A rough guide to measuring job quality in market systems development

Operational guidance
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Contents

Introduction

1. Why measure job quality?
   1.1 Understand stakeholder priorities
   1.2 Link measurement to strategy
   1.3 Develop a shared understanding of job quality

2. What aspects of job quality to measure?
   2.1 Decide on material job quality dimensions
   2.2 Map worker profiles along the value chain
   2.3 Select appropriate indicators

3. How to measure job quality?
   3.1 Understand the measurement context
   3.2 Choose the most appropriate tools and methods
   3.3 Analyse and act on job quality data
Introduction

Building on core MSD guidance and practitioner experience, this rough guide has been developed to make it easier for funders and implementers to integrate job quality considerations into their analysis, interventions and measurement.

The rough guide should be read alongside the ILO Guide on Value Chain Development for Decent Work, which provides a comprehensive walk-through of the lifecycle, language and theory for using a systems approach to creating more and better jobs. Practitioner interviews and top tips help illustrate real-world challenges, successes and lessons learned.

Susan is a single mother working on a building construction site in Rwanda. She has been undertaking physically demanding work such as shovelling earth and moving building materials around various construction sites for five years. During that time, her salary has not changed from just over $2 a day. On this particular day, she is the only woman on the site. Any bathroom breaks involve going to the communal toilet, which is a hole in the ground behind the bushes.

She would like to train to move up from her current position and there is a training school right around the corner. But a complete training course would take one year, limit her working time, and cost $235, which is almost 40 per cent of her annual income.

Every morning she wakes up, gets herself and her daughter ready, drops her daughter off at a neighbour’s house and arrives at work. She is also in the early stages of pregnancy, something that she tries to hide since the foreman indicated that pregnant women get rotated off the site.

Sadly, Susan is not alone.

A third of the global labour force are not earning enough to lift themselves and their families above the poverty line. Almost two-thirds of the world’s workforce is categorised as informal. Three-quarters of workers in Africa and Asia are in vulnerable employment. Millions more work in unsafe jobs or suffer from discrimination, and lack the necessary voice or agency to improve their situation.

In short, decent work and job quality matter. Providing people with access to opportunities that are better paid, more secure and have improved working conditions can be a driver of poverty reduction and enhanced well-being. However, job quality can be complex for projects to understand and measure. It is also highly context-specific with few off-the-shelf approaches.

So, how can projects define quality jobs for target groups in their context? Which aspects of job quality should they decide to measure? What tools and methods can they use?

This rough guide aims to help answer these questions. It is intended for both experienced MSD practitioners interested in strengthening their focus on job quality, as well as broader private sector and enterprise development programmes with an interest in systemic approaches. As such, the guidance:

- does not prescribe a single ‘best practice’ approach, but provides a framework for building an approach tailored to the programme goals, strategy and context;

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1 The format of this guide is inspired by the recent Rough Guide to the MSD Approach for Youth Employment in Sub-Saharan Africa. The content is based on over a decade of real-world learning and testing carried out by The Lab and the Systems Change Initiative, both of which are housed within the ILO’s Enterprises Department and funded by SECO and Sida, respectively. Much of this knowledge has been generated by external partners, including programmes run by the IFC (Cambodia), Helvetas (Albania), Solidaridad (Ghana), CFYE (Nigeria, Egypt), and Mercy Corps.
A rough guide to measuring job quality in market systems development

helps uncover some of the ‘trade offs’ in measuring job quality, both in terms of time, cost and practicality of measurement;

focuses on pragmatic ‘best fit’ methods that can generate value and insights for funders, implementers and programme partners – whether in the private sector, public sector or civil society; and

builds on the existing literature and resources on job quality measurement. Rather than adding new approaches, the guide provides a way of navigating the knowledge-base to help users find the most relevant one.

Ultimately, the aim is to make it easier for programmes to spend less time discussing and debating what measurement approaches to use, and direct their energy towards managing interventions that can improve job quality outcomes (see Box 1).

Part One of the guide helps programmes establish a clear focus: Why measure job quality? After setting out key stakeholder data needs, the task is to make strategic measurement choices and develop a shared understanding of what job quality means in the programme context. Part Two supports programmes in making key decisions on: What to measure This is done by deciding on important job quality dimensions, understanding how outcomes may differ by worker preferences, position and socio-economic profile, and then picking indicators. Part Three moves towards action: How to measure job quality. By unpacking the measurement reality, programmes can pick the most appropriate methods, then collecting and acting on job quality data.

Box 1. There are a number of ways in which MSD programmes can improve job quality for target groups. A selection of these include:

- **Facilitating access to training and skills development**: MSD programmes can work to strengthen skills systems, making it easier for private sector firms to identify skills gaps and provide technical and vocational training solutions. This can lead to improved job quality and productivity, as workers become better equipped to perform their tasks. This is also a key means of improving labour market outcomes for youth.²

- **Scaling the business case for job quality**: MSD programmes can work with private sector firms to encourage the adoption of responsible business practices. Programmes can help realise incentives for businesses to see workers not as a cost to be managed but as an asset to invest in, which can lead to lower staff turnover, recruitment and training costs, and higher levels of innovation and competitiveness.

- **Promoting the development of standards and certification schemes**: MSD programmes can work with firms and industry associations to develop standards and certification schemes that ensure that workers are employed in safe and healthy working conditions and receive fair wages and benefits. These measures are often linked to issues of market access and export promotion, which are linked to rises in real wages and increased employment opportunities.³

- **Supporting the development of an enabling policy environment**: MSD programmes can work with governments and private sector firms to promote social protection such as through healthcare benefits, income protection, and pension schemes that help to shield workers from economic shocks and promote their overall well-being.

- **Driving economic transformation**: MSD programmes can help catalyse the emergence and growth of sectors with high potential to provide more productive and higher-quality jobs, such as in manufacturing and services. This can help provide alternative income pathways for target groups if growth is inclusive and creates opportunities for all.

² The Interplay between Education, Skills, and Job Quality.
³ The Social Impact of Improved Market Access and Export Promotion in Agriculture.
Why measure job quality?

The truism is that what gets measured gets managed. For MSD implementers, results measurement is critical to both ‘improve’ and ‘prove’ results. And for MSD funders, evidence is crucial both for accountability and to understand the success of their strategies.

There are three important aspects to understanding job effects:

- Number of jobs i.e., job creation
- Inclusiveness i.e., job access (by gender, geography etc.)
- Better jobs i.e., job quality (productivity, earnings, skills and working conditions)

Figure 1: The jobs triangle

Aim: More jobs
Measurement: Job creation
Key question: How many jobs?

Aim: Better jobs
Measurement: Job quality
Key question: In what conditions?

Aim: Inclusive jobs
Measurement: Job access
Key question: For who?

Jobs remain a critical pathway out of poverty, providing most individuals around the world with both their main source of income as well as a sense of meaning and purpose. Yet, focusing on job creation alone is not enough. It is the quality of jobs that to a great extent determine individual, household, community and even societal well-being.

As a development outcome, promoting ‘better jobs’ is growing in importance. But measuring progress towards this goal requires a clear strategic focus. Why should we track job quality

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4 Adapted from The World Bank. 2020. More, better, and more inclusive jobs: Preparing for successful industrialization in Ethiopia.
6 ILO.
outcomes? The answer helps shape who the data is for, and what will be done with it. It requires:

- Understanding stakeholder perspectives and the purpose of measuring job quality, and recognising that different groups will have different expectations, for example regarding the rigour of data;
- Aligning with the programmatic strategy, and anchoring the expectations of what type of job improvements are being sought from ‘avoiding harm’ to creating ‘positive impact’ on worker well-being; and
- A clear conceptual understanding of job quality, and the ways it can be defined.

1.1 Understand stakeholder priorities

Before embarking on any technical or methodological choices, the first step is to understand the incentives and related capacities of programme stakeholders. Answering the ‘for who’ question ensures that job quality measurement is based on the needs of other interested parties beyond just the project and its funders.

The table below summarises different perspectives, and how these may affect the desire for different types of data and insights on job quality.

