

Simply the best? Making the NHS a leader in good employment

Technical appendix

This technical appendix details the construction of the good employment indices described in the report [Simply the best? Making the NHS a leader in good employment](#) and published in the accompanying [dataset](#).

Methodology – general principles

Relation to CPP Good Employer Index 2019

The good employment indices featured in this report are very closely related to the CPP Good Employer Index 2019 reported in in our November 2019 [report](#) *The good life: the role of employers* and its accompanying [technical appendix](#), [how-to guide](#) and [online tool](#). For brevity, this technical appendix does not repeat all the material included there but describes new, NHS specific aspects of constructing the indices.

To allow comparability with that report, whilst fully utilising data available for the NHS we use two distinct measures, which we refer to as:

- CPP Good Employer Index: This is the measure used *The good life: the role of employers* to measure the employment quality of the UK's largest 25 employers. We use it in this report to directly compare the NHS as a whole to those employers, and also to look at NHS England, NHS Improvement and the Department of Health.
- NHS Employer Index: This is an enhanced version of the index which uses additional data available for NHS trusts that was not available for employers in general. This is used to report the relative performance of trusts and look at the factors explaining this.

Scope: NHS employers covered

The scope of the main analysis of the report is the 223 NHS trusts in England, covering 1.2m employees. This excludes a small number of NHS employees such as those employed by CCGs or by central organisations – these were excluded due to the lack of comparable data. It also excludes GPs who are mostly not directly employed by the NHS.¹ Due to our focus on the legal employer, our methodology is not the most appropriate for assessing employment quality for GPs. For each trust we calculate scores for both the CPP Good Employer Index and the more detailed NHS Employer Index.

For comparison with the largest employers in the UK we take the average (unweighted mean) of the 223 trusts. These are the reported 'NHS' figures.

¹ Most GPs are formally self-employed or employed by a practice. The NHS holds its influence over their action and pay through contractual agreement.

We also examine three supervisory bodies on the CPP Good Employer Index. These are reported separately but are *not included* in the overall ‘NHS’ results or analysis based on comparisons between trusts. They are:

- NHS England (NHSE)
- NHS Improvement (NHSI): We examined this separately to NHSE as the majority of data was available for prior to their merger in April 2019.
- Department of Health (DH). In line with the government protocol we followed in the CPP Good Employer Index, we treat Public Health England (PHE), an executive agency, as part of DH. PHE accounts for around three quarters of their combined number of employees.

Treatment of mergers

We measure trusts as they were constituted in December 2019. Where our source datasets are from prior to the merger we create an appropriate composite statistic. For example, on Staff Survey results we take the unweighted average of the trusts that are merging, whilst on CEO pay we take the higher figure for the two trusts. For employment tribunals and other violations, we search against all current and previous names.

Timeliness

The index aims to capture the latest available data:

- Where we are reporting a status (e.g. the number of employees or LWF accreditation) we use the latest available data:
 - o Data was compiled in December 2019
 - One exception is Staff Survey data used was collected in Autumn 2019 and published in February 2020
 - Due to publishing delays, reported data is generally for a slightly earlier period than this. For example, CEO pay ratios and median pay are from annual reports which cover April 2018 to March 2019.
 - o Where we are reporting cumulative data (e.g. the volume of tribunals or fines) we use data for the latest three years (December 2016 – December 2019). This is to balance the fact that this data can be ‘lumpy’ with the need to allow organisations to improve, rather than be burdened with historic offences.

All data used is available at least annually.

Methodology – combining the measures

Normalisation

To place different measures on a comparable scale, we continue to use the normalisation procedure recommended for expansion of the CPP Good Employer Index (see [how-to guide](#)). We continue to use the best and worst of the 25 largest employers to define normalised scores 1 and 0 for each measure, meaning that some trusts score outside this range on some measures.

For new measures, we use the same process, using the best NHS trust to define a normalised score of 1, and the worst trust for zero.

Weighting

For use of the CPP Good Employer Index, we continue to use the weightings used previously. These are summarized in Table 1.

For the expanded NHS Employer Index, the same approach was used, weighting the seven aspects equally, and then weighting measures within this equally, with two exceptions to this principle:

- Zero-weighting non-distinguishing measures: For three measures all trusts scored the same: there are no employee owned trusts; no trusts received a Workplace Well-being Award; and all trusts report their CEO pay ratio.
- Overweighting the survey score for ‘Diversity and recruitment’: There are several accreditation scores in this aspect, but only one Staff Survey measure capturing perceived behaviour. We believed it was appropriate to weight these two sources equally so have relatively overweighted the Staff Survey measure.

The resulting weighting is shown in Table 1.

