

## ORIGINAL ARTICLE

# Can cooperatives/employee-owned businesses improve 'bad' jobs? Evaluating job quality in three low-paid sectors

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## Abstract

Job quality has received increased attention from academics and policy makers across industrialized countries. Yet, there has been limited assessment of how job quality is impacted by different organizational forms, including cooperatives and employee-owned businesses (EOBs). Although there has been growing interest in how cooperatives/EOBs impact on employee outcomes, comprehensive assessments of the range and reasons for varied employee outcomes in these settings are underdeveloped. To address these lacunae, this study examines whether cooperatives and EOBs can improve 'bad' jobs by examining three in-depth qualitative case studies of different types of cooperatives/EOBs forms located in low-paid sectors of the economy in Wales: social care, transport and manufacturing. In so doing, we seek to contribute to recent academic assessments of employee outcomes to explore whether job quality is influenced by different organizational forms, including cooperatives and EOBs. We extend existing discussions relating to salient explanations for job quality by developing a contextualized assessment to examine the extent to which workplace actors can improve 'bad' jobs.

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## 1 | INTRODUCTION

The capacity of advanced industrial nations to address low levels of job quality could be considered a 'grand challenge' of our time, due to the considerable impact of 'bad' jobs on the individual, the firm and national well-being (Findlay et al., 2013: 441). Significantly, since the global financial crisis (GFC) issues, such as economic growth, productivity levels as well as declining wages and living standards and rising levels of in-work poverty resulting from 'bad' jobs, have led to questions about whether advanced economies can generate enough 'good' jobs. Hence, one of the 'challenges' is how we may improve 'bad' jobs. Employee ownership is offered as one potential solution to addressing the negative employee outcomes associated with contemporary capitalism (Brown et al., 2019; Cheney et al., 2014; Kurtulus & Kruse, 2017)

The positive advantages of employee ownership include their potential to deliver sustainable corporate governance, by prioritizing employee well-being and connecting to the community and the environment (see Perotin, 2013). The benefits of employee ownership models gathered pace after the GFC, as attention focused on their ability to withstand economic crises to provide more stable and sustainable business models (Kurtulus & Kruse, 2017; Lampel et al., 2014). A range of quantitative studies identify how ownership leads to both improved firm performance (Blasi et al., 2018; Kurtulus & Kruse, 2017; O'Boyle et al., 2016) and positive employee outcomes (Blasi et al., 2008; Brown et al., 2019; Kruse et al., 2010). However, this study provides a qualitative exploration of the hitherto underdeveloped linkages between job quality and different models of employee ownership. We examine whether cooperatives/employee-owned businesses (EOBs) offer the potential to improve the experience and quality of work in three case studies based in Wales. This context is relevant as the Welsh Government supports the growth of employee ownership models as part of its economic regeneration strategy.

Our contribution focuses on examining job quality outcomes at the workplace level within three case studies of cooperatives/EOBs in sectors of the economy associated with low-paid and 'bad' quality jobs. In so doing, we assess whether cooperative forms, including shared firm ownership, represents the locale for interventions most likely to improve job quality. In addition to sectoral differences, the cases represent diversity in the types and forms of cooperative models to reflect further on how these may impact variously on employee outcomes. We examine whether different cooperative and EOB models result in making 'bad' jobs better, and thus make a conceptual contribution to current debates about the potential of workplace agents to improve job quality (Findlay et al., 2017).

We find that there were several positive employee outcomes which emanated from cooperatives/EOBs, although these outcomes varied and were also mediated by two factors in each of the organizations: the nature of ownership and contextual features. Firstly, the depth and degree of employee ownership mattered; positive outcomes were most evident where workers had greater control over the business. Secondly, the ability of cooperatives/EOBs to improve 'bad' jobs was influenced by both meso-level sectoral conditions and macro policy contexts, including the undervaluation of gendered social care. Additionally, workers' subjective assessments of their working realities illuminated the varied benefits from ownership which extended beyond job quality dimensions to include workplace cultures, the pride of ownership and improved service quality for customers and users. Significantly, we find that employee outcomes were influenced by the social characteristics and priorities of the founders. Finally, the locus to improve job quality in low-wage sectors is more complicated than focusing on ownership alone and suggests that interventions beyond the workplace level are also required to improve 'bad' jobs.

## 2 | JOB QUALITY

In broad terms, Holman (2013a: 34) notes that job quality refers to 'the extent to which a job has a combination of factors that are likely to promote beneficial outcomes'. However, this simple definition belies a more contested subject of study. As Findlay et al. (2013: 448) assert, 'job quality is a multi-dimensional concept'. By implication, this involves debates about the features which constitute job quality as well as explanations for variations in job quality.

Objective features of job quality include the identification of factors/measures which lead to 'good' and 'bad' jobs. In this respect, there is a 'degree of consensus' (Findlay et al., 2013) among researchers of the factors which influence job quality based on Holman (2013a). These include five basic dimensions: *work organization* – job discretion, autonomy, task complexity, social support, job challenge, cognitive demands and moderate workload, *skill and development* – skill use, training and opportunities for development, *wages and payment system* – high pay and pay enhancements, *security and flexibility* – permanent contracts and choice of work time and *engagement and representation* – consultation and voice opportunities. Hence, objective studies aim to quantitatively measure job quality and enable comparison by occupational group (Felstead et al., 2019), sector (Holman, 2013a) or country (Holman, 2013b).

Job quality also has subjective dimensions; notions of what is a 'good' and 'bad' job is influenced by workers' characteristics, such as sex, age, ethnicity, qualifications, socio-economic background and work preferences (Cooke et al., 2013). Hence, qualitative approaches aim to understand what work means to individuals and groups to capture the role of human agency in reflections of work characteristics (Knox et al., 2015). This study combines objective and subjective assessments to compare core features of job quality across the three case studies by interviewing workers about their subjective assessments of the five objective job quality features outlined by Holman (2013a).

Additionally, identifying the salient factors which explain variations in levels of job quality between countries, industries and organizations is highly debated. Researchers (Holman, 2013a, 2013b; Lloyd & Payne, 2013; Meagher et al., 2016) identify that job quality outcomes involve the complex interplay of factors at the micro, meso and macro level (Findlay et al., 2013). Macro-level explanations attend to the broader political economy contexts at a country level. For Holman (2013a: 35; 2013b), the main explanation for cross-national variations in job quality are the institutions, such as employment and industrial relations policies and the capacity of organized labour to influence decision-making within firms and government. Undoubtedly, the macro political economy is relevant for explanations of job quality. For example, the UK's liberal market context has led to deregulation of the labour market and increased precarious employment (Rubery et al., 2016). In addition, limited trade union power can be significant, as Sims (2017) identifies how trade union involvement at the workplace level can improve job quality.

