



Glasgow
Council
for the
Voluntary
Sector



Fair Work in the Third Sector in Scotland

A report for Glasgow Council for the Voluntary Sector

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Report prepared by:

Professor Patricia Findlay & Johanna McQuarrie

Scottish Centre for Employment Research

Strathclyde Business School

Contents

Acknowledgements	3
Executive Summary	4
Background	7
Methodology	8
Survey sample characteristics	9
Third sector organisations in context	14
Findings	16
Fair work dimensions.....	16
Security.....	16
Survey findings	16
Stakeholder and roundtable views on security in the sector	33
Fulfilment	40
Survey findings	40
Stakeholder and roundtable views on fulfilment in the sector	47
Respect.....	53
Survey findings	53
Stakeholder and roundtable views on respect in the sector	57
Voice.....	60
Survey findings	60
Stakeholder and roundtable views on effective voice in the sector	65
Opportunity	68
Survey findings	68
Stakeholder and roundtable views on opportunity in the sector	73
Key findings	76
Options for improving experiences of fair work	77
Endnotes	79

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Executive Summary

Introduction

Scotland, and its Fair Work Convention, have led developments in fair work in the UK, defining it as work that offers five key dimensions: effective voice, opportunity, security, fulfilment and respect¹.

The adoption and roll out of Fair Work First in Scotland applies an important element of fair work conditionality to public funding. This is to ensure that public procurement and direct grants support fair working practices, specifically in relation to channels for effective employee voice, investment in workforce development, deterring the inappropriate use of zero hours contracts, taking action to create inclusive workplaces and payment of the Real Living Wage (RLW).

Fair work is important to the third sector in Scotland, and not simply because Fair Work First conditionality prioritises fair work practices. As in the private and public sectors, fair work practices and outcomes offer a virtuous circle whereby the benefits of fair work for individuals, their employers, the economy and the wider society are mutually reinforcing.

The purpose of this research is to map the extent of fair work in the third sector, identify the challenges faced in progressing fair work priorities and identify options for improving experiences of work. Better understanding of the sector's fair work practices will help support the process of Fair Work First conditionality and, more crucially, will inform key stakeholders how best to embed fair work in the sector.

The research comprised four stages: an evidence review, stakeholder interviews, a workforce survey that explored experiences of the five dimensions of fair work and a stakeholder roundtable on the survey findings. The survey returned 641 useable responses, comprising employees (51%), managers (24%), senior managers (13%) and CEOs or founders (12%). The stakeholder interviews and the roundtable discussion are discussed together in the body of the Report.

Key Findings

- Most concerns raised in the data are in relation to the security and opportunity dimensions of fair work.
- There are a mixture of very strong and some weaker scores in relation to fulfilment as a dimension of fair work, representing the intrinsic value of work in the third sector but also its demands.
- Respect and voice indicators were strong overall, with pockets of concern by a small minority of staff.
- Where significant variation in the responses was identified, this largely related to:
 - the different experiences of managers relative to other employees;
 - those on open-ended or longer contracts, compared with those on shorter contracts;
 - differences in household composition, between single adult households and others; and
 - differences in the experiences of graduate and non-graduate employees, but only on a few variables.

Options for improving fair work

A number of issues are highlighted in this report that point to areas of potential improvement in order to further embed fair work in the third sector in Scotland.

- Longer and open-ended contracts are strongly associated with positive staff experiences in the sector. Where possible, TSOs should strive to adopt longer fixed-term and, preferably, open-ended contracts, and funders should strive to support TSOs in delivering this.
- Parity in pay with the public sector when delivering the same or similar services should be a strategic objective and a feature of dialogue with public sector funders.
- There is a case to be made for more open and sensitive discussions with staff in the sector in relation to financial wellbeing to ensure that staff, and in particular, those in single earner households, are supported and are not deterred from working in the sector.

- Dialogue at workplace and organisational level is crucial to ensure that jobs have the optimal level of challenge, engaging but not exhausting staff.
- Demanding work is a particular issue at a leadership level, which may have implications for wellbeing. To manage the demands on senior staff, there is potential to consider job crafting for staff below senior levels to take on additional responsibilities (commensurate with appropriate remuneration) that in turn would produce more opportunities for career progression in the sector.
- The survey identified pockets of concern over respect at work, including for those with protected characteristics, that might usefully be discussed and monitored at local level on an ongoing basis.
- Smaller organisations can often aid employee voice, and there is much support for informal forms of voice in the sector. There is less evidence, however, of the effectiveness of voice. TSOs might consider better evidencing the effectiveness of voice. The first stage in so doing is a dialogue around whether staff perceive that their voice is heard, moving on to open dialogue around 'you said, we did' to ensure voice effectiveness and convey to staff that their voice can have impact.
- There are mixed views in the sector on trade unions as a mechanism of voice, though this sits alongside a recognition that unions in the public sector appear to deliver better outcomes for their members. Greater dialogue with trade unions, and a joint employer-union voice, might help to ensure greater investment in fair work and greater engagement in voice in the sector.
- A potential for gaps in the understanding of staff experiences by senior management and Boards/Trustees might be addressed by more explicit engagement with the requirements and benefits of fair work at organisational level.
- To conclude, while there are opportunities for deepening and broadening engagement with fair work practices in the third sector, it is worth re-iterating that there is strong evidence of good practice in the sector across multiple dimensions of fair work. This is an asset for the sector and should feed into its communication and dissemination strategies, as well as feature in its recruitment approaches.

Background

Scotland has led discussions of, and developments in, the adoption of Fair Work across the UK since the publication of the Fair Work Convention's Fair Work Framework in 2016 and the Scottish Government's acceptance of the Framework's recommendations in their Fair Work Action Plan². Fair work in Scotland is defined as work that offers five key dimensions: effective voice, opportunity, security, fulfilment and respect³. More recently, the adoption and roll out of Fair Work First in Scotland has applied an important element of conditionality to public funding, to ensure that public procurement and direct grants support fair working practices, defined as providing channels for effective employee voice, investing in workforce development, deterring the inappropriate use of zero hours contracts, taking action to create inclusive workplaces and paying of the Real Living Wage (RLW).

Fair work is important to the third sector in Scotland, and not simply because Fair Work First conditionality prioritises fair work practices. As in the private and public sectors, fair work practices and outcomes offer the prospect of a virtuous circle where the benefits of fair work for individuals, their employers, the economy and the wider society are mutually reinforcing.

The five dimensions of fair work spans the crucial components of high-quality jobs: quality employment, quality work and quality workplaces. As Findlay⁴ highlights, employment quality includes issues such as pay and contracts; work quality includes issues such as autonomy, meaning and feedback; and workplace quality includes issues of employee voice, respect and interpersonal relationships. Taken together, these impact on the health and wellbeing of staff and on performance, responsiveness and innovation in the organisations where they are employed.

Work quality in the third sector is often characterised positively, not least in relation to the value and meaningfulness ascribed to work (that is, its intrinsic quality). There are, however, greater concerns in relation to employment quality due to variability in levels of pay, pay lag with the public and private sector and job security. The ability to deliver fair work in the sector is, of course, often shaped by prevailing funding arrangements that can be short term in nature. In addition, there is dearth of evidence in relation to workplace quality and to the effectiveness of staff voice in the third sector. While high levels of intrinsic job quality in the sector are to be applauded, systematic reviews of job quality contradict any notion of a positive trade-off between work and employment quality: in some contexts (for example, Finland), studies show overall job quality to be lower in the third than in the public and private sectors⁵ while in recent research in the UK⁶, the third sector rated highly compared with the public sector on key job quality indicators.

In the context of Fair Work First as a form of funding conditionality, it is important for employers to have an up to date understanding of current provision of, and challenges in, providing fair working practice across the third sector. The purpose of this research is to map the extent of Fair Work in the third sector, identify the challenges faced in progressing fair work priorities and identify options for improving experiences of work. Better understanding of the sector's fair work practices will help support the process of Fair Work First conditionality and, more crucially, will inform key stakeholders how best to embed fair work in the sector.

Methodology

Evidence review

Desk-based research involved a review and evaluation of the existing literature on the experiences of employment and work in the third sector, with particular attention to the factors that enable and/or constrain the provision of fair work.

Interviews

The interview phase focused on senior figures across the third sector and aimed to capture their views on how their organisations adopted and navigated the challenges of providing fair work. Interviews were conducted throughout October 2022 – March 2023. Across the sector, 27 individuals from 21 organisations were identified for interview but only 10 were subsequently available to participate. Time to participate due to the demands of existing workload was cited as the main barrier. The 10 stakeholders interviewed were drawn from Third Sector Interfaces (TSIs), national membership organisations, national and local funding organisations and third sector providers.

Survey

An online survey was distributed through the Third Sector Interface Network in Scotland to employers and, in turn, employees working in the sector in any local authority area. The survey was open from mid-October 2022 until mid-January 2023. The survey was directed only to paid workers in the sector (and not to its many volunteers), numbering around 135,156⁷. The survey received 846 responses of which 205 were removed as respondents identified themselves as not being in a paid role or did not complete enough questions to be included in the analysis. The number of usable responses was 641. This response rate is a little below the number of responses (889) to SCVO's 2015 workforce survey⁸. The survey results presented in this Report provide a snapshot of how fair work is experienced in the sector.

All qualitative material (interviews and responses to open text questions in the survey) was analysed thematically⁹. Other qualitative survey responses were analysed using SPSS statistical software to map experiences of each dimension of fair work and to cross-tabulate results by job and individual characteristics.

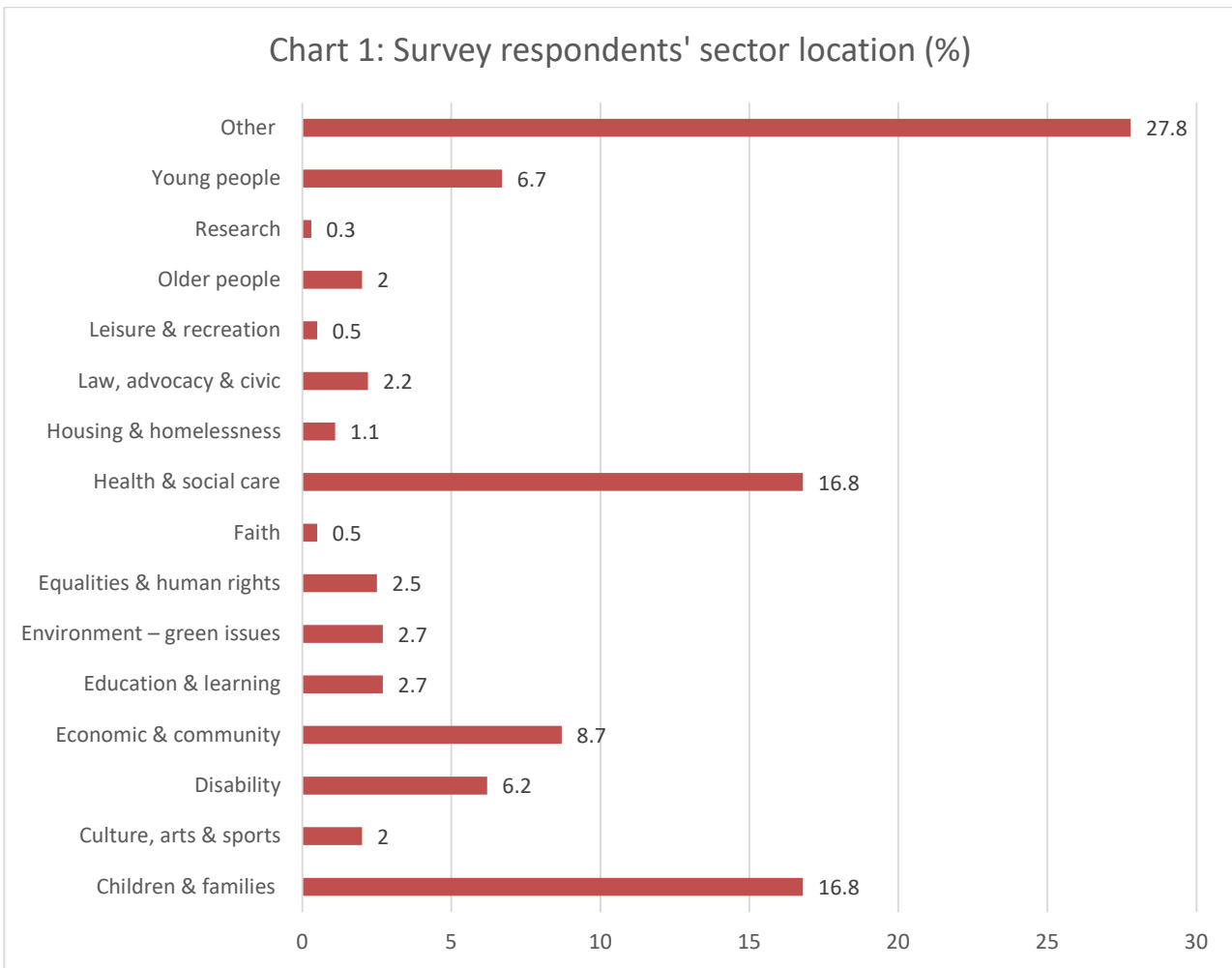
Stakeholder roundtable

A roundtable of key stakeholders from the third sector and policy community was convened to road test the Report findings and provide opportunities for further stakeholder engagement.

Survey sample characteristics

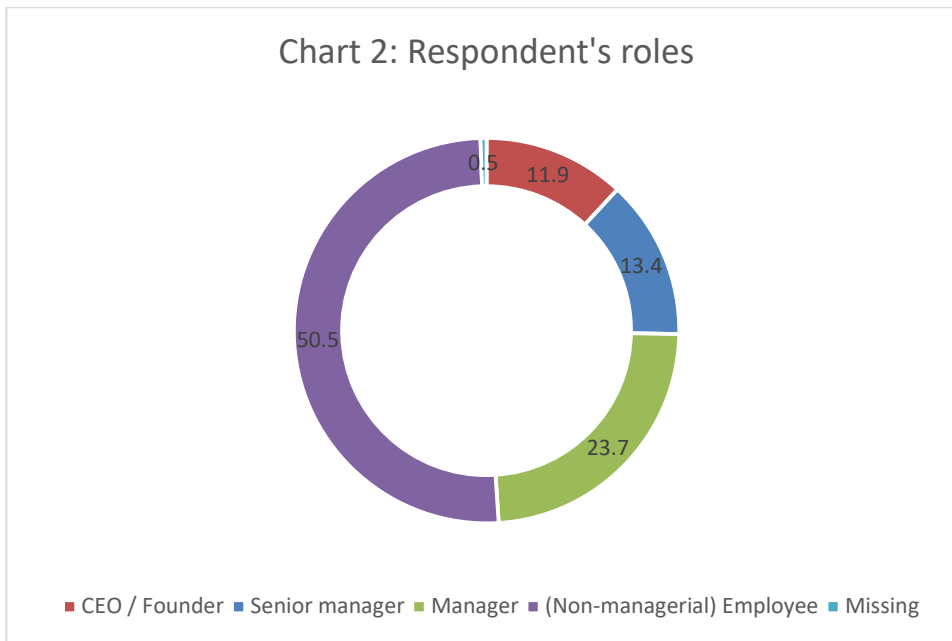
The data presented here comprises information from 641 respondents, and unless otherwise indicated, all figures presented in the charts below are in percentages. The data draws heavily from organisations dealing with children and families (16.8% of respondents) and health and social care (16.8% of respondents), with the largest segment of responses coming from the 'other' sub-sector category (Chart 1). This includes TSIs and social enterprise, employability, refugee and community development organisations.

Chart 1: Survey respondents' sector location (%)



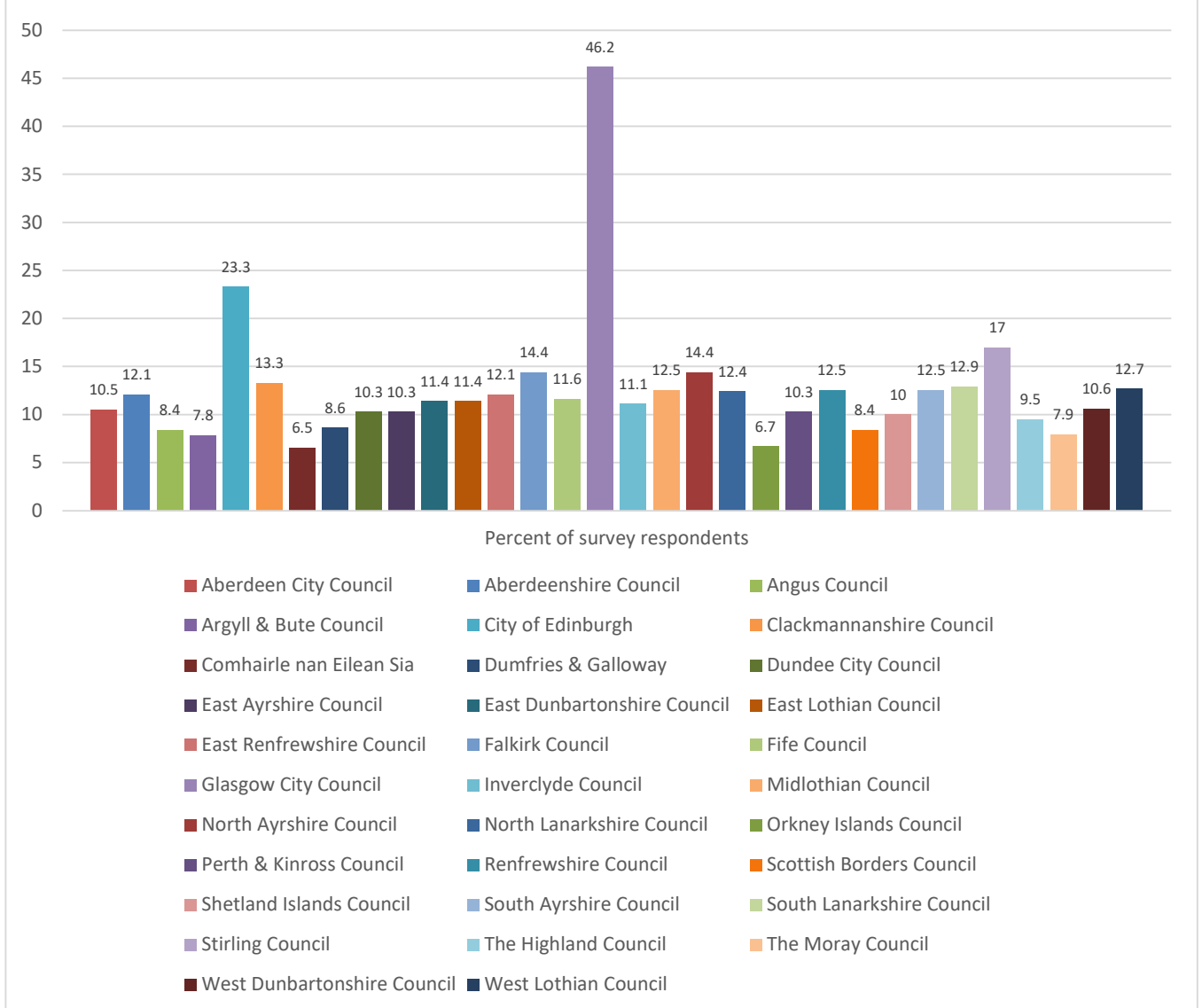
Looking at the organisational profile of the sample, most responses came from staff in organisations with multiple sites (54%) though a significant minority of respondents (46%) worked in single-site organisations. Most respondents (57%) worked in small organisations employing fewer than 25 employees; 30% of respondents worked in organisations employing 25-49 employees; and the remainder (22%) in organisations employing more than 50 employees. As Chart 2 highlights, just over half (50.5%) of respondents designated themselves as employees, while 12% were CEOs or founders and 37% were managers (24% managers/13% senior managers), with 0.5% of respondents not providing job role information. Almost half of the sample (49%) had worked in the third sector for their current employer for more than 10 years. Just under half (46%) worked mostly on site, with 24% of respondents working mostly from home and the remainder (30%) working either hybrid or in no fixed location.

Chart 2: Respondent's roles



Most respondents worked for organisations that operated at a regional level (82.7%). Others worked within organisations operating locally (.5%), nationally in Scotland (9.8%), nationally within the UK (5%), internationally (0.9%) or at an 'other' level (0.8%) (for example, local but within national network or regionally in-person but with a UK-wide online presence). Most of the respondents (73%) carried out their roles within a single local authority council area within Scotland, with other working across multiple local authorities, and as Chart 3 indicates, responses were received from across Scotland's local authorities.

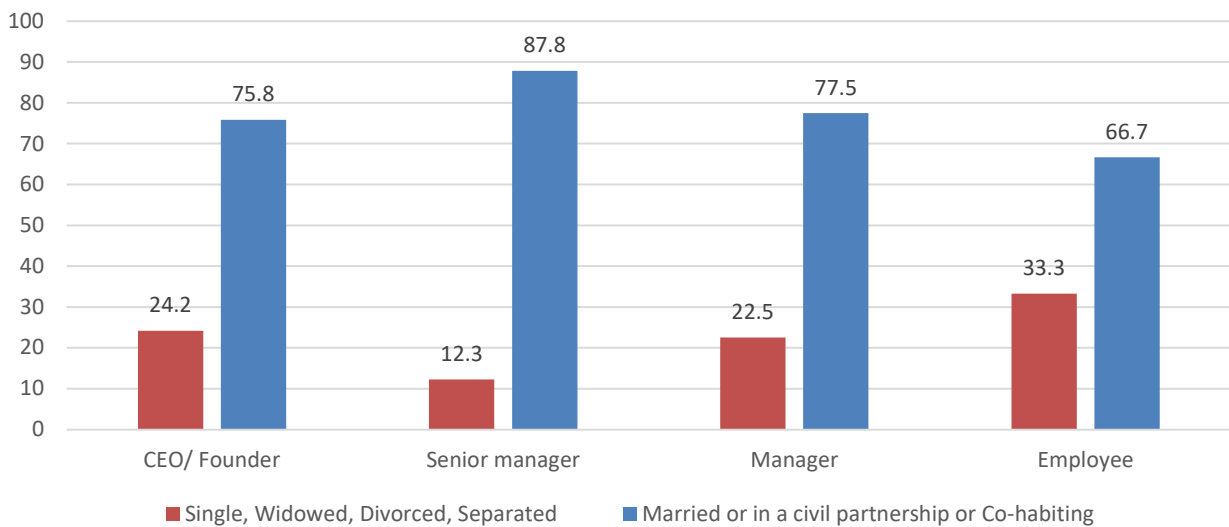
Chart 3: Survey responses by local authority area of work %



Turning to the demographic profile of the sample, 79% of respondents were female and 18% were male. The sample was overwhelmingly white (94%). Most respondents (73%) reported no disability, 22% reported a disability that limited their activities a little, and the remainder (5%) reported a disability that limited their activities a lot. Most respondents were married, in civil partnerships or cohabiting (72.7%), while 27.3% were single, divorced, separated or widowed, and fewer than half (44%) had financial dependents.

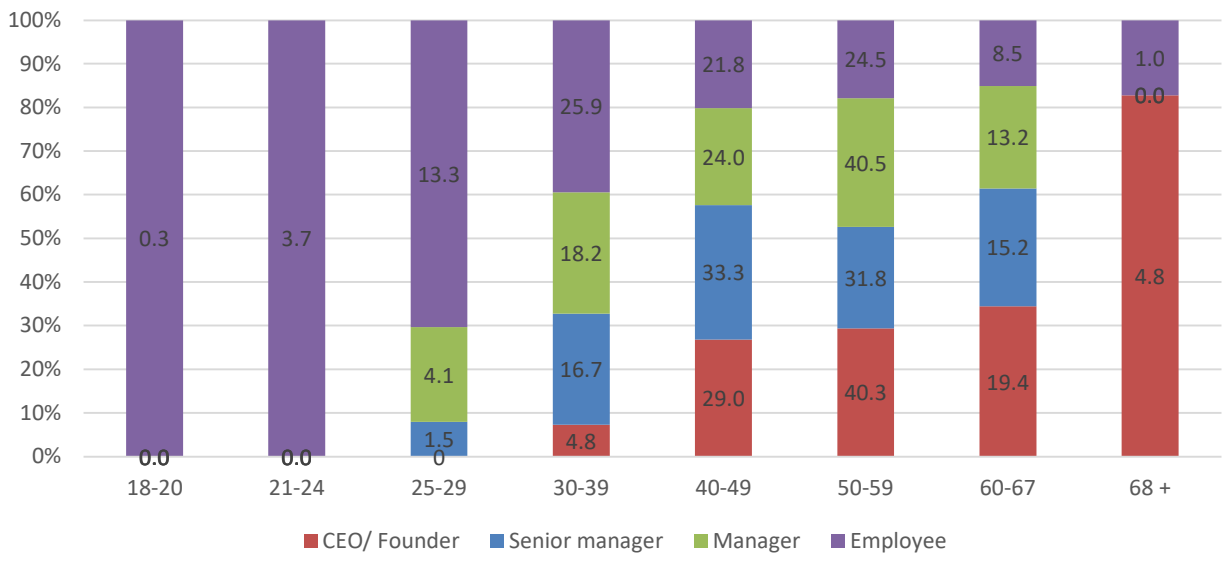
Employees were significantly more likely than all managerial respondents to be living in single adult households: one third of employees live in a single person household, whereas this figure is a quarter for CEO/founders, less than a quarter for managers and one eighth for senior managers (Chart 4). Correspondingly, managers were significantly more likely to be married, in a civil partnership or co-habiting.

Chart 4: Household composition (%)



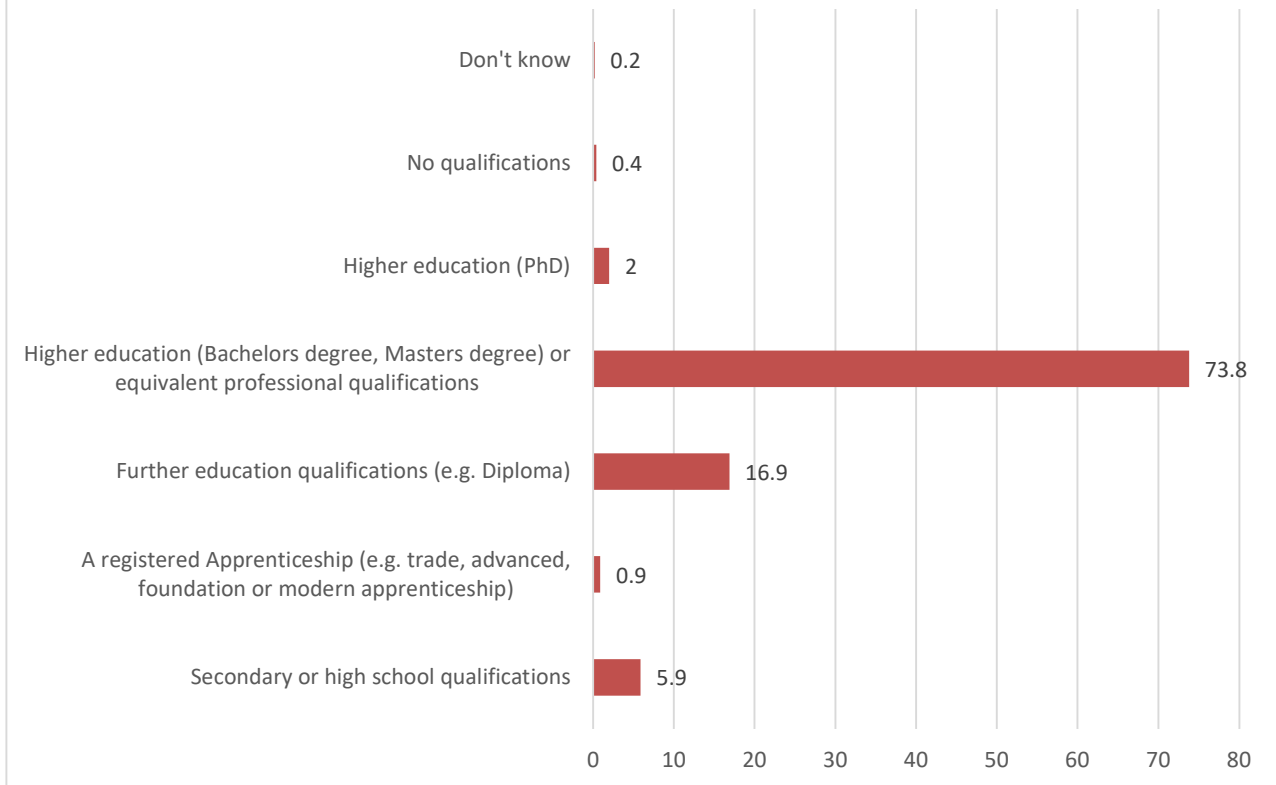
The age profile of staff and management in the sector varied significantly, with employees making up the largest percentage of the younger age bands and the lowest percentage of those aged 40 and above (Chart 5). CEOs/founders report the largest percentage of those aged 60-67 and 68 or above. Senior managers made up the largest percentage of those aged 40-49 and managers made up the largest percentage of those aged in their fifties.

