INDUSTRIAL STRATEGY INQUIRY: JOINT RESPONSE

Although our respective organisations will be looking to submit individual responses to your inquiry into the government’s new industrial strategy we wanted to send this joint response on two aspects relating to the strategy that we feel strongly about.

The Government’s desire to create a comprehensive industrial strategy is extremely welcome and has the potential to help increase the UK’s competitiveness and crucially address the UK’s poor productivity record. There are many choices Government can make over the nature of industrial strategy, for example whether it focuses specifically on sectors or ‘place’ or looks more broadly at key issues facing all businesses.

Whatever the approach taken, it is our view that given the UK’s productivity challenge, an industrial strategy should encompass and support both small and strategically important industries and larger sectors where there are key challenges around boosting pay and the design of work in the face of rapid change. This will be critical if the UK is to meet the Prime Minister’s ambition to make Britain a country that works for everyone, boosting national economic performance and individual social wellbeing.

The other key focus of industrial strategy that has been missing in the past has been that of improving workplace practices particularly around how people are led and managed, how jobs are constructed and investment in training and development. In our view, supported by a growing body of evidence, a significant part of the current productivity paradox lies in what is happening in UK workplaces. Evidence suggests the quality of UK leadership and people management in the workplace is lagging behind our key international competitors. Consequently, an effective industrial strategy needs to set out how Government can work with employers, employees, trade unions and business organisations, professional bodies and government agencies on a national, sectoral and local level to raise the quality of leadership and people management practices in order to create more inclusive and high performing workplaces.
We intend to explore these issues in more detail at a roundtable meeting later on this year, or early next, and we would be delighted to extend an invitation to members of your select committee if they would like to participate in the event.

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