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**EMPLOYMENT RELATIONS  
RESEARCH SERIES NO. 70**

## Changing job quality in Great Britain 1998-2004

ANDREW BROWN, ANDY CHARLWOOD,  
CHRISTOPHER FORDE AND  
DAVID SPENCER  
UNIVERSITY OF LEEDS

WERS 2004 GRANTS FUND

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# About EMAR

Employment Market Analysis and Research (EMAR) is as a multidisciplinary team of economists, social researchers and statisticians based in the Employment Relations Directorate of DTI.

Our role is to provide the evidence base for good policy making in employment relations, labour market and discrimination at work. We do this through:

- Conducting periodic socio-economic benchmark surveys.
- Commissioning external research projects and reports.
- Conducting in-house research and analysis.
- Assessing the regulatory impact of proposed employment law.
- Monitoring and evaluating of the impact of government policies

We publicly disseminate results of this research through the DTI Employment Relations Research Series and other publications. For further details of EMAR's work please see our web pages at:

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## About this publication

The project manager for this report was Carmen Alpin, Principal Research Officer in the Employment Market Analysis and Research branch.

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The views expressed in this publication does not necessarily reflect those of the Department or the Government. We publish it as a contribution towards open debate about how best we can achieve our objectives.

# Foreword

The Department of Trade and Industry's aims are to create the conditions for business success, and help the UK respond to the challenge of globalisation. As part of that objective we want a dynamic labour market that provides full employment, adaptability and choice, underpinned by decent minimum standards. DTI want to encourage high performance workplaces that add value, foster innovation and offer employees skilled and well-paid jobs.

There is a need for more robust empirical research around 'quality of work' issues, such as vulnerable workers, unfair treatment at work, and subjective well-being. To that end, we have organised our fourth annual DTI labour market conference on the theme *New Perspectives on Job Satisfaction and Well-Being*. The conference is held in London on 11-12 December 2006; most papers and presentations will be posted on our website. This publication is an important and highly relevant contribution to that conference. It points to a significant improvement in job quality in Great Britain between 1998 and 2004.

It is the first of 14 reports commissioned by DTI under the Workplace Employment Relations Survey (WERS) 2004 Grants Fund. The Fund is a Department of Trade and Industry initiative to develop the evidence base in areas of policy interest, raise awareness of this survey and encourage advanced data analysis based on the WERS 2004 datasets

A call for proposals was made in November 2005. Proposals were selected for their contribution to the evidence base and relevance to government policy. The Fund is administered by the Employment Market Analysis and Research branch (EMAR) and the Management, Leadership and Skills Unit (MLSU). More details on the WERS 2004 Grants Fund can be found here:

<http://www.dti.gov.uk/employment/research-evaluation/grants/wers>

More details on the Workplace Employment Relations Survey 2004 are here:

<http://www.dti.gov.uk/employment/research-evaluation/wers-2004>

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Grant Fitzner  
Director, Employment Market Analysis and Research

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This report is based on secondary analysis of the 1998 and 2004 Workplace Employment Relations Survey (WERS). WERS was originated by the Department of Trade and Industry, the Economic and Social Research Council (ESRC), the Advisory, Conciliation and Arbitration Service, and the Policy Studies Institute and the data was supplied to us by the ESRC Data Archive at the University of Essex. We are grateful to these organisations for allowing us access to the data. They are not responsible for any of the findings or claims made in the paper.

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# Executive summary

*This report finds some evidence of improvement in job quality in Britain. Between 1998 and 2004 employees became more satisfied with the sense of achievement that they got from work, felt that they gained more influence over their jobs, and perceived increasing job security and an improving climate of management/employee relations. This evidence contrasts with the deteriorating trend of job quality of the 1990s. However, effort levels have remained high relative to the early 1990s and levels of stress increased from 1998 to 2004.*

## Aims and objectives

A key aim of current government policy in Britain is the achievement of 'full and fulfilling employment'. While progress towards full employment is relatively easy to measure, measuring progress towards 'fulfilling employment' is a trickier task. The first aim of this report is to provide an evidence base against which progress towards fulfilling employment for all can be measured. Changes in a number of dimensions of job quality are examined over the period 1998 to 2004; these are job satisfaction, stress and effort, employee influence over their work, job security, the quality of employer-employee relations, and wages. Second, the data are used to separate out jobs in workplaces that shut between 1998 and 2004 and jobs in workplaces that opened over the same period so as to investigate the question of whether 'new' jobs in newly formed workplaces are better than 'old' jobs destroyed in workplace closure.

## Background

Interest in the question of job quality has been revived in recent years, for two main reasons. Firstly, there has been a concern that whilst employment in the British economy has increased – currently three-quarters of the British working age population are in employment – this must be seen in the context of a decline in job quality. Previous survey evidence suggests that job quality in Britain declined through the 1990s and may have stabilised in the early 2000s. Secondly, there has been a growing recognition in academic and public policy circles that the quality of employment is an important issue in its own right, affecting worker well-being and productivity.

## Job satisfaction

Satisfaction with the sense of achievement that employees got from work improved considerably between 1998 and 2004 for men and women, public and private sector workers, in new workplaces compared to workplaces that shut and for all income groups. There was little change in satisfaction with pay and satisfaction with influence, although female employees were less satisfied with pay in 2004 than they had been in 1998.

## Stress and effort

There was little change in work intensity between 1998 and 2004. Therefore the upward trend in work intensity reported in the 1990s has not continued but neither has it been reversed. There was an increase in employee stress measured by the extent to which employees worry about work outside of working hours, and this change was particularly noticeable among employees in new workplaces compared to employees in workplaces that shut down between 1998 and 2004.

## Job security

There was a considerable increase in the proportion of the workforce who felt that they were secure in their job between 1998 and 2004. This increase in job security was noticeable among all income groups, among men and women and in both the public and private sectors.

## Influence

There were improvements in employee perceptions of the influence they had over the pace at which work was done and the way in which employees did their work between 1998 and 2004. This finding suggests that the long run trend towards reductions in employee influence which has been apparent since 1986 may have come to a halt or been reversed. There were gender differences in change in influence, with men enjoying increased influence over the pace of work and women enjoying increased influence over the way in which they did their work.

## Employment relations

There were considerable improvements in employee perceptions of the quality of employment relations. These improvements were noticeable in both the public and private sectors, among men and women and across income groups.

## Wages and wage inequality

Real wages grew by slightly under the long term average of 2 per cent per annum. Growth rates of real wages were higher for private sector workers compared to those in the public sector and for women compared to men. Real wage growth was higher amongst the lower paid workers compared to high earners. There was some evidence which points to reductions in wage inequality between 1998 and 2004, although these reductions were generally relatively small.

## The causes of improvements in satisfaction with sense of achievement from work

Improvements in perceptions of job security and employment relations accounted for around half of the improvement in satisfaction with the sense of achievement that employees got from work. It seems likely that these improvements were related to favourable labour market conditions.

## About this project

This research was carried out as part of the Department of Trade and Industry's employment relations research programme, and was funded under the WERS 2004 Grants Fund. Further details on the Fund can be found here:

<http://www.dti.gov.uk/employment/research-evaluation/grants/wers>

The research reported in this report is based on secondary analysis of the 1998 and 2004 Workplace Employment Relations Surveys (WERS). WERS comprises of a survey of employees from around 2000 establishments and a survey of managers responsible for employment relations in those establishments. The 1998 survey included a panel element, which allowed identification of the fate (as at 2004) of all establishments that participated in the 1998 sweep of the survey.

This report focuses on the results from the employee survey, which is a representative sample of employees who have answered questions on the job they do, the wages they earn and the satisfaction that doing their job gives them, amongst other things. The report compares the responses of employees to questions on satisfaction, stress and effort, influence over work, job security, the quality of employment relations, and wages.

Supplementary information from the management and panel surveys is also drawn upon in order to identify industrial sector and workplace age plus a range of other control variables that are used in analysis of the factors likely to have caused some of the key results.

## About the authors

Andrew Brown is lecturer in Economics, Andy Charlwood and Chris Forde are senior lecturers in Employment Relations and David Spencer is senior lecturer in Economics, all at Leeds University Business School.