Chart 5: Age of survey respondents (%)



Survey respondents were overwhelmingly well qualified with over three quarters reporting degree level and higher qualifications (Chart 6). Apprenticeships were not a prominent qualification in the sector and were held by only 5.9% of respondents.

Chart 6: Respondents' highest qualifications (%)Valid Percent



Third sector organisations in context

Funding challenges

Third sector organisations (TSOs), including 'voluntary and community organisations, social enterprises, mutuals and co-operatives'¹⁰, are generally identified as value-driven organisations that seek the achievement of social goals rather than the distribution of personal profit. Any surplus income (profit) is typically reinvested in the achievement of social goals.

The funding of the sector presents significant challenges as ongoing increases to running costs are compounded by a real-terms reduction in income. At the same time, TSOs navigate increasing demands in the volume of service users¹¹ and the often short-term nature of funding.

In Scotland there are 46,508 TSOs of which the majority (80%) are small in terms of income (less than £100,000). Large charities (income above £1,000,000) only account for 3.5% of organisations but account for 80% of the sector's annual income¹². The public sector in Scotland provides the largest source of income for the

third sector through contracts for services and project grants (SCVO, *ibid*). As in the rest of the UK, public funding for the third sector in Scotland is relatively low and unstable^{13 14}.

The sector itself reports that persistent low levels of funding over the last decade has meant a real-terms reduction in income¹⁵ which means that TSOs need to limit outgoings including levels of pay and/or use reserves to achieve full cost recovery, both of which place considerable strain on maintaining existing levels of service provision and jobs and puts at risk the survival of many TSOs. Like any organisation, TSOs need to make and retain a surplus to ensure financial and service stability¹⁶ yet of the 46,508 TSOs in Scotland, more than a quarter of medium and large organisations operate with a deficit (increasing to almost 40% of small and 55% of micro TSOs^{17 18}). The strain on service provision in the third sector is further compounded by the short-term nature of funding and an increasing reliance on project over core funding, trapping TSOs in a cycle of serving annual redundancy notices alongside dedicating time and resource each year to sourcing funding¹⁹.

Taken together, these funding challenges, create a multitude of operational pressures for TSOs that filter through to job demands, low levels of employment quality²⁰ and problems with recruitment and retention²¹.

Experiences of work

In Scotland, there are 135,156 paid staff working in the third sector, making up 5% of Scotland's workforce²². Annual updates prepared for the sector track trends in the employee numbers, workforce diversity and pay but the most recent comprehensive insight to the quality of work and employment comes from a sector-wide workforce survey by SCVO in 2015²³.

The 2015 survey reported views from 889 employees and found that employees were most satisfied with the intrinsic aspects of their job (e.g., meaningful work, relationships with colleagues, task variety, autonomy, ability to innovate, and working for an employer with inclusive values). Of the less favourable aspects of work, extrinsic factors dominated; job insecurity, lack of career progression, low pay, increasing job demands and unachievable targets.

Other research has highlighted that relative terms and conditions of employment are less in the third sector than in the public sector. Further, the recruitment challenges in the sector are forecast to become worse as inflation and the rising cost of living extends the pay gap with other sectors^{24 25}.

Findings

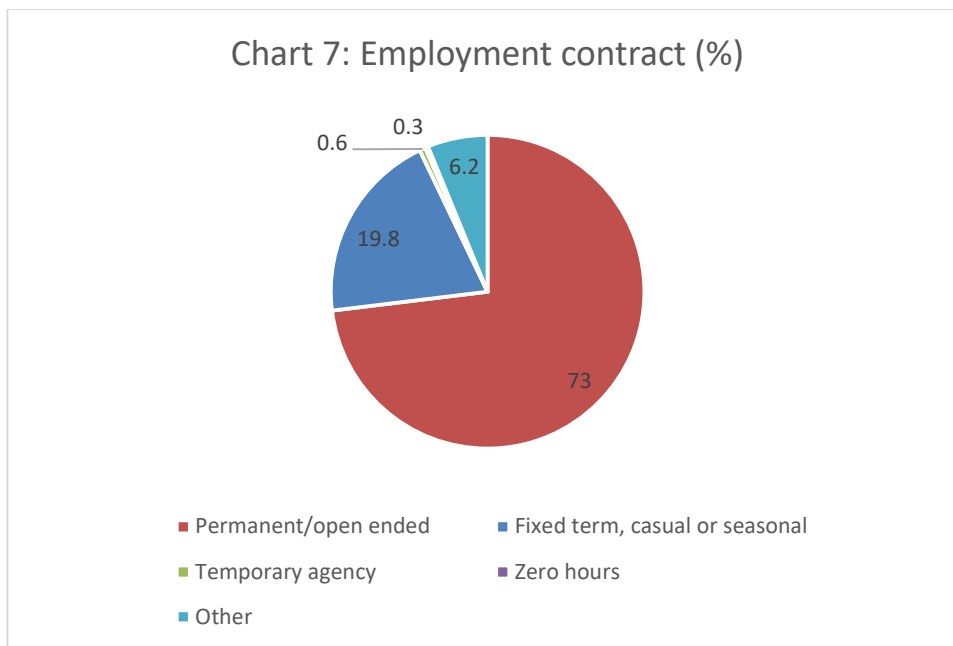
Fair work dimensions

Security

Security as an aspect of fair work spans the stability of employment, hours and earnings, as well as absolute and relative levels of income and other benefits. Security is crucial to building a successful life and highly valued by employees.

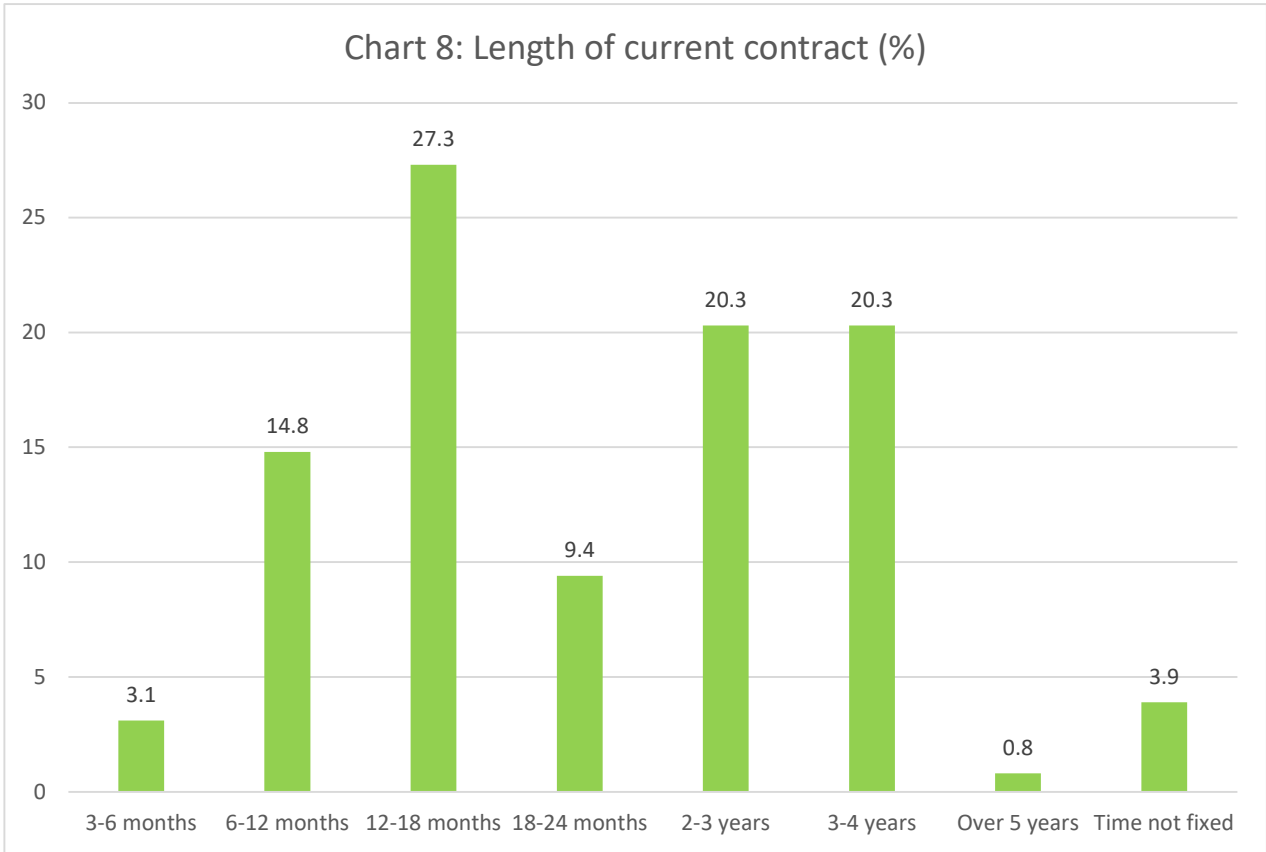
Survey findings

While employment contracts are open-ended for the majority (73%) of staff in the sector (Chart 7), the proportion of staff on non-permanent contracts (27%) is higher in the third sector than for the wider UK and Scottish economy (6% and 5% respectively²⁶).

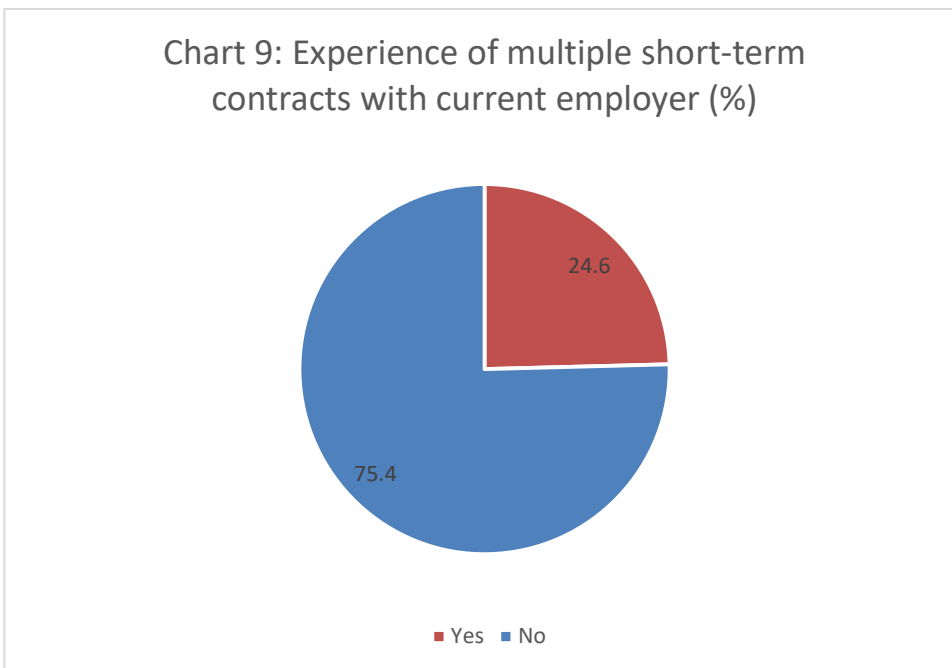


Unsurprisingly, at each level of the workplace hierarchy the percentage of people on permanent/open-ended contracts increases significantly, while the opposite is true for fixed-term, casual, or seasonal contracts. CEOs/founders are least, and employees are most, likely to be on these types of contracts.

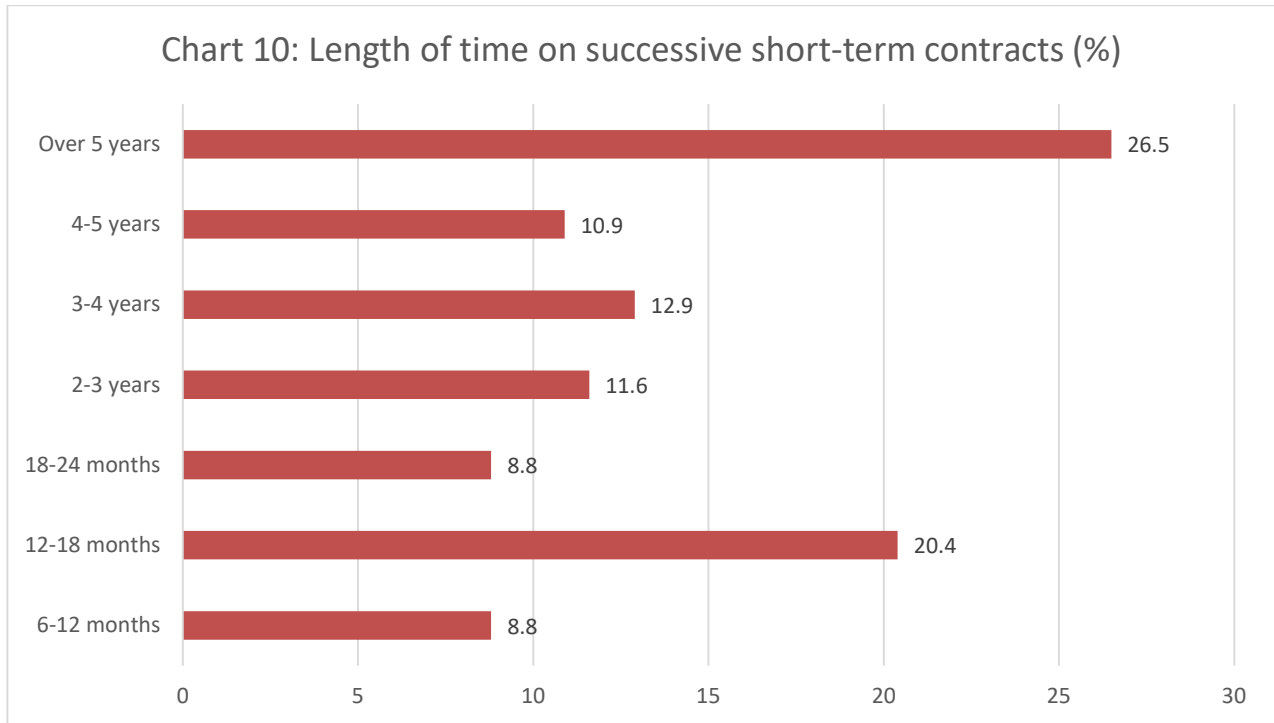
As Chart 8 indicates, where short-term contracts are used, over half (54.6%) are for durations of less than 2 years, that is, the tenure at which important employment rights are established, such as the right not to be unfairly dismissed for a non-discriminatory reason. Contracts of less than 2 years duration were significantly more common in the largest organisations (250+ employees) where almost two thirds of staff are employed on such contracts.



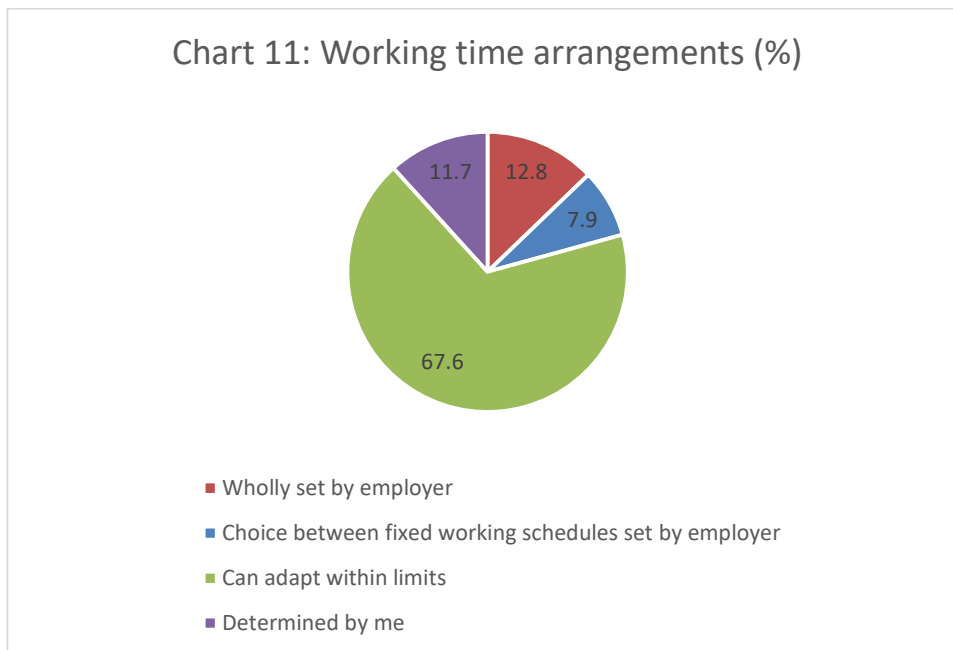
There is evidence in Chart 9 that in addition to using short-term contracts, the sector also relies on successive short contracts with around a quarter (24.6%) of respondents having been employed on multiple short contracts with their current employer.



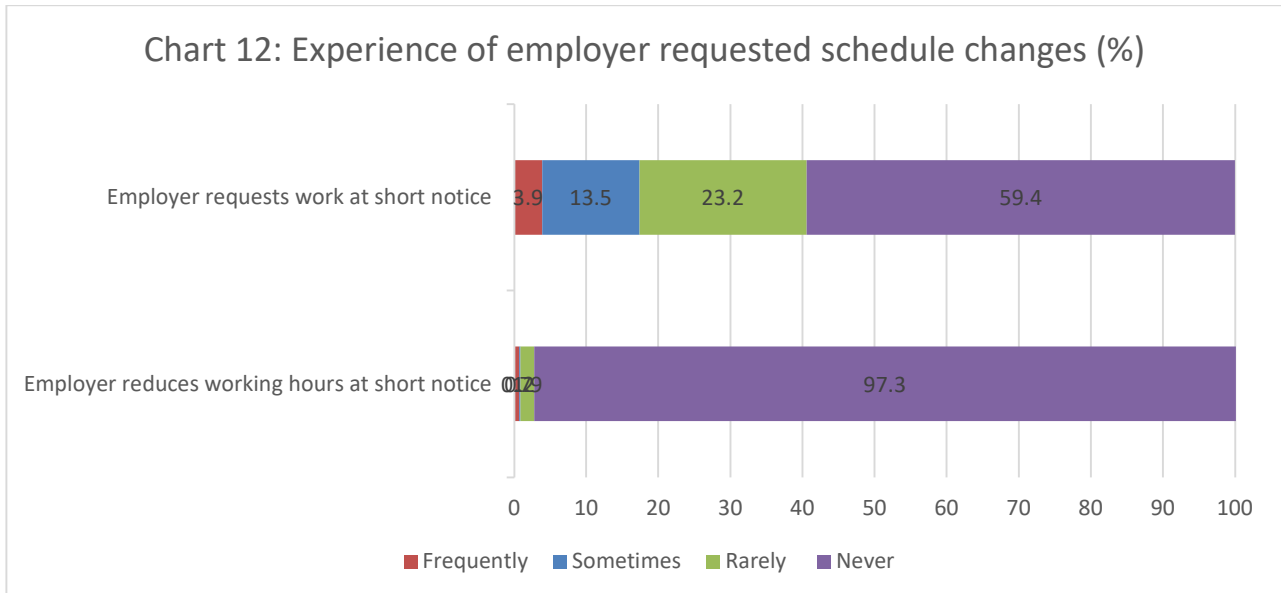
Many respondents had been on successive short contracts with their current employer for lengthy periods of time (Chart 10). Over a quarter of respondents reported being on successive short contracts for more than five years, while 70% had been so employed for more than two years.



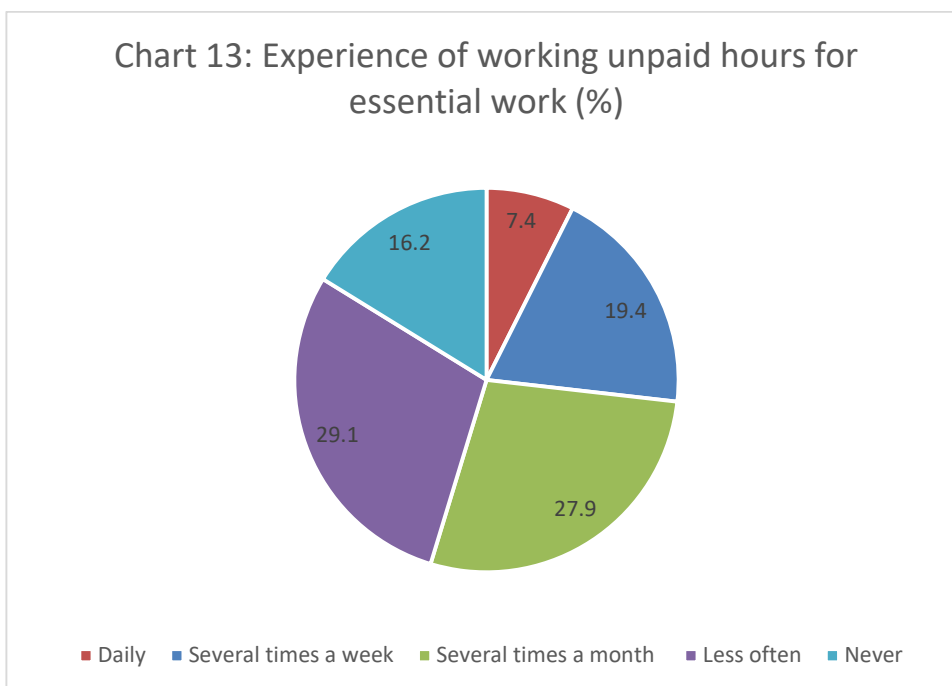
Turning to how working time arrangements are arrived at (Chart 11), fewer than 13% of respondents worked hours wholly fixed by their employer, while two thirds of respondents had greater choice over their work schedules within defined limits.



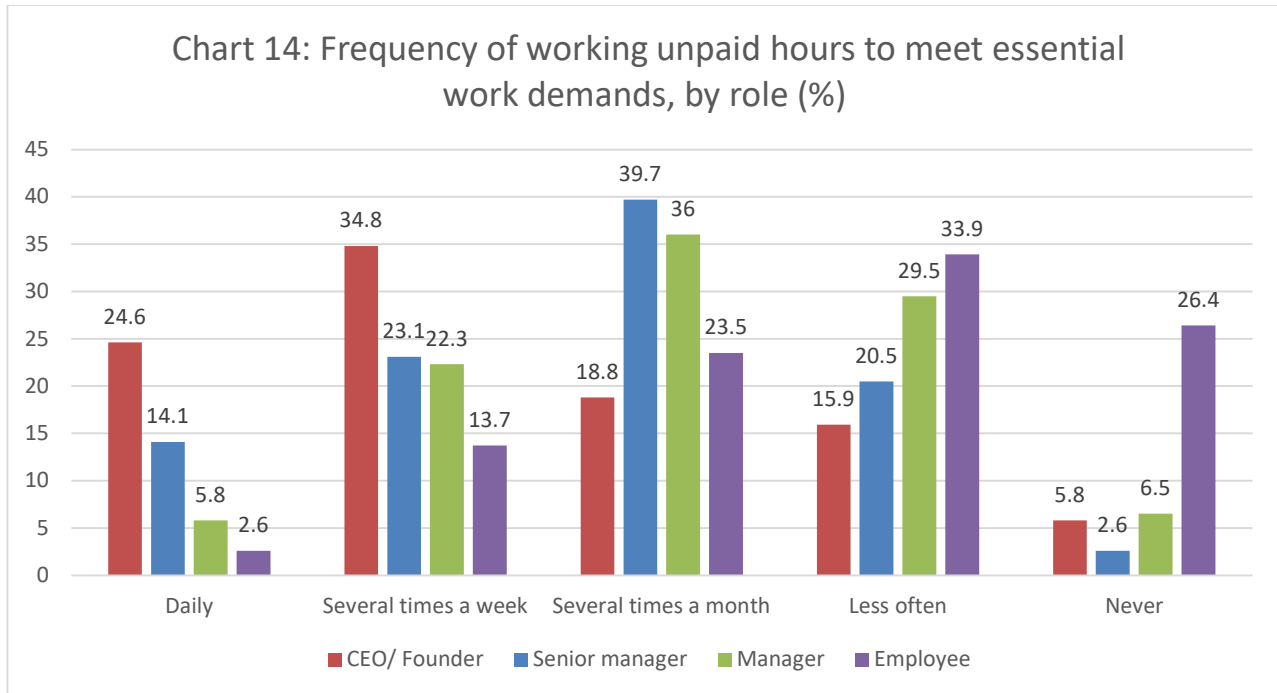
As Chart 12 shows, there was little evidence that working hours were reduced by employers at short notice, which can impact negatively on income where it occurs, but around 17% of respondents were sometimes or frequently requested to work at short notice by their employer.



More than a quarter of staff in the sample (27%) undertake unpaid overtime at least several times a week, while 55% do so at least several times a month (Chart 13). Those who worked unpaid several times a week or per month were more likely to be in multiple adult households – that is, to be married, in a civil partnership or co-habiting.



CEOs, founders and managers dominate the profile of those who work unpaid overtime most frequently (Chart 14).



In terms of actual pay, the FTE median pay in the sector for employees is £25,498 which is lower than that for both the UK and Scotland (£27,756 and £27,710 respectively) although shows on average that the Real Living Wage (£10.90 in Scotland) is paid in the sector. Mean and median pay by role is shown in Chart 15 which highlights the existence of a relatively compressed salary range in the sector.

