

**The Future of Work and an
Employment Quality Index for Illinois:**

EQ-IL

FUTURE OF WORK TASKFORCE

OCTOBER 25, 2021

FU



**UNIVERSITY OF
ILLINOIS**
URBANA-CHAMPAIGN



Current, narrower (over-simplistic?) view of the FoW:

- Number of new jobs *created* (“jobs, jobs, jobs”) vs. job *destruction*, due to automation, AI, Robots
- More *high skilled, higher paying* jobs (vs. lower skilled jobs)
- Better *matching* workers to those new jobs from the *displaced* (properly trained/educated)

Just like measuring GDP and its growth rate is insufficient as a complete indicator of the well-being of a country, performance of its labor market, health of its citizens...

Need a RECONCEPTUALIZATION, broadened view of the FoW:

1. More “good” jobs (as % of all jobs)

Yes, AND...

1. Improvement/better **conditions within each job**
1. Better **outcomes/experiences** from work (well-being, i.e., **sustainable** and/or **uplifting** employment)



Need to MEASURE these better (role of PMCR) =

To define, measure and track progress in the quality of employment in IL

- What are the key **components** of such a measure?
- How **important** is **each** component, and how to decide that?
- What are the key **outcomes** from work (scope of well-being indicators)?
- How will findings re: patterns and trends in it **inform policy** choices/decisions/priorities/ reforms/innovations?



For example:

- Does “better jobs” mean favoring more “**standard**” “regular” “**employees**,” with a job ladder, vs. more **gig/contract** work (fewer opportunities for advancement)?
- Does worker **voice, leverage, control** over their own conditions matter more now?
- Do better conditions within EACH job increasingly include too-often neglected features: **flexibility**, stability, predictability, mental health, workplace **supports**?

How to capture the presence and importance of these **SUPPORTS**:

- The **impediments** to working -- flexibility, equity/inclusion, productivity
- The **rewards** to work, participation, security
- The **minimum standards**/regulations, rights, collective bargaining
 - FLSA law scope covers only so much (minimum wage, OT pay)
 - Misclassification/wage theft; paid leaves, child care supports, hazard pay
- The **awareness** among workers and employers, for implementation on the ground

HOW-IS-IL (2017) was a start at *measurement*

Intended to take both the temperature and the climate for work ...

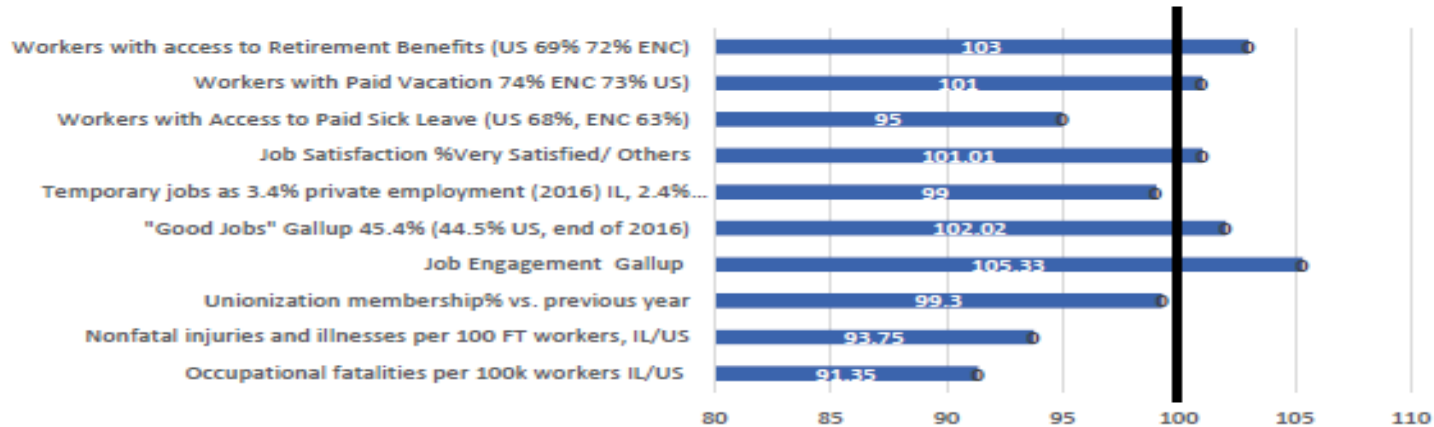
Like other such indexes, goal was to quantify a measure :

