

# Managing conflict at work policy procedure and informal resolution

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## Executive summary

This report explores the role played by managers in handling disciplinary issues and employee grievances. It is based on 7 case studies, selected to provide a variety of organisational contexts. Each case study comprised: in-depth interviews with key stakeholders; analysis of policy and procedure; a series of online workshops; and attitudinal surveys of participating line managers. In total, 18 interviews were conducted, 86 managers took part in 11 online workshops and 69 managers were surveyed.

## Background

Over the last 2 decades a policy consensus has developed which underlines the importance of encouraging organisations and their managers to address workplace conflict at the earliest possible stage and to resolve problems through informal discussion where possible. A recent analysis prepared for Acas has highlighted the cost and efficiency benefits associated with early conflict resolution (Saundry and Urwin, 2021).

However, existing research has questioned the extent to which the aspiration of early and informal resolution is reflected in the reality of most UK organisations. In contrast, evidence suggests that formalised approaches to discipline and grievance remain well embedded in organisational practice driven, in part, by concerns over risk and legal compliance. Reliance on procedure and process also reflects a well-documented deficit in managerial conflict confidence (Saundry et al., 2016).

While some commentators have argued for radical changes to organisational approaches and policy guidance to shift the focus away from formal process, there is a lack of detailed contemporary evidence in relation to the management of formal procedure. The research on which this report is based begins to address this gap. In particular, it seeks to answer 4 key questions:

1. What are the main characteristics of the context within which disciplinary and grievance cases are managed and what challenges does this present?
2. To what extent are managers confident in resolving issues informally and at an early stage?
3. How do managers navigate the transition between informal process and formal procedure?
4. How do organisations use formal procedure and what are the implications for managers and employees?

In so doing the research aims to improve understanding of challenges faced by managers in handling formal process and procedure; explore how managers can be best supported to engage in effective conflict resolution; and inform the development of policy and practice.

## Discipline and grievance – context and challenge

### What are the main characteristics of the context within which disciplinary and grievance cases are managed and what challenges does this present?

Policies and procedures used by all organisations in the sample were influenced by the [Acas Code of Practice on Disciplinary and Grievance Procedures](#) (the Code), underlining its power as a regulatory lever. Respondents had a broadly positive view of the Code. The Code sets out standards of reasonable behaviour for formal disciplinary and grievance procedures. While it does not set standards for informal resolution, the Foreword to the Code briefly acknowledges that "many potential disciplinary or grievance issues can be resolved informally". Importantly, there was no evidence that the Code restricted organisations from revising their procedures to promote early and informal resolution.

Although all policies varied in length and complexity, informal resolution was rarely defined or explained in any detail. Instead, policies were largely focused on legal compliance and the enactment of formal procedure, particularly investigation. Mediation was only mentioned in any detail in the policies of one organisation. Most disciplinary policies and procedures had a uniform approach to different levels of misconduct.

Respondents suggested that the covid-19 (coronavirus) pandemic had created an increasingly complex environment in which staff resilience has been eroded and conflicts have the potential to escalate more quickly. In those organisations which used hybrid and remote working, the balance between home and office-based working was a source of tension. Moreover, remote management made it harder to spot emerging problems, while online difficult conversations were particularly challenging.

The research suggested that managers were not necessarily provided with the skills and support needed to meet these challenges. Formal training was patchy and often revolved around procedural compliance rather than early and informal resolution. HR-led coaching approaches were seen as important in developing the conflict confidence of managers, but this was constrained by limited (and in some cases declining) HR resource.

## Early and informal resolution

### To what extent are managers confident in resolving issues informally and at an early stage?

Respondents in all the case-study organisations supported the concept of early and informal resolution, although some managers were unclear on what 'informal' resolution meant in practice. While more experienced managers felt comfortable having initial 'difficult' conversations, newer managers were less confident. The research pointed to a number of barriers to early intervention:

- Insufficient clarity and guidance in relation to early and informal resolution, in contrast to more formal aspects of procedure.
- Concern over the implications of proceeding to formal procedure. These included: potential draw on managers' time; threat of counter-grievance or litigation; and stress involved in handling negative emotions and reactions.
- Lack of confidence in managerial ability, which could lead to risk-averse approaches from HR.

In addition, attempts by managers to resolve issues informally were sometimes met with suspicion. Employees tended to see any attempts to address issues such as performance and absence as 'serious'. In this context, formal procedure provided employees with a degree of certainty and security.

Relationships between HR practitioners and managers were generally positive and high levels of trust facilitated effective conflict resolution. However, managers in the larger organisations in the sample felt that there was insufficient HR resource to give them the support they needed. This left them feeling exposed when facing more challenging cases.

In unionised organisations, most managers who participated in the research felt that representatives played a positive role in facilitating informal and creative resolutions. However, this depended on the development and maintenance of high-trust relationships. This was, in turn, dependent on managers and representatives having the skills, knowledge and experience needed to manage conflict effectively.

## **The transition from informal resolution to formal procedure**

### **How do managers navigate the transition between informal process and formal procedure?**

Managers were reluctant to initiate formal procedure. When dealing with poor performance and minor disciplinary issues, respondents wanted to give staff as much opportunity as possible to improve. However, this could result in perpetual informal discussion.

Managers across the sample worried about the threat of litigation when making decisions around potential disciplinary action and responding to grievances. This could be exacerbated by HR advice and training, which sometimes focussed on risk management rather than the potential benefits of early resolution. Managers were also concerned that formalising issues could create greater work pressure, more conflict and increased stress.

HR were not always confident in managers' ability to navigate the initial stages of managing poor performance or behaviour. In some situations, this meant restraining managers from moving towards more formal action, which could act as a disincentive to addressing difficult issues in future.

## **Implementing policy and procedure**

### **How do organisations use formal procedure and what are the implications for managers and employees?**

Managers largely appreciated the clarity provided by procedure in setting out the steps they needed to follow when considering disciplinary action or responding to a formal grievance. Procedure was also important in ensuring equity and fairness for employees and helped to legitimise disciplinary decision-making. However, managers were conscious that participating in procedures could have negative impacts on the wellbeing of all those involved. Moreover, implementing procedures could also be extremely stressful for managers themselves, contributing to the hesitancy noted above.