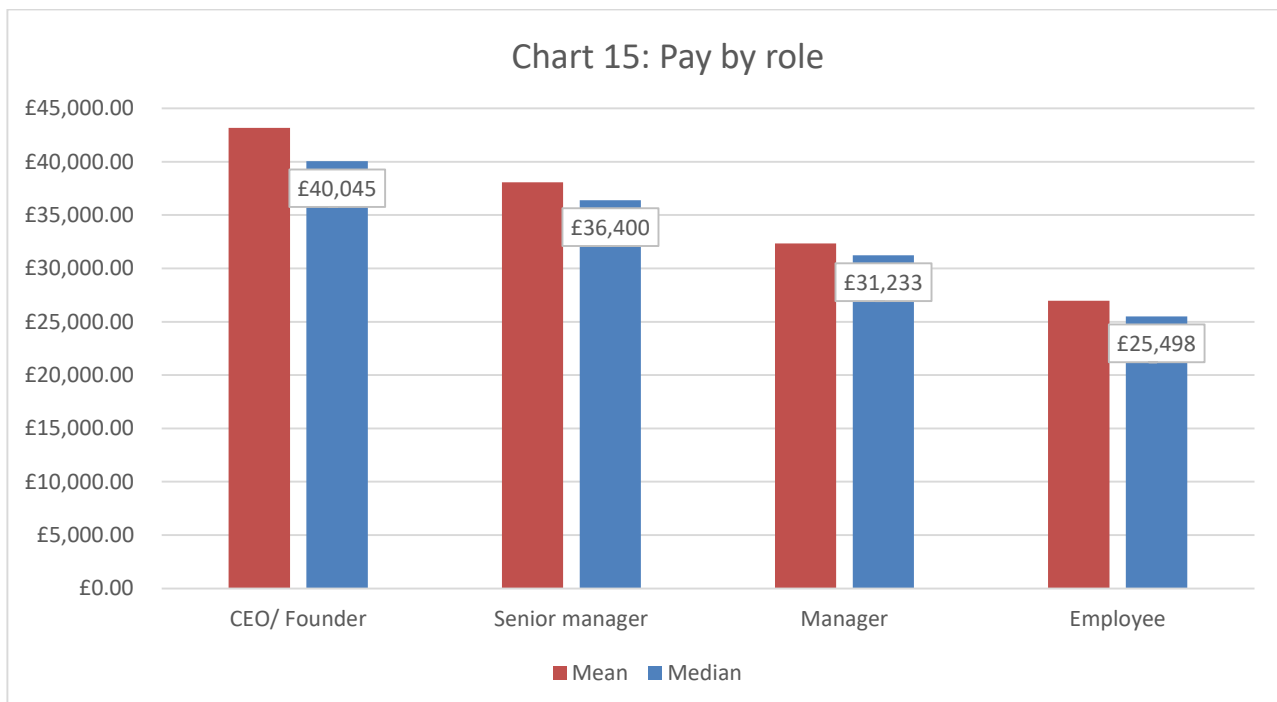
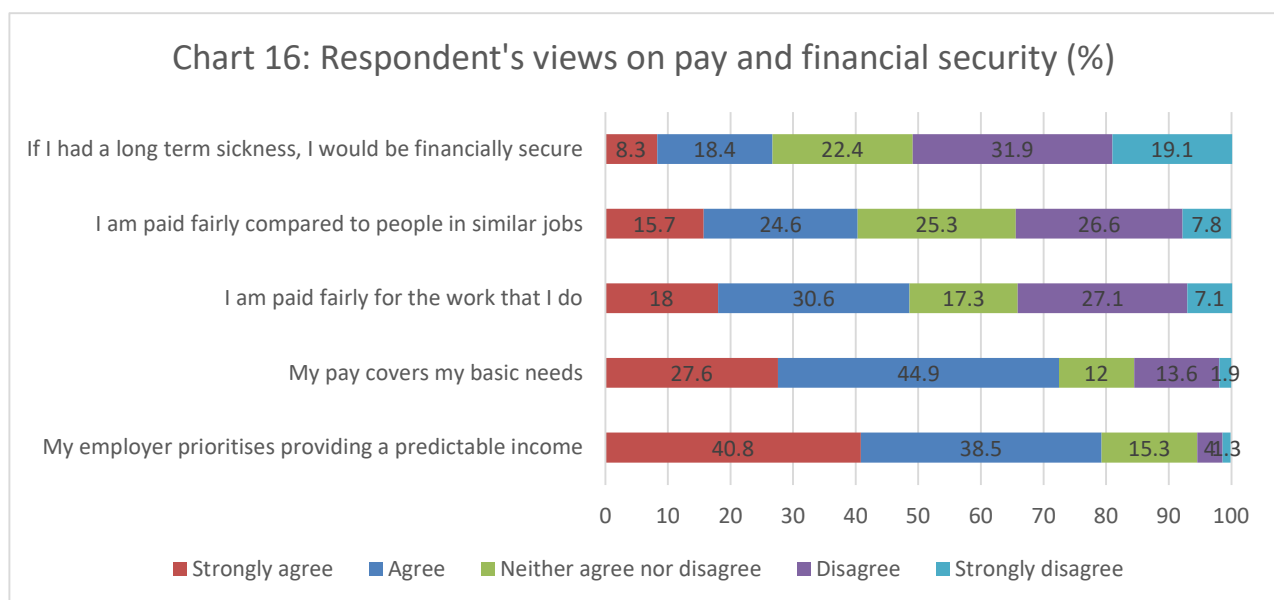


Chart 16 outlines respondents' views on pay and financial security. Most respondents (79.3%) believe that their employer prioritises providing a predictable income, with only 5.6% disagreeing. Just under three quarters (73%) report that their pay covers their basic needs, but 15% don't believe that it does. Of those who receive travel expenses (76%), 32% report that the payment is insufficient. While pay may, for most, covers basic needs, most respondents (51%) were not convinced that they would cope financially if they experienced a long-term illness.

Across the sample, assessments of the fairness of pay are not positive. Fewer than half of those responding to the survey (49%) report that they are fairly paid for the work that they do, and fewer still (40%) report that their pay is fair compared with the pay of others in similar jobs.



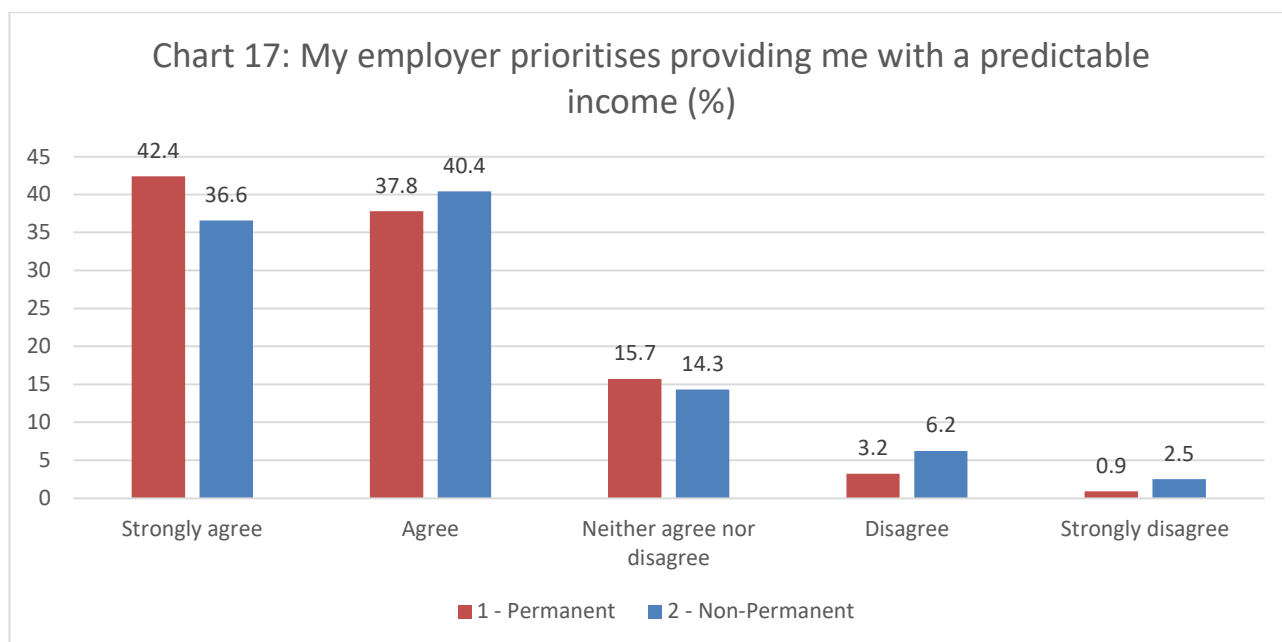
It is worth considering any significant variation within the sample of respondents. Unsurprisingly, CEOs and founders were significantly more likely to answer positively to these questions and were most likely to strongly agree that their pay covers their basic needs; and that their employer strives to provide a predictable income; and that they are paid fairly for the work that they do. On all these variables, employees were most likely to strongly disagree or disagree. Interestingly, while managers were most likely and employees least likely to strongly agree that they would be financially secure if they had long-term sickness, CEOs and founders were likely to disagree with this statement, highlighting that some respondents in this category also faced financial insecurity.

A similar pattern emerges when considering the household composition of respondents. Those living in single-earner households are significantly less likely than those in multiple-adult households to agree and strongly agree that their employer prioritises providing them with a predictable income, that they are paid

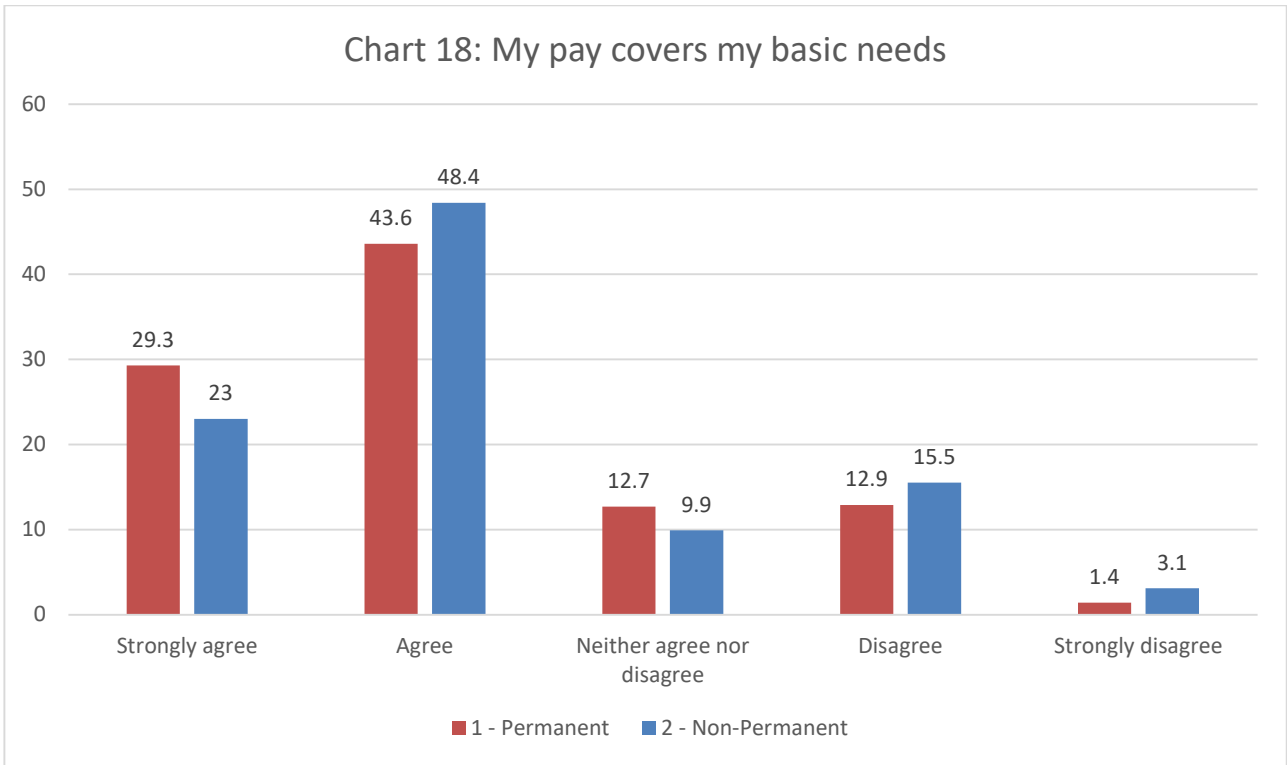
fairly for the work they do and fairly in comparison with others in similar jobs, and that they would be financially secure if they had a long-term illness. While this is expected given the lack of a cushioning effect of another income earner in these households, it does highlight the challenges in relation to income faced by those in single-earner households who work in the third sector.

Responses to these questions about pay also vary significantly according to contractual status and length. Charts 17 to 21 presents responses to the series of questions on pay and security contained in Chart 16, broken down by contract type.

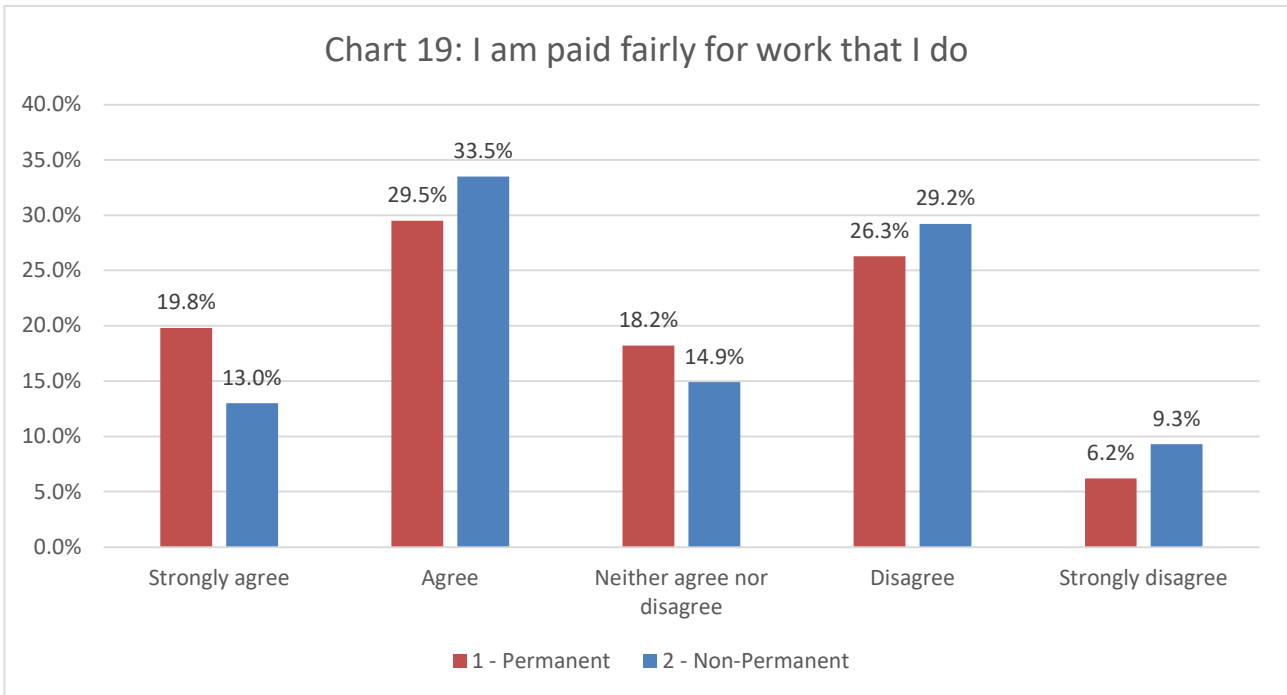
On whether their employer prioritised providing a predictable income, those employed on permanent / open-ended contracts were more likely to strongly agree with this statement, and those on non-permanent contracts were more likely to disagree and strongly disagree with it.



In response to whether their pay covers their basic needs, staff employed on permanent contracts are more likely to strongly agree and those on fixed term contracts are more likely to disagree and strongly disagree that their pay covers their basic needs.



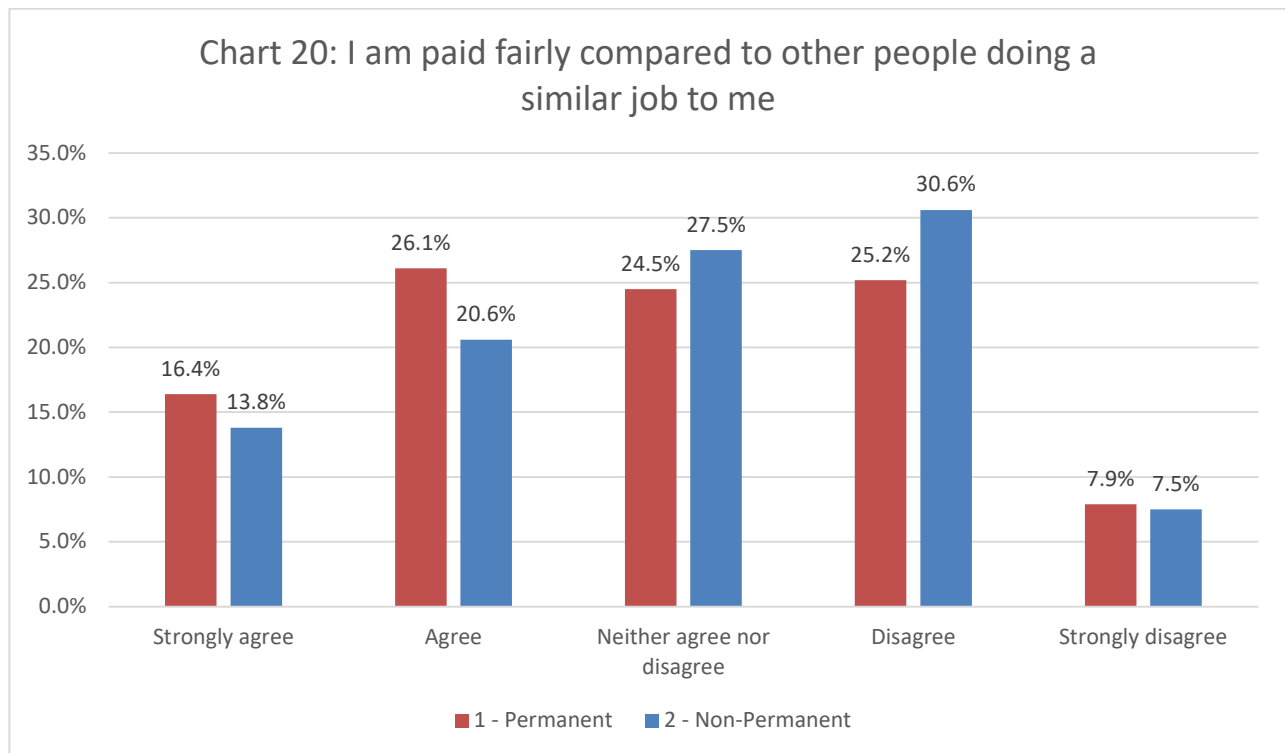
The survey asked two relative questions: whether people perceived their pay as fair for the work they do, and fair in relation to people in other jobs doing similar work. Respondents on permanent contracts are more positive about their pay relative to the job they do and to the pay of people doing a similar job to them.



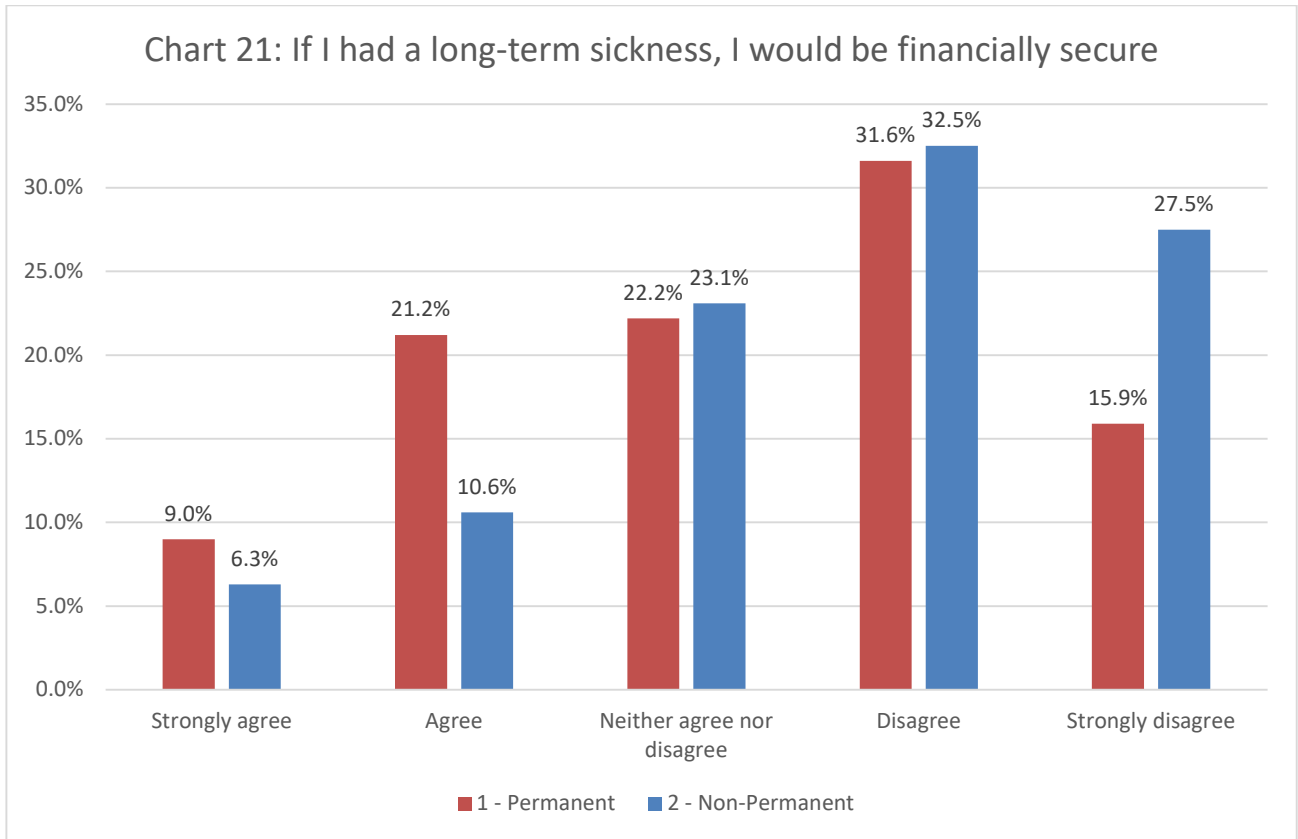
It is clear from the results that employees on open-ended contracts report more positively on all questions relating to pay than those on other types of

contracts. Being in 'permanent' employment, therefore, is more closely associated with perceptions of security. By contrast, security is less likely to be positively assessed by the significant minority of people in the sector on fixed and other non-open-ended contracts.

Those on contracts of 2 or more years are more likely to respond positively than respondents on contracts of less than two years to the questions on fair pay relative to effort and in comparison with others in similar work.

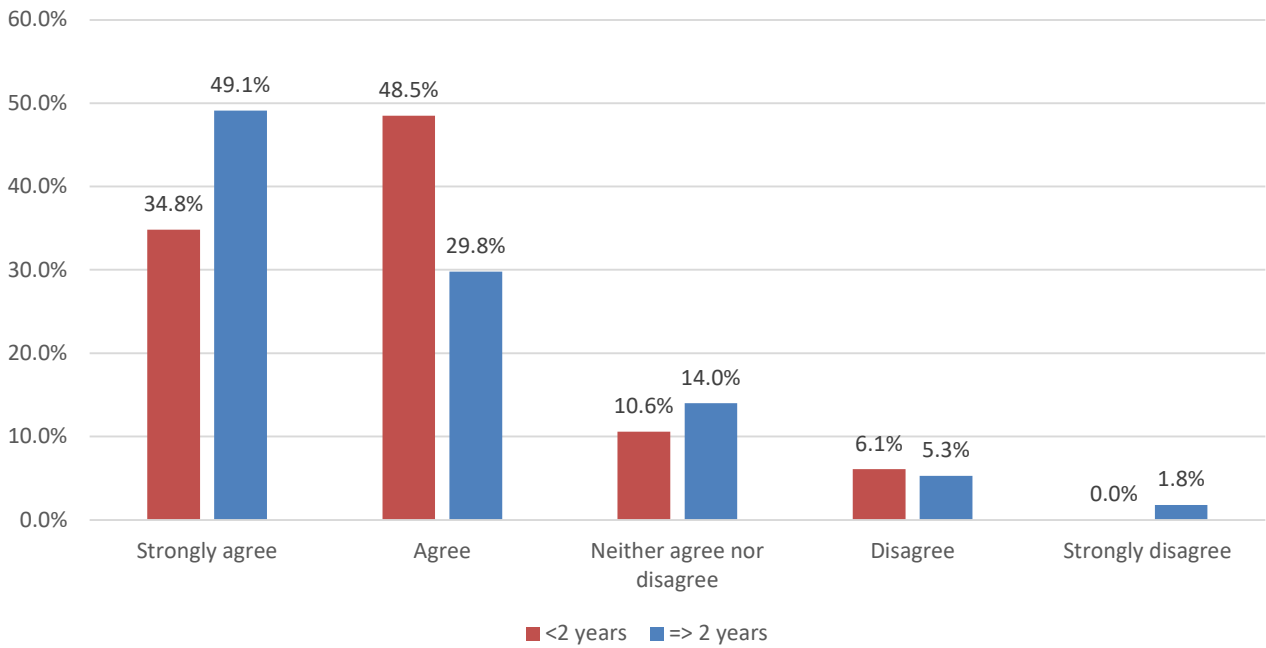


Those on permanent contracts were also more likely to agree and strongly agree and those on non-permanent contracts more likely to disagree and strongly disagree that if they had a long-term sickness, they would be financially secure.



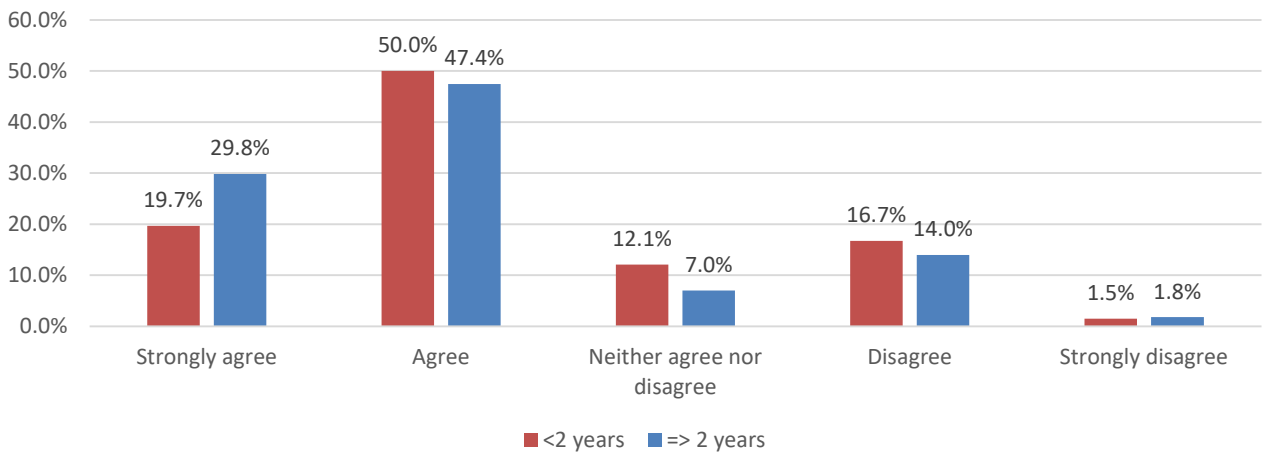
As Chart 22 highlights, those with longer (that is, over 2 years) contracts were more likely to strongly agree that their employer prioritised providing them with a predictable income, though staff in shorter contracts were more likely to agree with this statement, signaling a difference in the strength rather than the direction of their views.

