

WORK: THE GOOD, THE BAD AND THE PRECARIOUS

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THE CENTER FOR WORKFORCE
HEALTH AND PERFORMANCE

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On August 19, 2019, the Business Roundtable, made up of 181 CEOs, produced a statement to “recognize failings due to shortsightedness” which have increased job insecurity ([Business Roundtable, 2019a](#)).

Their five primary objectives are to deliver value to their customers, invest in their employees, deal fairly and ethically with their suppliers, support the communities in which they work, and generate long-term value for shareholders. These are admirable objectives. Let’s explore one of the objectives that employers have a lot of control over -- investing in employees -- in light of current trends. The current transformation of work reveals a growing shift away from more dependable employment toward more insecure, or ‘precarious’ labor.

Let’s examine this shift in the context of what makes for “good work”. There are many ways to define good quality work, and research generally demonstrates

that “good work” is beneficial for individual and societal wellbeing ([“Health Matters”, 2019](#); [Waddell & Burton, 2006](#)). For example, we have used the Quality of Worklife (QWL) panel of questions in the General Social Survey to define supportive and unsupportive work climates ([Jinnett, 2018](#); [“Quality of Worklife”, General Social Survey](#)). Using the QWL items, “good work” represents supportive work climates across four domains: safety, respect and trust, variety and learning, and workload.

When managers and employees ensure safe conditions, give safety a high priority and make no shortcuts on worker safety, the safety dimension of good quality work is strong. When managers set clear expectations for work, treat employees with respect and build trusting relationships, employees are able to use their skills and abilities effectively and express pride in working for their employer.

Employees are better able to learn new things when work is varied and the pace of work is manageable. Finally, “good work” is typified by manageable workloads and conditions that support productivity.

At the other end of the spectrum, “bad work” is represented by unsafe working conditions, lack of trust, stifled learning, and lower job performance. We found that supportive work climates experienced less absence and better performance across the board. Unfortunately, unsupportive work climates exacerbated productivity declines for individuals with chronic physical and mental health conditions. As a society, we should want more supportive and reliable work arrangements and less unsupportive and unreliable work arrangements, that is, less precarious work.

What is precarious work? When employees “fill permanent job needs but [are] denied permanent employee rights”, the International Labor Rights Forum defines these

jobs as precarious work. Outsourcing jobs, using agencies to hire and misclassifying workers have driven a shift towards precarious labor. The results are “unstable employment, lower wages and more dangerous working conditions” which disproportionately affect women, minorities and migrant workers. In many cases, these conditions may actually violate the United Nations International Labour Organization’s (UN ILO) Fundamental Principles and Rights at Work ([“Precarious Work”, 2019](#); [De Stefano, 2016, iii](#)).

Nevertheless, the structure of work is changing. How can we as a society or even just employers meet these new challenges while minimizing social harm? Some think tanks ([Aspen Institute, 2017](#); [Harris & Krueger, 2015, p. 2](#)) argue 20th-century government regulation can’t meet 21st-century needs. And yet, some of these same groups have noted the trend of decreasing employee investment resulting from a “management culture” driven by competition, and as this

competitive pressure escalates, it is “more likely to intensify than ameliorate the economic pressures on the average worker.” ([Aspen Institute, 2017](#)). If this is true, how can competing companies risk a financial hit, and possibly losing shareholders, by allocating more resources to their workers?

One increasingly popular 21st-century solution is a hybrid worker class to “reduce the legal uncertainty and legal costs” affecting many workers and provide some “of the benefits and protections that employees receive” ([Harris & Krueger, 2015, p. 2](#)). The UN ILO report argues this could exacerbate those issues by creating more complexity and removing security from those tertiary employees. The report points out more reliable methods currently in practice. Worker-organized collective bargaining is “already a reality”, some examples including FairCrowdWork and Turkopticon. Furthermore, employers should not assume that the gig economy (and other

precarious work) is not able to treat its workers as employees; companies such as Alfred, Instacart, and Munchery have already reclassified theirs ([De Stefano, 2016, p.23](#)).

We can try many routes to boost worker security but not all are cut from the same cloth. Well-tested methods should be looked over, not overlooked, before using less-established solutions to job security and worker wellbeing. As the UN ILO report advises, “calls for self-regulation in this context... are worth exploring but the fundamental voice of workers must not be overlooked and self-regulation cannot be unilaterally set by businesses” ([De Stefano, 2016, p.23](#)). The needs of workers are central to a prosperous and stable society and we need reliable standards to ensure worker health and wellbeing are not neglected.

The nature of the employer-employee contract has been altered for the good of the employer over the good of the employee. In

traditional employment arrangements of the past, employees were able to rely on a stable income with reasonably generous benefits, particularly where unions were involved. The current inflation-adjusted wage “has about the same purchasing power it did 40 years ago. And what wage gains there have been have mostly flowed to the highest-paid tier of workers” ([DeSilver, 2018](#)).

As the future of work shifts to a new economic reality for workers, an array of policy and practice solutions should be tried that protect worker health, wellbeing and income security. A recent Fast Company article weighed in on one such legislative solution around providing portable benefits for gig workers as a safety net ([Miklusak, 2019](#)).

These and other solutions should be tried and wherever they are implemented -- whether by employers, by states, or by other entities -- we need accountability

mechanisms and reliable measurement to understand whether the results we desire are achieved. As the Business Roundtable declares “The long-term success of [U.S. corporations] and the U.S. economy depends on businesses investing in the economic security of their employees and the communities in which they operate” ([Business Roundtable, 2019b](#)).

Let’s hold ourselves accountable for creating that economic security.

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