Employer engagement with the Work Programme in the retail sector: a human resource management perspective.

Paper submitted to the HRM Stream of the 2015 ILPC Conference

Athens, 13-15 April 2015

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Abstract

This paper draws on human resource management (HRM) theory to investigate why and how employers engage with welfare-to-work (W2W) programmes. There has been much research into the effectiveness of W2W measures and the experience of jobseekers and public agencies (c.f. Osterman 2008, Gregg 2011). However, there is a dearth of research into the experiences of employers (Ingold and Stuart, forthcoming). This paper builds on corporate and human resource (HR) strategies (c.f. Lepak and Snell 1999, Boxall and Purcell 2011) to propose why engagement with W2W programmes might vary between employers, and how their strategic engagement may translate into operational management practices. For its empirical basis, the paper presents a case study of engagement by a national food retailer with the UK Coalition Government’s flagship W2W policy, the ‘Work Programme’. The case study data includes thirty-two interviews with the retailer’s managers and staff and a range of internal company information.

The central proposition of the paper is that, while corporate social responsibility strategy provides the initial driver, it is the nature of the organisation’s HR strategy that explains the employer’s longer-term motivations for engagement with W2W programmes. Specifically, it is argued that employers in low-wage sectors, who have a strategic concern with customer service, are most likely to engage and also to develop strategies to retain and internalise W2W clients into their core workforces. Such employers achieve short-term financial benefits from a cheap source of recruits via W2W agencies, but they may also be expected, it is argued, to sustain their engagement over the longer term by investing in the retention and development of W2W recruits, due to the greater consistencies achieved in customer service.

The paper tests this proposition through a multi-site case study. The selected case study retailer was strongly engaged with the Work Programme at corporate strategic level; however, engagement was not consistent at operational level across its stores. This enabled a comparison of selected stores within the same region of the company and thus an analysis of how varying levels of engagement related to local management practices. The case study suggests that local operational managers can be influential in sustaining engagement through staff retention and development activities, but that they are significantly constrained by corporate HR policies and by employment norms in the sector. Implications for policymakers and suggestions for further research are made at the end of the paper.
Introduction

Greencore Group, the UK’s largest sandwich maker, this week came under fire after reports the Irish company was recruiting in Hungary rather than hiring locally. The company, set to open a new factory in Northampton in 2016, said “ideally we would be flooded with [local British] applications but actually we are having to work really hard to find people”. (Financial Times, 13 November 2014)

In late-2014, this story about a low-wage employer in Northampton, UK received wide coverage in the British media. Yet amid the predictable subsequent debate about Eastern European migrant labour and British attitudes to work, a relatively novel question arose: what more could the employer have done to hire local people, especially given the high local unemployment rate? It transpired that the company had participated in a recent recruitment event in a town twenty-three miles away, as well as in a jobs fair organised by the local Member of Parliament. Yet the fifty or so workers hired as a result of these events were dwarfed by the some five hundred workers hired from outside the UK, primarily from Eastern Europe, as the company expanded its 1,100-strong workforce through company recruitment drives abroad. How might the company have engaged more strongly with the sizeable supply of local unemployed labour?

Such stories go to the heart of the question of employer engagement. For decades now, governments have struggled to involve employers in initiatives designed to assist the unemployed into jobs (Greer, forthcoming). Such initiatives, known as ‘welfare-to-work’ (W2W) programmes, contain a key role for employers in offering job vacancies or other work-related support to welfare claimants through processes managed by public agencies or government-sponsored intermediaries. The questions of whether, why and how employer might engage with W2W programmes have been extensively debated in the policy literature (see reviews in Meadows 2006 and Hasluck 2011) and are increasingly examined in the academic literature in the fields of political economy/employment relations (Martin 2004, Swank and Martin 2004, Devins and Hogarth 2005, Salognon 2007, Spoonley 2008, Larsen and Vesan 2012, McCollum 2012) and, to a lesser extent, human resource management (Deckop et al. 2006) and social policy (Van de Aa and Van Berkel 2014; Ingold and Stuart, forthcoming).

A common theme in both the policy and academic literature is that engaged employers tend to be motivated by both corporate social responsibility and business efficiency concerns. However, while there has been much research into the effectiveness of W2W initiatives and the experience of jobseekers and intermediary agencies, there is a dearth of research into the more detailed
experiences of employers and what sustains their engagement (Ingold and Stuart 2014). In addressing this gap, this paper draws on strategic human resource management (HRM) theory (Lepak and Snell 1999, Boxall and Purcell 2011) to investigate how corporate social responsibility and business efficiency motivations for engagement are combined and played out at the level of the individual firm. The central proposition is that, while corporate responsibility motivations provide the initial strategic driver, it is the nature of the organisation’s human resource strategy that explains the strength and sustainability of an employer’s engagement. More specifically, it is argued that strongly engaged employers may be expected develop strategies to retain and internalise W2W recruits into their core workforce due to the benefits derived for customer service (c.f. Lepak and Snell 1999, 2002; Osterman 2008).

For its empirical base, the paper investigates the engagement of UK supermarket with the ‘Work Programme’, the UK Coalition Government’s flagship W2W initiative. As with other W2W programmes, the lion’s share of employer engagement is to be found in low-wage sectors, particularly retail, hospitality, catering and facilities management (principally cleaning and security) (Osterman 2008, McGurk 2014). An investigation into a supermarket’s experiences with the Work Programme therefore represents an exemplar firm-level case study. Moreover, given the customer service orientation of supermarkets, the case study provides the opportunity to test the theoretical expectation that sustained engagement is driven by the firm’s strategic concerns with customer service.

The paper has four remaining sections. The first section surveys what is currently known about the extent and motivations of employer engagement with W2W initiatives. The second section establishes the theoretical relationship between employer engagement and HR strategy. The third section presents the case study and its findings. These largely support the theoretical proposition, but also demonstrate the importance of local management choices, corporate pressures and sectoral employment norms in determining the strength and sustainability of engagement. The fourth and final section of the paper draws conclusions about the interrelationship between employer engagement and HRM strategy and practices, as well as discussing some implications for W2W policy and practice.

**Employer engagement**

Employer engagement is not clearly defined in the academic literature. The term mainly appears in policy discourse to describe employers’ broad involvement in a range of government employment
and skills initiatives. For example, Bellis et al. (2011) understand employer engagement as ‘interest’ taken by employers in a government policy, programme or agency. Similarly, Cooper et al. (2008: ii, cited in Ingold and Stuart 2014: 12) advance a broad conceptualisation of employer engagement that attempts to capture the full range of actors and processes: “any form of contact between any organization and an employer that attempts to effect a change in the knowledge, understanding or behavior of either, or of a third party, for some purpose related to the wider public benefit”.

