

# PARTNERSHIP: THE NEXT CHALLENGE

A SPECIAL SUPPLEMENT ON PARTNERSHIP AND THE NATIONAL WORKPLACE STRATEGY

Wednesday, 5 July 2006



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## Working towards the future

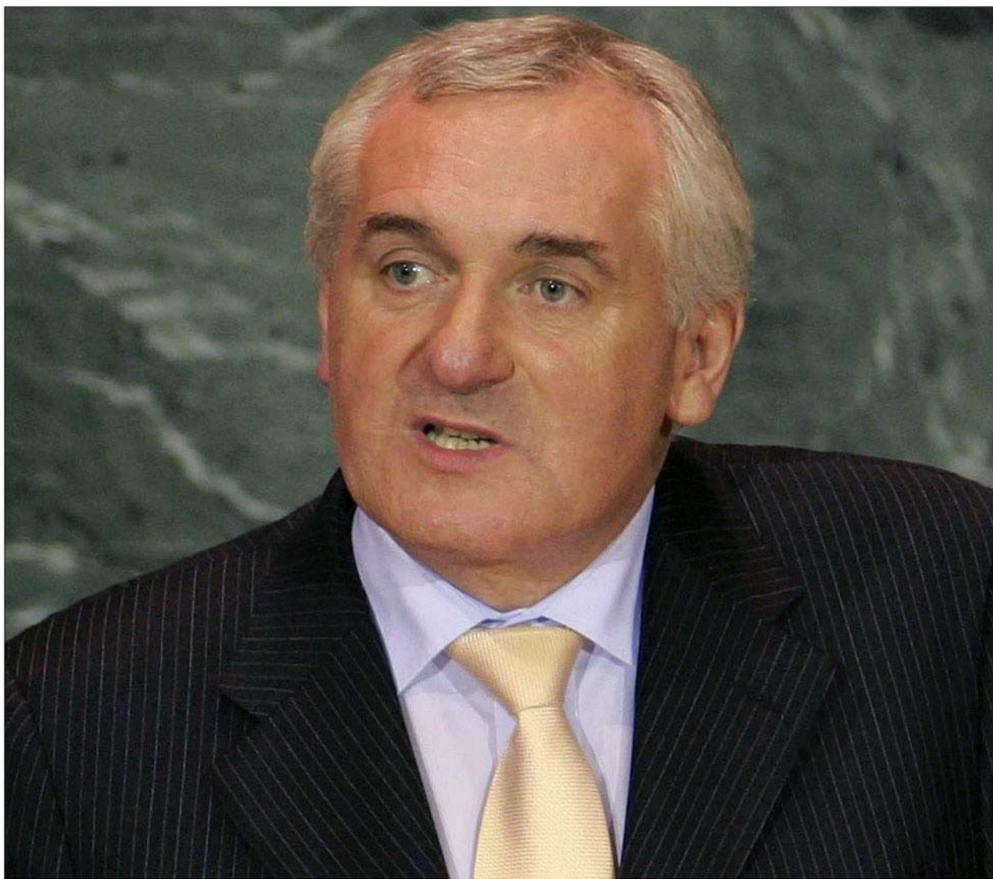
Social partnership has served all the people of this country very well, writes An Taoiseach Bertie Ahern, T.D.

sustained the conditions for remarkable employment growth, fiscal stability, restructuring of the economy to respond to new challenges and opportunities, a dramatic improvement in living standards, through both lower taxation and lower inflation, and a culture of dialogue, which has served the social partners, but more importantly, the people of this country, very well.

The key to the success of the Irish model is that it is flexible enough to recognise the wide diversity of situations in employments across the economy, while providing a framework of confidence that is effective in guiding not just wage setting, but all aspects of the employment relationship, in the right direction.

Obviously, the challenges of today are different from those of the dark days of 1987. But they are no less complex, and meeting them together is no less important.

Now, as then, partnership is based on a recognition of the proper and distinct roles of Government, on the one hand, and the legitimate contribution to public life of the social partners who, entirely in their own right, exercise very significant influence over the economic and social life of this country. As employers, trade unions, farm bodies and voluntary organisations, they play a huge role in civil society. Their independent decision-making and behaviour has a profound effect on employment and



An Taoiseach, Bertie Ahern T.D.: "The key to the success of the Irish model is that it is flexible enough to recognise the wide diversity of situations in employments across the economy"

living standards, productivity and adaptation, the quality of public services and the social cohesion underpinning the quality of life of our community. It is entirely appropriate that the partnership process recognises and respects their independent roles and contribution.

Apart from the industrial peace and stability which it has produced in the labour market, and the confidence which this has given to investors, I want to emphasise the importance of the process in developing a consistency of approach across all the main players in the economy.

This reflects a strategic analysis of the opportunities and challenges which we face. This consistency of approach has been an important, many would say a critical factor in our successful adaptation to change over many years. This adaptation has extended beyond the technical and economic, into the successful response to social change and the imperative of building a more inclusive society. Fairness has been at the heart of the process since 1987.

It is that very quality which has led so many international observers - including the IMF, the OECD, and the European Commission - to comment so favourably on its role in the Irish success story. It is why the European Council urged all Member States to develop what they call National Reform Partnerships, like Ireland, to underpin the Lisbon Strategy for Growth

and Jobs, since Governments acting in isolation cannot deliver the change which is required.

Towards 2016 offers the best way forward by providing an important and strategic framework for meeting the economic and social challenges ahead. Each of the previous social partnership agreements has had a particular focus and has contained significant innovations. In this respect, Towards 2016 develops a new framework to address key social challenges which the individual faces at each stage of life. This means a focus on the needs of children, young adults, people of working age, older people and people with disabilities.

This ambitious approach will pose a major challenge - public services will need to be designed around individuals and their requirements, rather than based on different administrative boundaries. This approach will take time to deliver and the agreement sets out how we propose to measure and review progress over a ten-year framework agreement.

I commend the parties on all sides for the sustained commitment and leadership they have shown throughout the long and protracted negotiating process. We in Government look forward to working closely with the Social Partners to realise the ambitions we share by the historically significant date highlighted by the title, Towards 2016.

### CASE STUDY AIB/IBOA

## Committed to change over the long haul

IN NOVEMBER 2005, AIB and finance union IBOA announced the 'second generation' of their partnership agreement. Further to the original 2002 agreement, the latest arrangement forms a closer link between the industrial relations agenda and the strategic principles direction of the bank, expands the development of the partnership to include local management and IBOA representatives, and promotes an industrial relations engagement strategy based on increased communication.

Upon the announcement of this new agreement, Peter Cassells, who chaired the steering committee overseeing the deal, said: "In recent years, AIB and IBOA have made significant progress away from a traditional adversarial approach to staff relations by focusing on a high-trust partnership approach."

This partnership was not built overnight and trust on both sides took a long time to develop. The current partnership emerged slowly after the acrimony of the nationwide bank strike between the four main banks and the IBOA in 1992. This was a time when the relationship between management and staff within AIB was close to an all time low.

Tracing the development of the latest agreement, AIB chief executive Eugene Sheehy said partnership in the bank was like the "phoenix that rose from the ashes of the 1992 dispute".



Larry Broderick and Eugene Sheehy have worked closely together to develop a new partnership model at AIB

Secretary Larry Broderick, who was then Assistant General Secretary, were two of the key forces behind the change in culture within the bank's industrial relations set-up.

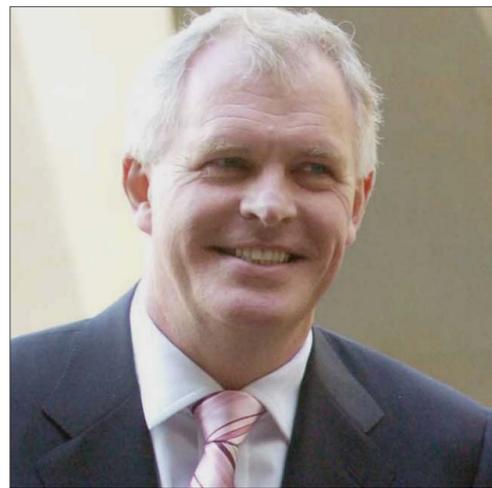
But it took time to make progress. First they had to establish trust at a personal level. Mr Sheehy says that a significant breakthrough had come about during a snowstorm when they were all stranded overnight at an international airport. They challenged each other "to take risks" - out of which came some of the first breakthroughs.

A further step on the road to partnership was taken when representatives from both AIB and IBOA decided to look at models of co-operation in other countries. Mr Broderick recalls one

particularly useful learning experience in Denmark in 1995 where both sides were able to witness a working partnership model in action.

The worst wounds of the 1992 dispute went a long way to being healed when, in February 2002, AIB/IBOA set out their partnership principles. Both the union and the bank agreed it was in their best interest to:

- Enhance the prosperity and success of the organisation.
- Maintain secure employment for all staff.
- Raise levels of trust.
- Acknowledge staff rights and the IBOA's role.
- Develop a partnership culture through agreed adaptability, flexibility and innovation.
- Create a structure which generates true partnership.



disingenuous to suggest that reaching this agreement resolved all outstanding issues within the industrial relations framework at the bank. Both sides acknowledge that partnership is not a panacea to cure all industrial relations ills but rather a good model through which both sides can achieve their aims.

As Larry Broderick points out, introducing partnership was "a struggle on both sides" and essentially it is "another model of industrial relations". Some union members were sceptical about the benefits of forming closer ties with management and were more comfortable with the traditional adversarial approach.

Similarly, some of those in management were concerned

that their ability to make and implement decisions could be hampered by the bank's commitment to consult with staff on changes.

And it is acknowledged that internal communication face-to-face discussions cannot resolve all differences within the company. The recent introduction of the bank of a new career and performance management structure including performance-related pay structure required mediation with a third party arbiter before it was agreed by AIB and IBOA could be introduced.

Nevertheless, the facility to refer to a third party was included in the partnership agreement and both sides were willing to accept the result.

From the point of few of

the IBOA, the partnership model in AIB has allowed them to secure benefits for their members and the union as a whole. The agreement includes a strong commitment to recognise the union and its representatives at both national and local level. Indeed, at local level, the union has agreed with the bank the facility brief new staff and union has agreed with the bank the facility to brief staff and jointly presents the partnership ethos at run 'induction programmeschools'.

For its part, the bank's management now has the ability to better compete with its rivals by being able to react to change more rapidly. By having in place structures to consult with staff on changes at both a local and national level, management can now tailor its industrial relations responses by handling operational or implementation issues at local level and concentrating centrally on strategic and major change issues in a more timely and constructive manner. Avoid lengthy industrial relations negotiations each time it needs to react to changes in the market.

It would be fair to say that neither side views partnership as an end in itself. However, the improvements in industrial relations procedures should allow AIB, employees and the union to embrace the challenges of the future on an inclusive basis that will allow all parties not only to avoid another breakdownsdisputes such as that of 1992, but also to share the benefits of a future built around partnership.

### Building on success



Peter Cassells, Chairperson , NCPP

Sustaining our economic and social success now requires an increased focus on building the capacity of employers, unions and employees to bring about change in our workplaces and enhance the quality of working life. In particular we need to :

- Improve the leadership capacity of management and unions
- Increase involvement of employees in all areas
- Invest more in training and workplace learning
- Actively promote equality and diversity in the workplace
- Improve the overall quality of working life.

The government's integrated National Workplace Strategy which seeks to bring this about is an important initiative. It aims to co-ordinate the approach of all government department and agencies to workforce development and will support employers and unions to promote change through partnership. Implementing this strategy undoubtedly poses challenges.

