

REPORT | June 2020

CIPD Good Work Index 2020

UK Working Lives Survey

The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has more than 150,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Report **CIPD Good Work Index 2020** UK Working Lives Survey

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1 Introduction

This report presents the CIPD Good Work Index, the CIPD's annual benchmark of good work or job quality in the UK. It is based on the third *UK Working Lives* survey, which draws on a representative sample of UK workers. The CIPD Good Work Index measures a wide range of aspects of job quality, including employment essentials, such as pay and contracts, the day-to-day realities of work as experienced by workers themselves, and the impacts on people's health and wellbeing.

This year's survey was conducted just before the COVID-19 pandemic and gives a snapshot of the UK jobs market at this important juncture. It is being supplemented with further CIPD surveys to monitor how the pandemic is affecting UK workers. This report is also accompanied by a summary report and appendices of data tables and methods. These resources are available at www.cipd.co.uk/goodwork

In our first chapter, we give an overview of the survey data and look across the seven core dimensions we identify as good work.

What is good work?

The CIPD's purpose is to champion better work and working lives by improving practices in people and organisation development for the benefit of individuals, the economy, and society. We believe that good work is fundamental to individual wellbeing, supports a strong, fair society, and creates motivated workers, productive organisations and a strong economy. The CIPD's definition is:

- Good work is fairly rewarded.
- Good work gives people the means to securely make a living.
- Good work gives opportunities to develop skills and a career and ideally gives a sense of fulfilment.
- Good work provides a supportive environment with constructive relationships.
- Good work allows for work-life balance.
- Good work is physically and mentally healthy.
- Good work gives employees the voice and choice they need to shape their working lives.
- Good work should be accessible to all.
- Good work is affected by a range of factors, including HR practices, the quality of people management and by workers themselves.

Across each of these areas of activity or influences, employers need to develop an effective people strategy that includes:

- values, culture and leadership
- · workforce planning and organisational development
- employment relations
- people analytics and reporting.

Background to the CIPD Good Work Index

Measuring good work or job quality is increasingly acknowledged in both policy and organisational spheres as being centrally important to assessing contemporary work and the employment relationship, understanding their impact on our lives and productivity, and making sure we improve them wherever we can. In the UK context, the 2017 *Taylor Review of Modern Working Practices* identified several key concerns of relevance to job quality in the modern labour market. In the same year, the CIPD embarked on a project to review the research on job quality and good work and develop a tool to measure the main dimensions

of job quality. To this end, it commissioned two reviews: first, from the perspectives of workers, on what constitutes good or poor job quality and what the opportunities and pitfalls are in measuring it; and second, on the capacity workers have to influence their job quality and the shifting balance of power between employers and employees. This survey is based on this body of work and further consultation with academics, HR experts and government officials. The Measuring Job Quality Working Group, of which the CIPD was a member, drew up seven dimensions of good work and recommended approximate indicators to them – very similar or identical to the ones reported.¹

The CIPD Good Work Index provides a key indicator of the current state of work in the UK, giving insight and reference points for those involved in research, policy and practice relating to good work. More specifically, it presents a regular, comprehensive, and broadly representative survey of workers across job types, occupations and sectors, complementing other surveys of workers that are less frequent (for example, the UK Skills and Employment Survey) or contain less detail on job quality and good work (for example, the Labour Force Survey).

Seven dimensions of good work

The CIPD Good Work Index captures data on seven dimensions of good work, which are summarised in Table 1. The CIPD Good Work Index includes both objective and subjective measures. Objective measures capture aspects that in principle should be unbiased: for example, data on contract type and the amount people earn. Subjective measures reflect an opinion, preference or feeling: for example, how meaningful people find their work, the quality of relationships at work, and measures of satisfaction with job or life. Further, we measure both aspects of good work that are universal - that is, what is good for one person will be good for anyone - and aspects that are relative - what's good for one person may not be for good another. For example, no one would contest that more pay is better than less pay, but part-time work and irregular hours are far less clear as they are likely to vary with one's personal circumstances. The same part-time job may be a poor deal for someone who is trying to feed a family or tie down their first mortgage, yet ideal for a student who cannot commit full-time, or an older worker who has paid off their mortgage and wants to wind down a little. To give a full view of working life, the CIPD Good Work Index describes both universal and relative aspects of job quality and relies on both objective and subjective measures.

	Dimension	Areas included
1	Pay and benefits	Subjective feelings regarding pay, employer pension contributions, and other employee benefits.
2	Contracts	Contract type, underemployment, and job security.
3	Work-life balance	Overwork, commuting time, how much work encroaches on personal life and vice versa, and HR provision for flexible working.
4	Job design and the nature of work	Workload or work intensity, autonomy or how empowered people are in their jobs, how well resourced they are to carry out their work, job complexity and how well this matches the person's skills and qualifications, how meaningful people find their work, and development opportunities provided.
5	Relationships at work	Social support and cohesion. The quality of relationships at work, psychological safety, and the quality of people management.
6	Employee voice	Channels and opportunities for feeding views to one's employer and managers' openness to employee views.
7	Health and wellbeing	Positive and negative impacts of work on physical and mental health. Often considered as an outcome of job quality.

Table 1: Dimensions of good work

A set of seven indices are calculated from the survey data, each one representing each of the seven good work dimensions. These indices in turn are derived from a set of 18 subindices, which, in turn are derived from many survey items (detailed in <u>Appendix 2</u>). In this report, we largely focus on the seven good work indices and their sub-indices. This year, the CIPD Good Work Index also includes detailed measures of sleep and substance misuse, important aspects of wellbeing.

The UKWL survey design

The 2020 *UK Working Lives* (UKWL) survey was conducted in January 2020 and gave a sample of 6,681 workers. It drew on the same YouGov UK panel of approximately 350,000 adults in work as the 2018 and 2019 surveys. To make the samples representative of the UK as a whole, quotas were used to target the sample and subsequent weights based on ONS figures were applied to the dataset. The sample is representative of the UK workforce in terms of gender, full- or part-time work status, organisation size within each sector, and industry. While the 2018 and 2019 surveys drew fresh samples, new to the 2020 survey is that a subsample of the 2019 respondents were re-surveyed in 2020, allowing us to observe how the quality of work evolves within jobs; this is outlined in more detail in Chapter 3.

Focus and structure of this report

In this year's report, there are two special points of focus: occupations, and job progression and mobility. New for this year, we also introduce measures of performance, which we focus on throughout the report. The 2020 UKWL survey included questions on both task (adherence to core job role tasks) and contextual (engagement in tasks beyond core job role tasks) performance. Details on how these constructs were measured are in <u>Appendix 2</u>. The subsequent seven chapters each focus on a dimension of good work. In the final chapter, we draw together our conclusions and identify areas for future research.

2Occupations

Key findings

- In general, managerial and professional occupations have better scores across most good work indices, with routine and manual occupations generally scoring least well.
- However, there are exceptions where there are trade-offs, with occupations faring well in some areas but poorly in others.
- For example, various occupations that are low-paid have good health and wellbeing

 these include jobs in animal care, housekeeping, cleaning, and sports and fitness
 occupations. They also report having (in varying degrees) good work-life balance and
 relationships.
- On the other hand, there are various professional occupations that are high-paid but have poor health and wellbeing. These include jobs in legal services, health, and conservation and environment professionals, and research and development managers. These occupations report some of the poorest work-life balance.

An occupational perspective

In this report, we use classifications developed by the Office for National Statistics (ONS) to distinguish occupational groups and classes. The ONS classifications distinguish 75 detailed occupations and seven National Statistics Socio-Economic Classification (NS-SEC) classes. More detailed explanations of these two constructs can be found in <u>Appendix 2</u>. The reason this report uses NS-SEC is that it has a clear conceptual basis rooted in differences in employment relations derived from decades of social science

research. NS-SEC can broadly be thought of as a hierarchy of access to economic resources in the labour market and degree of authority and control within organisations. To simplify analysis by NS-SEC categories, we sometimes refer to occupational classes by their 'reduced category labels', which collapses the seven classes into three broader ones, as shown in Table 2. Finally, it separates out smaller employers and most self-employed workers in class 4. This means that certain CIPD Good Work indices do not appear for this group as they are either not relevant to non-employees or some questions were asked only to employees (mainly questions relating to being line-managed and voice).

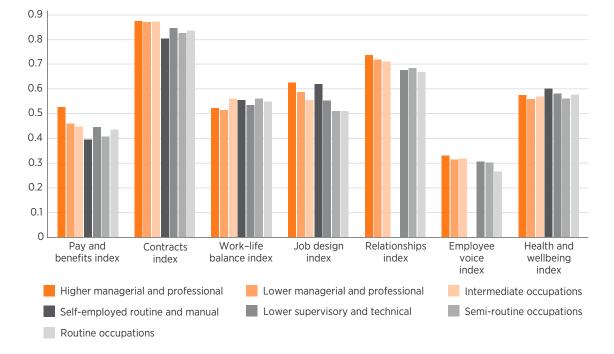
Reduced category labels	NS-SEC categories
1 Managerial and professional occupations	1 Higher managerial and professional occupations
	2 Lower managerial and professional occupations
2 Intermediate occupations	3 Intermediate occupations
	4 Small employers and own-account workers
3 Routine and manual occupations	5 Lower supervisory and lower technical occupations
	6 Semi-routine occupations
	7 Routine occupations

Table 2: National Statistics Socio-Economic	Classification (NS-SEC) categories ²
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As outlined in Chapter 1, the CIPD Good Work Index includes seven indices, each of which are in turn composed of various underlying sub-indices. In this chapter, we only explore the seven overall indices, while the later chapters explore the more detailed sub-indices.

Occupational class and good work

Exploring how the seven indices vary across occupational classes, several dimensions show a clear gradient, with managerial and professional occupations generally doing better, and routine and manual occupations scoring least well, with some noticeable exceptions. The indices fitting this pattern are the pay and benefits index, the contracts index, and employee voice. Two indices (job design and relationships) broadly follow this pattern, with the noteworthy exception of small employers and own-account workers, who score similarly in the job design index to higher managerial and professional occupations. The work-life balance index displays a 'reverse gradient'. While those in managerial and professional occupations have greater access to flexible working (as shown in Chapter 6), they also work more hours, including working more unpaid hours, and have longer commuting times. Finally, the health and wellbeing index shows no gradient by occupational class. This issue is explored in more detail next through analysing the 75 occupational categories.





Trade-offs between pay and aspects of good work

This section explores relationships between the pay of occupations and their scores on the seven good work indices. This helps us understand the dynamics of good work: specifically, how aspects of work can trade off against one another, such that workers who do better in one respect may do worse in another; or alternatively, how aspects of good work cluster, such that workers who are better off in one respect tend to be better off in general.

These are presented in Figure 2 using simple scatterplots with a line of best fit added. Similar patterns emerge at this more detailed occupational level to the more aggregated occupational class level. We find that higher-paying occupations tend to score higher not only on the pay and benefits index, but also on other good work indices, with the exception of work-life balance again, where the correlation is negative. Again, we find no clear pattern for health and wellbeing.

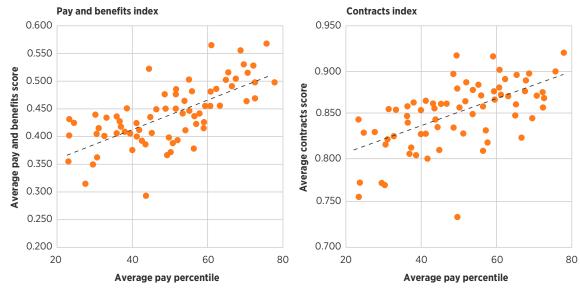
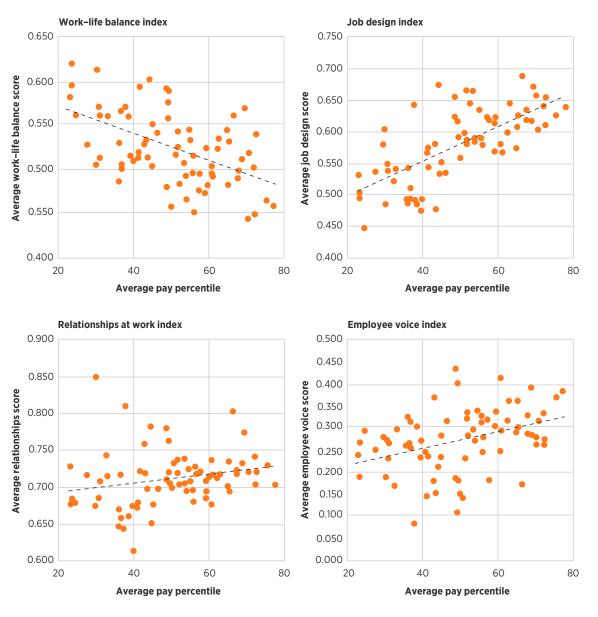
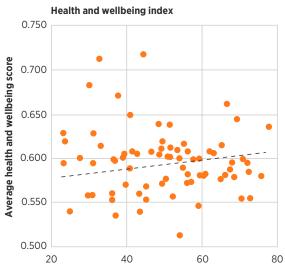


Figure 2: The relationship between mean pay and mean index scores across detailed occupations

Occupations





Occupations

Why might there be a much weaker relationship between occupational pay and the health and wellbeing index given that, with the exception of work-life balance, higher-paying occupations tend to score better on the good work dimensions? One reason may be the different composition of occupations. Some groups have different levels of health and wellbeing and different groups select into different occupations (for example, many low-paying occupations are female-dominated and females tend to report higher job satisfaction than men, while the reverse is true for many high-paying occupations, which are often male-dominated). Another reason is that it is well known that work-life balance is an important factor strongly related to health and wellbeing, and lower-paying occupations tend to do quite well on this indicator relative to higher-paying occupations.

