



ETHICS & SUSTAINABILITY

BETTER JOBS PROGRAMME

2019/20

A summary of findings from the first year of the programme and next steps for wider adoption of the model with our suppliers

JOHN LEWIS
& PARTNERS

JOHN LEWIS
PARTNERSHIP

WAITROSE
& PARTNERS



JOHN LEWIS WORKS WITH OVER 120 UK SUPPLIERS, MANY OF WHOM WE HAVE WORKED WITH FOR DECADES AND HAVE FIRMLY ESTABLISHED RELATIONSHIPS.

THE BETTER JOBS PROGRAMME

AS A CO-OWNED BUSINESS WE ARE DRIVEN BY OUR VALUES AND BELIEF IN DOING THE RIGHT THING, AS LAID OUT BY THE PARTNERSHIP'S CONSTITUTION. OUR HOPE IS THAT OUR SUPPLIERS WILL FOSTER THESE VALUES WITHIN THEIR OWN ORGANISATIONS.

For over ten years, John Lewis has had an established human rights due diligence process in place to ensure all factories making products bearing our name meet the standards we expect. We have a robust Responsible Sourcing Code of Practice (RSCOP), which clearly outlines these expectations, and suppliers are required to undertake an audit every two years which verifies the site has maintained suitable workplace standards.

John Lewis works with over 120 UK suppliers, many of whom we have worked with for decades and have firmly established relationships. In 2015 we spent time with a number of our suppliers to understand and explore some of the challenges they are facing and how we can support them in adapting to these challenges successfully. Due to the highly-skilled nature of manufacturing products such as mattresses, upholstery and furniture, our suppliers reported that they are relying on specialist recruitment agencies to identify and hire individuals with experience and expertise from eastern Europe, as these are not readily available in the UK. Suppliers also expressed frustration at the low uptake of apprenticeships in the industry, signalling concerns about future-proofing the industry. Many suppliers felt restricted by the way that 'tick box' audits required them to focus their resource in a very narrow field and in a repetitive manner that was not driving conversations that maximise innovation opportunities.

As a result of this insight we developed and launched the Model Factory Programme with 10 UK suppliers in 2016. This programme focused on in-depth training of management teams to support their understanding and application of UK employment legislation, as well as forensic-style auditing designed to uncover instances of modern slavery in our suppliers' workplaces. As part of this programme we also surveyed 1600 workers to understand their experience of being at work. This programme was fundamental in testing how we might be able to move suppliers away from a standard ethical audit process, on to a progressive, continuous improvement programme that supports them in making changes to their businesses that have a positive impact on their employees' experience of being at work.

Based on both the insight from working closely with suppliers and the results seen from the Model Factory programme, we spent 2018 developing our flagship 'beyond audit' programme called Better Jobs. Better Jobs is about creating more rewarding and enriching jobs for the people who make our products.

WHAT IS DIFFERENT ABOUT THIS NEW MODEL?

STANDARD AUDIT

Suppliers are required to pay for an audit every two years as well as follow up visits/desktop reviews to close remediated issues.

Action plan generated based on auditor findings.

Audit methodology is based on the Ethical Trading Initiative base code and international/local laws.

Employees interviewed in groups and individually by auditor to confirm working conditions.

Pass/fail compliance approach- often issues reappear as the cause is not addressed.

Centred around compliance.

BETTER JOBS PROGRAMME

Free to access- suppliers gain access to the framework and employee survey for no charge.

Supplier co-creates action plan based on insight from workers with support of John Lewis team.

Participation is contingent on supplier being fully responsible for maintaining compliance with all national laws and meeting our Responsible Sourcing Code of Practice.

Employees invited to participate anonymously in survey covering all aspects of their workplace and career.

No grading provided the management team work collaboratively with their employees to determine solutions.

Centred around employees.

