



# Work Quality in Northern Ireland

Theme: Labour Market Frequency: Ad-hoc

Geographical Area: Northern Ireland

This paper provides an overview of six work quality indicators sourced from the Northern Ireland Labour Force Survey (LFS) and includes the first release of three work quality indicators; meaningful work, career progression and involvement in decision making.

Analysis is based on employees aged 18 years or over between July 2019 and June 2020 (referred to as 2019/20).

#### **Key points**

- 96% of employees in 2019/20 were in secure employment. This comprises permanent employees and those in a temporary job who did not want a permanent job.
- 84% of employees were neither underemployed nor overemployed, 9% of employees were overemployed and 7% were underemployed.
- 79% of employees reported a job satisfaction rating of satisfied or better and 86% of employees were in agreement that they performed meaningful work.
- Meaningful work was the only indicator where the most common response was the most positive category with 51% of employees strongly agreeing that their work was meaningful.
- Responses to questions on opportunities for career progression and involvement in decision making were less positive than to job satisfaction and meaningful work.
- Approximately half of employees (53%) agreed that their job offered good opportunities for career progression although one in four (26%) disagreed or strongly disagreed that their job offered good opportunities for progression. Opportunities for career progression was the indicator with the highest percentage of negative responses.
- Similarly approximately half of employees (52%) responded that managers were good (or very good) at involving employees and their representatives in decision making while 23% said they were poor or very poor.
- Analysis of correlations between job satisfaction, meaningful work, opportunities for progression and involvement in decision making showed weak and moderate positive relationships between these aspects of work quality.

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### NATIONAL STATISTICS STATUS

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.



These statistics were designated as National Statistics in August 2010 following a full assessment against the Code of Practice.

Since the assessment by the UK Statistics Authority, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Improved quality of the LFS data by boosting the sample size and improving precision around headline estimates.
- Reviewed and updated quality protocols for release
- Improved accessibility of labour market statistics by changing publication practices so that reports are no longer released on public holidays.
- Development of work quality questions on the LFS to better meet user needs.

## 1 Indicators

This section provides analysis of six indicators of work quality, based on employees aged 18 or over.

**Employees:** those who are in employment and paid a wage by an employer for the work that they do; this category may be further sub-divided into permanent and temporary employees.

#### 1.1 **Job security**

The LFS includes questions for employees on the permanency of their job and the nature of the non-permanency. To create a measure of job security, the following groups of employees are combined:

- 1. those with a permanent contract
- 2. those with a temporary contract and have cited the reason for not having a temporary contract as 'Did not want a permanent contract'

Figure 1: Job type of employees aged 18+, July 2019 - June 2020

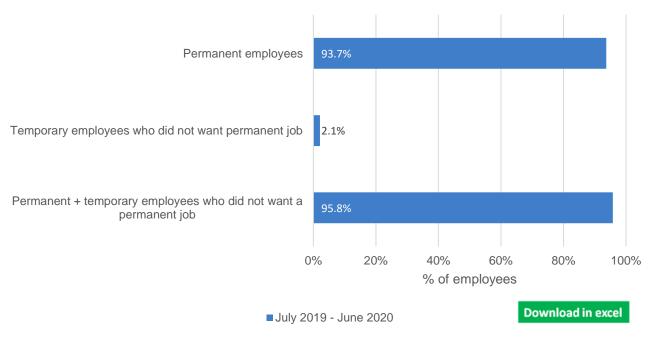


Figure 1 shows that the majority of employees were in a permanent job (93.7%).

The remaining 6.3% of employees were in a temporary job and a third of those did not want a permanent job (2.1% of all employees). Therefore, 95.8% of all employees were defined as being in secure employment (permanent employees + temporary employees who did not want a permanent job).

#### Work quantity (time - related) 1.2

Underemployed: Underemployed workers are those people in employment who would like to work more hours, either by working in an additional job, by working more hours in their current job, or by switching to a replacement job. They must also be available to start working longer hours within two weeks and their current weekly hours must be below 40 hours if they are between 16 and 18 and below 48 hours if they are over 18. A closer examination of Underemployment in NI is available on the NISRA website.

