

Survey report June 2023

Working Lives Scotland 2023

About the CIPD in Scotland

The CIPD has been championing better work and working lives for over 100 years. We help organisations thrive by focusing on their people, supporting our economies and societies.

As the career partner to around 11,000 members in Scotland, we sit at the heart of a proud, growing community of practitioners, partners, policy-makers and thought leaders in the world of work, committed to making Scotland a better place to work.

We work with the Scottish Government, its agencies and several academic, business and voluntary partners on a broad range of public policy issues, with a particular focus on fair work, skills and productivity. We are key partners on multiple working groups, and through our Policy Forum, we both inform and deliver changes in policy.

Our Scotland-wide networks offer a forum for HR specialists and practitioners at all levels, to learn, debate and connect with people professionals from across Scotland. We have networks for senior professionals and for specialists working in areas including reward, employee relations and as independent consultants.

Survey report

Working Lives Scotland 2023

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1 Fair Work Convention foreword

As the Working Lives Scotland report reaches its fourth year, it is rapidly becoming an invaluable part of the evidence landscape on the fairness of work. Building up a time series like this tells a story about the changing conditions of work and the factors influencing it. The Fair Work Convention is grateful to the CIPD for continuing to invest in data-gathering that is critical to ensuring policy interventions are made on solid grounds.

What the report demonstrates this year is that a return to 'business as usual' after the impact of COVID-19 on workplaces may be slowly continuing to happen, but this is not necessarily something that should be welcomed. The pandemic threw a spotlight on the places and ways in which work is not fair, and the evidence in this report is that we are failing to raise standards on key fair work dimensions.

The Fair Work Convention has identified five dimensions of fair work: effective voice, opportunity, security, respect and fulfilment. Of these, effective voice can be the key to unlocking the others. Disappointingly, this report shows that the progress made in the past two years in workers feeling that their voice matters has been lost, with a fifth of respondents saying they have no voice channels at all in their workplace. While employers may be facing a range of pressures, now more than ever they need to harness the talents of their workforce if they want to improve productivity and competitiveness. An absence of voice can never be justified nor accepted.

We are keen to support the recommendations in this report, while recognising that so much is dependent on employers making the first step. An investment in fair work – in time and attention as much as money – is an investment in every organisation's most important asset.



Patriaia Findle

Professor Patricia Findlay Fair Work Convention Co-Chair



Mary Atexander Mary Alexander Fair Work Convention

Co-Chair

2 Key findings

Our Working Lives Scotland report is now in its fourth year – spanning periods of time just before, during the height of, as well as after the pandemic. The report's findings are based on the 2023 UK Working Lives survey, which offers insights into Scottish job quality changes and continuity over time. Our Working Lives Scotland report supports a broader picture of job quality in the UK, provided by the CIPD's Good Work Index research.

Fair work in 2023

- The 2023 survey continues to show remarkable stability across all fair work dimensions, including concerning gaps around flexibility, job autonomy and employee voice.
- Among others, we've found the highest level of presenteeism recorded so far, with 58% of all employees saying that they went to work despite not feeling well enough to do so.
- We continue to find additional challenges across some aspects of fair work for women, disabled employees or those with caring responsibilities.

Poorer job quality for key workers

- The increase in collective employee action over the last few months has put job quality into sharper focus, especially for those who work in sectors with limited homeworking options.
- We continue to see significant gaps in fair work for those in so-called key worker roles. In fact, with the notable exception of the meaningfulness of work, we find key workers do poorer across most job quality aspects.
- From lower objective and subjective pay, through higher workloads and feelings of exhaustion, to poorer formal and informal flexibility – the drivers for collective action are broad.

The impact of the cost-of-living crisis

- While the tightness of the labour market is reflected in good job security, we see an impact of the cost-of-living crisis in our findings.
- There are year-on-year drops in the ability of employees to meet financial commitments across all income bands, although they are understandably much worse for those on the lowest incomes.
- Concerningly, we see a fifth (20%) of all employees lose sleep over money worries and nearly a third (32%) say their employer is not doing enough to support their financial wellbeing.

Persistent flexible working gaps

- The only pandemic-driven change in job quality that remains a feature of Scottish working lives is the boost in the levels of home and hybrid working. These are embedding even further, with the preferences of the vast majority of workers matching their current ways of working.
- We do, however, see signs of some reluctant returning to the office for some and pick up on challenges around relationships with colleagues and work-life balance.

Key findings

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• Perhaps most importantly, nearly half (44%) of all Scottish employees either can't (33%) or don't want to (11%) work from home at all. True flexibility needs to look beyond homeworking.

Employee voice challenges

- Most concerningly, the positive improvements in employee voice scores we've found over the last two years have disappeared in this year's survey.
- While it doesn't necessarily follow that employers rolled back on the level of staff engagement they boosted during the pandemic, it does highlight that employee perceptions of the effectiveness of their voice have taken a hit.
- The changes are probably linked to the cost-of-living crisis, the levels of collective action and the media coverage thereof. Employers, managers and employee representatives need to redouble their efforts in this area.

Introduction

Job quality is at the heart of what the CIPD does – championing better work and working lives is our purpose. Through our research, we show the impact good work has not only on individual wellbeing, but also on organisational performance. The succession of crises over the last few years has put job quality in even sharper focus.

The pandemic has shown how persistent job quality is, with continued differences in how good or poor our experience of work is. Widespread skills and labour shortages forced employers to make jobs as attractive as possible to boost recruitment. The cost-of-living crisis put financial wellbeing in the spotlight, with reward policies boosted by skills development and career progression.

This is our fourth *Working Lives Scotland* report providing insight to policy-makers, employers and people professionals. It continues to show gaps around aspects of job quality, which are worse for some employees than others. Understanding these challenges is the first step to making jobs better for all.

As in previous reports, we reframed the CIPD's seven dimensions of 'good work' around Scotland's five fair work dimensions – respect, security, opportunity, fulfilment and effective voice.

In the CIPD's view, good work:

- is fairly rewarded
- gives people the means to make a living securely
- gives opportunities to develop skills and a career and ideally gives a sense of fulfilment
- provides a supportive environment with constructive relationships
- allows for work-life balance
- is physically and mentally healthy for people
- gives employees the voice and choice they need to shape their working lives
- should be accessible to all.

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All of these dimensions are present in the Fair Work Framework and are highlighted throughout this report. Ultimately, any job quality framework seeks the same outcome – to make work fairer and better for all employees.

Respect

This chapter looks at job quality aspects like health and wellbeing at work, interpersonal relationships, and relationships with managers. It also examines issues in relation to work–life balance and presenteeism (working despite not being well enough). Most of these remained relatively stable throughout the pandemic, highlighting how persistent some job quality gaps are.

Key findings

- Twenty-seven per cent of employees feel their work impacts negatively on their mental health, with 25% reporting negative impacts on their physical health.
- More than half of all employees (58%) the highest recorded report going to work despite not being well enough to do so. Disabled workers are more likely to report such presenteeism.
- Those who primarily work from home report worse relationships with colleagues, but better relationships with line managers.

Work and its impact on mental and physical health

The CIPD's previous *UK Working Lives* and *Good Work Index* reports have shown health and wellbeing as having the strongest relationship with job satisfaction and job enthusiasm out of all job quality dimensions. In addition to its most direct impact on wellbeing, good mental and physical health can therefore impact individual, and by extension organisational, performance.

Our survey asks employees a raft of questions about physical and mental health, the impact of work, as well as whether they had experienced specific physical or mental health problems. Overall, in 2023, we found 59% of employees describe their mental health as good, with 57% describing their physical health as good. There remains a remarkable consistency to these figures, given the upheaval of the pandemic and the subsequent cost-of-living crisis.

When it comes to how work impacts on health, the survey found 27% of employees believe their work impacts negatively or very negatively on their mental health, with 25% reporting the same for their physical health. These numbers have similarly stayed consistent throughout our four surveys.

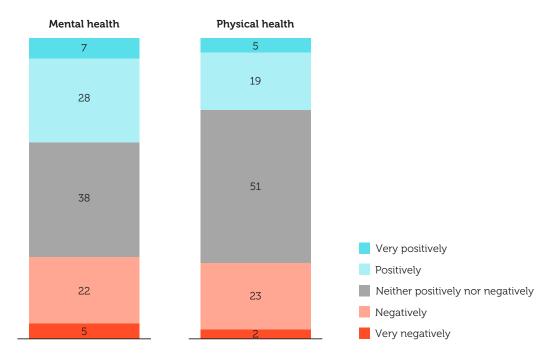


Figure 1: Work's impact on mental and physical health (%)

As shown in our first three <u>reports</u>, there were considerable differences by occupation, gender and age. For example, men are more likely to report better mental health (63% v 56% for women), as are older workers (70% of those 55+ report good mental health, compared with 48% of those aged 18–34). Across our four surveys, we generally find that those in higher occupational classes tend to report more negative impacts of work on their mental health.

