The Work Dimension in Multidimensional Poverty Measurement

Mauricio Apablaza, Universidad del Desarrollo, Chile
Ricardo Nogales, UPB and OPHI-University of Oxford, UK
Kirsten Sehnbruch, LSE, UK

1. Introduction

Measuring multidimensional poverty is essential for capturing the complex, interrelated deprivations that individuals and households experience, which are often overlooked by traditional income-based metrics. The Multidimensional Poverty Index (MPI), developed by the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP), offers a comprehensive framework that assesses poverty across various dimensions, including health, education, and living standards. This approach enables policymakers to identify not only who is poor but also the specific areas where interventions are needed, facilitating more targeted and effective poverty alleviation strategies (Alkire & Santos, 2014). It is now well-accepted in academic and policymaking spheres that by moving beyond income alone, multidimensional measures provide a more nuanced understanding of poverty, reflecting the lived experiences of those affected and informing policies that address the root causes of deprivation.

This paper argues that incorporating an employment-related dimension into multidimensional poverty measures is particularly crucial, as the opportunity to participate in the labour market and the quality of this employment significantly influences individuals' well-being and their ability to escape poverty in all its forms. Employment is not merely a source of income; it also affects access to social insurance, health benefits, access to vocational training and skills development, as well as other rights, which constitute both resources and valued functionings to a worker (Sehnbruch, 2008; Stephens, 2023). In addition, employment is of intrinsic value to individuals in that it provides personal development opportunities, the ability to exercise agency and autonomy, participate in a community, make a meaningful contribution to society, among many other valuable functionings and capabilities (Green, 2026; Sen, 2013). As a result, it also provides opportunities for self-realization, creative expression, and social recognition (Nussbaum, 2011).

Poor-quality employment, often characterized by employment conditions such as job instability, a lack of social protection, too many or too few working hours, too much or too little flexibility in terms of working arrangements and sometimes also exposure to mental or physical health risks, can perpetuate poverty even among the employed (Sehnbruch et al., 2020; González et al., 2021). In fact, workers can get “stuck” in a poor quality employment trap that then also perpetuates poverty (Sehnbruch et al., 2025). Importantly, this literature has shown that even formal jobs in emerging economies can be of poor quality (Apablaza et al., 2024), which means that the traditional distinction between formal and informal work that frequently informs policy makers in these countries is no longer useful (Sehnbruch et al., 2024).

Recognizing this, some national MPIs –measures tailored to national-specific contexts— have consistently included work-related indicators, such as job security, working conditions, and access to labor rights, aligning with Sustainable Development Goal 8, which promotes "Decent Work for All" (Nogales, 2024). However, challenges remain in standardizing these indicators across countries due to variations in data availability on labour markets. Addressing these challenges is vital for developing globally comparable measures that accurately reflect the multifaceted nature of poverty and inform policies aimed at improving employment conditions worldwide.

Indeed, challenges to arrive at an internationally comparable measure of multidimensional poverty that includes a work-related dimension are both theoretical and empirical in nature.

First, conceptually. Work, employment and job tend to be used interchangeably, but they refer to different levels of labour market analysis. Work comprises any activity performed to produce goods or provide services for use by others or for own use, including domestic work. Employment describes the broader condition of being engaged in productive activity (which could be formal or informal), while a job is a specific set of tasks and responsibilities that can either occur within an organisation or has finite connotations ("I'm on a job this week"). Although the literature often uses these terms interchangeably, it is important to bear these distinctions in mind. Much of the literature on the quality of employment (QoE) uses the term "job quality" because it developed in a context of advanced economies where people generally have jobs rather than, for example, engaging in informal activities. When referring to a global context, however, it is preferable to use the term employment rather than a job, and to define that this refers to a remunerated activity, regardless of how this remuneration occurs.

Theoretically, the notion of quality of employment (QoE) has attracted increasing attention from policymakers in both developed and developing countries. There is a wide agreement around the necessity to develop a measure which can capture the development of a labour market beyond merely considering the quantity of jobs it generates. The Sustainable Development Goals (SDGs) put forward by the UN thus include "Decent Work for all" as an objective, but do not specify how progress towards this goal should be measured (SDG 8, UN, 2016). In fact, although the academic and institutional literature has arrived at a general consensus on what the term quality of employment means, less consensus exists on how to measure it (Sehnbruch et al., 2015).

It is a well-known fact that economic growth alone does not necessarily improve employment conditions, so GDP growth will not do as a good proxy variable for progress towards SDG 8. Contentious views regarding the necessary variables that should be included in such a definition as well as differences over what constitutes minimum standards of QoE have produced a significant degree of conceptual dispersion and a concomitant lack of reliable measures (Burchell et al., 2014; Piasna et al., 2019; Stephens, 2024). Furthermore, the absence of a coherent theoretical framework for understanding and measuring the QoE has been a major drawback for defining useful public policy approaches to the subject.

Moreover, data scarcity and deficiencies pose additional challenges towards developing an internationally comparable measure of QoE (Hovhannisyan et al., 2022). Many national labour surveys lack consistent information on critical aspects of job quality, including contract types, social security coverage, working hours, and workplace conditions, making it

difficult to construct multidimensional indicators that accurately reflect workers' experiences.[1] In addition, the prevalence of informal employment in these regions further complicates data collection, as informal workers are frequently excluded from official statistics or underrepresented in surveys. Even when data are available, variations in survey design, question phrasing, and data collection methodologies across countries impede straightforward cross-national comparisons and the development of a unified empirical measurement framework. In a recent paper which measures poor-quality employment in Latin America with UN data, only four variables related to the quality of employment (earnings, employment contract, pension contributions and hours worked) could be included as they were the only comparable variables in the region (Apablaza et al., 2024). These challenges underscore the need for enhanced data collection efforts, including the standardization of questions in labour force surveys and the incorporation of variables on employment conditions. Without this, measuring progress towards SDG 8 will not be possible, and the issue of the quality of employment will not figure prominently enough on the agenda of policy makers. Similarly, international institutions will find it difficult to promote and measure progress on decent work globally.

