August 2023

Addressing labour market challenges from a human-centred perspective: a review of the literature on work and the Capability Approach

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Acknowledgements

This paper was prepared for the Pissarides Review into the Future of Work and Wellbeing, led by Professor Sir Christopher Pissarides (Institute for the Future of Work and London School of Economics). We gratefully acknowledge financial support from the Nuffield Foundation.

The Pissarides Review into the Future of Work and Wellbeing is a collaboration between the Institute for the Future of Work (IFOW), Imperial College London (ICL) and Warwick Business School. We are grateful to Christopher Pissarides (IFOW, LSE), Anna Thomas (IFOW) and Abigail Gilbert (IFOW) for their valuable comments and input. The views expressed herein are those of the authors and do not necessarily reflect the views of the Nuffield Foundation, nor those of the Institute for the Future of Work.

Citation


DOI: 10.5281/zenodo.8082665

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Through a narrative review of literature applying the Capability Approach to work, themes related to extrinsic employment conditions, sustainable employability, intrinsic job quality and work capabilities are identified. The literature demonstrates the framework’s promotion of a holistic understanding of work’s role in the process of human development. Structural contextual factors emerge as facilitators or obstacles to individual opportunities in the workforce, but empirical studies of the impact of these factors remain limited.

The Capability Approach proposes a human-centred perspective for assessing labour market challenges and promoting better work outcomes. By acknowledging the multidimensional nature of work capabilities and the significance of structural factors, policymakers can design more inclusive and equitable labour policies to empower individuals to lead fulfilling and productive lives in their chosen work environments. Bridging the gap between theory and empirical evidence is crucial to realise the full potential of the Capability Approach in addressing the complexities of the contemporary labour market.

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The Capability Approach proposes a human-centred perspective for assessing labour market challenges and promoting better work outcomes. By acknowledging the multidimensional nature of work capabilities and the significance of structural factors, policymakers can design more inclusive and equitable labour policies to empower individuals to lead fulfilling and productive lives in their chosen work environments. Bridging the gap between theory and empirical evidence is crucial to realise the full potential of the Capability Approach in addressing the complexities of the contemporary labour market.

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1. Introduction

In the United Kingdom, the labour market is currently confronted with a complex set of challenges, including persistently low productivity levels (Valero & Reenen, 2019), over 1 million unfilled job posts and workforce shortages above pre-pandemic levels (Office for National Statistics, 2023), a concerning surge in self-reported ill-health among older workers (Tinson et al., 2022), the still debatable “big resignation” (Marks, 2023), and alarmingly low levels of employee engagement compared with other countries (Gallup, 2023). These challenges are compounded by demographic trends, including an ageing and shrinking working-age population and high barriers to immigration, exacerbating labour market inefficiencies. The net result is a very tight labour market, necessitating urgent intervention.

Traditional economic approaches have so far proven ineffective in resolving the UK’s productivity stagnation. Instead, they have arguably led to worsening inequalities and repercussions for people’s health and wellbeing. This highlights the limitations of prevailing narratives that assess a society’s progress and development using productivity levels or employment rates.

In light of the pressing need for innovative policies to address current labour market challenges, this paper reviews the application of the Capability Approach to our understanding of work. The findings derived from this analysis are anticipated to offer a fresh and insightful framework to guide policy-making.

The Capability Approach is a framework to assess progress based on people’s opportunities to lead the lives to which they aspire. Since the 2000s, the approach has gained significant international traction in both academic and policy circles. In 2008, the so-called Stiglitz-Sen-Fitoussi Commission (Stiglitz et al., 2009) was formed to explore alternative measures of economic performance and social progress without relying on indicators of productivity (e.g. GDP). The enquiry inspired subsequent landmark reports that applied Sen’s approach and gave a strong signal of a paradigm shift in development policy. Examples of this were the OECD’s Better Life Index and the United Nations’ World Happiness Index which continue to be published annually. In the UK, the changing discourse was exemplified by the Government’s launch of the National Wellbeing Programme in 2010, accompanied by the development of the Wellbeing Dashboard measures by the Office for National Statistics (Cabinet Office et al., 2013; Office for National Statistics, 2023).


However, one area where the Capability Approach has received comparatively less attention is in the study of work and employment. This is surprising considering that work and income generation activities are a key pillar of the human development paradigm (Alkire, 2002a). Moreover, the time spent in paid work has been increasing since the 1980s as evidenced by time-diary studies in anglophone countries (Gershuny, 2011). Working life is estimated to last over 36 years on average in European countries (Eurostat, 2023). And yet,
a review by Julhe reveals that while the number of publications using Sen’s approach to analyse work and employment has been increasing since the early 2000s, these publications accounted for less than 10% of all publications applying the Capability Approach as of 2016 (Julhe, 2016, p. 227).

To explore how scholars have interpreted and applied the Capability Approach within the context of work thus far, a narrative literature review was conducted, which consistently yield several fundamental ideas about the value of work beyond mere employability, income generation or productivity. The review highlights the gradual recognition that Sen’s approach has gained in the domain of work and employment, with interpretations that have evolved from considering extrinsic working conditions to intrinsic job features.

This paper begins by offering a brief overview of the fundamental principles of the Capability Approach. It then proceeds to describe the literature review methods used to map out the extent of the applications of the Capability Approach in the context of work.

Section four has three subsections describing common applications of the Capability Approach to work as found in the review. The first is an exploration of its impacts on understanding the extrinsic rewards of work. The second sees a discussion of the concept of sustainable employability as a development beyond solely extrinsic rewards, with the third section then moving to examine how the Capability Approach better helps us understand intrinsic job qualities.

Section five then summarises the lists of work capabilities proposed in the literature. Section six gives an overview of the association between these capabilities and other metrics of labour market ‘success’. Lastly, we summarise key research discussing conversion factors in the context of work. The paper concludes by proposing further applications of the Capability Approach in the study of work and employment, to enhance our understanding of workers’ wellbeing and labour market progress.
2. The capability approach to wellbeing: an overview

The Capability Approach is a normative framework for assessing quality of life, wellbeing and development (Comim, 2001). It originated in the work of Amartya Sen (1979, 1985, 1999) and was intensively developed by Nussbaum (2000a, 2011b, 2011a). This paradigm emerges as a rejection of utilitarian and mainstream economic theory, maintaining that wellbeing should not be gauged solely in terms of resources and commodities but in terms of people’s actual freedoms to do and be what they wish. The Capability Approach builds on the assumption that individuals have different needs and opportunities to convert the same resources into valued utilities, depending on their personal, social and institutional contexts (Sen, 1979). Thus, the type of climate we live in, the cultural values and ideologies reigning our communities, our personal characteristics (e.g. disability, age or long-term illness) and even our past experiences, may all facilitate or constrain our chances to obtain satisfaction from given resources (Sen, 1999).

