

# BETTER MANAGERS: BETTER WORK



This discussion paper sets out the challenges and opportunities for managers and leaders in improving the quality of work on offer in the UK going forward.

## THE ROADMAP TO BETTER WORK

In our first Thought Leadership roundtable, we heard that businesses have achieved significant change in a short timeframe. This period has encouraged greater empathy in management, which may lead to lasting effects on how stakeholder interests are balanced, but tough conversations will still need to happen as organisations restructure and reimagine their businesses. CMI Managers Voice research has shown that managers were less optimistic in May 2020 than April 2020 about the UK economy (with the majority expecting significant redundancies) but most stated that their organisations were taking action to support CSR in relation to Covid-19 (CMI, Managers Voice, May 14th 2020).

Responding to the Government's roadmap back to work, we heard that society will not tolerate blatant unfairness coming out of the crisis and that organisations need to take a "social enterprise approach... after all, the country has been paying their wages." But many people have been disadvantaged when it comes to working from home during the crisis, particularly women, younger people, and those with dependents - groups who previously may have benefited from flexible working arrangements. It was also felt there will be polarising effects, as those who are able to work from home and thrive during the crisis tend to be the most well-off in society.

## A BETTER WORK PLAN?

**"The quality of work affects us all. Happier workers are more productive and when productivity increases, the economy grows, boosting earning power for everyone." Greg Clark MP (2018).**

Even before the current pandemic, the Government's 2018 Industrial Strategy accepted responsibility for improving the quality of work. The Good Work Plan recommended that "...fair and decent work should be available to all, including **placing equal importance on quality work as well as quantity.**" The current crisis has accelerated this agenda and there has been much commentary on the impact Covid-19 will have on quality of work - from a new understanding and appreciation of 'key workers' and their pay to remote working shaking up hierarchical structures and empowering employees to demand more from their employer. Our most recent research findings on happiness at work show that it increased between January and April 2020, with the highest scoring of the two Engaging Works "six steps" being **empowerment and instilling pride.**

The future, however, still looks extremely uncertain. Recent data from the UK's Office for National Statistics (ONS) suggested those claiming unemployment-related benefits jumped 69% to 2.1m between March and April 2020. Alongside this, the number of workers receiving state wage subsidies has now reached 10m, according to new Treasury figures, and the Office for Budget Responsibility forecasts unemployment will reach 10% by Quarter 2 2020, as the furlough scheme is withdrawn, the highest rate since 1994.

It has been reported that the Government is planning a big job creation scheme alongside plans to upskill the nation to deal with this looming unemployment crisis. Helping people to transition from contracting sectors or companies to those that are growing or in need seems another logical step. On 19 May, the UK Government and the Prince of Wales urged jobseekers and furloughed workers, contractually allowed to work for another employer, to apply for seasonal farm work. While this may meet some short term needs

this alone is not a long term strategy. Indeed, it is doubtful that the Government had envisaged this type of work as a future growth sector whilst drafting the Industrial Strategy and Good Work Plan.

Today, policy-makers are facing and will continue to face difficult questions of how best to rebuild the economy and restore record levels of employment in the UK. But will (and should) equal importance still be given to its quality? What will an Employment Bill look like in the wake of the crisis and what might this mean practically for managers who will be tasked with its implementation?

## DEFINITION

The [Taylor Review](#), published in 2017, made several recommendations aimed at improving the clarity of employment status in Great Britain to better reflect modern working practices, such as redressing 'one-sided flexibility' and grey areas resulting from the gig economy. The review identifies six high level indicators of quality, all of which managers should be able to influence to a greater or lesser degree.

1. Wages - pay level relative to the minimum wage, qualification level, and peers
2. Employment quality - job status, security, and predictability of hours
3. Education and training - being able to develop and progress at work through training
4. Working conditions - autonomy linked to wellbeing
5. Work life balance - scheduling of hours and flexibility within these
6. Consultative participation & collective representation - a place for employee voice and stake in direction of travel

## CALL TO ACTION

We are interested in your support and challenge on the topic of job quality and what CMI, together with other organisations, can and should be doing to make high quality work the norm.

### THE ROLE FOR CMI

CMI has increased its practical offering for managers and leaders to support them to establish and sustain high quality work during and beyond the current crisis. But **what more could we be doing? What are we missing?**

### THE ROLE FOR ORGANISATIONS

Government and CMI cannot deliver good management alone. **How do organisations intend to reward better management and prevent poor management going forward?**

### POLICY PROVOCATIONS

These policy provocations are not official CMI policy positions, but are included to stimulate conversation and debate. **Will these guarantee quality work going forward, and what concerns might you have if implemented?**

1. **Pay transparency should be paramount.** Bonuses should be linked to demonstrable positive impact on employee engagement/satisfaction; for example, through net promoter scores (covering contribution to people, planet and profits). To support this, **the government should roll out a comprehensive plan for annual pay reporting** ahead of the 2022 review committed to by GPG.
2. **Blended working should become the norm.** Government should advocate for companies to plan roles on a part time basis of up to 4 days a week. This would support employees to better balance work and home life while creating more roles within companies as job sharing would become encouraged.
3. **The government should link the job retention scheme to retraining and skills development.** This could be achieved by ensuring a portion of the furlough is ring-fenced for training, perhaps added to apprenticeship levy pots but where the levy is made more flexible to be spent on wider forms of quality assured training.
4. **Government should reintroduce lifelong learning accounts** with a lifetime learning allocation in the form of a loan plus grant. Employers and individuals should be encouraged to top this up through government match funding, offering a learning 'bonus' or tax relief on training/ learning.
5. **Employees should have the right to request a structured employment contract** guaranteeing a certain level of hours/ shifts, and there should be better enforcement of reasons for refusal. This could be

supplemented by government awards/ special recognition for those evidencing creating continuing improvements in working conditions.

6. **Businesses must be required to demonstrate that they give their employees a real stake in the company.** One way to achieve this would be to offer shares or to set aside a percentage of their profits each year into a participatory budget controlled by workers.

## **PRACTICAL EXAMPLES**

We are looking to develop an evidence base of organisations that have taken a 'social enterprise approach' during the crisis by committing to placing equal importance on the quantity and quality of work they will offer going forward. Please get in touch at [editorial@managers.org.uk](mailto:editorial@managers.org.uk) to discuss your case study.