



# Social mobility, inclusion, and belonging at The Co-op

Key findings from research with colleagues, leaders, and senior leaders from lower socio-economic backgrounds

Executive Summary



**Making the Leap.**

## About this report

This report examines the extent to which Co-op supports social mobility, inclusion, and belonging for its workforce. Based on in-depth qualitative research with Co-op Colleagues, Leaders, and Senior Leaders from lower socio-economic backgrounds (LSEBs), the report explores views and experiences of three key building blocks of social mobility – financial security, job stability, and career progression – as well as inclusion and belonging. The research considers similarities and differences across business areas, and adopts an intersectional lens to explore how LSEB individuals' experiences vary by personal characteristics including age, disability, ethnicity, gender, and location. Based on this evidence, the report offers recommendations for action to support social mobility for LSEB individuals at Co-op, and to improve conditions for the workforce as a whole.

## About the author

Dr Padmini Iyer is Head of Research and Advocacy at Making The Leap. A mixed-methods social researcher, her work has focused on education, employment, gender, ethnicity, and socio-economic background in countries including the UK, Ethiopia, India, and Vietnam. Before joining Making The Leap in 2021, Padmini led UK-based research at the National Centre for Social Research (NatCen), and worked on international research studies at the University of Cambridge and the University of Oxford. She completed her doctorate in International Education at the University of Sussex.

Founded in 1993, Making The Leap is a grassroots charity which works with schools, young adults, charities, and employers to advance social mobility and race equity in the UK. In addition to its direct delivery with schools and young adults, Making The Leap organises nationwide social mobility initiatives including the [UK Social Mobility Awards](#), the [Social Mobility Podcast](#), and [Social Mobility Day](#).

To learn more about Making The Leap, please visit [www.makingtheleap.org.uk](http://www.makingtheleap.org.uk).

## Acknowledgements

Making The Leap would like to thank all the colleagues, leaders, and senior leaders at Co-op who participated in the research for their time and engagement with the study. Many thanks to Paul Gerrard, Alison Scowen, and Lorna Jones at Co-op for all their work to sponsor and coordinate the research internally. We would also like to thank Naomi Day for conducting interviews and focus group discussions for the study, and for her work on qualitative data management.

## Citation

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# List of terms & abbreviations

## Terms

### Business areas

The Co-operative Group (Co-op) has six main business areas: Food, Funeral-care, Insurance, Legal Services, Logistics, and Support Centre. The Funeral-care and Insurance business areas are collectively referred to as Life Services.

### Colleagues

Co-op employees at Work Level 6 and below.

Examples of Work Level 6 roles include Store Manager (Food) and Shift Manager (Logistics). Examples of roles below Work Level 6 include Customer Team Members and Team Leaders (Food), Drivers and Warehouse Operatives (Logistics).

### Leaders

Co-op employees at Work Levels 4 to 5.

Examples of roles at Work Level 5 include area managers and specialists without teams. Examples of roles at Work Level 4 include senior professionals such as regional managers.

### Senior leaders

Co-op employees at Work Levels 1 to 3.

Examples of roles at Work Level 3 include heads of departments. Examples of roles at Work Levels 1 to 2 include directors.

### Socio-economic background

Refers to the particular set of social and economic circumstances that an individual has come from. In this study, we use the Social Mobility Commission's measurement of socio-economic background using parental occupation at aged 14.<sup>1</sup> "Lower socio-economic background" refers to individuals who come from households with lower income and/or lower levels of parental education. These backgrounds may also be referred to as "working-class".

<sup>1</sup> Social Mobility Commission (2021) Socio-economic diversity and inclusion. Employers' toolkit: Cross Industry Edition. London: Social Mobility Commission.

## Abbreviations

<b>CTM</b>	Customer Team Member
<b>D&amp;I</b>	Diversity and inclusion
<b>LGBTQ+</b>	Lesbian, gay, bisexual, transgender, queer, and further (+) non-binary, non-heterosexual identities.
<b>LSEB</b>	Lower socio-economic background
<b>SEB</b>	Socio-economic background
<b>WL</b>	Work Level



# Social Mobility, Inclusion, and Belonging at Co-op



Making the Leap.

In 2022-23, [Making The Leap](#) conducted in-depth qualitative research with Co-op colleagues, leaders, and senior leaders from lower socio-economic backgrounds (LSEBs) to explore their views and experiences of social mobility, inclusion, and belonging. Read the full report [here](#).