This paper aims to build a conceptual and empirical bridge between the labour market literature — particularly regarding quality of employment — and the multidimensional poverty literature. Our paper offers a detailed discussion about ways to overcome theoretical and empirical challenges, and inch forward in the construction of an internationally comparable measure of multidimensional poverty that includes a dimension on employment. Theoretically, our reflection adopts the capability approach as its framework (Sehnbruch, 2008; Sehnbruch et al., 2020; Soffia et al., 2023; Stephens, 2023; Green, 2026). Empirically, by systematically reviewing, synthesizing, and classifying existing labour-related indicators, most relevant indicators for assessing poverty using available data are identified. In doing so, it not only highlights areas of conceptual overlap and divergence, but also offers a framework through which labour market indicators can be meaningfully integrated into multidimensional poverty analysis grounded in the capability approach.

2. Theoretical Foundations for measuring the Quality of Employment

It is now well established in the academic literature that employment constitutes far more than a mere source of income (Muñoz De Bustillo et al., 2011). Employment is a fundamental dimension of human agency and dignity, shaping individuals' capabilities to lead lives they value (Robeyns, 2005; Sen, 1999). As income-based measures capture only the monetary rewards of labour, an exclusive focus on earnings obscures the complex ways in which job quality is intertwined with personal and household well-being. A worker may draw a wage above the poverty line yet remain trapped in precarious work—characterized by temporary contracts, unpredictable hours, unsafe environments, or exclusion from social protection—thus perpetuating vulnerability rather than alleviating it (Piasna et al., 2019; Standing, 2011). In this sense, the quality of employment operates both instrumentally—by enabling access to goods and services—and intrinsically—by affording meaningful social participation and

[1] An exception to this rule are European countries, where the European Working Conditions Survey (EWCS) gathers comprehensive data on working conditions across the EU and beyond. However, the survey is only undertaken every 5 years and suffers from an extremely small sample size (Sehnbruch et al., 2026).

psychological security, rendering it absolutely indispensable for a multidimensional understanding of poverty (Stephens, 2023; Green, 2026; Sehnbruch et al., 2026).

The academic debate has long revolved around which aspects of work most critically interrelate with multidimensional poverty outcomes. Early constructs of job quality, such as Jencks et al.'s (1998) 'index of job desirability' and Bescond et al.'s (2003) Seven Indicators of Decent Work, laid a foundation for identifying dimensions ranging from earnings adequacy to occupational safety. Subsequent efforts by Olsthoorn (2014) in the Netherlands and Green and Mostafa (2012) using the European Working Conditions Survey refined these dimensions, emphasizing contract stability, ergonomic risks, psychosocial stressors, and avenues for worker voice. Debate persists, however, over the relative weight of employment status versus qualitative conditions: should the mere presence of work be privileged over the security and social protections it entails? How should informality be treated, recognising that it is ubiquitous in practically all developing economies but also that it has a dual nature as both access to livelihood and embodiment of regulatory exclusion (Chen, 2012; ILO, 2023)? These tensions underscore the challenge of constructing poverty metrics that can simultaneously capture discrete dimensions while remaining analytically coherent and policy-relevant.

International normative frameworks offer compelling, albeit imperfect anchors for translating these theoretical insights into measurement tools. The ILO's Decent Work Agenda, launched in 1999, posits four strategic pillars: employment promotion, rights at work, social protection, and social dialogue. These are arguably basic pillars, but political compromises among the ILO's tripartite constituents have impeded the crystallization of a succinct composite indicator (Ghai, 2003; ILO, 2008). Likewise, Sustainable Development Goal 8 articulates the aspiration of "full and productive employment and decent work for all," yet its targets and indicators (e.g., 8.5 on full employment and 8.8 on labour rights) do not come together into a single, operational metric capable of guiding national policy (UN ECOSOC, 2018). The EU has faced analogous difficulties with its Job Quality Index, which synthesizes data on earnings, job security, and working conditions across member states but refrains from aggregating these into a unified score, in part to respect diverse labour market traditions (Eurofound, 2012; Leschke & Watt, 2014; Piasna et al., 2019).

Against this backdrop, recent empirical advances point both to promise and constraint in the Global South. The IDB's 2017 synthetic measure of Quality of Employment in Latin America represents a landmark effort to meld employment participation rates with formality and living-wage attainment into a single composite indicator (Inter-American Development Bank (IADB), 2017). By linking quantity and quality, the IDB's measure has succeeded in elevating policy attention to "the working poor" in regional debates. Yet, its reliance on macro-level aggregates obscures heterogeneity within-countries, for example, by geographical regions, gender, economic sector, social class or other population subgroups. And its lack of direct measures of working conditions and labour rights limits its capacity to diagnose the root causes of deprivation that the job quality literature highlights (Muñoz De Bustillo et al., 2011; Warhurst et al., 2022).

