

Why we need to improve quality work?

IGAU conference 2017

Local approaches to improving quality work

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Work Foundation

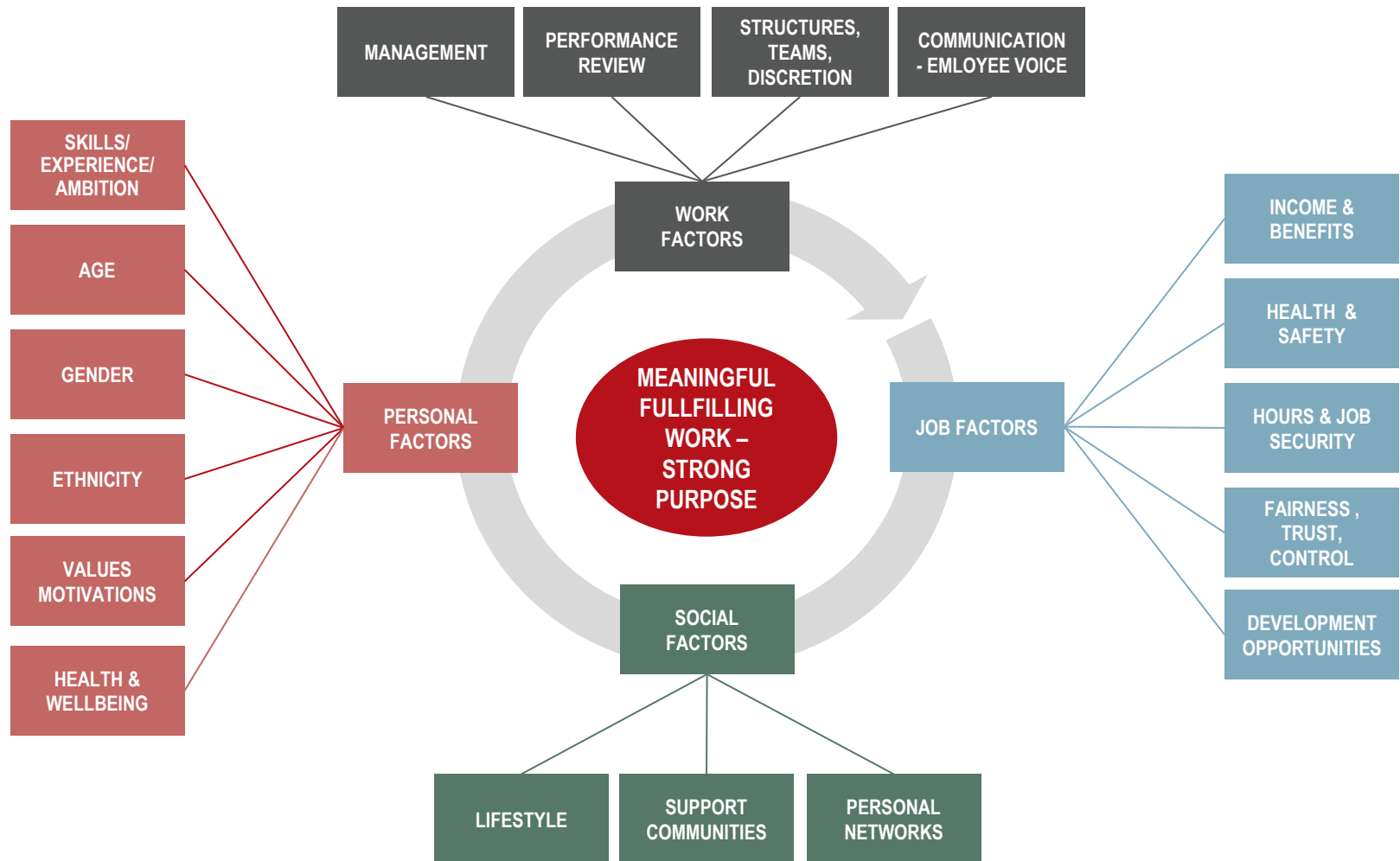
The Work Foundation

Understanding and promoting good work



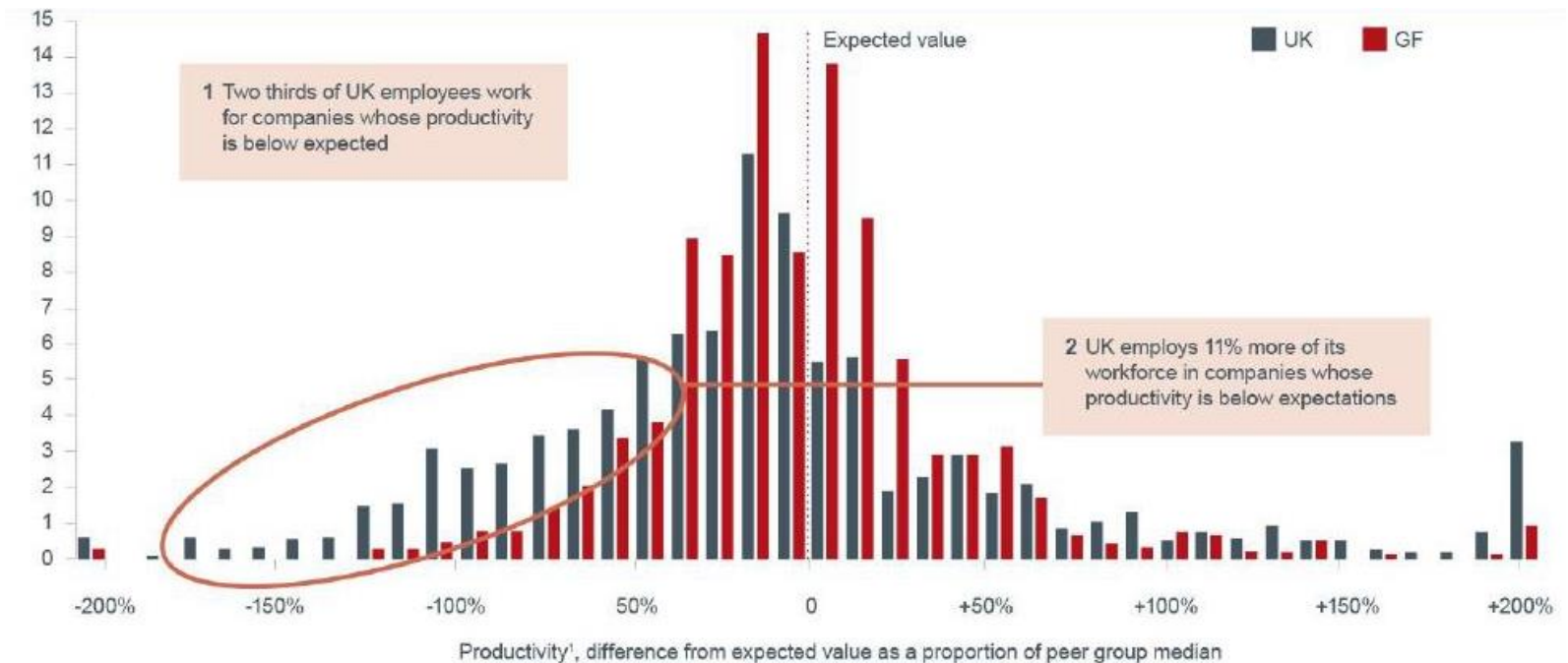
What does Good Work mean?

Making the best of people's talents today and tomorrow



The case for action

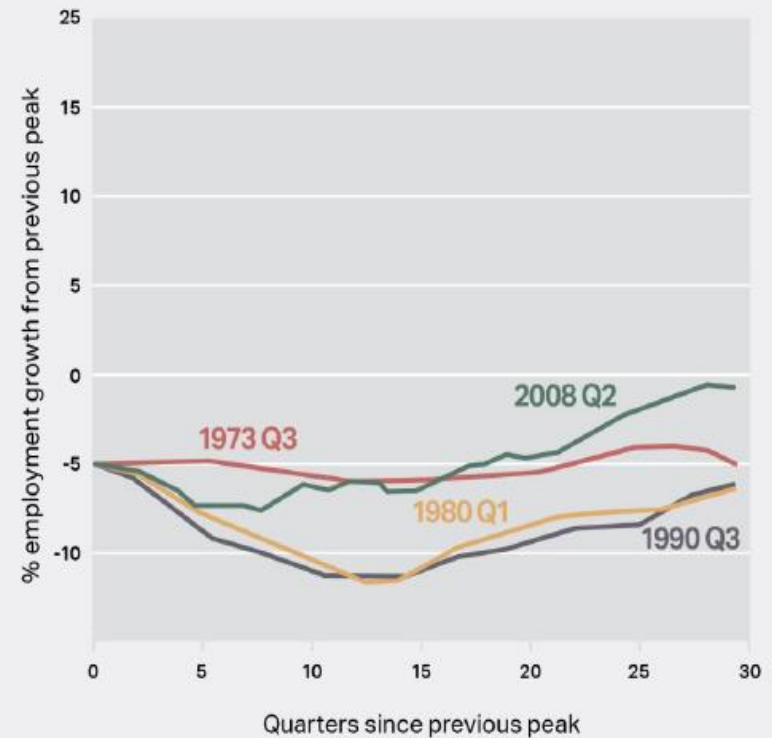