# 1

## The job quality debate

A key aspiration of current government labour market policy is the achievement of 'full and fulfilling employment' (DTI 2002; Hewitt 2004). While it is relatively straightforward to measure progress towards full employment, measuring progress towards 'fulfilling employment' is a trickier proposition. This report seeks to assess the progress made towards the goal of making employment more fulfilling for employees between 1998 and 2004. It does this by investigating changes in both objective and subjective measures of job quality in Great Britain, specifically employees' perceptions of job satisfaction, stress, work effort, influence over their jobs, job security and the quality of employer-employee relations, and employees' wages, as measured in the Workplace Employment Relations Survey (WERS).

A secondary objective is to gauge the extent to which new jobs created since 1998 are better or worse than jobs destroyed over the same period. There is a popular perception (see for example Ashley 2003) that many 'new' jobs are worse than the jobs that they have replaced. 'Good jobs', so it is claimed, have been displaced by 'bad jobs', leaving current workers less satisfied than those in earlier years. The existing empirical literature on job quality (Goos and Manning 2003, Green 2006) focuses on aggregate trends because there is no data that permits a distinction to be made between new and old jobs. This report is able to exploit a unique feature of WERS to identify explicitly the differences between new jobs and jobs that were destroyed through workplace closure.

WERS identifies jobs in existence in 1998 located in workplaces that had closed by 2004 and jobs in existence in 2004 located in workplaces that opened between 1998 and 2004. It is probable that most of the jobs in workplaces that closed will have been destroyed (although a small proportion may have been transferred to other workplaces) and that most jobs in new workplaces will be new jobs (although a small proportion may have been transferred from existing workplaces). Of course, this is by no means a comprehensive account of differences between jobs destroyed and jobs created, because some jobs will have been destroyed in workplaces that remained open and some jobs will have been created in workplaces that were already in existence. Nevertheless, the results are likely to be indicative of broader trends. This is the first time that a comparison of 'new' and 'old' jobs has been carried out using nationally representative survey data.

### The job quality debate

Interest in the question of job quality has been revived in recent years, for two main reasons. Firstly, there has been a concern that whilst employment in the British economy has increased – currently three-quarters of the British working age population are in employment – this must be seen in the context of a perceived decline in job quality. It is argued that there has been a general erosion of the degree of employee influence, a shift towards less advantageous

employment contracts, and rising work intensification, all in the context of low or declining trade union membership. Such perceived shifts have been accompanied by continuing structural change away from manufacturing towards services and a rise in non-standard forms of employment, against the general backdrop of the pressures of globalization and advances in technology (Goos and Manning 2003, Green 2004b, 2006).

Secondly, there has been a growing recognition in academic and public policy circles that the quality of employment is an important issue in its own right (Clark 2005, Layard 2005, Green 2006). Whilst in the past emphasis has been given to getting people into work by whatever route, it is now acknowledged to be important to consider how workers actually experience work itself. Thus, the quality of work has been seen as a key indicator of well-being and from an economic perspective it has been viewed as an important influence on productivity, which deserves to be considered alongside the volume of employment (Hewitt 2004, Johri 2005 Coats and Max 2005, Amicus 2006).

### **Measuring job quality**

It is generally recognised that job quality is a broad and multi-faceted concept, encompassing both factors intrinsic to work activity (such as effort, task discretion, skill level and type, and health and safety risks of the activity) and extrinsic to that activity (pay, job status, job security, job promotion prospects, etc.). Measurement of job quality may focus on a single indicator, such as the wage level; a range of indicators corresponding to the various facets of job quality; or an index that combines these various factors (Johri 2005).

Of particular interest is the availability in Britain of nationally representative survey data capturing the different aspects of job quality on a consistent basis through time. Important surveys include the 1992 Employment in Britain Survey (EBS), the 1997 and 2001 Skills Surveys, and the 2000 Working in Britain Survey. Also invaluable is the annual British Household Panel Survey (BHPS). WERS 1998 includes questions on job quality, which are repeated in WERS 2004, and this report will examine the changes through time in job quality from WERS 1998 to WERS 2004.

An area of debate across several disciplines concerns the nature and interpretation of the scales used in such survey data. Subjective measures of job quality usually employ a 5, 6 or 7 point scale. For example, the BHPS question on overall job satisfaction uses a 7 point scale from '1 completely dissatisfied' to '7 completely satisfied'. As discussed below, there is an observed decline of job quality on this measure through the 1990s from a mean of 5.53 in 1992 to one of 5.34 in 1999.

But how are changes such as this to be interpreted? It would be incorrect to interpret an aggregation across very different groups as tapping into the absolute value of true underlying job quality, given that it is implausible to argue that, for example, factory workers and merchant bankers have identical respective norms and expectations regarding work (see Edwards and Burkitt 2001, Green and Tsitsianis 2005).

However, it is possible to interpret *changes* in subjective measures of job quality through time as corresponding to *changes* in true underlying job quality *if* it is plausible to argue that norms and expectations have not changed during

that period. Green and Tsitsianis (2005, p.408) suggest that 10 years is a 'mid-term' range where it may well be plausible to assume no significant change in norms and expectations (subject to consideration of any major changes in the relevant social, political, economic and cultural environment). The data to be presented and analysed in this report refer to the 1998–2004 period so they can be cautiously interpreted as accurately reflecting changes in job quality.

### **Previous evidence and debate**

In terms of real wages and hours of work, the labour market in Britain has performed well since the early 1990s (Clark 2005, Fitzner 2006). Real wages have trended upwards by over 2 per cent per annum from the mid-1980s to the present. Hours worked remained fairly constant in the 1990s and have been falling in recent years (Fitzner 2006). However, the consideration of a richer set of measures of job quality gives a rather different picture.

Several different British surveys have consistently confirmed that 'overall job satisfaction' declined through most of the 1990s. There is stability in overall satisfaction levels during the early 2000s and it is clear that overall job satisfaction remained significantly lower in the early 2000s than it had been a decade earlier (Taylor 2002, Green 2004a, Clark 2005, Green and Tsitsianis 2005). Some argue that this single measure of job satisfaction encompasses and synthesises, from the actual respondents' point of view, the various facets of job quality (e.g. Johri 2005). However, others argue on psychometric or conceptual grounds against using just the question on 'overall job satisfaction' as a measure of job quality (e.g. Rose 2003). They suggest that a wide range of indicators of job quality should be considered as well.

Work effort and task discretion have been argued to be particularly important indicators of the quality of work. Green (2004a, 2004b) analyses the EBS and the 1997 and 2001 Skills Surveys, showing that work effort rose very significantly (by almost one third) from 1992 to 1997. There was a small, and statistically insignificant, fall in work effort from 1997 to 2001. Employee involvement as measured by influence over what and how tasks are done, on the other hand, fell through the 1990s in all industries and occupations (Felstead, Gallie, and Green 2002). Green and Tsitsianis (2005) thus explain the fall in overall job satisfaction in terms of the rise in work intensification and the decline in task discretion.

In accounting for these trends, Green places emphasis upon changes in computer-based technologies and work organisation. Focusing on the phenomenon of 'effort-biased technological change', Green (2004b, p.712) suggests that the increased use of computers in production have enabled managers both to monitor workers more effectively and to regulate the flow of work to workers. Human resource management policies, in addition, have sought to elicit greater involvement and commitment from workers, resulting in a rise in work effort. One consequence of these changes is that work has become much more pressurised and more demanding, with workers subject to increasing levels of stress and anxiety at work. For example, there is evidence that occupational illnesses in Britain grew over the course of the 1990s (Gardner and Oswald 2001).

Job security too has been seen as an important influence on job quality, with higher job security implying, other things being equal, higher job quality.

Feelings of job security are likely to be strongly pro-cyclical. The continuous falls in unemployment and rises in employment since the mid-1990s have created a favourable environment for employee expectations about job security (Green 2004b, Fitzner 2006). According to BHPS data, satisfaction with job security has in fact generally increased through the 1990s (Rose 2005), ruling it out as a factor in the decline in job satisfaction in Britain over this period.

Finally, it is important to consider differences in job quality at a disaggregate level, recognising that observed differences between groups may be due to differing norms and expectations, as well as to differences in underlying job quality. Women generally rate 'overall job satisfaction' more highly than do men; however, the gap between male and female satisfaction levels closed through the 1990s (Rose 2005). Job satisfaction is also generally measured as higher for the young and for the highly educated (Clark 2005). Public sector workers, in addition, are found to have suffered relatively higher levels of stress over the course of the 1990s (Gardner and Oswald 2001). Turning to work intensification, this has generally been measured as being of greater magnitude for women, for older workers, and for service and public sector employees (Green 2004a).

