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Recession hits workplaces, but not employee attitudes

According to the latest Workplace Employment Relations Study, the recession has had a profound impact on Britain's workplaces. In many workplaces, managers have responded with changes in their staffing practices, with one third (33%) of employees seeing their wages frozen or cut and 29% seeing their workload increased. While these manifestations of labour market flexibility obviously are bad news for workers, they may have helped avert even worse outcomes – only 14% of workplaces made compulsory redundancies. This might account for continued high levels of job satisfaction, which have actually risen since the survey was last conducted in 2004.

Adapting to survive

The 2011/12 Workplace Employment Relations Study has shown that few workplaces have escaped the effects of the economic downturn. In 90% of workplaces, the senior manager responsible for personnel issues said that the recession had at least some adverse effect on the workplace. Three-quarters (76%) of workplaces changed some aspect of their staffing practices in response to the recession. Most commonly this meant that wages were either frozen or cut, recruitment was put on hold, or work was reorganised among existing staff.

Around half (48%) of employees in the public sector reported wage cuts or freezes, compared with just over one quarter (27%) in the private sector. More than a third (36%) of public sector employees reported an increase in workload, compared with 26% in the private sector.

Broader improvements in other aspects of working life

Despite the adverse impact of the economic downturn, the report shows that a number of aspects of working life have improved since the survey was last conducted in 2004. For example:

- *Managers are communicating more with employees.* Managers are now more likely to hold team briefings to keep staff informed about changes at work (up from 60% to 66%) and they are more likely to provide employees with information on workplace finances (up from 55% to 61%).
- *Training has been extended in the workplace.* In 2011, 41% of workplaces gave off-the-job training to the majority (80%) of experienced employees in their largest occupational group, up from 35% in 2004.
- *Employees have more autonomy at work.* There were small increases between 2004 and 2011 in the proportions of employees who have "a lot of influence" over how their work is done (from 50% to 52%), the pace of their work (38% to 41%) and their start and finish times (from 26% to 31%).

In other areas there has been stability, with the proportion of all employees that have an employee representative (such as a union shop steward) in their workplace remaining unchanged at 47% between 2004 and 2011.

Improvements in job satisfaction

Most employees remained content with their jobs, despite the changes that were made to staffing practices through the course of the recession. Satisfaction with a range of aspects of employees' jobs increased slightly between 2004 and 2011 (Fig 1). However, there was a fall in the proportion of employees who were satisfied or very satisfied with their level of job security, down from 64% to 59%.

Figure 1 – Employees very satisfied or satisfied with aspects of their job



Alex Bryson, Principal Research Fellow at NIESR and one of the co-authors of the report, said:

"The survey shows the scale of the effect that the economic downturn has had on Britain's workplaces and employees, with many employees having to forego wage increases or increase their workload to help their workplace survive. But there are also signs that working life has improved in a number of respects for those who have been lucky enough to stay in work."

ENDS

Notes to Editors:

1. WERS is the sixth in series of workplace employment relations surveys. Previous surveys were conducted in 1980, 1984, 1990, 1998 and 2004. Interviews were undertaken with around 2,700 workplace managers and 1,000 employee representatives, whilst over 20,000 employees completed questionnaires.

Fieldwork ran from March 2011 to June 2012 and was conducted by the National Centre for Social Research (NatCen). Further information on WERS is available at: : <u>https://www.gov.uk/government/publications/the-2011-workplace-employment-relations-study-wers</u>

- 2. The 2011 survey was jointly sponsored by the Department for Business Innovation and Skills (BIS), the Economic and Social Research Council (ESRC), the UK Commission for Employment and Skills (UKCES), the Advisory Conciliation and Arbitration Service (Acas) and the National Institute of Economic and Social Research (NIESR). NIESR's contribution was made possible by a grant from the Nuffield Foundation. The views expressed are those of the publication's authors and not necessarily those of the five sponsoring organisations or the Nuffield Foundation.
- 3. *"The 2011 Workplace Employment Relations Study: First Findings"* by Brigid Van Wanrooy, Helen Bewley, Alex Bryson, John Forth, Stephanie Freeth, Lucy Stokes and Stephen Wood is published by the Department for Business Innovation and Skills (URN 13/535, ISBN 978-0-85605-770-0). Editors are welcome to reproduce any of the figures or tables contained in the publication. To obtain a copy please email: wers@bis.gsi.gov.uk
- 4. All findings reported in the publication relate to workplaces with 5 or more employees.

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