Chart 22: My employer prioritises providing me with a predictable income

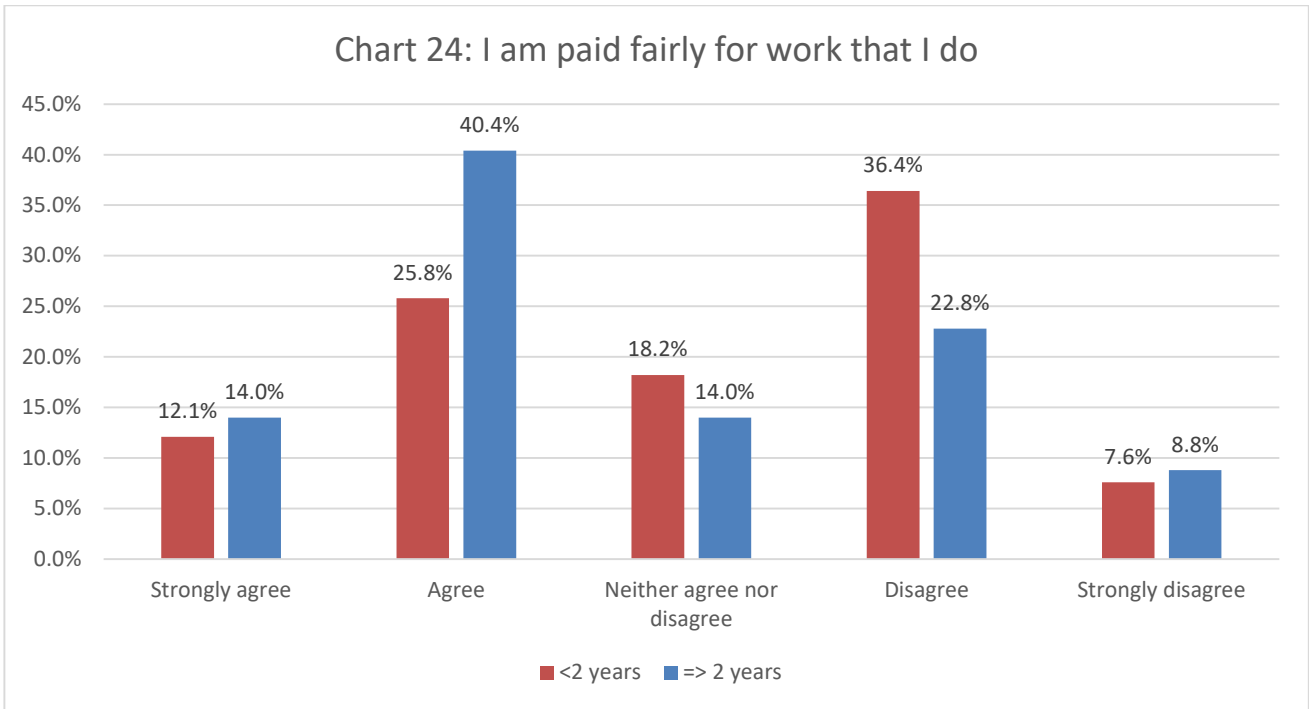


Similarly, those on longer contracts were also more strongly positive in assessing that their pay covers basic financial needs (Chart 23).

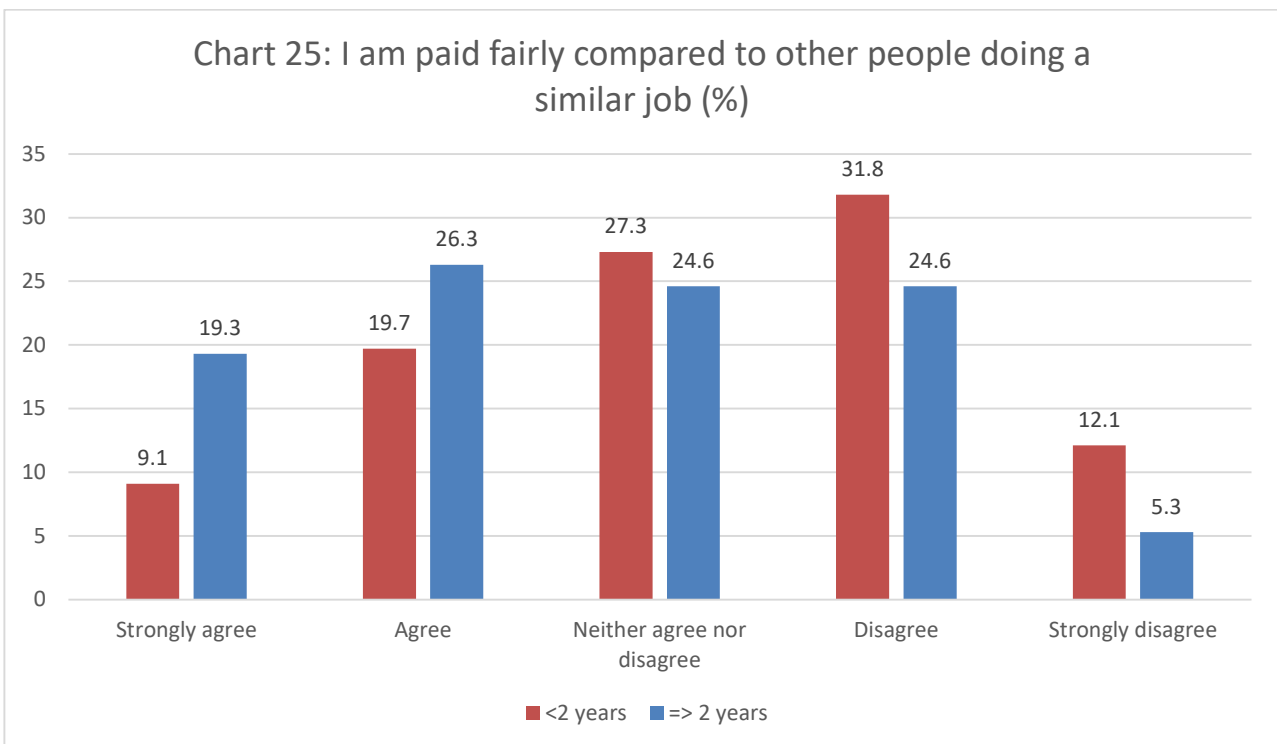
Chart 23: My pay covers my basic needs



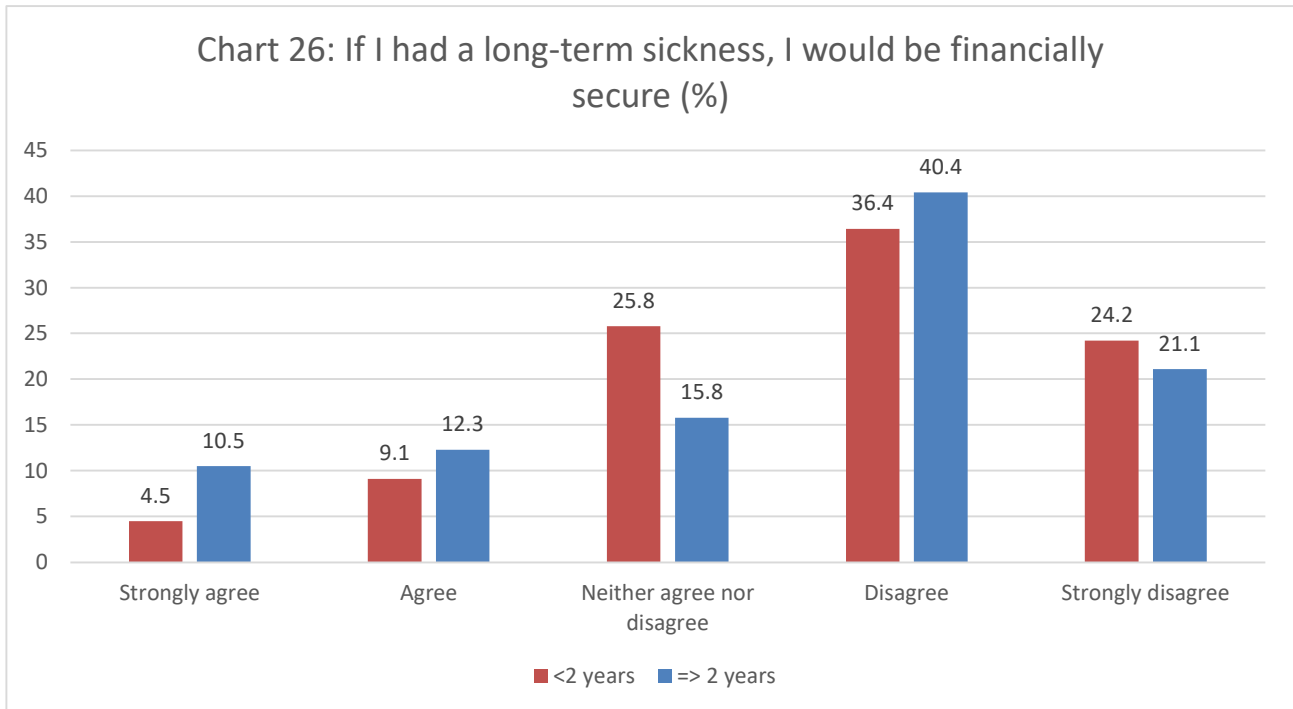
Length of contract was also significantly related to perceived fairness of pay in relation to work done, with those on longer contracts more likely to agree with this statement, and those on shorter contracts more likely to disagree (Chart 24).



The same relationship held in comparing the fairness of pay relative to someone in a similar job, with those on shorter contracts less likely to report perceived fairness (Chart 25).



Those on contracts of 2 or more years are more likely to strongly agree and agree they if they had a long-term sickness, they would be financially secure in comparison to those on contracts of less than 2 years (Chart 26). They are also less likely to be neutral, disagree and strongly disagree.



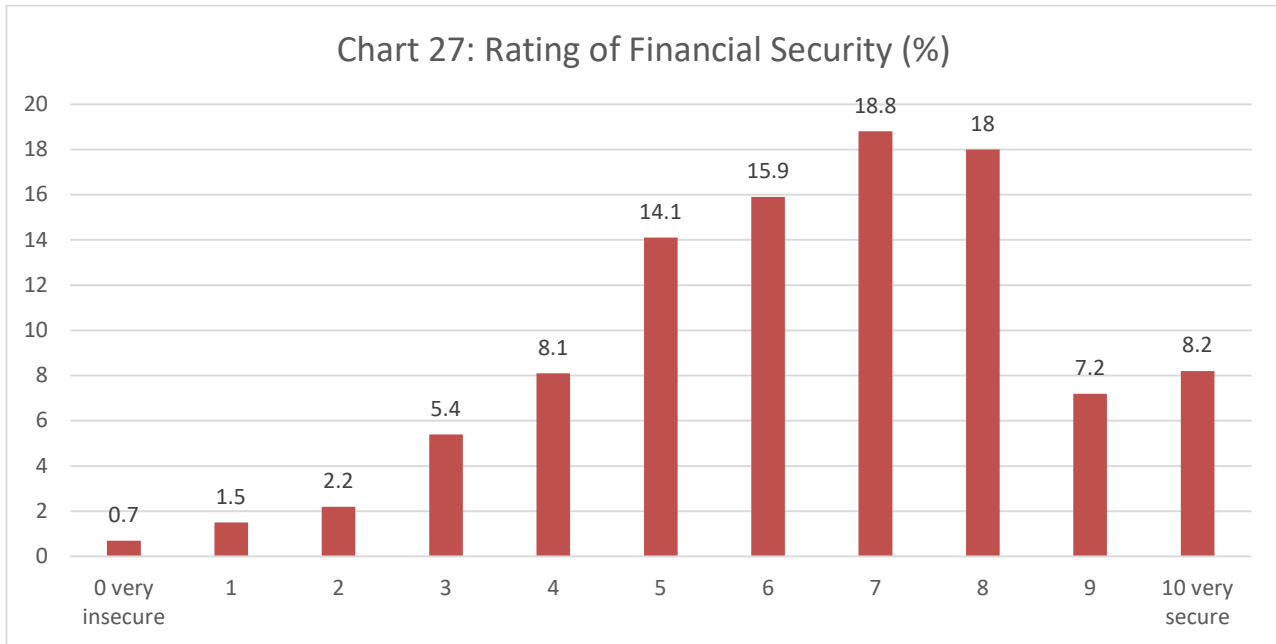
These various findings suggest that while open-ended or permanent contracts support perceptions of security at work in the third sector, having a longer contract even if it remains fixed is also important.

Interestingly, those actively looking for a new job differed significantly from others on some of the security questions, with active job seekers significantly more negative than those not actively seeking a new job on whether pay covers basic needs, is fair for the work done or in comparison with others, and whether they would be financially secure if facing a long-term illness. This suggests that concerns over security may be driving intentions to leave the sector.

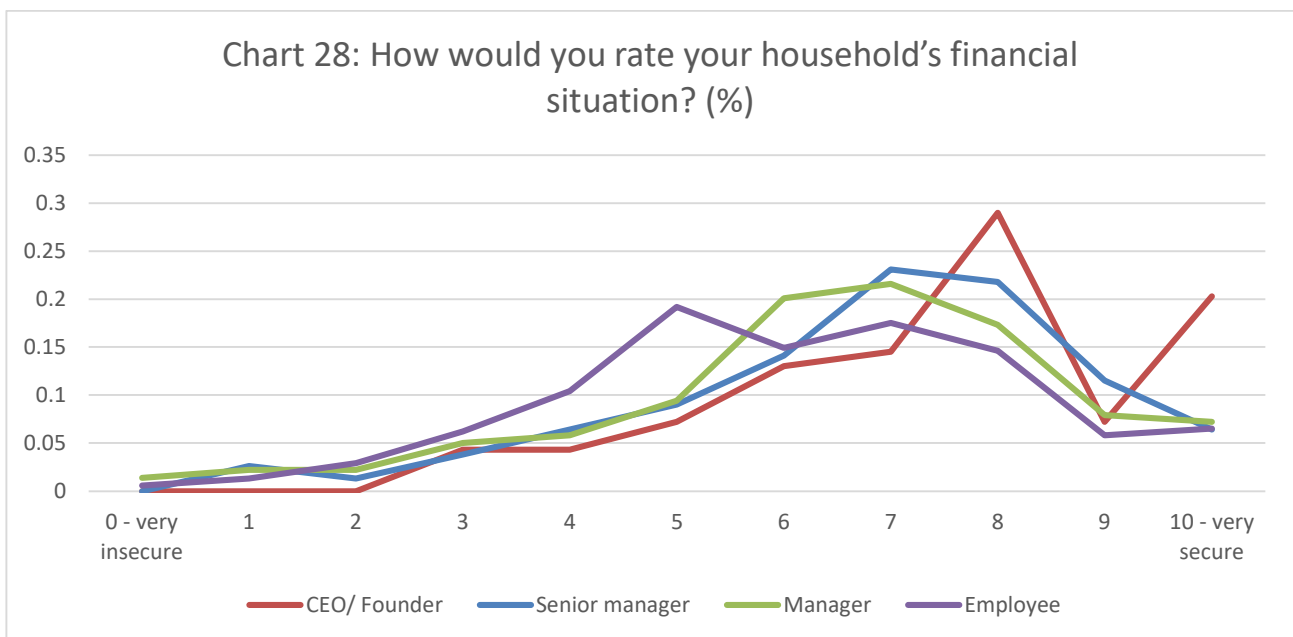
Turning to organisational characteristics that are associated with positive or negative assessments of security, those in the largest organisations (250+ employees) are least likely to strongly agree and agree they are paid fairly for the work they do and in relation to people in similar jobs. In addition, those in trade union recognised organisations are more likely to disagree and strongly disagree they are paid fairly for the work they do, but more likely to strongly agree and agree that they would be financially secure if they had a long-term sickness; conversely those in organisations that do not recognise trade unions were more likely to disagree and strongly disagree.

The relationship between pay and financial security or insecurity is, of course, influenced by household composition. Across the sample, only 15% of respondents report secure household income that enables saving (9-10 on a 10-

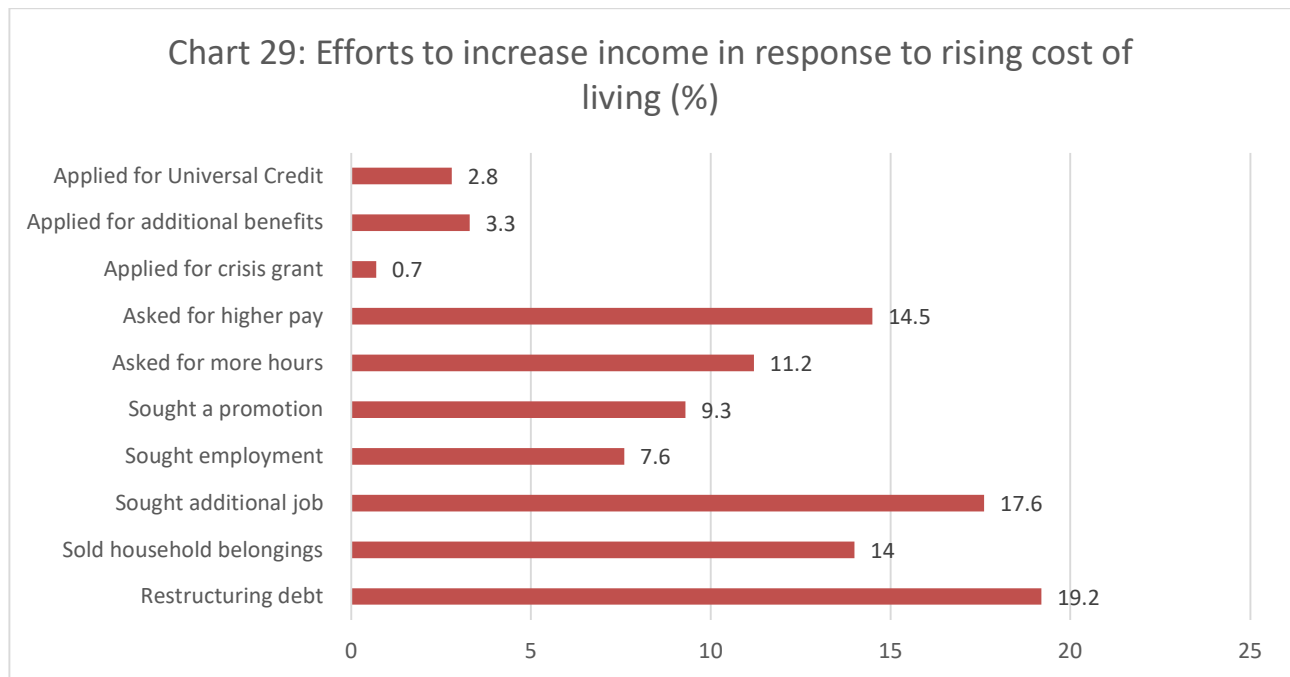
point scale) while 67% assess themselves as between 5 and 8. For around one fifth of respondents (18%), however, household income is considerably less secure (reporting 1-4) (Chart 27). Employees are more likely to describe their household's financial situation as insecure and CEO/Founders and Senior Managers are more likely to describe their household's financial situation as secure



In addition, those living in single households are more likely to rate their household's financial situation as very insecure and less likely to describe their household's financial situation as very secure (Chart 28).



In considering the impact of the rising cost of living (Chart 29), the most commonly reported responses were restructuring debt, seeking an additional job, asking for higher pay, selling household belongings and asking for more hours of work, all of which were reported by more than 11% of the sample.

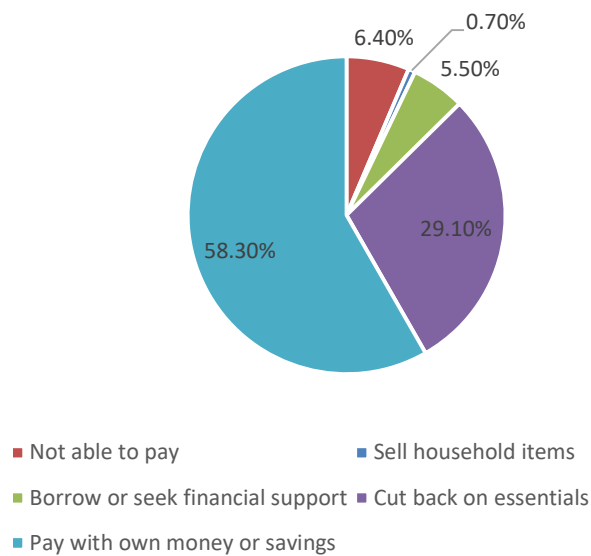


These responses varied by job role. Senior managers were most likely to state that they (or someone in their household) had asked for higher pay, or applied for a crisis grant or universal credit. These findings may appear surprising. The question asks about how the household has responded, so senior managers may be highlighting the response of other household members. It may also be that for senior managers, other options are ruled out: additional working hours won't increase income as they are likely to be salaried; scope for further promotion may be limited in smaller, flat organisations; and their level of job demands may militate against seeking an additional job.

Managers were most likely to report that they or someone in their household has restructured debt, sold household belongings, sought an additional job, sought promotion and asked for more hours to increase their income, while employees were most likely to report that they or someone in their household had sought employment or applied for additional benefits.

Respondents were asked how they would respond to an urgent essential bill of £200 (Chart 30). While 58.3% of the respondents said they would be able to pay an unexpected expense of £200 from their own funds, employees were least likely to be able to do so and CEOs/founders were most likely to be able to do so, reflecting the pay/salary gradient in most workplaces.

Chart 30: Response to urgent essential bill of £200 (%)



If faced with an unexpected bill of £200, those living in single households were more likely to report that they would not be able to pay or use their own money but instead cut back on essentials (Chart 31). Those living in non-single households are more likely to report that they would pay with their own money or savings.

Chart 31: How would you pay an unexpected bill of £200? (%)

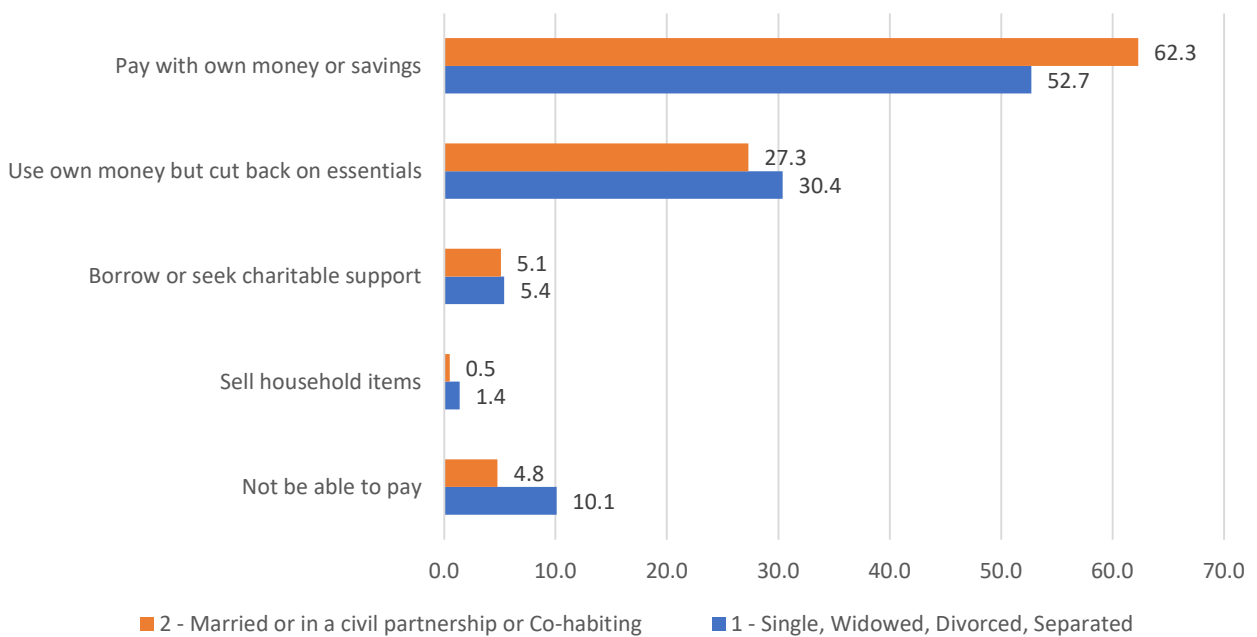
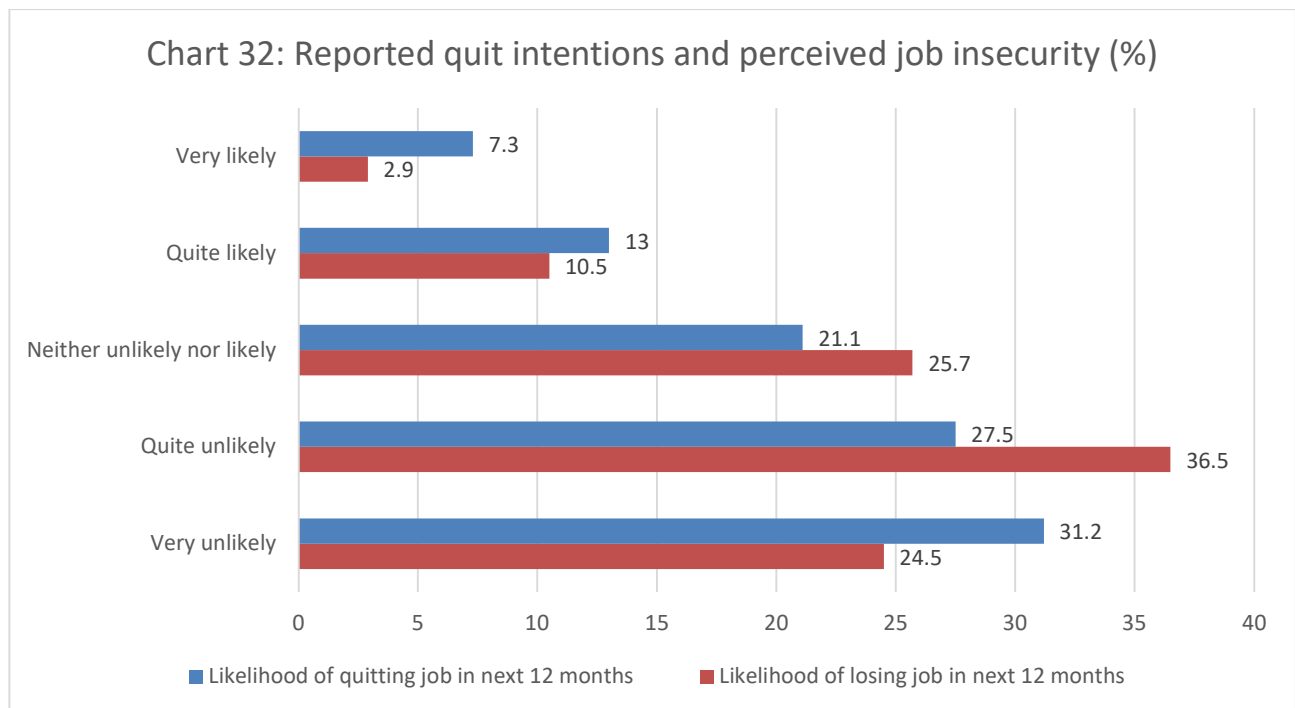


Chart 32 presents results on quit intentions and perceived job insecurity. Despite the relatively frequent use of fixed contracts in the sector, perceptions of job security were reasonable, with only 13% reporting that they are likely to lose their jobs involuntarily in the next 12 months (very similar to 11% for the UK overall²⁷, CIPD Good Work Index 2022). One fifth of respondents (20%) are likely to leave voluntarily (the same as 20% for the UK, CIPD GWI 2022) and 19.2% are actively looking for a new job, which is higher than the 5% for the UK overall (CIPD GWI 2022). Those actively looking for a new job are more likely to report it is quite likely and very likely that they will lose their job in the next 12 months.

