

Unite @ Fujitsu

Union News, September 2017



# Are You Ready?

In 2016, after announcing the five themes of Agenda 2020 but before announcing the redundancies, Fujitsu gave notice to terminate Fujitsu Voice, stripping employees of information, consultation and redundancy rights just as we needed them most.

The ill-considered plans to offshore, automate and outsource our jobs are not going well for Fujitsu (see inside) and its customers, let alone for staff.

The company continues to put new groups of staff at risk of redundancy, and nearly 1000 remain at risk from earlier phases.

Senior management have made clear that there are more job losses to come.

#### Is it another coincidence that Fujitsu has stepped up its attacks on employees' rights and representation?

- Attacks on the ability of reps working on the Fujitsu Voice replacement to communicate with constituents
- Attempts to victimise several union reps
- An attack on the rights of Unite members in areas which don't yet have union recognition to communicate

# Fujitsu senior management seem to be getting ready for something. Are you?

We can only turn Fujitsu round and protect our futures by acting together.



#### Unite@Fujitsu is campaigning for:

- A strong national agreement on job security to protect those at risk now and in the future
- Recognition, collective bargaining and accredited reps across Fujitsu
- No victimisation of our reps
- Transparency and equality on pay and benefits (including compensation for retrospective pension cuts) and for Fujitsu to become an accredited Living Wage employer

# *If you share these goals, join Unite today or recruit a colleague.*

Despite clear case law, Fujitsu is STILL underpaying staff who are paid for **Out Of Hours** work for their holidays. Unite is writing to Fujitsu and if this is not rectified will support members taking legal action.

**Don't be Voice-less**. **Joining UNITE** costs between £2.17 and £15.14 a month. There are details at <u>www.ourunion.org.uk/join</u>

# Attacking your rights and representation

Instead of using the suspension of industrial action to negotiate a settlement, Fujitsu has attacked employee rights and representation:

- The company offer to settle the dispute (see https://goo.gl/XKbrr2) proposed to reduce access to trained Unite reps and to curtail Unite members' ability to communicate freely
- Fujitsu blocked agreement with the Special Negotiating Body (SNB) on a replacement for Fujitsu Voice by refusing to allow reps to communicate effectively with constituents
- The company has unfairly targeted a number of reps for redundancy and other unfair treatment (see box)

Attacks on employee representation and communication are likely to be intended to clear the way for something detrimental to employees. We let them stand at our peril.

# Isn't the dispute over?

Unite suspended all industrial action in May, after Fujitsu provided the first part of an offer and promised negotiations on a second part.

When the second part of the offer arrived at the end of July it was actually <u>worse</u> than the agreement already in place, attacking members' rights in parts of the company which don't yet have union recognition. The offer bore little resemblance to what had been discussed in the previous months – and even the previous working day.

#### Unite members voted by 92% to reject the offer.



"Your predecessor was good at the opening threats and bluster...but he always disappointed me by actually reaching an agreement with the union."

## **Defend our reps**

Fujitsu is unfairly attempting to target a number of reps.

**Ian Allinson**, chair of Unite @ Fujitsu, is in a tiny fake redundancy selection pool where the company proposed to cut 100% of the jobs.

Outside any legitimate process, Fujitsu stopped **Lynne Hodge** doing most of her job in May 2016 and told colleagues not to work with her. A common sense resolution acceptable to Lynne and her managers has not been implemented.

**Denis Morris** was selected for redundancy on the basis of scoring that mainly focused on his rep role and disability, not his skills, knowledge etc.

In **MIS C&DCS** Fujitsu implemented a selection process, based on applying for "new" jobs. It was unfair for everyone, but was used to target the three reps, who were nearly five times less likely to be offered a new job – an outcome less than 1% likely to have occurred by chance.

Any attack on our reps is an attack on all of us, as it threatens our ability to have effective representation and organisation.



Above: Ian Allinson Below: Lynne Hodge



### **Job Cuts Update**

Hundreds of people have left Fujitsu through redundancy already, but hundreds more remain at risk. Fujitsu keeps putting new groups at risk too – this isn't over.

Fujitsu's plans aren't going well.

It turns out that Fujitsu staff are a lot better than our management thought. Our jobs are harder to automate than planned. It's not easy to hire or train people in low wage economies with equivalent skills, so work often takes longer, needs more people, and costs more – when it can be done at all.

Fujitsu has been unable to bid for some work due to lack of resource, and delivery has been affected in many areas too.

The outsourcing of break-fix to CBS has been a disaster. It seems that CBS and Fujitsu didn't give each other an accurate picture before the TUPE transfers (if only they had listened to the reps!). Fujitsu pressured CBS to make lots of the transferees redundant. The cheaper logistics solution CBS put in place didn't work, and they are having to revert to one that Fujitsu labelled as too expensive. Former staff have been re-hired (on higher wages) through third parties to help deal with a backlog of work. Service to customers including RBS, McDonalds, ScotRail and Home Retail Group has been seriously affected and some contracts are under threat.

