

# Measuring Good Work

The final report of the Measuring  
Job Quality Working Group





## Carnegie UK Trust

The Carnegie UK Trust works to improve the lives of people throughout the UK and Ireland, by changing minds through influencing policy, and by changing lives through innovative practice and partnership work. The Carnegie UK Trust was established by Scots-American philanthropist Andrew Carnegie in 1913.

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The RSA Future Work Centre aims to prepare today's workforce for tomorrow's workplace. Over the next 18 months the Centre will explore how radical technologies could alter the world of work – both in terms of the availability of jobs and their quality and consistency. Using a combination of scenario planning exercises, hands-on sector labs and research into policy and practice reform, our ambition is to equip policymakers, employers and educators with the insights they need to help workers capitalise on the opportunities of technology, while mitigating its risks.

## Acknowledgements

This report is in every sense a group effort. We are sincerely grateful for the time, input, expertise and constructive feedback received from the members of the Measuring Job Quality Working Group in the writing of the report.

We would also like to thank the following groups and individuals external to the Working Group, who offered expert insight, clarification and improvement at various stages of the drafting:

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- The Welsh Government
- The Northern Ireland Statistics and Research Authority



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## Foreword from Martyn Evans

The Carnegie UK Trust founding deed was signed in 1913 and charged us to *'improve the wellbeing of the people of the UK and Ireland'*. We have been active in the push to look beyond GDP and to measure and value much wider indicators of social progress. We have worked closely with partners across the UK and internationally in embedding wellbeing frameworks in government programmes. Wellbeing frameworks pull together data on the multiple domains of human activity where governments can drive improvements in individual and community wellbeing. They include data on our material wealth, but also our health, our work, our housing, and our sense of security and cohesion. The goal has never been for governments to abandon GDP. Nor to discredit the potential for economic growth to improve lives. It is simply to encourage a focus setting ambitious outcomes and then measuring more of what matters to most people.

From the post-war settlement onwards, paid work was a route out of poverty. Work was also a source of status and material and social enrichment. Today the numbers in work in the UK are at a record high – but the quality of that work has come under increasing scrutiny. There are unprecedented levels of in-work poverty and fears of growing work insecurity and inequality.

Matthew Taylor's Modern Employment Review celebrated the UK's strong record for both measuring and creating employment. However – and crucially – it challenged government to look beyond the number of jobs created and to focus on the outcome of *'work that is fair and decent, with realistic scope for development and fulfilment'*. In accepting nearly all of the report's recommendations the UK government has indicated its willingness to respond positively to the challenge.

But the right infrastructure also needs to be in place if the commitment to job quality is to be carried through to the decision making process. For quality of work to go from being an aspiration to effective public policy, we first need comprehensive and robust data to measure progress towards this goal. Effective job quality measurement will tell us more about the reality and complexity of work and its impact on quality of life for citizens. It will tell us what people across the UK experience in work and what their views are.

The Measuring Job Quality Working Group was brought together to scope out such a framework. Over the course of the last year, our group of experts, from many organisations concerned with addressing job quality in the UK, have contributed their expertise and perspectives to examine the barriers and complexities of implementing a new approach to measuring job quality in the UK. The group's consensus on these matters, is presented in this report for government and others to consider.

I am grateful for the exceptional contributions of all the Working Group members and my co-chair Matthew in the development of this report. Our work has been supported and guided by an outstanding Secretariat team. The team were led by Gail Irvine, Head of the Secretariat and Senior Policy and Development Officer with the Trust. Gail worked with Mark Diffley as technical adviser and Carnegie Associate and Rebecca Munro, Corporate Services Officer with the Trust. We are all very grateful for their untiring commitment, hard work and enthusiasm.

A handwritten signature in black ink that reads "Martyn Evans". The signature is written in a cursive, slightly slanted style.

**Martyn Evans**  
Chief Executive, Carnegie UK Trust



## Foreword from Matthew Taylor

The Employment Review I chaired in 2017 produced over 50 recommendations on how practices need to change to keep pace with changes in the world of work. While I wanted to see as many of these enacted as possible, my overarching ambition was for the Review to mark a watershed, when we won the argument that good work for all should be a national priority.

This is why I was pleased to be asked to join the Carnegie UK Trust in taking forward the recommendation for a national measure of good work, so we would be able to evidence and track progress towards improving quality of work in the UK. The UK has an excellent record of strong job creation, with each record low unemployment statistic celebrated in the national media. But why do we not have any similar measures for quality of work? Quality and quantity of work can and do go hand in hand. Both are necessary for a thriving economy and society.

Of course, defining what good work is and how we measure it was never going to be straightforward. In taking evidence around the country for the Taylor Review, I have heard successive workers in identical jobs describe it as the best job they've ever had, or as stressful and exploitative. We all have our own views on what good work means to us. But we can clearly agree some basic criteria which enable a fulfilling experience of work.

The Measuring Job Quality Working Group has gone further than this, scoping out in great detail indicators of good work and how these

can be deployed in national surveys to establish a baseline of job quality in the UK. This report is the culmination of intense discussion and debate among our expert group. While some of the detail is necessarily quite technical, the change we are driving at is not technocratic. Robust and regular national reporting on job quality will allow us to see if we are really enjoying improvements in work, and hold governments and employers to account. It will allow the prerogative of good quality work to take hold in the public consciousness.

It has been a pleasure to co-chair this Working Group and see this core recommendation from my Review be taken forward so energetically by the Carnegie UK Trust and the expert contributions of the Group members.

We have been grateful for the interest and engagement from the UK Government as we produced our recommendations, and look forward to them being taken forward to make good work for all a national priority.

A handwritten signature in black ink, appearing to read 'Matthew Taylor', with a horizontal line underneath.

**Matthew Taylor**  
Chief Executive, RSA

# Executive summary

## The importance of measurement

1. There has been increasing focus in the past 10 years on the quality of work across the UK and the impact that this has on our lives. This increased focus on 'good work' is partly driven by labour market trends that have emerged since the financial crash and recession, including stagnating wages and rising job insecurity for many.
2. In July 2017 the Taylor Review of Modern Working Practices in the UK, commissioned by the Prime Minister, was published. Amongst the Review recommendations was a proposal that:

**"The Government must place equal importance on the quality of work as it does on the quantity, by making the Secretary of State for Business Energy and Industrial Strategy responsible for the quality of work in the British economy."**

3. Recognising that if such an ambition is to be achieved then 'quality of work' needs to be more clearly understood, defined and measured, the Review's author Matthew Taylor also recommended that:

**"The Government should identify a set of metrics against which it will measure success in improving work, reporting annually on the quality of work on offer in the UK."**

4. In February 2018, the UK Government's Good Work Plan committed to enacting both of these recommendations.
5. Although it might appear a rather technocratic issue, measurement matters. It is only by determining the different aspects and experiences of 'good work' and tracking progress on these issues in a robust

and credible way that we can understand whether improvements in quality of work are being achieved or not. Measurement allows governments, business and civil society to explore why different trends are occurring and identify policy and practice interventions to deliver change where required.

## The short-life working group

6. The Carnegie UK Trust and the RSA established the Measuring Job Quality Working Group in September 2017, to respond directly to the recommendation that a set of job quality metrics should be developed for the UK. The Government's Good Work Plan commits to engaging with the Working Group on the development of this recommendation.
7. The independent Group brought together senior representatives from across industry, employee and employer representative bodies, academia, charities and policy organisations to consider the practical steps required to implement a set of national job quality metrics. Deliberations were chaired by Carnegie UK Trust Chief Executive Martyn Evans and RSA Chief Executive Matthew Taylor.
8. The Group recognises that job quality is by no means a new concept. Some aspects are already enshrined in legislation, such as health and safety or minimum pay. Workers and their representative bodies have long campaigned and negotiated on a wide variety of job quality issues – from job security, to working hours, to pay, to representation. Many employers regularly survey their staff on issues related to how they experience their job. There is a rich field of academic study on the concept of quality work, and many high quality surveys and research studies have considered the issue over many years. There is also important work underway in each of the devolved administrations and at regional and local level in the UK to define and improve the quality of work that people experience. Our work seeks to draw on and learn from all of these endeavours.

## What metrics do we use to assess quality of work?

9. Much of the focus of the Working Group’s activity was to identify metrics to assess quality of work, against which the committed policy ambition of improving job quality can be measured.
10. The Group concluded this cannot be achieved through a single metric. As a complex, multi-faceted concept, which may require varied policy and practice interventions, different aspects of job quality need to be understood, and therefore measured, on their own terms.
11. We applied the following principles to guide our discussions about what aspects of job quality require measurement at the national level:

- A meaningful but manageable number of measures.
- Prioritise what matters most to the majority of workers.
- Focus on reality – work, as the worker experiences it.
- Focus on individuals in jobs, not wider labour market conditions or broader aspects of workers’ lives.
- Recognise and organise domains of job quality.
- Value objective and subjective aspects.
- Focus on drivers not outcomes.
- Include the self-employed but recognise the limits of this approach.
- Make use of tested, existing survey questions (where possible).

12. Following a review of more than 100 job quality questions asked in existing surveys and a process of deliberation and prioritisation, the Group agreed 18 priority measures of job quality, to form the basis for a new national set of metrics.
13. These measures cover the following concepts, organised according to the CIPD’s very helpful dimensions of job quality:

## Recommended Job Quality Measures



### Terms of employment

- Job security
- Minimum guaranteed hours
- Underemployment



### Pay and benefits

- Pay (actual)
- Satisfaction with pay



### Health, safety and psychosocial wellbeing

- Physical injury
- Mental health



### Job design and nature of work

- Use of skills
- Control
- Opportunities for progression
- Sense of purpose



### Social support and cohesion

- Peer support
- Line manager relationship



### Voice and Representation

- Trade union membership
- Employee information
- Employee involvement



### Work-life balance

- Over-employment
- Overtime (paid and unpaid)

## Capturing data on job quality

14. If job quality is to be truly pursued as a national priority, then the way the data on the job quality measures is generated must command the same confidence as national employment statistics.
15. The Group concluded that a cross-UK survey is the only viable way to generate this data, at least for the foreseeable future.
16. We established some key technical and practical tests that a national job quality survey vehicle would have to meet:
  - **Robust and authoritative** – In terms of its methodology, including the sample structure and data collection approach.
  - **Capable of segmentation** – Must have a large enough sample size to allow detailed segmentation of data, for example by jurisdiction, region, sector and salary range, as well as by a range of demographic factors.
  - **Regular** – Must be run regularly, ideally at least annually (as recommended in the Taylor Review and committed to in the Government's Good Work Plan), so that measures can be updated regularly to give us a UK job quality 'direction of travel', supporting accountability, tracking and momentum.
  - **Reliable** – Should be committed to by its financial sponsors, as far as this can be known, to ensure continuity in measurement.
  - **Public profile** – The survey must be – or be capable of becoming – a well-known and widely reported study which supports wide dissemination and interest in the results.
  - **Realistic and efficient** – It must be practicable and affordable to use the survey for the purposes of generating a national set of job quality metrics.
17. Following a detailed technical assessment of nine potential survey vehicles, the Working Group concluded that the Labour Force Survey (LFS) produced by the ONS is, by some way, the optimal survey to measure job quality in the UK. Measuring job quality through the LFS will produce a highly credible and robust set of statistics, which meet all of the criteria above, supporting

the delivery of the Good Work Plan and Industrial Strategy and embedding a renewed focus on job quality within the UK's most authoritative labour market survey.

18. There are immediate and upcoming opportunities to add the job quality measures set out above to the LFS. Indeed, the LFS already contains six of the measures proposed by the Working Group. The cost of adding the additional 12 measures would be around £200,000 per year, plus set up costs. We believe that this represents a reasonable cost and excellent value for money.
19. However, the Working Group recognises that there are significant challenges in adding new job quality measures to the LFS. The survey is virtually at capacity; faces competing priorities for space; and is about to undergo a major transformation programme. A staged approach to implementation, involving further prioritisation of the measures, at least in the short-term, may be required. An Implementation Group should be convened to provide advice and support to the Government and ONS on this process, and to consider challenges and agree alternative approaches, should these be required.

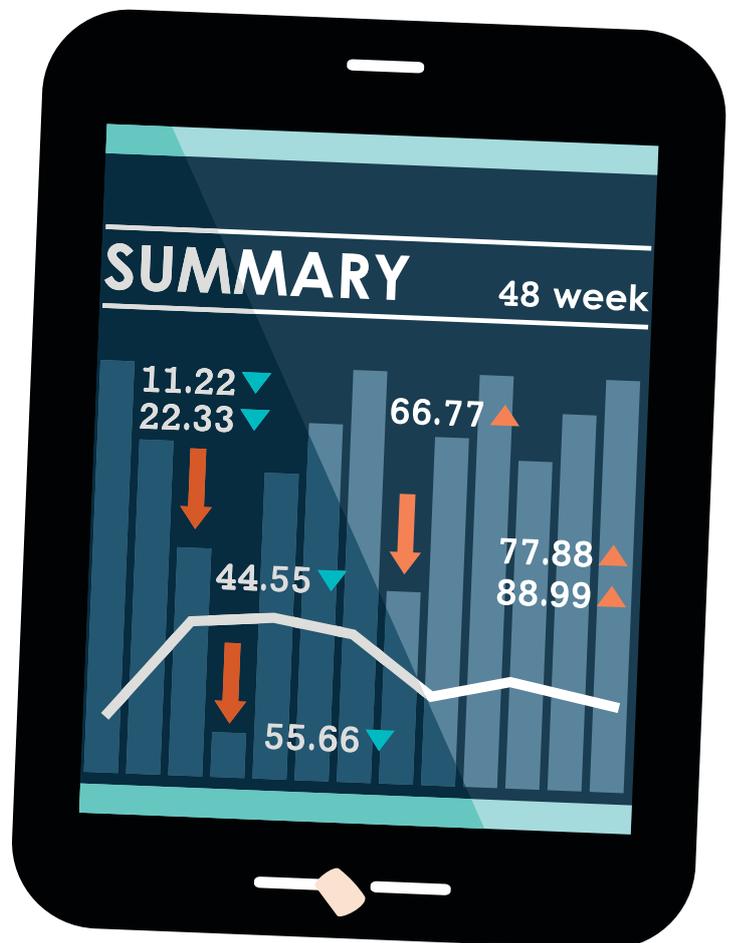
## Communicating job quality data and engaging employers

20. Communicating the job quality metrics and the ambitions for good work that sit behind them is important if we are to see improvements in work. Employers, employee representative organisations and the general public are key audiences for the job quality metrics.
21. To reach these groups, we must ensure that the job quality data emerging from the framework is: free and publicly available, in full; updated at a consistent point in time; easy to segment and interact with; and that the key messages and direction of travel can be understood 'at a glance' through the development of communication aids like data dashboards, charts and graphics.
22. Further exploration should be given to the concept of a 'minimum baseline of job quality' and how this should be defined, constructed and measured.

23. Many employers already measure aspects of job quality at an organisational level via workplace employee surveys. National metrics can be used as a lever to encourage more employers to do this. Serving as a practical tool to inform employers of the key determinants of job quality, it can support employers to benchmark the jobs they offer against their competitors. A range of organisations – including employer and employee representatives, trade unions, key civil society organisations, CIPD, Acas and accreditation organisations such as Investors in People – should be engaged in this dialogue to identify appropriate tools and approaches to help drive forward change at organisational and sectoral level.
24. The Working Group’s ambition was to support the UK government to implement national job quality measurement as an ongoing priority. The devolved administrations of Scotland, Wales and Northern Ireland each have existing strategies for promoting the delivery of better jobs. Consultation on the implementation of the national job quality framework which explores interactions with devolved strategies and the potential for alignment, will help to enhance the impact of this shared policy priority, and ultimately support improvements in work for citizens across the UK.