A limitation of macro-level explanations is the neglect of variations in job quality within countries (Sengupta et al., 2009: 27), which are impacted by specific sectoral conditions (Lloyd & Payne, 2013; Meagher et al., 2016). Although there is a lack of consensus in these studies regarding the mediating impact of sectoral influences, there is an acknowledgement that when sectoral conditions exert low-cost competitive pressures and when there is an oversupply of labour, job quality is likely to be poorer (Meagher et al., 2016; Sengupta et al., 2009). In sum, there is need for caution when generalizing about explanations of job quality and a greater need to reflect on the diverse impacts of the role of sectoral conditions in mediating job quality outcomes.

Micro-level assessments focus on workplace features and include directing attention to interventions, which can be made to improve job quality. For example, Sengupta et al. (2009)

highlighted how small food production firms with family cultures created better job quality outcomes. For Findlay et al. (2017: 11), the workplace is the most important locale to improve job quality because of asymmetries of power and the contractual nature of the employment relationship. Hence, some employers chose to improve 'bad' jobs through adopting 'high-road' business strategies. If we accept that job quality is not predetermined, then as Vidal (2013: 589) states, even in liberal market regimes, firms in some sectors chose to invest in better quality work. However, the 'choices' of workplace agents do not fully account for sectoral constraints. As Lloyd and Payne (2013: 17) clarify, 'although power is central to how work is organized, its distribution and effects need to be explored at national, sectoral and workplace level'. Although we would expect cooperative settings to configure better jobs, further research is needed to demonstrate the extent to which different ownership models enable improvements in job quality as well as the factors which constrain job quality.

### 3 | COOPERATIVES AND EOBS

With arguments that the workplace is the locus to create 'good' jobs, there is growing attention on the impact of firm ownership structures on job quality. Mayer (2018) and Thompson (2003; 2013) provide comprehensive critiques of the dysfunctions of traditional business models based on profit maximization. Mayer adopts a macro assessment of the impact of the neglect of 'social purpose' for business in terms of broader economic functioning, social inequality and environmental damage. Thompson's 'disconnected capitalism thesis' (DCT) focuses explicitly on the negative impact on employees with respect to a range of job quality outcomes, including the use of short-term and precarious forms of employment.

Against this context, it is argued that employee ownership offers an alternative to capitalist forms of organizing. These organizational forms are posited as playing an 'important role in reimaging and reconfiguring the economy as a whole as well as bringing to the table alternative forms of governance' (Cheney et al., 2014: 592). A range of quantitative studies have indicated several benefits for employees, including how cooperatives/EOBs can mediate some of the negative features of short-termism indicated in Thompson's DCT (2013). Significantly, employee participation entailed firms becoming more inclusive and open, with employees having a greater influence over decisions, and provided more stable and secure forms of employment, higher pay, lower turnover and increased job satisfaction (Blasi et al., 2008; Brown et al., 2019; Kruse et al., 2010). Within the US context, 'shared capitalism' (referring to a variety of employee ownership linked to profit sharing) is found to also result in enhanced firm performance (Blasi et al., 2018; Kurtulus & Kruse, 2017; O'Boyle et al., 2016). Specifically, following the GFC, research also demonstrates that cooperatives/EOBs were able to develop more sustainable business models during crises compared to traditional business models (Kurtulus & Kruse, 2017; Lampel et al., 2014). Such that Brown et al. (2019: 77) found that, 'employee ownership does appear to insulate firms and workers to some degree from the dysfunctional elements of contemporary capitalism'. These quantitative studies provide a useful insight into the beneficial outcomes of ownership and 'shared capitalism' (Kruse et al., 2010) more broadly. Our study seeks to extend these findings by exploring the impact on employee outcomes relating to job quality in different models of ownership and to explain why variations in outcomes may exist.

However, under the umbrella 'employee ownership', a myriad of differences exist relating to the size of the organization, degree of ownership, the depth of employee participation (Kruse et al., 2010) and the scope and focus (Paton, 1978) of these organizations. In the UK context for

example, employee ownership relates to firms where 25% or more of the ownership of the company is broadly held by all or most employees (or on their behalf by a trust). Whereas worker cooperatives tend to abide by the International Cooperative Alliance's principles of economic participation, democratic governance, community cooperation and worker self-development. These organizations are owned wholly by members and prioritize social values by emphasizing democratic functioning. However, within the term cooperative, there are a range of diverse organizational forms which share some, but not all, of these core principles (see Pendleton, 2011). For example, degrees of employee control and the depth of participation and democracy can vary extensively; as Paton elaborates, three types of cooperatives/EOBs emanate from variations in the scope and focus for their establishment. *Endowed* ownership arises when an existing company is transferred to employees. These organizations are often paternalistic and include conditions/constitutional arrangements concerning control and representation but are not necessarily built on democratic functioning. *Defensive* forms often emerge from employee/manager 'buy-outs' to preserve jobs after business closure. Business survival rather than internal democracy tends to be the main focus of these organizations which often appoint or elect a manager(s) to make decisions. Finally, *alternative* forms are usually established for social or political reasons. Members often reject conventional business forms and are attracted by democratic and collectivist structures. This category can include social cooperatives, which provide non-profit welfare services.

Social cooperatives are prevalent in the delivery of social care specifically in northern Italy (Borzaga & Galera, 2016; Sacchetti & Birchall, 2018; Zamagni, 2012). In these settings, cooperatives are often multi-stakeholders (MSCs) which include workers, representatives from the local community and service users. MSCs extend membership rather than ownership with respect to stakeholder involvement in the strategic control or governing function of the organization especially within not-for-profit welfare services. Through these bodies, stakeholders can contribute to strategic decision-making, with the aim that interests are balanced between three stakeholders (Michaud & Audebrand, 2019).

The variety of categories of cooperatives and EOBs signify a wide diversity of practices relating to the nature and extent of ownership, governance and control and degree of participation between as well as within these organizational forms. Hence, although we can consider cooperatives as hybrid organizations which combine an economic and social purpose, the focus and scope of these organizations can vary as well as change over time and be influenced by firm size. As such, we would expect different types of ownership models to impact variously on employee outcomes.

Additionally, explanations of the factors which impact on the capacity of workplaces to improve employee outcomes are underdeveloped. Although surveys provide useful insights, they have limited explanatory power, while case study designs often paint a more complex and mixed picture of the employee outcomes. Basterretxea and Storey's (2018) examination of managers' views of working practices in Eroski, a supermarket subsidiary of Mondragon, and the John Lewis Partnership highlight that employee outcomes were impacted by external pressures facing these organizations. In particular, at Eroski, the cooperative's collective response to the GFC resulted in lower wages, increased productivity and longer working hours. Ten years on, this resulted in higher stress and workload for coop members. Hence, measures to sustain the long-term survival of the business were deleterious for workers.