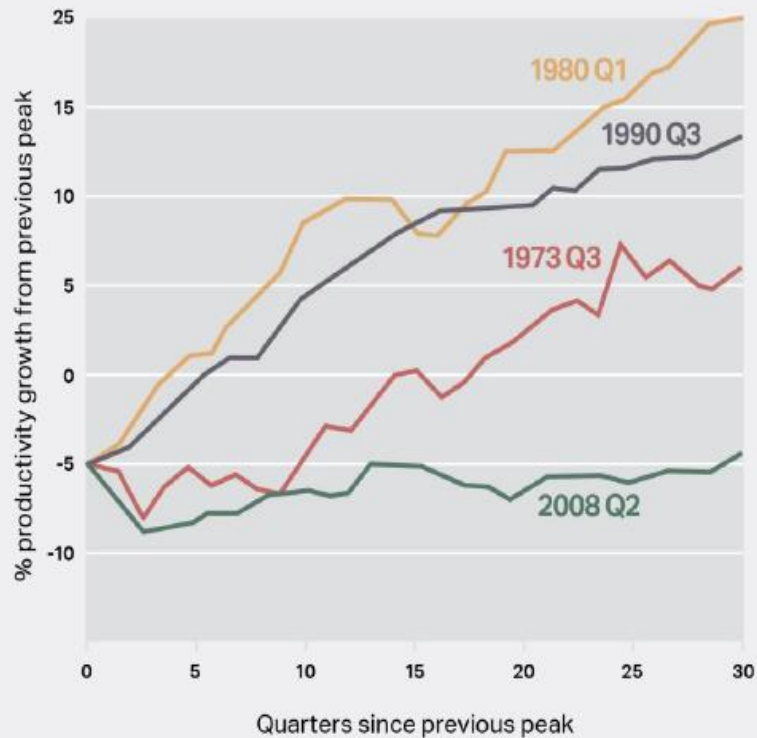
A persistent and far-reaching productivity problem



- 1 Productivity measured by Estimated GVA (EBIT + employee costs)/Number of employees. Best proxy possible with available date.
 2 Estimated GVA (EBIT + employee costs) is regressed on a range of variables to control for sub-sector and number of employees using a Weighted Least Squares method (with employee numbers as the weighting)

Persisted for some time

What's distinct about now?