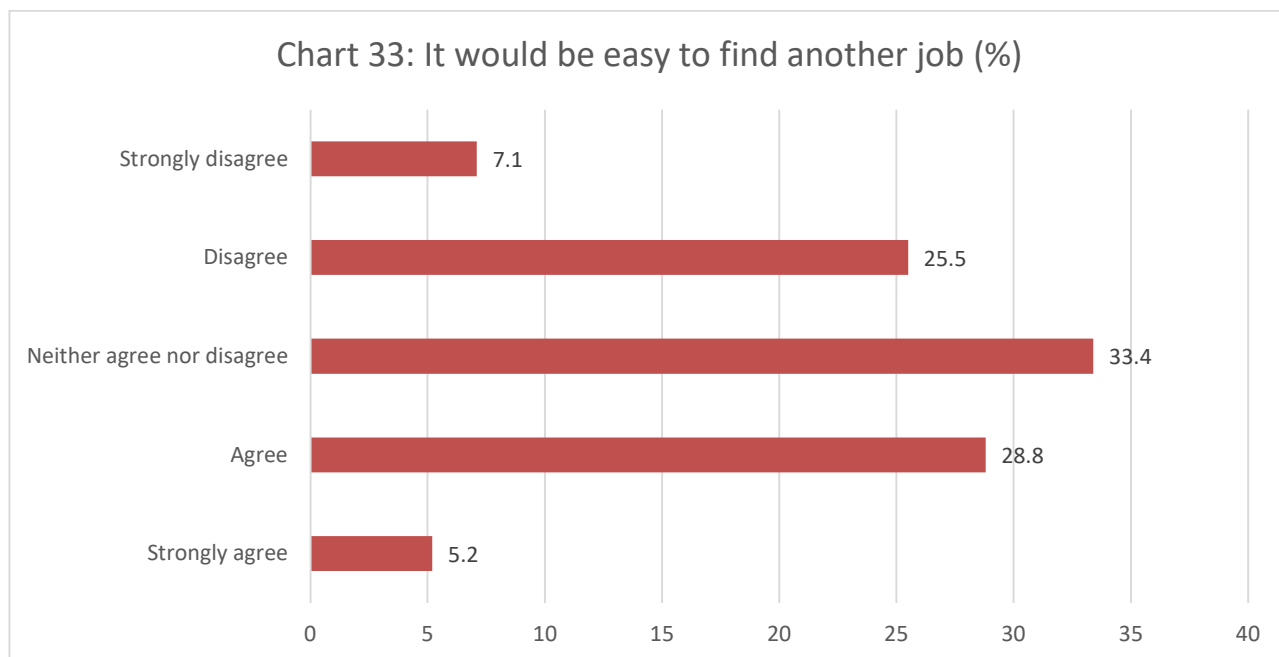


CEOs/founder were most likely to report it very unlikely they could lose their job in the next 12 months. Managers (though in small overall numbers) and employees were most prominent in seeing job loss as likely.

Those on open-ended/permanent contracts were more likely than those on fixed contracts to state it is very unlikely and quite unlikely that they would lose their jobs involuntarily, while those on fixed contracts were more likely to say such an event was quite or very likely.

Those living in multiple adult households were more likely to report it is very unlikely and quite unlikely they will lose their job in the next 12 months, whereas those living in single adult households were more likely to report it is quite likely.

On whether it would be easy to find another job (Chart 33), the survey respondents split quite evenly between those who agreed it would be easy (34%), those who disagreed (32.6%) and those where were neutral on the issue (33.4%).



Those living in multiple adult households were significantly more positive about the ease of finding another job while those in single adult households were more negative on how easy this would be. These results suggest a link between household composition and perceptions of ease of regaining employment.

Overall, we do not observe any significant differences between employee graduates and employee non-graduates with regards to the security questions

Stakeholder and roundtable views on security in the sector

A concern over the how well the sector delivered fairness in relation to the security dimension was the single most prominent issue for all of the stakeholders interviewed. Their concerns can be grouped into five key issues: funding levels and the impact on wages and progression in the sector; the timing of funding and the impact on contractual security in the sector; the process and organisation of funding and the impact on workload and activity in the sector; the perceived treatment of the sector in funding in comparison with the public sector; and a range of unintended (and negative consequences) of current funding arrangements. These views are considered in turn.

Funding levels

All stakeholders pointed to three key issues with funding levels: the first is contracts that heavily constrain investment in the income of staff in the sector; the second

and related issue is relative investment in core and project funding and how this has deteriorated over time; and the third is where contracts don't fully cover pay/wages uplifts, for example, to cover a commitment to paying staff at least the Real Living Wage. Stakeholders highlighted that:

'The funding we receive as a not-for-profit organisation is not adequate enough to pay staff a fair wage.'

'We are not funded in the same way HSCPs are so staff get paid less to do the same job.'

'Having recently found a P60 from 2014 my actual money has not changed; however, the cost of living has.'

'Lack of core funding to be able to plan ahead and offer long-term contract and fair pay.'

'Funding from Scottish Government has been static for the last 10 years and we find out on an annual basis whether we have been successful to get the funding so we can continue our services ... 1% pay rise is severely underwhelming.'

'Lack of funding, lack of long-term long-term funding, salaries going up too much and the funding isn't reflecting that, no uplift in current contracts which means our organisation is paying extra for the contract.'

'...with a pay increase that is a pay cut in real terms, we are all now currently subsidising the charity out of our own pockets ... until this year, my view was that the flexibility we offer staff, good holiday allowance, offering paid leave for family crisis of any kind, and a positive, supportive work environment helped compensate, but this equation no longer balances...'

These concerns are not only in relation to pay rates but also to other reward benefits:

'If anyone was ever off long-term long-term sick, or maternity, that would be a challenge to cover financially.'

'...pension provision is meagre compared with statutory sector with whom we work in partnership. It isn't an equitable picture...'

Funding timescales

Stakeholders raised significant concerns about the challenges they experienced due to annual funding arrangements, highlighting that these built insecurity into staff experience of working in the sector for many.

'Lack of ongoing funding – most staff are on fixed-term contracts due to project funding'.

'...limited funding. Cannot guarantee that we'll have enough income to keep somebody in post after a particular fund ends – so many of our staff are in relatively short-term contracts (3, 6 or 12 months) compared to mine'.

'Insecurity and short-term nature of grant funding. Always responding to crisis'.

'Longer term funding ... Government contracts that roll on year to year without multi-year agreements in place ... Insecurity for staff is neither fair nor justified...'

'Funding, funding, funding ...have worked for this organisation for almost 20 years ...I will once again be on redundancy notice ... funding applications are in ... and chance are our jobs will be safe ... but this will not be known until funding awards are made...'

'Lack of funding, reduced funding, funders changing dates for confirmation of funding which in turn has an impact on job security'.

Stakeholders cited evidence of efforts they have made to try to enhance the contractual security of staff as far as is possible, seeing this as an important managerial objective and reflective of what their staff want, but highlighted that these efforts were inevitably constrained by their funding arrangements, sometimes meaning that they simply cut hours on projects (raising the intensity of work on them) and that there is a pervasive experience of insecurity that goes beyond those on short, fixed term contracts:

'...annual funding restricts our ability to provide security to hard working dedicated staff. While we moved term-time staff on to open-ended contracts, we can only guarantee work based on funding which we must put a lot of energy into every year to secure'.

'Fixed grant funding which has not risen for many years means that our project loses staff hours for salary increases.'

'We try to offer staff permanent contracts after short term contracts come to an end and they are moving to another funded role but these are all still subject to funding so even the permanent staff have insecure employment in real terms'.

Funding processes

Stakeholders report that annual tendering for funding and the length of time funding takes to be agreed creates a level of anxiety across the organisation, but also eliminates the possibility of working together to create better contracts and potential contract outcomes, including for staff in the third sector:

'...services I run are contracted by local authority. They do this by a tender process which can cause uncertainty for staff and the organisation. Tenders are often at a lower cost than previous budget, so staff structures are affected, and the process is not quick'.

'Contracts with local authorities present a challenge ... with decisions re continuation of these contacts/ budgets being made last minute. There are also no increases in financial support from local authority year to year'.

'Continuous funding, lack of circular community wealth building or alternatives stops job security being provided. Longer term funding or sustainable funding is needed to maintain high-quality staff'.

'Contract commissioning ... unrealistic expectations for the funding ... 'high % scoring on costs'... overemphasis on cost vs quality. The impact is job uncertainty, poor working conditions, poor salaries & general undervaluing of the third sector and the work we do. Service user views are not taken into account, there's no consultation or co-production etc.'.

Comparing fairness of third and public sector employment

The comparison between the fairness of employment in the third sector compared with that delivering similar services by local authorities and NHS Scotland was a prominent issue for third sector stakeholders, who saw differences in pay, security and conditions as unfair, damaging to joint working, and creating a wider perception of the third sector as less important, despite it delivering important publicly funded services often to vulnerable client groups:

'Competitive funding and priority always given to statutory services. Third sector is always an afterthought. There is no joint working across sectors.'

'Compare this to NHS and Local Authority staff who provide the same – they receive £5 - £8,000 more. Fair work? This is not fair'.

'... local authority, NHS, Fire and Police all having discounts and the voluntary sector not having this. Is there not an overarching organisation that can provide a card to those working in the sector to prove it and to be able to access these discounts? it makes the sector feel undervalued'.

Unanticipated consequences

Funding arrangements were perceived as increasing workload in the sector, particularly for managers; taking time away from longer-term planning and attention to workforce management; and contributing to staff perceptions of unfairness as to their treatment. Further, insecurity that stakeholders attributed to the funding arrangements was directly linked to problems of staff retention:

'The time around fundraising and constantly managing the HR processes around annual funding is very demoralising and very tiring for the staff and for the managers'.

The time it takes to come up with projects and apply for funding is a full-time job and we don't have a full time post available to do this. It is the same across the sector – the last two organisations I worked for have either had to merge or close due to the lack of long-term funding. I was saying this 44 years ago and I am still saying it!

'Short-term funding for the sector which does not allow for effective longer-term planning'.

'...sometimes people want to work more hours or develop new initiatives, but we don't have funding to allow that.

Stakeholders referred to a perfect storm of funding issues –

'Short term funding; uncertainty over funding; under funding; poor links between National Governments (both UK and Scotland) and COSLA/ Local Authorities. General lack of appreciation of the roles of the third sector'.

Reduced local authority funding, partnering with NHS restricting.

'...staff see flag waving picket lines and watch conditions for these workers improve, at the expense of funds for vital third sector colleagues which are cut...'.

'Funding and Unions ... we can only afford what we can afford ... unions don't recognise this ... Local authority want us to pay the living wage but do not increase their funding to us to cover this'.

'... although our wage rates are pretty good for the voluntary sector, the work we do is complex and skilled so we often lose staff to similar but better paid jobs in the public sector. This is not ideal for us or for those staff, but funding constraints and wage trends in the sector make it unsustainable to pay that kind of salary'.

'People within the third sector are used to the instability that comes from short-term funding. However, this does mean that we lose good people from the sector because they can find more job security elsewhere. We also have a pay problem in the sector. we do the work we do because we believe it and want to make a difference in the lives of others, but the level of commitment, passion, knowledge and skills shown by the workforce isn't reflected in the salaries. This is not specific to a certain employer – it's a problem across the sector.

A number of stakeholders pointed to issues of security that were not specifically aimed at funders or funding but at leadership in their own organisations, notably in relation to the role of trustees rather than senior management:

'Lack of commitment to an annual salary review. Reluctance from trustees to progress staff through the pay scale'.

'...there has never really been a clear strategic focus ... Trustees continue to move the goal posts'

'Overall security of employment is very good. Funding constraints and some trustee attitudes have negatively impact on annual wage rises and sick pay cover terms'.

'Under resourced, high expectation of delivering multiple roles in one job, Board too far away to understand or acknowledge challenges of CEO in smaller charities'.

There were, however, important insights into the positive aspects of security in the third sector offered by the key stakeholders interviewed. All emphasised doing their best with the resources that they have available to provide fair and secure employment, and to designing the whole employment package to be as fair and rewarding as possible. Many referred to the payment of the Real Living Wage, although it is worth noting that this is a low bar for a sector with such a highly educated workforce:

'Funding in the third sector always had an impact on security however the terms and conditions are fair'.

'We are a Real Living Wage employer, have salary scales and have a very generous sick pay policy'.

Salaries are reviewed annually and a cost-of-living increase is normally applied; our Board has recently carried out a comprehensive salary review which resulted in an uplift for many of our team. All staff are paid above the Real Living Wage. We provide sick pay beyond statutory obligations and are part of the NEST pension scheme'.

'... it is difficult to plan long term as well as an organisation. However, we do as an organisation have fair and transparent procedures on pay and conditions, pay at least the Real Living Wage, have fair opportunities for pay progression; and provide sick pay and pension arrangements'.

For some larger third sector organisations, their own reserves provided a cushion to shield staff against the worst experiences of funding uncertainty. In addition, since not all funding emanates from the public sector, arrangements with other funders can enhance the security of staff:

'Funding insecurities. However, we do have a strong reserves fund which to an extent reduces immediate concerns and provides a certain level of security'.

...our main funders have moved to 3 year funding which offers greater job security.

The challenges in relation to funding and its impact on security at work were acknowledged by stakeholders attending the roundtable, who noted that many of their funders delivered fair work to their own staff but failed to offer parity of funding that could ensure fair work in the third sector. These stakeholders also argued that there was a lack of understanding of the demands of fair work by some, including public, funders. In relation to positive findings on security in the sector, some stakeholders speculated that many third sector staff work with some of the most vulnerable individuals and families in society and that awareness of the latter's situation and circumstance might enhanced perceptions of relative security among third sector workers.

Fulfilment

Fulfilment as a dimension of fair work relates to the intrinsic nature of work and spans its meaning or purpose; knowing job requirements; the challenge, pace and intensity of work, being able to use one's skills, line management support and receiving feedback which is commonly valued by staff.

Survey findings

The data in Chart 34 shows overwhelmingly that staff in the third sector are motivated by their work, with 83% strongly agreeing or agreeing, and by the purpose of their organisation, with almost 88% strongly agreeing or agreeing.

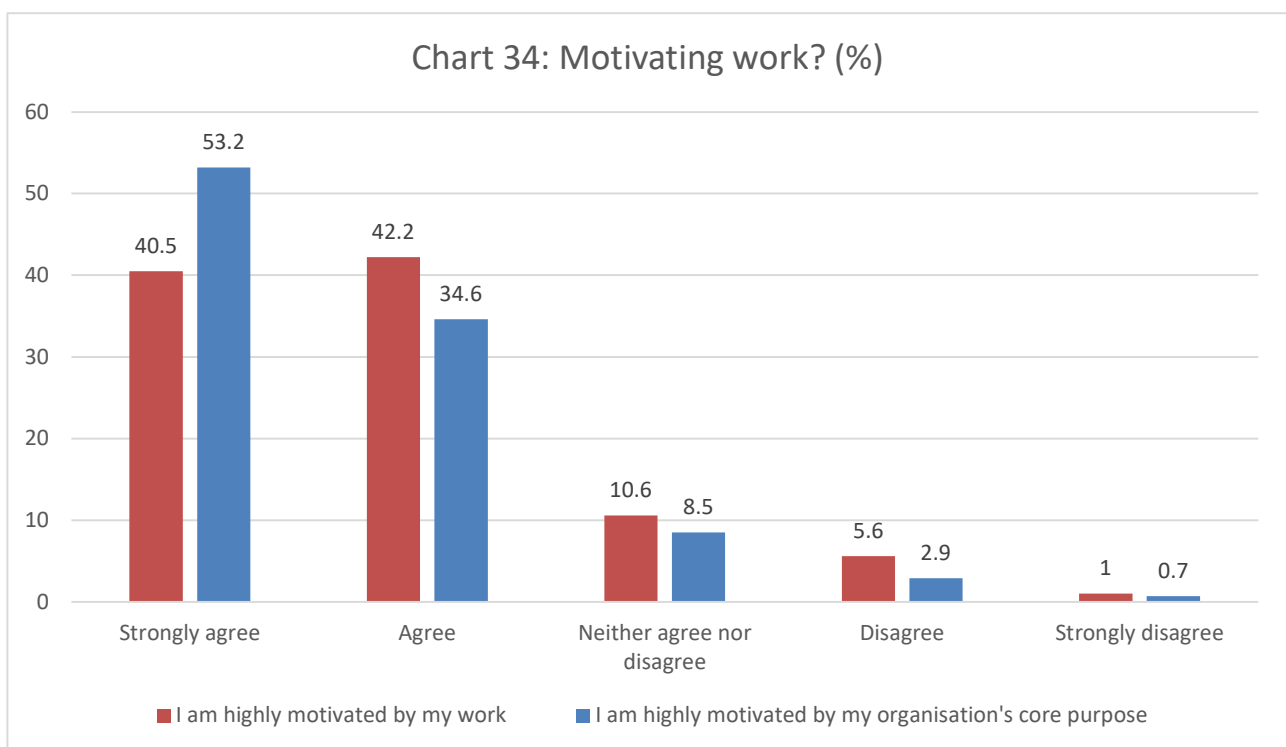
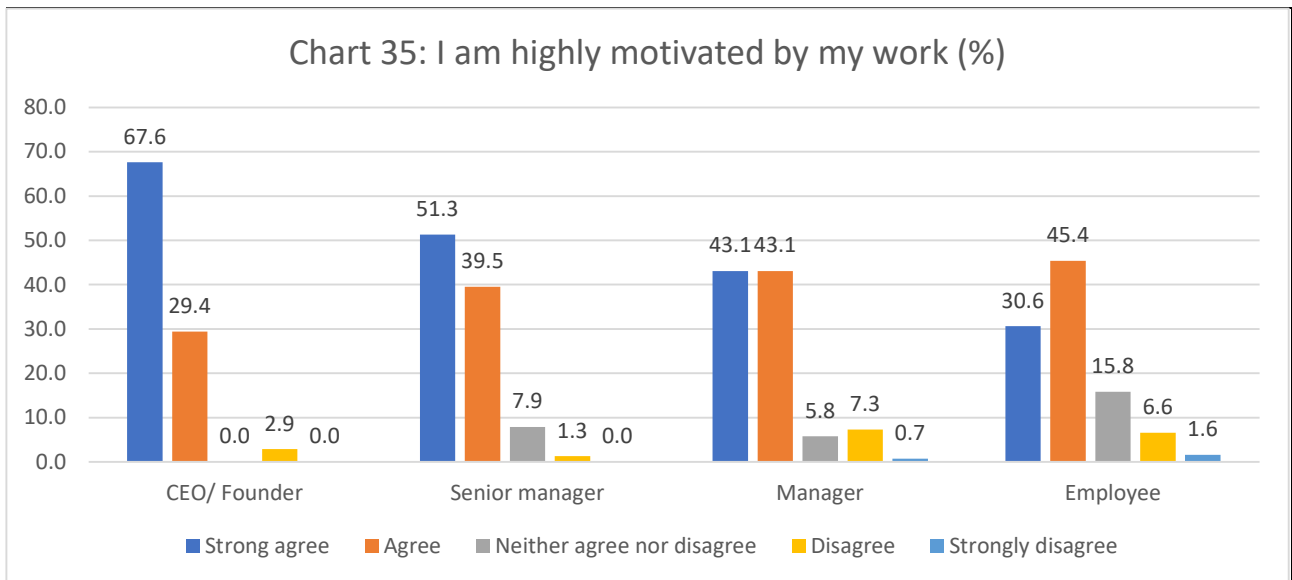


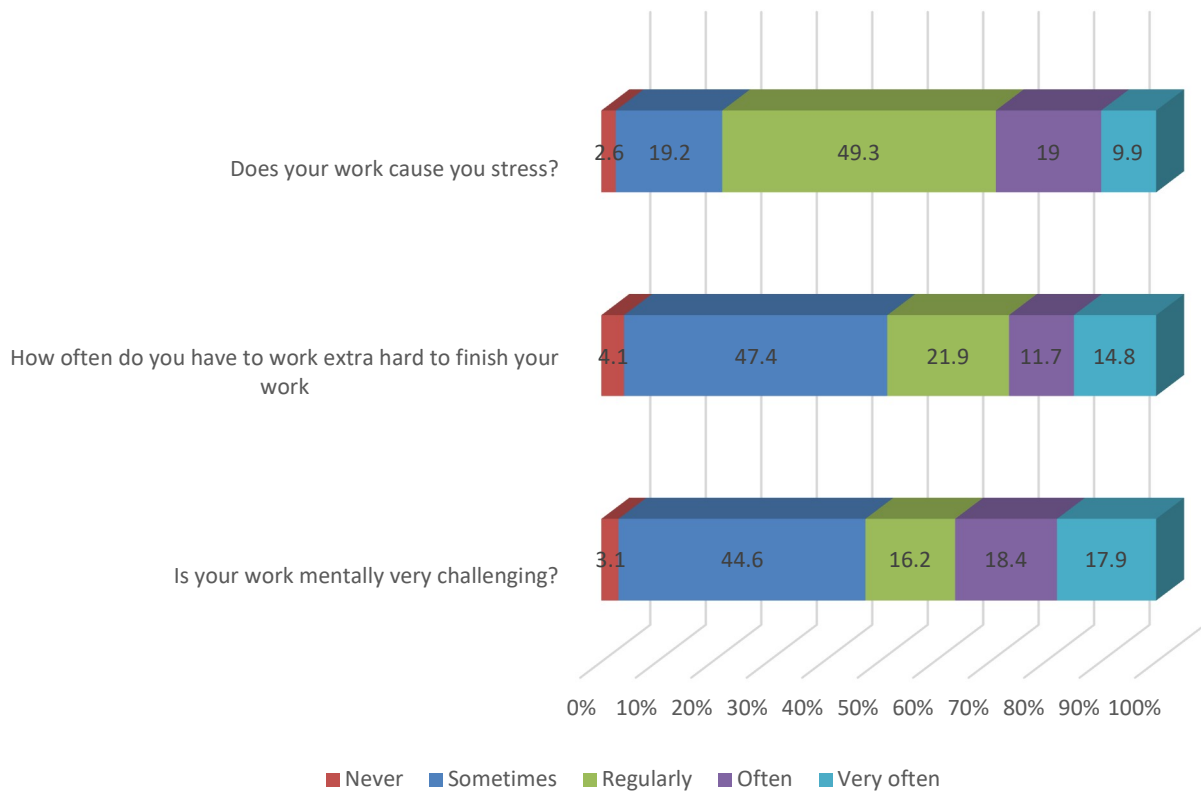
Chart 35 looks at this data by job role. While CEO/Founders are most likely to strongly agree they are highly motivated by their work and employees are least likely to strongly agree, employees are most likely to agree they are highly motivated by their work, indicating that it is the strength rather than direction of motivation that differs between these job roles.



Looking at how motivated staff in different job roles are by their organisation’s core purpose, CEO/Founders are most likely and employees least likely to strongly agree, although employees are more likely to agree. Employees are, however, significantly more likely to disagree or strongly disagree with this statement, though this equates to less than 5% of responses. Overall, it is clear that both the work itself and the organisation’s core purpose highly motivates these staff in the third sector.

Turning to the demands of work (Chart 36), a majority of the respondents (52%) found their work mentally very challenging very often, often or regularly, and only 3% of respondents never found work mentally challenging. Similarly, while almost half (49%) had to work extra hard to finish work very often, often or regularly, only 4% of respondents never had to do so. Just under 30% of respondents characterise their work as stressful often or very often, with almost half reporting that it is regularly stressful. Taking these three elements of demanding work together, just over 34% of respondents perceived work as demanding often, very often or regularly.

Chart 36: Demanding work (%)



Looking at these results by job role, however, highlights that these demands are significantly more likely to be reported by CEOs/founders, who are most likely to report they work extra hard to finish their work (Chart 37). Employees were most likely to report they never or only sometimes work extra hard to finish their work and least likely to do so regularly, often or very often.

Chart 37: How often do you have to work extra hard to finish your work? (%)



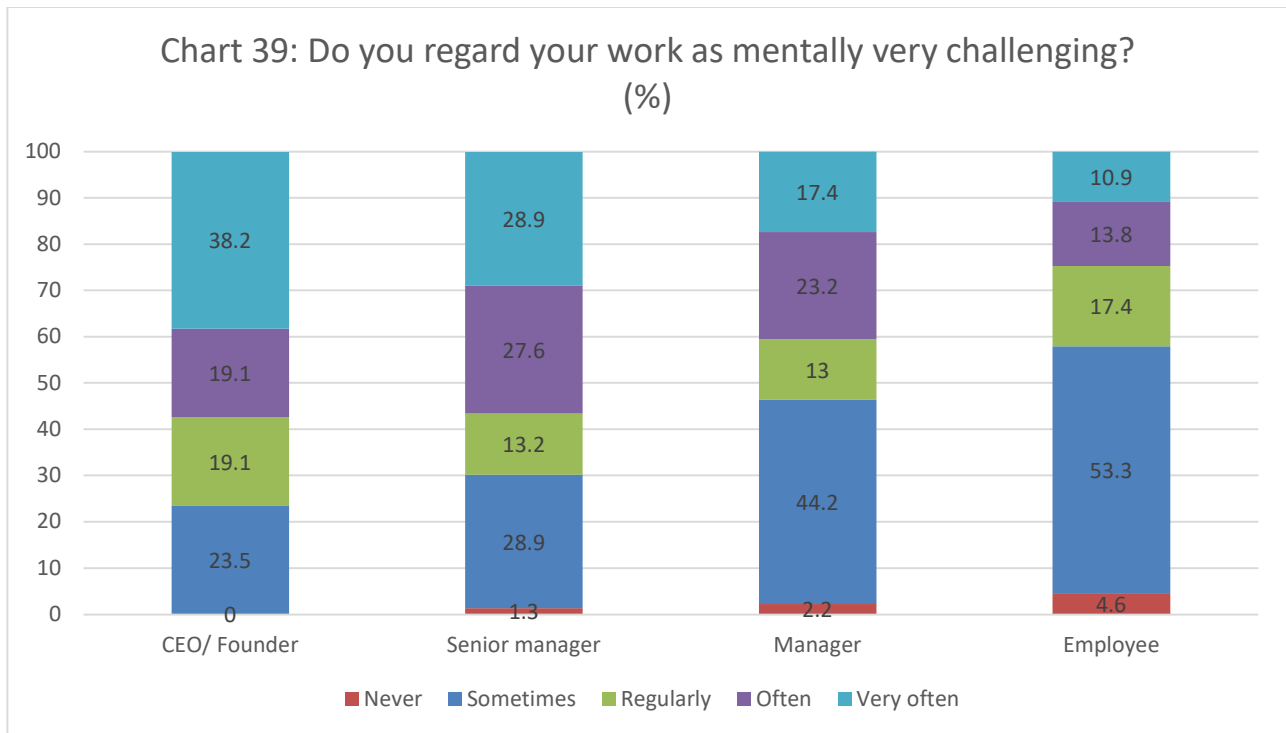
Similarly, CEOs/founders were most likely to report that their work often and very often causes them stress, while employees were least likely to report that their work causes them stress often or very often (Chart 38).

Chart 38: Does your work cause you stress? (%)

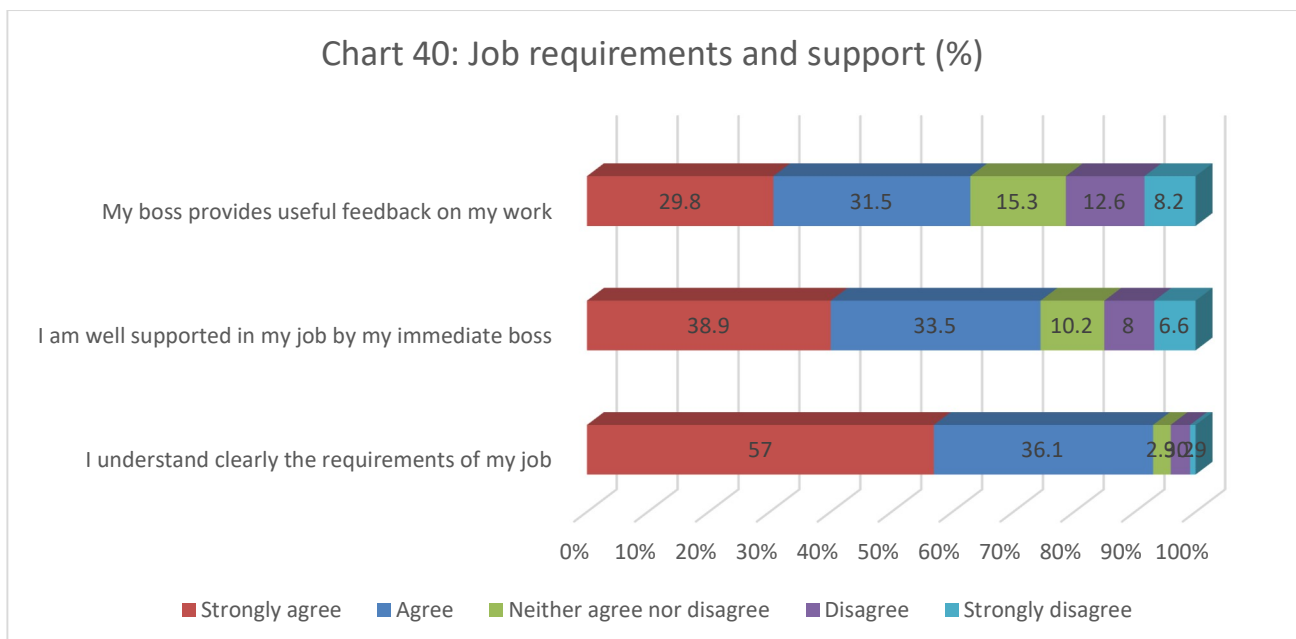


As Chart 39 shows, CEOs/Founders and senior manager were most likely to report that their work is very often mentally challenging whereas employees were least

likely to report their work is often and very often mentally challenging and most likely to report their work is never or only sometimes mentally challenging.

