

SUBMISSION FROM PROFESSOR PATRICIA FINDLAY

Job Quality

Job quality is a broad and multidimensional concept encompassing the intrinsic nature of work (such as skills, pace, discretion and autonomy), the employment or contractual arrangements within which work takes place (including pay, contractual status, benefits, work-life balance and opportunities for progression) and aspects of work relations (perceptions of fairness and trust, voice and due process/procedural justice).

The study of job quality – by sociologists, psychologists and economists - has a long history spanning the Tavistock Institute of Human Relations studies of the 1950s, the quality of working life movement and research on job enlargement in the 1970s. Following a two decade lull, interest in job quality by scholars, policy makers and practitioners has undergone a resurgence over the last decade and a new lexicon of job quality has emerged with the ILO’s emphasis on *decent work*, the EU’s discussion of *better jobs* and *good work* and country-specific debates on *fair work* (for example, in Australia and in Scotland). These terminologies often cover many, but not all, of the same issues or themes (see below) but the use of different terms for job quality can be unhelpful for researchers, policy makers and practitioners.

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| <p>Decent work (ILO 1999):</p> <ul style="list-style-type: none"> • Promoting jobs/employment, skills, livelihood • Guaranteeing rights at work, including representation and participation • Extending social protection – health & safety, work-life balance • Promoting social dialogue via independent worker and employer representation • Gender equality as a cross cutting objective • Mainly country level measures; objective measures | <p>Better work (EU/Lisbon 2000)</p> <ul style="list-style-type: none"> • Lifecycle approach to work • Inclusive labour markets • Flexibility, employment security and reduced labour market segmentation • Investment in human capital/lifelong learning • Adaptive education and training systems • Due regard to role of social partners • Mainly country level measures; objective measures |
| <p>Good work (Council of the EU 2007):</p> <ul style="list-style-type: none"> • Workers’ rights and participation • Equal opportunities • Safety and health protection at work • Family-friendly organisation • Country measures; objective measures | <p>Fair Work (Australia)</p> <ul style="list-style-type: none"> • Industrial relations policy/employment standards • Maximum weekly hours • Annual and other leave entitlements • Employment termination arrangements • Rights to request flexible working arrangements • Right to freedom of association • Agreement making |

Notwithstanding the terminology challenges, in general terms, discussions of job quality cover the following four dimensions:

1. Task factors: the work you do

- *Pace; skills; autonomy; challenge; discretion; ability to make a difference; the physical working conditions/work environment; health and safety; training and opportunities for development.*

2. Employment factors: contractual arrangements around work

- *Pay and opportunities for pay progression; job and employment security; benefits (such as sick pay and pension arrangements); hours of work; work-life balance.*

3. Relational factors: relationships and treatment at work

- *Perceptions of fair treatment; perceptions of trust; confidence in the ability of colleagues and managers; confidence in the integrity of colleagues and managers; perceptions of mutual respect.*

4. Governance factors: dialogue and decision-making

- *Opportunities for voice, involvement and participation; due process; procedural justice.*

Why is job quality important?

Job quality is of crucial importance to individuals, organisations, economies and societies and research suggests associations between good job quality and a range of positive impacts/outcomes (for a selection of these, see table below).

| Impacts/ outcomes of job quality | 'Bad jobs' | 'Good jobs' |
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| Individual | <p>Poor job quality is related to physical and psychological illness (Cotini and Lucifora 2013).</p> <p>Workers in poor quality jobs have, on average, the lowest levels of health and well-being, showing more health problems, lower subjective well-being, and found less meaning in their work (Eurofound 2012).</p> <p>Concerns over rising stress levels associated with 'job strain' (a combination of highly-intensive work effort</p> | <p>Higher quality jobs are associated with greater job satisfaction, commitment, health and psychological well-being (Eurofound 2012).</p> <p>Task discretion, followed by participation in decision-making impacts most on job satisfaction, skill use and skill development, and psychological well-being (Gallie 2013).</p> |

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| | <p>and low workplace autonomy) (Eurofound 2012).</p> <p>People in bad jobs are more likely to be in more precarious work and to experience greater employment churn.</p> <p>Recent studies show a relationship between instability and insecurity of employment types and three work-related well-being indicators – job dissatisfaction, the perception of a bad safety climate and the inability to stay in employment until the age of (Van Aerden et al 2015).</p> <p>Bad jobs are associated with low pay, in work poverty and lifelong poverty.</p> <p>Transitional ‘bad jobs’ are less problematic than the ‘bad jobs trap’ – where people are not mobile out of bad jobs over time (Sissons 2013; for Europe, Bruno et al 2012).</p> | |
| Organisations/ employers | <p>Increased retention/recruitment costs.</p> <p>Lost training costs.</p> <p>Opportunity costs in relation to engagement/commitment, discretionary effort, performance and productivity</p> | <p>Improved retention rates.</p> <p>Eliciting discretionary effort and commitment from employees that drives productivity and performance.</p> <p>Improves individual and organisational productivity.</p> <p>Facilitates greater innovation.</p> |
| Economic | <p>Low job quality and low value business models can reduce productivity and</p> | <p>Aspects of job quality (enriched job design) impact positively on labour productivity, financial</p> |