### **Structure of the report**

The above discussion has shown how the issue of job quality is inherently multifaceted. Overall, previous evidence suggests a decline in job quality through the 1990s that can be largely explained by increasing work intensity and decreasing task discretion. Evidence for the early 2000s suggests that job quality had stabilised.

With this in mind, the empirical analysis in the following chapters considers how a range of indicators of job quality have changed between 1998 and 2004. Has there been a decline in job quality over this period, continuing the downward trend evident during most of the 1990s? Further, analysis of changes will be provided by gender, public and private sectors and by five income groups. This will help to show whether the aggregate changes have been experienced by all sections of the workforce, or whether change has been unevenly spread across different sections of the workforce. Each chapter will also investigate whether the indicators of job quality under investigation are better in 'new' jobs in new workplaces compared to 'old' jobs destroyed by workplace closure.

Chapter two examines changes in job satisfaction. Chapters three and four consider changes in stress and effort, and changes in job security, respectively. Chapter five looks at changes in employee influence over how work is done, whilst chapter six is concerned with changes in the climate of employer-employee relations. Chapter seven considers a more traditional 'objective' measure of job quality, namely wages. Chapter eight employs econometric analysis in order to examine possible causes of observed improvements in satisfaction with the sense of achievement that workers get from work. Chapter nine concludes.

# 2

## Job satisfaction

Chapter 1 described the general thesis that job quality deteriorated over most of the 1990s in Great Britain due primarily to increasing work effort and decreasing task discretion. What has occurred since the 1990s? This chapter begins the exploration of recent trends in job quality through an examination of evidence regarding job satisfaction, as measured in WERS, for the period 1998 – 2004.

The most common single subjective measure of job quality within the extant literature relates to 'overall job satisfaction'. However WERS does not contain such a general question on job satisfaction (a measure of job quality which, in any case, has been criticised – see chapter 1, above). Both WERS 1998 and 2004 though do contain three measures of specific aspects of job satisfaction. Respondents were asked how satisfied they were with the following aspects of their job: first, the amount of influence they have over the way they do their job, second, the sense of achievement that they get from work and third the amount of pay they receive. Though other British surveys, such as the BHPS or the Skills Surveys, contain a more comprehensive set of questions on job satisfaction, the questions in WERS nevertheless should indicate broad trends for the period 1998–2004 (see Rose 2000 for a comparison of WERS with other surveys regarding job satisfaction).

However, one caveat must be borne in mind that applies for all the WERS data described in this report. The WERS sample is constructed in quite a different way to other social surveys, which are based on households. Because the WERS survey is based on workplaces, participation is dependent on the consent of senior workplace managers. This may give rise to sampling error which may persist despite the use of weights to try to account for it. It is not expected that this bias will dominate the results reported below but further research, outside the scope of this report, should test for the robustness of the results by comparison with household based surveys.

It is possible that the three measures of job satisfaction reported above might be different facets of an underlying latent and unobserved overall job satisfaction variable. If this is the case, it might be more appropriate to combine the three variables in a single variable. However, statistical tests (reported in the appendix) do not provide compelling evidence for doing this. While results show that the three job satisfaction variables are correlated with an underlying latent job satisfaction variable, the scale reliability of any composite variable would be unacceptably low. Therefore the remainder of this chapter will analyse each measure of satisfaction separately. Table 1.1 reports how these measures of job satisfaction changed between 1998 and 2004.

**Table 2.1 Percentage of employees satisfied with aspects of their jobs 1998 - 2004**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>Satisfaction with sense of achievement</b>					
1998	4.59	10.34	21.38	48.65	15.05
2004	3.04	7.41	19.8	51.72	18.03
Statistical significance: $F(3.51, 11,732.58) = 31.88$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 27,819 (1998) and 21,483 (2004)					
<b>Satisfaction with amount of influence</b>					
1998	3.22	11.99	25.96	47.4	11.4
2004	3.06	11.15	28.25	45.27	12.28
Statistical significance: $F(3.62, 12,099.93) = 6.56$ $P = 0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 27,650 (1998) and 21,236 (2004)					
<b>Satisfaction with pay</b>					
1998	12.47	28.32	23.56	31.96	3.69
2004	13.2	27.67	23.69	31.05	4.4
Statistical significance: $F(3.33, 11,116.73) = 2.411$ $P = 0.0583$					
Base (employees in workplaces with 10 or more employees): 27,889 (1998) and 21,366 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

These results show that there was a reduction in the percentage of employees' dissatisfied, very dissatisfied or neither satisfied nor dissatisfied with the sense of achievement that they got from work and an increase in the percentage of employees who said that they were satisfied or very satisfied. Overall, the proportion of employees' dissatisfied with the sense of achievement declined by around four and a half percentage points, a drop of almost one third. Conversely, the proportion of employees' satisfied or very satisfied with the sense of achievement they got from work increased by around six percentage points. To put this in numerical terms, among employees in workplaces employing ten or more people, there were somewhere between 500,000 and 1.26 million fewer employees who reported being dissatisfied or very dissatisfied with the sense of achievement that they got from their jobs by 2004. There were also somewhere between 600,000 and 1.85 million more employees who reported being satisfied or very satisfied with the sense of achievement that they got from their jobs by 2004 (these figures are based on 95 per cent confidence intervals).

There was also a small reduction in the percentage of employees' dissatisfied with the amount of influence they had over their jobs. The percentage of employees who were neither satisfied nor dissatisfied increased, and while the percentage of employees who were satisfied declined, the percentage who were very satisfied increased. Finally, results pointed to a small increase in both the percentage of employees who were very dissatisfied and the percentage of employees who were very satisfied with pay. However, the changes in satisfaction with influence and with pay were not statistically significant.

## Differences between job satisfaction among employees in workplaces that shut between 1998 and 2004 and new workplaces

So employees reported rising levels of job satisfaction in the aggregate. Does this finding hold once the comparison is made between 2004 satisfaction levels among workers in new jobs with 1998 satisfaction levels among workers in jobs that had been destroyed by workplace closure by 1998? This section considers the hypothesis that 'new' jobs were worse than jobs that were destroyed. Table 2.2 addresses this question.

The results reported in table 2.2 fail to support the hypothesis that new jobs are worse than old jobs. Satisfaction with sense of achievement from work was higher among workers in new jobs than it had been among workers in jobs that were destroyed. There were no significant differences in satisfaction with influence and satisfaction with pay between employees in jobs that were destroyed and employees in new jobs.

**Table 2.2 Percentage of employees satisfied with aspects of their jobs 1998 – 2004: workplaces that shut compared to new workplaces**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>Satisfaction with sense of achievement</b>					
Workplaces that shut between 1998-2004	4.61	10.11	22.24	47.69	15.35
New workplaces	3.27	7.53	18.85	51.66	18.7
Statistical significance: $F(3.29, 10,803.9) = 4.967$ $P = 0.0013^{**}$					
Base (employees in workplaces with 10 or more employees): 3,284 (1998) and 2,777 (2004)					
<b>Satisfaction with amount of influence</b>					
Workplaces that shut between 1998-2004	3.68	11.59	26.34	46.66	11.73
New workplaces	2.69	10.01	27.59	45.54	14.16
Statistical significance: $F(3.45, 11,308.56) = 2.179$ $P = 0.0790$					
Base (employees in workplaces with 10 or more employees): 3,262 (1998) and 2,759 (2004)					
<b>Satisfaction with pay</b>					
Workplaces that shut between 1998-2004	13.62	27.1	24.6	30.55	4.13
New workplaces	12.37	25.7	23.46	32.68	5.77
Statistical significance: $F(3.4, 11,160.6) = 1.765$ $F = 0.1439$					
Base (employees in workplaces with 10 or more employees): 3,298 (1998) and 2,775 (2004)					

Source: 1998 and 2004 Workplace Employment Relations Surveys

## Changes in job satisfaction by sector and gender

Were improvements in jobs satisfaction felt equally by employees in both the public and private sectors? Table 2.3 answers this question. Results suggest that although public sector employees are slightly more likely to be satisfied with the sense of achievement that they get from their jobs than their private sector counterparts, both public and private sector employees experienced similar improvements in satisfaction with the sense of achievement they got

from work. In both the public and private sector, there were small and statistically significant changes in employee satisfaction with influence but in fact these changes cancel out overall so that there is no statistically significant change in the mean level of satisfaction with influence (in each case the mean level changes by less than 0.01, on a scale where '1' is 'very dissatisfied' and '5' is 'very satisfied'). Changes in satisfaction with pay were not statistically significant for either public or private sector employees.

