

Job Satisfaction in a Low-Wage, Low-Status Industry: The Case of Danish Food Retailing

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Abstract

This paper explains why job satisfaction is high among employees in Danish food retailing—a low-wage, low-status industry. We distinguish between three employee types—transitional workers, core employees, and career seekers—and identify factors such as divergent interests and ambitions to help explain why all three groups appear to be satisfied.

Introduction

Working in retail is a low-status occupation in Denmark. Politicians and various media routinely use supermarket checkout operators when illustrating how economic policies will affect “common people.” Irregular working hours and mediocre pay are among other retail-related issues that crop up in the media regularly. However, the stereotypical supermarket checkout operator might not be so typical as politicians and media sometimes seem to assume.

Based on case studies of five food retailers, we distinguish between three types of employees in Danish retailing: (1) transitional workers, who are working in retailing either before or while they study, (2) core employees without career ambitions, and (3) career seekers, who want to make a career in retailing. Thus, retailers face the challenge of making retail work attractive and interesting for three types of employees with quite divergent interests and ambitions. So far they appear to be successful. Despite (or perhaps because of) very different goals and career plans, we found that job satisfaction is high across the three employee types.

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Methodology

We conducted case studies of five Danish food retail chains. The retailers studied represent the three dominant retail formats in Danish food retailing (soft discount, supermarket/superstore, hypermarket). Three of the retailers studied also sell consumer electronics. The target occupations that we primarily were interested in were checkout operators (the archetypical low-status retail job) and sales assistants (in the consumer electronics departments of supermarkets and hypermarkets). These are occupations with a large degree of direct customer interaction but the content of these interactions differs significantly.

We visited two or three stores per chain in order to gain a broader understanding of each chain. Nevertheless, it is important to stress that our findings do not necessarily hold for the entire chain or for Danish retailing in general; therefore, generalizations are difficult to make. Furthermore, the participating retail chains influenced or determined the choice of stores to visit in most cases. Thus, there is a selection bias in the choice of stores. Our analysis of the empirical material suggests that we visited relatively well-run stores. Several of our informants recounted negative experiences in other stores or under other store managers.

In all cases interviews were conducted with informants at several organizational levels. Typically, we interviewed HR managers at the retail chain level, store managers, department managers, employee representatives, and checkout operators and/or sales assistants at the retail store level. There is also a selection bias in the choice of informants, as HR managers or store managers often selected informants for us to talk to, although typically they discussed the options with us.

In total more than sixty interviews were conducted. Interviews were recorded or—in the few cases where this was not possible, either because informants refused or because of technical difficulties—extensive notes were taken either during interviews or immediately afterwards. Whenever practically possible, interviews were transcribed and coded. Case descriptions were subsequently written for each retailer studied using meaning condensation and narrative meaning structuring (Kvale 1996; Mishler 1986) in order to preserve the context of the empirical material (Mishler 1979).

Case Study Findings

Employee Types

Based on our case studies, it is possible to distinguish between three main types of employees in Danish grocery retailing: (1) *transitional workers*, who do not envision a career in retailing and only work part-time or for short periods;

(2) *core employees*, who typically work full-time and want a career in retailing but without managerial ambitions; and (3) *career seekers*, who want a career in retailing and have managerial ambitions (for further details, see Esbjerg, Grunert, Buck, and Andersen 2008). These three employee types have disparate interests and aspirations.

Transitional workers, mainly students and people under the age of eighteen working part-time, make up more than one quarter of the workforce in retailing as a whole and are particularly common in the jobs we studied. Transitional workers are a source of numerical flexibility for Danish retailers: by employing a large number of part-time, transitional workers it is relatively easy for retailers to adapt staffing levels to peak and low activity periods. According to Böll (2001), five factors appear to explain the large number of transitional workers in Danish retailing:

Increased price competition provides an incentive to keep wage costs down.

Extended opening hours create a need for flexibility.

Working time clauses in collective agreements limit the flexibility of full-time employees.

Other sources of part-time workers are not available.

Retailing faces a general recruitment problem because of a tight labor market combined with low wages, unattractive working hours, and a general reputation for offering unattractive work conditions.