Unite is aware of examples in Bracknell and Manchester where Fujitsu is bringing in workers from low-cost countries - not simply to learn the job but to actually do the work on site. Anyone made redundant in these circumstances would have an argument that their dismissal was unfair, as the requirement for work of that type at the on-shore location had not actually diminished, and the work hadn't been offered to staff at risk. How can it be cost-effective to fly people in and put them up – unless they are being paid far less than the normal UK rate?

A further illustration of the shambles is the fact that the use of contractors and agency temps is actually increasing. Agency numbers rose from 851 in April to 903 in July. Contractors rose from 611 in April to 616 in July.

It seems some decision-makers are ploughing ahead with job cuts regardless of the damage they do to the business or its employees. They can move on with a nice pay-out to lucrative jobs elsewhere, while the remaining overworked employees are left coping with the mess they leave behind. We can't rely on senior management to protect our futures, we have to do it ourselves.

# Fujitsu finances

So how is the business doing? The accounts for the 2016-17 financial year are now out, and confirm what Unite has been warning.

Profits (excluding the £72.2m cost of the redundancy programme) were up, but on slightly reduced revenues and orders which fell by almost half.

The orders decline reflects the fact that Fujitsu is not selling what the market wants to buy. The company is boosting profits by cutting costs on a shrinking business. The fall in orders cannot be reversed by continuing to try to sell the wrong stuff, but more cheaply. It requires investment in updating the portfolio.

Fujitsu itself seems happy to keep raking in the profits while the business shrinks, if the rewards at the top are anything to go by.

There are only two directors of Fujitsu Services Limited – Duncan Tait and Stephen Clayton. The accounts show one of them receiving remuneration of £1,635,000 - up 13% on the previous year.

It's good to see that someone is sharing in success.



"Sales are down 87%. When that figure reaches 88%, your golden parachute will automatically open."

A number of senior managers have apparently "left" recently including Lucy Dimes, Nigel Shaw, Francois Fleutiaux, Craig Macpherson and David Roberts.

# **Mis-information & no consultation**

When the company terminated Fujitsu Voice, they denied this would leave a big gap when employees wouldn't be consulted. They specifically said they would find other ways to consult over the 2017 pay review.

We've had a big gap without a replacement for Fujitsu Voice, and no consultation over the pay review.

Fujitsu also denied that they wanted the replacement to be worse than Fujitsu Voice.

On 25 August Fujitsu emailed an <u>update</u> to all UK employees on replacing Fujitsu Voice. It contained a number of untruths about the negotiations with the elected Special Negotiating Body (SNB).

Fujitsu claimed *"we have agreed with our SNB representatives that we will use the standard UK approach for our forum (known as the Standard provisions for Information and Consultation)"*.

The SNB agreed no such thing. You can read what the SNB reps themselves said at https://goo.gl/DnSdFK. The reps' letter clearly says *"The employee negotiating representatives remain committed to reaching an agreement within Fujitsu Services Ltd on a new I&C agreement".* 

The company notice claimed "we want to progress to have the employee forum in place as quickly as possible". In fact their proposed timescale of "by January 2018" is the slowest the law allows.

We already know about many job losses, the delay to future pay reviews and Fujitsu Role Framework (a massive regrading). What else does Fujitsu plan while we have no information and consultation rights?

Fujitsu proposed a replacement for Fujitsu Voice that didn't cover pay and benefits or equality and diversity. They wanted to prevent reps communicating effectively with constituents. This is far worse than Fujitsu Voice (see Unite assessment here: https://goo.gl/fCj9So). There is a particular irony in the company emailing out its misinformation to all employees after negotiations deadlocked because Fujitsu claimed reps emailing employees wasn't appropriate.

The company will organise elections to the new body in the coming months. It will be vital that employees elect representatives who are genuinely independent of senior management and who have the support and resources of the unions behind them to make it as effective as possible no matter what stunts the company pulls next.

# Did you know?

Unite doesn't just campaign to make Fujitsu a better place to work. Unite members get lots of extra information including members' newsletters, Skype calls, and a confidential briefing about Fujitsu's highly secretive pay scales.

Unite reps provide advice, support and representation, helping members change outcomes on many issues including redundancy payments, working patterns, PACs, bonuses, pay, pensions, promotions, training, health, bullying and discrimination.

Employees can win union recognition in any area of Fujitsu where a majority of them ask for it.



"Good morning and welcome to our first employee empowerment seminar."

Updates: https://ouruniontest.wordpress.com/



