

EAWOP SGM on “The Living Wage”

Activity report

EXECUTIVE SUMMARY

1. Meeting overview

The SGM on “The Living Wage” was held June 3-5, 2019, at the Adam Smith Business School at the University of Glasgow. Organized by Rosalind Searle, Ishbel McWha-Hermann and Stuart Carr, this event brought together academics and professionals whose work involves the living wage. By bringing these individuals together to share their research and experiences of different aspects of the living wage this event aimed to stimulate new conversations and research on the topic.

The meeting began with a State of the Science address from Stuart Carr, plus two presentations which considered how and why organisations sign on to the living wage. This session was designed to be thought provoking ahead of a networking over wine reception to create opportunities to meet and discuss the research. On June 4 there was a full day of presentations clustered into 3 thematic sessions (measuring living wages, living wages in precarious work, organisational perspectives on living wages), plus invited presentations from two leading (non-psychology) living wage scholars (Andrea Coulson and Ian Cunningham). On June 5 practitioners and policymakers were invited to provide their perspective through invited presentations from Living Wage Scotland and MSF, and a panel discussion. A total of 13 papers were accepted for presentation, with 7 selected for long presentations and 6 shorter presentations on the basis of fit with the theme and extent of development of the paper. There were 22 participants from 7 different countries and 14 institutions.

2. Key Highlights

The aims of the small group meeting were twofold: 1) to advance our empirical and conceptual knowledge of the psychological perspective on living wages, including methodological considerations, and 2) to bring together academics, practitioners and policymakers to set an agenda for the next step of living wage research. The papers that were presented covered a range of different issues for research and practice, with three broad areas for future research identified: 1) conceptualising LW and how it relates to other constructs, 2) examining impact of LW on employees and organisations, 3) connecting with consumers and employees.

3. Meeting outcomes

One of the most important outcomes of this meeting is a special issue on “Living Wages” at EJWOP. All presenters have been encouraged to submit their papers, although this special issue will be competitive and open to any submission within the stipulated topics.

An email list has been set up for all attendees to remain in contact, and through this network established at the SGM we held a further event during LW week in November, jointly with Living Wage Scotland, targeted to HR managers. 49 people attended this from a range of different organisations. For this event we developed a series of 4 policy briefs, which we launched. We included a panel discussion – see schedule attached.

ACTIVITY REPORT

1. Event General Information

The meeting took place from the 3rd until the 5th of June, 2019 at the Adam Smith Business School at the University of Glasgow. The meeting was organized by Rosalind Searle, Ishbel McWha-Hermann and Stuart Carr, with support from the Business School events office.

We received a total of 14 submissions of which we accepted 13. There was a total of 22 participants from 7 different countries and 14 institutions.

2. Program Overview and Course of the Meeting

The topic of the meeting was “The Living Wage?”. As this is a topic new to psychology we intentionally selected a broad topic in order to enable participation from as broad a range of researchers as possible.

The selected 13 submissions were organised as 5 individual paper presentations and a further 3 thematic sessions, as follows:

- measuring living wages (3 papers),
- living wages in precarious work (2 papers),
- organisational perspectives on living wages (3 papers)

There were a further three invited research presentations and two invited practitioner presentations. The meeting started off with a state of the science keynote delivered by Stuart Carr, followed by networking and wine reception. Over the next two days all 13 papers were scheduled as oral presentations with ample time for discussion built into the programme. Papers were either allocated 15 or 30 minutes depending on the strength of the submitted paper. All submissions were also accompanied by full papers which were circulated among the meeting participants ahead of the meeting. This was a strength of the meeting, that all participants wrote papers and all read each others papers.

We also hosted a dinner for all the participants on the 4th of June.