As illustrated in Figure 1, the Capability Approach straddles two distinct concepts: achievements (or functionings) and freedoms (or capabilities). An individual’s functionings are their realised outcomes or what they currently manage to accomplish and achieve, which includes but is not limited to their own wellbeing. A functioning represents the doings and states of being that have been chosen or prioritised by a person and which can be achieved in practice (Sen, 1985). For example, the resource of a bike affords the functioning of mobility (Robeyns, 2005b). According to Sen, certain functionings are fundamental and important for everyone, like being nourished and in good health, and there are other more subtle functionings also widely valued, such as gaining self-respect or being socially connected (Sen, 1993). Working, the subject of this paper, is another example of a functioning (Crocker & Robeyns, 2009).

By contrast, capabilities denote the real opportunities of a person to accomplish what they value (Sen, 1992a), that is, the real freedom to engage in the activities in which they want to engage, and to be who they want to be (Crocker & Robeyns, 2009), to make choices in pursuit of their own wellbeing or whichever life they want to lead. By way of example, everyone should have the possibility to participate in productive activities or engage in economic transactions, but if someone chooses to be idle and away from the labour market, they should also have the option to actively pursue these alternative choices. The distinction between capabilities and functionings has clear implications for the study of
work and wellbeing, as Nussbaum (2000b) illustrates: two individuals might achieve the same outcome (e.g. working two different jobs) but for quite different reasons (e.g. one is a workaholic, and the other is struggling to make ends meet).

With this approach, Sen proposes a novel way to address wellbeing inequalities across societies (Robeyns, 2003). The suggestion is that policy design should not merely address the distribution of commodities (e.g. salary levels) or achievements (e.g. being employed) but the distribution of procedural freedoms to lead the kind of life they value (e.g. individuals’ opportunities to do the jobs they wish). The main novelty of the framework is that it calls for a simultaneous examination of different success metrics, in other words: “broadening the informational space of other ethical approaches by defining as units of evaluation not ‘opulence’, utilities, primary goods or rights but functionings (‘doings’ and ‘beings’) – a measure that encompasses these other unities of evaluation” (Comim, 2001, p. 4). Indeed, a stylised model of the Capability Approach (see Figure 1) is inclusive of resources as it would have been the focus of traditional developmental approaches. These resources or means are identified as ‘goods’ inasmuch they are ‘of interest to people’ because they can ultimately enable a functioning (Sen, 1999). In the context of work and employment, resources can refer to anything from wages to technological innovations.

A further key contribution of the Capability Approach is its emphasis on multidimensionality. This principle can be understood in two ways. Firstly, as described above, it refers to the holistic assessment of (1) resources or commodities available to individuals (means), (2) what individuals are capable of doing and being with these resources (capabilities), and ultimately (3) what individuals actually achieve (functionings). Another way to understand the principle of multidimensionality in Sen’s approach is the consideration of a combination of different capabilities or a broader structure of opportunities, rather than solely focusing on enhancing a single type of capability.

The debate about whether, or which, specific capabilities should be the goal of development policy is ongoing (Robeyns, 2005a). In fact, one of the criticisms of Sen’s framework has been its theoretical and empirical ‘underspecification’ (Comim, 2001), which has made it challenging to operationalise into practical measurement tools. This is especially true in the field of work and employment capabilities. On the one hand, Sen (1999; Sen & Foster, 1973) proposed that the identification of capabilities and what is collectively valued should be subject to deliberative and democratic processes so that the pertinent capabilities gain legitimacy within particular domains (e.g. politics, academia, industry) and are in accordance with the geographic or cultural context (Robeyns, 2003). By contrast, Nussbaum (2003, 2011b) proposed a predetermined list of ten capabilities which, she argues, represent the conditions for a fulfilling life and the general goals of society. This list includes: bodily health and integrity; affiliation with others; exertion of practical reason; opportunity to experience ‘sense, imagination, and thought’; to play; and have ‘control over one’s environment’. Nussbaum’s approach, however, has been challenged for being overly-prescriptive – universalising at the expense of potentially important details and lacking context-sensitivity (Alkire, 2002b).

Sen further introduced the concept of agency, to address the challenge of selecting universally crucial capabilities. Agency refers to individuals’ ability to determine what matters to them and to take actions towards achieving those goals, in other words, shaping
their own life. Through a capability lens, individuals are viewed as active participants in driving change, rather than passive recipients of assistance or instructions or simply gaining utility from owning resources (Sen, 1999). The role of policy, therefore, should consist of empowering individuals, as well as communities, to act and make choices, considering their preferences, goals, and the adaptive nature of their actions (Crocker & Robeyns, 2009). Notably, the exercise of agency and choice exists not only when seeking personal welfare, but also when pursuing other ends such as altruistic objectives or actions aligned with social norms (Crocker & Robeyns, 2009).

The extent of individuals’ agency cannot be understood, however, without also considering the influence of the wider societal context. The Capability Approach situates individual freedoms within contested environments characterised by constrained agency and power relations (e.g. Giuliani & Lewis, 2005; Korpi, 2000). In capability theory, this is represented by conversion factors, which encompass personal, social, and environmental elements that shape individuals’ ability to transform resources into real and valued opportunities (Sen, 1992a, 2000). Personal factors might include attributes such as metabolism, physical condition, skills, and intelligence, while social factors might encompass public policies, social norms, and power relations. Environmental factors like climate and geographic location may also influence individuals’ capacity to achieve their goals using available resources. The recognition of human diversity and the existence of such enabling or constraining contextual factors make the Capability Approach a powerful framework to address inequalities.

A final important aspect of the Capability Approach is the significance placed on objective indicators of capabilities and functionings. Proponents of the approach argue that subjective wellbeing assessments, such as happiness or satisfaction with life, may be incomplete and unreliable indicators of individuals’ quality of life. These assessments risk concealing the tendency of individuals to adapt their preferences under circumstances of deprivation as a coping mechanism, as described in Elster’s (1983) theory of adaptive preference formation. For example, job search decisions can also be constrained by individuals’ understanding of their immediate available options. An example following from Bonvin and Farvaque (2005) is that a person born to parents with low educational level might not appreciate their right to pursue work at a professional level based on their life experience, and therefore not consider professional work as an alternative that they have ‘reason to value.’ Sen emphasises that capabilities should be seen as objective realities rather than subjective preferences (Comim, 2001). While subjective preferences can provide contextual information to interpret objective capability levels (Watts et al., 2008), they should not be solely relied upon as indicators of what is truly valuable or what individuals have reason to value.