<table>
<thead>
<tr>
<th>Actor</th>
<th>Main incentive for job quality data</th>
<th>Capacity to act on the data</th>
<th>Key considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funders</td>
<td>Evidence of results</td>
<td>Limited engagement due to large portfolios</td>
<td>Rigour and reliability of data</td>
</tr>
<tr>
<td>Programme implementers</td>
<td>On-track delivery and overall orientation towards impact</td>
<td>Primary user of job quality data</td>
<td>Speed and accuracy of insights</td>
</tr>
<tr>
<td>Partners (private sector)</td>
<td>Specific outputs and economic outcomes (such as labour productivity)</td>
<td>Varies depending on business model and culture</td>
<td>Business value of data</td>
</tr>
<tr>
<td>Partners (public sector)</td>
<td>Social and societal outcomes</td>
<td>Promote policies and practices that support high-quality employment opportunities</td>
<td>Ability to generalise and draw aggregated insights</td>
</tr>
<tr>
<td>Workers</td>
<td>Individual workplace practices and socio-economic outcomes</td>
<td>Give agency and voice to workers</td>
<td>Whether data is understandable and actionable</td>
</tr>
</tbody>
</table>

MSD programmes are incentivised to achieve specific outcomes and targets in their results framework. This leads to a high degree of alignment with the interests of end-beneficiaries, such as workers, provided that the programmes are well-designed. Many of the data points collected by programmes on job quality may be of interest to workers themselves. This is especially the case for efforts to build collective voice and empower labour unions, who can use such data (for example, a survey on worker perceptions of safety at work) to negotiate for better wages and working conditions with management.

**Top tip!** MSD programmes should remember that monitoring job quality can yield data that may be useful to a wide range of stakeholders. Programmes should remember to feedback high-level findings from monitoring activities to workers and their representatives, such as labour unions.

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7 A business model describes how an organisation creates, delivers and captures value for itself as well as its customers (EVPA). Some business models are inherently at a higher risk of not respecting core labour rights (see Shift’s business model red flags).
In a similar vein, public sector partners may find aggregated insights on job quality that are generated by MSD programmes of value. Low quality jobs externalise costs onto society, resulting in the need for higher expenditure on welfare and having a negative long-term effect on the population’s health. In contrast, high-quality jobs can lead to higher incomes, which can stimulate consumer spending and promote economic growth. Government agencies at both national and local levels often lack the capacity to collect high quality data, especially with regards to the small and medium enterprises (SMEs), who are often the focus of MSD interventions.

**Box 2. Key definitions**

- **Results** are the outputs, outcomes and impact of MSD programmes.
- **Outputs** are the products, goods and services which result from MSD programmes.
- **Outcomes** are the changes in well-being experienced by workers, their families and dependents.
- **Impact** is the positive and negative long-term effects produced from the result of MSD programmes.
- **Worker** is any individual engaged in any activity to produce goods or provide services for pay or profit. This includes self-employed individuals, where remuneration is directly dependent upon the profits derived from the goods and services produced or sold.
- **Employee** is an individual who performs work under a contract of employment.

Job quality measurement also has the potential to deliver positive outcomes for businesses by increasing productivity, boosting innovation and reducing costs (see Box 3). The interests of MSD programmes and private sector partners are most likely to align around more operational, output-level data such as the introduction of new workplace policies and processes as well as worker feedback on their efficacy. This type of data is valuable both to inform initial intervention analysis and design as a job quality ‘diagnostic’, as well as to course correct as part of MSD’s adaptive management cycle.

**Box 3: The business case for job quality measurement**

- **Private sector partners** may be interested in understanding job quality for a variety of reasons.
- **First**, companies may want to gauge employee satisfaction. The extent to which staff are ‘engaged’ is associated with overall levels of motivation and productivity. Low job satisfaction is also a key predictor of absenteeism and turnover, both of which inflict costs on a business.
- **Companies** may also want data to help decide what actions to take to address and improve job quality, as well as to track the success of these actions. This is often linked to business process improvements, productivity enhancements or changes to human resource management (HRM) systems.
- **Finally**, business can gain greater visibility into their supply chain to proactively manage and mitigate labour risks. These risks not just present a social challenge, but also a reputational risk to companies, which may have an impact on their social license to operate. They may also need to improve working conditions as a pre-requisite to accessing higher-value markets and clients; or as a condition for achieving a sustainability-related certification (e.g. Fairtrade).

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10 The Oxford Handbook of Job Quality (2022).

However, the business case for job quality measurement needs to be understood in context, not just in theory. The potential benefits outlined above may not be realised for every business, and some employers may not have a reason to go beyond the legal minimum requirements to provide a high quality of work. A set of ‘business model red flags’ developed by Shift provide a useful guidance for where structural factors may impede both a company’s willingness to use job quality data and their ability to improve jobs. Here, companies may require more transformational changes to their business model or transformations in the sector in which they operate. For example, the incentive for ride-sharing platforms to engage workers on a permanent basis with long-term, stable contracts may not be realised unless there are changes in the ‘rules of the game’, such as revisions to a labour code.

### Key considerations

- Who is the primary audience for job quality measurement?
- Is there a way to align interests so data can be of value to multiple stakeholders?
- Have concrete opportunities to share monitoring data with partners and other stakeholders been identified?

#### 1.2 Link measurement to strategy

The next step is to clarify the programme’s impact goals in relation to job quality. This is important, as different objectives associated with the broad concept of job quality have implications for the measurement approach.

The three parts of the ‘jobs triangle’ are inter-related since the ability to find and hold a job is important, but equally crucial are considerations about what type of job this is and who is holding it. Increasingly, even MSD programmes focused solely on stimulating new employment opportunities are interested in understanding what type of jobs they are helping to create.

The strategic focus of job quality measurement is, therefore, based on whether the programme objectives are anchored on one of two goals:

#### Job creation

- Creating quality jobs, where the focus is likely to be more on demand-side interventions to generate new employment opportunities.
- MSD programmes can frame job quality in one of two ways. Either:
  - Ensuring that all new jobs being created are not ‘bad’ i.e., they meet a set of minimum standards. The objective is to avoid harm, and so the threshold for what is considered ‘quality’ is set at a low level (for example, based on compliance with local labour laws or core international labour standards; see Table 3).
  - Seeking to create higher quality ‘good’ job opportunities, going beyond minimum standards to support jobs that can have a positive impact on worker well-being. The threshold for what is considered ‘quality’ is set relatively high, for example not only ensuring that jobs pay a legal minimum wage, but a real living wage.

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12 The ILO guidance on business models for decent work provides a framework to understand business models from a decent work perspective.
Job improvements

Improving the quality of existing jobs (or of related terms such as ‘fulfilling’, ‘gainful’ or ‘decent’ jobs; see Box 4). The focus is likely to be on an aspect of job quality such as wages, working conditions or job security, where interventions take place on the supply- and/or demand-sides.

MSD programmes can achieve their goals in one of two ways. Either:
- Facilitating changes in the incentives and/or capacities of businesses to improve job quality in their own workforce, for example by introducing new policies or progressive workplace practices.
- Developing a market for supporting services that can help a) other businesses to improve worker well-being, for example job training platforms or diversity, equality and inclusion consultancies; or b) workers themselves to achieve or advocate for better working conditions, such as professional identity apps or mechanisms for collective voice.

Box 4. What is decent work?

The ILO’s Decent Work Agenda aims to ensure “productive work for women and men in conditions of freedom, equity, security and human dignity”. The concept of decent work is wider than that of job quality, as it takes into account not only an individual and their job(s), but also broader labour market functioning.

These can be distilled into a typology of four different strategies through which funders and implementers can approach job quality measurement, summarised in the table below.

<table>
<thead>
<tr>
<th>Programme aim</th>
<th>Job quality objective</th>
<th>Job quality strategy</th>
<th>Measurement approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job creation</td>
<td>Meet minimum standards to be counted</td>
<td>‘Avoid harm’: Ensure that jobs do not exploit workers or violate core labour standards</td>
<td>‘Screen out’ jobs created that do not meet a set of compliance-oriented criteria</td>
</tr>
<tr>
<td></td>
<td>Meet a set of criteria to be counted as high quality</td>
<td>‘Benefit stakeholders’: Support jobs that have a positive effect on worker well-being</td>
<td>‘Screen in’ jobs created to only count those that meet a set of criteria and associated thresholds to be considered as ‘decent’ or ‘high quality’, or related concepts such as ‘gainful’ or ‘meaningful’</td>
</tr>
<tr>
<td>Job improvements</td>
<td>Track firm-level practice, process and policy changes</td>
<td>‘Contribute to solutions’: Actively seek to improve workplace conditions</td>
<td>Discrete and concrete changes in job quality, as experienced by workers</td>
</tr>
<tr>
<td></td>
<td>Improved services aimed at businesses and workers, or changes in the business environment</td>
<td>‘Develop the ecosystem’: Build supporting services that improve the incentive and/or capacity of firms to introduce job quality improvements</td>
<td>Understanding and tracing the effect of products and services provided by ecosystem actors on user groups, such as employers or employees</td>
</tr>
</tbody>
</table>

Depending on the MSD programme strategy, measuring job quality is a matter of selecting the ‘best fit’ approach, since no one single methodology or tool can span the variety of programme motivation and

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13 The ‘ABC’ framework was developed by the Impact Management Project (IMP), a forum for building global consensus (or norms) to help enterprises and investors understand their impacts on people and the planet. It has been adapted and expanded for this guide to cover a systems-oriented lens.
The key is to match measurement approach to the programme’s strategic aims, taking into account the triple lens of job creation (how many jobs), job inclusion (for who) and job quality (in what conditions).