Table 1: Measure weightings

Aspect	Measure	Good Employer Index weight: within aspect (overall)	NHS Employer Index weight: within aspect (overall)
Pay and benefits	Living Wage Foundation signatory	100 (33)	100 (25)
	National minimum wage violations	100 (33)	100 (25)
	Industry relative pay	100 (33)	100 (25)
	Median pay	0 (0)	100 (25)
Terms of employment	Employment Tribunals	100 (100)	100 (100)
Training and progression	Career opportunities	100 (100)	100 (100)
Working conditions	Health and Safety Executive violation fines	100 (50)	100 (17)
	Workplace wellbeing award	100 (50)	0 (0)
	Surveyed: Recognition and support	0 (0)	100 (17)
	Surveyed: Variety and autonomy	0 (0)	100 (17)
	Surveyed: Intensity	0 (0)	100 (17)

	Surveyed: Health and wellbeing	0 (0)	100 (17)
	Mindful employer	0 (0)	100 (17)
Work life balance rating	Work life balance	100 (100)	100 (100)
Voice and representation	Employee owned	100 (100)	0 (0)
	Surveyed: Participation in decision making	0 (0)	100 (100)
Diversity and recruitment	Gender pay gap	100 (20)	100 (10)
	Disability confident signatory score	100 (20)	100 (10)
	Pay ratio	100 (20)	100 (10)
	Report pay ratio	100 (20)	0 (0)
	Social mobility signatory	100 (20)	100 (10)
	Diversity Champion	0 (0)	500 (50)
	Surveyed: Equality, diversity & inclusion	0 (0)	100 (10)

Methodology – obtaining the measures

As CPP Employer Index 2019

For the following measures, the same data sources and methods were used as in the CPP Good Employer Index. See previous [technical appendix](#) for detail.

- LWF Living Wage accredited
- NMW violation fines
- Employment tribunals
- HSE violation fines
- Workplace wellbeing award
- Employee owned
- Gender pay gap
- Disability Confident signatory score
- CEO pay ratio
- Self-reports CEO pay ratio
- Social mobility signatory

Where ‘current’ data is used which was for or up to October 2019 in the CPP Good Employer Index 2019 this has been taken for December 2019 for the NHS Employer Index.

Crowdsource measures

For the three crowdsource measures included in the CPP Good Employer Index 2019 a refined methodology was used, due to incomplete data availability from the original source, Glassdoor, and similar alternative data available from the NHS Staff Survey. The measures include:

- Industry relative pay rating
- Career opportunities rating
- Work life balance rating

Glassdoor ratings were only available for 14 trusts with a sufficient sample size (≥ 30). We therefore used a composite measure: a trust's scores were based on its scores to certain Staff Survey questions (see Table 2). These were then converted to 'Glassdoor equivalent' scores based on the estimated linear relationships between survey scores and Glassdoor scores for the 14 trusts (a separate relationship was estimated for each of the three measures). The intercepts of the relationships were adjusted so that the model replicated observed Glassdoor scores for the NHS as a whole.

New measures – Staff Survey

Version

All our results are from the 2019 Staff Survey conducted between September and November 2019.²

Weighting

We use weighted survey responses, due to their prior availability. The weighting is designed to remove the impact of different trusts having different proportions of different occupational groups. This is not fully appropriate to our index as we are interested in the absolute level of employment quality regardless of employee type, but we found using weighted data made very little difference to results using 2018 data. With or without weighting there is a risk of response bias: employees with strong positive or negative opinions may be more likely to respond. However, this is less likely to affect comparisons between trusts.

Question selection

We chose individual questions that captured the different features of good employment as presented in the QulnnE indicators summarized in the *Taylor Review of Modern Working Practices*.³ If more than one question was pertinent to a feature, we grouped them together into a single measure. In one case we used an appropriate 'theme' where several questions have already been combined. The questions or themes used for each measure are shown in Table 2. If the questions were framed in the same way we took a simple average, if this was not possible (e.g. comparing overtime hours v. % satisfied with flexibility) we normalised (as described above) before averaging.

² All relevant materials available at: <https://www.nhsstaffsurveys.com/Page/1056/Home/NHS-Staff-Survey-2019/>

³ Department for Business, Energy & Industrial Strategy (BEIS) (2017) *Good Work: The Taylor Review of Modern Working Practices*. Available at: <https://www.gov.uk/government/publications/good-work-the-taylor-review-of-modern-working-practices>



