

The Business context for public sector and voluntary organisations and labour market trends

Public versus private

- The distinction is blurred
- Fully private
- Private with part state ownership
- Private regulated
- Public infrastructure, operating privately
- Contracted out
- Public with managed competition
- Public without competition
 - (Tomkins, 1987)

Public services

- Generally provided for public consumption not on ability to pay eg.....
- Central government has overall responsibility for public services and deciding policy what services to provide, fund and administer
- Public services where a minister of the Crown is directly or indirectly responsible to Parliament include armed services, government departments and non-department agencies eg.....

Voluntary associations

- Tend to be smaller, employing fewer resources than private or Public organisations
- Goals are welfare and community orientated
- Examples.....
- Why have voluntary organisations become increasingly important in recent years?

Changing nature of work and employment

- Labour market consists of all those men and women available or capable of work traditionally 16-64
- 32.54 million current working population (2022)
- Describe and discuss the changes in the labour force over the past 20 years in relation to:
 - Employment by occupation
 - Employment by industry
 - Patterns of work (part time, temporary and shift work)

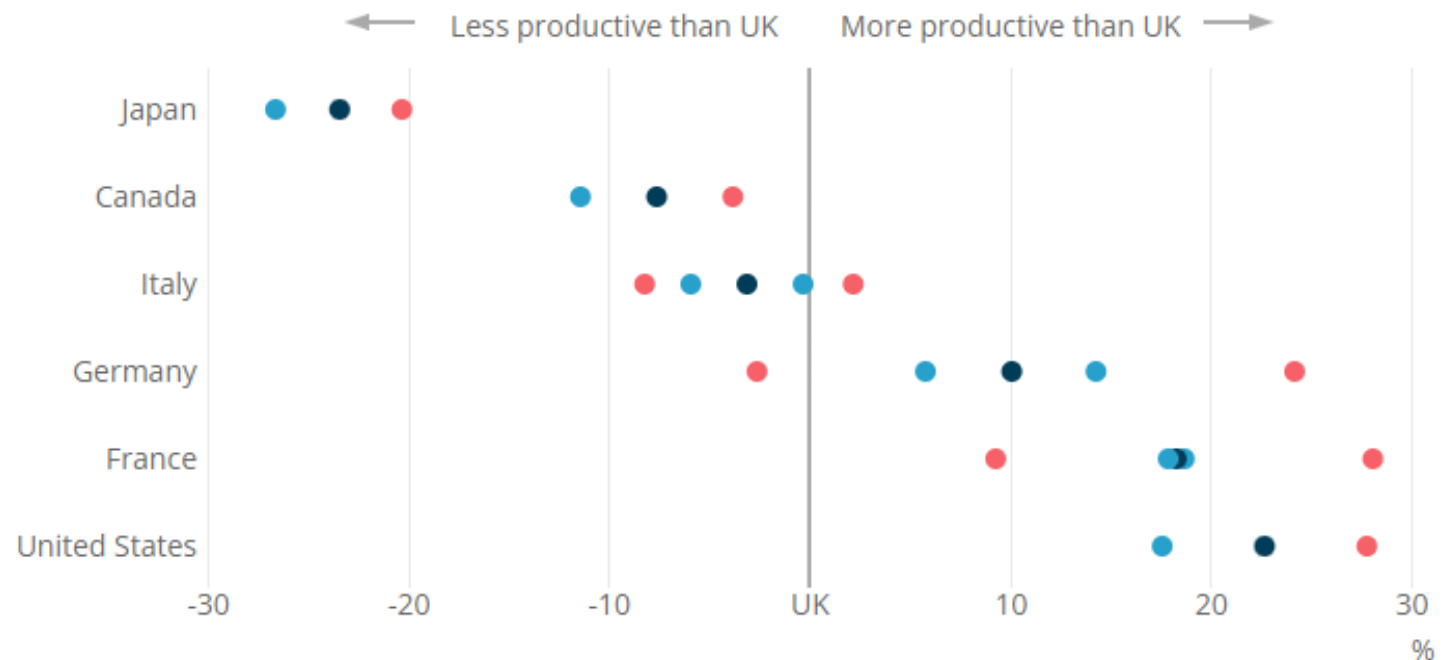
Competitiveness

- Competitiveness depends on a range of facets but in particular skills of workforce, stability of the macro economy and legislation
- Productivity (how much the economy is producing per worker employed)
- Dependent on the efficiency of the worker and on the hours worked

% Productivity

Output per hour worked point estimate comparisons using differing methods to calculate hours worked, 2019

● Equivalent methodology ● Differing methodology ● Median



Increasing productivity

- Capital investment particularly in modern equipment
 - Economic stability
 - Research and development
 - IT and internet usage
 - Reducing restrictive practices eg. Price fixing
 - Improving management capability
 - Improving infrastructure
 - Being more flexible to optimise resources (numerically, functionally, occupationally, wage and mindset)
 - Developing workforce skills
-
- What are the implications and recommendations of the Leitch (2006) review to UK competitiveness? You can look up research papers to find out if the UK achieved the goals set out from the review by 2020. Following on from this have a look at the spring statement 2022 – How far have we come since 2004 and where are we heading as a nation? Is it achievable?

Implications for HR

- Understanding the nature of economic scarcity and the principles underpinning markets and price determination is an important skill for decision makers
- Need to know the types of products, capital and labour markets in which their organisations operate
- Need to be sensitive to the sorts of market changes likely to affect these markets
- Need to understand how government can intervene and the implications of this