Managers with experience of formal investigations tended to strongly argue that they were a source of delay and unnecessary complexity. This could have negative impacts – investigations took up significant managerial time that could otherwise be used for informal resolution and delays added to the stress and anxiety felt by employees involved.

In some organisations formal investigation appeared to be a default response to misconduct or an employee grievance when less invasive fact-finding may be more appropriate. It is important to note that the Acas Code specifies that the nature and scope of investigations is dependent on the circumstances of the particular case. Nonetheless, it appeared that this flexibility was not always used by managers and their organisations. Investigations created a significant burden on already stretched resources. A shortage of trained investigators could result in specific managers being overburdened, which in turn created further delay.

## **Policy implications**

The research provides further evidence of the importance of training line managers. While this includes the skills required for early informal resolution there is also a need to enhance the confidence of managers in dealing with more complex disciplinary and grievance cases. This includes improved knowledge of the law around unfair dismissal and discrimination. There is a specific need to give managers the confidence to implement procedure in a humane and sensitive manner.

More clarity and definition in respect of informal resolution is needed in organisational policy. Thought should be given as to how to encourage a greater emphasis on informal resolution processes within organisations' written disciplinary and grievance procedures. Acas guidance might play a role here, among other interventions aimed at addressing the multiple factors that can drive parties towards formal procedures. Practitioners and policymakers could also consider whether procedure could be made more sensitive to the level and type of issue. This could avoid unnecessary delay, reduce negative impacts on wellbeing and create more space for early and informal resolution.

## 1. Introduction and context

Conflict management research, commentary and policy often differentiate between informal and formal approaches to handling disciplinary and grievance issues. Informal resolution typically describes the earlier stages of a process, whereby a manager or HR practitioner will discuss an issue or a problem with the employee. Normally, this process will not follow a set pattern prescribed in a written policy or procedure and will be at the discretion of the manager. In many instances it will be 'off the record', although there may be written confirmation of subsequent actions.

The [Acas Code of Practice on Disciplinary and Grievance Procedures](#) (the Acas Code) sets out standards of reasonable behaviour for formal disciplinary and grievance procedures. While it does not therefore set standards for informal resolution, the Foreword to the Code (which does not form part of the statutory Code itself) provides a brief reference to informal resolution which reflects an understanding that it may be an unwritten process, at an early stage, that need not follow a set pattern, and which can potentially avoid the need for a formal procedure:

"Many potential disciplinary or grievance issues can be resolved informally. A quiet word is often all that is required to resolve an issue. However, where an issue cannot be resolved informally then it may be pursued formally."  
(Acas Code of Practice on Disciplinary and Grievance Procedures)

In essence, formal procedure applies to situations where either an employee has raised a grievance (which the Code says should be done in writing) or where the manager is considering a sanction or termination of employment. This could follow unsuccessful attempts at informal resolution or where informal resolution may be seen as inappropriate, for example where there are serious allegations of misconduct. Although this implies a linear process, Saundry (2019) has pointed out that this suggestion is overly simplistic and that in organisations with more sophisticated approaches to conflict management, formal procedures and informal processes of resolution can run in parallel. A good illustration of this is that a manager may adjourn a disciplinary to meet 'informally' with a union representative to discuss an aspect of the case or pursue an alternative resolution.

Formal procedures help to ensure fairness and consistency and can be seen as an important protection for workers against unreasonable management action. From an organisational perspective, they can also help minimise risk and the threat of litigation. It is not surprising that the rapid spread of written disciplinary and grievance procedures followed the introduction of the right to claim unfair dismissal in 1972 (Wood et al., 2017). Therefore, written disciplinary and grievance procedures (and other specialist policies including those dealing with capability, absence and bullying and harassment) will often reflect standards of fairness that are set out in legislation, case law and statutory guidance such as the Acas Code. Notes will routinely be taken and agreed, invitations to and results of meetings will normally be in writing and a wider range of individuals may be involved – this could include representatives or other companions, and HR practitioners. Importantly, in formal disciplinary procedures, the facts of a case should be established through some sort of investigation.

The Acas Code plays a central role in the formation of organisational procedures through its provision of what its Foreword describes as "basic practical guidance to employers, employees and their representatives [on] ... principles for handling disciplinary and grievance situations in the workplace"; that is, "the basic requirements of fairness that will be applicable in most cases... the standard of reasonable behaviour in most instances." Here, its overriding focus is on describing the formal aspects of the management of these issues. (While failure to follow the Code does not, in itself, make a person or organisation liable to proceedings, employment tribunals will take the Code into account when considering relevant cases. Tribunals can adjust an award by up to 25% in the event of an unreasonable failure to follow the Code. Therefore, it is unsurprising that the Code is a key reference point for the development and implementation of disciplinary and grievance procedures in organisations.)

At the same time, for the past 2 decades, Acas has increasingly emphasised the importance of early and less formal approaches to the management of workplace conflict (Saundry, 2019). This reflects growing evidence that the failure to identify, surface and resolve conflict at an early stage, and the escalation to formal procedure, can have negative impacts on the experience of work and also organisational productivity. In particular, the most significant costs of conflict are those related to ending the employment relationship – through dismissal or resignation. In contrast, informal resolution can significantly reduce costs – including financial costs, time and stress – and can help to maintain healthy employment relationships (Saundry and Urwin, 2021).

Nonetheless, a sustained shift to early and informal resolution has failed to materialise (Saundry et al., 2016). There are several possible explanations for the continued reliance on formalised approaches:

- First, there is consistent and compelling evidence that line managers lack the space, support and skills to intervene early to prevent, contain and resolve conflict. In this context, there is a tendency for managers to take refuge in the perceived safety of written disciplinary and grievance procedures.
- Second, for HR practitioners there is a tension between a preference for informal resolution and the need to manage organisational risk. In the face of low levels of managerial confidence, it is difficult for HR practitioners to move its focus from procedural compliance.
- Third, the erosion of employee representation in UK workplaces has also undermined traditional channels of informal resolution (Saundry et al., 2023; Saundry, Fisher and Kinsey, 2019; 2021).