This paper explores how the Capability Approach’s core principles have been understood and applied in the context of work and employment. This comprises an essential starting point for assessing the approach’s potential in addressing current labour market challenges and priorities for future research.
3. Methods

The primary objective of this paper was to explore the application of the Capability Approach to the context of work. Given the broad nature of the research question, the absence of hypotheses, and the expected predominance of qualitative studies in the field, a traditional narrative review with elements of systematic search was deemed appropriate (Baumeister & Leary, 1997; Snyder, 2019).

Structured literature searches were conducted in three sources (see Table 1). Firstly, a Scopus database search using specific keywords in the title yielded 193 publications. Secondly, a search of similar terms in titles of the Journal of Human Development and Capabilities resulted in 38 relevant publications. Thirdly, a more targeted word search in bibliography lists published as special issues of the Journal of Human Development and Capabilities identified an additional 14 titles including terms related to work, labour, jobs and employment (this corresponded to 3% of the total publications in English on the Capability Approach recorded by the journal between 2004 and 2013). Only publications in English and published from 2000 onwards were included.

After identifying duplicates, screening articles by title and then by abstract, only 47 publications were included based on thematic relevance to the research question. Publications focusing on specific populations (e.g. working children in Turkey, social workers, sex workers) or other human development domains (e.g. health, education, environmental policy) were excluded. Expert consultation added 35 grey literature and academic publications.

The final 82 selected publications were analysed thematically, revealing topics related to extrinsic working conditions, employability, intrinsic job quality, valued work capabilities, and types of conversion factors. This paper explores the literature content under each of these themes before considering future research priorities.

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<th>Source</th>
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<td>Scopus (Elsevier)</td>
<td>TITLE-ABS-KEY (&quot;capability approach&quot;) AND (TITLE (work*) OR TITLE (job*) OR TITLE (employ*) OR TITLE (labour) OR TITLE (labor)) AND PUBYEAR &gt; 2000 AND LANGUAGE (english) AND REFAUTH (ten)</td>
<td>193</td>
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<tr>
<td>2</td>
<td>25-Jul-23</td>
<td>Journal of Human Development and Capabilities (Taylor &amp; Francis)</td>
<td>[Publication Title: work*] OR [Publication Title: job*] OR [Publication Title: employ*] OR [Publication Title: labour] OR [Publication Title: labor] AND [In Journal: Journal of Human Development and Capabilities] AND [Publication Date: 01/01/2000 TO 31/12/2023]</td>
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| Total search results | 245 |
| Duplicates removed | -15 |
| Excluded at title screening | -95 |
| Excluded at abstract screening | -88 |
| Total search results included | 47 |
| Added titles after experts' consultation (March 2023) | 35 |
| Total studies included in review | 82 |
4. **Common applications of the Capability Approach to work**

4.1 **Extrinsic rewards from work**

Nussbaum (2011b) proposes that being able to work and participate in economic transactions are essential human needs. Some studies reviewed here suggest that the Capability Approach applied to work and employment shifts from solely measuring labour market health based on the number of jobs available and employment rates to considering the quality of employment opportunities and the ability to secure work.

The Oxford Poverty and Human Development Initiative (OPHI advised by Amartya Sen, has played a significant role in introducing the idea of *work quality* as a crucial dimension of Human Development. OPHI was one of the first to propose internationally comparable survey questions to measure the quality of work based on Sen’s propositions (Lugo, 2007). Sehnbruch (2008) was another pioneer applying the Capability Approach to measure *quality of employment* in the ‘global south’ context. She highlights that mere job attainment, traditionally viewed as a commodity, does not guarantee the generation of valued functionings. Sehnbruch asserts that conventional measures of employment rates and wage levels are insufficient indicators of labour market performance, especially in contexts with soaring informality.

From the literature, it emerges that individuals value the capability to be in paid work as it represents *a means to* further functionings, such as income security, bonuses, access to social protection or the acquisition of fringe benefits and property. The assumption is that people want to engage in work because of these extrinsic and tangible rewards.

A similar interpretation is that access to work represents a ‘fertile functioning’ (Wolff & de-Shalit, 2013) or ‘fertile capability’ (Nussbaum, 2011b), that is, a capability that leads to future opportunities and subsequent capabilities. For instance, Nussbaum (2003), says that being able to seek employment beyond the family home is of particular importance for women, providing them economic independence and better living conditions. Paid work offers women greater social standing, a voice within communities, and the chance for political participation (Sen, 1992b) to a greater extent than men. Furthermore, for some women, being unable to participate in the labour market may result in greater exposure to domestic violence or abusive economic behaviour (Harrington Conner, 2014; Hobson, 1990).

Originally, the measures for quality work proposed by Sehnbruch’s and OPHI’s overly focused on extrinsic working conditions and contractual status, access to a state pension, salary level, etc. In fact, they were developed at a time when formality of employment was widely pursued as a policy goal. Echoing ILO’s Decent Job agenda, these frameworks somewhat assume that formal employment is more economically productive (as it allows tax revenues for the State) and conforms to the labour law, with little regard to the intrinsic value of work and whether the job’s nature allowed individuals to flourish. Of note, these frameworks were primarily developed for highly deprived populations...
and informal labour markets, which partly explains their emphasis on conditions of the employment relationship. Nevertheless, Monteith and Giesbert (2017) demonstrate that even in contexts of high labour informality, informal workers value both instrumental – extrinsic – characteristics like income and employment security, and intrinsic aspects like independence and social recognition.

In conclusion, the Capability Approach makes progress by shifting policy focus from mere employment rates to the –formal– conditions of employment that enable fulfilment of other opportunities, such as securing a standard of living or accessing social protection. This focus on employment conditions and formality of labour markets will yet evolve even more to consider intrinsic job features in addition to those extrinsic aspects of work.

4.2 Sustainable employability

Traditionally, employability was understood as a pool of “knowledge, skills and attitudes” that employees could offer to employers for deployment according to their business needs (Jabeen et al., 2022; McQuaid & Lindsay, 2005), a notion that has been criticised because it holds little regard to workers’ own choice and personal goals (Harvey, 2001; Hillage & Pollard, 1999). In the same line, training and learning at work have been traditionally valued as something that helps meet the needs of businesses, educational institutions and the state, rather than as an opportunity for career advancement and the potential for attaining self-fulfilment (Hughes & Tight, 1995).

