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REDEFINING
WORK
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Valerie Bayliss

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Redefining Work2 team

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FOREWORD

In these fast-moving times, it should perhaps be considered an act of bravery to make predictions about what lies ahead. But it is even more courageous – and rare – to revisit past forecasts and compare them to what has actually happened. Yet this is precisely what the RSA does, with the help of Accenture, in this short report.

The RSA's 1998 study *Redefining Work* made a series of bold predictions about our working lives, and then considered the policy implications. Reflecting on what has happened since then both highlights how much has been achieved in a relatively short period of time and provides a timely reminder that the UK must continue to build on this success rather than rest on our laurels.

The original report predicted that in twenty years' time there would be more flexible working patterns, and fewer rigid boundaries between the sectors. It should be a cause for some celebration that these predictions have come true after just five years. Although there is of course still room for further progress, there are signs that the bulk of employers and employees now think differently about this issue. There is much greater acceptance of diversity in the workplace, reinforced by increased understanding of the importance of good work-life balance. A recent DTI survey shows that more than nine out of ten employers now agree that people will work best when they can strike a healthy balance between work and the rest of their lives. Successful businesses now appreciate that flexibility and diversity can be real strengths. The measures to support working parents which the Government brought into effect last April will reinforce this culture change.

The authors acknowledge that pessimistic forecasts of the 'end of work' have proved unfounded – in fact the number of people in jobs has reached an all-time high. This too is a real achievement of which we can be justly proud. It is however disappointing to note one continuing concern, the surprising reluctance of many companies to make the most of the experience of older workers. The DTI led legislation on age discrimination, which will come into force by 2006, is likely to result in increased participation rates for older and younger workers. This will lead to a wider

pool of workers whose abilities and talents better match the requirements of employers when recruiting, developing and training their staff.

Despite many companies' increased commitment to training, the study concludes that there remains a need for better quality management, and a strengthened commitment within many organisations to fostering a more entrepreneurial culture. I share this concern, and the government is committed to playing its part in changing things through our support for promoting best practice and the creation of more high performing workplaces.

We have also recently published our Skills Strategy. This sets out the Government's agenda to raise our skill levels to compete with the best in the world, to ensure that employers have the right skills to support the success of their businesses and individuals have the skills they need to be both employable and personally fulfilled. The skills dimension of the Innovation Review will build on these principles, as it is recognised that 'people drive innovation', through improved management and leadership capability and innovative cultures that adopt higher product market strategies that demand and effectively deploy higher-level skills.

We face a challenging agenda of change in the years to come, but I remain optimistic about the future, not least because of the evolving partnership between business, employees, government and educators that the RSA identifies. This report provides much food for thought, and I welcome it as a valuable contribution to an important debate.



Patricia Hewitt, Secretary of State for
Trade and Industry, Minister for Women.

INTRODUCTION

In 1998, the RSA published a report called *Redefining Work*. It had two aims. First, to explore changes in patterns of work – and working lives – which were anticipated over the coming 20 years. Secondly, and crucially, to develop a policy agenda for dealing with the many and diverse policy issues likely to be generated by change.

Redefining Work set out a vision for 2020; five years on, does the vision need to change? How far has the policy agenda developed? Over the last nine months, the RSA, with Accenture, has revisited *Redefining Work*, drawing partly on desk research and partly on seminars and events in London, Manchester and Edinburgh, including a discussion involving the RSA's Corporate Partners. We are grateful to all those who gave their time and ideas. This report reflects the debate in which they took part.

It is clear that in spite of the avalanche of change, much of it welcome, there is a long way to go before individuals, employers and government catch up comprehensively with what is going on around them:

- people are only just beginning to understand what is involved in running an ideas-based economy
- for all the rapid advances in technology, the approach that bolts it on to what is done already remains much too common; where it has produced major change in the shape of work, it is too often used in blind faith rather than with discrimination
- the significance of older people as a source of workers is barely understood, whether by employers or individuals
- Britain remains a woefully under-educated nation in a world where more better-educated people will be the key to economic and social success.

