

SURVEY REPORT | *June 2021*

# CIPD Good Work Index 2021

UK Working Lives Survey



The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has more than 150,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

# CIPD Good Work Index 2021: survey report

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# 1 Introduction

The CIPD Good Work Index is an annual benchmark of good work or job quality in the UK. It measures a wide range of aspects of job quality, including employment essentials, such as pay and contracts, the day-to-day realities of work as experienced by workers themselves, and the impacts on people's health and wellbeing.

This survey report is based on the fourth annual *UK Working Lives* survey, which draws on a representative sample of UK workers. The CIPD Good Work Index measures a wide range of aspects of job quality, including employment essentials, such as pay and contracts, the day-to-day realities of work as experienced by workers themselves, and the impacts on people's health and wellbeing.

This report is also accompanied by a [research report](#) and appendices of [data tables](#) and [methods](#). These resources are available at [cipd.co.uk/goodwork](https://cipd.co.uk/goodwork)

## COVID-19

This year's survey was conducted nearly 12 months on from the start of the COVID-19 pandemic and gives a snapshot of the experiences of workers during this time. Since the last full annual survey, the global economy has experienced its greatest shock in over a generation. Alongside a major contraction in economic activity, the COVID-19 crisis has ushered in an unprecedented policy response. Cumulatively, the UK Government's furlough scheme – the Coronavirus Job Retention Scheme (CJRS) – has supported over 11 million jobs since its launch in March 2020.

This survey offers important insights into workers' experiences during this crisis – including those on furlough and those working from home. The report also examines the extent to which the experiences of those deemed to be key workers during this crisis has differed from that of the general workforce.

This survey builds on previous iterations of the Good Work Index produced in 2019 and before the lockdown in 2020, as well as complementing a [smaller survey](#) undertaken by the CIPD at the height of the lockdown in July 2020. Comparisons with the July 2020 research need to be interpreted with some caution given variations in sampling methods.

In the first section, the context and experience of workers through the COVID-19 crisis is explored. Interestingly, a remarkable degree of consistency is found across the indicators of job quality compared with previous years. Differences in experiences of good work found in earlier years remain in 2021, suggesting that many of the barriers to good work (and good practices) are resilient to change.

In subsequent sections the seven dimensions of good work are assessed.

## What is good work?

The CIPD's purpose is to champion better work and working lives by improving practices in people and organisation development for the benefit of individuals, the economy, and society. The CIPD believes that good work is fundamental to individual wellbeing, supports a strong, fair society, and creates motivated workers, productive organisations and a strong economy.

The CIPD's definition is:

- Good work is fairly rewarded.

- Good work gives people the means to securely make a living.
- Good work gives opportunities to develop skills and a career and gives a sense of fulfilment.
- Good work provides a supportive environment with constructive relationships.
- Good work allows for work–life balance.
- Good work is physically and mentally healthy.
- Good work gives people the voice and choice they need to shape their working lives.
- Good work should be accessible to all.
- Good work is affected by a range of factors, including HR practices, the quality of people management and by workers themselves.

Read more about our perspective on good work at the [CIPD's viewpoint on job quality](#).

Across each of these areas of activity or influences, employers need to develop an effective people strategy that includes:

- values, culture and leadership
- workforce planning and organisational development
- employment relations
- people analytics and reporting.

### **Background to the CIPD Good Work Index**

Measuring good work or job quality is increasingly acknowledged in both policy and organisational spheres as being centrally important to assessing contemporary work and the employment relationship, understanding their impact on lives and productivity, and making sure that improvements can be made where possible.

In the UK context, the 2017 *Taylor Review of Modern Working Practices* identified several key concerns of relevance to job quality in the modern labour market. In the same year, the CIPD embarked on a project to review the research on job quality and good work and to develop a tool to measure the main dimensions of job quality. To this end, it commissioned two reviews: first, from the perspectives of workers, on what constitutes [good or poor job quality](#) and what the opportunities and pitfalls are in measuring it; and second, on [the capacity workers have to influence their job quality](#) and the shifting balance of power between employers and workers. This survey is based on this body of work and further consultation with academics, HR experts and government officials. The [Measuring Job Quality Working Group](#), of which the CIPD was a member, adopted the CIPD's seven dimensions of good work and recommended approximate indicators to them – very similar or identical to the ones reported.

The CIPD Good Work Index provides a key indicator of the current state of work in the UK, giving insight and reference points for those involved in research, policy and practice relating to good work. More specifically, it presents a regular, comprehensive and broadly representative survey of workers across job types, occupations and sectors, complementing other surveys of workers that are less frequent (for example, the UK Skills and Employment Survey) or contain less detail on job quality and good work (for example, the Labour Force Survey).

## Seven dimensions of good work

The CIPD Good Work Index captures data on seven dimensions of good work, summarised in Table 1. The index includes both objective and subjective measures. Objective measures capture aspects that in principle should be unbiased: for example, data on contract type and the amount people earn. Subjective measures reflect an opinion, preference or feeling, for example, how meaningful people find their work, the quality of relationships at work, and measures of satisfaction with job or life. Further, both aspects of good work that are universal (what is good for one person will be good for anyone) and aspects that are relative (what's good for one person may not be for good another) are explored. For example, no one would contest that more pay is better than less pay, but part-time work and irregular hours are far less clear as they are likely to vary with one's personal circumstances. The same part-time job may be a poor deal for someone who is trying to feed a family or tie down their first mortgage, yet ideal for a student who cannot commit full-time, or an older worker who has paid off their mortgage and wants to wind down a little. To give a full view of working life, the CIPD Good Work Index describes both universal and relative aspects of job quality and relies on both objective and subjective measures.

**Table 1: Dimensions of good work**

<b>Dimension</b>	<b>Areas included</b>
1 Pay and benefits	Subjective feelings regarding pay, employer pension contributions, and other employee benefits.
2 Contracts	Contract type, underemployment, and job security.
3 Work–life balance	Overwork, commuting time, how much work encroaches on personal life and vice versa, and HR provision for flexible working.
4 Job design and the nature of work	Workload or work intensity, autonomy or how empowered people are in their jobs, how well resourced they are to carry out their work, job complexity and how well this matches the person's skills and qualifications, how meaningful people find their work, and development opportunities provided.
5 Relationships at work	Social support and cohesion. The quality of relationships at work, psychological safety, and the quality of people management.
6 Employee voice	Channels and opportunities for feeding views to one's employer and managers' openness to employee views.

7 Health and wellbeing	Positive and negative impacts of work on physical and mental health. Often considered as an outcome of job quality.
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A set of seven indices are calculated from the survey data, each one representing each of the seven good work dimensions. These indices in turn are derived from a set of 18 sub-indices, which, in turn, are derived from many survey items (detailed in [Appendix 2](#)). In this report, the focus is largely on the seven good work indices and their sub-indices.

### UK Working Lives survey design

The 2021 UK Working Lives (UKWL) survey was conducted in January and February 2021 and gave a sample of 6,256 workers. To make the samples representative of the UK as a whole, quotas are used to target the sample and subsequent weights based on ONS figures are applied to the dataset. The sample is representative of the UK workforce in: the intersection of gender by full- or part-time work status; organisation size within sector; and industry.

A subsample of the 2019 respondents were re-surveyed in 2020 and again in 2021, allowing us to observe how the quality of work evolves within jobs.

### Focus and structure of this report

In **section 2** of this year’s report, particular attention is paid to assessing the experience of workers during COVID-19. The subsequent seven sections each focus on a dimension of good work. In the final section, conclusions are drawn together and areas for future research are identified.

## 2 Change and continuity in the COVID-19 workplace

### Key issues in the COVID-19 workplace

The period of the COVID-19 pandemic has seen fundamental shifts in business models and work organisation, and emerging evidence produced by the CIPD and other stakeholders suggests that there may be long-term consequences for people’s experiences of work and job quality. The COVID-19 crisis has also led to a substantial drop in economic activity and employment, and this combined with potentially permanent shifts in customer behaviour is likely to feed through into increased job insecurity for some groups of workers.

The past year has also seen a substantial shift towards homeworking, and there is evidence that working from home some or most of the time is likely to remain a preference for many employers and workers – this year’s survey finds that 39% of workers would prefer to work from home for three or more days per week. Employers will need to continue to take action to ensure that workers stay connected and to support homeworkers’ performance and wellbeing.

Despite the changes and challenges encountered by employers and workers during 2020–21, there is a striking degree of overall continuity in survey responses informing the CIPD Good Work Index. This may be because a combination of the CJRS, other government support, and forbearance on the part of lenders and creditors has allowed employers to maintain employment and job quality despite reduced business activity. This may also mean

that as the economy opens up, there will be more substantial shifts in experiences of and access to good work during 2021–22.

Another reason for the relative continuity of results in the pre-COVID-19 and current Good Work Index may lie in the impact of people management and job design. There is evidence that many workers have responded positively to the additional support and wellbeing measures put in place by some employers, and this may be helping to mitigate the negative impacts of the COVID-19 crisis. More generally, it is worth speculating below that continuity in Good Work Index measures are indicative of the resilience or ‘stickiness’ of good job design for some workers. As noted elsewhere in this report, it may be that organisations that ‘design in’ good job quality as a key component of their business models are less likely to scrap these features when faced with significant pressures – even those as significant as the COVID-19 crisis.

A review of the dimensions of good work identifies continuing differences by occupation, with those in ‘higher’ occupations reporting generally more positive experiences in areas such as pay and contracts, job design, relationships and voice. But there are fewer clear benefits for these workers in terms of workload, work–life balance and wellbeing. Many of these differences by occupation appear relatively consistent with previous Good Work Index reports. This year’s report also provides a timely focus on the experiences of key workers, finding that in many aspects of good work these workers report more negative views (although their views on the sense of purpose in their work are, perhaps understandably, more positive compared with other workers). Given the broad range of critical occupations contained within the key worker population, further analysis of the responses of specific groups could shed further light on the experiences of those who have played a key role in the journey through and beyond COVID-19.

This section of the CIPD Good Work Index survey report sets the scene for the more detailed discussion of dimensions of good work that follows by considering the context for, and key themes emerging from, this year’s analysis.

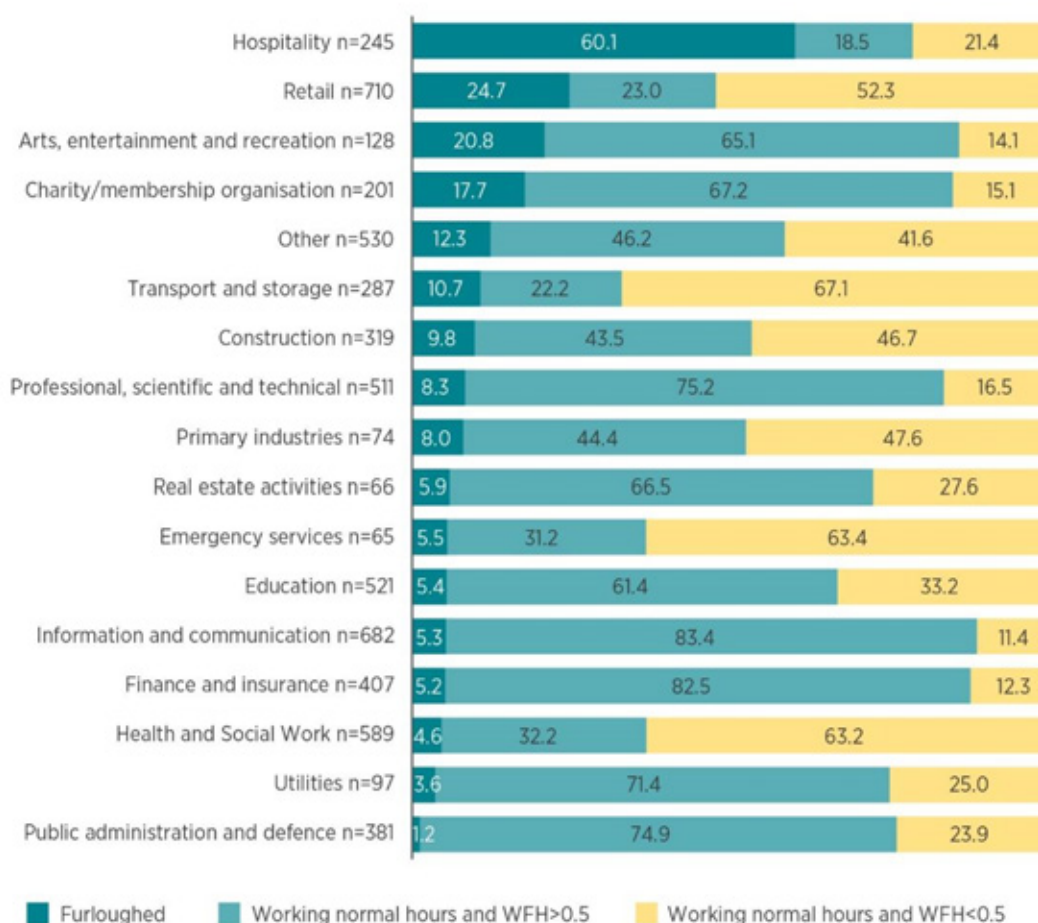
## **Contextualising the CIPD Good Work Index 2021**

### ***Challenges to business models and job roles***

There is little doubt that the COVID-19 crisis of 2020–21 has generated profound challenges to employers and placed unprecedented pressures on many workers. Many employers in specific sectors have seen their organisations effectively locked down for long periods, virtually eliminating business activity, and forcing them to rely upon the CJRS to retain furloughed workers. Others have been permitted to stay open but have seen a substantial and understandable fall in activity. Some employers have responded to COVID-19 through business model innovation, by adapting product or service delivery to meet new customer needs or radically re-engineering how they connect with customers (reflected in the rapid growth of home delivery services). This in turn has required the reskilling and redeployment of workers, and in some cases changes to terms and conditions.



**Figure 1: Industry, furlough and working from home (percentage of workforce), 2021<sup>1</sup>**



### ***Challenges for employee wellbeing***

Those employers continuing to operate have also been required to implement new health, safety and wellbeing strategies to keep workers and customers safe. This year’s survey data shows that 41% of workers feel anxious about returning to work. But perhaps the most striking change in work organisation in the era of COVID-19 has been many more workers doing their jobs from home. Prior to COVID-19, as little as 5% of the workforce mainly worked at home and that more than 70% never worked at home. By mid-2020 more than two-fifths of workers were spending all of their work time at home. As well as creating new challenges for people managers, the increasing importance of homeworking represents a rapid and fundamental shift in work organisation.

### ***Challenges and opportunities for homeworking***

As the economy opens up, the legacies of the shift towards homeworking will remain important for a number of reasons. First, multiple surveys have concluded that the vast majority of homeworkers would prefer to continue to have the opportunity to work from home all or some of the time. This year’s survey data confirms that 39% of workers would prefer to continue working from home most or all of the time. Estimates of the proportion of homeworkers who would instead favour a full ‘return to the office’ have varied by survey and according to the stage of the pandemic, from around 12–21%. The latest UK Working Lives survey data for 2021 suggest many workers have clearly benefited from being closer to

family and are not missing rush-hour commutes, while CIPD research has suggested that for as long as COVID-19 remains a threat, some workers will remain anxious about returning to the workplace.

There will be challenges for employers in responding to these changes in workers' preferences, as well as potential opportunities in sourcing (more diverse) talent by embracing 'work from anywhere', although this will clearly not be feasible in many job roles.

Another reason that there may be a permanent shift in work organisation is that many managers and workers report no drop-off in productivity, and in a minority of cases, improved performance associated with homeworking.

Given that these reasonably positive performance outcomes have been delivered during a pandemic, there is some optimism that there may be potential for further productivity gains as effective homeworking becomes normalised. However, there remain concerns that a minority of workers have struggled to remain as productive, and it seems increasingly clear that aspects of the home environment that are difficult for employers to affect (such as whether an employee has a dedicated home workspace) will be important in shaping performance among homeworkers.

Some workers are also increasingly aware that there will be no workplace to return to, as employers who have seen homeworking work effectively have moved rapidly to rationalise their estate and minimise property overheads. Employers who have permanently abandoned the physical workspace appear confident that supporting their people to work at home will maintain people's wellbeing, engagement and productivity in the long term.

But the CIPD and other stakeholders have correctly warned of significant challenges for people management in terms of: ensuring that onboarding works; building in time to maintain interpersonal and inter-team relationships; creating platforms to compensate for lost informal collaboration and learning opportunities; and maintaining career development opportunities, especially in line with inclusion and diversity priorities.

Perhaps most importantly, it is essential that employers continue to ensure that working from home does not impact negatively in terms of work-life balance, work intensification and wellbeing. The CIPD has produced valuable evidence and guidance on the need for employers and workers to agree boundaries and routines for homeworking. As society builds back from COVID-19, it is important that employers continue to invest in support for homeworking and wellbeing strategies, and to prioritise complementary flexible working practices.

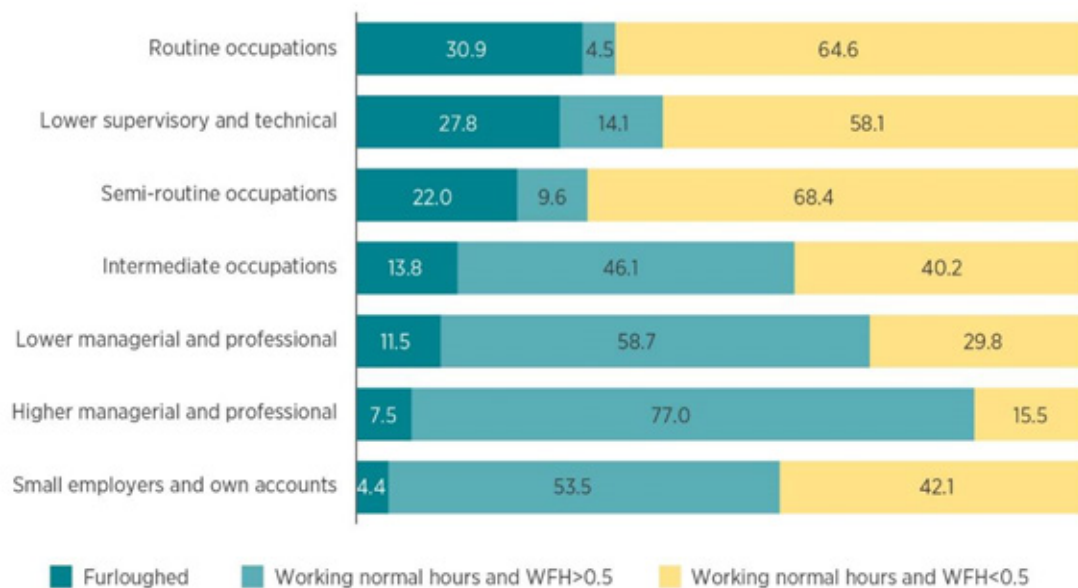
### ***Challenges of labour market exclusion***

Finally, it is also important not to lose sight of the fact that many people have lost their access to 'good work', and indeed their status as workers, as unemployment has risen during the pandemic. Redundancy numbers in the last quarter of 2020 reached a record high according to [ONS data](#). Vacancy rates have declined significantly. Women, people with disabilities, BME workers and (especially) young people have been hit hardest, partly because of the sectors that have been fully locked down during the COVID-19 crisis.

Neither have the challenges of the pandemic affected all occupational groups in the same way. Those in jobs at the 'bottom' of the occupational hierarchy are more likely to be furloughed and less likely to be able to work from home, whereas higher managerial and

professional workers are least likely to experience furlough and most likely to be able to work from home for most of the time.

**Figure 2: Occupational class, furlough and duration of working from home (% of workforce), 2021**



Note: class categories use the National Statistics Socio-economic classification (NS-SEC)

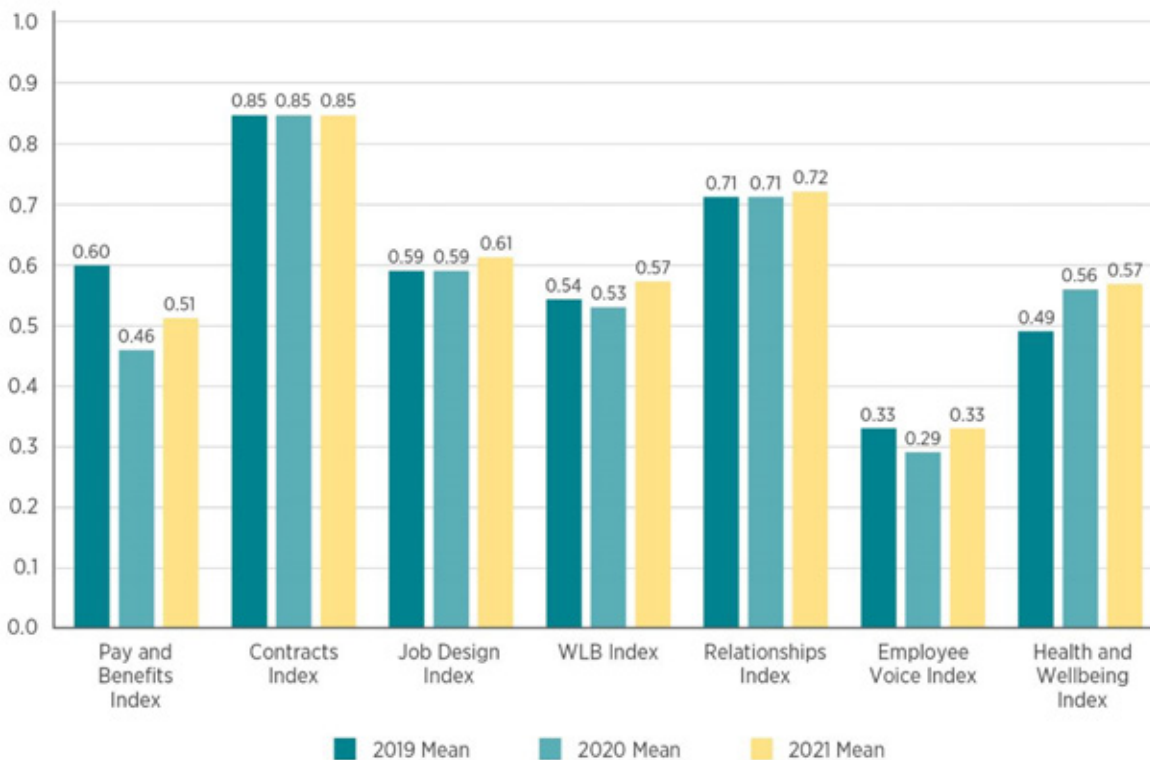
In addition, as noted in this year’s CIPD Good Work Index report, while there is some evidence of a decline in the Job Security Index, the proportion of respondents concerned that they are likely or very likely to lose their job has remained relatively stable. But nonetheless, it may be that increased insecurity is likely to follow in 2021–22 and beyond, as businesses seek to build back in the context of the recovery from COVID-19 and the continued impacts of Brexit.

An optimistic view of 2021–22 is that rapid economic recovery and jobs growth will be driven by newly released consumer demand following the vaccine rollout. However, there remain significant risks to the UK’s key sectors, businesses and therefore people’s jobs – this time next year, the CIPD Good Work Index data may be reporting clearer shifts in workers’ perceptions of job (in)security and other crucial indicators of good work.

### **Continuity and change: key themes from the CIPD Good Work Index 2021**

Some of the fundamental challenges and changes that are shaping the changing experiences of employers and workers are outlined above. Given this context, a striking feature of this year’s report is the strong element of continuity in the overall CIPD Good Work Index results. Mean scores derived from workers’ responses to survey items are presented in Figure 3 (and throughout the report), where the minimum and maximum scores are 0 and 1 respectively.

Figure 3: Overall Good Work Index (mean scores), 2019–21



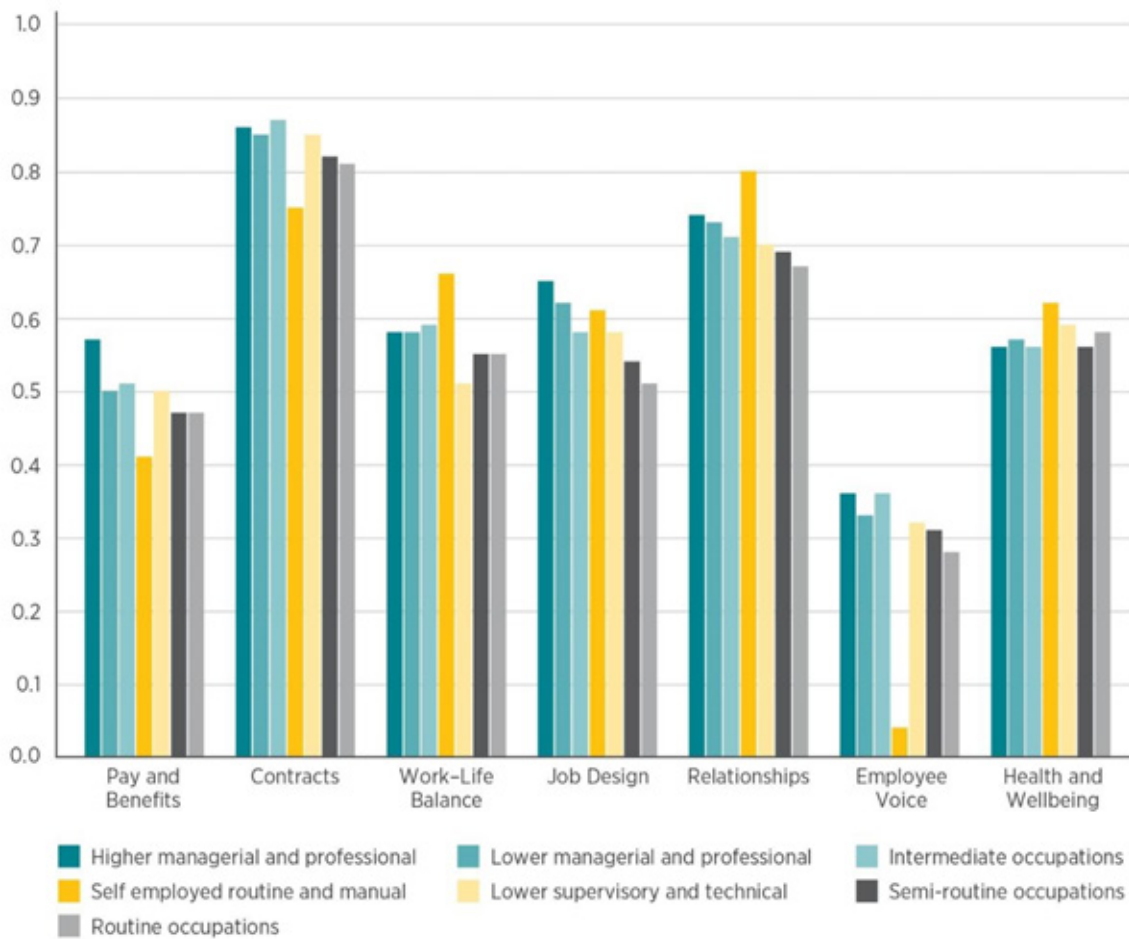
All of the indices improved or stayed the same over 2020–21, despite the massive disruption of economic activity and work. This level of continuity with previous years is perhaps surprising given the general upheaval in life at work and beyond over 2020. There are, of course, variations within the Good Work Index indices that will be highlighted elsewhere in the report. But the overall picture of the quality of working life in the UK has not, to date, been transformed during the COVID-19 pandemic.

Occupation continues to be an important source of difference in how people perceive and experience work. Leaving aside for the moment the self-employed, there is a variable occupational gradient across many of the Good Work Index indices. Higher occupational class continues to be associated with higher scores on pay and benefits, job design, relationships, employee voice and, to a lesser extent, contracts.

Occupation does not, however, have the same impact on work–life balance and health and wellbeing, where the relationship between occupational status and workers’ experiences is more complex. Self-employed and own-account workers consistently report the lowest scores across key indices: their work is of lower quality overall in terms of pay and benefits, contracts and employee voice.