A simple way to get a handle on this is to identify the top ten occupations that do much better in terms of their health and wellbeing index rank compared with their pay rank, and the occupations that do much worse in terms of their health and wellbeing index rank compared with their pay rank, and then explore further how they perform on the good work indices. Taking those occupations that do very well in terms of health and wellbeing but poorly in terms of pay first (Table 3), we find a quite varied set of occupations. These are all in the bottom third of the occupational pay rankings but in the top third of the health and wellbeing rankings. Exploring their characteristics in more detail (not shown), we find they all tend to do well in work-life balance, with the cleaning-related occupations scoring very highly on this measure. These ten occupations also tend to do relatively well in relationships, with some instances in other areas too. Animal care and control services and sports and fitness occupations, for instance, score very highly in terms of purpose. These illustrate that poorly paid workers may be better off in some respects.

At the other end of the spectrum, we have the top ten occupations with the largest reverse discrepancy between their pay and health and wellbeing rankings, reported in Table 4. These are in the top third of the pay rankings but in the bottom third of the health and wellbeing rankings. These are all managerial and professional occupations. Although highly paid, these occupations tend to do less well in terms of work-life balance. Legal services, health, and conservation and environment professionals, as well as research and development managers in particular have some of the poorest work-life balance. There are other instances where they do less well on certain indicators. For instance, engineering professionals have below-average relationships. This analysis shows that while higher-paying occupations tend to do better overall, there are some interesting exceptions, reinforcing that good work is multidimensional and cannot be reduced to pay alone.

Occupation	Pay rank	Health and wellbeing rank	Difference in ranks
Animal care and control services	69	3	-66
Housekeeping and related services, cleaning and housekeeping managers and supervisors	74	11	-63
Elementary agricultural occupations, elementary construction occupations	65	2	-63
Elementary cleaning occupations	73	14	-59
Other administrative occupations	66	12	-54
Agricultural and related trades	58	4	-54
Sports and fitness occupations	48	1	-47
Administrative occupations: finance	64	17	-47
Metal forming, welding and related trades	53	6	-47
Childcare and related personal services	71	33	-38

Table 3: Top ten occupations with largest discrepancy between their pay and health and wellbeing ranking

Occupation	Pay rank	Health and wellbeing rank	Difference in ranks
Legal professionals	3	68	65
Health professionals	7	67	60
Research and development managers	2	53	51
Conservation and environment professionals	21	71	50
Quality and regulatory professionals	9	54	45
Legal associate professionals	31	75	44
Engineering professionals	4	46	42
Electrical and electronic trades, skilled metal, electrical and electronic trades supervisors	15	55	40
Architects, town planners and surveyors	11	44	33
Teaching and educational professionals	25	57	32

 Table 4: Top ten occupations with largest reverse discrepancy between their pay and health and wellbeing ranking

3 Job progression and mobility

Key findings

- Around 12% of respondents had changed their job between 2019 and 2020. Job change is more common among younger workers, less common among older workers. Job change rates are similar across genders.
- In general, good work is associated with a lower probability of turnover. In particular, workers are less likely to have changed jobs if they had excellent job design and excellent relationships, and to some extent, excellent work-life balance, opportunities for voice, and health and wellbeing. Excellent pay made little difference.
- CIPD Good Work Index scores hardly changed for those who stayed in their jobs. By contrast, there were substantial improvements in scores for those who changed jobs by moving to a new employer, in particular with respect to job design and relationships.
- People's new jobs tend to be better paid than the job they held previously, but one in five respondents are worse paid or have less responsibility than before. This could be out of necessity (for example, they were made redundant) or a deliberate choice (for example, to downsize their careers and achieve a better work-life balance).

Panel innovation

A secondary key focus of this report is job progression and mobility. In the 2020 survey, a new panel component was introduced. A subsample of the 2019 survey respondents were re-surveyed in the 2020 survey (n=2,107), enabling us to track how job quality progresses within jobs and careers. First, it allows us to explore the effect of different dimensions of good work on career decisions and why some jobs experience persistently high turnover or staff shortages. Second, it allows us to explore how good work progresses or deteriorates as workers' tenure within jobs increases. This is an area we presently know much less about.

This data will become increasingly useful as we continue to collect it over the coming years, but we present early findings here from the limited one-year period we currently have data for. We distinguish between those who were still working in the same job when they were re-surveyed in 2020 ('job stayers') and those who had moved to a new job ('job movers'), respectively, and use them as comparison groups in our analysis. Within the job movers group, we further separate them into those who have changed job with the same employer (for example, through promotion or lateral transfer) and those who have changed job by moving to a different employer.

Patterns in job mobility

Only 12% of the panel subsample had changed jobs between 2019 and 2020. Job mobility is least common among the youngest workers (18–24) and older workers (55+). There is very little overall difference between genders.

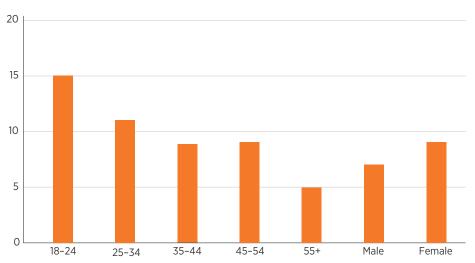


Figure 3: Job mobility, by age and gender (% changed jobs in last year)

Determinants of job mobility

In general, people who moved to new jobs tend to have more pay and responsibility as a result. However, one in five respondents report their current job is lower paid or has less responsibility than their previous job. This highlights that while a new job is generally a positive career move in terms of seniority, there is a sizable minority for whom this is not the case. This might be out of necessity (for example, they were made redundant) or a deliberate choice to downsize their careers (for example to achieve a better work-life balance).

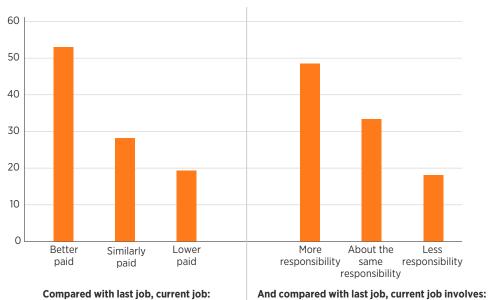


Figure 4: Pay and responsibility compared with previous job (%)

Next we explore how observed job quality in 2019 affects the probability of changing jobs by 2020. In particular, we are interested in the relative importance of the different dimensions of job quality on the probability of changing jobs. This was estimated using OLS regression, adjusting for a standard set of control variables (see <u>Appendix 2</u> for more details). We found:

- The two most influential dimensions of job quality for the probability of changing jobs are relationships at work and job design. Those who reported having excellent relationships at work in 2019 had an 18.2 percentage point (that is, almost a fifth) lower probability of changing their jobs by 2020 than those who had very poor relationships at work. Those who had excellent job design in 2019 had a 16.9 percentage point lower probability of changing their jobs by 2020 than those who had very poor job design in 2019.
- Excellent work-life balance and employee voice have slightly smaller effects on the probability of changing jobs, but still reduced the probability of changing by a significant amount (around 13 percentage points less likely).
- Pay and benefits and contracts have the smallest effects on the probability of job change, about half that of relationships at work and job design.
- Having excellent health and wellbeing reduced the probability of changing jobs by a similar amount to having excellent work-life balance or excellent employee voice (around 13 percentage points difference).

All in all, these patterns clearly demonstrate that it is the more intrinsic aspects of work (in particular relationships and job design) that are the most important in workers' decision to remain or leave their jobs than the more extrinsic aspects like pay and contracts. However, all good work indices have statistically significant effects.

Progression in job quality within jobs and careers

While the previous section highlighted that job quality predicts the probability of job change, this section explores the relationship between job change and post-turnover job quality. In general, scores on the good work indices hardly change for those who stayed in the same job. By contrast, for those who changed jobs, we do observe slight general improvements in job quality. These are most pronounced for job design but can also be observed in most other dimensions.

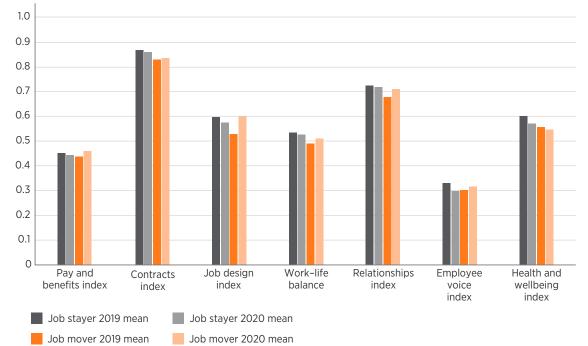
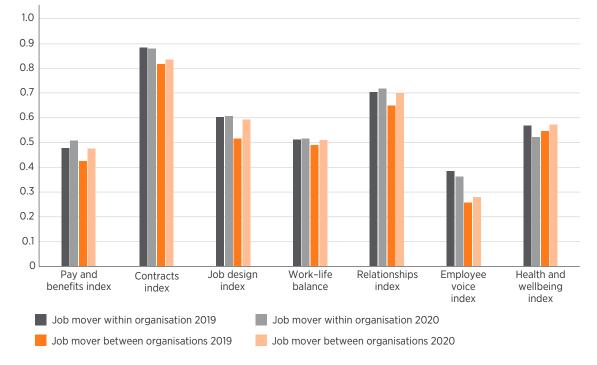


Figure 5: Progression in CIPD Good Work Index in the panel sample between 2019 and 2020

We can further explore the sources of improved good work scores for job movers by separating out job movers into two groups: those who changed their job within the same employer (for example, by promotion) and those who change their job by moving to a new employer. For those changing job within their current employer, there is a relatively slight increase in pay and benefits and work-life balance, and a slight fall in employee voice, with the other indices being essentially unchanged. For those changing jobs with a new employer, we observe a more pronounced improvement in good work scores across all dimensions. It is particularly pronounced for job design and for relationships. All in all, the good work indices are important determinants of changing jobs, and changing jobs brings noticeable improvements in the quality of work, especially when this involves a change of employer. Of all the seven good work indices, job design and relationships are found to be the most important in both respects.







Key findings

- Risk of low pay among full-time workers is highly uneven across occupational classes. Around two in five of those in routine manual occupations are low-paid.
- Low pay among full-time workers is also highly gendered, with one in five women being low-paid compared with one in seven men. It is particularly high among women in routine and manual occupations.
- About a third of workers feel they are not paid appropriately, while only a quarter stated they would not enjoy working if they did not need the money. Nearly two in five workers in the 2020 survey think a job is just a way of earning money. Benefits have improved slightly since 2018 and are also unevenly distributed across occupational classes. Higher managerial and professional occupations have the greatest provision of benefits, and disparity between this category and the others has widened.

Pay is fundamental to assessing the quality of work as, for most people, it is central to material standards of living and life chances outside of work. The distribution of pay is highly uneven in the UK relative to other countries. Of the 42 countries the OECD collects data on, the UK has the 11th highest Gini coefficient (a measure of income inequality),³ with many jobs being particularly low-paid. This latter issue is explored in further detail in this chapter. It also explores pensions and benefits from work – two other key components to worker compensation.

Objective pay

According to the Office for National Statistics, <u>median pay in the UK in 2019</u> was £30,353 per annum for full-time workers, with lower and upper quartiles of £21,870 and £42,642 respectively.⁴ The CIPD Good Work Index is broadly in line with this, for example showing that the median employee in higher-managerial occupations earning double (about £43,000) the median employee in semi-routine and routine occupations (about £21,000). The occupational class pay disparities are similar within genders. On the subject of gender, we find differences in median annual pay between genders within occupational class categories, with some of the differences being quite large. Gender gaps in annual pay are larger among the higher-paid occupational groups than the lower-paying routine and manual occupations (with the exception of lower supervisory and technical occupations, which tend to be male-dominated). This is in line with prior research, which tends to find gender pay gaps are generally larger in higher-paying occupations.⁵

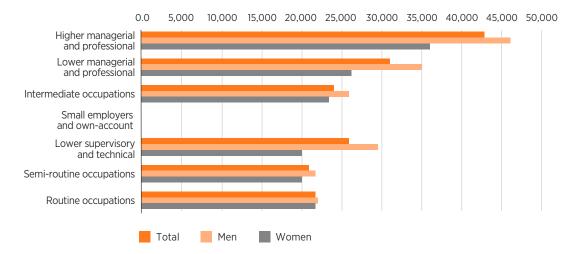


Figure 7: Median annual pay, by occupational class and gender, among full-time workers 2020 (£s)

When exploring low pay, we chose a relative measure. We follow the definition by the Office for National Statistics in their official releases on low pay – two-thirds of the median.⁶ Since the focus here is on full-time workers, we define low pay as two-thirds of the median full-time pay distribution. By this measure, around 16% of full-time workers are low-paid in the 2020 CIPD Good Work Index – virtually identical to the Office for National Statistics' estimates for 2019.⁷ Risk of low pay is almost absent among higher managerial and professional occupations, but as many as two in five women in full-time semi-routine and routine roles are low-paid. Low pay is notably uneven between the genders irrespective of occupational class (13.7% for men and 22.6% for women for the whole sample). While some of this is likely accounted for by the uneven distribution of men and women across occupational class categories, much of it is likely due to gender itself. For instance, within every occupational class category, we see the risk of low pay is much higher for women than men.



Figure 8: Low annual pay, by occupational class and gender, among full-time workers 2020 (%)

Attitudes to pay and work

The CIPD Good Work Index explores subjective pay in relation to whether respondents consider the pay they receive to be appropriate, as well as their attitudes to work in relation to pay. In the 2020 survey, about a third of workers feel they are not paid appropriately – down slightly from previous years, while only a quarter stated they would not enjoy working if they did not need the money – up slightly from previous years. Nearly two in five workers in the 2020 survey think a job is just a way of earning money, also up slightly from previous years.