- Using **available “objective”** and **“subjective”** indicators, into **8 domains**
- Intentionally more emphasis on measurable trends, with relevant associated public policies.
- For each of the 8 categories (with 10 components), an average created for a composite figure:
 - Economy and material well-being
 - Labor market performance
 - **Job quality/working conditions (“Decent Work”)**
 - Work-life balance and uses of time
 - Mental/psychological/community/social/political Health
 - The **“worker-friendliness”** climate of IL (like “tax-friendliness”)
 - Meta ranking from other, available composite indicators

Domain measuring well-being of work in Illinois...

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3044508

FIGURE 3: JOB QUALITY/WORKING CONDITIONS/DECENT WORK INDICATORS = 99.1

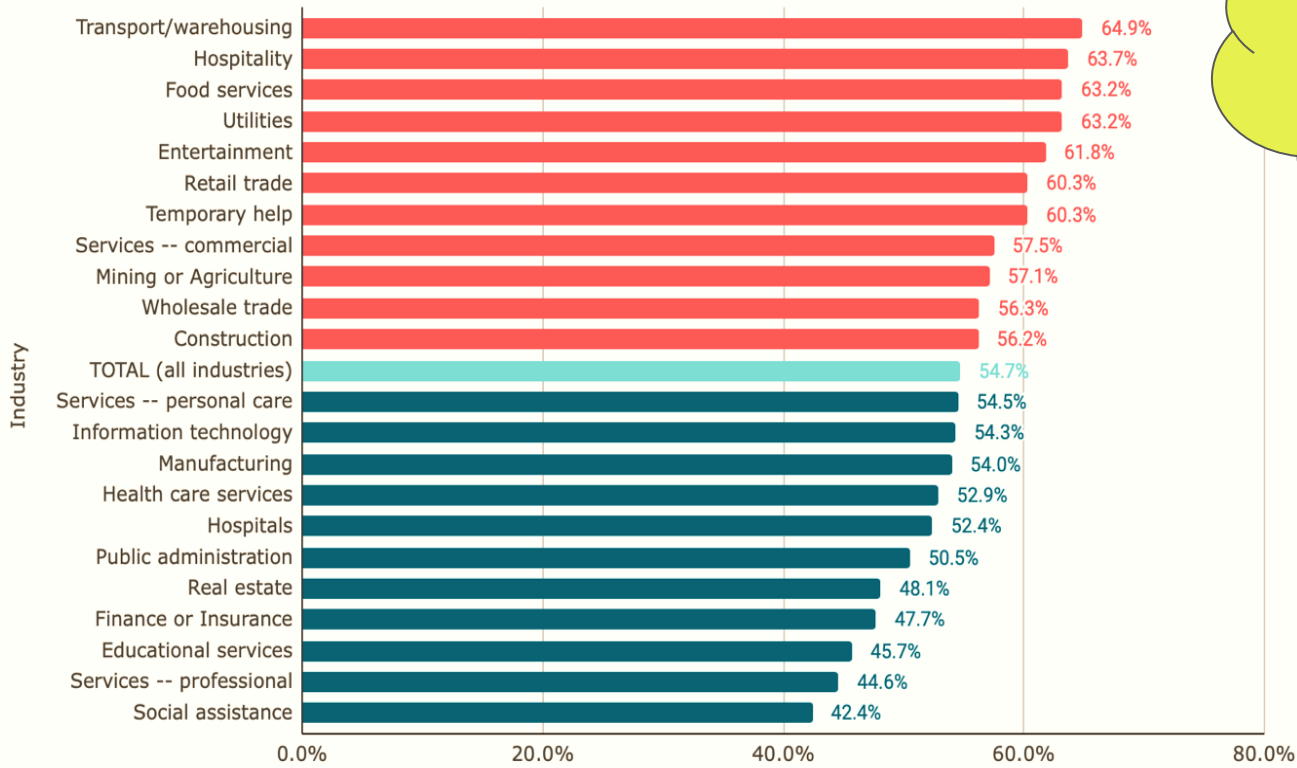


Normed on 100, IL was above average on some, below on others...