These self-employed workers score relatively highly, however, when it comes to job design, work–life balance, relationships and wellbeing, suggesting that their sometimes poorer conditions and organisational experiences sit alongside better autonomy over their tasks, work, work–life interactions and wellbeing.

Figure 4: CIPD Good Work Index, mean scores by occupational class, 2021



### Key workers through the pandemic

Of course, there are some wholly new features of working life over the past year. The period of the pandemic highlighted the role of key workers (designated ‘critical’ workers in public health regulations) whose continued presence at work is crucial to the production of vital goods and services: most obviously health and social care workers, but spanning workers in food production, manufacturing, distribution and logistics, emergency services and many more.

As such, this group spans a wide range of jobs, including those that are commonly understood as high-quality jobs as well as those that are of significantly poorer quality, particularly in terms of the material rewards of work. In other words, many of these jobs are meaningful for both workers and wider society but aren’t well remunerated.

On some indicators, such as relationships, there are few differences of note between key workers and others. On others, such as employee voice, key workers report relatively higher levels of voice, a finding that is consistent even when controlling for whether these workers are employed in the public or private sectors.

It might be speculated that key workers have needed to seize opportunities to exercise voice given the challenging circumstances of the COVID-19 crisis. But they are less positive about their work–life balance. The job design scores of key workers are similarly mixed, with key workers reporting lower quality on workload, autonomy, resources and skills but much higher

than non-key workers on purpose. The latter is perhaps unsurprising given their designation as critical workers without whom the experience of the pandemic for others would have been measurably worse. Across all these sub-indices, bar the Skills Index, these differences between key workers and non-key workers remained significant even after controlling for occupational status.

Another unique feature of working life during the pandemic has been the CJRS and the practice of furloughing workers, either wholly or (in later stages of the pandemic and the scheme) for part of the working week. Furloughed workers, especially those fully furloughed or working only a few hours a week, report much less positively on pay and benefits, job security, job design, workplace relationships and employee voice, though marginally higher than non-furloughed workers in relation to work–life balance.

Overall, and notwithstanding the importance of the CJRS in maintaining jobs and incomes, the implications for job quality of being furloughed fully or wholly have not been especially positive. This may reflect broader occupational differences in job quality. As noted throughout the report, those in professional, managerial and other ‘higher’ level qualifications report more positive experience across multiple aspects of good work, and these occupational groups are also less likely to experience furlough.

Much has been written and speculated about the rise and impact of homeworking over 2020 and beyond. Overall, homeworking had a positive relationship with assessments of workplace relationships and employee voice, with the exception of indirect voice (that is, where workers have voice through trade union or other representative bodies). This relationship is statistically significant even when controlling for occupation.

Given the challenges of maintaining good working relationships and ensuring voice and dialogue outside of normal workplace settings, these findings are of some comfort. Indeed, the outlier responses for the Job Design Index in terms of being least positive about many aspects of job design (such as skills fit and development, but notably not satisfaction with workload) are those who never worked from home. These relationships are consistent even when controlling for occupational differences. So, this analysis can describe some clear impacts of the COVID-19 crisis, but it is important to reiterate that there remains a strong degree of continuity with previous CIPD Good Work Index reports.

### **Why isn’t there more change in many of the Good Work Index indicators?**

Given the unprecedented changes seen in the past year and the fundamental challenges still faced by employers and their employees, it is perhaps surprising that many of the Good Work Index indicators discussed in the remainder of this report appear relatively stable – a recurring theme below is that ‘there appears little change’ in some of the top-line indexes.

So, what is going on? There are alternative and potentially overlapping explanations. This may be due to vulnerable workers dropping out of the survey having lost their jobs; or the effects of the CJRS and other forms of support to employees. Some of the potentially lasting impacts of the COVID-19 crisis may only become clear in the coming months and years. First, part of the issue may be methodological. By definition, those workers who have been most negatively impacted by COVID-19 – those who have been made redundant – no longer appear in the survey data.

Perhaps more importantly, this year’s data may capture the calm before the storm. A combination of the impact of the CJRS, other forms of government financial support to

under-pressure sectors, and forbearance on the part of lenders and creditors has seen some businesses essentially enter a state of suspended animation, and many workers either furloughed or retained on existing terms and conditions despite a substantial hit to business activity.

As noted above, more substantial change may occur during 2021–22. Without the support of the CJRS, and having seen a prolonged reduction in business activity, some businesses may be considering redundancies in the months to come – CIPD *Labour Market Outlook* data for the first quarter of 2021 report that approximately a fifth of employers expected to make redundancies in the next quarter. That being said, there is some sign of higher employment confidence in the CIPD [Labour Market Outlook: Spring 2021](#), where redundancy intentions dropped to 12%.

If policy-makers respond to concerns regarding public borrowing by instituting a renewed wave of austerity, this will result in job losses in public services and reduce demand (and employment) in their supply chains. Under these conditions, there may be sharp increases next year (not seen in 2020–21) in employment and pay insecurity.

Existing evidence suggests that downsizing and redundancy exercises can also have profound impacts on the job quality of those workers who are retained (so-called ‘survivor’s syndrome’): workers in downsizing organisations often report increased workloads and work intensification; feelings of insecurity; and a deterioration of trust and relationships with managers.

Beyond these questions around the level of business activity and labour demand, the extent to which changes in how people work are made permanent may also shape a very different story in 2021–22. Many employers have been forced by COVID-19 to alter and innovate their business models (for example, shifting from time- and place-specific service provision to home delivery). And as noted above, a combination of continuing COVID-19 regulation and changing customer preferences and behaviours may drive further changes as the economy continues to open up later this year.

There will again be implications for workers’ pay and conditions; how and where people work and the design and content of their jobs; and (driven by these changes) their levels of engagement, performance and wellbeing.

Finally, to return to some of the points made above, the long-term implications of permanent homeworking (at least for part of the working week) on performance, wellbeing and access to progression and development will become clearer in the coming months. If the evidence is to be believed that many workers will retain a strong preference for at least partial homeworking, this will also raise additional challenges for employers in terms of how they manage performance and keep people connected.

Meanwhile, some employers will be required to manage workers onsite who cannot work from home at the same time as supporting homeworking for those who can, with such a two-tier workforce presenting significant operational challenges. The point here is that some of the most profound workplace impacts that have taken place and will take place as a result of COVID-19 have yet to filter through to many workers. That’s why much, but not all, of the discussion in this year’s report reflects a degree of continuity with the outcomes of previous Good Work Index exercises.

Two other potential explanations for the resilience of Good Work Index indicators connect more directly to the world of people management and specifically job design. First, the fact that many employers have been agile in responding to the challenges of COVID-19 may be feeding into the resilience of some of the job quality indicators contained within the CIPD Good Work Index.

There is a need for more research and analysis on: the measures that employers in different sectors have adopted to facilitate working from home and/or to ensure a COVID-19-safe workplace; and the extent and effectiveness of additional support that has been provided to maintain wellbeing and keep people connected.

There will have been very different experiences for workers across occupations and sectors, and there is a need to understand factors shaping more and less effective employer responses to COVID-19. But a number of studies have highlighted that employers (and perhaps especially the HR function) have often been proactive in mitigating the potentially negative impacts of COVID-19 on people's working lives. CIPD research has suggested that around seven in ten workers hold positive views of their employer's response to COVID-19.

The fairly consistent data, discussed above, suggesting that working from home has been productive (and indeed has become a preference) for many workers who have that opportunity also suggests that employers' actions in this space have had an impact. It is important to reiterate that more research is required on how and how effectively people managers have responded to COVID-19, but the fact that many indicators of good work have proved resilient suggests that the choices made by employers may have made a difference.

Lastly, and again of importance to people management, is the suggestion that certain Good Work Index indicators have demonstrated resilience under the severest of stress tests (the challenges presented by COVID-19 this year) precisely because they represent key components of job quality.

One of the arguments in favour of making investments in job quality is that good jobs tend to be quite 'sticky' in the face of shifting economic conditions. So, employers who choose to invest in job enrichment – for example, by 'designing in' decent pay and conditions as part of their business model, or paying attention to job design in order to maximise autonomy and ensure that workers have access to the right resources, or providing effective voice for people at all levels – tend to find that such features of people's jobs are retained (at least in some form) through changing market conditions.

Of course, 'good work' has been tested, and will face further challenges in any efforts to build back from COVID-19, but what has been learned in the last year is that investments in job quality can prove to be resilient, and continue to be valued by workers, even in the most challenging times.

## **Summary**

The CIPD Good Work Index 2021 offers a unique insight into the experiences of workers at the end of a profoundly challenging year for workers, workplaces and organisations. The overall story told by the report that follows is one of a degree of change – often limited to specific measures and groups of workers – driven by the impacts of the COVID-19 crisis and employers' responses. For example, the report adds to the evidence that there are potential benefits for workers who have been supported to take up homeworking opportunities.



But it is also a story of continuity and a perhaps surprising degree of stability in how people described their working lives. This means that many long-established divisions and inequalities remain in access to good work according to occupation and sometimes sector. The report also provides emerging evidence that some groups of key workers may have had more negative experiences than other workers during the COVID-19 era.

Finally, this continuity is also reflected in the more general stability of Good Work Index measures. The apparent resilience of good work for some in the face of COVID-19 may suggest lessons for people management – that prompt action to support homeworking and other necessary changes to work organisation may have helped to partially mitigate the negative impacts of the pandemic; and, even more importantly, that where employers invest in ‘designing in’ good job quality as a component of their business models, this can prove resilient even in times of unprecedented crisis.

But it may also be that the CJRS and other support measures have helped to create a false sense of stability – the calm before the storm. It may be that next year’s survey data will be able to tell us much more about the impacts of the COVID-19 crisis. By then further changes to business models and work organisation will have become embedded; there will be more information on how COVID-19 has affected longer-term demand and business activity in key sectors; and crucially, it will be possible to assess the impact of both these economic changes and the withdrawal of government support on jobs and job quality across sectors.

### 3 Job design and the nature of work

- As with other indicators discussed in this report, it is striking that job design indices have remained relatively stable during the COVID-19 crisis. There has been little movement, compared with the 2019 and 2020 surveys, in overall job design indicators. For example, the autonomy (0.58), resources (0.69), complexity (0.61) and skills (0.58) sub-indices are unchanged from the main survey conducted in 2020. The resilience and stability of the CIPD Good Work Index job design measures – even through an unprecedented period of economic crisis – highlight the importance and value of ‘designing in’ good job quality for organisations and workers.
- Workers in higher occupational classes continue to report higher levels of autonomy, job complexity, purpose, skill match and development opportunities than their counterparts in other occupations. For example, higher and lower managerial professional workers report autonomy scores of 0.71 and 0.65 respectively, compared with only 0.42 and 0.43 for those in routine and semi-routine occupations respectively. Small employers and own-account workers continue to report distinctive benefits in terms of a sense of autonomy and purpose, but also specific challenges in relation to development opportunities, at least compared with higher-level occupations. These workers have mean scores of 0.7 for purpose (compared with an average of 0.65 for the total sample), but averaged only 0.52 for development, the same as the overall sample and below the score for higher managerial professional workers (0.59).
- Those identifying as key workers report more negative perceptions of some aspects of job design (although further research is required to explore the different experiences of distinctive occupational groups within the key worker population). For example, key workers have less positive views on ‘resources’ (0.67 compared with 0.71 for non-key workers). They do, however, have more positive views in relation to their sense of purpose (0.67 compared with 0.63 for non-key workers).
- Those who had experienced being furloughed full-time report generally more negative views on job design indicators than other workers, and especially when compared with

workers who have never been furloughed. These findings may reflect the fact that people in some occupations are more likely both to be furloughed and to have poor job quality.

- Those who had never experienced working from home generally have more negative views on job design indicators than those who work from home some/most of the time (an overall Job Design Index average of 0.56 for those never working from home, compared with 0.63–0.64 for those homeworking for between two and five days per week). Those working from home most or all of the time report benefits in terms of autonomy, but are less likely to express satisfaction with their workload. These differences remained clear even when controlling for workers' occupational status.

## **Trends in job design and the nature of work**

As defined in previous CIPD Good Work Index reports, job design can be understood as *'the content and organisation of one's work tasks, activities, relationships and responsibilities'*. While formal employment and contractual arrangements are clearly important to people's experiences in the workplace, there is a growing evidence base that job design and the nature of work (the quality and nature of work and jobs) can be crucial to how people experience job quality. This means that where the HR function and workplace practice can impact positively on job design and people's day-to-day work, there may be benefits for workers in terms of engagement and wellbeing, and for organisations in terms of retention, satisfaction, performance and productivity.

A range of factors may be seen as components of job design within the context of 'good work', but there is clear evidence suggesting that the seven measures of job design included by the CIPD Good Work Index are important. These include:

- workload (whether one has the right amount of work)
- job autonomy (the level of control over the content, speed, method and time of work)
- resources (whether one has enough time, equipment and suitable space to work effectively)
- purpose (the feeling of doing useful work for the organisation or the wider society)
- job complexity (whether the job involves interesting, complex tasks or requires learning new things and solving unforeseen problems)
- skills (the level of person–job match in skills and qualifications)
- career development (whether the job provides opportunities for skill development and career progression).

One of the most important features of such measures of job design is their resilience to changing business cycles and labour market conditions. Organisations that 'design in' resource-rich jobs as a key component of their business models are less likely to junk good work when faced with significant pressures – even those as significant as the COVID-19 crisis.

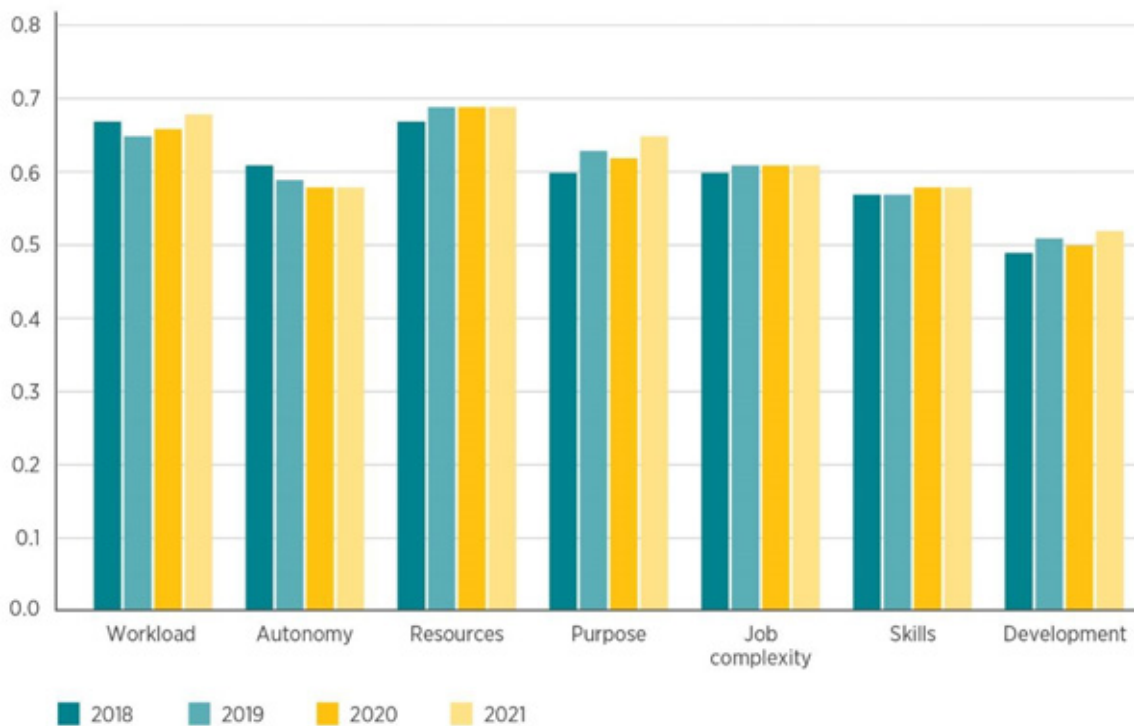
Tracking changes in the seven measures of job design over the pre-COVID-19 and COVID-19 periods, most job design indicators demonstrate a high degree of consistency from 2018–19 through to 2020–21. There does appear to be an upward trend in responses about the appropriateness of workload, trending from 0.65 in 2019 to 0.66 in 2020 and to 0.68 in 2021.<sup>1</sup>

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<sup>1</sup> These figures represent mean scores of sub-indices (where the minimum and maximum scores are 0 and 1 respectively), which in turn are derived from workers' responses to survey items.

[Previous evidence reviewed by the CIPD](#) has noted that working from home can sometimes be accompanied by work intensification – people feel the need to offer increased work effort, take fewer breaks or work longer hours. Given the rapid increase in homeworking and the pressures that businesses and their employees have found themselves under during COVID-19, there is a risk of increasing workloads and intensification. However, across the whole sample, the direction of travel during 2020–21 appears to be towards more manageable workloads. The other indicator that particularly stands out is that the average index score for purpose shifted from 0.63 in 2019 to 0.62 in 2020 and then back up to 0.65 in 2021.

**Figure 5: Trends in job design and the nature of work (index scores), 2018–21**



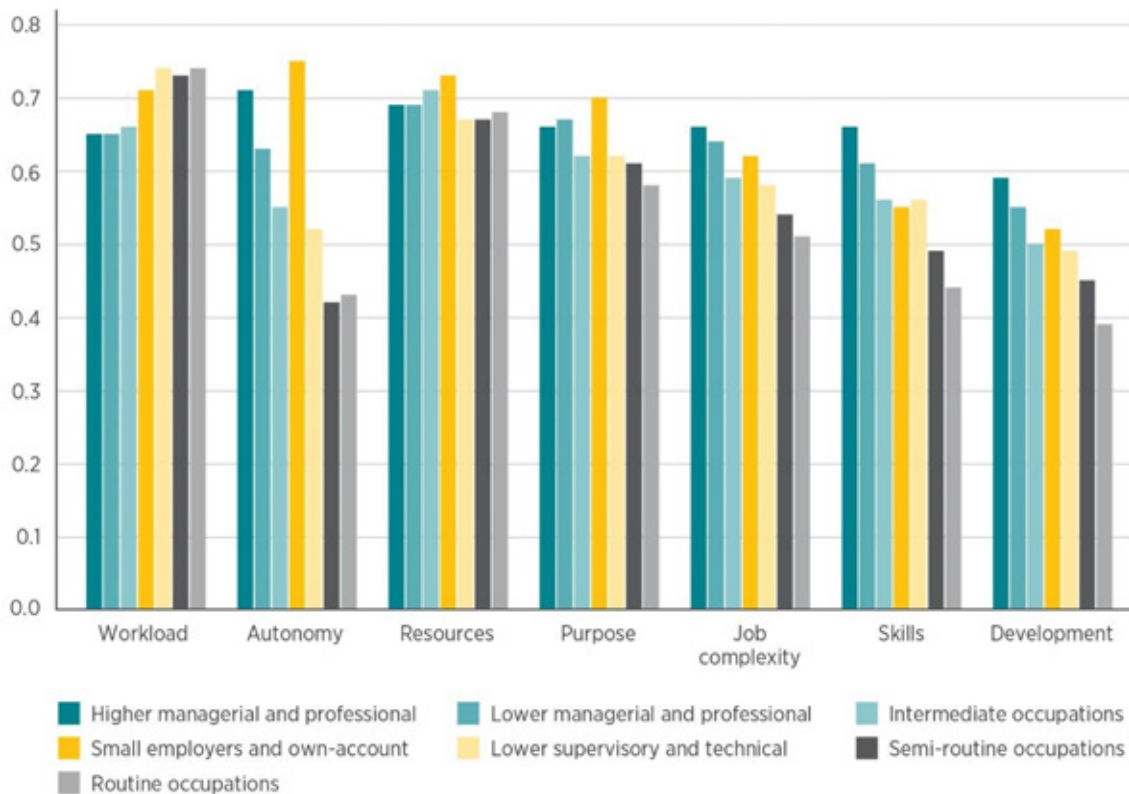
Note: 'Workload' is computed so that a higher score indicates a more manageable workload, not a greater workload

### Occupations, job design and the nature of work

As with previous iterations of the CIPD Good Work Index, there is a familiar pattern of differences in job design across occupational classes, with 'higher' occupational classes and the self-employed giving more positive responses. For example, there is a polarisation in workers' experiences in relation to autonomy (0.71 for higher managerial and professional groups compared with consistently declining scores further 'down' the occupational categories, with routine occupations scoring lowest at 0.43). Similar patterns can be observed in job complexity, the Skills Index (which captures views of the appropriateness of person–skills match), and development (which asks about opportunities to learn skills and career development), as well as, to some extent, the overall Job Design Index by occupational class.

As in previous CIPD Good Work Index reports, lower-status occupations continue to provide less by way of autonomy, purpose, skills and career development, and job complexity. These tend to be elementary occupations (such as elementary plant and storage occupations) and lower-skilled service occupations (such as sales assistants in retail).

Figure 6: Occupational class differences in job design facets (index scores), 2021



In comparison, those identifying as small employers and own-account workers report the highest levels of autonomy and purpose (as well as scoring relatively positively on access to resources and workload measures). The capacity of small employers and own-account workers to craft their own work and find purpose in the jobs and businesses that they themselves have designed would appear to be resilient in the face of the intensified pressures brought by the COVID-19 crisis.

As noted in previous reports, among small employers and own-account workers, levels of satisfaction with some important aspects of job quality appear to run counter to the greater levels of economic and employment insecurity experienced by such workers – these findings hold even under the extreme circumstances of the past year.

One shift in indicators from the 2020 survey findings is striking, and this relates to workload. In 2021, the data highlights that people at the lower end of the occupational spectrum are more likely to report appropriate workloads (for example, semi-routine occupations and routine occupations scored 0.73 and 0.74 respectively, compared with scores of 0.65 for higher and lower managerial and professional workers).

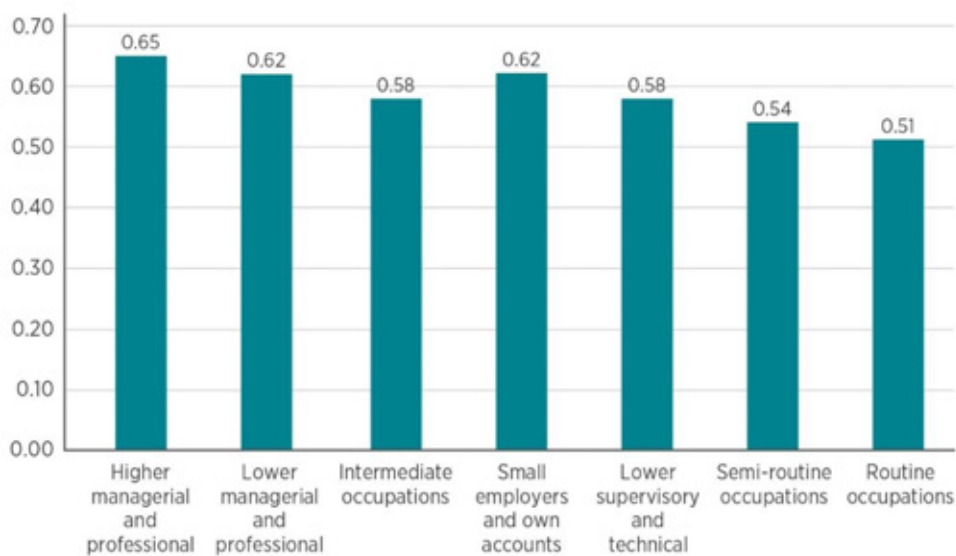
These differences are less pronounced in previous iterations of the annual survey. As noted above, this occupational class data may point to reduced business activity but the same number of hours being worked by people in semi-routine and routine occupational groups – if this is the case, such working conditions may not prove sustainable in the long term.

It may also be that some workers in semi-routine and routine occupations are benefiting from homeworking and/or other work–life balance measures while also being less likely to experience work intensification from feeling the need to be ‘available’ online (a problem that has been reported by some managerial and professional workers).

While the Workload Index data is generally encouraging for people in semi-routine and routine occupations, there remains a risk of work intensification that may be experienced by already vulnerable workers, particularly if businesses choose to re-open with reduced workforce numbers in 2021.

As in previous reports, various components of job design have been combined to provide an overall Job Design Index. This demonstrates the consistency of overall differences across occupations, with people in higher-status positions generally reporting more positive job design features than those in lower-skilled and lower-status positions (especially semi-routine and routine occupations). These findings reinforce the message that inequalities in access to high levels of job resources are substantially explained by differences in occupational status.

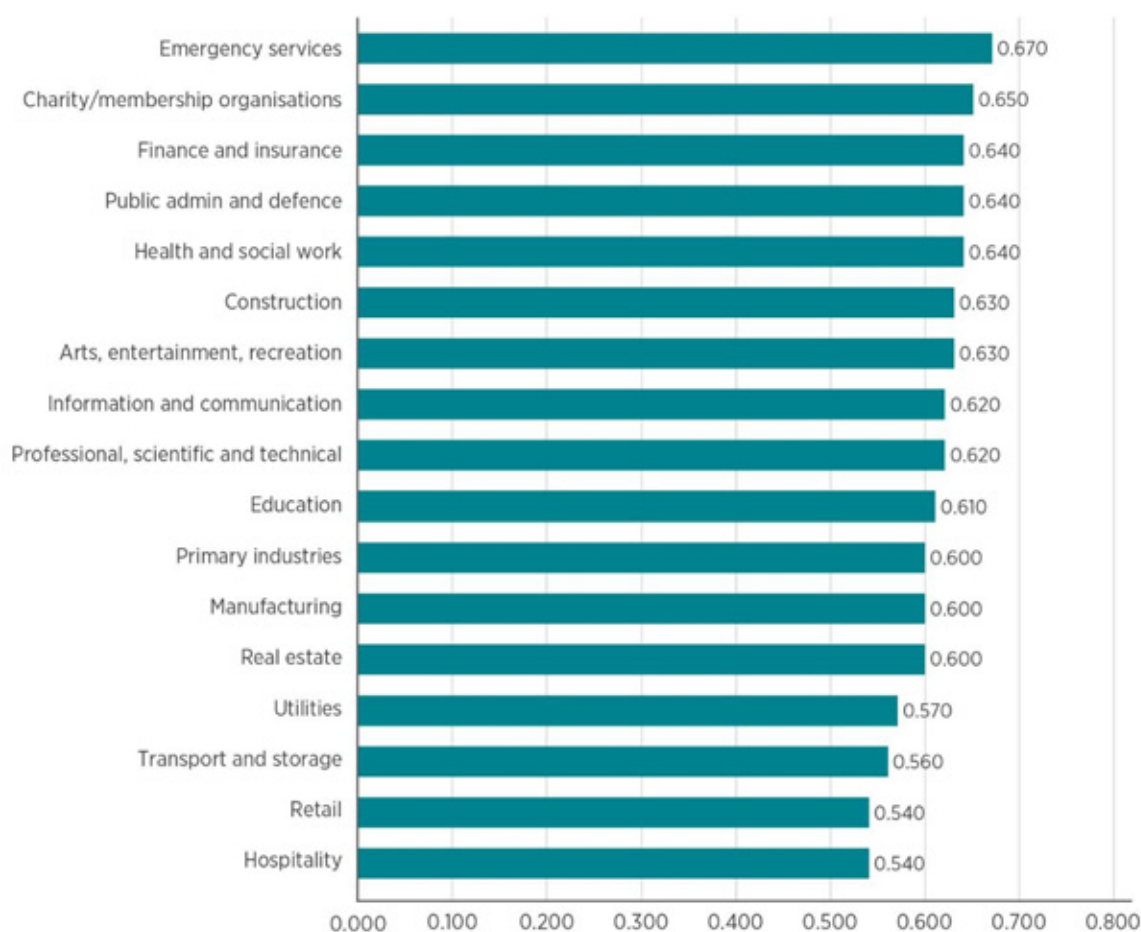
**Figure 7: Occupational class differences in overall job design index (index scores), 2021**



Additionally, in terms of comparative insights, the report considers differences in experiences by industry of employment (using Standard Industry Classification codes). There is considerable variation in average scores for the overall Job Design Index across sectors. It should be noted that these industry groups gather together a wide range of occupations and that some of the industry classifications have small sample sizes.