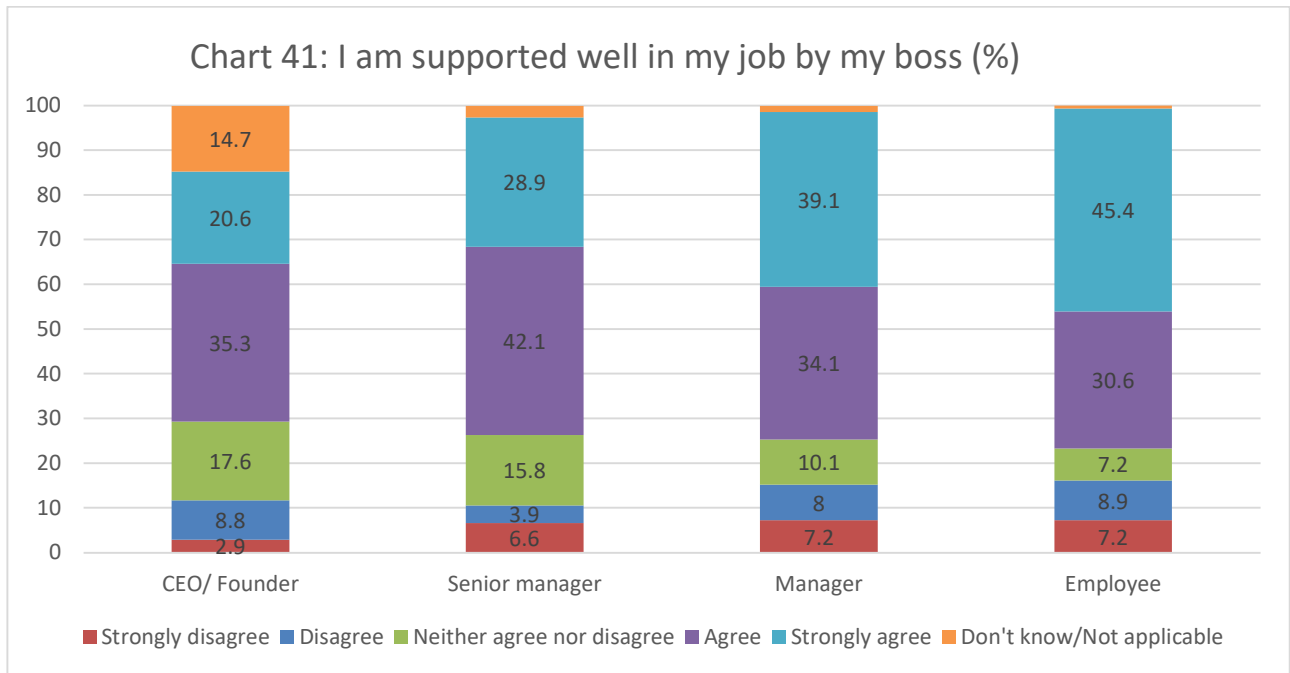


Fulfilment at work is also supported by knowing the requirements of your job, being supported in your job by your immediate line manager and being provided with useful feedback on your work. Respondents were overwhelmingly in agreement that they understood their own job requirements, and more than 72% felt well supported by their immediate line manager. Somewhat fewer – though still a majority (over 61%) – felt in receipt of useful feedback on their work (Chart 40).



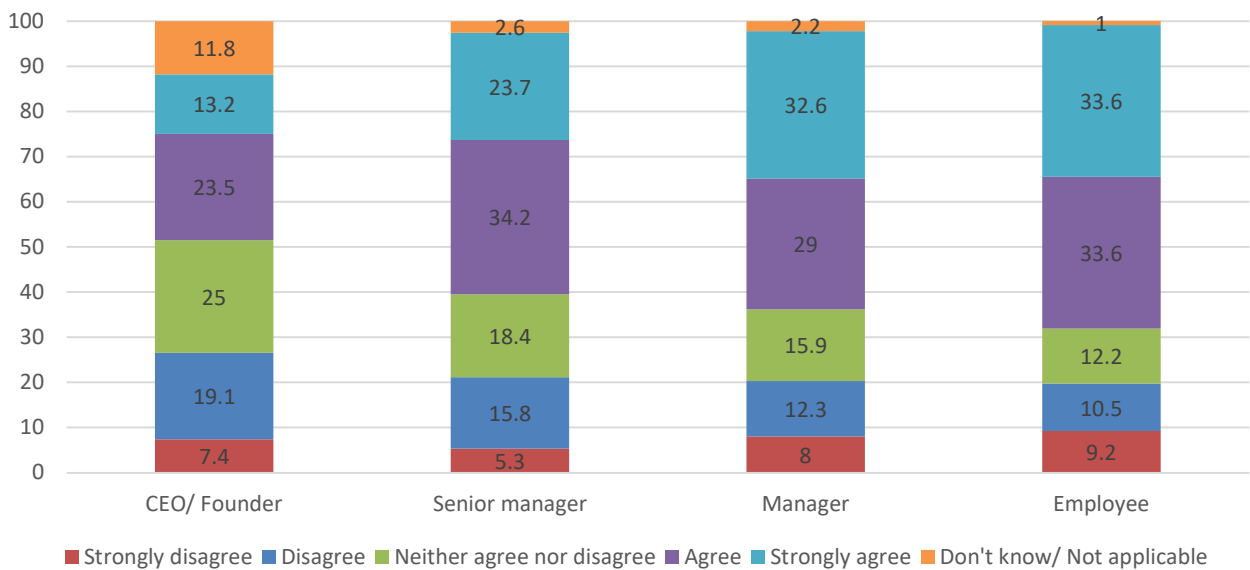
While CEO/Founders were most likely and employees least likely to strongly agree they understand clearly the requirements of their job, and employees were also most likely to disagree and strongly disagree, the latter numbers were small.

Employees and managers were more likely than senior managers and CEOs/founders to disagree that they are well supported by their boss but were also as or more likely to agree or strongly agree, suggesting variation in staff experiences (Chart 41).



Interestingly, CEOs and founders had a much more varied response to the question on receiving useful feedback (presumably from Boards or Trustees) than other staff (Chart 42).

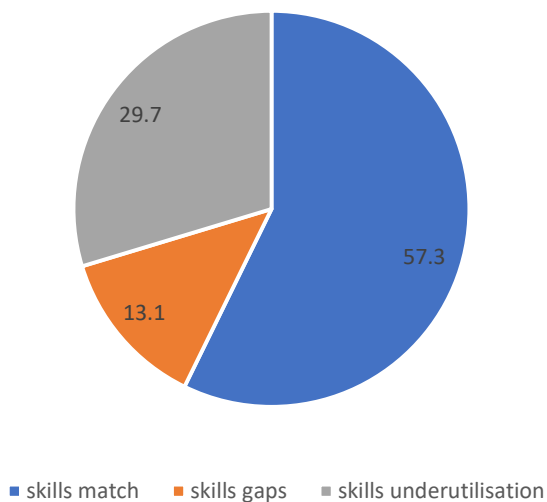
Chart 42: My boss provides useful feedback on my work (%)



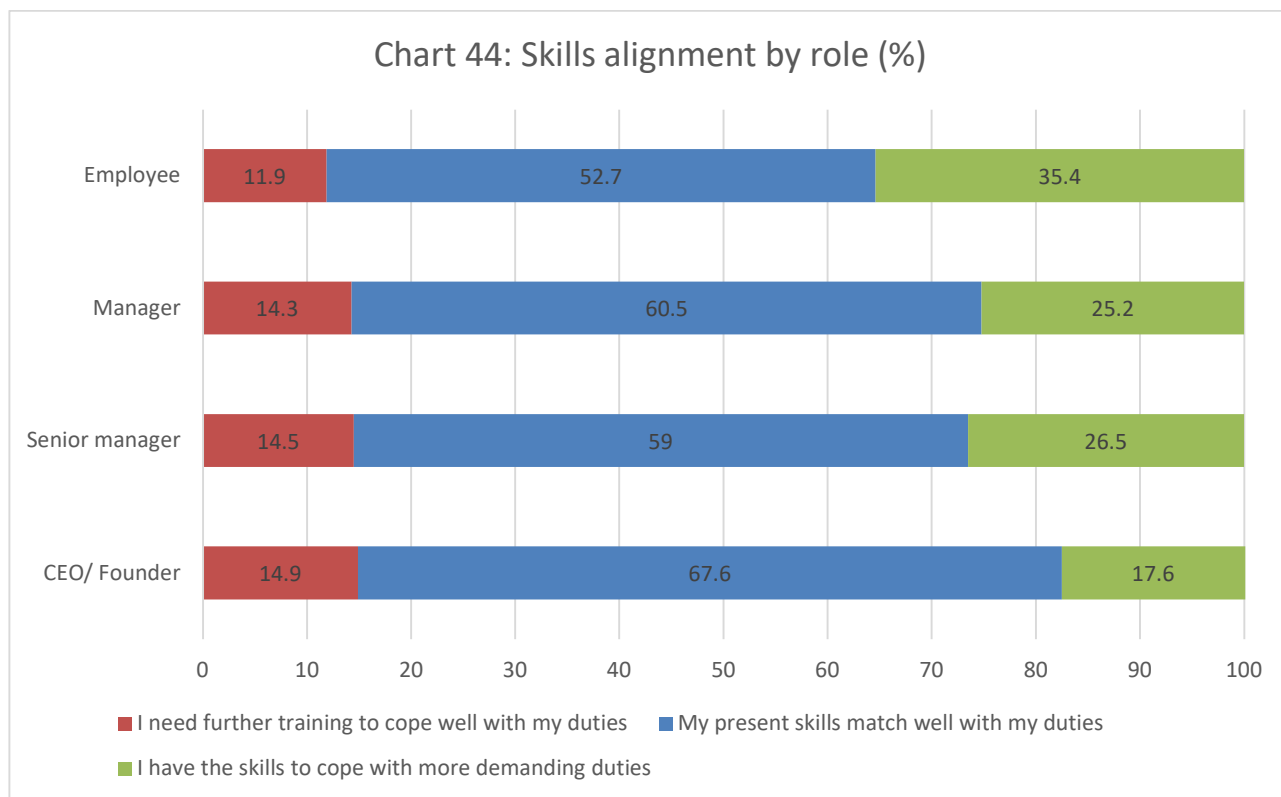
Fulfilment is also supported by having skills to match the demands of your job. Across the dataset, 93% of respondents agree or strongly agree that they clearly understand the requirements of their job.

However, turning to skills alignment (Chare 43) while 57% of respondents report that their skills match their job requirements, 13% report a skills gap and need for training and 30% report skills under-utilisation, that is, having skills to do more than their current job demands.

Chart 43: Skills utilisation (%)



While skills gaps did not vary by job role, more than 17% of staff in all job roles reported skills under-utilisation, and this was significantly higher (at 35%) for employees (Chart 44).



Employees were least likely to report their present skills match well with their duties but were also least likely to report needing further training to cope well with their duties and most likely to report they have the skills to cope with more demanding duties.

Stakeholder and roundtable views on fulfilment in the sector

Management stakeholders’ views were strongly in line with the data from the survey as a whole in recognising both how meaningful work is in the third sector and the importance of purpose for staff:

‘The organisation is very value driven and staff are generally high motivated.’

‘All staff are fully motivated by their roles and what we as an organisation do, so the roles are naturally fulfilling.’

‘Fulfilment is not a challenge in our organisation and is often the main reason our staff work here’.

‘all staff are highly motivated and successful problem-solvers’.

Some stakeholders cautioned, however, against always seeing meaningfulness and purpose as a wholly positive aspect of work in the third sector:

'...workers are worried about contracts ending, services closing or managing on a low income ... there's far too much reliance on good will, voluntary aspect and 'greater good' motivation of third sector employees. At times it verges on exploitation'.

For most of the managerial stakeholders, giving staff sufficient autonomy and empowering them underpinned fulfilling work:

'All members of staff have a great deal of autonomy in their roles. The organisation provides better than adequate support and/or supervision with the opportunity to discuss work practice in more informal ways too'.

'Actually feel very lucky that our workplace strives to ensure people can incorporate work related interests or at least investigate the possibility of this'.

'... the staff and volunteers drive the decision making and can develop a project or service as they see fit. The work can be emotionally challenging but also fulfilling, as we give direct support to some of the most vulnerable people in our communities'.

'... we are good at providing fulfilment through chances to create new programmes, participate in cross organisational working groups, continue to large scale events and undertake CPD beyond direct role.

Clearly, however, autonomy was not unconstrained and stakeholders identified both limits to autonomy and areas where greater autonomy and empowerment could benefit both staff and service users:

'The team are free to produce their work how they see fit but must fit within strict deadlines. There may well be opportunities elsewhere however committing time would be an issue'.

'...everyone has autonomy over their work and are welcome to present new ways of working or ideas for organisational development. Unfortunately as resource is so stretched already we often do not have the time to allow these ideas to be explored or more extensive training to be undertaken thus limiting career progression'.

'improved democratic project design or broader grant scope would allow for projects to be better designed for community need ... improve[s] use of TSIs, improve[s] worker satisfaction and provide[s] more effective services'.

There was a widespread recognition that the nature of the work carried out in third sector organisations could be simultaneously fulfilling and challenging, given often close contact with vulnerable individuals and groups and the commitment that individual staff members made to relations with clients:

'Some of the work with vulnerable children and families is also inherently stressful so we have to be careful that staff don't burn themselves out'.

'...staff want to build relationships with people they support so want to do their own key working paperwork but that restricts ability to do other things...'

Turning to training and development as an element of fulfilling work, many stakeholders pointed to their support for training and to the operation of continuous professional development policies and practices in their organisations, showing a range of good practice within the sector;

'CPD is encouraged within the workplace and staff are given the opportunity to develop their skills and self-manage their diaries'.

'Continuous professional development is key and required for all staff'.

'We work closely with our staff team to develop individual work plans...'

'There are development opportunities in terms of available training and staff have an allocated 'pot' of funds available for any training identified by employee and/or manager.

'... all staff do the relevant SVQ and we have secured free post graduate Masters courses through Glasgow University for interested staff'.

An emphasis on ongoing training and development was also said to be present in job roles themselves, and some stakeholders suggested it was a hallmark of the sector:

'There is also lots of opportunity for learning as part of the day-to-day role'.

'This a positive for the voluntary sector in my experience – the opportunity to develop talents and skills beyond boundaries of job role is generally welcomed in the sector'.

Informal learning through strong communications and exchanges of information was also seen as significant in the sector:

'Employees are encouraged to increase their skills and knowledge through training, informal sessions (e.g. Lunch & Learn), peer support through regular Teams/ face-to-face meetings

'...regular team meetings are very good for us and I feel we can problem solve and meet new challenges in the knowledge we are valued, supported and respected. We learn from one another and share experiences'.

However, other stakeholders acknowledged that providing training and development was challenging given available resources, and also varied across job categories and locations:

'I believe this is something we are good at, however challenges would be opportunities for learning ... I have introduced a modest training budget but it means staff mostly rely on free or cheap learning – paid training courses are beyond our budget'.

'Challenges include heavy workloads with little time for additional tasks, for example, training'.

'Different departments have varying degrees of this. Some frontline workers have less scope...'.

'... offering more L&D opportunities and time to come together as groups to skills share, it can quite often cause further friction though when different teams are treated in different ways, with different expectations of them'.

'Opportunities for learning are limited due to rural location'.

Lastly, operation pressures impacted on access to learning that underpins fulfilling work, and for some stakeholders the nature of project funding created challenging operational stresses:

'We are values based but constrained by funding with the required funding outcomes being prioritised. Within this we offer opportunity for staff teams to develop and enhance their skills. We offer structures that offer internal promotion opportunities'.

' Job fulfilment can be undermined by the funding structure, which creates pressure for staff to work to multiple funding targets and report to multiple funders'.

'...we do not prioritise learning and development opportunities over operational requirements'.

'... every hour is accounted for in the project plan leaving no scope for changes. A lot of time is spent trying to find funding to keep people in jobs'.

Capacity pressures of immediate work make it harder for people to feel they can take up opportunities for learning'.

(fulfilment affected by) '... available funding and increasing workload to meet increased demand for services we provide'.

Many stakeholders identified issues of role stretch and work intensification that affected managers and other staff and that detracted from fulfilment in work by impacting on wellbeing and opportunities to learn, be supported and innovate:

Short-term funding, continually looking for funding wearying'.

'... shortage of funding to employ more staff so our team is always stretched capacity-wise and my role spans a range of functions that would be multiple roles in a larger organisation...'

'... staff are often not available due to covering shifts, this is especially relevant with team leaders and managers who often cover face-to-face care shifts and cannot be released for development and training..'

'... the third sector are very good at creating and facilitating opportunities for sharing learning and practice that doesn't make this type of activity out of reach financially. Since Covid I have noted that there are fewer people participating in these [cross learning] opportunities because the pressure of their day-to-day role is too great to allow for the 'luxury' of learning'.

For some stakeholders, the management of staff career development and progression could be criticised, either in terms of lack of managerial or trustee

support for development, or more commonly, in relation to some of the obstacles managers face in supporting development: lack of their own time, the impact of turnover and having a sufficient staff complement to allow training to support development to take place:

'Management having a very set vision of how they want work to be carried out, and rearranging people's jobs/duties to fit that'.

'Overbearing personalities of senior managers in the third sector... poor at consulting and working with colleagues...'

*'Board of trustees interfering or not acknowledging the correct people'.
'...significant disconnect between the Trustees and the staff they employ ... well-meaning people but most have very little knowledge of what goes on, who people are, and what issues and opportunities there may be...'*

'So busy firefighting it feels there is no time or space for skill development'.

'...we try but we're often still training someone when their contract needs to end due to funding'.

Keeping staff long enough for them to obtain all of the learning opportunities and develop their skills. Many people leave before they are skilled enough to have confidence in their practice and grow as a professional worker'.

'..pressures on filling places, seems more constant now than any time previously. We are also getting people at a later stage in their life – which means that people do not stay with us for as long'.

'That in the recent past, we haven't had the full complement of staff so people have ended up covering the work of other posts ... haven't had enough time to provide good management ... that is what I'm engaged in now, and am told that it's much appreciated...'

Notwithstanding these difficulties, fulfilling work was seen as crucial to the sector as providing a much valued intrinsic reward in the context of significant constraints on the ability to deliver higher extrinsic rewards:

'... we focus on staff development, team work, good working relationships and opportunities to learn, perform and excel as motivators, as we cannot rely on pay to motivate staff'.

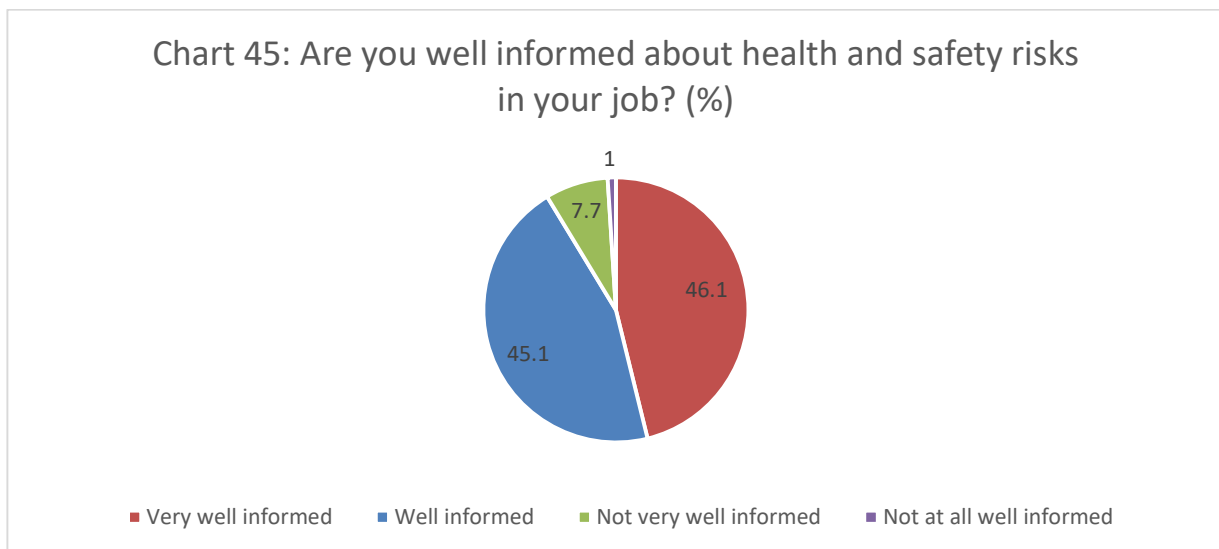
Stakeholders at the round table noted that the findings on fulfilment were in line with their expectations and experiences.

Respect

Respect as a dimension of fair work covers multiple elements: respect for health, safety and wellbeing; respect for work-life balance; respect for an individual's contribution; and interpersonal respect, including both respectful conduct and treatment, including in relation to protected characteristics.

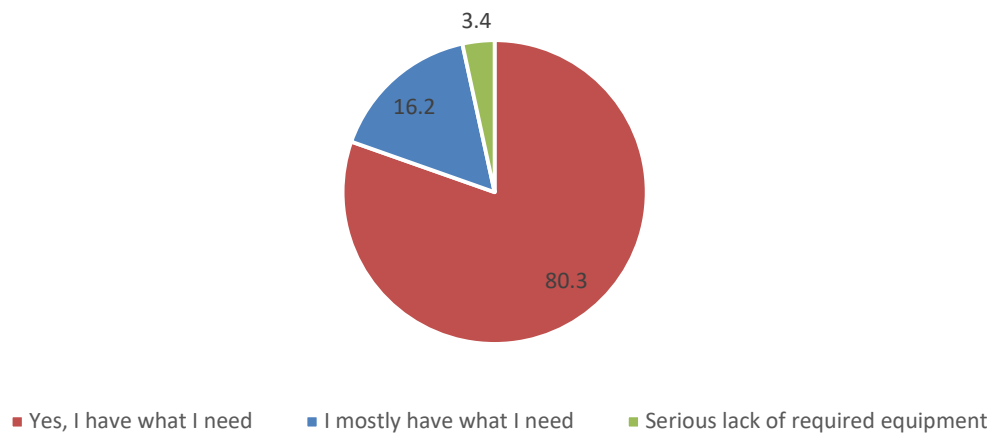
Survey findings

In relation to health, safety and wellbeing, almost all (91%) reported being well or very well informed, about relevant health and safety risks, with 9% perceiving that they are not very well or not at all well informed (Chart 45).



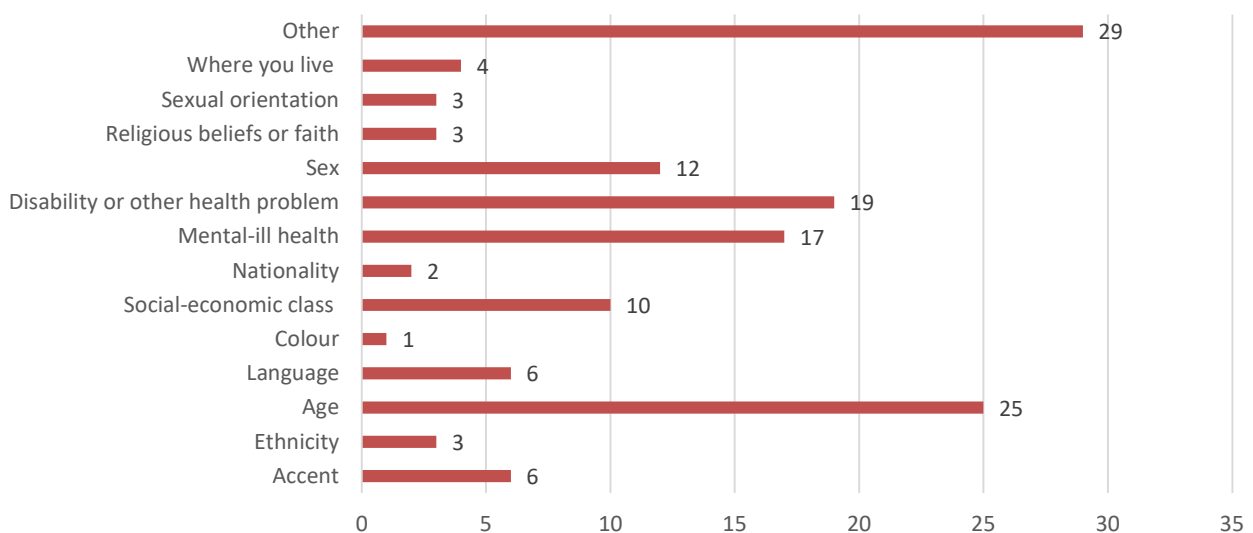
Respondents also reported the provision of necessary equipment to work safely (80%) although some (16%) reported that the level of provision was not sufficient, with the remainder (3%) lacking required equipment to work safely (Chart 46).

Chart 46: Provision of tools and equipment to work safely (%)



Turning to issues of interpersonal respect and equal treatment, staff were asked about personal experience of unfair or discriminatory treatment at their workplace over the preceding 12 months. Respondents were able to identify reasons for that treatment that spanned protected and other characteristics and whether they had more than one experience of unfair treatment (Chart 47). 460 had not experienced unfair or discriminatory treatment (out of 641). 140 incidents of perceived unfair or discriminatory treatment were reported by 83 of the remaining respondents.

Chart 47: Reported experiences of unfair or discriminatory treatments in previous 12 months (n)



The most frequent perceived reasons for unfair treatment identified by staff related to age, disability and ill health (Chart 48). The same reasons are echoed in comments from respondents who selected 'other'.

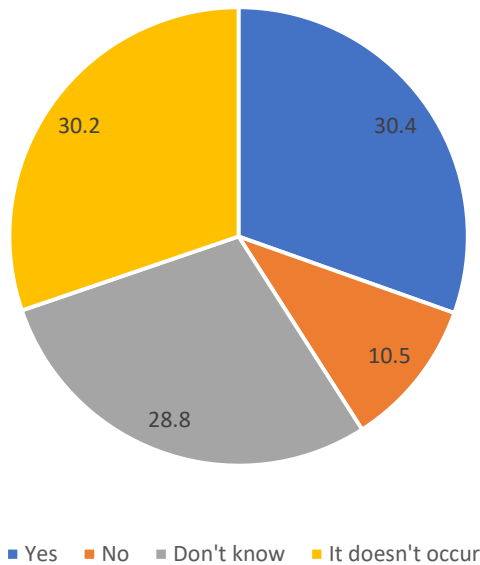
Chart 48: Reported experiences of unfair/discriminatory treatment by role (n)



Employees were significantly more likely to report one and multiple experiences of mistreatment and discrimination in the last 12 months. Interestingly, although the numbers are extremely low, the only characteristics in which managers reported more experiences of discrimination than employees was in relation to their socio-economic class.