For some commentators (see Liddle, 2023), the problem is more fundamental and is rooted in the nature of policy and procedure and the guidance that organisations receive in relation to the management of conflict.

However, there is relatively little contemporary research that focuses specifically on the way in which formal procedures are initiated, implemented and managed. This report begins to fill this gap. In particular, it seeks to answer 4 key questions:

1. What are the main characteristics of the context within which disciplinary and grievance cases are managed and what challenges does this present?
2. To what extent are managers confident in resolving issues informally and at an early stage?
3. How do managers navigate the transition between informal process and formal procedure?
4. How do organisations use formal procedure and what are the implications for managers and employees?

These 4 questions form the basis for the presentation of findings that follows:

- In the first section, we explore the context within which the case-study organisations manage conflict. This includes the key characteristics of policy and procedure and the way in which managers are trained and supported. We also discuss emerging challenges facing managers.
- The second section looks at managers' attitudes to informal resolution and identifies the barriers to early intervention.
- We then examine the transition from informal process to formal procedure and the reasons why managers are sometimes hesitant to trigger formal action over conduct and capability.
- The final section explores the way in which formal procedure is implemented and the implications for managers, employees and their organisations.

## 1.1 Methodology

This project builds on and complements the [Skilled Managers Research Project](#), an Economic and Social Research Council (ESRC) funded study, led by the University of Westminster, in partnership with the University of Sheffield and Acas. Skilled Managers seeks to examine the link between the conflict confidence of line managers and organisational outcomes. It does this by measuring the impact of an online training intervention that provides managers with a range of skills designed to help them prevent, contain and resolve conflict. However, the focus of Skilled Managers is on early and informal resolution; it does not explore how managers navigate formal procedures. This project seeks to fill that gap by using the Skilled Managers intervention to recruit organisations, engage with managers and gather detailed and in-depth data about the management of formal procedures specifically and the barriers, and enable earlier, more informal approaches to resolution.

7 organisations were purposively selected, all of which identified managerial capability as an issue that they wanted to address through participation in the wider Skilled Managers project. The organisations were drawn from a range of sectors (retail, creative arts, transport, public services, and social care) with different levels of unionisation and size (from 150 to 6,000 employees). Focussing on a small number of organisations allows us to examine issues in depth but means that our findings are not necessarily representative of UK organisations. In particular there were no small and medium-sized enterprises (SMEs) within the sample, all had a dedicated HR function and well-developed policies and procedures ([previous research for Acas](#) has already explored dispute resolution procedures within small and medium-sized enterprises specifically).

Data gathering and analysis for each case included:

- Initial scoping interviews with key stakeholders – senior HR practitioner or senior operational manager and union representative where they played a significant role within the management of discipline and grievance.
- Detailed examination of written procedures – covering a range of topics including discipline, grievance, absence and bullying/dignity at work.
- Workshop(s) with line managers – a one-hour online workshop or workshops were held with those line managers taking part in the training intervention.
- Analysis of data from the Skilled Managers training intervention – managers were asked to complete a questionnaire at the start and end of the training to assess their conflict management style across 5 dimensions based on an inventory designed by Rahim (1983) – results of which are presented in Appendix 3. Managers were also asked to respond to a range of questions designed to explore their attitudes to various aspects of the management of discipline and grievance. Given the size of the sample, this quantitative data was used to validate the key insights emerging from qualitative analysis.

In total, across the 7 case studies:

- 11 HR practitioners and senior managers, and 4 trade union representatives were interviewed.
- 89 line managers took part in 11 workshops and 3 in-depth interviews.
- 77 managers engaged with the online Skilled Managers training course and 69 managers responded to the survey questions within the course.

A full breakdown of the sample and various data collection interactions is presented at Appendix 1.

## 2. Discipline and grievance – context and challenge

In this section, we explore the first key research question: 'What are the main characteristics of the context within which disciplinary and grievance cases are managed and what challenges does this present?' Here we consider the key characteristics of policy and procedure and the way in which managers are trained and supported, before discussing the associated challenges facing managers in the post-pandemic environment.

## 2.1 Organisational policy contexts

All organisations in the sample had what could be called a 'full set' of written workplace procedures. This typically included a disciplinary procedure, a grievance procedure, separate absence and capability procedures and a bullying and harassment/dignity at work policy. Our analysis found that these complied with and reflected the main provisions of the Acas Code of Practice. It was clear from interviews with HR practitioners that the Code played a very influential role in policy development and revision. This appeared to be driven by a view that compliance with the Code minimised the risk of legal challenge. Therefore, it was clear that any change to the Code would lead to a review of policy.

Case study organisations' procedures varied in length and the style of language, largely due to the nature and history of the organisation. For instance, procedures in public sector organisations in the sample were longer, much more extensive and arguably less succinct than those in private businesses. Although longer procedures provided the detail and clarity that managers wanted, there was a danger that they could be seen as overlong and unwieldy. However, there were a number of important issues common across the sample, irrespective of sector:

- Informal resolution was not defined or explained in any detail in any of the disciplinary policies that we analysed. The 'informal stage' was a short paragraph written as a precursor to the main procedural steps. Overall, policies and procedures had a focus on compliance with procedure as opposed to early and informal resolutions. Procedures dealt mainly with the processes needed for investigations, hearings, potential sanctions and appeals. Grievance and bullying/harassment policies were more explicit in promoting informal resolution, however, in all but one of the organisations policies did not provide detailed guidance on what this meant in practice.
- There was relatively little reference to workplace mediation – it was mentioned in the grievance and bullying and harassment policies of just 2 case-study organisations. This is perhaps surprising given the promotion of mediation by Acas and other organisations, and the explicit mention of mediation in the Foreword of the Acas Code of Practice. Only one organisation referred to the potential provision of in-house mediators within its policies.
- In 5 case-study organisations there was no substantive content in the policies provided relating to the welfare of employees subject to disciplinary action or employee grievances. In particular, these policies did not provide managers with any specific advice or guidance on how they could support employees through procedures.
- All disciplinary policies and procedures set out different levels of warning but only one policy provided managers with a degree of discretion to use a lighter touch investigatory process when dealing with relatively minor issues. In short, an initial reading of most policies would suggest that exactly the same process in terms of investigation, hearing and appeal should be used irrespective of the issue. This suggests that the flexibility on this issue that is built into the Code is not necessarily being translated in organisational policy and procedure.