## Delivery

25. Our report presents a number of recommendations for specific actions we would like to see enacted as soon as possible, but also some ideas which will require further development and consideration.
26. Much of the impetus for taking this report’s recommendations forward rests with UK Government, specifically BEIS, although we have also highlighted the key role to be played by the ONS as well as organisations working with employers to measure aspects of job quality, such as Investors in People.
27. We propose the establishment by Government of an Implementation Group to support and advise on the delivery and development of the recommendations and proposals set out in the report.



# Measuring Job Quality Working Group Members

Name	Job title	Organisation
Matthew Taylor (Co-Chair)	Chief Executive	RSA
Martyn Evans (Co-Chair)	Chief Executive	Carnegie UK Trust
Gill Dix	Head of Workplace Policy	Acas
Douglas White	Head of Advocacy	Carnegie UK Trust
Mark Diffley	Associate	Carnegie UK Trust
Gail Irvine (Head of Secretariat)	Senior Policy and Development Officer	Carnegie UK Trust
Jonny Gifford	Senior Advisor – Organisational Behaviour	CIPD
Sonali Parekh	Head of Policy	Federation of Small Business
Emelia Quist	Employment and Pensions Policy Advisor	Federation of Small Business
Paul Devoy	Chief Executive	Investors in People
Joe Dromey	Senior Research Fellow	IPPR
Louise Woodruff	Policy and Research Manager	Joseph Rowntree Foundation
David Freeman	Deputy Director, Labour Market and Households Division	Office for National Statistics
Conor D’Arcy	Senior Research and Policy Analyst	Resolution Foundation
Sarah Gallo	Head of UK Resourcing	Tesco PLC
Paul Nowak	Deputy General Secretary	TUC
Chris Warhurst	Director	Warwick Institute for Employment Research
Nancy Hey	Director	What Works Wellbeing
Lesley Giles	Director	Work Foundation

This report is informed by the content of Group meetings which took place between September 2017 and April 2018. Officials from the UK Department of Business, Energy and Industrial Strategy attended the meetings of the Working Group from 2018 onwards.

# Summary of recommendations

## What metrics do we use to assess quality of work?

**1** The UK Government should adopt a new set of national job quality metrics, covering the following 18 aspects of job quality, organised according to the CIPD's 7 job quality dimensions (see diagram on the following page).

## How do we measure job quality?

**2** UK Government should adopt an approach for implementing national job quality measurement which ensures the data is: robust and authoritative; reliable and regular; collected from a single data source; capable of being segmented; and commands a public profile.

**3** To achieve this, the UK Government should look to use the Labour Force Survey (LFS) as the vehicle for collecting job quality data. This will involve adding 12 new measures to the LFS, in addition to the six measures the survey already covers.

**4** The Department for Business, Energy and Industrial Strategy (BEIS) should work closely with the ONS to deliver this recommendation, starting in 2019, to enable the UK's most authoritative labour market survey to become the home of national job quality measures, meeting the objectives of the Good Work Plan and the commitments of the Industrial Strategy. A staged approach to implementing all 12 measures is likely to be required.

**5** BEIS should also work closely with the ONS to identify how the additional job quality measures might be added to the new Labour Market System (LMS) that will be established within the next three years as a replacement for the LFS. While the system is to be set up by 2021 it is likely to continue to evolve after it is established.

**6** Recognising the challenges in adding a large number of new job quality measures to the LFS/LMS, given the pressures on survey capacity, BEIS should convene an expert Implementation Group to work with BEIS and the ONS to identify how these challenges might be overcome and identify alternative approaches for capturing job quality measures should these be required.

**7** The ONS should use the LFS transformation process to examine how the LMS can be designed to capture better job quality data relating to the self-employed and workers in atypical forms of employment. This should include updating the language used in surveys to describe emerging forms of work, such as the growing numbers of workers in the gig economy.

**8** The UK Government and other survey funders should explore the potential support that might be given to the wider ecosystem of job quality measurement in the UK, through co-sponsored, periodic and highly regarded existing surveys such as the Workplace Employment Relations Survey (WERS), the Skills and Employment Survey (SES), and the new and comprehensive UK Working Lives Survey (UKWLS).

## Communicating the job quality metrics

**9** The UK Government should adopt the following communication principles to support the presentation of the new job quality metrics captured through the LFS. The data should be:

- Comprehensive, free and publicly available.
- Updated at a consistent point in time.
- Segmented by employment sector, employment status, business type and size, country, region, and a range of sociodemographic characteristics.
- Interactive.
- Understood 'at a glance' through the development of charts and graphics.

# Job quality dimensions



## Terms of employment

Job security  
Minimum guaranteed hours  
Underemployment

## Pay and benefits

Pay (actual)  
Satisfaction with pay



## Health, safety and psychosocial wellbeing

Physical injury  
Mental health

## Job design and nature of work

Use of skills  
Control  
Opportunities for progression  
Sense of purpose



## Social support and cohesion

Peer support  
Line manager relationship

## Voice and Representation

Trade union membership  
Employee information  
Employee involvement



## Work-life balance

Over-employment  
Overtime (paid and unpaid)

- 10** The UK Government should present the new job quality metrics in a data dashboard, and consider whether there is any additional value to be gained through the development of a set of seven composite measures, one for each of the seven job quality dimensions.
- 11** The method of assessing improvement (or decline) in job quality should be a simple direction of travel assessment, based on annual change for each measure outside of the margin of error. For the dashboard, this will give a separate direction of travel score for each measure.
- 12** The UK Government should undertake work to explore the development of a 'minimum job quality standard' based on the national job quality metrics.

## Engaging on job quality measurement

- 13** The metrics will produce data on job quality from across the UK. The UK Government should engage with the devolved UK jurisdictions to consult on the implementation of the national job quality measurement framework and its interaction with devolved strategies and action concerning good work.

- 14** The UK Government should engage with employers, representatives, trade unions and intermediaries, to communicate the priorities of the job quality measurement framework and explore how more employers can be supported to measure job quality at an organisational level. As part of this, government should explore whether supporting the development of appropriate tools and approaches could help engage employers of different sizes and sectors in the increased effort to measure job quality.
- 15** Organisations who work with employers to measure aspects of job quality at an organisational level, such as Investors in People, Best Companies, Acas and Engage for Success, should engage in a process through which they can examine how they might align this aspect of their work with the national framework.

## Delivery

- 16** BEIS should convene an expert Implementation Group to provide advice and guidance to assist in the implementation of these recommendations, and the further development of ideas described in this report.





# 1. Introduction

## A new dawn for quality of work

Access to paid employment for as large a proportion of the working age population as possible has long been a central plank of social and economic policy of successive UK Governments. As well as being important at societal level, work matters deeply to most of us as individuals as a prerequisite to purchase the goods and services we need or want to live our lives.

In recent years, partly in response to labour market trends of stagnating wages and rising job insecurity since the financial crash of 2008, the idea that paid work should be of a certain quality, as well as simply available, has become a much more prominent focus of debate and attention in the public discourse and in the political arena.

Shortly after becoming Prime Minister in 2016, Theresa May commissioned Matthew Taylor, Chief Executive of the RSA to lead a review of working practices in the modern UK economy. Matthew's report, published in July 2017 set out over 50 recommendations for how 'good work' might be achieved for all.

Crucially, the Taylor Review sought to strike a new balance in public policy between access to work and quality of work. The Review recommends:

**The Government must place equal importance on the quality of work as it does on the quantity, by making the Secretary of State for Business Energy and Industrial Strategy responsible for the quality of work in the British economy**

Quantity of work is, of course, widely understood and defined, both by policy makers and by the public at large. The quarterly national employment and unemployment figures, broken down by region, industry sector and a variety of demographic characteristics, are a staple news story for the national media and a regular focus of parliamentary scrutiny.

In contrast, the concept of 'quality of work' is much less widely understood and considerably more complex to define. That is not to say that the recent increased focus on job quality has started from

ground zero – far from it. Rules and regulations around many aspects of job quality – for example minimum levels of pay and health and safety requirements are already deeply embedded within our economy.

The overarching concept of job quality has long been a focus of academic study.<sup>1</sup> Many high quality surveys and research studies have assessed different aspects of quality of work in the UK over many years. The What Works Centre for Wellbeing, which collates the highest quality available evidence for policy making, notes the positive wellbeing impact offered by jobs which exceed minimum legal standards to deliver on aspects of job quality, concluding that for individual wellbeing: 'having a job is good and having a good quality job is miles better.'<sup>2</sup> In economic terms, the OECD states that "quality jobs are an important driver of increased labour force participation, productivity and economic performance.

Workers and their representative bodies have for many years campaigned, lobbied and negotiated successfully on many aspects of job quality – from job security, to working hours, to pay, to representation – while many employers regularly survey staff to understand their employees' experiences of different issues relevant to the quality of their jobs.

The UK Government is a signatory to the G20 2015 Ankara declaration commitment to improving job quality.<sup>3</sup> As the UK exits the European Union, returning legislative competency for a range of labour regulations to the UK Government, there is likely to be further scrutiny on whether our new economic and legislative arrangements are impacting well or poorly on job quality.

Nevertheless, how we define and measure job quality at a national level, and whether quality

1 For example, Warhurst et al identify ten commonly used terms in the 'family of concepts' from the job quality literature: decent work; fair work; the quality of working life; good work; well-being and work; fulfilling work; meaningful work; and job quality (within which the quality of employment and the quality of work are sometimes analysed separately) in *Understanding and Measuring Job Quality, Part 1 and 2*, Institute of Employment Research, Warwick University, online 2017 [accessed June 2018] [https://www.cipd.co.uk/Images/understandingand-measuring-job-quality-1\\_tcm18-33193.pdf](https://www.cipd.co.uk/Images/understandingand-measuring-job-quality-1_tcm18-33193.pdf)

2 Submission by Nancy Hey, Director of What Works Wellbeing to the Carnegie UK Trust, September 2017. See <https://whatworkswellbeing.org/product/job-quality-and-wellbeing/> for more information.

3 The Ankara Declaration pledged governments to improve job quality with the aim of promoting inclusive growth, creating sustainable growth and reducing inequalities, but did not, however, contain detail on how these policy objectives should be achieved or defined or suggest measures of job quality. See Warhurst, C, 'Developing Effective Policy to Improve Job Quality,' *Poverty*, 156, 14-17, 2017

of work across key measures is improving or worsening across the UK, has never had a regular, consistent place within the ‘public bloodstream’ and consciousness. Hence, the Taylor Review made the following, vital, recommendation:

**The Government should identify a set of metrics against which it will measure success in improving work, reporting annually on the quality of work on offer in the UK.**

In January 2018 the UK Government responded formally to the Taylor Review, accepting nearly all of its recommendations, including the proposals that the Secretary of State should be responsible for good work in the economy; and that a set of metrics should be developed to report on progress every year in improving quality of work in the UK. In accepting this recommendation the Government set out its intention to engage with the Measuring Job Quality Short-Life Working Group to ensure alignment of approach.

## A Short-Life Group on Measuring Job Quality

The Carnegie UK Trust and the RSA convened the Short-Life Group on Measuring Job Quality in September 2017 to respond directly to the Taylor recommendation that a set of job quality metrics should be developed for the UK.

Our aim was to bring together a cross-sector group of experts representing a range of different perspectives – employers, employee representatives, public bodies, academics, think tanks and statisticians. We wanted, as a Group, to undertake the detailed work to help identify key priorities for a new national set of job quality measures; assess how these should be captured robustly and regularly, and feed in our analysis and recommendations to Government as it implements the Taylor recommendations.

We understand that Government, having now committed to adopting a set of job quality metrics, intends to publish baseline data in autumn 2018. We recognise it will be challenging for Government to report on a set of well-constructed, high quality job quality metrics in that timescale. Our report is intended to inform and support how Government responds to this challenge in subsequent years.

## Why Measurement Matters

Why does it matter whether and how we measure job quality in the UK? In debates about whether the Taylor Review recommendations go far enough to improve the rights and protection of workers, the proposals for a set of job quality metrics have, perhaps unsurprisingly, received comparatively little attention. At first glance, measurement is a fairly technocratic change, involving the creation of a framework for assessing good work against which the new public policy goal can be assessed.

The Short-Life Working Group, however, believes the Government’s commitment to the creation of national job quality metrics is a highly significant change. We know from across other public policy arenas that what we measure matters. As Professor Stiglitz, co-chair of the well-known Stiglitz-Sen-Fitoussi Commission on measuring economic performance and social progress puts it, “what we measure affects what we do; if our measurements are flawed, decisions may be distorted.”<sup>4</sup>

Measurement of job quality will assess whether or not we really are enjoying improvements in the quality of work in the UK. A set of highly visible, robust, trackable job quality measures, broken down by geography, industry sector and demographic group has the potential to embed the current attention on quality of work into the public consciousness – and in political and policy debate – for the long-term.

The annual report on progress against the measures that the Government has committed to will help to ensure it is held to account on the direction of travel. As a result, the new job quality measures have the potential to act as a powerful lever for future change, helping to push significant further improvements in the quality of work.

The right job quality measures allow us to ask the critical question of ‘why’? Why, to hypothesise, might there be a year-on-year decline (or increase) in the number of people feeling they are doing meaningful work? Why might retail workers feel more positively about their line manager than people working in hospitality? Why might young people feel that their job offers more or less opportunity for progression than older workers? Why might people in the Midlands feel they have

4 Stiglitz J, Sen A and Fitoussi J-P *Report by the Commission on the Measurement of Economic Performance and Social Progress*; online 2009, <http://ec.europa.eu/eurostat/documents/118025/118123/Fitoussi+Commission+report> [accessed August 2018]

more training opportunities than employees in the North East? Why, overall, are our quality of work scores better or worse than they were 5, 10 or 20 years ago? This question of 'why' allows us to debate the factors which are contributing to improvements in job quality – or lack of it – for different aspects, regions, groups and sectors – and crucially, to identify and press for action where the data highlights problems.

Measuring job quality is not an end in itself. Measurement is only one contribution towards efforts to drive improvements in the stock of quality jobs. But establishing a national set of job quality measures puts us at the start of an embedded, evidence-based focus on who enjoys and who does not enjoy 'good work' and what we should do about the differences.

## Our Principles

If the Government is to be accountable for good work, to the same degree as it is seen to be accountable for the quantity of work, then the Working Group is very firmly of the view that the metrics used to underpin the measurement and tracking of progress on job quality need to be of the highest standard.

We have identified seven principles, which we believe must underpin the approach to the development of a set of national job quality metrics for the UK:

1. Job quality data must be **robust and authoritative** – based on data drawn from methodologically sound research, yielding high quality, statistically sound datasets, based on a large sample.
2. Data must be captured **regularly** – ideally annually (as recommended in the Taylor Review and subsequently committed to by the UK Government), to support accountability, tracking and momentum.
3. The data source for job quality measures must be **reliable**, with a secure financial platform and future.
4. Data must be capable of being **segmented** by country, region, industrial sector and a wide variety of demographic groups.

5. The data must secure **public profile** for job quality, it must be open access and user-friendly and raise the status and visibility of the issue as a central part of economic and public policy debate (akin to employment levels).

6. Data must be collected from a **single data source** (rather than compiled from across multiple sources), in order to support segmentation, cross-tabulation and analysis across different metrics; ensure the ongoing reliability and regularity of the dataset; and support raised public profile through developing a regular 'slot' in the national reporting calendar.