For example, Illinois was a bit higher than the national average of percentage of jobs that are considered “good” jobs.



Precarious Times at Work report (2019): intended to drill down on conditions related to “Fair Workweek”:
Underemployment, as an indicator of job quality--providing fewer hours workers want, by industry
(from a question re: whether workers prefer more hours (vs. same # or fewer hours))



Underemployment is pervasive, among part-time workers especially, but higher in certain industries in Illinois

Source(s): Authors' analysis of a Fall, 2019 survey of over 3,300 Illinois workers.
http://publish.illinois.edu/projectformiddleclassrenewal/files/2020/12/PMCR-PRECARIOUS-TIMES-AT-WORK_FINAL_pages-FINAL.pdf



“Subjective well-being” indicators -- here by a workers’ job type and one scheduling feature:

Part timers and (especially) temps and non-day time shift workers have reduced well-being indicators, relative to “regular” and day-time employees

(blue denotes significantly higher, orange denotes significantly lower)

		Overall life satisfaction	Happiness today	Job satisfaction	Work schedule satisfaction
Job type	Regular full-time employee	7.1	6.6	7.2	7.4
	Regular part-time employee	6.8	6.4	7.0	7.1
	Temporary	6.3	5.7	6.5	6.4
	Independent contractor	6.8	6.4	7.4	7.7
	Self-employed business owner	7.0	6.9	8.1	8.2
Shift type	Regular daytime shift	7.3	7.2	7.7	6.7
	Irregular shift times	6.8	6.5	6.6	6.1
	Regular night or evening shifts	6.5	6.4	6.5	6.1
	Regular split shifts	7.1	6.6	7	6
	Regular rotating shifts	7.2	7	6.7	6.8

Source(s): Authors' analysis of a Fall, 2019 survey of over 3,300 Illinois workers.
http://publish.illinois.edu/projectformiddleclassrenewal/files/2020/12/PMCR-PRECARIOUS-TIMES-AT-WORK_FINAL_pages-FINAL.pdf



The new, EQ-IL, quality of employment in Illinois, in progress...

- *Phase 1*, using survey data collected in Fall 2019
- Phase 2 adding and contrasting with upcoming Fall 2021 (sample)
 - (Qualtrics' representative sample of those employed in IL during the last month).
- Developing a *composite index* (EQ-IL)
 - The *objective index* will be constructed to identify objectively poor vs. good jobs, based on quality of their job, work and scheduling characteristics--overall, by industry and occupation types.
 - The *subjective index* will use the connection between these various conditions of work, and several key subjective well being outcomes -- like job satisfaction, happiness at work, time conflicts, health
 - Apply varying **weights** and **importance** attributed to different variables in the research literature and revealed by survey respondents

Growth of non-standard,
temporary and gig work

INSTABILITY

Unstable, unpredictable and
inadequate work hours

Healthcare and benefits
tied to employment

Gender-based
workplace VIOLENCE

Inadequate paid time off

Expansion of
anti-worker
legislation

Growing divide between
wages and productivity

Wage theft

Lack of
awareness/education of
workers' rights

Growing income
inequality

Underfunded regulatory
regimes/lack of enforcement

Misclassification

Worker injuries and illness

Declining union density

Gender pay and
employment gaps

Lack of policies to
support working
parents and caregivers

INSECURITY

Discrimination at work based
on race, ethnicity, gender
identity, religion, ability,
sexual orientation,
citizenship status, parental
status, criminal records