Table 2: NHS Staff Survey questions used

NHS Employer Index Measure	Question	Response used
Career opportunities	20a) Have you had any training, learning or development in the last 12 months? (Please do not include mandatory training)	% Yes
	19g) My manager supported me to receive this training learning or development?	% Yes, definitely
	14) Does your organisation act fairly with regard to career progression / promotion, regardless of ethnic background, gender, religion, sexual orientation, disability or age?	% Yes
Industry relative pay	5g) How satisfied are you with each of the following aspects of your job? My level of pay	% Satisfied or very satisfied
Work life balance	5h) How satisfied are you with each of the following aspects of your job? The opportunities for flexible working patterns	% Satisfied or very satisfied
	10b) On average, how many additional PAID hours do you work per week for this organisation, over and above your contracted hours? & 10c) On average, how many additional UNPAID hours do you work per week for this organisation, over and above your contracted hours?	% staff working additional hours (sum of two responses)
Surveyed: Equality, diversity & inclusion	Theme 1) Equality, diversity & inclusion	Score
Surveyed: Health and wellbeing	11a) Does your organisation take positive action on health and well-being?	% Yes, definitely
Surveyed: Intensity	6a) How often do the following statements apply to your job: a) I have unrealistic time pressures	% Never or rarely
	4e) To what extent do you agree or disagree with the following statements about your work: I am able to meet all the conflicting demands on my time at work	% Agree or strongly agree
	7c) Do the following statements apply to you and your job? I am able to deliver the care I aspire to	% Agree or strongly agree
Surveyed: Participation in decision making	4c) To what extent do you agree or disagree with the following statements about your work: I am involved in deciding on changes introduced that affect my area of work area / team / department.	% Agree or strongly agree



Surveyed: Recognition and support	5a) How satisfied are you with each of the following aspects of your job? The recognition I get for good work	% Satisfied or very satisfied
	5b) How satisfied are you with each of the following aspects of your job? The support I get from my immediate manager	% Satisfied or very satisfied
	5c) How satisfied are you with each of the following aspects of your job? The support I get from my work colleagues	% Satisfied or very satisfied
Surveyed: Variety and autonomy	6b) How often do the following statements apply to your job: I have a choice in deciding how to do my work	% Often or always
	5e) How satisfied are you with each of the following aspects of your job? The opportunities I have to use my skills	% Satisfied or very satisfied

New measure – median pay

As public sector bodies, trusts report their median pay on a comparable basis. This includes benefits-in-kind but not employer pensions contributions.⁴ We include this value as the best available data on what staff at the trust are actually paid. All data is taken from 2018/19 annual reports.

New measure – Mindful employer

Mindful employer is a UK wide initiative run by Devon Partnership NHS Trust aimed at providing employers with easy access to professional workplace mental health training, information and advice.⁵ Our measure is whether the employer is a signatory to their ‘Charter for Employers Positive about Mental Health’. This commits employers to certain values and requires self-review but is not subject to independent assessment. As such, it is a signal of commitment rather than of practice.

We include it in the NHS Employers Index in place of the Workplace Wellbeing Award as it is an NHS led initiative whilst no NHS trusts are included on the latter.

We award a score of 1 to signatories and 0 to non-signatories. This is based on the list published in December 2019.⁶

New measure – diversity champion

The Diversity Champions programme is run by charity Stonewall. It is predicated on the employer’s “stated commitment to improve workplace culture for stated commitment to

⁴ For full requirement see: NHS Improvement (2019) *NHS foundation trust annual reporting manual 2018/19: update*. Available at:

[https://improvement.nhs.uk/documents/3753/FT_ARM_201819 - Update 13 Feb19.pdf](https://improvement.nhs.uk/documents/3753/FT_ARM_201819_-_Update_13_Feb19.pdf)

⁵ See: <https://www.dpt.nhs.uk/mindful-employer/about>

⁶ Available at: <https://www.dpt.nhs.uk/download/g3eC6l6V5w>

improving the workplace culture for lesbian, gay, bi and trans staff and is not considered an accolade or endorsement”.⁷ It has 830 UK members, including 44 trusts. We include it additionally in the NHS index as a relatively common signal of intent given by trusts, using the list published on their website as of December 2019.⁸

Additionally, Stonewall rate the top 100 employers based on a survey of employees in their Workplace Equality Index.⁹

We score trusts who feature in the top 100 in 2019 with 2 point, those which don't but are signed up as a Diversity Champion with 1 point, and other trusts with 0 points.

Analysis

Ascription of trusts to local authorities

Throughout the report we relate NHS trusts to local authorities. This is used for regional data presentation and also to construct local variables, such as the level of local pay.

As trusts do not cover defined geographic areas, we assign each trust to the local authority of the address of its listed headquarters (as of December 2019).

These are listed in our published [dataset](#).

⁷ Stonewall (2019) *Diversity champions programme: Logo usage guidelines and terms and conditions*. Available at: <https://www.stonewall.org.uk/sites/default/files/dc-logo-useage.pdf>

⁸ Signatory list obtained from: <https://www.stonewall.org.uk/diversity-champions-members>

⁹ Ranking available at: <https://www.stonewall.org.uk/full-list-top-100-employers-2019>