More recently, the term ‘employability’ is used in the literature to refer to conditions that allow individuals to gain and maintain employment. Precisely, ‘flexicurity’ policies are tied to this idea of balancing employment security and flexibility, although they have been criticised because they often prioritise the former as a mechanism of labour market adaptation rather than genuine freedom and flexibility of life choices from workers (Dean et al., 2005; Vero et al., 2012).

The concept of employability has been challenging to use as a metric of workforce progression because it encompasses a very wide set of characteristics, including the characteristics of the worker (e.g. their skill set that can make them more employable), the characteristics of the organisational culture (e.g. the provision of training for career development), and even the characteristics of the labour market (e.g. number of job vacancies). Few policy interventions can simultaneously affect all of these characteristics.

Van der Klink et al. (2011, 2016) further introduce the concept of sustainable employability, directly anchored in the Capability Approach, in an attempt to overcome some of the above policy limitations. The term encompasses a broad set of values shared by workers and organisations, which can be realised through work or contribute to the longevity of individuals’ working lives (Fleuren et al., 2016; Jabeen et al., 2022; van der Klink et al., 2016). This involves workers having a set of capabilities, securing the necessary contextual conditions for making valuable contributions through work, while safeguarding their health and welfare. Van der Klink brings the focus of attention back to the worker’s true choices, while acknowledging the role played by the organisational context which provides different forms of support and resources so that workers can realise their opportunities as they choose (van der Klink et al., 2011).
However, the sustainable employability framework also faces criticism in the literature. Fleuren et al. (2016, 2020) question the logical clarity of Van der Klink’s model, noting that too often focuses on the individual’s possession of given attributes, downplaying the influence of structural and organisational factors. For instance, in a study about the impacts of ICT, Loh and Chib (2019, p. 536) define self-perceived employability (following Fugate et al., 2004) as a person’s ability to be proactive according to their “career identity, personal adaptability, and social and human capital”. Their definition is primarily based on personal psycho-social features, neglecting the social context and work environment, despite Van der Klink’s efforts to account for these conversion factors. Stillman and Denison (2014) also analyse ICT impacts on employability recommending that social policy involving ICT literacy considers wider social and structural issues to avoid excluding specific groups rather than focusing solely on individual skills. Others also have attempted to improve Van der Klink’s model by emphasising the role of environmental factors and clarifying that sustainable employability “is not a solely personal characteristic, but the result of an interaction between individuals and the environment, thus distinguishing employability from work ability” (Deng et al., 2021, p. 3).

The concept of sustainable employability represents progress in the narrative of labour market success by emphasising individual choices and the organisational context’s impact on realising those choices. However, van der Klink’s framework, despite aiming to improve workers’ longevity, overlooks crucial job features like the absence of physical hazards and working time quality. Compared to other literature segments, sustainable employability measures fail to fully explore the job’s intrinsic opportunities for human fulfilment.

### 4.3 Intrinsic job quality

While economic studies on labour and employment traditionally focus on the enumeration of job roles, some interpretations of the Capability Approach added consideration of intrinsic job quality, that is, those intangible and psychosocial rewards from making a meaningful contribution through work. This is important because it has been demonstrated that intrinsic job quality is strongly associated with workers’ physical and mental health and ultimately with worker engagement and productivity.

Sen has highlighted the multifaceted motivations of people to seek employment, which include the income aspect, the production aspect, and the recognition aspect (Sen, 1975 in Leßmann & Bonvin, 2011). The idea that people look to satisfy many other needs from employment than just gaining an income aligns closely with the earlier contributions of British occupational psychologists Marie Jahoda (1982) and Peter Warr (1987; P. Warr & Wall, 1975) and subsequent literature on the many intrinsic values of work (e.g. Gheaus & Herzog, 2016; Muñoz de Bustillo et al., 2011). Jahoda identified five latent functions of employment that meet psychological needs and enhance mental health, including time structure, enforced activity, social contact, collective purpose, and status or identity. Similarly, Warr proposed a “vitamin” analogy to describe how various aspects of work benefit individuals’ mental health when present at an optimum level. Warr’s vitamin model encompassed control, skill utilisation, interpersonal contact, variety, goal orientation, task demands, environmental clarity, financial security, physical security, status or identity, and supportive supervision. In a similar fashion the capabilities literature advocates for a comprehensive understanding of the multidimensional value of work.
From a capability perspective, therefore, a high-quality job is one that ensures workers real opportunities to do and be what they wish. Green (2006) introduces the notion of *high-quality jobs* to emphasise that individuals’ work-related goals may vary, but a high-quality job is one that fulfils a wide range of needs. Similarly, Poggi (2008) develops the concept of ‘valuable work,’ which aims to encompass various working conditions that are equated with functionings. Leßmann and Bonvin (2011, p. 89) define *capability for work* as the genuine “freedom to have a job that one has reason to value” placing greater emphasis on the element of choice inherent in the Capability Approach.

Overall, the Capability Approach as applied to the field of work, has moved thinking away from a narrow focus on productivity and wages or employment posts as commodities. Instead, it has shifted priorities towards highlighting those features of work that lead to a flourishing life from a human-centred perspective. These characteristics encompass a spectrum, ranging from fulfilling basic human needs, like the opportunity to work, to considering extrinsic factors such as income and job stability, as well as intrinsic aspects like autonomy and supportive social relationships.
5. Proposed lists of work capabilities

The question then arises: what work-related capabilities have various studies identified? Some studies have presented theoretical lists of concepts derived from quantitative or qualitative analyses. Others have developed composite measures using existing secondary data. Some researchers have even created measurement tools and questionnaires from scratch. Below, we provide a chronological overview of some frequently cited lists, indices, or tools related to work capabilities.

OPHI’s quality of employment framework draws on existing and internationally comparable secondary data, including indicators of employment protection (such as having a contract, and being entitled to paid holidays, paid sick leave, social security benefits, medical care and maternal leave), occupational safety, working hours (including under-and overemployment) and income (Lugo, 2007). The framework has been expanded by incorporating Deci and Ryan’s (2000) concept of self-determination, which encompasses autonomy (e.g. “I can organise myself as I want”), competence (e.g. “I have the possibility to progress and improve at work”), and relatedness at work (Cassar, 2010).

Also based on available secondary data, Sehnbruch (2006, 2008) initially developed a multidimensional indicator of the quality of employment that included elements such as income, employment stability, social security, contractual status and provision of professional training. Inspired by the multidimensional poverty studies and the Alkire-Foster method (Alkire & Foster, 2011), this framework evolved to measure the deprivation from good employment (González et al., 2021; Sehnbruch et al., 2020) which further included indicators of occupational hazards and work intensity (see Table 2 overleaf).