A number of interesting conclusions can be drawn. First, the overall Job Design Index results highlight substantial differences across sectors, with retail and hospitality workers reporting the lowest score (0.54 in each sector), while the highest scores are in finance and insurance services and more 'public service-oriented' sectors (with emergency services workers reporting the highest on average at 0.67) and in the third sector (0.65).

Figure 8: Industry differences in overall job design index (mean scores), 2021



Beneath the overall Job Design Index scores there is considerable variation in workers' responses on different aspects of their jobs. For example, in terms of the appropriateness of workload, and consistent with previous surveys, hospitality sector workers are most content on average (an index score of 0.76 in the 2021 survey), whereas those working in the education sector tended to report much more negative views (reflected in an index score of 0.57).

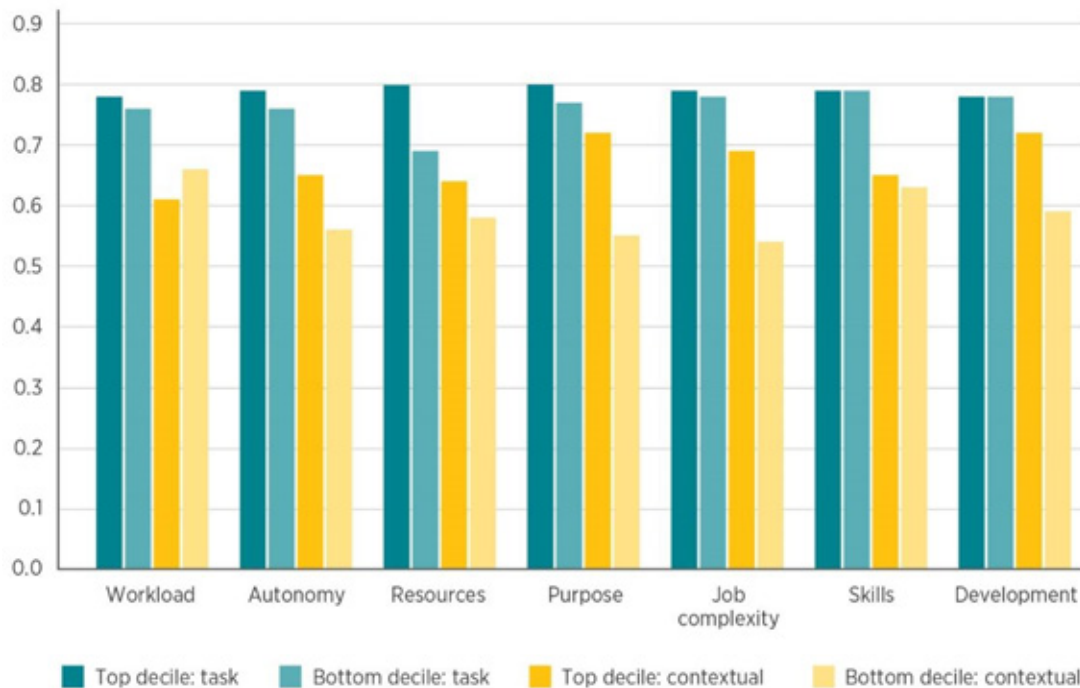
On the other hand, the survey questions on whether jobs provide a sense of purpose tended to gather more negative views from retail sector workers (0.59) as well as those working within the hospitality and utilities sectors (both 0.57) – in sharp contrast to views expressed by people working in the health and social work sector (0.74) and third sector (0.78).

Finally, sector-based differences in skills match are also clear, with retail and hospitality sector workers again more likely to report negative perceptions (reflected in index scores of 0.49 and 0.47 respectively), in contrast to those employed in, for example, finance and insurance services (0.67). Highly specific sectoral differences appear across all aspects of the job design measures, with diverse patterns capturing more positive and negative experiences. There would be value in further research unpacking the interaction of occupation and industry differences in access to good work in the COVID-19 and post-COVID-19 era.

## Job design and job performance

Previous CIPD Good Work Index reports have provided detailed analysis of the potential inter-relationships between job performance<sup>2</sup> and job design factors. In previous iterations of the CIPD Good Work Index, job performance was framed by a comparison of the top and bottom quartiles. The CIPD Good Work Index 2021 explores more polarised experiences of job design features (that is, comparing those in the top and bottom deciles in terms of job design scores) in relation to perceived job performance.

Figure 9: Job design facets (index scores), task performance and contextual performance, 2021



In terms of task performance, with the exception of skills match and development opportunities (where there are no clear differences), workers in the top 10% consistently report higher scores than their counterparts in the bottom 10%. There are also substantial differences when it comes to job resources. The same pattern appears when it comes to contextual performance, but with even more consistent and pronounced differences. In this case, job complexity and purpose are particularly associated with perceived performance differences.

Only in the workload dimension do those in the bottom 10% see higher levels of contextual performance. This analysis adds to the evidence base that the job design facets discussed in this section are not only of importance in their own right (because these are valued by workers), but may represent important targets for investment if employers want to encourage improved performance.

<sup>2</sup> The CIPD Good Work Index includes self-reported job performance measures of task and contextual performance. For further detail on what is included, see [Appendix 1](#).

## Job design and the pandemic

A specific area of interest over the past year has been the experiences of so-called key workers, that is, those people classified as critical workers under UK government guidance because *'their work is critical to the COVID-19 and EU transition response'*.

Guidance suggests that this group of workers covers (among others): front-line health and social care staff and those working as part of support services and the health and social care supply chain; public safety and national security staff; education and social work staff; those working in other 'key public services' or areas of government essential to the response to COVID-19 and/or Brexit; essential transport and border staff; those involved in the production, processing and distribution of food and other necessary goods; and essential staff working in utilities, communication and financial services.

The CIPD Good Work Index 2021 is able to compare the views of people identifying as key workers with those of other workers in the labour market, and this shows a picture of a key worker group under particular pressure in some areas of job design. The Job Design Index scores for key worker and non-key worker groups are similar, but in this overall indicator, and in almost all job design components, key workers generally report fewer positive experiences.

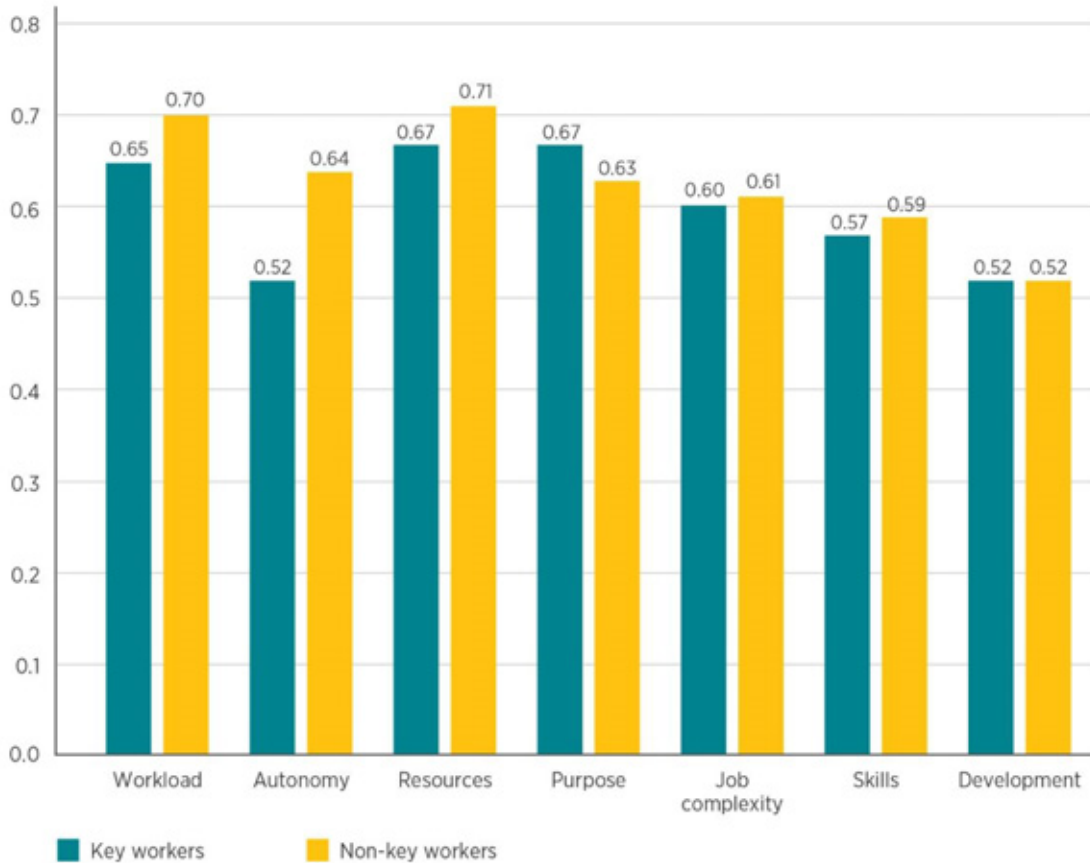
There are particularly substantial differences in terms of: satisfaction with workload (0.65 for key workers compared with 0.70 for non-key workers); and autonomy (0.52 compared with 0.64). Only, and perhaps predictably, when it comes to measures of purpose do key workers score higher (0.67 compared with 0.63 for non-key workers). It is worth noting that the average index score for purpose for all workers shifted from 0.63 in 2019 to 0.62 in 2020 and then back up to 0.65 in 2021.

The purpose indicator captures responses to questions such as whether people have a 'feeling of doing useful work for society' – such feelings may have increased among those who see themselves as contributing to the front-line delivery of goods and services through the COVID-19 crisis.

To summarise, there is a need for further research to unpack this data and explore the experiences of different occupational groups of key workers – as noted above, the UK Government's 'critical worker' classification takes in a wide range of occupations and sectors. Nevertheless, a first look at this data suggests there is some way to go if the rhetoric of support for key workers is matched with investments in job design to ensure that they are not disadvantaged compared with other members of the workforce.



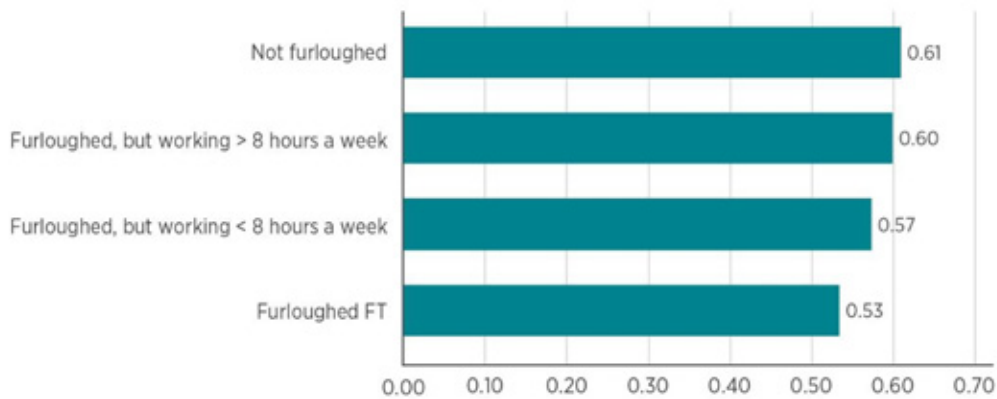
Figure 10: Key worker/non-key worker differences in job design index, 2021



As with other indicators in this report, there are some interesting differences in perspective between workers who have been furloughed and those exposed to homeworking. First, there seems to be a clear relationship between exposure to furlough and Job Design Index scores. While those furloughed do not report scores substantially below average, there is a clear difference between those workers on full-time furlough (Job Design Index score 0.55) and those with no experience of furlough (0.61) – see Figure 11.

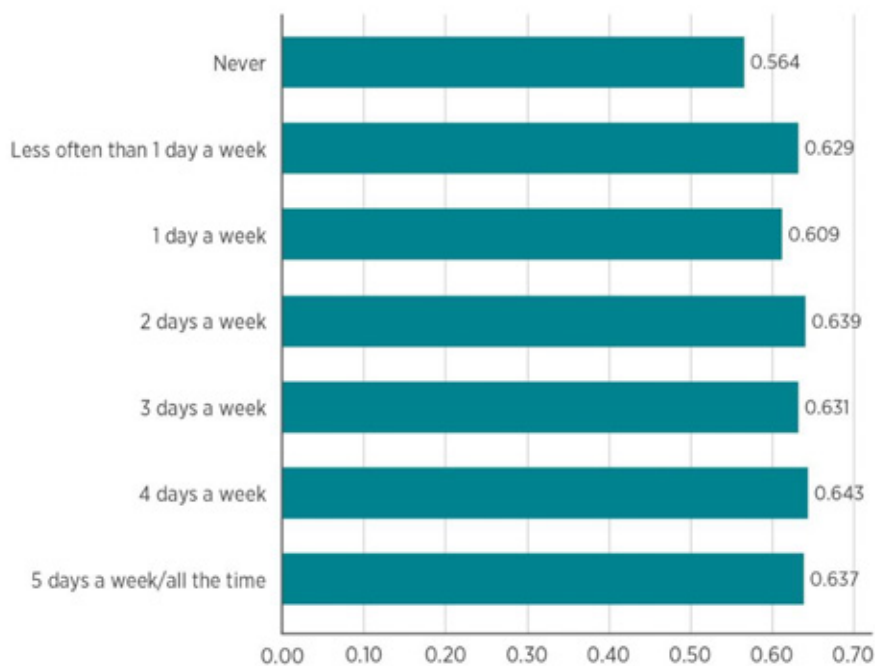
In general, the more hours spent away from work on furlough, the less positive are responses in relation to job design. This pattern is observable across most facets of job design but is most pronounced in respondents’ answers to questions on development (mean of 0.43 for those furloughed full-time, compared with 0.53 for those not furloughed) and skills (0.47 for those furloughed full-time, compared with 0.59 for those not furloughed).

Figure 11: Differences by furlough status in overall job design index, 2021



In terms of the impact of homeworking, there appears to be little difference in the job design responses of workers working at home for more than two days per week up to 'all of the time'. However, there seems to be less a positive response on job design issues from those spending less time working from home, with the outlier clearly being those never working from home (0.56 on the overall Job Design Index, compared with 0.63–0.64 for those working at between two and five days per week at home).

Figure 12: Differences by working from home status in overall job design index, 2021



These patterns are again reasonably consistent across different job design facets, but with particularly striking differences in the Autonomy Index (0.46 for those never working from home compared with 0.69 for those working five days/all the time at home). The only counter trend related to the workload indicators within the Job Design Index (0.70 for those never working from home compared with 0.66 for those working five days/all the time at home) – reflecting the nature of the jobs undertaken by some homeworkers. Nevertheless, this year's

survey would appear to offer some additional support for the argument that the shift towards homeworking under COVID-19 has had job quality benefits for at least some workers.

## 4 Pay and benefits

### Key findings

- While objective pay appears to have held up in 2021, important occupational class and gender differences in pay continue, though with some interesting variation given the negative impact on median earnings across managerial and professional workers who had been furloughed.
- Despite an overall reduction in the gender pay gap, women are twice as likely as men to receive low pay in 2021, and while rates of low pay overall have remained stable over the last year, the proportion of women in low pay has increased since 2020.
- Subjective perceptions about the relative fairness of pay continue to highlight concerns by nearly a third of workers, and nearly two-fifths identify pay as the sole reason for being in employment, with key workers more likely to express this view than non-key workers. Most likely, this reflects the different types of roles that a broad range of key workers do.
- In-work benefits have increased slightly since 2018 but, as with pay itself, these remain unevenly distributed across occupational groups. For example, younger workers (aged below 35) appear relatively disadvantaged in terms of in-work benefits. There are also some COVID-19 effects on in-work benefits, as those temporarily furloughed full-time and who had never worked from home reported lower benefits.

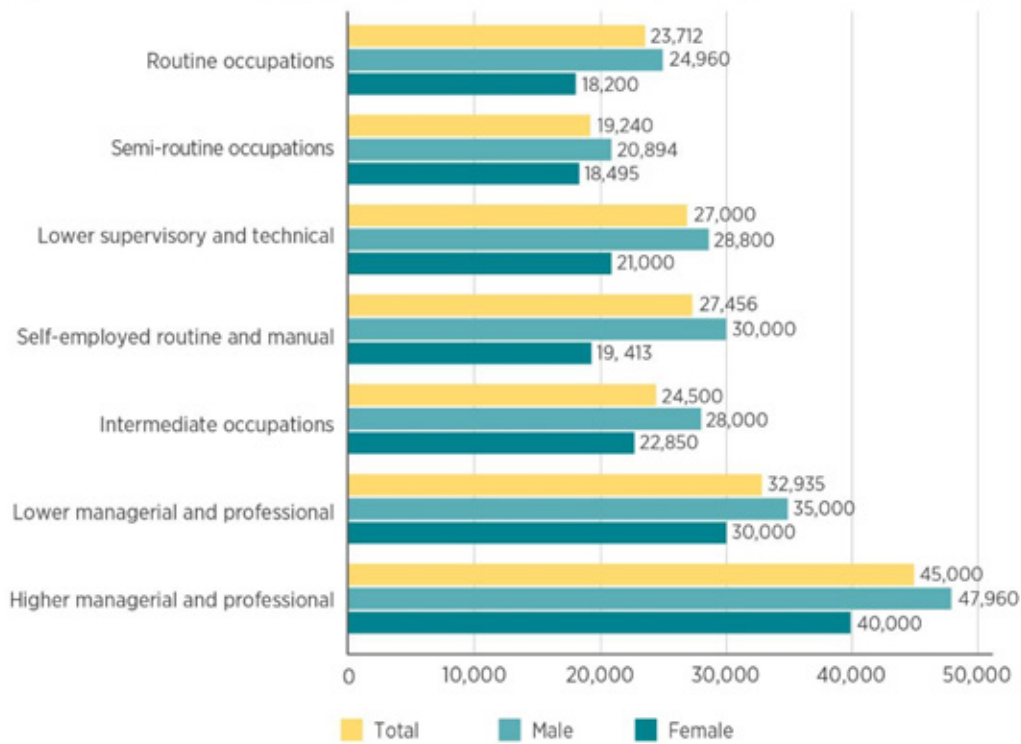
### Objective pay

Median pay for full-time workers (30+ hours per week) rose from £30,000 to £31,000 between 2020 and 2021. Consistent with previous surveys, median worker earnings in higher managerial and professional occupations are around twice (£45,000) the median earnings of those in routine (£23,712) and semi-routine (£19,240) occupations.

This section explores the pattern of pay and in-work benefits by different occupation types and identifies differences by gender and other worker characteristics. There are significant differences in median pay by gender and the gaps are greater among the higher-paid occupational groups than in lower-paid routine and semi-routine occupations. This is consistent with previous research, although in 2021, the gender-based gaps across all occupational groups (but particularly in high-paid groups) are narrower than in 2020.

Respondents furloughed in 2020 had generally lower median levels of pay compared with those who were not: within occupational classes, however, this trend is only evident in higher managerial and professional groups. The lower median earnings of those in higher occupational groups may reflect the cap on earnings within government support under the CJRS and the discretion available to employers in topping up earnings beyond that supported by the CJRS.

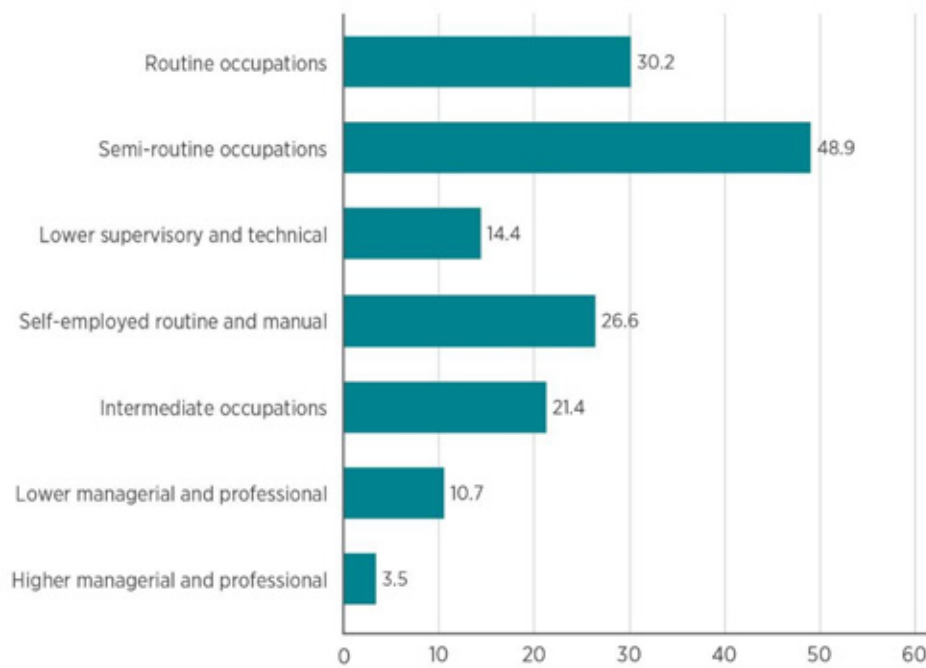
**Figure 13: Median annual pay, by occupational class and gender, among full-time workers (£), 2021**



As in 2020, a relative measure of low pay is chosen so as to be consistent with the official measure used by the Office for National Statistics – two-thirds of the median. Using this measure, 15% of all full-time workers are low paid: a comparable but marginally lower figure than in 2020, and similar to the latest official figure – for 2020 – provided by the ONS.<sup>3</sup> Rates of low pay continue to be uncommon among higher managerial and professional occupations but are particularly high in semi-routine and routine occupations, where close to one-half and one-third of workers, respectively, report low pay.

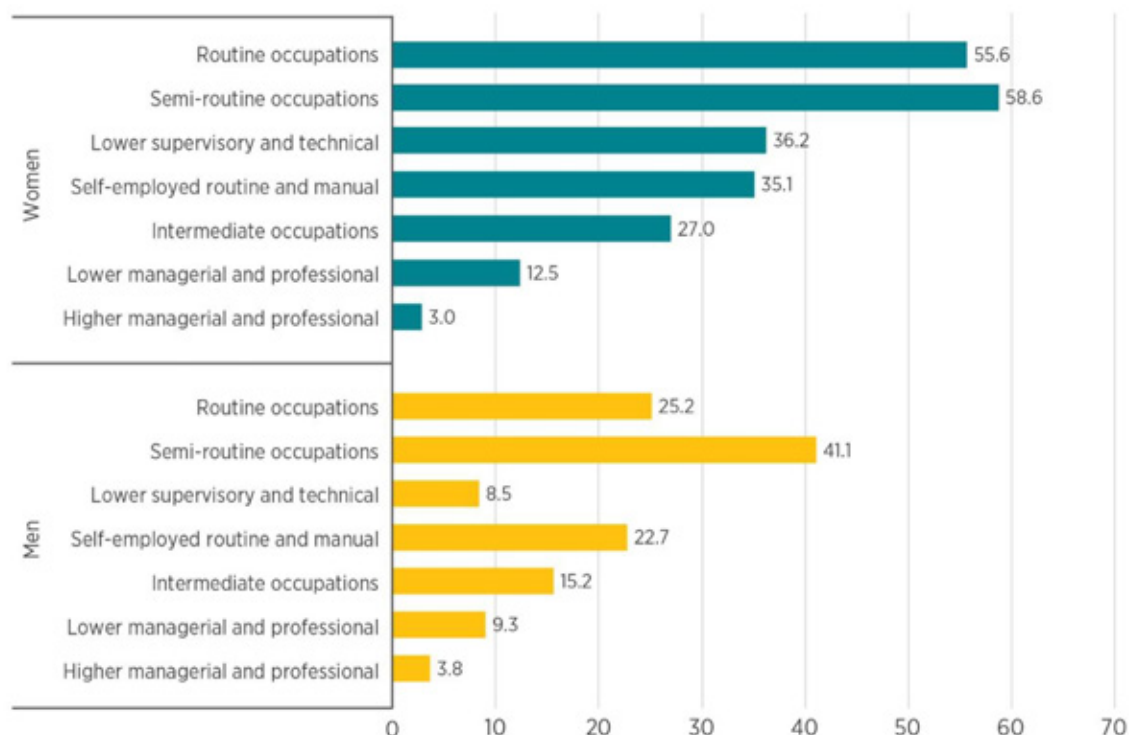
<sup>3</sup> ONS. (2020) [Employee earnings in the UK 2020](#). Statistical Bulletin, November 2020. London: Office for National Statistics.

Figure 14: Low annual pay, by occupational class, among full-time workers (% of total), 2021



This explains why low pay is higher among key workers. Low pay is also strongly gendered irrespective of occupational class (12.3% for men compared with 19.9% for women). Gender differences are apparent at almost every occupational level: it is narrowest in higher managerial and professional groups, but in all others, more women are low paid, especially in the lowest-paying occupational groups. In semi-routine and routine occupations nearly three in ten women are low paid, which represents a significant increase from 2020.

Figure 15: Low annual pay, by occupational class and gender, among full-time workers (%), 2021

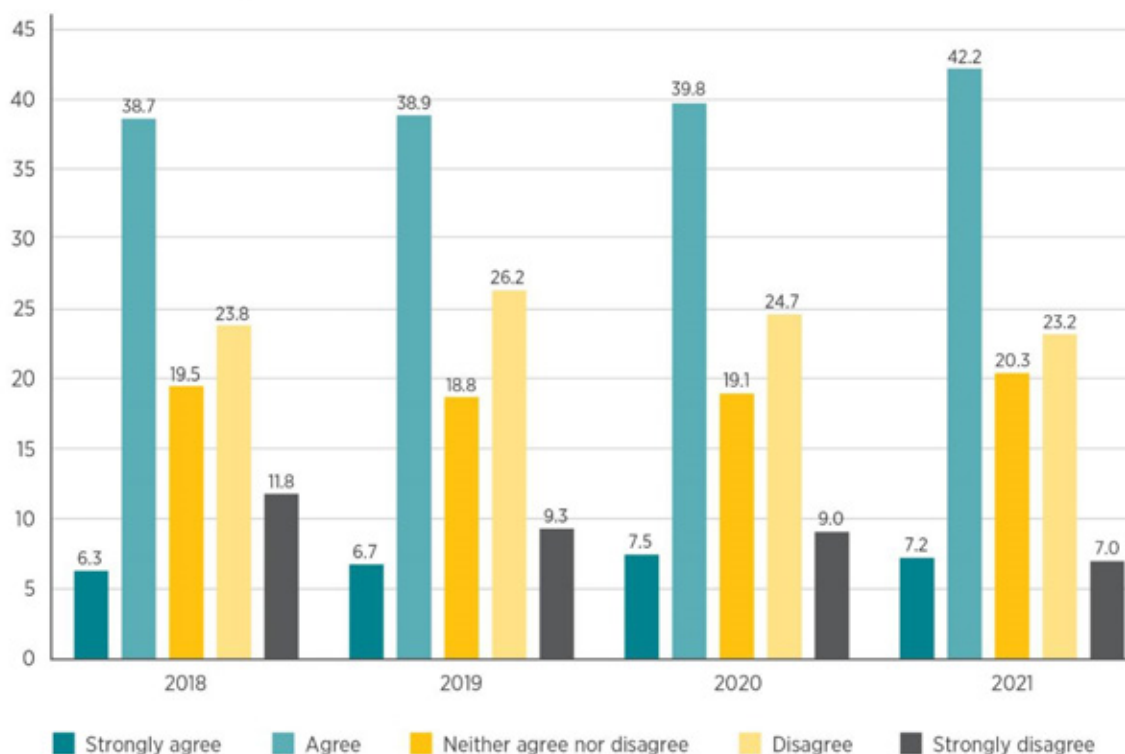


### Attitudes to pay and work

The CIPD Good Work Index also considers subjective perceptions of pay, in relation to the relative fairness of their pay, and on the centrality of pay in relation to work. In 2021, nearly one-third of workers believed that they are not paid appropriately for their efforts, a slight decrease from previous years. Consistent with previous years, a majority of workers would enjoy having paid employment even if they did not need the income.

