Mind the gap: Ireland: Employee perspective

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In this paper, we present information about employees’ perspective to their quality of employment in Ireland. The data was collected from: the European Working Conditions Observatory; Ireland’s Central Statistics Office; Economic and Social Research Institute, and the National Centre for Partnership and Performance; as well as from the Irish Government websites.

INTRODUCTION

Organizations that want to remain employers-of-choice must periodically assess how shifts in the business environment might affect the effectiveness of their talent management strategies, policies and programs. Globalization and changes in the age composition of the workforce - two important 21st century trends that have affect today’s businesses - make it important for managers to consider:

- How does age affect employees’ preferences for an idealized job and their assessments of their employment experiences?
- Do employees’ perceptions of their employment experiences vary from country to country?

What does “mind the gap” mean?

For this series of our research publications, we have adopted the phase, “Mind the Gap.” The Mind the Gap series aim to remind employers to pay attention to any gaps that might exist between employees’ priorities and need and employers’ allocation of workplace-based resources. Our Mind the Gap papers also aim to help our readers to such gaps in quality of employment in other country contexts.
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The Sloan Center on Aging & Work in Boston, in collaboration with the Middlesex University Business School in London, created the Mind the Gap series to provide employers with basic employment-related information country-by-country. There are two types of papers in the Mind the Gap series.

Employee Series: This series examines the perspectives that adults of different ages have about employment and the assessments that they make about their employment experiences. These papers focus on one central question: Does age affect employees’ preferences for an idealized job and their assessments of their employment experiences?

Employer Series: This series examines the prevalence of human resource policies and programs at workplaces in a selected country. Because most talent-management strategies and programs are age-neutral, we compare the availability of selected human resource policies in practices in the targeted country with the availability of similar policies and practices in a small number of countries with approximate economic circumstances. These papers focus on one core question: How does the availability of human resource policies and programs in the targeted country compare with other countries?

Although papers in both series focus on a single country, when the information contained in two or more papers are considered in tandem, it is possible to consider whether employees’ perceptions of their employment experiences vary from country to country.
Quality of Employment: Dimensions of a “Good Job” and a “Good Place to Work”

Most people would agree that good jobs are a good thing. High-quality jobs offer benefits to employees and to the organizations where they work.

- Benefits for Employees: The quality of employment affects the health and well-being of employees. Research confirms that poor quality jobs (such as jobs requiring extreme work hours, jobs that are very demanding – particularly those where employees do not have access to the resources they need to meet those demands) are associated with negative outcomes, including high stress levels and physiological reactions like cardio-vascular problems.¹

- Benefits for Employers: Employers often connect the quality of employment they offer to employees to their employer-of-choice strategies. There is some evidence that the adoption of policies and practices that promote the quality of employment available to employees is related to positive outcomes for organizations, such as customer satisfaction and organizational performance.² Employer-of-choice strategies can result in enhanced employee engagement which, in turn, can be linked to organizational outcomes, including financial measures. For example, higher employee engagement can reduce costs such as those associated with unwanted turnover. One study found that 59% of highly engaged employees report that they intend to stay with their employers in comparison to the 24% of disengaged employees who “intend to stay.”³ A number of studies have linked employee job satisfaction with positive performance indicators. Fortune reports positive relationships between being recognized as a “great place to work” and stock indices.⁴ ⁵

In this paper, we focus on seven important dimensions of the quality of employment:

- Fair, Attractive, and Competitive Compensation & Benefits
- Opportunities for Development, Learning & Advancement
- Wellness, Health & Safety Protections
- Opportunities for Meaningful Work
- Provisions for Employment Security & Predictabilities
- Workplace Flexibility
- Culture of Respect, Inclusion & Equity
- Promotion of Constructive Relationships at the Workplace*  
  * (This dimension is omitted due to lack of data availability).

The following sections of this paper use the quality of employment framework as a structure to discuss the perspectives of employees about their employment situations.
QUALITY EMPLOYMENT IN IRELAND:

I. Indicators of Fair, Attractive, and Competitive Compensation & Benefits

- Compensation and benefits are distributed in a fair and equitable manner, meeting most of employees’ basic economic needs.

- Irish employees (56.4%) agree that they are “well paid” for the work they do.\(^6\)

- In 2009, the average weekly earnings in Ireland was €716.09 ($943.34), representing a 0.6% decrease from €720.57 ($949.24) in 2008.\(^7\) The greatest decreases in earnings were recorded in the transportation and storage sector (-8.7%) and the information and communication sector (-7.1%).\(^7\)

- Weekly earnings in the public sector increased by 0.6% between 2008 and 2009, but figures did not take into account the deduction of the pension levy that was introduced in March 2010.\(^7\) Private sector earnings decreased by 2.1% in the same period.

