Civil Society Organisations – A New Employment Actor

Edmund Heery, Brian Abbott & Steve Williams

Introduction
A key event in the British employment year is the publication of the Workplace Equality Index each January, a ranking of the top 100 ‘gay-friendly’ employers by Stonewall, the UK’s main campaigning organisation for lesbian, gay and bisexual people. Stonewall also runs a membership scheme for employers, Diversity Champions, through which it promotes good practice in the management of LGBT employees, and operates an advisory service for global employers who may deploy gay staff to countries with hostile legal regimes.

In similar vein, a key issue on the British employment scene is the Living Wage, a wage calculated to provide a minimum, decent standard of living to workers who receive it. This issue has become prominent in recent years as a result of campaigning by the community network, Citizens UK. The latter’s sister organisation, the Living Wage Foundation, operates a procedure through which more than 900 employing organisations have been accredited as Living Wage Employers.

These two examples point to an important development in British employment relations. Civil Society Organisations (CSOs), like Stonewall and Citizens UK, are playing an increasingly prominent role; acting as representatives of particular constituents within the working population, directly seeking to shape the practices of employers and campaigning for new law and changes in public policy. They have become significant employment actors.

Our original research, funded by the Nuffield Foundation, indicates that there are about 400 CSOs operating either at UK-level or within the constituent nations of the United Kingdom, which are trying to influence domestic employment conditions here in Britain¹. These CSOs almost invariably
have charitable status and form part of the third or voluntary sector, relying on charitable donations, grants and, in some cases, contracts with government to provide services to fund their activities.

CSOs include advisory and advocacy organisations, such as Citizens Advice, organisations of ‘equity-seeking’ groups focused on an equality agenda, such as Age UK, Fawcett, RNID and Arthritis Care, and campaigning organisations concerned with single issues, such as the needs of carers, migrants, safety at work, bullying, privacy and protection of whistleblowers. Most of these organisations are not concerned only with the workaday selves of the people they represent: Stonewall campaigns on bullying in schools alongside its workplace programme, while Citizens UK is concerned with the citizenship rights of immigrants as well as the Living Wage. The employment sphere has become more important for many CSOs in recent years, however, and as they become more significant players in the British system of employment relations, there is a need to understand their interaction with more established actors, such as government, trade unions and employers.

In what follows, we use our research to identify the different ways in which CSOs seek to shape the world of work and the reasons why they have become more employment-focused in recent years. We also reflect on their significance, by identifying the kinds of effects they generate within our employment system and the implications of their role for other, more established employment institutions.

Over the past three decades, British employment relations have become more complex and fragmentary, played out by a large ensemble of leading and supporting institutional actors. This change is particularly apparent with regard to the representation of worker interests: where once there were just trade unions there are now multiple channels of worker voice. The increasing prominence of CSOs is part of this more general, underlying trend towards complexity.

**CSO activities**

Our research indicated that much CSO activity takes place at what might be considered the two extremes of the employment system. At the base they provide work-related services to individuals, while at the apex they are involved in the political process, conducting a dialogue with government.

Services for individuals assume two main forms. On the one hand, CSOs provide rights-based information, advisory and advocacy services to their worker-members or constituents. They inform workers of their employment rights via leaflets, websites and presentations, hire specialists or rely upon volunteers to provide advice, and on occasion function as advocates, representing workers before the courts. Some CSOs, such as Citizens Advice, concentrate on work of this kind though it is also a feature of the work of many other identity and single-issue CSOs.

On the other hand, CSOs often provide labour market services to workers that help them find or retain work and build careers, either as employees or as self-employed, independent contractors. Stonewall runs a leadership programme to support the careers of gay and lesbian managers, while many occupation or sector-specific women’s organisations, such as Women in Manual Trades, Women in Film and Television and the Women’s Engineering Society, offer training, mentoring, networking and job placement services to help their constituents navigate the labour market. In this labour market focus, operating beyond the bounds of the employing enterprise, it can be noted that the service provision of CSOs differs
from much of that provided by trade unions to their members. The latter is delivered typically within the walls of an employing organisation by virtue of an established employment relationship, even when it takes the form of access to training through unionlearn or some other provision.

