - Most jobs above NLW, attractive rewards and benefits package
 - More entrepreneurship in the industry
 - Higher job satisfaction
 - Lower turnover – and more accepted practice of people leaving and returning
-

The findings of the survey point to four areas we can explore further as an industry to move closer to achieving that aspiration of *better jobs*. They present opportunities to make positive changes and build on the important role that retail provides and we have highlighted here the questions for consideration.

HOW THE EMPLOYMENT OFFER IS PERSONALISED TO DIFFERING LIFE NEEDS

Every retail employer would like to enable those of our people who would like to, to progress, and offer competitive packages to various groups of employees which are more suitable for their needs. There are several questions we can think about as an industry:

- There are cohorts of people who want more hours and others who value their flexibility more – how can we understand and personalise the needs to each better?
- Benefits and perks – are there more opportunities to offer different packages – discount, pension, other benefits - that are more suitable for their life stage?
- How well do we support employee well-being through our benefits?

HOW TRAINING SUPPORTS PROGRESSION

The industry provides a lot of training. Around three quarters of employees report that they have received training in their current role, these figures being higher than those generally reported in the Labour Force Survey or employer surveys such as those carried out by UKCES. The investment in training may be linked to high turnover rates in the industry and the need to provide employees with better skills.

However, the link between training, the acquisition of new skills, enhanced productivity and pay progression is less clear. Less than one in five thinks their training has enabled them to earn more money.

- How can we develop our training/what other types of training can we provide to ensure better outcomes for our employees and employers?
- Does the apprenticeship levy provide a route to this?
- Is the link between training and progression sufficiently well understood?
- Does the apprenticeship levy provide an opportunity to measure outcomes?

HOW PROGRESSION IS ENABLED ACROSS VARIOUS GROUPS IN DIFFERENT WAYS

The levels of motivation and aspiration vary with age and other circumstances, but there is more we can do to provide a better career advice and support to our people. While some, like the younger generation, may need more advice on how to go about promotions, others may need more support to build their confidence.

- Do people have access to the right career advice to encourage progression?
- Are there new and better ways to support talent on the front line?
- Are there more opportunities to address progression of disadvantaged groups and ethnic minorities?

HOW PEOPLE ARE ENGAGED IN IMPROVING PRODUCTIVITY

Most low paid retail employees feel motivated to give their best at work and say that they often see ways in which things could be done better, but many also feel their ideas would not be taken seriously and/or that they are over qualified for the work they are doing.

- How can we make sure that we really listen to our employees?
- How do we engage with them to capture their ideas better?
- What stands in the way?

CONCLUSION

Retailers are adaptable by nature. Change is a constant and the retail industry in the UK has evolved more effectively than in most other advanced economies, with the result that the UK is one of the most competitive markets in the world and a leader in ecommerce.

That rate of change is now set to quicken. The result will see improvements in the quality and variety of the offer to customers, continuing competitiveness in pricing and greater productivity from fewer but better jobs. These changes are already obvious and they are being driven predominantly by changing customer behaviour and increasing competitive capability.

However, there are downsides. Firstly in the impact on employment which we highlighted in the first report in the *Retail 2020* series, *Fewer but better jobs*. Secondly, for those most vulnerable in the retail workforce, which this research re-enforces.

For policy makers, the most significant finding is that low pay does not necessarily equate to poverty. As there will be fewer local retail jobs in the future, there is a middle aged core of workers who are the most vulnerable to the ongoing structural changes in the industry.

There are also opportunities. This research highlights a series of perceived trade-offs which may be holding back some people from fulfilling their full potential or optimising their pay.

The retailers who are working together under the leadership of the BRC are considering how these trade-offs can be addressed and exploring what steps can be taken across the industry to ensure that the employment opportunities are as attractive, accessible and well remunerated as possible.

Our third report in the *Retail 2020* series, *Retail 2020: Solutions* will seek to influence this thinking further and describe the various possible options we will have identified for the industry to tackle these challenges and opportunities.

THE DETAILED RESEARCH



INTRODUCTION FROM TOOLEY STREET RESEARCH

There is no shortage of discussion around low pay and poverty in the British public debate. However, it would be wrong to presume that all those in low pay are also in poverty. The situation faced by a degree student working part-time while living at home in the holidays is very different to that of a parent with young children needing to pay the rent, even if their hourly rate is the same.

With issues of pay and benefits very much in the public eye over the course of 2015, we were pleased to have the opportunity to work with the British Retail Consortium to conduct primary research amongst front-line employees in the retail industry. Our purpose was simple: to explore which groups of retail employees were of most policy interest and to find out more about their experiences of issues around opportunity and promotion. Our starting point was for those who find it hard to make ends meet; working in retail should provide opportunities for improvement.

Our results suggest that there are issues that merit further consideration such as around opportunities for part-time promotion, levels of under-employment, ambition and the need for convenience and flexibility in people's working lives. If policy solutions are designed that go with the grain of these insights, they have the potential not only to improve the experiences of those working in the retail industry, but also to raise Britain's economic performance through better use of talent.

A handwritten signature in cursive script that reads 'Kitty Ussher'.

KITTY USSHER

Managing Director
Tooley Street Research

METHODOLOGY

We decided that our aims were best achieved in a two-stage process consisting of, first, a new analysis of the Office of National Statistics Understanding Society and Family Resources Survey datasets in order to segment front line retail employees into their constituent groups.

A cluster analysis was performed in order to identify the dominant characteristics of each group, from a potential list that included variables such as age, benefit entitlement, family circumstance, educational status, hours worked and attitudes to work. This led to the development of a typology of front line retail workers, with a distinct name for each group and their indicative sizes and key characteristics. The results of this analysis are included on page 6 in the earlier *Understanding our people* section of this report.

In the second stage, we took the results of the cluster analysis and used it to commission and weight a new poll of front line retail workers to obtain further detail on the attitudes and circumstances of each group that had been identified, and also to explore some of the other questions that emerged as priorities during the scoping stage. The questionnaire that we used was agreed with the BRC, and those involved in their work, in advance.

Finally, we analysed the data received from the polling to draw out the results both by subject, and also by age group, and discussed the conclusions and implications both for policy-makers and for retail companies.

Throughout, we use a cut off pay rate of 20% above the October 2015 minimum wage to define our 'front line' cohort. This was designed to be consistent with previous research and also to ensure that it broadly corresponded to the group of people working between the hourly pay rate given by the 2015 national minimum wage and the level advocated by living wage campaigners.

Note: Unless otherwise stated, the source for the data presented is the Suration Retail Workers Survey for Tooley Street Research 2015. Suration is a member of the British Polling Council and abides by its rules.

RESULTS: POLLING

We worked with Suration to conduct online polling of 1,031 people earning an hourly rate of up to 20% above the then minimum wage, or less than £8.05 per hour, in the retail industry from 6th-20th October 2015.