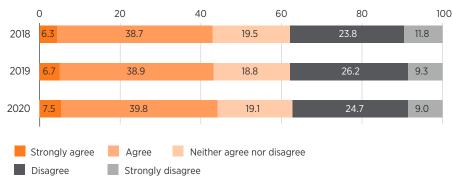
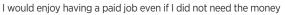
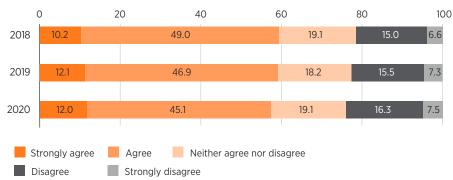
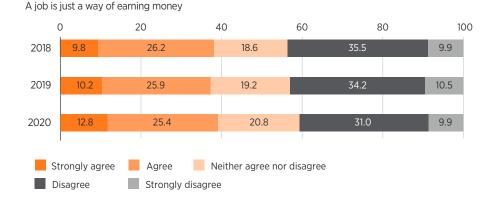


Figure 9: Trends in attitudes to pay and work (%)

Considering my responsibilities and achievements in my job, I feel I get paid appropriately







Pensions and other employee benefits

In addition to pay, workers often receive benefits that constitute their total compensation from work in addition to their pay. Pensions, in particular, can constitute an appreciable portion of this. While the minimum employer contribution of workplace pensions is now 3%, we do find a small number of respondents reporting less than this. The majority of respondents in the 2020 survey report their employers making contributions higher than the minimum contribution, with more than a third reporting their employer contributes double this. Analysis (not shown) finds that employer contributions to pensions is highly differentiated across occupational classes. Those in managerial and professional occupations are three times as likely to receive employer pension contributions double the minimum 3% than those in routine and manual occupations.

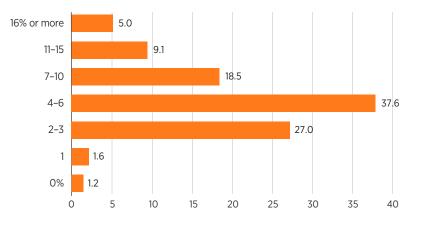


Figure 10: Frequency of different levels of employer pension contributions (%)

Benefits can also take on a variety of other forms, and questions about this were asked in the survey. The most commonly reported benefits were enhanced leave and social benefits. The least commonly reported benefit was financial assistance. The median number of benefits was two, but this varies according to organisation size. The median number of benefits in micro organisations (fewer than 10 employees) was zero, while in larger organisations (more than 250 employees) the median was three.

CIPD Good Work Index

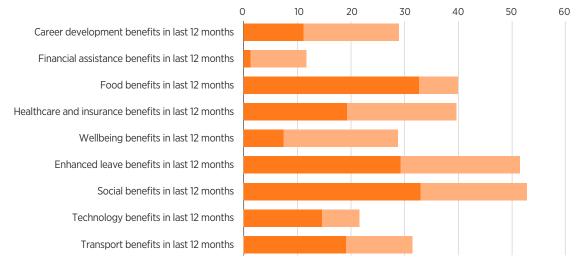
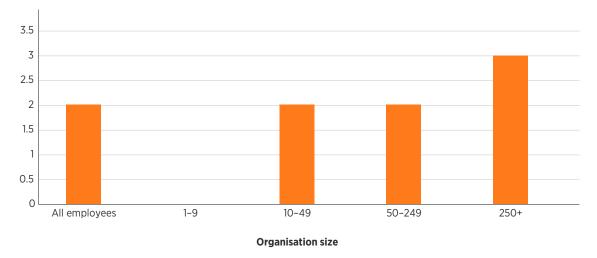


Figure 11: Benefits frequency (%)







Given there are several types of benefits recorded in the survey, these can be combined into a benefits index for further analysis. We find scores on the benefits index are unevenly distributed across occupational classes, with higher managerial and professional occupations enjoying a particularly high level of benefits relative to other occupational classes. While the provision of benefits has grown slightly since 2018, this was not observed across all occupational classes. In general, the benefits disparities between higher managerial and professional occupations and other occupational classes widened in the last few years.

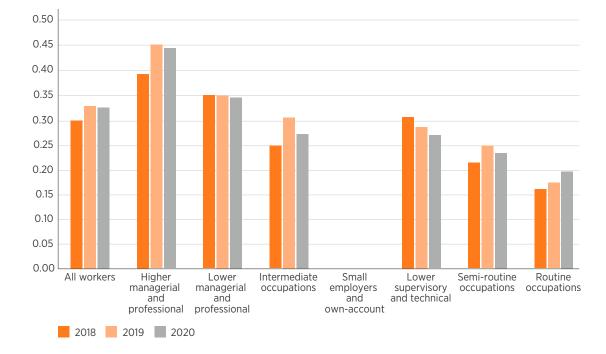


Figure 13: Benefits index scores , by occupational class and year

5 Contracts

Key findings

- There was a slight uptick in the proportion of workers in full-time permanent employment and a slight fall in those reporting running their own business or being selfemployed.
- Those on non-standard contracts and the self-employed report being more task-focused in their jobs and less focused on extra-role activities than permanent employees.
- Those in routine and manual occupations are more likely to report wanting to work extra hours, with as many as one in four wishing to work more hours than they do currently.
- Job insecurity shows no clear pattern across occupational classes.

Along with pay, contractual working arrangements are absolutely fundamental to good work. Temporary and variable hours contracts give employers flexibility to adjust to changing demands. But for workers, not having enough paid hours to make a living, or having unpredictable working hours, can generate huge anxiety and economic hardship.

Some workers want the flexibility of 'non-standard' work arrangements – so we need to be careful to consider individuals' preferences when we measure this dimension of good work – but there is a valid concern that they are often one-sided, benefiting employers but not workers. Currently, the Government has pledged 'to bring forward legislation that introduces a right for all workers to potentially move towards a more predictable and stable contract',⁸ while the Office for National Statistics has started to publish national statistics on the extent to which workers have a 'desired contract' with 'satisfactory hours'.⁹

Relating to these issues, this chapter explores the areas of contract type, underemployment and job security. We also look at labour market security and career prospects.

Contract type

Four in five workers in the 2020 UKWL sample report working as a permanent employee (either part-time or full-time). Within this group, 28% work part-time and the majority are women. Within the group of one in five workers not working as a permanent employee, the majority are self-employed. Most of the self-employed report running their own business (56.8%), while just under a third (32.8%) report working as a freelancer or independent contractor. In terms of trends, there was a slight growth in the share of workers that were permanent employees and a slight fall in the proportion that were running their own business or were self-employed.

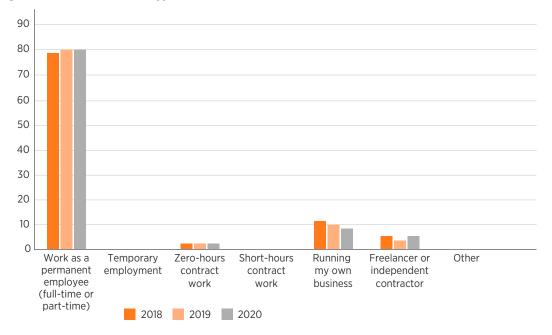


Figure 14: Trends in contract types (%)

A key concern regarding more non-standard contracts, such as temporary, zero-hours, and short-hours contracts, is that they may lead to precarious forms of employment. With the new panel component in the UKWL survey, we can begin to explore these issues. Table 5 presents a simple 'mobility table' with 'origin' contract type in 2019 against 'destination' contract type in 2020. Because of the smaller sample sizes in the panel component, we grouped contract types together into three broader categories: permanent (both full-time and part-time), non-standard (temporary, zero-hours, short-hours), and self-employed (running own business, freelancers/independent contractors). Almost all permanent employees in 2019 stayed in permanent employment the following year (97%), while 40% of those starting off on non-standard contracts found permanent employment by 2020. It is noteworthy that while 87% of those who were self-employed in 2019 remained self-employed in 2020, 11% transitioned to permanent employment by 2020.

Table 5: Transitions across contract types, 2019 to 2020 (row %)

		Contract type in 2020		
		Permanent	Non-standard	Self-employed
	Permanent	97.0	1.0	2.0
Contract type in 2019	Non-standard	40.0	60.0	0.0
	Self-employed	10.8	2.2	87.0

Contract type and performance

In the 2020 UKWL survey, new measures were added of workers' views of their task performance (performance of core job role tasks) and contextual performance (motivation to do tasks beyond core job role tasks). How do those on different types of contract fare in terms of these performance indicators? Those on permanent contracts (whether fulltime or part-time) report lower task performance than those on non-standard contracts or who are self-employed. Conversely, employees with non-standard contracts or those who are self-employed report lower contextual performance than those with permanent contracts. Overall, these patterns indicate employees on non-standard contracts and the self-employed are more focused on their core tasks and less focused on extra-role activities than are permanent employees. Further regression analysis shows it is differences in these contractual arrangements themselves and not the typically lower job tenures of non-standard employees and the self-employed (and other observed differences) driving these results.¹⁰ This is unsurprising since the employment relationships across these categories are fundamentally different. Workers on non-standard contracts and the selfemployed are often hired for very specific tasks and their services are dispensed with once the tasks have been completed. Permanent employees, on the other hand, typically have a much longer employment relationship time horizon, and often also include prospects for promotion or include probation periods - conditions for which often include behaviours beyond fulfilment of the basic job role.

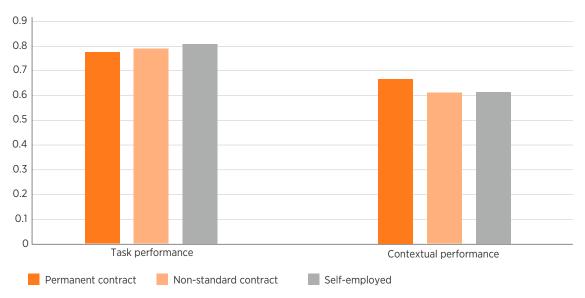


Figure 15: Contract type and performance (standardised scores)

Underemployment

While overall levels of employment in recent years have been at record levels, there has been a growing concern that many jobs do not provide as many hours as job-holders would like. Although underemployment has steadily fallen back down to its pre-financialcrisis levels in recent years, it is now more prevalent than unemployment – though the COVID-19 pandemic may have changed these trends again.¹¹ There are different ways of calculating underemployment.¹² We calculate it as the difference between the number of hours usually worked per week and how much a respondent would like to work per week. Using this measure, we find that around one in seven workers would like to work more hours per week than they do currently.

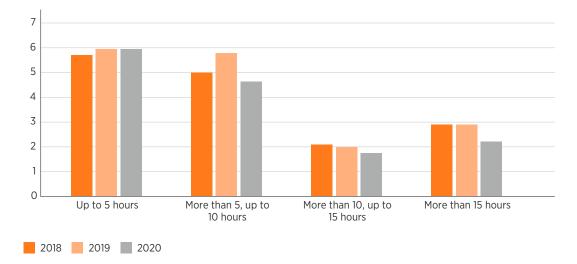
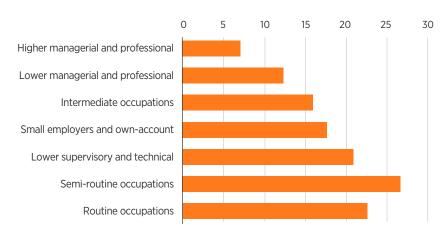


Figure 16: Trends in underemployment (%)

However, the incidence of underemployment is highly uneven across occupational classes – there is a clear class gradient. While underemployment is a relatively rare phenomenon among managerial and professional occupations, as many as one in four routine and manual occupations are underemployed. As outlined in <u>Appendix 2</u>, these occupations are overwhelmingly hourly paid, as opposed to being salaried. This further implies that for workers in these occupational categories at least, underemployment goes hand in hand with insufficient pay.





Most underemployed occupations are in low-paying personal service occupations. This is consistent with other research, which finds that half of all zero-hours contract jobs are concentrated in just ten low-paid service occupations.¹³

Elementary cleaning occupations	40.2
Other elementary services occupations	34.5
Sales assistants and retail cashiers	33.0
Sales supervisors	32.2
Sports and fitness occupations	30.0
Assemblers and routine operatives	29.0
Artistic, literary and media occupations	25.4
Elementary administration occupations	25.1
Caring personal services	25.0
Housekeeping and related services	25.0

Job security and labour market prospects

Job security is often considered a central feature of job quality. Indeed, it is often found to be one of the strongest predictors of job satisfaction alongside more intrinsic features of work related to job design.¹⁴ Job security is measured by the respondent's evaluation of how likely they feel it is that they will lose their job in the next 12 months. Around one in eight workers feel it is likely or very likely they will lose their job in the next 12 months. The overwhelming majority of workers feel their job is not insecure, however, with only slight changes year on year.

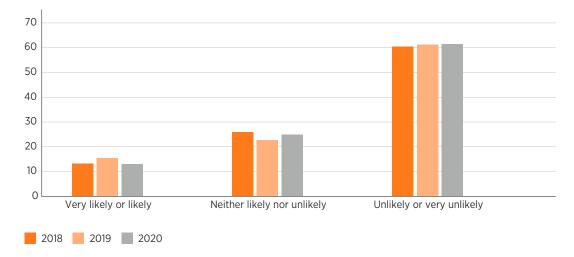


Figure 18: Trends in job security (how likely to lose job in next year) (%)

While the fear of job loss is harmful to wellbeing, job loss itself – when it happens – can be even more damaging. Research has shown that a single spell of unemployment can have long-lasting effects on wellbeing that can only be erased with eventual re-employment.¹⁵ It is therefore important to look at job security in tandem with prospects in the wider labour market. Labour market prospects are measured by the respondent's evaluation of how easy it would be for them to find another job at least as good as their current one. We find that around half of all workers report it being fairly or very difficult to find a job as good as their current one, and that this has fallen slightly in the 2020 sample.