Based on the conditions reported, 63% of employees have experienced some form of physical health condition, while 52% have experienced a mental health condition over the last 12 months. The most common reported conditions were:

- backache or other bone, joint or muscle problems (39%)
- sleep problems (35%)
- anxiety (33%)
- COVID-19 (30%)
- depression (18%).

The survey again shows considerable differences by gender. Anxiety was reported by 43% of women versus 23% men, sleep problems by 40% of women versus 30% of men, as well as musculoskeletal problems, where the difference is 48% of women versus 29% of men.

We also asked whether work was a contributory factor to the conditions reported. The highest proportion of work being a contributory factor was recorded for those who experienced repetitive strain injury (84%), anxiety (60%), depression (58%), panic attacks (57%) and sleep problems (54%). We found that 20% of those who had COVID-19 said work was a contributory factor – presumably this will be workers who caught it at work.

Another question asked in relation to the conditions that employees experienced was whether they discussed this with their current boss or employer – a supportive and open organisational culture should enable such discussions. The only condition where the majority discussed their condition was, unsurprisingly, COVID-19 – 63% of employees discussed it, a drop from 77% last year. Concerningly, for all four mental health conditions listed above, at least 60% of employees who experienced them did not discuss them with their employer, with 78% of those who had sleep problems never having discussed them.

The role of the manager and the employer more broadly is crucial here. Creating a safe atmosphere to allow concerns to be discussed can make a significant difference to employee wellbeing. Nearly half (49%) of employees say their organisation encourages staff to talk openly about mental health issues, with 23% disagreeing. Furthermore, 52% say their organisation is supportive of people's mental health (18% disagree). There are considerable differences in the responses by organisation size, with employees working for large organisations (250+) more positive across both statements – this is then reflected in public sector employees being considerably more positive about their employers' approach to mental health.

In addition to reporting physical and non-physical conditions, the survey also looks at the subjective feelings workers have in jobs. These can be a good indication of the impact work has on individuals' mental health in particular. Figure 2 summarises the answers to the question of how employees feel at their work. We find key workers more likely to say they are exhausted, but also homeworkers more likely to report feeling lonely.

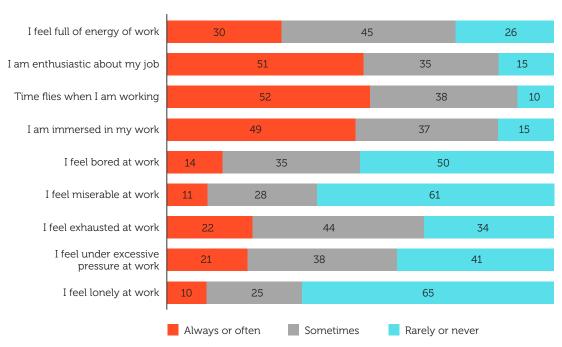


Figure 2: How workers feel at work (%)

Presenteeism

Previous <u>research</u> carried out by the CIPD has found presenteeism – going to work despite not feeling well enough to do so – to be a very common problem, with significant impacts on employee wellbeing as well as company performance. Our evidence also shows that presenteeism is just as big a problem for homeworkers, raising concerns over the impact of the pandemic. After a surprising fall to 35% in 2021 (attributed to a reluctance to admit to working with signs of illness during the pandemic as well as a lower incidence of seasonal illnesses), we saw presenteeism climb back to 45% last year.

This year's survey finds presenteeism even higher than in our previous three reports – 58% of employees say they worked despite not feeling well enough to perform their duties. We again see much higher rates for disabled employees (72%) and those who say their workloads are too high (76%).

Ninety-five per cent of those reporting presenteeism say they felt pressure to work from themselves, but more than half (58%) say they felt pressure from managers and more than two-fifths (42%) report pressure from colleagues. Underlining the importance of good management in job quality, we find that those who say they felt any pressure to work when unwell from their manager were more than twice as likely to be dissatisfied with their jobs.

Relationships at work

The relationships we make, both in our working and personal lives, are a key part of our overall quality of life. Good relationships at work improve the way organisations function, with bad relationships negatively affecting performance. Relationships at work matter to individuals' health and wellbeing, to their motivation, commitment and performance, and to organisational functioning – directly through impact on performance and indirectly through trust and engagement.

Given the impact of the pandemic on the way we interacted with each other – at work and in our personal lives – it is encouraging to see workplace relationships holding up throughout our reports. The vast majority of employees report very good or good relationships with those the survey asks about, as summarised in Figure 3.

Just like last year, we see that those who primarily work from home (either hybrid or fully working from home) report worse relationships with their colleagues, but better relationships with managers compared with those who don't work from home at all. This underlines the importance of an additional focus on teambuilding and collaboration in a hybrid setting.

We also see positive workplace relationships associated with better job satisfaction, higher task performance (eg achieving the objectives of the job) and contextual performance (eg helping colleagues or making innovative suggestions).

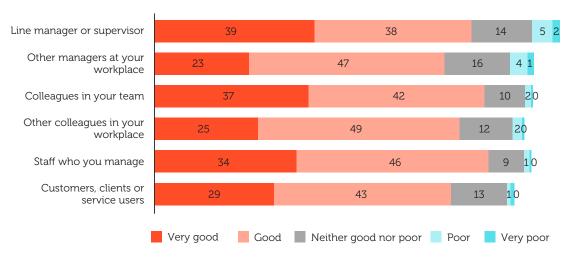


Figure 3: Quality of relationships at work (%)

Note: Does not add up to 100% because of N/A answers.

Relationship with managers

In addition to the quality of relationships in the workplace, the survey includes a series of questions that focus specifically on the relationship with managers. Figure 4 shows a summary of the findings, with more than 70% of employees believing that their boss respects them as a person and treats them fairly. On the other hand, around a fifth of employees disagree that their manager leads by example, supports their career development or provides useful feedback on their work.

We again find a strong relationship between answers to these questions and flexible working arrangements. Those who primarily work from home respond more positively, but the correlations are even stronger for flexible working as a whole, underlining the crucial importance of good people management to enabling flexible working.

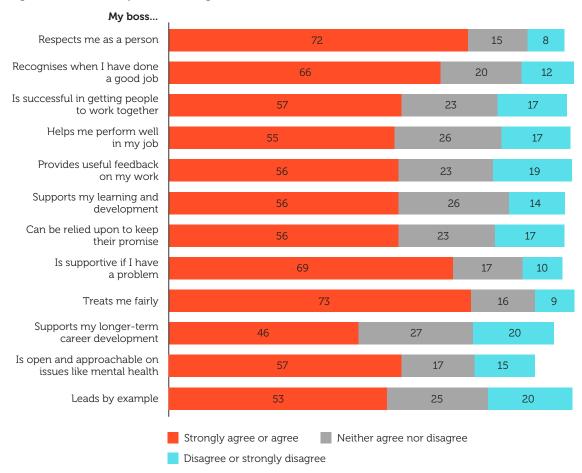


Figure 4: Relationships with managers (%)

Note: Does not add up to 100% because of N/A answers.

Psychological safety at work

Survey participants are also asked about what we call 'psychological safety at work'. This seeks to uncover whether a 'blame culture' exists – where people are fearful about making mistakes or expressing their opinions because of negative consequences. Figure 5 summarises the results. We find that those not working from home respond slightly more negatively to these questions compared with those primarily working from home.

If I make a mistake, my manager or 15 21 59 supervisor will hold it against me People in my team sometimes 19 16 reject others for being different No one in my team would deliberately act in a way that 15 undermines my efforts Strongly agree or agree Neither agree nor disagree Disagree or strongly disagree

Figure 5: Psychological safety at work (%)

Note: Does not add up to 100% because of 'don't know' answers.

In addition to the three psychological safety questions, we also ask whether employees experienced discriminatory behaviour. Six per cent of all employees say they experienced discriminatory behaviour, with the vast majority (72%) of these saying it was not resolved. There is, understandably, a strong link to job satisfaction here, with those who experienced discrimination much less likely to be satisfied with their jobs (48% satisfied) compared with those who have not experienced discrimination (83% satisfied).