From the cluster analysis stage we ensured that the sample was weighted to be representative of the population of low paid retail workers as a whole in terms of the gender balance, the proportion who were students, and the distribution across different age groups.

We also structured the survey to ensure we could segment the results by whether the individual was in receipt of tax credits, were a single parent, the main, second or joint earner in the household, worked part-time, and self-identified as being white or from an ethnic minority. We also obtained a geographic breakdown and additionally categorised respondents by their highest level of education and standard socio-economic grouping.

Having obtained a representative sample of low-paid workers, we started by testing our previous typology by asking questions around attitudes to work and career aspirations, followed by questions on specific issues identified as of particular interest during the scoping phase, namely:

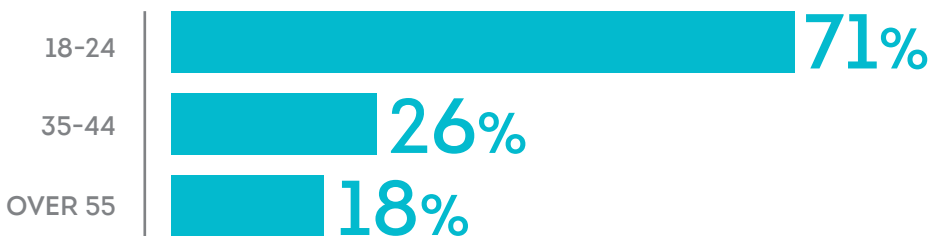
- issues related to productivity, such as motivation, training and innovation;
- barriers to progression;
- control over shift patterns;
- what they value in their job; and
- their views on the retail industry.

For each subject area, we report the results with the key findings in each and a description of the ways in which these findings vary by demographic group, employment status, region and the other variables under consideration.

SUBJECT AREA 1:

ATTITUDES TO WORK AND CAREER ASPIRATIONS

WANT TO PROGRESS YOUR CAREER?



AGE
IS THE KEY
FACTOR

54%
AGREE

"I TOOK THIS JOB BECAUSE I NEED FLEXIBILITY AROUND MY OTHER COMMITMENTS"

54%
WANT MORE
HOURS

CAREER AMBITION

Fewer than half of low-paid retail employees (44%) agree with the statement: “I feel ambitious to progress my career”. This is a larger proportion than those who disagree (41%), but a further 15% neither agree nor disagree.

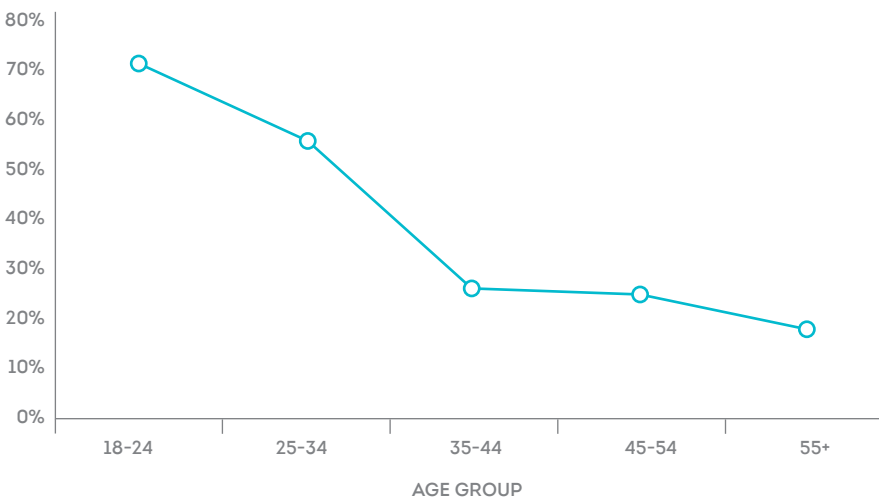
Age is the dominant theme (Chart 1), with a striking fall in the proportion of employees who feel ambitious from 71% of 18-24-year-olds to 18% of those aged 55 or above. Only one in five (20%) of the youngest age group are not ambitious to progress their career, but this rises to more than half (52%) of 35 to 44-year olds asked the same question.

In contrast, gender does not appear to influence career ambitions in a statistically significant way. Variations by employment status are present but fairly small, with full-time workers slightly more likely to agree with the statement (48%) than those working part-time (42%).

Both single parents and BME employees are much more likely to feel ambitious to progress their careers than the average across all groups, with 59% and 72% respectively agreeing with the statement compared to the average of 44%, although the small sample size for BME employees means that this finding should be treated with caution.

Results also vary by social classification, with the proportion of employees in social groups D and E less likely to agree that they feel ambitious (38% agree) than those in C1 for example (56% agree).

CHART 1: “I FEEL AMBITIOUS TO PROGRESS MY CAREER”



Note: Proportion in each age group who agree or strongly agree with the statement: “I feel ambitious to progress my career”.

CURRENT JOB ROLE “FIT”

A significant proportion - more than two in five (45%) of low-paid retail employees - agree with the statement: “This is not the job I want, but it’s the only work I could find”. Two in five (40%) employees disagree while a further 16% are neutral about this statement.

More than half (54%) of 18-24 year olds say that they are not doing the job they want to be doing, and nearing half of those aged between 25 and 44 agree. After the age of 45 the proportion of people saying this drops off considerably, however, standing at 35% of those aged 55 or above.

A higher proportion of BME employees (58% agree) feel that they are not in the job they want compared to white employees (44%), although the sample size is small. Bearing this in mind, the contrast is nevertheless greater than differences by gender, with 49% of men agreeing with the statement compared with 43% of women.

Given that many are not in the job role they want; how would they feel about still being in the same job in two years’ time? Quite a high proportion, around half (49%), of retail employees agree with the statement: “I’d be happy if I had the same job two years from now”. The remaining half either disagree (36%) or are not sure (15%).

Table 2 shows some more breakdowns. Younger respondents and students are far less likely to agree that they would be happy doing the same job in two years’ time. But as the age group rises, the proportion that is happy to stay put increases, from 37% of the 18-24 age group (and 35% of students) to 67% of those aged 55 or over.

TABLE 2: “I’D BE HAPPY IF I HAD THE SAME JOB TWO YEARS FROM NOW”

YES	MARGINAL	NO
- People aged 45 and over	- Women	- Men
- People in Wales	- People aged 35 to 44	- Students
- Second earners	- Main earners	- People aged 18 to 34
- People in the Midlands	- People in the North or South of England	- People in London
- People educated to GCSE level		- Joint earners
		- People in Scotland
		- People with a degree

Note: Groups where either significantly more than 50% (yes), around 50% (marginal) or significantly less than 50% (no) are likely or strongly likely to agree with the statement.

