

The Way Ahead: trade unions and the third sector

IPA director, Nita Clarke researched and authored this report for the Association of Chief Executives of Voluntary Organisations (acevo), which was launched at 11 Downing Street on 4 June. It is based on an extensive series of interviews with third sector chief executives and trade union officials and in it Nita sets out a strong set of recommendations to government, acevo and the Trade Unions. She writes:

This report sets out a road map on improving relations between trade unions and the third sector. Both parties have a great deal to gain from working closer together. The report strongly makes the case that, with proper engagement at a national level, a better relationship would be a win-win for both; it could help third sector organisations improve relations with staff and it would extend recruitment opportunities for unions. There are many issues of common concern around contracting with government including full cost recovery, contract length and contract cost pressures, the two tier workforce, the bureaucratic requirements where joint lobbying would be more effective than separate representation.

Unions can also help the sector improve and professionalise their industrial and human resource procedures and practices; they can help protect vulnerable staff; they can help with strategies against bullying and offer many other practical avenues for support.

The report looks at the current state of play, in terms of union membership and approaches and the anxieties of chief executives. It examines in some depth the nature of trade union concerns about the sector including the sector's increasing involvement in public service delivery, and a wider concern about the nature of employment in the sector; it is perceived as often amateurish when it comes to employing staff, with a history of job substitution, and very difficult to recruit in given the very large number of small and medium sized organisations involved.

On the third sector side there is a degree of ambivalence too: chief executives desperately want to be seen as good employers – but some are uncertain whether trade unions are a help or a hindrance, or what added value they can bring. Some have been put off by the rhetoric



Nita Clarke, director and John Storey, chairman of the IPA at the launch of the report at Downing Street.

of a very small minority of union activists and officials. Others rather resent being cast as the bad guys of public sector reform. Many have chosen to use other paths for staff engagement, including staff forums. Others have simply never come into contact with unions and are unaware of the positive benefits a collective relationship and individual membership can bring. This is particularly the case in the very substantial proportion of the sector that has no financial interface with government.

However, the research found a great deal that was positive, including some exceptionally good partnership working that would be hard to better elsewhere, as well as some very sound collective negotiating arrangements. There has also been a very interesting development of a mixed economy of representation, including union and non union members, much of which seems to fit well with the specific needs of the organisations concerned.

Many of the chief executives interviewed, including those whose organisations contain few or no union members, were clear that they would welcome a more developed relationship with a union because they explicitly recognise the added HR value a professional union approach can bring.

NEWS IN BRIEF

Flexible working to help 4.5 million more parents

An extra 4.5 million parents in Britain will gain the right to request flexible working, following the publication of the government's independent review last month.

Business Secretary John Hutton accepted the recommendations made by Imelda Walsh, the HR director of Sainsbury's, to extend the right to request flexible working to parents of children up to age 16. The government will now consult on implementing the proposals.

Walsh's review also found:

- Any change should be implemented at once, rather than a staged introduction, to avoid creating confusion for business and employees.
- Small businesses generally had a better record on accepting flexible working requests than larger ones.
- Business would benefit from increased information and guidance about dealing with flexible working requests.
- Flexible working should not be considered a 'women's issue', with 14 million employees currently working flexibly, and the latest figures showing men

make up 45% of this figure. The increasing earning power of women also suggests that flexible working now, and in the future, is far from being an issue that affects only women.

- More work should be done to raise awareness of the right to request flexible working, both among employees and employers.
- More information about the consultation over the proposals will be published in future IPA Bulletins.
- More information from: <http://www.berr.gov.uk/employment/workandfamilies/flexible-working>

- 57% wanted to work because they enjoyed their jobs
- 38% said their jobs helped to keep their minds active
- 32% said they didn't feel old enough to stop working
- 18% felt they would be bored if they retired

Chris Ball, chief executive of TAEN - The Age and Employment Network, says. "The government should recognize that for various reasons a rapidly increasing number of older people want, or need, to go on working if they are to avoid the 'vulnerability trap' and risk being impoverished in retirement. It should do everything it can to help them".

Working after retirement age more popular than ever

A recent survey by the Department of Work and pensions has found that more UK employees are working beyond retirement age than ever before.

1.3 million people are working past retirement age, an increase of 8.8% the past year. A survey of over 55s found that the reasons for working on vary:

- 63% said they were continuing to work on for financial reasons

The Equality Bill

The new Equality Bill will focus on four main ways of improving equality of employment rights across all sections of society and will:-

- demand more transparency from employers;
- make diversity practices more important to winning government contracts;
- strengthen and enforcement of the law; and
- encourage more positive action.

Achieving a WIN-WIN for older employees and their employers

The IPA and TAEN are collaborating to bring you a series of briefing seminars. Each event starts with an examination of the legal developments since the introduction of Age Discrimination regulations came into effect in 2006, and then goes beyond compliance with the law to analyse an age management response to the risks which demographic changes pose to unwary businesses.

The events are taking place around the UK, hosted by leading employment law firms:

- o 11 September - **Birmingham** - hosted by Wragge & Co
- o 14 October - **London** - hosted by Wragge & Co
- o 19 November - **Leeds** - hosted by Watson Burton
- o 1 December - **Glasgow** - hosted by Shepherd & Wedderburn

For a full programme and information about these events, please contact sarah.dawson@ipa-involve.com

The primary aim of the Bill is to simplify the current equality legislation in the UK as well as strengthening efforts to eradicate general inequalities in employment.

Equalities Minister Barbara Follett said at a recent meeting of employers:

"We are looking at positive action. This is lawful action that helps members of under-represented groups get on level terms. We want to keep the merit principle but increase the number of circumstances in which employers can take positive action."