To navigate these theoretical and empirical constraints, a parsimonious yet principled approach to indicator selection is imperative. Anchored in the capability approach (Sen, 1992; Robeyns, 2017) and the methodological rigor of the Multidimensional Poverty Index (Alkire & Foster, 2011; Alkire et al., 2015), indicators should be chosen for their intrinsic

and instrumental value, ensuring that each reflects a functioning essential to human well-being. As a valuable starting point, harmonized definitions drawing on ILO conventions such as C100 (equal remuneration) and C155 (occupational safety) promote cross-country comparability while allowing for contextual calibration (UNECE, 2015). Importantly, metrics must remain interpretable and actionable. For instance, a set of three to six dimensions focused on employment security, earnings adequacy, working conditions, labour rights, and informality may provide sufficient breadth without overwhelming policymakers. Finally, alignment with internationally recognized rights and standards ensures that the selected indicators embody normative commitments to social justice, bridging the gap between measurement and the aspirational goals of decent work. By embedding these principles within global poverty estimation frameworks, researchers and practitioners can more effectively illuminate, and hopefully inch forward towards ending the multidimensional deprivations that underlie working poverty.

3. Review of Potential Work-Related Indicators

The concept of employment, job, or work quality has been extensively examined across both academic scholarship and policy discourse. Over the past two decades, various international organisations and institutions have attempted to operationalise this concept through the development of multidimensional frameworks and indicator-based measures.

Table 1 presents a synthesis of some well-known initiatives in this domain. It highlights the diversity of institutional actors involved — including the European Union, ILO, OECD, and World Bank — as well as the variation in the number of dimensions and indicators employed. This diversity not only demonstrates the growing recognition of the importance of job quality but also underscores the conceptual and methodological challenges associated with defining and measuring it in a consistent and coherent way. The proliferation of frameworks reflects both the richness of the debate and the ongoing difficulty of arriving at a universally accepted conceptual foundation for assessing the quality of employment.

Table 1: Selected Institutional Measures of Job Quality

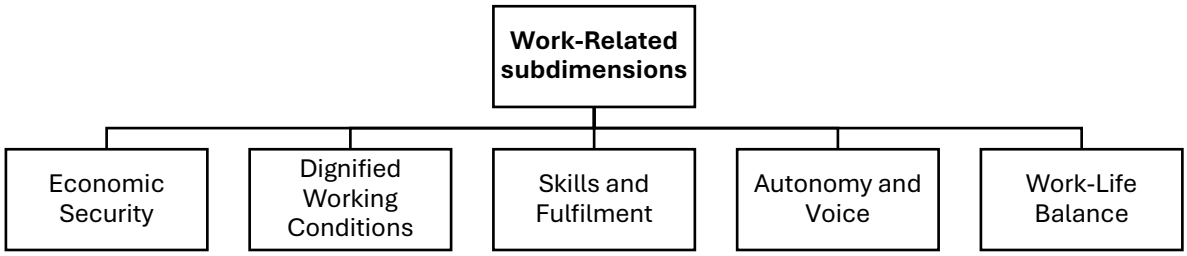
Institution	Name/ Year of measure	Dimensions	Number of Indicators
EU	Laeken Indicators of job quality (2001)	10	24
Business Europe	Indicators of job quality (2001)	NA	9
ETUI	Job quality index 2008	6	17
EMCO	Quality of work indicators (2010)	4	55
Eurofound	2012		12
ILO	Decent Work (2012)		60/71
IDB	Better Jobs Index		
UNECE	Job quality framework 2014	7	72
OECD	2014/5	3	12
World Bank	2022	4	25

In the academic literature, the number and variety of indicators used to capture different aspects of employment are even more extensive, often reflecting different disciplines and theoretical frameworks. Despite this diversity, five core subdimensions seems to capture the

crucial elements to understand employment conditions: Economic Security, Dignified Working Conditions, Skills and Fulfilment, Autonomy and Voice, and Work-Life Balance.

These dimensions comprise not only the material conditions of employment but also its procedural and relational aspects, including participation, respect, and meaningfulness. More fundamentally, this structure reflects the extent to which employment contributes to individuals' substantive freedoms and opportunities to achieve valued functionings.

Figure 1: Core subdimensions of employment conditions



Economic security includes probably the most used indicators used for measuring employment quality. The core of this sub-dimension includes the employment status, its intensity, and the level of wages, in order to capture whether the job provides sufficient and stable income to meet an individual's and their family's basic needs. However, this sub-dimension could be extended to the predictability of earnings, access to social protection, and the ability to save or cope with emergencies.

Dignified working conditions reflect the physical, psychological, and social environments in which work takes place that are essential to safeguard well-being and protect fundamental human rights. This sub-dimension includes workplace safety, reasonable working hours, fair treatment, the absence of harassment or discrimination, and access to basic facilities. While wage differentials literature partially captures this aspect, pay alone cannot compensate for hazardous, exploitative, or disrespectful conditions.

The subdimension of skills and personal fulfilment assesses whether work contributes to expanding individuals' capabilities and human capital. This includes providing opportunities of self-actualization, learning, the use of existing skills, and the acquisition of new ones.

Autonomy and voice focus on whether work arrangements support individual agency and fair power relations in the workplace. The subdimension captures the degree of control workers have over their tasks and schedules, their ability to express concerns, participate in decision-making, and engage in collective bargaining. Jobs that limit autonomy or worker voice diminish personal agency and undermine well-being, even if other material conditions are met.

Finally, work-life balance assesses whether employment supports not only economic needs but also a sustainable quality of life. This subdimension considers how well work integrates with family responsibilities, personal life, and leisure. Flexible work arrangements, reasonable working hours, and the ability to disconnect from work are vital in enabling

individuals to achieve balance and sustain valued relationships and activities outside of employment. When jobs are inflexible or excessively demanding, they constrain individuals' capabilities in other life domains.