3. Short Description of the SGM topic discussion

Over the last decades there has been a growing socio-economic divide occurring in Europe and the rest of the world, which has escalated in magnitude following the global financial crisis (GFC) (OECD 2017). While economists have been quick to highlight the impact of such societal inequality on economic growth, there has by comparison been a dearth of attention from psychologists. This is somewhat surprising as such disparities are known to impede social cohesion and produce adverse health consequences (ibid). For example contexts with large socio-economic divides are likely to create perceived injustices for those with insufficient social capital to realise their ambitions, regardless of their ability (Searle, Erdogan et al. 2014). Inequality can drive perceptions of injustice leaving those who see themselves as excluded feeling that they cannot trust others, especially institutions and through such mechanisms threaten the ties between groups across society. Economists highlight how unequal

communities are likely to disagree on the priorities for austerity hampered public sectors. Within such societies past promises are left unfulfilled, leading to perceived breaches and violations of trust producing an escalation in a very different and much more prevailing belief – that of distrust. Research from a psychological perspective however offers more nuanced insight than the traditional economic perspective, by extending attention onto the affective, cognitive and behavioural consequences of inequality (e.g. Manstead 2018). Psychological research enhances current debate on the benefits and rewards of work, moving away from its current myopia of economic cost/benefit analysis (e.g. wage costs vs employment) to include more holistic insight into the broader positive social and psychological consequences that higher pay can deliver. The living wage is an area of research into which psychologists have only recently begun to venture, but which offers great promise, not only in terms of positive impact on policy, but ultimately for improving the lives of those in working poverty.

The selected papers covered a range of topics related to the psychology of living wages, and participation from two eminent invited researchers from different disciplines, as well as a panel of practitioners from different sectors, enabled constructive discussion about the role of psychological research, as well as ensured their practical relevance. Three main overarching themes were identified throughout the presentations:

1. Clarifying: there is a need to more clearly conceptualise the living wage, we must clarify 'All the different versions of the LW' - The LW is more than an economic hourly rate, the concept of a wage that enables capabilities is important. Living wages go beyond cost of living to reflect quality of living. There is a further need to examine how LW relates conceptually to other topics like precarious work and decent work, as well as bigger issues like justice and trust. Finally, it is important to keep context in mind, especially international research, and along supply chains.
2. Communicating: such as studying how to influence businesses to adopt the LW, and whether tapping into emotions of pride or fear is best. The need for best practice examples and evidence of positive outcomes for both individuals and for organisations, while also forewarning of potential issues with LW that may need to be proactively addressed
3. Connecting: includes considering impact and outreach, and ways to translate our research into practice. It is important to understand consumer power, and how to empower employees, while concurrently developing or strengthening principles and standards. Connecting with other researchers is also key here - The importance of interdisciplinary research and practice, including researchers from different areas, as well as practitioners and businesses.

At the end of the meeting, it was agreed that a Living Wage network would be formed and a research agenda developed around at least 12 areas of needed research, from which at least 4 new projects have been developed.

- 1) What is the Living Wage (focus on developing a conceptualisation that captures the LW, extending beyond economic factors to also include capabilities, safety, conditions and context, intrinsic and extrinsic rewards, must be dynamic to reflect living costs etc. every year)
- 2) How to connect the LW with other ideas and goals (e.g. decent work, precarious employment, justice and trust)
- 3) How to encourage 'Buying in' to the LW (cross-cultural methodologies, potentially utilising capability gap analyses, possibly using a macro-level societal case as a business case,

where an externality perspective can show that LW benefits for society as a whole can create positives for businesses)

- 4) Incentivising the LW brand (voluntary accreditation or mandatory legislation, further work exploring whether a voluntary choice of accreditation may create competition in the market that encourages others to sign up? How to avoid 'bad' employers gaining the accreditation who still offer precarious employment and therefore devalue LW brand)
- 5) Moral emotions (pride among LW employers, can fear be used to encourage LW adoption?)
- 6) The LW internationally (international NGOs, along supply chains, how to monitor across national borders, can a capability gap conceptualisation help generalise and compare?)
- 7) Unintended consequences (forewarn or forestall, there are negatives of the LW, if research can explore these then we are prepared, how to sell to businesses)
- 8) Power of Protest (impact of employees and unions, and the application of pressure)
- 9) Role of Consumers (can you create a marketplace lever?)
- 10) Principles and Structures (involvement of the SDGs, possibilities for research to add)
- 11) Best practise of LW implementation (exchanges in experiences and techniques for those pre-LW from those post LW, peer-to-peer selling of the LW between businesses)
- 12) 'Design Thinking' (question of LW implementation posed to solution-focussed discussions/co-design with businesses and employees, interdisciplinary perspectives, including accounting)