Follett said the Bill was primarily aimed at simplifying the current raft of equalities legislation in the UK, and strengthening efforts to eradicate inequalities such as the gender pay gap, high

levels of ethnic minority poverty and low rates of pay for disabled people.

The Bill has been designed to make the UK's discrimination legislative framework clearer. There are currently nine pieces of major legislation to prevent sex, race or disability discrimination.

More information from:
<http://www.equalities.gov.uk/>

Equal Opportunities

An Acas/CIPD research project aims to identify best practice for sexual orientation and religion or belief issues at work.

As reported in People Management, research by Acas has shown there are different

patterns to the cases in connection with these areas of workplace equality. Sexual orientation cases tend to be related to direct discrimination, including claims of bullying and harassment. Religion and belief cases tend to involve indirect discrimination, as well as harassment. Claims have included difficulties over working hours, time off to follow religious practices, promotion or retirement and workplace dress codes.

Employers needing more guidance on these issues will be pleased to learn that a new joint Acas/CIPD initiative will draw from practitioners' learning and experiences, and will research good practice in handling the regulations in the workplace.

More information from:
c.crown@cipd.co.uk

Dinner celebrates former IPA Director Willy Coupar

IPA members and Bulletin readers will know that Willy Coupar MBE has stepped down from the role of IPA director, a post taken over from him by Nita Clarke. He remains working for the IPA as an associate with a number of key clients and on-going projects.

At a dinner in his honour IPA chairman, Hugh Stirk, paid tribute to the contribution Willy has made to the creation of trust-based workplace relations in more than 15 years at the IPA, beginning with his work on the influential Towards Industrial Partnership project.

Willy took over as director in 1997 and in 1999 he was appointed by the DTI to chair the Partnership Fund panel which awarded grants to organisations in the UK developing best practice in the workplace. In 2000 he was appointed a member of the Council of ACAS.

At the IPA, he has worked with many organisations helping them work through workplace issues and was awarded an MBE in the 2005 New Years Honours List for services to business.

Hugh Stirk has himself retired as chairman, stepping down at the IPA's AGM on 11 June when he formally handed the role on to Professor John Storey of the Open University.



Willy Coupar at the dinner with Alan Johnson, Secretary of State for Health

Previously National HR Director at Unilever, Hugh has been a great champion of the IPA's role at the leading edge of knowledge and research into workplace relations and his long-term contribution has been much appreciated.

Most were very aware indeed of the vulnerability of many small and medium charities – and some large ones – when it comes to up to date HR and IR practices. The disproportionate number of cases from the sector involved in employment tribunals bears witness to the danger. A step change to a more fruitful relationship can be made and there are compelling reasons to do so. To those who say: “why should the sector bother when unions are a declining force?” the response is five fold:

Firstly there are many issues of common interest where lobbying the government together would be more effective than separately – including fair funding, length of contracts, full cost recovery, skills development, securing a level playing field, the role of volunteers.

Secondly, improving the employee experience of work and the workplace should be integral to what the third sector brings to improving public service delivery and the world of work generally. Improving industrial and human relations is critical for the sector to recruit and retain good staff.

Thirdly many people in the sector work in jobs that make them personally vulnerable - either with difficult client groups, or working alone; trade union membership is an important form of work insurance for them.

Fourthly trade unions have potentially a great deal to offer the sector in terms of general employment and IR advice, as well as tried and tested policies embodying good practice on issues such as equalities and anti-bullying strategies.

Fifthly, healthy unions with positive relations with employers are an important indicator of a flourishing civil society – it would be perverse, whatever the recruitment issues in SMEs, for unions to ignore a sector where employment has increased by 26 per cent in a decade to over 600,000.

Finally, it seems short-sighted that organisations which have their roots in the same social impulses for individual and collective betterment and support, fail to recognise their common interest in promoting the interests of the mutual not-for-profit sector of which both are such important components.

Of course, with union membership at such a relatively low density in the sector, many organisations are likely to still find themselves without union input in the years ahead. They will have to find other ways of delivering a just workplace and better employee engagement.

The recent inclusion of the third sector on the Cabinet Office’s Public Services Forum is very welcome. Various bodies and reviews have been set up following the third sector review and government should ensure union input is secured, and relations established with Capacity-builders and the Social Clauses Project Board.

There is immense potential for both sides in developing this relationship further and this is one of the rare occasions of a truly WIN-WIN situation.

Copies of the report can be ordered from ACEVO at www.acevo.org.uk priced £10.00

Practical recommendations:

- The sector as a whole needs to recognise the potential vulnerability on employment issues, and to take urgent action to improve IR and HR. At the same time as part of the Capacity building programme, government should look again at how it can support this essential infrastructural issue beyond simply skills, important though these are.
- A series of confidence building measures, building on the engagement that already takes place, to establish relations between a wider group of third sector leaders and their trade union counterparts. Building up this trust will be vital.
- Establish machinery for regular discussion of issues of joint interest between unions and the sector. For this to happen ideological issues may have to be parked. A series of issues of mutual interest which could be the subject of such discussion include a union/third sector protocol covering issues such as: recruitment, skills development, ethical standards, applying best practice - similar to protocols unions have developed with private companies.
- A third/sector union dispute resolution mechanism, with opportunities for mediation and conciliation.
- Establishing a mechanism for the regular exchange of good practice on industrial and employee relations
- Exploring new models for employee engagement
- Speaking at each others’ conferences
- A possible sector-wide pension scheme
- Joint work on issues such as contracting, procurement, funding
- Joint lobbying of government on issues of mutual importance
- Consideration of a third sector/trade union good employer kite mark.

For more information about all IPA services - visit www.ipa-involve.com



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