

<b>Institution: University of Strathclyde</b>
<b>Unit of Assessment: 19 Business and Management Studies</b>
<b>Title of case study: Influencing employment relations policy and practice in the voluntary sector</b>
<p><b>1. Summary of the impact</b></p> <p>Research by Professor Ian Cunningham and Professor Dennis Nickson has influenced policy and practice with regard to a range of employment relations issues in the voluntary sector. Sector-level lead bodies, such as the Coalition of Care and Support Providers Scotland (CCPS) and individual trade unions (e.g. Unison and UNITE) and union confederations such as the Scottish Trade Union Congress (STUC) have adopted the research results and recommendations to campaign and influence public policy. The research has enabled Unison to establish a separate 'service group' (a term used to describe the union's key industrial sector). Research work on re-tendering in the voluntary social care sector (VSSC) has also been a key influence for the Scottish Government according to the Director of the CCPS, resulting in the formulation of specific guidance on social care procurement. Some research findings are cited in an influential report that has resulted in the establishment of a Scottish Government National Steering Group on joint strategic commissioning. The research on the impact of recession on VSSC has also led to joint lobbying between the STUC and employer organisations to campaign on worker terms and conditions, and training.</p>
<p><b>2. Underpinning research</b></p> <p><b>Context:</b></p> <p>The featured research, conducted at University of Strathclyde's Department of Human Resource Management, explores the impact of outsourcing and changes to government funding on employment conditions in the voluntary social care sector (VSSC). The research comes against the backdrop of increased outsourcing of jobs and re-tendering in the VSSC. It was important to conduct research in this area because pilot studies (Reference 1) indicated how these phenomena appeared to be linked to an erosion of employment conditions of VSSC workers. Thus the research work sought to elucidate the effects of outsourcing as well as changes to government funding on employment conditions and re-tendering in the VSSC. This meant working with employers, unions, sector level bodies, local authorities and policy makers such as the trade union Unison, and the Voluntary Sector Social Services Workforce Unit (VSSSWU) amongst others.</p> <p><b>Key Findings/Insights:</b></p> <p>The underpinning research pertains to three related but distinct research projects in the VSSC which have resulted in different forms of impact. These are i) Workforce Insecurity, ii) Procurement, Re-tendering and the Workforce and iii) Impact of Budget Cuts on Terms and Conditions of Employment.</p> <p>In 2007, and funded by the union, Unison, Cunningham began research on exploring the direct and indirect implications of the insecure funding regime on employment and service quality in VSSC. It revealed increasing workforce insecurity because of outsourcing as well as an intensification of funding insecurity in the sector. Employees in the VSSC reported experiencing intensifying competition and anxiety regarding future employment prospects, and the findings were published in Reference 2.</p> <p>In 2009, research funded by the VSSSWU on re-tendering, jointly involving Ian Cunningham and Dennis Nickson, revealed an intensification of re-tendering in the VSSC. This was leading to the breakdown of cooperative relations between providers; the loss of highly motivated staff; continued undermining of employment conditions; and significant violations to employees' psychological contracts over concerns about future employment security (published in Reference 4).</p> <p>In 2011, VSSSWU funded research undertaken by Ian Cunningham on the impacts of economic recession and public expenditure cuts on terms and conditions of employment in the VSSC. This research found that VSSC organisations were making significant cuts to budgets and pay and</p>

## Impact case study (REF3b)

conditions among their workforce in order to survive, leading to future concerns regarding their financial sustainability, quality services and ability to recruit and retain a skilled workforce (published in Reference 5).

Cumulatively these projects provided new and original findings relating to the changing shape of employment in the VSSC driven by the issues of outsourcing and retendering. The findings suggest a steady degradation and casualization of employment conditions that has encouraged Unison to organise (see Reference 3) and campaign for more protection for workers. These campaigns have also been conducted in parallel with similar action by the employer's body CCPS.

### Key Researchers:

Professor Ian Cunningham and Professor Dennis Nickson have been at Strathclyde to date since 1999 and 1996, respectively.