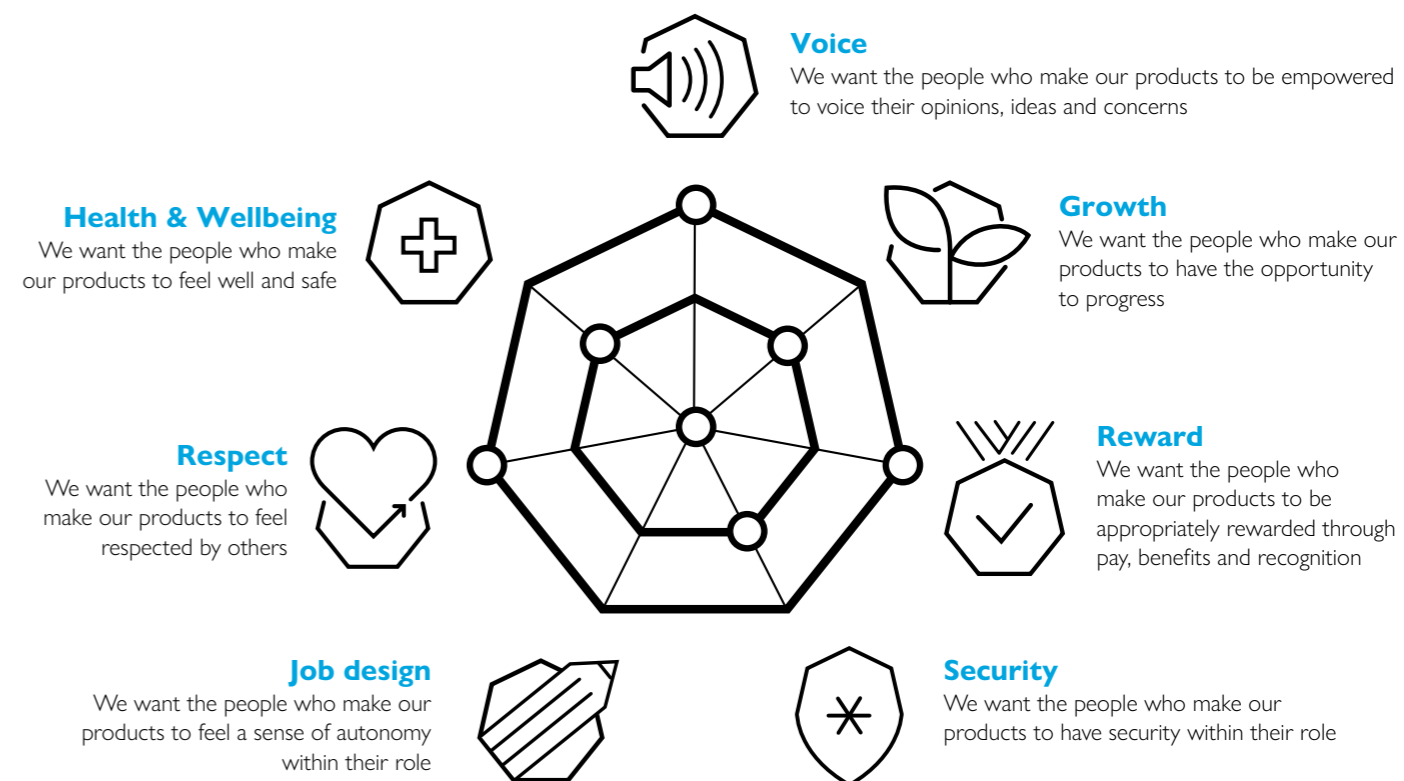
THE BETTER JOBS PROGRAMME CONSISTS OF TWO PARTS: A FRAMEWORK THAT HELPS SUPPLIERS THINK ABOUT THE WAYS THEY SUPPORT, ENGAGE AND REWARD THEIR EMPLOYEES, AND AN EMPLOYEE SURVEY.

The Better Jobs Framework was developed in collaboration with experts from the John Lewis Partnership and an advisory group consisting of representatives from The Joseph Rowntree Foundation, Institute of Employment Studies, and the Chartered Institute of Personnel and Development (CIPD). This ensured that the programme was built on insight and would be practical, helping businesses engage effectively - The Framework has seven themes: Voice, Growth, Reward, Security, Job Design, Respect and Health & Wellbeing.

The employee survey consists of questions from our own Partnership Your Voice survey, which is run every year for all Partners to participate in. This includes questions about all seven Better Jobs framework themes, inviting employees to consider how they use their skills in the workplace, opportunities for career advancement, workload, the way they carry out tasks, how they are given opportunities to have their say and whether these are acted upon. CIPD published their 'World of Work' survey in 2018, so we looked for synergies between this work and the outcomes we were looking to achieve from Better Jobs, and gained permission to use a number of their questions in our survey.



THE BETTER JOBS FRAMEWORK



THE JOHN LEWIS PARTNERSHIP YOUR VOICE SURVEY

The Your Voice survey was launched in 2017 and our specialist in-house team have delivered the same survey three years in a row so that we can capture Partner sentiment regarding our performance in meeting our Constitutional principles.