For example, a programme wishing to check they are not creating ‘bad’ jobs (‘Avoid Harm’) may wish to use IFC Performance Standard 2 on Labor and Working Conditions to screen, select, and monitor the performance of their partners. Programmes intervening to improve aspects of job quality in a given industry, for example safety and health in construction (‘Contribute to Solutions’), can anchor their measurement and strategies in topic-specific guidance, or cross-cutting framework such as the IRIS+ quality Jobs theme, as explored in more detail in Section 2.

Table 3. ILO’s core labour standards form a set of five fundamental, universal and indivisible human rights

<table>
<thead>
<tr>
<th></th>
<th>Definition</th>
<th>What are the core decent work standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forced labour</td>
<td>Labour that is non voluntary and exacted under the threat of penalty</td>
<td>Any form of forced labour, apart from the exceptions listed in ILO Convention 29, is prohibited (^\text{14})</td>
</tr>
<tr>
<td>Child labour</td>
<td>Establish a minimum age for employment in order to protect children and young persons from inappropriate and harmful work</td>
<td>The minimum age for entry into the workforce is defined as 15 years. For work that may jeopardise the health, safety or morals of employees, the minimum working age is 18 years</td>
</tr>
<tr>
<td>Discrimination</td>
<td>Eliminate discrimination in employment and occupation</td>
<td>Companies should not be permitted to discriminate between any workers on grounds other than skills and competencies (^\text{15})</td>
</tr>
<tr>
<td>Freedom of association</td>
<td>The right of a workforce to organise and establish unions</td>
<td>Workers and employers have the right to establish organisations of their choosing without prior authorisation and to run such organisations without external interference (^\text{16})</td>
</tr>
<tr>
<td>Occupational safety and health</td>
<td>Protection of the right to a safe and healthy working environment</td>
<td>Continuous improvements to prevent accidents and injury to health, including by minimising the causes of hazards inherent in the working environment.</td>
</tr>
</tbody>
</table>

Key considerations

- Is job quality framed through the lens of job creation or job improvements?
- What are the implications of programme goals for the choice of measurement approach along the ‘ABCD’ spectrum?

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\(^\text{14}\) This includes civic obligations (for e.g., jury service), community work or work under the public authority resulting from a court conviction or emergency labour in the event of natural disaster.

\(^\text{15}\) Discrimination is defined as distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, or social origin.

\(^\text{16}\) An organisation is defined as a group of workers or employers collaborating to further and defend their respective interests.
1.3. Develop a shared understanding of job quality

Job quality has been called elusive to measure because “it is one of those concepts...which everyone understands yet is difficult to define precisely”.17

Many of the challenges in job quality measurement arise from a misalignment between how different stakeholders perceive a ‘good job’. These tensions can arise between funders and implementers, a programme and its partners, and between firms and workers. While decent work is a shared global goal, what may be considered ‘quality’ work can mean different things to different workers.

Job quality can be broadly defined as the sum of work and employment conditions that influence an employee’s wellbeing.18

Job quality is widely accepted as a multi-dimensional concept with dimensions that include aspects of wages, working conditions and job security.19 Quality is measured at the level of ‘job’, where a job is defined as a set of tasks and duties executed or meant to be executed by one person.20

Job quality can also be framed subjectively or objectively. The most common measurement approach relies on objective dimensions, seeking to assess job quality independent of workers’ personal circumstances. Measurement focuses on verifiable characteristics of the job, such as contract type, salary or data on workplace accidents.

A second approach relies on gathering workers subjective accounts of job quality, such as whether wages are seen as ‘fair’ or feelings about safety at work. The opinion of workers regarding their job quality is based on current circumstances as well as preferences and perceptions that are shaped by past experiences in the labour market, their previous job, their life stage, and/or alternative employment options.21

A third approach relies on combining both objective and subjective measures. A so-called ‘integrated’ approach seeks to either blend both in order to arrive at a composite understanding of job quality, or to use one approach to triangulate the other (i.e., if the primary approach used is objective, subjective measures can be used to validate any changes; for example, a survey to gather worker perspectives on the efficacy of a new safety and health policy).

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17 The Oxford Handbook of Job Quality (2022).
18 Including, for instance, physical and psychological health, job satisfaction. The Oxford Handbook of Job Quality (2022).
19 **OECD**. According to the **CIPD**, “Job quality has been framed through the lens of pay, especially by economists, and different disciplines have stressed different definitions and perspectives on aspects of job quality. For example, behavioural economists (participation in decision-making), traditional sociologists (alienation and the intrinsic quality of work), researchers from the institutional tradition (labour market segmentation and employment quality), occupational medicine and health and safety researchers”.
21 The Oxford Handbook of Job Quality (2022).
Box 5.

The subjective approach is based on workers’ individual characteristics, experiences, and personal circumstances. Research has shown that it is possible to have an objectively ‘bad’ job that fails to meet minimum thresholds against normative frameworks but is perceived as subjectively ‘good’ by workers, perhaps because it offers improved pay or conditions compared to their previous jobs.22

Read more: Learn how the MarketMakers project used a subjective approach to measuring job quality, on page 30

The task for MSD programmes and their funders is not to solve conceptual debates, but to develop a shared understanding of what ‘good’ jobs look like for their specific target groups. Beyond the set of International Labour Standards (see Table 3), which provide a minimum universal floor from which to improve job quality, the choice about how job quality is conceptualised along the continuum from uni-dimensional to multi-dimensional, and subjective to objective, will depend on:

- The views of different stakeholders. As outlined in part 1.1, ‘who’ gets to decide what quality looks like?
- How job quality data will be used. Programmes that are funded based on ‘payment by results’, for example, may need to stress more on objectively verifiable measures.
- The type of MSD programme. For example, those who are working more on supply-side interventions or closely with target groups (for e.g., refugees) may adopt more multi-dimensional and subjective measures, while programmes that are removed from workers (for e.g., business enabling environment) may rely more on a smaller set of objective measures.
- The type of target group(s). Programmes aiming to benefit a target group that is defined in broad terms (for e.g., in-work poverty) may have a different set of priorities from those with specific target groups in the labour market. For example, youth employment programmes can seek to embed youth perspectives in what constitutes a ‘good’ job, recognising that the aspirations for youth may differ compared to other workers.23
- The practicalities of measurement. Programmes with job quality as a primary strategic goal (‘C’ and ‘D’ strategies) will likely have a more comprehensive approach to measurement, which is integrative and multi-dimensional.

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22 The Oxford Handbook of Job Quality (2022).
23 Letting job holders themselves decide what good work means is called an inductive approach.
Why measure job quality?

Box 6. When should programmes collect data on job quality?

Measuring jobs in MSD interventions is a practical exercise. MSD projects use data to ‘prove and improve’ the outcomes they are generating for target groups by carrying out measurement activities, such as observations, surveys or interviews, to collect data and drive real-time learning.

MSD programmes do not just collect data on job quality during the ‘MRM’ phase. Indeed, there are many instances where insights on job quality both the outcomes that workers are currently experiencing and how interventions are affecting those outcomes may be of value:

- During initial programme design and scoping in order to validate key assumptions about job quality needs facing workers (called decent work deficits)
- Sector selection to feed into a rapid evidence-based understanding of job quality challenges and opportunities.
- Market systems analysis to understand and baseline the current situation of workers in given sectors, and point to the constraints to market systems underperformance
- Intervention design, including as a party of adaptive management, where pilot interventions are tested and refined based on understanding signs of real-world changes in job quality
- Reporting to stakeholders on results achieved, including to funders
- Evaluations to make strategic decisions on whether to scale-up interventions or hold programmes to account against objectives

Key considerations

- Is the programme clear about what it means by job quality, and what is considered the threshold from ‘not quality’ to ‘quality’
- Is this definition shared by key stakeholders or are there differences in perspectives or opinion?
- Is quality being conceptualised using a subjective or objective lens, or a mix of both?
Interview with Daniel Nippard, Project Director of MarketMakers from 2017-2021

MarketMakers worked together with partners to create meaningful and decent jobs for young women and men in Bosnia & Herzegovina.24

What sectors did the project work in?