While employer engagement might then take a number of direct and indirect forms and involve a number of actors, ultimately the key policy goal is for employers to provide jobs to W2W programme participants or activities that lead to jobs with them. For this reason, employer engagement is conceptualised in this paper in comparatively narrow terms, as the active participation of employers in W2W initiatives for the training and/or recruitment of the long-term unemployed. This serves to concentrate attention on employers as the principal actor and on what they actually do in terms of providing jobs.

W2W programmes also require some clarification. Such programmes tend to encompass a range of measures on both the supply and demand sides of the labour market (Bartik 2001). On the supply side are measures aimed at activating long-term jobseekers (i.e. people unemployed for period typically defined as six months or more) by providing individuals with training, work experience and support for job search, thereby developing their ‘employability’. On the demand-side are measures such public training and job subsidy schemes intended to incentivise employers to recruit from among the long-term unemployed. For example, New Labour’s ‘New Deal’ programmes in the late-1990s and early-2000s were mainly supply-orientated, making individuals’ welfare payments conditional on their job search activities. In 2009, however, Labour introduced a demand-orientated measure in the ‘Future Jobs Fund’, which also placed conditions on individuals’ welfare but which paid employers to create jobs for young unemployed people. The need for active employer engagement is therefore accentuated in demand-oriented programmes. Indeed, the lack of interest and commitment among employers in Labour’s earlier supply-oriented initiatives led policymakers to promote demand-led programmes as a means of matching local unemployed labour supply more closely with the skill needs of employers (Gore 2005).

An important feature of demand-led W2W programmes is the key implementing role of ‘labour market intermediaries’. These are typically publicly-funded agencies from the public, private or not-for-profit sectors, commissioned to deliver programmes to match jobseekers with employers. Such intermediaries have become highly significant W2W actors, notably since Labour’s ‘Flexible New Deal’ from 2009, and in the Conservative-led Coalition’s Work Programme introduced in 2011. The
range of possible employer engagement activities may be clarified through Osterman’s (2008: 221) distinction between passive and active intermediaries. On the one hand, Osterman observes, passive intermediaries are “effectively ... just bulletin boards, providing [job vacancy] matching services for firms or workers”. On the other hand, active intermediaries “provide a range of services to employers, including what might be termed "HR Consulting" ... providing training and placement for the client firms”. In their most advanced form, active intermediaries specialise in particular industry sectors, “seek[ing] to develop deep knowledge of the markets, technology, and labour market circumstances of the industry, and through this knowledge contribute to both the human resource and economic growth and development needs of the industry”.

The greatest potential for employer engagement is therefore generated by the more active intermediary arrangements, where employers work in partnership with publicly-funded agencies on the design and delivery of tailored training and recruitment schemes. However, especially in ‘voluntarist’, neo-liberal states such as the UK and US, where there is almost complete freedom for employers to choose whether and how they wish to engage (c.f. Grugulis 2007), the results have not been encouraging, with some UK commentators observing ‘employer disengagement’ rather than employer engagement (Brockmann et al. 2010). Similarly in the US, even among the most committed employers, Osterman (2008: 224) argues that engagement is often "very slow and incremental", with the large majority either unwilling or unable to offer careers to those at the bottom end of the labour market (225–226). There is some evidence that programmes which actively involve employers in the design and delivery of training and work placement have led to sustained jobs for the unemployed (Meadows 2006, Osterman 2008). But overall the picture in the UK is one of weak employer engagement, an issue of continuing concern and frustration for policymakers (Hasluck 2011).

So why do employers not engage more actively, particularly given the promotion of demand-led programmes designed to meet their needs? A simple lack of demand for new recruits during economic recessions provides some of the explanation (Hasluck 2011). In addition, however, employers’ often negative attitudes towards unemployed jobseekers and welfare-to-work agencies – whether based on experience or prejudice - also play an important role. As Hasluck observes:

[E]mployers are wary of applicants who have been unemployed for a long time, whom they regard as a serious risk, both in terms of additional cost, poor performance and a risk of leaving the job at short notice. (2011:21)

Moreover, with regard to working with intermediaries, employers often regard welfare-to-work
agencies as inefficient and unable to supply them with the required quality of job candidates, so they resort to their more traditional methods for recruiting entry-level workers, such as local advertising, word-of-mouth and personal recommendation (Hasluck 2011). Ingold and Stuart’s (2014) recent survey of employer’s attitudes towards the Work Programme reinforces the above explanations for employer disengagement, yet also highlights the relative failure of government agencies to raise awareness of the initiative among potentially sympathetic employers.

Part of the solution to strengthening employer engagement appears to be for intermediaries and their government sponsors to work harder to overcome perceptual barriers among employers, and to emphasise the potential benefits of engagement. In this vein, Hasluck (2011, citing Snape 1998) presents a ‘balance sheet’ of advantages and disadvantages to employers of recruiting from the long-term unemployed. This acknowledges the perceived and actual difficulties for employers in training and recruiting long-term unemployed people on the one side, but also the potential intrinsic, financial and productivity benefits of engagement on the other. Intrinsic benefits are said to include the motivational and reputational enhancements to the firm associated with corporate social responsibility efforts; financial benefits are said to include the low wage costs acceptable for the recently unemployed; and productivity benefits are said to include the potential extra effort and commitment that recently unemployed workers, who are unusually grateful to be in work, may bring to the firm.

The problem is that the engagement balance sheet varies across employers according to their type and differences in their operating environments (Hasluck 2011). Nonetheless a general lesson is apparent: although successful engagement is based on a combination of corporate responsibility and business efficiency motivations, it is the latter that sustains engagement. As Hasluck puts it:

> While it is possible to exhort employers to recruit more unemployed people and to tell them that there are benefits from such recruitment, the success of such an approach is likely to be limited. Employers need to be convinced of the business case for recruiting unemployed people, although … some organisations may be more socially oriented than others and thus more amenable to responding to such exhortation. (2011: 36, emphasis added)

It is surprising that there has been so little systematic examination of the business case for employer engagement. A rare example is the evaluation of the ‘BEST’ programme in Boston, US (FutureWorks 2003, cited in Osterman 2008), which included measurement of the effects of public training and work placement programmes on staff development and satisfaction in six participating firms across different industry sectors. Drawing on this and other available evidence from the US, Osterman
(2008) concludes that, under certain conditions, there is a clear business case for engagement. This manifests itself in the easing of staffing shortages, the reducing of recruitment costs and the improving of workforce diversity, retention and motivation. These observations are echoed in recent UK studies into employers’ perceptions of the benefits (if not the actual outcomes) of engagement (Hasluck 2011, Ingold and Stuart 2014).