London employees stand out as keen to move on from their current job, with only 30% saying that they would be happy to be in the same job in two years’ time (possibly influenced by the younger age profile of the London workforce). In contrast, those in Wales are more inclined to be content to stay put for the next two years, with 64% agreeing, while other regions look similar to the national average.

LIFE CONSIDERATIONS

A clear majority (54%) of retail employees agree with the statement: “I took this job because I need flexibility around my other commitments”. One in four (24%) agree strongly. Interestingly, this flexibility is seen as important by all age groups, who may be balancing study, caring or other responsibilities with work, although it is also possible that many respondents are also juggling one job with other paid employment.

This flexibility is a huge draw for students, with four in five (80%) agreeing that they took their retail job to balance work with other commitments. Flexibility is also a more important consideration for women (59% agree) than men (43%), for part-time workers (63%) than those working full-time (36%), and for those in receipt of tax credits (60%) more than those who are not (52%).

HEALTH

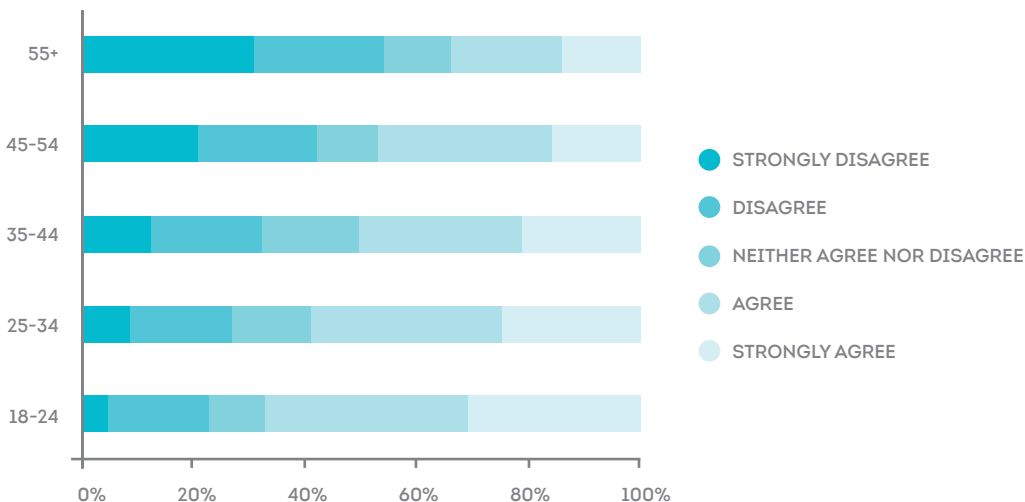
One in five (19%) retail employees agrees with the statement: “My personal health is such that this is the only job I felt comfortable doing” suggesting that health is a major career-limiting factor for a significant minority, particularly for the 5% who strongly agree with the statement.

While a lesser proportion of 18-24 year olds agree, there is no obvious age pattern after that, with 23% of 25-34 year olds, 45-54 year olds and those aged 55 or over all agreeing with the statement above (compared to 18% of those aged 25-34).

DEMAND FOR MORE HOURS

A majority of retail employees (54%) agree that they want more hours in order to earn more money, while 33% disagree. This is particularly true of the 18 to 24 age group (of whom 67% agree) falling back as age increases until the position is reversed amongst those aged 55 or above, of whom a majority (54%) disagree with the statement (Chart 2).

CHART 2: “I WANT MORE HOURS TO EARN MORE MONEY”



More than two-thirds of both single parents (64%) and students (65%) wish to increase their income through increased hours. Those in receipt of tax credits are more likely to want to do this (57%) than those who are not (52%), perhaps signifying higher levels of economic distress amongst those in receipt of means-tested benefits, while part-time workers are keen for more hours (57%) than those working full-time (48%), demonstrating that not all part-time workers choose that status.

While a higher proportion of employees in London want increased hours than those elsewhere in England (63% agree with the statement), employees in Wales are more likely to want more hours of work than those in England or Scotland as a whole, with 68% agreeing with the statement, compared with 55% in Scotland and 53% in England.

PROMOTION TO EARN MORE

A substantial minority of retail employees want promotion in order to earn more. The proportion that do (43%) outweighs the proportion that say they do not (40%), although 17% neither agreed nor disagreed that they wanted promotion to earn more money. As with wanting more hours, responses vary hugely by age, with the proportion that agree with the statement falling back dramatically from the 35-44 group onwards.

The messages around part-time working, parents and gender are complex. The contrast by gender is relatively small, with 41% of women agreeing that they want promotion compared with 46% of men. However, the contrast between full-time and part-time workers is much stronger, with 55% of full-time workers agreeing that they want promotion compared with 37% of part-timers.

Moreover, single parents are much more likely to agree that they want promotion in order to earn more (61%) than everyone else (41%). This challenges assumptions about either gender or parental status when it comes to career ambition. But the low proportion of part-time workers who see promotion as a way of increasing their earnings - in contrast to the 57% of part-timers who want to increase their earnings by doing more hours - suggests that they are less likely to see promotion as a viable option.

SUBJECT AREA 2: PRODUCTIVITY

52%

FEEL OVER-QUALIFIED

67%

MOTIVATED TO GIVE THEIR BEST

62%

"MY EMPLOYER KNOWS HOW SKILLED I AM"

72%

SEE WAYS TO DO THINGS BETTER

73%

HAVE HAD TRAINING ROLE BUT ONLY

19%

SAY IT HAS ENABLED THEM TO EARN MORE

FULFILLING POTENTIAL

We asked retail employees to consider a series of statements about the extent to which they felt that their employer was making the most of their skills and potential. A slight majority (52%) of retail employees agree with the statement: “I feel overqualified for the work that I do”, while one in three (33%) disagreed.

This was particularly true of:

- Employees aged between 25 and 34 (60% agreed with the statement); and
- Those in receipt of tax credits (58% agreed).

But when asked whether they agreed with the statement that: “my employer knows how skilled I am”, more employees answered affirmatively (62%) than negatively (24%). BME employees were particularly positive on this point, with 73% in agreement and 18% disagreeing.

The youngest employees were more positive that their employer was aware of their skills than other age groups, with 67% in agreement, although those employees aged 55 or above were also more positive than those in the middle age groups, with a high proportion (24%) agreeing strongly with this statement.