4. Meeting Implications/ Outcomes

The key outcomes of the meeting are as follows:

1. Connecting practitioners and policy makers with academic researchers, thus facilitating the use of evidence based policies, while also enabling research to be as practically relevant as possible
2. Special issue on "Living Wage" at EJWOP (submission deadline March 2020)

Although this is a competitive and open call targeting all researchers it is heavily promoted among the meeting participants as we are keen to consider top papers from the meeting for publication in this special issue.

3. Identification of convergence and divergence between researchers around the globe, culminating in the establishment of an EAWOP network of living wage researchers.
4. Follow up joint event with Living Wage Scotland in conjunction with Living Wage Week (Nov 2019). This will be a breakfast event to showcase living wage research, and the SGM network are developing a series of 2-page policy briefs to be launched at this event, and made available on the EAWOP website.

5. SGM evaluation

Unfortunately we did not collect any formal feedback from SGM participants, however the informal feedback we received was that it was incredibly valuable and motivating. Given the geographic spread of the researchers, and the relative new-ness of the topic, the SGM

provided an important platform to incubate ideas, connect and collaborate. We already know of multiple visits now planned between attendees in order to continue the collaboration.

From the perspective of the organisers, what worked well was the requirement to submit full papers ahead of time, and for participants to read each other's papers ahead of time. This meant participants knew more detail about each other's work when they met, enabling deeper connections and more constructive discussion. It likely also maximised participants buy-in to the event. It was also good to begin with a shorter evening session followed by a networking session so everyone could meet and chat right at the beginning of the event. It also worked well to build in substantial discussion time, as this is where new collaborations were forged and new projects planned.

In terms of lessons learnt, and what we would change or do differently

It took longer to build more policy impact so we welcomed EAWOP support for our subsequent event (14th Nov). However 49 people attended this and we have had requests from other local authorities. The materials have been shared with the Global Living Organisation Wage (GLOW) community.

6. References

OECD (2017). Understanding The Socio-Economic Divide In Europe, OECD.

Searle, R. H., B. Erdogan, J. M. Peiró and U.-C. Klehe (2014). Youth Employment SIOPI White Paper series, Society for Industrial and Organisational Psychology

Manstead, A. S. R. (2018). "The psychology of social class: How socioeconomic status impacts thought, feelings, and behaviour." British Journal of Social Psychology **57**(2): 267-291.

FINANCIAL REPORT

7. Income

a. Fees Charged - £744

b. Other financial support – Room hire fees waived for both events

8. Expenses

Lunch (2 days * 23)	€ 643.21 (£572.00)
Coffee, tea and refreshments (2 days * 3 times a day * 23)	€ 247.39 (£220)
Student assistance (40h)	€ 947.28 (£842.41)
Drinks and snacks welcome reception (23)	€ 439.12 (£259.33)
Conference dinner (23)	€ 1276 (£1,093.65)
Stationery: Badges, notebooks, folders and pens (23)	€ 206.06 (£183.33)
Living wage event – leaflets 100	€ 127.32 (£109.12)
Total:	€ 3846.43 (£3279.75)