In 2018 over 56,000 Partners completed the survey, which is a response rate of 68%. This compares well against the broader retail sector where response rates are usually around 50%. In 2019 we achieved a response rate of 72%.

The results of the survey are then published and provide a starting point from which our Partners can shape conversations about improvements that need to be made across teams, divisions and the wider business.

BETTER JOBS 2019

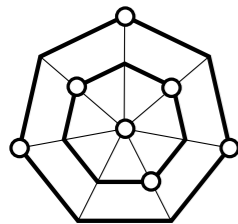
BETTER JOBS WAS LAUNCHED TO OUR WIDER UK SUPPLY BASE IN FEBRUARY 2019, WITH ALL FACTORIES INVITED TO PARTICIPATE IN LIEU OF CARRYING OUT AN ETHICAL AUDIT. THIS YEAR, WE HAD 23 SUPPLIERS COMPLETE THE FRAMEWORK AND OVER 800 EMPLOYEES ACROSS THESE SITES PARTICIPATED IN THE SURVEY.

Managers of participating factories gain access to a custom-built portal, which hosts a suite of resources and guidance on each of the seven framework themes. The portal is also where suppliers input their responses to the framework questions, providing both qualitative information about their strategy, initiatives and policies, as well as quantitative data relating to employee turnover, sickness, injury and other workplace metrics.

We made a deliberate decision not to introduce a grading or rating system for this data, as each supplier has unique needs and challenges. The framework tool is designed to help our suppliers identify where there are opportunities to make improvements. This encourages suppliers to think about the results they are trying to achieve in their own business, rather than trying to meet an arbitrary industry standard or benchmark. We have created some comparison functionality on the portal so that suppliers can see their performance against their peers, but this is designed to be informative rather than competitive.

Suppliers also access the survey results via their portal login and will be able to compare their results year on year.

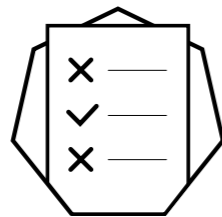
FACTORY MANAGEMENT



Management team completes framework giving insight into the work they do to address the seven themes

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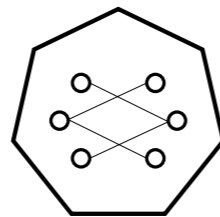
FACTORY EMPLOYEES



Employees participate in annual survey to give their feedback on their experience of being at work

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BESPOKE ACTION PLAN



Annual action plans are formulated based on the areas that are highlighted through participation in the programme

135

JOHN LEWIS OWN-BRAND FACTORIES IN THE UK

3

FACTORIES PARTICIPATED IN THE PILOT IN OCTOBER 2018 TO TEST THE PORTAL TOOLS AND PROCESS

25%

OF JOHN LEWIS FACTORIES IN THE UK HAVE JOINED THE BETTER JOBS PROGRAMME AND ARE WORKING THROUGH THE FRAMEWORK AND SURVEY

800

WORKERS PARTICIPATED IN THE SURVEY, REPRESENTING OVER 25% OF PARTICIPATING SUPPLIERS' WORKFORCE

'We have really enjoyed being part of the Better Jobs programme. The survey is well structured and covers a wide range of topics, allowing us to get a real insight as to the views of our people. We have used the data to structure our learning and development plans and management coaching programmes.

During the first year Wellbeing was highlighted as an area that we could improve upon, this led to us working with Mind to draft a Wellbeing policy, convene a committee, train Mental Health First Aiders and launch a 12 month programme of wellbeing initiatives. Now in its second year, this is a scheme that has become embedded in our normal business life.

The programme itself is well designed and easy to use, the surveys are easily accessible by all staff (office and warehouse based) so we think this is a very inclusive programme that helps with people development.'

RACHEL COX | HR Manager
Virginia Hayward (supplier of gift food hampers)



AT-A-GLANCE TRENDS



VOICE

Almost 70% of workers feel they are able to voice their opinion, well over the national average.



HEALTH & WELLBEING

We were pleased to note that the majority of workers in our supply chain that responded in the survey thought that their employer supports their wellbeing.



JOB DESIGN

The data also shows that almost half of the workers in our supply chain feel that they have some control over their working hours. Almost 90% report having influence over how they do their work, reflecting great empowerment.



GROWTH

Over 90% of suppliers encourage staff to get a qualification whilst at work, and over 80% have development plans in place for their workers. However, there are clear opportunities for the many of these suppliers to become more consistent across their workforces.

