

Made Smarter – Six Guiding Principles Charter for Digitalisation

Digital technology should be a positive force for progress in all parts of the economy and society. Industry 4.0 is a people-centric revolution that has the capacity to deliver higher productivity, good jobs, more effective processes and clean footprint. The Made Smarter Review found that digital technology could lead to a net increase of 175,000 manufacturing jobs.

Digital technology is also disruptive. In the past technology has led to more jobs being created than displaced, but the new jobs often require new and different skill sets. **If the introduction of Digitalisation and Technology is managed well, it will deliver better jobs for everyone.**

These principles set out **how together**, employers and employees can maximise the opportunities of digital technology. They can be used by companies already using or intending to adopt digital technology and could extend to relationships between those companies and their supply chains.

The following starting principles can help ensure digital technology is introduced in a way that benefits the whole workforce. *[Companies and employees should review and build on these principles, so that they reflect specific technology requirements]*

1. Partnership at Work:

A strong partnership of company and workforce is essential to any process of change. Meaningful consultation and engagement when managing disruptive technology is important for a productive and harmonious workplace.

- Employers set out their commitment to address any issues arising from the introduction of digital technology through co-operation, consultation and mutual agreement with workforce representatives, including union representatives where they are present at the workplace.
- Employers will share plans for the introduction and use of digital technology at the earliest possible opportunity, recognising that technology could be a cause for concern to the workforce. Plans should include the effects of such technology, both positive and negative, on existing workers and job functions.
- The success of digital technology should be shared: employees recognise that new technology can enhance productivity, make work safer, more secure and more satisfying, and deliver new and better products and services. Our shared ambition is that digital technology delivers better jobs, on decent terms and conditions.
- Worker representatives understand the need for companies to remain competitive, which can include embracing the latest technology. Workforce representatives should understand that growing a profitable company and an efficient workplace are the overriding ambitions of management and the jobs of the workforce depend on management achieving those ambitions.

- Workforce representatives can be agents for change. Relevant information should be shared with such representatives in a timely manner. Where options exist for the introduction of digital technology, such as whether to introduce it in one part of the company or another, workforce representatives should be involved in choices made.

2. Health, safety, welfare and environment:

Industrial Digitalisation presents opportunities to improve safety and environmental impact in the workplace, throughout the supply chain and across society. Made Smarter found, for example, that 105 lives could be saved over the next decade due to increased health and safety in the construction industry.

- **Companies will assess any** potential impacts on health, safety and sustainability arising from the use of digital technology and conduct appropriate training to mitigate any associated risks and to make the most of opportunities for improvement.
- Occupational health issues, including work pressure and stress, should be reviewed as part of the organisation plan for digitalisation and be addressed.
- The company should engage with workplace health and safety reps in developing and monitoring risk assessments and the control of risk processes.

3. Developing digital skills for the future:

Made Smarter identified the importance of upskilling the workforce in order to reap the benefits of industrial digitalisation. Employers and employees have a shared ownership of skills development and this should be encouraged and supported through organisational and personal development plans.

- Companies will ensure that people have access to the training they need to make the best of new technology. Government and employees (or their union representatives) will be part of the partnership on retraining.
- Companies should incorporate digitalisation within their workforce strategy- providing an environment conducive to learning and supporting employees to reach their full potential through up-skilling and re-training. Where necessary companies should offer specialist digital technology external training and support.
- Re-training and skills programmes should be flexible in meeting the needs of all workers. Workers returning from all types of leave, should be entitled to access digital technology training needed for their role that may have arisen while they were away.
- Employees will be engaged in developing skills plans. Training should be agreed with workforce representatives where they are present.

4. Respect at work:

All staff should be supported through the change process of Digitalisation. Good communication and engagement conducted with trust and respect are important for stability and co-operation.

- Workers are entitled to high standards of treatment. Job satisfaction, rather than job intensity, will lead to improved productivity and digital technology should be used in pursuit of this outcome.
- Technology and associated data must be used responsibly. Technology should be used to improve the working environment and support productivity and health and safety.
- The sharing of data and trust in its subsequent use is a critical issue throughout the supply chain. Companies should consider developing codes of conduct on data use, including within supply chains, drawn up in consultation with the workforce and their representatives.
- Companies need to demonstrate that employee data is secure and that they are in compliance with regulations.

5. Job Security and enhancement:

Digitalisation can improve productivity and efficiency. It can also change the nature of tasks and jobs. Growth and financial benefits generated by digital technology should be reinvested, where possible, into areas that provide more opportunities and better jobs within the organisation.

- Employers will work with the workforce and workplace representatives, including union representatives where present, to try to ensure that individuals are positively redeployed as a consequence of digital technology.
- Individuals should see their roles enhanced as a consequence of digital technology. Employer and workforce representatives should engage with each other in an open and creative way to generate ideas for new products and/or areas of work for investment.
- Employers and workforce representatives should consider new ways of working, such as job redesign.

6. Equalities, diversity and inclusion:

Digitalisation can support inclusivity, for example by enabling people to work more flexibly, increasing opportunities for those with disabilities and enriching the diversity of the workforce through targeting under-represented groups for upskilling and reskilling. It is also recognised that new ways of working and working time, job design, job evaluation, access to training, retraining and progression can all have equality implications.

- Equality impact assessments should be included within any organisations' plan for digitalisation.
- Digital technology will be introduced in a fair and equal manner, in accordance with the law, and must not disadvantage anyone participation at work.