**Table 2.3 Percentage of employees satisfied with aspects of their jobs 1998 – 2004: private and public sectors**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>PRIVATE SECTOR</b>					
<b>Satisfaction with sense of achievement</b>					
1998	4.91	10.22	22.94	47.96	13.99
2004	3.24	7.29	20.83	51.49	17.14
Statistical significance: $F(3.52, 11,742.25) 24.32 P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 18,134 (1998) and 14,440 (2004)					
<b>Satisfaction with amount of influence</b>					
1998	3.13	11.55	25.7	47.83	11.79
2004	3.04	10.79	27.66	45.64	12.87
Statistical significance: $F(3.56, 11871.76) = 4.08 P = 0.004^{**}$					
Base (employees in workplaces with 10 or more employees): 18,026 (1998) and 14,309 (2004)					
<b>Satisfaction with pay</b>					
1998	12.28	27.91	23.85	31.82	4.14
2004	12.95	27.08	23.96	31.15	4.85
Statistical significance: $F(3.22, 10,757.04) 1.379 P = 0.2455$					
Base (employees in workplaces with 10 or more employees): 18,204 (1998) and 14,401 (2004)					
<b>PUBLIC SECTOR</b>					
<b>Satisfaction with sense of achievement</b>					
1998	3.89	10.61	17.94	50.18	17.38
2004	2.53	7.71	17.12	52.3	20.34
Statistical significance: $F(3.34, 11,133.15) = 696 P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 9,685 (1998) and 6,998 (2004)					
<b>Satisfaction with amount of influence</b>					
1998	3.41	12.96	26.55	46.43	10.65
2004	3.1	12.07	29.77	44.32	10.73
Statistical significance: $F(3.69, 12,316) = 3.133 P = 0.0165^*$					
Base (employees in workplaces with 10 or more employees): 9,624 (1998) and 6,297 (2004)					
<b>Satisfaction with pay</b>					
1998	12.91	29.23	22.9	32.28	2.68
2004	13.82	29.18	22.99	30.78	3.23
Statistical significance: $F(3.54, 11,817.23) = 1.205 P = 0.3067$					
Base (employees in workplaces with 10 or more employees): 9,685 (1998) and 6,998 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

Table 2.4 shows the equivalent results for men and women. Both men and women experienced statistically significant improvements in satisfaction with

sense of achievement, but the improvements were greater for men than for women. As a result, the satisfaction levels of men and women had moved closer together by 2004.

Results for male employees showed an improvement in satisfaction with influence but there was a decline in satisfaction with influence for female employees. Women became markedly less satisfied with their pay, while there was a small increase in satisfaction with pay among men. The process towards convergence of reported female and male job satisfaction, evident in previous surveys through the 1990s, (Rose 2003) has clearly continued through the 1998 – 2004 period.

**Table 2.4 Percentage of employees satisfied with aspects of their jobs 1998 – 2004: men and women**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>MEN</b>					
<b>Satisfaction with sense of achievement</b>					
1998	5.67	11.55	23.03	46.02	13.73
2004	3.75	7.64	21.46	50.43	16.73
Statistical significance: $F(3.74, 12,471.26) = 24.123$ $P < 0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 13,658 (1998) and 10,001 (2004)					
<b>Satisfaction with amount of influence</b>					
1998	4.15	13.35	25.45	45.34	11.71
2004	3.72	11.42	27.71	43.89	13.26
Statistical significance: $F(3.64, 12,137.69) P = 0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 13,637 (1998) and 9,912 (2004)					
<b>Satisfaction with pay</b>					
1998	14.82	29.96	22.79	28.96	3.47
2004	13.85	27.79	24.62	29.45	4.29
Statistical significance: $F(3.25, 10,854.29) = 3.081$ $P = 0.0228^*$					
Base (employees in workplaces with 10 or more employees): 13,709 (1998) and 9,975 (2004)					
<b>WOMEN</b>					
<b>Satisfaction with sense of achievement</b>					
1998	3.38	9.01	19.68	51.37	16.39
2004	2.34	7.19	18.31	52.96	19.21
Statistical significance: $F(3.69, 12,317.34) = 11.717$ $P < 0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 14,119 (1998) and 11,357 (2004)					
<b>Satisfaction with amount of influence</b>					
1998	2.24	10.58	26.53	49.52	11.12
2004	2.45	10.91	28.74	46.56	11.35
Statistical significance: $F(3.88, 12,951.14) = 3.444$ $P = 0.0087^{**}$					
Base (employees in workplaces with 10 or more employees): 13,973 (1998) and 11,245 (2004)					
<b>Satisfaction with pay</b>					
1998	10.06	26.67	24.34	35.06	3.87
2004	12.57	27.57	22.83	32.58	4.46
Statistical significance: $F(3.71, 12,389.69) = 6.929$ $P < 0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 14,137 (1998) and 11,310 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

### Changes in job satisfaction by income group

The final section of this chapter considers changes in job satisfaction by income group. One of the key drivers of labour market change over the last 30 years has been technological change (see Goos and Manning 2003, Machin 2001). The literature implies that changes in job satisfaction should be unevenly distributed across the labour market. Higher skilled workers have seen their labour market position improve, and this may have fed through to improvements in job satisfaction if employers responded to tight labour

markets by trying to improve job quality in order to recruit and retain better employers.

The position of lower skilled workers is more ambiguous. Reductions in the number of jobs with middling skill levels and increases in the number of low skilled jobs may have reduced the bargaining power of workers in these groups, resulting in declining job satisfaction. Conversely, increasing demand for low skill employees leading to unfilled vacancies may have led employers to take measures that would increase job satisfaction for low skilled workers too. In either case there is reason to think that changes in job satisfaction may vary by income.

Tables 2.5, 2.6 and 2.7 provide relevant evidence, examining job satisfaction by income for 1998 and 2004.

**Table 2.5 Changes in satisfaction with sense of achievement by earnings quintile**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>1<sup>st</sup> (lowest) earnings quintile</b>					
1998	4.23	8.01	24.2	48.57	14.99
2004	2.67	6.39	23.78	49.31	17.85
Statistical significance: $F(3.81, 12,463.5) = 4.424$ $P = 0.0017^{**}$					
Base (employees in workplaces with 10 or more employees): 4,814 (1998) and 3,547 (2004)					
<b>2<sup>nd</sup> quintile</b>					
1998	5.54	9.56	23.51	47.48	13.91
2004	3.71	7.61	23.4	49.25	16.03
Statistical significance: $F(3.87, 12,638.59) = 4.546$ $P = 0.0013^{**}$					
Base (employees in workplaces with 10 or more employees): 4,863 (1998) and 3,628 (2004)					
<b>3<sup>rd</sup> quintile</b>					
1998	6.13	12.06	21.63	48.29	11.9
2004	3.17	7.5	20.94	52.27	16.11
Statistical significance: $F(3.8, 12,416.27) = 12.848$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 4,872 (1998) and 3,643 (2004)					
<b>4<sup>th</sup> quintile</b>					
1998	4.09	12.23	18.89	48.85	15.94
2004	2.82	7.92	17.1	53.89	18.26
Statistical significance: $F(3.83, 12,505.55) = 9.41$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 4,897 (1998) and 3,685 (2004)					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	2.75	11.34	17.69	51.53	16.87
2004	2.55	8.11	14.45	54.99	19.89
Statistical significance: $F(3.72, 12,154.49) = 6.682$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 4,907 (1998) and 3,728 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

Looking at the results for satisfaction with sense of achievement first, there were statistically significant improvements for all income groups, but the improvements were largest for employees in the higher income groups.

Table 2.6 shows that there was a small decrease in satisfaction with influence levels for low income groups whereas for high income groups there was no overall change in level (the changes in the highest quintile cancel out overall so that the mean level is unchanged at 3.65 for this group).