With regard to the specific circumstances under which the business case for engagement is most compelling, Osterman (2008) offers some generalisations, which are summarised below.

i. Employers in low-pay sectors are the most likely to engage on a large scale, as they employ high proportions of entry-level workers as part of their core workforces. This observation is supported by McGurk’s (2014) analysis of engaged employers in the UK, which shows an almost exact match between the lowest-paying sectors (retail, hospitality and cleaning) and the biggest recruiters of clients from W2W programmes. While there are some engaged employers in higher-paying sectors such as law and financial services, the numbers of welfare-to-work recruits are minimal, suggesting that their engagement is driven by corporate reputation campaigns and not core human resourcing decisions (McGurk 2014).

ii. Employer size matters. Although small and medium-sized enterprises (SMEs) are responsible for employing a large proportion of low-wage workers, they are less likely than larger firms to get involved in long-term partnerships with W2W intermediaries. This is because SME managers tend to lack the time and resources to work with intermediaries on formalising training and recruitment processes; also the intermediaries themselves tend not to concentrate their resources on small employers because the total number of jobseekers affected is low, thus providing only a small return on their investment of time (Osterman 2008). Making a similar point, Swank and Martin (2004, cited in Ingold and Stuart 2014) observe that firms with large HR departments, rather than SMEs, are more likely to involve themselves in welfare-to-work initiatives.

iii. Employers in sectors that value workforce stability are most likely to engage over the long-term. Osterman (2008) highlights the US healthcare sector and, to a lesser degree, retail and hospitality in this regard. Employers in these sectors, it is suggested, have a strategic concern to address problems of recruitment and high staff turnover, as these particularly affect their ability to provide a consistent quality of service to customers.
While recruitment difficulties and high turnover are common in low-pay sectors, engagement with active intermediaries may be especially helpful to employers in customer-facing environments for identifying and developing a stable source of suitably qualified labour for the medium- to long-term.

The above three generalisations suggest that, for a deeper understanding of the motivations and effects of sustained employer engagement, it is necessary to examine more closely the HR practices of large, low-paying, customer service-orientated employers. What are the strategies used by such employers to recruit, train and retain their staff to meet their long-term goals? And what might be the contribution of engagement with intermediaries within such strategies? To address these questions it is helpful to turn to a differentiated theory of human resource management that incorporates the strategic contribution of low-paid workers.

**Human resource strategy and employer engagement**

Lepak and Snell (1999, 2002) advance a firm-level theory that conceptualises four distinct ‘bundles’ of HR practices, which make up an organisation’s ‘HR architecture’. Two of the four bundles are relevant for modelling the strategic management of recruits from welfare-to-work programmes in organisations.

In categorising the HR bundles, Lepak and Snell distinguish between the ‘value’ of a firm’s human resources on the one hand and their ‘uniqueness’ on the other. With regard to value, the tasks performed by employees may have either a high or low value with respect to their centrality to the core operation of the business. With regard to uniqueness, the skills of employees may be of either high or low uniqueness with respect to their availability on the labour market. This combination of high/low value and high/low uniqueness produces a four-part architecture of HR practice, as depicted in the matrix in Figure 1.
Employees who are neither unique nor of high strategic value to the organisation (in the bottom left quadrant) are be termed 'contract workers'. These workers are “employed on a contract for services basis, either through outsourcing or, if remaining on a contract of employment, on the strict basis of payment for work done” (Martin and Hetrick 2006: 183). Unskilled operatives and 'temps' are likely to fall into this category of employees. With regard to their associated HR bundle, contract workers are ‘externalised’, as they may be provided by agencies and are therefore not offered development opportunities beyond basic organisational requirements. The relationship with the employer is likely to be ‘transactional’, consisting of standardised and routinised work tasks that are closely monitored by managers.

Figure 1. HR architecture (after Lepak and Snell 1999, adapted from Martin and Hetrick 2006: 184)
Employees who are not unique, but of high strategic value to the organisation (in the bottom right quadrant), are be termed 'traditional employees'. These workers are highly important in terms of performing core operations and thus adding value for the organisation, although their skills are readily available in the open labour market. They might, for example, be operatives, sales staff or junior managers and supervisors. With regard to their associated HR bundle, these employees are ‘internalised’ in that they are likely to be on permanent contracts and provided with development opportunities. But there is likely to be a transactional relationship with the organisation, not a ‘relational’ one that aims to secure their identification and commitment to the organisation (Martin and Hetrick 2006).

Unemployed people participating in welfare-to-work programmes – namely those with the least bargaining power as they seek to enter or re-enter the labour market – are most likely to be available for employment as contract workers or traditional employees. (Employees of high uniqueness – i.e. ‘alliance partners’ and ‘knowledge workers’ – may well experience unemployment from time to time, but are not representative of jobseekers on welfare-to-work programmes). At the same time, employers with a strategic preference for human resources of low uniqueness (i.e. traditional employees and contract workers) are most likely to offer entry-level job opportunities to participants of welfare-to-work programmes. As to whether employers prefer to recruit either contract workers or traditional employees, this depends upon whether employers view them as of low or high strategic value, and thus determines whether they choose to externalise or internalise this source of labour.

Transaction cost economics suggests that a firm will contract out its labour when the ‘transaction costs’ of maintaining and supervising the contract are lower than the ‘bureaucratic costs’ of internal staffing (recruitment costs, training, compensation and benefits etc.) (Lepak and Snell 1999). Because publicly-funded and -administered sources of labour should reduce the transaction costs to employers of managing contract workers, this increases the likelihood of engagement by employers who have a strategic preference for contract workers, or who simply seek to fill temporary staffing shortages in low-skill, generic roles. Indeed, such employer behaviour has been highlighted by critics of neoliberal ‘workfare’ reforms in the UK that compel benefit claimants to take up low-wage or unpaid insecure work, effectively creating an ‘industrial reserve army’ (Grover 2005).