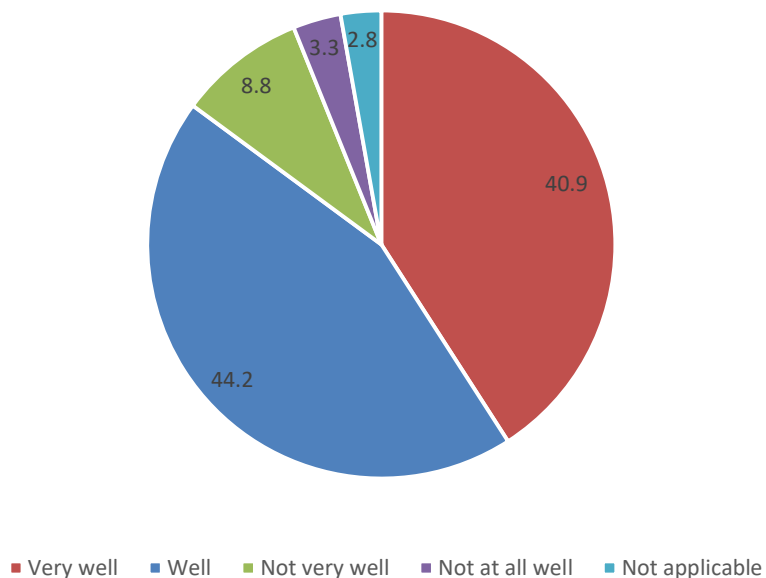
As Chart 49 shows, while around 30% of respondents reported that bullying and/or harassment at work did not occur at their workplace, a similar amount believed that should it occur, it would be dealt with effectively by their employer. Just under 29% of respondents were unsure whether it was dealt with effectively, while just over 10% were not confident that it would be so dealt with.

Chart 49: If bullying/harassment occurs, to your knowledge does your employer deal with it effectively? (%)



Respect at work also relates to issues of work-life balance, specifically for those with caring responsibilities. Most respondents report (85%) that their jobs are designed in a way that enables a good fit with other commitments outwith the workplace (Chart 50). A further 12%, however, do not report this fit.

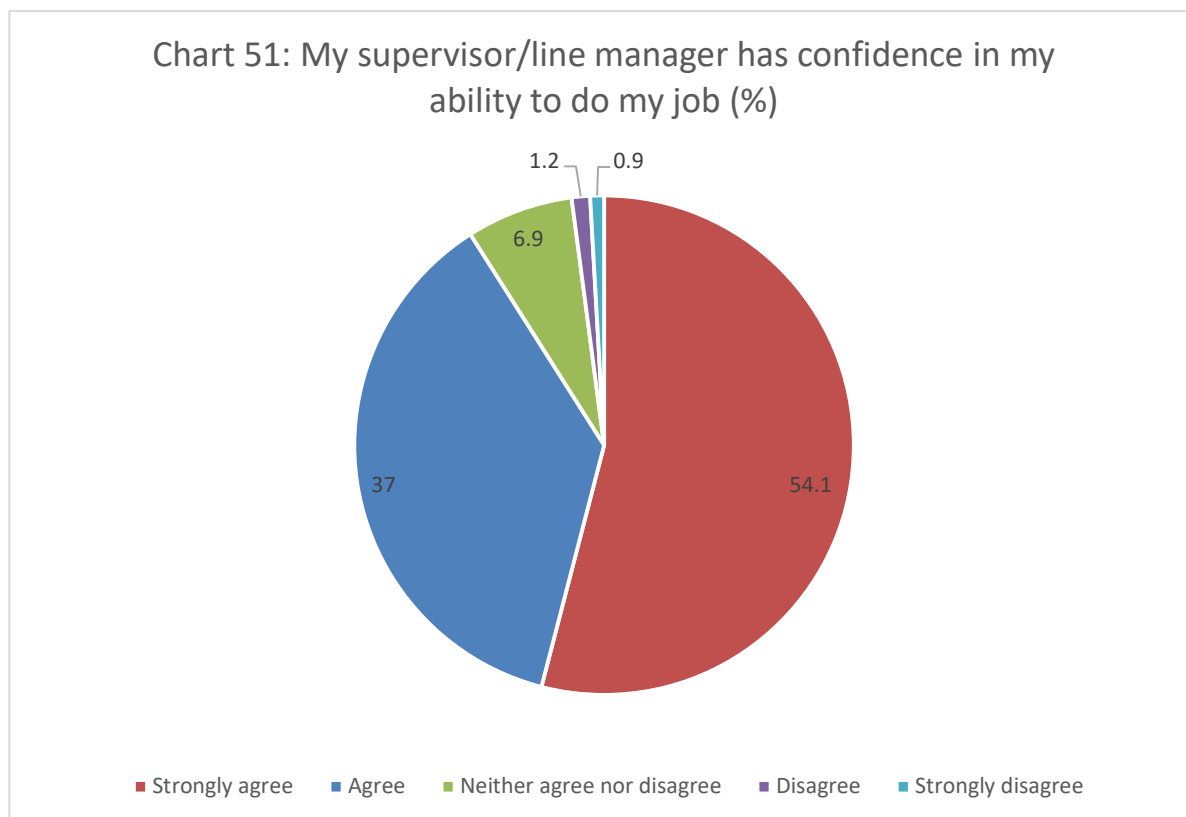
Chart 50: How do your working hours fit in with your family or caring commitments outside work? (%)



In terms of flexible working, 80% of respondents could access at least one type of arrangement in the last 12 months if they needed to; 10% reported not having access to any arrangements for flexible working and 10% declined to answer. The majority of workers could access homeworking (81.3%) and flexi-time (62.7%). All other flexible working options were only available to very small percentages of respondents: four-and-a-half-day week (7%), on call working (4%), 9-day fortnight (4%), job sharing (3%), term time working (2%), annualized hours (2%) and zero hours contracts (0.3%).

For contribution and effort

It is also important that employees feel respect not just for their safety, wellbeing and work-life balance, but also for their contribution and views. The latter is considered in the next section in relation to employee voice. Turning to issues of employee contribution (Chart 51), the vast majority of respondents reported that their line managers respect their ability to do the job (91%) with only 2% reporting an absence of confidence in their capabilities and 7% of respondents neutral on the matter.



Stakeholder and roundtable views on respect in the sector

From the stakeholder interviews, respect at work was highly valued in their organisations as a general value or principle, and more specifically in terms of paying attention to staff health, safety and wellbeing, respecting their family life, and

respecting their contribution and views. Most stakeholders were at pains to point out the importance of respectful relationships and treatment and the need to ensure that there are maintained:

'Everyone is respected in our organisation'

'I do not think that we have any issue with this in our organisation'.

'We make this an absolute priority...'

'As an equalities organisation respect is at the core of what we do'.

'...we embrace respect very well in our organisation'.

'We have not always had decent pay but we can respect each other'.

'We have dismissed people on the basis of lack of respect'.

Looking after staff health, safety and wellbeing was recognised as crucial to respect at work:

'...providing a safe and nurturing environment threads through our project'

'We cover this area very well and constantly strive to ensure that the health and wellbeing of our staff is maintained at all times'.

'..this is something we have been working on and do very well. We have policies in place around wellbeing, have paid counselling for all staff'.

In addition, many stakeholders stressed that they worked hard at ensuring that the organisation respected work-life boundaries and balance, striving to provide flexible working:

'to accommodate family life or health issues'.

'All staff are treated respectfully, family life is always considered, staff views taken into account and staff retention is good which reflects this'.

'most employees manage their own workloads/ working hours to suit their own work/life/family balance'.

'We try to have family friendly policies and offer hybrid working with a lot of autonomy given to staff to manage their time'.

For some stakeholders, respect also required openness to staff contributing a range of views and widening input into decision making:

As an organisation we have worked very hard to develop a culture of respect and openness ... we try and encourage people to have ideas and to feel that they can challenge the senior management team. We work as collegiately as possible’.

‘Our approach to decision-making and workflow design helps to alleviate any challenges there are to respect within our staff team’.

‘All staff are treated respectfully; we are always open to new suggestions on improving services. We have a service user involvement group who are respected and are also offered training to help with their development’.

Despite the overwhelming perception of third sector organisations as embodying respect for their workforce, some challenges were identified by stakeholders, including the impact of intense and increasing workload, especially in some work contexts; and the management of respectful behaviour.

Increasing demand for services was identified as making work-life balance challenging for some and limiting time for personal interaction with *‘busy schedules and limited opportunity to get to know one another’* posing a problem for some stakeholders. Respecting staff wellbeing meant paying attention to the impact of workloads and taking specific account of more distanced workers:

‘Ensuring staff are not overworked with clients and other responsibilities. Our waiting lists are increasing so it is difficult to ensure staff are protecting their own wellbeing and workload’.

‘Remote and lone outreach working can make it challenging to ensure that everyone is receiving the support they deserve in order for their work to be recognised and validated’.

For some stakeholders, treating staff respectfully reflected the quality and capacity – or otherwise – of management and trustees, and some were critical about how well senior management recognised the impact of caring responsibilities, how well trustees understood the demands on staff and how much professional capacity there was to ensure that policies and practice delivered respectful conduct:

‘A small organisation managed by trustees who are often absent from the everyday life in the job’.

'Members of the leadership team do not (or never have had) caring responsibilities ... bias such as scheduling important meetings during school holidays ...'.

'[respect is] dependent on who is in the senior management team. The same organisation was much less respectful under previous CEO, despite having policies in place'.

'Educating others to treat everyone fairly'

'... Finding support from HR when you cannot afford an HR Professional is always challenging'.

Lastly, some stakeholders in third sector care organisations identified staff concerns over how they were portrayed outside the organisation as impacting on how respected staff felt:

'Staff say they don't feel particularly valued as care workers, not by the organisation but by external media who portray care as a negative "in crisis" career.'

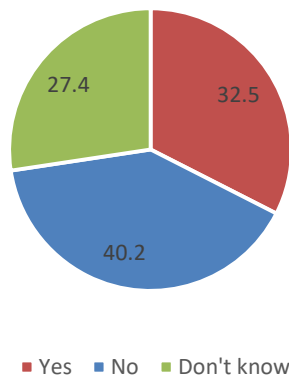
Voice

As indicated above, voice is crucial to fair work both substantively (that is, as something valued in its own right by staff), but also as a process that surfaces other fair work issues and allows these to be addressed. The survey asked a range of questions about channels of employee voice, both indirect (that is, through trade unions), indirect or hybrid, and how effective these are.

Survey findings

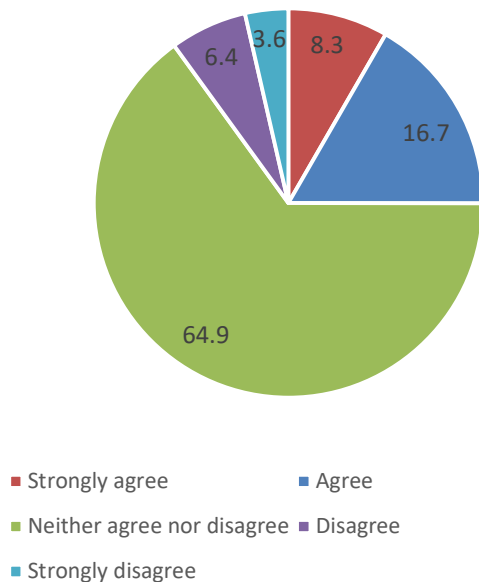
A third of respondents reported that their pay and conditions of employment are directly affected by agreements between their employers and trade unions or staff associations (Chart 52). A further 40% are not covered by any agreement and 27% are unsure. Graduate staff are significantly more likely than those without a degree qualification to work in jobs where their pay and conditions are directly affected by agreements between their employer and a trade union or staff association.

Chart 52: Pay and conditions affected by trade union/staff association agreements (%)



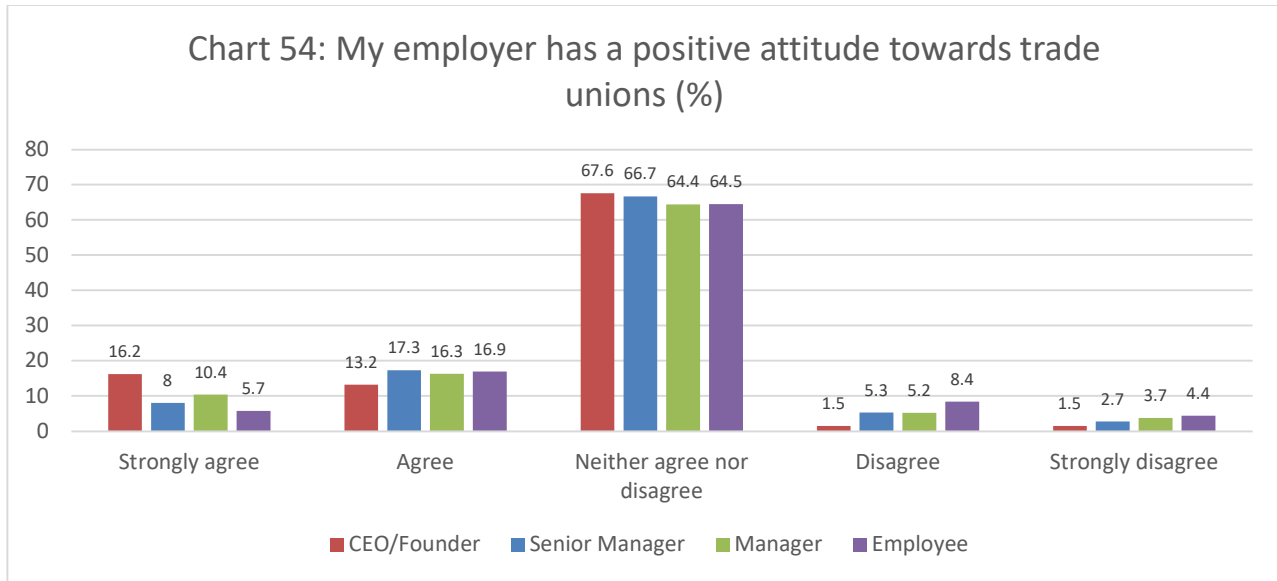
Attitudes to, and engagement with, trade unions can be facilitated or obstructed by employers' stance on unions. As Chart 53 highlights, survey respondents reported that while one in ten of their employers were not positive towards trade unions, one quarter were positive, but most (65%) were perceived as largely neutral on the issue.

Chart 53: My employer has a positive attitude towards trade unions (%)

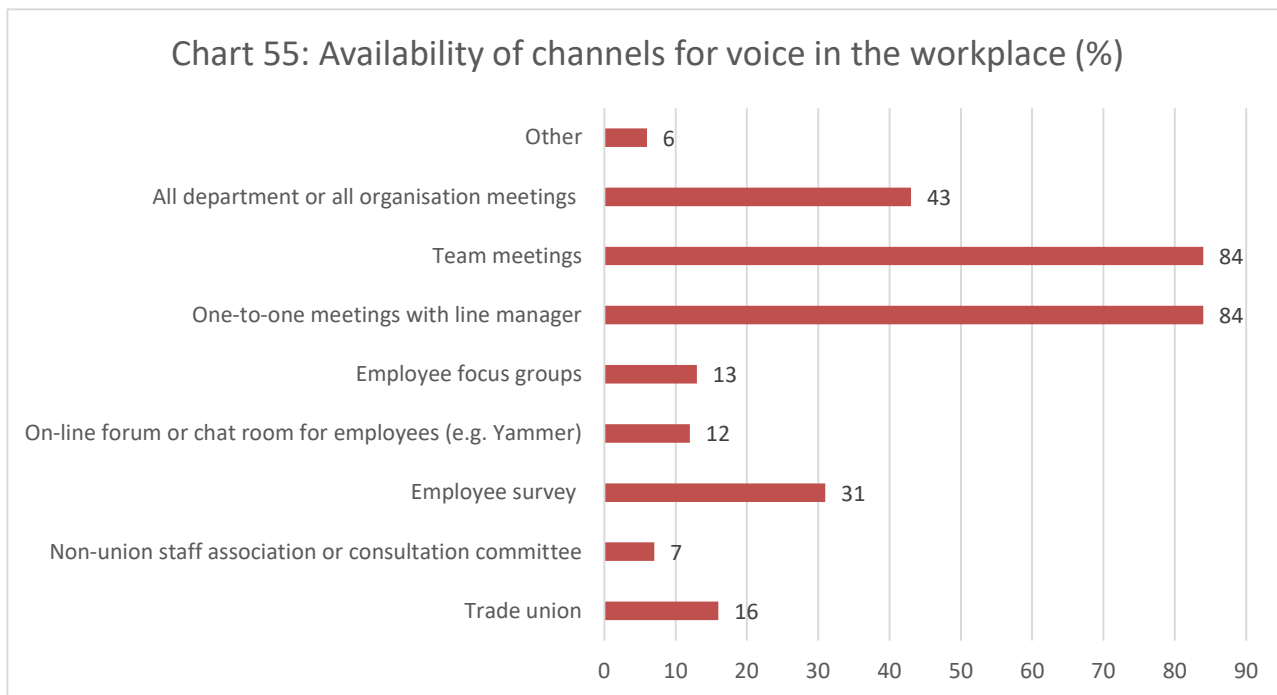


These results varied significantly by role (Chart 54), with employees most likely to disagree and strongly disagree and CEO/Founders are least likely to disagree and strongly disagree that their employer has a positive attitude towards trade unions. In addition, staff in organisations with trade union recognition are more likely to

report that their employer has a positive attitude towards trade unions than all other groups.

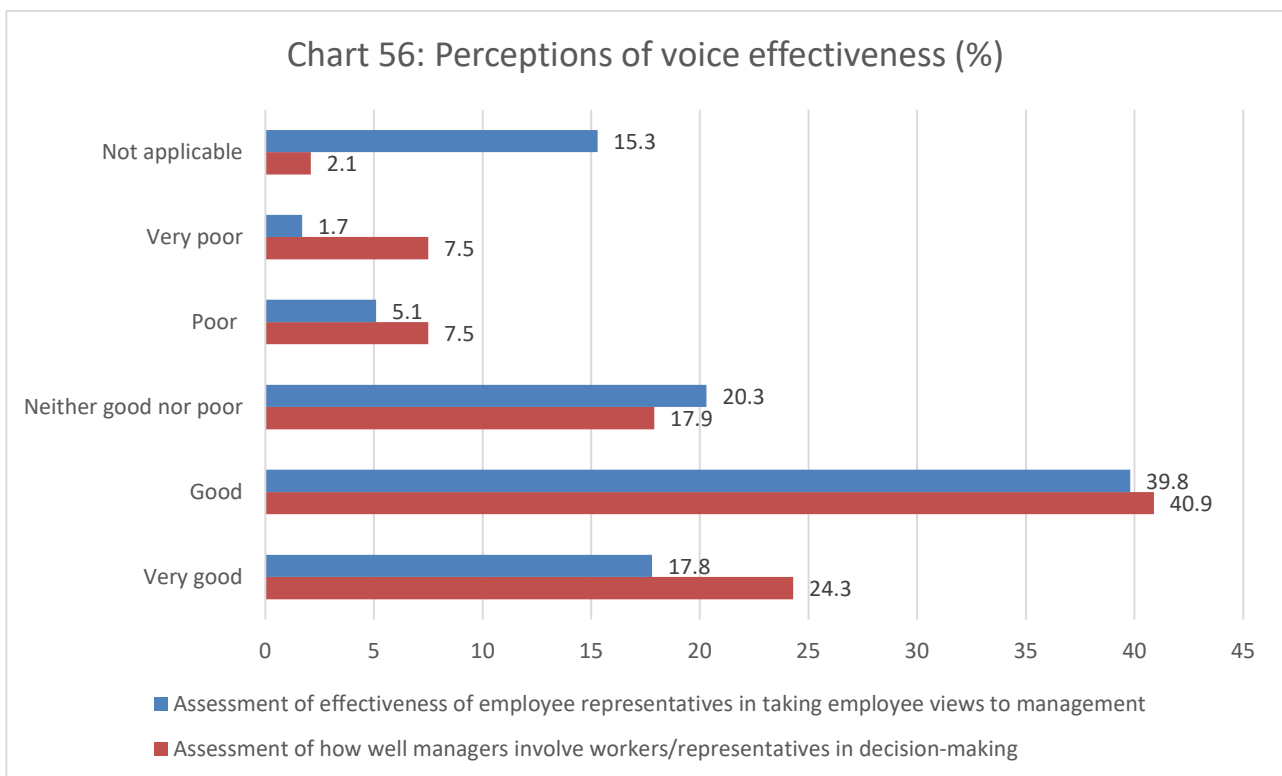


Turning to the range of mechanisms for voice that are available to employees, 87% of respondents could access at least one voice channel; 3% reported not having access to any mechanism for voice and 10% declined to answer (Chart 55).



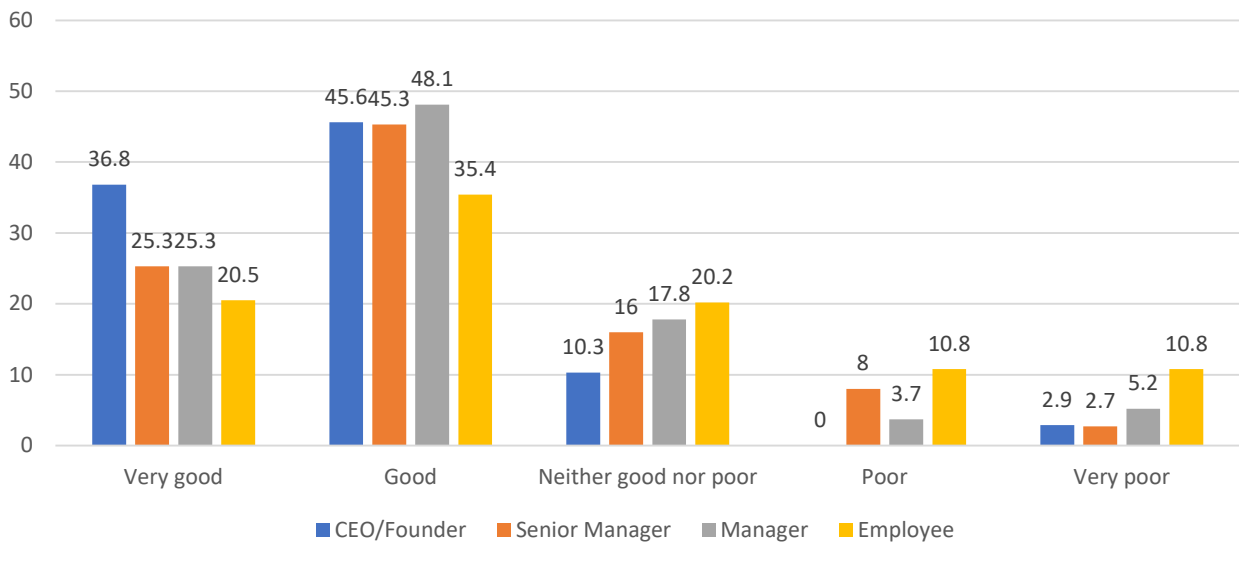
Examples of ‘other’ channels for voice included disparate examples including meetings between middle managers, open door policies and staff representation at board level.

The existence of voice channels is a necessary though not sufficient condition for effective employee voice. The survey asked about how well managers involve employee representatives in decision-making and how effective employee representatives are in taking employee view to management. As Chart 56 indicates, well over half (65%) of all respondents report that managers in their workplace are good or very good at involving employee representatives in decision-making and 58% reported their representatives at being good or very good at this. Less than 7% of respondents believed their representatives were poor or very poor at representing their views, while 15% reported that their managers were poor or very poor at involving their representatives.



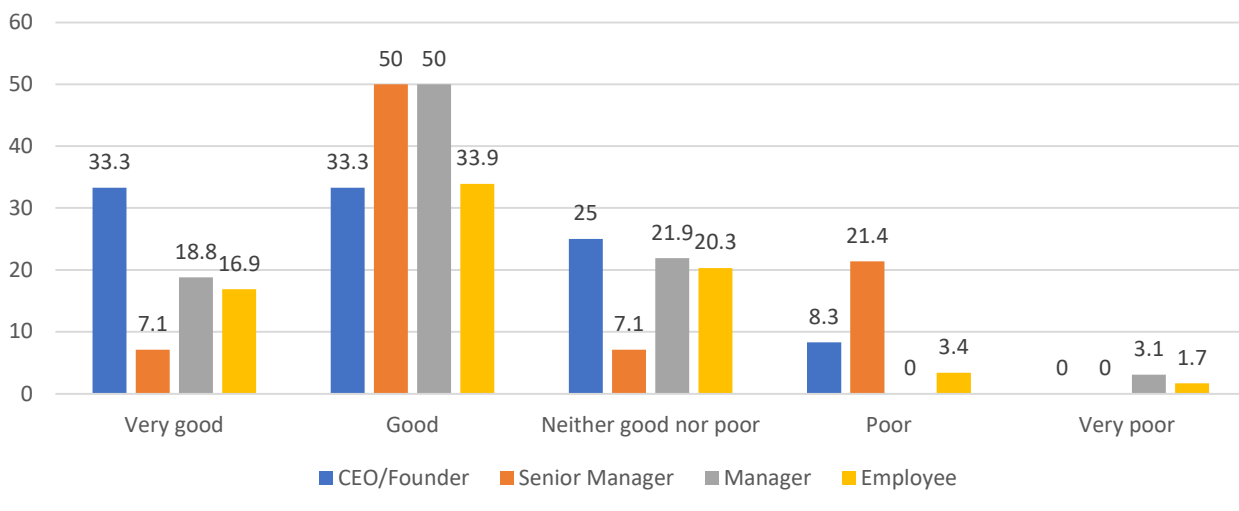
These responses vary significantly by role (Chart 57). Employees are least likely to state that managers at their workplace are very good or good at involving employees and their representatives in decision making and are most likely to state they are poor and very poor. Non-graduate employees are more likely to state their managers are very good and good at involving employees and their representatives in decision making. Conversely, graduate employees are more likely to say they managers are poor and very poor at involving employers and their representatives in decision making.

Chart 57: How good or poor would you say managers at your workplace are in involving employees and their representatives in decision-making? (%)



CEOs/founders are most likely to state that the employee representatives at their workplace are very good at representing employee views to senior management (Chart 58), While senior managers and managers are most likely to state that the employee representatives at their workplace are good at representing employee views to management, senior managers are also most likely to assess employee representation as poor.

Chart 58: How good or poor would you say employee representatives at your workplace are at representing employee views to senior management? (%)



Effective employee voice also includes access to accessible grievance procedures to deal with any issues that arise. Most employees (79%) were aware of the existence of a formal grievance procedure in their organisation though they had not used it, 14% were not aware of such a procedure, 3% of respondents had used the grievance procedure and were satisfied with it, and 4% had used but were dissatisfied with it. Respondents in organisations with union recognition were more likely to be aware of grievance procedures for raising concerns, problems or complaints with their employer, as were non-graduate employees.

Stakeholder and roundtable views on effective voice in the sector

Most of the stakeholders interviewed saw employee voice as important and were able to identify the channels and processes through which employee voice was delivered in their organisations. General comments such as ‘My organisation listens to employees’; ‘we say it as it is’ and ‘staff are included in decision making’ point, stakeholders suggested, to the prevailing culture of voice and to the importance of investing in good relationships with staff.

As the survey data above highlights, a significant proportion of third sector staff who responded to this survey were represented by trade unions for bargaining purposes. The stakeholder interviews indicated that representation through trade unions often sits alongside alongside other direct forms of employee voice.

‘We have a wide range of employee forums and regular TU contact...’