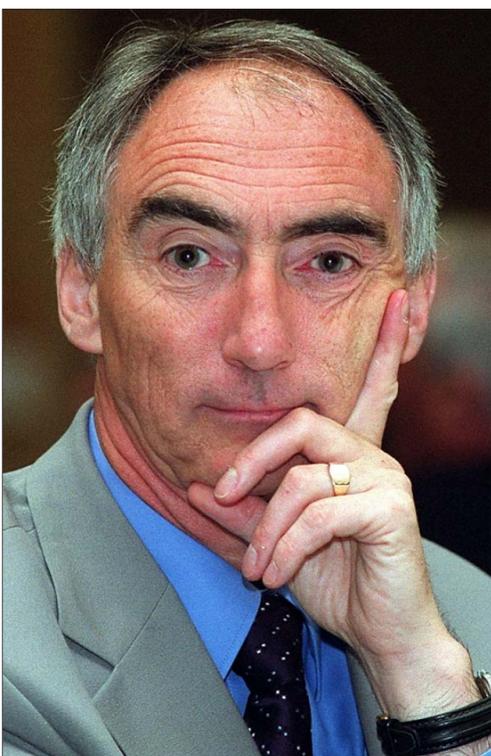
By working together, however, to improve both our capacity for change and the quality of working life, we have the opportunity to be one of the first countries in Europe to fully embrace the knowledge economy and society.

"I am a strong advocate of management by consensus. This means the ability to put a team around you who are just as good if not better than yourself and to listen to them... that doesn't mean being any less decisive but to have the humility to learn from others." **Liam Fitzgerald (CEO, United Drug PLC)**

"Managers need to work with staff to address together the challenges faced by their organisation." **Chris Horn (CEO, Iona Technologies)**

# Making partnership work

Ireland is no longer a low-cost economy and we must recognise that we cannot compete on cost grounds alone, writes **IBEC Director General Turlough O'Sullivan**



MUCH work has been done through the High Level Implementation Group chaired by Minister for Labour Affairs, Tony Killeen TD, in delivering on the key recommendations of the report of the Forum on the Workplace of the Future.

The report, entitled 'Working to our Advantage', charts an ambitious workplace strategy for Ireland that confirms IBEC's long-held view: workplace change and innovation are critical to Ireland's future as a dynamic, competitive, knowledge-based economy and society. If we are to create new jobs and, of course, sustain the jobs we have, our priority must be to work together to generate the conditions for an Irish economy that will be up there with the most competitive in the world.

The combined forces of competitiveness and technology; the transition to the knowledge society; the changing needs of people; and the demand to improve the delivery of public services: all these point to the need for radically new workplace models.

The most successful organisations are those that anticipate and adapt in order to turn change to their advantage. In Irish workplaces, it is evident that there is an appreciation of the need for workplace

innovation and change among employers and employees. The report identifies as key issues the need to stimulate greater commitment to workplace innovation, to build capacity for change and, simultaneously, to develop our future skills. This position needs to be actively supported by trade unions across the public and private sectors. We must foster an appropriate enterprise culture encompassing Ireland's economic ambitions.

**Amongst the particular recommendations which IBEC strongly supports are:**

- The establishment of a dedicated fund to promote innovation and research in human resource development, organisational change and lifelong learning at enterprise level.
- The need for more explicit recognition of workplace innovation in state funding awards for research and development (R&D) in science, technology and marketing.
- The encouragement of more open recruitment and promotion in the public service and the development of a greater strategic HRM

"The growth of knowledge-intensive work will be one of the most important influences shaping work and workplaces in the coming year"

- The possible use of personal training plans to support individuals in managing their lifelong learning progression.
- The need for a cross-cutting approach to part-time access to education and learning and the accreditation of

- work based learning.
- The support for enterprise-led approaches to training such as the Skillnets programme and a more successful interaction between the workplace and the education sector in meeting the challenge of 'One Step Up', as recommended by the Enterprise Strategy Review Group.
- The call for a successor to the National Development Plan Childcare Strategy to increase the number of childcare places and tackle concerns about affordability.
- The development of legislative proposals for our economic immigration policy in response to labour market needs, a policy framework to increase the participation of older workers in the labour market and interventions to support women returning to the workplace.

A number of these recommendations are supported by commitments that have been agreed as part of the new national agreement 'Towards 2016'. Of particular significance is the commitment to publish a National Skills Strategy during 2007. This will be a major step to ensuring that the institutional framework and provision for the development of skills across the economy match anticipated requirements.

Ireland is no longer a low-cost/low-wage economy and we must recognise that we cannot compete with some of the emerging economies on cost grounds alone. Our challenge is to measure ourselves against some of our leading competitors - not just against soft EU comparisons.

The growth of knowledge-intensive work will be one of the most important influences shaping work and workplaces in the coming years. The work of the high level implementation group in advancing the recommendations in the Forum's report represent an important milestone in charting the way forward for all of us to achieve what we want: a competitive economy that can create and sustain jobs in a workplace environment that expands access to opportunity and enhances the quality of working life.

*Turlough O'Sullivan is Director General of the Irish Business and Employers Confederation.*

The latest deal is concrete proof of the value of being in a union, writes **Peter McLoone, President of the Irish Congress of Trade Unions**



THE new national agreement, Towards 2016, is among the best ever negotiated by trade unions. Workers can look forward to increases worth 10 per cent over 27 months, with an extra 0.5 per cent for workers earning less than €10.25 an hour. Few, if any, workers could hope to negotiate pay increases on this scale in direct negotiations with employers.

It also contains an employment rights package, which in the long term is probably of much more value and importance. Pay tends to grab the headlines when a deal is done but the substantial new legal and institutional protections now agreed have dealt with fears that rogue employers will try to drive down livelihoods and working conditions by exploiting migrant workers.

This difficult issue has been addressed in an effective way unachievable through any other process. With the possible exception of Scandinavia, no other workers in the world will enjoy such enforceable protections. They include six-figure fines for companies that try to dodge employment laws by failing to keep proper records, a tripling of the number of labour inspectors, new measures to stop firms

sacking staff to replace them with cheaper labour, and the establishment of a powerful new statutory body to enforce labour laws.

Any way you look at it, the potential deal is concrete proof of the value of being in a union.

But it is a good deal for taxpayers and public service users too. National agreements have linked public sector pay increases to modernisation for many years and this time is no different. The modernisation measures in the new deal include more open recruitment and promotion procedures, extended service hours, the introduction of shared services, and new rules on outsourcing in exceptional situations. Staff and their unions will also have to abide by industrial relations procedures and maintain "industrial peace," which means no strikes or industrial action over issues covered by the agreement.

As well as specific modernisation measures in each sector - health, local government, the civil service and education - all staff will have to maintain co-operation with ongoing modernisation and change,

including new structures and working methods if they're necessary to improve services. The document says the public service must modernise at a faster rate "to meet the expectations and requirements of our increasingly sophisticated, complex and diverse society."

And there is a renewed commitment to the workplace partnership approach that has been introduced and nurtured over the last couple of national deals, with an enhanced role for the National Centre for Partnership and Performance.

In true partnership fashion, the deal also includes safeguards to ensure that management can't introduce massive changes without agreement and unions can operate the existing industrial relations institutions if management attempts to breach the agreement or introduce more change than it requires. Third party decisions will be binding in such situations.

Most public servants accept the need to improve services to meet the expectations of taxpayers

and service users and trade unions have demonstrated their capacity to modernise and deliver, not just for their members, but also for the common good.

We are proud of the services we provide and care deeply about the people who depend on them. Time and again, we have proposed or embraced change that can genuinely improve services, often in the most difficult of circumstances. As I write, health workers are involved in the biggest every shake-up of health administrative and management systems. Recent years have also seen massive changes in progressive local authorities from Dublin to Donegal and Cork. Performance management linked to pay has been introduced in the civil service while workers in the voluntary sector are pioneering new kinds of delivery at the sharp end of homelessness, addiction and other services to the most vulnerable.

But we will continue to resist the emerging 'public bad, private good' mentality, which sees privatisation as the answer to every shortcoming and problem in our public services. Unions have never opposed the use of private skills and provision where there is a genuine case that they can improve services in ways that we cannot. But in our experience - and that of trade unions abroad - the objective of outsourcing and privatisation is not usually to improve equity and quality in public services, but to cut costs and cut corners.

Those who depend on public services - and that means nearly everyone - can't afford policymakers to lapse into a lazy, unquestioning acceptance that private provision is the answer to every problem. We need a more robust approach and the new national deal goes some distance in this respect.

Unions will be balloting their members on the new deal over the coming weeks. I believe it's a very good package for workers, citizens, taxpayers and service users. Once they get a chance to look at the details, I'm confident that workers will agree.

*Peter McLoone is General Secretary of IMPACT trade union and is currently President of the Irish Congress of Trade Unions.*

## Workplace innovation the key to continued economic prosperity - NESCC

Workplace innovation is a key response to the challenges facing Ireland, writes **Dr Rory O'Donnell**

IN THE National Economic and Social Council (NESCC), the social partners seek to find a shared understanding of strategic issues in Ireland's economic and social development. Since 1987, NESCC's three-yearly 'Strategy' reports have been the key input to the negotiation of the social partnership agreements.

In its seventh such report, NESCC Strategy 2006: People, Productivity and Purpose, the Council re-examines Ireland's economic development, provides a new analysis of Irish society and factors the environment more fully into its account of Ireland's

challenge. Drawing on this analysis, the Council recommends policies in a range of areas, including enterprise and innovation, training, migration, participation and fairness, childcare, housing, environment and infrastructure.

**Economic and Social Goals**

Through much of the past decade and a half, there was a real sense that the economic reality set limits to the social possibilities. Now, the medium and long term strength of the economy seems to depend critically not only on increased investment in

physical infrastructure and scientific research, but also on a deepening of capabilities, even greater participation, internal as well as external connectivity, more social mobility and successful handling of diversity, including immigration.

**Innovation: Technical, but also Organisational**

NESCC believes that it is now necessary to deepen and widen Ireland's innovation policy. Major recent investments in basic research need to be accompanied by increased investment in applied research and stronger links between research institutes and enterprises.

We need to create a wider buy-in to the idea that Ireland can and should become a learning society. NESCC will work with the National Centre for Partnership and Performance (NCP) and the National Economic and Social Forum (NESF) on an inclusive learning-society 'foresight'



'Building a greater level of commitment to workplace innovation is a central theme of the government's National Workplace Strategy and NESCC strongly endorses this key policy initiative'

exercise. This will explore the social and institutional implications of a learning society.

NESCC argues that a critical aspect of deepening the approach to innovation is an increased emphasis on workplace innovation. Building a greater level of commitment to workplace innovation is a central theme of the government's National Workplace Strategy and NESCC strongly endorses this key policy initiative. Workplace innovation is of relevance across the private, public and voluntary sectors and must now be viewed by all the relevant stakeholders as a key response to challenges facing Ireland.

**Training**

The NESCC report expresses anxiety about Ireland's system of training and lifelong learning. An effective national training system is now an urgent economic and social requirement. Such a system must:

- Support the upgrading of skills needed by the private, public and voluntary sectors;
- Enhance the employability of individuals and;
- Contain a significant degree of external benchmarking to

ensure that it meets the highest standards and is forward looking.

In the Council's view there should be a particular focus on training those with low levels of qualifications and those most at risk of redundancy. For the wider population, long-term funding instruments need to be settled promptly.

**Public Service Quality**

NESCC has long been critical of the traditional system of pay determination in the public service, particularly the combination of special claims and relativities. The benchmarking approach initiated under Sustaining Progress is an improvement.