2020: the view from 1998

Redefining Work painted on a very wide canvas a picture of the world of work of 2020. This new, unfamiliar world would offer a spectrum of work; the conventional, job-shaped job, where individuals work for long periods with one employer, would still exist, but within organisations individuals would experience over time an infinitely flexible range of working patterns

as employers responded more rapidly to constant change. Notions of a career in one sector would have eroded as businesses sought more flexibility and individuals put together their own working patterns to meet their own needs. Old, fixed boundaries between separate sectors, whether private, public or voluntary, services or manufacture, would have gone too. Technology and the exploitation of knowledge would be the dominant factors in shaping organisations' and individuals' approach to work.

Our picture also envisaged that people would spread their working lives over a longer period and that week-to-week many would divide their working time between several different workplaces, including the home. As one of the project's advisers commented, 'Work is not a place but an activity that can be conducted anywhere'. The key to survival would be learning to manage uncertainty. In all this, there were major implications for individuals, government and business; for the social security, finance and education sectors; from the way children were educated to the way people buy their homes.

This picture prompted mixed reactions; for some, this was a dystopian vision that made insufficient allowance for the ability of human beings to influence their circumstances for the better; for others, it was at the lowest a realistic picture of an inevitable future and even, for a few convinced of the forthcoming death of work, by some way too optimistic. There was a universal welcome, however, for *Redefining Work's* focus not just on what work and working lives might look like, but on the policy agenda implied by its picture of change and its practical emphasis on what could be done to manage change.

WHERE ARE WE NOW?

In 1998 people were debating whether, over the coming twenty years, there would be enough jobs to go round. The RSA said then that this was the wrong question; five years on, it has virtually disappeared from the radar. Why is this? Partly because the UK has enjoyed a long period of steady economic expansion which, combined with the prioritising since 1997 of policies to reduce youth unemployment and promote social and economic inclusion, has raised the number of people in jobs to an all-time

high. With hindsight it is clear that the debate in the mid-1990s was heavily influenced by the experience of very high unemployment in the previous fifteen years, as well as by assumptions about the impact of advanced technologies which were even then at odds with experience. Most of the 'end of work' thinkers did not allow for the capacity of technologies to generate new jobs in areas no-one had been able to think of; and it was already a truism that technology created more jobs than it destroyed. Even the later dotcom 'bubble' and its subsequent collapse have not altered this.

There are more subtle forces here, however. We judged correctly in 1998 that the dominance of the 'job-shaped job' was over and that future patterns of, and attitudes to, work would shift to create a new framework for thinking about working life. People do now see their working lives as much more flexible. Rigid boundaries between sectors – private, public and voluntary – are disappearing. With the disappearance of fixed views on what 'belongs' to one sector or another, working practices, behaviours and attitudes in different working environments have converged. In the commercial sector, businesses are readier to re-invent themselves and work in new ways. The growth in working population – by around 2 million people – alongside a smaller proportional increase in total hours worked indicates the spread of what can no longer realistically be called 'part-time' working. This is the flexible labour market in action.

There are knock-on effects for the individual, attitudinal and practical. It is easier to move around between different sectors than it was; more employers recruit on the basis of what people can do, not where they have been working (competence-based recruitment is becoming common). Younger workers move through more jobs before settling into longer-term employment in their mid-30s. Our prediction of greater flexibility focused on the internal labour market almost more than the external; and indeed, flexible working of all kinds has increased. More people divide their working time between office and home. In sectors like customer services, more businesses offer access to their call centres for many hours each day, if not round the clock. Their staff work flexible patterns accordingly. Customers increasingly expect such access. More people work in roles not jobs and move between teams. Significantly, this kind of working has become taken for granted; it is rarely debated.

What we got wrong in 1998 was our judgement of the speed of change. Five years on, we have progressed much faster towards flexibility than we predicted. 2003 is a staging post towards our 20-year vision; but many of the changes we predicted by 2020 are already with us.

The next sections review what has been happening, and what seems likely to happen, in three major areas: changes in working patterns and attitudes to work; education and training; and issues related to the UK's ageing workforce, before considering the implications for the change agenda up to 2020.