However, a significant minority (almost 37%) report seeing their job solely in terms of monetary reward. There is a slight tendency among key workers compared with others to see work solely in monetary terms, and relative satisfaction with pay is lowest among workers with the most experience of furlough – those who had been furloughed full-time (39% satisfaction) and for over eight hours a week (39% satisfaction).

**Figure 16: Pay satisfaction by year (%), 2018–21: Considering the responsibilities in my job, I get paid appropriately**

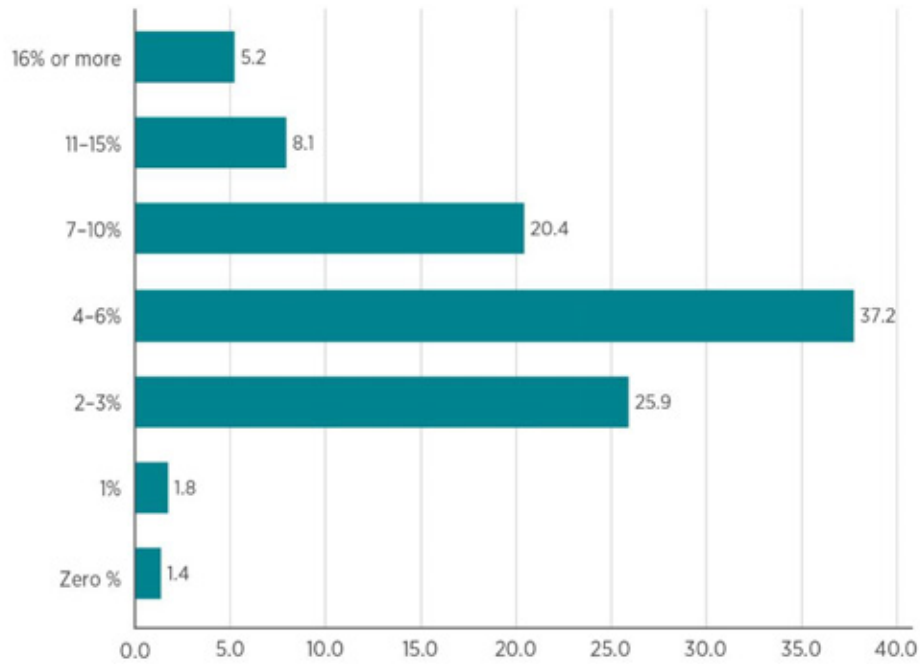


### Pension and other employee benefits

Workers receive other in-work benefits in addition to pay. Pensions are a critical work-based benefit with important implications for how households plan for retirement. The minimum employer contribution to workplace pensions (for qualifying workplace pension schemes) is 3%. As in the 2020 CIPD Good Work Index data, one in ten respondents in 2021 report receiving less than this employer contribution.

Most respondents, however, report their employers making contributions above the required minimum, with a third reporting contributions over double this figure. Employer contributions remain highly structured by occupational class. Those in managerial and professional occupations are twice as likely to receive employer pension contributions over double the minimum 3% than those in routine occupations.

Figure 17: Frequency of different levels of employer pension contributions (%), 2021

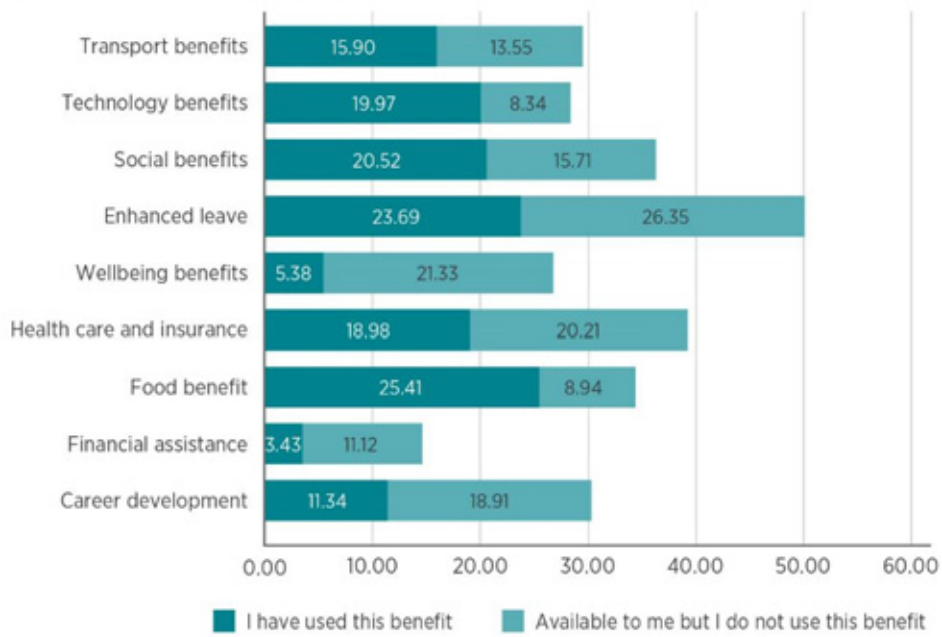


In addition to pensions, workers receive other workplace benefits. The most commonly reported non-pension benefit is enhanced leave, followed by health and insurance benefits. The least commonly reported benefit is financial assistance (such as relocation assistance or homemaker allowance).

There is a noticeable shift from 2020 levels of benefits: an obvious dip in the numbers reporting social benefits (-15%), alongside a 9% increase in technology benefits, both of which may reflect the impact of the COVID-19 pandemic on work-based activity (that is, greater homeworking and the need for remote working resources).



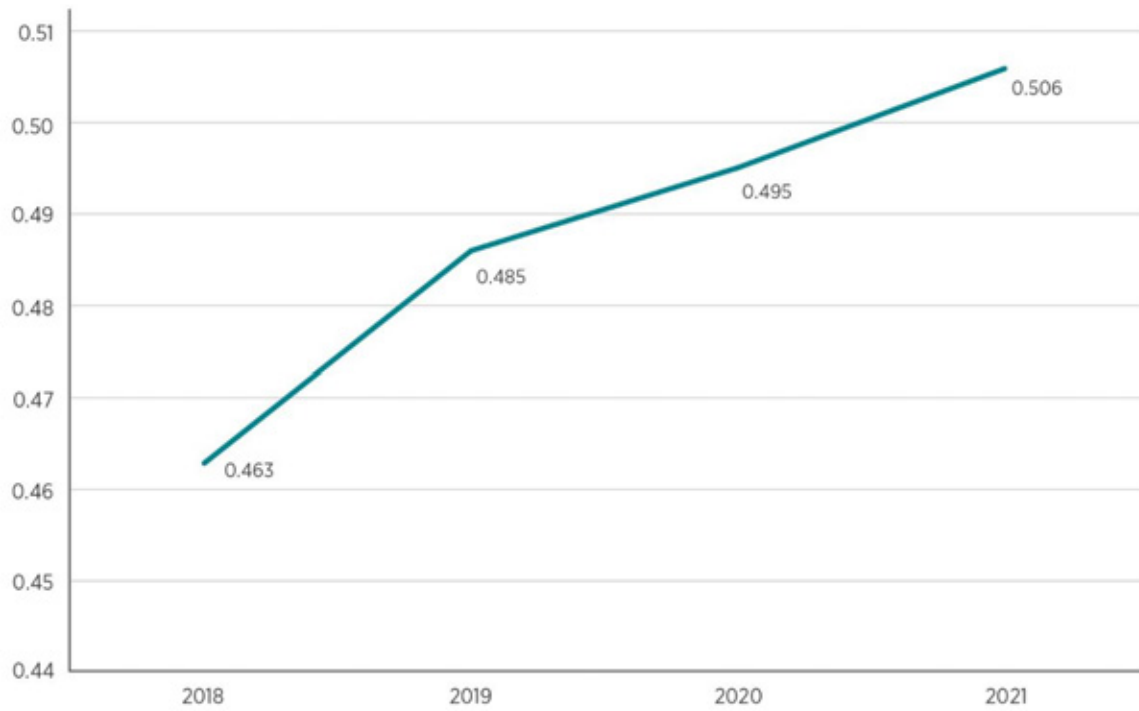
**Figure 18: Benefits frequency (%), 2021**



Looking across in-work benefits, the CIPD Good Work Index Pay and Benefits Index shows a slight year-on-year rise in the provision of worker benefits since 2018, and 2021 continues this trend.

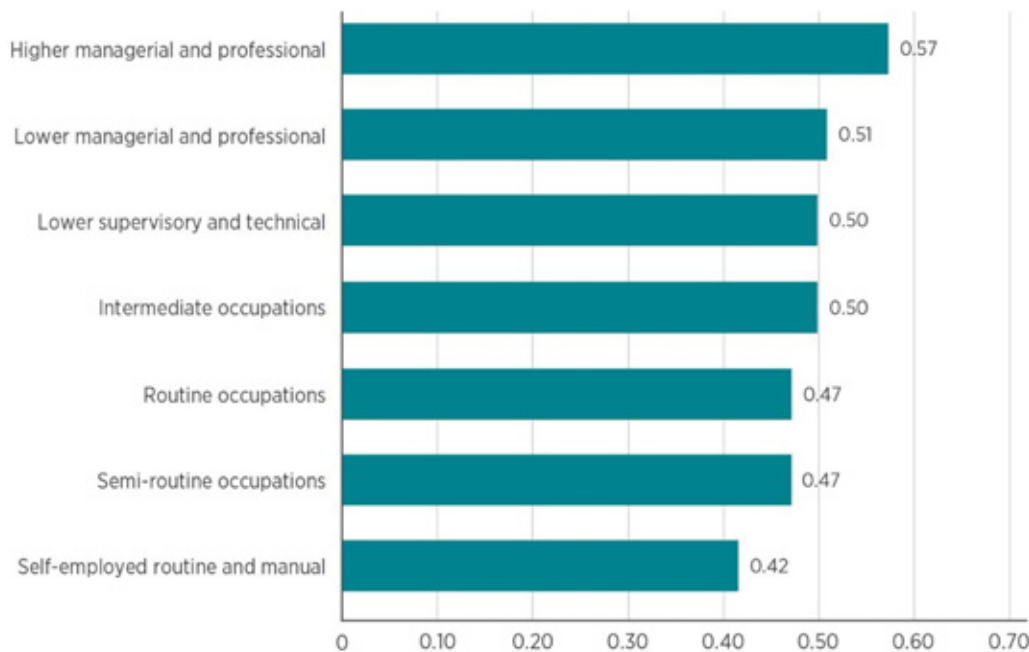
This is not the case for all workers, however, as unlike in previous years, younger workers (34 and under) report a decline in benefits in 2021 while benefits for older workers have seen a year-on-year increase. The index confirms that benefits continue to be unevenly distributed by occupational class, with higher managerial and professional groups having greater levels of benefits relative to others.

Figure 19: Pay & benefits index by year (mean index score), 2018-21



Because more men are in higher occupational classes, they are more likely to have greater in-work benefits provided to them relative to women. But there also seems to have been some COVID-19 impacts in addition to the shifting pattern of benefits highlighted above. Those temporarily furloughed full-time and those who had never worked from home report lower in-work benefits. In both cases, this is structured by age: younger workers, irrespective of gender, furloughed full-time and those who did not work from home report lower workplace benefits.

Figure 20: Pay & benefits index by occupational class (index score), 2021



## 5 Contracts

### Key findings

- The 2021 CIPD Good Work Index data shows little change in the profile of permanent (open-ended) employment relative to self-employment and non-standard working, and a small increase in permanent employment, indicating that the pandemic-related disruption has not yet impacted on contractual arrangements.
- However, around half of those employed on non-standard contracts in 2020 are in permanent contracts in 2021 and this group report the highest churn in contract types.
- Permanent contracts are more associated with discretionary behaviours driving contextual performance than is the case for other types of contract.
- Underemployment remains at the same level as in 2020 and is reported by around one in seven workers. It continues to be unevenly distributed across occupational classes and is far more prevalent in semi-routine and routine occupations than in managerial and professional occupations.
- Job insecurity is influenced by workers' experience of furlough: workers not furloughed are the most secure about their jobs. External job prospects are strongly influenced by age: older workers are the most pessimistic about their prospects of finding a comparable or better job in the labour market.
- Job security is widely sought by workers<sup>4</sup> and contractual arrangements are a key component of 'good' and/or 'fair' work.<sup>5</sup> Temporary, variable and minimum guaranteed hours contracts can often give employers flexibility to adjust quickly to changing production or service demands, but workers' experiences of these non-standard contracts are mixed. Some workers value aspects of flexibility to align with their other life

<sup>4</sup> Salladarré, F., Hlaimi, S. and Wolff, F. (2011) [How important is security in the choice of employment? Evidence from European countries](#). *Economic and Industrial Democracy*. Vol 32, No 4. pp549–67.

<sup>5</sup> ONS. (2019) [Job quality indicators in the UK – hours, pay and contracts, 2018](#). London: Office for National Statistics.

circumstances, most notably in relation to caring roles, though this is not always well aligned with the form of flexibility that employers desire. For many workers, however, ‘non-standard’ contracts can be one-sided and largely in employers’ interests, leading to poor outcomes for workers.<sup>6</sup> ‘Unpredictable’ hours not only create instability in income but can also generate ‘unstable’ working patterns ridden with greater insecurity and economic hardship.<sup>7</sup>

This section explores contract types, underemployment and job security. Against the backdrop of COVID-19, which has significantly disrupted demand and working patterns in service sectors such as hospitality and retail, it is important to consider the labour market security and career prospects implications for workers.

### Contract type

Nearly four in five workers in the 2021 CIPD Good Work Index data report working as a permanent worker (either part-time or full-time), a marginal increase since 2020. Within this group, 18% work part-time, with women making up the majority of part-time workers.

Similar to previous years, most workers who are not permanently employed are self-employed – either running their own business or freelancers/independent contractors.

As discussed above, non-standard contracts – temporary, zero-hours and short hours – can be associated with insecurity and unstable working patterns. The panel component in the CIPD Good Work Index allows this to be explored through a simple ‘mobility’ or ‘transitions’ table with *origin* contract types in 2020 against *destinations* in 2021.

Contract types are grouped into three broad categories: *permanent* (open-ended, both part-time and full-time), *non-standard* (including temporary, zero-hours and short hours) and self-employed (running their own business or working as a freelancer/independent contractor). Transition between contracts for those starting in permanent work is rare.

Similarly, most of those self-employed in 2020 remained in self-employment in 2021, while nearly half of those on non-standard contracts in 2020 moved into permanent jobs in 2021. Comparing transition up to 2021 with transition up to 2020, more people on non-standard contracts moved into permanent employment and became self-employed.

**Table 2: Transitions across contract types, 2020–21 (%)**

		Contract type in 2021		
		Permanent	Non-standard	Self-employed
Contract type in 2020	Permanent	96.1	2.4	1.4
	Non-standard	48.2	47.0	4.8
	Self-employed	6.3	5.0	88.7

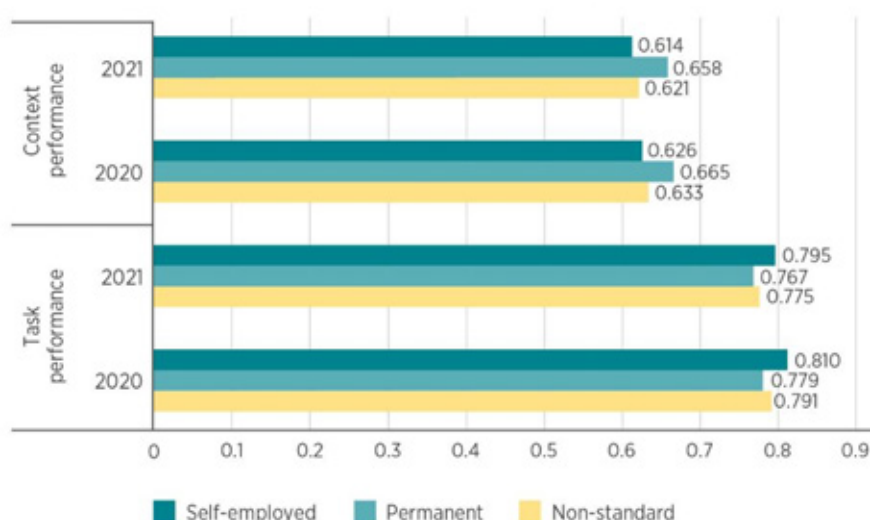
<sup>6</sup> BEIS. (2019) [Good work plan: consultation on measures to reduce one-sided flexibility](#). London: Department for Business, Energy and Industrial Strategy.

<sup>7</sup> McCrate, E., Lambert, S. and Henly, J. (2019) [Competing for hours: unstable work schedules and underemployment in hourly paid workers in Canada](#). *Cambridge Journal of Economics*. Vol 43, No 3. pp1287–1314.

## Contract type and performance

Permanent or open-ended employment includes not only simply task activities (that is, job requirements) but also contextual activities – that is, activities that support organisational functioning but are not requirements of a person’s specific job. Contextual performance captures those ‘discretionary behaviours’ where people go above and beyond their job requirements. Measures of both task (that is, performance of core job role tasks) and contextual (that is, undertaking of tasks beyond the core job role) performance were added to the CIPD Good Work Index survey in 2020. There are sound reasons to predict that how jobs balance these different types of performance may vary across different contract types: shorter-term demand-sensitive jobs may be more likely to focus on task performance, and the reciprocity that underpins discretionary behaviours may be better supported by open-ended contractual arrangements.

Figure 21: Performance by contract type (index scores), 2020–21



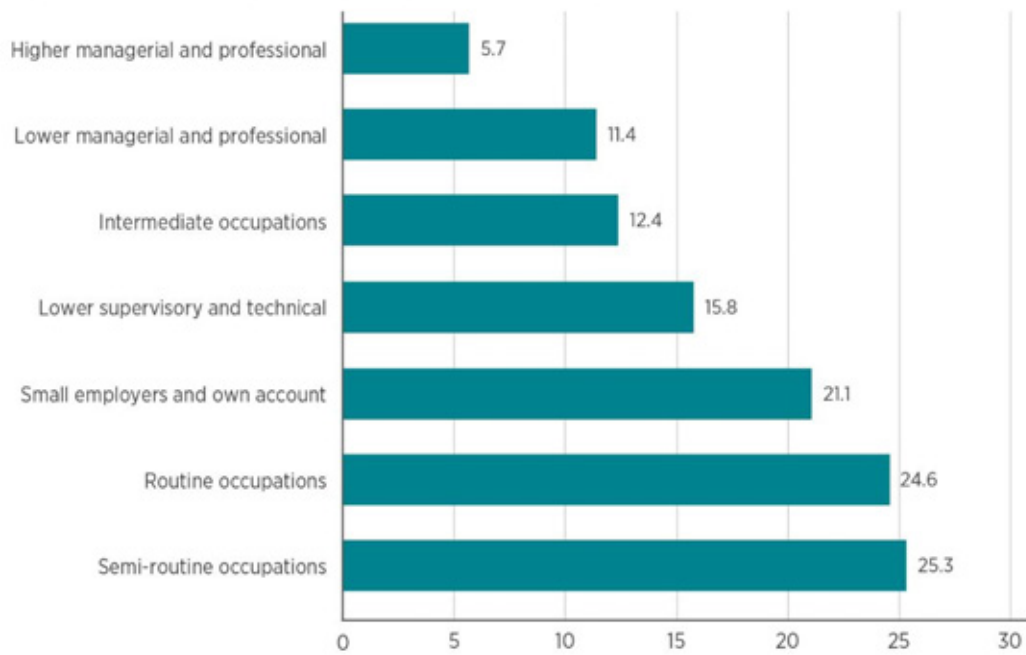
As in 2020, those on permanent contracts report slightly lower task performance but higher context performance relative to both non-standard workers and the self-employed. While these differences are not large, it confirms that contextual performance is more of a feature of permanent jobs. The difference between task and contextual performance mean scores are highest for those in self-employment and least for those in permanent jobs, suggesting that self-employment is more likely to focus on either specialist skills input or demand-sensitive tasks than other contractual forms.

## Underemployment

The significance and scale of the challenge of underemployment is highlighted in the CIPD Good Work Index 2020. In the report, underemployment is calculated as the difference between the number of hours usually worked per week and how much an individual would like to work. Consistent with 2020, in 2021 around one in seven workers wanted to work more hours than they do currently. Most of those underemployed wanted up to five and between five and ten more working hours each week.

Consistent with previous research, underemployment is unevenly distributed across occupational classes – it is relatively rare in higher managerial and professional groups but much more prevalent in semi-routine and routine occupations.

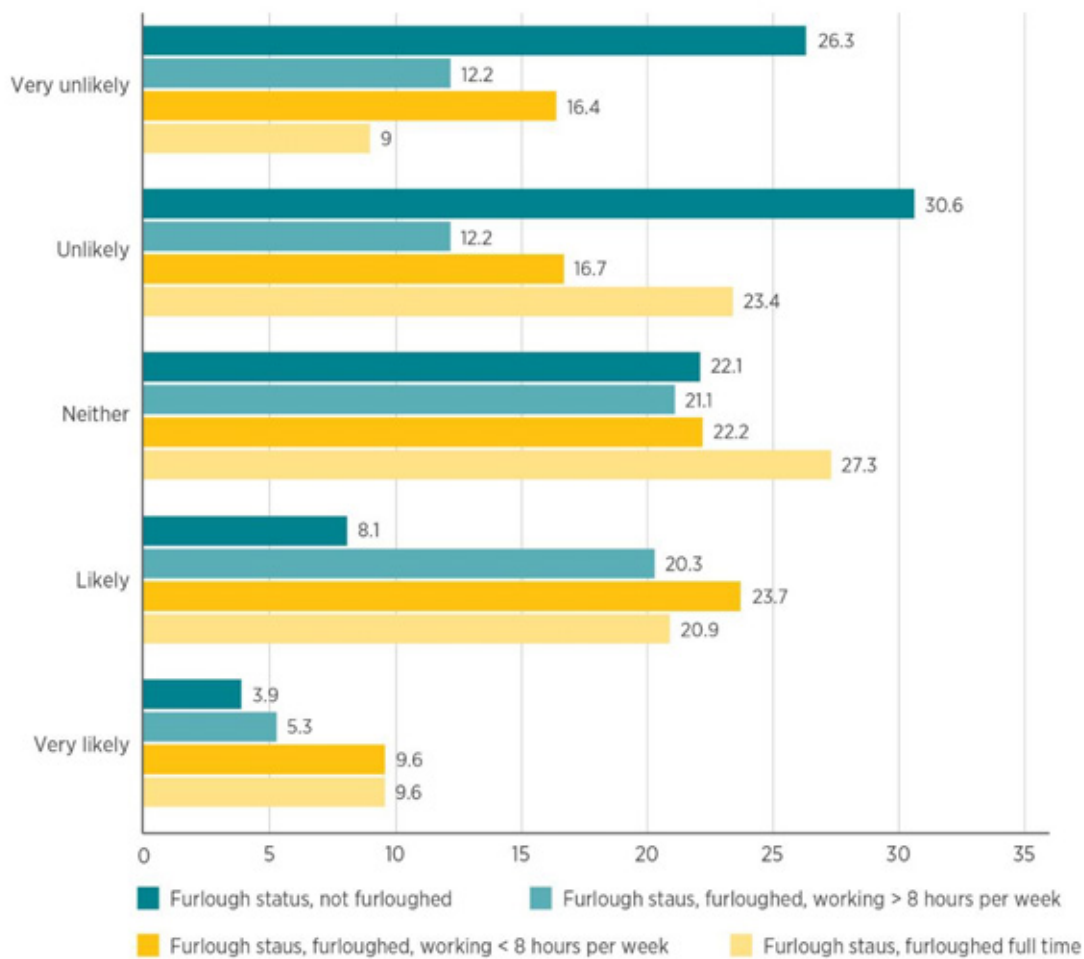
**Figure 22: Underemployment by occupational class (%), 2021**



### **Job security and labour market prospects**

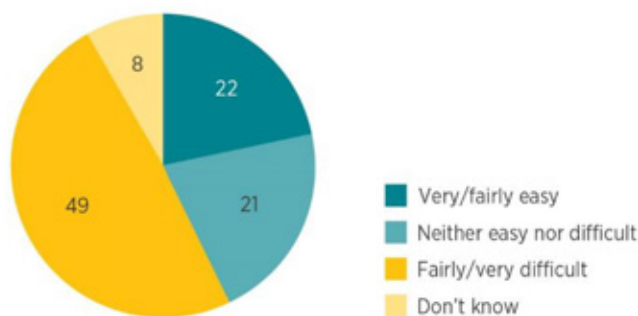
Security is an integral component of job quality. Insecurity is measured by asking individuals about the likelihood that they will lose their job in the next 12 months. As in 2020, around one in eight workers feel that it is likely or very likely that they will lose their job in the next 12 months. While the majority of workers think that their job is secure, a key factor behind job insecurity in 2021 is whether workers have been furloughed. Furlough – in any form – has been strongly associated with job insecurity over 2020.

**Figure 23: Furlough and job security (how likely to lose job in next year) (%), 2021**



Views of security and insecurity can be linked to how people perceive their labour market prospects and the relative ease of finding another job at least as good as their current one. Around half of all workers report that it would be very or fairly difficult to find a job comparable with or better than their current job.

**Figure 24: External prospects (how easy to find a similar or better job) (%), 2021**



Job security and external prospects are relatively evenly distributed across occupational classes. In terms of security, there is only a slight tendency – for around one in five of workers in routine occupations – to feel more insecure than those in other occupational categories. The self-employed are the least likely to report job insecurity.

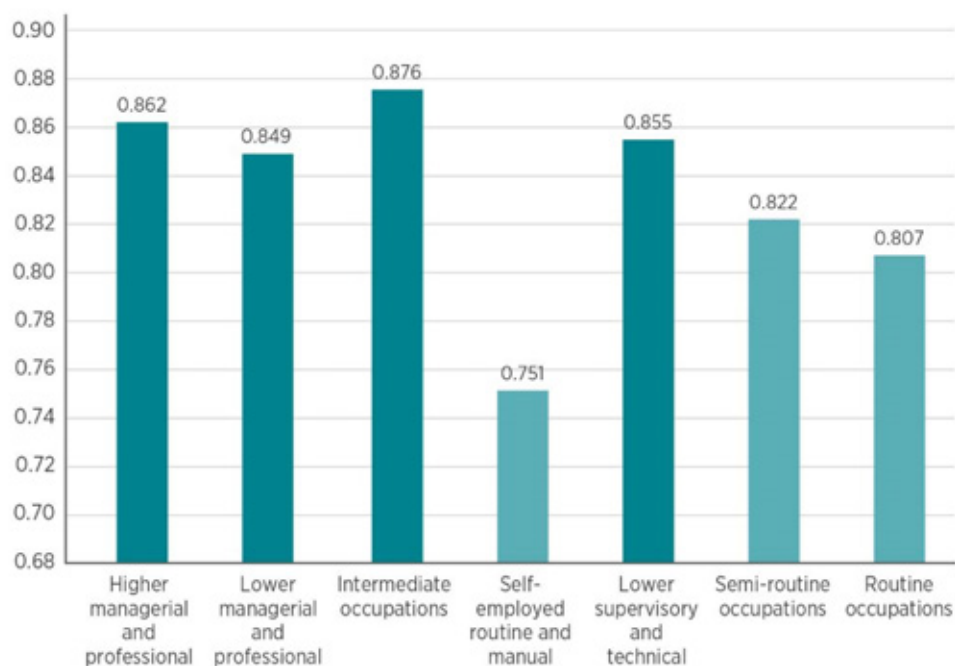
Turning to external prospects, those in intermediate occupations are the most pessimistic about finding a comparable job. This job category covers sales and clerical occupations, and greater pessimism about external job prospects in these occupations may reflect ongoing concerns about structural changes affecting these occupations (such as automation) as well as the impact of the COVID-19 pandemic on particular occupations and employment prospects in general.

