

Creating better quality **work and workplaces**

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Who is this factsheet for?

Businesses who use contract workers, trade unions, precarious workers, and the self-employed.

This document highlights best practice pre COVID-19 and provides new information concerning what is a rapidly evolving situation. It was informed by a review of research, evidence-informed resources and tools offered by professional bodies, and a webinar involving experts on work and wellbeing.

This document aims to:

- highlight the features and implications of poor quality, precarious work
- raise awareness of what 'good work' looks like and the wide-ranging benefits for the health and productivity of the workforce
- provide guidance on how to improve the quality of work.

INTRODUCTION

Employment is a key determinant of physical and mental health¹. The full extent of the implications of the COVID-19 pandemic for future employment is unknown. Clearly, protecting jobs must be prioritised to support the health, wellbeing, and productivity of the population, but the work available should be good quality and healthy not precarious and short-term. Better quality jobs are the key to recovery – they will increase participation rates, productivity, and economic performance¹.

Good quality work has benefits for^{1,2}:

- employee health and wellbeing
- motivation, effort, and commitment
- job satisfaction, productivity, and performance
- absenteeism and turnover
- communication and relationships
- service quality and customer satisfaction.

Precarious work generally refers to work that is poorly paid, unprotected, and/or insecure.

Gig economy work involves short-term informal working relationships where work is generally on-demand, obtained via online platforms, and delivered on a payment by task basis. It is casual, unpredictable, irregular, and temporary. Gig workers may be considered independent contractors, freelancers, or self-employed.

Self-employment is the state of working for oneself rather than receiving a wage or salary from an employer.

PRECARIOUS WORK AND SELF-EMPLOYMENT

- Precarious workers may be employed by agencies and be on short-term or zero hour contracts.
- Precarious workers do not necessarily lack skills and qualifications. Many young graduates are employed in temporary and low-qualified positions³.
- Young people seeking stable jobs may take precarious jobs to gain access to the labour market.
- Self-employment has increasingly become a form of precarious work, with many working in the 'shadow', or grey economy⁴.
- In 2020, there were more than 5 million self-employed people in the UK, up from 3.2 million in 2000⁵.
- Two-thirds of self-employed people are men, and it is more common among older workers⁵.
- Self-employment varies by ethnic group, with particularly high rates among Pakistani and Bangladeshi workers⁵.
- Self-employed people typically earn less than other workers, have little access to benefits, and are exempt from minimum wage legislation.
- People who are self-employed are more likely to report reduced working hours and reduced income during the pandemic, even if they are receiving support from the Government's Self-Employment Income Support Scheme⁵.
- Many self-employed people work in sectors most at risk of loss of livelihood due to the current crisis⁶.

Why is precarious work so damaging for your staff?

Precarious workers face multiple disadvantages, they:

- **Are paid less.** Many get 'cash in hand' causing further disadvantage, as they may be unable to document their employment history and obtain benefits⁷.
- **Experience financial stress.** They are particularly vulnerable to economic shocks and have responded to the crisis by spending savings⁸ and living on an overdraft⁹.
- **Do not enjoy the same benefits as permanent staff.** Many do high risk frontline work and may not receive adequate protection and training or get support for mental health¹⁰.
- **Have little control over their working schedule.** For many, the availability or work and working hours are unpredictable.
- **Struggle to get suitable childcare.** For parents, unstable and unpredictable work schedules can make accessing childcare arrangements challenging. As well as being stressful for parents, this can lead to behavioral problems in young children¹¹.
- **Are at high risk of job stress and other mental health problems.** Reported levels of mental health problems are almost double those of other workers¹².
- **Are at greater risk of physical health problems.** Job insecurity is linked with various health complaints ranging from psychosomatic symptoms to cardiovascular disease^{13,14}. Insecure work also has health risks due to factors such as unhealthy lifestyles, lack of good quality sleep due to extended or irregular working hours, and susceptibility to accidents or injuries¹⁵.
- **Can be at similar or greater risk of health problems as the unemployed.** Research has found that formerly unemployed people who gain poor quality jobs had a greater risk of stress-related health problems than those who remained unemployed¹⁶.
- **Are more likely to work while sick.** Sick pay is either limited or not available, or people may fear losing work in future if they take sick leave¹⁷.

