

Gender and Employment in Local Labour Markets

Working Below Potential: Women and Part-time Work *Executive Summary*

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Key findings

- Over half of women working in low paid, part-time jobs are 'working below their potential', i.e. they are not using either their skills or experience, or their qualifications in their current job.
- Many women make a conscious choice to work part-time, but mostly they do not choose to squander their skills, abilities and earnings potential.
- Despite strong growth in the number of part-time jobs, large numbers of women cannot find jobs that use their abilities; there are simply too few part-time jobs available at an appropriate level for the skills and experience of all the women seeking part-time work to be fully utilised.
- The distribution of part-time and full-time jobs in workplaces tends to be reproduced year on year, as managers' practices usually replace 'like with like', full-time with full-time, and part-time with part-time.
- Many managers are resistant to part-time working in jobs at senior levels, although in a few workplaces this is changing.
- The scarcity of senior level part-time jobs on the open labour market is one of the predominant factors explaining why so many women 'work below their potential'. Within workplaces too, opportunities for advancement for part-time workers are often limited. Thus women can find themselves trapped in low paid jobs if they wish to work part-time.
- Once women work in a low paid, low status job for any length of time, they can lose confidence in their abilities and skills, further trapping them at the lower level.
- Some women feel forced to leave their full-time jobs at a more senior level because of the intensity of work they experience. The long-hours culture and the range of demands on employees at senior levels in many workplaces forces some women to move into lower graded, part-time jobs, in an effort to achieve a better work-life balance.
- Part-time workers are sometimes valued less highly than full-time workers by managers. They are seen as replaceable and their skills go unnoticed or are overlooked.
- Employers tend to share intelligence on pay rates and this serves to maintain pay levels within certain parameters, and can trap part-time jobs in a low wage segment of the economy.
- Some managers regard low pay as appropriate for certain part-time jobs and for people working part-time.
- There is a need to reconnect large numbers of qualified and experienced workers with occupations and careers more fitting to their talents. To achieve this, part-time jobs and flexible working patterns are needed at every level, in every workplace, and across the whole spectrum of industries and occupations.
- Trade union representatives were keen to see the right to request flexible working extended to all workers, along with a more creative approach to job design, so that a full range of jobs could be undertaken by part-time workers.
- Part-time employment suits the needs of many employers, enables organisations to operate flexibly, and draws much needed additional labour into the labour force. Further research is needed to explore successful uses of part-time employment at higher levels of skill and in a wider range of occupations and industries.

Background

This study aimed to explore why women are employed in low paid, part-time jobs which are below their full potential in the labour market, in terms of skills, experience and qualifications. The study has revealed that over a half of part-time women workers are not using all of their labour market skills and experience in their current jobs. Further research, by the Equal Opportunities Commission, based on some of our findings reported earlier (Grant et al 2005), has shown the scale of this problem. Nationally, 2.8 million part-time women workers are working below their potential (Darton and Hurrell 2005). This is a massive waste of women's talents, often in the prime years of their working lives.

In order to understand why women do not always use all of their qualifications and labour market skills when they work in part-time jobs we sought to explore:

- Why women who are working 'below their potential' make specific decisions in relation to the labour market.
- The context in which individual women make these decisions.
- Women's experience of, and views about, working in jobs 'below their potential'.
- Trade union perspectives on part-time work and women 'working below their potential'.
- Why employers design certain jobs as part-time.
- How employers set pay, and the factors they take into account when setting pay.

Six of the local authority partners in the *Gender and Employment in Local Labour Markets (GELLM)* research programme chose to take part in this study. They were The London Borough of Camden, Leicester City Council, Thurrock Council, Trafford Metropolitan Borough Council, Wakefield Metropolitan District Council and West Sussex County Council.

The Growing Importance of Part-time Work

During the period 1991-2002 (in England), the total number of part-time jobs held by women rose by 31%¹, while those held by men more than doubled. At the same time, the total number of full-time jobs held by people of both sexes rose by 11% (13% for women and 9% for men). This increased importance of part-time jobs in the

national economy played out in very different ways in different local labour markets. In the six local authorities studied, the net growth in female part-time jobs ranged from just 13% in Leicester, to 73% in Thurrock and 100% in the London Borough of Camden. Male part-time jobs grew even faster than female part-time jobs in all these localities, but the percentage of jobs held by men that are part-time remains relatively small in all the localities.

A comparison of women's occupations between those in part-time and full-time work also shows that part-time women employees are much less likely to hold better paid or senior level jobs. In Leicester, Thurrock and Wakefield, for example, fewer than 15% are in technical, professional or managerial jobs, compared with 34% or more of women working full-time.²

Overall, despite the growing significance of part-time employment within the labour markets studied, the growing proportion of women's jobs which are part-time, and the growing numbers of women being drawn into part-time employment, the kinds of occupations in which the majority of part-time women workers are employed tend to be at the lower end of the occupational hierarchy.