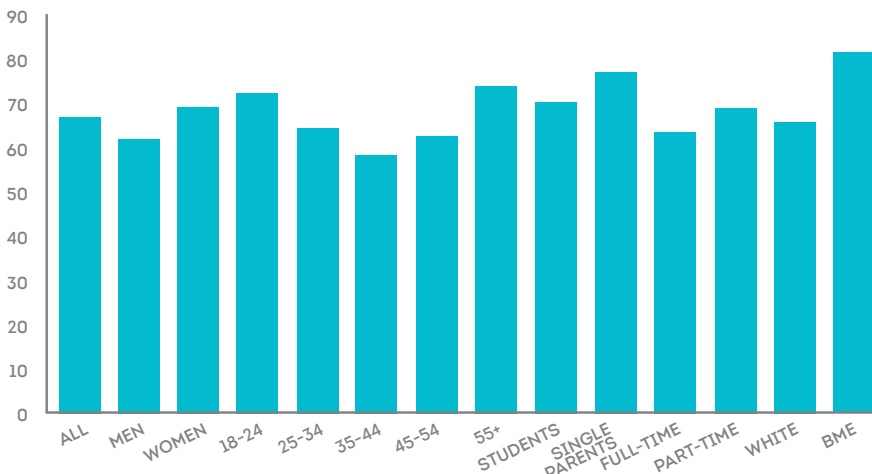
There is a difference between employer awareness of employee’s skills, however, and their understanding of employee’s longer-term career ambitions and aspirations. Asked for their views on the statement: “My employer knows about my ambitions and aspirations”, a substantial minority (46%) answered affirmatively, 38% said that they disagreed with this statement and 16% did not know.

Levels of agreement were more positive amongst:

- the youngest (18-24) age group (59% agreed), hitting a low amongst employees aged 45 to 54 (33%);
- BME employees (66%) than white employees (44%);
- single parents (55%) than other respondents (45%); and
- men (50%) than women (44%).

Overall, 67% of retail employees agreed with the statement that: “I feel motivated to give my best at work.” Of the remaining third, 15% neither agreed nor disagreed and 18% disagreed – 5% strongly so. The highest levels of agreement with this statement were expressed by BME employees, single parents and the youngest and oldest age groups.

CHART 3: “I FEEL MOTIVATED TO GIVE MY BEST AT WORK”



Note: the proportion of respondents who agree or strongly agree with the statement.

BEING LISTENED TO

A significant majority of retail employees say that they often have ideas about how things could be done more effectively in their workplaces, but only a minority feel that their ideas are taken seriously by their employer.

Almost three-quarters (72%) of retail employees agreed with the statement: “When at work I often see ways things could be done better for the business”. Just 11% disagreed, although a further 17% neither agreed nor disagreed.

Yet when those who agreed with the statement above were asked whether they felt their ideas were taken seriously, only 44% thought that they were.

Employees aged 45 and above were both most likely to come up with ideas but also most likely to believe that their ideas would not be taken seriously. Amongst those aged 45-54, for example, 31% believed that their employer would take their idea seriously but 47% did not, including 19% who strongly disagreed that the employer took their ideas seriously.

PROVISION OF TRAINING

Overall, around three-quarters (73%) of employees in our survey report that their employer has provided them with training in their current role, while 27% say that it has not. These figures are higher than those generally reported in the Labour Force Survey or employer surveys, such as those carried out by UKCES, perhaps indicating that our survey was insufficiently precise in describing what was meant by “training”¹.

The findings also include some counterintuitive results. While previous research suggests that women and part-time workers tend to have greater difficulty accessing training, our findings show that a greater proportion of part-time workers (76%) report having received training in their current role than full-time employees (67%). Women were more likely to have received training in their current role (76%) than men (67%).

In age terms, access seems to be lowest amongst employees aged between 25 and 54, but higher for those in the 18-24 and 55-plus age groups.

One group that appears to be losing out on workplace training is those employees in receipt of tax credits, of whom 64% report having received training to perform their current role compared with 74% of those who do not receive tax credits.

IMPACT OF TRAINING ON PAY

Fewer than one in five retail employees (19%) who have received training in their current role think that it has enabled them to earn more money. Three-quarters (76%) think that it has not, while 6% do not know. Segmented analysis suggests that:

- the picture is worse for employees aged 45-54 or 55 and over, than for younger age groups. In the latter group, fewer than one in ten (9%) think that training has resulted in higher earnings, while 90% think that it has not;
- BME employees are slightly more positive than white employees, with 24% considering that training has resulted in a pay rise, compared with 18% of white employees.

Elsewhere in the data there are few variations to the message that for the majority of employees, there is no clear link between training and pay progression.

¹ For example, see the figures cited in UKCES's Sector skills insights report on the retail sector, July 2012.

SUBJECT AREA 3: BARRIERS TO PROGRESSION

56%

BELIEVE PEOPLE ARE LESS LIKELY TO BE PROMOTED IF THEY WORK PART-TIME

60%

KNOW HOW TO GO ABOUT GETTING PROMOTED

45%

HAPPY IN THEIR CURRENT JOB ROLE/ SEE NO NEED FOR CHANGE

39%
AGREE

TAX CREDIT RECIPIENTS:
"THERE IS NO POINT GETTING A PAY RISE BECAUSE I WOULD LOSE OUT IN TAX CREDITS OR OTHER BENEFITS"

47%
DISAGREE

WORKING PART-TIME

A majority of retail employees (56%) believe that people are less likely to be promoted if they work part-time. Interestingly, people in the youngest two age groups are more likely to believe this is the case than older workers, with 67% of 18-24 year olds believing this to be the case compared with 44% of workers aged between 45 and 54. It is not the case that part-time workers or women feel more strongly that this is the case than full-time workers or men, however.

An even bigger majority (65%) agree with the statement: "I would take a job I was overqualified for, if it offered flexibility in my hours." A majority of all age groups agreed with this statement, except for those aged 55 and over. This result shows how flexibility is more important than achieving one's potential for a large proportion of retail workers: conversely it also suggests that once flexibility is achieved and secured, there may be potential for individuals to contribute more, as long as it is not jeopardised.

The proportion of women agreeing with this statement (67%) is higher than the proportion of men (60%), while part-time workers are more likely to agree (67%) than those working full-time (61%). Single parents are particularly likely to agree, with more than three-quarters (79%) agreeing, as well as those in receipt of tax credits (70%).

We asked part-time workers how they feel about a promotion opportunity that might involve working full-time hours. More than half of respondents (54%) agreed that: "I'd accept a promotion if I was offered it, but only if I could keep my part-time status." This was particularly important for younger age groups, women, students and single parents (see Table 4).

The need for employers to offer promotion opportunities that do not involve the sacrifice of part-time working arrangements is reinforced by the response of part-time workers to a further statement: "I'd accept a promotion if I was offered it, even if it meant I had to work full-time". Fewer than one in three (29%) part-time employees agree with this statement, while 57% disagree.