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| | <p>competitiveness.</p> <p>Poor quality jobs “are more prevalent in countries with lower levels of GDP per capita, though the association with national income is far from perfect” (Eurofound 2013).</p> | <p>performance and quality (Wood et al 2012).</p> |
| Society | <p>Many of the costs of low pay are externalised to the tax and benefits system.</p> <p>Low pay reduces tax revenues.</p> <p>Bad jobs increase the costs of treating ill health.</p> <p>Social and economic impact of child poverty in (low paid) working households.</p> <p>Bad jobs create and perpetuates gender inequalities in the labour market.</p> <p>Bad jobs constrain social mobility.</p> <p>Bad jobs may reduce national productivity and competitiveness.</p> | <p>At a societal level, job quality can impact on health and welfare spending (including in-work benefits), inclusion, competitiveness and growth.</p> |

Recent academic and policy discussions of jobs quality have focussed closely on the relationship between job quality, productivity, innovation and competitiveness. EU data has identified the relatively low numbers of workplaces in the UK where staff engage in problem-solving activities, where they can use discretion and make a difference, and that are characterised as learning workplaces. There is much interest in investigating how these features of the UK/Scottish economy contribute to low relative productivity in Scotland and the UK and to the comparatively small proportion of UK firms who engage in innovative activity in terms of new products and services.

It is, of course, important to remember that as well as defining the outcomes of good jobs, it is important to consider who (in demographic terms) accesses jobs at different levels of quality. There is considerably more discussion of access to employment by gender, race, age, disability, and socio-economic status than there is

discussion of the demographic distribution of good and bad jobs. Crucially, good job quality is and should be accessible at all levels of the occupational spectrum:

‘A hospital cleaner may conventionally be seen as having a low-skill job, but they may feel secure in their workplace, believe that they are fairly rewarded for their efforts, have strong ties of friendship to their colleagues and believe that their workplace is fair. Equally, a junior corporate lawyer in the City of London may feel insecure, believe that their efforts are not fully recognised, worry that they are not sure they can trust their managing partner or rely on their colleagues and fear that under-performance will be met with dismissal.’ (Coats 2009).

Demographic issues impact on the job quality debate in other ways. Given longer life expectancy and ageing populations, job quality may have to improve to attract and enable workers to stay in work longer (Eurofound 2012).

Measurement and Data

There is no one accepted measure of job quality. Some researchers use objective indicators (eg pay, hours worked, fixed or open ended contract) and others subjective indicators (eg measures of job satisfaction; perceptions of stress); others use a mixture of both.

Some research studies utilise a single data indicator, such as pay. Others use multiple data indicators and combine these into a composite measure or index. With a composite measure, individual components must be weighted relative to each other to produce an index.

A number of job quality indexes exist comprising different job quality indicators and differing weightings attached to these indicators (see, for example, Muñoz de Bustillo 2011, below). While composite measures of job quality are useful for comparison (particularly across countries), composite measures can conceal divergent trends in different components of job quality.

EU Job Quality Indicator (Munoz de Bustillo et al 2011)

- All objective measures
- Job quality = pay (20%) and amenities (80%)
- Amenities –

| Intrinsic Quality of work (20%) | Employment quality (20%) | Health and safety (20%) | Work-life balance (20%) |
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| Skills Autonomy Social support | Contractual stability Development opportunities | Physical risks Psychosocial risks | Duration Scheduling Work intensity |

Research on job quality is significantly shaped by available data. To illustrate, reliable, representative and robust data is available on components of job quality such as pay and earnings, but less so on components such as job demands and autonomy. This skews the pattern of research. Better data would lead to better understanding of job quality – “this underscores the importance of collecting more systematic information on the quality of paid work” (Stiglitz et al (2009).

Job Quality in Scotland and the UK

There is no established job quality map for Scotland although ongoing research at Strathclyde is currently addressing some of the most significant gaps.