However, the view of employer engagement as an opportunistic externalisation strategy, in which employers take advantage of workfare, overlooks the potential strategic benefits of internalisation. As Lepak and Snell (1999:35) note, "employees can add value if they can help firms offer lower costs or provide increased benefits to customers". Thus, it is argued, internalisation may be expected...
when the benefits of reduced employee turnover and the associated consistency in customer service outweigh the accrued bureaucratic costs of increased internal staffing. Lepak and Snell (2002:536) place a particular importance on customer service, which accounts for six of their twelve measures of strategic human resource value. In their empirical test of the architectural model, they find that "Rather than turning over their entire workforce to contractors ... [some] firms are taking steps to ensure they identify and retain those workers who are most critical to their competitiveness”.

Employers’ strategies for the identification and retention of low-skill yet strategically valuable employees have been well documented in the UK context, particularly in the retail sector where the quality of customer service is central to competitive strategy. For example, Gratton (2003) reports how the UK’s largest retailer, Tesco, researched and segmented its workforce into five distinct employee groups. One of the five was the ‘work to live’ group, identified as mainly long-serving women over 35 years old, uninterested in promotion and willing to do repetitive tasks in return for secure employment close to their home (also cited in Martin and Hetrick 2006). As with the other four employee segments, Tesco went on to develop tailored strategies to motivate and retain its ‘work to live’ segment as a means of achieving consistency in customer service (Martin and Hetrick 2006).

Similar employee segmentation and retention strategies have been observed among employers to whom workforce diversity is an important dimension of their customer service. So Foster (2004:442) describes how the retailer Marks & Spencer’s introduced strategies to recruit ethnic minority staff “in an effort to lose its white, middle-class English image”, and how the do-it-yourself (DIY) store B&Q targeted older recruits because they “found that older staff were more likely to have owned a house and carried out home improvements than younger employees and therefore in a position to offer DIY advice to customers”. Strategies of this kind are familiar as part of ‘business case for diversity’, which advocates the recruitment and retention of customer-facing staff who share the visible characteristics of the community being served (Foster 2004, see also Ozbilgin, Mulholland et al. 2008, Inge 2012). The real extent to which such strategies are implemented in organisations remains, however, an open question (Ozbilgin, Mulholland et al. 2008, Kossek and Pichler 2007).

With regard to welfare-to-work initiatives, it is important to investigate the possibility that low-wage, low-skill employee segmentation strategies represent a significant motivation for employer engagement. To this end, sustained employer engagement may be reinterpreted as a process of strategic investment of internalisation and development (c.f. Lepak and Snell 1999). Such a process would involve welfare-to-work programme participants being recruited either directly as traditional employees, or as contract workers who are then identified and retained as traditional employees.
This would require employers to form ongoing partnerships with active intermediaries. In contrast, weak employer engagement would be represented by occasional dealings with passive intermediaries for the purposes of recruiting temporary contract labour, even if in large volumes.

In summary, the degree of sustained employer engagement may be understood as a continuum along which a firm treats welfare-to-work participants either as contract workers or traditional employees. This continuum is depicted in Figure 2.

![Figure 2. A model of sustained employer engagement](image)

The central proposition here is that sustained employer engagement is most likely among employers that rely on a large supply of low-wage, low-skill labour for their core operations and place a strategic premium on customer service, leading them to develop strategies to retain and internalise recruits from welfare-to-work programmes. The next section of the paper presents a case study as a first test of this proposition.
Method: a multi-site case study

Rich, contextualised firm-level data are required to examine the motivations and experiences of employers’ engagement in low-wage, customer service-oriented sectors. The case study research strategy, designed to triangulate a range of evidence including multiple witnesses, is well suited to such an enquiry (Yin 2009).

The food retail sector provides a prime site for a case study of a low-wage, customer service-oriented employer. As McGurk’s (2014) research shows, the retail sector is responsible for more job placements of W2W participants than any other sector in the UK, with food retail representing the largest subsector. Within the food retail subsector, the small number of large chains may be assumed to represent the single largest group of employer-users of the Work Programme (McGurk 2014). The national food retail chain ‘Midstore’ provided the opportunity to study an exemplar case. Midstore had a history of engagement with W2W initiatives and, under the Work Programme, had seconded two full-time staff from a private intermediary to work in the national office to coordinate its pre-employment training, recruitment and follow-up support activities.

The selection of a multi-store retail chain also enabled a multi-site case study design, thus helping to neutralise one of the key weaknesses of single case study research, namely the consideration of extraneous variables (Gray 2014). The observation of multiple sites meant that the researcher could hold constant such potentially important factors as geographical location, size and age and observe varying levels of engagement between stores. This strengthened validity, also because it allowed consideration of counterfactual explanations for observed outcomes (e.g. that the experiences in some stores derived from factors other than the employer’s engagement with the Work Programme).

Two pairs of Midstore store branches were selected. In each pair of stores, one store had engaged strongly with the Work Programme by taking on high proportions of new recruits via the local intermediary, while the other had less involvement. This helped to isolate the outcomes attributable to engagement. Also, the selected pairs of stores were located in the same region of London but under different area-management; this helped to achieve geographical and socio-demographic consistency in the sample (all four stores operated in busy, multi-cultural urban environments), while reducing the probability that the observed outcomes could be explained by idiosyncratic local management practices. The four stores were of similar size (15-20 staff in each) and had all opened within 18 months of one another, thereby achieving further consistency in the sample. The site-selection is illustrated in Figure 3.
Data collection took place in February-April 2014 and had three stages. First, access to organisational documentation and information system reports was secured through written agreements with senior management at national level. Second, semi-structured interviews were conducted with the relevant twelve national, regional, area and store managers (including two staff at national level seconded from the intermediary) using a standard interview guide to explore the motivations, experiences and outcomes of engagement or non-engagement. Third, in each of the four stores, a ‘snowball’ sample of twenty-one shopfloor staff, including both customer service assistants and supervisors, were interviewed, using a second standard interview guide to explore their experiences of recruitment, training and support from managers. Of the thirteen customer service assistants interviewed, ten were recruited from the Work Programme and three through internal transfers from other Midstore stores. Of the eight supervisors interviewed, four had been recruited via the Work Programme, with two recruited directly into supervisor roles and the other two promoted after a few months from customer service assistant roles. Saturation was achieved by interviewing a total of 30-40 per cent of shopfloor staff in each store (i.e. 4-6 staff out of 15-20). In total, thirty-two interviews were conducted across the four stores, as summarised in Table 1.
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Table 1. Interviewee selection

All interviews were audio-recorded and transcribed verbatim, with the exception of one interview at national level and the four interviews at regional and area levels, for which detailed interview notes were taken and later agreed for the record with the interviewees. Written consent for the recording of the interviews was secured, including assurances of confidentiality and anonymity, in line with university research ethics protocols. All interviews were conducted face-to-face in a private space, with the exception of two of the national-level interviews and the two regional-level interviews, which for practical reasons had to be conducted by telephone. Interview data were manually coded alongside the tabulation of documentary evidence to triangulate the evidence. As a final test of validity, a full case study report was checked for accuracy at national level by the Midstore community engagement manager and the two seconded intermediary staff.