**Table 2.6 Changes in satisfaction with influence by earnings quintile**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>1<sup>st</sup> (lowest) earnings quintile</b>					
1998	2.34	8.83	28.95	48.49	11.39
2004	2.65	9.98	31.41	46.72	11.38
Statistical significance: $F(3.96, 12,923.37) = 2.573$ $P = 0.0364^*$					
Base (employees in workplaces with 10 or more employees): 4,751 (1998) and 3,468 (2004)					
<b>2<sup>nd</sup> quintile</b>					
1998	3.6	12.78	28.33	45.36	9.93
2004	4.95	12.27	31.14	42.57	9.98
Statistical significance: $F(3.92, 12812.62) = 1.741$ $P = 0.139$					
Base (employees in workplaces with 10 or more employees): 4,803 (1998) and 4,803 (2004)					
<b>3<sup>rd</sup> quintile</b>					
1998	4.82	13.25	27.68	45.4	8.85
2004	4.37	11.22	29.22	43.63	11.56
Statistical significance: $F(3.78, 12,367.13) = 3.7614$ $P = 0.0055^{**}$					
Base (employees in workplaces with 10 or more employees): 4,857 (1998) and 3,662 (2004)					
<b>4<sup>th</sup> quintile</b>					
1998	2.94	14.17	23.71	47.16	12.02
2004	2.41	13.26	24.58	45.64	14.11
Statistical significance: $F(3.76, 12,291.93) = 1.676$ $P = 0.156$					
Base (employees in workplaces with 10 or more employees): 4,895 (1998) and 3,675 (2004)					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	1.8	12.97	18.07	52.48	14.68
2004	2.19	10.07	23.7	48.53	15.51
Statistical significance: $F(3.86, 12,622.29) = 8.81$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 4,911 (1998) and 3,726 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

The results for satisfaction with pay show an interesting contrast between different income groups. Low earners became much more dissatisfied with their pay between 1998 and 2004, those 'very dissatisfied' in the lowest earnings quintile increasing by a third from 11.9 to 15.9 per cent. By contrast, higher earners had improved reported levels of satisfaction with pay, an improvement that is particularly marked, and statistically significant, in the fourth earnings quintile.

**Table 2.7 Changes in satisfaction with pay by earnings quintile**

	Very dissatisfied	Dissatisfied	Neither satisfied nor dissatisfied	Satisfied	Very satisfied
<b>1<sup>st</sup> (lowest) earnings quintile</b>					
1998	11.92	26.17	24.05	34.15	3.7
2004	15.87	27.62	23.59	28.41	4.51
Statistical significance: F (3.78, 12,339.62) = 6.5397 P = <0.0001***					
Base (employees in workplaces with 10 or more employees): 4,836 (1998) and 3,525 (2004)					
<b>2<sup>nd</sup> quintile</b>					
1998	14.61	31.32	23.75	27.51	2.81
2004	16.3	30.54	23.2	26.97	2.99
Statistical significance: F (3.89, 12,699.09) = 0.761 P = 0.547					
Base (employees in workplaces with 10 or more employees): 4,877 (1998) and 3,652 (2004)					
<b>3<sup>rd</sup> quintile</b>					
1998	13.85	30.5	22.78	29.58	3.29
2004	14.24	28.34	23.47	30.13	3.81
Statistical significance: F (2.93, 9,587.39) = 0.478 P = 0.693					
Base (employees in workplaces with 10 or more employees): 4,883 (1998) and 3,635 (2004)					
<b>4<sup>th</sup> quintile</b>					
1998	11	29.99	24.37	31.68	2.96
2004	10.62	26.88	24.4	34.44	4.67
Statistical significance: F (3.89, 12,705.59) = 3.869 P = 0.0042**					
Base (employees in workplaces with 10 or more employees): 4,904 (1998) and 3,675 (2004)					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	8.71	24.31	22.71	38.39	5.88
2004	7.26	23.78	24.85	38.38	5.73
Statistical significance: F (3.81, 12,434.98) = 1.136 P = 0.3368					
Base (employees in workplaces with 10 or more employees): 4,907 (1998) and 3,729 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

A feature of Tables 2.5, 2.6 and 2.7 is that the reported *level* of job satisfaction is higher at each end of the distribution, giving a 'u' shape. This 'u' shape is evident in both 1998 and 2004, for all three measures. Chapter 6 will also reveal a 'u' shaped distribution for perceptions of employment relations.

The 'u' shape highlights that the interpretation of subjective measures of job quality must take into account the influence of norms and expectations (see chapter 1). It is reasonable to suggest that those at the lowest earning's quintile have low expectations of job quality and low aspirations whereas those at the highest earning's quintile may have achieved their aspirations. Those in the middle of the distribution, on the other hand, may have aspirations for 'better' jobs and hence be less satisfied with the quality of the job they currently possess than those in the first or last earning's quintile. This suggested hypothesis cannot be explored further within this report (but see Rose 2000, who notes the 'u' shape for job quality data, offering an explanation in terms of skill discrepancies).

## Summary

Overall the main finding that emerges from this chapter is that employee satisfaction with the sense of achievement that they get from work improved across the board; for men, women (though to a lesser extent than for men), public and private sector employees, and for all income groups. Satisfaction with sense of achievement was also greater in jobs in new workplaces compared to jobs destroyed through workplace closure.

These changes were statistically significant, and if translated into numerical terms, suggest somewhere between 500,000 and 1.26 million fewer employees who are dissatisfied and somewhere between 600,000 and 1.85 million more employees who are satisfied or very satisfied. On the negative side, there were still, in 2004, around 7.5 million employees who to a greater or lesser extent were not satisfied with the sense of achievement that they got from work. There was also little change in the mean level of satisfaction with influence or with pay.

These findings seem to suggest that the downward trend in job satisfaction evident from previous surveys during most of the 1990s (see chapter 1) has, from around 1998, been halted, and in the case of satisfaction with achievement the trend has been reversed.

The most notable finding at the disaggregate level is that the gap between the (higher) level of job satisfaction of women compared to that of men closed from 1998 to 2004, on all facets measured, continuing the trend towards convergence that was evident from previous surveys throughout the 1990s.

# 3

## Stress and effort

Chapter 1 described the thesis that an increase in work intensification through most of the 1990s (alongside a decrease in task discretion) was an important proximate cause of the general decline in job quality during that period. There is evidence that work ceased to intensify and ceased to generate increasing levels of stress sometime around the late 1990s (see chapter 1). Were the late 1990s just a pause or 'blip' in a continuing upward trend in work intensity and stress levels, or do they mark a turning point in the trend movements of work intensity and stress? This question will be addressed below by comparing relevant measures in WERS 1998 and WERS 2004.

WERS contains three measures of stress and effort which are consistent in both 1998 and 2004. First, the extent to which employees feel their job requires them to work hard. Second, the extent to which employees feel that they never have enough time to do their jobs. Third, the extent to which employees worry about work outside of work hours. These are not as extensive as questions on effort and stress in previous British surveys such as the Skills Surveys, nor are they worded or scaled in precisely the same way as previous surveys, but they nevertheless should be comparable to previous surveys in terms of the overall trends that they reveal.

Once again the relationship between these variables was investigated prior to more substantive analysis. These investigations found that the three measures were related to an underlying stress variable, but that reliability of a single stress scale variable would have been unsatisfactory, so once again, changes in the three variables are analysed separately.

Looking first at employees as a whole, the only statistically significant change was in the third variable, worry about work. There was a 1.1 percentage point increase in the proportion of employees who strongly agreed with the statement that they worried a lot about work outside of work hours (an increase of one fifth), and a 2.15 percentage point increase in those who agreed with the statement (an increase of one eighth). There was a small increase in those who strongly agreed that they had to work hard but a small reduction in those who agreed with this statement and a small increase in those who disagreed or strongly disagreed with this statement, hence little change overall (the mean changes by a statistically insignificant amount, from 2.03 to 2.02, where '1' is 'strongly agree' and '5' is 'strongly disagree'). There was no significant change in the numbers of those who felt that they never had enough time to get their work done.

**Table 3.1 Changes in employee feelings of stress and effort 1998 – 2004**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>My job requires that I work hard</b>					
1998	26.2	49.76	19.22	4.43	0.39
2004	27.49	48.81	18.21	4.97	0.52
Statistical significance: $F(3.6, 12,009.61) = 3.071 P = 0.0192^*$					
Base (employees in workplaces with 10 or more employees): 27,735 (1998) and 21,317 (2004)					
<b>I never seem to have enough time to get work done</b>					
1998	14.04	25.96	31.63	25.48	2.88
2004	14.24	26.07	30.27	26.08	3.34
Statistical significance: $F(3.35, 11,180.13) = 1.865 P = 0.1259$					
Base (employees in workplaces with 10 or more employees): 27,449 (1998) and 21,114 (2004)					
<b>I worry a lot about work outside of work hours</b>					
1998	5.57	17.75	22.17	36.16	18.34
2004	6.67	19.9	23.11	34.22	16.1
Statistical significance: $F(3.68, 12,261.02) = 12.996 P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 27,402 (1998) and 21,001 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

### **Differences in employee stress and effort among employees in workplaces that shut between 1998 and 2004 and new workplaces**

A similar pattern of change was also evident in new workplaces compared to workplaces that shut (except that there was no increase in employees who strongly agreed that they had to work hard), although here the increase in those who worried about work outside hours is more marked (and statistically significant, despite a vastly reduced sample size), offering some support to the view that new jobs are 'worse' than bad jobs, at least in terms of relative stress levels (Table 3.2).