‘...we are good at ensuring dedicated time is spent on meeting together as a team fortnightly and at regular once monthly supervisions. Staff prepare templates ahead of these meetings ensuring they have contribution space. Time has to be set aside for this and all staff have to sign up. Within these meetings dialogue is constructive and challenge seen as opportunity for personal and professional growth. All staff members are Union members’.

Other stakeholders signaled no union presence in their organisations, with unions in their view not well suited to the nature of their organisations for a variety of reasons including, for one, a lack of response from trade unions to engage with them:

‘No one is in a union at present. We also have an Investors in People Silver Award which gives staff the anonymous opportunity to state any issues they may have. Staff contribute through their staff meetings’.

‘[our organisation] does not have enough staff that have joined a trade union, which may be reflected in the cost and the lack of trade union consideration for third sector. [We have] a staff reference group which is an opportunity for staff to

raise issues directly with the CEO, the group was created with input from ACAS. We do IIP where the staff voice, we also do you said we did...’.

‘Do not use external processes. Limited opportunities within budget constraints. Good informal support networks between staff’.

‘We are too small for a trade union recognition/ involvement though staff are welcome to join a trade union and our terms and conditions state that. We work collaboratively as a team, and our Board of Trustees engage very pro actively and constructively/ positively with staff’.

‘Unions not always interested in small workplaces – have been invited a number of times’.

In these organisations, stakeholders cited a range of direct communications and voice channels, both formal and informal, in operation, generally though not uniquely through managerial sponsored forms of communication, informally through the managerial chain and more rarely, through staff surveys:

‘... staff... receive one-to-one support and supervision every 6-8 weeks where their views are heard and this is fed back into strategic and operational planning. We also have fortnightly staff team meetings’.

‘ensuring worker views are sought...in .. ways such as regular informal supervision and monthly formal supervision’.

‘... I have an open door policy’

‘staff can approach their manager at any time, staff can approach Board members if they are not happy ... we carry out staff surveys, team meetings, support and supervision sessions’.

‘As we are such a small organisation staff are familiar with organisational procedures, regular team meetings help with communication...’.

‘I feel we do this well as an organisation with open communication...’

A number of stakeholders identified ongoing changes in their organisations emphasising more distributed leadership and democratic decision-making, which they believed had or would strengthen staff voice.

While small size was widely seen as an asset in facilitating good direct communications, there were also some distinctive voice challenges for small organisations:

'Anonymity and group voice is hard to secure in smaller organisations. Systems like consul or better Iceland's model are good to provide data to support these practices. This means they are more effective at delivering results and are this used more and more trusted'.

'As it such a small organisation, it can be challenging for staff to speak up when they are facing an issue'.

Time and workload pressures as outlined from the survey data above also impacted on the operation and quality of staff voice:

'...contracts are frequently part-time, we encourage joining a trade union, we encourage having a voice but time can be limited to share and have full dialogue'.

'Due to long waiting lists, our organisation is growing exponentially so it is difficult for manager's to feedback information regarding their department/staff members in our monthly staff meeting as we are under a time constraint'.

'Pressure of work and the demands of funding agreements/ service contracts mean that consultation is sometimes only that – it is not possible for everyone's view to be the prevailing one. Often when a view is expressed but not actioned, the individual does not feel listened to regardless of structures in place'.

Other workforce characteristics and attitudes were also identified that impacted on engagement with voice processes and voice effectiveness:

'Getting part time staff together for meetings can be challenging...'

'...we encourage participation and feedback from all staff, but it takes the younger ones a while to get the confidence to participate'.

*'Encouraging staff to participate in focus groups, surveys is challenging'.
'Staff are consulted, generally they choose not to complete surveys or respond to consultation, that's their choice, but things are offered, also face to face meetings, employee reps to back etc...'*

'... for it to be effective, people need to buy-in to it and have the time and energy to ensure this communication is meaningful and results in change'.

Lastly, some stakeholders identified a reluctance to engage employee voice across some senior management and trustees:

'...Executives are not supportive. There is no effective voice for employees within our organisation just now'.

'Employees have difficulty being heard by the Board Committee'.
'The senior leadership team are not happy about the interest in unionisation. They think the staff forum is sufficient'.

In such circumstances, some stakeholders argued, staff 'don't want to rock the boat!' by deploying their voice.

At the stakeholders' round table, some stakeholders noted that employees and many managers have little awareness of trade unionism, as well as noting that public sector unions in particular had been able to deliver better outcomes for their members in both pay and pensions. Given the latter, some advocated closer engagement with unions to provide, among other things, a more unified front with which to engage with policymakers.

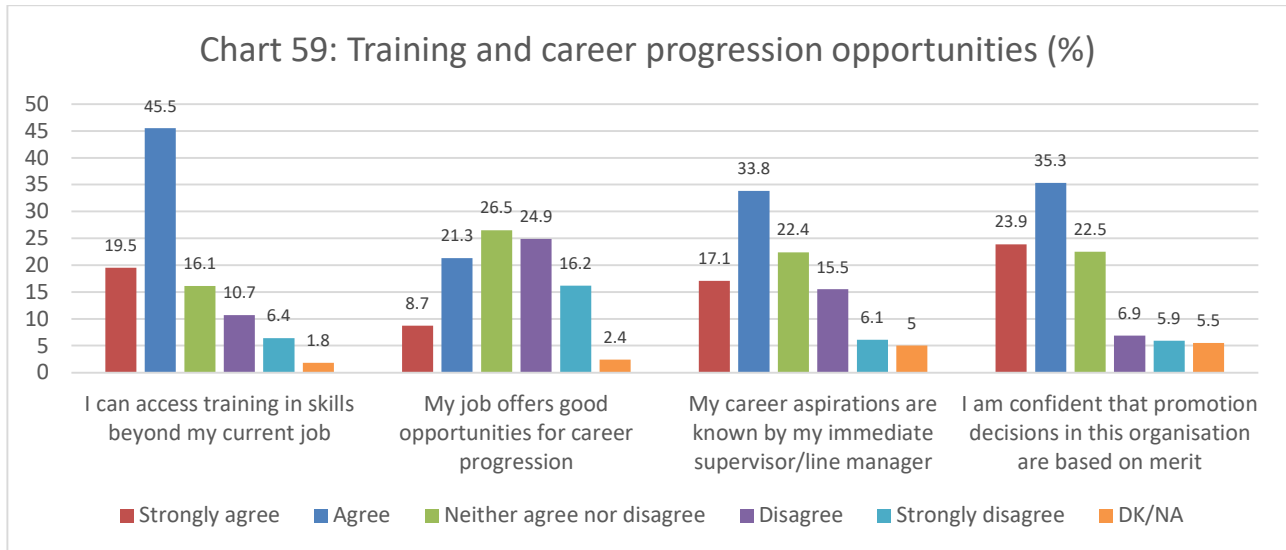
Opportunity

Opportunity as a dimension of fair work spans access to work, experience of work and opportunities to learn and progress in work. As all respondents were currently employed, this section focusses on any distinctive experiences of work for those with protected characteristics, and opportunities in work, specifically in relation to access to training, recognition of career aspirations and opportunities for career progression.

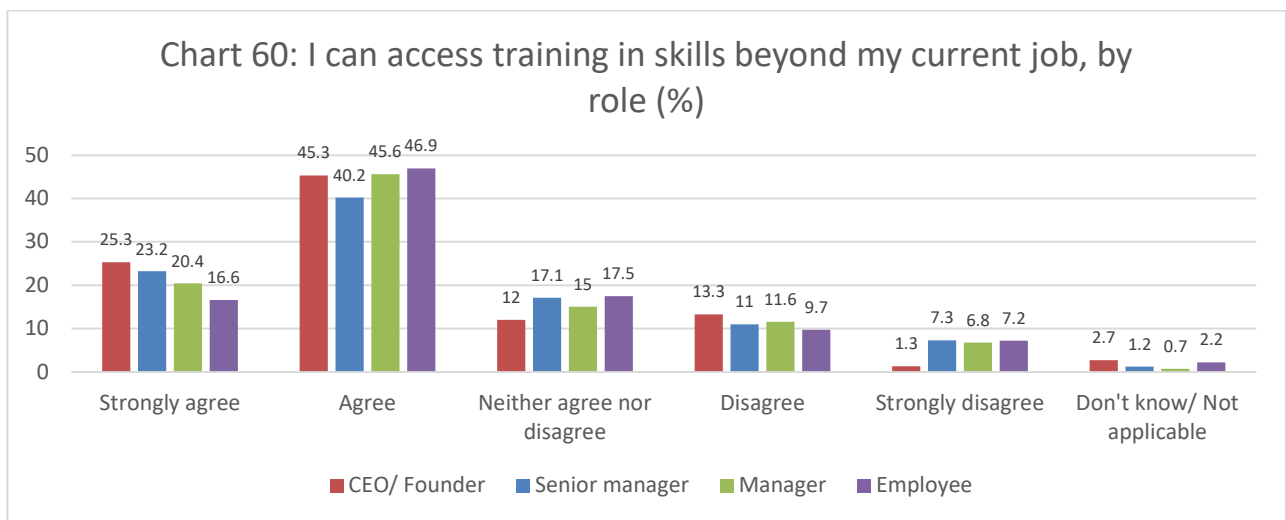
Survey findings

Opportunity as a dimension of fair work relates to the experience of those with protected characteristics, but also includes opportunities to learn beyond one's current job in order to open up other job or career opportunities. Chart 59 shows that a majority of respondents (65%) agreed that they could access training in skills beyond their current job, with 17% disagreeing, 16% neutral on the issue and the remainder not responding. Chart 60, however, indicates that more respondents disagreed (41%) than agreed that their job offered good opportunities for career

progression, with just over a quarter of staff responding neutrally. A majority (51%) of respondents were more positive that their career aspirations were known by their immediate supervisor or line manager, with just under 22% disagreeing on this issue.

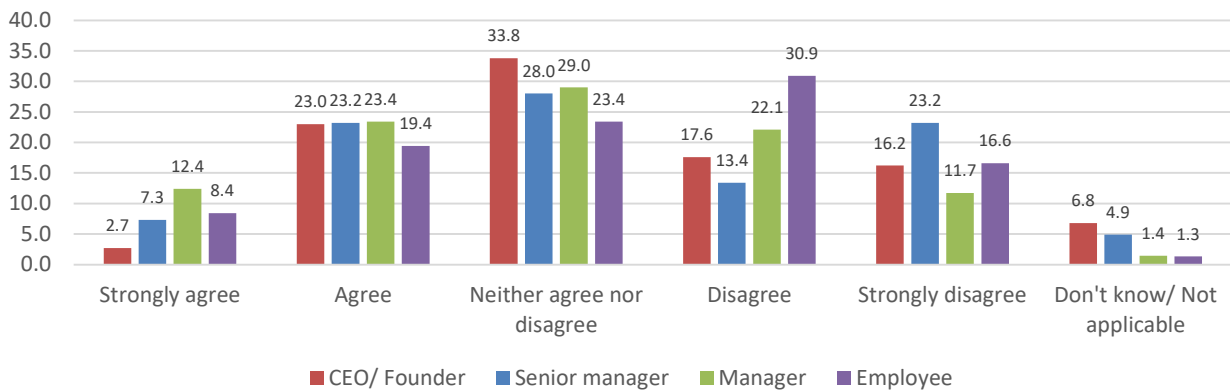


There were significant variations in responses to questions relating to opportunity by job role (Chart 60). Employees were least likely to strongly agree they can access training in skills beyond their current job, but also slightly most likely to agree and least likely to disagree, indicating that the strength of their support – rather than support itself – for the statement varied from that of managers.



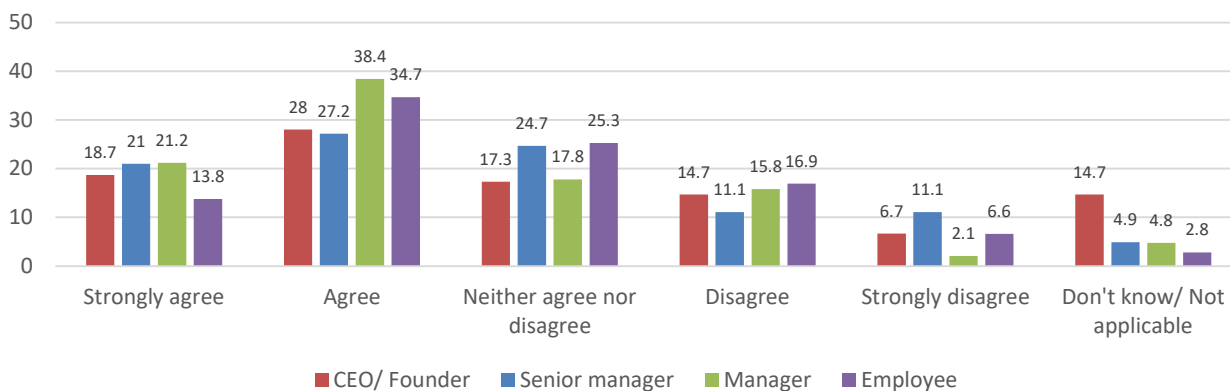
Perceptions of opportunities for career progression were also significantly affected by job role (Chart 61). Managers were most likely to agree that their job offers good opportunities for career progression while employees were most likely to disagree and, interestingly, senior managers were more likely to disagree, reflecting perhaps the limited options for progression to the most senior executive roles.

Chart 61: My job offers good opportunities for career progression, by role (%)



Along similar lines, employees were also least likely to strongly agree and most likely to disagree that their career aspirations within their organisation were known by their immediate supervisor/line manager.

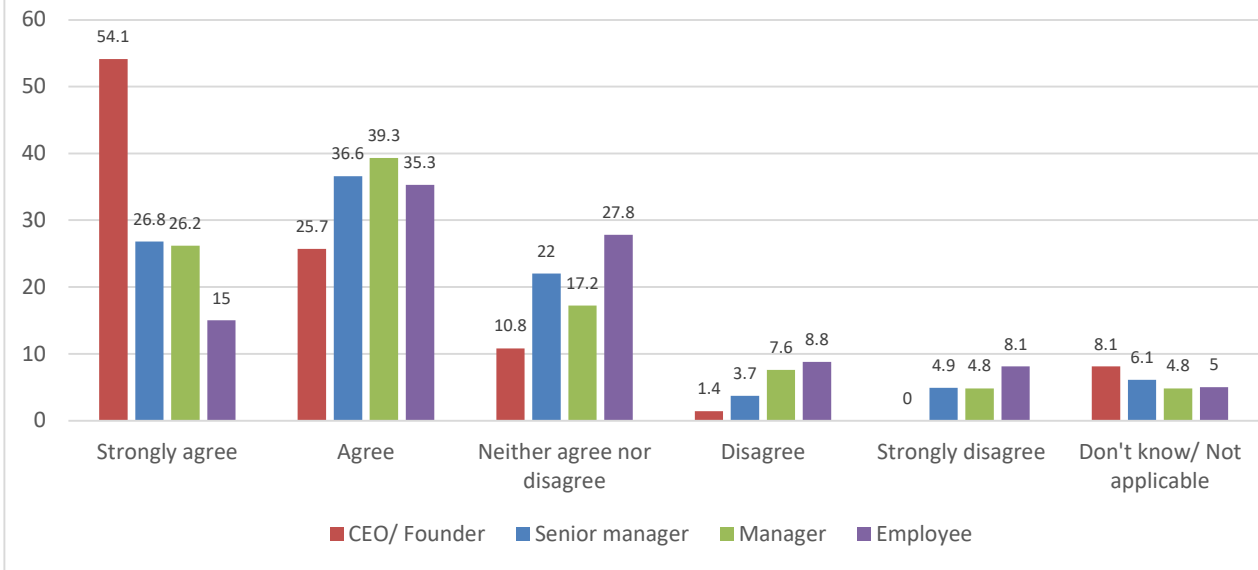
Chart 62: My career aspirations within this organisation are known by my immediate supervisor/line manager (%)



The statement on promotions aims to test perceptions of whether promotion is related to merit or other non-meritorious characteristics. A majority of staff (59%) were confident that promotion decisions were merit-based, with only 13% in disagreement and 22% giving a neutral response.

Again, roles influenced responses to this question (Chart 63), with employees least likely to strongly agree and most likely to strongly disagree that promotion decisions in the organisation are based on merit and, by contrast, CEO/Founders most likely to strongly agree with only one disagreeing and none strongly disagreeing.

Chart 63: I am confident that promotion decisions in this organisation are based on merit (%)



The previous sections examined all of the survey questions relating to each fair work dimension of security, fulfilment, respect and effective voice. Here, the report highlights any areas across all of these dimensions in which staff with protected characteristics responded significantly differently from others.

Women were less likely than men to agree that they were paid fairly for the work they do, and also more likely than men to disagree that they were paid fairly for their work – in either case, men were more likely to strongly agree or strongly disagree. Women were also significantly more likely than men to disagree that they would be financially secure if they became ill. In relation to fulfilment, women were less likely to strongly agree that they were well supported by their managers, and more likely to disagree than men. There were no reported differences in access to training or in assessments of prospects for career progression, nor in relation to any of the questions on effective voice. On respect, women were more likely to strongly agree that their managers were confident in their abilities. Women were both more likely to say that bullying and harassment doesn't occur, and less likely to agree that their employers deal with bullying and harassment effectively.

Turning to the relationship between ethnicity and fair work, there were a number of elements relating to security where the experience of workers varied significantly. Mixed ethnic and other ethnic workers were more likely than other groups to report having their working hours fixed by their employer, and more likely to choose their working hours between fixed schedules. Only white workers reported that their working hours were entirely determined by themselves. On financial security, ethnic minority staff were overrepresented amongst those reporting the lowest level of

financial insecurity. Those staff from mixed, multiple and other ethnic groups were significantly more likely than white or Asian staff to be unable to pay an unexpected bill of £200, and much more likely to borrow to pay it, while white workers were more likely to pay with their own money or savings.

There were no variations by ethnicity in any of the fulfilment or respect questions. All groups other than white workers were less likely to agree that their employers had a positive attitude to trade unions, and to be more polarised on the effectiveness with which managers involve employees or their representatives in decision making, being more likely to report that managers were either very good or very poor. On career opportunities, Asians/Asian Scottish and Asian British staff were less likely to agree they got access to training beyond their jobs, and along with other ethnic and mixed groups were more likely to disagree that such training was accessible.

There were a number of important differences in the reported experiences of younger and older workers. Older workers (over 50) were less likely to be on fixed term, temporary agency or zero hours contracts. Staff over 40 were more likely to work unpaid overtime hours. Younger staff (less than 24) were less likely to be able to flex or adapt their working hours. Those under 30 were more likely to agree that their pay covers their basic needs, but also more likely to report a likelihood of leaving their employment in the coming 12 months, and staff under 40 were more likely to be looking for a new job.

On fulfilment and age, while almost all staff were highly motivated by their work, older workers were stronger in their agreement than younger workers. Younger workers were more likely to report never having to work extra hard to complete a task. On respect, younger workers were less likely to say they were very well informed about health and safety matters, but more likely to say they were well informed.

Those under 30 were least likely to be aware of the existence of a grievance procedure, and less likely to assess employers positively in terms of involving employees in decision making, though there were no significant differences by age in the assessment of the effectiveness of employee representatives.

Turning to opportunity, those aged between 40 and 60 were more likely to agree that they could access training in skills beyond their current job, while those under 24 were least likely to agree about training access. Younger workers were less positive about career progression opportunities and whether their career aspirations are known by their managers, while those aged 25-40 were the most positive about prospects for career progression.

Staff reporting a disability were more negative on a range of questions relating to security. They were more likely to disagree that their employers prioritised providing a predictable income; that their pay covered basic needs; and that they were paid fairly for the work they did. Disabled staff were most likely to report the highest levels of financial insecurity, and more likely than non-disabled workers to be unable to pay an unexpected bill of £200, and less likely than non-disabled workers to pay such a bill from their own money or savings. Staff with disabilities were also more pessimistic than others about the prospects of losing their jobs and the ease with which they would find another job.

Staff reporting a disability were less likely to strongly agree that they are motivated by the work they do, though were more likely than others to agree. They were also more likely to disagree than other workers that they are well supported by their line managers. On respect, disabled workers were least likely to say that their hours were well suited to their family and other responsibilities, and less likely to agree that employers would deal effectively with bullying and harassment where it occurred.

Staff reporting a disability were no different in their responses to voice and opportunity questions than other worker. On the protected characteristics of religion and belief and sexual orientation, there were no consistent significant variations in staff responses.

Stakeholder and roundtable views on opportunity in the sector

Fair opportunity spans fair access to organisations and the ability to progress within them on merit, unhindered by any protected or non-merit related characteristics.

Many stakeholders stressed their commitment to equality and pointed to the range of organisational processes in place to ensure equality of opportunity and to deliver reasonable adjustments that create a level playing field for all staff. Perhaps ironically, some stakeholders noted that the inability to reward staff more financially required organisations to work very hard to deliver open and fair workplaces and to be responsive to individual needs around gender and childcare or disability:

‘... we strive to be flexible where staff have issues around childcare, illness etc.’

Some stakeholders, however, especially in small organisations, noted the challenges of supporting staff with disabilities where unplanned sick leave impacts significantly on capacity, and there were negative assessments by some about women’s experience in the sector:

'...[I] move sideways each time and end up in my 50s with no sense of having had a career, just jobs. This is compounded by complete gender discrimination, very subtle, around all aspects of being a parent, just the tiny things that make it hard to progress'.

Turning to opportunity to progress, some stakeholders were very positive about their organisation's commitment to staff learning, skills acquisition and career progression, even in the context when formal opportunities for progression are limited:

'There is a commitment to providing opportunity and this is backed up by policies, practices, and crucially, the ethos of the organisation. We are a fairly small organisation so there are limited opportunities for career progression; however, we do encourage people to learn new skills and take on new roles and we review salaries to reflect this where appropriate'.

'Opportunities for career progression are sometimes low due to funding arrangements and low turnover of senior positions, however we encourage people to apply when posts are vacant and provide learning and development opportunities which upskill and assist people to be career ready'.

'...given the structure of the organisation, opportunities to progress can often be limited. When opportunities arise, however, I think they are offered fairly to all'.

The small size of many third sector organisations combined with constraints on funding in the sector and low senior staff turnover created conditions in which some stakeholders acknowledged and indeed supported staff both to be ready for internal opportunities but also to develop in ways that might actually lead them to leave their jobs and seek better opportunities elsewhere, thus creating capacity for the wider third sector:

'...to support staff development sometimes we have support them to leave to further their careers and increase their salary'.

'... we offer excellent CPD opportunities and actively support staff to progress even if this has to be by leaving us and taking a job elsewhere. We feel that we contribute to the wider sector in this way by training up quality staff'.

However, stakeholders more commonly reported that a lack of career progression opportunities was negative for the sector and its workforce. While a minority attributed this to staff - 'staff very reluctant to take up opportunities for personal growth or career advancement' – more voices identified '*limited internal promotion opportunities*' in the context both of small and flat organisations:

'Our organisation is very small and so opportunities are scarce'.

'Small organisation which has a very top heavy management structure so there's basically no room for promotion unless someone leaves'.

'Small organisation with flat staff structure so limited opportunities for promotion. Experienced staff move up the salary scale with annual increments but have limited opportunities to take on extra responsibilities'.

'Small organisation and high staff retention make career progression within the organisation challenging'.

'There is minimal progression path as lean organisation'.

'Glass ceiling. Horizontal structures are fine but not helpful if you want to progress and there is nowhere to go. People can't get the experience they need to develop'.

'Little opportunity for progression. Most managers were made redundant in a recent review. Some have been given alternative job titles. However, the management positions 'flowing' from what I do have all disappeared'.

Challenges in relation to limited career progression created a range of outcomes. Some organisations accepted the limitations of career opportunity and focused on delivering other valued job aspects:

'... there's no opportunity for career advancement. All current staff have come from previous jobs – work/life balance is the main driver for all of us rather than career progression'.

Other consequences of being unable to offer much in the way of career progression were more negative in terms of both wasted training investment and staff retention:

'Lack of progression often means we train staff to SVQ level and then we lose them to bigger providers'.

'... people come to get experience and then move onwards to other places that pay better...'

While managerial stakeholders were acutely aware of the difficulties caused by limited progression opportunities, some were less convinced that senior management and trustees recognised this as a concern:

'There is not much opportunity for career progression within the company structure as most roles are specialist in nature, giving little opportunity/ need from a company perspective to introduce a further hierarchy across the staff team'

'Some senior staff are extremely risk-averse when it comes to being more innovative/ expanding our services, and so this prevents us from, for example, hiring and training more staff and promoting existing staff to more responsible roles'

'... my staff members have no opportunity to progress and I feel our trustees do not recognise this'

In addition to attitudes towards progression, the impact of shift patterns could be negative on capacity for effective supervision to support progression, particularly in circumstances where staff are 'acting up.'

Key findings

- Most concerns raised in the data are in relation to the security and opportunity dimensions of fair work.
- There are a mixture of very strong and some weaker scores in relation to fulfilment, representing the intrinsic value of the work but also its demands.
- Respect and voice indicators were strong overall, with pockets of concern by a small minority of staff.
- Where variation in the responses was significant, this largely related to:
 - the different experiences of managers and other employees;
 - to those on open-ended or longer, compared with shorter, contracts; and
 - to difference in household composition, between single adult households and others.
 - On a few variables, graduate employees differed significantly from non-graduate employees.

Options for improving experiences of fair work

A number of issues are highlighted in this report that point to areas of potential improvement in order to further embed fair work in the third sector in Scotland.

In relation to contractual security, it is clear from the data that open-ended contracts are associated with more positive responses from employees, and that even where open-ended contracts are not offered, there is a benefit in longer rather than shorter fixed-term contracts. Where possible, TSOs should strive to adopt open-ended contracts and longer fixed-term contracts, and funders should strive to support TSOs in delivering this.

There are real concerns over the adequacy of pay at lower levels in the sector. Given the human capital profile in the sector, with high numbers of graduate staff, payment of the RLW is not in itself a sufficient response. Parity in pay with the public sector when delivering the same or similar services should be a strategic objective and a feature of dialogue with public funders.

There is a case to be made for more open discussions with staff in the sector in relation to financial wellbeing. Staff from single income households fare far less in the sector than their dual or multiple earner colleagues.

Fulfilling and meaningful work is an asset in the sector – but there needs to be considerable care to avoid fulfilling work becoming overly demanding work. Here too, dialogue at workplace and organisational level is crucial to ensure that jobs have the optimal level of challenge, engaging but not exhausting staff.

Demanding work is a particular issue at a leadership level, which may have implications for wellbeing. To manage the demands on senior staff, there is potential to consider job crafting for staff below senior levels to take on additional responsibilities (commensurate with appropriate remuneration) that in turn would produce more opportunities for career progression.

The survey identified pockets of concern over respect at work, including for those with protected characteristics. These issues might usefully be discussed and monitored at local level on an ongoing basis.

Smaller organisations can often aid employee voice, and there is much support for informal forms of voice in the sector. There is less evidence, however, of the effectiveness of voice. TSOs might consider better evidencing the effectiveness of voice. The first stage in so doing is a dialogue around whether staff perceive that

their voice is heard, moving on to open dialogue around 'you said, we did' to ensure voice effectiveness and convey to staff that their voice can have impact.

There are mixed views in the sector on trade unions as a mechanism of voice, though this sits alongside a recognition that unions in the public sector appear to deliver better outcomes for their members. Greater dialogue with trade unions, and a joint employer-union voice, might help to ensure greater investment in fair work and greater engagement in voice in the sector.

A potential for gaps in the understanding of staff experiences by senior management and Boards/Trustees might be addressed by more explicit engagement with the requirements and benefits of fair work at organisational level.

To conclude, while there are opportunities for deepening and broadening engagement with fair work practices in the third sector, it is worth re-iterating that there is strong evidence of good practice in the sector across multiple dimensions of fair work. This is an asset for the sector and should feed into its communication and dissemination strategies, as well as feature in its recruitment approaches.

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