BROADER TRENDS



VOICE

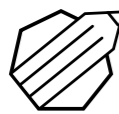
There is a strong positive correlation between suppliers running a worker survey internally and their employees feeling positively about their voice being heard in the workplace.

Running a worker survey seems to be a simple and effective way of ensuring workers feel like their opinions matter. Seven of the suppliers regularly survey their workers.



RESPECT

Results from the survey and the framework told us that companies with more advanced policies and programmes to improve employee wellbeing and satisfaction, had more positive worker responses.



JOB DESIGN

There were no clear trends which highlights the need for a more personalised approach when it comes to designing roles. It was clear that workers do not feel that they are learning and developing skills or that the work is more interesting when the workplace has a high proportion of jobs on rotation. We will be exploring this in more detail in 2020 to see where opportunities for innovation exist.



HEALTH & WELLBEING

In every case, where supervisors and managers have received training on mental health, workers feel comfortable with their work.



GROWTH

Mentoring programmes do not seem to have any impact on workers' sense of how much feedback they receive. This does not mean that a mentoring programme has no value, rather, it might be a signal that it is not being executed effectively.

We will be exploring this finding in 2020 to understand the opportunities for us to help suppliers evolve the way they run their mentoring programmes.



JOB DESIGN

In the sample of factories that participated this year, the length of service is a better indication of a well-designed job than the turnover rate and employee satisfaction is better represented by how long (average length of service) employees stay in the company, rather than how low/high turnover is.



CASE STUDY

Whitehall, a John Lewis kitchen worktops supplier based in Yorkshire, has been a long-term supplier to the Partnership. As one of the first businesses to participate in the programme, 70% of their workforce completed the employee survey which was the highest response rate of any supplier in 2019.

Whitehall's performance against the seven thematic areas of the framework was consistently high when both the framework and employee survey responses were reviewed. 100% of the workforce have a development plan in place, supported with 50% of their workforce participating in some form of mentoring or buddying programme. Of particular note was the high positive response rate from Whitehall employees about feeling comfortable being themselves at work, which correlated with the progress they have made on ensuring mental wellbeing is supported in the workplace.

CONCLUSIONS

SURVEY

The results of the survey were received positively by sites that have been through the programme. Overall, management teams found this to be a useful tool in understanding the sentiment and feeling of their workforce. Whilst some sites had quite low numbers of responses, overall a good participation level (25%) shows positive uptake and engagement with the concept.

FRAMEWORK

Feedback from suppliers has been hugely valuable in helping to shape our thinking for the next stage of this programme. Many companies have commented on the amount of time needed to collate all the data and information asked for in the framework, so we will be reducing the overall time investment needed by suppliers going forward so that it is more practical.

We will also be reviewing the framework to better align it to the survey so that we can more clearly draw conclusions from comparisons in the data set.

This insight could start to shape the way that we support our suppliers to meet the demands and challenges of the current UK employment market, as well as highlight and celebrate best practice examples.



NEXT STEPS

EXISTING PARTICIPATING SUPPLIERS

- We have followed up with all participating sites to support them with developing an action plan which identifies 2-3 areas they will be focusing on in the coming year. The 2020 framework will then ask suppliers to report on progress with this action plan and ask employees to provide feedback on how these changes have had an impact on the work environment.
- We will be refreshing the Better Jobs portal with new content based on the trends we've seen in the first year of the programme and showcasing best practice examples that participating suppliers wish to share. All sites that participated in the first year will then repeat the process so that we can measure improvements and track progress of their action plan.
- We will host some events to discuss key trends and engage with industry bodies to better understand how we can support UK manufacturing.

FUTURE PARTICIPATION IN THE UK

- We will be offering the employee survey component of the programme to suppliers still requiring an ethical audit for other customers, so that their employees have the opportunity to provide their views and also to gather more insight into UK manufacturing workforce.

FURTHER ROLL-OUT OF THE MODEL

- We will be trialling a version of the Better Jobs programme in China, utilising a web-based mobile app to engage directly with workers to get insights into how they feel about their workplace. This pilot will test whether this approach is effective in different cultural contexts, where John Lewis is not a widely-known brand.

WE WILL BE REFRESHING THE BETTER JOBS PORTAL WITH NEW CONTENT BASED ON THE TRENDS WE'VE SEEN IN THE FIRST YEAR OF THE PROGRAMME AND SHOWCASING BEST PRACTICE EXAMPLES THAT PARTICIPATING SUPPLIERS WISH TO SHARE.