Dynamic drivers of change

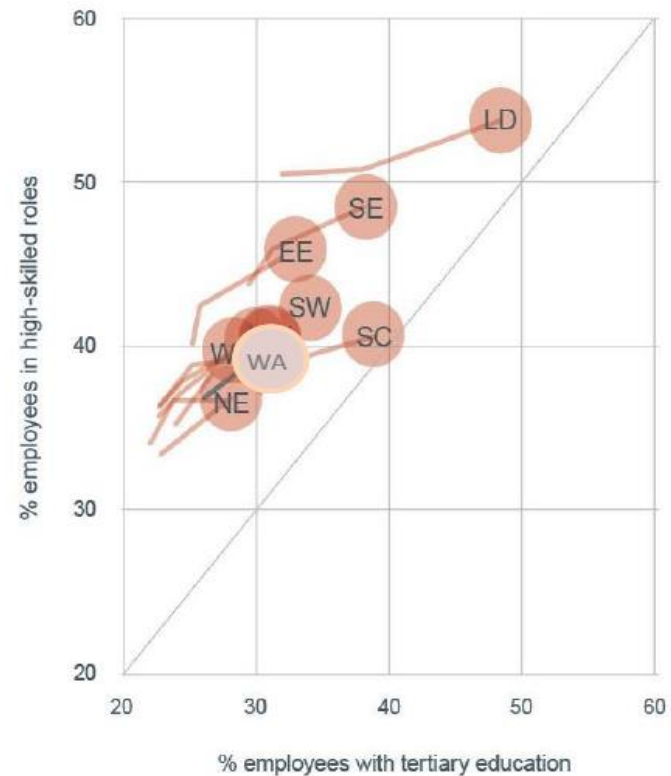
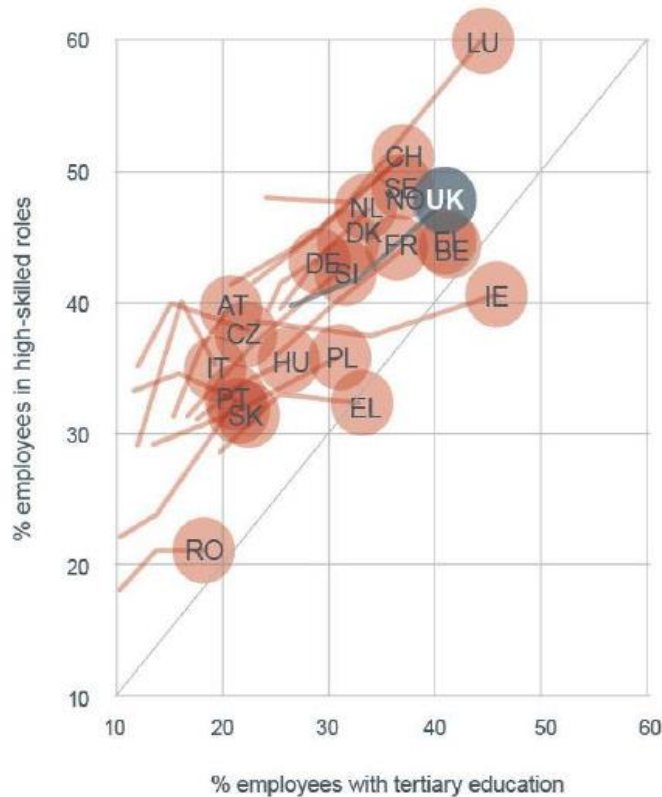
Powerful disruptive future forces hard to predict



- Technology is more pervasive, disrupting old ways of working
- Rapid industrialisation of emerging economies
- More global interconnectivity & networking
- Radical demographic transformation
- Increasing individual responsibility
- Growing polarised labour market and divided communities