The most striking gradation in perceptions of external contracts concerned age. Pessimism about external prospects declined with age, and while more than one-third of the youngest age group (18–24) are pessimistic about finding a comparable job, many more (57%) of those aged 55 years or above are pessimistic about their likely external job prospects.

### Contract trends

Contractual arrangements, and the Contract Index scores, vary by occupational class. There is a clear Contract Index divide between the mean scores of those in routine and semi-routine occupations, and others. These occupational class differences are statistically significant: those in semi-routine and routine occupations have weaker contract mean scores.

**Figure 25: Contracts index by occupational class (index scores), 2021**



Using regression analyses (controlling for occupational class), there are significant differences in the mean Contract Index scores for: non-furloughed respondents working from home and some occupational categories. Those who worked normal hours and are working from home either less or more than half the week had higher mean Contract Index scores than others. Those working in hospitality, arts, entertainment and recreation, and waste management also had significantly weaker Contract Index scores than workers in other sectors.



## 6 Work–life balance

### Key findings

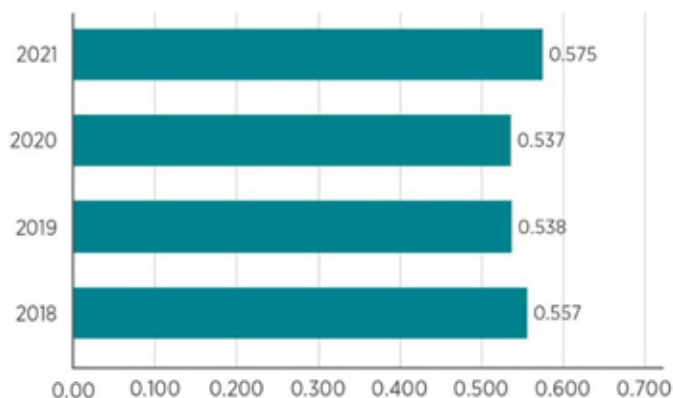
- Most respondents report a positive work–life balance (WLB) (mean score 0.575), a marginal increase on the mean score of 0.537 in January 2020 and largely consistent with the WLB findings over the last four years in the CIPD Good Work Index.
- Workers in industries who experienced less positive WLB are employed in transport and storage, waste management, utilities, education, and health and social work.
- Workers in lower and higher managerial and professional occupations are the least likely to agree that they are successfully balancing work and personal life relative to other occupational classes. They are also more likely to agree that they find it hard to relax in their personal time after work.
- Those working in lower occupational classes report having less flexible work arrangements than those workers in higher-skilled occupations, similar to the findings in 2020.
- Key workers are less positive (0.53) than others (0.61) about work–life balance overall, and this association holds when controlling for occupation, sex and organisational characteristics. Key workers are less likely to have had flexi-time, reduced their working hours or worked from home in the last 12 months compared with non-key workers.
- Workers temporarily furloughed by their employer, and working reduced hours, had a marginally better WLB compared with those individuals not currently furloughed. WLB improved the more hours respondents spent working from home.

Work–life balance concerns the way in which individuals manage and prioritise work (jobs and careers) and their personal time spent on family responsibilities, other relationships and leisure activities. This section examines work–life balance and flexible working arrangements as important components of a healthy working environment.

### Trends in work–life balance

The WLB Index includes sub-indices capturing the drivers of work–life balance, HR practices supporting flexible working arrangements and working hours. In 2021, individuals' ratings across the Work–Life Balance Index are at 0.575, a marginal increase on the mean of 0.537 in 2020.

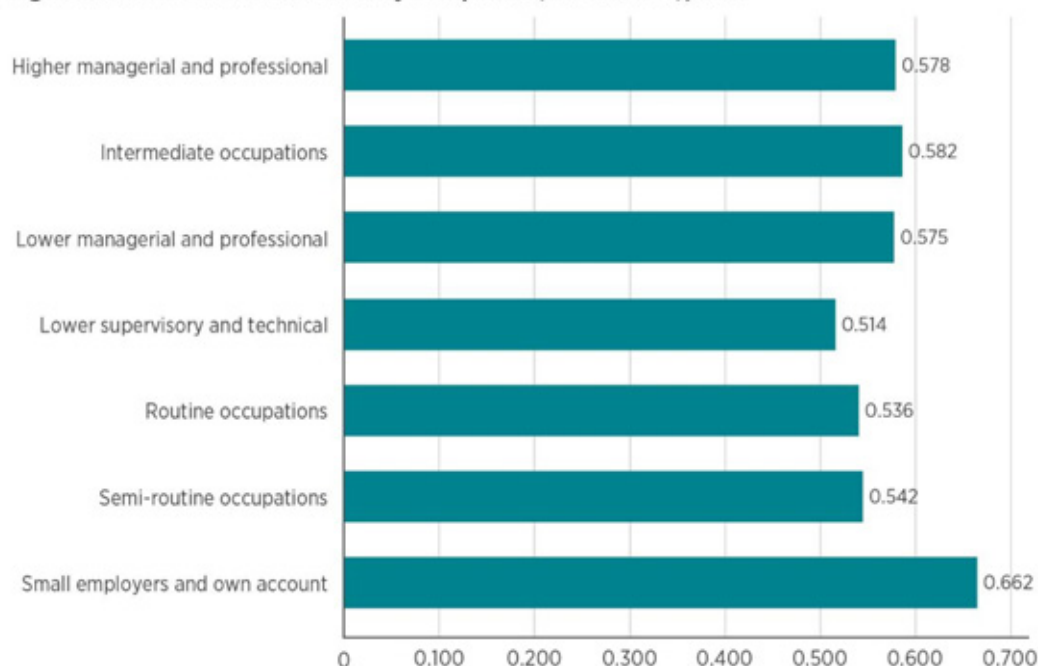
Figure 26: Work–life balance index by year (index scores), 2018–21



The marginal increase in the WLB Index observed at an aggregate level over 2020–21 is

largely shared across occupations, although the largest increase since last year is across lower managerial and professional occupations.

**Figure 27: Work-life balance index by occupation (index scores), 2021**



Industry variation in WLB Index mean scores range from 0.51 in transport and storage to 0.65 in charities/membership organisations. The balance sub-index<sup>8</sup> results produce higher mean scores, ranging from 0.62 to 0.70, with manufacturing, retail, hospitality, and transport and storage having the highest mean scores. The flexible working arrangement mean scores are lower, particularly in transport (0.37), hospitality (0.43), retail (0.45) and health and social work (0.49). Lastly, the sub-index on hours showed lower mean scores across different industries, varying between 0.43 (utilities and construction) and 0.57 (hospitality).

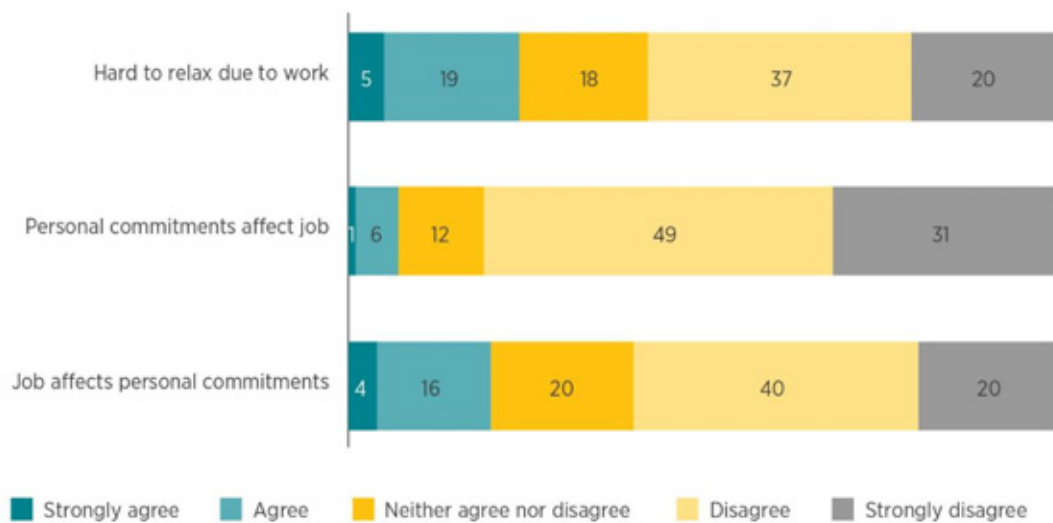
### Perceptions of work-life balance

The CIPD Good Work Index draws on three measures that offer insight into how individuals manage their work and personal life. In line with the overarching WLB Index, the balance sub-index (which captures work-life and life-work overspill, as well as how work impacts relaxation) remained largely stable over 2018–21, but with a slight improvement across this sub-index in 2021.

The evidence reports little difference between these and the previous year’s findings regarding perceptions of balancing work and personal life. A fifth of respondents agreed or strongly agreed that their job affects their personal life and 7% agreed or strongly agreed that their personal commitments affected their job. Also in line with last year’s findings, respondents are more likely to report that their job affects their personal life more than their personal commitments having an impact on their job. There is also little change from last year in perceptions of finding it hard to relax in personal time because of their work – 24% in 2021 and 23% in January 2020.

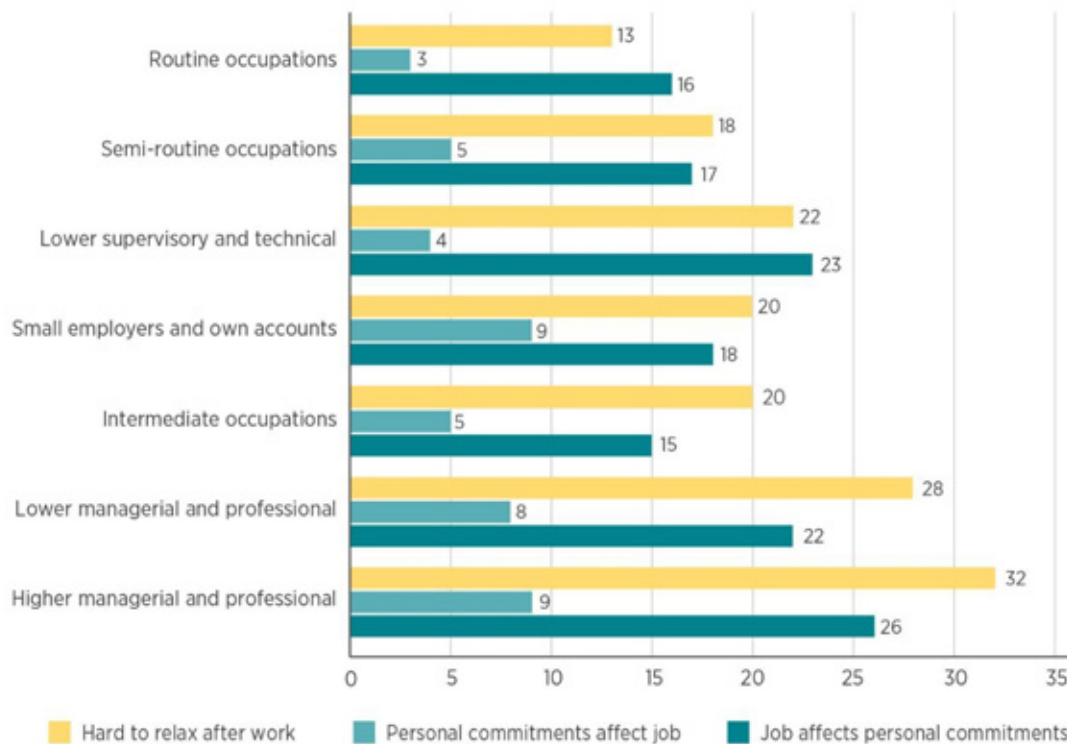
<sup>8</sup> The balance sub-index relates to the spillover between work and personal commitments. For more detail see [Appendix 2](#).

**Figure 28: Balancing work and personal life (%), 2021**



The perceptions of balancing work and life across occupational classes show little variation across the three balance measures. People working in intermediate occupations, lower supervisory, and technical and routine occupations are least likely to agree that personal commitments affect their job. Managerial and professional occupations (lower and higher) are more likely to agree that they find it hard to relax in their personal time after work, as in 2020.

**Figure 29: Balancing work and personal life by occupational class (% agreeing), 2021**



The balance sub-index by occupational class combines the three measures of balance into a single index to provide a clearer picture on perceptions of overall balance. As in 2020, those workers in lower and higher managerial and professional occupations are least likely to agree that they successfully balance work and personal life relative to other occupational classes.

### **Flexible working arrangements**

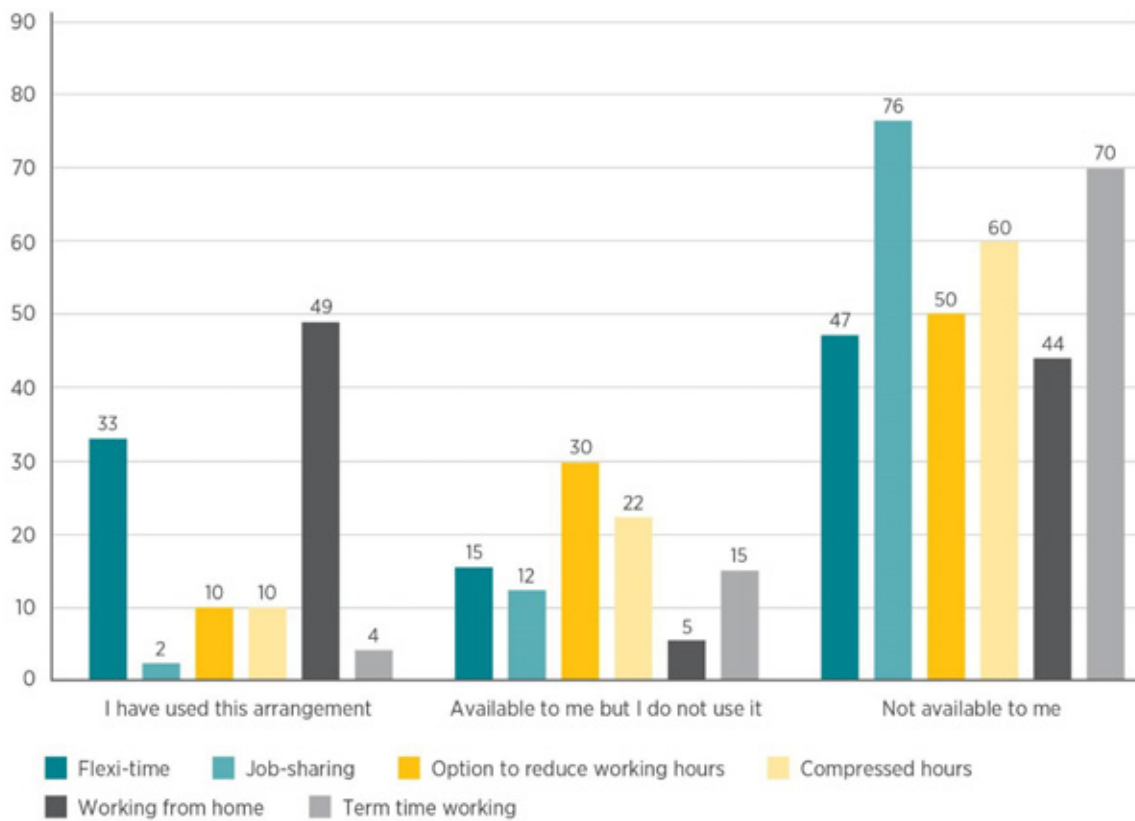
HR practices that focus on flexible working arrangements can provide an opportunity to support better wellbeing and work–life balance through the flexibility of when and where people work, as well as supporting gender-balanced and diverse workforces.

The CIPD Good Work Index focuses on six types of flexible working arrangements:

- flexi-time (ability to choose the start and finish time of the working day)
- job-sharing (sharing a full-time job with someone)
- the chance to reduce your working hours (for example, full-time to part-time)
- compressed hours (focus on the arrangement, rather than reduction, of work time)
- working from home in normal working hours
- working only during school term times.

A substantial proportion of respondents report that flexible working options are not available to them, particularly job-sharing (76%) and term-time working (70%). Of the other flexible working arrangements that are on offer, workers are least likely to reduce their working hours (30%). The most used flexible working arrangements include working from home (49%) and flexi-time (33%).

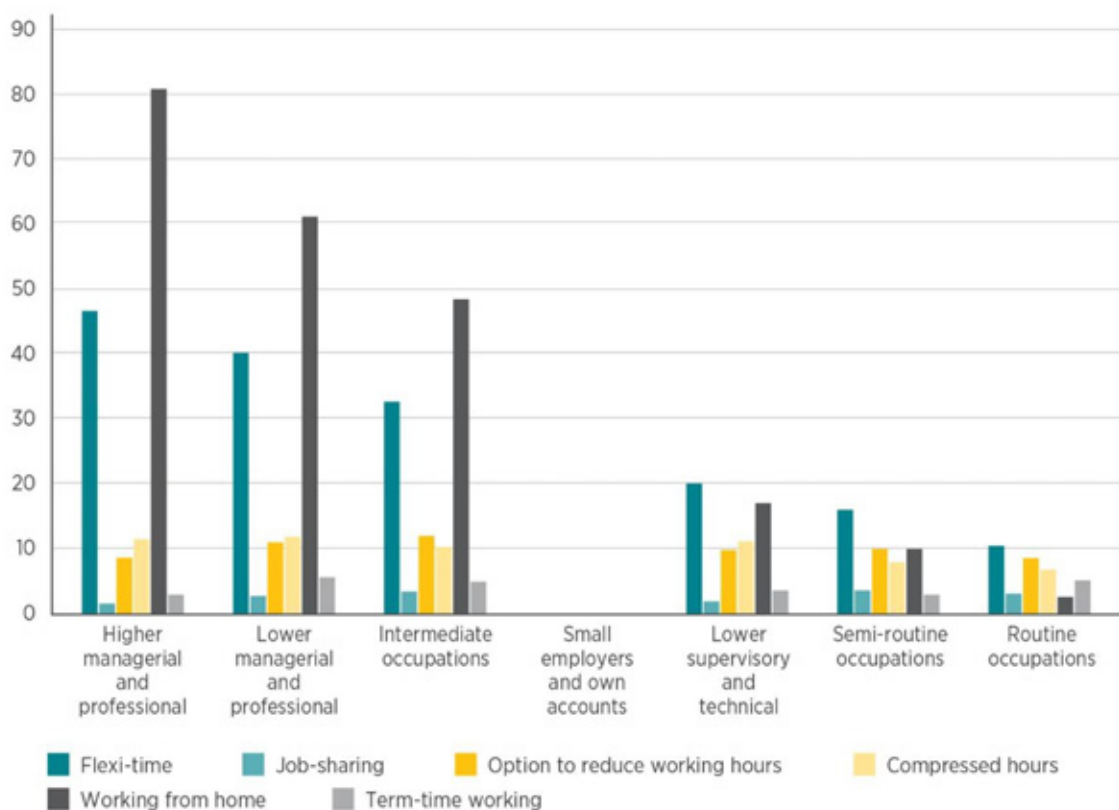
Figure 30: Flexible working arrangements in the last 12 months (%), 2021



There are significant variations across occupations in terms of their use of flexible working arrangements in 2021. Similar to the findings of previous years, those working in lower occupational classes typically have less flexible work arrangements than those workers in higher-skilled occupations. For example, 81% of higher managerial and professional occupations had arrangements to work from home compared with 9% of those workers in semi-routine occupations and 2% of routine occupations.

There are similar patterns of use across lower supervisory and technical, semi-routine occupations and routine occupations in terms of low uptake of flexible work options. The option of flexi-time is used most across these three occupational categories, though remains small in comparison with other groups. By contrast, higher and lower managerial and professional occupations and intermediate occupations follow a similar pattern with working from home as the most used option in the last 12 months, followed by flexi-time.

Figure 31: Occupational class differences in the use of flexible work arrangements (%), 2021



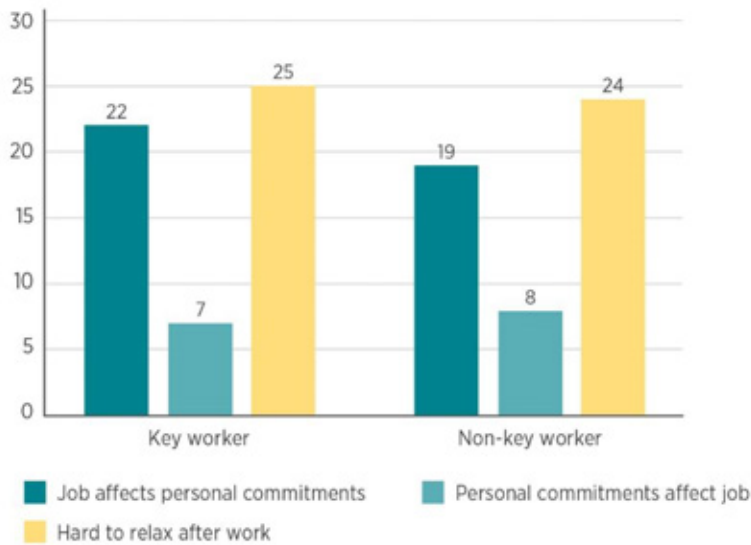
## Demographics and work–life balance

There are slight improvements on WLB across all age groups between 2020 and 2021 and WLB improved as age increased – a mean score of 0.56 for 18–24-year olds compared with 0.61 for workers aged 55-plus. There are no differences between men and women (both groups reporting a mean of 0.58) for WLB overall in 2021.

## Work–life balance and the pandemic

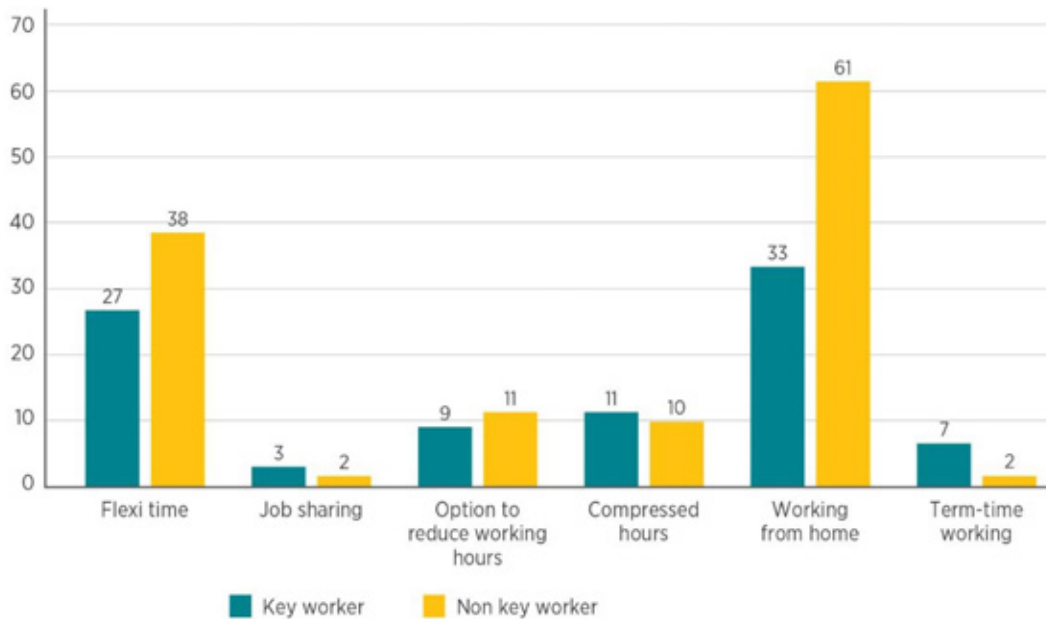
The CIPD Good Work Index 2021 distinguishes between key workers and non-key workers due to their experiences during public health restrictions associated with the COVID-19 pandemic. The data shows that non-key workers (0.61) report a more positive WLB compared with key workers (0.53). Key workers are significantly less positive about all of the work–life balance sub-indices, suggesting more work–life overspill, fewer flexible working options and poorer perceptions of hours alignment for key workers. In addition, the impact of being a key worker holds in regression analysis even when controlling for occupation, sex and organisational ownership.

Figure 32: Balancing work and personal life by key workers and non-key workers (% agreeing), 2021



There are also variations across the different flexible working arrangements for key and non-key workers. For example, key workers were less likely to use flexi-time, reduce their hours or work from home in the last 12 months compared with non-key workers. In particular, 61% of non-key workers worked from home compared with 33% of key workers.

Figure 33: Key workers and non-key workers differences in the use of flexible work arrangements (%), 2021

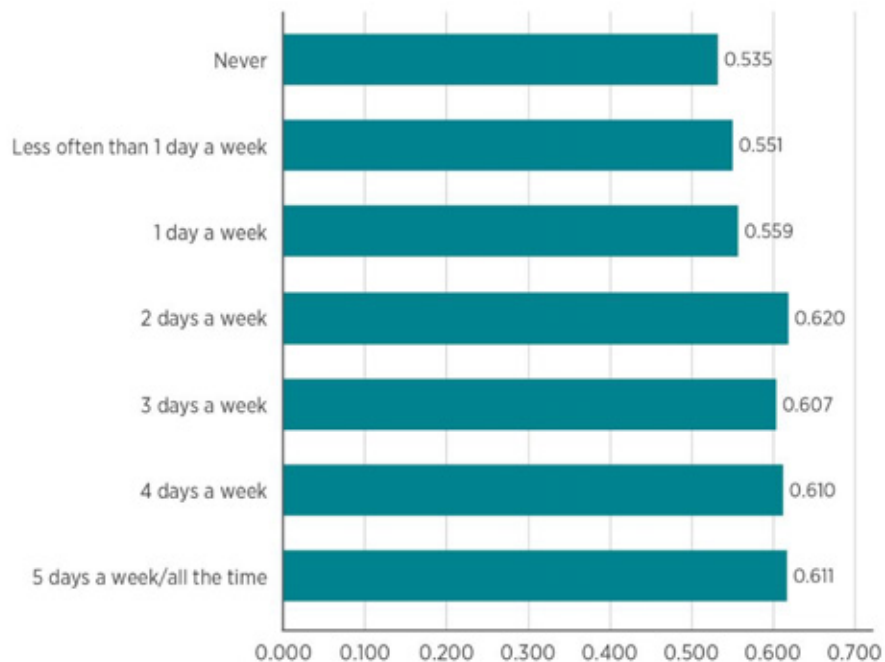


Turning to the impact of working from home on wellbeing, the WLB index is more positive for respondents reporting any level of homeworking, and most positive for those working from home all of the time.

This association maintained even when controlling for occupation and sex. What is particularly interesting, however, is that while this held for the WLB Index overall, it did not hold for the balance sub-index, suggesting that while homeworking is also associated with more flexible working options, it might be reducing work–life balance because of the

demands of work or family, or because of greater difficulties in separating work and non-work life when working from home. This raises interesting implications for supporting work-life balance if new hybrid forms of working between home and workplace emerge over the longer term.

**Figure 34: WLB and working from home duration (index scores), 2021**



## 7 Relationships at work

### Key findings

- Consistent with previous reports of the CIPD Good Work Index over the last four years, most workers report positive social relationships at work.
- Workers rate their relationships with immediate colleagues and ‘staff you manage’ most highly, with almost 90% of responses rating these as ‘very good’ or ‘good’. While relationships with line managers are positively rated overall, poor relationships are most frequently reported with line managers and other managers.
- Assessment of workplace relationships has improved across all but the smallest employers.
- Occupational class has a consistent but small impact on relationships at work.
- Positive work relationships are associated with higher job performance and wellbeing, with those reporting most and least positively on relationships at work also reporting average Task Performance Index scores of 0.85 and 0.71 respectively on task performance, and 0.67 and 0.58 on contextual performance respectively.
- In relation to the pandemic, non-key workers are consistently and significantly more positive than key workers across the Relationships Index and sub-indices, but once controls are introduced for occupation and organisational ownership, the relationship only holds for the psychological safety sub-index. People furloughed full-time are significantly more negative in assessments of their psychological safety.