WHAT WORK IS LIKE, AND WHAT PEOPLE THINK ABOUT IT

The picture that emerges is far from reassuring. As we forecast in 1998, work has undergone huge change in the last five years, much of a kind not reflected in labour market statistics (which taken alone still seem to suggest a level of change far smaller than the reality). This pressure will continue, with technology the greatest driver. Organisations both public and private have experienced the 'curse of communication', the impact of email and the parallel expectation of instant response. Few can really pin down how this cultural change has come about, but they are certain that the contrast between the volume of work done, and its quality and effectiveness, has become sharper. Individuals feel under constant pressure to respond and that there is no kudos in reflection. Too many managers focus on quantitative measures rather than the quality of output. This works in direct contradiction to many companies' rhetoric about customer service. Yet front-line staff know that 'busy-ness' is no guarantee of high productivity, which ought to be about more than sheer volume.

The knowledge economy has developed in some unexpected ways. Technology democratises knowledge, by enabling more people within organisations to share it; so people are no longer as good as their knowledge, but as good as their ability to process it. In turn, much of the so-called knowledge economy is becoming in effect industrialised (see, for example, the growth of 'direct' advice organisations, in the NHS and elsewhere). The effects of technology on workers are thus the opposite of

the liberation confidently predicted a decade ago. Organisations are evolving into a 'core and periphery' model, where for example the core is expertise and the periphery is delivery. Much of this 'periphery' work is going off-shore; a trend that may continue for cost reasons, though a few employers are starting to wonder if it is always appropriate.

'... there is a highly-productive half-baked email industry.'

'... answering emails all day makes for office-rot.'

'... jobs change so fast...we never know which way is up.'

Organisational structures and attitudes are perceived as not keeping pace with change. The 'flat organisation' with 'highly delegated responsibility' remains popular in business rhetoric. In reality, managers' behaviour has often not changed to match. People see this as presenting a series of problems.

First, the accountability mechanisms introduced alongside flatter structures have generated more, not less, micro-management. Front-line staff feel more tied up in reporting and bureaucratic procedures because the people at the top simply cannot let go; delegated responsibility is a non-starter if top managers become more prescriptive. Workers feel trapped between the rhetoric of delegation and the reality, with all the responsibility but no real power.

Second, middle managers are as burdened as anyone else by the communication revolution already discussed. Front-line staff believe they should be cutting through the mass of communications and prioritising them; in practice they are often no more than a bottleneck.

Third, organisations have not learned the lessons of rapid downsizing. Some businesses were too quick to cut their workforces in line with the rhetoric. Now they find that the loss of experience carries big costs; it is expensive to recover what was lost.

Fourth, there is a paradox in the persistent belief that people will stay for the long term and rise within the organisation. Too many businesses still base their retention, recruitment and development policies on outdated views about job tenure – on longevity, rather than mobility – even while

proclaiming the end of job security. The result is that many organisations generate their own skill shortages by simply failing to work with the labour market as it really is.

The UK remains in need of much better-quality management, ready to manage change rather than to pretend it is not there. Organisations are still working against the grain of reality, of the world as it is. Many (most) are still engaged in old battles at work. The enlightened organisation would do well first to acknowledge and then reflect the new world, of mobility, flexibility, older workforces, and focus on managing that to their advantage instead of fighting it and their employees.

For some, pressures for more entrepreneurial behaviour sit uneasily with a culture of uniformity. There is lip-service to diversity alongside reluctance to make best use of all the many diversities in any workforce; the cultural change required is too great for some to manage. How far do organisations really want their staff to use their creativity? For some, employees can be too entrepreneurial. Yet developing knowledge-based work further will demand new rules, allowing people to work more as if they are self-employed. The central paradox lies in the contrast between companies' claims that creativity and innovation are crucial to their very survival, and their frequent failure to foster them. The challenge is to the ability of managers to identify diverse and unique talents, to take risks, to give up control, to work out how genuinely to enable creativity, to develop new environments for work. Perhaps the country is only just beginning to recognise what is really involved in developing an ideas-based economy.

'Younger graduates believe in democracy at work – they'll defer to experience but not to length of service.'

'Younger people aren't in jobs long enough to develop useful experience and especially judgement.'