In previous literature, the selection of specific indicators has been defined by the objectives of each measure, the conceptual framework, and the level of analysis. In practice, indicator choices are also often constrained by the availability, quality, and comparability of data across contexts and populations.

However, the possibility to explore all subdimensions and their core indicators have not been discussed, at least from the conceptual perspective. Table 2 presents a classification of indicators commonly used in the study of employment quality, organised according to the evaluative categories: resources, capabilities, functionings, and utility. The indicators included are relevant in each subdimensions and are applicable at both the individual and household levels.

Table 1

Subdimension	**Indicator**	**Type**
Economic Security	Total income from all work sources	Resource
Economic Security	Access to social protection (insurance, pensions, subsidies)	Resource
Economic Security	Access to credit or savings for emergencies	Resource
Economic Security	Income stability and regularity	Capability
Economic Security	Capability to meet basic needs through labour income	Capability
Economic Security	Freedom to financially plan	Capability
Economic Security	Risk of involuntary job loss	Capability
Economic Security	Effective coverage of basic needs	Functioning
Economic Security	Capability to save or invest	Functioning
Economic Security	Perception of financial stability	Utility
Economic Security	Satisfaction with income	Utility
Working Conditions	Total hours worked (across all jobs)	Resource
Working Conditions	Availability of protective equipment and safety measures at work	Resource
Working Conditions	Access to work-related health services	Resource
Working Conditions	Flexibility in working hours or location	Capability
Working Conditions	Possibility to take leave for health or caregiving	Capability
Working Conditions	Freedom to avoid overwork	Capability
Working Conditions	Working without risk of injury or illness	Capability
Working Conditions	Incidence of occupational injuries or illnesses	Functioning
Working Conditions	Absence of harassment, violence, or work-related stress	Functioning
Working Conditions	Feeling of safety and well-being at work	Utility
Working Conditions	Perceived work-life balance	Utility
Skills and Fulfilment	Access to continuous education or training (formal and informal)	Resource
Skills and Fulfilment	Recognition of skills acquired in non-traditional work	Resource
Skills and Fulfilment	Opportunity to learn and apply skills at work	Capability
Skills and Fulfilment	Freedom to change occupation or sector if desired	Capability
Skills and Fulfilment	Freedom to be creative or solve problems	Capability

Skills and Fulfilment	Actual development of skills	Functioning
Skills and Fulfilment	Effective application of competencies in meaningful tasks	Functioning
Skills and Fulfilment	Successful transition to preferred jobs	Functioning
Skills and Fulfilment	Satisfaction with learning and growth opportunities	Utility
Skills and Fulfilment	Sense of professional progress	Utility
Autonomy and Voice	Type of contract and access to information on labour rights	Resource
Autonomy and Voice	Existence of grievance or redress mechanisms	Resource
Autonomy and Voice	Union or labour network membership	Resource
Autonomy and Voice	Freedom to organize collectively	Capability
Autonomy and Voice	Autonomy to decide how and when tasks are performed	Capability
Autonomy and Voice	Ability to negotiate working conditions	Capability
Autonomy and Voice	Participation in workplace decision-making	Capability
Autonomy and Voice	Ability to refuse undignified or unsafe work without penalty	Capability
Autonomy and Voice	Effective participation in individual or collective decisions	Functioning
Autonomy and Voice	Fair and respectful treatment by colleagues or superiors	Functioning
Autonomy and Voice	Recognition and appreciation of work performed	Functioning
Autonomy and Voice	Perception of empowerment and control over working life	Utility
Autonomy and Voice	Feeling of respect, pride, and purpose associated with work	Utility
Work-Life Balance	Time available for leisure, rest, or personal relationships	Resource / Capability
Work-Life Balance	Access to childcare, eldercare, etc.	Resource
Work-Life Balance	Capability to combine multiple roles (labour and care)	Capability
Work-Life Balance	Opportunity to participate in social or community activities	Capability
Work-Life Balance	Actual participation in personal and social activities	Functioning
Work-Life Balance	Maintenance of positive workplace relationships	Functioning
Work-Life Balance	Number of roles assumed (e.g., caregiver, worker, student)	Functioning
Work-Life Balance	Perceived stress or overload from multiple responsibilities	Functioning
Work-Life Balance	Feeling of belonging and connection in the work environment	Utility
Work-Life Balance	Satisfaction with integration between work and other life dimensions	Utility

However, there are both theoretical and empirical limitations to incorporating the full set of employment-related indicators into a multidimensional poverty measure. While the literature offers several potential indicators, their inclusion must be guided by conceptual coherence, methodological rigour, and practical feasibility. To ensure that the selected indicators contribute to the assessment of poverty within a capability framework, three core criteria have been applied in the selection process.

First, each indicator must demonstrate conceptual consistency with the poverty literature. Indicators should be able to capture not merely as the absence of economic resources or utilities, but as the lack of real opportunities — or capabilities — to achieve functionings that individuals have reason to value. Second, indicators should reflect information across distinct evaluative spaces of well-being. This includes capturing not only resources, but also functionings, capabilities and utility. Including indicators across these spaces allows for a more acute assessment employment contributes to or constrains people's freedoms. Third, indicators must be measurable at the individual or household level, enabling their integration into empirical poverty measurement frameworks. This criterion ensures applicability in household surveys and labour force datasets.

Together, these three criteria guide the selection of a parsimonious yet robust set of indicators capable of capturing employment-related deprivations within multidimensional poverty measurement, while maintaining consistency with both theoretical foundations and empirical practice.