The HR and store managers we spoke to use similar arguments for hiring large numbers of transitional workers. The transitional workers we interviewed were typically not interested in having a career in retailing. They are in it for the money: to earn a little extra while going to high school or college or while taking a sabbatical before traveling or beginning to study at university. Although transitional workers are, at least, initially mainly motivated by money, the social benefits they derive from working part-time in retailing are also very important. Informants stressed the importance of having good colleagues that they can also socialize with outside of a job context. Some even argued that when moving to a large city to go to university, a retail job can provide workers with an instant social network because they will be working with many other young people. Working afternoons and weekends suits these workers well, not least because they earn extra wages for working late hours and on Sundays.

In addition to transitional workers, retailers employ a second type of employees as checkout operators and sales assistants. These *core employees* have often worked in retailing for many years but have no ambition for rising to a management position. They are stable employees who do a good job

and often train new recruits. Several HR and store managers we interviewed stressed the importance of having some stable employees of this type. They provide continuity and comprise the backbone of the store. Core employees like to work in retailing (particularly, the interactions with customers and colleagues) but do not want a managerial position. (Some have tried management but found that it was not for them.) These workers were happy doing what they know well and typically had very family-friendly work schedules.

Finally, *career seekers* like to work in retailing and want to have a career there. Retailing is one of the few industries where it is possible to have a career without formal education. Furthermore, it is possible to rise to managerial positions (department manager or store manager) more quickly compared to other industries. Career seekers are motivated by the responsibilities they are given and by the opportunities for personal and professional development offered by their employers.

Job Satisfaction and Factors Explaining It

It is noteworthy that, across the three employee types, our informants generally expressed high job satisfaction. This is also borne out in employee satisfaction surveys carried out by retailers themselves. For instance, one of the retailers we studied (a soft discounter) conducts an employee satisfaction study using their intranet. Each employee gets a password and fills out a questionnaire consisting of 40–45 questions about their store manager as well as working conditions in their store. Once the questionnaires have been analyzed, the store manager holds a staff meeting and presents the results of the analysis for his/her store and the retailer as whole. The results of the employee satisfaction study have been very positive. In the most recent study, 97 percent of employees reported that they were either satisfied or very satisfied with working at the retailer. The informants we talked to also expressed satisfaction with working at this retailer. However, this did not mean that these employees necessarily wanted to continue working there, as some had other plans or other things they wanted to try. One informant argued that the changes that had been implemented in the course of corporate decentralization and a shift to value-based management had contributed to the positive results. He believed that the retailer had a unique spirit that might almost be likened to a cult.

When discussing job satisfaction more generally, it is relevant to consider several different issues, including wages, working hours, working conditions, and social aspects of work. Although it is possible to earn a living as a checkout operator or sales assistant working in Danish food retailing (despite media coverage sometimes suggesting the opposite), pay is low for checkout operators

and sales assistants, as indicated by the high proportion of low-wage workers in food retailing. To a large extent wages are regulated through various collective agreements. Generally speaking, food retailers pay checkout operators and sales assistants according to the relevant collective bargaining agreement. While getting paid is an important motivation for working in the first place, wages are not the main reason for the high job satisfaction reported among retail employees. On the other hand, neither were wages a major cause of complaints in our interviews. It is common knowledge that food retailing is a low-wage area. Therefore, transitional workers and steady full-time workers have relatively low expectations with regard to their wages.

Irregular working hours are another issue on which retailing is typically regarded poorly. However, our case studies suggest that one should be careful not to simplify the issue of working hours. First of all, there are relatively few employees in our target occupations (checkout operators and sales assistants) that work full-time, which is thirty-seven hours per week. Most transitional workers only work one or two shifts a week, and many core employees work less than thirty-seven hours. Anecdotal evidence suggested that store workers are often pressured by superiors to put in “interest hours” in addition to their scheduled working hours, staying on after their shift has ended or meeting ahead of schedule. However, the notion of workers being required to put in interest hours was regarded as a “myth” by some of the HR managers we interviewed. They stressed that the explicit policies of their companies was that workers should be compensated for the hours worked. Only workers in managerial positions were expected to work more than full-time; they often reported working 45–50 hours a week.

Intensifying competition and longer opening hours increase demands for flexibility and internal efficiency and require the development of new competences. Workers often have irregular working hours, including evenings, Saturdays, Sundays, or very early mornings (most often at discount stores in order to receive goods), and some informants reported long days. In addition to being compensated for displaced working time, informants often mentioned having a specific day off during the week in return irregular hours. Several HR managers and store-level managers argued that it is important for a store’s internal flexibility to have a large number of workers who only work limited hours in order to take into account fluctuating customer streams. However, flexibility is not a one-way street where retailers demand flexibility from employees. It is also imposed on retailers by workers who strive to combine their private life with their working life or who look for work that will not interfere with their studies, as is the case for many transitional workers. Retailers acknowledge that in the current job market they have to accommo-

date the wishes of workers and being flexible contributes to having satisfied employees. Therefore, both transitional workers and steady employees have considerable influence over their own work schedules.

