

# Employee ownership models can increase worker productivity and well-being

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A [new paper](#) examines how high-quality jobs can increase innovation and productivity. It found that higher pay does motivate workers, alongside other metrics, but that after a certain tipping point more

money does not help job satisfaction.

Instead, how pay is distributed can continue to motivate workers, with performance related pay (PRP) schemes such as employee ownership models keeping staff engaged and happier.

Bonuses and [stock options](#) also created more productive, happy staff. PRPs also had a greater impact on the productivity of men at work over women, who were more motivated by other factors.

The research has also found that high quality jobs increase worker innovation, productivity and staff [health](#) and well-being.

The paper looked at [case studies](#) and existing academic literature, defining good jobs along seven metrics:

- Terms of employment
- Pay and benefits
- Health, safety and psychosocial well-being
- Job design and the nature of work
- Social support and cohesion
- Voice and representation
- Work life balance

Academics examined these metrics and compared them with business outcomes such as productivity, innovation and employee health/well-being.

Co-author of the [research](#), Professor Chris Warhurst, Director of the University of Warwick's Institute for Employment Research said, "Our findings provide good news for government and businesses interested in improving innovation, productivity and employee health and well-being.

"By working to increase worker well-being, employers are getting a win-win. By looking after your staff, your staff will also look after your business. Happier staff equal more productive, harder workers, so this should be a top priority for employers, [policy makers](#) and government."

The paper also found that workers having a voice in how their tasks are done helps. A strong positive relationship also exists between good work-life balance and productivity, with temporary employment and longer working hours lowering productivity.

At the same time, long working hours have adverse mental and physical health consequences. Job insecurity and precarious employment also have adverse mental health outcomes, while having control over tasks and task variety are positively associated with good mental health. Trade union presence in workplaces also reduces occupational health risks.

**More information:** Building a business case for good jobs: [Links between Good Work and innovation, productivity and employee health/wellbeing](#)

Provided by University of Warwick

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