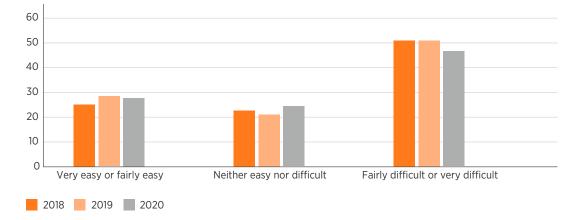


Figure 19: Trends in external prospects (how easy to find a similar or better job) (%)

Job security and labour market prospects vary across occupational categories. In terms of job security, those in managerial and professional jobs are more likely to report that it is likely or very likely that they will lose their jobs in the next 12 months than those in routine and manual occupations (lower technical and supervisory, semi-routine, and routine). However, the difference is not very substantial: it is around one in seven in the former and one in eight in the latter. The greater fear of job loss of managerial and professional workers relative to routine and manual occupations has been revealed in other research, which demonstrates there has been a convergence in job insecurity across occupational classes at least since the late 1990s.¹⁶ Small employers and own-account workers are least likely to report job insecurity – this is understandable, as although they can go bankrupt or cease trading, they cannot sack themselves or declare themselves redundant.

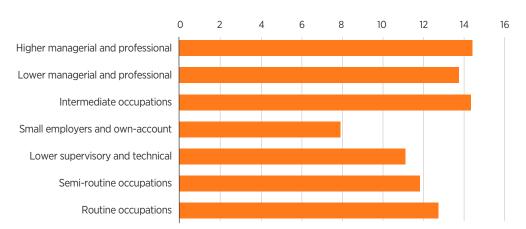


Figure 20: Job insecurity, by occupational class (likely or very likely to lose job) (%)

Labour market prospects appear to be relatively even across occupational classes – with the exception of lower supervisory and technical occupations. This category likely stands out as having greater prospects because these are mostly supervisors within the semi-routine and routine NS-SEC categories, and so are at the more experienced end of their occupation. In other words, workers within this category are mostly at the top of their occupation and so enjoy relatively better external prospects within their broad field of work relative to the other occupational classes.

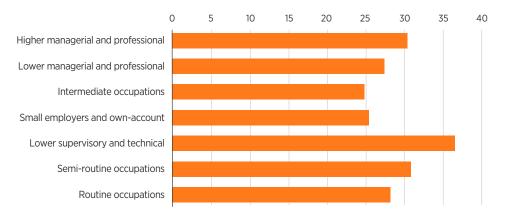


Figure 21: External prospects, by occupational class (fairly or very easy to find a similar or better job) (%)

Are the occupations with least job security also those with the worst prospects in the labour market, or is there a trade-off here to working on non-standard contracts? In fact, although there are some who do poorly in both these aspects and some who do well in both, there is no discernible pattern overall. The least secure workers have neither fewer nor more options in the labour market than those with more secure jobs.



Figure 22: Relationship between external prospects and job security across occupations

6 Work-life balance

0 70

0.65

Key findings

0.20

0.60

 Workers in managerial and professional occupations have the worst work-life balance. In particular, they are more likely to report finding it hard to relax in personal time because of their job.

0.85

0.90

• At the same time, managerial and professional workers have the greatest access to flexible working arrangements.

0.75

Security score

0.80

Work-life balance concerns how we manage competing priorities in our jobs and careers on the one hand, and our leisure time, family, and other personal relationships on the other hand. It relates to questions of part-time or full-time work contracts (Chapter 5), job intensity (Chapter 7) and health and wellbeing (Chapter 10), but is distinct from them. In this chapter, we examine two aspects of work–life balance: perceptions of balance and flexible working arrangement. It is useful to examine both subjective evaluations of how well balance is being achieved in conjunction with more objective measures of policies, because they may not always coincide.

Perceptions of work-life balance

The CIPD Good Work Index draws on three measures relating to the extent to which work life spills over into personal life and vice versa. Respondents were more likely to report their job affects their personal life rather than the other way around (one in four versus one in fourteen). A similar proportion of respondents reported that they find it hard to relax in personal time because of their job to those stating their job affects personal commitments (around one in five). Around one in seven reported that their personal commitments affect their job.

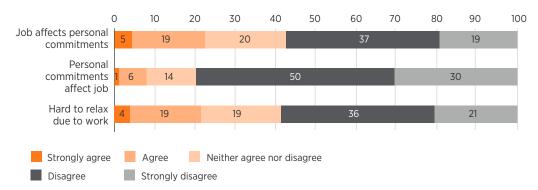
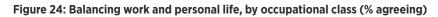


Figure 23: Balancing work and personal life (%)

Moving on to explore patterns in perceptions of balance by occupational class, the findings show no clear pattern. Those in intermediate and semi-routine occupations, as well as small employers and own-account workers, stand out as least likely to agree that their job affects their personal commitments. For personal commitments affecting the job, small employers and own-account workers stand out here as being most likely to agree with this item. For finding it hard to relax in personal time because of the job, managerial and professional workers stand out in this instance as most likely to agree.

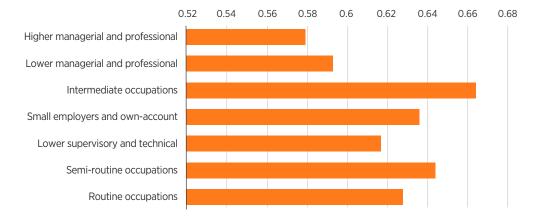




Work-life balance

Finally, we present the balance sub-index by occupational class. The balance sub-index is derived from averaging responses to the above three perceptions of balance items but has been reverse-coded such that a higher score indicates better balance (that is, disagreeing with the statements in the items). Combining the items together into a single index provides a clearer picture on perceptions of balance overall. Combining the items in this way shows good reliability, indicating they are tapping into a more general work-life balance perception (Cronbach's alpha = 0.72). The main conclusion to be drawn from this exercise is that those in managerial and professional occupations are least likely to agree that they are successfully balancing work and personal life relative to other occupational classes. However, as we go on to show, these occupations are most likely to use or have access to flexible work arrangements.

Figure 25: Balance sub-index scores, by occupational class



Flexible work arrangements

Turning to flexible work arrangements, the CIPD Good Work Index presents data on whether workers (except those running their own business) used the following flexible work arrangements in the last 12 months:

- 1 flexi-time (ability to choose the start and finish time of the working day)
- 2 job-sharing (sharing a full-time job with someone)
- 3 the chance to reduce your working hours (for example, full-time to part-time)
- 4 compressed hours (working the same number of hours per week across fewer days, for example, 37 hours in four days instead of five)
- 5 working from home in normal working hours
- 6 working only during school term times.

Figure 26 shows stark contrast in flexible work arrangements across occupational class. The most striking difference was found in the ability to work from home. While 62% of higher managers and professionals said they had worked from home in the last 12 months, the figure is 37% for lower managers and professionals, 23% for intermediate occupations, 8% for lower supervisory and technical workers, 5% for semi-routine occupations, and 4% for routine occupations. In other words, higher managerial and professional workers are 15 times more likely to work from home than routine workers (although this may include work completed outside one's standard office hours).

There are also substantial variations in flexi-time arrangements that allow employees to vary the start and finish time of their working day according to their needs. While 54% of higher managers and professionals have made use of flexi-time arrangements in the

last 12 months, the figure is 13% for semi-routine workers and 18% for routine workers. This may partly reflect the effect of ownership sector and firm size. Compared with working from home and flexi-work arrangements, the other flexible work practices are substantially less common (covering less than 20% of the workforce). The overall picture shows that employees in lower occupational classes benefit much less from flexible work arrangements than their higher-skilled counterparts.

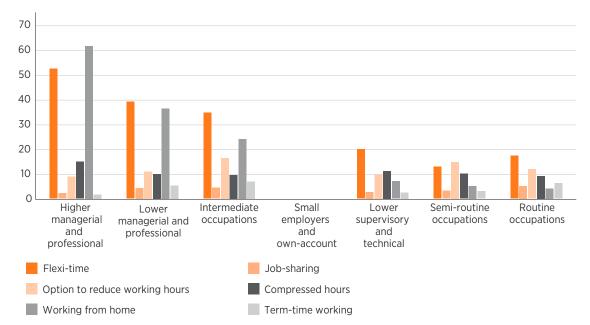


Figure 26: Occupational class differences in the use of flexible work arrangements (%)

Despite the potential for flexible work arrangements to reduce work-family conflicts, employees often avoid using flexible work arrangements. The CIPD Good Work Index shows that this provision-utilisation gap is most common for reducing one's working hours: 33% of workers had this option available but had not used it in the last 12 months (just 12% used this option and the other 54% did not have the option). The second most unused flexible work practice was compressed hours (20%), whereas the most frequently used is working from home (just 8% of workers had the option but did not use it). These results do not necessarily suggest that employees place less value on the flexibility to vary the length of their working hours; it may also reflect factors such as incompatibility of job design and the fear of discrimination from line managers or being seen as less committed to one's job.

7 Job design and the nature of work

Key findings

- With the exception of a slight decline in job autonomy, most aspects of job design have remained stable over the last three years.
- Individuals in higher occupational classes reported higher levels of job complexity, autonomy, skill match and career development opportunities than their counterparts in lower class positions. However, small employers and own-account workers stand out as having comparable job features with higher managerial and professional workers.

- Enriched job design is positively associated with job performance. Task performance is more influenced by availability of resources, while contextual performance is more driven by challenging and meaningful work.
- Individuals who have changed jobs over the past year reported an improvement of job design, although this is partly because they were particularly dissatisfied with their previous jobs.

Trends in job design and the nature of work

Job design can be broadly defined as 'the content and organisation of one's work tasks, activities, relationships, and responsibilities'.¹⁷ In this chapter we focus on job design and the nature of work (the typical type of work tasks that individuals perform on a day-to-day basis) in contrast to the employment arrangements for the work people do and from the social aspects of people's daily work. A substantial body of research shows that enriched job design that encourages learning, growth and self-determination leads to higher performance and wellbeing, whereas monotonous and demeaning jobs are associated with boredom, passivity and loss of productivity. As work is one of the most important sources of meaning and structure in adult life, job design plays a critical role in shaping whether people hate or love their jobs.

There is a broad consensus in the literature that job design is a multifaceted concept which encompasses a wide range of job characteristics. The CIPD Good Work Index draws on seven measures of job design:

- 1 workload (whether one has the right amount of work)
- 2 job autonomy (the level of control over the content, speed, method and time of work)
- 3 resources (whether one has enough time, equipment and suitable space to work effectively)
- 4 purpose (the feeling of doing useful work for the organisation or the wider society)
- 5 job complexity (whether the job involves interesting, complex tasks or requires learning new things and solving unforeseen problems)
- 6 skills (the level of person-job match in skills and qualifications)
- 7 career development (whether the job provides opportunities for skill development and career progression).

Figure 27 shows the changes in each aspect of job design over the last three years. The overall picture that emerged from this analysis is one of stability, as the majority of job design indicators have remained constant between 2018 and 2020. The only exception is that the average index score for job autonomy declined from 0.61 in 2018 to 0.58 in 2020. Although it is early to make a conclusion based on the CIPD Good Work Index alone, the evidence is consistent with research based on other UK national surveys such as the Skills and Employment Surveys (last carried out in 2017) that shows UK workers' job autonomy has generally decreased over the last two decades.¹⁸

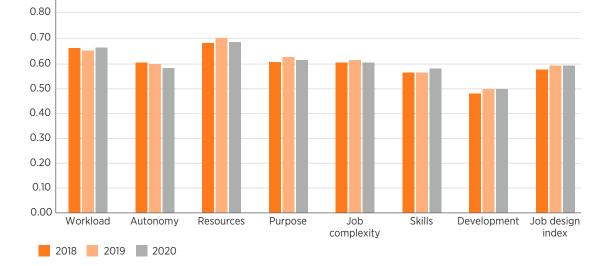


Figure 27: Trends in job design and the nature of work (standardised scores)

Occupational class differences in job design and the nature of work

There is a clear pattern in job design across occupational classes, with 'higher' occupational classes and the self-employed faring better (see Figure 28). However, the extent of the differences varies for different aspects of job design. There is little difference in workload and resources across occupational classes, but sizable differences in job autonomy, job complexity, and also skills and development opportunities. The sharpest occupational class inequality is found for job complexity and job autonomy, where the average index scores reported by higher managerial and professional workers are about a third higher than those reported by routine workers.

An interesting exception to the general pattern of occupational class gradient in job design is found for small employers and own-account workers. This group stands out from the rest of the workforce in almost every single aspect of job design: this is not surprising since they design their own jobs. Specifically, small employers and own-account workers gave the most favourable ratings on their workload, job autonomy, resources, and purpose among all occupational class groups. With respect to job complexity and skills, they only trail managerial and professional workers. Their career development opportunities were rated as average, which is unsurprising given the structural constraints of small businesses. On the whole, the exceptional position of small employers and own-account workers may explain the widely documented finding that self-employed workers are generally more satisfied with their jobs than employees despite their greater economic insecurity and income volatility. The evidence reported here shows that being one's own boss can significantly boost the quality of work life by improving multiple facets of job design.

In order to summarise the various components of job design, we have created an overall index for job design and nature of work. Figure 29 shows that the overall job design index broadly follows an occupational class hierarchy, with employees in higher class positions generally reporting better job design than those in lower class positions. Small employers and own-account workers reported a similar overall job design index score as higher managers and professionals, well above the other occupational class categories.

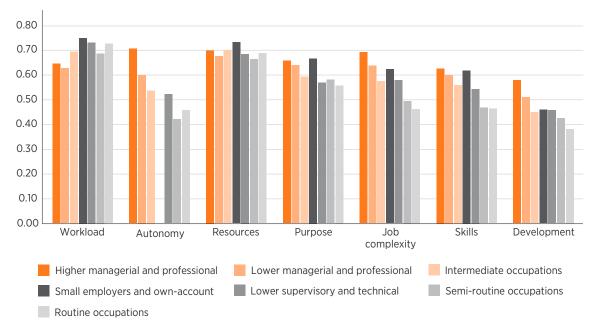


Figure 28: Occupational class differences in job design facets (standardised scores)

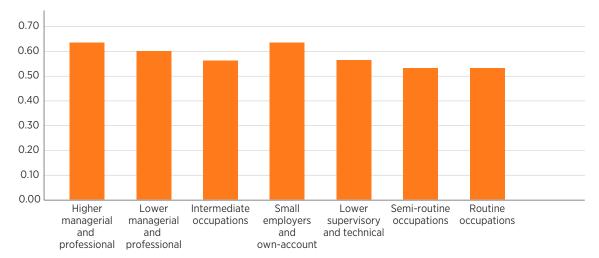


Figure 29: Occupational class differences in overall job design index (standardised scores)

Next, we delve deeper into the occupational class hierarchy by identifying individual occupations with particularly high or low scores on the overall job design index. Table 7 shows the top and bottom ten occupations based on their job design index scores. Half of the top ten occupations are health-related professions: therapy professionals, sports and fitness occupations, health professionals, health associate professionals, and nursing and midwifery professionals. The rest of the top-scoring occupations are also highly skilled managerial or professional occupations such as chief executives and senior officials, legal professionals, natural and social science professionals, and welfare professionals.