## 2.2 Skills, training and managerial capability

It is important to note that all case-study organisations participated in this research because they identified a need for additional line manager training. Respondents reported that managers received little training in relation to conflict management. Where there was provision, this tended to focus on policy and procedure, largely driven by organisational concerns over the potential for litigation. In some organisations, this was supplemented with ad hoc sessions delivered by HR personnel, where there was a specific and pressing need. This was typically how skills relating to informal resolution were developed.

3 main reasons for this lack of conflict management training were in evidence:

- Organisations had not seen it as a strategic priority; their focus instead was on providing operationally focussed training or courses required for compliance
- Managers were operating within a context of operational pressure
- HR resource was insufficient

Most managers did not feel like they were given sufficient preparation for their roles as managers of people – some had 'learned the hard way' and built experience through working with HR and other senior colleagues through difficult issues. Alternately, some managers had developed their knowledge of conflict management through independent study. However, the situation was particularly daunting for recently promoted or newly hired managers.

### **The problem with training**

"When I joined there was nothing for the team leaders. Now we've got a two-week induction programme... it's basically just shadowing experienced team leaders. So we've got those kind of structured pieces in, it's introducing them to the policies... but it's limited." (HR, organisation B)

"I haven't actually had any training to be a manager. It's very much reliant on me doing my own research. I've taken courses outside of the organisation that I've paid for myself so that I feel confident in that role. I've had no training around conflict management." (Manager, organisation E)

"We have a lot of inexperienced managers, particularly the operational delivery ones because people have moved on for whatever reason, and then we've had people promoted very quickly...what they don't have is the benefit of those years of wider experience and exposure to situations." (Senior manager, organisation G)

### **2.3 Managing after covid-19 (coronavirus) – challenge and complexity**

In terms of people management, the workload of the managers in the case-study organisations was dominated by relatively low-level problems with poor performance, absenteeism and employee welfare. Formal grievances and serious misconduct were rare; however, when they did occur, they could be extremely challenging and time-consuming to manage. We explore this in a little more detail in Section 5. Although the basic nature of the issues that managers faced had remained fairly consistent in recent years, there was a sense that employees had become increasingly prepared to challenge managerial authority in recent years. Concerns over health and wellbeing, and particular over mental health had also become common within managerial caseloads.

The post-pandemic environment was particularly complex. Relations had become increasingly sensitised and issues had the potential to escalate very quickly. This was particularly intense in customer-facing situations as staff were increasingly having to deal with challenging behaviours, which could spiral into conflict, complaints and the possibility of disciplinary action. In addition, in a number of organisations, hybrid working was both a source of conflict and also created new problems for managers. The application and enforcement of hybrid working policies was sometimes resisted by staff and could also be divisive, causing tensions between those working from home and those on-site. Managers also argued that a lack of day-to-day, in-person interaction made it more difficult to spot emerging problems and conduct challenging conversations. Furthermore, they reported that staff felt able to speak and behave 'online' in ways that would not be seen as acceptable in a face-to-face context.

#### **Managing conflict in the new normal**

"I think a lot of it is the staff's mental health at the moment, going through the pandemic's changed a lot of the dynamics...it goes to a drama very quickly. So, you're trying to deal with that very quickly before it gets to a drama... I do think everything has become more sensitised" (Line manager – organisation C)

"Morale is our main issue at the moment... Society nowadays leading on from Covid, it's a different world...people are getting frustrated, [employees] are getting frustrated, so they're getting angry which puts them in positions which leads to disciplinaries." (Trade union representative – organisation A)

"The use of Teams and email causes some HR issues...People become keyboard warriors and say things that they wouldn't say in an office environment...friendships aren't what they were. A lot of people I speak to on my team have never even met...I think therefore you don't have that mutual respect for each other. And perhaps people say things that they wouldn't otherwise say to you if they were sat next to you in the office." (Manager – organisation G)

"So much is lost by the lack of tone of voice... the face-to-face element sometimes can't be underplayed, just so you know, you can get that inflection and understand what that means. And also you can challenge it there and then at that moment and say, well did you mean to say that?" (Manager – organisation G)

### 3. Early and informal resolution

This section explores the second main research question: 'To what extent are managers confident in resolving issues informally and at an early stage?' by looking at managers' own attitudes to informal resolution and considering possible barriers to early intervention.

#### 3.1 A preference for informality

There was a clear sense from workshop and interview data that the idea of informal resolution has become firmly embedded within HR and management discourse, even if this was not always reflected in practice. Managers within all the case-study organisations expressed a preference for resolving issues through informal discussion wherever possible and HR practitioners actively promoted this approach to the managers they worked with. This was reinforced by the responses of managers to questions relating to giving feedback as they worked through the Skilled Managers course (see Table A2.1 in Appendix 2).

This created a focus on the importance of early intervention, which arguably makes collaborative solutions easier to achieve. In fact, most experienced managers who took part in this research felt relatively comfortable having initial informal conversations about performance, absence or if they felt there was a concern about employee wellbeing. However, around a quarter of the managers were less sure and these tended to be those newer in role. HR practitioners were less confident about whether managers had the skills they needed to intervene early. As the quote in the box below illustrates, HR respondents felt that managerial conflict confidence was patchy and there was an acceptance that more needed to be done to build line manager capability. This illustrates the lack of conflict management training identified earlier and reflects the rationale for participation in the wider Skilled Managers project.