At the other extreme, most CSOs report that they represent their constituents’ interests in the political process and have dealings with government, often at multiple levels encompassing local, national, UK and European activity. In some of this activity, CSOs operate as classic ‘political outsiders’, using protest and other actions to exert pressure on government for change. An example of this kind of activity is the sponsorship of high profile legal cases to challenge public policy. The partially successful challenge to the default retirement change mounted by Age Concern (now Age UK) and the unsuccessful challenge to the Coalition Government’s 2010 emergency budget mounted by Fawcett, on the grounds that it had disproportionately negative consequences for women, are cases in point (Conley 2012; Farnham 2010).

Much CSO interaction with government, however, does not take this form. On the contrary, CSOs more frequently act as ‘political insiders’, responding to government requests for information and advice, serving on commissions and committees, and in many cases, receiving substantial funding from government to provide services or help implement policy. CSOs representing older people and the disabled, for example, have been funded to provide training to the unemployed (Davies 2008), while Stonewall and several women’s organisations have been funded to provide advice on equality law and diversity management. In this insider activity, it is soft power, expertise, legitimacy and the ability to access hard-to-reach minorities, rather than a capacity to mobilise support or sanction opponents, which is the basis of CSO influence.

In between these extremes, our research identified a third type of activity, which initially surprised us: substantial attempts by many CSOs to shape directly the employment practices of employers. Stonewall’s Diversity Champions programme and Workplace Equality Index are the best known and most successful of these attempts but they are certainly not unique. CSO engagement with and attempts to influence employers assumes a number of different forms. It is common for CSOs to offer corporate membership to employers, which in some cases forms the basis of a formal programme, such as Stonewall’s Diversity Champions, and it is also common to develop partnerships with individual businesses or management organisations to promote particular initiatives. MacMillan, for instance, has worked with CIPD to promote good practice in the management of workers with cancer.

Identifying good practice and enshrining it in voluntary codes, advice or standards have been central to the CSO orientation to employers. Also central have been attempts to diffuse good practice by offering training and consultancy, written guides, case studies, audit tools, benchmarking, award schemes and accreditation. Generally, this package of measures has been sold to business through a very strong articulation of the ‘business case’ for diversity; that acting in accordance with CSO standards will reap tangible performance benefits. The standards themselves have tended to embody core themes of diversity management: ‘valuing difference’ through symbols and events that acknowledge the contribution of minority groups and afford them respect; ‘voicing difference’ through the creation of identity networks and other forms of direct participation; and the introduction of flexible employment rules, particularly in the area of working time, to accommodate the needs of carers, the disabled, older workers and others (Heery et al. 2014).
In combination, these measures constitute a substantial attempt to develop private voluntary regulation of the employment relationship, a set of rules that employers can follow, enforced not by legal sanction, but by the promise of enhancement of corporate reputation or performance benefits (Williams et al. 2011). It is recognised that on an international scale CSOs have played an important part in developing regulation of this kind, most notably with regard to codes of conduct designed to raise labour standards along supply chains (O’Rourke 2003). What our research indicates is that CSOs also engage in this kind of standard-setting within the domestic economy, seeking to encourage good management practice within the United Kingdom. They are not the only type of institution engaged in this kind of activity: employers’ organisations such as Business in the Community and the Business Disability Forum also produce codes of practice for their member businesses. But CSOs appear to be particularly active in this form of behaviour, generating a substantial body of labour-market regulation.

**Reasons for employment activity**

Why have CSOs become more active in the employment sphere in recent years? The answer to this question is necessarily complex and will vary from CSO to CSO though perhaps three reasons have been paramount. The first and most obvious is that CSOs have provided representation to their worker-constituents where it is apparent that there is an urgent need for them to do so. Carers organisations, such as Carers UK and Independent Age, have been drawn into campaigning on work-life balance because their constituents face major problems in combining paid employment with child and eldercare; disability organisations, such as Arthritis Care, Mind and MacMillan, have targeted employers because of a perception of continuing exclusion of disabled people from many workplaces; Citizens UK and other organisations focusing on ‘vulnerable workers’ have been stimulated to activity by evidence of pressing problems of low-pay and in-work poverty.