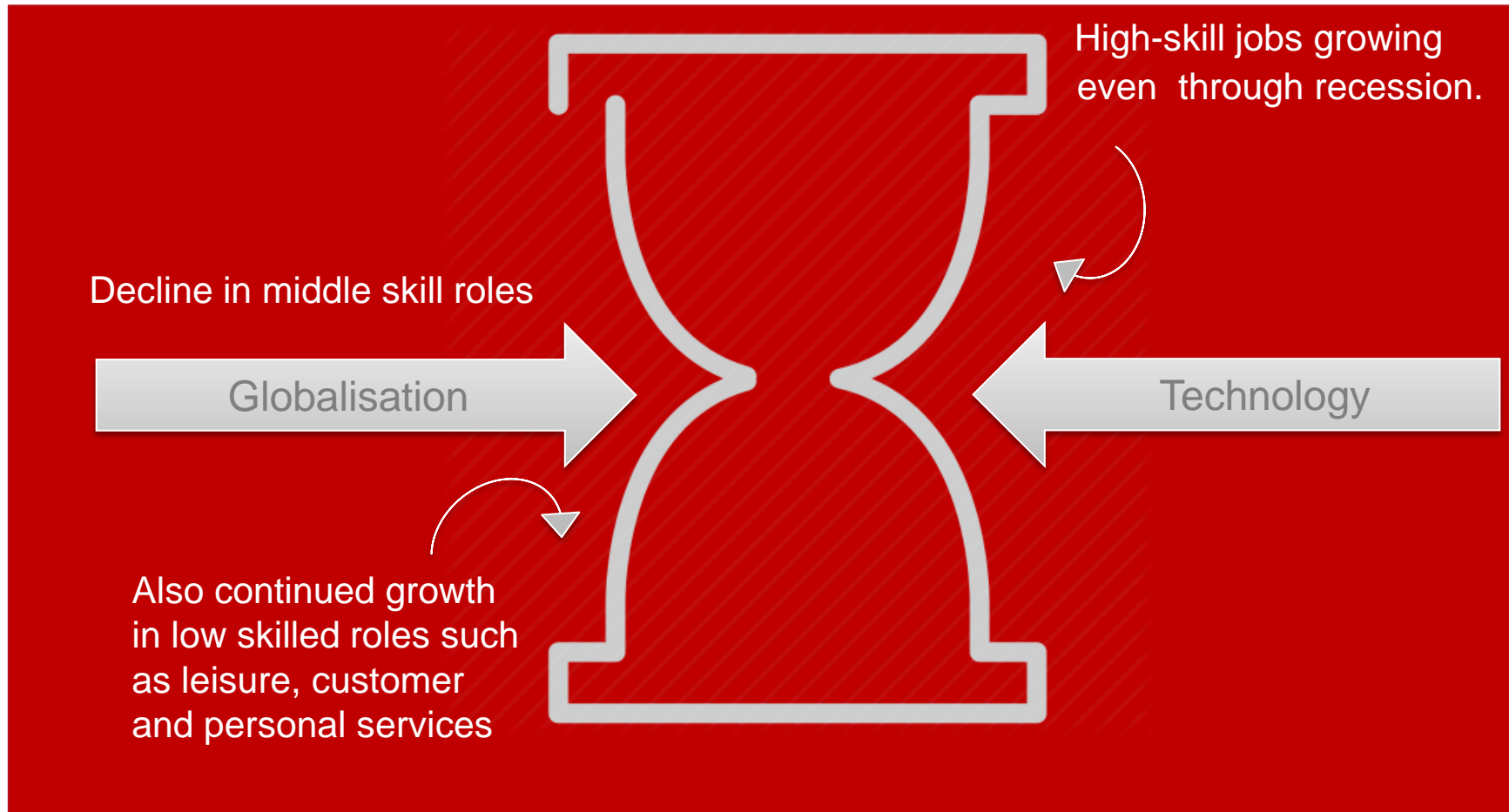
We have economic strengths

High skilled roles grow but for how long?



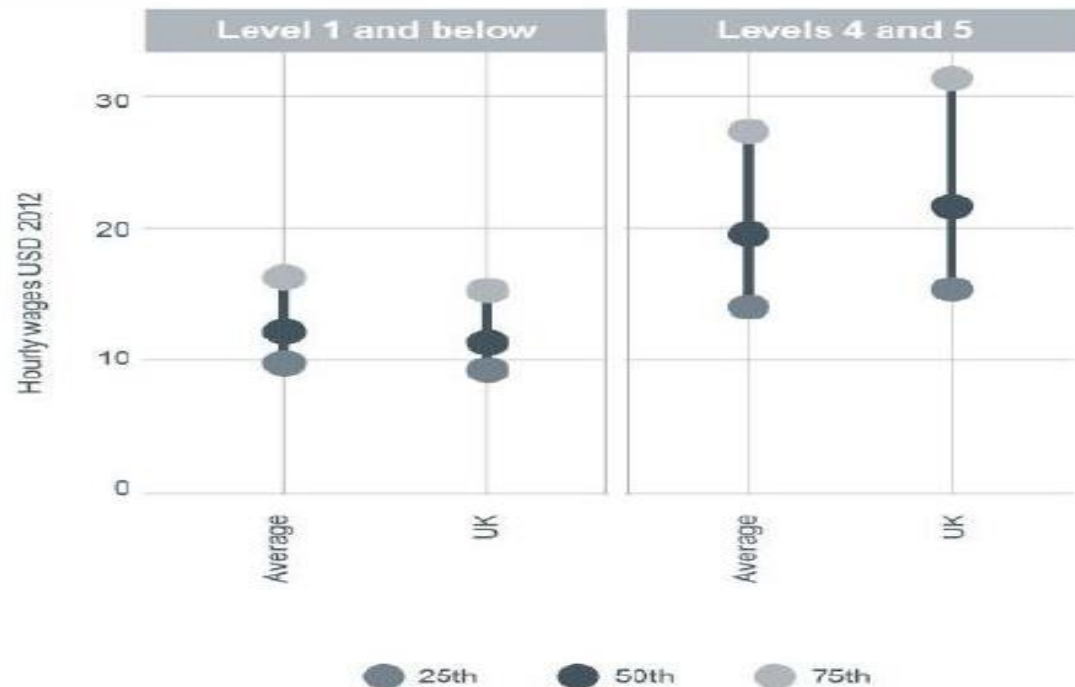
But challenges too with increasing risks of job loss

Job polarisation growing and affecting future opportunities?