Case study findings and analysis: employer engagement at ‘Midstore’

The introduction of the Work Programme at Midstore coincided with a rapid expansion in the business, accompanied by a strategic concern to improve community engagement. From November 2011, Midstore worked in partnership with two private intermediaries. In January 2014, however, the partnership with one of intermediaries was terminated due to quality concerns, leaving the other as its sole lead partner. This lead-intermediary then worked together with Midstore’s community engagement team at national level to refine a model of recruitment and selection for the
long-term unemployed to be applied across Midstore’s stores (the intermediary subcontracted out
the model in regions where it did have a government license to operate).

Before engagement in the Work Programme, Midstore’s store managers had been solely responsible
for their own recruitment of shopfloor staff. Recruitment methods tended to be informal, using
word-of-mouth, personal referrals by staff and job adverts in the shop window. Also, the managers
tended to recruit for technical aptitude, such as in handling stock and operating tills, rather than for
competence in customer service. Overall, senior managers considered their traditional recruitment
practices to be unproductive, ineffective and inefficient. In the words of one area manager:

store managers might have just fitted in people for interviews during the normal working
day in their small offices next to the filing cabinet ... sometimes [they were] interviewing
people who couldn't string a sentence together (Interview with Area Manager X)

Another effect of informal recruitment by referral among friends and family was to select
disproportionately from among the store manager’s own ethnic group, a complaint made by all the
senior managers interviewed due to their concerns about the lack of workforce diversity in many of
their stores.

The work of the intermediary secondees was mainly concentrated on ‘academies’, namely three-
week pre-employment training courses, tailored specifically for Midstore. The academies were
delivered by intermediary staff, using one of their own offices nearby to where new Midstore
branches were due to open. Each academy had an average of 15-30 participants on referral from the
local Job Centre. The candidate-retention during the academies was typically 60-70 per cent. At the
end of each academy, two local Midstore store managers – specially appointed as ‘recruiting
managers’ - held a day of selection interviews at the intermediary’s local office. The interviews used
scenario-based questions, designed to demonstrate the candidate’s aptitude for customer service,
for example by asking them how they might handle a particularly demanding customer or delays in
the bakery section of the store. Midstore made job offers to an average of 25-30 per cent of the
interviewees at the selection days. In 2013, Midstore filled approximately ten per cent of its several
thousand shopfloor vacancies through these academies. However, for new store openings, and in
particular areas of the country such as London, the percentage was much higher, as the store-level
cases will show.
Regional and area managers, effectively the local sponsors of the academies, were generally supportive of the new approach to recruitment offered by engagement with the Work Programme. The academies had, in a phrase echoed by three managers, delivered “the right calibre of people” (Interview with Regional Manager X). One area manager opined that the academies had “raised the bar” in terms of store managers’ expectations of the quality of recruits that they should be hiring, and that the intermediary candidates, having been unemployed for more than six months, were often “thankful to be in work”, meaning that store managers were better able to generate a “sense of pride” in the new stores. This was said to contrast with the “job for life” culture and the disengaged attitude prevalent among many of the more established stores that were staffed by long-serving employees (Interview with Area Manager X). This generally positive perception was summarised by one of the special recruiting store managers:

[Working with the intermediary] has ... definitely been a positive process, no question. It’s made our lives easier and it has ... brought some good calibre people into the store that otherwise we wouldn’t have ever had the chance to meet. (Interview with Store Manager X1)

Enthusiasm was not completely unequivocal among managers, however. Some considered the traditional informal methods of local recruitment still to have a place. As one area manager explained:

It is also important for customers to see through posters and word-of-mouth that ongoing recruitment is happening in the local community, say for students and young people and others looking for part-time jobs. We don’t want our customers to say ‘Where have all your staff come from? We didn’t know that you were recruiting.’ (Interview with Area Manager Y)

Several managers also questioned the suitability and work-readiness of many of the candidates put forward for interview by the intermediary. In the words of one (otherwise sympathetic) store manager:

I’ve had people put in front of me that I’m told can speak English and clearly can’t. I’ve had people put in front of me that I’ve actually had to leave the room afterwards, open the windows and smother the room in air-freshener and not been able to go back in for a good
ten minutes because their personal hygiene has been that awful ... I've had people put in front of me that I've already seen before and already rejected. So they're the negatives. And then I've had [other] people ... put in front of me who [have] come and been nothing but positive for the store. (Interview with Store Manager X1)

Overall, the data from the intermediary suggested a successful partnership with Midstore. The proportion of academy candidates being offered jobs was about average for the Work Programme. However, the number of job starters retained for up to six months in 2013 was over eighty per cent, five per cent higher than the national average (Inclusion 2013) and ten per cent above Midstore’s own annual staff retention (Midstore HR information system). Nevertheless, there was some frustration expressed on both sides of the partnership about a lack of understanding and engagement. On the intermediary side, the secondees complained that store managers lost interest in the partnership once their new store was fully staffed and reverted to their traditionally informal recruitment practices, rather than engage with the intermediary for their ongoing churn vacancies. Also, they were of the opinion that engagement was hindered by some Midstore managers who had overly rigid attitudes towards candidates who required more flexible working arrangements, such as parents of young children, people with specific medical needs or college attendees. On the Midstore side, some store managers expressed the regret that they were not more closely involved in the design and delivery of the academies, so that interview candidates might be better prepared and knowledgeable about Midstore.