This study extends an examination of the contexts which give rise to ownership advantage. There is limited research on how cooperatives/EOBs which differ in their scope and focus variously influence employee outcomes. For example, within reviews of social cooperatives (Borzaga & Galera, 2016) and MSCs (Sacchetti & Birchall, 2018), employee outcomes tend to be

underdeveloped. As such, we suggest that contextualized assessments of cooperatives/EOBs are able to identify if, how and why these organizations are able to prioritize employee outcomes. This evaluation centres on the diversity of models internal to the organization as well as appreciating how external contexts shape business strategies which influence organizational choices around job quality. Our study is oriented around the broad research objective of whether cooperatives/EOBs can make 'bad' quality jobs better. To do so, we examine three case studies of low-paid sectors in Wales, which also represent varied cooperative/EOB models to assess whether job quality can be improved through different types of cooperatives and EOBs. We examine the following questions: How do workers in cooperatives/EOBs perceive the quality of their jobs? How are choices to improve job quality enabled or constrained by the contextual settings in which cooperatives/EOBs operate? What cooperative models are most likely to improve job quality? By explaining these contexts more fully, we seek to contribute to recent debates about the nature of employee outcomes and the factors which influence job quality within cooperatives/EOBs.

## 4 | METHODS

The article is based on three comparative qualitative case studies of cooperatives/EOBs based in Wales. This context provides an important backdrop as the Welsh Labour Government has been a strong advocate of employee ownership in general, and specifically in relation to the delivery of social care (Social Services and Well-being Act Wales 2014). Qualitative case study designs are chosen to address our research questions because of the importance of identifying the impact of contextual features on job quality (Yin, 2003). Case study designs allow an examination of the interplay between internal and external organizational contexts, such as the nature of business strategies and the choices made by organizational actors. To evaluate these features, primary data collection is based on in-depth semi-structured interviews with workers and managers. The interview schedules explore objective factors of job quality (Holman, 2013b) through questions relating to the nature of work organization – including the degree of autonomy, discretion, task variety and job challenge – skill and development, wages and payment systems, security and flexibility, and engagement and representation. Our aim was to assess workers' subjective understanding of these factors as well as tapping into the working experiences, the degree, depth and level of involvement and participation in decision-making, and the workplace culture.

To examine whether cooperatives/EOBs were able to make 'bad' jobs better, as well as examining different low pay sectors, the three case studies also represent different types of cooperatives and EOB models. These include CabCo, a recently established worker cooperative taxi firm; PacCo, a small EOB in the contract packing sector which transitioned from a worker cooperative to an employee-trust to extend ownership to a broader range of employees; and CareCo, an MSC which provides support for adults with disabilities to live independently in the community and employs approximately 1200 staff. CareCo transitioned from a charity to an MSC in 2017. To reflect these features, purposive sampling was used to select the firms which would help to address the research questions.

Fieldwork with CabCo was conducted during the COVID-19 pandemic which impacted on the number of participants as many of the original 14 members took temporary leave. Only five of the six members still working were interviewed by telephone or Zoom. All the taxi drivers were male. All of the other fieldwork was undertaken prior to the pandemic. Thirteen interviews were conducted in PacCo out of a possible workforce of 38 at the time of the study. PacCo had a largely female shopfloor, and the directors were largely male. Seven interviews were conducted



with women and six with men. Twenty-nine interviews were conducted in CareCo. Care workers were predominantly female, although not exclusively; eight of the interviews were conducted with men. Therefore, the gender composition of the sample reflected gender segregation in these sectors. In total, 47 in-depth interviews were conducted, digitally recorded and transcribed.

Data analysis followed a thematic assessment based on coding to compare instances and to assess patterns and regularities as inferred from Glaser and Strauss’s (1967) constant comparative method. The first phase of the analysis involved comparing the five features of objective job quality (Holman, 2013a) in each case. We also assessed workers’ subjective experiences beyond the five features of job quality to better understand the aspects of work which workers perceived as satisfying and meaningful. Here, we sought to attend to the different types of work and how previous working experiences were relevant in these assessments. Finally, we were concerned to provide an examination of explanations for variations in job quality which focused on contextual features relating to sectoral positioning and business strategies. Given the context-specific nature of the cases, the findings are not intended to be empirically generalized to the broader population of worker cooperatives/EOBs. Instead, the findings are inferred to make an analytical contribution to our understanding of ownership models and job quality.

5 | RESULTS

To accompany the case study findings, Table 1 provides an overview of the five features of job quality in each study. The assessment of these features denoted workers’ subjective assessments of each of these features rather than quantitative measurement. In addition, we do not assess *skills and development* as a theme in the discussion of the findings below, as these were not found to be a significant feature of the cases. Holman’s (2013a) category focuses on training and career development opportunities; in the cases reviewed, we suggest that limited evidence of development opportunities was linked to meso-level factors, such as the sectors and markets in which they operate.

TABLE 1 Holman’s (2013a) dimensions of job quality by organization

Organization	Work organization	Skills and development	Wages and payment	Security and flexibility	Engagement and representation
PACCO					
Good	X		X		
Bad		X			X
Mixed				X	
CARECO					
Good	X	X			
Bad			X		X
Mixed				X	
CABCO					
Good	X		X		X
Bad		X		X	
Mixed					

## 5.1 | PacCo

PacCo is a contract-packaging firm which emerged from a management and employee buy-out. Previously, employees had worked for 'EuroPac' (pseudonym), which employed approximately 140 workers located in 'Valley Town'. In 2005, when the company closed, the management team prompted a buy-out with a small group of employees (19), investing £3000 each to develop a new worker cooperative. PacCo could be categorized as a 'defensive cooperative' (Paton, 1978); formed by employees to preserve jobs after business closure. The scope and focus for the establishment of PacCo was business sustainability, which can be explained by its location in one of the most economically deprived areas in Wales. To expand its customer base, PacCo developed a business strategy based on flexibility; prioritizing delivering orders to short-time cycles in a highly price-sensitive market with small profit margins. Prior to the case study, PacCo transitioned from a worker cooperative, whereby only the original founders were members, to an EOB which extended membership to all employees. Hence, although PacCo was technically an EOB, the respondents reflected on the 10 years it was a worker cooperative. Assessing job quality at PacCo was a mixed picture of some positive features as well as unexpected developments.

### 5.1.1 | Pay

Since it had been established, PacCo had prospered and expanded and at the time of the study employed 38 full-time employees. Profits had also steadily increased to £4 m at a time of considerable economic turbulence and productivity levels had increased by 40%. The Managing Director highlighted,

'For one of our customers we used to produce 18 packs per minute and then when we became PacCo we produced 26 packs. When you work for yourself it was different in terms of the speed and quality. We had a 40% hike in efficiency because they are the owners!' (Mike).