Phase 1 of the project focused on agriculture, tourism and information technology, with ‘professional and creative services’ introduced later, with a particular focus on export-oriented and outsourced services. By the middle of Phase 2, we exited from agriculture and worked more exclusively on developing services sectors.

Where did job quality factor into those sectors?

When developing the Phase 2 Logframe, we created an indicator to measure job ‘decency’ at the impact level. It was formulated in quite an open way, but the intention was to allow target groups to assess their own level of job satisfaction. We also tracked, to the best of our ability, workplace promotions that resulted from project interventions. This led to job quality being factored into sector selection and profession longlisting, and more widely to portfolio composition considerations (i.e., sector entry/exit). At the start of Phase 2, we surveyed a large sample of young people to help us understand where we might focus our efforts i.e., what kind of sectors should we target, and what kind of jobs?

Why was an emphasis placed on job quality?

We wanted to create jobs that young people actually wanted to take. As a job creation project for youth, we saw little point in creating vacancies that were undesirable. There were already a number of professions at the country-level where vacancies would remain unfilled - structural mismatches, but also because too few people wanted to take up that profession or re-train into it.

How did you go about measuring job quality?

We chose five sub-indicators that we felt told a story of overall job quality, spanning whether the young job taker saw a future for themselves in the sector, their impressions of progression and pathway opportunities, whether income met expectations, and whether they felt stable in their employment. At the time, we sought inspiration from the ILO’s ‘menu’ of decent work indicators to give us a flavour of what we might focus on, and adapted the line of questioning to suit us and also the measurement context. In the surveying, we asked one umbrella question at the end that then tried to marry up the average of the scores of the sub-indicators with their overall job satisfaction. We couldn’t do this surveying across all interventions, so the sample was perhaps biased towards those employers that we could most easily access.

[We realise] it was very subjective with each individual giving their own perspective on those sub-indicators, but I almost value this more [than a more objective approach]. We wanted to know what young people thought about their new jobs, and not assess these jobs from afar according to our own expectations.

The companies administered the survey together with us. We made a simple business case to them that employee satisfaction is generally a good metric to be aware of where skills for a particular profession are in shorter supply. It wasn’t too much of a difficult sell, as many of the employers were export-minded services companies and often among the more progressive in their fields.

Are there any lessons learned that you’d like to share with others?

I would encourage development projects to think carefully about the type of jobs that they want to help to create. [For youth employment projects], this may start with simply asking young people what’ is aspirational for them and the future they would like to enjoy. If you have the context for it, the option to do it and the means to do it, why not channel your energy into creating more enjoyable professions?

Having a qualitative dimension to a project’s higher-level indicators - again, especially where the context and means allow, is helpful in a number of ways. It is aspirational for the team to work towards. It helps steering and decision-making also by ruling out some opportunities. We also wanted to avoid doing a lot of hard work on the vacancy creation side only for the project results to remain unachieved because vacancies went unfilled. The key is to think about job quality as early as possible; if you do think about it early, you can steer the project in that direction.

24 MarketMakers was a project of the Swiss Government implemented by Helvetas (Switzerland) and Kolektiv d.o.o. (Bosnia & Herzegovina).
Why measure job quality?
What aspects of job quality to measure?

After identifying stakeholder needs and making strategic measurement choices, MSD programmes have to choose which aspect(s) of job quality to focus on. As a multi-dimensional concept, this involves selecting job quality dimensions and relevant indicators. However, programmes cannot simply copy-paste someone else’s ‘best practice’. Rather, the challenge is to develop an approach that is ‘best fit’ for the programme context. This should be based on considerations of materiality, meaningfulness, and measurability.

Figure 3: Key programme considerations when selecting job quality dimensions and indicators

Using these criteria helps programmes avoid common pitfalls when seeking to measure job quality. Namely, that they:

- **Try and measure everything:** Stretching resources too thinly and leading to ‘paralysis through data analysis’.
- **Measure too narrowly:** Failing to see how aspects of job quality are interrelated and that some aspects of job quality can improve, while other aspects may get worse at the same time.
- **Measure the wrong thing:** Picking indicators and dimensions that are not relevant to the most important issues facing workers.
To help navigate these choices and avoid pitfalls, MSD programmes can:

- Decide on the material job quality dimensions considering stakeholder perspectives and the purpose of measuring job quality, as outlined in Part 1.
- Map worker roles and profiles to understand how outcomes may differ based on their jobs and the socio-economic profile of target groups within the sector or value chain.
- Select indicators that are drawn from established sources and are aligned with industry standards.

2.1 Decide on material job quality dimensions

Measuring every aspect of job quality will likely lead to inaction. Programmes may therefore need to make difficult trade-offs. Section 1.3 already framed job quality as a multi-dimensional concept. In this step, programmes move further away from the concept of a job in the abstract to put it in the context of understanding what is most important to the target group and their situation in the sector.

It is likely that the target groups will face many working challenges. Think about Susan, the construction worker we met in the introduction. She does not make enough money, has difficulty managing work and family life, is exposed to occupational safety and health hazards, and has neither contract stability nor a social safety net to protect herself against tougher times ahead. It will be difficult to address all these challenges in a typical MSD intervention, so where do we start?

- Some programmes have a mandate to improve specific aspects of job quality, such as wages or workplace safety.
- For MSD programmes, the decision is more likely to be led by the findings of a market systems analysis (MSA). An MSA looks at many potential problems facing target groups. Table 4 provides a taxonomy of different job quality dimensions.

**Top tip!** Table 4 gives suggestions, but there is no “right” way to group different job quality topics. However, programmes should avoid defining dimensions at a very high level, for example, ‘working conditions’. This is difficult to operationalise into a practical measurement strategy. As noted above, some aspects of job quality may get better and some worse over time for workers. So, measurement will not give a clear picture of what is working and what to do differently.

<table>
<thead>
<tr>
<th>ILO Decent Work Indicators</th>
<th>Quality of Employment (UNECE)</th>
<th>CIPD Literature Review (UK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequate earnings and productive work</td>
<td>Income and benefits from employment</td>
<td>Pay and other rewards</td>
</tr>
<tr>
<td></td>
<td>Skills development and training</td>
<td></td>
</tr>
<tr>
<td>Social dialogue, workers’ and employers’ representation</td>
<td>Social dialogue</td>
<td>Representation and voice</td>
</tr>
<tr>
<td>Work that should be abolished</td>
<td>Safety and ethics of employment</td>
<td>Health and safety</td>
</tr>
<tr>
<td>Safe work environment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal opportunity and treatment in employment</td>
<td>Workplace relationships and work motivation</td>
<td>Intrinsic characteristics of work</td>
</tr>
</tbody>
</table>

25 Where absent or of insufficient quality may be framed as ‘decent work deficits’. 
What aspects of job quality to measure?

Programmes may need to prioritise which job quality deficits to address first. It will not be possible to graduate thousands of Susans from poor quality to decent jobs at the same time.

Prioritisation will be especially important for programmes aiming to ‘Benefit Stakeholders’ or ‘Contribute to solutions’. These programmes need to calibrate the choice of dimensions to the level of ambition with regards to job improvements, which in turn is based on context.

For example, a youth-focused initiative in Western Balkans may set a high bar for what counts as a better job, targeting roles of above average quality and more aspirational dimensions such as wealth-building. For other programmes, better workplace conditions might relate to meeting basic rights and needs, for example, those targeting rural agricultural workers in West Africa or when targeting refugees who are only allowed to work in specific manual occupations.

Figure 4 organises dimensions into a typology of ambitions from exploitative, compliant to fulfilling conditions, which can be helpful in deciding which dimensions are considered ‘material’ for each programme.

Figure 4: The continuum from lower to higher quality work

<table>
<thead>
<tr>
<th>Exploitative work</th>
<th>Compliant work</th>
<th>Fulfilling work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work that should be</td>
<td>Decent hours</td>
<td>Wealth-building</td>
</tr>
<tr>
<td>abolished</td>
<td>Social security</td>
<td>Skills development</td>
</tr>
<tr>
<td>Safe work environment</td>
<td>Earnings</td>
<td>Combining work and</td>
</tr>
<tr>
<td>Equal opportunity</td>
<td>Social dialogue</td>
<td>family life</td>
</tr>
<tr>
<td>and treatment</td>
<td></td>
<td>Stability and security</td>
</tr>
</tbody>
</table>

Box 7: Coupling job quality dimensions

When selecting dimensions, programmes should be aware that many elements of job quality are mutually supportive (for example, a construction worker needs to not be injured or permanently incapacitated in order to keep earning) and interconnected (for example, higher earnings can be a result of excessive overtime, affecting work-life balance).