'The workplace is still defined by men...whatever the rhetoric, CEOs are defined by their machismo and have a skills portfolio from the old world of work. Until they change, business won't really change.'

For the individual worker, this is uncomfortable. It is no surprise that stress is a major issue. There is growing evidence that workers value flexibility at work; many HR specialists believe the latent demand is huge (while line managers avoid thinking about it). Some employers are opening all their jobs, in principle, to flexible working, to promote more family-friendly practices; but there is scope for a backlash – not every job can be worked flexibly and jealousies can develop between workers. There are issues of cost too, but firms must look at these against the rising costs of failing to deal with stress.

For many workers, values issues are of growing importance, whether in relation to their families (there is some US evidence of potential employees judging businesses for their lifestyle attitudes) or broader ethical issues. This is at a time when levels of trust between employers and their workers are lower than ever. Do employers really understand employees' agenda now? Workers are more aware how far organisations have transferred risk from corporation to individual. The move from final salary to money purchase pensions is the prime example, but can be seen also in the spread of zero-hours contracts, the decline of premium payments for working unsocial hours and the shifting of workers onto contracts for services – bogus self-employment.

But individual workers cannot in turn spread their own risk. They are bound to one organisation, unless they are willing and able to abandon every remaining benefit of working for someone other than themselves.

At the same time government pressures on businesses to support their workers, often influenced by a Europe rooted in a different kind of social contract from the UK's, is growing. Big firms can handle this; smaller ones find it a problem. There are fresh questions here about the proper responsibilities of state, business and individual. Some see the pressures of the market as swinging the balance of power in favour of employers. Is this more than the effect of the current economic downturn? There is no consensus. Some argue that growing skill shortages will force employers to offer more flexible conditions as the price of getting the people they need. How does the virtual removal of distinctions of status between full- and part-time and permanent and temporary workers fit into the picture? At

first sight, what looks like less flexibility – less of a basis for distinguishing between employees – in fact creates more. But there is a general reluctance to weigh the real social, and ultimately economic, costs of failing to do more to support flexible working.

There are many issues about the response of individuals to more flexible working patterns. Home working has increased; as we anticipated in 1998, the pattern is of more people working from home for some of the time, not more people working only from home. This helps with the real problems of developing team culture without proximity and meets the need of most people for the social aspects of work. But home-based workers – or, rather, those who are ‘location-independent’ – are no more immune from change than those who work in one place. There are issues too for young people entering the more flexible market. An experienced worker can work from home but can, or should, a 16 or 18 year old?

EDUCATION AND TRAINING: KEEPING UP WITH CHANGE

Our starting-point in *Redefining Work* was that there is no point in preparing people for a world that no longer exists; the demands of the knowledge age will place new and heavy requirements on young people and major changes are needed in the way we think about what education is for and how we run it. Beyond that a major effort, on a unique scale, would be needed to improve adult skills to cope with the new world.

There are still differences of opinion over the fundamental analysis. For some - a minority - the RSA’s aspirations to redefine what it means to be well-educated, and government’s to raise overall attainment levels, are exaggerated and carry risks; they do not believe that work will demand such a huge increase in the skill supply. Most people however, agree that the economic and social case for improved educational attainment is as strong as ever. Recent challenges to the notion that a better-educated workforce supports economic growth are not seen as convincing.

‘Are we over-educating people? Won’t NVQ level 2 do for 60% of jobs for the next 60 years?’

‘People and employers over-estimate the qualifications needed for jobs and exaggerate the rate of change.’

‘Are public and individual aspirations high enough? I really doubt it.’

That does not mean that every aspect of educational change is seen as right or necessary. The UK still has nineteenth-century curriculum and qualifications systems that fail to prepare young people for a knowledge-based world. They sit uneasily with many welcome developments such as the vast rise in investment in schools, especially in ICT, and related changes in pedagogy – though this has been less systematic than many would like.

