

# Job-related Well-being in Britain

### First Findings from the Skills and Employment Survey 2012

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### **HEADLINES**

Happiness at work is an important ingredient of national well-being. It can be measured in two core dimensions – 'enthusiasm' for, and 'contentment' with, the job.

- In both these dimensions, job-related well-being in British workplaces fell between 2006 and 2012. There was a small drop in the average population-wide score on the *Enthusiasm* scale, and a sharp fall in the score on the *Contentment* scale.
- The fall in the *Enthusiasm* scale was only for men, and greatest among those with low education achievements.
- The falls can partly be accounted for by rising insecurity, work intensification, and increased downsizing.
- There was also a notable rise in Job Stress, and a fall in Job Satisfaction.

The Skills and Employment Survey is funded jointly by the Economic and Social Research Council and the UK Commission for Employment and Skills through the ESRC Centre for Learning and Life Chances in Knowledge Economies and Societies (LLAKES) which acts as the host institution. It is directed by Alan Felstead (Cardiff University and Visiting Professor at the Institute of Education) in collaboration with Duncan Gallie at the University of Oxford and Francis Green at the Institute of Education.

## 1. The Importance of Job-Related Subjective Well-Being

In recent years interest has grown in measuring subjective well-being, broadening out from the traditional concern with the growth of GDP. In Britain the Office for National Statistics inaugurated its well-being programme in 2010, then published in 2012 a set of well-being indicators about many aspects of life including work. Noting the importance of having a job, it showed the trend in the employment rate: this has been relatively stable for a decade. Recognising that the experience of work also mattered, it also showed the extent to which people were satisfied with their jobs.

In this report we start from a similar starting point to that of the ONS. Evidence shows that being in work makes a substantive difference to people's well-being, and that there is a great deal of variety among jobs in their effects on well-being. However, unlike the ONS we hold that the variation is not adequately measured by asking workers whether they are satisfied with their jobs, because their answers depend on what they were expecting and what the alternatives are.

Instead, we utilise a more sophisticated concept of job-related subjective well-being developed by psychologists. In this alternative, the many feelings generated by work are grouped positively or negatively along two dimensions - 'emotional arousal' and 'pleasure'. Then, two scales are generated that capture these dimensions to greater or lesser extents. One scale ranges from the feeling of 'depression' (low pleasure, low arousal) to its opposite, 'enthusiasm' (high pleasure, high arousal) - the 'Enthusiasm' scale. The other ranges from 'anxiety' (low pleasure, high arousal) to 'contentment' (high pleasure, low arousal) - the 'Contentment' scale. It is important to monitor both scales, because (as evidence shows) the same job characteristic often affects the two scales quite differently; moreover, the two scales may have quite different effects on outcomes such as absenteeism and job mobility.

An impressive amount of research has brought out the associations between subjective well-being and a range of job characteristics — including worker discretion, the ability to use skills, access to training, social support, security, and the relationship between effort and reward. Much of this knowledge has yet to be taken on board in policy discussions. In turn, these job characteristics are related to the macroeconomic environment, to strategic decisions that managers make about how to organise work, and to the pressures of increasing global competition. With the economy stagnating since the autumn of 2008, what has happened to job-related subjective well-being?

#### 2. Previous Evidence

Life satisfaction – which is one measure of subjective well-being applying to all facets of life - has been found to be relatively stable for the last quarter of the 20<sup>th</sup> century in Britain. Yet it is also known that subjective well-being drops when unemployment increases. As Beveridge warned back in 1944 when setting out his blueprint for the post-war welfare state. a downturn in the business cycle affects not just those made redundant. The employment insecurity and disruptions generated among many of those still working magnify the downsides of recessions. Looking at the recent economic crisis, among men in England the General Health Questionnaire (GHQ) indicator of low subjective well-being, which is associated with poor mental health, was significantly higher in 2009 and 2010 than it had been in previous years; yet no such drop occurred for women. The suicide rate increased significantly between 2010 and 2011.

Little is known, by contrast, about how job-related subjective well-being has been changing over time in Britain. What we do know concerns job satisfaction, which deteriorated over the course of the 1990s yet picked up in the first part of the 2000s, soon reaching its early 1990s levels.

Our aim in this report is partly to update what has been happening to job satisfaction after three years of economic stagnation, but also to improve the evidence on job-related subjective well-being using the more sophisticated *Enthusiasm* and *Contentment* scales.

## 3. The Skills and Employment Survey 2012: A Source of New Evidence

We investigated these issues using the Skills and Employment Survey 2012 (SES2012), which collected responses from working adults in England, Scotland and Wales, interviewed in their own homes. The sample was drawn using random probability principles subject to stratification based on a number of socio-economic indicators. Only one eligible respondent per address was randomly selected for interview, and 49% of those selected completed the survey. Data collection was directed by ourselves and conducted by GfK NOP.

SES2012 is the sixth in a series of nationally representative sample surveys of individuals in employment. Each comprises a large number of respondents: 4,047 in 1986 survey; 3,855 in 1992; 2,467 in 1997; 4,470 in 2001; 7,787 in 2006 individuals; and 3,204 in 2012. For each survey, weights were computed to take into account the differential probabilities of sample selection, the oversampling of certain areas and some small response rate variations between groups (defined by sex, age and occupation). The analyses that follow use these weights and consistently apply to those aged 20 to 60.