In this context, indicators must capture the individual's **capability to satisfy basic material needs**.

4. Practical Considerations: Data Sources and Their Limitations

Reliable information on employment conditions is indispensable for multidimensional poverty measurement, yet it remains uneven across contexts. Official statistics—produced through household and labour-force surveys—often privilege metrics with immediate macroeconomic salience (participation, unemployment, wages), while leaving critical dimensions of job quality unmeasured. In what follows, we offer a detailed account of the principal survey instruments and international repositories that underpin global poverty monitoring, highlighting their methodological strengths and the persistent data constraints that complicate cross-national comparison and the analysis of vulnerable groups.

4.1. Labour Force Surveys

Labour-force surveys (LFS) are the backbone of national labour-market statistics globally, conceived originally to deliver high-frequency estimates of participation, employment, and unemployment for macroeconomic policy (ILO, 2013). Their rotating-panel designs, exemplified by the U.S. Current Population Survey (CPS) and the Eurostat EU-LFS, generate quarterly or monthly indicators that inform central-bank decisions on growth and inflation (Smith & Thomas, 2018). Moreover, many LFS programmes collect wages and hours data, enabling core measures of average earnings and labour-cost inflation.

Despite these clear advantages, LFS modules remain narrowly focused. Beyond income and hours worked, few surveys include standardized questions on contract type, occupational hazards, or worker autonomy. In Europe, ad hoc "quality of work" supplements have appeared intermittently since 2005 in the EU-LFS—but variations in question wording and periodicity across member states have thwarted harmonization (Eurofound, 2018). The EU-LFS database therefore confines itself to a core set of harmonized variables—temporary employment, shift work, overtime, multiple jobholding, and job tenure—while publishing earnings only in decile form, precluding analysis of living-wage attainment (Eurostat, 2025).

A further constraint in LFS data concerns marginalized workers. Informal own-account operators, unpaid family workers, and casual day-laborers often fall outside standard sampling frames or are misclassified under broad "self-employed" categories (Chen, 2012). As Conen and Stein (2021) demonstrate, few LFS programmes collect consistent information on multiple jobholding, forcing researchers to rely on the exceptions of the CPS and a handful of national surveys. Consequently, vulnerability to poor-quality employment remains obscured in the very datasets intended to monitor labour-market health.

4.2. Household Surveys

Household surveys—particularly the World Bank's Living Standards Measurement Study (LSMS), the Demographic and Health Surveys (DHS), and UNICEF's Multiple Indicator Cluster Surveys (MICS)—provide rich individual- and household-level data that link employment conditions to poverty, education, health, and housing (Beegle et al., 2012; Croft et al., 2018). LSMS surveys typically include detailed modules on occupation codes, contract formality, tenure, hours, and social-security contributions, enabling nuanced analysis of informality and social protection coverage (World Bank LSMS, 2025). By contrast, DHS and MICS are designed primarily for demographic and health monitoring. Thus they record only basic employment categories and broad bands of hours worked, limiting their utility for job-quality research (ICF, 2021; UNICEF, 2020).

The breadth of LSMS and other household instruments, however, comes at the expense of frequency and depth in labour modules. Most LSMS rounds occur every three to five years, and budget constraints often preclude inclusion of extensive working-conditions questions. While longitudinal panels within LSMS cohorts can illuminate employment trajectories and transitions between formal and informal work (McKenzie, 2017), linkage to administrative tax or social-security records remains rare, restricting the capacity to trace the causal impact of job-quality changes on household welfare.

4.3. International Repositories and Harmonization Efforts

At the global level, repositories such as ILOSTAT and the World Bank's World Development Indicators (WDI) synthesize country-reported data into dashboards on employment shares, informality rates, average earnings, and social-protection coverage (ILO, 2024; World Bank WDI, 2025). ILOSTAT's emphasis on SDG monitoring has expanded its coverage to working-poverty rates, occupational injury rates, and indicators of child labour, but all remain macro-aggregates and thus detached from the heterogeneous realities of vulnerable subpopulations. The WDI database provides series on unemployment, vulnerable employment (ILO definition), and sectoral employment, yet omits direct earnings measures and offers no microdata for disaggregation (Hovhannisyan et al., 2022).

These international databases exemplify the trade-off between global comparability and analytic depth. Harmonization efforts, such as the EU-SILC and ASEAN Harmonized Questionnaire, have achieved standard definitions for a limited set of indicators but have not resolved some fundamental tensions. In particular, a lingering problem is that richer national surveys yield detailed portraits of job quality yet lack cross-country comparability, while standardized global series sacrifice nuance for coverage. Missing consistent modules on informality, multiple jobholding, and working conditions perpetuate reliance on "informal employment" as a crude proxy for precarious work, underscoring the urgent need for expanded labour modules, harmonized survey design, and integration with administrative registers.

Despite notable heterogeneities in survey design, data availability, and institutional capacity across developing countries, we aregue that a clear core of work-related indicators can emerge consistently within a wide set of national MPIs. Table 1 depicts the work-related indicators that are included and excluded from a wide range of nationally tailored MPIs.