Work-life balance

Work—life balance has always been a crucial component of job quality, but its importance has come under further spotlight during the pandemic, as many employees suddenly had to navigate homeworking with home-schooling or other personal responsibilities. The lines between our working and personal lives, and the right balance between the two, are crucial to our wellbeing. Figure 6 summarises the responses to a series of questions in the survey to help us tease out some of these themes.

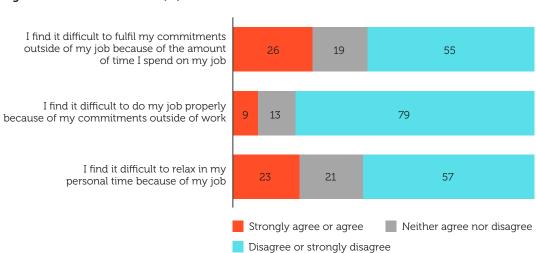


Figure 6: Work-life balance (%)

Furthermore, caring responsibilities are a significant factor across the three questions. Sixteen per cent of those caring for children and 12% of those caring for an adult say they find it difficult to do their job properly, compared with just 5% of those with no caring responsibilities.

Finally, last year we also found that full-time homeworkers have the most positive work-life balance scores and hybrid workers the poorest. This remains true this year for the question around relaxing in personal time, as it is linked to occupation and workload, as well as factors like management level – for example, 27% of senior managers find it hard to relax, compared with 19% of those without any managerial responsibility.

Security

The second fair work dimension primarily covers employee pay, benefits and contractual arrangements. Security and stability in employment, in addition to a predictable income, are important job quality and fair work aspects that impact on individuals' and their families' quality of life. The cost-of-living crisis, coupled with widespread skills and labour shortages, has also increased the importance of reward and broader financial wellbeing.

Key findings

- A tight labour market continues to be reflected in higher job security and confidence among employees, especially those on lower incomes.
- There has been a drop in employees' ability to keep up with bills across all income bands. Twenty per cent of all employees have lost sleep due to money worries.
- The median pay of key workers is significantly lower than for non-key workers. Key workers are also more likely to feel underpaid.

Pay and benefits

Our analysis distinguishes between 'objective' and 'subjective' measures of pay. Objective measures are relatively straightforward – an employee's hourly wage, weekly income or annual salary. However, this doesn't consider how an employee feels about how they're remunerated for the work they do – this is known as subjective pay.

The survey finds a median gross annual salary of £26,969 across our sample, which is in line with the Scottish median of £27,710 recorded in the latest official statistics. The survey results consistently show a significant gender

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pay gap as well as the pay gap between key workers and non-key workers in the median gross annual salary. Furthermore, if the data is broken down by occupation (SOC 2020), there is consistency with official statistics, which show a link between occupational classes and annual median pay.

Consistent with previous *Working Lives Scotland* reports, both life and job satisfaction are higher for those earning £40,000 and above per year compared with those in lower income bands. It is, however, important to note that while there is good correlation between salary and job satisfaction, some highly paid jobs exhibit several qualities that may be considered negative – for example, around workload, work–life balance and stress.

In 2021, we saw a considerable drop in life satisfaction due to the impact of the pandemic. The 50% from last year's survey rose back to 62% in 2022 and remains at 63% in this year's survey – below the 2020 high of 69%. We find life and job satisfaction closely aligned across all income bands, as shown in Figures 7 and 8.

Figure 7: Life satisfaction, by income (%)

Figure 8: Job satisfaction, by income (%)



Reward packages are much broader than just salaries. Figure 9 shows a breakdown of a range of employee benefits across Scotland. We find public sector employees report better access to employee benefits, with the biggest differences in enhanced leave benefits – 75% of public sector employees have either used or have availability, compared with only 42% of private sector employees.

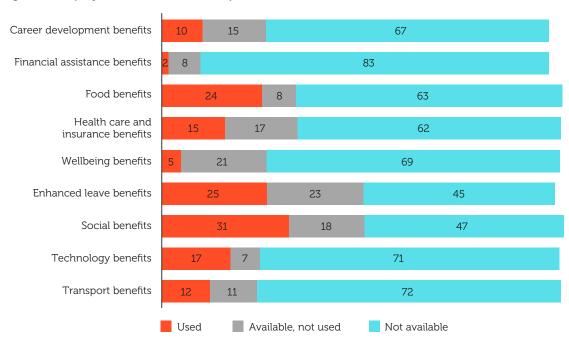


Figure 9: Employee benefits other than pensions (%)

Cost-of-living crisis

Last year, we added a series of questions to ascertain whether an employee's income is sufficient to cover their bills and credit commitments. We expanded on these this year to show the impact of the cost-of-living crisis on employee health as well as questions to show whether they feel their employer is doing enough on financial wellbeing.

On coping with financial commitments, we unsurprisingly find persisting differences by income band, but also year-on-year drops in the ability of employees to keep up with bills across all income levels. Only about half (49%) of all employees say that they are keeping up with all bills and commitments without any difficulties.

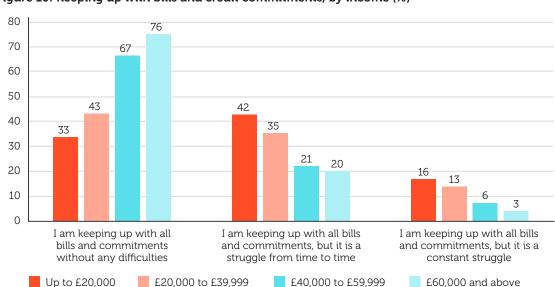


Figure 10: Keeping up with bills and credit commitments, by income (%)

When asking about the impact money worries had on employees, it is only those in the highest income bracket that report significantly lower impacts compared with the average. Thirteen per cent of those earning more than £60,000 per year say money worries had an adverse impact, compared with 29% overall. We find a fifth (20%) of employees lost sleep due to money worries, 13% had health problems, and 11% said they found it hard to concentrate.

Figure 11 shows a breakdown of answers to a series of questions around pay sufficiency as well as employer response to the cost-of-living crisis. Perhaps most strikingly, we find that nearly half (47%) of all employees don't think that their pay is enough to save for retirement, rising to 71% for those on the lowest incomes (up to £20,000 per year).

Interestingly, we find no differences by sector or organisation size when it comes to employer approaches to financial wellbeing, although there is a considerable difference between private and public sector employees around the generosity of pension schemes.

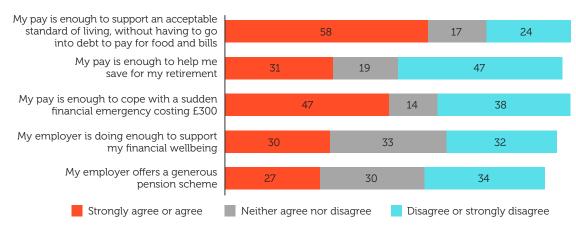


Figure 11: Pay sufficiency and employer responses to the cost-of-living crisis (%)

Subjective measures of pay

In addition to objective measures of pay, *Working Lives Scotland* looks at subjective measures of pay and what we call 'work centrality' – what role work plays in employees' lives. Results show that 43% of employees feel they get paid appropriately for the work that they do. As in previous years, there is a positive correlation between this and reported salary levels – those on higher salaries are more likely to feel they are paid appropriately.

We find significant differences here by key worker status, with 44% of key workers disagreeing with the statement, compared with 33% of employees not in key worker roles. Furthermore, we find women report lower satisfaction with their pay compared with men.

Our two work centrality questions measure the relative importance of work in our lives. Fifty-five per cent of employees stated they would enjoy having a paid job even if they did not need the money, and 42% say that a job is just a way of earning money. On the second question, we find older workers (55+) expressing higher-than-average disagreement (45%) as well as those working in the voluntary sector (52%).

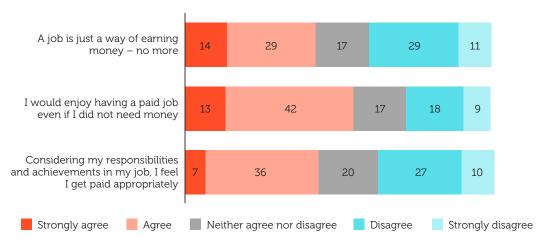


Figure 12: Subjective measures of pay and work centrality (%)

Types of contract

Contractual working arrangements and the related issues of job and hours insecurity, as well as underemployment, where employees aren't working as much as they would like, are aspects of job quality that have risen within the public policy agenda in recent years. While our survey includes questions on contractual type, the sample size for non-standard contracts is relatively small, so the level of analysis we can do for Scotland is limited. Our UK-wide *Good Work Index* reports use a larger UK-wide sample and provide interesting insight into UK-wide job quality in relation to non-standard contracts.