## The research found three levels of social mobility at Co-op:



## What can Co-op do?

By providing financial security, job stability, and fair progression opportunities, Co-op can support social mobility for LSEB individuals at all work levels, and improve working conditions for its whole workforce. To do this, Co-op should:



Continue and widen access to financial support for the lowest-paid colleagues.



Improve transparency and communication about working hours for colleagues on variable-hours contracts.



Facilitate more pathways for career progression and ensure fair and transparent processes.



Draw on Co-op's core values and engage social mobility role models to improve inclusion and belonging.

# Introduction

## Background

In the UK, social mobility is typically defined as creating opportunities for individuals from lower socio-economic backgrounds (LSEBs) to become more economically successful<sup>2</sup>. Employers can support social mobility by ensuring LSEB individuals have financial security, job stability, and fair access to career progression<sup>3</sup>. The UK retail industry is a major employer of people from LSEBs, and socio-economic diversity is typically reflected among shop floor staff. However, this is not replicated at middle and senior management levels, which are dominated by those from more advantaged SEBs.<sup>4</sup> There are therefore important opportunities to improve social mobility in the UK retail industry: by supporting a good standard of living for LSEB individuals in frontline roles; by providing fair opportunities for LSEB individuals to progress to middle and senior management; and by creating inclusive workplaces for people from LSEBs.

At The Co-operative Group (Co-op), over 13,000 members of staff identify as LSEB.<sup>5</sup> Co-op aims to support social mobility by empowering its colleagues to define and realise their own version of success, regardless of their starting point in life. To do this, Co-op aims to ensure colleagues can build purposeful careers without having to leave their communities, and to provide the relevant tools, support, and processes individuals need to succeed. Co-op takes an intersectional approach to social mobility, recognising that some groups face compounding disadvantages due to historic oppression.

Trends from Co-op's internal diversity and inclusion (D&I) data indicate that - as in the wider retail industry - people from LSEBs are underrepresented in management and leadership positions. To gain more in-depth insights into the challenges facing those from LSEBs, and to support evidence-based action to improve social mobility, Co-op commissioned grassroots charity Making The Leap to conduct qualitative research with LSEB colleagues, leaders, and senior leaders across the business.

## Exploring social mobility, inclusion, and belonging at Co-op

This study examines the extent to which Co-op supports social mobility, inclusion, and belonging. Making The Leap conducted qualitative research to explore the views and experiences of LSEB colleagues, leaders, and senior leaders across the business from November 2022 to March 2023. LSEB individuals from a range of locations and across Food Stores / Operations, Life Services, Logistics, and Support Centre were included in the study. Consistent with the wider Co-op workforce, the majority of LSEB individuals who participated in the research were aged 31-60, White, cisgender, female, and heterosexual. Among minoritised groups, LSEB individuals who identified as LGBTQ+, disabled, and younger individuals were well-represented in the study. The research provides valuable insights into the intersections between race and LSEB at Co-op; however, ethnic minority individuals are underrepresented in the study when compared to the wider Co-op workforce.

## Key findings and recommendations

Below, we summarise key findings from the research and offer recommendations for action, which are based on a synthesis of participants' views, key research findings, and our understanding of Co-op's ongoing and planned activities.

<sup>2</sup> Social Mobility Commission (2021) Socio-economic diversity and inclusion. Employers' toolkit: Cross Industry Edition. London: Social Mobility Commission.

<sup>3</sup> Iyer, P. (2022) Widening the gate? Advancing social mobility in 2021-22. London: Making The Leap.

<sup>4</sup> British Retail Consortium & The MBS Group (2022) Tracking progress on diversity and inclusion in UK retail. London: The MBS Group.

<sup>5</sup> This accounts for 33% of the total workforce. 30% of Co-op employees did not disclose their SEB in 2022, and so the actual LSEB population at Co-op is likely to be higher. Ipsos (2022) Diversity and Inclusion report 2022. Manchester: Co-op. Internal report.