Table 1: Work-related indicators in National MPIs

Country	Indicator											
	Underemployment	Informal work	Low wage	Unemployed	Child labour	Youth NEET	Lack of Social Security	Lack of pension	Unprotected disabled	No birth certificate	Dependency (within hh)	Dependency (from gov. Aid)
Afghanistan	X			X		X					X	
Angola				X	X	X				X	X	
Armenia	X	X		X								X
Buthan												
Chile				X			X	X				
Colombia		X		X	X							
Costa Rica	X	X	X	X				X	X			
Dominican Republic		X		X	X					X		
Ecuador	X			X	X		X					
El Salvador												
Ghana												
Guatemala		X			X							
Honduras					X		X					
Malaysia												
Maldives												
Mexico							X					
Mozambique												
Nepal												
Nigeria				X								
Pakistan		X		X								
Palestine	X		X	X		X	X					
Panama	X	X	X	X								
Philippines	X				X							
Rwanda												
Seychelles		X		X		X						
Sierra Leone												
South Africa				X								
Vietnam												

Across the diverse set of national MPIs in Table 1, some labour-market dimensions may constitute a starting point towards a shared methodological core. First, note that **unemployment** features in half of the MPIs (e.g. Colombia, Costa Rica, South Africa). This may be reflecting a near-consensual recognition that labour-market exclusion remains a primary pathway into multidimensional deprivation (Alkire & Santos, 2014; ILO, 2023). Second, the persistence of **informal employment** as an explicit indicator in roughly one-third of national indices (e.g. Chile, Pakistan, Guatemala). The binary nature of this indicator may be insufficient to truly capture important nuances among both formal and informal workers, its prominence in Table 1 underscores the recognistion of its strong empirical association with income instability, lack of labour rights, and exclusion from social protection systems (Chen, 2012; Sehnbruch et al., 2015). Third, **underemployment**—operationalized as insufficient hours of work—appears in one-quarter of national MPIs, signaling that mere access to a job is insufficient if work time fails to secure a basic standard of living (Ghai, 2003). Fourth, gaps in **social-security coverage** (health insurance, pension contributions) recur across 18 % of the sample (e.g. Chile, Costa Rica, Philippines), reflecting the growing consensus that "decent work" must encompass protection against illness, disability, and old-age poverty (Sen, 1999; ILO, 2023). Finally, the inclusion of **youth NEET** (Not in Employment, Education, or Training) in several Latin American indices highlights emerging policy concerns about early-career exclusion and its long-term scarring effects on human capital (McKenzie, 2017; World Bank WDI, 2025).

Thus there is indeed a solid conceptual backbone for the work dimension of MPIs and a practical roadmap for harmonization. From a capabilities perspective, embedding these indicators within poverty metrics aligns with the view that poverty is not solely an income shortfall but a deprivation of vital functionings, including secure and adequately remunerated work (Robeyns, 2005; Sen, 1999). Empirically and albeit imperfect, cross-national comparability is possible while preserving the granularity needed to identify vulnerable subgroups—such as informal day-laborers or disconnected youth—who might otherwise be obscured in aggregate dashboards (Hovhannisyan et al., 2022; Conen & Stein, 2021). Going forward, aligning the definitions and data-collection protocols for these core work indicators can strengthen both national policy design and regional poverty-monitoring frameworks, fostering a more coherent global agenda for "decent work" and multidimensional well-being.

5. Proposal for a Pragmatic Work Dimension

Nationally tailored multidimensional poverty indices (MPIs) have proliferated over the past decade, reflecting context-specific conceptions of deprivation and leveraging locally available data. While these national MPIs, including those of Mexico (CONEVAL, 2021), Colombia (DNP, 2019) as the first ones to have been created, have proven invaluable for national policy and targeting, they pose important challenges for serving as foundations fo internationally comparable global measure that incorporates a coherent work-dimension.

First, as we have established, national MPIs differ markedly in their choice of indicators, cut-offs, and weights, reflecting divergent normative judgments and political priorities. They reflect national priorities, not international ones. For instance, India's MPI (NMPI) assigns a 1/3 weight to a "livelihood quality" sub-indicator that combines days worked and social

security coverage, whereas Mexico's MPI subsumes employment under a broader "social security" pillar with a distinct weighting scheme (Alkire & Seth, 2015; CONEVAL, 2021). Such heterogeneity in indicator selection and aggregation rules make it impossible to perform any sensible cross-country comparison: two individuals with identical deprivations in work conditions may register as non-poor in one country's MPI but poor in another's, purely by virtue of methodological divergences. This methodological plurality contrasts starkly with the stringent harmonization required for global poverty monitoring, as exemplified by the OECD-UNDP's proposed global MPI framework, which stipulates uniform dimensions and weighting conventions (Alkire et al., 2020).

Second, data availability and quality vary widely across national contexts, particularly for work-related dimensions. Many national surveys capture informal employment, occupational safety, or working-time adequacy in rich detail (e.g., South Africa's Quarterly Labour Force Survey), while others rely on coarse proxies or omit these aspects altogether (e.g., countries lacking regular labour-force modules on job security). This inconsistency stems from differences in survey design, frequency, and administrative data linkages (McGillivray & White, 2021). Attempting to reconcile these disparate datasets into a unified global MPI would either necessitate discarding richly detailed indicators—thereby losing analytical nuance—or imputing values for missing dimensions, which risks introducing bias and eroding the empirical robustness of any global work-dimension.

Third, the normative underpinnings of work-related indicators differ across cultures and welfare regimes, complicating the establishment of universal deprivation thresholds. In Latin America, informality is often posited as the primary marker of precarious work, whereas in advanced OECD countries, underemployment and atypical contracts may assume greater salience (Gasparini et al., 2015; OECD, 2018). The threshold at which part-time or gig work becomes "inadequate" thus depends on social expectations, labor market institutions, and the scope of social protection—factors that defy simple standardization. A global MPI that attempted to impose a single cutoff for "decent work" would risk cultural imperialism or, conversely, dilute the standard to the least demanding context, thereby masking significant deprivation elsewhere (Sen, 1999; Robeyns, 2005).