There was also some conflict between Midstore’s usual terms and conditions of employment for shopfloor staff and government regulations around the employment of recruits via the Work Programme. Midstore store managers generally preferred to offer eight-hour per week contracts to shopfloor staff, whereby employees worked two four-hour shifts over two different days, thus avoiding the need to pay them for lunch breaks. Government regulations, however, stipulated that recruits from the Work Programme had to be employed for at least sixteen hours per week in order to be removed from unemployment benefit. This constrained store managers’ flexibility to employ a large number of people on eight-hour per week contracts to staff their weekly shift rotas. In practice, however, although store managers tended to complain about this restriction, the shopfloor staff interviewed in this study, almost without exception, were asked to work well over sixteen hours per week. This happened often with less than a week’s notice and regardless of whether the staff were recruited through the Work Programme. It was especially true of the eight supervisors interviewed, who typically worked 25-40 hours per week. In effect, therefore, Midstore’s normal casualised approach to employment was unchanged by recruitment from the Work Programme.
The universal approach to casualised hours for shopfloor staff extended to pay and other terms and conditions. All shopfloor staff, whether from the Work Programme or otherwise, were paid the 2014 London statutory minimum wage of £6.50 per hour, with supervisors receiving approximately £1.00 extra per hour in return for extra responsibilities such as overseeing price reductions and stock deliveries, opening and closing the store and completing paperwork. Training for all new shopfloor staff consisted of a week’s basic course prior to starting work. This varied in quality, however, mainly depending whether it was conducted off-the-job in one of Midstore’s training facilities, as was generally preferred by new recruits, or whether it was conducted on-the-job in a larger store, where training tended to be more haphazard. Once in store, ongoing development for shopfloor staff was the responsibility of the store manager, who mainly relied upon informal on-the-job methods and on the company’s online learning modules, completed by shopfloor staff on an *ad hoc* basis on the computer in the manager’s office during slack periods. Mainly supervisors would be asked to attend occasional training days at one of Midstore’s regional training centres; these day-courses tended to be concerned with technical compliance, on issues such as alcohol licencing. Unlike some of their larger competitors, Midstore did not offer retail apprenticeships. Formal development opportunities were therefore scarce, with opportunities for hourly-paid shopfloor staff limited to promotion to supervisor (two or three positions per store) and to the rarer salaried positions of assistant store manager (one or two positions per store) or store manager (one position per store).

Despite the casualised, poorly paid and generally ‘low-road’ nature of the shopfloor jobs at Midstore (*c.f.* Kalleberg, 2003), morale among the shopfloor staff was reasonably high. Those interviewed were generally positive about their opportunities for interaction with customers, especially the regular and elderly ones. Also, as most had experienced long-term unemployment, the staff generally welcomed being in paid work and the opportunity to mix with colleagues in the workplace. The main negatives were reported as the variability and unpredictability of working hours and the stresses of the job caused by frequent short-staffing and - in some stores - lack of security. The security problem was compounded when having to attend to urgent and physically demanding tasks on the shop floor, such as unpacking stock. Similarly, the supervisors interviewed generally enjoyed the extra responsibility that came with their role, but complained about the lack of specific training and support and the sporadic provision of security staff.

Thus far, therefore, on the basis of the corporate-level analysis, the case of Midstore provides some support for the general proposition: that low-wage, customer service-oriented employers internalise and retain their recruits from welfare-to-work programmes as part of their core workforce. Employment at Midstore was so casualised, however, that for the organisation there was little
distinction between ‘contract workers’ and ‘traditional employees’. This raises the question of the sustainability of Midstore’s engagement. As the store-level cases show below, sustained engagement in the company depended largely on the twin conditions of: i) local management motivation; and ii) the active-orientation of the intermediary.

_Store X1 (strongly engaged)_

Store X1 opened under an experienced store manager in November 2012, on temporary assignment from his regular store. The manager recruited the entire shopfloor staff via the previous intermediary partner. In April 2013, an externally-recruited new store manager was appointed. He was proud of the cultural diversity of the staff which he inherited: “I had … three white British … an Egyptian … a Polish girl… a couple of African people … a few British-born Asians … Indians … a really nice mix”.

Yet the turnover of the inherited staff proved high, and the store manager wondered whether the original recruitment drive had served largely to ‘fill gaps’. Of the initial recruits, he dismissed five for gross misconduct within twelve months, including “one drunk [for being] at work, one [for] stealing a customer’s purse, one [for] attacking a customer out the back of the shop”. Also, during 2013 the poor customer survey feedback for the store during this period became a big concern and the recruitment of shopfloor staff with the required customer service competence became an urgent issue. During this period, the store manager was appointed as one of the area’s recruiting managers, and was connected with a contact at the new lead-intermediary.

During 2013, approximately thirty shopfloor appointments were made across three stores in the area, via four academies run by the new lead intermediary. More than five recruits joined Store X1, and all were retained at least into the second quarter of 2014. Several of the new appointments proved to be motivated and community-minded individuals. For example, one recruit established a connection with a group of international students who lived in the accommodation above the store and arranged to teach them cooking skills in his free time. There were also examples of the participation of some of the new recruits in local community events such as charity action days. By the end of the first quarter of 2014, customer satisfaction was measured as higher than other store averages for the area, region and country. Interviews with shopfloor staff indicated generally strong staff motivation, with one customer service assistant describing the store as having “a nice healthy environment for working”.


Engagement with W2W in Store X1 was sustained, in that new recruits were exclusively recruited from the Work Programme and retained as the core workforce. Above all, these recruits were perceived by managers, partly by virtue of their ethnic diversity, to be valuable for customer service. The key to this sustained engagement was the motivation of the store manager. His role as one of the area recruiting managers enabled him to see that the Work Programme provided his best chance of a stable supply of suitable local labour for his store and other stores in his area. The active-orientation of the intermediary was also an important contributory factor. Store Manager X1 had perceived the previous intermediary as poor, regarding them as presenting inappropriate candidates, just to ‘fill gaps’ for the opening of the new store. While also not equivocally complementary about the new intermediary, he nonetheless recognised that they provided a superior service, allowing the company use of their fit-for-purpose offices for interviewing, offering better calibre candidates for interview, “sending us home in taxis [and] giving us lunch”.

Despite engaged local management and an active intermediary, however, the longer-term sustainability of engagement in this store was tempered by the lack of career development opportunities for staff. This was an area of HR over which the store manager had little direct control, due to organisational constraints. As one ambitious supervisor, who had been recruited via the Work Programme, explained:

I’ve made myself crystal clear that I want to progress as fast as possible. They [the management] ‘ve been very honest and fair with me, I’ve been hard-working, so there is a mutual respect and understanding there… [T]hey’ve not given me any false hopes. There’s no fast-track [to promotion], which I’m frustrated about, but they’ve supported me and I really appreciate that. (Interview with Supervisor X1-1)

Store X2 (weakly engaged)

Store X2 opened in March 2013 under a newly promoted store manager, who had spent several years with the company in a number of stores, initially as a customer service assistant while at university. The new store was staffed with a roughly equal mixture of nineteen recruits from the intermediary, local enquiries and staff referrals. Two of the intermediary recruits were promoted to supervisor within twelve months, one of whom was transferred to a neighbouring store.