Data quality across the range of components is highly variable. Some job quality dimensions are measured directly or through reliable proxy variables in national UK data sets such as the Labour Force Survey and the Annual Population Survey. Important dimensions of job quality – particularly relating to the intrinsic nature of work – are collected in the European Working Conditions Survey, but this survey collects only 1000 respondents in each EU country. Given that the EWCS collects at UK level, EWCS has insufficient responses to generate reliable data for Scotland. This may be less of an issue, however, if there is no a priori reason to believe that UK data is significantly different from Scottish data. Even at UK level, however, EWCS collects too few responses to undertake detailed analysis of job quality.

| <i>Job quality component</i> | <i>Some illustrative data for Scotland or UK</i> |
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| Task factors | <p>51% of establishments report skills under-use. 48% in UK, equal to 4.3m workers (UKCES, 2013)</p> <p>32.4% of UK employees work in lean workplaces. This is much higher than the EU27 average (25.7%) and major competitors like Germany (19.9%) and France (23.8%). Only Malta, Romania, Latvia and Estonia of the EU27 were 'leaner' than the UK (EWCS 2005).</p> <p>28% of UK employees are dissatisfied or very dissatisfied with level of career training and development (CIPD 2014).</p> <p>39% of UK employees report that they experience excessive pressure every day or once or twice a week (48% in public sector) (CIPD 2014).</p> |
| Employment factors | <p>Job growth in the last 10 years in Scotland had been in the lowest 2 pay deciles and the top 4 deciles, suggesting greater polarisation of employment and declining employment opportunities in intermediately skilled work.</p> <p>16% of workers believe it is likely that they will lose their jobs; 17% in the private sector; 26% in the public sector (CIPD 2014)</p> <p>52% of adults in Scotland who are in poverty are also in work</p> |

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| | <p>Extent of involuntary temporary work (would like to work more hours) – 8.6% (216,500 people)</p> <p>Just 22% of employees say that their organisation’s performance processes are effective or very effective in incentivising their performance (CIPD 2014).</p> |
| Treatment/ relations | <p>Significant gap (at UK level) in perceptions of employment relations climate – 96% of managers cf 64% of employees (WERS 2011).</p> <p>68% of women and 60% of men indicate they are very satisfied or satisfied in their jobs. Only 38% of employees, however, report being engaged at work (30% for the public sector, 38% for the private sector; 55% for the third sector) (CIPD 2014).</p> <p>Net scores (proportion of people agreeing with a view minus the proportion of people disagreeing) are negative on consultation on important decisions across all sectors, and in the public sector are negative on respect for, and confidence and trust in, senior management (CIPD 2014).</p> <p>In Europe, 20.1% of workers reported some form of adverse social behaviours at work in the last 12 month (verbal abuse, unwanted sexual attention, threats or humiliating behaviour during the last month, or during the previous 12 months). [Little reliable UK data in this area since BERR Fair treatment at work survey 2008, although a number of union surveys of treatment/dignity issues exist].</p> |
| Voice | <p>Union density in Scotland is 32% cf 25.6% in UK (BIS 2014)</p> <p>50.5% of workplaces in Scotland have a trade union presence (BIS 2014)</p> <p>7% of UK workplaces have standalone non-union forms of representation in 2011 (WERS 2012)</p> |
| Composite measures of job quality | <p>UK sits in the top group of EU countries on overall job quality measures. Some people argue that this is largely driven by the pay component.</p> <p>The UK’s average JQI (job quality index) scores excluding pay dipped between 2000 and 2005 but more than recovered by 2010 (Fernandez-Macias et al 2014).</p> <p>14% of jobs in Europe are high-paid good jobs; 37% are well-balanced good jobs; 29% are poorly balanced jobs; and 20% are poor quality jobs (Eurofound 2012).</p> <p>Some research suggest that employment in the UK is polarizing</p> |

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| | into <i>lovely</i> jobs (mainly in professional and managerial occupations in finance and business services) and <i>lousy</i> jobs (mainly in low-paying service occupations), with a decline in the number of intermediate jobs (mainly clerical jobs and skilled manual jobs in manufacturing) (Goos and Manning 2003). |
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Job Quality: Context and Challenges

It is also worth noting that “job quality is a contextual phenomenon, differing among persons, occupations and labour market segments, societies and historical periods” (Findlay, Kalleberg and Warhurst 2013). Looking at European comparative data, other things being equal, workers on temporary contracts have lower job quality than those on indefinite contracts. Men do better than women on earnings, but women do better than men on working time, working on average shorter hours and being less likely to work non-standard shifts. Women, on average, tend to work in better physical environments than men and report a slightly higher level of intrinsic job quality.

Returning to definitions of job quality, competing conceptualisations of job quality and its inherently contextual nature create a number of challenges. First, it is difficult to produce reliable job quality comparisons across occupations, industries, sectors and countries. Second, trajectories of change in job quality are difficult to measure. Recent work on the impact of global financial crisis on job quality has illustrated that relative stability in job quality measures (in this case, the JQI) can conceal opposing trends in particular dimensions of job quality. Third, competing conceptualisations hinder interventions to improve job quality and the evaluation of the effectiveness of any such interventions.

References and other resources

Making Bad Jobs Better website: <http://ewds.strath.ac.uk/badjobsbetter/Home.aspx>

Human Relations Special issue and vodcast on job quality:

<http://hum.sagepub.com/content/66/4/441/suppl/DC1>

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