Finally, the aggregation of a work-dimension alongside traditional education, health, and living-standards components amplifies the tension between national relevance and global comparability. National MPIs often calibrate the contribution of work to overall poverty in line with local policy salience—sometimes upweighting it to reflect recent structural shifts in employment—whereas a global measure must adhere to fixed weights to preserve comparability over time and across regions (Alkire & Santos, 2014). This rigidity may render the global MPI less responsive to emerging labor market challenges—such as the gig economy or climate-induced job displacement—that national indices can more nimbly address.

While nationally tailored MPIs with work-related indicators are indispensable for domestic policy formulation and for illuminating the multifaceted nature of working poverty, their methodological heterogeneity, data disparities, normative diversity, and aggregation complexities make them ill-suited as direct building blocks for an internationally comparable global MPI. Reconciling the twin imperatives of local relevance and global comparability will require concerted efforts to harmonize core work-dimension indicators, standardize

survey instruments, and converge on norms for threshold setting—an endeavor that remains a frontier in multidimensional poverty measurement.

In light of the discussion that we present in this paper, we aregue that a parsimonious yet comprehensive framework can be organized into five interrelated domains:

1. **Job Availability.** This domain captures both unemployment and underemployment. While unemployment is relatively straightforward to measure, underemployment encompasses multiple facets—skill mismatch, insufficient wages, inadequate hours, or work outside one's expertise—that collectively impede a worker's capacity to achieve a decent living (Maynard et al., 2006; de Vroey, 2004). Crucially, distinguishing involuntary underemployment from voluntary underemployment permits a sharper identification of labour-market restrictions that exacerbate multidimensional deprivation. Importantly, this domain must exclude child labour. Indeed, early-age labour participation often masks forced work or exploitative conditions. National legal thresholds vary—sometimes contradicting ILO conventions (Liebel, 2015; Dávalos et al., 2020)—but a harmonized MPI should adopt the stricter of national and international age standards to reliably flag child labour as a form of multidimensional deprivation.
2. **Monetary Compensation.** Earnings adequacy underpins economic security, yet self-reported salaries in household surveys are prone to error (Moore et al., 2000). Employing graduated wage bands—anchored to national minimum-wage multiples—can enhance data reliability and facilitate cross-country comparability while preserving an objective poverty cutoff.
3. **Contractual Security**. Having a contract reflects a fundamental guarantee of labour rights and access to formal dispute-resolution mechanisms. The mere presence of a written employment contract—whether permanent or fixed-term—is a clear signal of a worker's entitlement to agreed pay, notice periods, and legal protections. Including this domain distinguishes between off-the-books arrangements and formally recognized work, even where tenure may be short or benefits limited.
4. **Stability.** Tenure and formality jointly signal continuity in both monetary and non-monetary job benefits. In many developing contexts, self-employment represents a deliberate livelihood strategy rather than a default to informality (Nogales et al., 2019; Packard, 2007). Measuring continuous tenure alongside contract type thus differentiates precarious "survival" work from sustainable entrepreneurial activity.
5. **Working Conditions.** Rather than an open-ended scale of workplace quality, a poverty measure necessitates clear deprivation cutoffs—such as exposure to occupational hazards or physical risks (Table 1)—that society deems unacceptable. This tightly defined indicator complements broader assessments of psychosocial stressors and career prospects in advanced economies (Green & Mostafa, 2012), while maintaining interpretability for anti-poverty policy. Moreover, access to labour rights—health insurance, pension contributions, and paid leave—constitutes essential social protection for workers and their families (Sehnbruch et al., 2020). A nuanced poverty metric must record both compulsory and voluntary access to these benefits, recognizing that informal workers may secure coverage independently.

These domains not only mirror the core work indicators observed in national MPIs (see Table 2) but also resonate with international frameworks from the ILO, OECD, and UNECE, as well as key contributions in the academic literature (Sehnbruch et al., 2020; Green, 2021; Señoret et al., 2022). By embedding these domains within the capability-informed MPI structure—using clear deprivation thresholds, harmonized question modules, and context-sensitive calibration—researchers and policymakers can advance a more coherent global agenda on decent work. Such a measure would both preserve the analytical depth necessary to capture the lived realities of working poor and uphold the comparability required for tracking progress towards SDG 8 worldwide.

Taking a step further from the theoretical reflections we have posited so far is complex. Arriving at an adequate empirical operationalization of the domains and indicators discussed above is far from being an easy task. However, to start an in-depth discussion around such a data collection instrument, this section sets out to put forth a set of structured questions that provide enough information to assess operationable indicators for a work dimension in an internationally comparable MPI. The proposal is based on two basic principles.

First is parsimony. These questions represent only a subsection of a more complex survey, not necessarily focused on working conditions, but that rather intends to capture several living conditions. Second is proven adequacy in the field. The proposed set of questions is mainly inspired by the 2021 version of the Chilean Longitudinal Social Survey questionnaire. The reason for choosing this survey as the main benchmark is that the labour module has been designed by pioneering academics in the domain of multidimensional job quality index creation (see Sehnbruch et al. 2020). To ensure consistency, the order, phrasing, and filters of these questions have also been checked against questionnaires used for other official surveys in the developing world, including the Bolivian Household Survey (https://anda.ine.gob.bo/index.php/catalog/88/data-dictionary) and ILO's Labour Force Surveys (https://www.ilo.org/surveyLib/index.php/collections/LFS).