Working Below Potential

One of the key aims of this study was to understand the extent to which, and why, women do not always use all of their qualifications or their labour market skills or experience when they work in part-time jobs. An analysis of a survey of 333 women from 22 workplaces across the six localities in the study showed that 54% of the part-time women workers surveyed had previously worked in jobs requiring either higher qualifications, or more skills or experience, or which had involved more management or supervisory responsibility than was required for their current job. On the basis of this analysis, it can be seen that significant numbers of the women surveyed, who are working in low-paid, part-time jobs, are working 'below their potential'. These are women who are working in jobs that do not use their full range of qualifications, experience and skills. This is unused potential that has been developed previously through labour market experience, or as a result of training and education.

¹ Source: 1991 Census of Employment and ABI 2002, via NOMIS, Crown Copyright.

² Source: 2001 Census Standard Tables, Crown Copyright 2003.

The findings from our study can also be compared with those from an Omnibus survey which was conducted by BMRB for the EOC in November-December 2004³. The survey covered about 2,300 male and female part-time workers aged 16 or over, 78% of whom were women, in line with the proportion of women in the part-time workforce.

Of those interviewed, over half (51%) defined themselves as working below their potential in these terms, a very similar proportion to the 54% revealed by the GELLM survey. This means that in Britain a staggering 3.6 million part-time workers, of whom 2.8 million are part-time women workers, are working below the potential that they have already demonstrated in previous jobs.

From the analysis of the interview data, we have found that the women interviewed were working below their potential in their current jobs for a number of reasons:

- **Because they face a restricted labour market.**

This reflects the experience of women who had found that there were few senior, higher paid, jobs available with part-time hours on the open labour market.

- **Because they face restricted workplace opportunities.**

This reflects the experience of women who wanted to stay in their current field of employment, but who had found that there were no promotion pathways in their workplace, or that there were no promotion prospects for part-time workers in their workplace.

- **Because they have experienced an unacceptable intensity of work in higher graded work.**

This reflects the experience of women who had chosen their current job because of specific and negative experiences in their previous employment in the recent past.

Some women who are working below their potential:

- **Are taking steps to realise their potential in the labour market.**

This reflects the experience of women who were in a period of transition to alternative, more senior level, employment by engaging in training or education.

- **Are content to work below their potential in the labour market.**

This reflects the experience of women who, whilst having qualifications or experience which would equip them for higher graded work, had chosen to work in lower paid, low graded, jobs.

The Design of Part-time Jobs

The interviews with managers revealed two distinct types of part-time jobs, reflecting the different ways in which part-time workers were used in the participating workplaces. These two types of jobs are:

- 'Task-based part-time jobs' i.e. jobs or tasks which employers argue *can be completed* in less than a full working day.

Such jobs can be, and are, filled by employees on either full-time contracts or on part-time contracts, although they tend to be filled by women on part-time contracts.

- 'Demand-based part-time jobs', i.e. jobs or tasks which employers argue *only need to be carried out* during a part of the working day, or for which the hours of work required can be variable.

These jobs are filled by employees on part-time contracts who can be men or women.

In the workplaces studied, part-time working was normally associated with specific jobs at the lower end of workplace hierarchies. Thus the balance between full-time jobs and part-time jobs in some workplaces tended to be reproduced year on year. Line managers often had a specific and critical responsibility for requesting replacement staff, and they often replaced 'like with like'. The balance between part-time and full-time jobs in workplaces in which 'demand-based part-time jobs' are constructed is more fluid. But changes in the use of part-time and full-time staff are not driven by a desire to create a more balanced workforce so much as by reflections of some of the perceived disadvantages of part-time workers.

Trade union representatives were keen to see the right to request flexible working extended to all workers. But they also wanted to see a more creative approach to job design. For the trade

³ Darton, D. and Hurrell K. (2005) *People working part-time below their potential*. Manchester, EOC.

union representatives many of the issues associated with part-time working were intimately linked to the wider equality agenda. It was women's access to the full range of jobs which was being limited by the concentration of part-time employment in the lower occupational levels. At the same time they argued that the very concept of 'a part-time job' held such negative connotations that it may be time to abandon the term 'part-time' and re-think how jobs are defined.

Key policy messages

There are clear messages in this research for those working at national, regional and local levels who are developing skills policy, responsible for vocational advice and guidance, and working with employers facing labour or skills shortages. At present, there is little to suggest that the millions of part-time employees who are locked into jobs below their potential are, or have ever been, at the centre of their thinking, planning and activities, where they urgently need to be.

Many women do make a conscious choice to work part-time, but mostly they do not choose to squander their skills, abilities and earnings potential. To overcome this, more part-time jobs are needed at every level, in every workplace, and across the whole spectrum of industries and occupations.

The tendency for certain jobs to remain trapped in a low wage segment of the economy is partly underpinned by managers' perspectives about part-time employment and part-time workers. Managers in this study often saw low pay as appropriate for certain jobs and indeed for some individuals. Some still regarded part-time women workers as working for 'pin money', regardless of their real economic circumstances. Employers also confirmed that they both confer with each other and share intelligence on pay rates to maintain pay levels within certain parameters. In some of the workplaces we studied, pay rates above the National Minimum Wage, even a mere 50 pence above, were seen by some employers as generous.

Copies of the full report
Working Below Potential: Women and Part-time Work - Synthesis Report
can be obtained from www.shu.ac.uk/research/csi or
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About the GELLM project

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