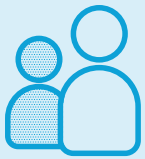
# Key findings

## 1. Co-op does support social mobility for LSEB individuals - but this is not yet a reality for all LSEB colleagues.

The research identified three groups of LSEB individuals at Co-op: those who are **struggling** and have not yet experienced social mobility; those who are **managing** and have conditional experiences of social mobility; and those who are **comfortable** and have experienced social mobility. Below, we characterise each of these three groups in terms of their financial security, job stability, and career progression opportunities at Co-op.

### Struggling

This group consists of LSEB colleagues experiencing financial insecurity and job instability, who feel they have limited or no opportunities for career progression. As a result, working at Co-op does not yet provide these LSEB colleagues with the building blocks required for social mobility.



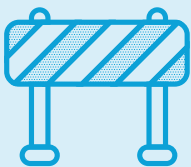
**Who?** LSEB colleagues in lower-paid roles across the business who are not accessing Co-op's wider benefits or support schemes. The group includes disabled LSEB colleagues and LSEB colleagues with chronic health conditions who feel they have not received support with required adjustments in the workplace.



**Financial insecurity:** Although they are paid the Real Living Wage as a minimum,<sup>6</sup> during the cost-of-living crisis in 2022-23, LSEB colleagues in this group struggle to meet their basic needs - to afford food, heat their homes, meet housing costs, and pay their bills. These experiences are consistent with challenges identified by Co-op in its recent research on colleagues' financial wellbeing.<sup>7</sup>



**Job instability:** In Food Stores, these LSEB colleagues' experiences of financial insecurity are compounded by job instability, as their working hours are unpredictable, irregular, or insufficient to meet their financial needs. This causes stress due to over-work, and an inability to plan hours for other jobs.



**Barriers to career progression:** LSEB colleagues in Food Stores, Logistics, and younger LSEB colleagues in this group tend to feel pessimistic about their career prospects at Co-op. Barriers to career progression include a lack of information about career pathways, limited access to training and development, and limited opportunities to progress in local areas.

For those who have unsuccessfully applied for promotions in the past, another barrier is a lack of feedback on their performance, which means they are unsure how to improve and progress in future. This includes ethnic minority LSEB colleagues who have observed White colleagues being promoted while their own progression attempts have been unsuccessful.

<sup>6</sup> As a minimum, all Co-op colleagues are paid the Real Living Wage, which means that wages are set and increased annually on the cost of living.

<sup>7</sup> Atay, A. & Walker, T. (2023) Shifting sands: employer responsibility during the cost-of-living crisis. The Work Foundation: Lancaster University.

# Managing

This group includes LSEB colleagues and leaders currently experiencing a degree of financial security and/or job stability, who may have access to career progression opportunities. Working at Co-op is therefore providing these LSEB colleagues and leaders with the building blocks for social mobility, but the foundations are not fully secure.



**Who?** LSEB colleagues in lower-paid roles and LSEB leaders in higher-paid roles, across business areas. On top of their base pay, these LSEB colleagues and leaders are typically accessing Co-op's wider benefits and support schemes.



**Some financial insecurity:** While LSEB colleagues in this group are in lower-paid roles, they have access to a degree of financial security through Co-op's benefits and support schemes. In particular, targeted cost-of-living payments for those in the lowest-paid roles and 30% member discounts on own-brand products help these LSEB colleagues to meet their basic needs. Across business areas, higher-paid LSEB leaders in this group are similarly reliant on the 30% member discounts and schemes such as Wagestream to meet their financial responsibilities. While Co-op's additional benefits allow these LSEB colleagues and leaders to be 'managing' rather than 'struggling', they are not financially secure enough to plan for the future, and have little to no disposable income.



**Some job stability:** Across business areas, LSEB colleagues in this group have a degree of job stability through guaranteed and/or reliable hours. However, Support Centre LSEB colleagues and leaders in this group can experience job instability due to the risk of redundancy during organisational restructures.

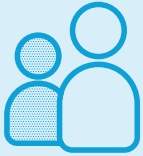


**A range of career progression experiences:** There are LSEB colleagues in this group who face barriers to career progression at Co-op, as described above for the 'struggling' group. However, LSEB colleagues and leaders in this group are more optimistic about their career prospects when they have ongoing conversations about professional development with their managers, access to training and development opportunities, and hope to take advantage of "squiggly career" paths at Co-op. LSEB colleagues and leaders are more likely to feel optimistic about career progression when there are opportunities in their local areas. This is particularly true for those who live in and around Manchester, and those who are able to work from home.