Rising productivity levels and a market strategy-based keeping costs low meant that the business was financially successful. Although the work was minimum waged, the cooperative context meant that the original cooperators received approximately £80,000 pounds each in profit sharing. Most of which was received as one sum after 10 years of operation to ensure that the original owners were rewarded before PacCo transitioned to an employee trust. To place in context, at the time of the study, the average house price in this community was £76,000. For many, these sums had been life-changing; it enabled them to buy their homes and provided financial and employment security. This was highly significant for many, as Jackie stated.

'When I was working in EuroPac I had two young children and you live from week to week don't you? That's what it was like, but then (in PacCo) we was having dividends at the beginning and then now this... with the Trust, I mean there's no worries now'.

In the context of low-waged factory work, the opportunity to accrue such sums of money was viewed as a positive feature by the original owners. In the future, as an EOB, all profits will be distributed equally to all employees once a year in the form of a bonus.



### 5.1.2 | Engagement and representation

Paradoxically, the benefits of economic democracy weakened demands for internal democratic functioning. The organization operated a hierarchy between the four directors and the factory floor employees with no formal channels of participation. Core decision-making, including investments in machinery and the leasing of new premises, was not discussed or decided by the workforce and remained the preserve of the directors. A highly paternalistic management style emerged and resulted in cooperators only being informed of changes after decisions had been made, such that the employee involvement and participation could be described as 'shallow' (Heras-Saizarbitoria, 2014).

Although some of the shopfloor workers had started to question the lack of participation, most, such as Elsie, signified her trust in the decision-makers.

'No we don't vote on stuff... it's just they'll tell us what's going on and we're going to buy this piece of kit, is everybody agreeable, you know, but they don't have us every five minutes because we trust them, and whatever they do is all for the good of the company'.

The financial success of PacCo cemented the position of the directors and extended the managerial prerogative. As such, most staff were happy with their democratic right to vote for the directors annually.

'Obviously you'd like more of a say in things but, at the end of the day, they're qualified to do their jobs, we vote them in. If you don't like what they're doing then we can just not vote them and put one of us on the board, but up to now they're doing a fantastic job, no need to change it' (Lewis)

'If you wasn't happy with them, people would vote them out wouldn't they? But it's worked, hasn't it? So, if it's working you can't criticise it can you? It's worked well' (Jackie)

These sentiments conform to other studies of 'defensive cooperatives' (Paton, 1978). The management prerogative was extended because of business success. As such, the characteristics of the workforce are an important consideration in understanding the nature of employee participation. Class, age and in some cases, gender relations explain why low-skilled, low-waged, older factory workers with no previous history of engaging with management expressed their limited desire to engage in decision-making. Despite financial ownership, employees demonstrated their deference to management. As Sennett (2012) notes, cooperation is a matter of skill and an embodied craft like this requires time to develop and learn, especially in these types of ownership models.

### 5.1.3 | Work organization

Despite limited participatory decision-making, it would be inaccurate to convey that shopfloor workers did not exercise any power and control. Workers' main realm of autonomy was in relation to the workplace. Although production targets remained, and boring repetitive work was still

endured, most commented upon the more relaxed nature of the work environment which was linked to the absence of direct forms of supervisory control compared to EuroPac. One of the workers reflected on the difference between the two firms,

‘We work and we work hard, but it’s so much more relaxed, you know, there’s nobody on your back all the time, you’ve got to do this and you’ve got to do that, and watching you, you know they trust us really.’ (Elsie)

The workplace was experienced as less overtly ‘controlled’.

‘It’s more laid back up here... when we was in EuroPac they were on your backs continuously... we still do the job, but we haven’t got the hassle of being watched continuously. We still get our counts out and everything, so it does make you feel better when you haven’t got somebody standing there staring at you and screaming at you.’ (Ruby)

For those who had worked within Taylorized labour processes signified by tight monitoring and surveillance, the nature and experience of work at PacCo was a marked improvement. These lived experiences of work are not to be underestimated in terms of the impact on employee well-being. Tina noted,

‘I worked in ‘Factory Co’... with the targets, they was watching you a lot and stuff, and I think when I came up here, although you’ve got to get the targets as well it’s nice to just not be under, feel under pressure... everybody is so nice here, it’s just a nice environment to work for, so it is different... it’s a nice place working to be honest’.

There was also evidence of employee discretion around the organization of the labour process in relation to how production lines were configured and organized and this feature distinguished PacCo from previous employers. As Jackie noted,

*Q: Can you organize the line differently?*

*A: Yeah!*

*Q: Which you couldn’t do in another factory?*

*A: No. If we want to alter it around when we go in there (points to shopfloor), we do it as we want.*

Despite limited decision-making, there was evidence of workers exerting their influence over the workplace and the organization of the labour process in terms of the design and control over work.

#### 5.1.4 | Security and flexibility

To resolve the contradictions which emerged from an external competitive product market that was highly price-sensitive, with an internal context which prioritized securing employment, PacCo operated a dual employment strategy of core and periphery employees. A plethora of casual contracts, including zero-hours contracts, agency workers and the use of full-time temporary contracts, were used to deal with peaks in demand. These contracts allowed labour costs to be minimized by keeping permanent staff numbers relatively low. However, the use of temporary contracts emerged as being particularly contentious; workers were required to work full-time for 4 years of uninterrupted service before they could become eligible for a permanent contract. However, there were examples of some temporary staff, close to their 4-year working period, being made redundant only to be hired weeks later, disqualifying them from uninterrupted service such that they had to build their service up from scratch. This had happened to one of the respondents who expressed the sense of unfairness of the system.

'There was about 12 of us come at the same time, we worked here and we were due to be made permanent this year and then last year they laid us off. And they laid us off for 5 weeks, and if they'd laid us off for 4 we'd have continued with our contract so we would have been made permanent'. (Ken)

The pursuit of a market logic to retain stable employment for the full-time core staff resulted in using insecure contracts. This reflects the sectoral conditions with short cycle times and small profit margins where firms are required to be highly flexible to survive.

#### 5.1.5 | Summary

Within this socio-economic context and against their previous work experiences, employees at PacCo valued the opportunity to have a secure job, share in the financial success of the firm and have control over their immediate work environment. Arguably, these three features reflected the values and priorities of the workers themselves and in this way, employee ownership represented a significant qualitative improvement in their working experiences. However, it is important to note that employee ownership did not extend to all job quality features and groups. There was limited employee participation and workplace democracy, which reflected the class, age and gender characteristics of the core workforce who had limited desire to take an active role in decision-making. Additionally, a core/periphery employment model resulted in non-permanent employees not sharing the benefits of ownership. The struggle for survival in a highly competitive low-cost sector meant that business sustainability and improving financial returns for the core group had become more important than extending improved outcomes for all. Hence, the transition to an employee trust was considered an opportunity to provide a collective share to all.