7. There must be a **realistic and efficient** approach to collecting national job quality data, recognising pressures on public budgets.

**In short, the Group believes that if the Government is to properly fulfil its commitment to quality of work moving towards parity of esteem with quantity of work in the UK, then the approach to measuring job quality needs to be taken seriously.**

## Scope of the Working Group Activity

A note on the scope of our work.

The aim of the Group was to consider a set of national job quality metrics to be captured, reported on and debated on an ongoing basis. To deliver this task we focused on the critical issues of what should be measured; how the data should be gathered; how the data should be communicated; and the key actors the data should be relevant for. Our analysis and recommendations on each of these issues are set out in the subsequent chapters of this report.

In developing a recommended set of a national metrics, the Group was clear in its view that the number of aspects of job quality that could be measured robustly and regularly at UK-level would likely be far fewer than large academic surveys or employer commissioned workplace surveys of job quality. We wanted to focus on those priority measures most likely to provide indicators of overall job quality in the UK; capturing

public and political attention on the key issues; holding Government to account; allowing space for the question of 'why'; providing a platform for advocacy, change and improvement; and offering a useful 'steer' for employers surveying their own workforce. A smaller number of measures supports all of these goals.

Nevertheless, while we have sought to restrict the number of recommended measures we also believe that given the complexity of job quality as a concept and the wide range of different issues that contribute to it, that it is essential that a reasonable number of measures are captured at the national level, to ensure that the metrics truly deliver as a valuable tool for accountability and informing policy development.

## Building on expertise

In developing our recommended measures, the Group has drawn largely on measures that have already been well-honed and tested, and which emerge as a common core across a number of existing attempts to measure job quality. We have paid close attention to the wide range of rich, well developed job quality surveys and research approaches already deployed in different settings. Our aim was to identify the priorities and identify a route to these priorities being captured on an ongoing basis at a national level.

## A cross-UK approach

We are conscious that although employment is largely a reserved UK competency, the devolved jurisdictions of Scotland, Wales and Northern Ireland have existing strategies in place for promoting the delivery of better quality jobs in their economies. We believe the national job quality measurement framework will complement the existing policies and practice geared towards improving the availability of good work in each jurisdiction of the UK, as well as the important work being undertaken at local level in local economic and employment strategies. In the next chapter we profile work underway across the UK jurisdictions in more detail.

## Self-employed workers

The Group spent significant time considering whether workers who are self-employed should be included within the national set of metrics for

job quality. It is our view that the self-employed should be included, but we recognise that for this to be meaningful there will need to be proper 'routing' for these workers through the survey vehicle<sup>5</sup>; an analysis of the data which can both separate and aggregate figures relating to self-employed workers; and possibly the need for additional qualitative research to develop a better understanding of job quality for self-employed workers through questions tailored more directly to their specific circumstances.

## Atypical forms of employment

In addition to the self-employed, we were conscious of the growing numbers of people in so-called 'atypical' forms of employment. This is a diverse group of workers, including people working on temporary or agency contracts, zero hours contracts, in employment contracts which classify them as self-employed when this is not the reality (the so-called 'false' or 'bogus' self-employed) and workers in the 'gig' economy (who perform employment tasks or services facilitated by an employment platform, usually, though not always, an app). We were wary of developing a set of metrics too constrained to a particular model of work and employment arrangement which may change substantially over the next decades. We felt it imperative to ensure that atypical workers – who it is feared are particularly vulnerable to poor job quality – are properly accounted for so that the challenges facing them can be addressed. We propose solutions for capturing job quality for atypical workers in section 4 of this report.

## Short and long-term change

Finally, the Group has sought to adopt a pragmatic approach to our task. We have sought to develop recommendations which we believe are achievable within the financial resources likely to be available, but which nevertheless are ambitious in both the scope of measures identified and the quality and frequency of the data required. Our report includes recommendations for both short-term and long-term change.

<sup>5</sup> Not all of our proposed measures will be relevant to self-employed workers, nor will it be possible to collect data from the self-employed on all of the measures – for example, no earnings data for this group is collected through the LFS (although other information on the self-employed is collected in this survey).



## 2. Measuring job quality – the wider context

### Context

The Working Group is conscious that we are far from the only group considering how best to measure quality of work. This report is located within a highly developed and thoughtful field of existing and ongoing work about what job quality means and how more people can be enabled to access it.

We convened a Working Group of multiple stakeholders to bring together a range of different expertise and perspectives to debate job quality. However, we are aware that there are volumes of job quality evidence and vast experience in relation to job quality measurement all around the UK – much more than could be practically included in the Working Group deliberations.

The Group has sought to apply relevant insights and concepts of job quality which have been identified, characterised and tracked by these experts from within the UK and internationally, in order to ensure that our work, to specify a national set of job quality measures and identify the route to implementing these, builds on this expertise.

### Evidence and initiatives

We were grateful in our work to be able to draw upon a wealth of detailed analysis of job quality indicators produced by a range of academics specialising in this area. For example, the three principles of measurement selection supported by Professor Alan Felstead, Professor Duncan Gallie and Professor Francis Green and Dr Golo Henseke;<sup>6</sup> and the timely synthesis and review of job quality academic literature and surveys carried out by the Warwick Institute for Employment Research for the CIPD<sup>7</sup>, whose insights were generously shared with the Working Group by Jonny Gifford (CIPD) and Professor Christopher Warhurst (IER).

6 Submission to Carnegie UK Trust, 'What are the best measures of good work? Three Principles for Measurement Selection,' available online at Cardiff University (2018) <https://www.cardiff.ac.uk/research/explore/find-a-project/view/626669-skills-and-employment-survey-2017> [accessed June 2018]

7 Warhurst et al., *Understanding and Measuring Job Quality, Part 1 and 2*, Institute of Employment Research, Warwick University, online 2017 [accessed June 2018] [https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-1\\_tcm18-33193.pdf](https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-1_tcm18-33193.pdf)

Our work was also informed by examining a number of high quality surveys that collect an array of job quality data, including but not limited to:

- The Workplace Employment Relations Survey (WERS) which is widely considered to have been at the forefront of GB surveys, uniquely assessing job quality (and other workplace issues) by looking at worker, manager and workplace representative perspectives, experiences and attitudes within the same organisation.
- The Skills and Employment Survey (SES) and the CIPD's UK Working Lives Survey (UKWLS) whose most recent surveys<sup>8</sup> contain a significantly developed set of job quality questions which align with many of the aspects of job quality prioritised by the Working Group.

Examining these existing surveys acquainted us with the recurring tension we would face in balancing the need for a multi-faceted job quality framework with that of a regular robust and affordable survey which could provide full national coverage. There are no current plans to run WERS again at this time (the last data release was 2011), and while the UKWLS and SES both provide rich data on job quality, limitations of sample size, methodologies and/or regularity reduce their ability to be used as a national measure. We explore these tensions in more depth and our response to this challenge in section 4 of this report.

### Cross-jurisdictional

Impressive work has been carried out by different UK jurisdictions, and internationally, on job quality and how it should be measured. We have sought to learn from these approaches.

- **The Scottish Fair Work Convention**, an independent group convened by the Scottish Government has undertaken considerable work to scope what fair work means in practice

8 Felstead, A Professor, Gallie, D Professor, Green, F Professor, Henseke, G Dr, Skills and Employment Survey 2017, online 2018 [accessed July 2018] [www.cardiff.ac.uk/ses2017](http://www.cardiff.ac.uk/ses2017); Gifford, J, *UK Working Lives: the CIPD Job quality Index*, CIPD, online 2018 [accessed June 2018] <https://www.cipd.co.uk/knowledge/work/trends/uk-working-lives>

and identify how a new type of dialogue can be developed between employers, employees and trade unions, and public bodies towards increasing fair work in Scotland. The Convention's comprehensive Fair Work Framework<sup>9</sup> has led to 'quality jobs and fair work for all' being enshrined as a national outcome<sup>10</sup> in the National Performance Framework, a central set of objectives against which the Scottish Government measures and tracks its success.

- Other UK jurisdictions are also taking steps to embed the drive towards quality of work in national performance frameworks. As well as including measures of insecure work and in-work poverty<sup>11</sup> in their National Indicators, the **Welsh Government** have convened a Fair Work Board and latterly Fair Work Commission to develop a strategy for driving fair work outcomes in Wales. The Commission will develop indicators and measures of fair work; identify data sources to help monitor progress, and evaluate and advise on policy actions available to the Welsh Government to promote fair work more broadly.<sup>12</sup> The **Northern Ireland Executive's** Outcomes Delivery Plan had a commitment to 'more people working in better jobs' and **NISRA**, the official statistics producer, is creating a Better Jobs Index to measure progress against this outcome.
- **At a local government level**, a number of local authorities, and Local Enterprise Partnerships and other agencies are considering how they can increase the availability of 'good work' in their region and the contribution this can make towards their wider economic and social goals – such as the **Mayor of London's Good Work Charter**<sup>13</sup> and **Greater Manchester Combined Authority's Good Employer Charter**<sup>14</sup>.

- The **OECD Job Quality Framework** and the **International Labour Organisation (ILO)**, represent two of the most well-known international job quality frameworks as well as very different approaches to the challenge of conceptualising, capturing and comparing job quality across countries. The OECD has a more selective framework which aggregates 13 indicators under the three headings of earnings, labour market security and the quality of the working environment, while the ILO's Decent Work Agenda's broad conceptual framework of 11 dimensions has proved difficult to operationalise<sup>15</sup>.

## Cross-sectoral

The Working Group wanted to tap into organisational expertise on measuring job quality, aware that a great number of employers have, for many years, been actively involved in measuring and evaluating aspects of job quality via employee satisfaction surveys. Speaking directly to employers and their representatives, as well as workplace improvement intermediaries such as Investors in People, has made us aware of significant good practice in constructing and leveraging insight from staff surveys among employers. However, there are some limits in the extent to which this cross-sectoral learning can be applied, due to the commercially sensitive and proprietary nature of the data. We explore this and other challenges concerning employers and job quality measurement in section 6 of this report.



### Recommendation:

- The UK Government should engage with the devolved UK jurisdictions to consult on the implementation of the national job quality measurement framework and its interaction with devolved strategies and action concerning good work.

9 The Fair Work Framework sets out five key domains of 'fair work': Security, Opportunity, Fulfilment, Respect and Effective voice: see <http://www.fairworkconvention.scot/framework.php>

10 Job quality indicators used in measuring progress towards this outcome are: employees on the living wage; the gender pay gap; contractually secure work; employee voice, and gender balance in organisations. See <http://nationalperformance.gov.scot/>

11 'Percentage of people who are on permanent contracts (or on temporary contracts and not seeking permanent employment), who earn more than two thirds of the UK median wage.

12 See: <https://gov.wales/about/cabinet/cabinetstatements/2018/fairworkcommission/?lang=en>

13 See <https://www.london.gov.uk/what-we-do/business-and-economy/making-london-best-city-world-work>

14 See [https://www.greatermanchester-ca.gov.uk/info/20004/economy/129/good\\_employer\\_charter](https://www.greatermanchester-ca.gov.uk/info/20004/economy/129/good_employer_charter)

15 As described in Warhurst et al., *Understanding and Measuring Job Quality*, the eleven dimensions are: social dialogue, workers' and employee representation; employment opportunities; adequate earnings and productive work; decent working time; combining work, family and personal life; abolition of certain types of work (for example child labour, forced labour); stability and security of work; equal opportunity and treatment in employment; safe work environment; social security; economic and social context for decent work. See Warhurst et al., *Understanding and Measuring Job Quality*, Institute of Employment Research, Warwick University, online 2017 [accessed June 2018] [https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-1\\_tcm18-33193.pdf](https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-1_tcm18-33193.pdf)



## 3. What metrics do we use to assess quality of work?

### Approach

At the heart of our activity as a Working Group have been our deliberations on what metrics are required to give proper understanding of job quality against which the UK Government's committed goal of 'improving work' can be measured.

From the start of our discussions, the Group was very clear in its view that a single 'good job', or 'bad job', metric would not be desirable. As a complex, multi-faceted concept, the Group's view is that different aspects of job quality need to be understood in their own terms. Different policy levers may be used to tackle different aspects of job quality (e.g. pay versus career development versus stress) and therefore, if we want to improve quality of work we need to understand, and track progress against, each of these priority aspects.

We say more about how job quality data should be communicated, in order to achieve both detailed understanding but clear and simple presentation, in chapter 5. However, our starting approach is to measure job quality as a framework of different components, incorporating the key aspects of the concept.

### Parameters

Taking this general approach as a starting point, the Group identified a number of parameters to guide our selection of the required metrics for measuring UK job quality. We recognise that these parameters are sometimes held in tension, with the most effective balance required between competing pressures.

✓ A meaningful but manageable number of measures

A national job quality framework needs to achieve the right balance in the number of metrics it includes. A sufficient number are required to

give a comprehensive, useful and well-balanced measure of job quality. However, the number of different metrics included must also be manageable and succinct, in order to make data collection affordable and realistic; and to capture public and political attention, sustaining a focus on job quality in the wider public consciousness.

✓ Prioritise what matters most to the majority of workers

We believe the greatest priority should be attached to measures which appear most decisive to an acceptable level of job quality, as experienced by the majority of workers. We accept that individuals value different aspects of work differently at different times of life. A job quality framework should be applicable across all industrial sectors, demographic groups, countries and regions and allow for comparisons between these categories, as well as allowing for the tracking of progress within individual demographics and organisation characteristics.

✓ Focus on reality

As far as possible, we believe a national set of job quality metrics should prioritise a focus on job quality as the worker experiences it, rather than on the existence of workplace policies or institutions (e.g. the existence of a trade union representative in the workplace or a flexible working policy) as proxies for job quality outcomes. Additionally, this is important to capture the often more informal experience of people working in small businesses, which may be less likely to have some of the formal workplace structures or policies which are developed in larger businesses.<sup>16</sup>

<sup>16</sup> Small and medium enterprises (SME) can denote anything from 1 to 250 employees. By the Federation of Small Business's statistics, small businesses make up 99.3% of all private sector businesses in the UK and account for 60% of all private sector employment.

### ✓ Focus on individuals in jobs

To retain this focus, the view of the Working Group is that the national job quality metrics should not generally include an assessment of the quality of the wider labour market (e.g. employment levels, workforce diversity, labour mobility etc). Broader aspects of respondents' lives (e.g. health and wellbeing outside of work, commuting time etc.) also fall out of scope of the national job quality metrics in our assessment.<sup>17</sup>

### ✓ Recognise and organise domains of job quality

As job quality is multi-dimensional we believe it is helpful for the national metrics to have a set of organising principles around which a proper assessment of direction of travel in job quality can be assessed. The Group's view is that the job quality dimensions constructed by the CIPD provide a very useful organising framework, and that the national job quality metrics should also be organised according to these dimensions, which are as follows<sup>18</sup>:

- Terms of employment
- Pay and benefits
- Health, safety and psychosocial wellbeing
- Job design and the nature of work
- Social support and cohesion
- Work-life balance
- Voice and Representation

### ✓ Value objective and subjective aspects

There are both objective (e.g. levels of pay and working hours) and subjective (e.g. how people feel about their pay or their relationship with their line manager) aspects of job quality. The Group took the view that a well-rounded set of job quality metrics needs to include both types of measure. While the scope for policy action on how people feel about work is perhaps less

obvious than for 'harder' objective measures, it was felt that subjective data on key issues is critical to building a proper understanding of how people really experience work and where improvements may be required.

