CEP Well-Being Seminar Series
Work and Well-Being

Job Quality and Employee Wellbeing

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Outline

• Policy context
• Trends in Job quality
• Aspects of JQ and subjective well-being
• JQ and job satisfaction: a critique
• Alternative approaches to studying job quality and swb
Objective approach to job quality and well-being at work

• There are a range of human needs
• Higher quality jobs are those that provide individuals with the capability to meet their needs more fully
• Dimensions, extrinsic and intrinsic:
  – pay, security, hours and work-life balance;
  – skill use, autonomy, intensive effort, social support
Context

• Job quality increasingly important on policy horizon:
  – performance
  – well-being, meeting people's needs from work
  – participation
Baseline drivers of change:
• global economic competition
• macroeconomic instability
• technical and organisational change
  – management strategies
  – government micro policies
• NMW (1999)
• working time and paid holiday rights (1998)
• parental leave rights (1999 onwards)
• fair treatment for:
  – agency workers (2011)
• Right to request flexible working for parents (2003), carers for adults (2007)
Real Wages, 1997-2009
Hourly pay of all employees, indexed to 2009 prices: 10th, 50th and 90th percentiles.
Percent of Employed People Working More Than 45 Hours Per Week

![Chart showing percent of employed people working more than 45 hours per week from 1992 to 2009. The chart includes data for all, males, and females.](chart_image)

- **All**: Decreasing trend from approximately 25% in 1992 to around 15% in 2009.
- **Males**: Similar trend as All, with a slight increase around 1995 before decreasing.
- **Females**: Relatively stable trend with minor fluctuations, staying below 10% throughout the period.
Percentage of Employees With No Holiday Entitlement

Employees’ Annual Paid Holiday Entitlement
All employees reporting any holidays; excludes Public Holidays
High Skills Requirements in British Jobs, 1997-2006

- Graduate Job
- High Literacy
- High Influence
- High Computing

% of workers
Task Discretion in Britain, 1992-2006

Source: UK Skills Surveys
The Paradox of Teamwork in Britain

Source: UK Skills Surveys

See Gallie et al. ‘Teamwork, Productive Potential and Employee Welfare’
“Job requires hard work”

Source: Skills Survey series

Related facts: over 2001-6: work intensification notable among school teachers; and in Hotels and Restaurants
Autonomy and Subjective Well-Being

Studies show:

• positive relationships with work-related swb; especially along (Warr's) Enthusiasm-Depression axis.

• Intensive effort is negatively related to well-being.

• Some, but not all, studies showing interactive relationship between discretion/control and high effort in their relationship with swb (Karasek and Theorell model). (Reflected sometimes in health effects, e.g. Whitehall study.)

• Associations usually quite large; causation not established in some cases; dividends from reducing job strain greater than from hours reductions.

• urgently needs a policy focus
Employment Insecurity

• Several dimensions:
  – risk of job loss, loss of wages, fear of lack of employability

• Influence of external context on perceptions:
  – Perceived risk of job loss rises with unemployment
  – Perceived difficulty of re-employment rises with unemployment and rate of change of unemployment
  – So: what must be the impact of the recession?
Perceived Risk of Job Loss

% reporting at least an evens chance of job loss and unemployment

Source: UK Skills Surveys
Consequences

[Unemployment

• Multiple consequences:
  – financial loss, identity/psychic loss, (triggered poor health behaviours), impact on family

• Evidenced outcomes: loss of swb, long-term limiting illness, mental illness, cardiovascular disease, suicide mortality]

Employment Insecurity

• similar evidenced outcomes for swb and health
• affects many more people
Impacts on Life Satisfaction.

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<td>Unemployed</td>
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Women, Australia, 2001-7; mean = 7.9, sd=1.4
The misery multiplier
(effects on well-being of a rise in unemployment)

Direct:
• rise in unemployment, ~half a million since Oct 2008

Indirect
• In employment:
  – rise in risk of job loss, fall in employability
• Unemployed:
  – fall in employability

• Misery multiplier = (Direct + Indirect)/ Direct
• Acc. to Australian evidence, using two swb measures, the mm, ~ 3
Subjective approach to job quality and well-being at work*

- Job satisfaction is seen as a measure of subjective well-being at work.
- Therefore it is also a useful summary measure of job quality because a high quality job is one that causes subjective well-being.
- Eg. (Bryson et al. 2004, Clark 2011, Origo and Pagani 2009, Salvatori 2010)

*as currently operationalised by economists
Policy?