Working Lives Scotland asks about a range of contract types in Scotland. The breakdown of those surveyed in the report is presented in Figure 13.

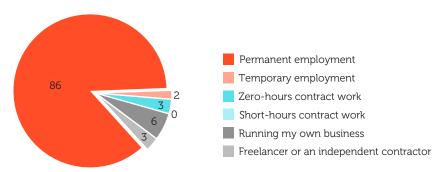


Figure 13: Types of contract (%)

In line with ONS data, we find women were much more likely to work part-time than men. This is widely attributed to caring responsibilities, which remain significantly gendered despite policy interventions. We also see disabled people less likely to be in full-time employment (56% v 68% of those not disabled). Moreover, for both women and disabled employees, we find higher levels of underemployment.

Furthermore, in line with previous years, we find a higher percentage of self-employment and part-time employment among those aged 55+. Flexibility in working hours has been highlighted in <u>research</u> as a key factor in the retention and recruitment of older workers.

Job security

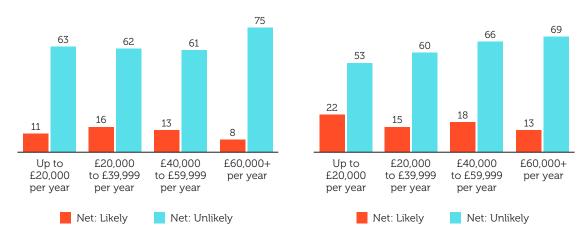
In addition to pay levels and contractual arrangements (that is, objective measures), the survey asks two questions to assess employees' perceived job security (subjective measures). It asks whether employees think they are likely to lose their job in the next 12 months and whether they are likely to quit their job in the next 12 months.

There were significant changes to the likelihood to quit measure during the pandemic, but we continue to see a return to higher proportions this year – 16% of employees say they are likely to quit their jobs. There remains a strong link to job satisfaction, with 43% of those dissatisfied saying they would likely quit, compared with only 10% of those satisfied.

The persistently tight labour market is reflected in the findings around the 'likelihood to lose job' measure, with 63% of employees saying it was unlikely they would lose their job in the next 12 months – the highest we've recorded. While those on the highest incomes (£60,000+) report the highest job security, there are no differences between the lower income bands, highlighting the improvements in job security for the lowest paid. In line with our previous Working Lives Scotland reports, the findings show that public sector employees feel more secure in their employment, as well as those with longer tenures.

Figure 14: Likelihood to lose job, by income (%)

Figure 15: Likelihood to quit, by income (%)



For those who are considering quitting over the next 12 months, we also asked why they were doing so. The top reasons given are virtually identical to those given by employees explaining their reasons for having quit in the past – better pay/benefits (23%), increase job satisfaction (21%), being unhappy with leadership of senior management (18%) and pursuing better work–life balance (18%).

In addition to the two job security questions, we also measure employees' confidence in the labour market – asking about the difficulty of finding a job as good as the one they currently have. The answers here also reflect the tight labour market, with 34% of employees saying this would be easy – the same proportion as last year.

Underemployment and overwork

In addition to the objective measure of hours worked, the survey asks employees how many hours they would like to work, while 'taking into account the need to earn a living'. This gives an indication of underemployment and overwork, which are elements of job quality.

Underemployment, where employees aren't working as much they would like, is a source of insecurity in the labour market. Results show that 86% of people work at least as much as they would like to, with around 14% saying they would like to work more hours than they currently do.

As in our past surveys, those in part-time roles and the self-employed are more likely to be underemployed – 27% and 26% respectively would like to work more hours, compared with only 8% of full-time workers. We also find women and disabled employees report higher underemployment – 19% and 20% of them say they would like to work more hours. Furthermore, across all four years of *Working Lives Scotland*, those in lower occupational classes are more likely to report underemployment – 20% for 'process, plant and machine operatives', 23% for 'sales and customer service occupations', and 29% for those in 'elementary occupations', compared with a 14% average.

On the other end of the scale, we can estimate overwork by measuring the difference between reported usual hours of work and preferred hours of work. The survey found that only 24% of employees work at least the hours they would like to, with 62% reporting some levels of overwork. Fifteen per cent of employees say they work 15 or more hours more than they would like to.

The presence of overwork is likely to impact negatively on how people balance work with their personal lives. Indeed, those who report overwork respond significantly worse to all three of our work–life balance questions. For example, 29% of those who say they would like to work fewer hours find it hard to relax in their personal lives because of their job, compared with only 10% of those who work the hours they want.

Opportunity

For work to be fair, opportunities must be made available for everyone regardless of race, age, gender or disability. Furthermore, skills development and career advancement opportunities are both important job quality elements. While this survey can't provide insight around issues like recruitment, it does allow us to expose some differences in opportunities available to different groups of employees.

Key findings

- A third (33%) of employees believe their job offers good prospects for career advancement, while 54% feel their job offers good opportunities to develop their skills.
- Significant gaps remain in the availability of flexible working arrangements, with working from home the only type of flexible working to have seen an increase over the four years of *Working Lives Scotland* reports.

• Home and hybrid working is firmly embedded, but a third (33%) of Scottish employees can't – and another 11% don't want to – work from home at all.

Personal and career development

Personal and career development opportunities form an important part of future job prospects, while at the same time having clear links with skills and several other job quality dimensions. From an employer perspective, we know that they are increasingly important in recruitment as well as in retention. Figure 16 summarises the answers received across the two questions we ask.

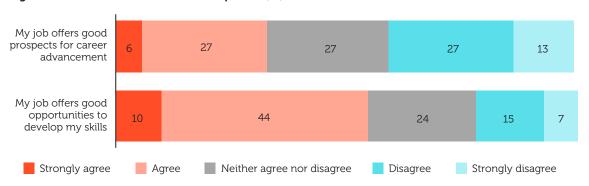


Figure 16: Personal and career development (%)

We again find differences in the perceived levels of opportunity across different employee groups. Just as in previous reports, we find women reporting poorer career advancement opportunities (44% disagree) than men (35% disagree), suggesting last year's findings were an outlier. We find a positive relationship between rising incomes and reported opportunities for career advancement – as shown in Figure 17. Of those earning more than £60,000 per year, 47% report good career advancement options, compared with 26% of those earning less than £20,000.

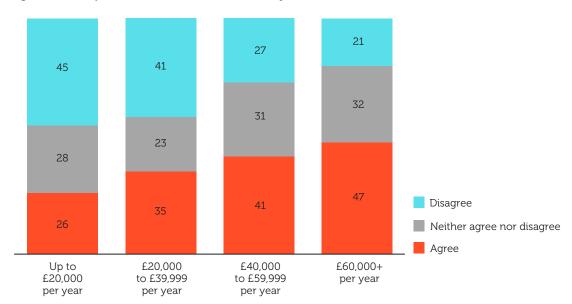


Figure 17: Prospects for career advancement, by income (%)

These differences are linked to occupational classes, as highlighted in previous *Working Lives Scotland* (WLS) reports. Looking at the data across all four years of the WLS survey, we find that only 16% of employees in 'elementary occupations' and 29% in 'administrative and secretarial occupations' report good career advancement options, compared with employees in 'caring, leisure and other service occupations' on 43% or 'professional occupations' on 40%.

On skills development opportunities, there are also significant differences between different income levels and skills development opportunities – they improve as employees move up the income scale. This indicates a lack of skills development for lower-paid occupations, confirmed when breaking the data down by occupational class. Employees in the three highest occupational classes across our four surveys report above-average skills development opportunities, with the opposite true for the three lowest occupational classes.

We note a drop in reported career advancement and skills development opportunities for older workers, with lower rates of agreement for those aged 45+. Given the public policy interest in the retention and recruitment of older workers, as well as continuing labour and skills shortages, this should remain an area of focus for policy-makers and employers alike.

Availability of flexible working

There are many different forms of flexible working, and it is crucial that homeworking does not become synonymous with flexible working – not all jobs can be done from home, not everybody can work from home and not everybody wants to work from home.

Working Lives Scotland looks at formal arrangements, but also at so-called informal flexibility, where flexibility is not a contractual agreement. On the formal side, we look at flexible working arrangements that focus on the organisation of time (when), reduction of work time (how much) as well as location (where).

The survey results continue to show a much higher proportion of employees working from home than before the pandemic. But they also show significant gaps in the availability and use of other forms of flexible working, summarised in Figure 18. These numbers have barely changed over the four years of our survey, with the exception of working from home. In total, 64% of respondents work flexibly in some form.