When combined with the earlier result that 57 per cent of part-time workers are keener for more hours, presumably through a desire to increase their earnings, this suggests the existence of two distinct cohorts of part-time workers: one group who are underemployed because they want to contribute more hours to earn more money, and another group whose overriding priority is their part-time or flexible working status and so are underemployed because of their perceived conflict between the opportunity for a higher hourly rate and the ability to work part-time. This suggests that understanding the differences between these two groups is key to unlocking the economic potential of retail workers.

TABLE 3: "I'D ACCEPT A PROMOTION IF I WAS OFFERED IT, BUT ONLY IF I COULD KEEP MY PART-TIME STATUS"

	ALL	MEN	WOMEN	SINGLE PARENTS	STUDENTS
Strongly disagree	14.0%	11.9%	14.6%	12.4%	4.9%
Disagree	16.2%	19.4%	15.3%	8.9%	12.8%
Neither disagree nor agree	15.6%	22.1%	13.7%	11.0%	5.4%
Agree	34.4%	30.2%	35.6%	51.3%	42.1%
Strongly agree	19.9%	16.4%	20.9%	16.5%	34.7%

OPPORTUNITIES AND SUPPORT

A majority (56%) think that there are not many opportunities for promotion where they work, although almost one in three employees (31%) disagree.

Almost one in four (24%) of retail employees agree that they "don't know how to go about getting a promotion", although 60% believe that they do. There are differences by age, however. As many as 42% of 18-24 year olds agree that they do not know how to go about getting a promotion, compared with just 7% of workers aged 55 or over. BME employees are also more likely to say that they do not know how to go about getting promoted, with 39% agreeing.

Employees are split over whether their firm encourages them to apply for promotion. While 42% of employees believe that "there is not much support or encouragement available to me to go for promotion" a substantial 39% disagree with this, although 19% neither agree nor disagree.

Interestingly the 25-34 age group is most likely to feel that there is not much support or encouragement (50%), perhaps linked to the fact that they are more likely to have actually applied for promotion than other age groups (see Wanting to be promoted). But part-time workers do not believe this any more strongly than full-time workers, suggesting that they do not see this as a specific reason for being less likely to be promoted than full-time workers.

SKILLS AND EDUCATION

Retail employees do not see their own level of skills and education as a major barrier to promotion. In fact, 75% disagree with the statement: "I haven't got the necessary skills and education to get promoted" and only 15% agree, many of whom do fall in the group with the lowest educational qualifications. There are high levels of strong disagreement consistent across both genders and all age groups. The only exception, however, concerns BME employees, of whom 28% agree that they do not have the necessary skills and education, more than double the finding for white employees (13%). Caution is required due to the small sample size but this may be an area of employee perception that needs exploring by employers, in particular if this group does actually have similar levels of qualifications to their non-BME colleagues.

WANTING TO BE PROMOTED

Our survey finds that 45% of employees agree that: "I am happy in my current job and see no need to change." While 36% disagree with the statement - including 15% who strongly disagree - the remaining 20% are neutral. Those in the youngest age group (18-24) are much less likely to agree with this statement than older age groups: 37% of them agree with this statement compared to 63% of those aged 55 or above. Women (47%) are more likely to agree with the statement than men (38%).

Employee views on the statement: "I apply for promotions but haven't yet been successful" are revealing. Only one in ten (10%) employees say that this has been their experience, while 81% disagree. Men (16%) are twice as likely as women (8%) to agree, while 25-34 year olds (16%) are more likely to have applied for promotion than other age groups. Of course actually applying for promotion will depend on the opportunities available, which a majority of employees believe are limited where they work (see opportunities for promotion above).

FAMILY COMMITMENTS

Family commitments are not seen as a barrier to promotion by the majority of retail employees, with 60% disagreeing with the statement: "I'd be worried about a promotion because of my family commitments." More than one in four (27%) agree that they would be worried, however, rising to 35% amongst 25-34 year olds and 41% of those in the 34-45 age bracket. Women are more likely to be concerned about this than men (30% of women agree compared to 20% of men) while part-time workers (30%) are more concerned than full-time workers (21%), supporting the thesis of a significant minority of part-time workers who are constrained from achieving their potential in the workforce due to their wider circumstances. Single parents are noticeably more likely to be worried about this (35%) than employees who are not single parents (26%).

A high proportion - 44% - of tax credit recipients say that they would be worried about a promotion because of family commitments, suggesting that breaking down this perception could be a good route to alleviating economic hardship.

WHETHER PROMOTION IS WORTHWHILE

In much of the retail industry it is common for the differential between team member and team manager jobs, for example, to be relatively small – a situation that may well be reinforced when the forthcoming National Living Wage lifts minimum pay rates substantially in April 2016 if employers do not take steps to maintain pay differentials.

Asked for their views on the statement: “It’s not worth being promoted as you have to work a lot harder for not much more pay”, slightly more employees agree (44%) than disagree (42%) that this is the case. Employees aged 25 or over are more likely to think that this is the case than 18-24 year olds, especially those aged between 45 and 54, of whom a clear majority of 54% agree that it is not worth it.

Lastly employees in receipt of tax credits are more likely to see the disadvantages of promotion as outweighing the benefits - with 53% agreeing that promotion is not worth it compared with 43% of those not receiving tax credits.

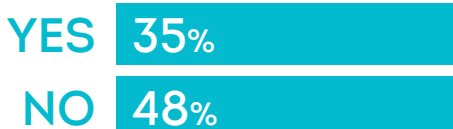
STATE BENEFITS

For those in receipt of state benefits, the tapering off of tax credits and other benefits when pay increases is sometimes thought to be a major disincentive to earning more. We asked employees for their views on the statement: “There’s no point in being paid more, because I’d lose out in tax credits and/or other state benefits.”

Generally, most employees do not think that this is the case. Fewer than one in five (18%) employees say that they agree with this statement while 70% disagree, including 41% who strongly disagree, suggesting strong feelings about this issue. However, of those actually in receipt of tax credits, a much higher proportion - 39% - agree that there is no point in getting a pay rise for this reason, although this is lower than the proportion of people on tax credits who disagree, at 47%, implying less of a disincentive than the public perception of the issue might suggest.

SUBJECT AREA 4: CONTROL OVER SHIFT PATTERNS

EASY TO CHANGE LAST MINUTE?



53%
SAY WELL
PLANNED AND
ORGANISED

While flexibility is clearly highly valued, a lack of control over shift patterns is sometimes cited as a drawback of working in the industry and a source of employee dissatisfaction. It can also be a key determinant of a sense of stability at home for those with young families. For that reason, our survey asked for views on three statements concerning shift patterns (see Table 4).

A small majority (53%) agree that the shifts at their workplace are planned far in advance in a well-organised way, but 30% disagree. Groups that tend to be less satisfied than others with how shifts are organised include men more than women (49% compared to 55% agree) and people in the 44-54 age bracket (48% agree). There is an interesting national dimension. Retail workers in Scotland (40%) are far less inclined to agree that shifts are well-planned and organised than those in England (55%) or Wales (58%).

