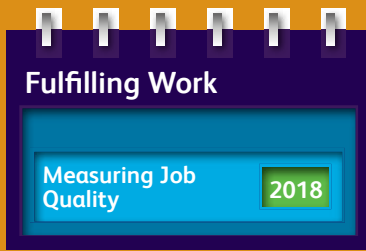


Measuring Good Work

Executive Summary

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.

The RSA Future Work Centre

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.

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- The Scottish Fair Work Convention
- Professor Alan Felstead, Cardiff University
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- The Welsh Government
- The Northern Ireland Statistics and Research Authority



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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.



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.



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
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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.

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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Carnegie UK Trust, September 2018



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