- Average annual earnings in Ireland were highest for those aged 40-49 years in 2007, with younger workers aged 15-24 years the lowest earners.\(^8\) (See Figure 1).\(^8\)

- In general, Irish workers aged 40-59 are the highest average hourly wage earners, earning approximately €23.00 ($30.29) per hour, compared with an average of €18.39 ($24.22) per hour for those aged 25-29, and €20.39 ($26.86) per hour for workers over 60 years of age.\(^8\) (See Figure 2)

- Workers aged 50-59 years earn, on average, more in the private sector than any other age group; while those aged 40-49 earn, on average, the most in the private sector.\(^8\) (See Figure 3)

- Adjusting for longer hours worked by men, women’s income in 2007 was approximately 87% of men’s income in Ireland.\(^9\)

- Irish education sector workers are the highest average hourly wage earners at €33.23 ($43.77) per hour. Workers in the hotel and restaurant industry earn €12.93 ($16.33) on average per hour.\(^8\) (See Figure 4)

- In 2007, the number of Personal Retirement Savings Accounts (PRSA’s) in Ireland was 130,709, representing an increase of almost 35,000 since 2006.\(^10\)

- Pension coverage for workers in Ireland aged 20-69 stood at 54% in 2008. Coverage increased by 5% for female workers, from 45% in 2002 to 50% in 2008, compared to a 1% decrease in male pension coverage in the same period.\(^11\)
Irish workers aged 40-49 are the highest annual earners on average. Annual bonuses and benefits in kind are also, on average, higher for this age group than any other. However, basic annual earnings are higher, on average, for those aged 50-59.

Average hourly earnings in Ireland increase with age to peak at 40-49 years of age. Thereafter, hourly earnings decrease.
Public sector workers earn, on average, substantially more than private sector workers when compared by age. The most notable difference is among those aged 50 - 59 years.

Irish education sector workers are the highest average hourly wage earners at €33.23 ($43.77) per hour, followed by the utility sector and transportation.
II. Indicators of Opportunities for Development, Learning & Advancement

- Opportunities for the development of expanded skills and responsibilities are available.

- When asked, 64.2% of Irish workers responded that they feel they have opportunities to “learn and grow” at work, while 41.9% think that their job “offers good prospects for career advancement”.

- Among Irish employees 45.1% attended training courses over an average of 3.2 days in 2006. Male and female employee attendance was 45.2% and 45% respectively.

- When asked how they acquired the skills necessary for their current job, 48% of employees responded that they had received on-the-job-training; 41.9% were hired as experienced workers, while 24.5% responded that they had attended training courses relating to their job. In addition, 16.1% of employees reported undertaking self-directed learning. (See Figure 5)

- A greater degree of older workers (11.1%) disagreed/strongly disagreed that their jobs offered good prospects for career advancement, than those who agreed/strongly agreed (2.9%). In addition, 14.4% of young workers agreed/strongly agreed, compared to 13.4% who disagreed/strongly disagreed. Of middle-aged workers 17.7% agreed/strongly agreed compared to 15.2% who disagreed/strongly disagreed. (Figure 2).

- Employees in large organizations had acquired a higher proportion of job related skills through training courses (30.2%), compared with those in smaller organizations (15.6%).

- While participation in learning of any kind among the population in Ireland (49%) is higher than the EU average (42%), participation among adults aged 55-64 in lifelong learning is lower than among other age cohorts.

- Participation in employer sponsored training in Ireland has been shown to be much lower for workers aged 55+ when compared with younger workers. (See Figure 6)

- In 2008, over 20,500 people in Ireland completed training programs for job seekers and the unemployed. Almost 900 employees with literacy and numeracy difficulties participated in the ‘Workplace Basic Education Programme’, run by the Irish National Training and Employment Authority, FAS.
Figure 5: Employee Methods of Acquiring Job Skills in Current Job

On-the-job-training is perceived as the most likely method for acquiring job specific skills in Ireland.

Source: CSO (2009b)

Figure 6: Participation in Employer Sponsored Training by Age

Participation in employer sponsored training is higher for younger workers than older workers.

III. Indicators of Wellness, Health & Safety Protections

- Over a quarter of employees in Ireland feel that work affects their health (25.7%), while just under a quarter believe that their “health and safety is at risk because of work” (23.5%).

- In 2009, the Health and Safety Authority in Ireland recorded the lowest ever workplace fatalities since records began (in 1991). There were 43 fatalities in 2009, compared to 73 in 1991. The agriculture and construction industries were deemed the most dangerous.

