

# WORKING TOGETHER FOR BEST VALUE

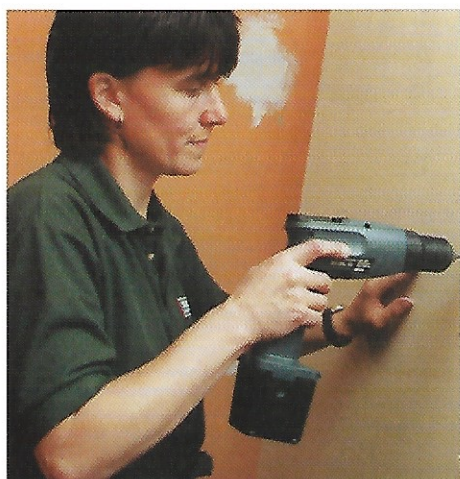
## PROMOTING EMPLOYEE AND TRADE UNION INVOLVEMENT

A summary of a report by the IDeA, Employers Organisation, LGIU, APSE, UNISON, TGWU and GMB

### SUMMARY

*"The Government wants in future to see employees fully involved in improving the services that they provide to the community"*

Modern Local Government: In Touch with the People 1998



Elected members, managers and employees, particularly frontline employees, are crucial to the successful delivery of local authority services. The Government and Audit Commission have recognised that employees are key to the management of Best Value in local government and that continuous improvement cannot be achieved without the involvement of employees who deliver services. While councils must take the key decisions on how Best Value is to be delivered and continuous improvement achieved, the involvement of employees and their unions in Best Value processes will be a key factor in achieving success.

A consortium of the Improvement and Development Agency (IDeA), the Employers Organisation (EO), the Local

Government Information Unit (LGIU), the Association for Public Service Excellence (APSE), UNISON, TGWU and GMB have concluded a study assessing the benefits and outcomes of employee and trade union involvement in Best Value.

The report, researched by the Centre for Public Services, includes:

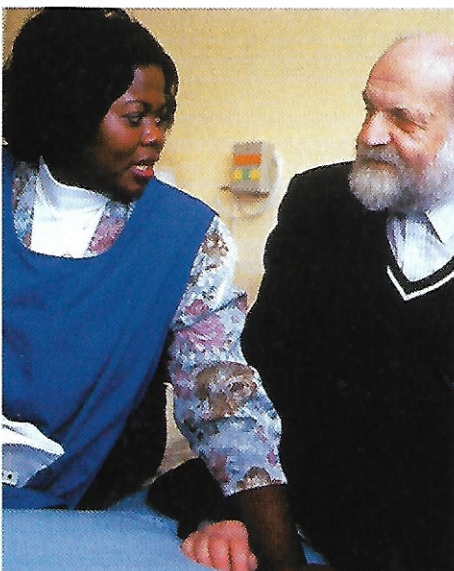
- an assessment of the extent of involvement in the Best Value process;
- evidence of different methods of involvement;
- the results of a comprehensive survey of local authorities and trade union branches;
- key findings and examples from eleven detailed case studies;
- guidance on good practice for local authorities and trade unions.

## THE CASE FOR EMPLOYEE AND TRADE UNION INVOLVEMENT

The study identified important benefits in involving employees and trade unions throughout the Best Value process. These included:

- better quality of service
- improved policy making
- better management practice
- increased job satisfaction
- more democratic accountability of management and service delivery
- development of ideas for service improvements and means of achieving continuous improvement
- setting of realistic targets for continuous improvement
- drawing on employee knowledge of users' views
- a more effective industrial relations framework.

The approach adopted in this research is based on a review of research (Part 2 and Appendix 3) into employee and trade union involvement in job satisfaction and productivity initiatives, Total Quality Management, labour-management cooperation and other



participation schemes in the public and private sectors.

The case for employee and trade union involvement in delivering real change is borne out by:

- evidence from the research review of the productivity gains from job satisfaction and the part played in that by involvement
- the progress made in the case study authorities since this study where real improvements are being delivered
- early evidence from the Best Value Pilots where employee involvement proved essential to achieving decisions involving radical change.

## KEY LESSONS

**The NJC Framework Agreement on Best Value** should be more widely applied and used in conjunction with local action plans and good practice guidelines.