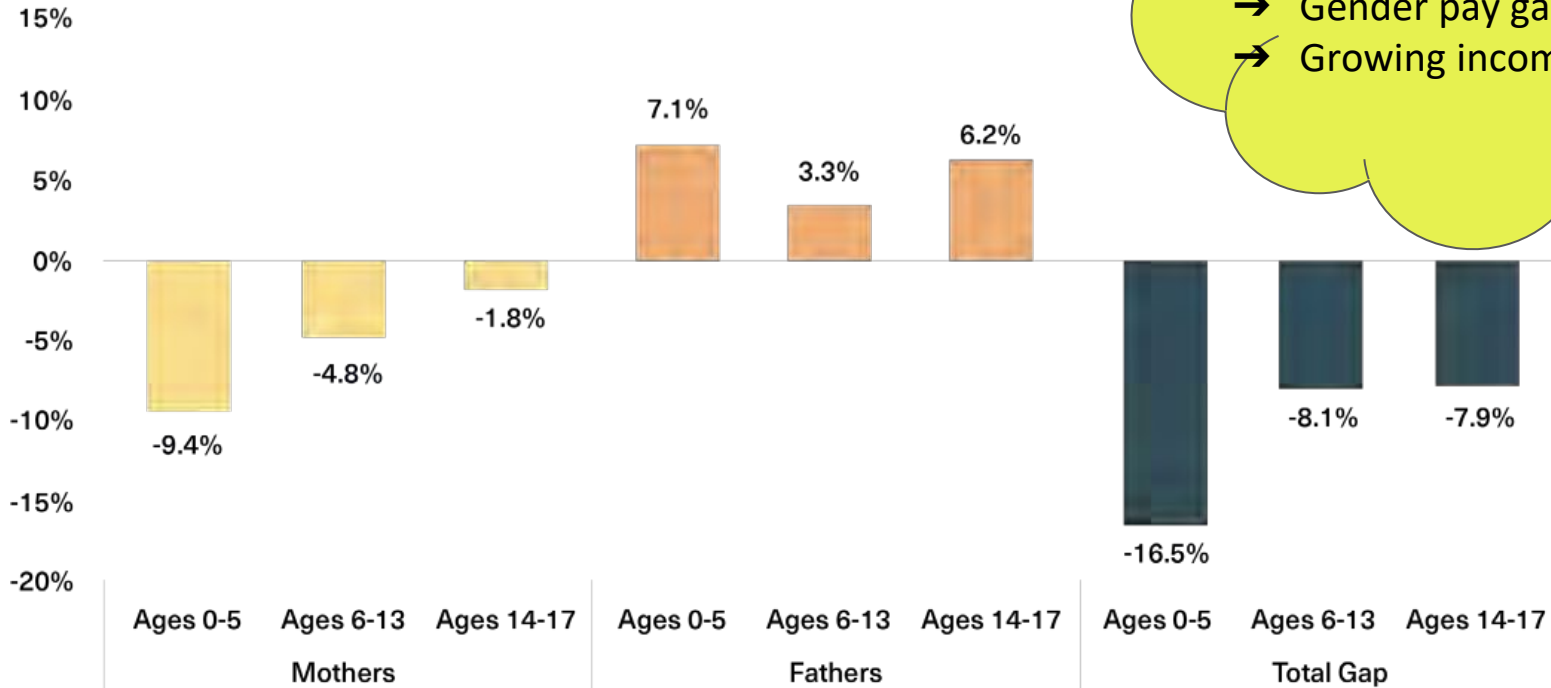
PMCR research and teaching agenda focused on the
compounding intersections between degraded work and
negative social/economic and health/life outcomes



RESEARCH: Lack of policies to support working parents and caregivers

<http://publish.illinois.edu/projectformiddleclassrenewal/files/2021/05/PMCR-ILEPI-Women-and-Child-Care-in-Illinois-COVID-19-Impacts-FINAL-2.pdf>