#### Managerial confidence – a mixed bag?

"I think it's a mixed bag...I can think of [managers] that may be confident, more experienced, more that maybe might shy away or, because they just don't want to cause unintentional upset...as an HR function we could do more to upskill them. And I think that was one of the things that comes to mind around helping them and empowering to have those conversations" (HR Practitioner – organisation B)

"...some of our supervisors maybe stepped back a little in the past, they haven't felt supported and then they haven't pushed forward with some of those performance improvements that need to be in place and that then let some of these issues fester and grow" (Senior Manager – organisation F)

#### 3.2 A problem of definition

Even where managers were more confident, there were barriers to addressing issues through informal discussion. Managers felt that the notion of 'informal' resolution lacked clarity and definition. While managers received guidance and advice from a range of sources, they were given very little steer on what this meant in practice. It is important to note that in one organisation, which provided detailed guidance on informal resolution, managers complained that policies were too long and complex, given the pressures on their time. At the same time, a frustration for some HR practitioners and union respondents was that managers did not always use the guidance they were provided with.

#### Informal resolution – a problem of definition and detail?

"People aren't sure what they can do around the informal side of things... managers and employees aren't sure enough of the processes What is confidential? How will it be managed? Will everyone know that this is happening? Will it affect the rest of the team?" (Manager – organisation D)

"The minute you start having conversation with somebody, call it whatever you want, you're trying to effect change... So, whether you capture that in writing or have a conversation with them over a water cooler in the corner of the office, you've started that process. However, you want to call it, you've started a process." (Manager – organisation B)

"A lot of the teams view it as a negative thing – 'you're writing this down so you can start taking me down this formal route to push me out'. I'm always quite surprised, because I view it as quite supportive... But no, a lot of them just, they don't like it at all." (Manager – organisation C)

"I understand giving someone a second chance, but after 4, 5, 6, 8, 9, 10 chances, I'm running out of patience myself now... Effectively you feel like you're waiting for someone to voluntarily leave the organization... [HR] will challenge and because they haven't been involved in the informal stage or the build-up..." (Manager – organisation E)

There was also confusion as to where informal process ended, and formal procedure started. Managers argued that the need to create an audit trail of informal attempts to manage performance or behaviour, such as a 'difficult conversation', inevitably 'upped the stakes'. Therefore, any conversation that was scheduled, in which objectives were set or which was followed up by email was often seen as escalatory by employees. In this context, managers reported that some employees preferred the security and opportunities for representation that a formal procedure could offer.

In 2 of the case-study organisations, there were attempts to provide managers with greater clarity over the relationship between informal process and formal procedure. One employer had developed guidance which gave managers a clear steer on when and how formal procedure should be enacted. In another, the absence policy had been rewritten to build 'informal' discussion into the process before any more concrete disciplinary action was considered. Again, this was an attempt to codify the informal stages of a process and nudge managers into having this type of conversation. It was also quite common within the sample to use mechanisms such as improvement notes and performance improvement plans. Although these could be very effective, respondents suggested that there was a danger that these could be over-used and become a substitute for addressing issues at an early point and resolving them simply and quickly.

### 3.3 HR, trade unions and informal resolution

Previous research (Saundry et al., 2016) has argued that a 'golden triangle' of high-trust relationships between HR, unions and managers can promote early resolution, avoiding unnecessary disciplinary action and resolving potential grievances.

Overall, most managers were positive about working with HR colleagues (see Table A2.2 in Appendix 2) and felt comfortable going to HR for help with disciplinary and grievance issues. However, managers in 5 of the 7 case study organisations reported a reduction in HR resource, which left them feeling exposed when facing more challenging cases. At the same time there was also an understanding on the part of HR about the pressures faced by line managers who were often 'pulled in so many different directions' and 'maxed out'.

#### HR advice – a diminishing resource?

"Not having enough HR support is probably a big thing for us...we don't have enough HR knowledge... things do come out of left field... that's when you need the HR advice... even if you are experienced at doing this process..." (Organisation A)

"I think when recent disciplinary or formal action needed to be taken... the message hasn't been clear... and it sometimes can be really difficult because if we've made a little blip here and there, then it becomes very difficult to pull or address anything in future because then your credibility's gone... then if anything in future comes up, then it's, you don't have that confidence in the process itself." (Manager – organisation B)

"I'm a great believer in dealing with things at the earliest opportunity nip things in the bud and if you've got to wait two, three days for the HR manager to be available, then that flies totally in the face of that, which can cause even more problems. By that time things have escalated, people get a little bit more defensive and it's more difficult to unwind that problem." (Organisation G)

A further area of tension revolved around the attitudes of some HR practitioners to procedural compliance. Although they nominally supported informal discussion and resolution, HR were also responsible for protecting their organisations against litigation. Furthermore, they were not always confident in managers' ability to navigate the initial stages of managing poor performance or behaviour. Taken together, this could give rise to a paradoxical situation whereby HR could steer managers away from some informal resolution, while also acting as a brake on other, formal resolution deemed necessary by managers:

- On the one hand, throughout the sample, managers reported a demand from HR for audited processes – managers were urged to document even informal stages, in anticipation of the matter becoming formalised.
- On the other hand, managers also reported examples of being advised by HR to abandon possible action because of perceived minor discrepancies in 'paperwork' from the early, informal stages of performance and absence management, which HR worried might not ultimately withstand litigative scrutiny.

Crucially, this situation could undermine manager confidence to decide between informal and formal resolution approaches, and even act as a disincentive to addressing difficult issues where the way forward was unclear.

The impact of trade union representation was also complex. In the organisations which recognised trade unions, the majority of managers felt that they worked effectively with union representatives (see Table A2.3 in Appendix 2). In 3 of the 5 unionised case-study organisations, this involved informal discussions to try and find creative solutions to problems. Those managers who worked closely with unions explained that union representatives could use their relationship with the employee to deliver crucial messages and potentially facilitate resolutions that would be impossible for a manager alone. For example, a trade union representative could impress on a member the need to change their behaviours, in order to avoid further disciplinary action. However, in 2 of the organisations, union involvement was limited to representation at hearings and investigations, which tended to restrict their impact.

For their part, trade union representatives were sometimes sceptical about the capability of some line managers. Therefore, although trade union respondents supported the idea of informal resolution, they did not always trust managers to be able to engage with this effectively and in good faith. In these situations, they tended to adopt a much more formal approach which relied on identifying and highlighting procedural defects, in order to defend their members. This created a twin-track approach: where managers were skilled and confident it was more likely that high-trust relationships could be built and sustained, which in turn facilitated informal resolution. In contrast, where representatives did not have confidence in a manager's ability, relations were more adversarial and focused on procedure. Consequently, the importance of developing conflict competence among managers working in unionised settings should not be underestimated.