Precarious work and the pandemic

Precarious workers will be more vulnerable during economic crises, and the pandemic may intensify existing inequalities in accessing good quality work. Younger and older workers, women, and many people from ethnic minority backgrounds are more likely to be in low quality jobs and face many other disadvantages¹⁸. Some of these workers are also more clinically vulnerable and/or working in the frontline with a greater risk^{19,20}.

The inequalities in risk of COVID-19 mortality related to occupations have been highlighted. Some of the highest death rates from COVID-19 have been in the security, caring, leisure and service sectors, where precarious work is common^{21,22}. Precarious workers can be reluctant to refuse work and the pandemic is likely to intensify these threats.

Many precarious jobs are in sectors with the greatest number of job losses. A survey conducted early in the pandemic found that almost 7 out of 10 gig workers had lost all their income, more than a quarter had reduced working hours, and over half had lost their jobs entirely²³. The disproportionate number of ethnic minority workers who do precarious work highlights the additional risks they face of redundancy, long-term unemployment, and the associated economic and health challenges. People with disabilities are also at greater risk, as they are more likely to be employed on part-time and precarious contracts and earn substantially less than those without disabilities^{23,24}.

'GIG'WORKERS

Some insight has been gained into the characteristics of gig workers economy²⁵.

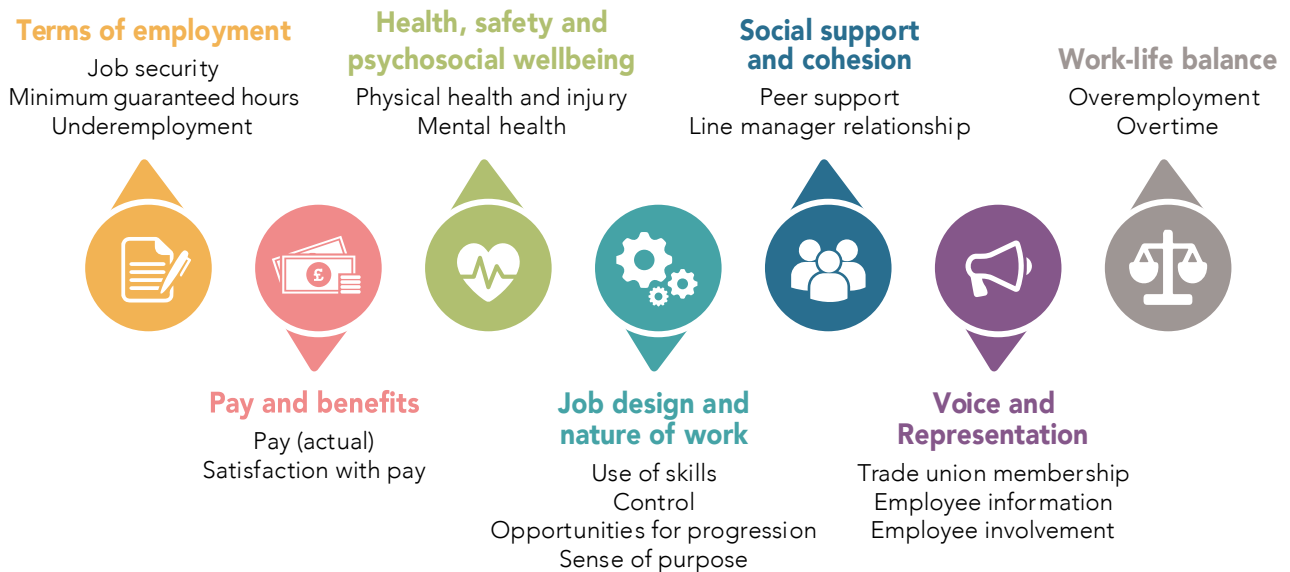
- **How many people do gig work?** The number of gig workers doubled between 2016 and 2019 and is now estimated at nearly 1 in 10 of the UK adult population.
- **Who does gig work?** Gig workers tend to be younger and work on a short-term basis. People from ethnic minority backgrounds are twice as likely to do gig work, and it is particularly common for ethnic minority women.
- **What do gig workers do?** It mostly involves office work, transport and delivery, and domestic work. Many people take on more than one type of unskilled work to 'patch an income together'. Some, however, do highly skilled, creative, and professional work.
- **How much do gig workers earn?** Pay depends on the type of work but are relatively low. One in four reported earning less than £7.50 per hour.
- **What are the positives and negatives of gig work?** Over half (53%) felt satisfied, with the benefits being flexibility and independence and the drawbacks being low income and employment benefits, and poor opportunities for training and development.
- **Gig workers have different experiences.** Although some have alternative career options, others have little or no flexibility or choice and there are many examples of exploitative working practices.