The store had a difficult first year. It received low customer satisfaction scores in the company’s quarterly ‘mystery shopper’ surveys and experienced the highest staff turnover in the area. At least fifty per cent of the academy recruits did not complete the thirteen-week probationary period.
Although he had access to the same pool of Work Programme recruits as the previous store manager, Store Manager X2 continued to recruit from a mixture of sources. On the one hand, he recognised the potential value for customer service of Work Programme recruits:

> everyone who’s here and ... been through the programme, they live nearby. So they ... know the community, they know people [... if] a customer walks in and go up to our colleagues and speak to them [they] have a conversation ... So that really helps. [Interview with Store Manager X2]

On the other hand, the manager did not sustain his engagement due to the retention difficulties encountered. While recognising that the Work Programme had provided some “really good local colleagues”, he complained that “we only manage to keep hold of half of the people we get ... Either they leave or they just won’t go past the probation, they find it really hard”. Unlike Store Manager X1, he did not perceive there to be any difference in the quality of service provided by the previous and current intermediaries, but in any case had little contact with the current intermediary representative.

While the weak engagement at Store X2 may be largely explained by local managerial attitude, the store manager’s relative lack of interest may have been compounded by a lack of support from senior management in other aspects of the job. For example, he complained about the ongoing problem of lack of security at the store, which he saw as a particular issue given the close proximity of some large housing estates and a drugs treatment clinic. This perception was reinforced by interviews with three shopfloor interviewees, who reported recent violent incidents in the shop and that they sometimes felt unsafe working in the store. As one supervisor described the security staffing arrangements:

> [The security guard] gets two days off [per week] and people around here know when he’s off... [laughs]. Yesterday they came in and took all the cheese. And I went out specifically to get one person who’d stolen yoghurts and when I came back to check the CCTV camera I realised that as I was coming back another person’s been stuffing their bags with everything [Interview with Supervisor X2-1].

On balance, however, the interviews with the shopfloor staff suggested that the weak engagement of Store X2 could not be entirely blamed on lack of senior management support. Customer service assistants and supervisors alike complained of poor store management, manifested in bad organisation of shifts and working hours, a lack of individual and team communication, and a lack of
recognition of staff effort. The contrast with Store X1, which recruited staff via the same intermediary, yet which approached its resourcing and retention differently, demonstrates that demotivated local management, due perhaps in part to a lack of training and support, was the key contributory factor to weak engagement at Store X2.

**Store Y1 (strongly engaged)**

Store Y1 opened in December 2013 under a newly promoted store manager, who had spent several years with the company across a number of stores, initially as a customer service assistant while at university. The store’s assistant manager, three supervisors and two of the fifteen customer service assistants were recruited via internal transfers from other stores, while the remaining thirteen shopfloor staff were recruited via the Work Programme. Ten of the thirteen W2W recruits were retained between January and April 2014, which represented a relatively low staff turnover for the area. The store was struggling to compete with the neighbouring supermarket outlets, but both the store and area management considered it ‘early days’ and were not overly concerned.

Like Store Manager X1, Store Manager Y1 was one of the recruiting managers in his area and had an overall positive attitude towards the Work Programme and its recruits. Although he described the shortlist of interviewees at the academy as a “mixed batch”, he considered it “a good experience for me to come across these people” and those he recruited to be “very, very interesting characters”. He was also positive about his experience of working with the intermediary: “it was a very, very good experience. They did provide us a kind of an office to get interviews, they did provide us with all the stationery” (Interview with Store Manager Y1). The store manager related that he had received two follow-up phone calls in the past three months from the intermediary to check on the progress of the new recruits.

Notable at Store Y1 was evidence of good practice in people management. The store manager described how he held regular team communication ‘huddles’, informal communications with staff at least once or twice per day, and periodic staff recognition sales competitions for £10 or £15 vouchers. His claim was supported in interviews with the shopfloor staff and, despite some complaints about lack of notice about the shift rota and about low pay, the shopfloor staff were appreciative, especially of the efforts taken by the manager and supervisors to communicate frequently and in a friendly manner. As one customer service assistant described it:

> [T]he managers [are] not always serious, they like to like juggle round and have fun with you. They don’t just like put you in a place and say ‘Look, do this, we’re not going to teach you
nothing’, they actually teach you, they ask you if you need more help ... [!] If I have any problems I just go straight to them ... I don’t have to raise my hand and ask them a question, I just go and speak normally to them. (Interview with Customer Service Assistant Y2-2)

Another shopfloor worker emphasised the climate of mutual support that the manager had promoted in the store: “every single one of us, like the manager always tells us, to support each other, like no matter ... even if you have a task, help the other colleague if he needs help” (Interview with Customer Service Assistant Y2-1).

Like Store X1, therefore, the strong engagement of Store Y1 may be largely explained by involved and motivated store management, combined with the active-orientation of the Work Programme intermediary.

*Store Y2 (weakly engaged)*

Store Y2 opened in March 2013, originally under an experienced store manager on temporary assignment from another store. Two further store managers followed in quick succession but were transferred to other store manager positions within the company due to a ‘lack of fit’ with this particular store. The fourth store manager joined the store in January 2014, having been newly promoted after spending several years with the company across a number of stores, initially as a customer service assistant while at college. Store Y2 was staffed with a roughly equal mixture of seventeen recruits from the welfare-to-work intermediary, local enquiries and personal referrals. Although one recruit from the intermediary was retained and promoted to supervisor within a few months, there had been a high turnover of staff recruited from the Work Programme. After a few months, the store reverted to its traditional method of recruitment by placing job ads in the shop window, after which, according to one customer service assistant, “we were inundated with CVs”.

The new store manager had a generally positive attitude towards the intermediary, but struggled with the store’s legacy of instability in its management and staffing. His short time as manager had been dominated by the need to address sickness and issues of poor performance among the staff, regardless of where they had been recruited from. After a few months, however, he felt that he had managed to stabilise his staffing and provide sufficient training and support, and had reached a point whereby he could focus on developing the employees’ skills and positive workplace relationships: “I respect them and they will respect [me] back” (Interview with Store Manager Y2). Nonetheless, negative attitudes towards staff recruited from the Work Programme persisted in the store, as one supervisor illustrated:
Earlier, when the store was opened we had some bad people [laughs]. Yeah, they came from Job Centre, they were just so lazy people... [The] people [who] come from Job Centre, they are totally different, that’s the problem. (Interview with Supervisor Y2)

The interviews suggested that the shopfloor staff were appreciative of the new manager’s efforts and that he had helped develop a mutually supportive environment since his arrival. Like in Store X2, however, managers and shopfloor staff both complained of a lack of senior management support, communication and organisation. There were similar complaints about violent customer incidents and the lack of consistent security provision in the store: “When we have an incident they have a security guard for two weeks and then they remove [them]” (Interview with Supervisor Y2).