TABLE 4: CONTROL OVER SHIFT PATTERNS

	“THE SHIFTS AT WORK ARE PLANNED FAR IN ADVANCE AND WELL-ORGANISED”	“THE PLANNING OF SHIFTS IS MAINLY ORGANISED AROUND MY NEEDS”	“MY SHIFT PATTERNS ARE MAINLY ORGANISED AROUND THE NEEDS OF MY EMPLOYER”	“IT IS EASY TO CHANGE SHIFTS AT THE LAST MINUTE IF I NEED TO”
Disagree strongly	12.9%	23.0%	6.7%	23.9%
Disagree	16.8%	25.7%	14.8%	24.1%
Neither agree nor disagree	17.1%	17.4%	15.8%	17.0%
Agree	31.5%	22.1%	33.6%	24.4%
Strongly agree	21.8%	11.8%	29.2%	10.6%

Two questions sought to identify the balance of how employees felt their interests and their employer’s interests were taken into account when setting shift patterns. Despite reasonable levels of satisfaction with how shifts are organised, only a minority of employees think that shifts are mainly organised around their needs. Around one in three (34%) of employees think that shifts are organised around their needs, while 49% do not. Instead, 63% of employees believe that shift patterns are mainly organised around the needs of their employer.

While more than one in three employees (35%) think that it is easy to change shifts at the last minute if they need to, almost half (48%) do not. Again, the only very noticeable variation between different groups is that a smaller proportion of employees in Scotland agree that it is easy (28%) than those in England (35%) or particularly Wales (47%).

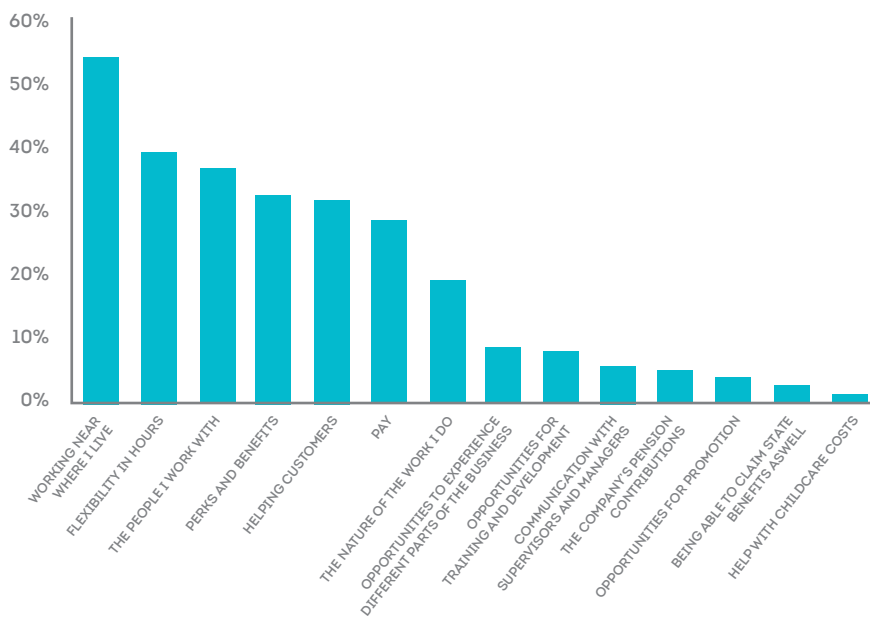
SUBJECT AREA 5: WHAT DO LOW-PAID RETAIL EMPLOYEES VALUE ABOUT THEIR JOBS?

TOP REASONS TO WORK IN RETAIL



As Chart 4 shows, with the exception of “the nature of the work I do” selected by 19% of respondents, other factors - such as pension, promotion opportunities or being able to claim state benefits as well as working - were only selected by a small minority. Even amongst tax credit recipients, only 6% selected “being able to claim state benefits as well as working” compared with 2% of non-recipients.

CHART 4: MOST IMPORTANT REASONS FOR WORKING IN RETAIL

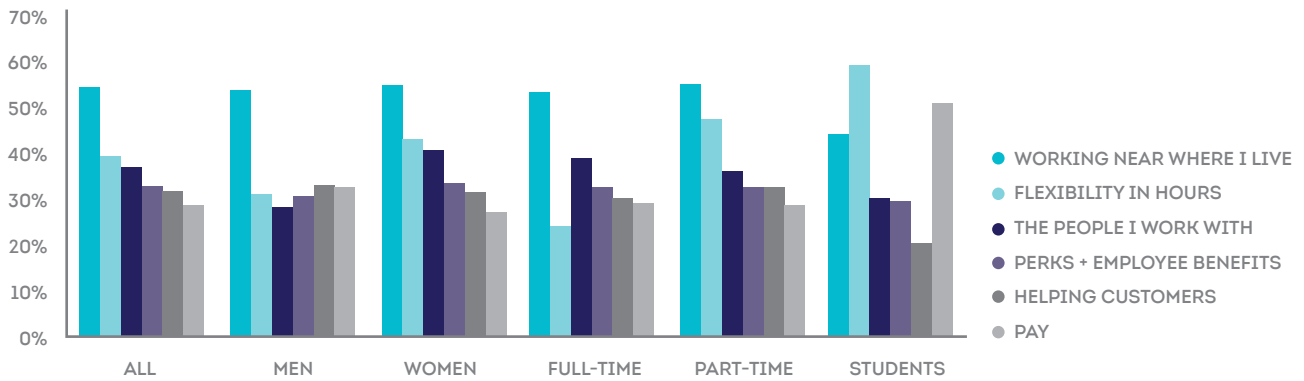


Note: Respondents were asked to choose their top three reasons.

Almost every age group - and every group by any other characteristic - selected the ability to work near where they live as the most important factor. There were two exceptions. Students put flexible working hours and pay above location (although even 44% of students selected “working near where I live” as important). BME employees also put flexible working hours and pay above working close to home.