It has created a set of conditions in which wider issues of service quality and continuous improvement can, potentially, be addressed. It is now necessary for public service organisations-managers, unions and employees-to build public confidence in the new system by demonstrating that it provides a robust means to enhance productivity and the quality of services to customers/citizens.

*Dr Rory O'Donnell is Director of the National Economic and Social Council*

**“Partnership** fulfils an extraordinarily important function. It is a safe place where management staff and unions can talk to each other and where they can bring their issues to the table. It has contributed to industrial peace... we are currently developing an action plan around the idea of extending partnership throughout the Department” **Julie O’Neill (Secretary General, Dept of Transport)**

**“We** try to involve staff significantly in the business. We make them feel part of it. Staff feel their opinion matters because it does”  
**Donal Casey, Chief Executive (Irish Life Corporate Business)**

# A fresh commitment to change

There are clear advantages to deploying our workforce better and improving the quality of life of employees, writes **Philip Kelly**

LAST year, the National Workplace Strategy produced by the Forum on the Workplace of the Future established a strong guiding vision for workplace innovation. What has emerged from the draft Social Partnership Agreement, Towards 2016, is a new commitment to the agenda of change that must be embraced to make this vision a reality.

This reflects a deepening appreciation that the development of high-participation, high-involvement work practices has to be a priority for both employers and employees. At its simplest, there is a clear competitive advantage from better deployment of our workforce. And there are very significant social dividends to be realised by improving the quality of life of individual workers.

A key commitment under Towards 2016 will be the establishment of a three-year Workplace Innovation Fund, along the lines set out by the Forum on the Workplace of the Future, to build a stronger commitment to workplace innovation. This will encourage the development of new ways of working through partnership, aimed at increasing flexibility and improving performance.

The parties to the new agreement are agreed more generally that a particular priority should be accorded to promoting and disseminating across the private and public sectors the range of activities identified in the Forum’s report - including improving management and leadership capacity; increasing employee involvement; investing in training and lifelong learning; promoting equality and diversity in the workplace; and improving the quality of working life. Key supporting initiatives by the NCPP will include:



**Philip Kelly, Assistant Secretary, Department of the Taoiseach and Deputy Chairperson, NCPP**

guidelines on employee financial participation within twelve weeks following the ratification of the agreement, supported by development and promotion of an active programme of education and communication for employees, management and unions;

- Development of a detailed project plan in 2006, in consultation with ICTU, IBEC and relevant Government Departments and agencies, outlining a series of practical approaches and activities to further develop workplace partnership, tailored to the

different needs and challenges facing various key sectors in the private and public sectors; and

- Commissioning of a further attitudinal survey of employers and employees in 2008 to assist in the process of measuring and managing the process of change and modernisation in the Irish workplace.

The parties to the draft agreement have also placed particular emphasis on the need for a concerted effort to increase the levels of workplace learning and upskilling, in order to sustain and improve employability and competitiveness into the

‘The planned publication of a National Skills Strategy by the Government during 2007, reflects the reality of a global knowledge-based economy in which unlocking the full potential of our human resources has never been more important’

future. The planned publication of a National Skills Strategy by the Government during 2007, reflects the reality of a global knowledge-based economy in which unlocking the full potential of our human resources has never been more important. Key initiatives under Towards 2016 will include:

- A review of available workplace learning and upskilling offerings to ensure that they match anticipated requirements and provide a co-ordinated, user-friendly and easily accessible system of workplace learning and

upskilling, geared to both employability and competitiveness;

- Development of a targeted guidance, learning and training programme, particularly accessible to the manufacturing sector, to include coaching and mentoring for workers in vulnerable employments where appropriate;
- Measures for the promotion of take up of apprenticeships by older workers;
- Mainstreaming of the Knowledge Economy Skills Passport (KESP);
- Further expansion of the Skillnets programme;
- Increased support for the pilot trade union-led learning network under the FAS One-Step-Up programme, and for the Workplace Basic Education Fund; and
- A targeted fund to alleviate the fees in public institutions for part-time courses at third level by those at work who have not previously pursued a third level qualification.

The basic premise underpinning the establishment of the Forum on the Workplace of the Future was that the same energy that we have invested to date in Ireland’s economic transformation must now be brought to the transformation of the workplace and of the individual working lives of employees. The adaptability of the social partnership process to changing circumstances is reflected in the extent to which a new consensus around this agenda of workplace innovation and change is now reflected in the terms of Towards 2016.

*Philip Kelly is an Assistant Secretary at the Department of the Taoiseach and is the Deputy Chairperson of the National Centre for Partnership and Performance.*



**‘Our ability to manage change in the workplace will be crucial to the future of the Irish economy. The National Workplace Strategy outlines the various steps and actions that are required to support workplace change and innovation through an increased emphasis on adaptability, high performance, employee involvement, workplace learning and skills development’**

**TONY KILLEEN TD, MINISTER FOR LABOUR AFFAIRS**

# Partnership: Embracing a wider agenda

For the first time, there is a coherent and integrated approach to workplace development in Ireland, writes **Lucy Fallon Byrne**

FOR all of us, the way we work and the way we think about work is changing all the time.

We only have to look at the changing composition of our workforce, the way we use technology, the increased knowledge content in all jobs and the expectation that we learn continuously and develop new skills, to realise how much we are absorbing change. We are also developing more collaborative ways of working and in our quest for innovation, we are constantly searching for improvements and smarter and better ways of doing things.

Our expectations of work are also changing. Yes, it seems that we are all looking for greater meaning and more personal fulfilment at work. We are also seeking more involvement and recognition as well as a better balance between work and life.

In many ways, the great challenge for partnership now is to better reflect these changes, to respond effectively, and to fully recognise that in a modern society we need innovative, knowledge-based workplaces that are alert and responsive to the needs of employees.

As well as responding to change, we also need to plan proactively for change. The best way to create the future is to invent it!

That is why the Government has recently launched a new National Workplace Strategy. For the first time, there is now a coherent and integrated approach to workplace development in Ireland. Significantly, the Social Partners have restated their commitment to this Strategy in the draft new Social Partnership Agreement, Towards 2016. These two developments together have created a new momentum for change and innovation in our workplaces and have given fresh impetus to workplace partnership.

Without doubt Towards 2016 is the most and ambitious and challenging agreement to date. As well as setting out a ten-year framework for the integrated development of the economy and society, it outlines a new and expanded agenda for workplace partnership.

Specific priorities identified in the new programme for the development of our workplaces are as follows:

- Developing leadership and management capacity
- Increasing employee involvement
- Dramatically increasing workplace learning
- Promoting and implementing equality and diversity policies
- Employee financial involvement
- Improving the data on our workplaces

The programme also recommends the establishment of a three-year Workplace Innovation Fund. The fund will be used to support and mainstream new ideas and best practice models of workplace innovation within organisations.

The backdrop to these commitments in the draft agreement is the National Workplace Strategy which was launched by An Taoiseach in March of last year. This followed the completion of the work of the Forum on the Workplace of the Future.

This Strategy is a major milestone in workplace development in Ireland. It is a comprehensive and integrated approach to change which covers areas as diverse as employee involvement, dispute resolution, support for innovation, workplace learning, access and participation, childcare, the needs of older workers and parents, the well-being of workers and quality of work life issues.

The Strategy, to which the Government and Social Partners are committed, clearly captures the need to



**Lucy Fallon Byrne, Director, NCPP: “The National Workplace Strategy maps out a new and expanded role for workplace partnership”**

**‘As well as responding to change, we also need to plan proactively for change. The best way to create the future is to invent it!’**

sustain and increase our competitive position internationally, while at the same time fully acknowledging the importance of involving and proactively supporting the well-being of all our workers. The vision of the workplace which underpins the new strategy is, therefore, guided by a twin-track approach to change and innovation:

- Building innovative, fit and highly productive workplaces
- Valuing employees, fostering involvement and responding to their increasingly diverse needs.

The vision of the workplace recognises that in order to sustain and deliver increased competitiveness, our workplaces need to be more dynamic and innovative. Our research has shown that workplaces in Ireland are not as innovative as they should be if we are to be successful as a knowledge-based economy, competing on the world stage.

However, in a modern society, in creating dynamic and agile workplaces we have to be ever-mindful of the needs of all our workers. As we have chosen to move to high value-added activities and services, it is clear that the talents and ideas of our workers will be the key to

our future success. The vision underpinning the Strategy specifies therefore, that workplaces will be responsive to employees needs, involved and participatory, continually learning and proactively diverse.

The new Strategy clearly recognises that the level and pace of change and innovation necessary in Irish workplaces will require the development of more effective partnership-style approaches which can quickly respond to changing economic circumstances and the needs of the enterprise as well as to the changing needs of employees.

The National Workplace Strategy with its ambitious workplace vision, therefore, creates a new and challenging context in which to consider the further development of partnership. In many respects, it can be said that this Strategy maps out a new and expanded role for workplace partnership. It is a more holistic approach, which incorporates the changing needs of the workplace and the workforce in areas such as learning, diversity and equality, flexible working and work-life balance, as well as the need to be informed, consulted and continuously involved.

The challenge now for all engaged in partnership in our workplaces is to realise the vision of the workplace as agreed at the Forum and to ensure that the ambitious and co-ordinated approach to workplace development as outlined in the National Workplace Strategy is fully implemented.

This next phase in the development of partnership will focus less on structures and processes and more on outcomes and benefits for the organisation as well as the increasing importance of responding to the needs of employees and looking after their well-being.

So while it is inevitable that our work and our workplaces will continue to change, it is important that at national level there is a strategic approach to workplace development and that the necessary supports and infrastructure are in place to give effect to these changes.

Over the next three years, the strategy of the NCPP will be to lead and support change in our workplaces, through partnership, by building commitment to this new vision and by supporting the implementation of the National Workplace Strategy.

**"Moving** towards higher value-added activities is dependent on involving employees and the challenge for HR is to create a working environment that incentivises effective employee engagement"

**Sean Silke (HR Director, Medtronic)**

**"There is** a sense in which the idea of partnership has never been more needed. Workers and employers should be collaborating to face the challenges of globalisation and technological change... A culture, rather than a system, of partnership is what we really need. **Marc Coleman (Business Editor, Irish Times)**

# Generation Y has a new attitude to work

The perceptions of career success are changing, writes **Ciaran O'Boyle**



**A**BEMUSED senior manager, working for a major Irish financial institution, recently shared what he saw as the major challenge he now faces - he cannot manage the new generation of workers, in the new world of work, using the management style that he has successfully applied for the past fifteen years. Many managers can identify with his situation. The brave new world of work is increasingly globalised, continually changing, driven by information and requires shorter response times to keep customers happy. Organisations will increasingly have to compete to attract and retain the best and brightest. As work becomes more complex, improving the quality of working life will become more important in the drive to produce better work and to avoid the errors associated with stress. The challenge to retain good people will also be significantly influenced by the capacity of the organisation to accommodate individuals in seeking to balance the various aspects of their lives.

Managers, struggling to cope with these changes, must at the same time deal with a new generation, sometimes referred to as Generation Y, that has different attitudes to work and to authority. They are more likely to say: 'I am prepared to work for you for five years but I want you to invest in me; I want you to invest in my development and I want time off for education and training and, by the way, a sabbatical year to go travelling would be nice'. This generation (and indeed some of the baby boomers

now in their 40s!) also seem to be changing their perceptions of career "success". The traditional career consisted of a series of upward moves with success defined in terms of increasing income, power, status and security. The path was set out by the organisation and once "on track", the individual followed it. In what has been described as the "Protean" career (after the Greek god Proteus, who could change his shape at will), the individual is more in charge. Success is defined in broader terms and reflects more closely the psychological needs of the individual. The boundary between work and non-work becomes blurred. Self-fulfilment and the pursuit of meaningful work are the unifying integrative elements. The choices seem to be: meaning vs money; purpose vs power; identity vs ego gratification; continuous learning vs. specific attainments. Here, there is no idealised linear career path and the individual creates an idiosyncratic unique course. In order to attract, develop and retain such people, organisations are going to have to engage with them in new ways. Helping such people to be "whole" at work (and at home?) will become more important.