### ✓ Focus on drivers not outcomes

The group saw job satisfaction as an outcome of job quality and/or a good job-person fit, therefore we do not recommend overall job satisfaction as a priority indicator of job quality.

### ✓ Include the self-employed but recognise the limits of this approach

The self-employed are a growing and important cohort of workers in the UK<sup>19</sup> and there is increasing concern that quality of work for many self-employed people is declining. However, the daily experience of work for many self-employed people is quantifiably different from many employees. The Group believes that the national measurement framework must capture the experience of those who are self-employed, but we recognise there will be limits in the relevance of some metrics to this group of workers. We address this further and propose solutions in sections 4 and 6.

### ✓ Make use of existing questions

As highlighted in previous chapters, different aspects of job quality are already measured in the UK and elsewhere through many different sources, including academic studies, employee surveys by companies, etc. It is important that the metrics included within the national job quality framework take advantage of the experiences from this research and use, as far as practicably possible, questions which have already been tried and tested within other settings and found to be robust.

<sup>17</sup> We nevertheless recognise that labour market conditions, structures and institutions are drivers of job quality, and that quality of life and health outside work impact on the extent to which an employee experiences job satisfaction as an outcome of job quality.

<sup>18</sup> These dimensions are derived from the conclusions of the Measuring Job Quality research carried out for the CIPD by Warwick University Institute of Employment Research (ibid).

<sup>19</sup> Around 15.1% of the workforce are self-employed.

## Recommendations: Our proposed measures

Using these parameters to guide our discussions the Working Group identified 18 priority measures of job quality which we believe should be implemented as a new, national job quality framework. We believe it is possible, realistic and affordable for data to populate this framework to be captured within 18 months. We set out our recommended vehicle and process for this in the next chapter.

In addition to these 18 priority measures, the Working Group has identified a further 14 additional job quality measures for which we believe it would be useful to capture data, to give an even richer picture of UK job quality. We recognise that data capture on these additional measures is unlikely to be feasible in the short-term but we believe they should be considered for deployment in the longer-term, as part of the ambition to strengthen the focus on quality of work in the UK. Again, we set out in the next chapter how this might be achieved.

Our recommended priority measures are set out below, with our additional 14 measures in the report Appendix.

## The decision-making process

- The Group arrived at our selected job quality measures through a multi-stage process of deliberation and refinement. We began by identifying the 100+ job quality measures used in existing surveys with UK coverage, identifying commonalities and gaps across these based on the parameters set out above.

- A further process of refinement coordinated by the Group Secretariat, involving full and sub group discussions and written feedback from individual members, applying their different organisational perspectives and expertise, finally resulted in agreement on a set of measures.
- These measures were then organised into priority and additional measures recognising that it is likely to be highly challenging to begin data capture for all of the selected measures in the short term.

It is important to note that the following questions cover the priority *concepts* we have identified; but the *question wording* is suggested, **not the exact wording that is necessary** – and is likely to require testing as part of the implementation process.

Following implementation, the metrics should be reviewed at appropriate intervals to assess their relevance in line with changes in the labour market, workplace and other benchmarks on job quality.



### Recommendation:

- The UK Government should adopt a new set of national job quality metrics, covering the following 18 aspects of job quality, organised according to the CIPD's 7 job quality dimensions.



## Priority Job Quality Measures

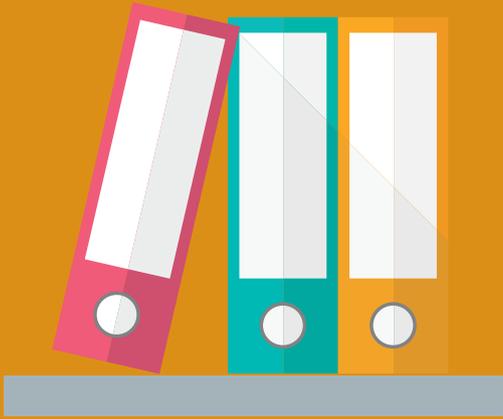
NO.	ISSUE	QUESTION
 <b>TERMS OF EMPLOYMENT</b>		
1	Job security	<p><b>How likely or unlikely do you think it is that you will lose your job in the next 12 months?</b></p> <p><input type="checkbox"/> Very likely</p> <p><input type="checkbox"/> Quite likely</p> <p><input type="checkbox"/> Neither likely nor unlikely</p> <p><input type="checkbox"/> Quite unlikely</p> <p><input type="checkbox"/> Very unlikely</p>
2	Minimum guaranteed hours	<p><b>Does your contract or agreement have a guarantee of a minimum number of hours?</b></p> <p><input type="text"/></p>
3	Underemployment	<p><b>Would you prefer to work longer hours at your current basic rate of pay – that is, not overtime or enhanced pay rates – if you were given the opportunity?</b></p> <p><input type="text"/></p>
 <b>PAY AND BENEFITS</b>		
4	Pay (actual)	<p><b>What was your gross pay, that is your pay before deductions, the last time you were paid?</b></p> <p><input type="text"/></p> <p><b>What period would that cover?</b></p> <p><input type="text"/></p> <p><b>Was your gross pay last time what you usually receive every period?</b></p> <p><input type="text"/></p> <p><b>If no –</b></p> <p><b>What would your usual pay be for the same period of time?</b></p> <p><input type="text"/></p> <p><b>Why does your pay vary?</b></p> <p><input type="text"/></p>
5	Satisfaction with pay	<p><b>To what extent do you agree or disagree that you get paid appropriately in your job when you consider your responsibilities and achievements?</b></p> <p><input type="checkbox"/> Strongly agree</p> <p><input type="checkbox"/> Tend to agree</p> <p><input type="checkbox"/> Neither agree nor disagree</p> <p><input type="checkbox"/> Tend to disagree</p> <p><input type="checkbox"/> Strongly disagree</p> <p><input type="checkbox"/> Don't know</p>

NO.	ISSUE	QUESTION
 <b>JOB DESIGN AND NATURE OF WORK</b>		
6	Use of skills	<p><b>How well do the work skills you personally have match the skills you need in your present job?</b></p> <p><input type="text"/></p> <p><b>My own skills are:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Much higher</li> <li><input type="checkbox"/> A bit higher</li> <li><input type="checkbox"/> About the same</li> <li><input type="checkbox"/> A bit lower</li> <li><input type="checkbox"/> Much lower</li> </ul>
7	Control	<p><b>Thinking about the control you personally have on the way you are able to do your job, would you like to have more control, about the same as you have now, or would you prefer to have less control?</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Much more control</li> <li><input type="checkbox"/> Somewhat more control</li> <li><input type="checkbox"/> About the same control as now</li> <li><input type="checkbox"/> Somewhat less control</li> <li><input type="checkbox"/> Much less control</li> <li><input type="checkbox"/> Don't know</li> <li><input type="checkbox"/> Refused</li> </ul>
8	Opportunities for progression	<p><b>To what extent do you agree or disagree with the following statement?</b></p> <p><b><i>My job offers good prospects for career progression.</i></b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Agree strongly</li> <li><input type="checkbox"/> Agree</li> <li><input type="checkbox"/> Neither Agree nor Disagree</li> <li><input type="checkbox"/> Disagree</li> <li><input type="checkbox"/> Disagree Strongly</li> </ul>
9	Sense of purpose	<p><b>To what extent do you agree or disagree that the work you do is meaningful?</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Strongly agree</li> <li><input type="checkbox"/> Tend to agree</li> <li><input type="checkbox"/> Neither agree nor disagree</li> <li><input type="checkbox"/> Tend to disagree</li> <li><input type="checkbox"/> Strongly disagree</li> <li><input type="checkbox"/> Don't know</li> </ul>

NO.	ISSUE	QUESTION
 <b>SOCIAL SUPPORT AND COHESION</b>		
10	Peer support	<p><b>How good or poor would you describe your relationship(s) at work with your work colleagues?</b></p> <p><input type="checkbox"/> Very good</p> <p><input type="checkbox"/> Good</p> <p><input type="checkbox"/> Neither good nor poor</p> <p><input type="checkbox"/> Poor</p> <p><input type="checkbox"/> Very poor</p> <p><input type="checkbox"/> I don't have work colleagues</p>
11	Line manager relationship	<p><b>To what extent do you agree or disagree that you are supported well in your job by your immediate boss?</b></p> <p><input type="checkbox"/> Strongly agree</p> <p><input type="checkbox"/> Tend to agree</p> <p><input type="checkbox"/> Neither agree nor disagree</p> <p><input type="checkbox"/> Tend to disagree</p> <p><input type="checkbox"/> Strongly disagree</p> <p><input type="checkbox"/> Don't know</p>
 <b>HEALTH, SAFETY AND PSYCHOSOCIAL WELLBEING</b>		
12	Physical injury	<p><b>Over the last 12 months, during the course of your work, have you experienced physical injury caused by work?</b></p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>
13	Mental health	<p><b>Over the last 12 months have you experienced anxiety or depression caused by your work or where your work was a contributing factor?</b></p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>
 <b>WORK-LIFE BALANCE</b>		
14	Over-employment	<p><b>Would you prefer to work shorter hours than at present in your current job? Would that still be true even if it meant less pay?</b></p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>
15	Overtime (paid and unpaid)	<p><b>How many hours unpaid overtime do you usually work per week?</b></p> <p><input type="text"/></p> <p><b>How many hours paid overtime do you usually work per week?</b></p> <p><input type="text"/></p>

NO.	ISSUE	QUESTION
 <b>VOICE AND REPRESENTATION</b>		
16	Trade union membership	<p><b>Are you a member of a trades union or staff association?</b></p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>
17	Employee information	<p><b>In general, how good or poor would you say managers at your workplace are at keeping employees informed about important changes in the organisation?</b></p> <p><input type="checkbox"/> Very good  <input type="checkbox"/> Good  <input type="checkbox"/> Neither good nor poor  <input type="checkbox"/> Poor  <input type="checkbox"/> Very poor  <input type="checkbox"/> Don't know</p>
18	Employee involvement	<p><b>Overall, how good or poor would you say managers at your workplace are at involving employee or employee representatives in decision-making?</b></p> <p><input type="checkbox"/> Very good  <input type="checkbox"/> Good  <input type="checkbox"/> Neither good nor poor  <input type="checkbox"/> Poor  <input type="checkbox"/> Very poor  <input type="checkbox"/> Don't know</p>





## 4. How do we measure job quality?

### The Challenge

Having identified the different aspects of job quality that we believe must be measured to give a succinct, comprehensive understanding of quality of work in the UK, the Working Group spent considerable time assessing the different options through which data on these measures might be captured.

This proved to be a highly challenging piece of work. The Group is clear that the vehicle for capturing data must be through a national survey of workers. While other sources of job quality data, such as information on pay, might be available through routes such as HMRC, there is no way of linking this data to other aspects of job quality, at least in the short term. While many employers across the UK survey their staff on different aspects of job quality – often to a high degree of sophistication – there are huge variations in the breadth, regularity and robustness of these approaches, and no national aggregation of this data. We do not believe that aggregating data from across different employers to give a properly representative national picture is, at least at present, a viable proposition.

However, while there are many excellent surveys already in existence in the UK that capture some aspects of job quality, all present significant challenges in terms of offering a viable, attractive vehicle that can provide a robust, annual set of national quality of work data upon which the Government can be fairly held to account and upon which significant policy interventions might be based.

### Practical and affordable

Part of this challenge is the financial context surrounding job quality measurement. With Government currently unable to commit funding to other employment-related surveys, such as WERS, it is clear that there are limited public resources to dedicate to measuring quality of work. Therefore the Group concluded that there would be little practical value in recommending either the significant scale up in sample size,

geographic reach, or question range of any existing survey; or in proposing an expensive new survey vehicle. Nevertheless, we remained committed to our goal of a comprehensive set of job quality metrics based on the highest quality of data available.

### Need for a single survey

The Group gave consideration to whether our objectives could be achieved by compiling data on job quality from a range of different sources, rather than a single survey. However, the Group firmly took the view that such an approach would not be desirable. There are a number of reasons for this. Firstly, this approach would limit capacity to segment the data – preventing analysis which would allow for exploration of how different demographic groups, industries, jurisdictions and regions experience job quality. Secondly, different datasets are updated at different points in time, which would not support the ambition to raise the status and public profile of job quality that a single set of data and publication date delivers. Thirdly, different surveys are updated with different frequency and many of these timescales would not support the stated policy goal of an annual set of job quality measures.

To unlock these issues we undertook an assessment of all potential job quality survey vehicles we could identify, based on a set of core criteria, and have identified a series of recommendations for how our proposed job quality measures can be captured in both the short and long term.

### Applying our principles

In the Introduction we set out seven principles that we believe need to underpin the approach to collecting job quality data for the purposes of a national set of metrics. We applied these principles (minus the 'single survey' principle, which is discussed above) to assess the strengths and weaknesses of different survey vehicles as potential solutions for capturing robust, annual data on UK job quality:

### ✓ Robust and authoritative

The survey must be robust and reliable in terms of its methodology, including the sample structure and data collection approach – ideally the survey chosen would have a random pre-selected approach to sample selection.<sup>20</sup>

### ✓ Capable of segmentation

The survey must have a large enough sample size to allow detailed segmentation of data, for example by region, by sector and salary range, as well as by a range of demographic factors.<sup>21</sup>

### ✓ Regular

The survey must be run regularly, ideally at least annually, so that measures can be updated regularly to give us a UK job quality 'direction of travel', supporting accountability, tracking and momentum.

<sup>20</sup> This produces the most statistically robust data which will produce authoritative national statistics and enable the Government to be held to account on job quality.

<sup>21</sup> This is important in order to understand inequalities in the labour market and target policy interventions where there is need. The ability to segment by industry supports the ambitions of the UK Government's Industrial Strategy and is likely to be a driver of interest in this initiative from employers.

### ✓ Reliable

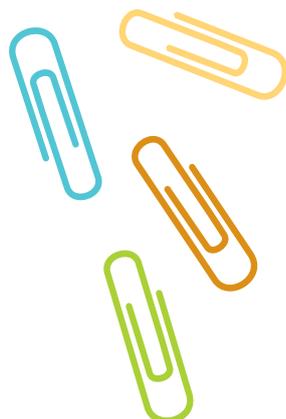
The survey must be committed to by its financial sponsors, as far as is possible to tell at this stage. This commitment will ensure that there is continuity in measurement.

### ✓ Public profile

The survey must be – or be capable of becoming – a well-known and widely reported study which attracts media attention and allows wide dissemination and interest in results.

### ✓ Realistic and efficient

It must be practicable and affordable to use the survey for the purposes of a national set of job quality metrics.



## Survey Assessments

The Group's assessment of nine potential survey vehicle options against each of our principles is set out below (colour coded green for most viable to red for least viable aspects of that survey against these principles):

### a) Labour Force Survey (LFS)

**Robustness:** The LFS uses a very high-quality methodology, with a stratified random sample at pre-selected addresses. Each respondent takes part in five waves. The first interview with each respondent is conducted face to face (in home). Subsequent interviews by phone.

**Segmentation:** A large sample of c.88,000 individuals/37,000 households (Q1, 2017). This volume allows for detailed segmentation of the data as per our criteria (although the sample is not currently designed for analysis by industry type).

**Regularity:** Quarterly

**Reliability:** The survey is run by the Office of National Statistics and is the leading official survey on the UK labour market. A transformation process is underway to modernise the survey and it has a secure future.

**Public profile of survey:** The survey has a high level of public profile/recognition. However, it captures a range of other data related to the labour market – so work would be required to ensure that the job quality measures were presented in a way which attracted their own profile and analysis.