Behind much of this rising demand has been a long-term shift in patterns of social mobilisation and the emergence of new social movements from the 1960s onwards. Older people, gays and lesbians, the disabled and more latterly faith groups have become more assertive, demanding respect and equal treatment in all spheres of social activity, including the workplace. The rise of identity-based movements is global in scope, moreover, allowing for the transfer of campaign themes and methods from overseas. Thus, Stonewall’s Workplace Equality Index is based loosely on the Corporate Equality Index created by its American sister-organisation, Human Rights Campaign (HRC), while the Living Wage Campaign first emerged in the US and has used the methods of community activism pioneered by the Industrial Areas Foundation (Holgate 2009).

If push from below has been important then so too has pull from above. In developing their employment activity, CSOs have responded to two types of opportunity that have drawn them into work of this kind. The first has been the decline of trade union membership and coverage by collective bargaining across much of the labour market in recent decades, which has opened up fresh territory for CSOs. This factor has perhaps been most relevant in the case of general advocacy CSOs, such as Citizens Advice, or for CSOs whose campaign themes draw them to the largely non-union, private service or construction sectors: the experience of Citizens UK or the CSOs of migrant workers, are cases in point.

The relationship between unions and CSOs is a complex one, however, and it would be wrong to assume either that they are replacing unions as institutions of worker
voice or that they can only thrive in contexts where unions are absent. Many CSOs are most active in the heavily unionised public sector for precisely the same reasons that unions flourish there: the ‘good employer’ tradition renders management receptive to their agenda. It is also the case that unions have adapted to the rise of new social movements and拥抱 many of the campaign and policy themes that feature prominently among CSOs. Gender, ethnicity, sexual orientation and disability are now union categories, embedded in systems of union government and recognised within collective agreements. Partly for this reason, joint work between unions and CSOs is relatively common and in many respects the two types of institution reinforce rather than replace one another.

The other opportunity has been provided by government policy and it is pull from this direction that has probably been decisive in drawing many CSOs into the employment realm. This factor has certainly been important in the case of Stonewall, whose workplace programme has largely grown in the wake of the EU’s Employment Equality Framework Directive 2000, which outlawed discrimination on the grounds of sexual orientation. It has also been influential in the Living Wage campaign: the National Minimum Wage Act 1998 furnished a target for critique while simultaneously opening up debate about regulating the low wage economy.

It is possible to point to numerous other examples; to cases where the employment relations activity of CSOs has grown in the ‘shadow of the law’ and associated public policy. Of course, CSOs themselves have been architects of this same body of law, using their involvement in the political process to press for its enactment. Once law is in place, however, it has to be implemented and interpreted and it is this post-legislative phase that has granted CSOs their primary opportunity. Many of their services to individual constituents, from advice-giving to the provision of training, have grown on the back of public policy, and the same is true of the services delivered to business. CSOs like Stonewall have played an important role in ‘mediating’ the law for employers, helping them ensure that they are compliant, while also furnishing a strong rationale for compliance through the ‘business case’. The private voluntary regulation that CSOs have developed for employers embodies good practice that frequently extends beyond the requirements of the law but it is connected umbilically to statutory regulation that lies behind.

Impact and significance
There is a long tradition of research that has assessed the impact of trade unions by comparing the wages and employment conditions of unionised and non-unionised workers. Work in this vein, using the Workplace Employment Relations Survey and other official sources, continues to demonstrate a broadly positive effect from union representation (van Wanrooy et al. 2013). Sadly it is not possible to perform the same kind of evaluative exercise for CSOs – the data simply are not available - and, instead, as a second best, via our survey and interview programme we asked them to judge their own pattern of impact (Heery, Abbot and Williams 2012).

The results were intriguing. The most frequently reported effects concerned agenda-setting: the use of research, joint-working with other institutions, and policy advice to raise the profile in the media and amongst public policy makers of the workers and issues with which they were concerned. It was especially common for CSOs to report that they had shaped public policy. From our research, the success of Citizens UK in promoting the Living Wage as a policy solution to in-work poverty is a particularly strong illustration of this agenda-setting capacity. Success in securing a change in the law was reported less frequently though
we did identify a number of examples: Age Concern’s challenge to the Default Retirement Age has already been mentioned; another example is the successful lobbying by the National Group on Homeworking to ensure that homeworkers were covered by the National Minimum Wage (Holden 2007).

Other areas in which large numbers of CSOs reported success were in providing information and advice to individual workers to help them resolve work-related problems and in influencing the practices of employers. Rather less common were reports of success in influencing the policy of trade unions. A good number of CSOs, including Stonewall and Citizens UK, have worked with unions and, as was noted above, the activities of the two types of institution can reinforce one another. The main foci of the employment initiatives of CSOs, however, have been individual workers, to whom they provide advice and support, and employers, for whom they have formulated good practice, and it is in influencing these groups that CSOs report greatest influence.