Adapted from British International Investment.
In choosing one dimension, projects should consider whether their choice means that other dimensions may come in scope. This ‘coupling’ can come about because of positive associations where when one dimensions gets better, another is likely to get better too. Common positive associations are between:

- Improved social security and better stability and security of work;
- More decent working hours and the ability to combine work, family and personal life; and
- Stronger social dialogue and higher earnings.

Programmes need to focus not just on intended positive effects, but unintended negative ones too. Negative associations are where one dimension changes, another has the potential to get worse as a direct result. Common negative associations are between:

- Higher earnings and excessive working hours (for e.g., through overtime); and
- Lower instability and security of work (for e.g., unpredictable hours) and an inability to combine work, family and personal life.

**Key considerations**

- What specific dimensions of job quality are material to the programme context?
- Is the choice of dimensions (which ones, and how many) aligned to the programme strategy, level of ambition and available resources?
- Have considerations about ‘coupling’ – the inter-relatedness and inter-connectedness between dimensions – been taken into account?

### 2.2 Map worker profiles along the value chain

Job quality is hard to understand ‘in aggregate’. That is, by generalising findings across groups of workers who may have very different professions, positions and profiles and be employed by different types of business. While some job quality traits may be common across sectors such as trade union density, other aspects of jobs quality may vary significantly. Think of the construction sector. While many workers are manual labourers, there also skilled carpenters, not to mention those in management positions. The relative level of job quality will, in turn, vary depending on whether people are engaged by a small SME or a larger business.

Before choosing specific indicators, programmes must understand how needs are widely shared or specific to certain groups. As seen in Section 1, job quality can be subjective, so this is not about understanding the preferences and profile of every single worker. Instead, the challenge is to arrive as a sensible level of disaggregation that allows programmes to understand material differences.

Common ways to understand occupational profiles are by:

- Employment status, such as employed or self-employed
- Size of firm, whether working for a micro, small, medium or large enterprise
- Skill level from unskilled to semi-skilled through to skilled and professional
- Age, for example, youth or older workers
- Workers who face labour market inequities, such as women, vulnerable populations, and people living with disabilities

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28 Note that some MSD programmes have a focus on a specific target group (for e.g., farmers, women, youth), and will have carried out this analysis as part of intervention design. The job quality dimensions these programmes select will have already been chosen based on the needs of these target groups.
Programmes can then determine whether specific dimensions and indicators should be tracked to understand how outcomes might be similar or different based on these profiles. Box 8 provides an example of a tool to understand the diversity of job quality challenges across workers, while Box 9 provides an example of the importance of assessing programme performance against different worker profiles and value chain roles.

**Box 8. Value Chain Analysis**

A market systems approach built on decades of experience in value chain analysis (VCA). VCAs are still conducted to complement an MSA, and they often include an analysis of employment distribution along the chain.

Programmes can analyse the number of workers at each level of the chain, as well as type of job quality challenges that different workers may face. The table below shows an example for a horticulture value chain.29

<table>
<thead>
<tr>
<th>Number of workers, by profile</th>
<th>Farmer</th>
<th>Collector</th>
<th>Trader</th>
<th>Wholesaler</th>
<th>Retailer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment status</td>
<td>Self-employed (circa 5,000)</td>
<td>Self-employed (600)</td>
<td>Self-employed (100-200)</td>
<td>Mostly employed (500)</td>
<td>Mostly employed (2,000)</td>
</tr>
<tr>
<td>Gender (estimated)</td>
<td>70% women</td>
<td>15% women</td>
<td>5% women</td>
<td>30% women</td>
<td>60% women</td>
</tr>
<tr>
<td>Skill level</td>
<td>Mostly unskilled</td>
<td>Unskilled and semi-skilled</td>
<td>Semi-skilled</td>
<td>Semi-skilled and skilled, with some professionals</td>
<td>Semi-skilled and skilled, with some professionals</td>
</tr>
<tr>
<td>Youth participation</td>
<td>High</td>
<td>Moderate</td>
<td>Low</td>
<td>Low</td>
<td>Moderate</td>
</tr>
<tr>
<td>Nature of job quality challenge</td>
<td>All self-employed have inadequate earnings and lack of social protections</td>
<td>Collectors work excessively long hours, often having to travel long distances</td>
<td>While there are a small number of traders who are women, they face issues of harassment</td>
<td>Potential for discrimination - few women are in management positions</td>
<td>Nature of youth role (warehouse floor) increases risk of occupational accidents</td>
</tr>
</tbody>
</table>

29 Adapted from Making Value Chains Work Better for the Poor.
Box 9. Measurement in action: IFC Cambodia

The Rice Sector Support project (RSSP) was an International Finance Corporation (IFC) initiative designed to improve competitiveness of the Cambodian rice export sector. The RSSP was implemented through a holistic approach, targeting interventions at key points along the value chain covering farming, milling and exporting practices.

Having facilitated an increase in net rice exports and a reported 30 per cent increase in permanent staff in rice millers supported by the project, a joint IFC and ILO evaluation set out to understand changes in the quality of jobs at two segments of the value chain.

- **Suppliers:** Farmers that supply fragrant and white rice via the chain of collectors, millers and processors to export markets; and
- **Employees:** Waged workers in IFC miller and processor clients.

The evaluation found that:

- Company growth caused a rise in professional middle management positions, which were often filled by women.
- As mills obtained a range of food safety certifications, there were associated improvements in the terms and conditions of employment and better labour management relations.
- Most farmers did not have significantly improved net income when there was an increase in rice prices because the cost of inputs such as fertilizer, pesticide and seed had a corresponding increase when demand was high. Income benefits for some farmers were reported as generally more consistent when millers entered into firm and clear contract farming arrangements.
- An indirect impact of the RSSP was the development of a provincial agricultural union that was directly attributed to the rise in export levels.

Find out more: Read the ILO briefing note on “Impacting jobs through increasing exports: Evidence from Cambodia’s rice sector”.

Key considerations

- Are all workers in the sector likely to experience job quality outcomes in the same way or are there differences based on worker profiles and positions?
- Should the programme track different dimensions or specific indicators in order to understand how job quality outcomes may vary based on these profiles?
2.3 Select appropriate indicators

For each chosen job quality dimension, programmes can select indicators to determine if and how changes are occurring. Since MSD programmes aim to influence positive outcomes via catalysing systemic changes, there are multiple levels at which measurement can take place. Figure 5 below shows how these interact with each other, and demonstrates that the changes in system structures, the so-called supporting functions and rules, which both determine and drive job quality are more hidden.

**Figure 5.** The MSD ‘iceberg’ model of measurement – only the ‘core exchanges’ between workers and employers may be visible, but the supporting functions and rules that influence this exchange may be hidden

Programmes can formulate indicators in a number of ways:

- **Discrete data:** Qualitative or quantitative information framed in absolute terms, such as the number of workplace accidents.
- **Ratios and proportions:** Ordered information presented in relation to each other, such as the share of youth in the workforce.
- **Normalised data:** Information adjusted for magnitude (for e.g., per USD of revenue) or by incidence (for e.g., per 1,000 people), such as the non-fatal occupational injuries incidence rate.
- **Trend data:** Capturing the change in discrete or proportional data over time, such as the percentage reduction in workplace injuries.
- **Comparative data:** Anchoring information against an established threshold or benchmark, such as the share of the workforce earning above a living wage.
- **Composite indicators,** which bring together different data into a single index or measure, such as the number of ‘improved jobs’ (see Section 3).

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30 ILO Development Cooperation Manual. The OCED defines indicators as a “quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor”.

31 Number of new cases of non-fatal occupational injuries during the reference period / Number of workers in the reference group x 100'000 (ILOSTAT).
To boost reliability, MSD programmes should use job quality indicators that have been validated elsewhere rather than ‘making up’ their own. While metrics related to systems change tend to be bespoke given the highly contextual nature of systemic constraints, they can be grouped according to the Six Conditions of Systems Change (see Box 10).