Organisations will have to provide a rich ground for learning through challenging growth and enriched relationships. Finally, and particularly salient post-Enron, organisations will have to provide a purpose to which the individual can commit with pride.

Ireland has enjoyed spectacular economic success over the past decade and this seems set to continue with Government policy aimed at creating a dynamic, inclusive and knowledge-based economy capable of sustaining competitiveness and maintaining social cohesion. Organisations in both the public and private sectors are becoming increasingly aware of the need to transform workplaces not only to meet

external demands for productivity, rapid response and competitiveness, but also to meet the growing demands of their employees for better work-life balance. There are many reasons behind the increasing demand for work-life balance: long commuting distances; greater dispersion of extended families; the development of life-long learning for all; increased access to technology; demand from customers for longer opening hours; the enormous increase in the participation of women, particularly younger women, in the work-force. In a knowledge-based economy, the primary asset of an organisation will be its knowledge workers and caring for their welfare will be increasingly important.

This is why IBEC has joined with ICTU and Government in supporting the development of policies aimed at improving work-life balance and why many organisations in the public and private sectors are developing procedures to allow staff better organise their lives.

And what of our bemused managers? The plethora of information gadgets now available and the seeming urgency of all tasks have resulted in an insidious morphing of work and private life. Some time ago, my colleague Georgina Corscadden at the Irish Management Institute, and I asked managers to rate their quality of life. We found that, on average, senior managers, using their own frame of reference, rated their quality

'Managers, struggling to cope with these changes, must at the same time deal with a new generation, sometimes referred to as Generation Y, that has different attitudes to work and to authority'

of life as being quite low, lower in fact than patients with serious illnesses had rated their quality of life within their particular frame of reference. They were cash-rich but time-poor.

I have, over the years, conducted research on the quality of life of terminally ill patients receiving hospice-based care. I have never heard anyone express regret for not having spent more time at work. However, I have often heard people express regret, not about the things they did, but rather about the many things they didn't have the time to do. Many of us seem to live life as if it is a type of rehearsal for some time in the future when we will have time to do all the things we want to do. Work seems to expand to take up more and more of our time and energy. Many people feel that the things that give value and meaning to life are being squeezed out. Helping employees to achieve meaning and balance in their lives and work is the emerging organisational challenge for the 21st century.

*Professor Ciaran O'Boyle is Vice Dean of the Medical Faculty, Royal College of Surgeons Ireland.*

# Diversity is key to driving workplace change

BY KEVIN STACK

**T**HIS country has become massively wealthy over the past decade, enjoying sustained economic growth and virtually full employment. Gone are the bleak days of the 1980s and 1990s when jobs were scarce and emigration was rife.

However, as well as great success and comfort, the economic miracle has brought new challenges. Chief among these is the responsibility to make sure minorities in society are not left behind. There is a moral imperative to ensure that society is inclusive and that there is equality of opportunity.

To this end, the Government has passed key legislation, including the Employment Equality Acts 1998 and 2004, which prohibit discrimination in the workplace on the grounds of gender, marital status, family status, sexual orientation, disability, age, religion, race or membership of the Traveller community.

The Equal Status Acts 2000 and 2004 prohibit discrimination on any of the above grounds when providing goods or services.

However, beyond merely meeting the legislative requirements, the challenge for both employers and staff is to ensure that the workplace is diverse and inclusive.

Workforce diversity is a key driver of change in relation to the Irish workplace and how it is organised. Within this diversity a number of elements will have a particular influence. These include:

- The significant increase in employment among women and the resultant growth in the number of families with children where both parents are working.
- The gradual ageing of the working population.
- The growing presence of people with disabilities in the workplace.
- The growth in the presence of migrant workers in the Irish workplace and the

continuing importance of their contribution.

According to a report by the Equality Authority: "It is important to recognise that - both in Ireland and elsewhere - future growth prospects are heavily dependent on successfully mobilising, retaining and developing increasingly diverse sources of labour.

Equally, future prospects for social inclusion and social justice are heavily dependent on successfully accommodating this diversity in the workplace and in the wider society.

A 2002 report of Organisation for Economic Co-operation and Development (OECD) Employment and Labour Ministers made the business case for embracing diversity in the workplace by stating: "Promoting job prospects for underrepresented groups makes sound economic sense and helps reduce poverty and social exclusion... Mobilising underrepresented groups is also key to meet the challenges of populations ageing." Similarly a recent European Commission Survey showed that 83 per cent of companies who have adopted diversity policies have reported that they make good business sense. The main business benefits include being able to recruit from a wider selection of people, being able to retain better workers, improved community relations and enhanced company image.

One company that is proactively promoting diversity and equality and an inclusive intercultural workplace is Dublin Bus. This activity was initiated by senior management who were responding to a number of emerging concerns.

According to the company's Equality and Diversity Officer Patricia Normanly, these concerns were prompted because: "There is a low percentage of women in the workplace and a low representation of women in certain grades in the organisation.

"There have been changes in the age profile of employees, as well as changes in terms of different family and work-life balance needs, and needs in relation to employees with disabilities. There has been dramatic change in the cultural diversity of the workforce."

An Equality Review was carried out in 2001-2002 within Dublin Bus, by an external consultant who worked with the Ms Normanly and the equality committee. This prompted strategic action through the development of an Equality and Diversity Strategy.

The aim of the strategy is create a fair and inclusive workplace where individuals are respected and people can work to the best of their ability. And according to Chief Executive Joe Meagher: "Everyone at Dublin Bus has a role in making sure that this policy is demonstrated in everyday performance."

Beyond fulfilling its legal obligations under equality legislation, the company believes that the strategy should create "an environment of mutual respect for individuals and groups and enable them to take part fully as employees and users of our service".

The provision of equality and diversity training has been a central part of the Dublin Bus's approach to this issue. Critically they have integrated the equality and diversity training within existing programmes and this has served to mainstream it within the organisations overall strategy and culture.

Beyond this, Dublin Bus has put in place a number of other policies and procedures as part of its Equality and Diversity Strategy. Its 'Dignity and Respect' policy is designed to promote a supportive atmosphere and provides information for employees about preventing inappropriate behaviour in the workplace.

People from almost 60 different countries now work for the company. In a bid to



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Dublin Bus actively promotes diversity, equality and an inclusive intercultural workplace

promote an inclusive atmosphere at the company, Dublin Bus has also taken part in a number of programmes, such as a cultural-awareness week and an all-nations football tournament.

However, Patricia Normanly points out that the company has responsibilities beyond creating an inclusive working environment. "We still have to ensure that we have equality of opportunity for all people". To that end, the company carefully monitors trends in recruitment and selection as well as keeping track of promotions within the firm.

Collecting this data will allow the company, over the longer term, to ensure that people from all walks of life are able to, in the first instance, join Dublin Bus, and thereafter advance through the ranks.

Of course, a company such as Dublin Bus, which provides a service to thousands of members of the public every day, has to be aware that its customers are a diverse bunch. With this in mind, it has

developed a "Transport for All" policy, which it uses to ensure that services are accessible for all customers, whatever their background or needs. The commitment to the adoption of best practice initiatives in equality and diversity is viewed by the company as part of its wider strategy for developing a high quality customer service. This helps to align equality and diversity initiatives with the broader organisational goal of improving service delivery.

Beyond individual companies such as Dublin Bus taking their own initiatives to promote workplace inclusivity, employers' group IBEC and the Irish Congress of Trade Unions (ICTU) have jointly set up the Workway project.

The aim of the project is to increase awareness and promote the employment of people with disabilities in the private sector and to do this it has issued a number of guidelines for people with disabilities seeking employment.

According to David Begg of the ICTU: "Workplaces often stop people with disabilities from looking for a job. Often without thinking, employers and workers make it difficult for people with disabilities. They don't know enough about working with people with disabilities. And people with disabilities don't know enough to tell others what they need."

The Workway Guidelines look at the important things about getting and staying in a job, including:

1. Telling people about disabilities.
2. Providing useful information about managing disability in the workplace.
3. Providing information on the kind of help there is for employers and workers to make changes at work, and where to get this help.

On the Workway project, Turlough O'Sullivan of IBEC says: "There are lots of good reasons for businesses to employ people with disabilities. But there are still

very few people with disabilities in work... employers hope that the Workway Guidelines will change the way people think about disability and get more people with disabilities into work."

The Equality Authority believes that the traditional orientation towards the hiring of young people can be seen as based on a conception of learning/training as a preparation for working life rather than as integral to it.

The increased emphasis on life-long learning is now challenging this view and should result in greater participation in the workplace of people of all ages and from all groups.

However, despite advances over the last number of years in both legislation and independent initiatives, there remain significant challenges ahead for employers, unions and society as a whole to ensure that there is genuine equality of opportunity for all in relation to the workplace.

**"It is people who create the customer experience. Look after your people and you will be rewarded"**  
**Teresa Elder (CEO, Vodafone Ireland)**

**"The main barrier to achieving organisational change revolve around the absence or lack of clear and shared objectives and low levels of trust"**  
**Labour Relations Commission**

# Workplace learning is key to facing the challenges of the future

Education must not end in school or college if we are to succeed, writes Ray Caden

It will not have escaped your attention that the face of Irish business is changing. Traditional manufacturing and agriculture are declining while services of all kinds and technological industries are in the ascendancy. These changes are happening because the world is changing. We have ridden this tide of change well so far. The challenge is to keep going. If we fall behind in our educational qualifications, jobs will go elsewhere.

We like to think of ourselves as having a smart, well-educated, articulate population of workers. This is true but there are some critical gaps which if they are not addressed will seriously undermine Ireland's economic performance and competitiveness and ultimately job opportunities for the future.

For example, we have a deficit in terms of learning foreign languages. Thirty per cent of the current Irish workforce does not have a Leaving Cert. Seventeen per cent of secondary school students do not complete the Leaving. Within the EU we rank only seventh in the classification of skills. We are 15th out of the 30 OECD countries for degree level qualifications - 14 per cent. And that only improves slightly (20 per cent) if you narrow it down to the 25-34 age group.

Forecasts in almost all areas of work tell us that by 2015 we are going to need less semi- and unskilled workers, less skilled manual, less clerical and sales, but more managers, a lot more professionals and significantly more workers in just about everything else which comes under the heading of "other services."

This will be a significant change in the profile of the Irish workforce, but it is not as simple as saying that if we all become better educated we

will all get better jobs. By 2010, for example, skilled and semi-skilled workers will still account for half of all our jobs. But we shouldn't be under any illusion that being skilled or semi skilled is an excuse for not embracing lifelong learning.

Obviously education is one of the keys - that is pre-work education.

But it is only part of the solution. As the OECD has pointed out, 80 per cent of the workforce of 2015 is already at work but many of their skills will be obsolete by then. This demonstrates the vital importance of continuous education and workplace learning for employers, employees and for the economy as a whole.

Regardless of the sector that you work in or the kind of work that you do, we are all going to have to come to terms with the idea that your education can never again be something that you left behind with your school or college days. First chance education and ongoing learning in the workplace must be viewed as a single integrated and continuing process which is part and parcel of everybody's working life.

One company that is making sure its employees are not left behind is FEXCO. The privately-owned firm provides global payment services and is based in Killorglin, Co Kerry. FEXCO regards learning as a high priority within the organisation. This is evidenced by the fact that it has strategic alliances with local educational establishments. Staff members are also offered opportunities to visit sister companies abroad.