The proposed survey instrument consists of 25 questions, six of which are left to be answered openly following the Chilean questionnaire. The answers to these questions could be transformed into closed ones, but the level of heterogeneity that the question can capture will be diluted.

The level of microdata: To capture the reality of each household as accurately as possible, 24 out of the 25 questions are asked to all household members aged 5 and above. The reason is that working conditions for each household member naturally vary widely within the household, and the indicators need to take this heterogeneity into account. The lower age bound of 5 years is useful to detect any form of child labour.

The respondent: Ideally, each person should respond about their own working conditions. However, this may be too costly and highly impractical. Thus the respondent could be the head of the household, but it should be considered that this second-best option may increase measurement error, response inaccuracy, and/or the amount of missing information.

Age ranges: Besides the 5-year lower bound for the applicability of the questionnaire, the following age ranges must be considered for analytical purposes. Regularly, youth not in

education, employment, or training (NEET) is a subset of the population aged 15-29 years old (Bâlan, 2015). The age of retirement is regularly around 65 years of age. It may be useful to consider workers who are still active after the age of retirement to denote some deprivations in the household.

Possible disaggregations: Following the highlighted indicators in Table 1, the proposed questionnaire allows to perform some basic disaggregation as per the SDG 8 framework. These include sex, migrant status, disability status, age, occupation, and economic sector. This can be considered as a lower-bound set of useful disaggregation, which can be supplemented by questions for other sections of the overall questionnaire.

Table 2: Proposed questionnaire structure

Section: General Information about all household members aged 5 or older		
City or municipality where the household lives (observed by enumerator):		
Item	**Question**	**Answers**
1	How many people are there in your household?	…... Persons
Only for household members aged 5 and older		
2	What is […..]'s sex?	1. Male
		2. Female
		3. Other
2	How old is […..]?	…... Years old
3	Does […..] live with any kind of disability?	1. Yes -> **Move to question 3.a**
		2. No -> **Move to question 4**
3a	Which one?	Open question
4	Which country was [….] born in?	Open question
5	What city was […..] born in?	Open question
4	Who is the main contributor to the household income?	[…....] is the main contributor
5	Which situation best describes […....]'s situation during the last month	1. Works for pay on a full-time basis.
		2. Works for pay on a part-time basis or does occasional jobs.
		3. Studies and works.
		4. Only studies → Move to question 21 and end the questionnaire for that person.
		5. Is currently being trained for work only **--> Move to question 21 and end questionnaire for that person**
		6. Retired or pensioned → Move to question 21 and end questionnaire for that person.

		7. Engages in unpaid tasks (household chores, caring for children and others) → **Move to question 21 and end questionnaire for that person.**
		8. Unemployed, actively seeking work → **Move to question 22**
		9. Is sick or has a disability that prevents them from having a job → **End questionnaire for that person.**
		10. Neither studies, works, nor actively seeks employment → **End questionnaire for that person.**
		11. Does not know **-> End questionnaire for that person**
6	What is […..]'s main occupation?	Open question (e.g. teacher at secondary school, manager a company, fruit collector in the field)
7	What is the main economic activity in [….]'s workplace?	Open question (e.g. library, shoe factory, school, bank)
8	In their current job, […..] is	1. Employee or worker in a private company.
		2. Employee or worker in the public sector (including state-owned enterprises or municipal government).
		3. Member of the Armed Forces or law enforcement.
		4. Employer or business owner (hires or pays on a contract basis one or more workers).
		5. Works alone, has no employees.
		6. Unpaid family worker.
		7. Domestic service worker.
9	[…...]'s job is	1. Permanent
		2. Seasonal or temporary
		3. Occasional or casual
		4. On probation
		5. Fixed-term or temporary
10	How long has [….] been working in this job?	……. Years
11	Does […..] have a signed contract?	1. Yes, they signed it.
		2. Yes, but they haven't signed it yet.
		3. They don't have it.
12		1. Yes it does

	Does […..]'s workplace have a registered tax-payer number?	2. No it doesn't
13	In a normal week, how many hours does [….] work?	1. …..... Hours during the week
14	What is […...]'s monthly earnings?	1. …..... LCU per month
		2. Does not know -> **Move to question 15**
15	What is the range of […...]'s monthly earnings?	Range preferably computed in proportion to the national minimum wage
16	Does […..] contribute to the pension system?	1. Yes, their employer ratains the contribution from their salary
		2. Yes, they contribute to the system voluntarily
		3. No, they don't contribute
17	Does [….] have work-related health insurance?	1. Yes they do
		2. They only have private health insurance
		3. They don't have any insurancee
		4. Does not know
18	Does [….] have right to vacation, sick or maternity leave?	1. Yes they do
		2. No they don't
		3. Does not know
19	Was [….] ever physically injured at the workplace?	1. Yes
		2. No
		3. Does not know
20	Was anyone ever physically injured or died at [….]'s workplace due to work-related circumstances over the last 12 months	1. Yes
		2. No
		3. Does not know
21	Would [….] like to work more time?	1. Yes
		2. No
		3. I don't know
22	How many hours more per week?	……. Hours per week
23	How long has […..] been looking for a job?	……. Weeks
24	Will this be […...]'s first job?	1. Yes
		2. No -> **Move to question 25**
		3. Does not know
25	Why did [….] lose their previous job?	Open question

Source: Based upon the Chilean Social Longitudinal Survey https://coes.cl/wp-content/uploads/5_Cuestionario_Ola_5_Muestra_Original_llamado_A.pdf

6. Concluding remarks

7. References

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