Our research can also form the basis of a provisional, qualitative assessment of the employment activity of CSOs, its strengths and limitations. Four central elements of this activity are: the role of CSOs in providing support to individual workers, CSO interaction with government, attempts to shape the behaviour of employers through private voluntary regulation, and CSO dealings with trade unions. An evaluation of each of these elements is offered below.

With respect to individual workers, there are some extremely positive features of the servicing that CSOs provide. They are specialist organisations attuned to the distinct needs of their constituents and as such are in a position to provide expert and highly tailored support. The work of RNID in catering to the needs of profoundly deaf workers is an example: this is a substantial but dispersed minority within the working population whose needs cannot be met by general representative institutions but which require dedicated representation. CSO action to support vulnerable workers through advocacy and campaigning provides another case. These are workers who tend to fall outside the remaining bastions of union strength and in the absence of Citizens Advice or other voluntary organisations they would have little access to support. The main weakness of CSOs as agents of individual worker representation is that generally they do not have a presence at the workplace. In this they differ noticeably from trade unions and are often in a position of seeking redress for vulnerable workers after they have lost their jobs or experienced some other major difficulty at work. Their capacity to make a decisive intervention at this stage unavoidably is limited. This weakness, moreover, is compounded by the modest resources that many voluntary organisations can commit to worker support and representation (Tailby et al. 2011).

With regard to government, the expertise of CSOs and their ability to articulate the needs of specialist worker-constituencies are both sources of influence and attractive features to public policy makers. Many CSOs are well-equipped to participate in the ‘governance’ state, in which ‘public service policy and delivery [are] no longer the exclusive concern of government’ (Bach and Kessler 2012: 29) but involve an array of non-state actors. Thus, CSOs have participated in task groups and other fora charged with developing public policy and have often been contracted by the state to provide employment-related services both to individuals and to business. Again, though there are structural weaknesses in the CSO position. Notwithstanding their agenda-setting role, many CSOs are dependent on opportunities emerging within public policy that allow them to exert influence. In a context of austerity and reticence with regard to further labour market regulation
these opportunities have declined. Moreover, the dependence of many CSOs on state funding runs the risk of compromising their independence, pushing them to a more consensual or less controversial agenda than may be warranted by the situation of those they represent. A further challenge to the public policy role of CSOs stems from the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014. It is believed widely amongst CSOs that the new restrictions on political expenditure in the period preceding elections will restrict their ability to campaign on behalf of clients and constituents and will add further pressure to avoid contentious issues (Commission on Civil Society and Democratic Engagement 2013a; 2013b).

The involvement of CSOs in directly shaping management practice through codes of private, voluntary regulation is the most striking finding of our research. Its foundations include the broad embrace by employers of diversity management since the 1980s, the capacity of CSOs to mediate employment law and the interest of many employers in developing positive ‘employer brands’ through high profile policies of corporate social responsibility. The weaknesses of this pattern of interaction are those which are inseparable from voluntary systems of regulation. The first is that the incentive to comply is likely to be highly variable across the population of employers and to rise and fall over time (Pennycook 2012). Thus, it may be of benefit to businesses with vulnerable consumer brands or which actively recruit young graduates to feature in Stonewall’s list of gay-friendly employers but for many other organisations these considerations will not apply. Similarly, in a context of harsher trading conditions experiments with family-friendly practices, which have afforded carers’ organisations influence over business, may become more difficult to sustain.

A second problem relates to systems of accreditation of business and the risk of surface-level compliance. Employers may be able to demonstrate seeming compliance with standards of good practice promoted by CSOs and secure accreditation from them, when their commitment to CSO objectives is superficial, temporary or leads to only marginal changes in management behaviour. CSOs, like Stonewall and the Living Wage Foundation, which operate accreditation systems for business, are aware of this problem and have devised methods of audit to keep it in check. It remains a potential point of weakness, however, which is likely to be exacerbated when CSOs have little or no on-going presence at the place of work in order to check that commitments made by employers are being honoured in day-to-day operations. It is partly for this reason that Stonewall and a small number of other CSOs promote the creation of identity-based networks within accredited organisations: these networks can monitor employer behaviour and ensure that good employment standards, set out in CSO codes, are adhered to. CSO formation of identity-based networks is a minority trend, however, and their effectiveness and sustainability are uncertain.

