

Heads They Win – Tails You Lose

Fujitsu has announced that the August UK pay review will have a budget of just 2%. The latest cost of living (RPI) inflation figure is 5.3% in the year to May. So on average **staff will be 3.3% worse off than last year**. Even those with collective bargaining, who get a better deal, are still unlikely to match inflation.

While most employees see their standard of living eroded each year, the company can still afford to send a chosen few off on a “Fujitsu Stars” holiday at company expense. But while the fat cats look after themselves, a recent Institute of Fiscal Studies (IFS) report proved that the cost of living has gone up much faster for those on lower incomes.

The company tries to justify the miserly pay pot based on Fujitsu’s unimpressive 2010-11 financial performance. They must think we have short memories. In 2009 Fujitsu imposed a pay freeze, despite a profit before tax of almost £200m for 2008-9. Back then, the company argued that a pay increase was unaffordable because it would impact the following year’s results, which were expected to be worse. This year, the logic is reversed – last year’s loss means no pay rise despite predictions of better performance this year.

Many staff are sceptical about company results. Whenever the CEO changes a lot of bad news is suddenly discovered and lots of losses are taken in the first year. Then profits rise (along with directors’ packages) for a few years. Then the cycle begins again. If senior management are serious about breaking this cycle they should end the company culture of secrecy and give employees more of a say. After all, we’re the ones left picking up the pieces every time those at the top move on.

One thing is for sure – **whatever problems Fujitsu has, they aren’t due to paying us too much!**

In Fujitsu’s “Shaping Tomorrow With You” employee survey, only 9% of UK&I staff responded favourably to the statement “*the better my performance, the better my pay will be*” (a staggering 34% worse than a typical UK organisation). If another year of pay cuts is how Fujitsu responds, no wonder only 29% responded favourably to the statement “*I believe that action will be taken as a result of the survey*” (27% worse than a typical UK organisation).

Fujitsu’s pay system is utterly discredited in the eyes of employees. We need to do more than fill in company surveys if we want to start to be treated fairly.



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Facts

Since Fujitsu Services was set up in April 2003:

- The RPI cost of living up 29.8%
- GB Average Weekly Regular Earnings up 28.9%
- Pay if you got the full Fujitsu “pot” each year up 19.1%
- TSS/1 D1 lower pay comparator up 3.6%
- DEV/5 pay comparator up 3.5%
- CSA/3 pay comparator up 0.8%
- TSS/3 pay comparator down 4%
- TSS/4 pay comparator down 4.5%
- CSA/2 pay comparator down 6.6%

Inside: The Race To The Bottom,
Fair Pay, Jobs, Defend Alan Jenney

The Race To The Bottom

For a number of years there has been a trend for IT products and services to become more standardised. This led to competition becoming more based on price and less on functionality.

The same process is changing jobs and skills in our industry, which are also becoming standardised. This means the individual bargaining power IT workers have from specialist skills is declining, leading to downward pressure on pay, benefits and status for IT workers.

Following the economic crisis triggered by the financial markets' collapse, employers in public and private sectors alike are trying to pay people less for doing more work. Even highly profitable employers see the recession as an opportunity to squeeze pay and benefits. This has accelerated the downward trend already affecting IT workers.

A "race to the bottom" is developing, with IT companies competing with each other to erode the pay and conditions of IT workers, irrespective of their profitability.

Look at a few recent events in Fujitsu:

- Closure of the ICL DB pension plan
- Trying to cut jobs on the cheap
- Spreading cheap-and-nasty contract terms for working out of hours – overtime, shifts, standby and callout
- Axing the Majority Club
- Cutting DV security clearance bonuses
- Capping "POV" mileage rates for driving your own car on company business, despite rocketing motoring costs
- Cutting the pre-retirement wind-down scheme
- Increased Early Retirement Factors (ERF) for many ICL DB members who draw their pension early

If we want our industry to be a decent place to work in the future, we have to stop the race to the bottom. That means building collective bargaining power as quickly as possible, before the erosion of individual bargaining power goes too far.

Fair Pay

Fujitsu might ignore what employees say in surveys, but UNITE doesn't.

In line with what employees said in our survey last year, UNITE has begun a campaign for fair and transparent pay and benefits in the IT Services industry. See:

www.unitetheunion.org/itcharter

By coordinating this campaign across major companies in the industry, we help stop the race to the bottom. It's easier to make progress with one employer if they can't claim they will be undercut by others.

UNITE sought information from Fujitsu about the UK pay system, to check concerns about discrimination against sections of the workforce. Fujitsu is refusing to provide this except where UNITE already has union recognition. What has Fujitsu got to hide? UNITE is pursuing the matter through our fair and transparent pay and benefits campaign.