Indicators to measure changes at the level of market actor employers or workers can be drawn from the extensive guidance in ILOSTAT, the leading global source of labour statistics. Further guidance can be found outside of the ILO for each job quality dimension. Other resources that provide a set of recommended disclosures and indicators related to cross-cutting aspects of job quality include:

- Social Accountability 8000.
- Global Reporting Initiative (GRI).
- IRIS+ indicators on Quality Jobs (see Box 12).
- Harmonised Indicators for Private Sector Operations (HIPSO).
- Specific to a region, such as the Europe the Sustainability Reporting Standards (ESRS) and the European Working Conditions Survey (EWCS).

<table>
<thead>
<tr>
<th>Job quality dimensions</th>
<th>Guidance and resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequate earnings and productive work</td>
<td>The Anker Methodology for Estimating a Living Wage</td>
</tr>
<tr>
<td></td>
<td>Poverty Probability Index</td>
</tr>
<tr>
<td></td>
<td>Measuring productive employment: A ‘how to’ note</td>
</tr>
<tr>
<td>Social dialogue</td>
<td>Indicators of Social Dialogue: Concepts and Measurement</td>
</tr>
<tr>
<td></td>
<td>Measuring Trade Union Density</td>
</tr>
<tr>
<td>Work that should be abolished</td>
<td>Managing Risks Associated with Modern Slavery</td>
</tr>
<tr>
<td></td>
<td>Child labour guidance tool</td>
</tr>
<tr>
<td>Safe work environment</td>
<td>Indicators for Safety and Health at the Workplace</td>
</tr>
<tr>
<td>Equal opportunity and treatment</td>
<td>Gender Pay Gap Reporting</td>
</tr>
<tr>
<td></td>
<td>Gender Equality and Non-Discrimination Indicators</td>
</tr>
<tr>
<td>Decent hours</td>
<td>Wages and Working Time</td>
</tr>
<tr>
<td>Stability and security of work</td>
<td>OECD Indicators of Employment Protection</td>
</tr>
<tr>
<td></td>
<td>Indicators for Job and Employment (In)security</td>
</tr>
<tr>
<td>Social protection</td>
<td>Atlas of Social Protection Indicators</td>
</tr>
</tbody>
</table>

Box 10. Measuring systems change

A number of tools and resources exist to help MSD programmes measure progress towards systems change, such as those published by the DCED and the BEAM Exchange. For changes specific to job quality, the Six Conditions of Systems Change can provide a useful resource. This framework outlines six conditions that need to be addressed together to enact systemic change and shift the conditions that hold a problem in place. Bespoke indicators can then be selected to measure change for each ‘condition’ (such as a new/improved policy or an increase in resource flow). The figure below shows an example theory of change with embedded indicators for an MSD programme aimed at improving the quality of jobs for platform workers.

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This excludes a wide range of sector-specific resources on measuring job quality, many of which come from multi-stakeholder initiatives and supply chain sustainability standards.
Figure 6. An example theory of change for improving job quality in the platform economy

Box 11. Measurement in action: West African Palm Oil

The ILO partnered with an NGO programme working to transform the West African oil palm supply chain. Distinguishing between two different types of value chain roles, the programme decided to track the following indicators:

At the farmer level:
- Average number of people recruited as seasonal labour per year; and
- Perception of oil palm farmers on the stability of their income in comparison with income coming from cocoa.

At the processing level:
- Average number of days worked in a year;
- Proportion of processors seasonally unemployed;
- Percentage of processors with a written contract.

These indicators were the result of a deliberative process to home in on the most material job quality dimensions, and then pick a small number of meaningful but measurable indicators that the programme could use on an ongoing basis to drive adaptive management.

Top tip! The reality is that most MSD programmes partner with market actors that are small and medium enterprises (SMEs). Unlike larger corporates, SMEs are resource-constrained, and face pressing capacity challenges in record keeping, data collection and access to modern management techniques, along with the technology that drives it. Most SMEs have some kind of performance measurement systems, which however tend to be very basic. Programmes should therefore pick indicators that are ‘right sized’ to the SME context, especially where partners are expected to collect data, complete reports or share company records as evidence. The ILO’s SME Performance Measurement Toolkit collates SME-appropriate metrics ready for use by MSD programmes.
In 2020, the Global Impact Investing Network, together with the ILO, launched the Quality Jobs theme within IRIS+ to help investors who have the goal of creating and supporting quality jobs. IRIS+ is a free, publicly available resource that collates widely used impact metrics together with research, evidence and practical implementation guidance.

After wide stakeholder consultations, a set of five strategic goals were designed to help organisations navigate the Quality Jobs outcomes they are seeking to achieve, and the ways in which progress towards them can be measured. They are:

- Increasing job security and stability for people in precarious employment;
- Improving health and well-being across the workforce;
- Improving job skills for the future;
- Improving earnings and wealth through employment and entrepreneurship, particularly for disadvantaged and excluded groups;
- Improving rights, respect and cooperation in the workplace.

A cross-cutting gender and vulnerability lens underpinned each strategy. The final set of metrics and supporting evidence can be found in IRIS+.

Key considerations

- Do the indicators selected for each dimension align with established good practices or industry sources?
- Will the set of indicators, when measured, provide the programme with meaningful insights into changes that are taking place?
- Are the metrics measurable, given the time and budget constraints facing the programme, as well as any limitations given the country and sector context?
What aspects of job quality to measure?
How to measure job quality?

Once job quality dimensions and indicators have been selected, MSD programmes begin gathering data. By first understanding the measurement reality, programmes can pick the most suitable methods to collect and act on job quality insights.

A practical approach helps ensure that measurement leads to actionable findings that arrive at the right time with the right level of detail, and are delivered within the programme’s budget, capacity and contextual constraints. This means:

- Using methodologies that meet the specific needs of the programme and its stakeholders (rather than searching for an elusive ‘gold standard’);
- Engaging stakeholders in measurement, such as through enumerating or responding to surveys to increase their level of interest in the findings; and
- Deploying many different methods to triangulate findings and obtaining a rounded picture of how job quality is changing for target groups (since no single data collection method is ‘perfect’).

In order to do this, MSD programmes should:

- Seek to understand the measurement context and how this affects important decisions related to the ethics and equity of measuring job quality;
- Choose data collection methods that fit the context and are consistent with the programme’s conceptualisation of job quality (for e.g., subjective or objective);
- Collect, analyse and act on information to turn simple data into insights that can ultimately lead to improved outcomes for workers.

3.1 Understand the measurement context

MSD programmes tend to be highly pragmatic. Data is gathered to drive operational improvements and wider programmatic learning. It is therefore important for measurement to be rooted not in an academic understanding of what could be possible to measure, but what can feasibility be measured in reality. This means considering two groups: Those who are expected to carry out the data collection (collectors) and those who provide information (respondents).

Collectors: Data can be enumerated by a programme’s in-house team (for e.g., MRM or sector teams) by contracted third parties (researchers) or by programme partners. Partners tend to get involved when outcomes are a win-win, for example a business-led focus group to understand the effect of a new workplace safety policy, or because the programme wants partners to build their incentive and capacity to collect data on an ongoing basis, even after the programme has ended (for e.g., staff satisfaction surveys).

As highlighted in section 2.3, partner SMEs often have resource constraints, so measurement should not be overly burdensome. Because there are often power dynamics involved in partner relationships (for e.g., an SME may find it difficult to say no because a programme is providing grant funding), programmes should think carefully about the timing and commitment required from partners.
**Top tip!** MSD programmes need to understand the opportunity cost for businesses to be involved in measurement. For example, taking up a week of company management time for focus group discussions may detract from other important revenue-earning activities. Asking to survey agricultural labourers in the middle of harvest season may lead to lost labour productivity. A simple cost-benefit analysis can be useful to help MSD programmes know whether it is worth asking partners to be involved.

**Respondents:** Both market actors and workers can be respondents, but particular attention should be paid to safeguarding issues when working with individuals. Are there likely to be sensitivities? Are there legal restrictions on what can be asked (for e.g., an employee's age)? The choice of methods should be influenced by respondents:

- Levels of literacy
- Language(s)
- Socio-cultural norms

Factors which may inhibit or bias the reliability of data also need to be considered. Common response biases include:

- **Social desirability bias:** Respondents feel peer pressure or scrutiny to give a certain response, even if their answer is not true. For example, reporting that they have not observed instances of child labour because they know this is the 'right' thing to say.

- **Demand bias:** When respondents change their behaviours or views to fit the theme of research. For example, if a project introduces itself as working to improve occupational safety and health, respondents may over-emphasise the importance of workplace safety relative to other job quality concerns.

