

# Group Audit: **NOT** 'A Great Place To Work'!!!

**O**ver the past year LTU has had considerable concerns over the nature and style of management and working arrangements operating within Group Audit.

**The most recent arrogant and cavalier behaviour of senior management - notifying staff that it is to cease home working without prior consultation - is indicative of a more general attitude to Group Audit staff.**

**In fact, there is more than a whiff of suspicion that this announcement is part of a more general Group Audit strategy designed to make staff uncomfortable: the intention being to increase staff turnover without having to make Severance Payments. It is common knowledge that one of senior management's objectives has been to deliver high levels of staff turnover!**

It is also obvious to anyone - whether working for the function or as an outside observer - that things have been going seriously wrong within Group Audit. In particular:

- **Successive Employee Engagement Surveys (the latest of which was published this week) have shown that Group Audit has one of the worst - if not the very worst - scores in the entire Lloyds TSB Group.**
- **A Members Survey conducted by LTU at the end of last year reached similar conclusions; showing morale to be at 'rock bottom' and a lack of confidence in**

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senior management. These findings have been confirmed by a series of meetings by LTU Officials with groups of Group Audit members.

- **Very high levels of staff turnover; unusual given the typical grades of staff in Group Audit.**
- **A disproportionate number of Grievances per capita taken out by Group Audit staff. LTU has been particularly concerned that many of these cases have not been handled fairly or with the required level of independence.**

LTU raised these concerns at its last meeting with Group Audit Management and will be doing so again at our next meeting, when we will be continuing to press for substantial change to management's attitude to staff.

# The New Expenses Policy & Homeworking

At the end of last Month, Group Audit Senior Management introduced two changes to its Expenses Policy that are designed to cut the amount paid to staff. One-to-one meetings with affected staff commenced last Thursday.

The two key changes are that:

- **Staff will no longer be able to claim the daily allowance - worth £5.00 - when visiting locations away from home.**

There can be no excuse for this change to a policy which, LTU believes, has existed for at least 20 years. Group Audit staff routinely have to conduct visits - sometimes with very little prior notice of the location - and in these circumstances, where nothing has changed, the allowance remains wholly justified.

- **'Home Based Workers' will have to report to 'permanent base locations' in future.**

This will have two important consequences for staff. First, it will require many staff - who already travel extensively - to do so even more frequently; with the additional costs of doing so. Second, it will mean the Bank can deduct the distance from home to the base location from the total travel cost claimed when attending out of office assignments.

**In other words, these two changes could have substantial financial consequences for Group Audit staff.**

Despite arrangements requiring consultation with LTU on such matters, the Union was provided with less than 2 hours advance notification of these changes. The Bank also refused to rescind its instruction until after it had met with LTU. This is wholly unacceptable and betrays the arrogant attitude senior management has towards its staff.

Plans to cease homeworking are also a complete breach of an agreement reached between the Union and Group Audit Senior Management in late 2004.

## Members Advice

The advice that LTU is able to provide members who are told they can no longer work from home, but must instead report to a 'permanent base location', will depend upon each individual's circumstances.

However, the principal issues are that:

- **There should be objective justification provided by the Bank for why an individual must be located at a specific base location.**
- **When the journey to the base location exceeds the requirements of the Bank's Mobility Policy - that is a distance from home of more than 25 miles or 1.25 hours by public transport - an individual has very strong grounds to refuse the transfer.**
- **Compensation should be provided for increased travel costs arising from relocation.**
- **No member should feel under pressure to agree on the spot changes to their long established terms and conditions. If necessary, take Group Audit's proposals away for consideration and, if you need to, contact LTU's Advice Team.**

LTU urges members needing advice or assistance to contact the Union's Advice team on 01234 262868.

## Mixed Messages On Costs

Management's communication - '*Group Audit - Cost Savings*' - betrays a lack of clear thinking on the issue of controlling costs, which sits uncomfortably alongside instructions to force home-based staff to work from Bank offices.

Controlling printing costs might save small sums of money for the Bank, but pale into insignificance compared to the additional costs of more journeys in Bank Cars and accommodating staff in Bank premises.

In fact, the move away from homeworking is a move against a trend in many other parts of Head Office.

# The Worst Place To Work In Lloyds TSB?

The Employee Engagement scores for Group Audit that were published - and feedback from a series of LTU meetings with groups of Group Audit members - indicate that Group Audit is almost certainly the worst place to work in the whole of Lloyds TSB.