### The positive impact of representation

"[Union reps] get what we're trying to do and they want to work with us...we've had quite a lot of conversations when you're in a process with someone and they can go and say something to someone that they're representing that we can't say as a manager."  
(Manager – organisation A)

"I'm actually really grateful when someone has taken advice from the union because they get really good accurate advice and it often cut cuts out an awful lot of awkward conversations and uncertainties and also gets people over some of the emotional starting points."  
(Manager – organisation E)

## 4. The transition from informal to formal resolution

This short section considers our third key research question: 'How do managers navigate the transition between informal process and formal procedure?', considering the reasons why managers are sometimes hesitant to trigger formal action over conduct and capability.

### 4.1 Hesitancy and reluctance

Managing the transition between informal resolution of a dispute and the subsequent application of formal procedure was a source of particular difficulty for managers across the case study organisations. In some instances (for example potential gross misconduct), the decision to move towards formal procedure was fairly clear cut. However, these types of cases were relatively rare – 'the bread and butter' for most managers were issues that began as lower-level problems with performance or behaviour.

Managers tended to initiate formal procedure once it was clear that informal resolution was not making progress. However, managers found it quite difficult to define that point and there was a tendency to delay this as long as possible and give employees numerous opportunities to improve. Managers hesitated to trigger formal procedure due to:

- Trying to do the right thing – respondents wanted to give staff as much opportunity as possible to improve, but some managers felt that this could create a continuous loop of informal discussions with no clear outcome. This was frustrating for managers, while employees had little sense of the potential implications if they failed to improve behaviour or performance. Paradoxically, this could be exacerbated by positive organisational cultures.
- Fear of litigation – two-fifths of managers surveyed as part of the Skilled Managers training reported worrying about the law and the potential for an employment tribunal claim when deciding how to respond to disciplinary and grievance issues (see Table A2.4 in Appendix 2). Some managers argued this was reinforced by HR advice and training. This tended to stress the importance of procedural compliance and documentation to protect against legal challenge. However, there was a danger that this provided an incentive to managers to avoid formal action altogether.
- Lack of time and space – managers were concerned that formalising an issue, for example commencing a capability procedure would create even greater work pressure - more meetings, more paperwork and the potential for more conflict and stress.

## 4.2 Audit, risk and restraint

An important issue raised by managers in 3 of the larger organisations in the sample was the role played by HR advice when they were considering triggering formal procedure. Managers reported a demand from HR for audited processes – managers were urged to document informal stages in anticipation that the matter might become subject to formal action.

These managers felt that HR advice tended to be risk averse and conservative due to the fear of litigation or reputational damage. Managers were not always convinced that they would be supported by HR or senior management if they took a decision to trigger formal procedures. At the same time HR practitioners did not completely trust managers to act fairly and in line with organisational policies and procedures. This was particularly the case with informal discussions over performance where the consequences of failing to improve were not always made clear to employees.

### Hesitancy, reluctance and formal procedure

"You are often placed in that impossible position where the organization wants you to be firm and productivity driven but at the same time wants you to be supportive and caring...And sometimes the two just simply just don't work together without you looking like a bit of a fool." (Manager – organisation G)

"You know that what you are writing in that letter potentially could end you up in a tribunal...you're trying to think of everything that you can to make sure that you're crossing the Ts and dotting the Is...because that is quite a big thing when we are in disciplinaries, when you could be sitting in front of the tribunal at some point and that is scary." (Manager – organisation A)

"It's when you know that you've done what you needed to do, but then HR then pushes back to say, well, this isn't right. Or you missed a word out, so we're going to scrap it. That next time means, well, do I even bother next time? I think that's a big one as well."

(Manager – organisation B)

If the manager decided that formal action was necessary, HR practitioners were likely to scrutinise the audit trail to ensure that there was no chance of legal challenge. Managers recounted examples of being advised to abandon possible action because of what they saw as minor discrepancies in 'paperwork' at the early, informal stages of performance and absence management. For example, one manager reported having extensive informal 'difficult conversations' with one of their team about poor performance. The manager claimed that they had clearly explained the nature of the problem and that a failure to improve could result in disciplinary action. However, their HR advisor felt that this was not clearly reflected in email correspondence and therefore progressing to formal procedure was too great a risk.

From an HR perspective it was vital that managers closely followed fair and transparent processes even before a procedure was enacted in order to minimise risk and also to ensure equity and fairness. However, the managers receiving this advice could feel that

their authority had been undermined. This made it less likely that they would address difficult issues in the future. The potential of union challenge could also reinforce managerial concerns (particularly among less experienced managers) about triggering potential formal action. This underlines the importance of managerial capability in building high-trust relations with HR practitioners and union representatives.

## 5. Implementing formal procedure

This final section considers our fourth main research question: 'How do organisations use formal procedure and what are the implications for managers and employees?', exploring the way in which formal procedure is implemented and its effects for organisations.

### 5.1 A route map to compliance and consistency

In broad terms, managers viewed formal policy and procedure as necessary and important. In particular, procedure could be useful in guiding them through what could be very difficult situations: 9 in 10 managers surveyed as part of the Skilled Managers training confirmed their tendency to follow procedure whenever in doubt because it gives clear steps for managing difficult issues (see Table A2.4 in Appendix 2). To some extent this reflected a lack of confidence and clarity regarding informal processes. In contrast, procedure offered greater certainty, consistency and protection. Managers also argued that procedure was important in ensuring equity and fairness for employees and also helped to legitimise disciplinary decision-making.