**Table 3.2 Changes in employee feelings of stress and effort 1998 – 2004: workplaces that shut compared to new workplaces**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>My job requires that I work hard</b>					
Workplaces that shut between 1998-2004	29.55	49.48	17.28	3.46	0.24
New workplaces	28.65	49.39	17.43	4.08	0.45
Statistical significance: $F(3.39, 11,312.66) = 0.367$ $P = 0.801$					
Base (employees in workplaces with 10 or more employees): 3,289 (1998) and 2,765 (2004)					
<b>I never seem to have enough time to get work done</b>					
Workplaces that shut between 1998-2004	11.58	26.87	32.15	26.32	3.08
New workplaces	13.97	25.95	29.99	26.59	3.5
Statistical significance: $F(3.18, 10,442) = 1.105$ $P = 0.347$					
Base (employees in workplaces with 10 or more employees): 3,250 (1998) and 2,750 (2004)					
<b>I worry a lot about work outside of work hours</b>					
Workplaces that shut between 1998-2004	4.54	17.28	22.13	36.72	19.33
New workplaces	6.16	21.51	21.57	34.94	15.82
Statistical significance: $F(3.12, 10,214.11) = 3.599$ $P = 0.0118^*$					
Base (employees in workplaces with 10 or more employees): 3,242 (1998) and 2,729 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

### Changes in employee stress and effort by sector and gender

Looking at the public and private sectors separately, results suggest that stress, measured by worrying about work outside of working hours increased by a similar magnitude in both sectors. Levels of stress remained higher among public sector employees as compared with private sector employees (Table 3.3).

**Table 3.3 Changes in employee feelings of stress and effort 1998 – 2004: private and public sectors**

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
<b>PRIVATE SECTOR</b>					
<b>My job requires that I work hard</b>					
1998	23.92	51.02	20.04	4.56	0.47
2004	25.38	49.45	19.28	5.31	0.58
Statistical significance: $F(3.58, 11,958.55) = 2.653$ $P = 0.0371^*$					
Base (employees in workplaces with 10 or more employees): 18,121 (1998) and 14,364 (2004)					
<b>I never seem to have enough time to get work done</b>					
1998	11.29	25	33.04	27.35	3.32
2004	11.52	24.76	31.54	28.46	3.73
Statistical significance: $F(3.35, 11,164.67) = 1.4865$ $P = 0.2117$					
Base (employees in workplaces with 10 or more employees): 17,933 (1998) and 14,221 (2004)					
<b>I worry a lot about work outside of work hours</b>					
1998	4.67	16.74	21.51	36.87	20.21
2004	5.81	19.26	22.6	34.83	17.5
Statistical significance: $F(3.69, 12,309.81) = 11.599$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 17,889 (1998) and 14,140 (2004)					
<b>PUBLIC SECTOR</b>					
<b>My job requires that I work hard</b>					
1998	31.26	46.97	17.41	4.15	0.22
2004	32.97	47.14	15.41	4.1	0.38
Statistical significance: $F(3.61, 12,049.92) = 1.948$ $P = 0.107$					
Base (employees in workplaces with 10 or more employees): 9,614 (1998) and 6,953 (2004)					
<b>I never seem to have enough time to get work done</b>					
1998	20.13	28.11	38.52	21.43	1.9
2004	21.31	29.51	26.98	19.88	2.32
Statistical significance: $F(3.6, 12,0006.73) = 1.884$ $P = 0.1177$					
Base (employees in workplaces with 10 or more employees): 9,516 (1998) and 6,893 (2004)					
<b>I worry a lot about work outside of work hours</b>					
1998	7.55	19.99	23.63	34.61	14.23
2004	8.89	21.57	24.46	32.62	12.46
Statistical significance: $F(3.8, 12,657) = 3.839$ $P = 0.0048^{**}$					
Base (employees in workplaces with 10 or more employees): 9,513 (1998) and 6,861					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

Similarly, increasing worry about work was apparent among both men and women (Table 3.4).

**Table 3.4 Changes in employee feelings of stress and effort 1998 – 2004: men and women**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>MEN</b>					
<b>My job requires that I work hard</b>					
1998	23.24	49.42	21.4	5.44	0.49
2004	25.19	48.47	20.3	5.4	0.64
Statistical significance: $F(3.64, 12,134.04) = 1.7544$ $p = 0.1415$					
Base (employees in workplaces with 10 or more employees): 13,644 (1998) and 9,947 (2004)					
<b>I never seem to have enough time to get work done</b>					
1998	13.06	26.86	32.35	24.7	3.04
2004	13.25	26.15	31.74	25.55	3.32
Statistical significance: $F(3.52, 11,726.28) P = 0.6657$					
Base (employees in workplaces with 10 or more employees): 13,557 (1998) and 9,857 (2004)					
<b>I worry a lot about work outside of work hours</b>					
1998	5.52	17.87	22.78	32.78	21.05
2004	6.71	20.3	23.13	31.79	18.07
Statistical significance: $F(3.81, 12,703.99) = 7.649$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 13,514 (1998) and 9,804 (2004)					
<b>WOMEN</b>					
<b>My job requires that I work hard</b>					
1998	29.24	50.11	17.02	3.35	0.28
2004	29.47	49.2	16.31	4.6	0.42
Statistical significance: $F(3.83, 12,764.00) = 4.116$ $P = 0.0029^{**}$					
Base (employees in workplaces with 10 or more employees): 14,043 (1998) and 11,290 (2004)					
<b>I never seem to have enough time to get work done</b>					
1998	15.08	25.05	30.84	26.3	2.73
2004	15.06	26.1	28.96	26.53	3.35
Statistical significance: $F(3.65, 12,164.4) = 2.21$ $P = 0.0715$					
Base (employees in workplaces with 10 or more employees): 13,846 (1998) and 11,177 (2004)					
<b>I worry a lot about work outside of work hours</b>					
1998	5.6	17.65	21.54	39.7	15.52
2004	6.63	19.52	23.03	36.5	14.32
Statistical significance: $F(3.78, 12,612.83) = 6.935$ $P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 13,844 (1998) and 11,116 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

## Changes in stress and effort by income group

If the results are broken down by earnings group, there is evidence that the proportion of workers within the highest earnings group who felt they have to work hard declined. However, workers in this income group remained more likely to feel that their job required them to work hard than workers in other income groups (Table 3.5).

**Table 3.5 Changes in employee feelings of stress and effort 1998 - 2004 by earnings quintile: "My job requires that I work hard"**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>1<sup>st</sup> (lowest) earnings quintile</b>					
1998	22.66	48.98	22.4	5.31	0.65
2004	25.55	47.75	20.55	5.57	0.57
Statistical significance: $F(3.89, 12,717.47) = 1.709$ $P = 0.1467$					
Base (employees in workplaces with 10 or more employees): 4,812 (1998) and 3,524 (2004)					
<b>2<sup>nd</sup> quintile</b>					
1998	22.78	51.82	20.77	4.38	0.27
2004	24.73	48.66	19.87	6.31	0.43
Statistical significance: $F(3.91, 12,775.97) = 3.943$ $P = 0.0036^{**}$					
Base (employees in workplaces with 10 or more employees): 4,851 (1998) and 3,610 (2004)					
<b>3<sup>rd</sup> quintile</b>					
1998	24.6	49.5	20.03	5.62	0.24
2004	24.92	49.16	19.46	5.88	0.58
Statistical significance: $F(3.86, 12,623.95) = 1.232$ $P = 0.295$					
Base (employees in workplaces with 10 or more employees): 4,855 (1998) and 3,640 (2004)					
<b>4<sup>th</sup> quintile</b>					
1998	28.95	48.62	18.33	0.374	0.35
2004	29.4	48.62	17.45	4.39	0.35
Statistical significance: $F(3.31, 10,817.1) = 0.3645$ $F = 0.0798$					
Base (employees in workplaces with 10 or more employees): 4,881 (1998) and 3,673 (2004)					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	34.31	50.79	12.91	1.93	0.06
2004	30.67	51.65	14.1	3.18	0.004
Statistical significance: $F(3.34, 10,923.67) = 6.18$ $P = 0.0002^{***}$					
Base (employees in workplaces with 10 or more employees): 4,897 (1998) 3,714 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

There was a reduction in the proportion of high earners who felt that they did not have enough time to get their job done. Changes for other income groups were not statistically significant (Table 3.6).