#### 4. Indicators of Job-Related Subjective Well-Being

To measure job-related subjective well-being, a series of items was introduced with the words: 'Thinking of the past few weeks, how much of the time has your job made you feel each of the following...?', each followed by an adjective describing a different feeling. For the *Enthusiasm* scale, the adjectives were 'depressed', 'gloomy', 'miserable', 'cheerful', 'enthusiastic' and 'optimistic'. For the *Contentment* scale the adjectives were 'tense', 'uneasy', 'worried', 'calm', 'contented' and 'relaxed'. Responses could range over six points from 'never' to 'all of the time'. Both scales, constructed by averaging the responses (having reversed the negative items), ranged from '1' to '6' and have been validated in earlier studies.

We supplemented these main measures by two further indicators which, though less ideal for capturing job-related subjective well-being, have the benefit of being available for 1992 as well as for the 2000s, thereby enabling a longer perspective on change. 'Job Stress' is a negative measure of job-related well-being. This indicator was obtained by averaging responses to three questions about the frequency of experiencing 'worry about job problems', 'difficulty to unwind at the end of a workday', or 'feeling used up at the end of a workday'. The responses again ranged from '1' ('never') to '6' ('all of the time').

Finally *Job Satisfaction* is obtained from the combined responses to questions about 14 separate domains of work: pay, promotion prospects, relations

with the boss, job security, opportunity to use abilities, ability to use initiative, quality of management, hours, fringe benefits, the work itself, the amount of work, variety in the work, training and the friendliness of co-workers. We averaged the responses, each with scores ranging from '0' ('completely dissatisfied') to '6' ('completely satisfied').

#### 5. Findings

To illustrate how job-related well-being changed between 2001 and 2012, we focus first on the downside: we calculate the proportion of jobs where the respondent had a low well-being score. Figure 1 (whose notes explain the precise definitions of 'low' in each case) suggests that this downside has grown, indicating that well-being has deteriorated.

Between 2006 and 2012 there was a slight rise, from 5% to 6%, in the proportion of workers who were low on the *Enthusiasm* scale. There was a more substantive rise in the share who were low on the *Contentment* scale which, after remaining virtually unchanged over the first part of the decade, then took a sharp increase (from 15% to 19%) between 2006 and 2012.

Consistent with this story of declining well-being in the latter period, there was a rise in the proportion reporting high levels of *Job Stress* between 2006 and 2012 (from 12% to 17%). This change was paralleled by a rise in the proportions reporting a low level of *Job Satisfaction* (from 9% to 11%).

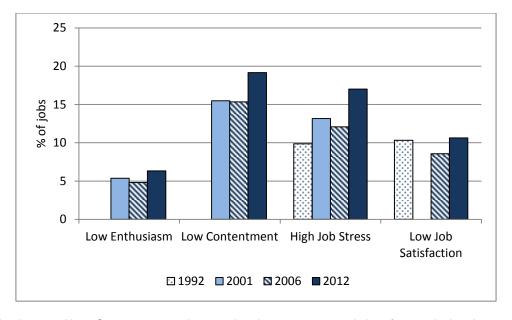


Figure 1: Low Job-Related Well-Being, 1992-2012

Notes: Low Enthusiasm and Low Contentment each mean that the average score is less frequently than 'some of the time'. Low Job Satisfaction is where the compound score is less than '4' (equivalent to 'neither satisfied nor dissatisfied'). High Job Stress is where Job Stress is '4' or more (equivalent to 'much', 'most' or 'all of the time').

Table 1 splits the trends in our main measures between socio-economic groups. To capture the whole spectrum of the distribution of well-being, rather than just the low end, we now examine the average scores: these display a pattern of decline after 2006 consistent with Figure 1. The table shows that for *Enthusiasm* all the decline was for men, with no decrease for women. The drop in *Contentment* was for both sexes but was much greater for men than for women. These gender differences match the findings about the GHQ indicator during the recession, noted above. Among women there was no notable difference in the trends between those working full-time and part-time.

The table also shows that *Enthusiasm* is somewhat higher in the public sector than in the private sector, and higher still in the non-profit sector. Yet there are few notable differences between the sectors with the *Contentment* scale. The overall declines between 2006 and 2012 appear to have taken place across the board.

Finally, with the *Enthusiasm* scale it is the lower educated (less than A-level or equivalent) whose jobrelated subjective well-being has fallen the most (from 4.31 in 2001 to 4.19 in 2012), while there has been little change for the higher educated.