Following a Confirmatory Factor Analysis, Poggi (2008) identified thirteen work aspects underlying the latent construct of a satisfying job, including wage levels and security, physical health conditions (i.e. exposure to vibrations, high/low temperatures, noises, smoke, chemical elements), autonomy, work content, training provision, work intensity and pace, flexibility of working time and atypical schedules, physical violence and discrimination in the workplace.

Leßmann and Bonvin (2011, p. 92) do not offer an evidence-based operationalisation but their theoretical analysis of the Capability Approach in the context of work suggests that “the whole set of basic functionings like being nourished and having shelter as well as other complex functionings such as taking part in the life of the community, having self-respect, and living together in a family” all should feature when evaluating how well people are doing in their working life.
The OECD’s Better Jobs Index proposed in the early 2010s includes extrinsic aspects of work (e.g. earnings) and other intrinsic job features, a domain they call “Quality of the Working Environment” and which draws directly on the job demands and resource theory (Karasek, 1979). This domain includes indicators of time pressures and occupational health risks on one side, and workplace relationships, learning opportunities and work autonomy on the other (see Table 3 below). Departing from other applications, the Better Jobs Index even covers characteristics of the labour market or welfare system such as unemployment risks and insurance which, it can be argued, maintain relation with more traditional development paradigms.

### Table 2: Sehnbruch’s Quality of Employment Deprivation indicators (González et al., 2021)

<table>
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<td>Earnings</td>
<td>Income is lower than 6 times the national Basic Food Basket (Using BCLAC data)</td>
<td>1/4</td>
</tr>
<tr>
<td>Employment stability</td>
<td>Tenure</td>
<td>Less than 36 months in the current job</td>
<td>1/8</td>
</tr>
<tr>
<td></td>
<td>Unemployment risk</td>
<td>Having been unemployed at least once during the previous 12 months</td>
<td>1/8</td>
</tr>
<tr>
<td>Employment security</td>
<td>Social security</td>
<td>No affiliation to a social security system</td>
<td>1/8</td>
</tr>
<tr>
<td></td>
<td>Occupational status</td>
<td>Self-employed without higher education or employed without a contract</td>
<td>1/8</td>
</tr>
<tr>
<td>Employment conditions</td>
<td>Excessive working hours</td>
<td>Works more than 48 h per week</td>
<td>1/16</td>
</tr>
<tr>
<td></td>
<td>High work intensity</td>
<td>Frequently experiences at least two labour demands in the following dimensions: (1) working at very high speed during more than half of the workday, (2) working to tight deadlines more than half of the workday or (3) not having enough time to finish tasks</td>
<td>1/16</td>
</tr>
<tr>
<td></td>
<td>High posture-related risk</td>
<td>Experiences at least two labour demands for more than half of the workday in the following aspects: (1) working in a tiring and painful position (2) carrying or moving heavy loads or (3) performing repetitive movements</td>
<td>1/16</td>
</tr>
<tr>
<td></td>
<td>High physical risk</td>
<td>Experiences at least one labour demand related to the working environment for more than half of the workday in the following aspects: (1) exposed to high noise or (2) exposed to extreme temperatures</td>
<td>1/16</td>
</tr>
</tbody>
</table>

The OECD’s Better Jobs Index proposed in the early 2010s includes extrinsic aspects of work (e.g. earnings) and other intrinsic job features, a domain they call “Quality of the Working Environment” and which draws directly on the job demands and resource theory (Karasek, 1979). This domain includes indicators of time pressures and occupational health risks on one side, and workplace relationships, learning opportunities and work autonomy on the other (see Table 3 below). Departing from other applications, the Better Jobs Index even covers characteristics of the labour market or welfare system such as unemployment risks and insurance which, it can be argued, maintain relation with more traditional development paradigms.

### Table 3: OECD’s Quality of the Working Environment indicators (Source: Cazes et al., 2015, p. 25)

<table>
<thead>
<tr>
<th>Job strain, as a result of…</th>
<th>…too many job demands</th>
<th>…and too few job resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time pressure</td>
<td></td>
<td>Work autonomy and learning opportunities</td>
</tr>
<tr>
<td>-</td>
<td>Work usually more than 50 hours per week</td>
<td>- Can choose or change methods of work</td>
</tr>
<tr>
<td></td>
<td>Difficult to take an hour or two off during working hours for personal or family matters</td>
<td>- Job involves learning new things</td>
</tr>
<tr>
<td></td>
<td>Work at very high speed and to tight deadlines</td>
<td>- Employee-provided training or on-the-job training</td>
</tr>
<tr>
<td>Physical health risk factors</td>
<td></td>
<td>Good workplace relationships</td>
</tr>
<tr>
<td>-</td>
<td>Tiring and painful positions</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Carrying or moving heavy loads</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Exposed to vibrations from hand tools, machinery</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Exposure to high noise</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Exposure to high or low temperature</td>
<td>-</td>
</tr>
</tbody>
</table>
Using data from the Fifth European Working Condition Survey by the European Foundation for the Improvement of Living and Working Conditions (Eurofound), Green and Mostafa (2012) propose an operational application of the Capability Approach which covers seven features of job quality, including earnings, job prospects, working time quality, physical and social environment, work intensity, and skills and discretion (see Table 4 below).

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings</td>
<td>Monetary reward for work, and the extent to which the job meets workers’ needs to support a good standard of living, measured as net monthly earnings.</td>
</tr>
<tr>
<td>Job Prospects</td>
<td>Capability of having a job, reflected in the quality of contractual status, but also in workers’ personal sense of stability, job security and opportunities for career advancement.</td>
</tr>
<tr>
<td>Working Time Quality (WTQ)</td>
<td>Extent to which the organisation and control over working time enables workers to balance work and non-work activities (e.g., capacity to not work long or unsocial hours, having decision power over those working hours, and a certain short-term flexibility to attend personal commitments).</td>
</tr>
<tr>
<td>Intrinsic Job Quality (IJP)</td>
<td>A good physical environment: Work in a safe and comfortable workplace.</td>
</tr>
<tr>
<td></td>
<td>A good social environment: Level of support from colleagues and supervisors, and the absence of any form of physical or psychological abuse.</td>
</tr>
<tr>
<td></td>
<td>An (appropriate) work intensity: Having enough time to meet deadlines, and few sources of physical, mental or emotional pressure.</td>
</tr>
<tr>
<td>Use of skills and discretion</td>
<td>Task complexity, training, learning and problem-solving, on the one hand; autonomy to use one’s own judgement over the work process, on the other.</td>
</tr>
</tbody>
</table>

Van der Klink’s (2016) concept of sustainable employability led to the development of the Capability Set for Work (CSWQ) by Abma et al. (2016), which measures the existence of seven capabilities at work. These capabilities include using and developing knowledge and skills, being involved in important decisions about work, meaningful working relationships, setting goals, earning a good income, and creating something valuable. This multidimensional scale includes an additional optional item to measure overall capability set for work (i.e., “I think I have enough opportunities to remain working”). Also building on Van der Klink’s sustainable employability construct, the Maastricht Instrument for Sustainable Employability (Houkes et al., 2020; Picco et al., 2022) highlights the measurement of several work aspects such as being able to “do my job without too much stress”, “do my job efficiently”, “do my job until I retire”, being able to “not develop physical health issues as a result of my job”, “make money” among others.