# Comfortable

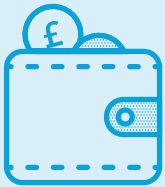
This group consists of LSEB leaders and senior leaders experiencing financial security and job stability, who either have clear opportunities for career progression, or have largely fulfilled their career ambitions. Working at Co-op has provided social mobility for these LSEB leaders and senior leaders, who feel they have a significantly higher standard of living compared to their parents.



**Who?** LSEB leaders and senior leaders in higher-paid roles across business areas, who are on permanent contracts and accessing Co-op's wider benefits and support schemes.



**Financial security:** Across the business, these LSEB leaders and senior leaders feel they are fairly compensated for their work, and are able to afford a decent standard of living. In addition to covering their basic needs and meeting their financial responsibilities, they have some disposable income for leisure and holidays, and are able to plan for the future through savings and/or pension contributions.



**Job stability:** LSEB leaders and senior leaders in this group gain a sense of job stability from their permanent contracts, and safety nets such as notice periods and remuneration payments to compensate for redundancy. Feeling that Co-op is being transparent about its financial situation and planned restructures also helps LSEB leaders and senior leaders to feel more secure in their jobs.



**Career progression:** There are LSEB senior leaders in this group who reflect the 'shopfloor to management' route to social mobility which is often described - but not always observed - in the retail industry.<sup>8</sup> For all LSEB senior leaders, key enablers to career progression have included developing transferable skills, knowledge, and professional qualifications through formal training schemes, and "squiggly careers" which involved roles across a range of Co-op business areas and teams. Formal and informal support from mentors and sponsors was also vital to help LSEB senior leaders overcome a range of barriers on their career journeys. Key support included providing information and encouragement to pursue a range of career paths, and helping LSEB senior leaders to overcome imposter syndrome in increasingly middle-class spaces as they progressed in their careers.

## 2. When Co-op puts its values and D&I commitments into practice, LSEB individuals feel a high sense of inclusion and belonging. However, those from LSEBs can experience exclusion in the workplace related to their SEB and a range of other characteristics.

Co-op's values of cooperation over competition – reflected in giving back to members and the community, prioritising workers' rights, D&I commitments, and campaigning on social issues – are a strong driver of inclusion and belonging for LSEB colleagues, leaders, and senior leaders. LSEB senior leaders also see Co-op's values as a strong foundation for promoting social mobility.



**Inclusion and belonging:** Across work levels, LSEB individuals are more likely to feel included when they are valued, respected, and heard by their peers and managers, when they are kept informed about developments in the business, and when they feel accepted and understood for who they are. When they see diversity and inclusion in their teams and at senior levels, and when diverse cultures are celebrated by Co-op, a wide range of LSEB individuals feel a sense of inclusion and belonging. This includes ethnic minority, LGBTQ+, and disabled LSEB individuals, as well as LSEB individuals who are White, cisgender, heterosexual, and non-disabled. LSEB colleagues, leaders, and senior leaders feel a sense of belonging when they personally share Co-op's values, when they feel confident Co-op is putting these values into practice, and when Co-op invests in their professional development.



**Exclusion and disconnect:** LSEB individuals across Co-op also report experiences of exclusion in the workplace. There are LSEB individuals who experience bias and harassment based on their accents, and who are excluded from team-based activities due to financial barriers. Across work levels and business areas, LSEB individuals who identify as ethnic minority, disabled, female (including trans women), and LGBTQ+ face experiences of bias and harassment based on these characteristics, while others report exclusion based on their age, caring responsibilities, and religion. When managers and team members fail to support LSEB individuals facing these experiences, this further drives a sense of exclusion. Unsurprisingly, LSEB individuals who face bias and harassment are less likely to feel a sense of belonging at Co-op. This can lead to LSEB individuals feeling they have to mask their accents or other characteristics to 'fit in' at work. LSEB colleagues can also feel disconnected from their teams when they are in lone working roles, largely working from home, and due to limited (or unaffordable) opportunities to socialise with their team members.