Skills matter to progression

Also wide divisions between skills rich and poor

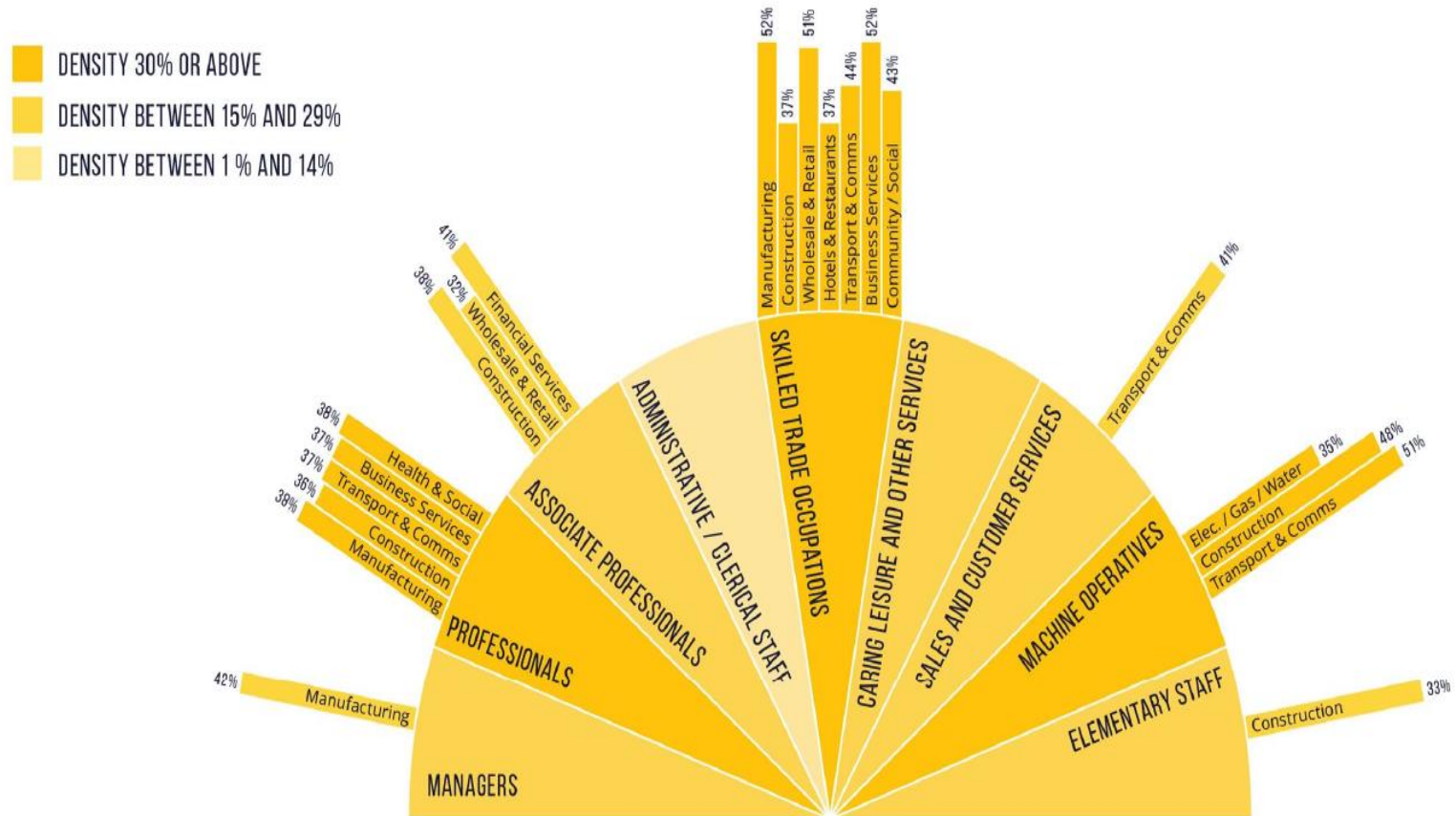


Source: OECD Survey of Adult Skills 2012, Fig 6.23. Levels are literacy proficiency in PIAAC tests, dots are wage percentiles.

Highly skilled people secure high pay relative to other leading nations.
Less skilled people have fewer options, more limited prospects and earn less well