Considered a missing element in van der Klink’s model and its operational applications, the capability for work-life balance has been highlighted in various studies, mainly developed in Annink (2017), Hobson (2011), Hobson & Fahlén (2009), Chatrakrul Na Ayudhya et al. (2019), Kurowska (2020).

The systematic review conducted by Julhe (2016) draws mostly on French and English social science studies applying the Capability Approach to the subjects of work and employment. The author finds that common quantitative indicators of quality work used in this field include sense of usefulness at work, learning and creativity opportunities as well as autonomy (referred to as the opportunity to choose how to do one’s work).
Monteith and Giesbert’s (2017) qualitative study found that valued capabilities from work include income and employment security, as well as independence and social recognition. Another qualitative study with unemployed people aged 45 or over identified social contact and being appreciated by others, having structure and routine, feeling useful, and a sense of personal meaningfulness in doing what matters to the individual as valuable functionings (Velterop et al., 2020).

Several interpretations agree on the relevance of autonomy, control and decision latitude as key capabilities in the work context. Commonly these job features refer to the extent to which workers can decide and choose how, when and where to do the work, as well as their ability to participate in decision-making processes concerning their work. The ability to make choices and act freely indeed aligns with the notion of agency in the Capability Approach. Differently, Nebel and Nebel (2018) propose measuring the ‘meta-capability’ of agency in the work context in terms of responsibility, specifically, as (a) the personal levels of responsibility displayed by employees in their workplace, and (b) the prescribed levels of responsibility outlined by the rational organisation of the work process. They suggest that the notion of responsibility is a more accurate proxy of agency than autonomy because encompasses “appreciating, valuing, accepting what exists, creating meaning and duration, imagining possible futures, generating something unexpected, etc.” (Nebel & Nebel, 2018, p. 95). The lack of agency capability has been specially studied within the unemployed workforce (Beck, 2018; Velterop et al., 2020).

The inclusion of some other elements as work capabilities remains controversial, such as organisational participation and workers’ voice (Berg et al., 2023). Some argue that organisational-level participation may lead to improved working conditions but is not necessarily a primary reason why people seek work (Green & Mostafa, 2012). Others, like Bonvin (2012), view it as an essential indicator of good work, referring to the ability to express viewpoints clearly and defend them effectively. Extensive research on the capability for voice in work groups exists (Bonvin & Farvaque, 2006; De Munck & Ferreras, 2013; Subramanian & Zimmermann, 2020; Zimmermann, 2020).

The idea of job meaningfulness is also discussed in the capability literature. Weidel (2018, p. 79) proposes adding a capability for meaningful labour to Nussbaum’s list of central human capabilities. They define this capability as the ability to engage in meaningful labour, interacting with nature and other human beings in a way that develops faculties, utilises practical reasoning, and provides a sense of dignity. In contrast, Green and Mostafa (2012; see also Eurofound, 2017) argue that the experience of meaning through work is merely “a report of subjective feelings”, not a specific job feature. Job meaningfulness is nonetheless significantly correlated with high intrinsic job quality, which is why it should be used as an outcome of good work rather than a characteristic of it. Other studies have shown that whether workers perceive their job as meaningful and useful depends on the presence of work capabilities such as being able to hold supportive work relationships and management practices (Soffia et al., 2022). The debate around the role of meaningfulness and the social value of work remains ongoing, largely centred on the challenges of objectively measuring it.
6. Other progression outcomes associated with high-quality jobs

Regardless of the capabilities list applied, selecting, measuring, and weighing work-related capabilities is complex. Scholars have addressed the issue of ‘underspecification’ of Sen’s theory by focusing on job features that have a demonstrated association with policy-relevant wellbeing outcomes, such as mental and physical health, as well as with other more hedonist wellbeing measures like job and life satisfaction. These outcomes can be understood as ‘functionings’ in a CA-stylised model.

For example, Poggi (2008) listed thirteen ‘objective’ working conditions relevant to capabilities, validated by their significant association with job satisfaction outcomes. Green & Mostafa (2012, p. 30) validated their seven job quality indices in terms of the significant statistical associations with self-reported outcomes such as the number of health problems, health issues caused by work, subjective wellbeing (WHO-5, the World Health Organisation’s Five Well-being Index), subjective work-life balance and meaningfulness of work. Their assumption is that “job quality is a measure of the extent to which the features of jobs meet people’s multiple needs from their work [which] results in subjective feelings of well-being”. Later Soffia (2018) corroborated that most of the associations remained significant in the context of Central American countries, thus not only representative of European settings. Similarly, there is evidence of a positive association between components of the Capability Set for Work (Abma et al., 2016) and functionings like emotional wellbeing and less turnover intention (De Wet & Rothmann, 2022), self-rated health, lower depression, anxiety and fatigue, and lower presenteeism and absenteeism (Van Gorp et al., 2018), work engagement and task performance (Gürbüz, Joosen, et al., 2022; Gürbüz et al., 2023).

Growing evidence supports the relevance of certain job features for workforce wellbeing policies. Moreover, there is emerging evidence that higher employee wellbeing causes increased productivity, lower absenteeism and longer job tenure (Bellet et al., 2019; De Neve & Ward, 2017; Preenen et al., 2017). This is in addition to the direct positive impacts of good-quality jobs on productivity and performance (Phillips et al., 2022).

The job quality literature, for which we have found strong similarities with the capability approach to work, also emphasises job features directly associated with the wellbeing of those performing the job, such as their physical or mental health (Felstead et al., 2019). In particular, agency and autonomy at work have proven to be crucial for enhancing workers’ wellbeing. Karasek’s demands-control model (1979; Karasek & Theorell, 1990) established a long time ago that the more discretion individuals had over their work process, the more manageable their workload becomes, leading to reduced stress and better mental health, as well as to higher firm performance.