### **3. References to the research**

1. Cunningham, I. (2000) 'Opportunities for union growth in the UK voluntary sector: the impact of Fairness at Work', *Industrial Relations Journal* (2\*), **31**, 3, 192-205.
2. Cunningham, I. and James P. (2009) 'The outsourcing of social care in Britain: what does it mean for the voluntary sector workers?', *Work, Employment and Society* (4\*), **23**, 2, 363-375.
3. Cunningham, I. and James, P. (2010) 'Strategies for union renewal in the context of public sector outsourcing', *Economic and Industrial Democracy* (3\*), **31**, 1, 34-61.
4. Cunningham, I. and Nickson, D. (2011) 'A gathering storm? Re-tendering and the Voluntary Sector Workforce', *International Journal of Public Sector Management* (2\*), **24**, 7, 662-672
5. Cunningham, I, Hearne, G and James, P (2013) 'Voluntary organisations and marketisation: a dynamic of employment degradation', *Industrial Relations Journal* (2\*), **44**, 2, 171-188.

### **Evidence for quality**

As can be seen all references are published in 2, 3 or 4\* peer-reviewed journals. The first project funded by VSSSWU on retendering led to the publication of an article in a special issue of *International Journal of Public Sector Management* (Reference 4).

### **4. Details of the impact**

#### Process/events from research to Impact:

As a consequence of media attention from Reference 1, Professor Cunningham was contacted in 2006 by Mike Short, Unison's National Organiser for the Voluntary Sector to undertake the research on workforce insecurity in the sector. The research was successfully completed and disseminated to the national organiser, the union's executive, and Unison's Community and Voluntary Sector national and regional conferences. Unison subsequently used the findings to inform internal deliberations and external campaigning relating to the sector.

#### Description of Impact:

The above research has led to three forms of impact:

1. **Impact on public policy, law and services** – specifically, the 'policy debate' has been stimulated or informed by research evidence leading to a change in policy direction.
2. **Impacts on practitioners and professional services** – stimulated practitioner debate and changed policy.
3. **Organisational Impacts** - changed approach to management of resources resulting in improved service delivery to union members and aided dispute resolution between employers and unions.

### **Research on workforce insecurity in the VSSC**

Recommendations from the workforce insecurity project were adopted by Unison. The research stimulated practitioner (union) debate by enabling Unison to develop a comprehensive 'state of play' in the sector, which from 2008 onwards helped them in becoming more in tune with the

realities that workers faced in the sector. This led to recruitment efforts better reflecting those realities and in turn increasing membership. Indeed the research has been described as a 'major factor' in this increase in membership (Source 1). The research also had significant organisational impact as in 2009 the wider union at Unison realised that VSSC members deserved their own 'service group' – the union's term for key industrial sectors. A service group for Unison's VSSC members was created, giving them parity with the union's membership groups in health, local government, and higher education. According to the Senior National Officer (Source 1), the Strathclyde research *'played a role in kick-starting the debate that led to this structural change, leading to a more equal voice for voluntary sector members in the union'*.

### Research on re-tendering

The report for the research on re-tendering was launched in 2009 in Edinburgh, by Cunningham and Nickson to an audience of over 80 policymakers and practitioners, including several members of the Scottish Parliament. The research on re-tendering has been credited by sector-level policy-makers as influencing the conduct of subsequent re-tendering exercises and was highly praised in an evaluation of VSSWU's work. Specifically, it was noted with regard to the research on re-tendering that the report stimulated policy debate as it *'provides a clear evidence base on the impact of the retendering process, and spells out implications which need to be addressed by the sector'* (Source 2).

This contribution to the policy debate is also credited by CCPS for making a significant contribution to the weight of evidence it put forward to decision makers, resulting in further impact by prompting significant changes to procurement practice and policy. As a result of these endeavours, the Director of CCPS, reports a *'demonstrable shift in procurement practice away from the wholesale re-tendering of care and support services, which resulted in major upheavals to workforce planning and development due to large-scale TUPE transfers between providers, and towards the use of framework agreements which offer employers (and commissioners) much more potential with regard to achieving workforce stability and the avoidance both of the "casualization" of the social care workforce and of the "race to the bottom" in pay, terms and conditions that were highlighted by the research'* (Source 2).