Skills investment and use inadequate

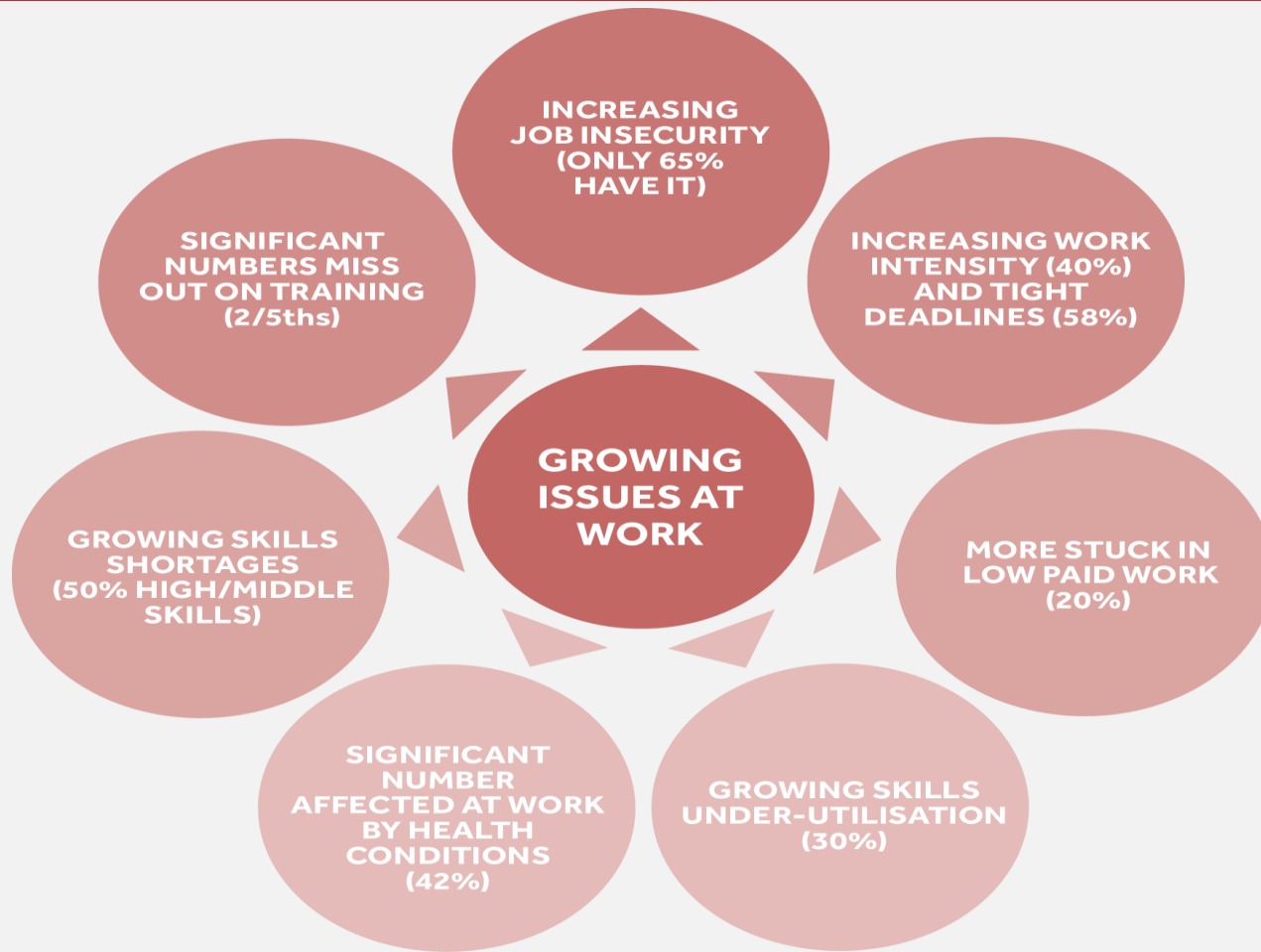
Persistent growing skills deficiencies



Sources: UKCES employer skills survey 2015

But its not just a skills problem

Wider labour market challenges developing



And, not all new forms of working are a choice

Significant minority not choosing flexible working

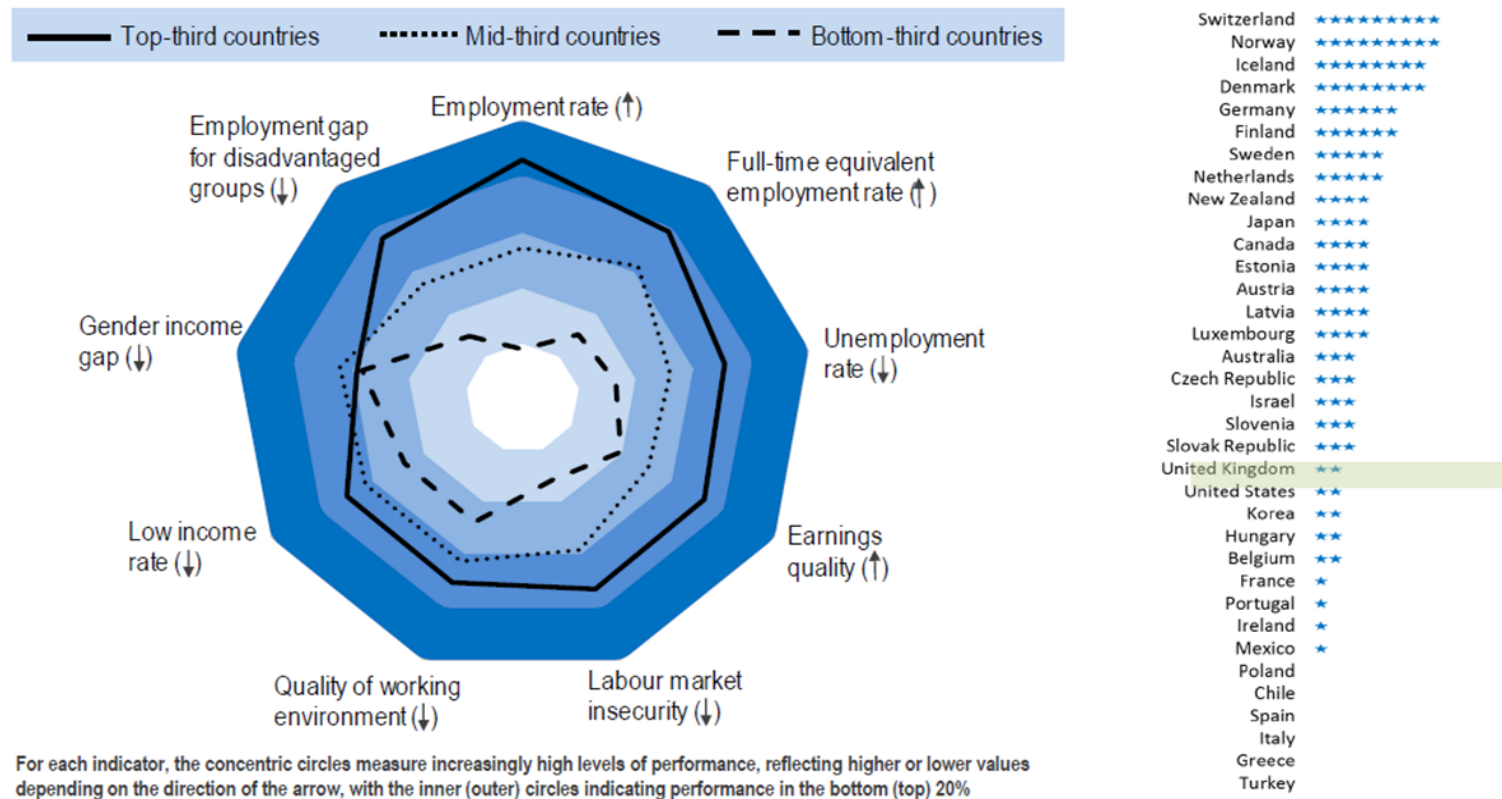
Group	Measure	Share
Part time employees (ONS 2016Q4)	Share who say they could not find a full time job	13%
Temporary employees (ONS 2016Q4)	Share who say they could not find a permanent job	30%
Zero hours (UKCES, 2013)	Share who could not get a job with fixed hours	33%
Zero hours (CIPD, 2013)	Share dissatisfied with a zero hours contract	27%
Gig economy (CIPD, 2017)	Share who said they could not get a regular job	14%
Self employment (RSA, 2014)	Share who started in last 5 years trying to escape unemployment	27%
Self-employment (RF, 2014)	Share who started in last 5 years who would prefer to be an employee	28%

