# Activity H: Opening scenario – negotiations at Stationery State

Stationery State is a private company formed in 1988 following the privatisation of the Government Supplies Agency (GSA).

It publishes and sells specialist and technical government publications to industry and the general public in the UK and around the world.

It has a 10-year renewable contract with the Department of Innovation, Trade and Specialist Affairs. Though it is largely self-sustaining, a fall in demand for its products and cuts in government funding have necessitated a recent corporate belt-tightening exercise.

The company was established as a not-for-profit entity but is under increasing pressure to operate along more commercial lines.

When the company was initially formed, most of the staff were transferred to it from the GSA. They retained their civil service status and, although some reorganisation and harmonisation has been carried out, the rather hierarchical grading structure inherited from the GSA remains pretty much intact for the staff who were transferred in under the Transfer of Undertakings (Protection of Employment) Regulations – TUPE.

The company’s headquarters are just outside Preston where it employs 650 staff. 50 of these, all of whom are multi-lingual, work in the call centre which is a 24/7 operation.

Nearly all of these staff are highly skilled migrants from the new EU states in eastern and central Europe. With one exception, this team is not on civil service terms and were employed after privatisation. They receive a foreign language skills allowance won as part of an earlier pay agreement.

Stationery State considers itself to be an *employer of choice* in the local area due to its favourable terms and conditions. The company also has a network of retail shops around the UK which in employ a further 70 people.

The company retains the civil service love for process and procedure and most aspects of the employment contract are covered by some sort of process or other. Many, including the equal opportunities policy, have not been revised in any meaningful way since the company was formed.

The company is quite top-heavy with about 60% of staff concentrated in the higher grades. The remainder are administrative and production workers. Prospect membership is quite high.

Prospect concluded a single union agreement with Stationery State when the company was formed and is recognised for collective bargaining on all terms and conditions and for all employees.

The current chief executive is Jaspal Singh. Jaspal was a senior civil servant in the GSA before privatisation; he has no private sector experience other than at Stationery State. He is due to retire next year. He is a member of the First Division Association.

Clarice Clocktower, the recently appointed director of people resources, has embarked on a programme of refreshing Stationery State’s image as an employer.

In particular, she has ensured that the company displays the *Investors in People* and *Positive about Disabled People* kite marks in all its premises and on its stationery.

Clarice came to Stationery State from the telecoms industry in the USA where she specialised in change management. She has not previously worked with trade unions.

**Stationery State equal opportunities policy**

Stationery State aims to be an equal opportunities employer and all employees will be treated on the basis of their own individual merits and abilities. We recognise that it makes good business sense to ensure that we recruit the best candidates and that all our employees are treated with dignity and respect.

We are committed to diversity and equality and oppose all forms of direct or indirect discrimination.

In accordance with requirements under the legislation, this policy covers all employees irrespective of sex, race or disability.

This policy covers all aspects of employment and we will monitor the composition of our workforce in order to ensure compliance with the policy.

Stationery State will communicate this policy to all employees and job applicants.

All staff are required to demonstrate compliance with this policy and where required training will be provided. Breaches of the policy will be treated as serious misconduct and will be dealt with under the disciplinary procedure.

Any complaints of unfair discrimination should be raised through the grievance procedure.

Advice on any areas of equality at work should be sought from the HR manager.

This policy has been agreed with Prospect. It will be reviewed on a regular basis, and at least every three years.