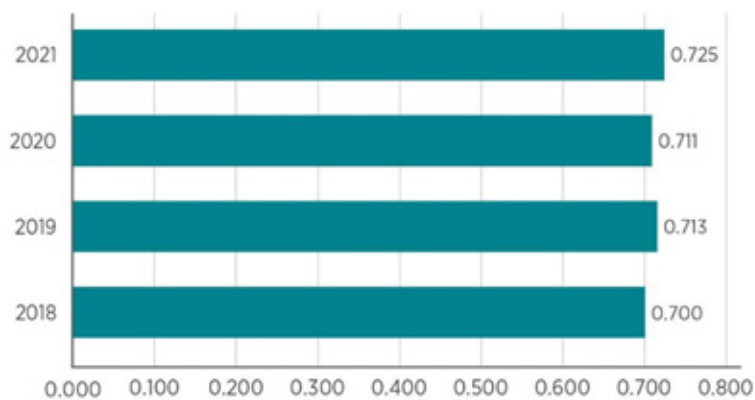
- The Work Relationships Index is also influenced positively by working from home, with the biggest impact on perceptions of psychological safety and line management relations.

### Trends in relationships at work

Previous CIPD Good Work Index reports – and a wealth of academic research and practitioner experiences – support the view that relationships at work matter a great deal. Relationships matter to individuals’ health and wellbeing, to their motivation, commitment, performance, and to organisational functioning – directly through impact on performance and indirectly through trust and engagement.

Despite the many challenges of the COVID-19 pandemic, relationships at work, as captured in the Relationships Index, showed little change since 2020, with a mean value of 0.725 in 2021 compared with 0.711 the previous year. Interestingly, then, this means that workplace relationships held up despite the many potential strains associated with the pandemic, including for the many people who have worked from home, the physical separation from colleagues, managers, customers and suppliers.

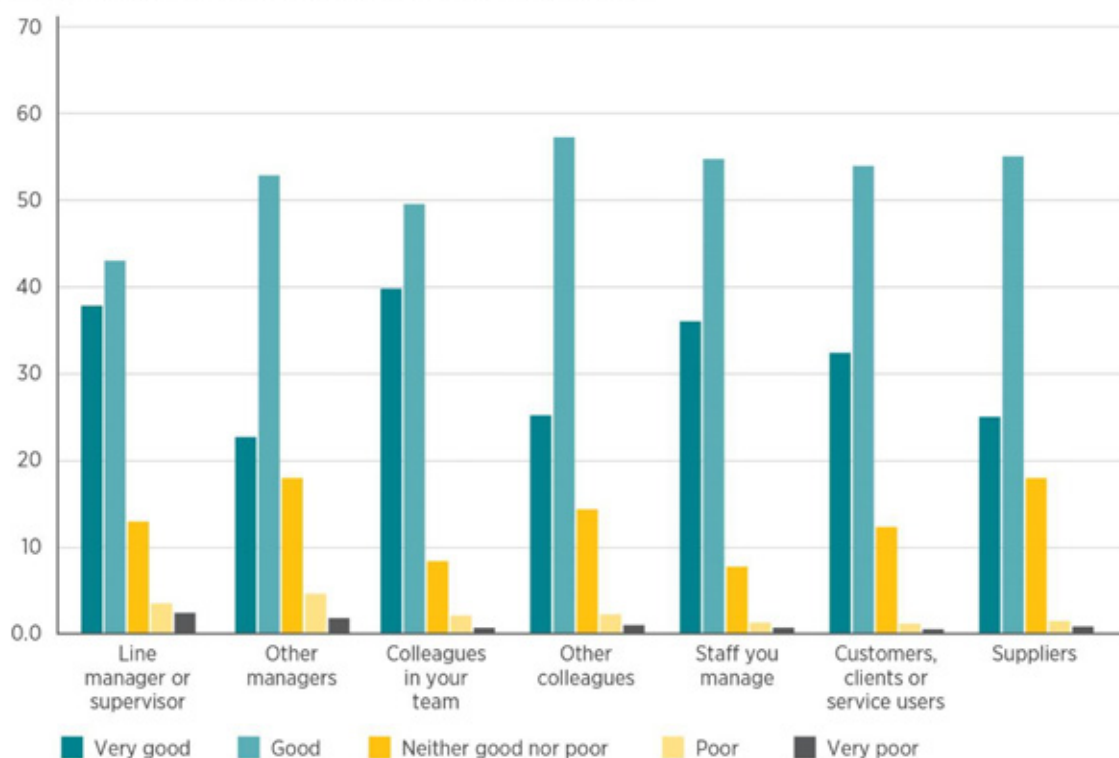
Figure 35: Relationships at work index by year (index scores), 2018-21



In line with the overarching Relationships at Work Index, the three sub-indices (relationships, psychological safety and line management relations) remained largely stable over 2020 and 2021, with a slight improvement in each. Relationships with others are more positively rated (0.775) than either psychological safety or line management relations (0.68 each), consistent with the CIPD Good Work Index findings from previous years.

Positive reports of relationships with team colleagues and with ‘staff you manage’ remain strongest, with almost 90% of responses rating these as very good or good. Relationships are also highly positive across workplace networks with customers (85%); other colleagues (82%); line managers (81%) and suppliers (80%) also reported positively. Ratings of relationships as poor or very poor are low, though highest in relation to other managers (6.9%) and line managers (6.4%).

Figure 36: Quality of relationships at work (% positive), 2021



The context of workplace relationships can be influenced by organisational size. Small firms may benefit from more direct and personal interaction where workplace relations are good. In larger firms, numbers of staff might limit building positive workplace relations outside of a worker’s immediate team (that being said, if a worker’s relationship with their immediate team is poor, this can have a negative impact on workplace relationships).

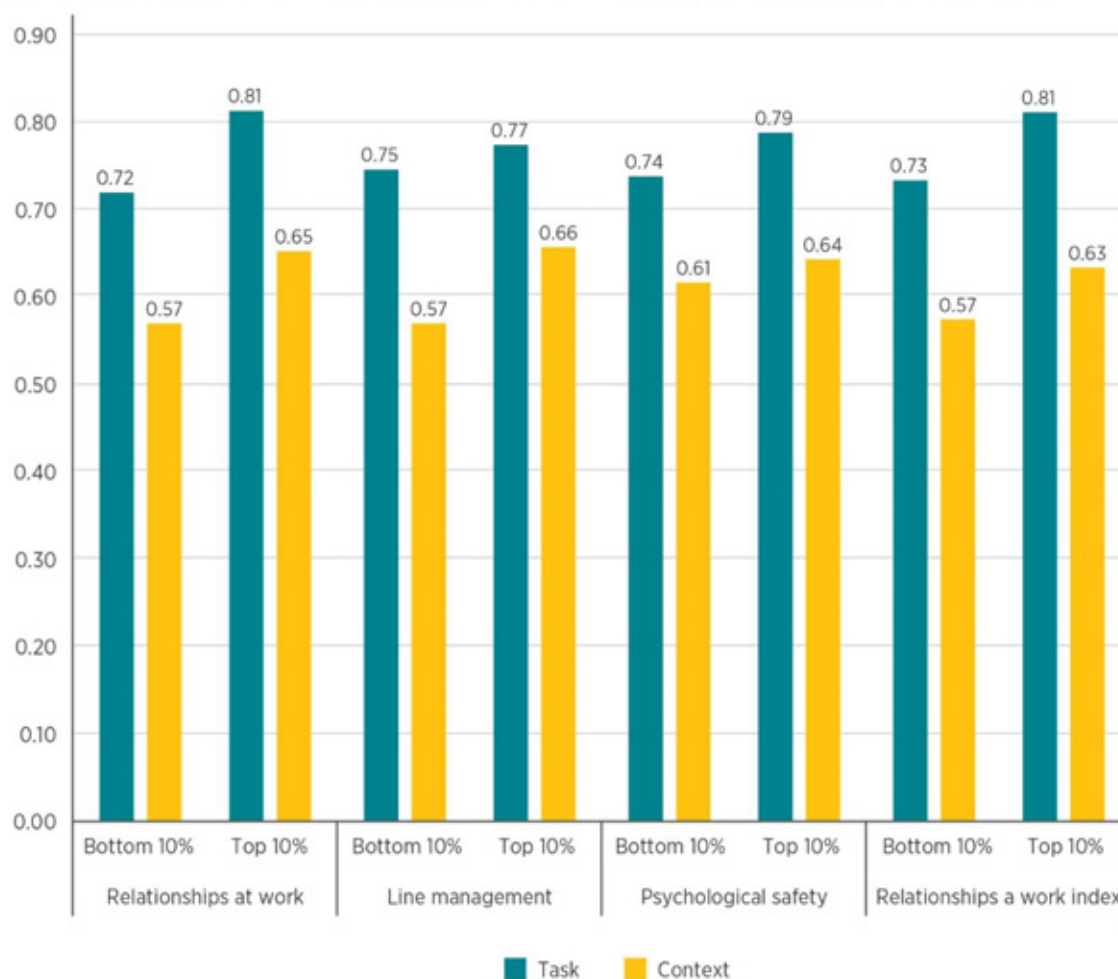
With the exception of the smallest organisations (fewer than ten employees), relationships had improved marginally over 2020–21 for all sizes of employer – although respondents from smaller organisations are more positive about work relationships overall (0.78 compared with 0.70–0.71 for firms in other size ranges). Relationships scores were most negatively impacted in 2020 for the smallest firms, though assessment of these relationships bounced back by January 2021.

### Impact of positive work relationships

There are strong conceptual reasons to believe that good relationships at work can impact positively on organisational performance.<sup>9</sup> As in last year’s CIPD Good Work Index, positive workplace relationships are consistently associated with higher task performance and higher contextual performance across the Relationships at Work Index and sub-indices. Put simply, those workers who report better work relationships also report higher levels of task and contextual performance. Also as in 2020, the most differentiating indicator is the Relationships at Work Index, where individuals in the top group report average Task and Contextual Performance Index scores of 0.85 and 0.67, respectively, while those who are least positive on relationships report comparable scores of 0.71 and 0.58, respectively.

<sup>9</sup> Sparrowe, R.T., Liden, R.C., Wayne, S.J. and Kraimer, M.L. (2001) [Social networks and the performance of individuals and groups](#). *Academy of Management Journal*. Vol 44, No 2, pp316–25.

Figure 37: Workplace relationships (top and bottom scores) and job performance (index score), 2021



The impact of social contacts in the workplace is often most highlighted where it is absent, such as in the study of unemployment.<sup>10</sup> Relationships at work also have implications for wellbeing,<sup>11</sup> which can in turn also support performance. For each year of the CIPD Good Work Index to date, assessments of relationships at work have been positively associated with health and wellbeing, although marginally less strongly in 2021 than in previous years.

### Occupational class differences in relationships at work

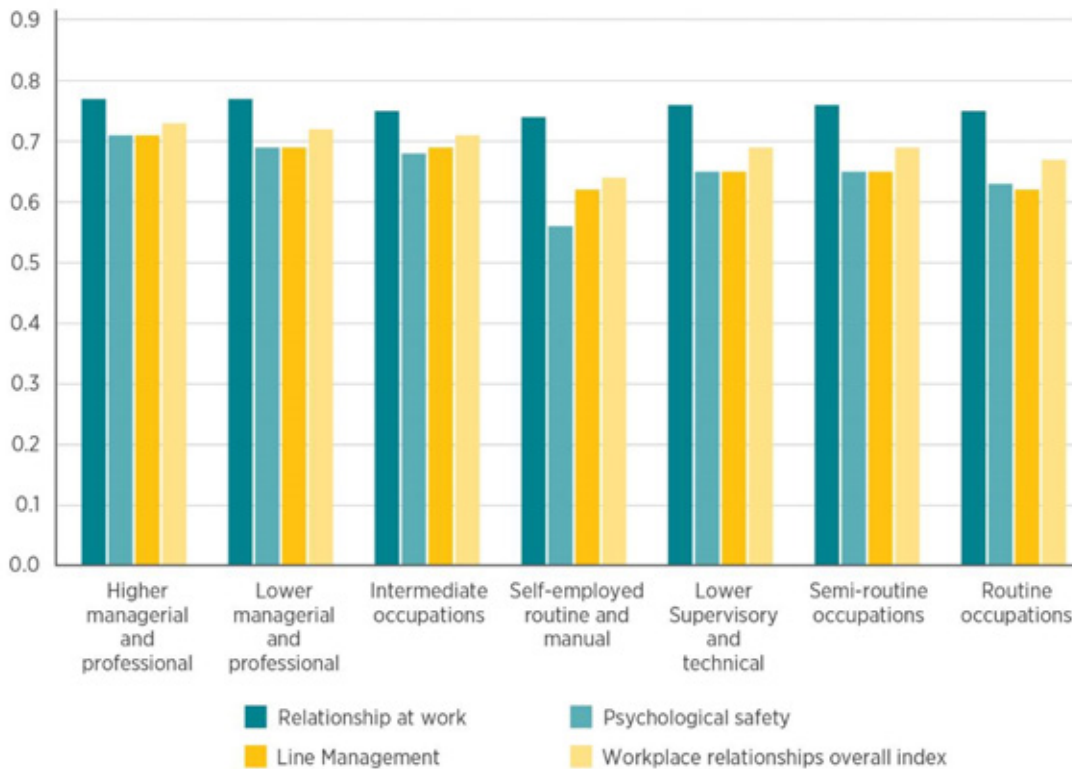
While occupational differences in the nature, characteristics and context of work may have implications for relationships at work, interpersonal relationships may also transcend distinct workplace experiences. For the Relationships at Work Index and its component sub-indices, occupation has a consistent association with perceptions of workplace relationships: higher managerial and professional workers report most positively, with lower managerial and professional and those in intermediate occupations coming a close second and third, respectively. Routine occupations and self-employed and own-account workers report lowest

<sup>10</sup> Jahoda, M. (1981) [Work, employment, and unemployment: values, theories, and approaches in social research](#). *American Psychologist*. Vol 36, No 2. pp184–91.

<sup>11</sup> Danna, K. and Griffin, R.W. (1999) [Health and wellbeing in the workplace: a review and synthesis of the literature](#). *Journal of Management*. Vol 25, No 3. pp357–84.

on the Relationships at Work Index. However, the occupational gradient for this index is slight, with a variation of only 0.08 between the most (0.74) and least (0.66) positive assessments.

**Figure 38: Relationships by occupational class (index score), 2021**



Looking at the sub-indices, relationships are most positively assessed when compared with psychological safety and line management openness, with little variation across occupational classes. Assessment of line management relations improves at the higher levels of the occupational spectrum, and psychological safety is also higher at the top compared with the bottom end of the occupational distribution.

Self-employed and own-account workers are clear outliers in assessments of line management relations and psychological safety, with these workers reporting a mean score of 0.56 for psychological safety compared with a mean score of 0.77 for higher managerial and professional workers.

### Relationships at work and the pandemic

The distinction between key workers and others has emerged over 2020 due to distinctions in public health regulations between different categories of worker, and the 2021 survey allowed for the identification of key workers in the sample. While the scale of differences between both groups is low, non-key workers are consistently a little more positive about relationships at work (0.74) than key workers (0.7), with perceptions of line management relationships accounting for most of the small difference.

Regression analysis highlights, however, that once controls are introduced for occupation and organisational ownership, the relationship between key worker status and poorer relationship scores only holds for the psychological safety sub-index.

People furloughed full-time are significantly more negative in assessments of their psychological safety, and this association is significant. People not furloughed or furloughed for fewer hours are a little more positive than those furloughed for more hours or fully.

People not furloughed during the pandemic, or furloughed but worked more than eight hours per week, are more positive (0.73) about relationships in general than those who are either furloughed full-time or furloughed and worked fewer than eight hours per week (0.69), though once occupation is taken into account, only full furlough had a negative association (and then only with the psychological safety sub-index and to a lesser extent the line management relations sub-index).

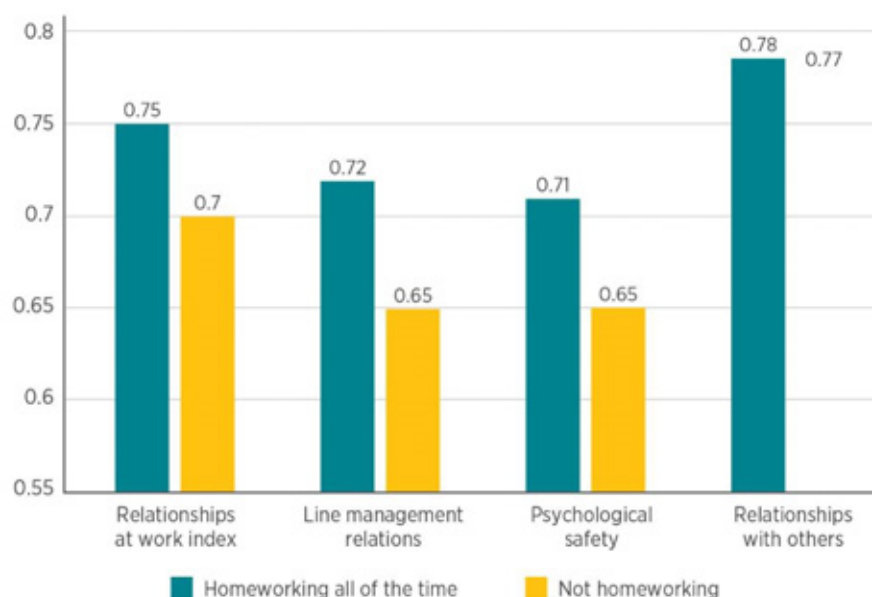
This suggests that full furlough didn't really impact across interpersonal relationships but did impact on line management relationships and raise anxieties about psychological safety.

Perhaps surprisingly, work relations are also influenced positively by working from home. On the Relationships at Work Index and all relationships sub-indices, those who did not work from home at all report less positive workplace relationships than those who worked at home all of the time.

While there is some variation when looking at number of days working from home per week, more than two days per week of homeworking is positively associated with a stronger Relationships at Work Index score overall, and more positive assessments of psychological safety and line management relations, irrespective of occupation, though this relationship did not hold for workplace relations.

Working from home at all is associated with more positive line management relations, irrespective of occupations, and more days of working from home strengthened the association. This raises an interesting paradox, given that homeworking distances and reconfigures workplace relationships – although widespread efforts by many organisations in supporting staff during distanced working may have enhanced interpersonal relations between workers and managers in the process.

**Figure 39: Relationships at work for homeworkers and non-homeworkers (index scores), 2021**



## 8 Employee voice

### Key findings

- Individualised rather than collective channels of employee voice predominate in UK workplaces, though there is significant variation by organisational size and ownership sector.
- Interestingly and perhaps worryingly, the number of people reporting no voice channels in their workplaces has increased in recent years. There is an absence of voice channels in 22.9% of private sector firms in 2021, representing a significant voice gap in UK workplaces. One-to-one meetings with line managers, team meetings and employee surveys have been the most common voice channels in UK workplaces, and all have seen a slight rise since 2020.
- The relationship between voice and organisational size has been largely stable since the first CIPD Good Work Index was published in 2018, with workers in the smallest organisations significantly less likely to report the presence of voice channels than those in larger organisations. Larger organisations tend to use more forms of engagement, including staff surveys.
- Assessments of the activities and effectiveness of employee representatives and management in voice, dialogue and representation are significantly more positive in 2021 than in previous years of the CIPD Good Work Index. This may be related to the increasing importance of communications and dialogue in ensuring both public health compliance and continued organisational functioning in the highly uncertain context of extensive and shifting public health restrictions.

### Contemporary employee voice and representation

Employee voice and dialogue between employers, management and employees are widely recognised as important elements of job quality. The ability to speak, be listened to and have an influence are valued in themselves but are also crucial to shaping and delivering other elements of job quality and supporting fair workplaces.

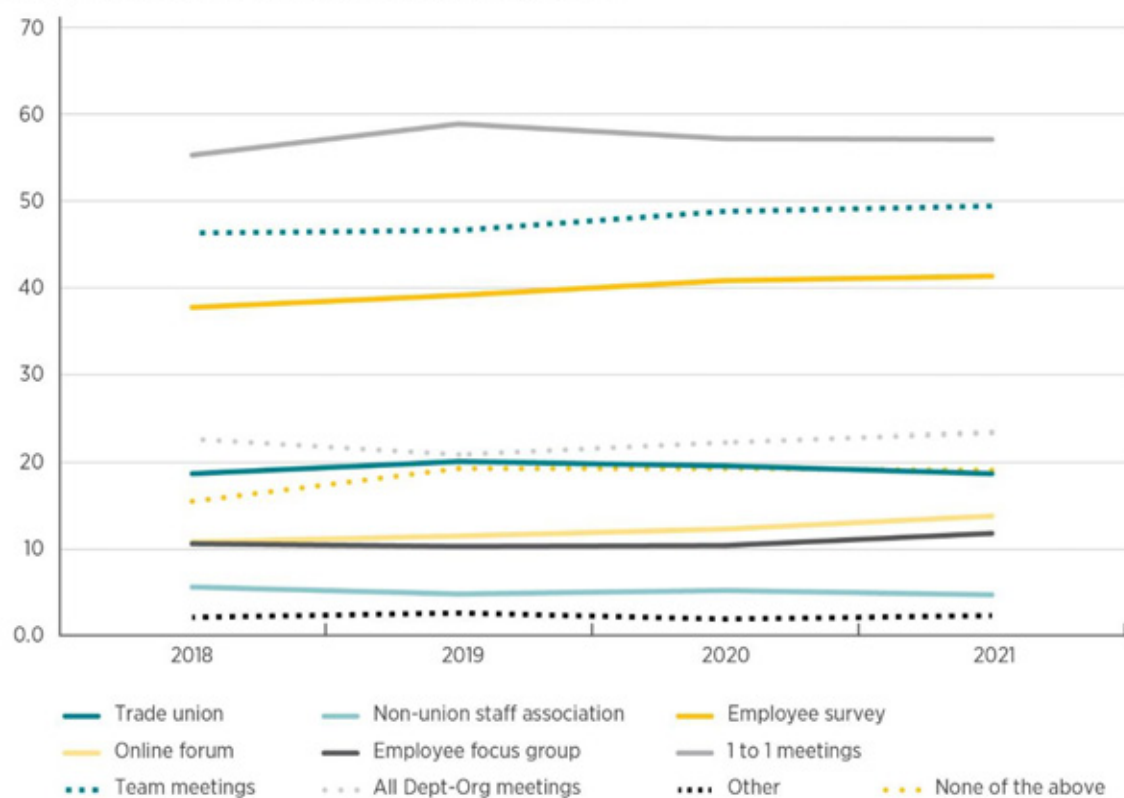
Employee voice and representation can take place through a variety of formal and informal channels and, over recent decades, collective employee voice and representation through trade unions has declined significantly while other direct channels of voice have taken greater prominence. Yet there is evidence to suggest that the 'gold standard' of employee voice in driving organisational performance and employee commitment comprises effective collective representation alongside direct channels of employee voice and participation.<sup>12</sup>

In all four years of the CIPD Good Work Index, one-to-one meetings with line managers, team meetings and surveys of workers have been the most common voice channels in UK workplaces, and all have seen a slight rise since 2020. All-department/organisation meetings, and trade unions as a voice channel, lag some way behind. Following a slight rise in 2020 and 2021, trade unions as a voice channel have returned to their 2018 level of 18.8%. The number of people reporting no voice channels in their workplaces has increased from 15.6% in 2018 and has hovered around 19% for 2021 and the previous two years. This is of some concern in the specific context of the pandemic given the need for effective voice and communications to negotiate the scale of public health restrictions affecting workplaces.

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<sup>12</sup> Van Wanrooy, B., Bewley, H., Byrson, A., Forth, J., Freeth, S., Stokes, L. and Wood, S. (2013) *Employment relations in the shadow of recession: findings from the 2011 Workplace Employment Relations Study*. Basingstoke: Palgrave MacMillan.

Figure 40: Employee voice channels (% present), 2018–21



Voice channels continue to vary significantly according to organisational size, with the reported presence of every specified voice channel increasing as size (in terms of numbers of workers) increases. While firms of all sizes rely most heavily on one-to-one meetings and team meetings as the most common voice channels, the use of employee surveys as a voice channel is rare in organisations employing fewer than 50 people, but is reported by 32% of workers in medium-sized firms and 66% of those in large firms. An absence of all of the specified channels of voice is also more likely in the smallest firms, where more than one-third of responses do not identify any voice channels.

The relationship between voice and organisational size has been largely constant over 2018–21, with workers in the smallest organisations significantly less likely to report the presence of voice channels than those in larger organisations.

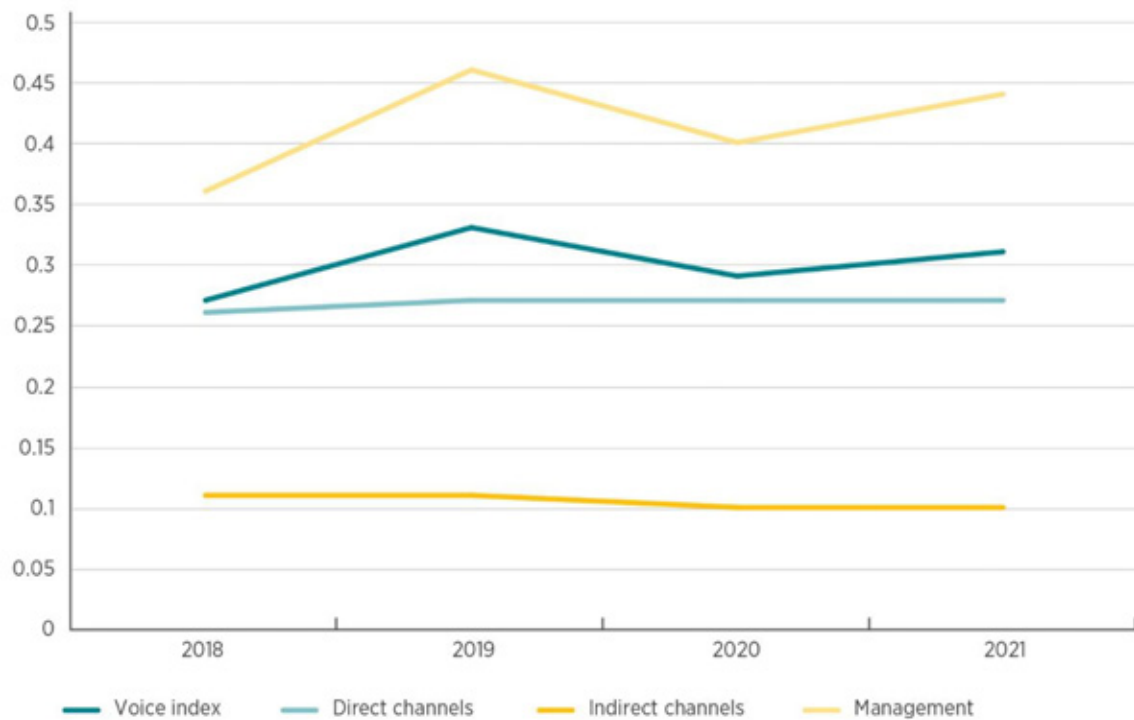
The top three voice channels (one-to-one meetings, team meetings and employee surveys) remain consistent when analysed by ownership sector. Trade union voice is concentrated in the public sector and is least common in the private sector. All-department/organisation meetings are most common in the third sector, probably related to firm size. Non-union staff associations are more common in the third sector, but even they are present in only 1% of firms. There is an absence of voice channels in 22.9% of private sector firms in 2021, representing a significant voice gap in UK workplaces.

A slight increase in some of the voice channels (team meetings, employee surveys, all-department/organisation meetings, focus groups and online chatrooms) had taken place since 2020, and while one-to-one meetings with line managers are more frequent in the

private sector in 2021 than in 2020, they are slightly less frequently reported in the public and third sectors in 2021.