Further evidence of influencing debate and policy is found in relation to how the research has proved to be very influential in persuading the Scottish Government in initiating a programme of work that led to the formal publication of specific guidance on social care procurement (Source 5). The guidance document cites Cunningham and Nickson's research report. Based on the evidence from the research, the document recognises that *'frequent re-tendering can have adverse implications for staff morale and conditions of service and can lead to the loss of highly motivated staff'*. It goes on to suggest *'decisions about contract duration should also include consideration of the need for a stable and developing workforce in social care'* (see page 65 of Source 5)

The impact of the guidance document on the conduct of procurement policy is significant, the Director of CCPS states, *'until its development was announced, social care procurement practice was, in our view, extremely damaging, not least its impact on the workforce, which the research set out to document. As a direct result of the project to produce guidance, many local authorities put their procurement plans on hold, as a result of which the number and pace of workforce transfers slowed rapidly and employers were able to achieve much more stability'* (Source 2). Moreover, CCPS reports that through the dissemination of the research findings in the parliament, there is now a consultation on procurement reform which asks specific questions about the scope for workforce Terms & Conditions and the Living Wage to be addressed in procurement practice (Source 2).

The work on retendering in the VSSC also led to the findings from the research being put forward for debate through a Motion in the Scottish Parliament by Jackie Baillie, MSP (Source 6). The report was also circulated amongst members of the Scottish Government's Local Government and Communities Committee.

### Research on impact of budget cuts on employment conditions in the VSSC

The work undertaken on terms and conditions of employment by Cunningham has also led to three key note addresses with employers and trade unions, including the Executive of CCPS (Dundee, 2011), and a joint forum of employers and officials from UNITE and the Scottish Trades Union Congress (Edinburgh, 2011). Further evidence of organisational impact is in the area of contributing to effective dispute resolution. The 2011 report on terms and conditions of employment and its recommendations were accepted by both sides of the employment relationship, i.e. an influential employer' organisation and union representatives. Specifically, members of CCPS (employer body) and the Scottish Trade Union Congress (STUC) (union confederation) have used the research as a basis for on-going discussions regarding continued cooperation between employers and unions to protect wages and conditions in the VSSC. This began in December 2011 with a joint seminar with CCPS, the STUC and the union UNITE, and included discussions regarding developing sector level agreements on pay. The Deputy General Secretary of the STUC states – *'The research...has fostered a shared understanding of the respective difficulties faced by employer and employees'* and *'A number of the key recommendations of the report have been taken up by unions and community care umbrella bodies, informing joint initiatives on issues such as procurement and the living wage and an approach to local government funding issues.'* (Source 4). Specific recommendations adopted by the STUC related to embarking on joint lobbying with employer bodies such as CCPS relating to worker terms and conditions and training of the social care workforce (Source 4).

Research work on the impact of budget cuts on terms and conditions of employment in the VSSC has significantly benefitted CCPS by assisting them in their efforts to influence policy and practice. CCPS presented the findings to the Scottish Parliament. The research findings have also made their way into the Audit Scotland report on social care commissioning (page 7 of Source 8). This report, drawing from the research, has led to the establishment of a Scottish Government National Steering Group on joint strategic commissioning and a whole range of other initiatives according to the Director of CCPS. The report's recommendations relating to training and development have also been accepted by the Scottish Social Services Council (Source 7 and can be supported by Source 3).

### 5. Sources to corroborate the impact

1. A statement from the Organiser for the Community and Voluntary Sector, Unison.
2. A statement from the Director of Coalition of Care and Support Providers Scotland
3. A statement from the Chief Executive, Scottish Social Services Council
4. A statement from the Deputy General Secretary, STUC.
5. *Procurement of care and support services*, Scottish Government and COSLA (see <http://www.scotland.gov.uk/Resource/Doc/325109/0104824.pdf>)
6. <http://archive.scottish.parliament.uk/business/businessBulletin/bb-09/bb-06-19f.htm>
7. *Have we got what it takes? – The Sector Skills Assessment for the social service workforce in Scotland, 2010/2011*, Scottish Social Services Council (see [http://mobile.sssc.uk.com/component/option,com\\_docman/Itemid,/format,raw/gid,1809/task,doc\\_view/tmpl,component/](http://mobile.sssc.uk.com/component/option,com_docman/Itemid,/format,raw/gid,1809/task,doc_view/tmpl,component/))
8. *Commissioning Social Care – Audit Scotland, 2012* (see [http://www.audit-scotland.gov.uk/docs/health/2012/nr\\_120301\\_social\\_care\\_km.pdf](http://www.audit-scotland.gov.uk/docs/health/2012/nr_120301_social_care_km.pdf))