



Work in Wales, 2006-2017: Evidence from the Skills and Employment Survey

Executive Summary

1. Research aims and methodology

- 1.1 The promotion of prosperity for all is a key objective of Welsh Government policy. Making Wales a fair work nation is one way of achieving this goal. This is reflected in Prosperity for All: the National Strategy, the Economic Action Plan and the Employability Plan. The promotion of job-related well-being is a defining feature of fair work, and for this reason, it is not surprising that tracking and promotion of certain aspects of work are a feature of the Well-being of Future Generations Act 2015. Skills utilisation, workforce development and productivity are also areas where it is acknowledged improvements are needed.
- 1.2 In this context, there is a strong need for robust evidence to inform and shape policy development in these areas. Although many surveys help to provide us with a detailed understanding of the labour market in Wales, data on the quality or fairness of people's jobs and their experiences of work – beyond what they get paid – is in short supply. The Skills and Employment Surveys go some way to address this evidence gap.
- 1.3 This report draws on data taken from the most recent 2017 SES, combined with its 2012 and 2006 predecessors. These surveys provide a unique insight in to the working lives of the people of Britain both before and after the 2008-2009 recession. With the support of dedicated boosts to the survey samples for Wales, detailed, one-hour long, face-to-face interviews have been conducted with 1,449 workers living in Wales over these three waves. Utilising this data, this study examines how the experience of Welsh workers over the last decade has differed from other parts of Britain and how these experiences have themselves varied between particular socio-economic groups.

2. Key findings

Job Skills

- 2.1 The results on job skills offer both positive and negative news for Wales. The good news is that jobs in Wales in 2017 are more skills demanding than jobs elsewhere in Britain based on a number of key measures from the surveys. They require on average more learning time to get to grips with the tasks the job involves and more training time is needed for the type of work undertaken. The level of generic skills regarded as being essential for the performance of jobs in Wales is also higher than in other parts of Britain. However, the bad news is that jobs in Wales are less skills demanding in terms of the level of qualifications needed on entry and the over-qualification rate in Wales has

changed little over the last decade or so, hovering at around 40 per cent.¹ That said, the 2017 findings suggest that there has been a rise in the proportion of individuals who say that they are able to use quite a lot or more of their skills at work when compared to previous years. This suggests that once in work, the skills of jobs and workers are becoming better aligned. This is reflected in a fall in the 'real' over-qualification rate in Wales, which factors in use of skills, from 16 per cent in 2006 to 10 per cent in 2017.

Training, Learning and Progression

- 2.2 Evidence from the SES series show that the incidence of training in Wales has risen by around five percentage points between each of the three surveys. This compares to flat or falling incidence rates across Britain. Despite a higher and rising incidence of training in Wales, the intensity of training has fallen. This is in line with evidence from the Labour Force Survey which suggests that training intensity across Britain has fallen much faster than training incidence over the last two decades and that focusing on incidence alone can be misleading. While doing better than Britain as a whole in terms of the incidence and intensity of training, the quality of training in Wales is neither better nor worse than elsewhere. However, a higher proportion of Welsh respondents strongly agreed that their job required them to learn on an on-going basis. Furthermore, this proportion grew more quickly in Wales than elsewhere. Despite these personal development opportunities, promotion prospects are poorer in Wales than in Britain as a whole.

Productivity

- 2.3 Poor productivity performance in the UK and Wales has been a cause for concern for many years. Data from the Skills and Employment Surveys offer the workers' perspective on the productivity debate in Britain and provide new insights for Wales. One of the main messages of the 2017 results is that relatively poor productivity performance in Wales cannot be put down to a lack of engagement by managers in getting the ideas of workers. On the contrary, workers in Wales are more likely to think that they have had a more meaningful impact on productivity than workers across Britain as a whole. That said, employees in Wales report being more poorly equipped in terms of both the tools they have to work with and the organisation of the work process. This points to the presence of a Welsh productivity puzzle that is not fully understood.

