

GOOD JOBS STILL OUT THERE? EMPLOYMENT IN IRISH FINANCIAL SERVICES AND ICT

WORKING CONDITIONS IN IRELAND: RESEARCH HIGHLIGHTS NO.2

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Financial services and ICT in Ireland can be characterised as having in general good working conditions. Our study found there are still career prospects for those who wish to progress. There are however some trends that are not often discussed in the Irish context. First, there is a possible polarisation occurring in the two sectors which is associated with the growth of back office and customer service jobs. Secondly, work overall in finance and ICT is sub-ject to increasing 'targetisation' which negatively affects the working conditions of many employees. As employment has been recently rising in both areas this is now an issue of concern: while job growth is a positive sign, the quality of these jobs should also be monitored closely.

These 'Research Highlights' are based on TASC's ongoing Working Conditions in Ireland research project. This investigates how jobs have been changing in Ireland from the boom through the crisis and into the recovery. Central to the project is a study of employment in four sectors: construction, financial services, hospitality and the ICT. This includes the analysis of existing statistical data, as well as interviews with experts and individuals employed in these sectors.

This second issue of the 'Research Highlights' focuses on working conditions in the Irish financial services and the ICT. The final issue will look at work in the construction sector.

In general, I think, you tend to get well paid, certainly in Ireland.

There is the opportunity. But not all companies are equal. And I personally have an experience of having some very difficult jobs. And I am sure that there are still people out there that are experiencing that .

(Software consultant, middle management)

How good really are jobs in Irish financial services and ICT sectors?



- Working conditions are deteriorating for many new hires
- Large proportion of jobs are in a customer service, often in a call centre environment
- Targets are rising and employees at all levels experience increasing pressure



There is an obvious difference in compensation and it would be an easy category to define: the lowest [are] the worst... so of course customer service, 'trust and safety', claims and those entry levels with lower salary. In these terms I can tell you that it is worse...

(Insurance company employee)

HIGHLIGHT 1: ENTRY LEVEL JOBS

Traditionally speaking, jobs in financial services as well as in ICT could be characterised as 'good jobs'. As it often required high skills, work in these sectors was financially rewarded; there were also clear career paths available for those who were entering employment. There is no doubt that this is still the case for many who are working in financial services and ICT in Ireland: most have permanent, full-time contracts and the average wage is above the national average. Our research, however, suggests that especially at entry level some conditions have recently started to change.

First of all, while skills are still important for both sectors, we found that many of the recently created positions can in fact be described as 'back office'. They are often related to customer service and administration and do not require technical knowledge. Salaries that come with these jobs are relatively low, work is intensive and promotion opportunities are very limited.

Secondly, a large proportion of contracts offered to new entrants are fixed-term. Finding permanent employment is in fact rather challenging, especially for college graduates. While a 'job-for-life' may be a thing of the past, short-term work can be problematic when it is no longer a choice. It can also have further implications for individuals' career paths: if people are forced to jump from one temporary, low-paid position to another, their CV may look less attractive when compared to those who chose to change their employer in order to gain new skills and experience.

Finally, some of the jobs offered to the new entrants are paid significantly below the national average. In extreme cases these 'jobs' are actually paid at a very low level as they come in the form of internships or training programmes, or are offered through an employment activation scheme. Training and back to work schemes may be valuable parts of young people's experience, however our research suggests that some employers exploit these programmes in order to cut their employment costs.

There are, of course, progress opportunities for many of those who wish to progress. What is evident, however, is that it has become more difficult to follow clear career paths for many young graduates hoping to get a good job which used to be secured by a good degree. They are now more likely to encounter a series of short-term and not always high paid positions. There is also a danger of downwards occupational mobility. 'Hopping between jobs' was a choice for many during the boom; some are now forced into this pattern.

I was told that in IT it is very hard to get into, even if you have a diploma. Because like... You have to know a lot before somebody put trust in you, to give you like... a task. So most people start by doing an internship

(Software support employee)

Employment in ICT and Finance

81,000: Number of people employed in Information and Communication

102,000: Number of people employed in Financial Services

(Source: QHNS)



I think it's probably generally regarded that the technical stuff can be learnt, whereas the kind of customer service, the kind of social intelligence, that you need to do that, it's something that is less easy to teach.

(ICT Customer support worker)

HIGHLIGHT 2: DEMANDING CUSTOMER SERVICE

Many of the jobs in Irish financial services and ICT are now related to customer service and are often based in a call centre environment. Despite their job titles they usually do not require technical skills, experience, or advance knowledge of the industry. Our informants have admitted that employers hired them based on their 'people skills' and the ability to deal with potential clients. The script which tells the call centre operative what to say usually covers the technical side of the work. As a result, for those with relevant degrees, working in such jobs meant occupational downgrading.

Dealing with customers may cause emotional pressure. This is especially the case when a client rings who already is having a problem – a non-working phone, a problem with a computer application or an issue with their bank account. This is where the 'people skills' become important: the individual working at the other end of the line needs to always 'smile down the phone'. These skills are then evaluated at both ends: the managers can listen to recorded calls, while the customers rate the operatives through online surveys. With a high volume of calls, managers putting pressure from above, and customers demanding the best service, this work can be stressful and unpleasant.

HIGHLIGHT 3: INCREASING TARGETS

The final issue that seems to be affecting many individuals working at all levels in these two sectors is the increasing role of targets. While these have been present for a long time, the tendency to measure work in numerical terms accelerated in the recession. With fewer people hired and a low replacement ratio, there are less people and more work. People now deal with more work. In financial services this issue also became more problematic during the recession as in some areas more regulations were introduced and the existing staff now have more administrative tasks to complete on a regular basis.

These targets are being used as both reward and punishment on an individual and a group level. The best performing employees and teams can expect (small) bonuses and this increases competitiveness in the workplace. Call centres have scoreboards on each floor which give a visual exposure to everybody's performance. Furthermore, for those in customer support time pressure is high: if the call takes too long or if the break exceeds certain amount of minutes, they can expect a warning or even put their jobs at risk.

It is important to recognise hard work and a certain level of competitiveness between workers can be stimulating. In this research, however, we find that the pressure and targetisation has already gone too far in certain places and this can further affect the quality of work.



We never met target. But every meeting, it was like 'you have to do better'. It was always 'you have to do better, you have to do better' (...) At the end of the day all this information was being sent up the line to somebody... to some senior management who looks at the figures and it's like 'oh yeah... that's it, that's great'.

(Financial services worker)

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For more information about the Working Conditions in Ireland project please visit:

<http://www.tasc.ie/researchpolicy/wcip.html>

For more details on Employment in the Irish Financial Services and the ICT please see Background Report at:

<http://www.tasc.ie/download/pdf/20150929160149.pdf> (Financial Sector)

<http://www.tasc.ie/download/pdf/20150929160944.pdf> (ICT)

'Enforced Flexibility? Working in Ireland Today', the final report of the Working Conditions in Ireland project is now available at:

<http://www.tasc.ie/download/pdf/enforcedflexibilityfinal.pdf?issuusi=ignore>

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