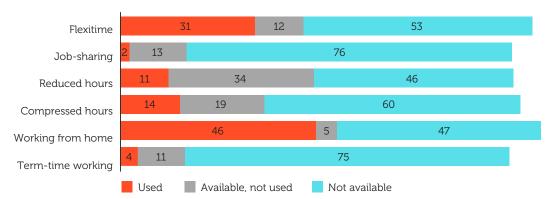


Figure 18: Availability and use of flexible working arrangements (%)

Note: Does not add up to 100% because of 'don't know' answers.

We continue to observe notable differences in the availability of flexible working between the public and private sectors, with greater availability in the public sector for every single flexible working option. We also find a significant gender difference in the usage of reduced hours (used by 14% of women and 8% of men), which past research suggests may be due to the aforementioned caring responsibilities.

The links between flexible working and a range of job quality dimensions continue to come across in this year's data. We find flexible workers report higher job and life satisfaction, more job autonomy, and better relationships with managers compared with those not working flexibly.

Home and hybrid working

The most obvious impact of the pandemic has been the increase in home and hybrid working across Scotland. We continue to see this in this year's data, with only a slight drop in the proportion of those who only work from home from 15% to 9% this year. There remain huge differences by income bands, reflecting the unavailability of homeworking across some industries and occupations.



Figure 19: Home and hybrid working, by personal income level (%)

Last year's data has shown a gradual embedding of these forms of flexibility in workplaces, with the homeworking preferences of employees largely matching their ways of working. We see these even stronger this year, with the vast majority of employees working from home or hybrid wishing to continue working that way (Figure 20). Overall, we find a slight disconnect between the proportion of employees who would like to work fully from home (14%) and the actual ways of working (9% fully work from home), perhaps reflecting a degree of reluctance towards returning to the office.

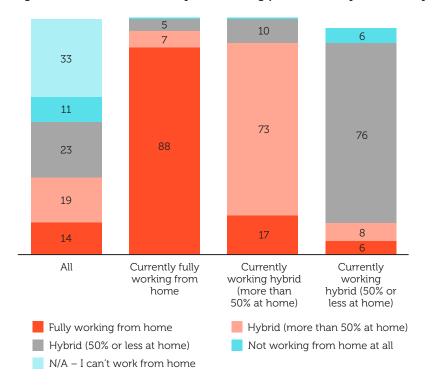


Figure 20: Future home and hybrid working preferences, by current ways of working (%)

Most importantly, however, we find that 33% of Scottish employees say that they are in jobs where they can't work from home at all. On top of that, 11% say they do not want to work from home at all. Combined, that's nearly half (44%) of all Scottish employees for whom the benefits of flexibility can only be unlocked by looking beyond homeworking. This is crucial not only from an individual wellbeing perspective, but also from an organisational inclusion and fairness point of view.

Informal flexibility

In addition to formal flexibility, we know that informal flexibility – without a formal change in employment contracts – can enable greater control over the way work interacts with the rest of our lives. We ask employees how difficult they would find taking some time off for personal or family matters.

The survey found that more than three-fifths of all employees report good informal flexibility in their jobs, with 61% saying they would find it easy to take time off for personal or family matters. We again see a direct correlation with income – employees in better-paid jobs reported more informal flexibility. This is due to lower-paid occupations generally reporting lower flexibility, with employees in 'caring, leisure, and other services', 'sales and customer services' and 'elementary occupations' finding taking time off the most difficult. This is also reflected in differences by key worker status – 30% of key workers say taking time off would be difficult, compared with 18% for those not in key worker roles. Similarly, 36% of those not working from home at all say this would be difficult, compared with only 8% of those working primarily from home.

7

Fulfilment

The intrinsic features of a job, how it is designed, what control an employee has and how it matches one's skillset are crucial to job quality. The Fair Work Framework calls this *fulfilment*. For many of its aspects, official data is not collected, and this chapter therefore provides a unique insight into these areas.

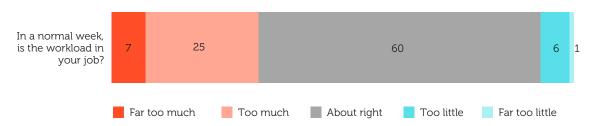
Key findings

- Thirty-two per cent of all employees report their workload as too heavy in a normal week. Key workers and senior managers are more likely to report workloads that are too heavy.
- Public sector employees and key workers are significantly more likely to feel their jobs are meaningful.
- More than a third of employees (36%) feel they are overqualified for their job, rising to 45% for those with undergraduate degrees.

Workload

In addition to concerns over the length of time spent in work, the intensity of work (how hard someone has to work to complete their tasks in a given time period) has become of increasing significance to our understanding of job quality. Our survey asks employees to rate their workload in a normal week. Figure 21 summarises the results and shows that for nearly a third (32%) of employees, their workload is too much or far too much.

Figure 21: Workload (%)



Workload, like other job quality elements, varies across occupational classes. Across our four surveys, we find that employees who are 'managers, directors and senior officials', work in 'professional occupations' or 'caring, leisure, and other services' report above-average workloads. This shows that high workload is not confined to lower- or higher-paid occupations, and it is the nature of tasks in jobs that is to blame.

We again find that key workers are more likely to be dissatisfied with their workload, with 37% reporting workloads that are too high, compared with 29% for non-key workers. Similarly, we find public sector workers report workloads that are too high (39%) as well as those in the voluntary sector (49%).

Furthermore, this year's data again shows that 39% of senior or other managers are reporting too much workload, compared with 27% of board-

level managers and 29% for those without management responsibility. People management is crucial to unlocking fair work, and we continue to find gaps in the level of training and amount of time managers say they have to manage their staff well. Nearly a quarter (24%) of those with management responsibilities disagreed that they receive the training and information they need to manage their colleagues well. In addition, 17% said they don't have the time they need to manage their staff well.

Adequate work resources

Performance at work is directly linked to the level of resources we have to do our jobs. The survey asked employees to answer five questions in relation to adequate work resources and finds that most employees report good access to training, equipment, premises and digital tools – summarised in Figure 22.

As in previous years, the biggest gaps continue to be around training and time. Nearly a fifth (19%) of employees say they don't receive training and information to do their jobs well, and 20% saying they don't have enough time to get their work done. Our four surveys have uncovered interesting differences by occupation. On *training*, there is consistency across occupational groups, with the exception of 'caring, leisure and other service occupations', who record the highest agreement. On *time*, it is the two highest occupational classes that do the worst, with more than 30% of 'managers, directors and senior officials' as well as those in 'professional occupations' disagreeing that they have enough time.

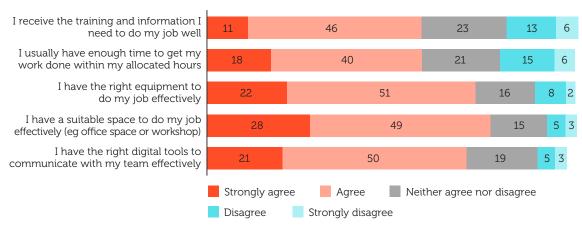


Figure 22: Adequacy of work resources (%)

Note: Does not add up to 100% because of 'don't know' answers.

Job autonomy and complexity

The presence and level of autonomy forms an important part of job quality. Our research shows it can enable employees to cope with greater work demands, boosts productivity and impacts on the wellbeing of employees. The survey measures control over the time employees start or finish their day, how they do their work, the pace at which they work and the tasks in their job.

Figure 23 summarises the findings in relation to job autonomy. The fact that none of these meaningfully changed during the pandemic and afterwards provides evidence on how persistent job design is. Employees continue to have less autonomy when it comes to starting and finishing their working day compared with the other aspects of autonomy measured. This mirrors the flexible working data mentioned above, which found 53% of employees did not have flexitime available to them.

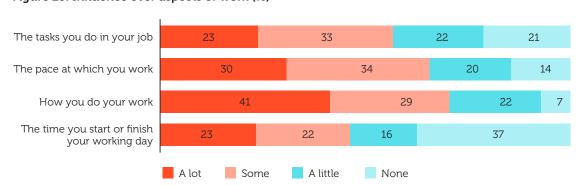


Figure 23: Influence over aspects of work (%)

The relationship between occupations, income bands and job autonomy again come through in the findings. Those on the highest incomes report significantly more autonomy across all four dimensions – for example, 74% of those with an annual income of more than £60,000 say they have a lot/some autonomy over their working hours, in contrast with just 30% of those earning less than £20,000.

Given the nature of such jobs, those with flexible working arrangements and those working hybrid or fully from home also report better job autonomy, especially on the question around working hours. Conversely, key workers' job autonomy is considerably poorer across all four aspects measured.