**Employee and trade union involvement** works best when it extends throughout the Best Value process. It should start with establishing corporate strategies and the terms of reference for Best Value reviews. Then extend to the implementation of continuous improvement.

**The review process** is very important but more emphasis is needed on the planning and organisation of continuous improvement and how users, employees and trade unions will be involved in the management of change. This is where there is likely to be most resistance and is where proactive union and employee

involvement will be advantageous.

The quality of participation is vitally important. 'Involvement' will have more substantial benefits than engagement, consultation or the provision of information and market research (see Part 2).

**Participation should be judged by** the quality of involvement and the ideas and contribution to Best Value made by employees and trade unions rather than by the numbers consulted, surveyed or polled. It is advisable to first establish good practice, then extend it.

**A jointly agreed corporate policy** on employee and trade union involvement is an important foundation for the review process at service and departmental levels.

**Employee and trade union involvement** is a learning process for elected members, managers, employees and trade unions. Different techniques should be evaluated to determine the most effective methods to fit local circumstances.

**Training in Best Value methodology** and techniques of employee/trade union involvement are essential for both managers and trade unions in order to achieve good practice.

**Participation in Best Value** is contingent on the attitudes, ability and approach of both management and employees/trade unions. Effective and sustained involvement is unlikely without a shared commitment.

**Pre-set agendas**, such as a commitment to outsourcing or cost-savings present obstacles to effective employee and trade union involvement.





**Employee and trade union involvement** should be developed together. Involving employees but not trade unions may lead to hostility and conflict, make collective bargaining more difficult and reduce the likelihood of cooperation to achieve continuous improvement.

The 'good practice zone' of public management requires involvement from the corporate level to frontline service delivery, together with well-organised and effective trade unions (see Part 6). However, avoiding the 'danger zone' of and the complacency of the 'comfort zone' will require a commitment to training and capacity-building from elected members, managers, and trade unions.

*...It is broadly accepted that 'taking the workforce with you' is essential to the management of change. This research study shows a whole range of approaches. The emerging picture of Best Value reviews across local government shows that involving individual employees brings invaluable insights into customer concerns and*

*ideas for improvement, in addition to the contribution of trade union representatives...*

## RESEARCH METHODOLOGY

The research findings are based on a survey of responses from 59 local authorities, 32 trade union branches, representing 73 local authorities of which 69 were in England, 2 in Wales and 2 in Scotland (Part 3). There were also eleven case studies.

The case studies were conducted in the first part of 2000 (see Part 4). Authorities were selected to represent a cross section of types of authority, regions and different approaches to Best Value. The case studies included interviews with the lead elected member for Best Value, chief executive, corporate Best Value officer, personnel officer, review team representatives in two or more Best Value projects, trade union officers with responsibility for Best Value – UNISON, TGWU, GMB – and employee representatives.

## KEY FINDINGS

### Involving employees and trade unions

Both employee and trade union involvement are important for the Best Value process. Employees, particularly in frontline services, provide an insight to user concerns and ideas for service improvements but they cannot formally represent the views of employees. Trade unions represent staff interests and provide a perspective on service delivery and plans for continuous improvement.

### Degree of employee and trade union involvement

A very clear pattern emerges in which 80% of authorities had employee and trade union involvement at corporate level, 40% at departmental level and 30% at frontline service level.

The research found that where employees and trade unions were involved in Best Value at the earliest stage and throughout the process, there was more successful joint working and agreement on the options resulting from the review. By contrast, lack of corporate direction and departmental commitment led to fragmented involvement and conflicting approaches at front line level.

In the eleven case study authorities, trade union representatives were involved in all service review teams in two authorities, most reviews in three authorities, some reviews in four authorities and none in two authorities.

The way in which involvement developed corporately and at review team level was in part dependent on the history of industrial relations and





## THE PARTICIPATION FRAMEWORK

Empowerment  
Involvement  
Engagement  
Consultation  
Information and market research

Marginalisation  
Alternative structures

### Resources and training

Some authorities had embarked on a large number of reviews, in some cases up to 20, which had created difficulties both for authorities and for trade unions in having sufficient experienced stewards to participate in review teams and/or to shadow reviews at branch level.