The most commonly reported relationship with trade unions by CSOs is constructive. Much of this work takes place in the political sphere, where CSOs and unions may work as allies pressing for changes in government policy. However in other areas, the relationship between CSOs and trade unions has sometimes been more fraught with unions complaining of CSOs dealing directly with employers ‘over the heads’ of unionised workers and their representatives, while CSOs have been concerned about unions neglecting the needs of their worker-constituents (Holgate 2009). Elsewhere, the relationship between the two is one of indifference: unions and CSO operate in different parts of the economy or address
separate issues that do not bring them together (Heery, Williams and Abbott 2012). Where there is relatively little contact is at enterprise or workplace levels, a perhaps surprising finding given the commitment of many CSOs to shaping management practice. Arguably the main structural weakness of CSOs as agents of worker representation is their relative absence from the workplace. As a result there may be scope for more joint work with unions, which focuses specifically on workplace activity. There may be benefit in CSOs making use of workplace union organisation to ensure their campaigns, policies and codes are implemented and sustained over time.

Conclusion
The distinguishing feature of the contemporary system of employment relations in Britain is its hybrid character. For much of the twentieth century trade unions were the default institution of worker representation and collective bargaining and associated institutions, such as statutory wages councils, determined the employment relationship of the majority of workers. There was one dominant institution of worker representation and one dominant method of job regulation.

In the twenty-first century much of this historical pattern has eroded. There is now a multiform system for representing worker interests, embracing unions, statutory participation through European Works Councils and procedures established under the Information and Consultation of Employees (ICE) Regulations, employer-led schemes for worker involvement, and representation through CSOs. These different institutions of voice, moreover, often interact in a complex hybrid, in the manner that CSOs sometime form alliances with trade unions. There is also a multiform system of regulation, which includes joint regulation through collective bargaining, an expanding body of employment law with supporting statutory codes, and private voluntary regulation, of which CSOs are primary architects. As we have seen, these different types of employment rule also interact, forming a complex pattern of ‘layered’ regulation: seen, for example, in the way in which private regulation develops in the shadow of and extends the reach of employment law. CSOs are significant new actors in British employment relations that are increasingly implicated in these emergent, hybrid forms. Into the future, the other players in the system, government, employers and trade unions, will increasingly need to respond to their presence.

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References


Our research into CSOs comprised three main elements, conducted in 2007-2008. First, using the internet and archive sources we mapped those CSOs which seemingly had an employment role, producing detailed profiles of 422 charities, campaigning organisations and voluntary bodies that operated either at UK-level or within Wales, Scotland and Northern Ireland. Second, we surveyed this population and elicited a total 141 (33 per cent) responses from Chief Executives or other leading officers of CSOs. Of those CSOs surveyed, it was apparent that only 131 (31 per cent) currently had a significant employment-focused role. This survey yielded detailed information on the structure of CSOs, their pattern of activities, and relationships with other employment actors. Third, a programme of telephone and face-to-face interviews was conducted with senior officers from 35 CSOs, including identity-based CSOs concerned with questions of equality and diversity, CSOs of carers concerned with questions of work-life balance, advice and advocacy CSOs that provide a service to the general working population, and CSOs representing workers in ‘vulnerable’ labour market positions, such as homeworkers and migrants. A small number of supplementary interviews were also conducted with representatives of trade unions and employers’ organisations. In total more than 60 interviews were carried out. A full account of the research can be found in Heery, Abbott and Williams (2012). Since completing the original research, we have continued to monitor the involvement of CSOs in the British employment scene, including carrying out further interviews with senior officers of several organisations included in the initial interview programme.

There are other significant differences in the forms of representation offered to workers by trade unions and CSOs (see Heery et al. 2014). The focus of the latter is often on catering to the interests of individual workers, requiring help or support, rather than on the collective interests traditionally espoused by trade unions. Moreover, many CSOs are not formally democratic organisations: they seek to speak on behalf of worker constituents, often using market research or the secondment of activists to their organisations as a way of connecting with this constituency. Trade unions, in contrast, are membership organisations, whose leadership is held to account and whose policy is formed through a democratic process.
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