23rd July 2019

Frank Field MP
Chair
Work and Pensions Committee
House of Commons
London
SW1A 0AA

Thank you for your interest in how Morrisons encourages progression and colleague development. As you know, we are a vertically integrated business, with substantial manufacturing, logistics and retail operations, and our commitment to social mobility stretches right across the organisation.

We are delighted that this commitment has been externally recognised with Morrisons ranked in the top 20 of the Social Mobility Index. Our colleagues are central to our growth and key to our continued success. We strive to be a meritocracy where hard-working people can succeed whatever their background, and everyone shares in success. Many of our senior colleagues are living proof of this and have worked their way up from the shop floor.

To best assist your inquiry, I have set out our work in this area around the three questions in your letter.

1. **If you have a policy in place to encourage internal staff progression and promotion, and if you could provide details of this policy**

Providing colleagues with the opportunity to develop, progress and grow is at the heart of our people strategy. We have a number of policies and initiatives in place to deliver this and teams dedicated to managing our talent pipeline across the business. For example:

- **Recruitment.** Our recruitment policy is to fill vacancies through internal promotion wherever possible. We have a target to fill 70% of vacancies from within the organisation and this is supported by our ‘career pathways’ programme which is described later.

- **Career plans.** Our career and development policy establishes that all of our colleagues will have at least two formal performance reviews each year. Alongside this our salaried and hourly paid colleagues will be invited to a formal ‘career plan’ conversation. These are personal to the colleagues and are designed to cater for all, whatever the aspiration. Whether it’s progression and promotion, skills development, a desire to gain new experiences or increased responsibility, the career plan offers colleagues the opportunity to
- **Secondments.** Our secondment policy provides colleagues the opportunity to achieve their career aspirations, develop skills, gain experience and broaden their horizons. Development secondments are utilised particularly well across our retail division and play a key part in our career pathways programmes.

2. **For what roles in your organisation you allow and/or encourage flexible working**

   Our colleagues’ work-life balance is important to us and we allow flexibility in roles across the organisation to support this. We continuously seek to identify ways in which we can provide better options for flexibility in our business. For example:

   - Our flexible working policy means that any colleagues can make an informal or formal request for flexible working (if they have 26 weeks of continuous service);

   - We have changed our contractual working hours for all salaried line managers in our retail division from 43 to 40 hours per week to encourage a healthier work-life balance - with no change to contractual pay;

   - We are giving colleagues in stores more flexibility in what hours they work (based on their contracted number of hours) to better suit their personal circumstances;

   - We encourage colleagues from all faiths to celebrate the religious festivals that are important to them and allow flexible working patterns to enable this;

   - We are currently trialling a modernised working practice in our head office, giving colleagues the option to work their contractual hours over four days rather than five.

3. **Any special programmes you have in place to encourage the internal progression of your staff, particularly the lowest paid**

   We have a number of programmes to encourage and support the internal progression of our colleagues, including the lowest paid. For example:

   - **Career Pathways.** Our career pathways programme prepares our colleagues for internal progression. It consists of a number of behavioural and technical development sessions, career mapping and a secondment role to ensure colleagues - are well equipped to progress and succeed. Over 500 colleagues started one of our Pathways programmes in 2018/19, with many being in work level one roles.

   - **Apprenticeship schemes.** Our apprenticeship schemes offer our colleagues the opportunity to develop their skills and increase their earnings. Our craft apprentices work with market-leading training providers, become a master in their trade and gain a recognised qualification. They are paid the hourly in-store rate of £8.70, plus an additional craft apprenticeship supplement. In 2018/19 we recruited over 250 colleagues onto our skilled apprenticeship programmes in areas ranging from Butchery and Bakery to Engineering and Floristry. In all we have more than 2,000 colleagues in the business who have gained an apprenticeships since we launched the programme in 1997.
• **Degree apprenticeships.** We offer chartered management degree apprenticeships across our retail, manufacturing, logistics and head office divisions. We have partnered with the University of Bradford and Sheffield Hallam University to provide the opportunity to work, earn and learn whilst studying towards a BSc (Hons) in Management and Business. Successful Degree Apprentices are in full time salaried roles at Morrisons and at the end of the scheme can be appointed into a senior manager role in store, shift manager in manufacturing and logistics, or specialist role in head office.

• **Graduate scheme.** We also operate a more traditional graduate scheme with placements ranging from finance, technology, people management and digital. Our two-year schemes develop colleagues’ skills, helping them take the first steps in their careers. Our existing colleagues have the opportunity to apply earlier than external candidates for our degree apprentice and graduate scheme.

A real strength of our young talent programmes is the way in which they attract friends and family. In 2018/19 almost 40% of our combined Degree Apprentice and Graduate programmes offers were made to the friends and families of existing colleagues. Our Generations campaign, which identifies colleagues and their family members who have started one of our young talent programmes proved particularly effective, doubling the number of applications received.

I hope that this letter is helpful to your inquiry and gives you a sense of our commitment to this important agenda.

Please don't hesitate to contact me if you would like any further information.

David Potts
CEO