So there is no room for complacency

International perspective - much room for improvement

Average labour market performance of countries Grouped by low, intermediate and high employment rates

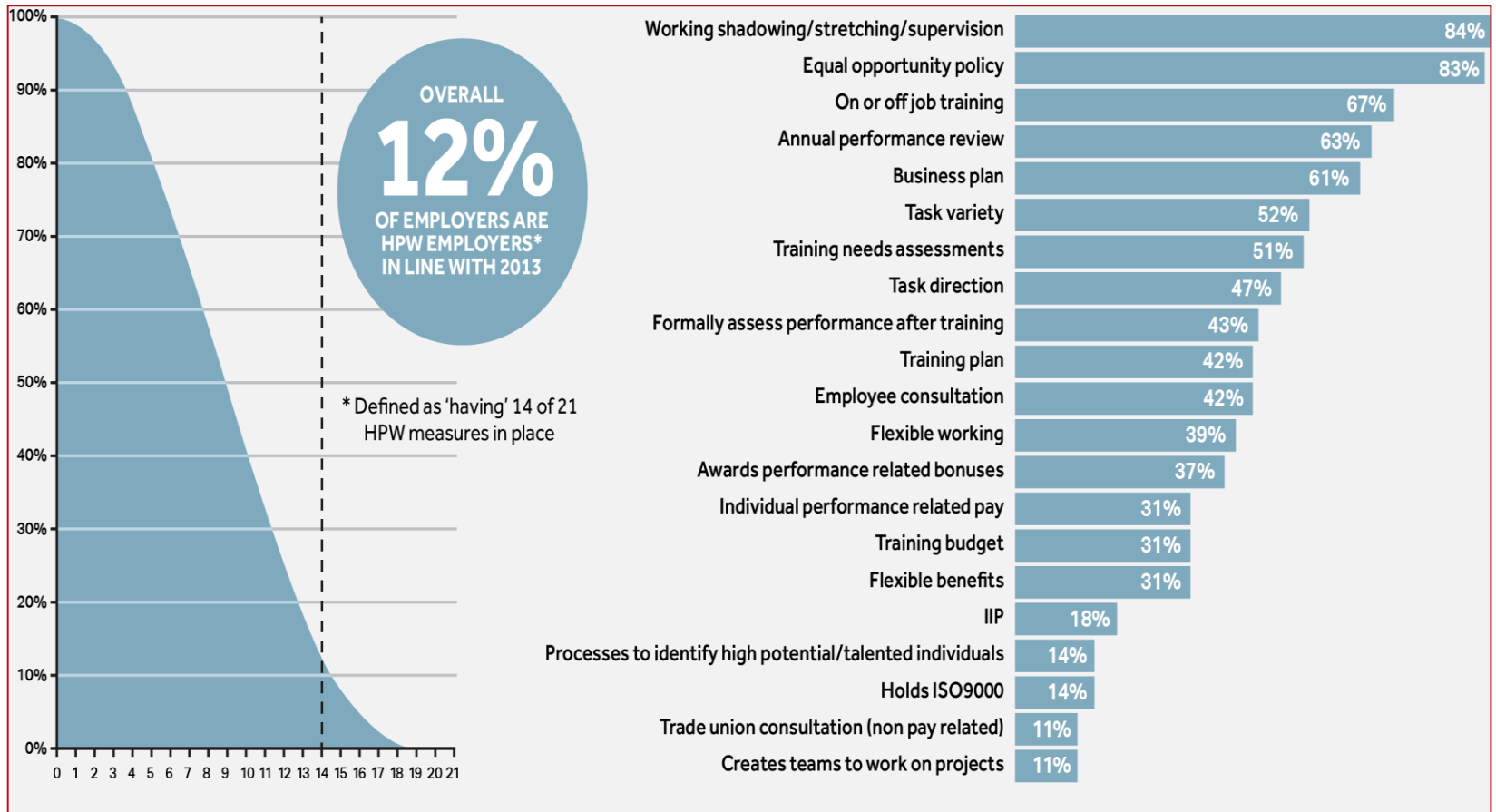
No. of indicators (out of 9) where country in top-third



Source: OECD Employment Outlook 2017

Well run businesses utilise their people

But few adopt high performance working



What needs to be done?