The Employee Voice Index combines three sub-indices measuring direct channels, indirect channels and management openness. While the Employee Voice Index has increased a little since 2020, it remains lower than in 2019. Perceptions of voice through indirect channels have decreased very slightly over the last few years, while reports of voice through direct channels have stayed relatively flat. Perceptions of voice effected through management increased slightly and remain more highly rated than other voice indices.

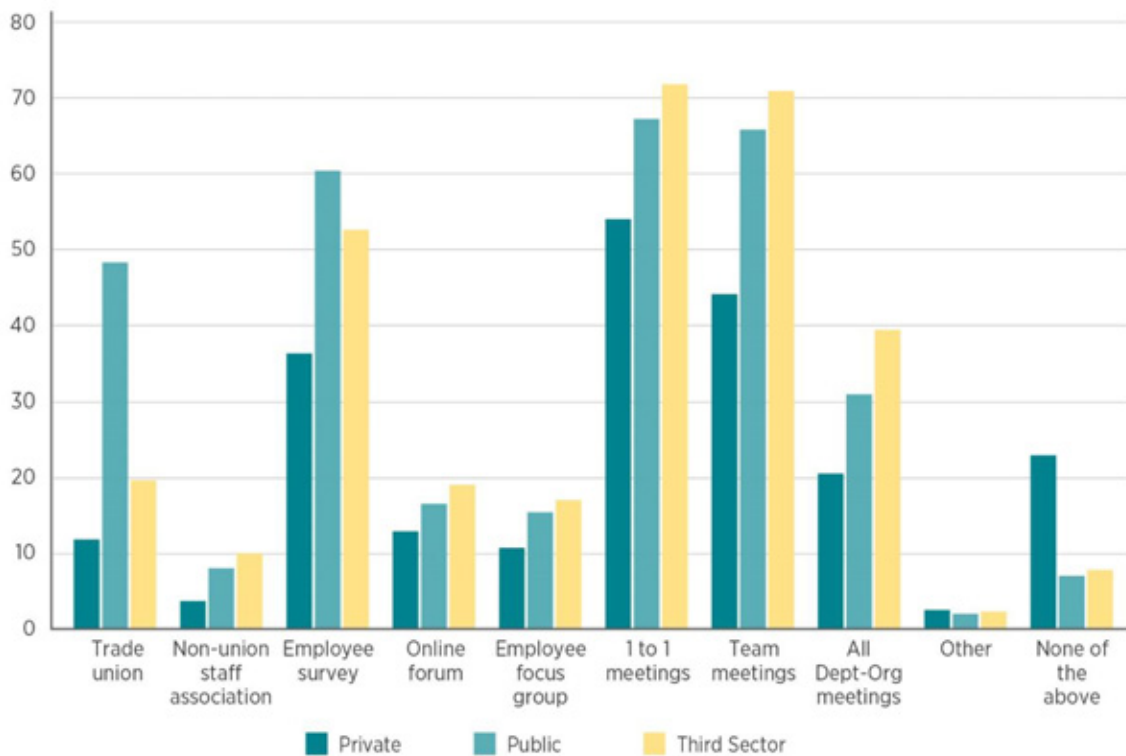
**Figure 41: Employee voice index and sub-indices (index score), 2018-21**



As with the channels of voice and representation, the Employee Voice Index also varies according to organisational size, with a clear increase in this summary voice measure as employee numbers increase.



Figure 42: Employee voice channels by ownership sector (% present), 2021

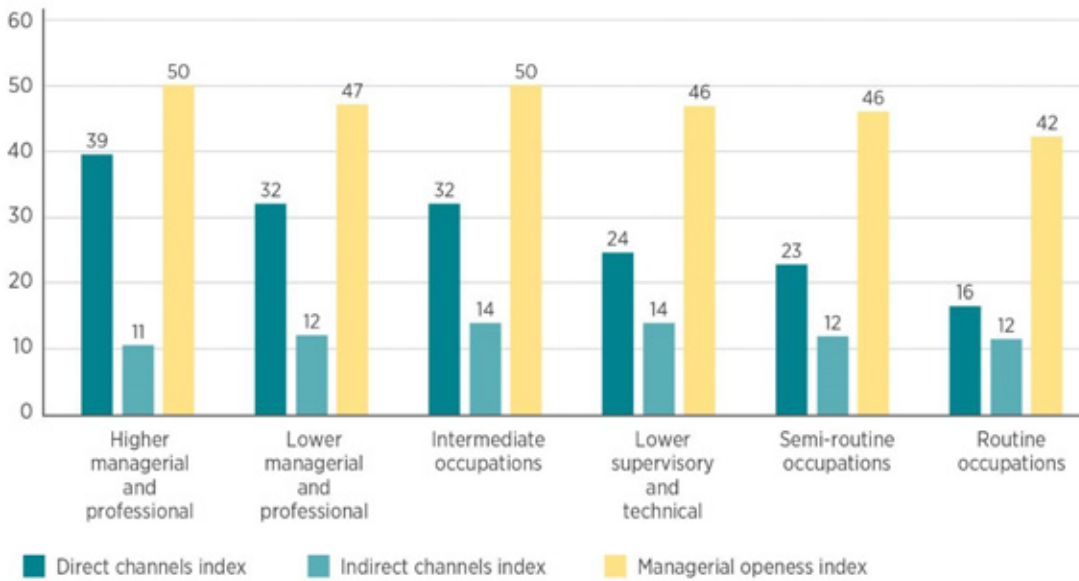


### Occupational class differences in employee voice and representation

As in 2020, occupational class is associated with distinct patterns of employee voice. Reported scores on the overarching Employee Voice Index are highest for higher managerial and professional workers and lowest for routine occupations. The same pattern holds for indirect voice channels.

The impact of occupational class is, however, weakest in relation to the Managerial Openness Index. Indirect voice channels are not frequently reported across occupational classes, but are highest in intermediate and lower supervisory and technical occupations. Intermediate (skilled and semi-skilled) occupations and technical work have been historically associated with trade union presence, but even in these groups, indirect channels including trade unions are not especially prevalent.

**Figure 43: Employee voice channels, by occupational class (index score), 2021**

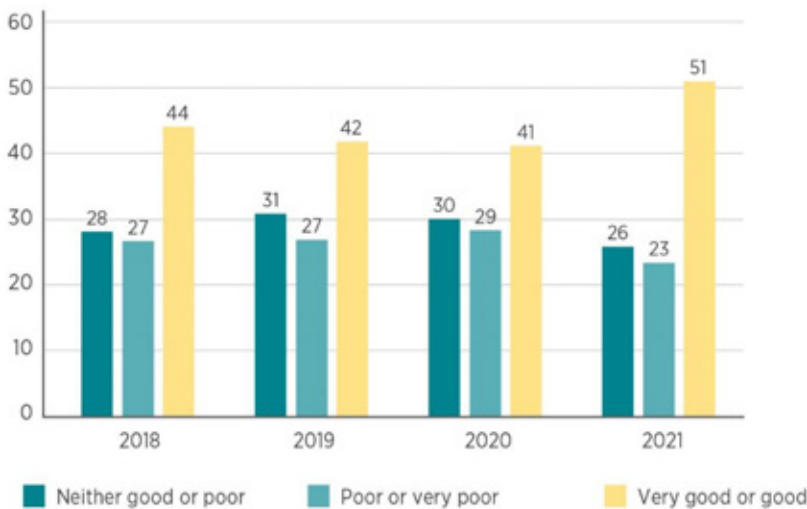


### Process and impact of employee voice

Given that voice takes place through managers and employee representatives, it is important to understand how well employees’ views are sought, represented, responded to and influence decision-making, and how well-informed employees are about these decisions.

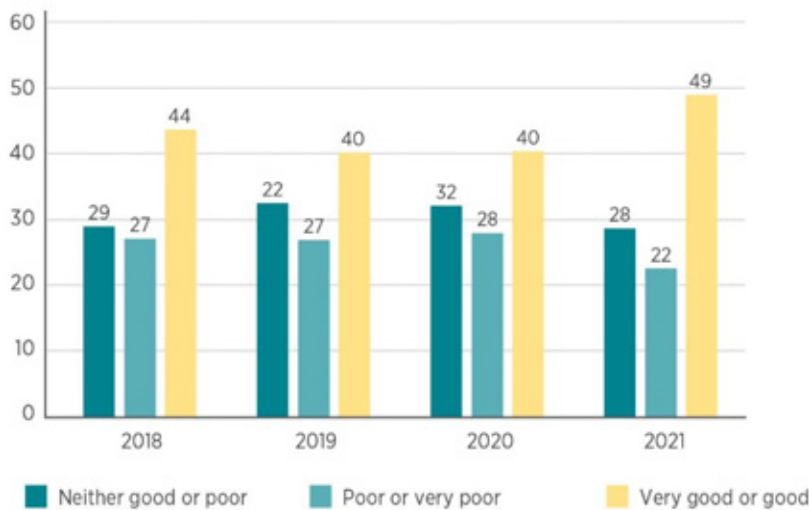
Looking first at employee representatives, following a period of relative stability over 2018–20, perceptions of how well employee representatives sought employee views changed considerably in 2021. The percentage of workers rating representatives as ‘very poor’ or ‘poor’ at seeking employee views fell from 27.2% to 23.5%, while the percentage of workers rating employee representatives as ‘good’ or ‘very good’ in this regard rose from 41.4% in 2020 to 50.7% in 2021.

**Figure 44: How good are representatives at seeking the views of employees (%), 2021**

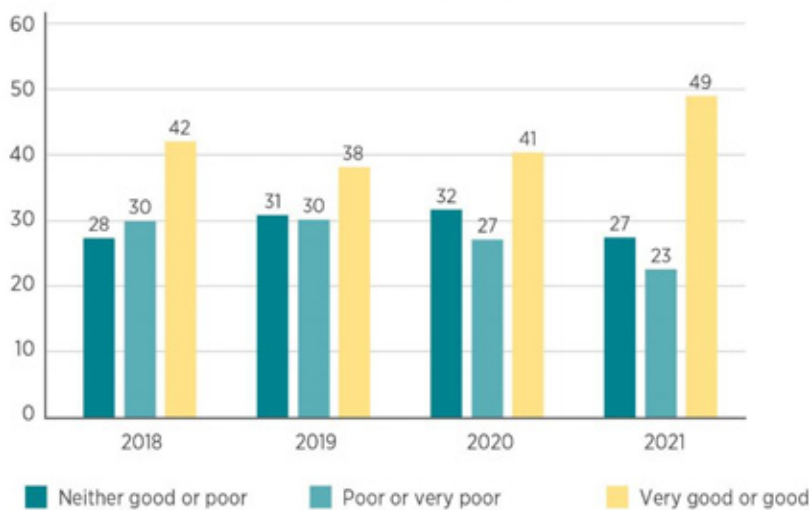


Similarly, the ratings of employee representatives in how they represent employee views to senior management also increased from 40% in 2020 to 49% in 2021, while those reporting that representatives' provision of information to employees on management discussions or decisions as 'good' or 'very good' increased by just under 10%. Across the board, therefore, employee representatives are much more positively endorsed in 2021 than in any of the preceding three years.

**Figure 45: How good are employee representatives at representing employee views to senior management by year (%), 2018-21**

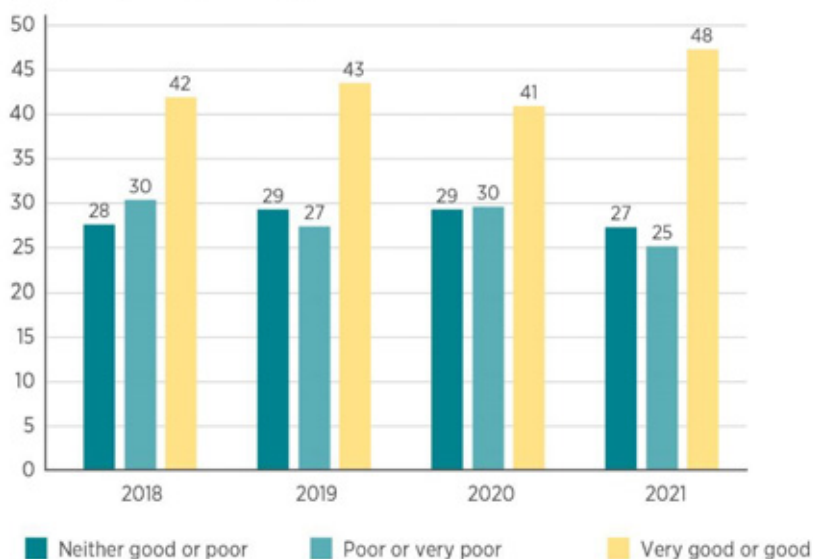


**Figure 46: How good are employee representatives at keeping employees informed of management discussions or decisions by year (%), 2018-21**



Turning to views on management's role in voice, managers are also rated more favourably across a range of relevant variables in 2021 than in 2020, though the increase is not as high as for employee representatives. Employee representatives are also rated a little more highly than managers in their efforts to seek employee views.

**Figure 47: How good are managers at seeking the views of employees or employee representatives (%), 2021**



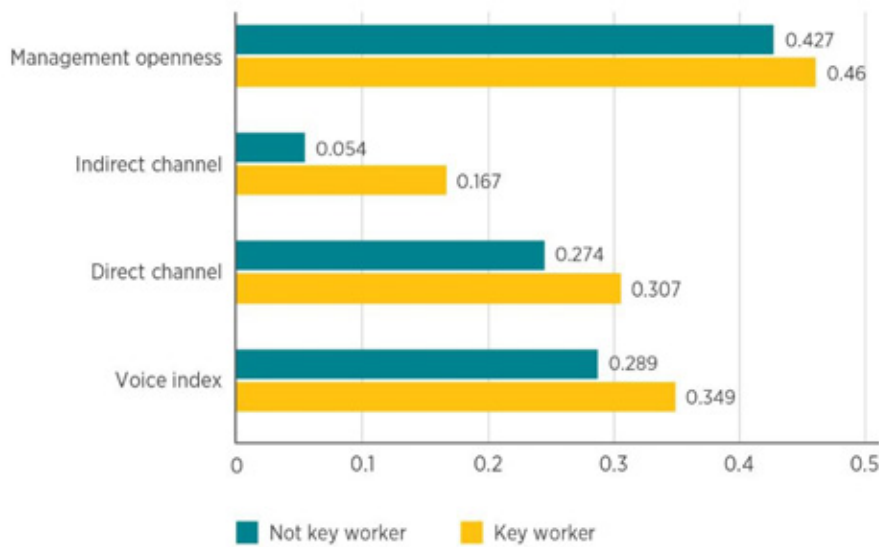
Seeking views is a necessary but not sufficient condition for effective employee voice – these views need to be responded to and capable of having influence in decision-making. Managers were also rated highly by just under half of respondents in responding to suggestions from employees and their representatives, suggesting that most people who thought management sought employee views also thought that these views were listened to.

This endorsement of managerial openness to voice is stronger than in 2020. In addition, more than one-third of employees report that managers are good or very good at allowing employees or their representatives to influence decision-making, an increase of 8% since 2020. The highest management ratings in relation to voice relate to managers’ approach to keeping employees informed where half of all workers responded positively.

### **Employee voice and representation and the COVID-19 pandemic**

Key workers consistently report more positive voice indicators than non-key workers across all voice channels and, with the exception of management openness, these associations are significant even when controlling for occupation and organisation ownership.

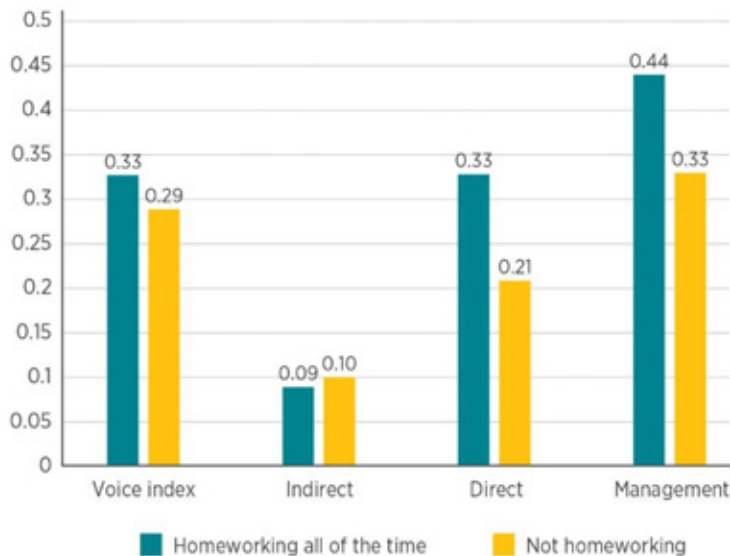
**Figure 48: Voice index and sub-indices for key workers and others (index score), 2021**



Those who had been furloughed full-time report lower levels of voice (0.30) than those furloughed with reduced hours (0.33) or not furloughed at all (0.33). Being furloughed at all is associated with lower voice scores across all sub-indices, but not the overall Voice Index, even when controlling for occupation.

While experience of furlough appears to have a negative effect on perceptions of voice, homeworking all of the time has the opposite effect, enhancing positive views of voice overall and in terms of indirect channels of voice and managerial openness.

**Figure 49: Employee voice index by full-time homeworking (index score), 2021**



Interestingly, regression analysis showed that while homeworking of any duration increased positive perceptions of voice, the strongest positive effect is for those working from home for two days or fewer per week in relation to the Voice Index and sub-indices, with the exception of direct voice, where more days of homeworking is associated with more positive assessments of direct voice. This raises interesting questions about whether workers

perceive a complex trade-off between higher levels of homeworking and the ability to engage in workplace voice channels and be listened to by management.

## 9 Health and wellbeing

### Key findings

- Overall work-related health and wellbeing have declined in recent years, although this levelled off in 2021. Physical health has declined more than mental health.
- Male respondents and older workers report more positive overall health and wellbeing.
- The self-employed and own-account workers report the highest overall health and wellbeing, with the lowest levels of health and wellbeing found in semi-routine occupations and intermediate occupations.
- People in higher managerial and professional occupations and semi-routine occupations report marginally lower levels of positive physical health compared with other occupations.
- People working in professional, scientific and technical, health and social work, education, and emergency services reported less positive mental health. Those working in sectors such as waste management, retail, information and communication, and professional, scientific and technical industries reported less positive physical health.
- Key workers report less positive mental health and physical health compared with non-key workers.
- Lower levels of mental health are reported by those workers who have been temporarily furloughed full-time and lower levels of physical health are reported by workers who are not currently furloughed.
- Less positive responses are reported on overall health and wellbeing by those spending all of their time working from home or never working from home. More positive responses on health and wellbeing can be found among those who have been working from home two days per week.
- Workers with higher health and wellbeing scores report higher task performance.

### Health and wellbeing at work

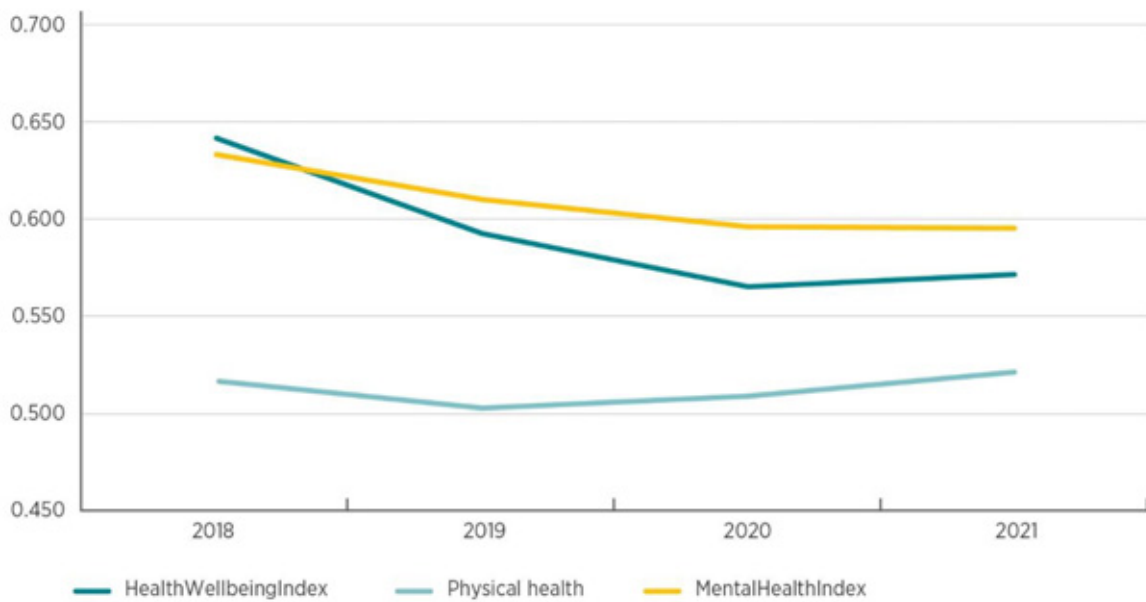
A particularly important component of good work given the context of the COVID-19 crisis relates to workers' health and wellbeing. Employers have adopted a range of measures to promote workers' mental and physical health and safety during the pandemic. But there remain legitimate concerns around workers' exposure to the risk of infection in workplaces that have remained open, and the mental health impacts of isolation, insecurity and work intensification in virtual working environments.

Furthermore, there is a long-standing evidence base suggesting that people's wellbeing can be impacted by workplace practices and employment conditions, and that workers' wellbeing in turn affects absence rates and potentially performance. The CIPD Good Work Index enables us to gather a range of data on measures of both physical health and mental health; in the latter case, this is based on questions asked about how work relates to stress, anxiety and depression.

The CIPD Good Work Index has a summary index for overall health and wellbeing that comprises two separate indices for physical and mental health. This index shows a decline in overall health and wellbeing from 2018 to 2020 and stabilised in 2021. Scores for physical health have declined more over the years, from 0.650 in 2018 to 0.54 in 2020, with a slight

increase to 0.55 in 2021. The mental health sub-index has seen a smaller decline since 2018, with the figure remaining the same in 2020 and 2021 (0.6).

Figure 50: HWB index by year (index score), 2018–21



### Impact of work on physical and mental health

Considering the change over the years in respondents' views of how their work positively or negatively affects their mental health, a clear pattern shows a decline from 2018–20, followed by some stabilisation between 2020 and 2021, and there has also been a decline in work having a negative impact on mental health between 2020 and 2021. A similar pattern can also be found for the impact of work on physical health. More respondents are likely to report that work impacts neither positively nor negatively on physical health than it does on their mental health.

Figure 51: Impact of work on mental health by year (%), 2018–21

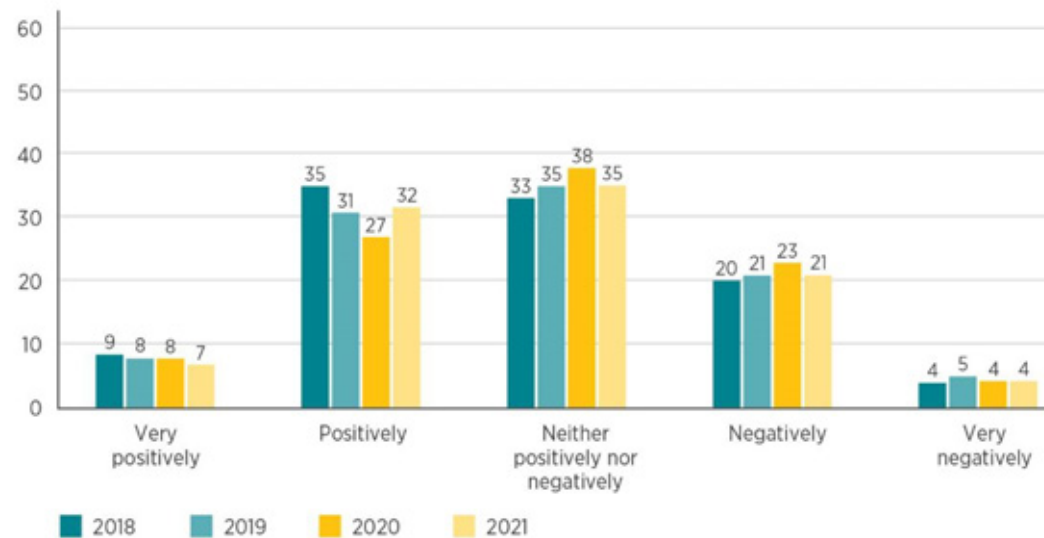
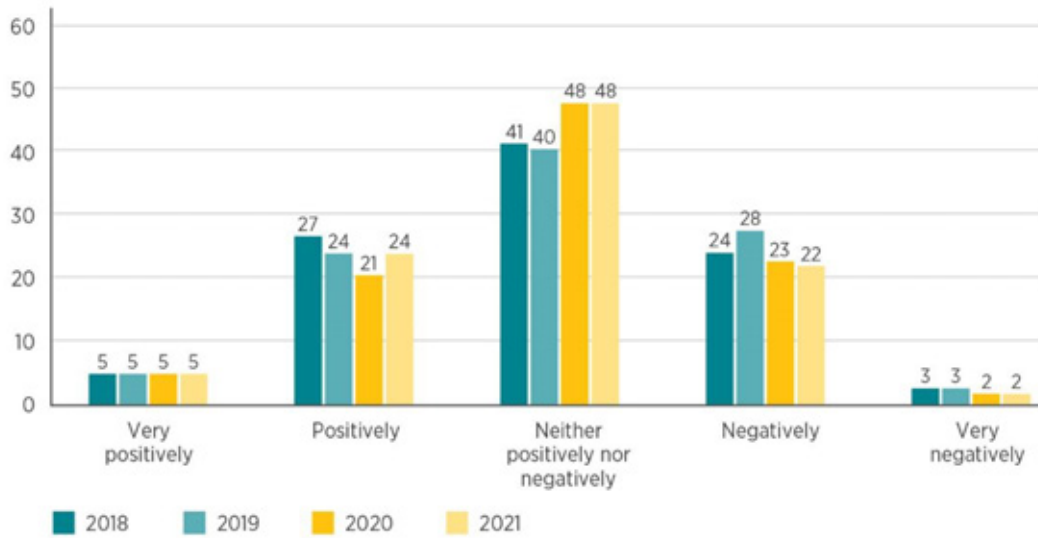


Figure 52: Impact of work on physical health by year (%), 2018–21



### Health, wellbeing and job mobility

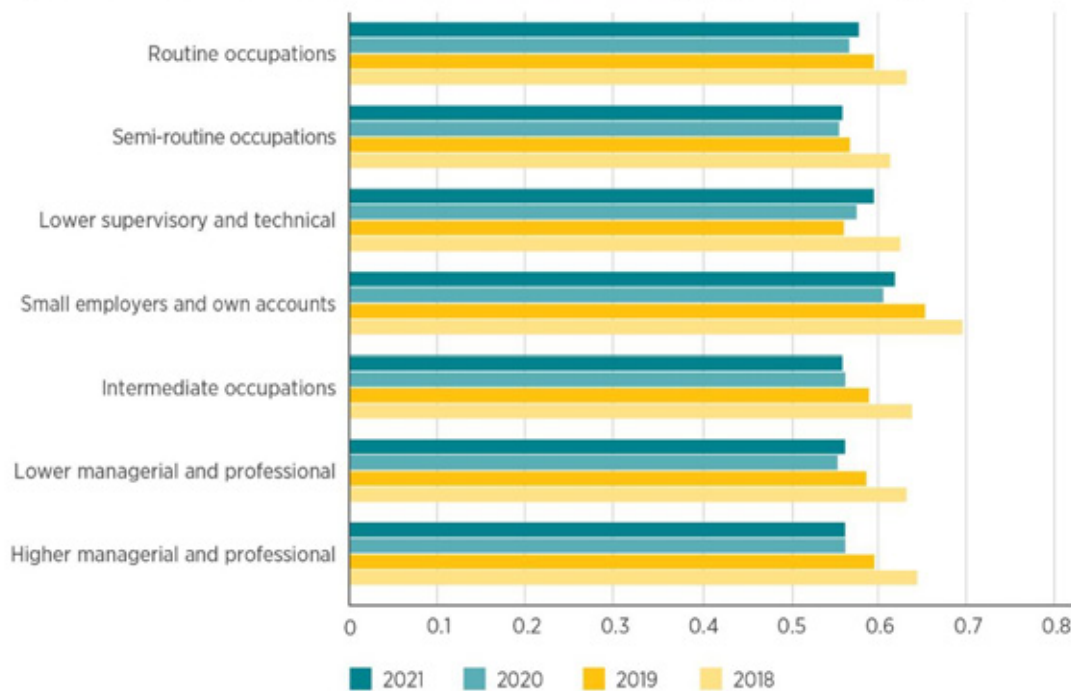
Those workers who have changed their job in the past year report a very slight improvement in their Health and Wellbeing Index score – from a mean of 0.56 in 2020 to 0.57 in 2021. Unlike previous years, job stayers have not reported a decline in their overall health and wellbeing over the period. Both job movers and stayers saw improvements in the overall Health and Wellbeing Index over the last year, and in Physical Health Index scores. However, whereas – as noted above – job movers reported improvements in mental health scores, the mean Mental Health Index for stayers saw a very slight decline.