### 5.2 | CabCo

An initial eight members began planning CabCo, a private hire worker cooperative taxi service, in 2018. Financial input derived from the founding members. Additionally, members pay £20 per

week in fees to CabCo, a figure significantly less than the approximately £130 charged by local competitors. By May 2019, membership increased to 14 drivers. This setting was reflective of the scope and focus of an 'alternative' cooperative; it was founded to do business differently in how it was managed, and in its business strategy which prioritized customer service quality in a challenging external context marked by intensive competition and the oversupply of labour. Consequently, CabCo only recruited new members as the customer base expanded, to avoid supply outweighing demand and drivers having insufficient work to sustain them financially. Further, CabCo demonstrated a strong commitment to the cooperative ethos, as evidenced by the founding members' decision to amend the threshold required in the constitution to dissolve the cooperative from 70% to 90%.

### 5.2.1 | Work organization

Although the nature of work ultimately remained the same, a resoundingly positive feature of work at CabCo related to the fairness of work allocation. Participants compared their current experience far more favourably to previous work with other firms. This was characterized in two ways. First was transparency and equality of opportunity in the allocation of jobs.

'It's all open and above board, everybody can see what's going on and there can be no accusations of certain people getting special privileges. It's all there in black and white, you can see it in real time what's going on where.' (Gareth)

'On other platforms... a lot of drivers there are stabbing each other in the back for their job and we have said we are not going to do that. We are a co-operative, we work together. Sometimes you get a sweet job, sometimes you get a small job but that is how the cookie crumbles.' (Alun)

CabCo also operates a rota basis for longer (higher fare) jobs. This ensures transparency and avoids internal conflicts whereby drivers may refuse smaller jobs in the hope of more lucrative ones.

'Everybody gets a share of the pie as they say. So it goes fairer that way, much fairer. We started off a rota list with all the members on and if any long-distance job comes up, you are booked 24 hours before and you are next on the list, that is your job.' (Alun)

Second, participants prioritized business success over individual gain. As Alun noted,

'you have got to do both sides of it, you can't run down because it is a nice big fare... but if it is a small fare, "Oh I won't bother, I'll let somebody else run down." Don't think like that. That's not the co-operative way of thinking'.

### 5.2.2 | Pay

Fairness also underpinned discussions of wages and payments. Being self-employed, driver-members do not receive a wage from CabCo, instead retaining 100% of any fares they take. This compared favourably to other firms which take a 15–25% cut of any fares. However, participants also highlighted that income remained dependent on custom, which varied from day to day.

*'A few times I've been able to do eight or nine hours and only taking forty odd pound...in less than half that time you know, I may've done a hundred and sixty pound. It can fluctuate so much.'* (Leigh)

*'Sometimes you might find you need to earn more money, so you log on for longer.'* (Jonathan).

Security of income was not guaranteed, but this was,

*'just the way...the industry has gone.'* (Leigh)

CabCo's members decided to set their rates in line with the local council recommendations, both to be fair to customers and to encourage business. Additionally, members paid far lower weekly fees into CabCo than their competitors, who,

*'Don't see [employees] as drivers; they see them as £180 cash machines walking around.'* (Alun)

Surplus funds accumulated allowed CabCo to continue operating during the national lockdown and gave members the scope to vote to lower the weekly fees from £20 to £5 during this time (see below).

### 5.2.3 | Security and flexibility

Being self-employed in a competitive sector meant that job security was not guaranteed. As Gareth put it,

*'I don't think anybody who is self-employed can honestly hand on heart say they've got job security because you never know what's coming round the corner. I mean even to have a week off to go on holiday you've got to kill yourself for a couple of weeks leading up to it to make sure there's enough money in the bank to pay your bills while you're away and if you're not working you're spending rather than earning, so, no there's definitely no job security in this game at all'.*

Changes in the industry, including the advent of Uber leading to a surplus of drivers, and the continuing impact of the 2008 recession on customer habits were also blamed for this lack of security.

### 5.2.4 | Engagement and representation

A final feature of job quality reported positively by all participants was democracy and member voice. CabCo employs a simple majority vote system for implementing any changes to the business. As Alun explained,

‘all our drivers turn up and say right, this is the topic for today, who wants to vote? And if the majority agree, we go with it and if the majority don’t, we don’t. So it is as simple and easy as that’.

A Board of four members discusses any proposed changes to operations or administration – examples included lowering driver fees during lockdown or recruiting a new driver with a wheelchair-accessible vehicle – which are then put to all members to discuss and vote on. Since launching, and as drivers need to be working most of the time, these discussions typically take place virtually via WhatsApp. Significantly, members embraced the opportunity to make decisions and welcomed their views being heard,

‘Oh, yeah absolutely... I do feel quite valued in my opinions and ideas, the same as everyone really you know... I don’t feel that anyone feels as though if they commented on something that they’re not going to be listened to.’ (Leigh)

‘...everybody’s opinion is being listened to. All the drivers when they have a query or a problem, they question that and at the next driver’s meeting we try and resolve it as best we can. And so far, there hasn’t been any issues at all.’ (Alun)

### 5.2.5 | Summary

CabCo demonstrated the most positive features of job quality compared to the other cases (Table 1). As a newly formed worker cooperative, the founders were able to shape the focus of CabCo to reflect their priorities and to do business differently. Consequently, although the job has objectively ‘bad’ quality features linked to low job security, unpredictable working hours and ensuing variability in pay, the cooperative context ensured several positive outcomes. These included the fair allocation of work, fees and pay and the ability to make and take collective decisions to ensure business stability. In the context of taxi work, drivers considered these outcomes as representing a considerable improvement on their previous work experiences.

## 5.3 | CareCo

The case centres on a large social care MSC cooperative which provides 24 hour supported living houses to promote independence for adult users with disabilities in the community. MSCs do not have the same form of ownership as other cooperatives, such as worker cooperatives. Instead, multi-stakeholder involvement extends to shared governance rather than ownership of the organization. Consequently, these cooperative models often feature in welfare focused non-profit organizations with the aim of bringing together care users, workers and the community to share



governance on strategic issues. Within CareCo, the Chief Executive explained that the primary motivation for the transition to the MSC was to extend coproduced care by further involving user voice in designing service delivery.

*'It is all about raising the voice of the people on the receiving end.'* (Chris)

The extension of coproduced care improved some job quality features for example, this personalized approach affords higher levels of discretion and autonomy for workers and service users to co-design how care is delivered. However, compared to the other two cases, the transition to the cooperative had not resulted in improving job quality because the broader sectoral conditions exerted a negative influence on some 'bad' job characteristics, such as low pay.