Overemployed: The overemployed are defined as persons in employment who would like to work fewer hours and would accept less pay for shorter hours, either in a different job or in their current job.

The International Labour Organisation (ILO) provides definitions of those working too few hours (the underemployed) and those working too many hours (the overemployed), based on employees perceptions of hours worked and weekly hours thresholds. Using these definitions it is possible to calculate the number of employees whose working hours are adequate, specifically those who are neither time-related underemployed nor overemployed.

Figure 2: Breakdown of time-related under or over employed, aged 18+, July 2019 -June 2020

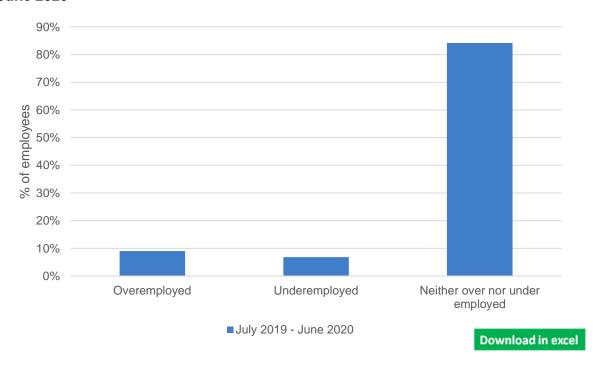


Figure 2 demonstrates that 84.2% of employees were neither over nor under employed based on the ILO definitions. 9.0% of employees were estimated to be overemployed and 6.8% were underemployed.

#### 1.3 Job satisfaction

#### **Question and responses**

A question on job satisfaction was added to the LFS in January 2018, which was based on an 11 point Likert scale. The scale was adapted in July 2019 to the following 5 point scale:

Overall, how satisfied are you with your job? (where 1 is 'Very dissatisfied' and 5 is 'very satisfied')

Figure 3: Job satisfaction, employees aged 18+, July 2019 - June 2020

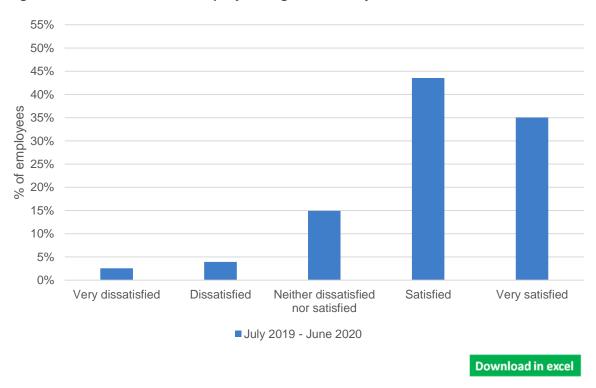


Figure 3 shows that the majority of respondents were satisfied or very satisfied with their job.

Almost four in five (78.6%) of employees reported a job satisfaction level of satisfied or better, while a small percentage of employees (6.5%) reported being dissatisfied or worse with their main job. 14.9% of employees were neither satisfied nor dissatisfied with their main job.

The most common response was satisfaction with their job with 43.5% providing this response.

#### 1.4 Meaningful work

#### **Question and responses**

The following question was added to the LFS in July 2019 related to meaningful work:

On a scale of 1 to 5, with 1 being 'strongly disagree' and 5 being 'strongly agree', to what extent do you disagree or agree that you do meaningful work?