# Recommendations

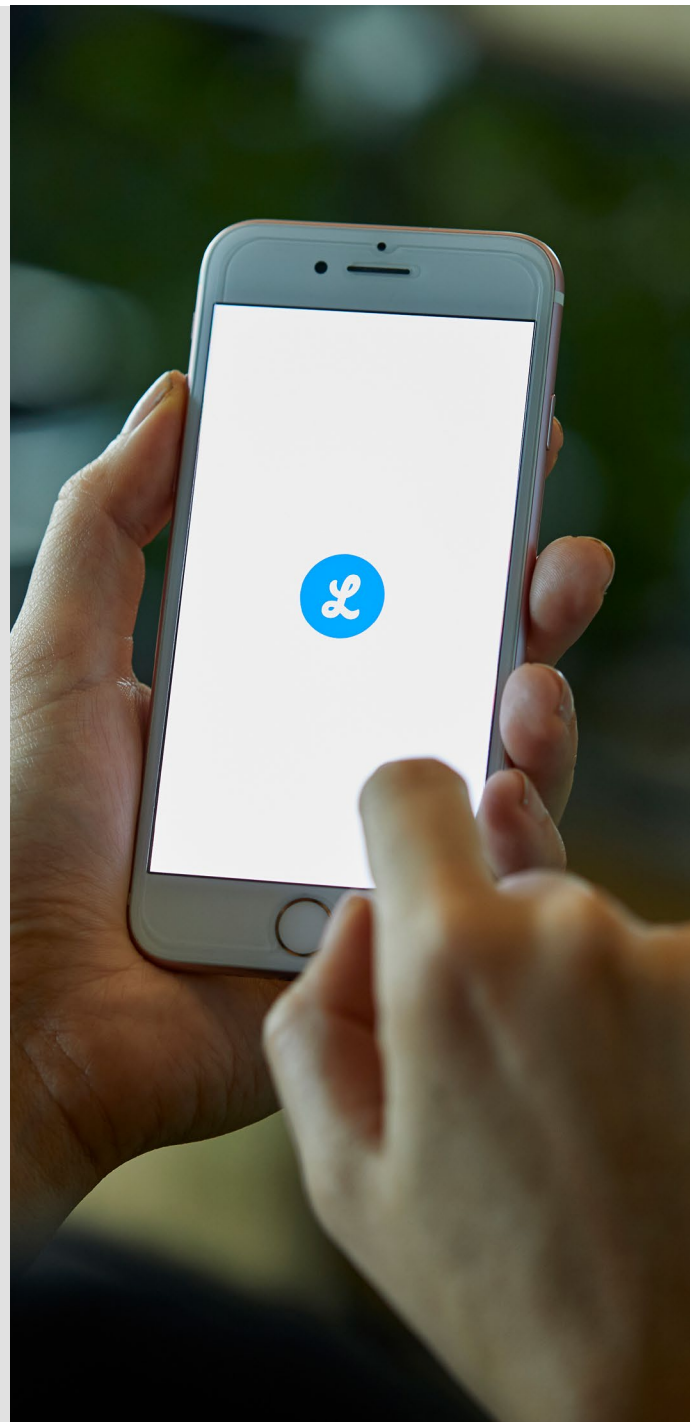
The key research findings show that Co-op has made social mobility a reality for many of its LSEB leaders and senior leaders. However, this does not mean that becoming a leader or a senior leader is the only route to social mobility at Co-op. Instead, Co-op can support social mobility across all work levels by providing financial security, job stability, and fair progression opportunities to all LSEB individuals.

The recommendations include targeted actions for LSEB individuals, and actions that will benefit employees from all socio-economic backgrounds. Taken together, the recommendations aim to ensure that no-one at Co-op is struggling in terms of financial security or job stability, all employees have fair opportunities for career progression, and that inclusion and belonging are realised across the business.

## 1. Continue and widen access to financial support for the lowest-paid colleagues.

LSEB colleagues and leaders are more likely to experience financial security when they access Co-op's wider benefits and support schemes on top of their pay. Continuing these schemes is therefore vital, and Co-op has already extended its cost-of-living support schemes (such as 30% off member discounts) to December 2023. Over the past two years, Co-op has targeted pay increases to lower-paid colleagues during Annual Salary Reviews, and continuing this will also improve financial security for LSEB colleagues.

Improving awareness and access to Co-op's benefits and support schemes is key to ensure as many colleagues as possible transition from 'struggling' to 'managing' financially, whether they are from LSEBs or more advantaged SEBs. Access could be widened by providing dedicated time during working hours for managers to explain available schemes, and for colleagues to register to and explore available support. This will overcome time, capacity, and technological barriers that currently prevent lower-paid colleagues from exploring support schemes outside work. Accessibility could also be increased by offering a single account through which all Co-op benefits and schemes can be accessed, rather than requiring multiple accounts.