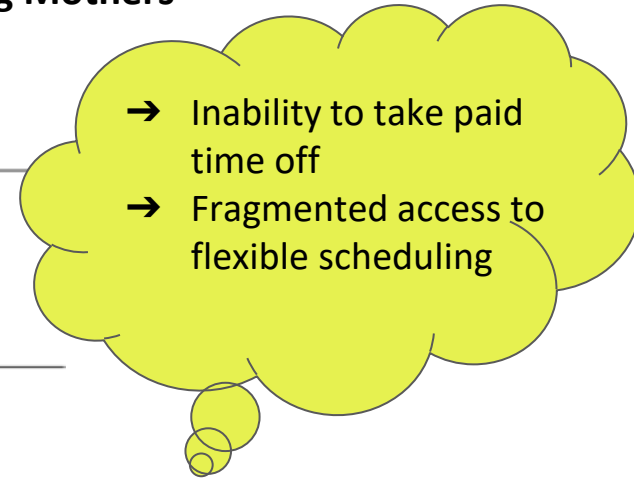
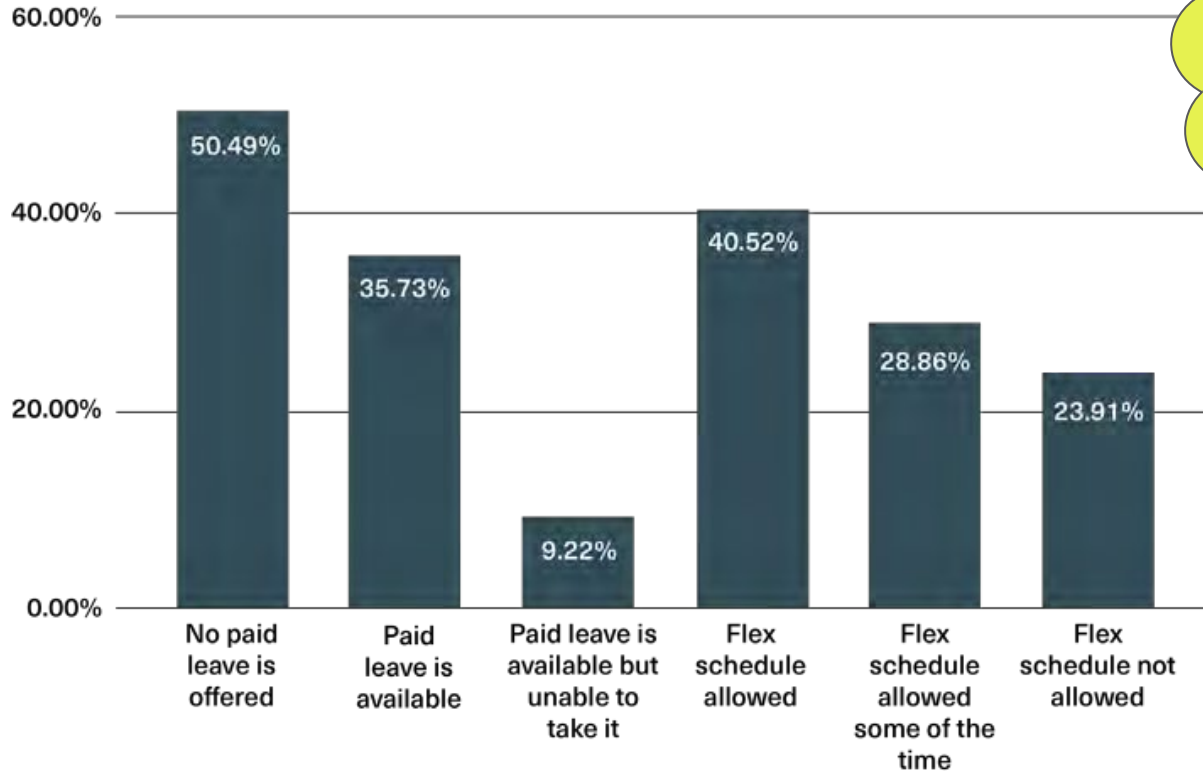
Impact of Children on the Likelihood of Being Employed in Illinois, 2014-2018



- Motherhood penalty
- Gender employment gap
- Gender pay gap
- Growing income inequality

