Cutbacks and the care sector: Employers’ perspectives on the impact of the recession on employment in the care sector

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Outline

- Context
  - Why social care provides a lens through which to look at issues in wider economy

- Methods
  - Longitudinal study of recruitment and retention in adult social care

- Findings
  - Reporting interview data

- Discussion
Employment in social care

- Social care traditionally invisible in studies looking at impact of the economy on the labour market
  - Majority of employees are women
    - 84 percent, Hussein, 2009
  - High numbers work part time
    - 30 percent of direct care workers, Hall and Wreford, 2007
  - People frequently do more than one job
    - 1.56 million people doing 1.77 million jobs in adult social care (NMDS-SC Briefing 17, 2012)
But signs of increasing policy and academic interest

- **Increased demand for social care**
  - Longer life expectancy (Jagger et al, 2008)
  - Higher prevalence of disability (Bajekal et al, 2001)

- **Redefinition of what social care means**
  - Changing boundaries between NHS and social care (e.g. Gorsky, 2008)
  - Marketization (e.g. Scourfield, 2006)

- **Policy imperative for better workforce information**
  - New recognition of size of sector (e.g. Topss England, 2000)
Important sector in UK economy, especially in women’s paid employment

- 2.7 million people work in retail (Skillsmart Retail, undated)
- 1.56 million people work in adult social care (NMDS-SC Briefing 17, 2012)
- 787,000 secretaries (Truss et al, 2012)

Workforce could increase between 24-82 per cent from 2010-25

- Depends on model used for projections (Fenton, 2011)
21,900 organisations are involved in providing or organising adult social care in England (Fenton, 2011)*

- 48,300 establishments

Range from

- A single employer with under 4 employees
- Large multi-national with over 250 employees
- 90 per cent are micro (1-9 employees) or small (10-49 employees) employers

* Slight differences in methodology compared to previous reports
Most people work in private sector

Source: Fenton, 2011
Simultaneously...

- Evidence for dual labour market (Doeringer & Piore, 1971)
  - ‘Advantaged workers’ – those in professional posts (e.g. social workers) employed by local councils or in NHS
  - ‘Disadvantaged’ workers – direct care workers in private sector
    - Low pay (Hussein, 2011a)
    - High proportions of migrant workers (Hussein, 2011b)

- But limitations to model of ‘hourglass economy’ (Anderson, 2009)
  - Evidence of skills gaps
Methods

- Four locations
  - Midlands, London, South, North

- Simple random sample of social care providers in locality
  - Sampling frame all those registered with CQC

- 68 employer interviews
  - Mixture of private/voluntary/local authority
  - Both home based and residential care providers
  - Supporting different types of service users

- Interviewed in 2008-2009 and 2010-2011
Data analysis

- Interview transcripts read by members of research team
- Agreed consensus on codes
  - Data-driven and concept driven coding
- Analysed using NVivo 9
Not all bad news?

- Martin Green, Chief Executive ECCA: ‘There may be some good news for the care sector. As a sector that has suffered from recruitment shortages and also from quite high staff turnover, the economic downturn may deliver more people into the workforce and will also reduce the incentives for people to leave it’ (Community Care, 5 March 2009)

- Sector characterised by longstanding problems with recruitment and retention
  - Low status
  - Low pay
Demand is more stable as it is mainly influenced by demographic trends.

I feel with the care industry, the economic crunch [has] no effect because... whether we like it or not if we need [support] there’s no way out. They need people to be given [a] bath, dressed up and driven to day centre for example.... People are living longer and they need to be looked after and some of them, money comes from their parents so whether there’s [a] recession or not, people will pay for their family to be looked after well (Robinia, T1)
Counter cyclical (2)

- Policy drivers to expand social care provision
  - 5.1 per cent real terms growth in adult social care since 1994 (Humphries, 2011)

- Opportunities to expand in areas of growth
  - Most respondents did not remember recession in 1990s but one person did:
    - ‘Here, … the owner then … also did community care … He had this [home] and another home [nearby]…… We didn’t really feel it. If there wasn’t enough [occupied] beds here, we could go out on the community side of it. It wasn’t a problem’ (Lemon, T1)
Impact of expenditure cuts on local authority budgets 2011-12

Example of home care service for people with learning disabilities and other problems

Funding cuts in terms of hours that council would pay for offset by providing service to people with more complex needs who cost more

‘The people using the service, we increased from 37 to 48 and [service] is growing and we are still assessing new customers that will be coming. We expect another ten coming in the next three months….we are covering areas like physical disabilities and dementia and Alzheimer’s and mental illness (Beech, T2)’
Counter cyclical (4)