By contrast, the occupations that emerged with the lowest job design index scores are mainly elementary occupations, examples of which include elementary security occupations, elementary process plant occupations, elementary administration occupations, and elementary storage occupations. In addition, this category also includes low-skilled service jobs such as sales assistants and retail cashiers, elementary sale occupations and customer service occupations. Our separate analysis of occupational rankings in each individual facet of job design shows that the starkest contrast between the top and the bottom occupations lies in four areas of job design: job autonomy, purpose, skills and job complexity.

Table 7: Occupations with the highest and lowest job design index scores

Top ten occupations	Job design index	Bottom ten occupations	Job design index
Therapy professionals	0.70	Customer service occupations	0.50
Chief executives and senior officials	0.69	Elementary security occupations	0.50
Sports and fitness occupations	0.68	Road transport drivers	0.50
Welfare professionals	0.68	Other elementary services occupations	0.50
Health associate professionals	0.67	Elementary process plant occupations	0.49
Health professionals	0.66	Sales assistants and retail cashiers	0.49
Building finishing trades, construction and building trades supervisors	0.66	Elementary administration occupations	0.49
Legal professionals	0.66	Textiles and garments, printing trades	0.48
Nursing and midwifery professionals	0.65	Elementary storage occupations	0.47
Natural and social science professionals	0.65	Elementary sales occupations	0.45

Job design and job performance

How does job performance relate to job design and nature of work? In Figure 30 we compare self-reported task performance and contextual performance scores between the top and bottom quartile workers based on their overall job design index scores. As expected, enriched job design is associated with higher levels of job performance. With the exception of skill match and development opportunities, employees in the top quartile consistently reported higher task performance scores than those in the bottom quartile. The aspect of job design which makes the greatest difference to task performance is job resources. In addition, job autonomy and purpose also make substantial differences to task performance. A generally similar pattern was found for contextual performance, as the top quartile did better than the bottom quartile in almost all aspects of job design. Interestingly, different from task performance, job complexity and purpose are more important for contextual performance. Taken together, these results suggest that effective performance of one's core job duties depends heavily on the availability of resources, while voluntary extra-role efforts to improve the overall organisation is more driven by challenging, interesting and meaningful work. These conclusions are robust even after we control for a wide range of employee and workplace characteristics in multivariate regression analysis (see Appendix 2).

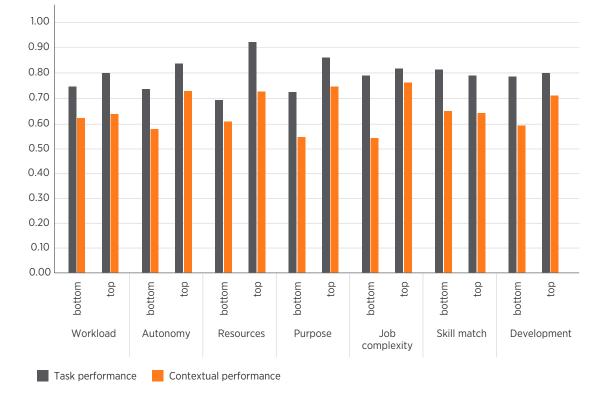


Figure 30: Job design and job performance (standardised scores)

Job change and job design

Does job change help improve job design and the nature of work? To answer this question, we have compared individuals who have changed their jobs over the last year with those who have stayed in the same jobs with respect to each facet of job design. In Figure 31, the first two columns in each block show the job design scores in 2019 and 2020 for those who have stayed in the same job and the last two columns show the figures for those who have changed their job. The main conclusion here is that job change indeed leads to an improvement in all aspects of job design, at least at the time of turnover. This 'honeymoon' effect, however, can dissipate over time after individuals have adapted to their new jobs. The largest improvement was found for career development opportunities, where the index score increased from 0.49 to 0.59 for job movers but remained constant (0.50 to 0.49) for stayers. Apart from career development opportunities, job movers also reported a marked increase in job autonomy (0.56 to 0.59), sense of purpose (0.56 to 0.62) and skill match (0.50 to 0.55).

Individuals' experience of job change may depend on the type of change they have made. The *UK Working Lives* survey enables us to distinguish those who changed jobs within and between organisations. In Figure 32 we compare the implications of the two types of job change for job design and nature of work. It can be seen in the figure that most of the improvements in job design were reported by individuals who have moved to different employing organisations. While within-organisational job changes were only associated with a small increase in skill match, between-organisational job changes led to a marked improvement in almost every single aspect of job design. The largest increase was found in development opportunities, where the index score jumped from 0.44 to 0.59.

Despite these positive changes, it should be noted that the increase in job design ratings following a job change could be partially attributed to the particularly lower ratings of

these job features before turnover. As Figure 32 shows, the job design scores reported by between-organisational job movers in 2019 were markedly lower than those reported by individuals who have chosen to remain in their current employing organisation. This finding is consistent with organisational behaviour research that shows low levels of job satisfaction predict subsequent turnover. In other words, employees who are dissatisfied with their current jobs are more likely to choose to move to different workplaces. The improvement in job design following turnover shows that people are generally happier with their new jobs than the old ones, although (with the exception of career development opportunities) their ratings of their new jobs are pretty similar to those who have changed jobs within their current employing organisation.

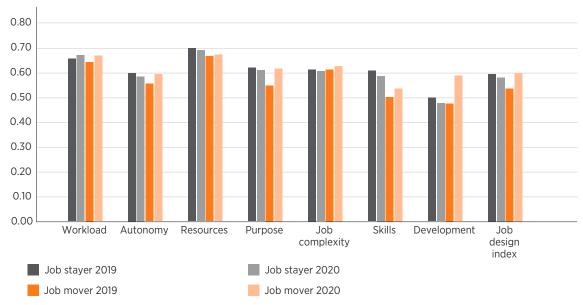


Figure 31: Job change and job design (standardised scores)

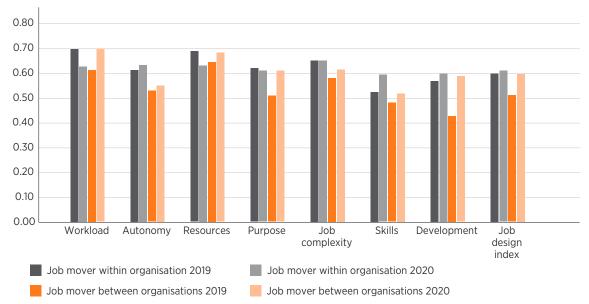


Figure 32: Job change within and between organisations (standardised scores)

Job design and the nature of work

8 Relationships at work

Key findings

- Most UK workers reported positive social relationships at work and the pattern has remained stable in the last three years. Individuals generally like their colleagues more than their boss, although their ratings of both were pretty positive.
- With the exception of small employers and own-account workers, employees in higher occupational classes reported better relationships at work than those in lower occupational classes. Poorer workplace relationships are disproportionately concentrated in elementary occupations.
- Good relationships at work correlate with positive feelings about performance (this effect holds after controlling for individual and workplace characteristics).
- Of all aspects of workplace relationships, ratings of line managers improved the most following a job change. Moreover, the pattern is similar for those who moved to different work organisations and those who moved to different job roles within the same organisation, which is often accompanied by a change in reporting lines.

Trends in relationships at work

When people are asked what is most important to them, they rarely cite income, power or material possessions but place a higher value on relationships with other people. Relationships are like the nervous system of the organisation that co-ordinates complex social interactions and activities.¹⁹ The quality of interpersonal relationships affects how individuals treat one another, share knowledge and accomplish group-based job tasks. While good relationships lubricate organisational functioning by reducing interpersonal frictions and increasing trust and co-operation, poor relationships often result in demotivation and a sense of alienation. Besides their impact on motivation and performance, satisfying social relationships also protect individuals' physical health by strengthening their cardiovascular and immune functions.²⁰

Research shows that positive social relationships protect people from a multitude of physical and mental health problems, ranging from cardiovascular diseases and cancer to suicidal tendencies.²¹ One of the most intriguing studies on the subject is the Harvard Grant Study, which tracked the lives of over 200 people for 75 years and found that social relationships is the single most important determinant of happy and healthy long lives, trumping the effect of income, education and social class background.²² Cultivating strong interpersonal relationships at work has significant benefits for both individuals and organisations and is time well spent.

Figure 33 shows individuals' ratings of their relationships at work based on the 2020 CIPD Good Work Index. The clear majority of UK workers, three out of four, are positive about their line managers (42% rated their relationship with their line manager as good and 35% as very good). The pattern is even more positive for relationships with one's colleagues. Specifically, 42% of respondents said their relationships with their teammates were very good and a further 47% said they were good, adding up to about 90% of positive answers. Besides managers and teammates, individuals also reported generally positive relationships with other workplace contacts such as their subordinates, customers and suppliers.

Interestingly, managers are more likely to attract poor ratings than others: 8% of managers were rated 'poor' or 'very poor', whereas this figure is lower for teammates (2.4%), other colleagues (2.7%) and subordinates (2.7%). This is likely a reflection that conflict or difficult

relationships with one's manager can have a more serious impact on workers, as <u>previous</u> <u>CIPD research</u> has found. Examining the changes in the quality of workplace relationships in the UK over time, overall the quality of work relationships seems to have remained stable from 2018 to 2020. We can see a slight decline in the quality of relationships at work but a small rise in assessment of line management and psychological safety.

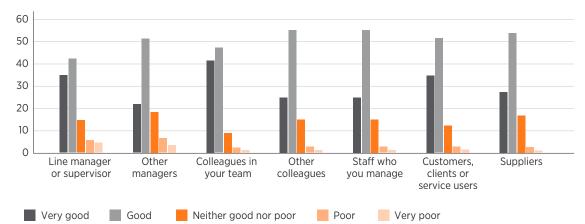


Figure 33: Quality of relationships at work (%)

Occupational class differences in relationships at work

Taking the summary index of interpersonal relationships at work, the best workplace relationships were reported by small employers and own-account workers (0.83), followed at some distance by higher managerial and professional workers (0.73). Excluding small employers and own-account workers, there is some evidence of an occupational class gradient in the quality of workplace relationships. Managerial and professional workers reported higher scores on most relationship indicators than those in intermediate and semi-routine and routine occupations. While there isn't much difference between the lower occupational categories (lower supervisory and technical workers, semi-routine occupations and routine occupations), those in higher occupational classes (higher managerial and professional occupations, lower managerial and professional occupations and intermediate occupations) are generally better off. However, the degree of occupational inequality in social relationships is quite modest compared with that of job design.

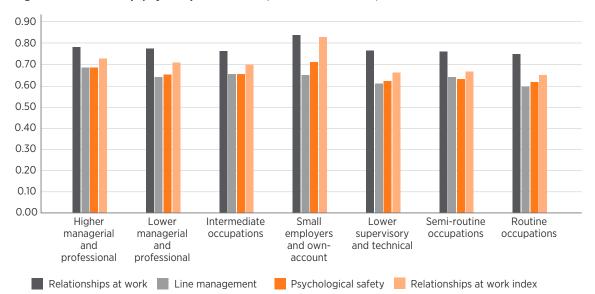


Figure 34: Relationships, by occupational class (standardised scores)

Delving deeper into the pattern of occupational class inequality, Table 8 shows that half of the ten occupations with the lowest scores on the workplace relationships index are elementary jobs: assemblers and routine operatives, elementary process plant occupations, elementary security occupations, elementary storage occupations, and elementary administration occupations. The remaining ones are also at the lower end of the occupational class ladder: caring personal services, road transport drivers, leisure and travel services, sales and customer service occupations. By contrast, the top-scoring occupations come from diverse fields of work, including not only highly skilled jobs such as chief executives, therapy professionals and artistic occupations, but also intermediate and low-skilled jobs such as sports and fitness occupations, animal care and control services, and agricultural workers. The overall evidence suggests that UK workers generally enjoy good relationships at work, although some occupations (particularly elementary storage, security and process plant occupations) appear to lag behind the others.

Top ten occupations	Job design index	Bottom ten occupations	Job design index
Animal care and control services	0.85	Caring personal services	0.68
Agricultural and related trades	0.81	Road transport drivers	0.67
Therapy professionals	0.81	Leisure and travel, hairdressers and related services	0.67
Sports and fitness occupations	0.78	Customer service occupations	0.67
Building finishing trades, construction and building trades supervisors	0.78	Elementary administration occupations	0.66
Chief executives and senior officials	0.78	Sales supervisors	0.66
Artistic, literary and media occupations	0.76	Assemblers and routine operatives, construction operatives	0.65
Managers and proprietors in other services	0.76	Elementary process plant occupations	0.65
Elementary agricultural occupations, elementary construction occupations	0.74	Elementary security occupations	0.64
Functional managers and directors	0.74	Elementary storage occupations	0.61

Table 8: Occupations with the highest and lowest workplace relationships index scores

Relationships at work and job performance

Plenty of research has underlined the importance of social support for employee wellbeing. Do good relationships at work also benefit organisational performance? The short answer to the question is yes. Figure 35 shows that employees with better work relationships reported higher levels of task performance and contextual performance. The most differentiating indicator is the 'relationships at work' index, which captures the general quality of one's work associations. Individuals in the top group reported an average task performance index score of 0.87, compared with 0.70 for those in the bottom

group. Contextual performance is also consistently higher among those who reported better workplace relationships, no matter which indicator is taken. These effects are highly significant in regression analysis that controls for a wide range of employee and organisational characteristics (see <u>Appendix 2</u>).