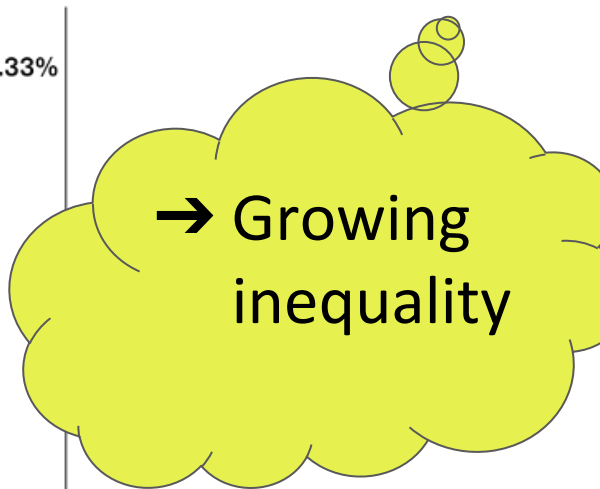
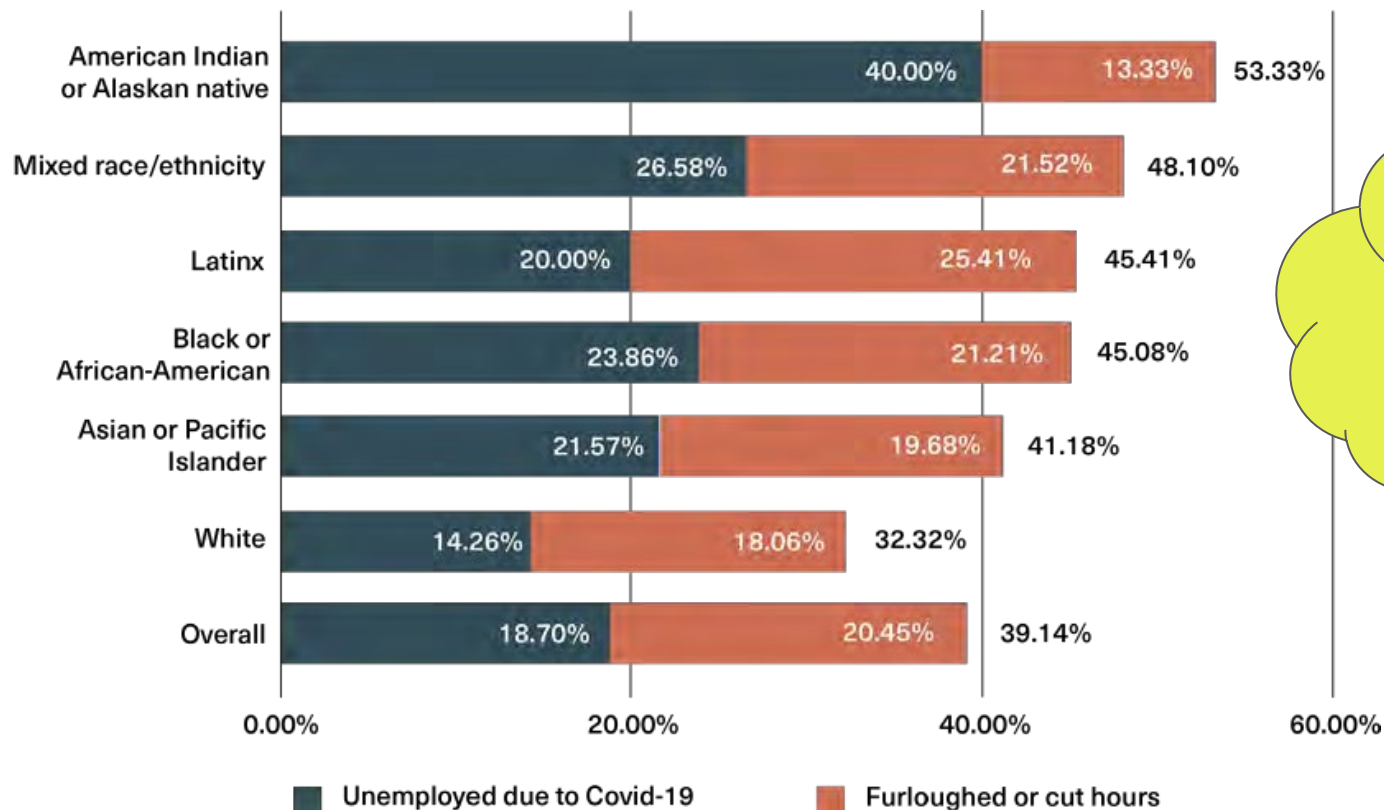
Source(s): Regression results from authors' analysis of 2018 Current Population Survey Outgoing Rotation Groups (CPS ORG) from the U.S. Department of Labor and U.S. Census Bureau (CEPR, 2020). For full regression results, see Table A in the Appendix.

Access to Paid Leave and Flexible Scheduling Policies Among Working Mothers in Illinois During Covid-19 Pandemic, Fall 2020



Source(s): Authors' analysis of an August 20, 2020 through October 27, 2020 survey of 1,030 working mothers in Illinois with household incomes under \$150,000.