**Table 3.6 Changes in employee feelings of stress and effort 1998 – 2004 by earnings quintile: “I never seem to have enough time to do my job”**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>1<sup>st</sup> (lowest) quintile</b>					
1998	8.24	20.09	32.72	33.95	5.01
2004	8.05	17.85	33.26	34.53	6.32
Statistical significance: $F(3.85, 12,568.31) = 1.973$ $P = 0.0984$					
Base (employees in workplaces with 10 or more employees): 4,714 (1998) and 3,470 (2004)					
<b>2<sup>nd</sup> quintile</b>					
1998	10.39	22.59	34.76	28.94	3.32
2004	10.52	23.24	32.46	30.86	2.92
Statistical significance: $F(3.88, 12,653.75) = 1.158$ $P = 0.3273$					
Base (employees in workplaces with 10 or more employees): 4,797 (1998) and 3,654 (2004)					
<b>3<sup>rd</sup> quintile</b>					
1998	12.01	26.07	33.09	26.54	2.29
2004	13	25.69	31.65	26.68	2.98
Statistical significance: $F(3.57, 11651.65) = 0.85$ $P = 0.482$					
Base (employees in workplaces with 10 or more employees): 4,830 (1998) and 3,621 (2004)					
<b>4<sup>th</sup> quintile</b>					
1998	19.31	29.22	31.08	18.63	1.75
2004	18.34	30.35	27.9	21.19	2.22
Statistical significance: $F(3.75, 12,244.58) = 2.097$ $P = 0.083$					
Base (employees in workplaces with 10 or more employees): 4,854 (1998) and 3,654 (2004)					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	24.52	37.89	23.95	12.89	0.75
2004	21.39	35.41	25.78	15.67	1.76
Statistical significance: $F(3.85, 12,563) = 5.628$ $P = 0.0002^{***}$					
Base (employees in workplaces with 10 or more employees): 4,890 (1998) and 3,705 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

Increases in worry about work outside of working hours were evident among the lower and middle income groups (in the case of the latter group, the number of those agreeing with the statement that ‘I worry about work outside of work’ rose from 15.9 per cent to 20.2 per cent). However, there was only a small increase in worry among the highest earners.

Consideration of the different levels of stress between different income groups once more confirms the importance of norms and expectations. Low income groups worry least about work outside of hours. One plausible explanation is that there is a low level of expectation regarding work quality, and hence engagement with work, amongst the lowest earners in comparison with high earners.

**Table 3.7 Changes in employee feelings of stress and effort 1998 – 2004 by earnings quintile: “I worry a lot about work outside of work”**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>1<sup>st</sup> (lowest) quintile</b>					
1998	2.87	10.93	20	45.53	23.67
2004	3.55	12.59	21.03	40.69	22.14
Statistical significance: $F(3.94, 12,877) = 2.071$ $P = 0.0828$					
Base (employees in workplaces with 10 or more employees): 4,704 (1998) and 3,454 (2004)					
<b>2<sup>nd</sup> quintile</b>					
1998	3.56	14.04	21.67	39.57	21.15
2004	4.93	15.19	21.81	39.36	18.71
Statistical significance: $F(3.96, 12,944.44) = 2.866$ $P = 0.0222^*$					
Base (employees in workplaces with 10 or more employees): 4,782 (1998) and 3,548 (2004)					
<b>3<sup>rd</sup> quintile</b>					
1998	4.14	15.89	21.44	37.72	20.81
2004	5.64	20.17	23.85	34.49	15.85
Statistical significance: $F(3.72, 12,140) P = <0.0001^{***}$					
Base (employees in workplaces with 10 or more employees): 4,825 (1998) and 3,587 (2004)					
<b>4<sup>th</sup> quintile</b>					
1998	7.89	23.04	23.3	31.94	13.84
2004	8.77	25.38	23.59	29.87	12.39
Statistical significance: $F(3.85, 12,554.58) = 1.772$ $P = 0.1342$					
Base (employees in workplaces with 10 or more employees): 4,850 (1998) and 3,630 (2004)					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	10	29.01	27.13	25.52	8.33
2004	10.46	29.04	25.41	25.24	9.85
Statistical significance: $F(3.93, 12,821.14) = 1.137$ $P = 0.3369$					
Base (employees in workplaces with 10 or more employees): 4,882 (1998) and 3,695 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

## Summary

Two key results emerge from the foregoing discussion. Firstly, there appears to have been no change in reported work intensity levels from 1998 to 2004. Therefore the upward trend of intensity levels evident from previous surveys during most of the 1990s has not continued but neither has it been reversed, suggesting that work intensity remained significantly higher in 2004 than in the early 1990s.

Secondly, there has been an increase in reported stress levels, as measured by worry about work outside of work hours, between 1998 and 2004. This increase is a cause for concern. The increase in stress was apparent among men and women and in the public and private sectors. When the results are broken down by income group, it becomes apparent that the highest earning fifth of the population largely escaped this increase, reporting less stress and feeling that they had to exert less effort. It is also the case that employees in ‘new’ workplaces reported higher stress levels, in terms of worry about work outside work hours, than those in ‘old’ workplaces, lending some support to the view that newly created jobs are worse than ‘old’ jobs.

# 4

## Job security

Chapter 1 noted that the issue of job security has occupied an important place in debate on job quality in Britain. On objective measures, conditions in the labour market improved through the late 1990s and early 2000s, with unemployment falling to low levels and employment rising to record levels. Non-standard employment also remained flat, and labour turnover was stable (Fitzner 2006).

Less easy to measure are the changes that have taken place in the perceptions of job security. Given the increasingly fluid nature of capital many workers may have come to face the threat of their jobs being shifted abroad to low wage economies and with low trade union power they may have become more vulnerable to job loss.

The WERS dataset provides an insight into changes in the perception of job security among employees. Looking at Table 4.1, the percentage of workers strongly agreeing with the statement that they felt their job was secure grew significantly from 13 per cent in 1998 to 19 per cent in 2004. There was also a fall in the percentage of people disagreeing and strongly disagreeing with this statement, leaving just 15 per cent of workers feeling that their job was insecure in 2004, down from 19 per cent in 1998. These changes suggest that perceptions of job security improved between 1998 and 2004.

**Table 4.1 Changes in employee perceptions of job security 1998 – 2004**

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
I feel my job is secure in this workplace					
1998	13.16	46.77	20.74	13.99	5.34
2004	18.58	47.8	18.04	11.48	4.11

Statistical significance:  $F(3.34, 11,143.63) = 35.2591$   $P = 0.0000^{***}$

Base (employees in workplaces with 10 or more employees): 26,474 (1998) and 20,764 (2004)

Source: 1998 and 2004 Workplace Employment Relations Surveys

### Differences in job security among employees in workplaces that shut between 1998 and 2004 and new workplaces

Looking at table 4.2, not surprisingly employee feelings of job security appear to be more positive in new workplaces than those which closed down. The difference in reported levels of job security between these workplaces is statistically significant. But, comparing these results with those in table 4.1, there appears to be no major difference between perceptions of job security in new workplaces than other workplaces in the 2004 sample. New jobs, that is, appear to be no more or less secure than existing jobs.

**Table 4.2 Changes in employee perceptions of job security 1998 – 2004: workplaces that shut compared to new workplaces**

	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree
<b>I feel my job is secure in this workplace</b>					
Workplaces that shut between 1998-2004	13.12	43.09	22.0	15.3	6.48
New workplaces	16.35	49.65	19.04	11.05	3.92
Statistical significance: F (3.23, 10,594.68) = 6.6689 P = 0.0001***					
Base (employees in workplaces with 10 or more employees): 3,083 (1998) and 2,706 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

### Changes in job security by sector and gender

Table 4.3 reports changes in employee perceptions of job security in the public and private sector. Both public and private sector employees appear to have enjoyed large (and statistically significant) improvements in their feelings of job security. The proportions of private sector workers who strongly agreed that their job was secure increased from 13 per cent in 1998 to 18 per cent in 2004, an increase of over one third, whereas for public sector workers the proportions increased by a greater amount, from 13 per cent to 21 per cent, an increase of well over one half. The greater improvement in perceptions of job security in the public sector helped to close the gap with the private sector, so by 2004 equal numbers of employees in the public and private sector felt confident about job security. Part of the reason for this convergence may be the growth in public sector employment since 1998 that added to the perception of job security among incumbent workers.