**Realistic and efficient:** In terms of survey length, the LFS is currently virtually at capacity and only a limited number of new measures can be added. The survey currently includes 6 of the Group's identified 18 priority measures<sup>22</sup>; and none of the identified additional measures. The survey covers a number of the Group's objective measures but not the subjective ones. There is an opportunity to add all remaining priority measures to the survey in the short-term – although space is tight and a compelling case will need to be made to the ONS. The cost of this addition would be £200,000 per annum.<sup>23</sup> In the longer-term, a major LFS transformation programme offers opportunity to add some or many of our proposed additional measures to the survey.

### b) Annual Population Survey (APS)

**Robustness:** High quality survey design, with random sample at pre-selected addresses and face-to-face interviews in home.

**Segmentation:** The APS has a sample size of 320,000 individuals, of which 36,000 are a sub-set of the LFS. This means that LFS survey data on these respondents will be available on the APS dataset. The sample is large enough for the segmentation required to robustly measure job quality.

**Regularity:** Annual

**Reliability:** The survey is run by the Office of National Statistics and is currently under review.

**Public profile of survey:** The survey has limited public and media profile, and as a survey not focused exclusively on labour market or job quality issues, significant communications and PR work would be required in order to ensure any job quality measures included on the survey received the required public and political profile.

**Realistic and efficient:** The survey is linked to the LFS and currently includes 6 of our 18 priority measures. However, the survey is close to capacity with limited space to add new job quality measures. Even more problematically, the 'boost sample', which would be used for any new job quality measures, does not give consistent coverage across the UK, which would not support our desire for geographic analysis.

<sup>22</sup> For presentational purposes, our priority set of measures groups together several pay-related questions which are used on the current LFS. If these questions are unbundled, it is more accurate to say that the LFS (and its subsidiary survey the APS, discussed below) contain 11, rather than 6, of our priority measures, and none of our additional measures.

<sup>23</sup> This includes field costs but excludes set-up costs to create new weights and systems which would potentially be around £30,000.

### c) ONS Omnibus (OPN)

**Robustness:** The survey is a regular survey run by the ONS and covering a range of policy issues. It has a pre-selected random sample design, as a representative sub-set of LFS sample. Survey is completed via telephone, and will be transitioning to mixed mode (online and telephone) in 2019.

**Segmentation:** The total survey sample is c. 8,000-10,000 p.a. but the effective sample size only of people who are working is only around 3-4,000, which significantly limits the possibility for segmentation and robust analysis.

**Regularity:** Monthly, 8 months a year

**Reliability:** The survey is run by ONS and has a secure future.

**Public profile of survey:** The survey has limited public and media profile, and as a survey not focused exclusively on labour market or job quality issues, significant communications and PR work would be required in order to ensure any job quality measures included on the survey received the required public and political profile.

**Realistic and efficient:** It is not considered possible to effectively link the OPN to the LFS as the time lag of up to twelve months between the two surveys raises data quality concerns. The OPN currently contains none of our priority or additional measures. The cost of adding the set of priority job quality measures is estimated to be in the region of £23,000 per month, or £184,000 per annum on the basis of 8 months' coverage, which is high for a small sample.

### d) UK Working Lives Survey

**Robustness:** The survey sample is drawn from YouGov's panel of approximately 350,000 UK adults in work and conducted online. The sample is selected to meet certain quotas according to various demographic factors, such as age, gender etc. While this will ensure a broadly representative sample demographically, it is not as robust a method as a pre-selected random probability technique.

**Segmentation:** A targeted sample of 6,000 workers was surveyed. Datasets across years are planned to be aggregated to allow for greater segmentation; nonetheless the level of segmentation possible is more limited than what the Group has identified as being required.

**Regularity:** Annual

**Reliability:** The survey has been run once to date and CIPD is committed to continuing the survey on an annual basis.

**Public profile of survey:** As a relatively new survey, UKWLS is building a public or media profile. The CIPD are highly visible and well regarded within job quality policy debate.

**Realistic and efficient:** There is a high degree of overlap of coverage in terms of our priority job quality concepts, with 6 out of 18 measures deployed on the UKWLS, and many other questions worded slightly differently but capturing substantively or partially the same data. However, to make the survey meet the criteria identified by the group, the methodology of the survey would need to be altered – e.g. to significantly increase the sample size and amend the sampling approach. These changes are likely to incur significant expense (more than the cost of adding extra measures to a survey which already meets the methodological criteria), and require the consent of the survey funders. The Group understands that the constraints of the YouGov panel are such that these changes are not currently possible while maintaining the existing quota targets and thus the representativeness of the sample.

### e) Skills and Employment Survey (SES)

**Robustness:** The samples were drawn using random probability principles subject to stratification based on a number of socio-economic indicators. Interviews are conducted face to face in respondents own homes. The survey has tended to cover Britain only – i.e. only in 2006 has coverage extended to Northern Ireland.

**Segmentation:** The sample size is 3,200 across Britain. This sample size does not allow for the level of segmentation that the group has agreed is needed.

**Regularity:** The survey was first run in 1986 and has been conducted seven times since, the most recent being 2017. This frequency of every 4-6 years is not currently regular enough to meet the need for annual data recommended by the Taylor Review and committed to by the UK Government.

**Reliability:** The survey requires to raise funding for each round, which presents challenges for ongoing reliability/security.

**Public profile of survey:** SES is a high-quality survey with valuable trend data on a range of important issues. It is well respected in the research and academic communities.

**Realistic and efficient:** There is a high degree of overlap of coverage in terms of our priority job quality concepts, with several questions worded differently but capturing substantively or partially the same data. However, the three main barriers to using the SES as a survey vehicle for national, annual, job quality measures are the sample size, geographic spread; and the regularity with which the survey is currently undertaken. These are significant challenges. The sample would need to increase at least threefold to meet the segmentation criteria of the group and geographic coverage would need to be increased to cover all parts of the UK. The survey would also need to be run annually. This would require significant financial investment, well above the cost of adding extra questions to surveys which do meet our methodological criteria. Even if the SES moved to an online methodology the costs would be significant. Changing the sample so dramatically would also jeopardise the trend data built up on the survey over more than 30 years, a move which is likely to be (very reasonably) resisted by the current funders and users of the survey.

### f) British Social Attitudes Survey (BSAS)

**Robustness:** The sample is of high quality, being selected through robust pre-selected random probability techniques.

**Segmentation:** The annual achieved sample is around 3,000 across Britain. This achieved sample size does not allow for the level of segmentation that the group has agreed is needed.

**Regularity:** Annual

**Reliability:** The survey has been running annually since 1983 and there is a strong commitment to its future, although it should be noted that it relies on various funding streams/sponsorship to run.

**Public profile of survey:** The survey has an excellent public and media profile, being widely quoted and used across a wide range of audiences. However, it is not recognised as a labour market or job quality survey exclusively and contains data on many other issues. Communications and PR work would therefore be required to ensure job quality measures achieved the desired profile.

**Realistic and efficient:** The BSAS is run by the National Centre for Social Research and covers a wide range of social issues. It is possible to purchase a module of questions on any topic on the survey, including job quality. Adding all of our priority measures to the survey would cost approximately £150,000 per annum. The main drawback of BSAS is the sample size, meaning that detailed segmentation is not possible. The sample would need to increase at least threefold to meet the segmentation criteria of the group. This would require significant financial investment and would be very difficult to achieve given the survey's various funding streams.

### g) European Working Conditions Survey

**Robustness:** Stratified random sample at pre-selected addresses. Survey is undertaken face-to-face in respondents' homes.

**Segmentation:** Sample size is 1,600 individuals in UK, which would not allow for the required level of segmentation.

**Regularity:** Every 5 years

**Reliability:** UK future participation uncertain.

**Public profile of survey:** The survey does not have a high public profile, although it is well respected in the research and academic communities.

**Realistic and efficient:** While the survey does cover questions related to some of the Group's priority measures it would be difficult to either add further questions due to this being a Europe-wide survey; and very costly to boost the sample size in the UK to a desired level.

### h) Understanding Society (the UK Household Longitudinal Survey)

**Robustness:** The survey is high quality, with a stratified random sample at pre-selected addresses, undertaken face-to-face in respondents' homes.

**Segmentation:** The sample is 40,000 households which would support a good degree of segmentation of different characteristics.

**Regularity:** As a multi-topic longitudinal survey, UKHLS is produced annually but not all measures are surveyed every year. Different questions within the module on employment are asked annually; two-yearly, or four yearly.

**Reliability:** There is commitment to the survey being continued.

**Public profile of survey:** The survey is a broad survey which has a relatively low public profile and is not associated particularly with employment or job quality. Significant PR work would be needed on the job quality metrics if undertaken through this survey.

**Realistic and efficient:** The survey currently covers only a limited number of job quality specific measures, and these are not all deployed in their entirety annually. Increasing the number and regularity of job quality questions in the survey is unlikely to have support from its other sponsors, given that job quality is only one small aspect of what is a much broader societal survey.

### i) WERS

**Robustness:** A high quality survey with a random pre-selected sample and a mixture of face-to-face and online delivery. It is constructed around workplaces, which gives it a different structure to other surveys.

**Segmentation:** Sample is c., 22,000 employees plus 2,680 managers and 1,000 employee representatives, allowing for a good degree of segmentation and in-depth analysis.

**Regularity:** The survey last ran in 2011, and previously took place every 5/6 years.

**Reliability:** There is currently no commitment to Government funding of future iterations of the survey.

**Public profile of survey:** The survey had a high public profile and recognition as a high-quality survey of work and employment practices within organisations, including some aspects of job quality.

**Realistic and efficient:** The Government has made it clear that it does not currently intend to fund a further iteration of WERS, due to cost. To meet the objectives of the national set of job quality metrics, the survey would not only have to have new funding committed to it, but the regularity increased to every year which is not a viable proposition.

## Analysis

All of the surveys above are undertaken to high quality, adding significant robust and reliable data to the public debate on a variety of job quality issues. However, in terms of the specific requirements of the Working Group, it is clear that there are significant challenges in finding the right vehicle for gathering data to populate a new set of national, annual job quality metrics.

The in-depth analysis undertaken by the Working Group demonstrates a range of limitations of the existing survey options. Some of the surveys do not have a high enough quality of sampling methodology to support national job quality statistics that will be used to hold government to account and inform policy change; others have a sample size which is too small for robust segmentation, necessary to enable analysis of job quality trends for different groups, regions or industries; some surveys are not regular enough or have an uncertain future; while others may have the right methodological profile but are unlikely to be able to accommodate additional questions on job quality.

**From this analysis, however, one survey clearly stands out as being both an appropriate and viable vehicle for future measurement of job quality in the UK – although work is required if this potential is to be realised. This is the Labour Force Survey (LFS).**

## Advantages of using the LFS

The LFS has a number of clear advantages:

- ✓ Run by the ONS, the survey meets the 'gold standard' of methodological design and data collection.
- ✓ It has a large sample size, which will deliver the required segmentation options.
- ✓ It runs every quarter and has a secure financial future as the UK's primary labour market survey.
- ✓ As the UK's most authoritative national survey focused on the labour market it is an appropriate 'home' for a set of national job quality measures – although given that the survey covers a variety of other issues as well, work will be needed to 'carve out' the communications and PR activity around the job quality metrics to ensure they receive the desired profile and status.
- ✓ It already includes a small number (6) of the Group's recommended measures.
- ✓ As the UK's foremost labour market survey

it contains a number of other highly relevant statistics that will support wider analysis and understanding of the new job quality metrics.

## Challenges of using the LFS

The main challenge in using the LFS immediately to capture new, national job quality data is that the survey is virtually at capacity in terms of survey length and has limited space to include even the Group's priority job quality metrics. The Working Group recognises the potential risk that could result from significant addition to survey lengths, particularly in regard to reducing response rates which can undermine a survey's validity. The Working Group is very clear however, that these priority measures are essential to build a comprehensive and useful set of national data on UK job quality and fulfil the Taylor Review recommendations.

We have therefore engaged in discussions with the ONS team responsible for the LFS and believe that there is an opportunity through which new job quality data can be captured using the survey, both immediately and in the longer-term. However, this is far from guaranteed and requires a high degree of cooperation and engagement between BEIS and the ONS, as well as the approval of the LFS Steering Group, in order to deliver the desired outcome. In this context, there is a need for an ongoing process to consider and agree alternative approaches, should the desired goal of adding all of the Working Group's recommended measures to the LFS prove impossible to deliver.

**The Group's proposals for the use of the LFS as the vehicle for a new set of national, job quality metrics in both the short-term and the long-term are set out below.**

## Adding job quality measures to the LFS today

Discussions between the Working Group and the ONS have identified that an opportunity currently exists to add a small number of job quality measures to the LFS (Wave 5<sup>24</sup>), starting in 2019. The LFS already includes questions on the following 6 priority measures identified by the Working Group, as follows:

<sup>24</sup> Each respondent to the LFS is asked to take part in 5 waves of the survey, conducted each quarter. ONS has proposed adding job quality questions to Wave 5 since it will have least potential negative impact on future response rates, while still ensuring a sample size large enough to undertake the segmentation and data analysis required. The annual wave 5 LFS UK achieved sample is around 28,000 households or 66,000 people.

- Pay (actual).
- Minimum guaranteed hours.
- Underemployment.
- Over-employment.
- Trade union membership.
- Overtime (paid and unpaid).

To give a comprehensive, robust and sophisticated picture of UK job quality, in line with the recommendations of the Taylor Review, the Working Group believes that high quality, national data is also required on the following 12 job quality measures (as set out in Chapter 3):

- Job security.
- Satisfaction with pay.
- Physical injury.
- Mental health.
- Use of skills.
- Control.
- Peer support.
- Line manager relationship.
- Sense of purpose.
- Opportunities for progression.
- Employee information.
- Employee involvement.

The ONS has confirmed that the total annual cost of adding questions on these 12 new measures of job quality to the LFS would be approximately **£200,000**. While the Working Group recognises the financial constraints that the UK Government has in terms of dedicating resources to measuring job quality, we believe that this represents a reasonable cost and excellent value for money.

## Achieving our ambitions

If data on these measures were to be captured on an annual basis through the LFS this would provide high quality statistics on a balanced set of job quality measures which will: support the Government to meet its commitment to raising the status of job quality to the same level as job quantity; identify areas where Government might take action (or support or require others to take action) to improve job quality, aligned to the Industrial Strategy; and ensure that, as Government is increasingly held to account by campaigners and commentators on job quality issues, it is done so against a robust, reliable and well-balanced set of statistics.

It must be recognised that adding questions on these 12 new job quality measures to the LFS is not

a given. The ONS is, understandably, reluctant to add many new measures to the survey given it is already almost at capacity; is seen as a desirable vehicle for capturing labour market data by many different interests; and is about to be put through a major transformation programme (discussed further below).

However, an opportunity to add questions to the survey does exist, and given the pressing need for a national set of robust, annual job quality metrics for the reasons outlined above, the Working Group believes it is imperative that BEIS engages effectively and extensively with the ONS team to secure a place on the LFS for as many as possible of our identified priority measures.

## Implementation

BEIS should seek to initiate these discussions immediately for implementation in 2019. The Group recognises that it may not be possible to add all 12 new measures at this juncture and that a staged approach, involving some further prioritisation of the measures, may be required. Recognising the complexities involved in the process we believe it would be useful for BEIS to convene an expert Implementation Group, to provide advice and support, consider challenges and agree alternative solutions, should these be needed. An Implementation Group would allow BEIS, the ONS and a group of experts to tackle the practical difficulty of implementing new job quality questions on a survey vehicle which meets all of the criteria set out in this report as an ongoing, shared challenge.