Unemployment, Furlough, and Reduced Hours for Working Mothers in Illinois by Racial or Ethnic Background During Covid-19 Pandemic, Fall 2020



Source(s): Authors' analysis of an August 20, 2020 through October 27, 2020 survey of 1,030 working mothers in Illinois with household incomes under \$150,000.



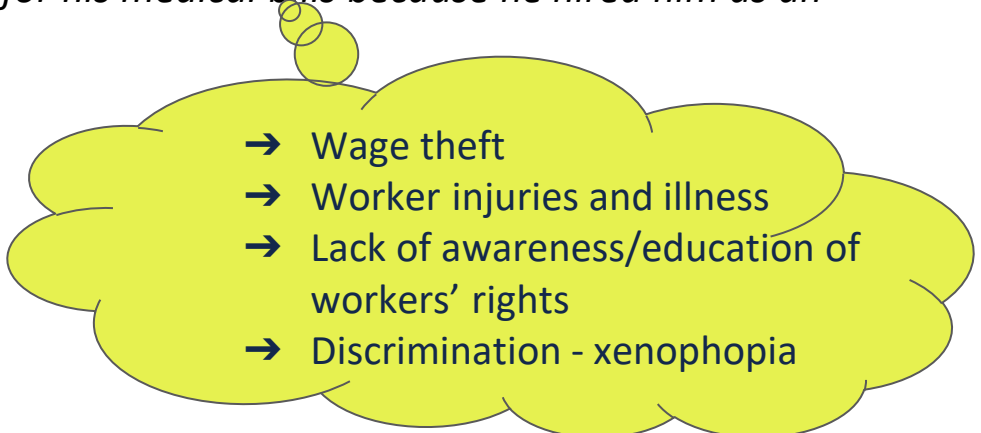
TEACHING: Misclassification of employees as independent contractors

Extension teaching activity: Job training program class discussion about precarious work

SCENARIO: *Ryan, of Fast and Easy Painters, hires a few painters for a paint job in Bolingbrook. He says he will pay them \$15 an hour and that they must start work on Monday morning at 8:00 am.*

On Thursday, one of the painters, Piotr, slips and falls off of the scaffolding and breaks his ankle. Ryan claims Piotr is responsible for his medical bills because he hired him as an independent subcontractor.

What do you think?

- 
- Wage theft
 - Worker injuries and illness
 - Lack of awareness/education of workers' rights
 - Discrimination - xenophobia

- Is Piotr an independent contractor or employee? How do you know? Why does this matter?
- What should workers' comp provide him?
- What if:
 - Ryan has vanished and Piotr can't find him?
 - Piotr is undocumented?
 - Ryan hired Piotr from the Home Depot parking lot?
- How should Piotr be documenting his working conditions to protect himself?
- Who else can help Piotr?
- **How do Piotr's workers' rights change if he takes a job in Indianapolis?**

Why teach workers' rights?

- **Epidemic of wage theft**
\$7.3 million/ week stolen from low-wage workers in Cook County (2009)
- **Lack of education**
Workers do not learn this information anywhere else - not in high school, not on the job - only when they have a problem
- **Confusing patchwork of laws**
Different minimum wages, paid sick leave and anti-discrimination laws based on where you work



CITY OF CHICAGO

\$15.00/hour*

\$22.50/overtime hours

\$9.00/tipped wage*

\$11.00/YOUTH**

*\$14/hour for employers with 4-20 employees (\$8.40 tipped wage)

**Beginning, January 1, 2020, if a worker under 18 works more than 650 hours for the employer during any calendar year, they must be paid the regular (over 18 wage).

COOK COUNTY

\$13.00/hour***

\$19.50/overtime hours

***Many Cook County municipalities have opted-out of the minimum wage increase. They are still subject to the Illinois minimum wage increases.