Linked to job autonomy is the issue of job complexity. This looks at the nature of an employee's job and whether it involves interesting or monotonous tasks as well as problem-solving. Figure 24 summarises the findings, which have also remained consistent over the four *Working Lives Scotland* reports.

Here, as with job autonomy, the main differences sit with income and occupation. For example, across our four surveys, while 83% of 'managers, directors and senior officials' report their job involves solving unforeseen problems on their own always or often, only 40% of those in 'elementary occupations' report the same.

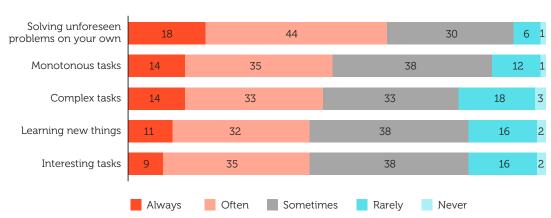


Figure 24: Job complexity (%)

Meaningful work

Another aspect of job quality is the perceived meaningfulness of work. Research shows that this can be an effective recruitment and retention tool, but it also links to individual performance. Our survey questions include whether employees feel they make a useful contribution through their work – be it to the organisation or to society as a whole.

Figure 25 shows a significant majority (72%) of employees feel they are doing useful work for their organisation, although only 44% feel highly motivated by the organisation's core purpose. Following the significant increase during the pandemic, we see only around half (51%) of employees say their work is useful for society. However, we continue to see significant differences between key workers (65% agree) and non-key workers (41%).

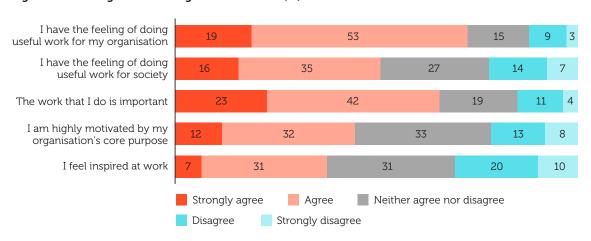


Figure 25: Feelings on meaningfulness of work (%)

In line with previous research, we find very strong correlation with job satisfaction across all five questions, with those who agree with the statements at least seven times more likely to be satisfied than dissatisfied with their jobs. The correlation is only slightly weaker for life satisfaction. We also see that those in meaningful jobs report much better contextual performance – being more likely to help others, go above and beyond, or make innovative suggestions.

As in previous years, we find considerable differences across the questions by work sector, as highlighted in Figure 26. We know from discussions with members that meaningfulness of work is a powerful tool in public and voluntary sector roles, which can exhibit poorer job quality dimensions elsewhere (eg workloads).

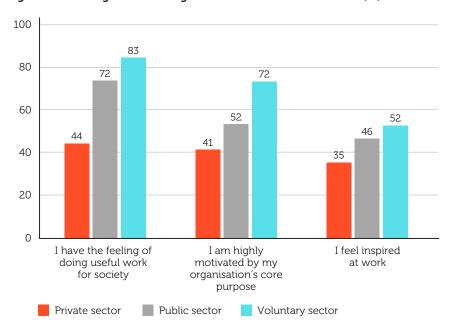


Figure 26: Feelings on meaningfulness of work across sectors (%)

There are interesting differences between occupational classes, consistent across our four surveys. On the question of doing useful work for society, the two occupational classes that stand out are those working in 'caring, leisure and other services' and 'professional occupations', both of which record much higher levels of agreement (72% and 65% respectively) than the average (56%). These occupational classes include health and teaching professionals as well as scientific researchers, which are likely the drivers of these findings.

Skills and qualification match

There has been an increased level of interest in overqualification and skills mismatches in the economy, as most sectors continue to struggle with skills and labour shortages. The CIPD's <u>report</u> on overqualification has led to a series of discussions on a policy level, centred around careers advice and work-based learning.

However, the opportunity to use one's skills and qualifications to their full extent is a crucial element of fair work. Skills mismatches and overqualification do not just point to inefficiencies in the labour market, but have an impact on performance as well as individual wellbeing.

We measure skills and qualification matches by asking employees whether they feel they have the right qualifications for their job and whether they have the skills to cope with their current duties, as summarised in Figure 27.

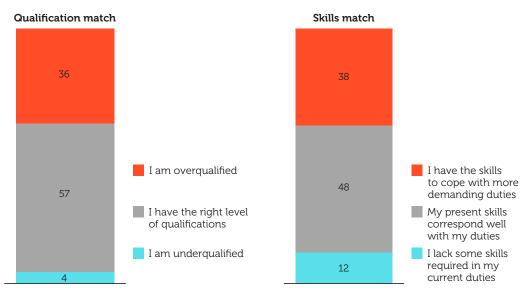


Figure 27: Qualification and skills matching (%)

The incidence of overqualification differs according to the highest achieved qualification and, in consequence, by income too (as illustrated in Figure 28). Of those with lower qualifications, 18% feel overqualified, compared with 45% of those with undergraduate university degrees and 42% of those with postgraduate degrees.

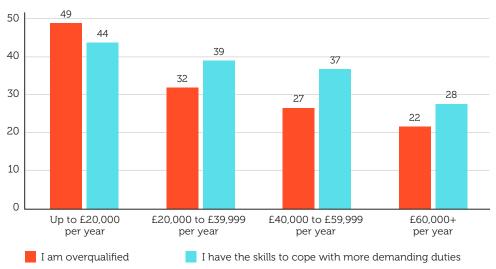


Figure 28: Overqualification and skills underuse, by income (%)

Combining the responses from our four surveys into a bigger sample allows us to provide a better picture of the differences between occupational classes, reducing the likelihood of outliers across the years. Perhaps unsurprisingly, we find that the incidence of overqualification is highest among employees in 'elementary occupations', followed by 'sales and customer service occupations' and 'administrative and secretarial occupations'.

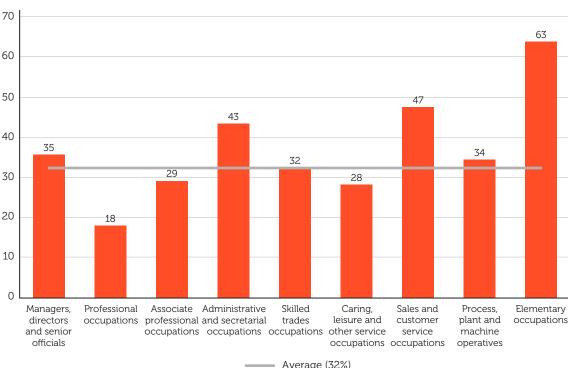


Figure 29: Overqualification, by occupation class across four Working Lives Scotland reports (2020-23)(%)

Average (32%)

Effective voice

The importance of effective voice channels has been thrust into the spotlight during the pandemic (as employers boosted communication with employees) and the cost-of-living crisis (with widespread collective action).

Having an effective voice at work means employees can push for change, are able to express concerns and provide feedback. We have seen improvements in voice scores in our last two reports - one of the only dimensions of job quality to have changed.

Key findings

- A fifth (20%) of employees say they have no voice channel at all at work. The availability of voice channels is considerably better in the public sector.
- One-to-one meetings with managers and team meetings are seen as most effective for expressing views. Employee surveys are seen as least effective.
- We see a considerable drop in employee voice scores compared with the last two years, erasing the progress recorded during and immediately after the pandemic.

Voice channels

We asked employees to tell us about the availability of a range of voice channels in their workplaces. Figure 30 shows that – as in all our Working Lives Scotland reports - the most common voice channels are one-to-one meetings with managers and team meetings, available to 57% and 47% of employees respectively. A fifth (20%) of employees report the availability of a trade union in their workplace.

Twenty per cent of employees say they have no voice channel at all. We again see a link to organisation size, with 30% of all employees working in SMEs (2–249 employees) saying they had no voice channel at all, compared with 10% of those in organisations with 250+ employees.

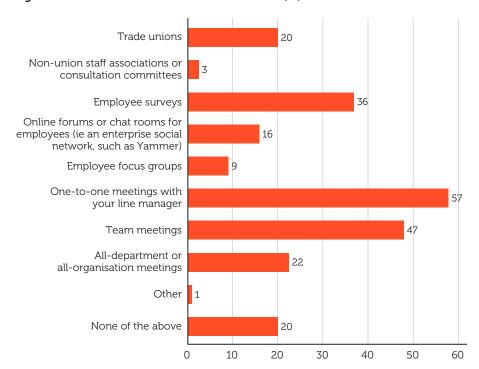


Figure 30: Voice channels available to workers (%)

These differences by organisation size translate into significant differences in the availability of voice channels between the public and private sectors in Scotland. Twenty-four per cent of private sector employees report no voice channels at all, compared with only 4% of public sector employees. This is because 72% of public sector employees work in organisations with more than 1,000 employees, compared with only 27% of private sector employees.