## The LFS as the long-term home of national job quality data (2021 and beyond)

The LFS is currently undergoing a major transformation process, after which the survey will be known as the Labour Market System (LMS) with the length of questionnaire reduced by approximately half. The transformation process may present future opportunities to include more job quality measures as ONS reconfigures its data provision.

## The Labour Market System (LMS)

The LMS is due to be in place by 2021 but is likely to continue evolving beyond this. We understand that the purpose of the transformation process, as part of the ONS' move towards a higher digitalisation of social

surveys, is to make better use of administrative data and digital collection modes, reducing the survey length to make it more efficient and sustainable, as well as less burdensome for participants. There are no plans to change the survey sampling strategy as part of the change process.

This reduction in survey length is to be partly achieved by greater use of administrative data to capture information about respondents which is currently gathered through survey questions. This might include, for example, real time information (RTI) from HMRC in relation to tax, self-assessment and welfare benefits. By capturing this data from another source, the ONS will be able to reduce the number of survey questions asked of participants.

The aim of reducing questions in this way is to bring the survey length to under 20 minutes. There will however, be some scope to add new questions to the LMS, although this will be limited. Nevertheless, the Working Group believes that the transformation presents an opportunity for any of our recommended priority measures that cannot be immediately placed on the LFS to be incorporated into the survey; plus a reasonable batch of our recommended additional measures.

The exact number of new questions that it will be possible to add cannot be determined at present, as it is unclear how many questions from the existing LFS will be captured through administrative data; and there will be other demands for additional questions to be placed on the survey – meaning quality of work will have to compete for space.

As an ongoing process, there are of course many uncertainties about the outcomes of the LFS transformation process and what it might mean for job quality measurement:

1. The use of administrative data to link with surveys is underpinned by the powers set out in the Digital Economy Act (DEA). These powers are to be regulated by codes of practice which are yet to be tested. This means that although the legislative power technically exists to facilitate and speed up linking of administrative data, there is some way to go before organisations who hold and analyse data are likely to feel confident about incorporating this wholesale in the way they run surveys. Issues of access, definitions, coverage, timeliness and quality will all need to be addressed.

2. To enact the DEA powers effectively, survey practitioners will need guidance to understand how these can be applied to their uses of data, develop internal policies and procedures, develop staff knowledge of how the process will work, and support staff to adapt to the new way of working. Consideration will need to be given as to whether potential survey respondents are willing to having administrative data linked to their survey responses, and any implications this might have on their agreement to participate. This process will need to be replicated across all departments using data if cross-departmental data sharing is to happen effectively in practice.
3. The ONS has identified further barriers, such as the necessary data gateways and security protocols and having sufficiently powerful IT systems to process such significant amounts of data.
4. Even if all of the above is delivered, and significant reductions are made to the LFS questionnaire, there is likely to be competition from a wide variety of interests to add new questions to the new LMS – and any additional job quality measures will have to compete in this context.

There is currently no formal user consultation scheduled to inform the LFS transformation, although this is likely to take place in the coming months. The Working Group believes that it is vital that BEIS plays a highly engaged and active role in this process, to align as far as possible the transformation process with the Government's commitment to significantly raise the status of job quality and to measure it properly.

As noted above, an Implementation Group, convened by BEIS would also be a useful tool to help work through these issues, identify opportunities for extending the number of job quality measures captured through the new LMS, and consider any alternative options where required.

## Future-proofing the LMS: atypical forms of work

In addition to the inclusion of job quality metrics, the Group believes that the LFS transformation process provides an ideal opportunity to examine how the LMS can be designed to capture data relating to the self-employed and people in atypical forms of employment.

## A changing workforce

Full time, permanent works as an employee continues to make up the majority (63%) of employment in the UK. In comparison, the self-employed make up approximately 15% of the UK workforce. However, there has been an increase in more flexible or 'atypical' forms of working in the last 10-15 years, with notable changes in levels of self-employment and part-time work. A broad definition of 'atypical' workers encompasses part-time workers, self-employed, agency workers, temporary workers, workers on 'zero hours contracts', and people working multiple jobs or in the 'gig economy.'<sup>25</sup>

Assuming a continuation of current trends, it is clear that in order to remain the most comprehensive source of labour market data in the UK, the LMS will need to ensure that these heterogeneous and growing cohorts are surveyed and segmented coherently. This is particularly important given growing anxieties about particular job quality challenges facing these groups around low pay, insecurity, and representation and voice.

## Capturing employment status

While the current LFS, as a household survey, collects data from people who are self-employed as well as in many forms of atypical employment, there may be scope to update the language to describe new and emerging forms of work, such as the gig economy.

There is widespread concern that people do not always report accurately on their employment status, partly due to the complexity of terms and legal statuses. For example, there are concerns that growing numbers of people are being classified as 'self-employed' while actually performing tasks for an employer in a manner which is consistent with traditional employment, which has given rise to the term 'false' or 'bogus self-employment'. On behalf of business software development company Deployed, the Institute for Employment Research is to explore developing a new occupational classification for these workers. The ONS will be party to this

classification work. The LFS transformation might also examine whether greater use of administrative data could help validate employment statuses.

As well as ensuring these workers are correctly identified, there is a need to ensure that as new job quality measures are introduced to the LMS, the self-employed are routed appropriately through the questionnaire to ensure relevance to their daily experience of work. This is important because the daily experience of self-employed people can be seen to differ from that of employees in many important regards<sup>26</sup>. If the self-employed are not guided appropriately through the questionnaire there is a risk to self-employed response rates and/or distortion of the aggregate job quality data collected.

## Other Surveys

The job quality metrics identified by the Working Group obviously only represent a small number of the full range of possible measures that might be used to build a picture of job quality in the UK. However they represent what we believe is the right balance between the breadth and depth of measures required in order to produce a national set of statistics which is well-balanced across the different dimensions of job quality, but also financially affordable and succinct enough to capture public and political attention.

In our analysis of different survey vehicles above, we assessed the viability of each survey to capture job quality data at this 'national statistic' level, to track progress annually and to hold Government to account. Clearly the sample size, regularity or survey design of many job quality surveys is not suitable for these purposes – and, of course, these surveys were not designed or created to fill this role.

**However, many of these surveys do provide rich, interesting data on a very wide range of job quality issues.** This data is valuable in shaping a broader understanding of job quality in the UK and the importance of these surveys to the eco-system of job quality measurement should be recognised, celebrated and supported:

25 The Working Group used forms of work and employment status definitions set out by the Taylor Review (Taylor, Matthew, *Good Work: The Taylor Review of Modern Working Practices* (RSA: July 2017) [https://www.thersa.org/discover/publications-and-articles/matthew-taylor-blog/2017/07/the-taylor-review?gclid=EAlalQobChM175uQzpyL1glVzr\\_tCh0ZQgJZEAAAYASAAEgJmAPD\\_BwE](https://www.thersa.org/discover/publications-and-articles/matthew-taylor-blog/2017/07/the-taylor-review?gclid=EAlalQobChM175uQzpyL1glVzr_tCh0ZQgJZEAAAYASAAEgJmAPD_BwE)) and the Resolution Foundation *A tough gig? The nature of self-employment in 21st Britain and policy implications*, presentation given by Dan Tomlinson and Adam Corbett, Resolution Foundation, February 2017, (<http://www.resolutionfoundation.org/publications/a-tough-gig-the-nature-of-self-employment-in-21st-century-britain-and-policy-implications/>) for our deliberations.

26 The nature of self-employment can be seen to be changing and even within this definition there are groups of self-employed with distinctive daily experiences of work. For example, while many self-employed people might lack the line manager and colleague interactions which are important determinants of job quality for most employees, people who are what is termed 'falsely self-employed,' as well as people who are self-employed but who mainly carry out contract-based work in the same workplace for the same contractor on an extended or repeated basis, may have a day-to-day experience of work which is more similar to employees.

- The SES, the most recent results of which were published in 2018, provides rich and detailed data on job quality, with trends that can be tracked over many years, demonstrating the value of building up in depth longitudinal analysis.
- The UKWLS, commissioned by CIPD is a valuable new, comprehensive resource which has a growing public recognition and profile due to its exclusive focus on job quality and its delivery by the well-recognised CIPD; and there is a commitment for it to be undertaken every year.
- The WERS, although last produced in 2011, uniquely assesses job quality by looking at worker, manager and workplace representative perspectives from within the same organisation.

The Working Group recognises that our recommended approach of job quality measurement through the LFS requires cross-government negotiation and collaboration – and if this should be difficult to secure to the desired level for any reason, then the role of other job quality surveys becomes ever more important.



## Recommendation:

- UK Government should adopt an approach for implementing national job quality measurement which ensures the data is: robust and authoritative; reliable and regular; collected from a single data source; capable of being segmented; and commands a public profile.
- To achieve this, the UK Government should look to use the Labour Force Survey (LFS) as the vehicle for collecting job quality data. This will involve adding 12 new measures to the LFS, in addition to the 6 measures the survey already covers.
- BEIS should work closely with the ONS to deliver this recommendation, starting in 2019, to enable the UK's most authoritative labour market survey to become the home of national job quality measures, meeting the objectives of the Good Work Plan and the commitments of the Industrial Strategy. A staged approach to implementing all 12 measures is likely to be required.
- BEIS should also work closely with the ONS to identify how additional job quality measures might be added to the new Labour Market System (LMS) that will be established within the next three years as a replacement for the LFS. While the system is to be set up by 2021 it is likely to continue to evolve after it is established.
- Recognising the challenges in adding a large number of new job quality measures to the LFS/LMS, given the pressures on survey capacity, BEIS should convene an expert Implementation Group to work with BEIS and the ONS to identify how these challenges might be overcome and identify alternative approaches for capturing job quality should these be required.
- The ONS should use the LFS transformation process to examine how the LMS can be designed to capture better job quality data relating to the self-employed and workers in atypical forms of employment. This should include updating the language used in surveys to describe emerging forms of work, such as the growing numbers of workers in the gig economy.
- The UK Government and other survey funders should explore the potential support that might be given to the wider eco-system of job quality measurement in the UK, through co-sponsored, periodic and highly regarded existing surveys such as the WERS and SES and the new and comprehensive UKWLS.



# 5. Communicating the job quality metrics

## Overview

So far in this report we have explored the technical building blocks through which a national job quality measure can be established.

The question of how job quality data which emerges from this new framework should be communicated and presented also gives rise to important considerations. The Working Group believes that effective communication of the data is essential if the new job quality metrics are to achieve their key objectives of holding Government to account for improving quality of work; and to raise the profile of job quality as a matter of real public interest, with the same status as job quantity. Such a shift would be significant, and requires strong communication in order to develop constituencies of support and build momentum.

### Measuring what matters

There are similarities here with the international movement which seeks to change measurement on social progress from a narrow focus on economic indicators (specifically GDP) to a wider wellbeing approach which emphasises a broader range of social, economic and environmental indicators, including a mix of subjective and objective measures. From this work, we have seen that those wellbeing frameworks which have involved a higher degree of visibility and engagement with the public have benefitted from more political momentum than those which have not.

Similarly, a high level of public awareness about which aspects of job quality are improving and which are not will provide crucial validation to help Government maintain a focus on these issues against a multitude of competing priorities.

In this section, we propose five principles to inform decisions about how the job quality data is presented and communicated. We examine the advantages and drawbacks of two commonly used forms of presentations: a data dashboard and a composite measure. We also consider whether the new metrics can be used to support a baseline for a 'minimum level of job quality'.

## Communication principles

The Working Group recommends that the job quality data collected through the national framework should be:

- **Comprehensive, free and publicly available** – e.g. a well-designed and user-friendly website, with all the data available and a memorable URL which is clearly signposted.
- **Understood 'at a glance'**, with visual resources like charts and graphics developed alongside the full range of data being publicly available online, to help everybody engage with the key messages.
- **Updated at a consistent point in time**, ideally annually, to build into the news cycle and maximise media attention and interest.
- **Segmented easily according to area of interest** and to allow comparisons, for example by country, region, by sector and salary range, as well as by a range of demographic factors.
- **Interactive** – It should be possible for the user to access and drill down to data on the full range of indicators collected.

The Working Group is clear that these principles need to be observed if the job quality data is to 'cut through' to the public and to stimulate a more informed and urgent policy debate about improving job quality.

## Presenting the data

There are a number of data visualisation tools that might be used to display the job quality metrics in an attractive, engaging way across multiple dimensions and indicators. Two of the most common models for presenting complex data is through the form of a **dashboard** or a **composite index**.

While dashboards and composite indexes are often considered in opposition to one another, the Working Group saw them as doing different things and reaching different audiences. The Group therefore favours both approaches being explored for the national job quality framework, while advocating that a dashboard, at the minimum, is developed and used for the purposes of analysis.

### ✓ Dashboard

See visual on p43. The main advantage of a dashboard is that it presents the full range of measures being explored to give a multi-faceted picture of job quality.

The clear drawback is the greater the number of measures, the more difficult it is to understand at a glance and to build a clear public and media narrative around.

There are, however, many examples of how it is possible to make a dashboard of indicators user-friendly. A common mode of presentation, utilised to good effect by e.g. the Virginia Performs and Scotland Performs wellbeing dashboards, ensures that overview information of the dashboard can be viewed on one page, with headline performance across the relevant areas of activity presented with arrows indicating whether performance is improving, deteriorating, or remaining stable.

Job quality in the UK could be reported through a similar dashboard approach simply by indicating whether the direction of travel for each indicator is positive or negative. We provide more detail of this overleaf.

Developing a job quality dashboard to present the national job quality data would be relatively straightforward. While technical resource will clearly be needed to ensure that the online dashboard is attractive and user-friendly, the Working Group does not anticipate any further substantial development or testing work required to transfer the job quality data, which will be updated at a single point in time every year, into this format.

As updated data is collected every year it should be easily possible to build historical trend data for each metric into the dashboard model.



# Job quality in the UK – Dashboard



## Terms of employment

- ↑ Job security
- Minimum guaranteed hours
- ↑ Underemployment



## Pay and benefits

- Pay (actual)
- ↓ Satisfaction with pay



## Health, safety and psychosocial wellbeing

- ↑ Physical injury
- ↓ Mental health



## Job design and nature of work

- Use of skills
- ↑ Control
- Sense of purpose



## Social support and cohesion

- ↑ Peer support
- Line manager relationship



## Voice and Representation

- ↑ Trade union membership
- Employee information
- ↓ Employee involvement



## Work-life balance

- Over-employment
- Overtime (paid and unpaid)
- ↓ Anxiety and work-life balance

### Performance trending:

- ↑ Improving
- Maintaining
- ↓ Worsening



### Composite index

A composite index is a single figure made up of a number of other indicators. Indexes can be simple equations based on the percentage change in indicators over a period of time, or they can be weighted to emphasise certain indicators more strongly within the calculation of the final number. A single figure could be drawn up to represent overall performance across all indicators (as GDP<sup>27</sup> is used for a measure of economic performance), or a number of composites could be used to summarise the performance across a range of related indicators (e.g. by establishing a composite measure for each of the seven job quality dimensions).

27 GDP is arrived at through a formula which wraps disparate national performance metrics relating to personal consumption, business investment, government spending and net exports into a single figure. It is widely criticised as an insufficient measure of social progress and, even as a purely economic measure, has a number of limitations relating to capturing the net value yielded by transactions in post-industrial economies. However, GDP has been indisputably successful as a communications tool, achieving dominance in political and media narrative over the past fifty years as a proxy for how well a country is performing overall.