**Table 4.3 Changes in employee perceptions of job security 1998 – 2004: private and public sectors**

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
<b>PRIVATE SECTOR</b>					
<b>I feel my job is secure in this workplace</b>					
1998	13.38	48.55	20.78	12.48	4.81
2004	17.71	48.84	18.21	11.3	3.94
Statistical significance: F (3.25, 10,857.24) 13.6584 P = 0.0000***					
Base (employees in workplaces with 10 or more employees): 17,287 (1998) and 13,987 (2004)					
<b>PUBLIC SECTOR</b>					
<b>I feel my job is secure in this workplace</b>					
1998	12.7	42.88	20.66	17.27	6.48
2004	20.85	45.08	17.58	11.94	4.54
Statistical significance: F (3.51, 11,702.71) = 31.4908 P = 0.0000***					
Base (employees in workplaces with 10 or more employees): 9,187 (1998) and 6,786 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

Table 4.4 shows levels of job security for men and women. Both men and women experienced statistically significant improvements in their perceptions of job security. Women were still more confident about the security of their jobs than men, and the gap between male and female perceptions of job security appears to have remained constant throughout the period.

**Table 4.4 Changes in employee perceptions of job security 1998 – 2004: men and women**

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
<b>MEN</b>					
I feel my job is secure in this workplace					
1998	12.5	44.01	21.83	15.21	6.45
2004	16.93	45.65	20.23	12.37	4.82
Statistical significance: F (3.51, 11,719.90) 16.1616 P = 0.0000***					
Base (employees in workplaces with 10 or more employees): 13,092 (1998) and 9,696 (2004)					
<b>WOMEN</b>					
I feel my job is secure in this workplace					
1998	13.82	49.6	19.66	12.73	4.19
2004	20.05	49.78	16.02	10.69	3.47
Statistical significance: F (3.64, 12,144.99) = 24.5664 P = 0.000***					
Base (employees in workplaces with 10 or more employees): 13,340 (1998) and 10,989 (2004)					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

### Changes in job security by income group

In table 4.5, results are reported for changes in perceptions of job security by income group. These results show that for all income groups there was a significant increase in perceptions of job security. Interestingly, the highest income group remained the most insecure in their jobs, whilst the lowest income group remained the least insecure. This may be explained by the fact that those with high income have more to lose financially from job loss, whereas those with low income face a relatively low cost of job loss.

**Table 4.5 Changes in employee perceptions of job security 1998 - 2004 by earnings quintile**

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
<b>1<sup>st</sup> (lowest) earnings quintile</b>					
1998	16.06	54.94	18.24	8.3	2.46
2004	22.11	54.11	14.9	6.74	2.14
Statistical significance: $F(3.86, 12,598.86) = 9.4451$ $P = 0.0000^{***}$					
Base (employees in workplaces with 10 or more employees): <b>4,545 (1998) and 3,400 (2004)</b>					
<b>2<sup>nd</sup> quintile</b>					
1998	13.36	48.92	19.87	12.74	5.11
2004	17.82	49.92	16.78	11.81	3.67
Statistical significance: $F(3.91, 12,765.26) = 7.4528$ $P = 0.0000^{***}$					
Base (employees in workplaces with 10 or more employees): <b>4,515 (1998) and 3,467 (2004)</b>					
<b>3<sup>rd</sup> quintile</b>					
1998	10.46	45.2	21.35	16.55	6.43
2004	16.15	45.57	19.36	13.79	5.12
Statistical significance: $F(3.85, 12,585.99) = 9.6534$ $P = 0.0000^{***}$					
Base (employees in workplaces with 10 or more employees): <b>4,629 (1998) and 3,533 (2004)</b>					
<b>4<sup>th</sup> quintile</b>					
1998	13.9	41.66	21.51	16.29	6.63
2004	18.27	44.78	19.8	12.82	4.32
Statistical significance: $F(3.65, 11,932) = 8.9350$ $P = 0.0000^{***}$					
Base (employees in workplaces with 10 or more employees): <b>4,733 (1998) and 3,603 (2004)</b>					
<b>5<sup>th</sup> (highest) earnings quintile</b>					
1998	10.41	42.0	24.13	17.72	5.73
2004	18.22	44.2	18.81	13.49	5.27
Statistical significance: $F(3.54, 11,556.08) = 19.515$ $P = 0.0000^{***}$					
Base (employees in workplaces with 10 or more employees): <b>4,823 (1998) and 3,683 (2004)</b>					
Source: 1998 and 2004 Workplace Employment Relations Surveys					

## Summary

The results in this chapter paint a picture of improvement in employee perceptions of job security over the course of the late 1990s and early 2000s. They may of course simply reflect the effects of cyclical factors, being the outcome of a more benign labour market, and need not be seen as evidence of any underlying shift in attitudes towards job security. At a disaggregate level the most notable finding is that public sector employees enjoyed a very large increase in perceived job security, larger even than that for private sector workers, though the increase for the latter group was also substantial.

# 5

## Influence

Chapter 1 described the thesis that ‘task discretion’ was a key proximate cause of declining job quality during most of the 1990s, alongside increasing effort levels. However, with the exception of stress levels, subsequent chapters have reported constant or increasing levels of job quality between 1998 and 2004. This chapter examines the change in task discretion over this period.

WERS contains two measures of employee perceptions of the influence they have over work. First, how much influence employees have over the pace at which they work. Second, how much influence employees have over how they do their work. These measures are not identical in wording or in scale to any of the five relevant questions in the Skills Surveys, and of course two questions are less comprehensive than five. Nevertheless the measures in WERS allow for comparison of broad trends in task discretion with those measured in the Skills Surveys.

Statistical tests (reported in the appendix) of the relationship with these variables found that combining the variables into a single influence scale variable could not be justified.

Results for all employees, presented in Table 5.1, found an increase in employee perceptions of influence. The percentage of employees who felt that they had a lot of influence over the pace at which they worked increased by just over three percentage points, while the percentage of employees who felt that they had a lot of influence over how they did their work has increased by a little over two percentage points.

**Table 5.1 Changes in employee perceptions of influence 1998 – 2004**

In general how much influence do you have over:	None	A little	Some	A lot
<b>The pace at which you work?</b>				
1998	13.51	16.12	36.51	33.86
2004	11.66	15.64	35.66	37.04
Statistical significance: $F(2.88, 9,457.94) = 11.356 P = <0.0001^{***}$				
Base (employees in workplaces with 10 or more employees): 27,648 (1998) and 21,249 (2004)				
<b>How you do your work?</b>				
1998	5.6	11.18	35.81	47.41
2004	4.46	11.48	34.44	49.62
Statistical significance: $F(2.85, 9,514.09) = 7.315 P = 0.0001^{***}$				
Base (employees in workplaces with 10 or more employees): 27,636 (1998) and 21,309 (2004)				
Source: 1998 and 2004 Workplace Employment Relations Surveys				

## Differences in employee perceptions of influence in workplaces that shut between 1998 and 2004 and new workplaces

This trend of change was also apparent among employees in new workplaces compared to employees in workplaces that closed. The magnitude of the increase in influence over the pace at which work is done is large enough to remain statistically significant, despite the reduction in sample size. Thus the thesis that new jobs are 'worse' than old jobs is contradicted by evidence on task discretion.

**Table 5.2 Changes in employee perceptions of influence 1998 – 2004: workplaces that shut compared to new workplaces**

In general how much influence do you have over:	None	A little	Some	A lot
<b>The pace at which you work?</b>				
Workplaces that shut between 1998-2004	14.82	16.8	35.15	33.24
New workplaces	10.02	15.82	35.9	38.26
Statistical significance: $F(2.92, 9,584.15) = 6.317$ $P = 0.0003^{***}$				
Base (employees in workplaces with 10 or more employees): 3,269 (1998) and 2,760 (2004)				
<b>How you do your work?</b>				
Workplaces that shut between 1998-2004	5.54	11.98	34.93	47.56
New workplaces	3.8	10.46	35.21	50.54
Statistical significance: $F(2.77, 9,012.86) = 2.4186$ $P = 0.0698$				
Base (employees in workplaces with 10 or more employees): 3,263 (1998) and 2,773 (2004)				
Source: 1998 and 2004 Workplace Employment Relations Surveys				































