Managers, trade unions and employees reported a lack of training by both local authorities and trade unions in Best Value process techniques and in participation methods.

Employee representatives on review teams had often been 'parachuted' in without training, clarity about their role, responsibility and whether they were representative of employees or not.

management practice in the authority. Even where there is very strong corporate commitment to employee and trade union involvement, this research shows that the local picture is very varied and highly dependent on both the approach adopted by individual managers and trade union representatives.

### Variations in strategy and practice

There was evidence of confusion between the communications strategy and participation strategy in the authorities surveyed. Many initiatives were described as participation but could only be classified as information giving and communications. Whilst there were numerous examples of focus groups and employee panels seeking the immediate views and opinions of staff, there were few examples of working groups dedicated to developing ideas and proposals for continuous improvement.

There was a wide variation of terms and definitions used to describe different forms of employee and trade union involvement. The research showed that clarity is required in terms of the purpose and terms of reference

of the methods used, who is involved and whether they are designed to be sustainable.

### Participation Framework

A Participation Framework was developed in the course of this study which ranged from information and market research to consultation, engagement, involvement and empowerment (increased employee and trade union influence), or at the other extreme, marginalisation and alternative structures (decreased employee and trade union influence).





**INCREASED opportunities for continuous improvement**

**DECREASED opportunities for continuous improvement**

### **Innovation, continuity and sustainability**

Authorities and trade unions, not surprisingly, had initially focused on the Best Value service review process with little consideration to the form and type of involvement required in continuous improvement once reviews were completed. A lack of innovation in methods to involve employees and trade unions on a continuous basis was evident.

The sustainability of employee and trade union involvement is a major concern. There was little evidence in authorities which had launched initiatives that they had considered; how involvement would be sustained after the review process; the resource implications or the longer term implications for the organisation; management and operation of services.

### **Application of the NJC Framework Agreement on Best Value**

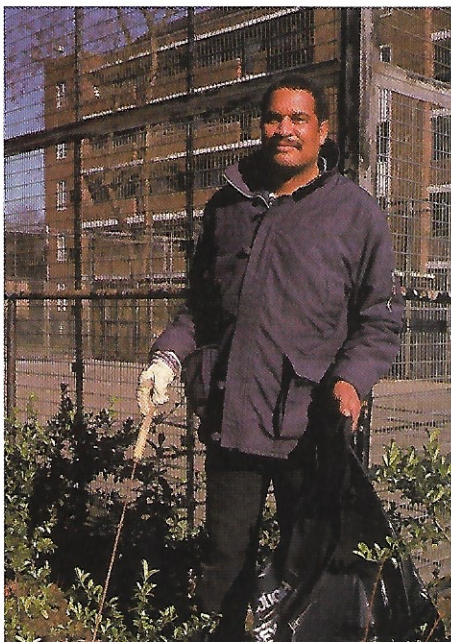
There was limited knowledge of the NJC Framework Agreement on Best Value and few authorities had adopted it locally.

### **Key factors for successful involvement**

The quality of management and local trade union organisation were found to be key factors in the type and success of participation in Best Value. On the

basis of the research evidence provided by this study, and other studies of employee and trade union involvement, we developed a continuum of public management zones which depict employee and trade union involvement in Best Value (Part 6). It is composed of four elements: Level of Involvement, Service Organisation, Trade Union Organisation and Public Management.

Three public management zones were identified. The first, a Good Practice Zone extending from the corporate to the frontline levels, is based on substantive forms of participation between involvement and empowerment. This zone is dependent on good industrial relations and strong and effective local trade union organisation. The second, a Comfort Zone, extends between corporate and service levels but does not extend into the more difficult area of employee and trade union involvement at team/unit and frontline levels. Finally a Danger Zone, reflects attempts to block or minimise employee and trade union involvement.



## **GUIDELINES FOR GOOD PRACTICE**

The guidelines provide comprehensive guidance on how to improve employee and trade union involvement in Best Value (see part 7). They are based on the NJC Framework Agreement on Best Value and draw on the findings of the case studies. The guidelines cover:

- corporate policies
- the involvement of frontline employees
- implementing the commitment to quality employment
- equity and sustainability
- involvement in the different stages of the Best Value process
- reorganising in-house services and examining outsourcing options.