What is more, the figures tend to show that - rather than improving - things are actually getting worse. That is because a number of staff who will have rated Group Audit poorly at the time of the last Survey, have since left the Bank either because of disillusionment or mistreatment.

In fact, it appears that either (i) established staff are becoming even more disillusioned, (ii) new staff are taking very little time to form negative impressions of the Bank, or (iii) a bit of both.

The facts speak for themselves:

- **Just 47% of Group Audit Staff are “satisfied with Lloyds TSB as an organisation to work for”.**
- **Worse still, only 43% of staff would “recommend Lloyds TSB as a good organisation to work for”.**
- **Merely 29% thought the executive management of Lloyds TSB was doing a**

**good job in providing leadership.**

**In fact, in each case Group Audit scores at least 20 percentage points less than the average for the rest of Lloyds TSB.**

It is also likely that the scores would have been far worse if, rather than scoring Lloyds TSB generically, staff were instead asked to rate the Group Audit function specifically.

## Management Failure

In the email communication accompanying the latest Employee Engagement scores, it is suggested that “Having a well motivated team ... underpins our ability to become a world-class audit function”.

**LTU agrees totally but such alarmingly low Employee Engagement scores indicate significant management failure and show that fundamental and decisive action is required to put right the ills of the Group Audit function.**

Until this happens, the majority of Group Audit Staff will continue to have no confidence in the direction and management style of the organisation. **The real question at present is, therefore, whether the new Accelerate programme will be sufficiently radical in undoing the damage inflicted over the last year.**

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# Demoralisation - A Deliberate Management Strategy?

LTU suspects that, rather than being overly concerned by the low Employee Engagement scores achieved within Group Audit, this has been the inevitable consequence of a deliberate strategy of demoralising and unsettling staff.

**After all, we know that achieving a high level of staff attrition was a Balanced Scorecard objective for the Group Audit function. What**

**better way of achieving this than to make Group Audit an unpleasant place to work?**

Of course, Senior Management has sought to explain away its intentions by arguing that a steady throughput of staff coming into and leaving the Group Audit function - from other parts of the Bank - is healthy. LTU wouldn't disagree. However, this justification cannot be reconciled with the facts that:

- **Much of the staff turnover has been in the form of very high numbers of staff - particularly bearing in mind the grade profile within Group Audit - leaving the Bank altogether. In most cases, this has been either through disillusionment or because of people feeling harried into resigning, rather than receiving Voluntary Severance or Voluntary Early Retirement terms.**
- **If the intention is that staff should move frequently into and out of Group Audit to other parts of the Bank, why have many leavers been replaced with specialists who are unlikely to have the transferrable skills and experience to move into other parts of the Bank?**

Of course, the management explanation is really a front to mask its real objective.

LTU believes that the real motive is to make life so uncomfortable for longer-serving Group Audit staff, that it can persuade them to leave the Bank and achieve the restructuring of the workforce it is seeking whilst making only nominal redundancy payments. We know that many members that we have spoken to share this opinion.

And even when staff are awarded a payment, this is often much lower than the standard terms would

offer.

## **Grievance Hearings ... Preventing Fair Hearings**

Over the last six months, there have been a number of occasions where Group Audit Staff have felt compelled to commence Grievance proceedings because of the manner in which they have been treated.

In each case, LTU has had to raise concerns over how the Grievances have been handled. In most cases the Union has been convinced that, had each of the cases been heard in any part of the Bank other than Group Audit, the outcome would have been to the favour of the individual members of staff.

**But no doubt because Group Audit Senior Management appears to have a limited interest in treating staff fairly, the cases have been lost. What's more, Senior Management has refused to allow the Hearings to be presented in front of decision-makers, outside Group Audit, who can credibly show that they are genuinely independent.**

This is presumably because senior management realises that genuinely independent decision-makers might find in favour of staff and it does not want to run that risk!

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# **LTU Support**

LTU is determined that Senior Management will no longer get away with the mistreatment of Group Audit Staff.

The Union will be providing members with its full support through:

- **Wherever members in Group Audit are poorly treated, challenging and exposing poor management practice and campaigning for substantial improvements. This could include 'naming and shaming' those responsible.**

- **Reviewing a number of Group Audit practices with our lawyers in order to identify where there is scope for legal action.**
- **Exploring the involvement of ACAS in auditing staff management practices within Group Audit.**

Members in need of advice and support can also contact LTU's 24 Hour Advice Line Service on 01234 262868.

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