ANNEXES

Final programme

EAWOP small group meeting on The Living Wage

Day 1: 3rd June 2019

2.15 – 2.45	Welcome: Dean of Adam Smith Business School – Prof John Finch
2.45 - 3.45	<u>Keynote</u> : Prof Stuart Carr (NZ)
3.45 – 4.00	COFFEE
4.00 – 5.15	Introductory Session <ul style="list-style-type: none"> • <u>Long paper (30 mins)</u>: Meyer (SA): Who is afraid of living wages? How to flip fear from a barrier into an enabler of living wages • <u>Long paper (30 mins)</u>: Werner (UK): Why do British SMEs seek voluntary Living Wage accreditation? – A typology of rationale <p><i>Discussion 15 mins</i></p>
5.15	Reception: Drinks (dinner not provided)

Day 2: 4th June 2019

9.00-9.45	<u>Invited talk (30 mins)</u> : Cunningham (UK): The Introduction of the Living Wage and the Unintended Consequences of the Re-Regulation of Pay in Scottish Social Care <i>Discussion 15 mins</i>
9.45-11.05	Approaches to Measuring Living Wages <ul style="list-style-type: none"> • <u>Long paper (30 mins)</u>: Arora & Jyoti (UK): Living Wage Research Agenda in Global Value Chains: Tapping into the Potential of Ethnography • <u>Short paper (15 mins)</u>: Soeker (SA): Finding The ‘Tipping Point’ of Income and Capability in South Africa: Towards Representative Empirical Data • <u>Short paper (15 mins)</u>: Atkins & Atkins (NZ): Potential counter-intuitive linking of neoliberalism & higher-skill vocational fields with self-perceived relative deprivation & electorate opposition to Living Wages <p><i>Discussion (25 mins)</i></p>
11.10 – 11.30	COFFEE
11.30-12.30	Living Wages in Precarious Work <ul style="list-style-type: none"> • <u>Long paper (30 mins)</u>: Hopfgartner, Seubert, Roose & Glaser (Austria): Atypical Employment, Living Wages, and the Link to Precarious Employment: Concepts and Consequences • <u>Short paper (15 mins)</u>: Vollenhoven (SA): The contribution of a living wage toward a sustainable livelihood for insecure and precarious work <p><i>Discussion (15 mins)</i></p>
12.30-1.30	LUNCH (Provided)

1.30-2.15	<u>Invited talk (30 mins)</u> : Colson (UK): The role of accounting in making a business case for a Living Wage <i>Discussion 15 mins</i>
2.15-3.15	Organisational perspectives on Living Wages <ul style="list-style-type: none"> • <u>Short paper (15 mins)</u>: McWha-Hermann (UK): Living wages in international NGOs • <u>Short paper (15 mins)</u>: Searle (UK): Trust perspective on Living wages • <u>Short paper (15 mins)</u>: Aura (SA): How to get employers to see the benefits and importance of a living wage for the organisation <i>Discussion 15 mins</i>
3.15-3.30	COFFEE
3.30 - 5.00	Facilitated discussion: Moving research forward on Living wages
5.00- 6.45	BREAK – walk to a nice pub along the river
7.00pm	DINNER (Provided)

Day 3: 5th June

9.30-9.40	Recap of Day 2 – Ishbel McWha-Hermann
9.40-10.00	<u>Invited talk (20 mins)</u> : Jack Evans (Manager), Living Wage Scotland
10.00-10.40	<ul style="list-style-type: none"> • <u>Long paper: (30 mins)</u>: Werner (UK): What difference does a higher wage make: A case study of sub-contracted cleaning staff upgrade to the UK Living Wage <i>Discussion 10 mins</i>
10.40-10.55	COFFEE
10.55-11.35	<ul style="list-style-type: none"> • <u>Long paper (30 mins)</u>: Teng-Calleja et al (Philippines): Wages, Capabilities and Quality of Life: A Psychological Approach to Understanding Living Wage <i>Discussion 10 mins</i>
11.35 – 11.55	<u>Invited talk (20 mins)</u> : Fredric Penhard (Benchmark Coordinator), Doctors Without Borders Médecins Sans Frontières (MSF)
11.55 -12.35	<ul style="list-style-type: none"> • <u>Long paper (30 mins)</u>: Mohan et al (Thailand): Behavioral Science Perspectives about Developing the Sufficiency Living Wage Construct in Thailand <i>Discussion 10 mins</i>
12.35-1.30	LUNCH (Provided)
1.30 – 2.30	<u>PANEL DISCUSSION</u> : Policy matters (Panel to include: Fredric Penhard (MSF), Jack Evans (LWS), Living Wage Worker, Katherine Gilmour (Church of Scotland), Prof Stuart Carr
2.30 – 3.45	<u>World Café</u> –topics – taking up research evidence, key topics or contexts for further study, research concepts and measurement matters Coffee and tea available during the session Feedback on table from 3.30
3.45 – 4.10	Wrap up of the event and next steps with special issue (Ros Searle)