All of the channels examined have better availability in the public sector. The biggest differences in availability of the individual types of channel are observed in trade union channels (59% public sector v 11% private sector), employee surveys (62% public v 31% private) and team meetings (69% public v 41% private).

This year's survey included a series of additional questions around employee voice to ascertain the demand for voice channels as well as their use and perceived effectiveness. For those who said they did not have any voice channels at work, we asked them to select which ones they would use if they were available to them. Nearly half (46%) said none, indicating a concerning level of disengagement from their workplaces. The most popular channel was

30 Effective voice

one-to-one meetings with managers (28%), followed by employee surveys (20%) and team meetings (17%).

Out of those who had channels available, the majority say they made use of them to express views to senior management, with more than 90% of employees having used manager meetings, team meetings or organisational meetings. Only 53% say they used their trade union, but their purpose is of course broader than just to express views to management.

Figure 31 summarises the perceived effectiveness of the voice channels that employees used, asking how good or poor respondents felt the channels were for expressing views to senior management. Employee surveys stand out as the poorest, followed by all-department or all-organisation meetings – highlighting that these can only be a part of effective voice in organisations.

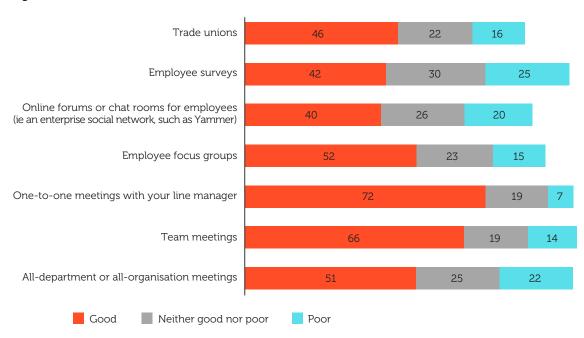


Figure 31: Perceived effectiveness of voice channels used (%)

Note: Does not add up to 100% because of 'don't know' answers.

Employee rating of their representatives

For those employees who report having an employee representative at work – around a fifth in the survey – their representatives' performance is crucial to the effectiveness of their voice. The vast majority of employee representatives will be trade unions, but the survey also included representatives who work independently from trade unions.

The majority of employees rated their representatives relatively well, with 44% saying they keep employees informed of management discussions or decisions, 42% saying they represent employee views to senior management, and 43% saying they seek the views of employees. With the exception of the second question, these proportions are similar to where they were in our first, pre-pandemic, *Working Lives Scotland 2020*.

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Seeking the views of employees 43 25 23 Representing employee views 42 25 21 to senior management Keeping employees informed of 25 22 management discussions or decisions Neither good nor poor Poor or very poor Very good or good

Figure 32: Employee ratings of their representatives (%)

Note: Does not add up to 100% because of 'don't know' answers.

Managerial openness

For all employees in our survey (excluding the self-employed), we also measure what we call 'managerial openness' to measure voice effectiveness. Employees are asked to rate the performance of their manager across four different questions – whether they allow employees (or employee representatives) to influence final decisions, whether they respond to suggestions, whether they seek employee views, and whether they keep employees informed.

Figure 33 summarises the findings, which are the lowest we have seen across our four surveys. Managers were again rated the poorest in the first of the questions, with only 25% of employees rating their managers as good or very good in allowing influence over final decisions – a third (33%) rated them poor or very poor.

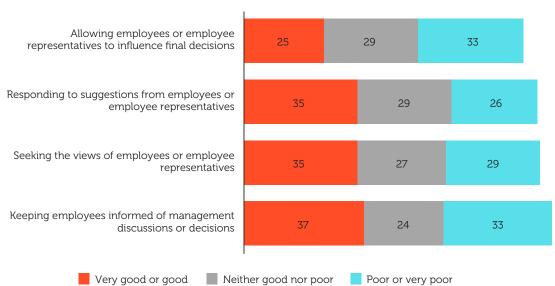


Figure 33: Employee ratings of their managers (%)

Note: Does not add to 100% because of 'don't know' answers.

Effective voice

These findings are disappointing. The last two years have seen a gradual improvement in voice scores across the managerial and representative series of questions. We recorded considerable improvements in voice scores for large employers in 2021, followed by improvements across SMEs in 2022. This year's findings show a drop across employees of all organisational sizes, with some of the indicators falling below the poorest scores we recorded in our first survey in 2020 (Figure 34).

It is likely that the inflation-driven cost-of-living crisis, coupled with the prominent series of collective action across many sectors of the economy, contributed to these results. Employees may feel that their concerns are not listened to and decisions about pay not communicated clearly. This does not necessarily mean that organisations dropped their focus on employee voice, although it is possible that the succession of crises is taking its toll. Nonetheless, it should ring alarm bells over the perceptions employees have.

2.6 2.5 2.1 2.0 1.9 2.0 1.5 1.0 1.0 0.6 0.4 0.5 0.3 0.0 2020 2021 2022 2023 Managerial openness Representative quality

Figure 34: Employee voice scores for managerial openness and representative effectiveness across four years of *Working Lives Scotland* surveys

9

Conclusions and recommendations

Each Working Lives Scotland report provides additional evidence for policy-makers, employers and HR practitioners who want to improve job quality across Scottish workplaces. Improving the fairness of work benefits the wellbeing of individual employees, but it can also boost their performance – and in turn helps boost organisational productivity. But significant inequalities and trade-offs between elements of fair work remain.

We conclude by looking back over the report's key areas and providing some recommendations for employers, practitioners and people professionals in Scotland.

Respect

While we haven't seen the negative pandemic impact on employee health that many feared, we continue to find more than a quarter of employees reporting that their work is having a negative impact on their mental or physical health, with many reporting health conditions to which their work contributed. And while around half say that their organisation encourages people to talk about their mental health, the majority of those who reported mental health conditions never discussed them with their employer.

Concerningly, we find presenteeism at its highest level across our four *Working Lives Scotland* reports, with 58% saying they go to work despite not being well enough to do so. The proportions are even worse for disabled employees. Carers also report much poorer work–life balance, as do those who work hybrid.

Recommendations:

- ✓ Foster an organisational culture that focuses on wellbeing.
- ✓ Focus on improving management quality that allows open and honest conversations around mental and physical wellbeing.
- ✓ Keep work—life balance considerations in mind for those with caring responsibilities and be flexible in your approach.

Security

The tight labour market continues to be reflected in good job security, especially for those on the lowest incomes. However, the cost-of-living crisis is reflected in the fact that, no matter what their income, employees' ability to meet their financial commitments has dropped year-on-year. We see some worrying impacts on people's health as well as gaps in employer support.

Of course, it is those on lowest incomes that struggle the most. In addition to the cost-of-living crisis, we see links between job and life satisfaction and income bands – reflected further in subjective pay, or whether employees feel they are paid appropriately. Underemployment levels remain broadly the same, but more than a quarter of those in part-time and self-employed roles would like to work more.

Recommendations:

- ✓ Increase your focus on financial wellbeing by reviewing your financial wellbeing policy and benefits packages to make sure they're working hard enough for those most in need.
- ✓ Boost career advancement pathways as part of your financial wellbeing approach.
- ✓ Train your managers to be able to signpost to the right type of support and empower your employees to be heard.

Opportunity

Home and hybrid working is here to stay, with these types of flexible working embedding further. There is a slight disconnect between full-time homeworking preferences and ways of working, perhaps signalling some reluctant return to offices. We see those who primarily work from home report poorer relationships with colleagues, but rating their manager better, as well as some work—life balance concerns for hybrid workers. Crucially, though, we continue to find gaps in all other forms of flexibility. With nearly half of all Scottish employees either unable or not wanting to work from home at all, this is a gap that employers need to close.

Skills and career advancement opportunities are in line with previous years, with persisting gaps in both for lower occupational classes and income bands as well as for older workers and women.

Recommendations:

- ✓ Increase your focus on developing collaborative relationships as part of a hybrid workplace.
- ✓ Review your flexible working practices, where possible, to ensure your employees have access to a broad range of flexible working arrangements.
- ✓ Drive skills and career progression in your organisation by addressing gaps in access to training and development and avoid making assumptions around age or gender.