Recent proposals for broadening education and training provision for 14-19 year olds are welcome, but will only succeed if outdated notions about the relative value of academic and vocational education can be abandoned. Many doubt whether this is achievable. A long-overdue redefinition of what we mean by ‘vocational’ would help, encompassing not traditional craft skills but the competence – at increasing levels – in areas like communication, problem-solving, handling situations, managing and interpreting data, and of course ICT that are required by almost everyone in work in the 21st century. And these are not needed just for work; it is getting harder to distinguish between skills and competences for work, and those for life in general, not least as the more mixed working patterns discussed above blur the line between life and work. So the case for radical reform is even stronger than it was.

‘Is the education system really working at all? Work is becoming more outcome oriented rather than attendance-based; schools simply don’t recognise this change, let alone the implications for the way they should adapt...I don’t see the virtual organisation operating in education, at least outside the universities.’

‘...employers these days recruit by judging people’s competences – why aren’t the schools educating youngsters the same way?’

This has potentially profound implications for the nature and aims of schooling. Schools are dangerously over-controlled, especially as regards curriculum, and cannot respond to the diversity of student needs. Almost

every aspect of schooling has been subject to major, systemic change except curriculum; yet it is probably more important than any other.

In *Redefining Work*, the RSA proposed a competence-led curriculum for schools as a way to meet future needs. We have consulted widely, within and beyond education, to develop a competence framework that stands as a statement of the outcomes that young people should expect to achieve from their education. We are working with a number of schools to pilot it. Experience suggests that schools can use it to secure real and exciting improvements in attainment and motivation, alongside great professional satisfaction for teachers. Too often, however – and for good reasons connected with workload – teachers are not yet ready even to debate the case for competence-led learning. Yet there is a convincing case for focusing on competence development at all levels of education and training, not just in schools. We also argued for a new organisation to conduct serious research on the constantly-changing skills, competence and understanding needs of the economy. Education and training provision and assessment methods should be informed by such research, but rarely are. The proposal has still not been addressed.

By comparison with 1998, we discovered through our consultation and research that higher education is now of much greater concern; a reflection of growing student numbers and greater recognition of universities' research contribution to the economy. For many, they are a key factor in preparing the workforce of the future. But have the implications of the increasing supply of graduates been thought through? – for example, erosion of the traditional graduate pay advantage, which will affect graduates' ability to pay more for their education; and the temptation for employers to use degrees as a sifting mechanism rather than a qualification. In some sectors employers already expect a period of unpaid work before taking graduates into jobs. Many employers do not recognise that universities can contribute to continuous professional development – but some universities are doing much to develop courses that recognise employer need. Not enough small and medium-sized businesses are tapping graduate skills, which affects their ability to expand in higher value-added markets; a persistent failing in the UK. There is scope for new kinds of links between universities and their local business organisations.

There are still major concerns about employers' attitudes to their people. Long-standing deficiencies in employer investment in work-based learning remain. This form of learning deserves more attention from government, educators and employers, to end the mismatch between current structural arrangements and need. There is a particular worry that employers in general are not supporting their staff in developing the personal 'employability' that five years ago was being promoted by business as a replacement for job security. They should be doing much more to help their people develop 'coping skills', for example in managing pace, change and stress, and in particular adaptability skills to support movement between organisations. Employers also need to develop effective learner-mentor relationships in the workplace, so as to improve their employees' performance and job satisfaction.

Policy is now beginning to focus on workforce development but too few employers take it seriously enough. This is in spite of the proven benefits of a strategic approach to managing human resources. The continued unwillingness of many to invest adequately in training leads some to propose that the time has come to fund more training through taxation, as a form of compulsory investment for businesses. In contrast, some see evidence that some public sector employers are starting to offer access to training facilities (and to pension improvements) as incentives in situations where they are constrained from improving pay.

There remains a risk that those still outside the workforce will fall between gaps in provision. Government policy has focused heavily on the long under-educated 'tail' of adults in the UK whose compulsory education was unsatisfactory and who have been switched off from learning since leaving school. There have been welcome improvements, through New Deal, increased attention to community and family learning, the gradual opening of schools to adult learners, the installation of PCs in public libraries, and so on. Some argue that the whole nation is in effect now 'wired for learning'. But providing facilities in communities is not the same as ensuring everyone who could benefit actually accesses them. There is still a mountain to climb in persuading many people that learning would not only benefit them but can be enjoyable. There are problems even within the workforce; as many employers know, in practice lots of people do not possess the basic IT skills

that modern business needs. We still perhaps take too much for granted.