On top of this, the company has established a customised and accredited Diploma in Management Development. 32 managers in the Killorglin site completed the first programme. The group in question were mainly promoted



Edna Jordan, NCPP "it is critical that we find new mechanisms that support the needs of employers and employees"

from within and had never received any prior management training.

It has been established that "in a knowledge society, the combined effects of technology, increasingly sophisticated customer demands and competition are driving up the knowledge and skill content in virtually all work. Employee knowledge, skills and experience will be a key source of innovation, improved performance and competitive advantage."

The challenge now - and it has to be now, not later when the jobs are gone and we are playing catch-up - has to be to get everyone to accept the need for continuous development and re-skilling of people in the workplace. This is the responsibility of employees, employers and the government. Collectively we must first accept that this is a matter of economic survival. Then individually we each must play our part.

At individual level opportunities for employees to engage in and have the benefit of career planning and developing personal learning plans will become increasingly important. The individual

employee has to see that continuous workplace related learning is necessary to preserve their job, maintain their organisation's level of efficiency and critically for their longer term employability.

At organisational level, employers must encourage learning that will add value to the workplace, and facilitate employees to achieve their potential.

The employer has to realise the benefits and potential of lifelong learning and its positive impact of their business with improved productivity and competitiveness through being able to provide superior products or services. Employers have a key role in providing training for employees and encouraging employees to avail of further training and education through the provision of flexible working arrangements.

At national level the challenge is to create the environment where neither employee nor employer finds obstacles in their way to achieving their greatest potential. For example, the development of closer ties

**'The skills that need to be learned and updated do not just relate to technological matters. Creative skills are important for all kinds of innovation'**

between the workplace and the education sector, and support for individual and organisations wishing to develop their skills must become priorities.

One of the causes of stress, which has been identified as a

major problem in the work place impacting negatively on individual and organisational performance is doing a job for which employees haven't been adequately trained and developed. Working life can be much more enjoyable and fulfilling for workers if they are provided with appropriate and timely learning and development supports - helping them to improve their performance and maintain confidence in their own abilities

Employee learning and re-skilling activities may take place in a classroom type scenario outside the workplace or it may be on the job or indeed it may be a mixture of both. It may be on the employee's time or on the employer's time. Just as an employer may have to realise the benefits that can accrue from investment in upskilling, so too the employee must realise that they are responsible for their development and have to make a commitment. They will, after all, be making themselves more marketable, more attractive in the job market. And as a stakeholder, they will be protecting their job, not just for themselves, but for those who come after them. It has to be a co-operative effort, with all parties enthusiastically involved, sharing the load.

The skills that need to be learned and updated do not just relate to technological matters. Creative skills are important for all kinds of innovation.

Communications skills matter in a changing and challenging market with constantly shifting customer demands and employee needs. Interpersonal skills are needed to improve teamwork. Communication skills are also vital to the range of leadership skills that will never be redundant, no matter how much the nature of the workplace changes.

There may be a temptation to think that this continuous learning and re-skilling is something best left to the bright sparks. The fact is that the bright sparks probably have a lot of the skills already and better still, they realise that they need to keep upskilling and are already

doing so on their own time through night classes or extra curricular classes or whatever.

Critically there is a real need to improve access to training for those who are likely to be among the most vulnerable as work becomes more knowledge intensive - the less skilled, less well-educated, older workers and those with a weaker attachment to the permanent labour force. The economic reality is that we cannot afford to lose thousands of workers whose only crime is that they have not quite managed to keep up.

Another company that is making sure that its employees are receiving the development support that they need to respond to the changing needs of customers is Jury's Doyle Hotel Group. Each property within the group has established a number of team trainer positions, usually department supervisors, who help deliver the company's training plans, which are developed annually.

And the opportunities to learn are not restricted to the ambitious and the young. As one manager pointed out: "There are employees in Jury's Doyle Hotel Group who have 35 years' experience who still gladly attend supervisory training courses and who still find value in the training courses because they feel that they grow in confidence as a result of the learning - they know that what they are doing is right."

But despite the foresight of some companies, problems remain. We have concerns at present about the funding of pensions for the growing number who will pass retirement age in the coming years. We have plenty of experience of high levels of unemployment. We do not want to go back to that. We cannot afford it.

Just as there is no opt-out clause in all of this for the workers starting off from a lower skill base, so the temptation of smaller businesses to see it as something of relevance only to major companies is invalid.

This is a mindset that needs to change, just as the idea of defining certain occupations

by gender will also have to go. The whole area of apprenticeships is one where some significant quality improvement has taken place in recent years, but the next step, and a vital one, is to open up the follow-on possibilities, allowing successful apprentices to be facilitated in building on their qualifications within the further education framework.

According to Edna Jordan of the NCPP it is critical that we find new mechanisms that support the flexible and targeted delivery by the third level education sector of continuous learning programmes that meet the needs of employers and employees. The educational authorities can help here by studying the changing needs of the various industries and adapting to these changes. We must also find new models and approaches to funding and sharing the cost of workplace learning among employees, employers and Government. For this to be achieved, all the relevant parties must realise there will be benefits in the medium to long term of bearing some costs now.

Employers must recognise that attracting and retaining talented employees is a significant source of competitive advantage. The provision of flexible working arrangements is important too and in fairness to smaller firms, some recognition must be given to the fact that this could be a greater difficulty for them than for the larger firms and some way must be found to overcome this.

The development of an effective framework that supports individual and organisational participation in lifelong learning will improve Ireland's competitiveness across all sectors. In particular, it will support Ireland's transition to a knowledge economy characterised by high-quality, high-skilled, well paid jobs. A renewed focus on up-skilling and re-skilling will also minimise the disruption associated with such a transition. This is not a theoretical problem. It is real and it is here and demands to be dealt with immediately.

## CASE STUDY INSTITUTE OF TECHNOLOGY, TRALEE

# Back to school... a healthy approach to lifelong learning

BY KEVIN STACK

WHEN the Health and Social Care Professionals Bill 2004 becomes law, a large number of social care workers will find that they are no longer qualified to do their job, even though some of them may have been working in the area for as long as 30 years.

The forthcoming Health & Social Care Professionals Act is intended to ensure that all social care workers have a standard set of minimal, formal qualifications. However, many people working in the sector, with a wealth of experience and on-the-job learning, do not have these qualifications.

In 2004, in anticipation of the new law, a development team of Maria O'Sullivan, HSE Training co-ordinator and Barry Murray, HSE Southern Region Child Care Manager and Patrick McGarty, Dr. Colm O'Doherty and Tom Farrelly from Institute of Technology, Tralee met with a view to exploring the possibilities for the delivery of an appropriate qualifying course for HSE residential social care workers. These are employees who work with children in care in residential units.

While the Institute of Technology, Tralee already offers a highly successful BA in Applied Social Studies (Social Care Degree Course) to full time students, this course did not meet the needs of full time Social Care Employees.

The IT Tralee and HSE development team set about designing a new degree pathway which combined work-based-learning and face-to-face teaching. The development team met with residential managers, HSE Psychologists, prospective course participants, childcare manager and the HSE -Southern Region's coordinator of residential care services. After a review of the full-time course's content, some of the material was re-aligned to take account of the theory and practice needs of the service providers. However, the core academic structure and content was maintained in order to ensure that the course's integrity was not compromised. "Walking a fine line between implementing a very specific 'training' course and maintaining an 'academic' tradition is no easy task" according to Dr Colm O'Doherty.



Students and staff at Institute of Technology, Tralee, who have worked together in developing the new course.

To this end, much of the course is provided through a blended learning platform that incorporates face-to-face sessions and the use of WebCT (an e-learning IT programme). Students access much of the course material off campus and in their own time via the internet. In order to minimise disruption to students off campus outreach face-to-face teaching was delivered in Cork City and Macroom.

The web-based learning platform enables students to communicate with each other and their lecturers through 'online discourse'. This is facilitated through both 'synchronous' and 'asynchronous' online sessions, i.e. there are 'live' online tutorials with lecturers scheduled as well as discussion boards where students

can post queries and share information.

The course commenced with an induction week being held in the Institute of Technology, Tralee. During this week, students were exposed to a variety of learning and teaching experiences that would reflect the blended nature of the programme. Thus, the programme included sessions on using the library, both in a 'real' and virtual sense.

In recognising the twin track nature of the programme, the Institute also provided study skills sessions on note-taking, time-management and essay writing. "Using E-learning is all very well, but it had to be recognised that first and foremost these are third level students, who are required to

undertake the age-old tasks of reading, analysing and writing, regardless of how the material is delivered" according to Tom Farrelly of IT Tralee.

The students have had to deal with the same fears and anxieties that all students face: doubt in their abilities, doubt that they will keep up with the course and so on. To this end, a mentoring programme was established to assist and support student learning in the workplace.

The first year of the course is nearing completion and feedback from all the stakeholders is positive. Combining full-time work and part-time study and in many cases family responsibilities is certainly not easy. However, the use of this blended learning platform has enabled a group of social care workers along the road of gaining the professional qualifications they so richly deserve. As one student noted "This is a great opportunity which allowed me improve on my work practice, through doing a valid degree course which was never previously available to me whilst still working full time". Improving current practice is an important aspect of the course and one which is fully embraced by the participants. "I've been working in residential care a long time and it's good to have my 'opinions' challenged. We can be "set in our ways" and my colleagues have commented in a positive way on my working style and my more open views".

Critically the course was designed to meet the needs of all stakeholders i.e. the HSE, staff/students and the Institute. This partnership approach was so successful that this work-based learning model has been carried forward by Institute of Technology, Tralee in the development of a Bachelor of Business in Retail Management Degree Course. This programme is designed again for work-based learners and is specifically geared at retail sector employees in the southwest region.

In designing these work-based learning programmes, Patrick McGarty, Head of Department of Business and Humanities at IT Tralee, has described the need of all educators to be "learner centred, flexible and innovative and to accredit prior experience".

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"Knowledge is embodied in people and it is the quality of the human resources that will determine the success or otherwise of firms and economies in the years ahead" **Enterprise Strategy Group Report, 2004**

"People have a right to be managed properly. This means that there is clarity around job definition, expected performance standards, targets and a feedback loop involving regular performance appraisal to ensure there is no ambiguity around performance in the job"  
**Aidan Pender, Director - Enterprise and Skills Development, National Tourism Development Authority of Ireland**

# Employee financial involvement: sharing the gains

Companies should devise ways to reward staff who are consistently innovative, writes **Ray Caden**

What is the difference between a good experience in a hotel and a poor one? What is the difference between a good set of company results and a poor one?

When you dig deep enough, the answer is usually that people in the good companies pay attention to the small details and have found ways to improve the experience, to add value or to cut costs. Superior performance in a business context is very often the sum of a lot of small things rather than the result of a once-off innovation or radical change.

The once-off reorganisations, new strategies, product and process innovations have their place. And when they pay off, those responsible for devising and implementing these innovations are well rewarded. But those responsible for ongoing innovations at the coal face are rarely rewarded for their initiative.

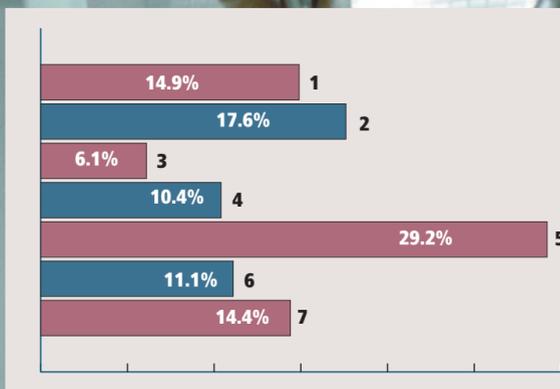
There are companies in Ireland that have realised that this is a mistake. Companies like Tesco, Anglo Irish Bank, Tegral Metal Forming, Alltracel and Musgraves, M&S, Diageo have all found that the systems which financially reward employee involvement are highly effective both for the bottom line and for employees.