Although certain work capabilities can influence subjective wellbeing indicators like job satisfaction, the Capability Approach cautions against relying solely on job satisfaction indicators to assess labour market health or worker engagement. This is because job satisfaction may mask the fact that some workers are merely coping with their
circumstances and adjusting their expectations from work to what they perceive as attainable (Leßmann & Bonvin, 2011), as described in the theory of ‘adaptive preference formation’. The tension between using objective indicators versus subjective measures as assessments of workforce health or success is also noted in the job quality literature (Muñoz de Bustillo et al., 2011), where the inclusion of subjective measures like ‘I find my job meaningful’ as indicative of job quality faces resistance due to its perceived focus on emotional states.

Of note, some scholars (Julhe, 2016; Leßmann & Bonvin, 2011; Poggi, 2008) consider existing job quality metrics (e.g. wages, working hours, skills, working conditions, health, and autonomy) as effective ‘functionings’, since they are actually experienced by workers and they do not provide information about alternative options available to workers based on their resources and personal and social conversion factors (Leßmann & Bonvin, 2011, p. 92). Other scholars see these objective job quality metrics as equivalent to ‘capabilities’ since they are valued aspects of work ‘that are enabled and can be realised’ (De Wet & Rothmann, 2022), and they reflect whether or not workers are ‘able to’ experience those things from work, regardless of choice. Green (2006, p. 14), for instance, argues that high-quality jobs generate a range of capabilities (such as the opportunity to perform diverse tasks, receive support from colleagues, and maintain a certain standard of living) that workers can then convert into wellbeing.

In summary, there is broad consensus in the literature about what a high-quality job looks like from a capabilities perspective, and evidence increasingly shows their association with physical and mental health, subjective and objective wellbeing, engagement and productivity, contributing to understanding the current UK labour market scenario.
7. Conversion factors for fulfilling work

The Capability Approach redefines work beyond mere productivity and monetary gains, emphasising personal growth and flourishing. This perspective urges a reassessment of measuring economic performance and labour market health, with a focus on enhancing and equally distributing opportunities for employment and high-quality work.

Sen emphasises the role of personal and contextual features, represented by conversion factors, in explaining the uneven distribution of opportunities, not necessarily aligned with resource distribution. Studies using the capability framework in the field of work investigate factors that can either facilitate or hinder individuals in accessing employment and realising their full potential within their job experience. The literature review underscores essential personal characteristics, features of the immediate domestic environment, characteristics of employing firms or companies, State institutions and policies, and even cultural values that warrant the attention of policymakers.

Within personal conversion factors, some attention is given to the role of age (Le Blanc et al., 2017), gender (Banerjee, 2016), immigration status (Nguyen, 2021; Webb, 2014) and considerably more to physical and mental disabilities (Addabbo et al., 2014; Brewster & Thompson, 2020; Graham, 2020; Higashida, 2018; Joosen et al., 2022; Kuiper et al., 2016; Longtin et al., 2020; Lynch et al., 2023; Ritchie et al., 2022; Robertson, 2018; Schriemer et al., 2022; Van Gorp et al., 2018; Van Hees et al., 2022; Ward et al., 2012) in securing the capability for work.

Compounding with gender factors, extensive research within the capabilities literature has highlighted the sometimes negative impact of cultural values towards distribution of care responsibilities, family configurations and living situations, values towards familism, on women’s paid work and career advancement, as well as on overall capability for work-life balance (Alkire et al., 2013; Annink, 2017; Fudge, 2011; Giullari & Lewis, 2005; Hašková & Dudová, 2017; Hobson, 2013; Hobson & Fahlén, 2009; Iversen, 2003; Kurowska, 2020; Monteith & Giesbert, 2017; Mrčela, Kanjuo & Sadar, 2011; Robeyns, 2010; Vaz et al., 2016).

Leßmann and Bonvin (2011, p. 90) identify workers’ skills and competencies as personal conversion factors that enhance the capability for work. These include technical and social proficiencies such as diplomas, know-how, teamwork abilities, and communication skills, along with the individual ability to balance personal and professional demands. However, the authors also recognise that relevant conversion factors extend beyond a person’s skill set. They encompass contextual aspects such as the organisation’s underlying motivation to enhance employees’ skills, the transferability of these skills to other work settings, and the equitable distribution of skills among different groups of workers. Other analyses also highlight the crucial role of “capability-building organisations” focused on skills updating and learning through diverse training policies (Lambert et al., 2010; Caillaud & Zimmermann, 2011 in Julhe, 2016). The sustainable employability school of thought recognises that individuals with similar skills and experience may report differing
employability due to varying opportunities for training and personal development in their localities. This literature shifts the focus from solely relying on an individual's skills, knowledge, and experience for employability, to considering their interaction with the social and institutional environment (van der Klink et al., 2016). The Capability Set for Work (Abma et al., 2016) makes empirical progress by interviewing workers on whether they have a resourceful work environment which enables them to realise a given valued aspect of work.

Scholars also explore environmental factors impacting workers' capability for voice and representation in their jobs, enabling expression and recognition of diverse viewpoints which can in turn lead to enhanced work capabilities or higher quality jobs (Bonvin, 2012; De Munck & Ferreras, 2013; Kulkarni, 2010; Leßmann & Bonvin, 2011). Some argue that workers must possess negotiating and communication skills as personal conversion factors, as well as access to organisational representatives or alternative avenues for expressing views (Leßmann & Bonvin, 2011, p. 95). Empirical evidence from Berg et al. (2023) confirms that certain institutional configurations, like collective bargaining, can buffer the impact of robotisation on job quality, allowing the conversion of technological resources into capabilities.

Leßmann and Bonvin (2011) propose that the equal distribution of opportunities for work will be mediated by other factors at the organisation or firm level such as the absence of discriminatory practices in recruitment processes, the existence of legislative protective provisions, and the enforcement of minimal labour regulations. Another example of firm-level contextual factors is given by Hobson (2011), who notes that failure to cultivate organisational cultures encouraging fathers' involvement in caregiving may limit uptake of work-family balance state policies (see also Koslowski & Kadar-Satat, 2019). Other studies cover the effect of organisational cultures, managerial styles and HR philosophies which have been demonstrated to be a key conversion for enhancing workers’ capabilities for voice, learning and career advancement (Gürbüz, Van Woerkom, et al., 2022; Lamers et al., 2022; Subramanian et al., 2013).