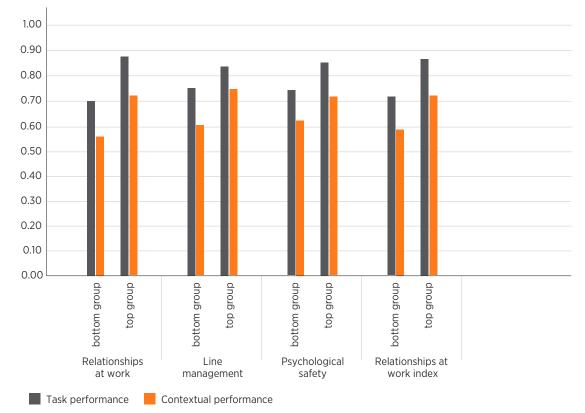


Figure 35: Workplace relationships (top and bottom scores) and job performance

Relationships at work and job change

Individuals who have changed jobs over the last year reported an increase in their interpersonal relationships at work, particularly with respect to line management. By contrast, there has been hardly any change in any aspect of workplace relationships for those who have stayed in the same job. A comparison of job changes within and across organisations shows that the most marked improvements were reported by those who have moved to different organisations, with the exception of perceived line management quality, which improved for both types of job movers. Turnover research shows that dissatisfaction with one's line manager is one of the most important reasons for employees to change their jobs. As some analysts have aptly summarised: employees do not quit their job; they quit their boss. Our analysis shows that of all aspects of workplace relationships, ratings of line managers improved the most following a job change. Moreover, the pattern is similar for those who moved to different work organisations and those who moved to different job roles within the same organisation, which is often accompanied by a change in reporting lines.

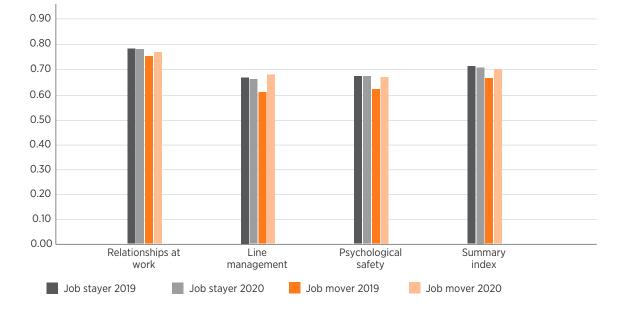


Figure 36: Workplace relationships and job change (standardised scores)

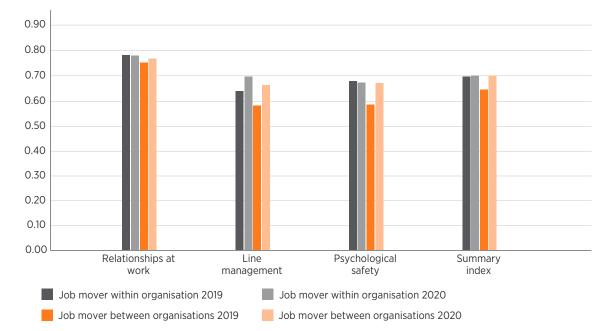


Figure 37: Job change within and between organisations (standardised scores)

9 Employee voice

Key findings

- Most UK workplaces have adopted direct employee participation, while representative participation is much less common. There are substantial variations in employee voice and representation by organisational size and ownership sector.
- Employee representatives and managers are generally viewed positively with respect to sharing information and seeking suggestions from employees, although the percentage of positive ratings has slightly declined over the last three years.
- There are substantial variations by occupational class in terms of direct channels of voice, with individuals in higher class positions reporting greater involvement in organisation decision-making than those in lower class positions. By contrast, there is little evidence of class inequality in either indirect representation or managerial openness to employee voice.
- Individuals who have changed jobs over the past year reported an increase in both direct participation and managerial openness to voice, but the pattern was only found for those who have moved to different organisations.

Trends in employee voice and representation

The issue of employee voice in organisational decision-making has held a central place in sociology, psychology, industrial relations and human resource management literature. Since its inception, the concept has been subjected to a broad array of definitions. While some consider voice as individuals' direct control of their job tasks, others emphasise the importance of formal participatory mechanisms mediated by collective bodies of employee representatives such as trade unions and works councils. Despite the diverse ways in which voice has been conceptualised, at the heart of the participative management paradigm is an attempt to reverse the dysfunctional Taylorism principles of management based on extreme control and tight surveillance of employee performance. With the rapid diffusion of advanced technologies and extensive upskilling of the workforce, there is an increasing consensus that employers need to involve employees in workplace decisions to make the most of their creativity and initiative, which can transform into a powerful source of performance advantage in an increasingly competitive global market. This chapter explores the changes in employee voice in the UK over the last three years, the distribution of various voice channels across occupations, and the association between employee voice and job performance and job change. In doing so, we examine both direct participatory practices, such as meetings with managers and team members, online forums, focus groups and employee surveys, and indirect representation through trade unions and nonunion staff associations.

Our analysis shows that one-to-one meetings with one's line manager is by far the most common form of voice, reported by nearly 60% of UK workers. It is followed at some distance by team meetings (reported by just under half of all workers) and employee surveys (around 40%). The other participatory practices are much less common (covering between 10% and 20% of the workforce). Compared with direct channels of voice, indirect representation is less widespread. Around a fifth of UK workers said that there was a trade union in their workplace and the figure is substantially lower for non-union staff associations or consultation committees (around 5%).

These statistics, however, mask substantial variations by organisational size and sector. As Figure 38 shows, most voice practices are more common in large organisations. For instance, the prevalence of employee surveys ranges from 7% in small organisations (with fewer than 50 workers) to 38% in medium-sized organisations (with 50–999 workers) and 64% in large organisations (with over 1,000 workers). Similarly, there are significant differences between the private and public sector. Figure 39 shows that almost all employee voice practices are more common in the public sector. The sharpest contrasts are found for trade union, employee surveys and meeting with managers and team members. Turning to changes over time, Figure 40 shows that the presence of most employee voice practices has remained stable over the last three years. With the exception of a small growth in the use of employee surveys (38% to 41%) and team meetings (47% to 49%), there has been little change in voice and representation between 2018 and 2020.

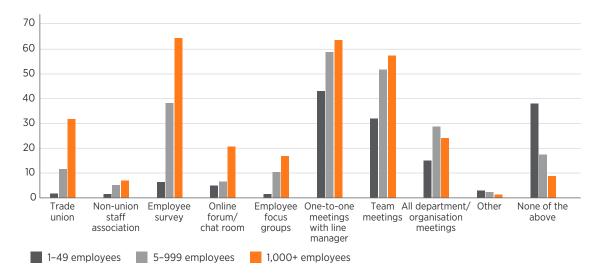


Figure 38: Employee voice and representation, by organisational size (%)

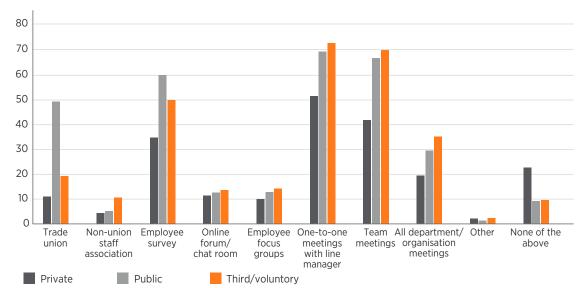


Figure 39: Employee voice and representation, by ownership sector (%)

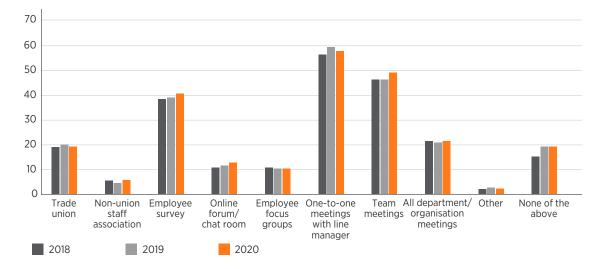


Figure 40: Trends in employee voice and representation (%)

Figures 41-43 show how employee representatives were rated by their co-workers. Around 40% of respondents considered employee representatives as good or very good at 'seeking the views of employees', 'representing employee views to senior management' and 'keeping employees informed of management discussions and decisions'. However, a sizable minority (close to 30%) expressed the opposite view, considering their work as poor or very poor, and a further 30% gave neutral ratings (neither good nor poor). Over the last three years there has been a notable decrease in the percentage of positive ratings across all three aspects and a corresponding increase in the proportion of neutral or negative ratings.

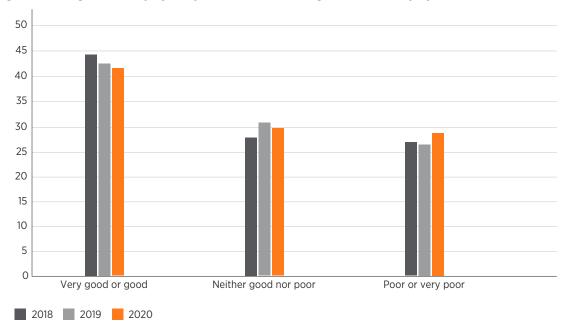


Figure 41: How good are employee representatives at seeking the views of employees? (%)

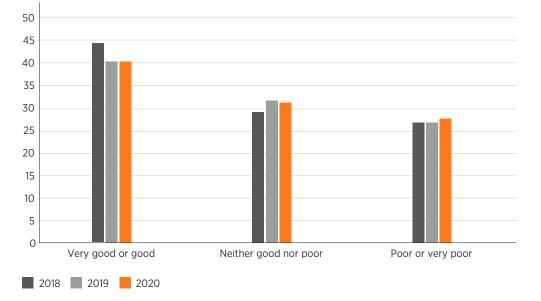
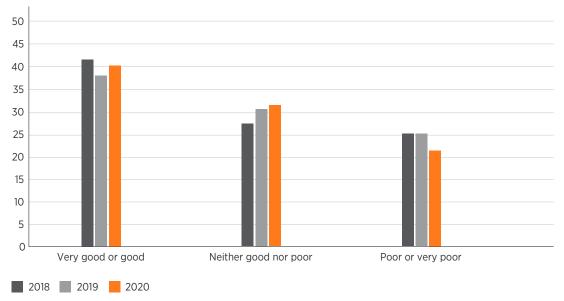


Figure 42: How good are employee representatives at representing employee views to senior management? (%)

Figure 43: How good are employee representatives at keeping employees informed of management discussions or decisions? (%)



A similar pattern was found with respect to managerial openness to employee voice and representation. In each survey year respondents expressed more positive views about information-sharing and consultation procedures than their actual influence over final decisions. While about 40% of employees said their managers were good or very good at 'seeking the views of employees or employee representatives', 'responding to suggestions made by employees' and 'keeping employees informed of management discussions and decisions', only less than a third considered their managers good or very good at 'allowing employees or employee representatives to influence final decisions'. In contrast, about 36% considered them 'poor' or 'very poor'. Furthermore, the percentage of positive ratings on this item declined from 32% to 29% over the last three years. There is no sign of positive developments in the other aspects of managerial openness either, as the main growth was found in the neutral category.

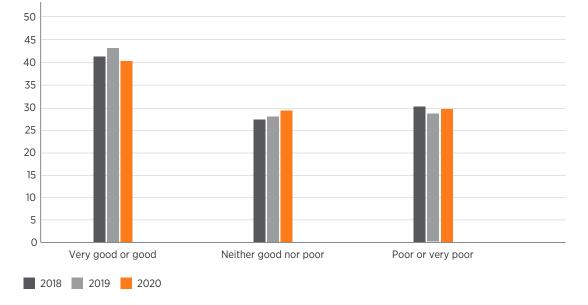
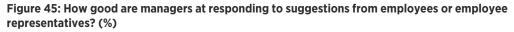
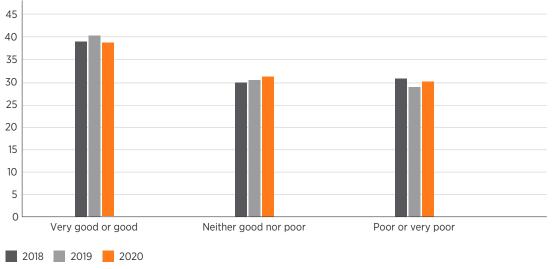
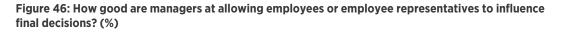
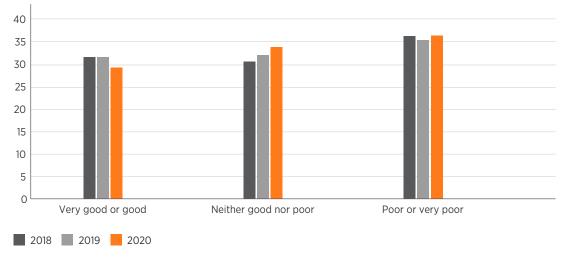


Figure 44: How good are managers at seeking the views of employees or employee representatives? (%)









Employee voice

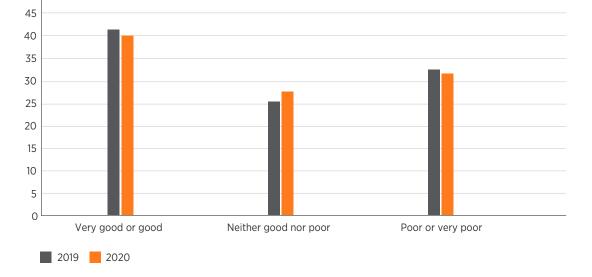


Figure 47: How good are managers at keeping employees informed of management discussions or decisions? (%)

Occupational class differences in employee voice and representation

Next, we turn to compare employee voice and representation by occupational class. To facilitate presentation, we created overall summary indices for direct voice, indirect representation and managerial openness to employee voice.²³ Figure 48 shows that there is a clear class gradient in direct voice. Higher managerial and professional workers stand out as having the highest direct voice index score, which declines steadily as one moves down the occupational class hierarchy. An interesting pattern is the absence of class inequality in terms of indirect representation and managerial openness to employee voice. In fact, lower supervisory and technical workers reported the highest level of managerial openness, followed by those in intermediate occupations and higher managerial and professional occupations. This evidence suggests that although highly skilled employees tend to benefit from multiple voice channels, they are not necessarily more privileged than others with respect to managerial openness to their opinions.