#### Procedure – certainty and transparency

"[Our managers] feel much happier with structured rules. So, if somebody does something wrong and they think there could be a disciplinary, they would much rather go down that process than sit down with somebody and say, what happened? Why did it happen? How do we stop it happening next time?" (HR practitioner – organisation A)

"I personally like that it provides almost like a safety net for employees... because I have followed this policy then I know I'm doing the right thing. And within that process and policy, I have the flexibility to make my own choices" (Manager – organisation D)

"It also ensures fairness, right? ...because we've been challenged that we weren't treating everybody equally and we were showing some bias, which we knew we weren't because we had the facts and the policies to back it up...Whereas if it's all informal, can you do that?" (Manager – organisation B)

However, while procedure itself was helpful, managers felt they had relatively little guidance, advice or training on the relational aspects of implementing procedure. For example, how do managers have the most challenging conversations about sanctions, dismissal, and ill-health? The prospect of managing these processes had a fundamental impact on the managers themselves for which few felt prepared. This could also lead to a reluctance on the part of managers to engage with employees, creating delay, uncertainty and distress. For example, in one organisation, senior managers reported that managers really struggled with having welfare conversations and following up with employees who had been suspended or placed under investigation.

### 5.2 Formal procedure – implementation and impact

It is important not to minimise the challenges faced by managers in implementing formal procedures. At a very basic level, managers felt understandably uncomfortable initiating formal procedures and making decisions that could potentially have huge implications for their colleagues. In many cases, managers would have to deal with distress, defensiveness or anger and this was a cause of significant stress and anxiety for them. Attempts to address poor performance or behaviour could be met with counter accusations and grievances. In these situations, managers could find it difficult to defend themselves and could easily become isolated.

#### The challenge of formal procedure

"Conflict can be quite emotionally challenging for a trainee manager wherever you are in the organisation... we had an issue last year... it was a formal grievance... but [the manager] couldn't go and defend himself because it's an ongoing investigation... the focus is very much on the person bringing it... But I do think in these processes, there should be something about the support for both sides."  
(Senior manager – organisation B)

"It's not always a nice, comfortable situation for anyone involved. I think people think, assume, that managers love going through investigation processes. We really don't. I f\*\*\*\*\* hate it. Sorry to swear, but it's one of those things. It's not a nice thing for anyone involved...It's not what we want to be doing." (Manager – organisation A)

"[Managing conflict] takes up time because you take it home with you, then you are thinking about it in the evening, then you wake up in the night thinking about it, you are going holiday thinking about it, you get the Sunday night blues, that bloody theme tune (antiques roadshow) comes on and you think, oh god, I've got to face it all again in the morning." (Manager – organisation E)

### 5.3 Investigation – crowding out informal resolution?

One of the key issues to emerge from the research was the role of investigations within the management of discipline and grievance. Throughout the sample, respondents cited formal investigations as a barrier to handling issues in an effective and humane way. Investigatory processes undertaken as a consequence of disciplinary and grievance procedures created delay and added to complexity, while having negative impacts on all those involved. Those employees who were subject to formal investigation were placed under great stress, this had knock on effects within the wider team and managers had to devote significant time to conducting and writing up investigations.

#### The negative impact of investigations

"They've actually made it a lot more protracted than it need be, so the, their way of doing things is to appoint an investigating officer and, so the suspensions were going on for months because it was taking so long." (HR practitioner – organisation C)

"It's more of the actual sitting down to actually do the paperwork, do the report, do the letters because they're not a quick thing you can whip up within an hour...that's the bit that scares me off the most is just the admin side of it." (Line manager – organisation A)

"It impacts massively...there are always delays...in that time that guy doesn't know what's going on...it gets elongated because there's not enough HR staff, there's not enough managers to do the investigation...as soon as the shit hits the fan or something important happens, first thing to go is the investigation." (Union representative – organisation F)

It is very important to note that proper investigation is a crucial component of a fair and equitable system of natural justice within the management of discipline and grievance. Indeed, this is reflected in the Acas Code of Practice and existing unfair dismissal case law. In summary, a failure to adequately investigate an allegation or issue can render a consequent dismissal unfair even if other procedural aspects of fairness were followed. In addition, in disciplinary misconduct cases, where practicable the investigation should not be carried out by the same person charged with deciding the outcome in a disciplinary hearing (see Paragraph 6 of the Code, which states that "in misconduct cases, where practicable, different people should carry out the investigation and disciplinary hearing").

However, the research suggested that the way in which investigations are conducted is sometimes problematic:

- When faced with potential misconduct, some managers were reluctant to explore the issue informally with the accused employee. Instead, they tended to default to a formal investigation. Managers would tend to wait until they had all the evidence in front of them before deciding on next steps. However, an open conversation at this initial point could perhaps lead more directly to the individual admitting responsibility and result in a discussion around the reasons why an event took place and how this could be prevented. This approach could avoid unnecessary dismissals and facilitate organisational learning.
- Some respondents pointed to a tendency to 'over investigate' issues. Existing guidance was widely interpreted to suggest that full investigations were needed if there was a chance of a disciplinary sanction at any level. Moreover, in some cases where all the facts were already established, investigating officers were still appointed. A typical example of this could be where a dispute occurs between 2 individuals and where during an initial informal fact-find, both parties agree on why and how the conflict occurred.

- Investigations created a significant burden on already stretched resources. This was exacerbated by a perception that it was always necessary to find an investigating manager with no prior involvement in the case or who would not be called upon to make a decision further down the line. These perceptions arguably reflected a relatively conservative interpretation of the law and relevant guidance on the part of HR advisors. Furthermore, a shortage of trained investigators could result in specific managers being overburdened, which in turn created further delay.

Overall, although managers accepted this as part of their job, it did raise a question over whether this was the most efficient or effective use of their time and capabilities. Moreover, the evidence suggested that there was a tension between the perceived legal requirements regarding investigation and the reality of organisational life.