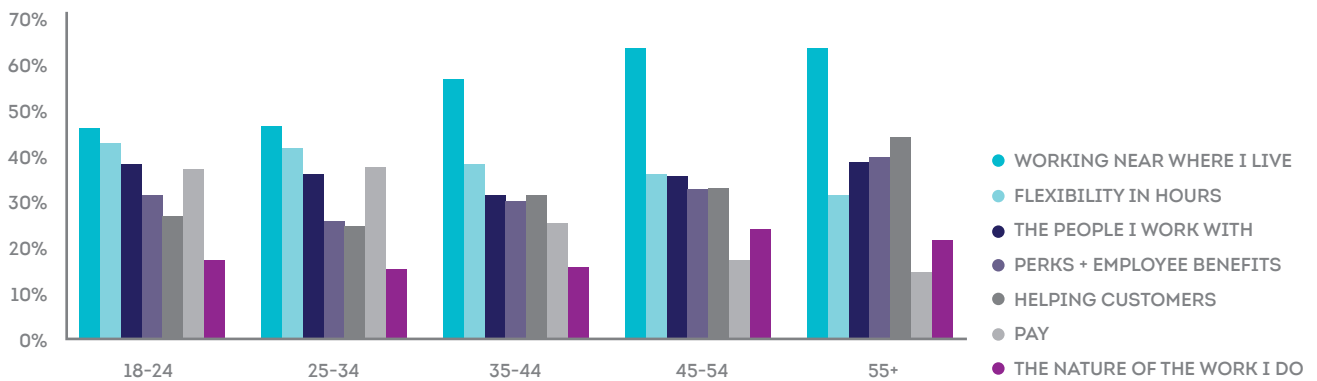
Women are more likely to value working time flexibility and the people they work with than men, while men value pay a little more highly than women (Chart 5). Further down the priority list, men were also more likely to value a company pension (9%) than women (3%).

CHART 5: REASONS FOR WORKING IN RETAIL - GENDER, EMPLOYMENT STATUS AND STUDENT STATUS



By age, the relative importance of working close to home increases, while the importance of pay decreases (see Chart 6).

CHART 6: REASONS FOR WORKING IN RETAIL - BY AGE



SUBJECT AREA 6: THE RELATIVE IMPORTANCE OF PAY AND BENEFITS



84%

RECEIVE DISCOUNTS ON PRODUCTS AND SERVICES



72%

WOULD PREFER THE CASH VALUE INSTEAD

BENEFITS RECEIVED BY STAFF

While rates of pay - particularly starter rates - in the retail industry are low, low-paid employees can be eligible for a wide range of employee benefits. Asked about the benefits they received, the vast majority (84%) received staff discounts on products or services while many benefitted from an annual bonus, long-service awards and free car parking (Table 5). Slightly fewer than one in three (30%) employees say that they receive premia for working unsocial hours, such as evenings or Saturdays, rising to 51% amongst low-paid supermarket staff.

Despite this, some other benefits are relatively rare, such as sick pay during the first three days of absence (received by only 34% of employees) or healthcare benefits such as health checks or counselling. Moreover, part-time workers appear to be benefitting less from many benefits than their full-time counterparts. While 43% of full-time workers said that they received an annual bonus, only 31% of part-time workers did so. Worryingly, only 24% of BME workers say that they receive an annual bonus compared to 36% of white employees, while 23% of BME staff did not know whether or not they received one compared with 11% of white employees.

TABLE 5: EMPLOYEE BENEFITS RECEIVED

Staff discounts	84%
Free car parking	45%
Awards for long service	36%
Annual bonus	35%
Sick pay during the first three days off sick	34%
Unsocial hours premia (e.g. for working Sundays)	30%
Free or cheap meals at work	26%
Internet access at work for your personal use	26%
Paid holiday above statutory requirements	22%
Subsidised leisure benefits e.g. gym membership	14%
Free or reduced-price healthcare benefits such as health insurance, health checks or counselling	13%
Financial help with other household costs such as insurance, money advice	6%
Subsidised travel	5%
Hardship loans	4%

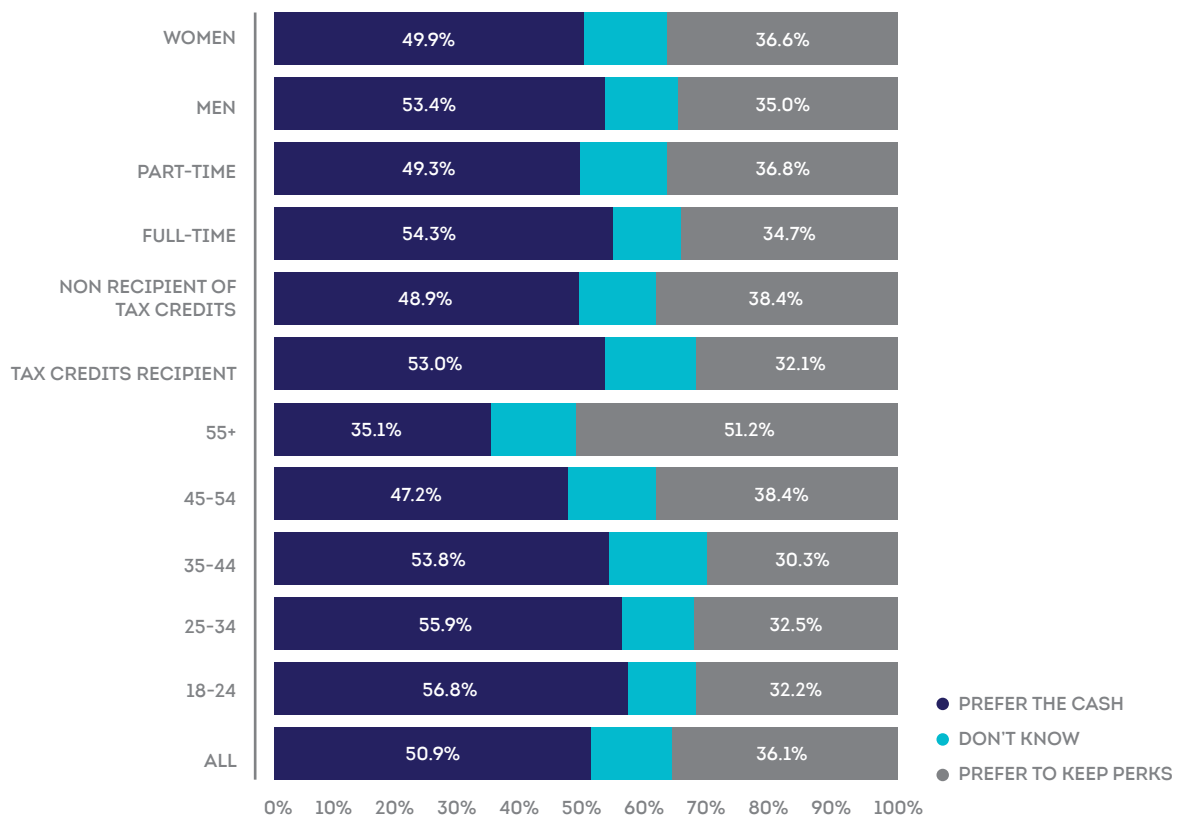
PAY VERSUS PERKS

The relatively good level of employee benefits that frontline retail employees receive compared with their basic rates of pay begs the question as to whether employees would in fact prefer to receive cash - to the value that it costs the company to give the benefits - in place of the benefits themselves. Our survey asked employees this question directly, making it clear that the cash value of the benefit might be less than it costs the employee to buy the benefit themselves.