Look out for campaign updates, including how you can help.



"In the interests of time, I'll also tell your side of the story."

Jobs Warning!

During 2011, UNITE has been picking up increasing reports of the company trying to "manage people out of the business".

If Fujitsu wants to cut jobs, it should at least do it through a fair redundancy process, treating staff with dignity and respect.

Some staff are being threatened with spurious PIPs, Capability or Conduct issues, and offered "Compromise Agreements" (CAs), which are legally binding. These often entail the individual accepting some money in exchange for leaving the company, giving up legal rights, and agreeing to confidentiality.

Where employees contact UNITE for advice and challenge the threats, the threats are often dropped or very substantial packages agreed.

Sadly it appears that enough people are being intimidated into accepting shoddy deals to make this cruel approach to job cuts financially attractive to the company. Don't be one of them – join UNITE today: www.ourunion.org.uk/join.htm.

It's good news that reps on Fujitsu Voice are also demanding information from the company on this issue.

Defend Alan Jenney

If staff want a say over important matters that affect them, we need reps who can speak out without fear. That's why Crewe staff are determined to prevent Fujitsu singling out Alan Jenney for unfair and unnecessary redundancy.

Alan is a UNITE rep in Crewe, and Deputy Chair of the Fujitsu UK Combine Committee, which coordinates the union's work across the UK.

Fujitsu normally manages job losses through redeployment, without anyone being put at risk of redundancy dismissal. One recent example of this was the successful redeployment of hundreds of staff after the unexpected loss of the DWP Desktops contract.

Around the same time Fujitsu wanted to cut one job from Alan's team but immediately declared a redundancy situation, without any attempt at redeployment. They failed to respond to UNITE's requests for an explanation, despite the fact that avoiding redundancies is the first item for redundancy consultation.

Fujitsu defined a "selection pool" of two people, one of whom is covered by UNITE's "Annex 1" Manchester agreement. This makes clear that consultation is required, and that it starts when written notification is received by UNITE officers. UNITE is still waiting for this to be sent and for consultation to start.

In Annex 1 the company agreed that rushing into selection can hinder redeployment. UNITE and both affected individuals asked Fujitsu to delay selection and focus on redeployment.

Fujitsu falsely and bizarrely claimed that it would be illegal to redeploy anyone without selecting them for redundancy first. Fujitsu finalised the selection criteria before starting consultation and rushed ahead with a flawed selection process which selected Alan for redundancy.

The disregard for the Annex 1 agreement makes it hard to draw any conclusion other than that Fujitsu knew in advance that they were going to select the person not covered by it – Alan.

Neither employee should be at risk of redundancy – Fujitsu should work to redeploy anyone in this department they believe is not required, just as they do for hundreds of others.

Alan was rejected for one of the redeployment opportunities he applied for because of "*a number of at risk positions that need to be prioritised*", clearly not including his own.

UNITE identified another employee willing to swap with Alan and volunteer for redundancy, but the company has so far refused to do this.

All we are asking for is for Alan to be dealt with fairly, in accordance with Fujitsu's own practices and agreements, and in the same way as hundreds of other Fujitsu employees who are redeployed without being put at risk of redundancy.

Campaign

Thanks to everyone who signed the petition in support of Alan Jenney.

We know from recent experience that a strong campaign *can* stop the company unfairly picking on individuals.

Despite clear breaches of procedure and easy solutions offered by the union, Fujitsu was ploughing towards dismissal and time was running out for Alan. So UNITE members in Crewe asked the union to ballot them for industrial action in defence of Alan and their union. The ballot result is due on 23rd June so action could start from 30th June.

This dispute is easy to settle, and members would rather it was sorted out without industrial action. Please do what you can to support the campaign and bring it to a speedy conclusion – see www.ourunion.org.uk for more information.

Germany

When the company announced dramatic cuts to their allowances, Fujitsu staff posted on British bases in Germany joined UNITE. Talks are ongoing and the cuts have already been successfully delayed.

With the majority now in UNITE, they could be the next group of Fujitsu staff to win union recognition.

Join

A company the size of Fujitsu doesn't act on the views of individual staff when it comes to important issues that affect you, such as pay and benefits. If we want change, we have to speak together.

Joining a union doesn't mean you agree with everything it says or does. Unlike an employer, UNITE is democratic, and members have a wide variety of legitimate opinions.

A union's effectiveness depends on the size and involvement of its members. Do you think UNITE would be more effective if more people like you were involved? If so, please join today, for less than £11 a month: www.ourunion.org.uk/join.htm