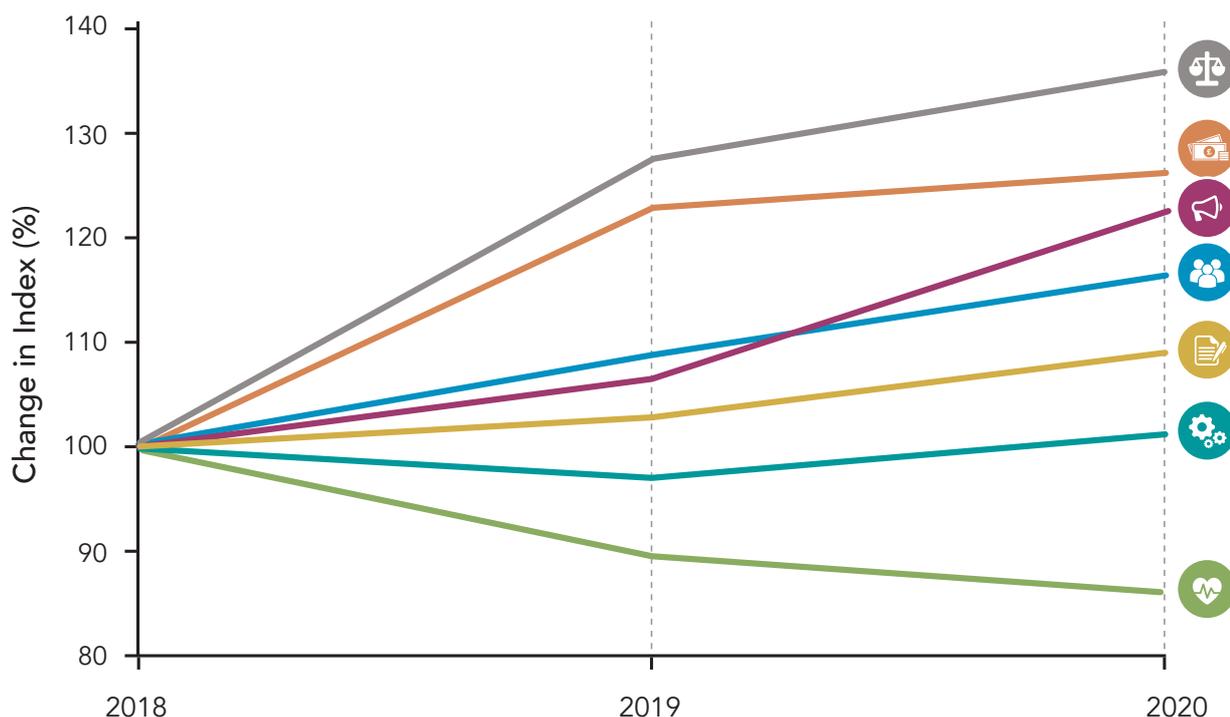
Composite indices have been shown to be very successful at distilling a complex set of measures into a relatively simple 'direction of travel' message which can serve as an excellent communications tool sparking interest and debate. Given the importance in stimulating interest in the performance of job quality from the general public and in the media to build the political will to tackle the challenges highlighted by the data, this capacity for engagement is important.

### Challenges posed by composite indexes

The risk however, of composite indexes is that they are less transparent and can mask or misrepresent important trends within the individual measures.

As composite indexes can be developed in different ways, further work would need to be undertaken by the UK Government to determine

## Job Quality in the UK 2018-2020



whether, and which form, of composite indexes could be utilised to successfully communicate job quality data in the public domain. The Working Group was wary of the 'simplification effect' of using composite indices while also recognising the value of their simplicity as a communications tool.

## Developing composite indexes

Below we set out a number of considerations that we believe the UK Government should take into account in exploring the use of composite indices for the national job quality data:

- a) **The Working Group does not support the development of a single composite figure for job quality in the UK.** We believe that a single metric would be unhelpful in terms of understanding how different aspects of job quality, which is a complex and multi-layered concept, are contributing to overall quality of work. These different aspects need understanding and recognition in their own terms if they are to impact on policy and practice. We are also concerned that a single 'job quality number' could appear relatively meaningless to the public, undermining one of the key objectives of the new set of metrics, which is to raise the status of job quality in public consciousness.
- b) **Recognising the communication value of composite indexes.** We suggest the UK Government should explore whether there is any merit in developing a composite measure for each of the seven job quality dimensions we have highlighted in this report (terms of employment; pay and other benefits; job design and nature of work; social support and cohesion; health, safety and psychosocial wellbeing; work-life balance; and voice and representation). If this was deemed of value, these seven composites could sit alongside the dashboard described above. A composite approach at the dimension level would mitigate some of the risks of a single job quality composite score, as the metrics within each dimension are more closely related to each other.
- c) **If composite indexes were to be developed, we would propose that a 'direction of travel' approach should be used to apply a headline figure, rather than weighting any measure more highly than any other.** The latter approach can be a highly subjective and sometimes arbitrary process, which risks under or overvaluing different elements of job quality. Different views would quickly arise as to whether, for example, actual levels of pay or satisfaction of pay, or trade union representation versus the feeling that management is good at consulting staff, should be weighted more or less highly as contributors to overall job quality.

## How do we know that job quality is improving?

**Collecting job quality data is a means to understand whether job quality is good, poor, deteriorating or improving for workers in the different regions, sectors and groups which form the UK economy.** Therefore it is important to clearly set out what the desired direction of travel is on each of the job quality metrics. In most cases this is intuitive: for example, a movement towards more people feeling appreciated for the work they do is positive, while a move in the opposite direction is negative. The model should include a 'margin of error' whose limits have to be exceeded for real movement to be considered to have occurred.<sup>28</sup>

Using this approach in relation to the dashboard described above, it will be possible to report a direction of travel every year for each individual job quality measure. Applying the same process to each of the seven job quality dimensions could give the composite score for that dimension, by aggregating how many measures within that dimension have moved in a positive direction, minus the number moving negatively to give a net score.

These direction of travel assessments will become possible from the second year of data collection on the new job quality metrics.

<sup>28</sup> A 'standard' margin of error is plus or minus 3 percentage points, but an appropriate margin of error can be developed by the survey managers.

## Establishing an acceptable baseline for job quality

A fundamental purpose of the Taylor Review was to examine what action should be taken to tackle poor quality work. While the Working Group has focused on developing a set of job quality metrics that capture improvement or decline in different aspects of job quality for all workers, we are particularly interested in ensuring that the metrics properly highlight the parts of the labour market where work appears to be of unacceptably low quality. We believe that good quality data can be a valuable lever to affect change in these areas.

**The Group therefore considered the potential for establishing a 'minimum job quality' standard or baseline, within the new system of job quality measurement.**

The creation of such a threshold would allow a very clear story to be communicated and amplified in public debate in a way which could encourage policy makers or employers to take steps to respond to job quality deficiencies experienced by workers in certain areas.

However, this is a complex proposition which raised a number of questions and challenges:

- ❓ How would such a baseline link to International Labour Organisation decent work measures or to other important 'minimum standards' activity, such as the real Living Wage or work on minimum income?
- ❓ Whether disadvantage in job quality for workers should be assessed in 'breadth' – e.g. relatively low scores across many or all measures; or 'depth' – very low relative scores in a smaller number of core measures; or some combination of the two?
- ❓ How far below the average score in any given job quality measure should be categorised as being below the baseline, and should this number be the same for all measures or different for each metric, depending on its particular characteristics?

- ❓ Should there be any differentiation in the baseline on an industrial sector basis, or should it be a labour force wide standard?
- ❓ If only certain job quality metrics were used to construct the baseline, how would these be determined in a clear and objective way, to avoid arbitrarily downplaying or overstating certain elements of job quality?
- ❓ How would a baseline treat (the likely small number of) people who are satisfied in their job because it suits their expectations, personalities, lifestyle or immediate needs, but which scores badly across many quality measures?
- ❓ Are there risks to self-esteem and status for workers in seeing their job being categorised as 'below the minimum standard'?
- ❓ Would the creation of a baseline focus policy action around this standard too narrowly, resulting in detriment in other areas, for example, people who score only marginally above the threshold receiving insufficient attention; or deep problems in a specific aspect of job quality in an industry being overlooked because the job scored well on most other measures (e.g. high levels of overtime or stress-related mental illness in high-pressure but well-paid sectors).

**Despite these challenges, the Working Group was of the view that there is merit in further exploring the development of a minimum job quality baseline.** This exploration might consider how such a baseline could be conceptualised, organised and presented. It will be important Government engages closely with industry, academics and worker representatives in developing this standard, not least to work through the challenges outlined above. **The Implementation Group, recommended in this report, may provide an appropriate vehicle for contributing advice, support and ideas on the process.**



## Recommendation:

- The UK Government should adopt the following communication principles to support the presentation of the new job quality metrics captured through the LFS. Data must be:
  - Comprehensive, free and publicly available.
  - Updated at a consistent point in time.
  - Segmented by employment sector, employment status, business type and size, country, region, and a range of sociodemographic characteristics.
  - Interactive.
  - Understood 'at a glance' through the development of charts and graphics.
- The UK Government should present the new job quality metrics in a data dashboard, and explore and determine whether there is any additional value to be gained through the development of a set of seven composite measures, one for each of the seven job quality dimensions.
- The method of assessing improvement (or decline) in job quality should be a simple direction of travel assessment, based on annual change for each measure outside of the margin of error. For the dashboard, this will give a separate direction of travel score for each measure.
- The UK Government should undertake work to explore the development of a 'minimum job quality standard' based on the national job quality metrics.





## 6. Engaging with employers on job quality measurement

### Background – why do national job quality metrics matter at employer level?

Measuring job quality will allow us to see at a national level, who enjoys and who does not currently enjoy ‘good work,’ as well as focus political and media attention on how these inequalities might best be tackled.

Government plays a significant role in setting the conditions needed to promote better work, but they are only one among the many actors who need to be engaged if insights from the national measurement framework are to be successful at driving change at a sectoral and organisational level. Throughout our deliberations, the Measuring Job Quality group was highly conscious that it is employers who create and design jobs<sup>29</sup> and who arguably exert a greater influence on the nature and distribution of high and low quality jobs in the UK labour market. Given that the UK Government’s pledge to be held accountable for job quality represents a significant shift in the policy context<sup>30</sup>, it is highly likely that there will be considerable engagement between Government and industry on how progress can be made.

The core objective of the Working Group was to influence change in how job quality is measured at a national level. However, in light of the above, we also spent some time considering the potential influence of the new national job quality metrics at employer level. The view of the Group is that the new metrics offer an important opportunity and lever to support greater measurement of job quality at an employer level, deepening understanding across the economy about the priority areas for delivering good work – ultimately leading to improvements in the

quality of work for more workers.

### What do national job quality metrics mean to employers?

In simple terms, the Working Group believes that the new national metrics:

- ‘Do the thinking’ for those employers who don’t currently measure job quality, by setting out a manageable set of measures for doing so.
- Offer a template of what matters most to job quality as a free, publicly available resource, which have the potential to be adopted into employers’ own staff surveys, reducing the cost and complexity barriers which are particularly pertinent for smaller businesses.
- Will deliver national-level data which will be free, publicly available, and command public support and confidence. This will enable employers to benchmark quality of work in their own organisation against a range of national, regional or sectoral job quality averages, and identify steps required to remain competitive by these measures.

### Recognising constraints

Nonetheless, the Working Group is also aware that tools created for the purpose of national policy making rarely speak the language of business and can fail to cut through to employers who are ‘time poor’ and focused on sustaining their operations.

The Working Group recognises that attempts to engage employers with the new national measures will need to take account of the different capacities and appetites for employers to act. A productive dialogue to support the use of the national measures by employers would involve representative bodies such as industry

<sup>29</sup> It is worth noting as well the dominance of the private sector, with only 17.1% of the working UK population employed in the public sector: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/bulletins/publicsectoremployment/september2017>

<sup>30</sup> In recent decades, the ‘work first’ policy of successive Governments has championed job creation, and there has been a concurrent narrative in favour of supporting individuals to improve their skills level in order to enter the labour market at a higher level where they can reasonably expect to attain jobs of ‘better quality.’

bodies as well as intermediaries such as Acas and employee representatives such as trade unions. Work may have to be undertaken by some of these organisations to support the development of new tools or resources which build the capacity of employers to derive and measure job quality more systematically within their own organisations.

Below, we set out the current practice and potential barriers facing small and large businesses, as well as motivators and approaches which could encourage more systematic measuring of job quality at an organisational level, to accompany the new national metrics.

## How do employers currently measure job quality?

As our starting point, the Working Group examined what current 'normal' practice is in measuring job quality at organisation level.

We know that many employers are already active in measuring different aspects of job quality and using the insights gained to implement changes in the workplace. Many employers see the value of this measurement for a delivering a happier and more productive workforce. There is a clear business imperative in deploying quality jobs, as well as having a reputation for such, in order to attract, retain and motivate the best performance from workers. Surveying staff is often seen as an effective and relatively affordable route to remove impediments to best staff performance, as well as allowing staff to express ideas for improvements in how things are done.

## Large businesses

For large businesses in particular, measuring job quality via 'employee experience' surveys is a normal and embedded practice.<sup>31</sup> Surveys typically gather subjective data on how employees experience their role within the organisation (although it is worth noting that the term 'job quality' itself is not generally used in the context of this exercise, and is unlikely

to resonate with business). Views are typically sought on whether wellbeing is valued; whether support is provided; whether staff have the tools to do their job; inclusion and diversity; health and safety practice; training and progression; pay, reward and recognition; and the effectiveness of leadership. Data is collected in regular staff surveys, usually an annual big survey with a mid-year 'taking the temperature' update.

## Small businesses

The resources required to survey staff and act on insights are more common within large businesses and are less likely to be replicated among very small businesses.<sup>32</sup> Smaller businesses are less likely to have discrete HR and employee insight business functions or much resource to spare on surveying staff. Given that staff are often working together in the same space in less hierarchical structures offering more informal contact and opportunity for managers to witness the daily experience of workers and for workers to raise issues with them directly, there may be also, arguably, less need for such formal mechanisms.

## Good work campaigns and initiatives

In addition to surveying staff, many employers, of all sizes, engage with a range of partners or initiatives to try and improve different aspects of job quality within their organisation. This might include, for example, engagement with organisations such as the Living Wage Foundation, Timewise, Disability Positive or Business in the Community; or through involvement in initiatives and campaigns such as 'good work' charters, like the Good Work Standard being developed in London. Many of these engagements will include some element of measuring certain aspects of job quality within an organisation.

31 From discussions with Ipsos MORI Executive Director, Leadership Engagement Advisory, February 2018, and Tesco Plc Head of Foresight and Colleague Insight, January 2018.

32 Small and Medium sized enterprises (SMEs), defined as between 1-250 employees, constitute 99% of private companies in the UK, and employ 60% of the workforce. Even among this bracket, there is clearly a huge degree of divergence in the capacities of a business with 10 staff versus, for example, a business with 200 staff, to develop and implement employee insight mechanisms which could include more systematic measurement of job quality. The last WERS found that 38% of all workplaces (75% in public sector) had conducted an employee survey in the two years prior to the study.

## Framework for engagement

Below, we set out four important considerations for Government when they enter into dialogue with the business community on national job quality measurement. In a fifth consideration, we set out early thoughts on how some organisations who currently work with employers to measure aspects of job quality can begin to consider how they might, in practice, work with the measures set out in this report.