Different State-level institutions and policies have been explored as environmental conversion factors (Focacci & Pichault, 2023). Research has focused on the effect of social services, active labour market programmes, voluntary work programmes and job application training on workers' capability for autonomy, especially in the case of the unemployed or other disadvantaged workers (Egdell et al., 2023; Egdell & Graham, 2017; Egdell & McQuaid, 2016; Fernandez-Urbano & Orton, 2021; Galster et al., 2009; Lambert et al., 2015; Velterop et al., 2020). Others explore the role of State policies towards austerity, pension and defamilisation influencing work capabilities (Bambra, 2004; Chau & Yu, 2021; Egdell et al., 2023; Foster et al., 2017; Korpi, 2000).

Part of the job quality literature emphasises social policy provisions like childcare services, unemployment protections, tax credits, public health, and pensions, which contribute to employment access and worker wellbeing. However, it is suggested that these elements are not inherent job characteristics; they should be considered as contextual institutional factors (Green & Mostafa, 2012; Muñoz de Bustillo et al., 2011, pp. 79–80), aligning with the notion of conversion factors in the Capability Approach.
Yet, there is a notable lack of in-depth empirical studies about relevant conversion factors in the case of work capabilities. Most discussions about the impact of conversion factors on work capabilities remain theoretical. Attempts to operationalise and measure conversion factors (e.g. Abma et al., 2016) have faced limited acceptance. This scarcity of evidence around conversion factors is at odds with the Capability Approach’s emphasis on this element. Julhe (2016) highlights that studies interpreting Sen’s theory in the field of work often focus on specific conceptual elements, neglecting a comprehensive examination of their interactions.

Renewed attention to conversion factors is essential for understanding the unequal distribution of work capabilities across the UK’s workforce. It is suggested that an institutional analysis is crucial for comprehensively interpreting Sen’s theory in the work field. Sen (1999, p. 142) acknowledges institutions’ vital role as conversion factors, shaping individuals’ opportunities and prospects. Scholars also note elements that lean toward an institutionalist perspective in Sen’s work (Farvaque, 2005, p. 47). An engaged application of the Capability Approach should include an analysis of the institutional landscape constraining people’s capabilities (Nambiar, 2013, p. 221).
8. Conclusions

The Capability Approach offers a human-centred perspective for assessing progress in work and employment, moving beyond mere productivity and monetary gains to focus on workers’ flourishing and enhancement of their capabilities. Through a narrative review of the literature, this paper has explored how the approach has been applied in the context of work, identifying key themes.

Firstly, the Capability Approach underscores the importance of the extrinsic rewards facilitated by the sole ability of being in work, which from a policy perspective speaks to the need to measure the quality of working conditions. Secondly, the literature stresses the fact that to sustain employment, attention must be given to workers’ own choices as much as the support provided by the context and organisation. Thirdly, the literature asserts that to truly judge labour market success it is necessary to also measure intrinsic job quality, that is, the extent to which a job allows workers to do and be what they wish.

Multiple lists of work capabilities have been proposed, although only a small number have resulted in concrete practical measurement tools. Overall, these lists emphasise the central role of workers’ capability for agency and control within and beyond employment, and the evidence has gone far enough to prove how these capabilities cause higher worker engagement, improved mental health and firm productivity.

Another lesson from the capabilities literature applied to the context of work is that relying solely on job satisfaction and other subjective wellbeing indicators as measures of labour market success, risks overlooking the effect of adaptive coping mechanisms, making cross-population and longitudinal comparisons challenging.

Lastly, we found an increasing and yet small number of publications discussing the role of contextual and structural factors at the domestic, organisational, and state level affecting workers’ ability to convert given resources or other more basic work capabilities such as a job vacancy or a salary, into actual and valued accomplishments. Conversion factors, encompassing personal characteristics, organisational context, institutional policies, and cultural values, play a crucial role in shaping individuals’ opportunities and prospects in the workforce. To comprehensively interpret the Capability Approach in the field of work, scholars should engage in a deeper analysis of the structural and institutional landscape that influences individuals’ capabilities and opportunities.

Furthermore, future research must recognise the dynamic nature of labour market functioning and the constant changes that societies undergo, underscoring the ongoing relevance of correctly identifying and measuring conversion factors. Valued capabilities will also vary over time and places, making it imperative to continuously revisit the lists of relevant work capabilities proposed in the literature. A dynamic adoption of the Capability Approach to work and employment becomes essential to adapt to evolving societal contexts and ensure effective policy outcomes.
It is anticipated, for instance, that as businesses rapidly adopt digital technologies, artificial intelligence, and robotics in the workplace (Baldassari & Roux, 2017; Lee et al., 2018; Peres et al., 2020), the value of workers’ agency and human capabilities will be scrutinised, the role of regulatory institutions will be revised and the impacts on the labour market will extend far beyond those pertaining productivity, job quantity and human obsolescence (Danaher, 2017; Susskind, 2020), to encompass changes in job quality and workers’ wellbeing. All these changes are likely to add pressure to an already tight labour market, making new ideas to improve worker retention and wellbeing more critical than ever. The attentive adoption of a capabilities framework can offer helpful guidelines to navigate these transitions and complement other approaches focused, for instance, on the type of skills needed to meet businesses’ demands (e.g. Wilson et al., 2022).

In summary, this paper underscores the suitability of the Capability Approach for assessing labour market challenges and promoting a more holistic understanding of work’s value in promoting human development. By simultaneously recognising the importance of employment opportunities, examining job quality, considering both objective and subjective wellbeing outcomes, and accounting for the role of context and institutions, policymakers can design more inclusive and equitable labour policies that empower individuals to lead fulfilling and productive lives in their chosen work environments. Bridging the gap between theory and empirical evidence will be crucial in realising the full potential of the Capability Approach in addressing the complexities of the contemporary labour market.
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The Pissarides Review

Human-centred labour market challenges: a review of the literature on work and the Capability Approach


Sehnbruch, K. (2008). *From the quantity to the quality of employment: An application of the capability approach to the Chilean labor market*. In F. Comim, M. Qizilbash, & S. Alkire (Eds.), *The Capability Approach: Concepts, Measures and Applications* (pp. 82–104). Cambridge University Press. [https://doi.org/10.1017/CBO9780511492587.004](https://doi.org/10.1017/CBO9780511492587.004)


Automation technologies are transforming work, society and the economy in the UK in ways comparable to the Industrial Revolution. The adoption of these technologies has accelerated through the COVID-19 pandemic, and the impact of automation is unevenly distributed, with a disproportionate impact on demographic groups in lower pay jobs.

The Pissarides Review into the Future of Work and Wellbeing will research the impacts of automation on work and wellbeing, and analyse how these are differently distributed between socio-demographic groups and geographical communities in the UK.

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