Overall, marginally more employees would prefer their benefits in cash (51%), but the answer is far from definitive and varies significantly depending on the employee's gender, age, employment status and type of employer amongst other factors. The proportion who would prefer cash rises to 57% amongst 18-24 year olds but falls to 35% amongst those aged 55 or above.

Workers in London appear particularly keen to exchange their perks for cash. More than two-thirds (69%) of low-paid retail workers in London would prefer to receive their benefits in cash compared to 21% who would prefer to keep their perks. This compares to around 50% of workers in the Midlands, South and North who would prefer the cash.

CHART 7: CASH VS. PERKS



SUBJECT AREA 7: THE RETAIL INDUSTRY AS A PLACE TO WORK

53%

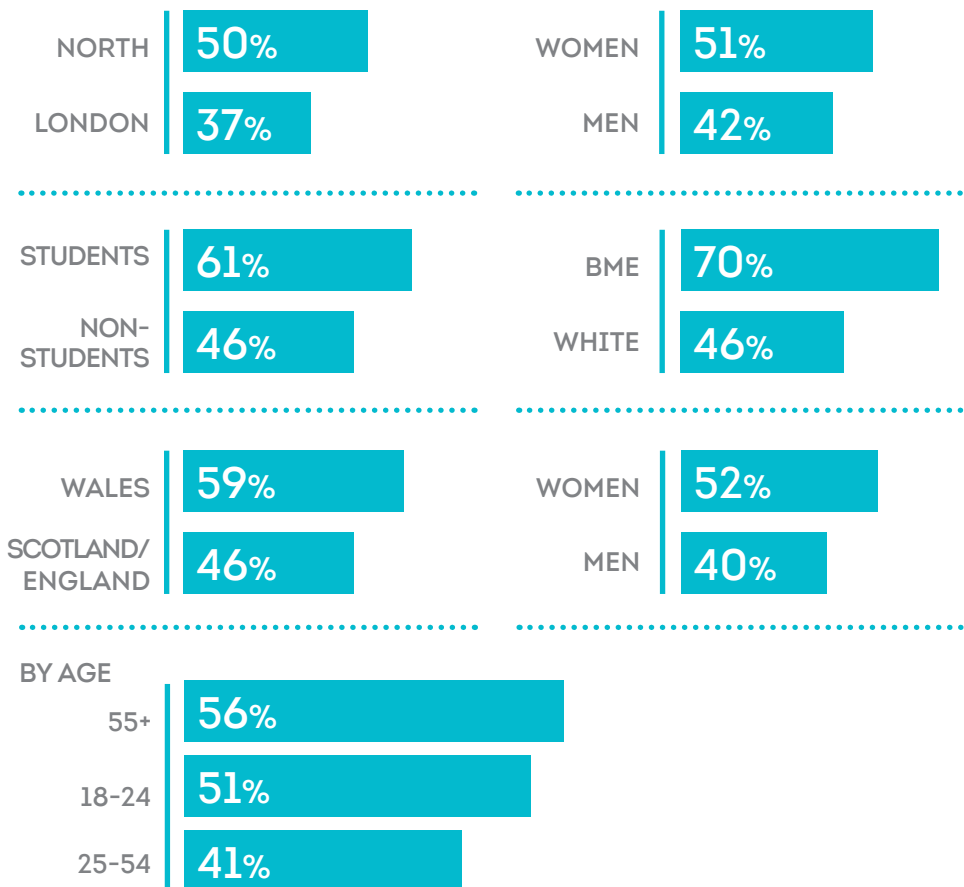
BELIEVE WORKING
IN RETAIL HAS A
POOR IMAGE

48%

PROUD TO WORK
IN RETAIL

Asked whether they agreed with the statement: "I'm proud that I work in retail" 48% of employees agreed (including 18% who strongly agreed), a further 26% disagreed, while an equal proportion (26%) felt neutral about it. The box below illustrates some of the variations that we found.

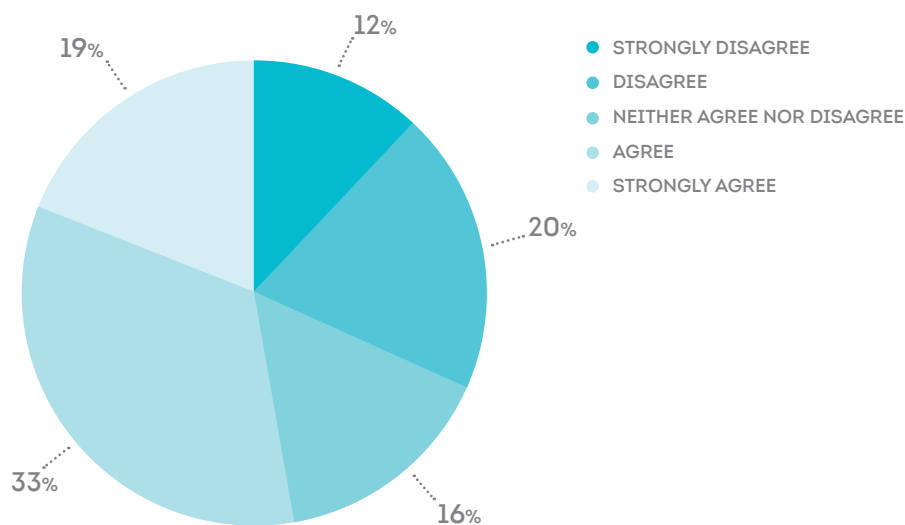
WHO FEELS MOST PROUD TO WORK IN RETAIL?



Note: Proportion indicating that they "agree" or "strongly agree" with the statement: "I'm proud that I work in retail".

Views on a further statement backs up the segmentation differences identified above. Fewer than half (47%) of retail employees say that they like telling people about where they work, but this rises to 56% of people aged 55 and over compared with around 42% of people aged between 25 and 54. Half (50%) of female employees agree that they like to tell people about where they work, compared to 40% of male employees. BME employees, part-time workers and employees in Wales were all more likely to enjoy telling people about where they work than the 47% of people who did so overall.

CHART 8: "I FEEL THAT WORKING IN RETAIL HAS A POOR IMAGE"



Does retail have an image problem? A slim majority of its lowest-paid workers say yes. Asked for their views on the statement: "I feel that working in retail has a poor image", 53% agreed, including 19% who strongly agreed (Chart 8). Full-time workers (57% agreed) were slightly more likely to agree with this statement than those working part-time (50%), while students were less likely to believe this (39%) than non-students (54%).

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**BRC - RETAIL 2020:
REPORT 2: WHAT OUR
PEOPLE THINK**

ISBN: 978-1-78490-032-8

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