## 2. Improve transparency and communication about working hours for colleagues on variable-hours contracts.

For Food Stores colleagues on variable hours contracts, working hours are allocated based on the takings of the store and covering absence. This means that matching colleagues' required hours may not always be feasible for Co-op. However, transparency and communication about the variability of available hours in each store can be improved, including by providing colleagues with sufficient notice about any changes to their working hours. Predictable and regular working hours reduce stress, improve job stability, and support financial security for Stores colleagues by allowing them to plan their time more effectively (including hours with other employers, where required). Job stability could also be improved for Stores colleagues by matching contracts to actual hours worked, rather than regularly requiring overtime.

Across business areas, job stability for colleagues and leaders can be further improved through transparency and communication about organisational restructures. LSEB colleagues and leaders are more likely to experience job stability if they feel they can trust Co-op to provide updates about the organisation's financial situation, future restructures, and any potential redundancies. Whether related to working hours or restructures, these improvements to job stability will benefit all colleagues and leaders. They will also provide important building blocks for social mobility to LSEB individuals, who are more likely to be negatively impacted by insecure employment conditions.





### 3. Facilitate more pathways for career progression, and ensure fair and transparent processes.

For all colleagues, lateral progression opportunities offer a range of benefits. Exposure to different teams and business areas can help colleagues to develop transferrable skills, support informed decisions about career progression, and increase a sense of belonging to the organisation. To realise these benefits, more secondment opportunities could be offered as part of colleagues' training and development. When vacancies are advertised across the business, relevant transferable skills could be highlighted, to encourage colleagues to consider a lateral move. During organisational restructures, lateral redeployment can also offer job stability as an alternative to redundancy.

Ensuring all line managers are facilitating newly introduced "career conversations" is an important way for all colleagues to have fair access to development opportunities. Additionally, targeted social mobility initiatives can address barriers faced by LSEB individuals and improve socio-economic diversity at management and leadership levels. A targeted mentoring and coaching scheme could help LSEB individuals to improve confidence and increase professional networks, while a targeted development programme could support high-potential LSEB colleagues to progress to WL5 and above.

Fair, transparent processes for internal recruitment and promotion will also help to overcome progression barriers faced by LSEB colleagues and leaders. Providing all unsuccessful candidates with clear, constructive feedback will support colleagues to understand how they can improve and progress in future. A combination of contextualised and anonymised approaches to internal recruitment could also support positive action for LSEB individuals and other minoritised groups currently under-represented at senior levels.





#### 4. Draw on Co-op's core values and engage social mobility role models to improve inclusion and belonging.

Co-op's organisational culture, values, and commitments to D&I are already a strong source of inclusion and belonging for LSEB individuals across the business. Demonstrating how these values are being put into practice by communicating concrete examples - including progress towards achieving D&I commitments - can further foster inclusion and belonging for colleagues across minoritised and more advantaged groups. Senior leaders' visible participation in D&I and community-based activities can also demonstrate that Co-op is putting its values into practice. When it comes to social mobility, LSEB senior leaders' career journeys can be shared to inspire LSEB colleagues' own progression at Co-op, and LSEB senior leaders can be engaged as advocates for social mobility across the business.

D&I training for managers can be used to put Co-op's intersectional approach to social mobility into practice. This can include helping managers to understand how to support LSEB colleagues to overcome the specific barriers they face - from career progression to bullying and harassment in the workplace - and how these barriers may be exacerbated for LSEB colleagues who identify as ethnic minority, disabled, female, and/or LGBTQ+.

To include those who feel they are 'left behind' by D&I efforts, Co-op can use its data-driven approach to explain the need for targeted schemes for minoritised groups. For example, the low representation of ethnic minority and/or LSEB colleagues in management and senior roles illustrates the need for targeted career progression initiatives. To strengthen support for these schemes, Co-op should develop a core offer that provides financial security, job stability, and career progression opportunities for all, to realise its aim to empower all colleagues to realise their own version of success.

**For more information visit:**

[coop.co.uk/social-mobility](https://coop.co.uk/social-mobility)

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