According to collective bargaining agreements, store workers are entitled to have their work schedule sixteen weeks in advance. However, colleagues are able to change shifts with approval from their superior/manager, with part-time workers often willing to take extra shifts when needed. Managers and employees all regarded the possibility of swapping shifts as very positive. It contributes to flexibility for both employers and employees.

In food retailing, workers in discount stores, in particular, can have quite tough working conditions characterized by a very fast work pace. In one discount store some informants reported that they had shed considerable weight after starting to work for the retailer. Nevertheless, physically the work is not as hard as it used to be because a new central warehouse has made it possible to stack pallets more efficiently and many package sizes have been reduced. Psychologically, working in retailing can be very stressful. Informants mentioned several examples of physically and especially verbally abusive customers and even of death threats to store managers. If necessary, employees were entitled to psychological counseling in order to handle these situations, but most often it was something that employees tried to “shrug off” or talked to superiors or co-workers about.

In supermarkets work can also be physically demanding, particularly in relation to stocking shelves. However, here also several informants said that physical strain had decreased because goods were increasingly delivered in packaging that could be placed directly on shelves or clothing that was delivered on hangers. Some goods such as tinned goods and pasta are increasingly displayed in crates, thus reducing time-consuming and straining shelving tasks. In one of the supermarket chains work pace has increased following downsizing. However, informants consider it to be positive that there are fewer idle moments during their workday, as they prefer to have a busy day (though not too busy).

Some informants indicated that stress was a serious problem, particularly for middle managers such as department managers or assistant store managers. Some informants who had witnessed colleagues succumb to stress and not return to work again used this as an explanation for their own lack of ambition. Even very young workers suffer from stress—and have reported sick—because of the many conflicting demands and expectations they face and attempt to meet and reconcile (work, friends, studies, family, etc.), a middle manager reported. However, because informants always referred to others when talking about stress, this did not appear to influence our informants’ job satisfaction.

Several other factors contribute to the generally high job satisfaction by all three types of informants. For instance, career seekers appreciate that they have many career and training opportunities, and many informants derive satisfaction from working for what they consider to be well-run and successful retailers. Informants generally appreciate interacting with customers but not the hassle they sometimes get from disgruntled or dissatisfied ones. Previous research has shown how workers develop strategies for coping with such customers (see, for example, Rafaelli 1989). Among other negative aspects bemoaned were a lack of appreciation from superiors and that frequent management changes (as career seekers move from one position to another or to another store) are disruptive (Broadbridge, Swanson, and Taylor 2000).

When discussing what they like about their jobs, the importance of having good colleagues was stressed repeatedly by our informants. This is consistent with previous studies, which have found that companionship with fellow workers is a major aspect of job satisfaction in retailing (Broadbridge et al., 2000). On the one hand, it is important that workers can function together socially on the job. For instance, several informants emphasize that it is important to share a similar sense of humor as this contributes to a positive atmosphere among workers and enables them to cope with an often hectic and busy workday. On the other hand, it is important to many workers that they can meet with colleagues outside of work. Transitional workers in particular often meet socially outside of work, and in supermarkets and hypermarkets there are often very active staff clubs.

Retailers realize the importance of these social aspects of work for the functioning of stores and often provide financial support for the social initiatives of staff clubs or others (for example, company picnics or bowling nights). Retailers also organize events such as large company parties or sporting events in order to promote a sense of belonging and togetherness among employees across stores. Often employees identified quite strongly with their workplace or employer (the retail chain they are working for). This is particularly true if workers consider their employer to have a reputation as a successful and well-run retailer.

Conclusion

Retail jobs are low-status occupations in Denmark. Retailing is often considered to have a negative image as a place to work due to irregular working hours and mediocre pay. Nevertheless, in a study of frontline workers (checkout operators and sales assistants) in Danish food retailing, we found that job satisfaction was high across the three employee types we identified: transitional workers, core employees, and career seekers. Our research indicates that several factors contribute to job satisfaction of frontline retail workers,

but perhaps the most important is that the different types of retail employees have different ambitions and expectations regarding their retail jobs.

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