### 1) Recognise barriers

A pragmatic approach recognises the barriers employers face in directing resources to measuring organisational job quality. Employers are faced with a range of competing priorities and small business managers are often required to take on multiple roles to carry out the core activities required to sustain their business. The political and regulatory context influences the landscape in which employers do business and is one contributing factor towards the strategic business decisions taken by business leaders. This gives considerable scope for the government to use the adoption of the national measurement framework to communicate clearly to employers that job quality is to be considered as a higher priority and that more systematic measurement will help employers to benchmark themselves. However, employers may be resistant to measure activity they do not feel they are already doing, or which they think may reflect negatively on their organisation, sector or industry.<sup>33</sup> The more fruitful focus may therefore be communicating the framework as a tool for those employers who are already thinking about the contribution of employee job satisfaction to business performance, and motivated by creating good jobs, to begin measuring job quality more systematically.

### 2) Mobilise employer champions

Key learning from Be the Business, Engage for Success, the Living Wage Foundation and similar initiatives is that businesses are most likely to be influenced by the example of their peers. Government should make use of the visibility and clout offered by motivated employers who

can speak the language of business and link the ambitions of the measuring job quality framework with achieving better business outcomes. Their example can help to tap into latent interest among employers, particularly competitors, to address issues of measuring job quality as well as increase the visibility of this agenda among employers who are not already thinking this way.

### 3) Harness competitive edge

Business competitiveness is a more powerful motivator than altruism alone. Employer interest in measuring job quality can be stimulated by framing the national measure as a resource which helps employers to benchmark themselves against their competitors and identify changes required to attract and retain the best staff. We have stipulated that job quality data must be collected in a way which allows it to be segmented by various characteristics. As well as helping policy makers to identify inequalities in the labour market, segmentation will have a practical utility to employers, helping them understand what is 'normal' within the competitive dynamics of their industry and what they need to do to remain ahead of the competition.<sup>34</sup> For example, a supermarket who is a large employer in a town might look to the national survey to understand job quality standards in the retail sector more broadly and by other employers using the same regional talent pool. When recruiting business critical and specialist positions, such as digital skills, the supermarket may also ask how job quality is experienced on average in this occupation in order to structure an attractive role profile.

### 4) Recognise business specificity

Although we have outlined common practice in measuring organisational job quality, it is important to recognise that all businesses have their own cultures. Some employers have well-developed employee experience functions, with job quality measures often tailored to resonate with organisational values, change priorities or to gather data on specific employer initiatives. It may be challenging to motivate those companies who deploy specific measures, aligned to their brands, to adapt these to be aligned with a more generic set of national measures.

<sup>33</sup> It is instructive to note that large numbers of employers who have opted to become Living Wage Accredited were already paying the Living Wage and simply wanted external recognition of existing behaviour; see Heery et al, *The Living Wage Employer Experience*, Cardiff University Business School, research commissioned by the Living Wage Foundation, April 2017 <https://www.livingwage.org.uk/news/employer-experience-living-wage> [accessed August 2018]. In a similar vein Investors in People have told us that they believe providing grants to individual employers to undertake accreditation is likely to be ineffective in impacting a sustainable change in behaviour.

<sup>34</sup> We understand that many large businesses who currently measure job quality via employee experience surveys often make use of external consultants, a bespoke insight function and bought in software to benchmark job quality data against their competitors. There is obviously a cost element to all of this, which suggests that if job quality were measured more systematically on a national level, with the results publicly available, commanding public support and confidence, this could support more businesses of all sizes to benchmark themselves as employers.

### 5) Engage and listen to representative groups on implementation

Organisations such as industry bodies and trade unions can exert significant influence on firm and sector-wide practice. Membership bodies such as the Federation of Small Businesses (FSB) provide trusted, practical support and guidance to employers, and sectoral bodies such as the British Retail Consortium have recently been at the forefront of encouraging the uptake of business strategies which emphasise the link between job quality and business performance. Business support organisations such as Acas provide web based and face to face training to employers and employees to build their capacity for good practice. Trade unions have a vital role in raising standards of employment, through direct negotiations with employers and sectoral wage agreements as well as a wide range of initiatives to apprise employees of their entitlement to decent work and develop their capacity to make their views heard. These groups and others are well-placed to consult with Government on the national framework and support the development of appropriate approaches which could be used to engage employers in an increased effort to adopt job quality measures. A range of products such as toolkits, employer charters or accreditation schemes linked to job quality measurement could be explored with relevant actors to support engagement from employers of different sizes and sectors. Below are some initial ideas discussed by the Working Group:

- **Speaking for small business**

Further development work might be considered to ensure the job quality measurement framework is aligned with the reality of working in a small business. We have noted there may be resistance from these businesses to engage with the framework if there is a perception of bias towards measures tied to the existence of policy and procedures, as this could underplay the factors that contribute to job quality within small businesses. Sector representatives such as the FSB might consider developing practical resources to support small employers to benchmark the jobs they offer.

- **The role of accreditation bodies**

A range of public and private organisations work directly with employers to help them to improve job quality in their workplaces as a key pillar in building successful business strategies. Not-for-profit organisations such as Investors in People, as well as commercial companies such as Best Companies, have developed robust accreditation frameworks and engagement strategies to support organisational change.

The introduction of government-backed national job quality measures will be of interest to these organisations. It will be important for Government to engage with them early on in the adoption of the national framework. This will help to maximise the potential ripple effects of a consistent national measure of job quality by building on good practice these actors have been pioneering at an organisational level, as well as prepare them for any renewed focus on their processes which may arise from increased political, public and employer interest in measuring job quality.

The Working Group has suggested that these organisations could be brought together to discuss future collaborative action around the following key areas:

- **Alignment** – Can these organisations seek to align their measurements with the national framework? These groups are likely to be proprietorial about their carefully established measurement frameworks but some degree of alignment could be encouraged, particularly from non-profit actors.

- **Rigour** – Can these organisations provide additional assurance that performance assessments are carried out with a high degree of rigour? This might involve encouraging greater transparency around their frameworks or by introducing a process of third-party verification, for example, by academics.
- **Share** – Can more of the organisational job quality data collected be shared in the public domain? This data, which may be aggregated or anonymised, could be used to inspire action from other employers by demonstrating the link between addressing job quality and better business outcomes, as well as complement insights produced from the national framework.



## Recommendation:

- The UK Government should engage with employers, industry representatives, trade unions and intermediaries, to communicate the priorities of the job quality measurement framework and explore how more employers can be supported to measure job quality at an organisational level. As part of this, Government should explore whether supporting the development of appropriate tools and approaches which could help engage employers of different sizes and sectors in the increased effort to measure job quality.
- Organisations who work with employers to measure aspects of job quality at an organisational level, such as Investors in People, Best Companies, Acas and Engage for Success, should engage in a process through which they can examine how they might align this aspect of their work with the national framework.





## 7. Delivery

### A Job quality Implementation group

This report presents a number of recommendations for specific actions we would like to see enacted as soon as possible, but also some ideas which will require further development and consideration. The Working Group have done some early thinking about the challenges which remain to be overcome and competing priorities to be reconciled in doing so. We recognise however that more work is to be undertaken beyond the scope and lifetime of this group, if job quality measurement is to be implemented effectively and be used as a tool to track improvements in job quality in the UK.

### Taking the recommendations forward

Much of the impetus for taking this report's recommendations forward rests with UK Government, specifically BEIS, although we have also highlighted the key role to be played by the ONS as well as organisations working with employers to measure aspects of job quality, such as Investors in People.

In chapter 4 we recommend the creation of an Implementation Group, in recognition of the challenges in adding a large number of new job quality measures to the LFS/LMS. The implementation group could work with BEIS and the ONS to identify how these survey-specific challenges might be overcome and identify alternative approaches for capturing job quality measures, should these be required.

We believe this Implementation Group could also be used to support the implementation and development of the full set of recommendations more generally, either by providing advice to Government directly or by identifying relevant other actors to support the delivery of the recommendations.

Specific tasks the Implementation Group could undertake include:

- Assist with scoping and evaluating the merits of a 'minimum job quality standard' based on the national job quality metrics.
- Scrutinise changes in job quality measures emerging from the data each year, to draw attention to the particular groups who appear to be affected by unacceptably poor quality work.
- Review the job quality metrics at appropriate intervals to assess their relevance in line with changes in the labour market, workplace and other benchmarks on job quality and recommend any changes that may be required.
- Engage with organisations and employers who measure aspects of job quality at an organisational level, to encourage alignment with the national framework where appropriate and greater measurement of job quality in the workplace.

We anticipate that many members of the Working Group may be interested in being involved in the Implementation Group, which should be convened by BEIS.



#### Recommendation:

- BEIS should convene an expert Implementation Group to provide advice and guidance to assist in the implementation of these recommendations, and further development of ideas described in this report.



# Appendix:

## Additional job quality measures

NO.	ISSUE	QUESTION
 <b>PAY AND BENEFITS</b>		
1	Entitlements	<p><b>Which of the following does your employer provide?</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Holiday pay</li> <li><input type="checkbox"/> Sick pay</li> <li><input type="checkbox"/> Workplace pension</li> <li><input type="checkbox"/> Maternity/paternity pay</li> <li><input type="checkbox"/> None of the above</li> <li><input type="checkbox"/> Don't know</li> </ul>
2	Non-wage benefits	<p><b>Which of the following non-wage benefits do you receive from your job? Choose from the following list:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Staff discount</li> <li><input type="checkbox"/> Participation in a healthcare scheme</li> <li><input type="checkbox"/> Participation in a travel card scheme</li> <li><input type="checkbox"/> Other (please specify)</li> <li><input type="checkbox"/> None of the above</li> </ul>
 <b>HEALTH, SAFETY AND PSYCHOSOCIAL WELLBEING</b>		
3	Health and safety	<p><b>To what extent do you agree or disagree with the following statement: <i>My employer demonstrates that they take my health and wellbeing at work seriously.</i></b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Strongly agree</li> <li><input type="checkbox"/> Agree</li> <li><input type="checkbox"/> Neither Agree nor Disagree</li> <li><input type="checkbox"/> Disagree</li> <li><input type="checkbox"/> Strongly disagree</li> </ul>
4	Physical injury and stress	<p><b>Over the last 12 months, have you been subject to any of the following in work? Select all that apply:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Physical injury caused by work</li> <li><input type="checkbox"/> Discrimination</li> <li><input type="checkbox"/> Verbal abuse</li> <li><input type="checkbox"/> Unwanted sexual attention</li> <li><input type="checkbox"/> Threats</li> <li><input type="checkbox"/> Physical violence</li> <li><input type="checkbox"/> Bullying/harassment</li> <li><input type="checkbox"/> Undue stress caused by your work</li> <li><input type="checkbox"/> None of the above</li> </ul>

NO.	ISSUE	QUESTION
 <b>JOB DESIGN AND NATURE OF WORK</b>		
5	Training	<p><b>In the last twelve months have you received any work-related training from your employer?</b></p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>
6	Usefulness of training	<p><i>If you answered yes –</i></p> <p><b>To what extent do you agree or disagree with the following statements</b> <b><i>The training I received...</i></b></p> <p><input type="checkbox"/> Will help me cope well with my current duties  <input type="checkbox"/> Will help me cope with more demanding duties  <input type="checkbox"/> Will improve my prospects for career progression.</p> <p>Range of responses (for each statement):  Agree strongly      Agree      Neither Agree nor Disagree  Disagree      Disagree Strongly</p>
7	Autonomy and discretion	<p><b>To what extent do you agree or disagree with the following statements:</b></p> <p><input type="checkbox"/> I am encouraged to use initiative in my role  <input type="checkbox"/> I have all the information I need to do my job well  <input type="checkbox"/> I have a say in decisions that affect my role</p> <p>Range of responses (for each statement):  Agree strongly      Agree      Neither Agree nor Disagree  Disagree      Disagree Strongly</p>
 <b>SOCIAL SUPPORT AND COHESION</b>		
8	Personal development	<p>To what extent do you agree or disagree with the following statement:  <b><i>My employer encourages and supports my development</i></b></p> <p><input type="checkbox"/> Agree strongly  <input type="checkbox"/> Agree  <input type="checkbox"/> Neither Agree nor Disagree  <input type="checkbox"/> Disagree  <input type="checkbox"/> Disagree Strongly</p>
9	Resolving problems	<p><b>To what extent do you agree or disagree with the following statement:</b>  <b><i>Problems or disagreements in my workplace are resolved in a fair way.</i></b></p> <p><input type="checkbox"/> Agree strongly  <input type="checkbox"/> Agree  <input type="checkbox"/> Neither Agree nor Disagree  <input type="checkbox"/> Disagree  <input type="checkbox"/> Disagree Strongly</p>

NO.	ISSUE	QUESTION
 <b>WORK-LIFE BALANCE</b>		
10	Flexibility (formal arrangements)	<p><b>In the last 12 months, have you made use of any of the following arrangements:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Flexi-time (varying the hours you work per day?)</li> <li><input type="checkbox"/> Job sharing</li> <li><input type="checkbox"/> The chance to reduce your working hours</li> <li><input type="checkbox"/> Compressed hours (Working the same number of hours per week across fewer days?)</li> <li><input type="checkbox"/> Working from home from home</li> <li><input type="checkbox"/> Working only during school term times</li> <li><input type="checkbox"/> Paid leave to care for dependents in an emergency</li> </ul> <p>Range of responses (for each statement):</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> I have used this arrangement</li> <li><input type="checkbox"/> Available to me but I do not use</li> <li><input type="checkbox"/> Not available to me</li> <li><input type="checkbox"/> Don't know</li> </ul>
11	Flexibility (informal arrangements)	<p><b>Arranging to take an hour or two off during working hours to take care of personal matters is...</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Very easy</li> <li><input type="checkbox"/> Fairly easy</li> <li><input type="checkbox"/> Neither easy nor difficult</li> <li><input type="checkbox"/> Fairly difficult</li> <li><input type="checkbox"/> Very difficult</li> </ul>
12	Suitability of hours	<p><b>In general, how do the following aspects of your job fit in with your family/ social commitments outside work?</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Working hours</li> <li><input type="checkbox"/> Work location</li> <li><input type="checkbox"/> Very well</li> <li><input type="checkbox"/> Fairly well</li> <li><input type="checkbox"/> Neither well nor badly</li> <li><input type="checkbox"/> Fairly badly</li> <li><input type="checkbox"/> Badly</li> </ul>
13	Advance notice of shift patterns and work location	<p><b>If applicable, how do the following aspects of your job fit in with your family/ social commitment outside work:</b></p> <ul style="list-style-type: none"> <li>• Advance notice of working hours (i.e. notice of shifts)</li> <li>• Advance notice of work location (if your work location changes)</li> </ul> <ul style="list-style-type: none"> <li><input type="checkbox"/> Very well</li> <li><input type="checkbox"/> Fairly well</li> <li><input type="checkbox"/> Neither well nor badly</li> <li><input type="checkbox"/> Fairly badly</li> <li><input type="checkbox"/> Badly</li> <li><input type="checkbox"/> Not applicable</li> </ul>
14	Anxiety and work-life balance	<p><b>To what extent do you agree or disagree with the following statement:</b>  <i>I find it difficult to relax in my personal time because of thinking about work.</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Agree strongly</li> <li><input type="checkbox"/> Agree</li> <li><input type="checkbox"/> Neither Agree nor Disagree</li> <li><input type="checkbox"/> Disagree</li> <li><input type="checkbox"/> Disagree Strongly</li> </ul>





The Carnegie UK Trust works to improve the lives of people throughout the UK and Ireland, by changing minds through influencing policy, and by changing lives through innovative practice and partnership work. The Carnegie UK Trust was established by Scots-American philanthropist Andrew Carnegie in 1913.

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