- Common types of injury at work in Ireland include: dislocation, strains and sprains; wounds and superficial injuries; and bone fractures. In a study carried out by the Health and Safety Authority (2005), 37% of respondents who had suffered an injury lost between 1 and 6 months work as a result, and 12% were out of work permanently on disability. Of workers injured on the job, 32% received no compensation, 28% received partial compensation, and 27% total compensation.

- According to the Small Firms Association (2008), stress is the most commonly cited problem on medical certificates presented at work in Ireland. Irish males reported slightly higher levels of stress at work than Irish females. (See Figure 7)

- Workers aged 25 - 39 are more stressed at work than any other age group in Ireland. (See Figure 8)

Figure 7: Stress Levels at Work by Gender

Stress levels at work were measured on a scale of 0-4, where the higher the score, the higher the level of stress reported.

IV. Indicators of Opportunities for Meaningful Work

- **Opportunities for meaningful and fulfilling work are available.**

- A majority of employees in Ireland (81.5%) feel that they were “doing useful work;” 81.9% reported that their job often gave “a feeling of work well done;” and 78.9% agreed with the statement: “at work, you have the opportunity to do what you do best”\(^5\).

- In a 2004 study carried out by the National Centre for Partnership and Performance (NCPP) in Ireland, 68% of employees responded that they would want to work even if there was no financial necessity.\(^4\)
V. Indicators of Provisions for Employment Security & Predictabilities

- Terms of employment are communicated clearly, with an emphasis on smooth transitions through jobs and careers.

- In 2005, just 9.5% of respondents in Ireland felt that they ‘might lose their job in the next six months’. In light of the 34,028 lay-offs that have taken place in Ireland from January to June 2010 alone (See Figure 9), it could be surmised that this figure has increased greatly since 2005. Certainly, anecdotal evidence points to mounting concern over job security in Irish workplaces since the economic crisis began in 2008.

- Overall labor force participation in Ireland declined from 62% in Q1 2009 to 60.7% in Q1 2010.

- The latest figures suggest that male participation in the work force decreased from 70.8% in 2009 to 68.8% at the beginning of 2010, and that the female rate fell from 53.3% to 52.7% over the same period.

- The labor force participation rate among 20-24 year olds decreased more than for any other age group, falling from 70.8% in 2009 to 65.5% in 2010. (See Figure 10)

- Managers and/or supervisors are perceived as the most useful source of information concerning the workplace. The importance of formal management as a source of information decreases slightly, however, with age. (See Figure 11)

Figure 9: Employment Lay-offs in Ireland, January - June 2010

There were a total of 34,028 lay-offs in Ireland between January and June 2010. 21,672 of these were males, and 12,356 females.

Source: INOU (2010)
Between 2009 and 2010, the labor force participation of younger workers decreased. Over the same period, the labor force participation of workers over the age 25 did not change by more than 1%.

Source: CSO (2010b)

The importance of formal information sources at work declines slightly with age, as ‘other’ sources of information become more significant, e.g. the media, informal contacts outside of the workplace.

VI. Indicators of Workplace Flexibility

- Irish workers feel that working hours fit well with their family/social commitments (80.6%), with a majority (71.7%) feeling that they always or often “have enough time to get the job done.”

- The average work week in Ireland was 38.9 hours in 2007.

- In 2009, the number of people in full-time employment fell by 193,200 since 2008. However the number of people working part-time in Ireland increased by 26,400 over the same period. Males working part-time increased substantially by 25,300, whereas females working part-time increased by just over 1,000 in the year.

- Approximately 40-45% of workers across all ages in Ireland utilize flexi-time, or flexible working options. Those aged 25-39 are more likely to work from home, whereas workers aged 40-54 are more likely to job-share when compared with other age groups. (See Figure 12)

- Levels of discretion/autonomy for employees in Ireland have been found to increase with age (See Figure 13), and tenure (See Figure 14).

- Employees in Ireland have input into work options (39%) and almost always decide how much, or how fast they work, while 61% rarely, or never, decide on new work or projects. (See Figure 15)

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**Figure 12: Participation in Work Flexibility by Age**

Employees in Ireland have input into work options and most participate in some form of work flexibility.
Job autonomy was measured on a scale of 0-3, where higher scores indicate higher levels of autonomy.

VII. Indicators of Culture of Respect, Inclusion & Equity

- Diversity, inclusion, and employee personal growth are valued.