An employee perspective on the gig economy can be found [here](#).

HOW TO IMPROVE THE QUALITY OF WORK

What is meant by 'good work' and how can this be sustained and extended during the current economic crisis? Set out below, is a conceptual framework for good work that encompasses seven dimensions, containing 18 metrics²⁶. Some jobs may be precarious on one or two dimensions, while others are precarious on multiple dimensions.

Figure 1



“All work should be fair and decent with realistic scope for development and fulfilment.” - *Taylor Review of Modern Working Practices (2017)*¹

The CIPD provides employers with recommendations on how to [improve job quality](#).

- Design people strategies that have, as core elements, improved job quality and wellbeing.
- Collect good quality, relevant and representative data on job quality, and develop analytical capabilities. Use this information to make decisions on people management practices. Consider using questions from the CIPD's Good Work Index, and benchmark against this.
- Use data-driven insights to target support at disadvantaged or underrepresented groups to ensure good work for all.
- Seek to pay the Real Living Wage as a minimum for all employees.
- Provide informal and formal flexible working options and encourage employees to use them.
- Provide opportunities for learning and career development and encourage employees to use them.
- Implement practices that promote inclusion and social cohesion, and effective interventions to resolve conflict when it arises.
- Invest in developing the people management capability of all line managers. They are key to improving job quality and motivating employees.
- Provide effective channels for employee voice – both directly and through representatives.

KEY MESSAGES FOR EMPLOYERS

- **Prioritise physical and mental health and safety.** The current public health crisis has highlighted the importance of workplace health, safety, and wellbeing. There is also an increased awareness of the employers' duty of care to their staff and the need to support those working in challenging environments, including the home. See [here](#) for guidance. A [guide](#) for health and safety representatives about the gig economy is also available.
- **Assess the risk of work-related stress.** Use the [Health and Safety Executive Management Standards](#) to identify the risk factors and involve staff in planning how they can be minimised.
- **Ensure everyone has access to occupational health.** Occupational health is currently available to only half of UK workers; there is a strong economic case for [access for all](#).
- **Consider different options.** In a competitive and challenging post-crisis environment, employers may feel pressurised to replace permanent employees with contract staff. They should balance their concerns with the risks of losing skilled, experienced staff and recognise the impact of precarious work on staff wellbeing, engagement, and productivity. Consider other options, such as reducing working hours or job sharing, that provide some security and predictability.
- **Embed new ways of working.** Organisations are being challenged by the COVID-19 crisis to find new ways [to operate](#). The pandemic has provided new insights on the benefits of flexible working and how best to support staff. [See here for guidance](#).
- **Provide training.** As the pandemic is changing the shape and nature of the labour market, workers will need to be prepared for their new roles. Guidance on how digital learning supports upskilling and reskilling for post-pandemic recovery can be found [here](#). Working to improve the skills-base of people in local and regional labour markets may help to attract more skilled employment to the area and improve the quality of work. This is particularly important in more economically deprived areas, where skills deficits are combined with greater health inequalities.
- **Keep your staff informed.** Communicate your plans to staff and encourage them to discuss their concerns and priorities with you. Try to reduce unnecessary fears where possible but be honest about prospects.
- **Recognise diverse needs.** Involving staff in shaping interventions to improve the quality of work will ensure they meet the needs of different types of workers.