### 5.3.1 | Work organization

Although social care is a regulated sector and care plans must be adhered to, the promotion of user independence and personalized care related to coproduction necessitated a wide range of task variety,

*'Painter, decorator, hairdresser, nurse ... in this environment you cover so many different facets.'* (Zoe)

Coproduced care enhanced levels of discretion for workers because service users and their support workers are afforded more autonomy to design the type of support required by users,

*'We decide on activities with the service user, so there is a lot of freedom in the role.'* (Katrina)

As well as entailing semi-autonomous working without supervision, workers, in conjunction with users, determined how best to manage the running of the house, as Patricia noted.

*'There is a lot of decision-making in the house, we are left alone by management'.*

As Deery et al. (2019: 644) note, task variety provides new challenges and consequently entailed a high degree of responsibility. Staff not only 'ran the home', accompanied users to their activities, but also administered medication and organized their finances,

*'We do everything. In the hospital, you've got nurses that give medicine – but we do it all – personal care, meds, domestic...finances.'* (Susan)

As Phil indicated, this degree of responsibility could be onerous.

*'A bit nerve wracking... the responsibilities you're given. You know you've got people's lives in your hands... with meds, administration, looking after their finances, every aspect of their life really'.*

Supporting users with a range of needs also meant that in some cases, nursing skills were required, as Robin described when supporting a user who required a feeding tube (peg feed),

*'I knew it was like personal care, but I didn't think it was as high personal care... there's a gentleman with his peg feed... it's nursing care'.*

Administering medication was perceived as particularly stressful by many because of the risk of potentially life-threatening interventions,

*'When you actually think if you mess up their meds... it's a criminal offence, you could go to prison for stuff like that... it can become frightening when you think of how dangerous things could become, if things went wrong.'* (Yasmin)

The organization of work necessitated by a coproduction model of care, which was enhanced by the transition to the MSC, impacted on many job features associated with 'good' jobs, including high levels of task variety, challenge, autonomy and discretion. However, the degree of responsibility entailed in this type of care work was not perceived as positive by all, especially when reflecting on the levels of pay for this work.

### 5.3.2 | Pay

All support workers received the hourly minimum wage of £7.86 and there was no premium for unsocial working hours, or increments linked to length of service. There were no additional payments for supporting users with complex needs who required more 'nursing' type care. Many staff remarked on the derisory nature of their pay.

*'You feel you are not appreciated because you are on rubbish money, you've got to work all the time and then you go home, and you've got no money because it's all on bills and stuff. We don't get paid enough for what we do.'* (Tracy)

Julie's feelings were representative of many when reflecting how the public viewed this work.

*"'Oh they're a carer, they obviously couldn't get another job, so they're doing that.' It's very dismissive... They don't see it as a skilled job, they see it as anybody can do it, so anybody does do it'.*

The dual impact of marketization and austerity measures compounded to depress wages, such that pay levels were considerably lower compared to other sectors,

*'We're not paid nowhere near enough... compared to what my husband is earning... what I do in comparison to him and yet the money is a huge difference... You're dealing with someone's life.'* (Mia)

The most quoted illustration of the comparable value of care work was in relation to the pay of supermarket workers, considered to be much less skilled and involving considerably fewer responsibilities.

'There's a job advertised in the supermarket for £9 an hour... That's when you think of it... we do sleep-ins, I do Sunday to Monday and don't come home til 5 o'clock on Monday. That's an awful lot of time to be out of your environment. In that time, you are giving your everything to those people that you are looking after... There's not many jobs where you do that.' (Julie)

Arguably, staff reflections of their pay were viewed as unjust not only because of its comparable value, but also because of the degree of skills and responsibilities linked to the nature of coproduced care work.

### 5.3.3 | Security and flexibility

Ironically, because of very high levels of employee turnover (31%) in social care (Skills for Care, 2019), employment contracts were often secure. Security was a trade-off for the unsocial working hours as carers worked on a 24-h basis every day of the year, including at least two nights a week on 'sleep-ins' within supported living houses. For many, the unsocial working hours made it difficult to integrate life into work. Staff shortages meant that carers often worked much longer hours than they were contracted for. The support workers in the study routinely worked in excess of 15 h above their contracted hours; for some on full-time contracts, this involved regularly working between 40 and 50 h a week. Shortages also made it difficult to plan and rotas were only provided a month in advance resulting in unpredictable working hours. Therefore, although workers in this context enjoyed employment security, the degree of flexibility was limited because coproduced care in supported living contexts relied on the continuity of care workers and this placed pressure to work extended hours to cover staff shortages.

### 5.3.4 | Engagement and representation

As transition to an MSC had taken place a year before the study was undertaken, formal structures to support employee and user voice and promote internal democracy were still underdeveloped. In CareCo, the MSC model extended coproduced care and many workers agreed that the transition had encouraged users to become involved in local forums where they were able to meet to discuss their support needs. These events were promoted by the organization as user-focused cooperative activities which included gatherings for coffee mornings and afternoon tea and activities, such as fund-raising and gardening clubs. Although the organization was seeking to establish forums to integrate the views of all stakeholders, little had changed at the time of the study for workers' representation and democracy.

### 5.3.5 | Summary

Evaluating the core features of job quality, this was the only setting where work could be defined as skilled; workers enjoyed high levels of task variety, discretion and exercised considerable responsibility. Additionally, carers perceived their work as rewarding because they improved the lives of those they supported. Yet, despite these features, the low pay they received for their skills and efforts, the unsociable working hours and limited engagement mechanisms meant that this

setting had several 'bad' work features. Further, any potential advantage from an MSC is undermined by a persistent gendered ideology which pervades the devaluation of this work as a 'natural' talent of women, rather than requiring learnt skills (James, 1989). Hence, gendered social constructions of skill (Phillips & Taylor, 1980) have sustained low pay in the sector (see Meagher et al., 2016) and resulted in a significant 'care penalty' (England & Folbre, 1999). Furthermore, Bolton and Wibberley (2014: 685) identify that when work is located within the private sphere, the invisibility of labour further compounds this devaluation. For carers, these links were evident, and their low pay transmitted that society does not value this work.

## 6 | EXPLAINING VARIATIONS IN JOB QUALITY

Reviewing Table 1, in all three cases, there were examples of 'good' and 'bad' job quality features. In most cases, the overall picture of job quality was mixed, or, 'ordinary' (Sengupta et al., 2009) combining features of both. How do we explain a mixed picture of job quality outcomes between the cases? Variations in job quality across the three cases can be explained by two factors: the depth and degree of employee ownership which enabled workers to shape the focus of the organization and prioritize employee outcomes, and the influence of contextual factors.