### Occupational class differences in health and wellbeing

The majority of occupations report a slight increase in their overall health and wellbeing between 2020 and 2021. The self-employed and own-account workers report the highest overall Health and Wellbeing Index (0.62) and the occupations that report the lowest scores at 0.6 each are semi-routine and intermediate occupations. These are minor differences but again point to the job quality and wellbeing benefits experienced by some workers who run their own businesses.



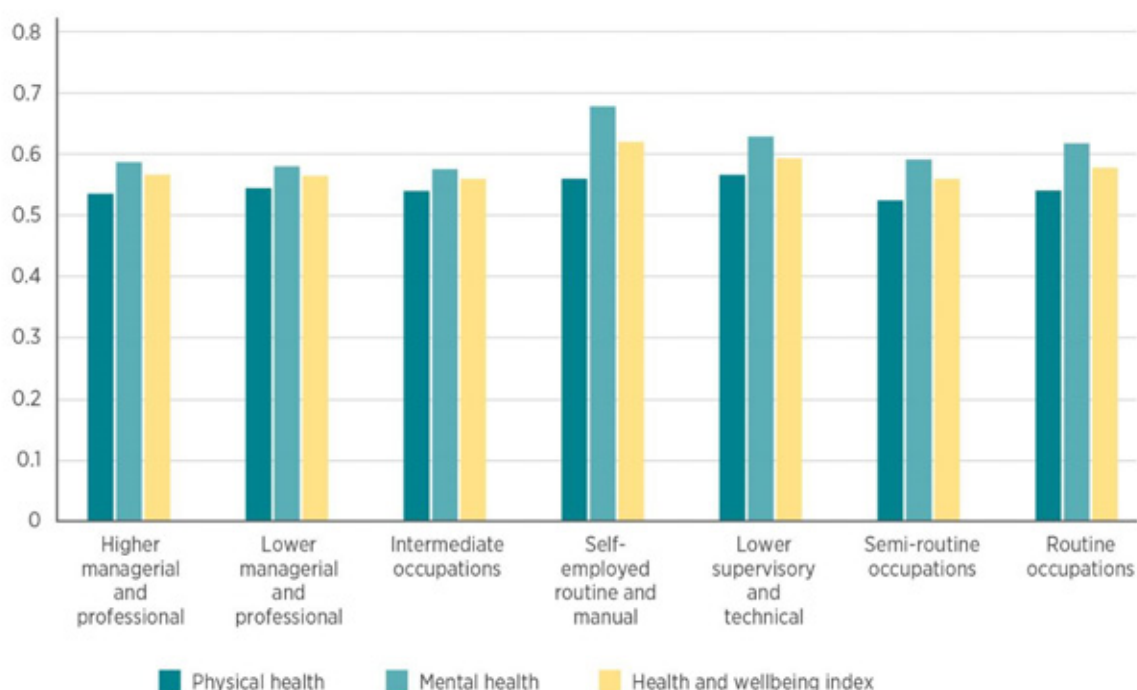
Figure 53: Occupational class differences in health and wellbeing by year (index score), 2018-21



When looking at occupational class differences for different aspects of health and wellbeing, there appears to be more variation between occupations in terms of their mental health compared with their physical health. Workers in lower supervisory and technical (0.68) and routine occupations (0.62) report more positive mental health compared with higher managerial and professional (0.60), lower managerial and professional (0.58) and intermediate occupations (0.578).

So, whereas in many aspects of good work it is clear that people in 'lower' level occupations report more negative experiences, there is no such clear pattern in the health and wellbeing data.

Figure 54: Occupational class differences in health and wellbeing by index and sub-indices (index score), 2021



### Industry differences in health and wellbeing

More positive reporting of mental health compared with physical health is also apparent across different industries and particularly so for respondents working in real estate activities (0.62), transport and storage (0.63), waste management (0.63), manufacturing (0.62) and primary industries (0.66). Reporting of less positive mental health can be found in professional, scientific and technical (0.56), health and social work (0.57), education (0.57) and emergency services (0.58).

Respondents report less positive physical health, particularly so in waste management (0.47), retail (0.53), information and communication (0.53), and professional, scientific and technical (0.53). So, in line with previous reports, there are few easily identifiable trends in how industry of employment relates to health and wellbeing, but (also in line with previous iterations of the CIPD Good Work Index) it is notable that public sector-oriented areas of activity such as health and social work and education reported below-average scores.

### Health, wellbeing and demographics

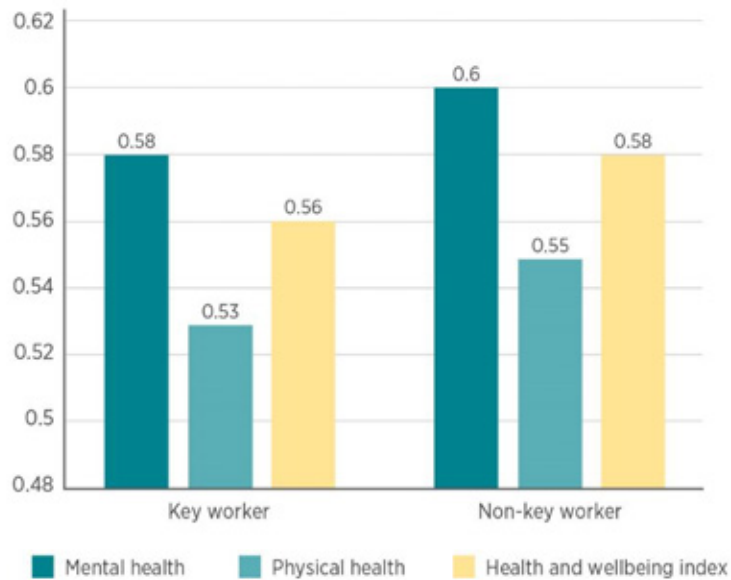
Men report more positive overall health and wellbeing compared with women and experienced an increase from 0.59 in 2020 to 0.60 in 2021. Women report no change in their health and wellbeing from 2020–21 (0.57 for both years). There are variations between different age categories. Older workers aged 55-plus report more positive health and wellbeing in 2021 (0.62) compared with young workers aged 18–24 years (0.55). The direction of change in health and wellbeing between 2020 and 2021 also varied by age, with younger workers experiencing a slight decline in their health and wellbeing.

### Health and wellbeing in a pandemic

The pattern for the health and wellbeing of key workers and non-key workers shows that both types of worker report more positive mental health compared with physical health. However, key workers report less positive mental health (0.58) compared with non-key

workers (0.60) and less positive physical health (0.53) compared with non-key workers (0.55). These differences are slight, and further research might be needed to unpack the impact of the COVID-19 crisis on the health and wellbeing of key workers and other workers across organisations and sectors.

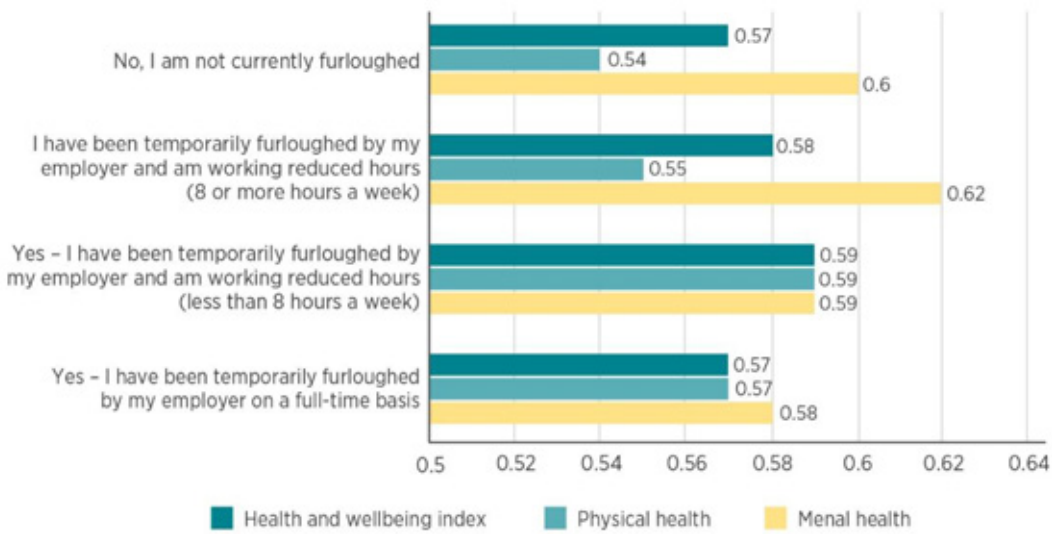
Figure 55: Health and wellbeing by key worker vs non-key workers (index score), 2021



The following data reports on the wellbeing scores of workers who have been furloughed. There seems to be marginal differences by furlough status and Health and Wellbeing Index scores. There are no differences between those workers who are furloughed full-time (0.57) and those with who are not currently furloughed (0.57).

However, greater variation in health and wellbeing scores can be found across the reporting of mental health. Higher-than-average scores for mental health can be found among workers who have been furloughed and working more than eight hours per week (0.62) and lower than average positive mental health scores are reported by those workers who have been furloughed on a full-time basis. Lower levels of positive physical health are reported by workers who are not currently furloughed (0.54).

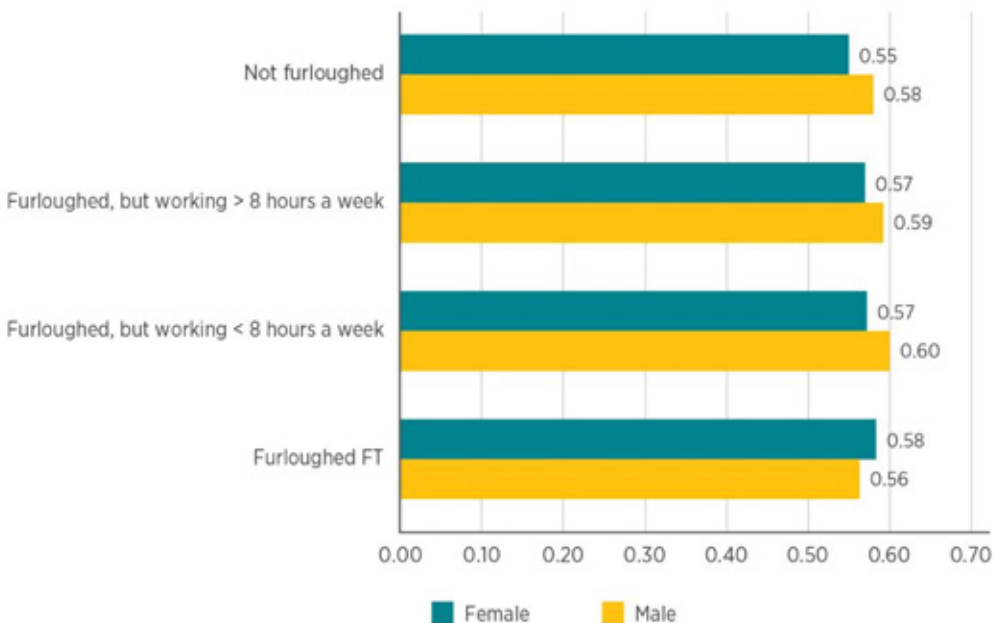
**Figure 56: Health and wellbeing and experiences of furlough (index score), 2021**



When examining male and female respondents' experience of furlough, there are differences in overall health and wellbeing. Women report lower health and wellbeing scores where they have been furloughed by their employer and are working reduced hours, and where they have no experience of furlough, when compared with male respondents in these two categories.

Men report lower overall health and wellbeing scores if they have been furloughed on a full-time basis (0.56, compared with 0.58 for women in this group). The lowest overall health and wellbeing score across all of these worker groups can be found for women who are not currently furloughed (0.55), and the highest overall health and wellbeing score can be found for men who are temporarily furloughed, working more than eight hours per week (0.60).

**Figure 57: Differences by furlough, sex and the health and wellbeing index (index score), 2021**



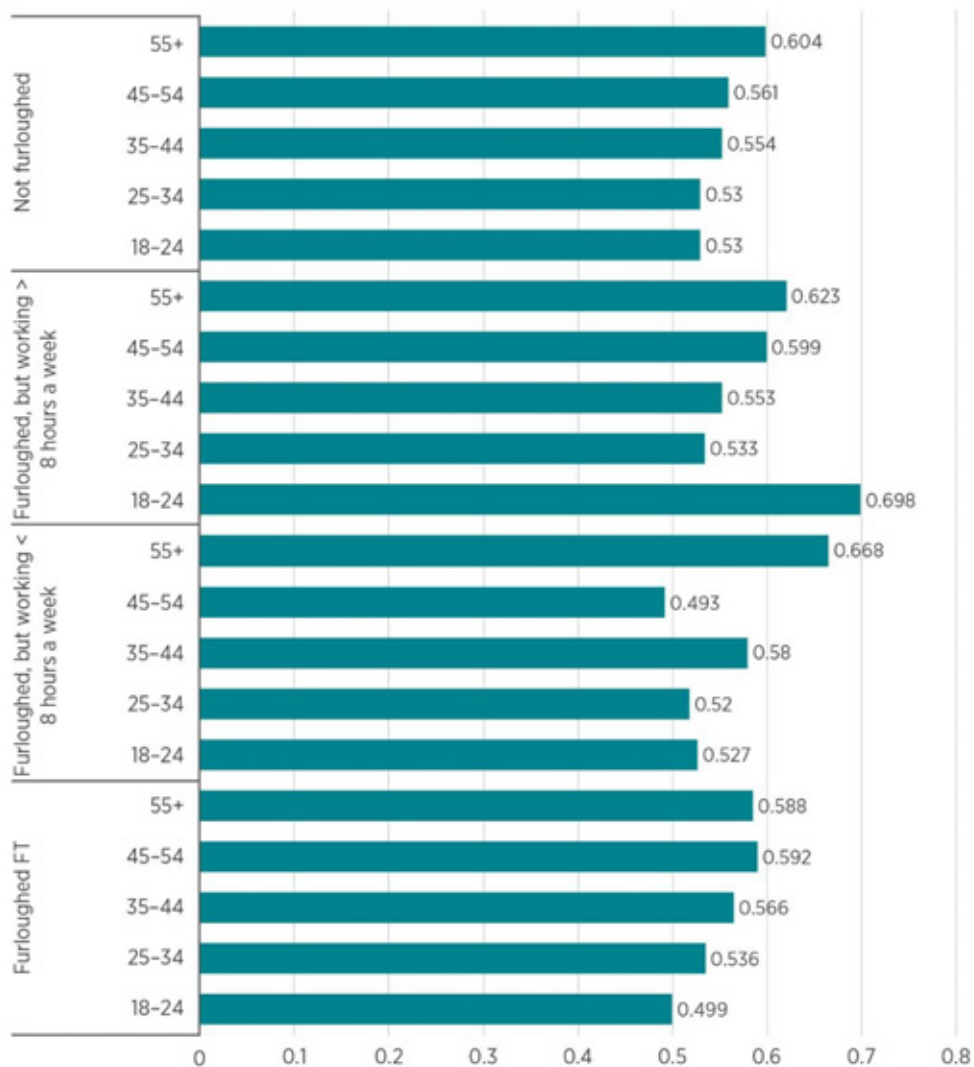
The CIPD Good Work Index 2021 shows that overall health and wellbeing scores are higher among older worker groups. There appear to be complex patterns in terms of the interaction

of age, wellbeing and the experience of furlough during COVID-19. Among those not furloughed and (at the other end of the spectrum) those furloughed full-time, there is a pattern of gradually rising Health and Wellbeing Index scores with age.

For the worker groups who have been furloughed but have been working, there are far fewer clear patterns. The highest wellbeing scores are reported by 18–24-year-olds who have been temporarily furloughed and working more than eight hours a week (0.70) and the 55+ age group who have been temporarily furloughed and are working fewer than eight hours per week.

In short, the impacts of furlough on people’s health and wellbeing are likely to be shaped by their age, occupational status, pre-existing health and the differing experience of furlough itself. There is a need for further research to identify those most at risk of negative wellbeing outcomes.

**Figure 58: Differences by furlough, age and the health and wellbeing index (index score), 2021**



There is greater variation of overall health and wellbeing across the occupational classes that have been temporarily furloughed but working fewer than eight hours a week. Lower

health and wellbeing can be found across higher and lower managerial and professional occupations (0.53–0.54) compared with semi-routine occupations (0.66).

Self-employed and own-account workers are clear outliers with a much higher average score of overall health and wellbeing (0.81) compared with all other groups in this category.

Relatively lower overall Health and Wellbeing Index scores are reported for all occupations who have been furloughed full-time or not currently furloughed.

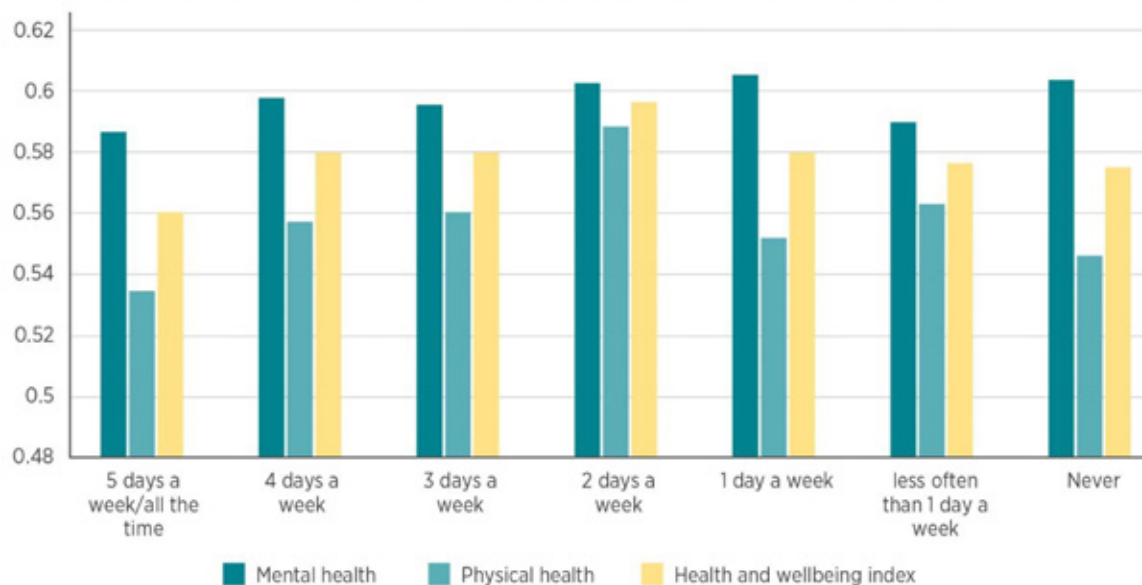
In short, regardless of occupation, those on flexible/part-time furlough (working reduced hours) generally score better for health and wellbeing than those furloughed full-time or not furloughed at all.

In terms of the impact of working from home, there appears to have been generally less positive responses on overall health and wellbeing by those spending all of their time working from home (0.56) or never working from home (0.56). More positive responses on health and wellbeing can be found among those who have been working two days per week at home (0.60). Employers may find this important when making future decisions about where their people work, particularly when considering more hybrid forms of working.

There are somewhat similar variations between the experiences of working from home and the reporting of mental health and physical health. Respondents report more positive mental health, particularly across those who have never worked from home (0.6), or those who work from home one day (0.61) or two days per week (0.6). Physical health is less positive than mental health, particularly for those who work from home all the time (0.5) or never work from home (0.5).

So, the most positive health scores appear to be reported by hybrid workers. It is worth noting that this reflects differences between hybrid and other forms of working during the pandemic, which would have been particularly isolating for homeworkers. As employers establish new norms of hybrid working, what works best in terms of supporting workers' wellbeing may become clearer.

**Figure 59: Health and wellbeing and experiences of working from home (index score), 2021**



## 10 Conclusions

This year's CIPD Good Work Index provides a unique insight into the experiences of workers across seven dimensions of job quality during a year of unprecedented change and challenge for organisations and their workers. This section summarises some key findings and conclusions and discusses priorities for sectors and employers building back post-COVID-19.

### **Change and continuity: good work in an era of crisis**

#### ***Explaining the relative stability of the CIPD Good Work Index measures***

A central finding of this report is that measures of good work – and inequalities across occupational groups – have remained relatively stable in the face of the COVID-19 crisis. Across the year prior to COVID-19, and during the peak of the pandemic (2020–21), there have been relatively minor positive movements in some Good Work Index indicators (for example, the indices on pay and benefits) and minor negative movements in others (for example, relationships). But the overall story is one of relative stability in the CIPD Good Work Index. This may reflect the impact of government support (especially the CJRS) and various forms of forbearance that have allowed many employers to maintain workers' conditions in a sort of 'suspended animation'. It may also be that some employers' responses to COVID-19 have helped to mitigate negative impacts on workers. As has been suggested, the stability of Good Work Index indicators could be evidence that where employers invest in job quality as a component of their business models, this can prove resilient even in times of crisis.

#### ***Continuing inequalities across occupations in access to good work***

The stability of the Good Work Index indicators also means that previously reported inequalities in access to good work have remained largely in place. Those working in 'higher' level occupations continue to report generally more positive experiences (for example, compared with those working in semi-routine and routine jobs) in terms of pay and contracts, some aspects of job design and relationships, and employee voice.

Similarly, the gender pay inequalities that have been highlighted in previous iterations of the CIPD Good Work Index remain problematic across multiple occupational levels. And low pay and underemployment remain a more common feature of work for those towards the bottom end of the occupational spectrum.

However, this report highlights that workers in higher occupational classes were not beneficiaries across all dimensions of good work. People in higher occupations such as managerial and professional roles reported less positive experiences in relation to some dimensions associated with workload, work–life balance and wellbeing (although differences across occupational groups here appear to be both shifting and complex). Some of these findings are consistent with previous CIPD Good Work Index reports.

#### ***Distinctive experiences of good work under COVID-19***

The distinctive workplace challenges of 2020–21 were also reflected in workers' experiences. The 2021 data captured some important differences in the experiences of workers who had been furloughed compared with those who had continued working through the COVID-19 crisis.

Workers with more experience of furlough reported lower levels of pay dissatisfaction and were less negative (compared with other workers) about some aspects of job security, but also raised concerns about poorer development opportunities and interpersonal relationships.

Key workers also reported distinctive experiences across some dimensions of good work – although given the inclusion of a range of occupational groups within the key worker population, further research would be welcome on the specific challenges faced by people in different key worker roles.

That key workers reported somewhat more negative experiences in terms multiple aspects of job design (with their more positive perceptions of sense of purpose being an understandable counter trend), nevertheless raises concerns that those who have been most ‘critical’ to recovery from COVID-19 have not always had access to good work.

The impact of homeworking and flexible working is also of particular interest in the current context. The survey findings on access to flexible working found, perhaps predictably, that those in higher-level occupations were able to access a broader range of flexible working offers and had greater access to homeworking.

There is much interest in the potential work–life balance and wellbeing benefits of homeworking, with some research conducted during the COVID-19 crisis making optimistic claims, underlined by the apparent popularity of working from home at least for the time being among many workers. This year’s survey found that homeworkers reported relatively positive experiences across a range of good work dimensions (compared with those never able to work from home), such as multiple aspects of good job design and employee voice, as well as, perhaps surprisingly, relationships.

There is a need to explore further the inter-relationships between occupational status, workplace practices including flexible working and homeworking arrangements, work–life balance and wellbeing. More generally, the direction of travel during 2020–21 appeared to be towards more manageable workloads for most workers responding to questions on this aspect of job design.

There would therefore also be value in further research into the drivers of such changes, which may reflect reduced activity among businesses that are still trading or, more positively, measures to support homeworking that may have improved work–life balance for some workers. The need to gain a deeper understanding of these inter-related issues is particularly urgent given the possible continued importance of homeworking to models of work organisation in any efforts to build back post-COVID-19.

### ***Good work and performance***

Finally, the findings in this year’s report add to the evidence from previous CIPD Good Work Index exercises that have demonstrated a relationship between multiple dimensions of good work and self-reported job performance. In line with previous iterations of CIPD Good Work Index research, workers who report more positive relationships in terms of job design and employee voice appeared more likely to have positive perceptions of task performance and contextual performance.

There is a need for further, more targeted research on the specific drivers of performance in different roles and sectors, and also a need to broaden the evidence base on performance outcomes to avoid reliance on the self-reported perceptions of workers. But the 2021 data



nonetheless offers some support for the business case for investments in job quality and work engagement and voice strategies as a means of supporting wellbeing and performance.

### *Implications for people management*

The questions asked and the data gathered by this year's CIPD Good Work Index to some extent provide an important snapshot of the UK workforce and workplace in the midst of the COVID-19 crisis, but as noted in this publication, the 2021 report may well be capturing the calm before the storm (see **section 3**). And we should also note that this report, by definition, does not capture the experiences of some of the most vulnerable people who may have already lost their jobs.

The apparent stability of Good Work Index indicators may well come under even more severe pressure during 2021–22 as the economy opens up, government support is reduced and withdrawn, and employers are left to rebuild their operations post-COVID-19. The pressures and demands for work reorganisation that the next year will bring may have profound consequences for the job security and conditions of workers across sectors, as well as impacting much more broadly on work intensification (with implications for work–life balance and wellbeing), opportunities for development and other aspects of job quality.

There is an urgent need for policy-makers to consider the impacts of COVID-19 on the workplace, jobs and the wellbeing of workers. Given the existing evidence base that poor job quality in some sectors hampers national productivity performance, it is even more important to refocus on the quality of jobs as the UK economy builds back from the COVID-19 crisis.

This report provides a clear picture of the multiple dimensions of good work as experienced (or not) by a representative sample of the UK workforce. As such, the report adds to the evidence on occupational, gender-based and other inequalities in access to good work that pre-date COVID-19 but may be exacerbated by the continuing crisis.

It is therefore equally important that policy-makers, sector stakeholders and employers give full consideration to the impact of decisions made in response to the current crisis on the jobs of different groups within the workforce, so that we can use building back from COVID-19 as an opportunity to address disadvantage among vulnerable worker groups by improving access to purposeful work, better contractual conditions and opportunities for employee voice.

### *Implications for policy stakeholders*

Finally, in terms of considerations for policy and practice, stakeholders and employers need to consider the potential for positive opportunities that may arise from the post-pandemic recovery. A growing evidence base points to the potential benefits of homeworking in terms of work–life balance and (for some workers and organisations) performance and productivity.

This report adds to that evidence base. If employers, workers and society are to fully realise the benefits of (partial or full-time) homeworking, there needs to be more work done to understand the requirements of different groups of workers to ensure that they are kept connected to each other and to opportunities for learning, collaboration and development. For those employed in occupations that cannot permit homeworking, there is a need for reflection as to alternative strategies to ensure that they are not disadvantaged in terms of work–life balance.

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