Underlying all the concern about the adequacy – or otherwise – of education and training is the stark fact that the UK might be running out of people. More are now at work than at any time in our history. There is no substantial reserve of people beyond those over 50. At the same time forecast demand for workers, especially in the public sector, is rising. Changes in pension policy and the outlawing of age discrimination in 2006 will affect perceptions and in time act to increase the effective supply of workers, but in the meantime shortages will persist. So it makes sense to invest in helping the current workforce to work smarter.

AN AGEING WORKFORCE: PRESSING ISSUES?

The inexorable ageing of the UK population, and hence of the workforce, has been known about for years. In 1998, however, the issue barely surfaced beyond those who were already worried about pensions; and the concern then was mostly about the state pension, not the private pensions industry. Now the world is waking up to some of the implications. People are also realising the long-term effects of the pattern that developed in the 1980s and 90s, to a unique extent in the UK, of squeezing the length of working lives at both ends – through delayed entry as time spent in education increased, and through routine early retirement so that, for example, men working beyond 57 became almost a rarity.

Change, however, is slow. We are still tied largely to systems and thinking developed half a century or more ago, when life expectancy was much shorter and people could not expect many years' retirement. Now, for many the prospect of a retirement lasting longer than their working life is becoming common, and far from welcome. This is not just because of worries about income, hugely important as that is; many in their 50s and 60s know they have plenty of energy left and much to give to society and the economy. They are healthy, will remain so for years, and know that continued access to at least some work will do more than anything to sustain their physical and mental health. They resent their perceived marginalisation in society and know it is unjustified. Over a third of people want to work beyond 65 but only 4% of companies employ such workers;

age discrimination is still rife. This will have to change from 2006 when new EU laws come into force.

'I think government is hoping the age discrimination thing will go away as employers are forced to look at older people because they can't find enough younger ones.'

'The culture of what constitutes a 'working life' has not caught up with the reality of greater longevity and better health.'

'I do wonder whether the long-hours culture is a sort of compensation for the shortening of working lives. If it is, it's not a sensible way to do it.'

Why are so many employers so reluctant to make use of older workers? As noted earlier, there are some gaps between rhetoric and reality in business when it comes to flexibility. For this group of the population the move to competence-based recruitment has simply not happened; one look at the age can send a job application into the bin. Some doubt that older people can absorb training and operate flexibly. They fear they will not want to stay in their jobs – but apply different standards to the young. Yet employers who have targeted older workers find no difficulty in these areas, and report benefits from greater reliability and commitment.

Most concerns about older workers seem founded in ignorance, which may be worsening as ever-younger people reach positions of influence in businesses; many seem even less likely to favour their seniors in age. Are older workers seen as a threat, or is the reluctance of younger people to accept that they too will grow older now an influence on working patterns? For many, the extraordinarily single-minded focus of the media on youth is unrepresentative and unhelpful.

Whatever the reasons, the age profile of many organisations, and the labour force as a whole, is seriously out of balance. Employers who ignore this may soon find themselves in real supply difficulties. And from the national perspective, Britain cannot afford to ignore what is already its only real long-term reserve of labour. Government and business needs to rethink, radically, the way the country uses its working population.

All this bears directly on the question of pensions and our capacity, individually and as a society, to meet the cost of long retirements. Understandably, much current concern about the ageing population is focused on the ‘pensions crisis’. The dawning realisation that issues around ageing will not go away has coincided with the end of the long bull run in the stock market and the enormous impact that is having on providers of financial services, as well as with government concern about the ability of a shrinking workforce to meet the cost of state pensions funded on a pay-as-you-go basis.

There is a growing consensus that more flexible attitudes to work and retirement are the only answer. It must become easier for everyone to alter their patterns of working and non-working time as they get older – perhaps from the age of 50 or 55 – so that they can continue to contribute their experience and support the economy but also use their own time in a variety of ways. There is potentially plenty for older people to do. They have long been major contributors to the voluntary sector, all the more valuable now that younger workers have less time for volunteering – a downside of the UK long-hours culture. It needs to be easier for individuals to combine paid work, volunteering, leisure and learning.