List of Participants

Name	Institution	Level
Ines Meyer	UCT, South Africa	
Stephen Atkins	Otago Polytechnic of NZ	
Lisa Hopfgartner	University of Innsbruck, Austria	
Christian Seubert	University of Innsbruck, Austria	
Tarquin Vollenhoven	UCT, South Africa	PhD
Naadir Soeker	UCT, South Africa	PhD
Timothy Oghenetega	UCT, South Africa	PhD
Andrea Werner	Middlesex University Business School, UK	
Mendiola (Joy)	Teng-Calleja	Ateneo de Manila University, Philippines
Kanu Priya	Mohan	Srinakharinwirot University, Thailand
Frederic Penhard	Medicins sans Frontieres	Policy
Andrea Coulson	Strathclyde University	
Ian Cunningham	Strathclyde University	
Jack Evans	Living Wage Foundation (Scotland)	Policy
Rosalind Searle	University of Glasgow	
Ishbel Hermann	University of Edinburgh Business School	
Stuart Carr	Massey University, NZ	
Eleri Birkhead	Church of Scotland	Policy
Sophie Townend	University of Glasgow	
Jo Haggas	Oxfam GB	Policy
Roxana Corduneanu	University of Glasgow Business School	PhD
Belgin Okay-Somerville	University of Glasgow Business School	

Living Wage week event

Living wage event

Date: Thursday 14 November 2019

Time: 10am-12noon

Location: [Western Infirmary Lecture Theatre, Room 112AB](#)

Audience: HR and organisational leaders

Link https://www.gla.ac.uk/schools/business/events/headline_675094_en.html

10 -10.10: Welcomes - Professor Rosalind Searle (University of Glasgow Adam Smith Business School) and Mr Jack Evans (Living Wage Scotland)

10.10 - 10.30: Keynote - Dr Andrea Werner (Middlesex University London): The importance of the Living Wage for individuals and organisations – insights from research

Abstract: Based on her extensive research on the Living Wage and its adoption in UK business organisations, Dr Andrea Werner will be sharing her insights into the importance of Living Wage for employees, employers and the wider economy. She will be setting out the benefits Living Wage accreditation can bring for employers and their workers, and will be proposing a number of steps employers can take to ensure a meaningful, successful and sustainable adoption of the Living Wage for their organisation.

10.30- 10.40: Introduction to briefing paper series - Dr Ishbel McWha-Hermann (University of Edinburgh Business School)

10.40 – 11.30: Panel Discussion and Q&A: The implementation and impact of the real Living Wage and accreditation on organisations

Abstract: The panel discussion will be a chance to hear about how Living Wage accreditation was implemented and what impact it had on a variety of organisations and the people within those organisations. We will be discussing how the accreditation fits within an organisation culture and whether there is any advice for those thinking about introducing the real Living Wage to their organisation.

- **Janine Brown, Head of HR, Heart of Midlothian plc.**
- **Richie Stewart, Head of People, Amicus Resolution Limited**
- **Dr Andrea B Coulson, University of Strathclyde, SBS Director of Principles of Responsible Management Education**
- **Ramona Coxall , HROD Manager for Pay and Reward, Scottish Fire and Rescue Service**

11.30-11.50 Keynote - Dr David Nash (Cardiff Business School)

11.50 – 12.00 next steps