Some other issues to consider

- **Pay is only one aspect of quality work.** For many people other factors, such as fulfilment, personal development, and flexibility, are just as important. Giving staff more support, autonomy, respect, and appreciation, can also help offset the negative impact of demanding work on health^{27,28}.
- **A range of employment options is needed.** Not everybody wants a regular, permanent job. For people with skills and financial means, gig work can provide flexibility and freedom.
- **Gig work does not have to be poor quality.** Platform based work can enable people to work in less conventional ways. Gig workers who have more autonomy and choice can report better wellbeing than those with regular work. A [guide](#) for employers on atypical working is available.
- **Be aware of the pros and cons of technology.** It can improve work quality but may intensify work and extend working hours. This is a particular risk if people are working at home. [See here for guidance](#).
- **Improve access to mental health support.** It is crucial to increase knowledge of mental health issues among self-employed workers and improve access to support. See [here](#) for guidance.

More information on creating fair employment and good work for all can be found [here](#). Information on how to measure job quality is available [here](#). An action plan on providing good work for all can be found [here](#). Legal guidance for employers on employment status is also [available](#).

Try to improve job quality wherever possible, but few jobs are perfect, and trade-offs are often required.

FURTHER RESOURCES

Better Work in the Gig Economy. Doteveryone.

https://www.doteveryone.org.uk/wp-content/uploads/2020/01/DE_BetterWork_Webcopy_220120.pdf

Build Back Fairer: The COVID-19 Marmot Review.

<http://www.instituteofhealthequity.org/resources-reports/build-back-fairer-the-covid-19-marmot-review/build-back-fairer-the-covid-19-marmot-review-full-report.pdf>

Coronavirus and self-employment in the UK

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/coronavirusandselfemploymentintheuk/2020-04-24>

Trends and inequalities in job insecurity and the impact on health.

<https://www.health.org.uk/news-and-comment/charts-and-infographics/job-security>

<https://www.carnegieuktrust.org.uk/publications/good-work-for-wellbeing-in-the-coronavirus-economy/>

Measuring Good Work.

https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2018/09/03132405/Measuring-Good-Work-FINAL-03-09-18.pdf

Platform Work in the UK 2016 – 2019.

<https://www.feps-europe.eu/attachments/publications/platform%20work%20in%20the%20uk%202016-2019%20v3-converted.pdf>

Promoting Good Quality Jobs to Reduce Health Inequalities. PHE

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/460700/2a_Promoting_good_quality_jobs-Full.pdf

The Good Work Index. CIPD

<https://www.cipd.co.uk/knowledge/work/trends/goodwork>

The Road to Good Work. CIPD

<https://www.cipd.co.uk/knowledge/work/trends/good-work>

The Risks and Rewards of Online Gig Work at the Global Margins.

<https://www.oii.ox.ac.uk/publications/gigwork.pdf>

The Self-employed Landscape in 2020

<https://www.ipse.co.uk/policy/research/the-self-employed-landscape/the-self-employed-landscape-report-2020.html>

Quality work placements in the new normal. BITC

<https://www.bitc.org.uk/wp-content/uploads/2020/10/BITC-Toolkit-Qualityworkplacementsinthenewnormal-020ct2020.pdf>

<https://iwgb.org.uk/>

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3. https://www.researchgate.net/publication/268683980_Precarious_Work_and_High-Skilled_Youth_in_Europe
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24. <https://www.scope.org.uk/about-us/disability-wellbeing/>
25. <https://www.tuc.org.uk/news/uks-gig-economy-workforce-has-doubled-2016-tuc-and-feps-backed-research-shows>
26. https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2020/10/27154455/Good-Work-for-Wellbeing-in-the-Coronavirus-Economy-Full-report.pdf
27. https://www.researchgate.net/publication/262301196_Ten_years_on_A_review_of_recent_research_on_the_Job_Demand-Control_-_Support_model_and_psychological_well-being
28. https://www.researchgate.net/publication/8137701_Reviewing_the_Effort-Reward_Imbalance_Model_Drawing_up_the_Balance_of_45_Empirical_Studies



Supporting occupational health
and wellbeing professionals