Government has been active in canvassing solutions to the technical problems involved in a more flexible regime, both for state and private pension schemes and for employers. They also want people to delay taking up their pensions. Not surprisingly, this is unpopular with younger workers who have become accustomed to the idea of earlier retirement. But suggestions such as raising the age at which the state pension will be payable, and reducing the ability of private pension schemes to pay out early, will only go part of the way. They will start to deal with the demands on the state pension, and many employers will welcome reduced calls on their pension funds. But on their own they will do little to improve the supply of work for older people. In redefining retirement, which is in effect what government is seeking to do, we must also think about redefining working life. The division between working life and retirement was a twentieth-century invention; perhaps we need to re-invent it for the 21st.

AND THE NEXT FIFTEEN YEARS

The picture of 2020 in *Redefining Work* was, as we knew then, not a comfortable one. Change clearly terrifies many people. Yet change, in many areas faster than we anticipated, has been the dominating feature of work in the five years since. Some of our long-term vision is already in place. Individuals' attitudes to working and career patterns have moved a long way. In principle at least, flexible working is accepted as a normal part of working life. The value of family-friendly work practices is more widely understood – and some workers are taking the initiative in adapting their own career and work patterns to family life, rather than waiting for employers to offer the facility. But if the RSA's vision of the flexible labour market of 2020 assumed that there would be no institutional barriers to flexible working for anyone who wanted it, there is still a long way to go, and much of the *Redefining Work* policy agenda remains valid.

'Work has got better for 50% of people, slightly better for 30%, and worse for the rest.'

Which are the big issues for the change agenda up to 2020? Right across the spectrum, a lot needs to be done. And some emerging problems identified in *Redefining Work* now loom much larger:

The environmental implications of work patterns are a growing but neglected problem, though developments like congestion charges will begin to bear on this, and rightly so. The sheer scale of transport problems, partly the effect of a larger working population, may persuade employers to extend mixed patterns of work more systematically. Does government not have a growing role here? For a variety of reasons – ease of overseas travel, misplaced perceptions about the rest of the country, the proximity of clients – many businesses are reluctant to move jobs out of the overheated south-east of England to areas with space and high-quality workers. This is in spite of the potential to exploit available technology, hailed as bringing about the 'death of distance'. Governments abandoned 'regional' industry policies years ago; perhaps they need to be re-invented, to encourage employers to maximise communications technology in the interests of spreading higher economic growth into areas with capacity to

expand. Otherwise, constraints are likely to be placed on the long-term ability of the economy to grow.

Flexible working requires more, better-educated people able to exploit fully, and to benefit from, the knowledge economy and technology. We are still too poorly educated as a nation to achieve the potential here. If we do not re-evaluate, critically, why we are educating people, and whether their education prepares them adequately for the future, many such changes will do little to meet the real needs. Many, including many teachers, believe the country is still educating for a disappearing world. Education, at all levels, will continue to be a major issue.

There is concern about the social, and ultimately the financial, costs of the work culture emerging in the UK. The benefits are not shared equally. This is not just a question of vastly increased disparities in pay between the top and bottom of the workforce, important though they are. Government is investing more and more in supporting work, through tax credits, support for childcare etc. How long, and on what scale, can this continue before it generates more problems than it solves? Some would argue that the 'benefit trap' has become even bigger so that it is harder for individuals to move up the ladder to more rewarding work (in every sense). This could be a barrier to improving the quality of the workforce in the longer term.

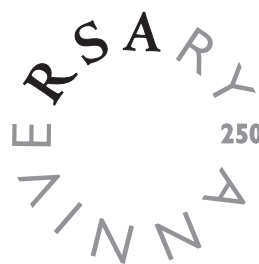
Finally, as a nation we have still not developed the language and attitudes to manage a paradox of the new world: how to mix collaboration, flexibility, and greater personal control of our working patterns with strong corporate and community life. And whether we look at the culture of work, at education and training, or at reactions to the UK's ageing workforce, the gap between the reality and the rhetoric of work remains too wide for anyone's comfort.

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