Government-led industrial strategy co-ordinate/ collaborate



AI & Data Economy

We will put the UK at the forefront of the artificial intelligence and data revolution



Clean Growth

We will maximise the advantages for UK industry from the global shift to clean growth



Future of Mobility

We will become a world leader in the way people, goods and services move



Ageing Society

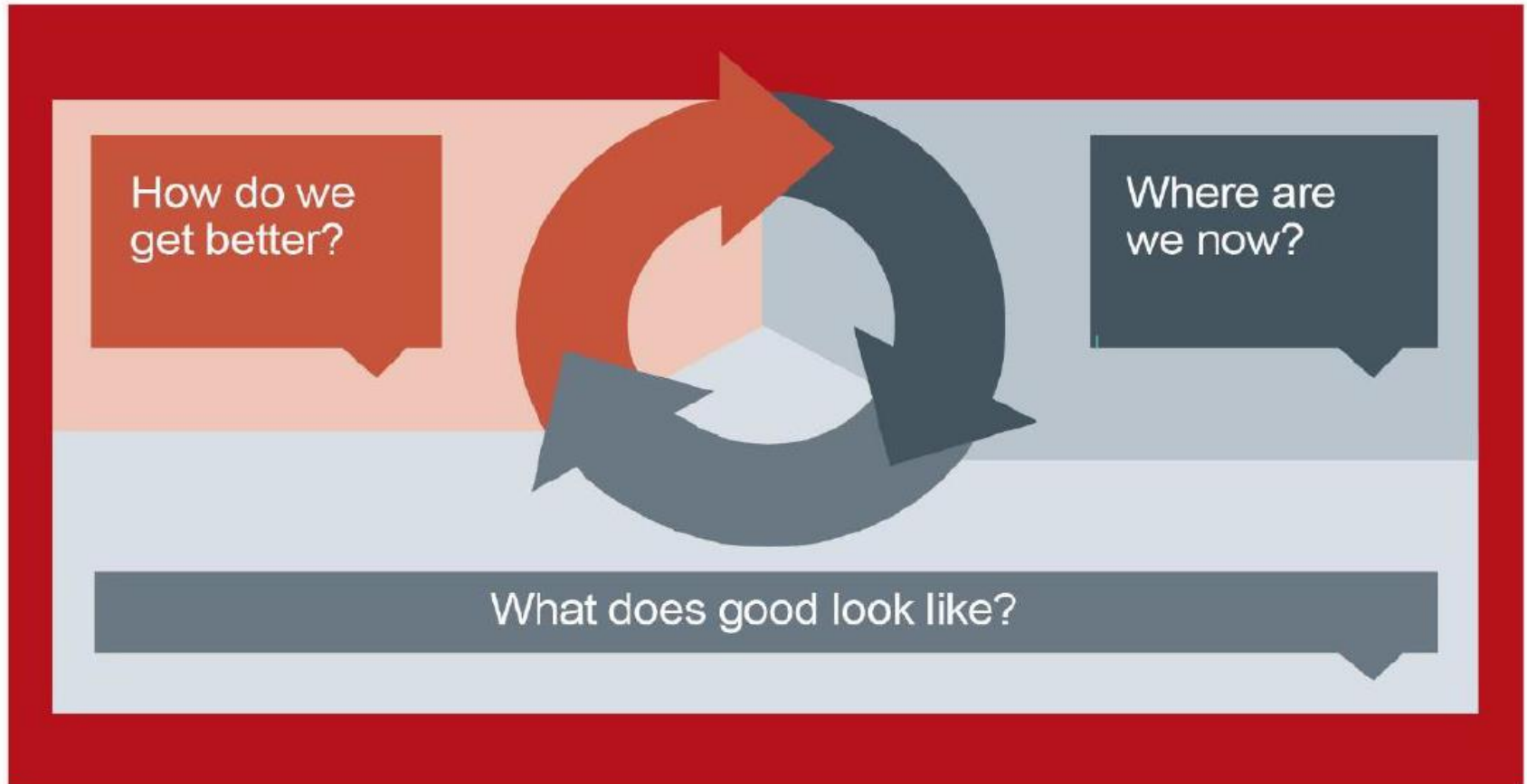
We will harness the power of innovation to help meet the needs of an ageing society

Our five foundations align to our vision for a transformed economy



Backed by Industry - Productivity Leadership Group

Campaign drive productivity enhancing practices



Source: be the business <https://www.bethebusiness.com/>

Productivity through People

NW Pilot to secure HPW through good work

- Masterclasses and workshops to stimulate and challenge
- Unparalleled access to world class manufacturing organisations and the leaders that have transformed the workplace
- Coaching from a highly experienced manager in a world class organisation
- Action learning sets to address business issues in a facilitated, confidential group setting
- Shadowing and exchanges within peer organisations to give fresh insights
- Business benchmarking and action planning for the future
- Online forums to share, discuss and access resources

The programme will be delivered primarily from the Academy for Skills and Knowledge (BAE Systems, Samlesbury, Preston), with some activity at Lancaster University Management School plus visits to world class manufacturing environments.



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Thank you

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