However, in Ireland just one in 16 companies has a company-wide scheme that encourages and rewards employees to search for and implement innovative ideas and change. This needs to change.

The solution in one sense is blindingly obvious. EFI, that is giving employees more cash/or shares when they find new ways to save money, increase



"In the high-tech manufacturing sector, only 17.6% of companies have an EFI scheme in place"



**Table 1**  
Percentage of companies using EFI in Ireland by sector  
Sector % companies with a scheme in place

1 Traditional Manufacturing	14.9%
2 High Tech Manufacturing	17.6%
3 Construction	6.1%
4 Distributive Services	10.4%
5 Finance/Business Services	29.2%
6 Hotels/Restaurants/Transport/Other Services	11.1%
7 Overall	14.4%

Source: *The Changing Workplace: A Survey of Employers' Views and Experiences, Forum on the Workplace of the Future, Research Series, No. 3, ESRI/NCPP, 2004.*

throughput or improve customer service etc., must become the norm in Irish business.

So what is employee financial involvement. It is an umbrella term that encompasses a company-based scheme designed to provide groups of employees with additional income based on the performance of their organisation: employees receive a financial or equity share in their organisation. The payments or bonuses can be linked to profits or other more operational measures. There are various forms of EFI including gainsharing, profit sharing, share-ownership or work related savings schemes or combinations of these schemes.

Employers' group IBEC fully supports the idea of Employee Financial Involvement. The Irish ProShare Association (IPSA) is an independent body within IBEC that promotes EFI. IPSA Charman Jim Ryan says: "Employers readily accept that their employees are their most valuable asset. Employees knowledge, creativity and commitment contribute to the effective functioning of all organisations, be they large multinationals or small indigenous operations. The IPSA believes that employee financial involvement, either

through the ownership of shares in their employer company or other profit sharing mechanisms, provides both employers and employees with the ability to share in the financial rewards associated with increase performance."

National and international research illustrates that EFI enhances competitive advantage and creates a very dynamic role for employees as well as delivering financial gains. The research clearly indicates that EFI has definite potential to make a real difference to organisations and to employees.

This is a really important development, so much so that it is the subject of intensive research by the National Centre for Partnership and Performance and the Forum on the Workplace of the Future. There has also been much important international study in this field.

## Irish Research

As part of the Forum on the Workplace of the Future, a nationally representative sample of employers were asked about their usage of progressive work practices such as employee financial involvement.

Employers were asked whether they had an employee financial involvement scheme

in place. The findings show that just over 14pc of employers have some type of scheme in place. Table 1 shows that this varies across sectors with almost one third of employers in financial services reporting that schemes are in use.

It is also clear that the incidence and usage of schemes varies with the size of the company. Table 2 shows that larger companies are more likely to have schemes in place.

However, it is important to note that 1 in 6 small companies report that they have a scheme.

The Forum also undertook research among 5,000 employees on their attitudes to and experience of change in the workplace. The findings provide additional insight in relation to employee financial involvement in Ireland.

Among employees who reported that schemes were available in their workplace 73pc reported that they were personally involved. This suggests that EFI schemes in operation in Ireland have broad coverage.

There are other sources of data that provide a more detailed picture in relation to specific EFI schemes. The Revenue Commissioners provide some break down in relation to approved schemes.

There is some specific

information on gain sharing. Surveys estimate that between

The most recent figures available show that in May 2005 there were: 458 approved profit sharing schemes (APSS); 97 approved Save as You Earn schemes (SAYE); 28 approved share option schemes (ASOS); 10 employee share ownership plans (ESOPs).

4pc and 7pc of companies have gainsharing programmes. Further, SIPTU represent workers in 100 companies that have used gainsharing.

The Forum workplace survey also examined the impact of schemes on business performance. The results show that companies that are performing well are more likely to have financial participation practices. In fact, a company making substantial profits is four times more likely to have employee financial participation than a company making losses.

The potential for additional income is the key benefit for workers. However, the research also found evidence that EFI schemes are linked to higher levels of job satisfaction and lower levels of stress. The ESRI is currently undertaking research to explore the non-

financial impact of these schemes on employees.

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National Centre for  
Partnership ■ Performance

NCPP Masterclass Series

Date for your  
Diary

Learning in  
a knowledge  
society  
- is Ireland  
ready?



This Masterclass will feature a panel of experts including:

- **Sir Ken Robinson**, a leading expert in the development of human resources and releasing individual creativity.
- **Professor Andy Hargreaves**, who contends that teaching and learning are the key agents of change in the knowledge society.

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We look forward to seeing you on Monday the 25th September 2006 at the Royal Hospital Kilmainham.

For further information and online booking form go to [www.ncpp.ie](http://www.ncpp.ie)

## CASE STUDY FÁS Q-MARK

# How the pursuit of excellence pays dividends

BY KEVIN STACK

FOR more than 35 years, Excellence Ireland Quality Association (EIQA) has helped businesses to make better products and deliver improved services. One of its key programmes is the awarding of its Q-Mark, which provides formal recognition for companies involved in its continuous improvement project. The Q-Mark is also a recognised brand that Irish consumers are familiar with and trust.

However, it is not an easy award to achieve and FÁS, the National Training and Employment Authority, is the first organisation to achieve this accreditation on a national basis. It also succeeded in implementing the programme within a very short timeframe.

Upon achieving the award, Patricia Curtin, the Assistant Director General of FÁS praised the project team, saying: "We are really proud of our achievement in attaining the Q-Mark in such a short period ... The willingness of all partners within FÁS to knuckle down and implement the Q-Mark to such a high standard will ensure that this accreditation will continue."

But why take on such a challenging programme? In short, FÁS wanted to deliver consistent quality right across the agency and the Q-Mark met its needs more appropriately than other Quality Management Systems at the time. In particular, the National Partnership Issue Group (Quality & Standards) within FÁS, which comprises Staff Union and Management representatives, felt that the customer focus and continuous improvement aspects



were critical to its aspirations and ethos as an organisation.

This belief is backed up by research that has shown that companies that employ continuous improvement programmes, such as the Q-Mark, achieve better results and can adapt better in a changing economic environment.

However, because FÁS is a national agency with approximately 300,000 registered job seekers, a number of head office units and 64 Employment Services offices across the country, the project was always going to be complex. It was therefore necessary that the programme be introduced in a spirit of partnership between management and unions.

The negotiations to produce the framework were detailed and constructive. However, once this document was in place, FÁS was then able to set about

implementing the Q-Mark programme across the organisation.

Taking an inclusive approach across all levels of the agency was the only way in which the organisation could have managed this project in such a tight time frame. Not only did FÁS have the mechanisms to communicate the quality programme, it also had the mandate to do it.

FÁS initially began work on the Q-Mark in February 2005 when its newly-established National Quality Steering Group met for the first time. In order to achieve the Q-Mark by the end of 2005, FÁS had to be ready for auditing in October 2005. This meant putting huge pressure on the organisation to be ready in time but, thanks to the partnership approach taken, there were no unexpected hurdles or deviations from the plan.

In October 2005, EIQA began

auditing the Employment Services/Social Inclusion quality system nationwide. It sampled almost 60 per cent of all locations, completing the audits in November 2005. At this stage, EIQA analysed the findings and was able to confirm accreditation had been achieved by December 2005.

Companies applying for the Q-Mark are told by the EIQA that accreditation usually takes up to 12 months. Kieran Malone, Project Manager with EIQA, indicated that "Much smaller companies would expect to spend this time preparing and then rolling out their programmes. It is so unusual, given the size and geographic spread of the personnel and offices". In addition he stated that "As part of our intensive auditing process we sampled approximately 60 percent of all offices and sub-offices in order to gain our marks ... The enthusiasm was just overwhelming at each audit -

people could not wait to show us how they were working."

FÁS management, staff and unions all agree the effort was worth it and the results have been beneficial, both within and without the organisation. One of the single most striking results is the delivery of consistent procedures and standard of service across the organisation, regardless of whether the process is located in head office or one of the 64 regional offices.

As a result, staff can now move between locations and still be able to slot into new departments without significant re-training. In addition, FÁS can now offer the same experience to all its clients, again regardless of geographical location.

Another benefit has been the use of technology to deliver the Q-Mark and its disciplines. Previously, FÁS would have maintained any quality manuals and documentation in paper format.

FÁS has instead embraced technology and uses an intranet to host all manuals and procedures. By posting the Q-Mark documentation online, FÁS has made a huge difference both in ensuring that the same information is available to everyone, wherever they are based, and also in ease of access.

Revisions and updates can also be provided in a matter of hours rather than weeks and, once the new information is posted, anyone can access it. This is good news for staff dotted across the 64 offices because all have equal access to the same information. Equally it is good news for clients as it contributes to improved service delivery. Indeed, such was the success of the Q-Mark programme that within weeks of receiving its accreditation in 2005, FÁS started work on its plans for 2006.

**"The Workplace** change agenda must be a priority to allow for Irish society to react to the pace of global change. To ensure that net job gains are secured and movement is up the value chain requires adaptability and flexibility in worker re-training" **Danny McCoy, (Director Economic Policy, IBEC)**

**"The key** to the future rests in innovation and skills enhancement. If change is about innovation and skills enhancement, its about adapting in a way that prioritises the enhancement of family life and the dignity of employees while recognising the imperatives of economic reality..." **Jack O'Connor, (President, SIPTU)**

# Public sector is facing the challenges of the modern world

Local authorities around the country are delivering better services while at the same time becoming better places to work, writes **Ray Cadan**



On an average weekend, the South County Dublin Parks Department has 140 playing pitches in operation which cater for 10,000 people

OVER the last ten years, Ireland has witnessed unprecedented changes. We are still only beginning to understand how changes in our physical, social and economic environments are impacting on our lifestyles at home, in our communities and at work. With a fast-growing population and an expanding workforce, the demands for housing, transport, health care, education, social services, community development, and so on have never been greater. And for those working in the public service, this means that more than ever, change is going to be a constant feature of their working lives.

One of the big developments in our public services has been the strengthening of our local government system. Just think for a moment of the ways in which your local authority interacts with you on a daily basis - supporting the road systems, the public water supply, waste management, housing, sewerage systems, emergency services, arts and heritage services and recreational public amenities. Add to these responsibilities for community and economic development, and it's not difficult to imagine how badly we would be affected by a serious breakdown in industrial relations in the local government sector. But what you may not realise is that in the last ten years this sector has undergone changes more dramatic than at any time since it was first set up more than a century ago.

So just how have our local authorities, and the 34,000 people working in them, managed to bring about these changes with such apparent ease and continuation of service? The simple answer, of course, is by doing what we in Ireland have become particularly expert at - working in partnership. Recent research by the National Centre for Partnership and Performance reveals some fascinating accounts of how local authorities are delivering better customer services, acting more strategically with other service providers, achieving greater efficiencies, while at the same time enhancing their reputations as great places to work.

