

Advanced markets for irregular work.

Opportunities for unions

22% of adults seek odd hours of work¹. Increased partial employment is driving this trend: millions need extra hours around fluctuating demands of a primary employer. Current marketplaces for hourly work offer scant protection, progression or control for workers.

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Led by <u>Deputy Prime Minister John Prescott</u>, who rose through union positions, Britain's government funded tech. for better marketplaces. They allow each worker to sell hours of their choosing, on their own terms, across as many types of work and genuinely competing employers as they wish. There are full protections and personalized data on opportunities.

These new marketplaces have been promoted by bodies like the <u>Trades Union Congress</u> and <u>Rowntree Foundation</u> (the UK's leading anti-poverty charity). Multiple cities internationally are now exploring the requirements of launch. This worker-centric, granular, informed model of personalized working creates new possibilities for unions. They might, for example, oversee a city-wide platform for irregular work at the request of a Mayor. This would create a 21st century version of the hiring hall or hours bank across all sectors of hourly work.

What's different?

Anyone seeking contingent work that fits around other life commitments currently faces a series of problems: uncertainty, insecurity, high transaction costs of finding bookings (time taken and hidden charges), constant risks of transaction failure, lack of information about local supply/demand/earnings. Traditional labor market interventions rarely work for this cohort. Collective bargaining, sector strategies and minimum wage hikes can be ineffectual. This workforce is too fluid in its patterns and porous with cash-in-hand assignments.

New models of union membership

Unions serving irregular workers may be: (a) broad, covering all types of work done on an ad hoc basis (b) sector focused, covering catering, care or retail for instance (c) focused on specific needs of particular groups, for example; those with recurring medical conditions, parents with complex arrangements, carers, home business starters, low-income students.

¹ The 22% figure comes from <u>Accenture research</u> for the UK Prime Minister's Policy Unit in 2006. It is likely this figure, with common factors across developed economies, has grown since.

A union could charge a traditional annual fee, or offer micro-membership. In this model, a worker might authorise the marketplace to deduct say 3% of earnings from each relevant booking and send it to their union. In return, the system displays the union logo next to the worker's name. This signifies seriousness of intent but additional protections to employers.

New services

Better markets allow unions to exploit data for 5 broad functions:

1) Counterweight

Irregular workers are often perceived as powerless; it's not worthwhile an individual challenging their conditions, workers who do stick up for their rights gets delisted for future bookings. A union could act as independent clearinghouse for reports of bad employers from members. Reporting can be built into timesheets. Individual workers are not identified to the suspected organization.

A union identifying a bad employer might alert members who can set controls on their exposure to that organization. This makes it harder and more expensive for the employer to hire top-up workers in the city market. More positively, employers could subscribe to a union's code of good practice in dealings with irregular workers. After confirmation, the union could bestow their "Approved" logo that displays to workers being booked. Workers may set an extra charge for non-vetted employers.

2) Intelligence gathering

Better markets will allow any worker to dissect historical data on patterns of supply/demand/pricing for their various skills in the geographic area within which they will work. But the technology can't predict the future. Unions could liaise with employers to fill this function.

For example, a union might talk to city restauranteurs and conclude the next Christmas season will see a spike in demand for Silver Service waiting staff. That insight can be passed to members months ahead, with recommendations for training. Likewise, employers likely to be hiring for conventional jobs soon could communicate that through a union. Workers in search of traditional employment could then pursue bookings that build track record for that company specifically.

3) Political voice

Contingent workers are notoriously under-represented. Official statistics <u>do not</u> <u>cover this type of work</u>. The vast government mechanism for supporting people into jobs does nothing for people seeking a few hours work today, maybe a few more tomorrow. Recruiters are uninterested in such complex, low value, transactions. Better markets will illuminate the corner of the workforce with granular, localized, sector specific, real time, data. This can be mined for insights into possible tax breaks, credits and interventions that would level the playing field for these often vulnerable individuals. Unions could articulate a uniquely informed case for specific policy at city, regional or national level.

4) Aggregators

Poor quality markets for hour-by-hour work keep the standards of this workforce low. Better markets allow individuals to plan and progress into better forms of work. Each worker gains objective, multi-sector, data on their reliability, availability, skills and – by extrapolation – future earnings. This can be shared if they wish.

A union could educate providers of financial services or training about the needs of irregular workers and how to construct algorithms that turn individual worker data into customized products offered online. Members with a good track record of irregular work could access tailored insurance, holiday pay, skilling and other facilities. Unions might be a conduit to investors who fund training in return for an agreed cut of enhanced earnings for, perhaps, six months after the course.

5) Network builders

Ad hoc workers can be socially isolated. With bookings so fluid they don't build atwork relationships and can be unvalued by organizations. A fully featured marketplace for this kind of work would know where each worker lives and something of their lifestyle. Crucially, it would also know when each was available for work but not being booked and who might seek networking opportunities.

This available downtime could be used to offer social or development events. A union might, for instance, organize a get together for mothers of young children working in customer service in a particular city. The system might advise the most mutually convenient slot in a particular locality was 2.30 on Tuesday next week. It would handle invites, scheduling and all admin.

Meet-the-employer sessions could be brokered just as cost effectively. For example; the HR manager of a contact center might host a lunch for local people who had reliably done at least 10 bookings at their workplace in the last 6 months and also had a track record of retailer bookings. The aim would be to build engagement with desirable call handlers, possibly with an eye to filling future full-time positions.

→ It is sometimes feared that better markets for irregular work could negatively impact traditional employment. Our briefing 2: "Would better markets erode jobs?" can be sent.