- Effects equally apparent among those in professional roles in local authority
- Government wants people to be on personal budgets but this target could be affected by losses in statutory sector

- It’s actually at the moment nearly a two year waiting list, because they don’t have the people to do the assessments to provide that funding, because they have lost their jobs. Care managers, you have, I think there [are meant to be] three full time care managers [but they are] covering the whole of this area at the present time with two part timers (Elm, T2)
Counter cyclical (5)

- People from affected sectors more likely to seek jobs in social care
  
  At the moment I don’t think there is a [recruitment] crisis... perhaps a few months ago there might have been, but I think... because of the recession, it has just hit. We’re getting people from outside the profession trying to come into it because they think it’s a job they can do without much training, you know (Palm, T1)
### Why people leave

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<th>Reason</th>
<th>Percent</th>
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<td>Made redundant</td>
<td>25</td>
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<tr>
<td>Temporary job ended</td>
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<tr>
<td>Dismissed</td>
<td>3.2</td>
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<tr>
<td>Resigned</td>
<td>27.2</td>
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<tr>
<td>Family/personal reasons</td>
<td>6.2</td>
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<tr>
<td>Health</td>
<td>2.7</td>
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<tr>
<td>Retirement</td>
<td>2.1</td>
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<tr>
<td>Other</td>
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<table>
<thead>
<tr>
<th>Reason</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Made redundant</td>
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<tr>
<td>Dismissed</td>
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<td>Contractual/nature of the work</td>
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<td>Personal reasons</td>
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<td>Career development/improved job</td>
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<td>Retirement</td>
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<tr>
<td>Undisclosed/unknown</td>
<td>26.2</td>
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By Time 2, more evidence of it being harder to find jobs in the sector

› ‘We have lots of people looking for jobs. I think this is the result of us going through [a] recession. It’s difficult to find a job. And people looking for [one], constantly. Some people [are] being [made] redundant and they are looking for jobs. I think I can say, there [are] more [applicants] with experience, middle aged people, rather than people that [have] just hit 18 and [are] looking for jobs (Beech, T2)
Nursing homes traditionally have worse recruitment problems

Nursing home at T1 had recruitment problems, not by T2

› Hundreds, absolutely hundreds. I mean every time we've recruited we've been inundated with applications. And as I say I mean we get at least eight or nine applications every single day for care workers (Acer T2)

Social care – especially direct work – is often seen as unskilled.

Employers have very consistent shopping list of skills they want.

Tend to describe skills in terms of personal qualities:
- Training or experience less important than having a ‘caring nature’ or even a ‘vocation’.
Skills

- **Reliability**
  - Applicants via the job centre sometimes disadvantaged compared with those recruited in other ways – e.g. via another member of staff

- **Communication skills**
  - Language and also in terms of ability to communicate with people with communication difficulties

- **Contrasts between small businesses and large organisations in terms of recruitment procedures**
  - Size is key more than whether you are from the public/private sector
Desirability of ‘soft’ skills

-…it’s not recruiting for skills, because you can teach skills and knowledge and you can pass that on. I think recruiting is about attitude and feelings. I think you need to be able to work with people (Acer)
Themes: power relations

- Effects of outsourcing
  - Controlling labour costs way of controlling overall costs

- National Minimum Wage thought to have benefited sector
  - (e.g. Low Pay Commission Reports)
  - Has created ‘flatter’ pay structure with low earnings premium for experience/training
  - 156,673 to 219,241 care workers may be paid less than minimum wage (Hussein, 2011)
    - Mainly due to unpaid travel time/unpaid overtime
  - In home care, often on zero hours contracts
Zero hours contracts can work two ways:

We said yesterday, we are supposed to be in a recession and I don’t think it’s hit us, because carers are picking and choosing, ‘no, I don’t want to do that client’, ‘I don’t want to do that time’. ‘I want to finish... early’, you know...I think for us, because they have regular work and regular clients, they have enough to get by each month. They don’t want to do any extra. As soon as one of their clients goes into hospital, they are shouting they need an extra five hours (Pecan)
Working relationships

- Move from collective bargaining to ‘psychological contract’ (Guest)
- Need to provide 24/7 service but enhanced pay is rare
- Ways to create non-pay related rewards
  - Being ‘on the floor’
  - Ways of saying thank you
  - Promoting camaraderie and team spirit
Unanswered questions on what we are prepared to pay for care (EHRC report)

Social care workers as members of the ‘precariat’ (Standing, 2011)?

Comparisons with retail/hospitality

› Job satisfaction tends to be high
› Greater emphasis on retention
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› The views expressed in this presentation are those of the authors, not necessarily those of the Department of Health
› Thanks to the employers and sessional interviewers
› Thanks to you for listening!