Table 1: The Enthusiasm and Contentment Scales by Socio-Economic Groups, 2001-2012

		<u>2001</u>	2006	<u>2012</u>
Gender				
Male	Enthusiasm	4.28	4.27	4.17
	Contentment	3.79	3.81	3.60
Female	Enthusiasm	4.36	4.32	4.35
	Contentment	3.75	3.72	3.62
Working time (women only)				
Full-time	Enthusiasm	4.35	4.28	4.32
	Contentment	3.65	3.60	3.50
Part-time	Enthusiasm	4.38	4.39	4.39
	Contentment	3.90	3.92	3.79
Sector				
Private sector	Enthusiasm	4.26	4.24	4.19
	Contentment	3.80	3.77	3.60
Public sector	Enthusiasm	4.35	4.33	4.27
	Contentment	3.68	3.74	3.57
Non-profit	Enthusiaam	4.38	4.41	4.36
organisation	Enthusiasm			
Education laval	Contentment	3.61	3.68	3.55
Education level	<b>-</b>	4.04	4.00	4.40
Below A-Level	Enthusiasm	4.31	4.26	4.19
	Contentment	3.87	3.90	3.72
Above A-Level	Enthusiasm	4.32	4.32	4.29
	Contentment	3.69	3.68	3.56
All				
	Enthusiasm	4.32	4.30	4.25
	Contentment	3.77	3.77	3.61

Note: Scores range from 1 to 6, with higher scores indicating greater well-being.

As a broad generalisation, those working in higher-ranking occupations (in terms of required education level) experience higher *Enthusiasm* but lower *Contentment* scores. For example, Sales and Retail workers' average scores are respectively 4.23 (lower than average) and 3.85 (higher), while Nurses, at 4.36 and 3.57, are the opposite. Over the decade, the occupational and industrial structure of the workforce has changed, but we found that these do

not account for the declines in well-being. Rather, the changes in well-being may be associated with changes in the jobs themselves.

At first sight it looks from the timing as though the 2006-2012 fall in *Contentment* may be associated with the major economic recession that intervened. Yet the fall could instead be part of a longer run trend, so it is worth looking for other clues. Over this

period more workers were in jobs where there had been downsizing (41% in 2012 compared with 30% in 2006), putting pressure on surviving workers. Work has been intensified over the period (see Report 5), and many more people have been fearing job loss

(25% in 2012 compared with 18% in 2006 – see Report 4). These changes will have affected well-being negatively, so we attempted to account for the decline in subjective well-being in terms of these proximate determinants. Figure 2 shows the results.

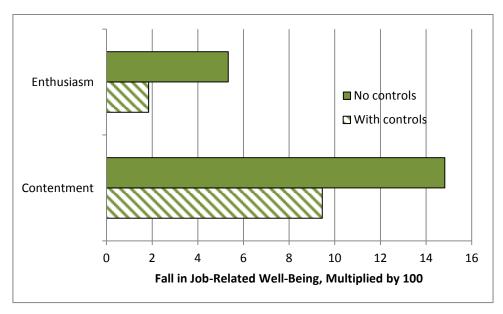


Figure 2: Accounting for the Decline in Job-Related Well-Being, 2006-2012

Notes: Controls are for required work effort, perceived job insecurity (expectation of job loss & unemployment in coming year), change in way work is organised, downsizing in the workplace, gender and age. The estimates apply to workers in post for at least three years.

For the *Enthusiasm* scale, the upper bar indicates the 'raw' fall between 2006 and 2012. The lower bar shows the estimated fall that would have occurred if the downsizing, work reorganisation and so on had not taken place. We calculated this estimate assuming that the relationships between job characteristics and well-being remained the same over the whole period. As can be seen, most of the fall in the *Enthusiasm* scale is accounted for by the control variables – only a small and insignificant fall would have occurred without the changes in job characteristics, which are mainly associated with the economic crisis.

Doing the same calculation for the *Contentment* scale reveals that less than half of the decline is accounted for by the measured changing job characteristics.

These findings do not prove that the decline in subjective well-being is caused by the recession, but they are consistent with the story that recession-induced changes in job characteristics and in perceptions of employment insecurity are partly behind it.

#### 6. Implications

Studies of subjective well-being help to reveal both the threats to the well-being of the public in times of recession and the benefits of having better quality jobs. A good quality working life is to be prized for itself. It is also associated with beneficial outcomes for employers, such as lower absenteeism and higher commitment - though research on whether this link is causal has a long way to go. The declines in the Contentment scale for both sexes, together with the fall in the Enthusiasm scale for men, have implications for both the management of the economy and the organisation of work. It reinforces the responsibility of macroeconomic policy makers to minimise instability, and calls for a new engagement with employers in both public and private sectors over an organisation of work that enhances those characteristics, such as control and effort management, which promote worker well-being.

#### **Selected Recent Studies**

Blanchflower, D G and Oswald, A J (2004) 'Well-being over time in Britain and the USA', *Journal of Public Economics*, 88(7-8): 1359-86.

Bryson, A, Green, F, Bridges, S. Craig, R (2011) 'Well-being, health and work', in Craig, R, Mindell, J (eds) *Health Survey for England 2010*, Leeds: The NHS Information Centre.

Katikireddi, S V, Niedzwiedz, C L and Popham, F (2012) 'Trends in population mental health before and after the 2008 recession: a repeat cross-sectional analysis of the 1991-2010 Health Surveys of England', *BMJ Open*, 2: e001790.

Warr, P (2007) Work, Happiness, and Unhappiness, London: Lawrence Erlbaum Associates.

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