If you are one of the quarter of a million residents living within South County

Dublin, the chances are that your recent dealings with the County Council will have been dealt with by their Customer Care department, which now acts as the single point of contact for more than 80 percent of telephone and visitor transactions. Customer Care in South County Dublin is not just about having a professional reception and telephone system for callers - it's about something much more fundamental. The whole organisation is now structured so that the day-to-day issues can be dealt with as effectively as possible, as early as possible. According to the County Manager, Joe Horan, the philosophy is to make sure that each member of staff knows how to access the information that the customer needs, and to make sure that they get it without undue delay. By staff having immediate access to information across all departments at the touch of a keyboard, the customer experience has changed from one of 'Who do you need to talk to' to one of 'What do you need to know'. In other words, the traditional information trail that the public had to follow has now been replaced by a customer-centred approach, where all calls and queries are logged, tracked and responded to rapidly.

And the focus on customer service doesn't stop there. South Dublin County Council continues to pioneer the use of technology to connect with the people of the county, and keeps the public updated on a daily basis with details of Council business, planning applications, housing lists, and so on. Take the example of the Parks Department, which on an average weekend has 140 playing pitches in

operation, catering for 10,000 people. Traditionally, the last-minute closure of playing fields due to bad weather would cause massive logistical headaches for the Council, not to mention the thousands of people using the facilities. Now, up to 80 percent of these people can be contacted immediately by text message to their mobile phones. Or take the increasingly burdened commuters using the roads network of the County. The council can now communicate live traffic updates to mobile phone users. The next phase of this technology will see the commuting public able to view live camera footage of the traffic situation across the county on their 3G mobile phones.

While these changes have required a progressive approach to new technologies, they have been driven by fundamental restructuring and development of the entire organisation. There's not much point in having IT systems in place if the staff can't use them, so the management have been working for several years now with the unions to develop initiatives that contribute to the welfare and development of the staff working for the Council. The Return to Learning initiative has been a flagship success story, with staff being given the opportunity to undergo formal tuition to develop their IT skills, coupled with literacy and numeracy development. For those staff of the Council who may have had years of experience working, but who had left school with no formal qualifications, this has been an outstanding success story, and many have gone from strength to strength as a result of the collaboration that has taken place

between management, unions, the local VECs, and NALA. The views and needs of staff are surveyed regularly, and the partnership approach between management and unions ensures that issues are responded to effectively and speedily. It augurs well for the future of the organisation that there is such a unified approach to problem-solving by all stakeholders.

In Donegal, the council headquarters in Lifford had for more than a century been the one point of contact for the entire population. For many customers, this meant that a straightforward transaction at the Council's offices would amount to a day's outing. For many of the staff, their commute to work required a journey across the county. Added to this, the facilities and accommodation in Lifford



Cathal O'Regan of the NCPP believes "local authorities are in many cases leading the way in terms of organisational change and innovation."

was ageing and outmoded. The end result was a growing problem of access for the public, and a growing morale problem among the staff.

There was a growing acceptance that fundamental organisational restructuring was required. Management, unions, employees, elected representatives and service users were consulted, and the end result was a decision to decentralise the operations of the Council to five locations.

A few short years on, and the Council has been transformed. State-of-the-art Public Service Centres across the county allow the public to do all their council business conveniently and effectively. Senior managers have been freed up to operate more strategically, while locally based first line managers have been delegated formal authority to make decisions on applications for services like planning permission and housing loans. Employees now enjoy job opportunities nearer home, and in better facilities, delivering services to their local communities. The Public Service Centres also host a range of other public service providers including Citizens' Information Centres, FÁS, Department of Social and Family Affairs, and the HSE. As this model evolves, service provision by these agencies will become increasingly integrated and co-ordinated.

According to Cathal O'Regan of the National Centre for Partnership and Performance, the examples from South Dublin and Donegal are only the tip of the iceberg in terms of what has been happening in the local government sector. "Local Authorities are in many cases leading the way in terms of organisational change and innovation, and are devising excellent models of good practice on a number of important issues. In Local Authorities right across the country, we are now seeing proof that management, unions and employees can deliver change rapidly and effectively by working in partnership."

The primacy of partnership as an approach to managing significant change issues has now been recognised formally by management and unions at a national level, with the agreement of a new change management protocol. According to Matt Merrigan, National Industrial Secretary for SIPTU, and Joint Chairperson of the Local Authority Partnership Advisory Group (LANPAG), "Our new protocol reinforces and advances the commitment of management and unions to workplace partnership." This assertion is backed up by his counterpart on the management side, Chris Gavigan, who is Joint Chairperson of LANPAG and Assistant Chief Executive of the Local Government Management Services Board. The view of Ms. Gavigan is that "as our local authorities continue to grow and develop, we can expect to find at each juncture management, employees and their representatives working together to find better solutions to the challenges that arise. This is good for management, employees and customers, and augurs well for the future of our local government system."

# It's time to think creatively about how you lead

Traditional management approaches might confer control but only partnership can inspire people, writes **Kevin Stack**

ARE you ready to think creatively about how you lead. Hierarchical management may confer control but does it inspire your people. In an economy in which competitive advantage is increasingly dependent on harnessing knowledge, ideas and innovation, is such a top-down approach really appropriate?

Partnership challenges you to think differently about what is means to be a leader and in particular how to engage with and involve all people within an organisation in seeking to achieve shared goals and objectives. The link between a participatory approach and effective leadership is not new and indeed the 6th century, Chinese philosopher Lao-tsu said: "To lead people, walk beside them ... As for the best leaders, the people do not notice their existence.... When the best leader's work is done the people say, 'We did it ourselves!'"

A recurring theme of the work of the National Centre for Partnership and Performance (NCP) is that effective workplace partnership needs to be championed and driven by leaders. The commitment and support of senior management and senior trade union figures is critical to the success of partnership-based approaches to managing change and innovation in the workplace.

There is strong evidence to suggest that effective partnership approaches focus the efforts of everyone in an organisation, leading to improved performance. It helps people to develop their creativity and resourcefulness and creates opportunities for staff involvement in decision-making.

For example, when the Department of Transport was created in 2002, it was feared that it might be swamped when it assumed responsibility for the entire transport infrastructure.

In an interview in the Industrial Relations News (IRN) earlier this year, Julie O'Neill, the Secretary General at the Department of Transport, spoke

about the challenge of converging the roles that had previously been covered by different departments., Ms O'Neill stated that "We had to put in place a new central spine, including support services such as IT, HR, and Finance."

And one of the key challenges was to convince civil servants that they were part of a larger, integrated system and were no longer serving their old departments. According to Ms O'Neill: "The key was to get people to work outside the box, across a range of issues."

Ms O'Neill understands that as a leader, it is important to understand the point of view of all stakeholders in Transport and has therefore been a strong supporter of the partnership approach.

The Department of Transport Secretary General said: "Partnership fulfils an extraordinarily important function. It is a safe place where management, staff and unions can talk with each other, where they can bring their issues to the table. It has contributed to industrial peace. It also allows us to monitor the implementation of the modernisation agenda. It is where we can get leverage, and where I get the first hand views from staff at all levels in the organisation."

Research by the Irish Management Institute shows that the priority learning needs for public and private sector managers are in the areas of managing change; motivating and empowering staff; leadership and effectiveness and communication and influencing skills. The National Workplace Strategy also notes the need to improve the ability of managers to lead and manage change. In particular it highlights the need to develop competencies such as change management, networking and people management. The objective of developing these skills is to encourage a shift in management culture away from top-down, hierarchical approaches towards more participatory styles.

## Getting Help

The NCPP has developed a 'Competency Framework for Managing Change Through Partnership'. This framework comprises a comprehensive set of skills and behaviours exhibited by employees and management when organisations achieve high performance through partnership (see Table 1). This framework addresses many of the key attributes that are considered central to improving leadership and managerial capacity. Interestingly this framework describes leadership in terms of someone who:

- Acts in the best interest of the organisation, and its people, at all times
- Acts as a role model for an inclusive approach to delivering change
- Motivates and encourages others to take ownership of the change process.
- Develops and drives a shared vision of the organisation's future.

Of course, it is not only managers, who need to display leadership. Union leaders also have a central role to play in driving workplace change. Developing workplace partnership necessitates union leaders adopting a fundamentally new strategy in terms of how they engage with management. In such circumstances union leaders will often face the twin challenge of convincing senior management that this is the best approach while at the same time allaying any scepticism amongst members who might see co-operation as 'sleeping with the enemy'. Significantly the NCPP/ESRI Survey (2004) shows that the vast majority of employees want their union to be proactive in co-operating with management to improve the performance of their organisations..

Larry Lynam, the senior SIPTU shop steward at Tegral Metal-Forming Ltd describes how working in partnership ensures that he is directly involved in the decision making process within his company. "As a result of partnership,



whenever management make new proposals, I discuss the issues with the union members, synthesise their views and make suggestions as to how to improve the quality of the original proposal". Such an approach while more challenging is also more rewarding and ultimately it serves to generate benefits for all parties.

Managing and driving change is always problematic and indeed some would suggest that seeking to achieve this through co-operation is even more challenging. The potential mutual gains to be generated by such an approach however ensure that it is a challenge that leaders -both union and management - must embrace.

Equally managing through part-

nership is not a byword for leaders abdicating their responsibility to make tough decisions. Rather it's a case of tapping into a wider pool of knowledge and expertise in order to enhance the

quality and effectiveness of a leader's decisions. As the feted U.S. soldier Admiral James B. Stockdale remarked "great leaders gain authority by giving it away."

**Table 1** NCPP Competency Framework for Managing Change through Partnership

Competency	Competency
Organisational & Business Awareness	Communication
Championing Change through Partnership	Leadership
Overcoming Barriers to Change	Influencing
Building & Maintaining Relationships	Problem Solving and Decision Making
Data Analysis and Innovative Thinking	Achievement Orientation

"While new developments in products or services can be fairly quickly copied, we strongly believe that through actively involving our employees we generate a level of commitment which other organisations would find difficult to replicate." **Ken O'Connor (HR Director, Heineken Ireland)**

"I see people as a resource and not just people who I can get the best out of... Players opinions should be valued and therefore we must solicit opinions from them... they should be encouraged to express their opinions for the greater good." **Micky Harte (Tyronne GAA, Senior Football Manager)**



## Our changing workforce: The numbers

The age profile, racial background and gender balance of Ireland's workforce has changed massively over the past few years. In due course, the data from the recent census will be processed and we will have a detailed picture some of these changes. However, many of these trends can already be mapped. The following are some of the more notable changes to the make up of our workforce:

- In 1961, 2.8 million people lived in Ireland. In 2004 there was just over 4m. By 2036, it is predicted by the CSO to be between 4.9 and 5m.
- The net impact of migration between 1996 and 2002 was the addition of 26,000 people to the population. During the same period, the net natural increase (number of births minus number of deaths) was 23,000 per annum. The CSO predicts that the population could reach 5m by 2030 and that 1m would be foreign born. In the current population, 400,000 are designated as foreign born.
- FAS reports that an additional 30,000 workers per annum are required from outside the state to meet labour market demands for both skilled and unskilled occupations.
- People with disability are still under-represented in the Irish workforce. Over half, and possibly as many as 75pc, of the

- disabled working-age population in Ireland remains unemployed. The public service has not reached its target of 3pc for employment of workers with disabilities
- Women now have higher levels of formal education. Within the 25-34 age group 43pc of women hold a third level qualification compared to 36pc of men.
- There are also much more women in the workforce. In 1981, female labour participation was just under 30pc. In 2005 it was almost 53pc.
- In 1980, birth rates reached a peak of 74,000. In 1994 it had fallen to 48,000, however by 2004 it had climbed back up to 61,700. The reason is that birth rates are rising among older women (30-39) while they continue to fall or remain constant among younger women.
- The mean age of mothers at childbirth passed 30 for the first time in 1999 and is currently one of the highest in the EU.
- By 2016, 40pc of workers will be over the age 45. The key factor is that the number of young people entering the workforce is falling as lower birth rates, in the 1980s and 1990s, feed through into the working age population. A related trend is the increase in the number of people over 65. In 2002, 11pc of the population was over 65. By 2016, it will have increased to 14pc.