• Macroeconomic
• "Flexicurity": i.e. employability policies plus support while unemployed
• EPL ?? (Clark and Postel-Vinay, 2009)
Is there harmony between the objective and subjective approaches?

• Insecurity and unemployment reduce subjective well-being (see above)

• Occupational psychology suggests that the determinants of subjective work well-being are very similar to factors that would appear on an objective list:

• Warr’s list of determinants includes: opportunity for personal control; opportunity for skill use; external demands of the job; variety; environmental clarity; availability of money; physical security; supportive supervision; opportunity for interpersonal contact and valued social position (Warr 2007)
But....

- Studies of job satisfaction (well-being at work) based on national social surveys suggest that there is not always a clear relationship between job quality and job satisfaction (Brown et al 2011)
  - Higher job satisfaction of part-time, female employees (e.g. Clark 1997)
  - Lower job satisfaction of the better educated (e.g. Clark 1996)
  - Hairdressers have higher job satisfaction than university lecturers (Rose 2003)
  - International differences, eg. Mexican workers have higher job satisfaction that British workers (Muñoz de Bustillo et al. 2011)
  - Some studies find higher job satisfaction for temporary workers (e.g. Wooden and Warren 2004)
  - Unionised worker dissatisfaction (see Bryson et al 2004)
Making sense of these findings

- Job satisfaction = f(norms and expectations, job quality)

  ‘[job satisfaction evaluations] depend not only on the objective circumstances in which an individual finds himself but also on his psychological state and thus on aspirations, willingness to voice discontent and the hypothetical alternatives to which the current job is compared, and so forth..... Because job satisfaction reflects both objective and subjective factors, it is more complex than standard economic variables and requires more sophisticated and careful analysis. By altering the way persons respond to questions, variables like education (which raises aspirations) or collective bargaining (which provides a mechanism for “voicing” discontent) could have very different effects on job satisfaction than on objective economic conditions.’

(Freeman 1978: 139)
Adaption and homoestasis

Cummins (eg. 2010)

• Levels of subjective well-being tend to be similar in societies with very different objective conditions

• This is explained by a tendency to find satisfaction in whatever we have
Is job satisfaction capturing work well-being?

- Clark (1997) high job satisfaction among part-time women is the result of low norms and expectations, but it is still genuine subjective work well-being

- Walters (2005) qualitative interviews about job satisfaction with female check-out operators
  - Respondents expressed lower levels of well-being than had been suggested from the survey data on job satisfaction
How does job satisfaction relate to life satisfaction?

• Job satisfaction and life satisfaction do not move together (Clark 2011)

• Life satisfaction is a better predictor of future job satisfaction than job satisfaction is a predictor of future life satisfaction (Judge and Watanabe 1993)

• Much of the relationship between life satisfaction and job satisfaction is explained by trait effect (personality)
Strengths and limitations of job satisfaction as a measure of well-being

• Strengths
  – Dissatisfaction predicts quits and job search
  – Some evidence that dissatisfaction predicts poor mental health (although more research on this would be good)

• Limitations
  – Job satisfaction won’t do as a measure of overall job quality or subjective well-being
  – Doesn’t capture important dimensions of well-being (flourishing, mood/state effect)
  – Relationship between job satisfaction as a domain specific well-being measure and overall SWB not clear
Alternative approaches to job quality and well-being:

(1) Effect on well-being at work

• Use broader measures of subjective work well-being: e.g. the Warr model – subjective well-being has 3 dimensions:
  – pleasure/displeasure (job satisfaction), enthusiasm/depression, anxiety/comfort (e.g. Wood and De Menezes 2011; Green 2010)

• Look at the impact of ‘job disamenities’ on domain specific well-being
  – (Bockerman and Iimakunnas 2009)
Alternative approaches to job quality and well-being:
(2) Effect on general well-being

- Impact of different forms of employment/work conditions on overall well-being (mental health)
  - (Green 2011, Llena-Nozel 2009)

- Impact of retirement on well-being (mental health)
  - (Clark and Fawaz 2009)
Future research

• Making better sense of job satisfaction
  – Formation and measurement of norms and expectations
  – Mixed methods research to explain seeming anomalies in JS studies

• Impact of exogenous changes in job quality on subjective well-being (domain specific and overall)
  – Multi-dimensional measures, better tests for causation
  – What direction does the arrow of causality point in the work well-being/wellbeing relationship?

• To facilitate this:
  – Better measures of working conditions and well-being in social surveys, especially panel surveys (e.g. Understanding Society)
Reference list