Firstly, as the study reflected different models of cooperatives/EOBs, we find that the depth of employee ownership and control mattered. Where workers shared ownership of the firm, they were able to improve job features which were meaningful to them. For example, secure employment, economic democracy and workers' ability to exercise control over the labour process were interpreted as 'good' job quality features which reflected workers' priorities at PacCo. At CabCo, members' ability to engage in democratic decision-making led to fairness in the fees paid to the firm, in the allocation of work and collective agreement to ensure business sustainability. Hence, subjective evaluations of job quality illuminate how different job features are prioritized depending on the social characteristics of the founders. In addition, the size of these firms is an important consideration, both were small organizations where employee owners were able to exercise more agency to influence employee outcomes. However, these benefits were less evident in CareCo. As a large MSC cooperative, employees had much less control as ownership was not shared, and workers were not able to benefit from economic democracy such that pay remained low. Further, despite arguments about shared governance, there were limited opportunities for organizational democracy within the setting at this time. Hence, improved job quality was evident in the two cases where employee ownership was shared.

Secondly, in addition to the nature and degree of employee ownership, improvements in job quality were mediated by meso-level conditions. In all three settings, sectoral conditions constrained job quality improvements. At PacCo, the highly competitive, volatile market conditions, where contracts were predominantly based on low costs, resulted in depressing overall wage levels and enhanced work insecurity for those on casualized contracts and resulted in restricting the benefits of ownership to core workers. The competitive context for taxi firms had intensified in recent years with new entrants into the market, such as Uber. These conditions also served to decrease wages and increase the uncertainty of working hours at CabCo. Within CareCo, the combination of meso- and micro-level contexts led to a severely constrained context to improve job quality. At the macro level, the marketization of social care provision and the austerity measures pursued by the UK state for the last 10 years led to a severe lowering of pay and conditions in the sector (Baines & Cunningham, 2015; Cunningham et al., 2020). Despite the positive policy initiatives of the Welsh Government to promote cooperative models of care, this broader context

cast a long shadow over the sector as the funding and allocation of contracts limited the opportunities of organizational actors to improve employee outcomes. This is because at the meso level, marketization has enhanced competition between providers to compete for contracts with local government commissioners extensively on cost. Hence, any 'good' work features positively associated with cooperative organizations were undermined by highly competitive conditions combined with labour oversupply. These findings cohere with other studies of non-profit care organizations (Baluch, 2017; Cunningham, 2016; Cunningham, 2017), which demonstrate how these broader sectoral contextual pressures lead to the convergence of employment practices between private sector and non-profit providers relating to low pay and limited sickness and pension provisions.

Finally, any explanation for the limited improvements in job quality within CareCo needs to acknowledge the broader context relating to the persistent undervaluation of care work in society. England and Folbre (1999) identify the 'care penalty' resulting from a combination of factors. Normative assumptions relating to a familial logic (Palmer & Eveline, 2012) link paid care to women's unpaid care in the home, such that this work is perceived as 'natural' to women's innate talents rather than a 'lean skill' (James, 1989; Phillips & Taylor, 1980). These associations also invoke misguided sentiments that women are motivated to undertake paid care for love and are therefore not financially incentivized. Finally, as England and Folbre (1999) observe, there is no market mechanism for care workers to charge a price that reflects their value and skills; they are reliant on the political will of the State and, as noted, the macro context in the UK has sustained care as low-paid work.

## 7 | ASSESSING ADVANTAGES OF COOPERATIVES/EOBS

This section examines workers' reflections on their experiences and working realities in cooperatives/EOBs beyond the core dimensions of job quality. This assessment extends subjective understandings of work by exploring issues of relevance to employees themselves and includes insights into the nature of workplace cultures, pride of employee ownership and enhancing service quality.

PacCo's workplace culture was perceived as markedly different to that experienced previously at EuroPac. Workers expressed that PacCo was a caring employer, as Elsie stated.

*'They care about us, that's the big difference! You're not just a number, they do really do care about you'.*

The main analogy used to describe the workplace was a 'family'.

*'There's a nice atmosphere...it's like a PacCo family...and everybody seems to look after one another, it's just got a nice feeling, like you're in work but it doesn't feel like work.'* (Mark)

Arguably, the familial culture emanated not only from PacCo being a smaller firm, but also because from establishment it had relied on the unpaid labour of the original cooperators and their family members. The sentiments of collective endeavour and sacrifice lingered on, as the MD, Mike, conceded,

‘We wouldn’t have survived if we hadn’t been a coop because of the hard times. In no other business could you have got people to work for nothing and work unpaid over-time’.

As such, the creation of familial and relaxed workplace culture reflected the priorities of the original cooperators to develop a workplace markedly different to those factory settings experienced previously. Additionally, the collective struggle was also the source of much pride for the initial cooperators as Elsie noted,

‘Some days, we worked till 6, some days we worked till 10, we done weekends and sometimes without money, without pay, because we wanted it to work...it has been absolutely great...it’s the best 10 years of my working life’.

Similarly, at CabCo, workers expressed the positive culture which emanated from the collective endeavour to establish the business and their pride of ownership,

‘With a co-operatively-owned one, all of the members have an interest in keeping the company going, making it grow and providing the best service. Because it’s actually your own company.’ (Jonathan)

*‘Working for yourself...you want to see it thrive and succeed.’* (Leigh)

There was a clear awareness of the difference between working cooperatively, rather than individualistically and competitively. Positive factors specific to the cooperative model were evident, including how CabCo’s members decided to improve the working environment. For example, the pandemic and the first national lockdown resulted in an overnight decrease of 85% of pre-booked business and forced a decision for some drivers to stop work temporarily. For the rest, a collective decision was made to reduce the fees paid to CabCo. Arguably, it was the cooperative nature of the business that allowed collaborative decision-making for the business to continue albeit on a reduced capacity.

‘We had money accumulated through members fee for the first year, we had about 3 and a half thousand pound in the bank. All members unanimously voted to use that money to pay for the free shopping trips we do for customers so drivers will still get money coming in.’ (Ken)

These findings corroborate previous studies which indicate how cooperative models are able to make adjustments to prioritize business survival during financial crises (Lampel et al., 2014; Kurtulus & Kruse, 2017).

CabCo also enabled drivers to establish a business which prioritized customer quality in an intensively competitive external market, as number of newer entrants from the gig economy raised several concerns,

‘With the advent of Uber and Ola...there’s far too many drivers for the amount of work...when you consider Uber and Ola are bringing in drivers from outside the city to work in the city, it’s just diluting the pool of work even more.’ (Gareth)



With the saturation of the market, CabCo aspired to win custom based on service quality,

*'It's all about putting the customer first... and being prepared to do what the customer needs.'* (Gareth)

Members agreed to a Code of Conduct to establish regular custom from elderly passengers and those with disabilities or mobility requirements. As Alun explained,

*'Senior citizens and the customers which are disabled, we like to give them hand to hand service. Meaning we knock on the door, hold them by the hand and we walk them to the vehicle, make them feel comfortable rather than sitting in your car, watching them struggle getting out of their houses, you know?'*

Drivers' perceptions were that the cooperative model they were pioneering was better for drivers and would benefit the community, customers and the local economy – by driving up standards, tackling exploitative workplace practices and returning money to local or charitable sources.