# Sharing information is vital to managing change

BY KEVIN STACK

**M**ANY employees in both the public and private sector in Ireland feel they have little input into changes in their workplace.

In an NCPP/ESRI survey of 5,000 workers, 36pc of respondents said they 'hardly ever' received information on the introduction of new products or services. Some 42pc claimed they were 'hardly ever' informed about changes in work practices.

More worryingly, when it came to consultation, just over one quarter of employees said they were 'almost always' consulted before decisions are made which affect their work. As many as 27pc indicated they were 'rarely' or 'never' consulted.

Despite the fact that many employers implement changes in a spirit of partnership, there is clearly a need for better and more effective communication between staff and management.

Given this context, it is perhaps timely that the legislation for transposing the European Employee Information and Consultation Directive into Irish law has now passed all stages in the Oireachtas. The primary objective of this legislation is to establish a general framework setting out the minimum requirements for the right to information and consultation of employees. When enacted this will be an important development in Irish employment relations as it extends existing statutory information and consultation rights. Additionally this legislation has the potential to encourage the adoption of a more co-operative partnership style approaches to the management of change at the organisational level.

Research undertaken by the National Centre for Partnership and Performance showed that senior managers were broadly supportive of the aims of the Directive provided that the regulations did not constrain competitiveness and flexibility. In particular managers highlighted the importance of organisations having the scope to tailor and customise their arrangements in accordance with their own preferences and employment relations' culture. In general managers are more at ease with informing rather than consulting, in part due to concerns that the latter impinges on managers' right to manage.

One company that hasn't waited for the legislation is retail giant Tesco. As part of the ongoing development of its partnership arrangements the company and the recognised unions - Mandate and Siptu - engaged in intensive negotiations on how to develop new approaches that would include a greater level of direct engagement with and involvement of, all staff within the business. The result of this process is what John Douglas, General Secretary of Mandate, has

described as a "ground breaking agreement in the retail sector covering future consultation and information." The agreed consultative process, which is in addition to existing forms of staff communication, is based around consultative Forums operating at three interrelated levels the store, the region and the national level. The key driver in these new arrangements are the individual Store forums as this process aims to encourage greater levels of involvement by all staff within the business. The agenda of these forums will cover issues such as store performance and anticipated changes as well as other issues relating to the company / union partnership arrangements.

Similarly, NCPP research undertaken in 2003 showed that companies such as Allianz, ESB, VHI and GE Interlogix had already put in place partnership-style arrangements that provided a framework for informing and consulting with employees. Insurance group Allianz established its Group Enterprise Forum (GEF) in 1998 in agreement with the union Amicus (then called MSF).

The purpose of the forum is to facilitate and encourage increased employee participation, in particular by fostering improved levels co-operation, consultation and information exchange. The forum comprises three management representatives (including the CEO) and eight staff members.

Employee representatives are provided with information on company strategy, product and service diversification, and financial and organisational performance. Core industrial relations issues regarding pay and conditions are not however discussed within this body.

Although Allianz firmly asserts the right of its managers to manage, the forum goes beyond merely providing information because employee representatives are afforded the opportunity to play a key role in organisational initiatives.

However as the NCPP/ESRI surveys highlight, not all firms are as forward-looking as Tesco and Allianz. For many managers, the case still needs to be made for informing and consulting. In the case study research undertaken by the NCPP both management and employees highlighted the potential mutual benefits of effective and meaningful information and consultation practices. This work demonstrated that a more participatory approach enhances competitiveness, improves service delivery and customer focus and increases employee understanding of a company's goals and objectives. Furthermore, it generates better-informed decision-making and increased organisational adaptability and flexibility.

There are also ancillary benefits to management in the form of improved industrial relations. Equally when employees feel they have a

voice within a company there is usually a better staff-management relationship, increased trust and openness and increased commitment from staff. Critically, as the report of the Forum on the Workplace of the Future also highlighted participatory work practices and effective communication increases employee's satisfaction and willingness to accept change.

And it is not only unionised companies that have embraced the spirit of the Information and Consultation Directive. The non-unionised US multinational Hewlett Packard, which employs thousands of people at its factory in Leixlip, Co Kildare, concluded an agreement on information and consultation arrangements ahead of the legislation being implemented in Britain. It is envisaged that similar arrangements will be put in place in Ireland for its non-unionised workforce.

**'Consultation must be viewed by managers as an opportunity to engage with staff so as to improve managerial decision making'**

There are clearly a number of challenges for companies introducing new procedures for informing and consulting with staff.

If a firm agrees to disclose information on new initiatives, it should be done at an early stage of the plan so that staff feel their input is coming at a time when the key decisions have yet to be made.

Individual managers will also have to overcome their own intuitive discomfort with consultation that stems from the belief their decision-making ability will be constrained or slowed down. Consultation must be viewed by managers as an opportunity to engage with staff so as to improve managerial decision making.

Consultation must also be meaningful. Employees must have input into matters that affect them. If initiatives are presented to workers as a fait accompli, then the process will probably be greeted with a certain amount of cynicism. Indeed the key to more effective informing and consulting lies more in the context, manner and spirit of consultative arrangements that the arrangements themselves.

Although implementing the forthcoming information and

consultation legislation may present challenges ultimately it should be seen as a welcome opportunity to focus attention on the need to improve current practice in a manner that generates real benefits for employers and employees within all organisations.

### Principles of Good Practice

The NCPP has outlined some principles of a good practice approach to information and Consultation

- Adhere to the spirit of the Directive, which is to ensure that employees receive the information to which they are entitled, and to implement arrangements that enable information and consultation to improve decision-making, the quality of work and organisational performance;
- Recognise that there is no one model of good practice and the key is to develop and customise practical arrangements that meet the needs of culture of the organisation and its employees;
- Adopt benchmarks of good practice when developing an information and consultation strategy. This will assist the organisation to evaluate the impact of improving current practice;
- Approach the implementation of the legislation with a commitment to openness, mutual respect and transparency
- Be mindful of the need for confidentiality
- Foster a culture of information sharing, joint problem solving and consultation in the organisation. Identify 'champions' who will advocate this approach. Ensure that all managers in the organisation have the necessary skills to inform and consult with employees and their representatives;
- Recognise that the key to more effective informing and consulting lies not so much in the practices that are adopted as in the context, manner and spirit in which they are introduced and progressed;
- Ensure employee representatives have the appropriate skills for engaging in effective information and consultation activities on behalf of all employees;
- Ensure that any new arrangements for informing and consulting build on and support existing practices and that they are aligned with the objectives of the organisation's HR and industrial relations approaches;
- Align information and consultation activities with the organisation's strategy and business plan;
- Understand that information and consultation arrangements evolve as trust grows and allow room for experimentation, innovation and review.

Adapted from "The EU Information and Consultation Directive - Everything you Need to Know" available from the National Centre for Partnership and Performance (01-814 63 00 / www.ncpp.ie)



## NCPP appoints new Head of Communications

The National Centre for Partnership and Performance is pleased to announce the appointment of Conor Leeson as its first Head of Communications. Conor joins the Centre from the Brussels-based financial services company, Euroclear, where he was Corporate Communications Manager.

Previously, Conor worked in a press and information capacity for the Employment & Social Affairs DG of the European Commission, and for the Brussels office of IBEC.

Going forward, Conor will be responsible for the NCPP's external communications activities, including delivery of a wide-ranging awareness campaign in support of the National Workplace Strategy.



## NCPP's Partnership Conference

At the NCPP's recent Partnership Conference in the Royal Hospital Kilmainham were (above left) Catherine Byrne (INTO) and Dorothy Butler Scally, while (above right) Maureen Gaffney of the NESF chats with Vodafone Ireland's HR Director Jan Mottram

## CASE STUDY EIRCOM NETWORK OPERATIONS

# How the telecoms industry learned to make better connections

THE advent of broadband technology has brought huge challenges for the telecommunications industry and specifically Eircom, which operates the most extensive fixed-line network in the country.

Eircom's Network Operations organisation is charged with developing, managing, and maintaining the organisation's range of telecommunications networks and services.

The Network Operations organisation consists of approximately 4,000 staff who are primarily represented by the Communications Workers Union (CWU).

The demands on the company's fixed-line network have changed significantly in recent years, due to the type, level and pattern of traffic, which it now carries. This has resulted from the shift in the mix of fixed-line traffic from voice to data, increased internet usage and new traffic streams. Significantly, Network Operations sees enhanced employee involvement and participation as integral element of meeting these new competitive challenges. It is recognised however that these partnership arrangements to be effective must be aligned to changes in both business priorities and organisational structures.

In order to meet the challenges of the broadband era, a major restructuring initiative, "New Networks, New Horizons", has been undertaken by Network Operations. The result has been the formation of four distinct functions within network operations including service delivery, service assurance, core network services and network engineering.

This new organisational model has been designed and built to improve customer service through greater specialisation and by creating a better focus on customer needs. In time, it is hoped this will support Network Operations in delivering a more predictable, reliable and higher quality of service to its customers.

However, the new organisation structure presented challenges to the existing partnership structures, in place

since 2000, and subject to review of the overall partnership process within eircom.

From a CWU perspective, there was a considerable debate within the union on whether partnership was the best way of dealing with change. In response to this debate, the union undertook a very detailed internal review of the telecommunications industry in Ireland, eircom's position within that sector and the challenges this posed for the union agenda.

### The outcome of the review concluded that:

- The CWU strives to promote, protect and defend the interests of its members and that this must be done in the context of the Industry in which our members are employed.
- The longer-term interests of CWU members, in terms of basic pay, conditions, ESOP, pensions, etc, are intertwined with the need for Eircom to remain a prosperous and viable company.
- A key part of its role as a union is to achieve the right "balance" between the interests of our members and the need for the company to compete in a Telecoms market that is one of the most open, regulated and competitive in Europe.
- Partnership as a methodology of negotiating change has, and will continue to be, very challenging. However, it is misleading and potentially perilous to believe that partnership is the reason for change, and to conclude that no partnership means no change.

Facilitated by Brian Walsh, Restructuring Manager, eircom Network Operations, and the CWU then commenced a process of shared analysis with a view to establishing new partnership structures.

A number of workshops considered key presentations on the follow topics: industry review and Eircom group strategy; Network Operations restructuring agenda; the union agenda;

and organisation design/models.

The product of these deliberations was a collective agreement on new partnership structures for the Network Operations organisation and the CWU members. The agreement included the following:

- Functional partnership structures aligned to business functions
  - A new structure for partnership, grounded in problem solving, to be put in place to grow and sustain the partnership ethos. These resources will be drawn from a pool of partnership co-ordinators and will reside in Network Operations
  - A commitment by Network Operations and the CWU to communicate to staff on business issues openly and frankly through an effective communication process, which will include face to face meetings with staff.
- However, in practical terms it must be recognised that the culture governing how business is conducted in partnership was not going to change overnight just because the parties declare it should.

Initially, tensions emerged around the proposed model for partnership and the relationship between line management and union representatives. These differences of opinion became apparent when the national agreement was applied to local working environments.

In an attempt to address these concerns a formal seminar was held in Croke Park on March 9, at the launch of the new structures. The keynote speaker was Peter Cassells, the chairperson of the National Centre for Partnership and Performance, who addressed a number of these issues and outlined the how the NCPP can play a supporting role in the evolution of the workplace of the future.

Although the implementation of the new structures does not guarantee that all problems will be solved, both staff and management can now look to the future knowing the challenges brought by new technology and a changing market will be faced in a spirit of partnership.