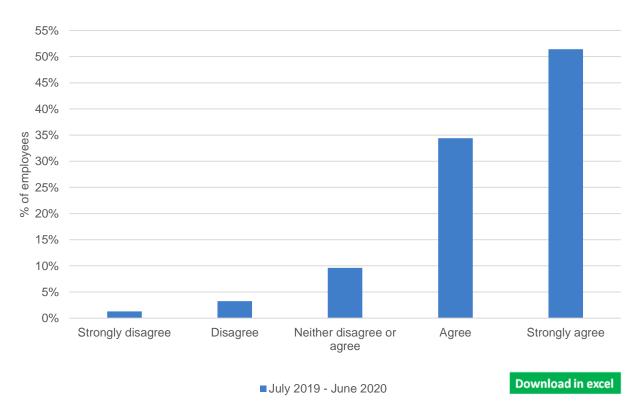


Figure 4: Meaningful work, employees aged 18+, July 2019 - June 2020

Figure 4 shows the vast majority of employees agreed that their work was meaningful.

More than four in five (85.8%) employees agreed or strongly agreed that they perform meaningful work in their job. This was the highest positive response across those indicators based on a Likert scale within this release. 4.5% disagreed or strongly disagreed with the statement that they perform meaningful work in their job while 9.6% neither agreed nor disagreed.

The most common response was 'strongly agree', where approximately half of respondents (51.4%) provided this response. When analysing across all the indicators with a Likert scale, meaningful work was the only indicator where the most common response was the most positive response category.

#### **Opportunities for career progression** 1.5

#### **Question and responses**

The following question was added to the LFS in July 2019 related to career progression:

To what extent do you disagree or agree with the following statement: 'My job offers good opportunities for career progression'? (with 1 being 'strongly disagree' and 5 being 'strongly agree')

Figure 5: Opportunities for career progression, employees aged 18+, July 2019 - June 2020

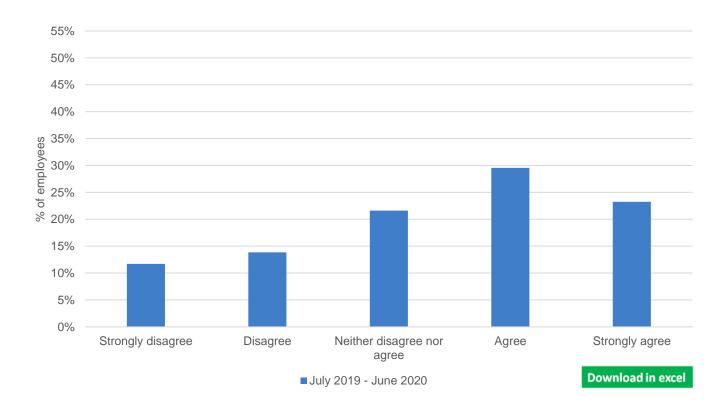


Figure 5 demonstrates that although the majority of respondents agreed that their job offered good opportunities for career progression there was a more even spread across response categories when compared to job satisfaction and meaningful work indicators.

Just over half of all employees (52.8%) aged over 18 were in agreement that their job offers good opportunities for career progression. The most common response was 'agree' at 29.6% of all responses.

Career progression was the indicator with the highest percentage of negative responses, where approximately one in four (25.5%) disagreed or strongly disagreed that their job offered good opportunities for progression.

#### Involvement in decision making 1.6

## **Question and responses**

The following question was added to the LFS in July 2019 related to involvement in decision making:

On a scale of 1 to 5, with 1 being 'very poor' and 5 being 'very good', how poor or good would you say managers at your workplace are at involving employees and their representatives in decision making?

Figure 6: Involvement in decision making, employees aged 18+, July 2019 - June 2020

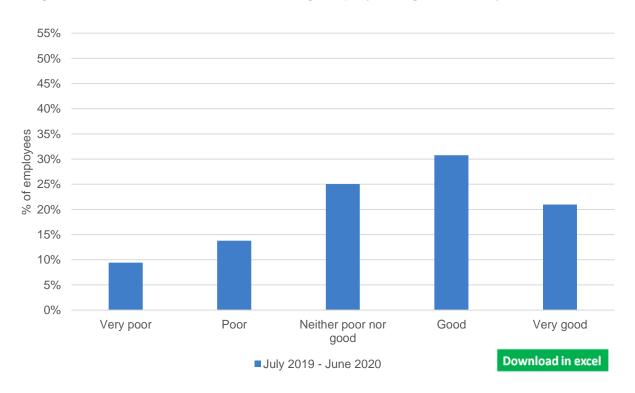


Figure 6 illustrates that approximately half of all employees responded that they or their representatives were involved in decision making in their workplace, and almost 1 in 4 employees (23.2%) reported that management were poor (or very poor) at involving them in decision making. The second most common response, with a quarter of responses, was that employees were neither poor nor good at involving employees and their representatives in decision making.