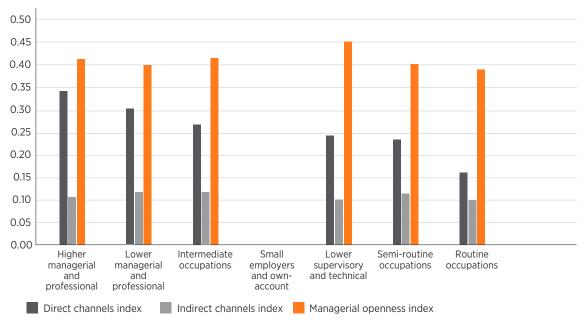


Figure 48: Employee voice, by occupational class (standardised score)

A closer look at the differences across occupations reveals a handful of occupations with particularly high or low direct voice index scores.²⁴ Table 9 shows that direct participation is particularly high among librarians, quality and regulatory professionals, administrative occupations, and research and development managers. By contrast, it is especially low among elementary agricultural workers, elementary construction workers and those working in textiles, garments and printing trades.

Top top occupations	Direct voice index	Pottom ton occupations	Direct voice index
Top ten occupations Librarians and related professionals	0.50	Bottom ten occupations Other skilled trades	0.12
Quality and regulatory professionals	0.45	Design occupations	0.12
Administrative occupations: government and related organisations	0.44	Construction and building trades	0.11
Research and development managers	0.43	Metal forming, welding and related trades	0.11
Conservation and environment professionals	0.42	Building finishing trades, construction and building trades supervisors	0.10
Natural and social science professionals	0.40	Animal care and control services	0.10
Financial institution, transport & logistics, protective services, and health & social service	0.39	Artistic, literary and media occupations	0.10
Welfare and housing associate professionals	0.38	Textiles and garments, printing trades	0.08
Customer service managers and supervisors	0.37	Elementary agricultural occupations, elementary construction occupations	0.08
Conservation and environmental, public services and other associate professionals	0.36	Agricultural and related trades	0.05

Table 9: Top and bottom ten occupations in direct voice index

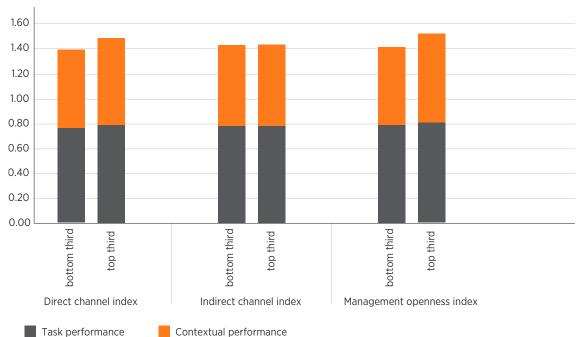
Employee voice and job performance

How does employee voice and representation influence their job performance? Figure 49 shows that employee voice is more strongly associated with contextual performance than task performance. While there are hardly any differences in task performance scores between the top group and the bottom group no matter which voice index we take, contextual performance scores are consistently higher among those who reported higher levels of voice. The distinction is more pronounced with respect to direct voice and managerial openness to voice compared with indirect representation. In order to assess the relationship between employee voice and job performance more rigorously, we carried out multivariate regression analysis to control for a range of employee and organisational characteristics. An interesting

Employee voice

CIPD Good Work Index

finding that emerged from the regression analysis is that once workforce composition has been adjusted for, employee voice is not only significantly associated with contextual performance, but also positively and significantly associated with task performance (see <u>Appendix 2</u>). The magnitude of the effect is stronger for contextual performance than for task performance, which supports the conclusion from previous HR research that organisational citizenship behaviours are particularly sensitive to supportive management practices that promote participation, trust and fairness at work.





Employee voice and job change

Finally, we turn to examine whether job change is an effective means for individuals to improve their voice and representation at work. Figure 50 shows that job movers generally fared better than stayers with respect to employee voice. While individuals who have stayed in the same job reported little change in either direct or indirect voice and a notable decline in managerial openness, those who changed their jobs reported an increase in two of the three voice indices. A comparison of different types of job change (Figure 51) reveals that the pattern of improvement was primarily driven by those who have moved to different organisations. In fact, those who moved to different job roles within the same organisation reported almost identical patterns of change in employee voice as those who have stayed in the same jobs.

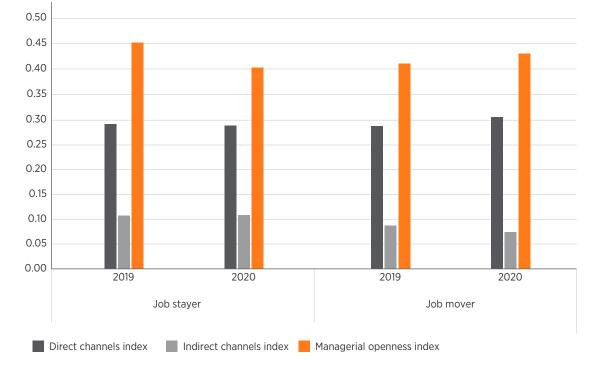
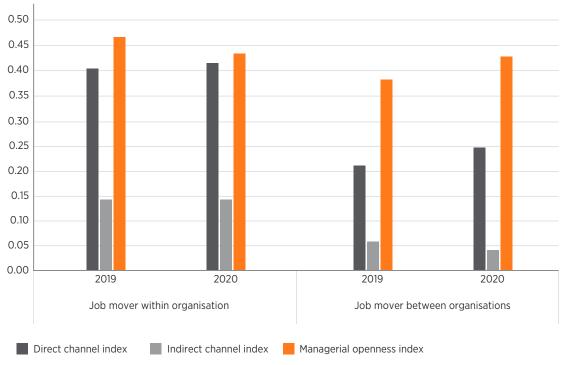


Figure 50: Job change and employee voice (standardised scores)

Figure 51: Job change within and between organisations (standardised scores)



10 Health and wellbeing

Key findings

- Half of UK workers sleep for less than seven hours at night and 40% have reported poor sleep quality.
- Small employers and own-account workers reported the best mental health, sleep quality and overall health and wellbeing.
- The best occupations in terms of employee health and wellbeing cover diverse lines of work such as sports and fitness occupations, agricultural occupations, and animal care and control services, implying that many jobs have the potential to produce happy and healthy workers regardless of pay and social status.
- Health and wellbeing are strongly associated with both task performance and contextual performance even after a wide range of employee and workplace characteristics are taken into account.
- Job change is associated with an improvement of mental health, although the effect is limited to those who move to different organisations.

Health and wellbeing at work

An important criterion to judge the success of policies and management practices to promote good work lies in their impact on individuals' health and wellbeing. Decades of research shows that poor wellbeing not only adversely affects motivation and job satisfaction but also directly increases healthcare costs. For instance, the American Institute of Stress estimates that job stress imposes an annual cost of \$300 billion on US employers.²⁵ In the UK, the Thriving at Work report²⁶ commissioned by Theresa May shows that 300,000 people with long-term mental health problems drop out of the labour force each year, costing the UK economy between £74 billion and £99 billion, of which up to £42 billion is borne by employers in the form of presenteeism, sickness absence and staff turnover. There is a strong argument that, like environmental sustainability, human sustainability is essential for achieving higher productivity and long-run economic growth.²⁷

The CIPD Good Work Index draws on rich information on employee health and wellbeing. Physical health is measured by a series of questions that asked individuals whether they had experienced health problems such as backache or other bone, joint or muscle problems, breathing problems, heart problems, hearing problems, skin problems, road traffic accidents during commute, injury due to work accidents and repetitive strain injury. In addition, they were also asked about the level of exhaustion at work and whether they thought their work had a positive or negative impact on their physical health. With respect to mental health, individuals were asked whether they felt miserable, stressed, anxious or depressed as a result of their work. Based on individuals' responses on these questions, we created two separate indices for physical health and mental health as well as a summary index for overall health and wellbeing that takes both into account.

In addition to these measures, the 2020 UKWL survey also included questions on individuals' sleep patterns and consumption of alcohol and drugs. There are two measures of sleep pattern. The quantity of sleep is measured by the hours of sleep that individuals had at night in the last month. The quality of sleep was measured by their self-ratings of sleep quality on a four-point scale ranging from 'very bad' to 'very good'. Alcohol and drug use was measured by three questions that asked individuals if they had taken any time off work because of consumption of alcohol or drugs, if their ability to perform their job duties had been affected by alcohol or drugs, and whether they had been dependent on alcohol or drugs at any stage in the last 12 months.

Figure 52 shows that half of UK workers get more than seven hours of sleep at night. Forty-four per cent sleep between five and seven hours, and 6% sleep for less than five hours. In terms of the quality of sleep, over 60% rated their sleep quality as good or very good, while a third said it was fairly bad and a further 5% said it was very bad.

Figure 53 shows that only a tiny fraction of the UK workforce reported work-related problems due to alcohol or drug use. Specifically, 2% said that they had taken time off work because of alcohol in the last 12 months, 5% said their job performance had been affected by alcohol and 2% said they had become dependent on alcohol at some stage during the last year. Compared with alcohol, drug use was much rarer (cited by 0.3%, 0.4% and 0.5% of respondents respectively). The vast majority of respondents (over 95%) said no to all three questions.

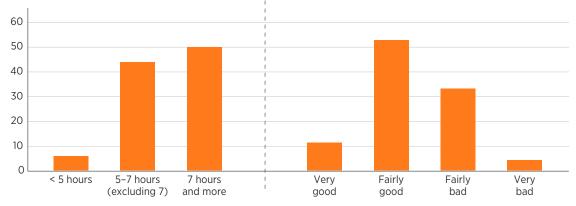
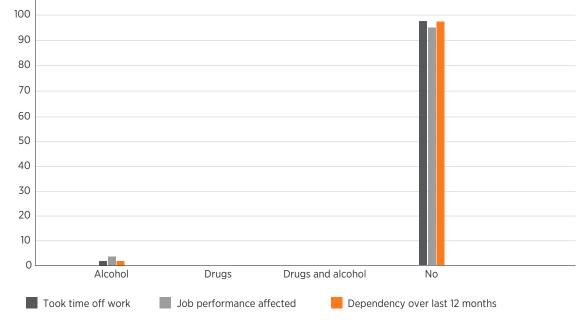




Figure 53: Work affected by consumption of alcohol and drugs (%)



Figures 54 and 55 show the changes from 2018 to 2020 in individuals' views of how their work positively or negatively affects their physical and mental health. A clear pattern is the decline in the proportion of positive answers to both questions. The percentage of those who said their work very positively or positively affected their mental wellbeing declined from 43% to 35%, and the figures for physical health are 32% and 27%. These

results are significant after controlling for individual and workplace characteristics (see <u>Appendix 2</u>). This evidence covers too short a period of time to show any long-term trend, but is consistent with research based on other large-scale employment surveys that shows a steady decline in employee wellbeing in the UK over the last decade.²⁸ This could be linked to the simultaneous rise in work intensity and decline in job autonomy, a combination which has particularly detrimental effects on employees' physical and mental health.²⁹

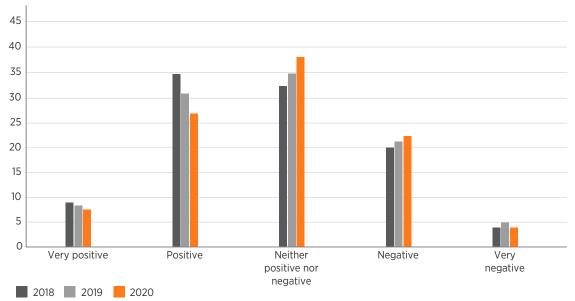
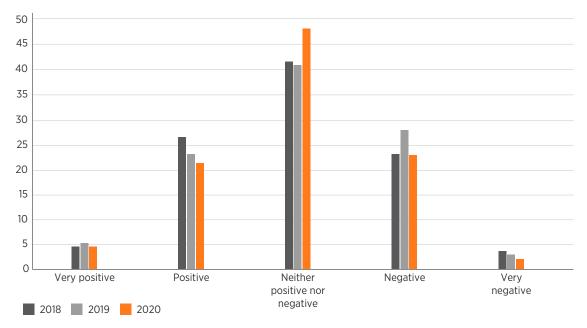




Figure 55: Impact of work on physical health (%)

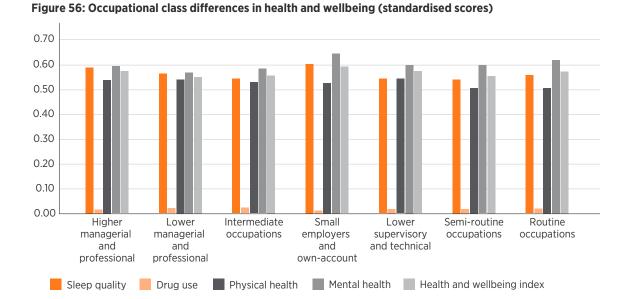


Occupational class differences in health and wellbeing

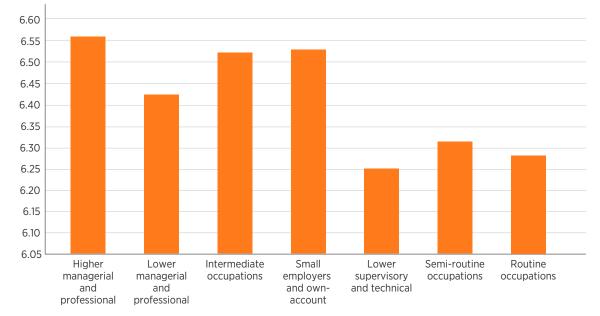
Do health and wellbeing vary systematically across occupational classes? Figures 56 and 57 address this issue by comparing seven occupational class groups in each aspect of health and wellbeing. As the quantity of sleep was measured on a substantively different scale (in

hours) from the other wellbeing indices, we have presented the results for sleep quantity separately. On the whole there is no strong evidence of occupational class gradient in health and wellbeing. A notable exception to the pattern, however, is the advantageous position enjoyed by small employers and own-account workers on most health and wellbeing indices. Specifically, this group reported the best sleep quality and mental health, lowest consumption of alcohol and drugs, and highest overall health and wellbeing index.