- **Acquiescence bias:** When respondents simply agree with the question either to speed up the survey process or because of cultural norms (for e.g., in some cultures, it is impolite to disagree with strangers)/

**Box 13. Good practice using technology for workforce engagement**

The Worker Engagement Support by Technology (WEST) Principles are a set of guidelines aimed at maximising the impact of technology-driven efforts to engage workers. The 8 Principles provide a useful framework for key considerations in job quality measurement, including the use of technology in data collection. For example, Principle 2 “Use Worker-Centric & Inclusive Design” stipulates:

| Designing for ease | • Design with frameworks and languages that workers understand  
|                   | • When possible, use technology that is already being used by workers  
|                   | • Test usability for workers and their environment  
|                   | • Provide appropriate training and instructions |

| Designing for accessibility | • Ensure that workers can participate of their own free will without fear of reprisal  
|                            | • Ensure inclusivity regardless of age, literacy level, job role, race, sex, and religion, including avenues for reaching vulnerable populations  
|                            | • Incorporate non-technical solutions when technology is not available |

| Designing for stakeholder ownership | • Establish roles, responsibilities and expectations  
|                                    | • Define time and resources needed  
|                                    | • Decide appropriate incentives |

Find out more: Read the [WEST Principles](#) in full
How to measure job quality?

Top tip! Some job quality topics may be sensitive to ask workers directly, such as about wages or their health situation. This will require careful framing of any survey questions and adherence to ethical research practices in order to protect respondents. Other metrics require indirect measures to minimise bias. For example, instead of asking whether child labour is an issue in a given company, the age of the youngest worker can be requested (or a proxy measure checking whether a company has ‘systems in place’ to verify ages). Questions may also be sensitive to ask businesses, who may be wary of compliance or of mistaking MSD projects for labour inspectors! Following good research practice and clearly communicating to businesses the purpose and scope of any data collection can provide reassurance.

Box 14. Ethical requirements in data collection

Ethical requirements when collecting job quality data are similar to other data gathering efforts. The Social Capital Protocol provides helpful guidance, which anyone engaged in collecting data from communities including workers should be aware of:

- **Informed consent:** This is the process of obtaining approval from participants for sharing and using their data. This is an ethical requirement for all research. To ensure that consent is informed, it must be freely given with sufficient information provided on all aspects of participation and data use.

- **Cultural norms:** MSD programmes should be sensitive, aware and respectful of cultural norms when determining appropriate data collection techniques. This could include, for example, being conscious of gender dynamics and whether women will speak freely in front of their male peers.

- **Legal requirements:** Programmes should review data laws and regulations in countries and locations where they are collecting data to ensure compliance.

- **Personal data:** Many organizations collect and store large volumes of personal data. Programmes should give utmost consideration to how that data is stored and used. Other factors to be aware of include education and literacy levels, privacy and anonymity, and safety in some contexts.

Find out more: *A companion guide, Social & Human Capital Charter helps businesses in conducting social and human capital measurement.*

Key considerations

- Have all ethical and equity concerns been addressed?
- Are MSD programmes confident that no group’s voice will be systematically excluded (for e.g., by language, literature) because of the choice of method?
- Has the rationale for involving market actor partners in data collection been fully considered with regard to the partners’ context and capacity constraints?

3.2 Choose the most appropriate tools and methods

Data collection tools are actual instruments used to gather information about the indicators, such as surveys and interviews. A variety of approaches exist, as summarised in Box 15.

In addition to context, the choice of methods will be influenced by how programmes are conceptualising job quality, such as emphasising subjective or objective elements. Note that worker surveys are commonly thought of as aligned to the subjective view (for e.g., are you satisfied with your level of income?), but they can also be used to collect self-reported objective data (for e.g., what did you earn last month?).
Secondary research involves analysing data already collected by someone else rather than gathering new data explicitly for the purposes of analysis also known as primary data. When using secondary sources, programmes should check that they are reliable, complete and up-to-date.

**Box 15. Common measurement tools**

**Observation:** This means watching what happens in workplaces. Direct observation is undertaken in person by physically visiting business premises, while indirect observation takes place when using technology such as video recording.

**Company records:** Uses pre-existing sources such as documents, data files, log sheets or other written pieces. Examples of these tend to be pay and personnel records, timesheets, policies, accident and injuries log and meeting minutes.

**Interviews:** Undertaken with individuals with first-hand knowledge of the issue called key informants. These interviews tend to be loosely structured, relying on a list of issues to be discussed. They resemble a conversation, allowing a free flow of ideas and information. Interviewers frame questions spontaneously, probe for information and take notes, which are elaborated later. They are useful for collecting in-depth and detailed qualitative data.

**Focus groups:** A special selected group is interviewed by a moderator. The group is usually composed of six to twelve individuals. Focus groups explore norms, beliefs, attitudes and practices. They are useful for getting consensus on a topic or to get a common view of attendants. As they are group discussions, focus groups can lack nuance and risk hiding outlier opinions, as participants may be unwilling to express contrarian views in front of their peers. Focus groups should therefore be complemented with other methods for potentially sensitive issues.

**Enterprise surveys:** Enterprise surveys can be administered to small or large numbers of enterprises and can last from 15 minutes up to several hours depending on the amount of information that is required from participants. Most surveys will use a questionnaire to determine which data will be collected. Enterprise surveys can be administered in different ways:

- **A self-administered questionnaire** refers to one that has been designed to be completed by a respondent without the intervention of an interviewer collecting the data. Examples of self-administered questionnaires include mail and internet-based surveys.
- **In a person-administered survey,** an interviewer reads questions to the respondent either face to face or over the phone, and records their answers. This is the easiest method for the respondents since all they have to do is answer questions with no additional work required. The interviewer can adapt the survey for each respondent. Additional clarification about the questions, if needed, can be offered and each question can be answered.

**Worker surveys:** A survey collects data from usually a large number of people using a standardized set of questions. Certain aspects of working conditions, such as wages and working hours can be objectively measured. However, other aspects of working conditions, for example employee satisfaction are more subjective. Worker surveys can be used to capture different dimensions of working conditions and workers’ perceptions of them.

**Checklists:** A form that is used to record data quickly and easily. It is particularly effective at registering the occurrence of incidents, events, tasks or problems. Checklists are often binary i.e., yes/no, exists/does not exist, in place/not in place etc., and are often favoured by external auditors rather than as an internal continual improvement tool. Checklists are frequently used during social audits, a variation on an enterprise survey, which is used to check on compliance with performance criteria relating to labour and working conditions.

Find out more: Read more about these methods and examples of them in action in the ILO SME Performance Measurement Toolkit
The use of technology-driven data collection tools is increasingly popular, not least due to the relatively cheap cost of administering them. Pioneered by research providers such as Ulula and 60 Decibels, telephone and SMS surveys have become widely used by enterprises, investors and MSD programmes alike.

A key benefit is surveying at scale, which allows for large datasets and easier benchmarking across programmes, peers and countries. 60 Decibels, for example, has developed a Quality Jobs Index to help understand employees’ lived experience. However, MSD programmes should not see technology as a panacea, and should be aware that digitally-enabled communications can bring additional ethical and equity concerns (such as, mobile penetration rates and access to smart phones).

Ultimately, MSD programmes will need to consider trade-offs between methods (see Table 6), given that none are likely to be perfect. Programmes may need to make use of multiple tools in order to triangulate findings. For example, worker surveys are conducted to gather large-scale, mainly quantitative data to understand what is changing. These are often complemented by interviews with a smaller number of workers to understand why change is happening.

Table 6. High-level analysis of data collection methods for job quality

<table>
<thead>
<tr>
<th>Method</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary sources</td>
<td>Quick to obtain; provides a preliminary view of key areas of concern</td>
<td>Not firm-specific; data is often out of date</td>
</tr>
<tr>
<td>Primary qualitative methods (focus group discussions and key informant interviews with staff, management, and contractors)</td>
<td>Can cost-effectively cover a range of job quality topics</td>
<td>Some issues are too sensitive or hidden to uncover; hard to engage with a representative sample of workers.</td>
</tr>
<tr>
<td>Primary quantitative methods (surveys, checklists)</td>
<td>Can uncover issues and triangulate data from broader sample, capturing the voice of marginalised workers</td>
<td>Can leave workers vulnerable to retaliation if responses are linked back to individuals</td>
</tr>
<tr>
<td>Impact assessment or expert assessment</td>
<td>Independent view with triangulation between different perspectives</td>
<td>Costly and requires third-party support</td>
</tr>
</tbody>
</table>

Box 16: Measurement in action: Using job quality scorecards and radar diagrams

RisiAlbania, an MSD programme aiming to increase employment opportunities for young Albanian women and men,34 carried out a job quality diagnostic to understand the pathway toward supporting more decent jobs in Albania. The programme focuses on private sector growth, demand-oriented training and job intermediation in three sectors: agriculture (consisting of vegetables and medicinal and aromatic plants, or MAPs), tourism and information and communication technology (split into IT software and Business Process Outsourcing).