ILLINOIS (outside Cook)

\$11.00/hour

\$6.60/tipped wage

\$8.50/YOUTH**

INDIANA

\$7.25/hour

\$2.13/tipped wage

WISCONSIN

\$7.25/hour

\$2.13/tipped wage

IOWA

\$7.25/hour

\$4.35/tipped wage

Groundbreaking, first in the nation curriculum and accompanying professional development through CJC's Frontline Focus Training Institute

I ILLINOIS

School of Labor &
Employment Relations
Labor Education Program



**Great Lakes Center for
Occupational Health
and Safety**

Workers' Rights for Workforce Development

A Practical Guide for Instructors and Job Seekers
ILLINOIS EDITION

By Alison Dickson,
Suzanne Davenport
and Marsha Love



3rd edition available
for download!!
[https://cjc.net/frontline-
focus/tools-frontline-staff/](https://cjc.net/frontline-focus/tools-frontline-staff/)





FOCUS: Better jobs for Illinois

Given the Current National Discussions re: FUTURE OF

Work *hours*?

- Flexible vs. variable/just-in-time/erratic work scheduling
- Mismatches: underemployment and overemployment (mandatory OT)
 - Compensating wage differentials for these, e.g., more hazard pay?

Work *place*?

- Hybrid/blend remote as optimal?
- A 4-day workweek?
 - Shortened or compressed, periodic/selected by choice/uniform for all?

Work over the *life cycle*?

- continuous without withdrawal, the “great resignation” of 2021 (only?)
- early vs. later “phased or partial” retirement)

Work *policies*?

- Pros (vs. cons) of a perpetual **labor shortage** economy?

In a new, composite index *for IL: What ought we measure, track, target* in the EQ-IL, to ultimately improve employment quality in Illinois?

- **Defining Employment Quality in IL**
= [Job Quality + Quantity of Jobs + Work Outcomes]
 - Growing the # of “higher quality” faster than # of “lower quality” jobs?
 - Improving quality of work conditions within each job (as many as possible)?
 - Improving the outcomes experienced by those jobs and conditions?
- **Baselining (2019, 2021) - then tracking annually, setting targets?**
- **Deriving Policy recommendations, using this framework:**
 - **Preventing/Countering** the poor working conditions in poorer quality jobs
 - Improving the working **conditions** in the net **new** job types being created
 - Improving the well being **outcomes** from all work and jobs in Illinois

Metrics? (“What gets measured gets managed!”)

- **Suggestions** welcome!
 - We review the pretty vast literature, usually by country, based on either surveys or national stats, e.g., the US “JQI” (uses too few items).
- **Objective** measures: what is presumably detrimental/beneficial to IL?
 - Rates of job growth, unemployment and underemployment rates
 - Compensation levels: \$ pay, benefits, leaves, supports, union vs. nonunion
 - Mis-classified % (wage theft, unpaid OT, etc.)
- **Subjective** measures: what makes IL a better State for working?
 - job or life satisfaction, health + meaningfulness (= “salutogenesis”)...
 - job and income security, autonomy/control (of job, hours), work stress/injury/illness, time conflicts...

Q1: *What are the key characteristics constituting a “good” job?*

Q2: *How do you improve the quality of each job?*

Q3: *What types of stakeholders would benefit from knowing and using this EQ-IL?*

How can we use and operationalize the EQ-IL?

What opportunities exist?

- **Policy-makers**--to inform the motivation, features and expected impact of policies.
- **Practitioners in the areas of workforce development and adult education**, by conversion of the elements of the index into a free user-friendly online tool for assessing job quality in Illinois and within different industries, occupations and regions.
- **Academics** interested in labor markets broadly, and in specific, working conditions, employment misclassification, work hours and their well-being/health/work-life outcomes.
- **Labor-management coalitions** working together to *build back Illinois better*.
- **Partnership with other states** for replication of the index to understand variations in job quality across borders (i.e. EQ-WI; EQ-PA).

Dr. Robert Bruno, Professor of Labor and Employment Relations

Director of the Labor Education Program

Director of the Project for Middle Class Renewal

School of Labor and Employment Relations

University of Illinois at Urbana-Champaign

bbruno@illinois.edu; 312-996-2491

Alison Dickson, Senior Instructor

Affiliated Researcher, Project for Middle Class Renewal

School of Labor and Employment Relations

University of Illinois at Urbana-Champaign

aquesada@illinois.edu



Dr. Lonnie Golden, Professor of Economics and Labor-Employment Relations

Penn State University, Abington

Director of Institutional Effectiveness and Affiliate: Project for Middle Class Renewal, Economic Policy Institute, Work-Family Research Network

LonnieGolden@psu.edu