The most common response was 'good', with 30.8% providing this response.

Similar to the career progression indicator, there was a more even spread of responses when compared to job satisfaction and meaningful work.

#### 1.7 Correlation

This section shows the degree of correlation between the four work quality indicators that are based on a 5 point Likert scale:

- Job satisfaction
- Meaningful work
- Opportunities for career progression
- Involvement in decision making

Correlation coefficients range from perfect negative correlation of -1 to perfect positive correlation of +1. Table 1 displays the range of strength of the relationship between the four indicators.

Table 1: Correlation coefficients between Likert scale indicators<sup>1</sup>

	Job satisfaction	Meaningful work	Opportunities for career progression	Involvement in decision making
Job satisfaction	1.00	0.40	0.35	0.48
Meaningful work	0.40	1.00	0.27	0.23
Opportunities for career progression	0.35	0.27	1.00	0.40
Involvement in decision making	0.48	0.23	0.40	1.00

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All four indicators were positively correlated with each other meaning high (and low) values on one indicator are associated with high (and low) values on another indicator.

Several can be classified as displaying a moderate relationship (correlation coefficients 0.40-0.59) and the others as weak (0.20-0.39).

The indicators displaying the strongest positive correlation were job satisfaction and involvement in decision making. The correlation coefficient of 0.48 indicates a moderate positive correlation.

The indicators displaying the weakest positive correlation were meaningful work and involvement in decision making (0.23).

The exact questions and responses for each indicator above are contained within the previous sections of this release.

<sup>&</sup>lt;sup>1</sup> All pairwise correlation coefficients are significant at the 0.01 level.

## 2 Further information

### **Background**

The LFS annual dataset used for this publication is derived from four consecutive quarters of the LFS. Each quarter's LFS sample of around 4,500 households in NI is made up of 5 waves with around 1,300 private households selected for the first time in wave 1 and the remaining 3,200 private households spread across waves 2 to 5. This results in a total of around 7,000 individuals included each quarter. Individuals in each wave are interviewed in five successive quarters, such that in any quarter one wave will be receiving their first interview, one wave their second, and so on, with one receiving their fifth and final interview. The annual dataset is created by selecting the relevant cases from each quarter and combining them to create a dataset of unique cases. Selecting all wave one and five interviews allows the maximum number of respondents over a one-year period to be included whilst avoiding double counting. The resulting sample size in the July 2019 to June 2020 dataset is approximately 10,000 individuals.

The LFS collects information from a sample of the population living in households. To provide estimates for the entire population the data must be grossed. This is achieved by creating grossing factors often referred to as weights, that can be applied to each sampled individual so that grossed results match published population data in terms of age distribution, sex and region of residence. Mid-year population estimates and projections are used to ensure that the LFS is grossed to the most up to date population data available.

#### Precision of estimates

The LFS is a sample survey and, as such, estimates obtained from it are subject to sampling variability. If we drew many samples each would give a different result.

Estimates under a cell count of 3 are disclosive and therefore suppressed. Shaded estimates are based on a small sample size. This may result in less precise estimates, which should be used with caution, in particular should not be used to make statements on relative size when compared to similar values. Unshaded estimates are based on a larger sample size. This is likely to result in estimates of higher precision, although they will still be subject to some sampling variability.

## Change in methodology

There has been a change in methodology to create Job Security and Quantity of Work outputs compared with previous publications. As such these measures should not be compared with earlier data. Cases that can't be classified have been excluded from the analysis. In practice this means excluding cases from the denominator and from the definition or neither 'under nor overemployed'.