Led by a team of external consultants, RisiAlbania identified a suite of indicators that sit under five meaningful job quality aspects: earnings, equality, employability, work environment and job expectations.

Data was then collected on these indicators over three months through three primary methods: enterprise surveys, key informant interviews and focus group discussions.35

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33 Adapted from Ripley, Matt. 2021. Enhancing workforce engagement with technology. BII.
34 The RisiAlbania project is supported by the Swiss Agency for Development and Cooperation (SDC) in partnership with the Albanian Ministry of Finance and Economy and implemented by a consortium consisting of HELVETAS Swiss Intercooperation and Partners Albania.
35 102 businesses responded who together employ almost 3,000 workers. Face to face interviews were carried out with businesses active in the three sectors. A snowball sampling approach was used, initially drawing on
A set of quantitative indicators, such as entry level wages, gender pay gap and share of temporary labour in the workforce was used to construct a Job Quality Scorecard to numerically compare and contrast job quality within and between sectors. Objectively verifiable indicators were used as far as possible to support consistency and cross-sector comparability. These draw on a mix of statistical indicators and primary data from surveys. An emphasis was placed on the feasibility and practicality of measurement when selecting indicators. A limited number of subjective indicators (reflecting the preferences of the worker) are included, recognising that job quality assessments vary based on workers’ demographics, life stage and personal circumstances. This is particularly important as the labour market situation of youth may differ when compared to other workers.

Results of Job Quality Diagnostic were presented visually to aid easy analysis and the comparison between different dimensions of job quality within and between sectors. This included a Job Quality Radar (Figure 7). Each indicator and dimension was scored from low to high:

A score of 3 is High, which means that the underlying indicators, on average, exceeded either relevant threshold (for example, for a living wage) or benchmark (compared to the same indicator for other sectors). This implies the sector performs well in this dimension in terms of generating positive outcomes for workers.

A score of 2 is Medium, which means that the underlying indicators, on average, are in line with the relevant threshold or benchmark. This implies the sector has an average performance.

A score of 1 is Low, which means that the underlying indicators, on average, were worse than the relevant threshold or benchmark. This implies the sector performs poorly in this dimension.

Find out more: Read Towards More and Better Jobs in Albania
3.3 Analyse and act on job quality data

This step closes the cycle and takes programmes back to the why of measurement as outlined in Section 1. The rationale for measuring job quality requires identifying key audiences, their information needs, and decisions to be taken. Armed with data, programmes can analyse and present findings in order to fulfil these key functions, whether it be reporting to donors or updating partnerships with market actors. Programmes should not forget the stakeholders identified in Step 1.1, and ensure that insights are fed back to them.

A common question at this final stage is what level of change is considered good enough to consider that job quality has improved. Section 1 encouraged programmes to develop a broad understanding of what high quality versus low quality jobs look like in a given context. But data demands precision. For specific job quality aspects – dimensions and indicators – the concept of sustainability thresholds outlined in Box 17 can help.

However, the picture becomes less clear when aggregating across dimensions to get an overall picture of job quality (see Box 18). This is because the jobs that target groups are undertaking may improve in some respects, but get worse in others. While donor results frameworks can ask for reporting on the number of decent or quality jobs, drawing an absolute line in the sand for whether an individual job is of improved quality or not poses numerous challenges. Instead, a relative approach can be used to identify if and how different dimensions of job quality are changing against an established baseline.

Jobs that are getting both better in some respects and worse in others need to be interpreted in context, and whether they can be reported as an improved job should be decided in dialogue with the donor.  

Box 17. What level of change is good (enough)?

Thresholds help establish foundations and ceilings that society should seek to operate within to prevent harm to people. From a measurement perspective, this means that outcomes for people are sustainable if they are within the acceptable range determined by societal thresholds. These ranges are set with reference to social norms and standards. Thresholds are fast-emerging for environmental impacts but still evolving for many social issues, including job quality. For some specific dimensions and aspects of job quality, thresholds have been established and generally accepted (for e.g., the real living wage as expressed by the Living Wage Foundation). However, other areas are contested, such as what should a sustainable worker-CEO pay gap look like.  

36  Note there is nothing to stop programmes from setting their own thresholds for what constitutes a quality or improved job. However, this needs to be decided on a case by case or organizational basis together with donors.
37  Adapted from Impact Management Platform.
38  Work by the UN Institute for Social Development provides a useful resource.
Box 18. What counts as a good, decent or quality job?

According to the World Bank, good jobs are those that “contribute to fundamental changes in society by raising living standards and improving social cohesion and productivity”. The Centre for Labour Studies considers a quality job as one that is “well-paid... with a stable status and good working conditions, which leaves the possibility of having a fulfilled life outside of work, and in which relations with the professional environment are good”.

These definitions help provide conceptual clarity, but are not specific enough to use as the basis for measurement.

There is also no agreed upon definition of what it means for a job to be decent, but a number of initiatives have sought to clarify this for specific sectors or demographics. For example, a decent job for youth is defined as one that meets the following criteria:

- Has contractual arrangements that meet the expectations of the young worker;
- Qualifies as neither overemployment nor underemployment;
- Pays at or above the average monthly wage rate of young workers;
- Offers satisfactory job security;
- Offers the possibility for worker participation in labour unions or association of employer organizations; and
- Offers entitlements, among which are paid sick and annual leave.

In the rural economy, decent employment refers to any activity, occupation, work, business or service performed for pay or profit by women and men, that:

- Respects the core labour standards as defined in ILO conventions. This implies that it is not child labour, forced labour and discriminatory, and guarantees freedom of association and right to collective bargaining;
- Provides an adequate living income;
- Entails an adequate degree of employment security and stability;
- Adopts sector-specific occupational safety and health measures;
- Avoids excessive working hours and allows sufficient time for rest; and
- Promotes access to adapted technical and vocational training.

If MSD programmes use these criteria in full, it will very likely lead to very few jobs being considered decent. Instead, it may be better to frame job quality in relative rather than absolute terms. That is, instead of a single line in the sand separating high from low quality, that measurement helps identify if target groups are on the pathway towards higher (or lower) quality jobs. This allows measurement to be practical based on the contextual reality.
Interview with Edlira Muedini, Project Manager at RisiAlbania

RisiAlbania is an MSD programme working together with partners to create decent jobs for young women and men in Albania.

Why was it important for the programme to focus on job quality?

RisiAlbania is a youth employment project which aims to facilitate access to jobs and labour market information and services to young women and men. As such, the aspect of job creation and retention are at the core of the project work. After a decade of work in this domain, we have noticed that year after year the concept of quality jobs and decent jobs is articulated as a need in Albania as well. The big emigration numbers in the country in recent years, where the majority are young people, is one of the reasons for concerns about the quality of jobs and life in the country.

How can job quality improvements be measured?

RisiAlbania carried out a study (see Box 16) to understand the perception of quality jobs from the perspective of both employee and employer in the three economic sectors that the project is engaged in. Based on these findings, the project is adapting its monitoring indicators to integrate topics based on three criteria: (i) importance covering key issues raised in the survey; (ii) measurability to ensure that they are feasible to measure; and (iii) acceptability that there is good understanding and willingness from the side of employer partners to change.

For example, better income or working conditions of youth scored high in the survey, are measurable and acceptable. Especially as employers are being more aware of the reasons of a lack of staff retention. This means the project will collect data on how income and working conditions of youth has changed compared to their previous employment. If the job will be the first employment, then the young person will be asked about the satisfaction of both income and working conditions.

What are the key opportunities and challenges when using an MSD approach for job quality?

MSD projects work in systems, not in isolation. Therefore, when talking about quality jobs, the opportunity here is to work and contribute to different levels where quality jobs are created (in the private sector) and further developed (in training providers). Systems change requires stakeholders to change – better private sector awareness, policy decision-makers communities to be informed and aware of their rights at work and demand quality jobs. MSD’s holistic approach is an ideal lens through which to do this.

Key considerations

► Is the programme sharing key data and insights with interested and affected stakeholders?
► Does data analysis help the programme understand whether job quality changes are good enough or on the path towards higher quality?