Fulfilment

Occupational differences persist in job autonomy or job complexity, where higher occupational classes continue to do much better. On the other hand, we also find workloads that are too high, which are not confined to high- or low-paying jobs and are instead linked to job design itself. Generally, we see good access to adequate resources, although around a fifth of all employees say they don't get enough training to do their jobs well.

The meaningfulness of jobs remains an aspect of job quality where public and voluntary sector workers, as well as key workers more broadly, continue to do significantly better. The main trade-offs they make, however, around workloads, stress or pay need to be addressed if these are to remain sustainable roles.

High levels of skills and qualification mismatches remain and continue to shine a light on a degree of mismatch between the skills development system and labour market demands. We find 43% of employees with undergraduate degrees feeling overqualified for their roles, as well as higher overqualification levels in lower occupational classes. This needs to remain an area of focus for policy-makers.

Recommendations:

✓ Increase access to learning resources and ensure your managers have time to identify the training their employees need.

- ✓ Ensure managers themselves are well trained, with the skills and time to manage their staff effectively.
- ✓ Improve the way you design jobs to help boost job autonomy and complexity to drive up levels of job satisfaction.

Effective voice

With a series of additional questions around effective voice, we can supplement the findings across all our *Working Lives Scotland* reports. For example, we find that one-to-one meetings with managers and team meetings are seen as the most effective voice channels for expressing views, while employee surveys are seen as the least effective. A steady fifth of all employees say they do not have any voice channels at work at all – a bigger problem for the smallest of organisations, but one that can be easily addressed.

Most concerningly out of the entire survey, we see employee ratings of representatives fall back to the levels we've seen in our first report in 2020, and managerial openness levels drop even lower than that. After two years of improvements, and hopes of a permanent positive pandemic impact, this is disappointing. We record worsening voice scores across all sectors and all organisational sizes.

Recommendations:

- ✓ Redouble your efforts to boost communication by ensuring you have the right voice channels in place and that employees know how to use them.
- ✓ Take steps to improve your organisation's voice scores by actively engaging your employees more often and in the right way.
- ✓ Keep in mind the perceived effectiveness of different voice channels team meetings are preferable to employee surveys.

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Appendix

Background to the survey

The Working Lives Scotland report builds on work carried out by the CIPD over the last few years through the <u>CIPD Good Work Index</u>, which uses the *UK Working Lives* (UKWL) survey to present annual measures of the seven dimensions of job quality.

Through analysis of our survey data, we can investigate issues ranging from workforce health and wellbeing to the availability of flexible work, as well as skills and career development opportunities. Where we can, we highlight statistically significant differences in gender, age or sector. This year's report uses a merged deduplicated dataset across four years of WLS for occupational analysis. We also tease out differences in job quality between home and hybrid workers, and those who can't work from home at all. Finally, we continue to explore the differences between key workers and non-key workers.

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Unlike the CIPD *Good Work Index*, the *Working Lives Scotland* report is based around the five fair work dimensions as conceptualised by the Fair Work Convention in 2016. Each main chapter is dedicated to one dimension, with analysis of survey questions providing insight into the relevant aspects of fair work.

Survey design

In 2017, the CIPD embarked on a project to review the research on job quality and develop a tool to measure the main dimensions of job quality. To this end, it commissioned two reviews: first, from the perspectives of workers, on what constitutes good or poor job quality in addition to the opportunities and pitfalls in measuring it; and second, on the capacity workers have to influence their job quality and the shifting balance of power between employers and employees. This survey is based on this body of work and further consultation with academics, HR experts and government officials.

The 2023 *UK Working Lives* (UKWL) survey was conducted between 10 January and 9 February 2023 and gave a sample of 5,139 workers. To make the samples representative of the UK as a whole, quotas were used to target the sample and subsequent weights based on ONS figures are applied to the dataset. The sample is representative of the UK workforce in terms of gender, full- or part-time work status, organisation size within each sector, and industry. For the fourth time, we have a boosted sub-sample for Scotland of 1,010, which has been weighted to be representative of all Scottish working adults (aged 18+).

Good work and fair work

Job quality has become an increasingly important area of public policy in the UK, especially following Matthew Taylor's <u>Review of Modern Working Practices</u> published in 2017. Since its publication, numerous initiatives have been launched across the UK, seeking to improve job quality among businesses, including the <u>Good Work Standard</u> in London and the <u>Greater Manchester Good Employment Charter</u>.

However, it is Scotland that has been at the forefront of this debate. The Scottish Government set up the <u>Fair Work Convention</u> – bringing academics, businesses and union leaders together – as far back as 2015. Its <u>Fair Work Framework</u> was published a year later and has served as the basis for policymaking since then. For example, the Scottish Government continues to roll out <u>Fair Work First</u>, which ties fair work principles to financial assistance from the government where possible.

The survey we are analysing in this report analyses both objective and subjective measures, as well as universal and relative aspects of work. This is important because, as our previous reports have already highlighted, job quality is not static – what works for some employees will be anathema to others.

Objective measures look at things that should be unbiased, for example, how much people earn or types of contracts. Subjective measures, on the other hand, include things that reflect opinions or feelings – meaningful work, job satisfaction or the quality of relationships. In addition, we also

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look at measures that are universal and will improve job quality for anyone (eg health), but also at aspects that are relative and will differ between employees (eg flexible working arrangements). To get an accurate picture of job quality, we need to look at all of these in the round.

Table 1: The CIPD's seven dimensions of job quality

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

The Fair Work Convention conceptualised job quality on academic research pulled together primarily by the <u>Scottish Centre for Employment Research</u> at the University of Strathclyde. The Convention defined fair work through five dimensions: effective voice, opportunity, security, fulfilment and respect. The dimensions cover a broad range of issues – from how employees are treated at work, to pay and conditions, and whether they can have their voice heard and influence change.

The CIPD's good work dimensions can be found in some form across the Fair Work Convention's framework too. 'Pay and benefits' and 'contracts' are both key parts of the *Security* dimension in fair work. 'Health and wellbeing', 'relationships at work' and 'work-life balance' are all incorporated in the *respect* dimension. 'Job design and the nature of work' is a key part of the *fufilment* dimension, with 'voice and representation' directly translatable to *effective voice*. Our survey also includes questions around career and skills development opportunities, which sit at the heart of the *opportunity* dimension.

Ultimately, it does not matter whether we refer to good work, better employment, fair work or any other variation of the concept. What matters is that there is an increasing body of research on job quality that provides policy-makers and HR practitioners with evidence on what works, what can be done better, and how boosting job quality benefits employees and employers alike.

38 Appendix

The Fair Work Convention's Fair Work Framework

SECURITY:

Security of employment, work and income are important foundations of a successful life. This can be achieved through, for example:

- Fair pay (for example, the real Living Wage)
- No inappropriate use of zero hours contracts or exploitative working patterns
- Collective arrangement for pay and conditions
- Building stability into contractual arrangements
- Flexible working to align with family life and caring commitments
- Employment security arrangements
- Fair opportunity for pay progression
- Sick pay and pension

RESPECT:

Fair Work is work in which people are respected and treated respectfully, whatever their role and status. This can be achieved through, for example:

- Considering the concerns of others
- Respect of behaviours and attitudes
- Policies and practices which are understood and applied that respect health, safety and wellbeing
- · Respect of workers' personal and family lives
- · Opportunities for flexible working

OPPORTUNITY:

Fair opportunity allows people to access and progress in work and employment and is a crucial dimension of Fair Work. This can be achieved through, for example:

- Robust recruitment and selection procedures
- Paid internships
- Training and development opportunities
- Promotion and progression practices
- · Buddying and mentoring
- Engaging with diverse and local communities



FULFILMENT:

It is widely accepted that fulfilment is a key factor in both individual and organisational wellbeing. This includes the opportunity to use one's skills, to be able to influence work, to have some control and to have access to training and development. This can be achieved through, for example:

- Effective skills use
- Autonomy, opportunities to problem solve and make a difference
- Investing in training, learning and skills development and career advancement

EFFECTIVE VOICE:

The ability to speak, individually or collectively, for example, through a recognised trade union, and to be listened to, is closely linked to the development of respectful and reciprocal working relationships. Effective voice underpins the other dimensions of Fair Work, and real dialogue between organisational stakeholders can help deliver on opportunity, security, fulfilment and respect. This can be achieved through, for example:

- Enabling staff to have a voice at all levels
- Openness, transparency, dialogue and tolerance of different views
- Formal and informal structures
- Union recognition and collective bargaining

Source: from the Scottish Government's <u>Best Practice Guidance on Addressing Fair Work Practices</u>, <u>including the Real Living Wage, in Procurement</u>



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