Interestingly, mental health is also relatively high among those in routine occupations, in contrast to the pattern of physical health, where routine and semi-routine workers are worse off than their higher-skilled counterparts. Like the pattern of physical health, higher-skilled workers also reported longer sleep than their lower-skilled counterparts. For instance, higher managers and professionals on average sleep 6.5 hours a night, while the figure is 6.2 for lower supervisory and technical workers and 6.3 for routine workers. Apart from the exceptional position of small employers and own-account workers, employees reported broadly similar levels of health and wellbeing regardless of their occupational class positions.







As broad occupational class groups can conceal substantial variations within classes, we next turn to rank individual occupations based on their average health and wellbeing index. The 'best' and 'worst' ten occupations in terms of employee health and wellbeing are listed in Table 10. The occupation that emerged with the highest health and wellbeing score is sports and fitness occupations, followed closely by agricultural occupations and animal care and control services. The top occupations also include therapy professionals, chief executives and senior officials, and skilled trades workers in construction, building and metal forming.

The occupations with the worst health and wellbeing scores, on the other hand, also cover many different lines of work. For instance, it includes not only low-skilled and low-paid jobs such as sales, customer service and process operatives, but also highly skilled jobs such as health and legal professions. Taken together with our occupational class analyses, these results suggest that health and wellbeing is relatively loosely tied with the skill content of the work. It appears that many non-skill aspects of the working environment can impinge on employee health and wellbeing. For instance, the exceptionally high levels of wellbeing reported by agricultural workers (which is also found in large-scale European labour market surveys) could be due to the outdoor nature of their work rather than sophisticated management practices that support enriched job design or career progression. On the other hand, employees in highly lucrative occupations such as investment banking and law may suffer a wellbeing cost due to the highly pressurised nature of their work. It can be inferred from our analyses that a broad spectrum of occupations have the potential to produce happy and healthy workers regardless of their skill, income or social status.

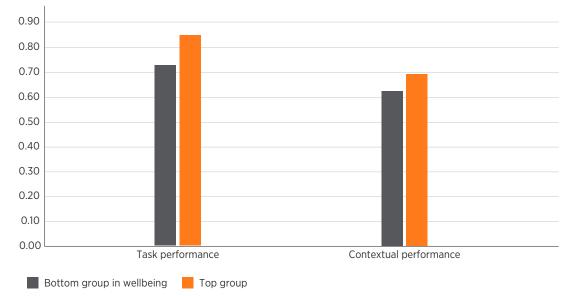
Top ten occupations	Health and wellbeing index	Bottom ten occupations	Health and wellbeing index
Sports and fitness occupations	0.72	Sales assistants and retail cashiers	0.56
Elementary agricultural occupations, elementary construction occupations	0.71	Nursing and midwifery professionals	0.56
Animal care and control services	0.68	Health professionals	0.56
Agricultural and related trades	0.67	Legal professionals	0.56
Therapy professionals	0.66	Process operatives	0.56
Metal forming, welding and related trades	0.65	Customer service occupations	0.55
Chief executives and senior officials	0.64	Elementary sales occupations	0.54
Building finishing trades, construction and building trades supervisors	0.64	Textiles and garments, printing trades	0.54
Health associate professionals	0.64	Sales supervisors	0.54
Housekeeping and related services cleaning and housekeeping managers and supervisors	, 0.63	Legal associate professionals	0.51

Table 10: Top and bottom ten occupations in terms of health and wellbeing

Health, wellbeing and job performance

Are happy and healthy workers more productive workers? Our analysis suggests so. Figure 58 shows that there is a clear positive relationship between health and wellbeing, on the one hand, and both task performance and contextual performance on the other. Employees with the top health and wellbeing scores reported higher task performance (0.85) than those with the worst health and wellbeing scores (0.74). The pattern is similar for contextual performance, although the difference between the top and the bottom groups is smaller (0.69 and 0.63).

Our regression analysis shows that these relationships hold while controlling for individual and job characteristics.³⁰ The magnitude of the effect is non-trivial: if we take sleep quantity, for example, one standard deviation increase in sleep time (about 1.2 hours) has a similar effect on task performance as raising one's tenure by 15–20 years (see <u>Appendix 2</u>). However, longitudinal data is needed to establish the direction of causality.





Health, wellbeing and job mobility

How does job change affect individuals' health and wellbeing? Figure 59 shows that compared with people who have stayed in the same job, those who have changed their job over the last year reported more positive patterns of development in health and wellbeing. This pattern is mainly driven by the experience of those who have changed jobs between organisations (Figure 60). Mental health appears to be the largest gain for job movers, as they have not only improved compared with themselves a year ago but also relative to those who have stayed in the same job. These results are consistent with turnover research that shows job change often generates a rise in subjective wellbeing in the year of turnover. This 'honeymoon effect', however, tends to dissipate over time as individuals return to mundane daily activities after the initial novelty and excitement wear off.³¹

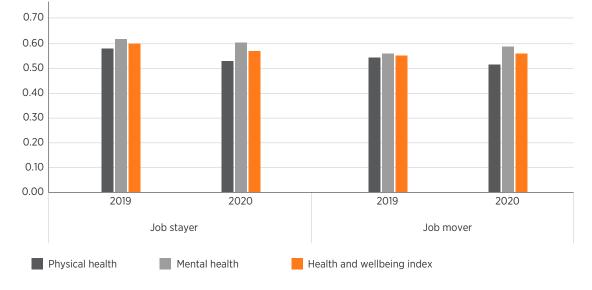
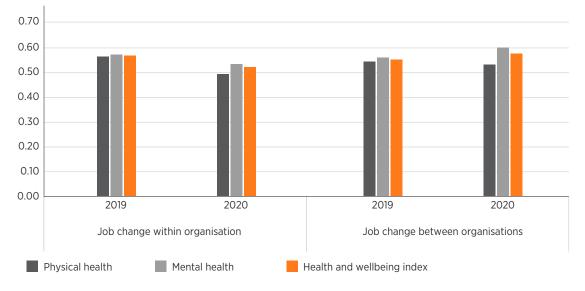


Figure 59: Health and wellbeing for job stayers and job movers (standardised scores)





(11) Conclusions

The *UK Working Lives* survey provides a snapshot of working life in the UK, offering insight into the seven dimensions of good work and related outcomes. This section outlines the central findings and conclusions from the analysis of the 2020 CIPD Good Work Index and gives some considerations for a post-COVID-19 labour market.

Occupational disparities in good work

A central finding of this report is that there are big disparities in the good work dimensions between occupations. With the exception of work-life balance, managerial and professional occupations generally do better overall, with routine and manual occupations having the poorest quality of work. For instance, relative to managerial and professional jobs, jobs in routine and manual occupations have three times greater risk of being low-paid and providing insufficient hours. This demonstrates that the long tail of poor-quality jobs in the UK is inextricably bound to the shape of its occupational structure. Although it is far too early to make a definitive conclusion, early indications suggest it is these occupations at the lower end of the labour market that are most vulnerable to infection at work and job loss. Against broad disparities between occupational classes, our analysis demonstrates a nuanced picture. How good work is distributed across occupational groups depends on the dimension we are looking at. For instance, we find only small differences in aspects of health and wellbeing, and while pay and other dimensions favour the 'higher' classes, the differences for work-life balance are tilted in favour of routine and manual occupations. In the current context, it is important for us to consider these dynamics as we assess the impacts of COVID-19 on jobs, including insecurity and redundancies but also pressure, stress, work-life balance and pay. How will the short- and long-term impacts differ for different occupations and how can we protect the most vulnerable?

The large sample sizes of the UKWL survey allow us to delve further to identify other interesting nuances. We identify some lower-paying occupations that have some genuinely redeeming features when we take a multidimensional good work perspective. For instance, jobs in animal care, housekeeping and sports have excellent health and wellbeing, tending to have excellent work-life balance and relationships. Additionally, we highlight that some higher-paying occupations have particularly poor features. For instance, those working in legal services, health and conservation have some of the poorest work-life balance. Such examples may seem exceptional, but an important lesson is that we need to balance general relationships between the quality of work and the occupational structure against more detailed views.

Job mobility and progression in good work

A secondary point of focus in this report concerned job mobility and progression. New to the 2020 UKWL survey was a panel component, allowing us to follow respondents from 2019 through to 2020. The key findings here are that the good work indices are fairly constant within jobs. Given the index is in its third year, we also explored aggregate trends since the survey started in 2018. Here, too, we find general stability in good work over the last three years.

A key finding concerning job mobility is that changing jobs appeared the main way to get an immediate improvement in job quality, in particular changing to a new employer. Job design and mental health significantly improve when changing jobs to a new employer (especially in terms of workload, purpose, and development). The 2020 UKWL survey was conducted pre-COVID-19 pandemic, so job changes were largely voluntary. This general pattern may well change as we begin to see an increase in involuntary separations, which may be accompanied by less positive consequences. Nonetheless, the general conclusion that policy responses to maintaining and ensuring high-quality work should be taking a career perspective now apply even more strongly than they ever have.

Good work matters for job performance and turnover

While the findings in this report reiterate the centrality of job quality for health and wellbeing, the findings shed light on other dimensions relevant to the HR profession and policy. New to the 2020 survey were a set of questions concerning job performance. These are self-reported so not hugely reliable in and of themselves – independent measures of employee or organisational performance would be much more reliable, but we cannot obtain these with a survey of workers. Nonetheless, used comparatively, the performance measures we have tell us something about the relationships between different aspects of good work and performance. For instance, we find evidence of better job quality being

important to better fulfilment of core job tasks, and especially engaging in extra-role tasks (going beyond formal job requirements, helping colleagues, making innovative suggestions).

Generally, job design and relationships emerge as the most important dimensions with respect to these performance behaviours. These findings reinforce the need to design more interesting and meaningful work as well as foster good relationships as routes to better productivity and innovation.³² Surprisingly little is known about how the quality of work relates to the performance of workplaces and sectors, but findings such as these and other early indications suggest that unlocking the UK's productivity puzzle and the promotion of good work are highly complementary agendas.

Importantly, we find better job quality is also associated with a lower probability of leaving one's job. Moreover, it is non-economic aspects of good work that are especially predictive of turnover. Workers are less likely to have changed jobs if they had excellent job design and excellent relationships – and, to some extent, excellent work-life balance, opportunities for voice and good health and wellbeing. Again, these findings illustrate how good work is complementary to better workplace, as well as worker, outcomes.

Improving job quality in the UK

Undoubtedly policy concern regarding the UK labour market will turn to the *quantity* of jobs as organisations shed workers at levels as severe as – if not more than – the global financial crisis. For the jobs that remain and for the new ones that will be created during the recovery, their *quality* should remain central for all the reasons outlined in this report. Moreover, as this report has underlined with its occupational focus, good work is ultimately multidimensional and there are sharp disparities between different labour market sections. While it is an unrealistic aim for every job to be equally good across all seven dimensions, this report has highlighted that some of the often-overlooked aspects such as job design and relationships could be given greater consideration in terms of HR and potentially government policy, along with steps to close disparities in them. The COVID-19 crisis is an opportunity for a re-imagining of what good work means to all of us. The CIPD Good Work Index provides an emerging evidence base on the form that this might take.

12 Notes

- 1 Carnegie Trust UK. (2018) *Measuring good work: the final report of the Measuring Job Quality Working Group*. Dunfermline: Carnegie Trust UK.
- 2 Adapted from Williams, M., Zhou, Y. and Zou, M. (2020) *Mapping good work: the quality of working life across the occupational structure*. Bristol: Bristol University Press.
- 3 OECD Income Distribution Database. (2017) https://www1.compareyourcountry.org/ inequality/en/0//ranking/
- 4 That is to say, 25% of full-time workers earned £21,870 or less and 75% earned £42,642 or less.
- 5 ONS. (2019) Gender pay gap in the UK: 2019. London: Office for National Statistics.
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- 7 Ibid.

- 8 BEIS. (2019) *Good work plan: consultation on measures to address one-sided flexibility*. London: Department for Business, Energy and Industrial Strategy.
- 9 ONS. (2019) Job quality indicators in the UK hours, pay and contracts: 2018. London: Office for National Statistics.
- 10 See <u>Appendix 2</u> for regression analysis.
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- 12 Ibid.
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- 20 Uchino, B.N. (2004) Social support and physical health: understanding the health consequences of relationships. New Haven, CT: Yale University Press.
- 21 Ibid.
- 22 Vaillant, G.E. (2012) Triumphs of experience. Boston, MA: Harvard University Press.
- 23 Please see <u>Appendix 2</u> for details of these indices.
- 24 We focus on direct voice here because there are no clear occupational class gradients in either indirect representation or managerial openness.
- 25 Pyrillis, R. (2017) Employers missing the point of rising employee stress. Workforce.
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- 26 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/ attachment_data/file/658145/thriving-at-work-stevenson-farmer-review.pdf
- 27 Pfeffer, J. (2018) *Dying for a paycheck: how modern management harms employee health and company performance – and what we can do about it.* New York: HarperCollins.

- 28 Green, F., Felstead, A., Gallie, D. and Inanc, H. (2016) Job-related well-being through the Great Recession. *Journal of Happiness Studies*. Vol 17, No 1. pp389–411.
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- 30 The control variables include age, gender, tenure, education, occupational class, workplace size and ownership sector.
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