Examples of good practice amongst local authority employers were:

- a strong corporate framework with departmental and team managers taking responsibility for ensuring that involvement is consistently applied within departments and across services.
- strategy where the involvement of employees is an extension of existing employee and trade union representation and the existing consultation machinery.
- Trade union representatives and frontline employee(s) being involved in Best Value review teams.
- training of service teams jointly with officers and trade union representatives.
- workplace meetings, organised in conjunction with trade unions, to



discuss ways of improving services. These included focus groups, self-assessment under the EFQM Excellence Model and working groups to examine service improvements.

- equal opportunity for women, part-time employees and staff working at dispersed locations to fully participate.
- regular evaluation of employee/trade union involvement.
- employee and trade union involvement in the outcome of reviews, including implementation and action plans.

## PROGRAMME FOR ACTION

### Local authority organisations

The Improvement and Development Agency, the Employers Organisation, Local Government Information Unit and Association for Public Service Excellence should:

**Encourage** local authorities and trade unions to negotiate local implementation of the NJC Framework Agreement on Best Value as a matter of urgency.

**Promote** the good practice guidelines (see Part 7) and encourage local authorities and trade unions to negotiate local adoption of this guidance.

**Develop** training modules for employee and trade union involvement for use by local authorities and trade unions.

**Provide support** to local authorities on methods of participation and the implementation of employee and trade union involvement.

**Support** the development of effective national and local performance indicators for employee and trade union involvement. These should include equality measures to ensure women, ethnic minorities, the disabled and other groups are fully involved.

**Promote** good practice case studies.

The LGIU and APSE should promote employee and trade union involvement to their members through workshops, conferences and support to member authorities.

### Local Authorities

Local authorities should:

**Improve** their training provision for Best Value, starting with a rigorous audit and evaluation of provision to date. Joint training of service review teams involving elected members, officers, employees and trade union representatives would be advantageous.

**Evaluate** and monitor their corporate and frontline involvement techniques in light of the guidance contained in Part 7 of this report.

**Seek to involve** employees and trade union representatives at all stages of the Best Value review process. The means of involvement and selection of employees should be jointly agreed with the trade unions.







**Give** particular attention to involvement among front-line and manual employees where participation is often most difficult because of the contracting system, client/contractor responsibility for resources to facilitate involvement, and where involvement has a direct and immediate impact on service delivery. Hence facility time and cover arrangements are essential. Equality of involvement and representation is also a key issue.

Local authorities and trade unions should:

**Explore** the scope to develop new forms of frontline employee and trade union involvement through other initiatives such as joint employer/trade union personal development training programmes and trade union education programmes.

**Hold** regular 'participation reviews' or audits of both employee and trade union involvement and user/community involvement and feed the evaluation into the corporate participation strategy.

## Trade unions

Trade unions should:

**Provide more** comprehensive programme of Best Value training for local branches. Continuous improvement requires continuous learning.

**Consider** setting up joint regional networks to exchange good practice, share experience of Best Value and examples of effective involvement.

Trade union branches should:

**Seek** to be involved in Best Value at all stages of the Best Value review process. Agreement about how employees who may not be members are involved and selected should be decided prior to reviews commencing.

**Work jointly** with other local authority trade unions and develop joint training initiatives.

**Be proactive** in making proposals and demands for employee and trade union involvement in the Best Value process.

**Establish working groups** or branch committees to coordinate their involvement in Best Value and to support members involved in service review teams.

**Consider meeting** user/community organisation representatives to discuss key common issues.

**Negotiate facility time** and cover to make employee and trade union involvement effective and provide equal opportunity for women, part-time and employees working at dispersed locations to fully participate.

**Use the opportunity** offered by the five yearly programme of reviews for trade unions to organise and recruit in advance of services being reviewed and to have adequate trained representatives to participate in service reviews and continuous improvement.

**Seek to initiate meetings/workshops** of members to discuss ideas and proposals for service improvements and to draw these together for submission to the authority.

**Try to attend user and community consultation** meetings and to have the facility to present employees views at such meetings or events.