Without employee ownership and control at CareCo, pride of ownership was not so evident. However, a resounding feature of workers' reflections was that they were extremely positive about their work despite 'bad' work features. This can partly be explained by workers' characteristics as care givers who are highly motivated to help others as well as the lack of opportunities for 'good' work in the wider labour market (Hebson et al., 2015). In the context of coproduction models of care, this work was considered especially meaningful because of the depth of social relations with clients and the ability to contribute to the lives of those they supported (Pavlish & Hunt, 2012). Lilly's view was reflective of many,

*'I get pleasure out of my job. I like seeing people learn new things, trying new things... ensuring that they remain in their own homes, remain independent... I love my job.'*

Hence, the main advantage raised by carers of the transition to an MSC was that it extended user involvement in the design of services and strengthened user-focused care,

*'I think the group to embrace (Coop membership) the most are probably the users, because I think a lot of the time it's been driven that this is really beneficial for our users'* (Oliver)

Additionally, Mia noted that users were engaging more in the community, for example, by volunteering,

*'We're enabling people to have a voice, a say and control over their service, their work and lives. Enable people to work and come together as equals. People get to be part of their community... and we've even got people who help with the shopping for the elderly. Gaining new experiences, feeling valued.'*

Hence, improving users' lives was considered as positive and had been further developed through the shaping of an MSC,

‘It’s rewarding. You know, you can help them to lead as normal a life as possible, as independent a life as possible. Yes, it’s really rewarding’ (Susan).

This section has assessed the impact on employees’ experiences within different types of cooperatives/EOBs. A significant advantage expressed by both PacCo and CabCo workers was the development of supportive workplace cultures which enhanced their working experiences and the pride which emanated from ownership. These features were linked to the depth and degree of ownership and control as well as the workforce characteristics. The scope and focus of these organizations reflected workers’ priorities which were influenced significantly by their previous work experiences. Ownership made a considerable difference to the experience of work in factory settings where older working-class employees, for the first time, had a say in how their workplace was controlled. The taxi drivers were able to take decisions about service quality and what type of business they wanted CabCo to be, which reflected their values. Similarly, at CareCo, the MSC enabled carers who were highly motivated to support users, to enhance meaningful and rewarding features of care work further and to promote the sense of worth and value care workers experienced. Hence, this study has illuminated how workers’ characteristics influenced the priorities and range of employee outcomes which emerged from ownership.

## 8 | CONCLUSION

Our study confirms the findings of quantitative studies which indicate several positive employee outcomes emanating from employee ownership (Blasi et al., 2008; Kruse et al., 2010; Brown et al., 2019). Returning to the original research question regarding whether cooperatives/EOBs can make ‘bad’ jobs better, our findings suggest that they can, albeit depending on two important features. Firstly, the extent, depth and degree of ownership mattered. Several ‘good’ job features resulted from employee ownership and some ‘bad’ job features had been improved as a consequence in the two cooperative settings where workers owned and controlled the firm. However, improvements in job quality in the MSC case were not so evident. From this limited evaluation, we can speculate that an MSC model is less likely to enhance job quality compared to other cooperative models because ownership is not shared, governance rather than ownership is the main feature of this cooperative model. Hence, the scope of MSCs as non-profit making organizations based on the balancing of interests of different stakeholders in relation to governance does not extend the benefits of organizational or economic democracy for employees within this specific case. As such, from our study, cooperative models not based on employee ownership are less likely to be associated with positive employee outcomes. However, further research is required to demonstrate this empirically. In sum, we would argue that the nature and degree of employee ownership matters when accounting for job quality outcomes.

Secondly, meso and macro contexts influenced the ability of organizational actors to improve job quality. Hence, although we agree with Findlay et al.’s (2017) assertion that the workplace represents a powerful locus to improve job quality, we need to be mindful how choices are mediated by contextual features. Variations in job quality between the three cases can be explained by the business strategies and sectoral conditions in which they operate. Low pay was a feature of the cost-based competitive sectors in which all three cases were located and which exerted downward pressures on job quality (Sengupta et al., 2009; Lloyd & Payne, 2013). Further, the meso context combined with the macro political economy of marketization and austerity in the care sector had a negative impact on job quality (Baines & Cunningham, 2015).

and served to undermine any cooperative advantage. The CareCo study also demonstrated that attempts to improve job quality are mediated by the sustained, gendered undervaluation of care as low-skilled, low-paid work (Meagher et al., 2016). Hence, assessments of the interventions to improve employee outcomes in cooperatives/EOBs need to fully consider the influence of contextual pressures. The case of CareCo illuminates how external conditions combined with an MSC cooperative model, which is not based on employee ownership, led to the persistence of 'bad' job quality features especially in relation to pay. Out of the three cases, CareCo had the least positive employee outcomes relating to a cooperative organization. Overall, although our findings demonstrate that cooperatives and EOBs can lead to positive employee outcomes, the extent of these outcomes is context specific. Both the external sectoral context and the internal context, such as the type and form of cooperative model, greatly influence the degree of job quality.

Job quality represents a useful concept to comprehensively explore a broad range of job features and to enable comparative assessments between cases. In addition, examining workers' subjective evaluations of job quality (see Knox et al., 2015) provides insights into how social characteristics, including, class, age and gender and previous work experiences, influenced workers' reflections of their working realities. Furthermore, these features were also influential in shaping and explaining the varied employee outcomes beyond job quality to include the development of workplace cultures, pride of ownership and service quality. We suggest that the scope and focus of coops/EOBs related to the priorities and values of the founders. These observations link to Paton's (1978) observations that diversity between employee ownership models emanates from the varied rationales which inform their establishment. Further research could explore the influence of worker characteristics on the scope and focus of employee outcomes.

Finally, the study emphasizes that cooperatives/EOBs are diverse organizational forms which can vary considerably according to the tensions and paradoxes emanating from reconciling social and economic purposes. Within low-paid sectors, these tensions are heightened. Hence, we would expect that in settings without the same contextual pressures, better job quality outcomes are more likely. Consequently, this assessment leads us to be cautiously optimistic about the potential for employee ownership models to improve 'bad' jobs, but mindful that they are not a panacea; context matters. The care setting brings into sharp relief the need to focus on interventions beyond the workplace to improve work in this sector.

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## DATA AVAILABILITY STATEMENT

The data that support the findings of this study are available from the corresponding author upon reasonable request.

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