The case of Store Y2 reinforces the conclusion reached in the case of Store X1, that the quality of local management and its associated senior management support play a significant role in the strength and sustainability of employer engagement. However, the case of Store Y2 also demonstrates the limits of well-meaning and positive management if it arrives too little and too late, once the initial resourcing of a new business unit has been completed and less conducive workplace norms have already been established.

Cross-case analysis
Overall the Midstore case illustrates how employer engagement may be less about internalising W2W recruits as traditional core employees and more about seamlessly incorporating an increased group of strategically valuable contract workers. The store-level cases also illustrate how the practice of employer engagement is driven by strategic imperatives, sustained by local enablers, and constrained by local as well as corporate and extraneous factors. The cross-analysis is summarised in Figure 4.
For the central thesis that engaged employers are likely to invest in the recruitment, retention and development of W2W recruits as traditional employees due to the consistencies to be achieved in customer service, the Midstore case produces some evidence in support. Staff recruitment and retention for customer service was clearly an important motivation for engagement at corporate-, regional- and area-level, as well as in two of the four store-level cases. However, staff development was not a priority at any level, with almost no evidence of investment in ongoing development or the creation of career ladders for staff. The only ‘good jobs’ at Midstore belonged to the assistant manager and store manager roles, while all other roles were insecure, hourly-paid and often subject to variable hours. Such casualised employment norms in the supermarket sector are widespread and have been identified at European level as problematic for workers’ health and safety (European Parliament Committee on Employment and Social Affairs 2011). In working environments such as the one at Midstore, there is no meaningful distinction between contract workers and traditional employees, as conceptualised by Lepak and Snell. This calls into question the validity of their conceptual category of the internalised, strategically valuable core employee in the contemporary service sector environment.
While the case did not therefore fully support the concept of sustained employer engagement through internalisation, it nevertheless illustrated the complexities of how employer engagement plays out in practice in three specific ways. First, the case showed that, although corporate responsibility and strategic concerns with customer service and workforce diversity were important drivers of engagement, the principal driver was the strategy of business expansion, fuelling recruitment to staff the company’s new stores. This lends further support to previous arguments by Osterman (2008) and McGurk (2014) that employer engagement activity is usually associated with the staffing of new business facilities (often as a condition of local authority planning agreements). Second, through its store-level comparisons, the case demonstrated the influential role played by local operational managers, in combination with active intermediaries, in sustaining engagement through positive and engaged people management. This reinforces the arguments of Boxall and Purcell (2011) about the crucial role of managers in implementing HRM, as well as those of Osterman (2008) and various W2W programme evaluators (see Hasluck 2011) about the effectiveness of active rather than passive intermediaries. Third, the case provides insights into the actual constraints on engagement at firm-level. Disengaged or demotivated local managers were shown to be at least as influential in constraining employer engagement as engaged local managers were in sustaining it. Local management disengagement and/or lack of competence is therefore a key constraint, but this is arguably also related to the tight corporate control over costs, exerted often without accompanying support from senior managers. In the case of Midstore, although store managers may have had some influence over resource-provision at local unit-level, it is also arguable that corporate financial controls were responsible for the lack of local control over employee development and reward and over the provision of security staff.

Conclusion
The paper has drawn on strategic HRM theory, in particular that of employee segmentation (Lepak and Snell, 1999, 2002), to propose that the engagement of low-wage, customer service-oriented employers with W2W initiatives is sustained as part of core human resourcing strategy. This involves, it was argued, the ongoing recruitment of long-term unemployed people, as well as their retention and development within the core workforce, as means of achieving the strategic goal of consistent customer service (c.f. Osterman, 2008).

Some qualified empirical support for this proposition was found through a case study of an exemplar low-wage, customer service-oriented employer. The study suggested that while such employers are
motivated to engage by strategic concerns to recruit suitable customer service-orientated staff, and sometimes recruit exclusively from W2W programmes for these purposes, engagement is unlikely to be sustained unless intermediaries are active and local managers are motivated and empowered. Moreover, the study suggests that employer engagement, however strong this may be among in the short- to medium-term, will not be sustained over the longer term so long as organisations use low-road employment models (c.f. Kalleberg, 2003). If the core workforce in low-wage sectors are effectively employed as contract workers, rather than ‘traditional employees’ with permanent contracts and development opportunities, then employers are likely to treat W2W intermediaries mainly as publicly-funded recruitment agencies to solve their short-term staffing needs (c.f. Gore, 2005). While some low-wage employers may choose to adopt ‘higher-road’ employment practices (Applebaum and Batt 1994, Pfeffer 2007), further research is needed to establish whether employer engagement could be sustained by more professional HR practices (c.f. Atkinson and Williams, 2003, cited in Hasluck, 2011) and by greater opportunities for employee development and promotion along recognised ‘career ladders’ (Osterman, 2008).

The study has two main limitations. While the paper has piloted a promising methodology for obtaining rich, ground-level data on the outcomes of employer engagement, the validity of its findings might have been strengthened through triangulation with good quality HR and customer satisfaction data at firm level (c.f. Yin, 2009), which might have provided additional evidence for the observations of staff retention and good customer service. Secondly, this study has pursued the line of enquiry that employer engagement is motivated by the strategic goal of achieving consistent customer service through stable recruitment and retention. Comparative case studies could test this assumption further by widening the empirical enquiry to low-wage employers in predominantly non-customer facing operating environments, such as facilities management (cleaning and security), warehousing and distribution.

Despite the study’s limitations, it has an important implication for policymakers in highlighting the importance of sustained employer engagement. It is generally understood that successful employer engagement depends in the first instance on partnerships between competent, active intermediaries and committed, socially responsible employers. However, sustained engagement requires sustainable jobs. Unless employers are incentivised to introduce more professional HR practices and offer recognised career ladders to entry-level workers, employer engagement will represent little more than a publicly-funded perpetuation of low-road employment practices.
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