Fairness, Support and Organisational Commitment

- 2.4 The Skills and Employment Surveys provide valuable insights as to how fair employees perceive their own organisation to be. Perceptions of organisational fairness are demonstrated to be much higher in Wales than elsewhere. Compared to elsewhere in Britain, employees in Wales are more likely to report that they are treated fairly at work, that their immediate boss treats them with respect and is helpful to them in a number of ways. Employees in Wales also report that they are less likely to leave their current employment voluntarily than employees elsewhere are. Similarly, organisational commitment – such as working hard to make the organisation succeed and turning down another job to stay with the organisation – is higher in Wales than in Britain as a whole.

Insecurity at Work

- 2.5 Across all areas of Britain, the data demonstrates that anxieties surrounding insecurity at work were higher during the immediate aftermath of the recession compared to before. However, perceptions regarding risk of job loss are no higher in Wales compared to elsewhere in Britain. The risks of quick dismissal because of poor performance are perceived to be lower among Welsh workers. Fears regarding unfair dismissal, discrimination and victimisation by management among employees in Wales are lower when compared to London and the South East where such fears among workers have increased substantially. In terms of the cost of job loss, workers in Wales are, however, most likely to report that it would be very difficult to find a job as good as their current one.

¹ This analysis should be considered indicative due to sample size limitations and the difficulties of measuring qualifications mismatch in practice.

Work Intensity

- 2.6 Working long hours and at high levels of intensity can be associated with significant costs to those involved, such as an increase in the risk of workplace accidents or an increased incidence of work related ill-health. The Skills and Employment Surveys suggest that workers in Wales have not benefited from the decline in long hours working that has occurred in other parts of Britain over the last five years. In addition, approximately half of workers in Wales in 2017 strongly agreed with the statement that their job required them to work very hard, placing Wales above the average for the wider economy. Furthermore, since 2012 Wales has shifted position from being a relatively low stress economy to a situation in 2017 where workers in Wales exhibit the highest levels of worry (24 per cent), being unable to unwind (26 per cent) and feeling used up at the end of the day (32 per cent).

Participation, Discretion and Well-Being at Work

- 2.7 Job-related well-being has become a popular topic with government now keen to measure well-being not just in terms of economic outcomes. This report reveals that in 2017, levels of task discretion in Wales were considerably higher than elsewhere in Britain, although the level of autonomy delegated to teams in Wales was lower. Employee involvement in organisational decision-making was also higher in Wales in 2017, although employees in Wales were no more likely to perceive that they have higher levels of influence over their jobs. Compared to other areas of Britain, Wales exhibits the highest proportion of workers who reported low levels of enthusiasm and contentment during 2017, representing a deterioration in the relative position of Welsh workers since 2012. Despite these differences, workers in Wales in 2017 expressed levels of satisfaction with work that are broadly comparable to elsewhere in Britain.

3. Conclusions

- 3.1 This report presents some new evidence for Wales on the non-pay features of work. Jobs in Wales are in some respects better than jobs elsewhere, including relationships with managers, involvement in organisational decision-making and high levels of task discretion. More generally, the effects of the economic crisis upon job quality appear to have abated in Wales. However, the relative weakness of the Welsh economy remains apparent, with perceptions regarding the cost of job loss being higher in Wales than elsewhere. Workers in Wales also now appear to exhibit the highest levels of stress in Britain in 2017, a clear shift in the position of workers in Wales compared to earlier years. Levels of enthusiasm and contentment among workers in Wales have similarly declined. However, our findings with respect to organisational fairness, the helpfulness of managers and involvement in organisational decision making each resonate with previous evidence that suggests that the climate of employment relations is better in Wales. These mixed messages reflect the multi-dimensional nature of concepts such as fair work and the attendant need for policy development across different strands of Welsh Government, so that well-being through paid work can be fully enhanced.

Report Authors: Alan Felstead, Rhys Davies, School of Social Sciences, WISERD, Cardiff University

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Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

For further information please contact:

James Carey

Economy, Skills and Natural Resources

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Email: Employability.Skills.Research@gov.wales

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