- The highest number of cases filed under the Employment Equality Acts 1998-2004 was on the basis of age in 2007, 2008 and 2009.\(^{23, 24}\)

- In 2009, the majority of queries addressed by the Equality Authority in Ireland were regarding age, disability, and gender disparities.\(^{24}\) (See Figure 16)

- A small group of workers in Ireland (9%) had been subjected to bullying and/or harassment at work.\(^{6}\)

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Figure 16: Queries Under the Employment Equality Acts, 2009

Queries to the Equality Authority were highest in 2009 on the basis of age, and lowest under religion.
VIII. Indicators of Promotion of Constructive Relationships at the Workplace

- **Interactions with supervisors and coworkers are professional and respectful.**

  - The majority of workers in Ireland (83.1%) feel supported by good friends at work, with 78.8% feeling “at home” in their organization. 6

  - Employees in Ireland “often” or “almost always” get assistance from colleagues at work (82.7%) if they asked and 74.7% of workers stated that they got assistance from their supervisors if requested. 6

  - In 2009, 34% of employees in Ireland were union members, an increase of 3% from 2007; 37% of full-time employees were members of unions, compared with 20% of part-time workers. The industry with the highest rate of union membership was public administration and defense, at 81%, while the accommodation and food services industry had the lowest, at 6%. 25

  - Oldest and youngest employees are least likely to be members of unions in Ireland. 25 (See Figure 17).

  - In 2008, 4,179 days were lost due to industrial disputes. (See Figure 18). 26 At 2,051, the manufacturing industry lost most days due to these disputes.

  - However, there were 12 industrial disputes in 2008, double the number in 2007. 26

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**Figure 17: Trade Union Membership by Age, 2009**

Oldest and youngest workers are least likely to be Trade Union members in Ireland.

Source: CSO (2010c) 25
Figure 18: Days Lost due to Industrial Disputes in Ireland

Source: LRC (2009)\textsuperscript{26}
SUMMARY AND CONCLUSION

Eight dimensions of the quality of employment were examined among workers in Ireland, drawing on data primarily from the Central Statistics Office, the Economic and Social Research Institute, the National Centre for Partnership and Performance, and the European Working Conditions Observatory.

The main findings indicate that:

- Males, older workers, and those in the public sector earn more, on average, than any other cohorts at work in Ireland.

- The majority of Irish workers feel that they are given opportunities to learn at work, although there is scope to increase workplace learning for older workers, and those employed in smaller organizations.

- Health and safety standards at Irish workplaces are improving, but stress continues to be a significant issue, particularly for 25-39 year olds.

- Concern regarding job security has increased.

- The availability of meaningful work is perceived to be high among Irish employees, and the use of flexible working options, such as part-time work, is increasing.

- Age discrimination is pervasive in the Irish workplace.

- Days lost at work due to disputes are decreasing, but industrial disputes at work are increasing.

It will be interesting to compare the most recently available statistics here with future publications that will assess the effects of the global financial crisis on employee perceptions about their quality of employment. As the workplace is currently undergoing significant restructure and change, it is anticipated that employee perceptions will change also.
ABOUT THE INSTITUTE

Established in 2007 by the Sloan Center on Aging & Work, the Global Perspectives Institute is an international collaboration of scholars and employers committed to the expansion of the quality of employment available to the 21st-century multi-generational workforce in countries around the world.

The Global Perspectives Institute focuses on innovative and promising practices that might be adopted by employers and policy-makers.

The Institute’s research, publications, and international forums contribute to:

- a deeper understanding of the employment experiences and career aspirations of employees of different ages who work in countries around the world;
- informed decision making by employers who want to be employers of choice in different countries; and
- innovative thinking about private-public partnerships that promote sustainable, high quality employment.

In addition to the Mind the Gap series, the Global Perspectives Institute publishes a Statistical Profile Series that highlights workforce demographic trends in different countries and a Global Policy Series that focuses on selected workforce policy in certain country contexts.

For more information on SCAW publications, please visit us online at:
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The Sloan Center on Aging & Work at Boston College promotes quality of employment as an imperative for the 21st-century multi-generational workforce. We integrate evidence from research with insights from workplace experiences to inform innovative organizational decision making. Collaborating with business leaders and scholars in a multi-disciplinary dialogue, the Center develops the next generation of knowledge and talent management.

The Sloan Center on Aging & Work is grateful for the continued support of the Alfred P. Sloan Foundation.

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REFERENCES

1 For example, see:


2 For example, see:


5 Unfortunately, most of the research linking employer-of-choice strategies with business outcomes tends to focus on correlational relationships. Such studies do not definitively establish that being a “best place to work” causes positive organizational performance; indeed, it also might be true that high profits and strong financial growth cause higher employee engagement and foster perceptions that a particular workplace is an employer of choice.

6 European Working Conditions Survey has been monitoring the working conditions of European workers on a periodic basis. The survey has been carried out four times by the Eurofound (the European Foundation for the Improvement of Living and Working Conditions): in 1990/91, 1995/96, 2000 (extended to cover the 10 new member states, Bulgaria, Romania and Turkey in 2001/02) and 2005 (31 countries).

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