The impact is that the three work quantity categories now sum to 100%, and the rates for all work quantity categories and job security increase.

Table 2: Comparison of Previous and Current Methodology for Calculating Job Security and Work Quantity Indicators – July 2019-June 2020

	Previous	Current	
	Methodology	Methodology	
Job Security	696,000 (93.7%)	696,000 (95.8%)	
Missing	16,000 (2.2%)		
Work Quantity			
Underemployed	64,000 (6.5%)	64,000 (6.8%)	
Overemployed	48,000 (8.6%)	48,000 (9.0%)	
Neither over nor underemployed	615,000 (82.8%)	599,000 (84.2%)	
Cannot be classified due to lack of information/Missing	16,000 (2.1%)	17,000	

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The 'Total Employees' figure that is used as the denominator is the total employees who answered the question and should not be used as an estimate of total employees in itself. Estimates of employment and employees are available in the monthly Labour Market Report, which can be found on the Labour Force Survey section of the NISRA website.

#### LFS definitions

#### **Employment**

The definition of ILO employed applies to anyone (aged 16 or over) who has carried out at least one hour's paid work in the week prior to interview, or has a job they are temporarily away from (e.g. on holiday). Also included are people who do unpaid work in a family business and people on Government-supported employment training schemes.

#### **Employee**

Employees are those who are in employment and paid a wage by an employer for the work that they do; this category may be further sub-divided into permanent and temporary employees.

### Underemployed

Underemployed workers are those people in employment who would like to work more hours, either by working in an additional job, by working more hours in their current job, or by switching to a replacement job. They must also be available to start working longer hours within two weeks and their current weekly hours must be below 40 hours if they are between 16 and 18 and below 48 hours if they are over 18.

#### Overemployed

The overemployed are defined as persons in employment who would like to work fewer hours and would accept less pay for shorter hours, either in a different job or in their current job.

## **Job Security**

For the purposes of work quality analysis, job security has been defined as employees who are either in permanent employment, or are in temporary employment but do not want have a permanent post.

#### **Programme for Government**

The Labour Force Survey (LFS) is used to help monitor seven indicators for the Draft Northern Ireland Programme for Government (PfG)/ NICS Outcomes Delivery Plan (ODP). The Outcomes Delivery Plan 2018/19 set out the actions that departments intended to take during 2018/19 to give effect to the objective of improving wellbeing for all – by tackling disadvantage and driving economic growth. The Outcomes Delivery Plan (December 2019) is a further update which does not cover a fixed period with the intention to maintain it as a more responsive "live" document.

The framework reflects population conditions in 12 key areas of economic and societal wellbeing identified through consultation as priorities, the 12 areas are then supported by 49 indicators.

The LFS annual dataset informs seven indicators, two of which were detailed in the annual summary in March 2020; a further four indicators are reported in October 2020 and the 7th indicator (ODP 42, Life Satisfaction score of people with disabilities) is published in the Personal Wellbeing section of the NISRA website.

The development of work quality questions, additions to the Labour Force Survey, and production of work quality indicators, forms part of the NISRA and DfE work programme to develop a Better Jobs Index for Northern Ireland. A new question on job satisfaction was added to the LFS in January 2018 and adapted in July 2019. New questions on meaningful work, opportunities for progression, and employee involvement in decision making were added to the Labour Force Survey in July 2019. First results from the new questions are included in this release.

Future analysis will include breakdowns of work quality indicators by sex, age, skill level and urban/rural geographies.

A key aspect of work quality that is not included in today's release is pay. The Annual Survey of Hours and Earnings 2020 provides detailed analysis of employee earnings including estimates of the proportion of employees earning below the Real Living Wage.

#### **Feedback**

We welcome feedback from users on the work quality indicators. Please contact the Labour Force Survey team using the details below.

#### **Further information**

If you require further information about the figures contained in this publication or the accompanying tables, please contact the Labour Force Survey section using the details below:

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