### The problem with investigations...

"Yeah, quite often it's, 'I'm not going to talk to you until CCTV arrives', when they could have sat down and said, 'look, I don't need to do CCTV because it's pretty obvious that this thing happened, we need to have a conversation about that'... if you can tackle it in the right way, quite often people sit there and go, 'I was an idiot, I don't know what came over me, I was really tired'" (HR practitioner – organisation A)

"I have to step back, because if it is going to become formal, then the appeal would come to me...I think we all know what's going on...but we are careful to show that we don't. I think it's a fallacy" (Senior manager – organisation B)

"I've done a few investigations...they do take a huge amount of time. There needs to be a little bit more of consistency and approach as to how the person doing the investigation is nominated." (Manager – organisation E)

"Investigations do take too long or can take too long. We have ridiculous timeframes in our grievance policy...Investigators have to come in and make carve time out of their diaries. They can often be quite senior. So, the diaries are quite full and with the best will in the world, it can take a very long time, which is not good for anyone" (HR practitioner – organisation G)

## 6. Conclusions

The research generally confirmed previous findings that have identified (a lack of) managerial confidence as a barrier to the early and effective resolution of conflict (Saundry et al., 2016). Moreover, prior to their involvement with this project, training in the relational aspect of managing conflict within all the case study organisations had been patchy and ad hoc. Conflict competence was developed over time through experience and learning on the job. For more experienced managers, complex, challenging and nuanced disciplinary and grievance cases were the main concern. More specifically a key challenge for line managers was navigating the transition between informal process and formal procedure. While formal procedure is set out in some detail, informal processes remain vague and open to interpretation. This suggests a need for clearer and more extensive guidance within organisational policies, including disciplinary procedures.

This transition could also be complicated by the role of HR. Although HR respondents supported the notion of early and informal resolution in principle, when faced with the need to consider disciplinary action and the prospect that decisions could be challenged, they appeared to adopt a much closer focus on ensuring compliance with procedure. There was an emphasis on documentation and audit which added to managerial unease about the threat of litigation. In some cases (although not all) this led to managers feeling unsupported and undermined – acting as a significant deterrent against triggering formal procedure in the face of persistent poor performance or misconduct. Importantly, there seemed to be no distinction between the approach required within organisational procedures to low level cases (where there was less legal risk) and those which had the potential to result in dismissal.

This one size fits all approach was also reflected in most of the written procedures examined during the research. While all procedures were broadly consistent with the Acas Code, there was relatively little emphasis on alternative and more creative approaches to conflict resolution (including mediation, which is referred to in the Foreword to the Code). There was also little flexibility in the procedure used to manage minor concerns about capability or conduct distinctly from those which could warrant dismissal (whereas the Code states that "what [formal] action is reasonable or justified will depend on all the circumstances of the particular case"). This

potentially creates blockages within the system as relatively minor issues of performance and behaviour can involve a significant amount of time and effort on the part of already overloaded managers – hence there is a danger that potential conflict is not addressed at all.

It is important to note that managers felt that some form of written procedure is important in ensuring the effective management of discipline and grievance. Most managers welcomed and felt reassured by the guidance and clear signposting that this provided. However, there was a gap in relation to more nuanced cases and the relational aspects of disciplinary and grievance management. For example, how does a manager handle a conversation with an employee facing serious allegations? How do they support the welfare of staff involved in disciplinary or grievance proceedings? How do they tell a member of staff that they are going to be disciplined or dismissed?

All respondents accepted that formal procedure has the potential to negatively affect the wellbeing of employees subject to action or those making complaints. However, the research showed that discipline and grievance processes can also be difficult and stressful for managers. This was exacerbated by the delays which were sometimes caused by the way that these issues were investigated.

The challenge was twofold: first, minor issues or cases where the facts were not in dispute could be subject to an extensive and formal investigation involving the secondment of an investigating manager, who would be expected to compile a detailed, written report. While it is vital for organisations to establish the facts of an issue and to uncover any contextual information and extenuating circumstances, in some cases a lighter touch fact-finding approach may be more appropriate and effective in doing this while still retaining the principles of fairness and natural justice. In fact, the Code already differentiates between cases requiring "an investigatory meeting with the employee before proceeding to any disciplinary hearing" and cases where "the investigatory stage will be the collation of evidence by the employer for use at any disciplinary hearing". Therefore, the research points to a need to communicate the scope for more flexible approaches to managers, HR practitioners and their organisations.

It is also likely to be quicker and have less impact on those involved. Second, investigations were normally managed by managers who have very heavy operational workloads and who do not necessarily have the basic skillsets or time to conduct and report on investigations in an effective and timely manner. In addition, it could be argued that over-investigation potentially crowds out early, informal resolution.

## 6.1 Implications for policy

It is important to note that this research is based on a limited number of case-study organisations all of which engaged with the research because of a need to develop managerial confidence and capability. Therefore, they may not necessarily be typical or representative of UK organisations in general. However, with these limitations in mind, the findings provide important insights which point to the following recommendations:

1. The research provides further evidence of the need for investment in the training of line managers. For new managers, training that focuses on the core skills needed to address and resolve issues at an early stage could be very beneficial. However, organisations need to invest in more advanced provision for experienced managers which address some of the more complex and challenging aspects of the management of discipline, grievance and capability. This includes developing the relational skills needed to manage more serious issues and support the welfare of employees. More broadly, organisations need to see the development of conflict management capacity as a strategic priority. This also requires organisations to recognise people management as a core managerial competence.
2. While the research identified a widespread concern over declining HR resource, we think it unlikely that organisations will reinvest in the HR function. Moreover, the devolution of people management to line managers will almost certainly continue. Training can play an important role in creating more confident and capable line managers. However, there is also a need for smart, flexible and accessible ways of providing managers with the guidance and advice that they need. This could involve exploring the potential offered by new technologies.
3. A central theme of this report is the lack of clarity surrounding the notion of 'informal resolution', particularly within organisational policy and procedure. This arguably reflects the Acas Code of Practice, which currently says little about the

practice of informal resolution. This is not by accident: the Code's current function is to provide guidance for formally handling issues that cannot be resolved informally. Yet it provides policymakers with a powerful lever which could nudge organisations towards providing managers with more defined processes of early and informal resolution. This would require an expansion of its existing frame of reference, and clearly the potential benefits of a greater emphasis on informal resolution would need to be balanced against the risks that codifying the informal process could simply extend the reach of formal procedure and legal compliance. Nonetheless, this is an area that merits further, careful exploration.

4. The research suggests that disciplinary cases which potentially result in 'low-level' disciplinary sanctions can be over-proceduralised. This can have negative impacts for all involved, but particularly for those subject to disciplinary action. The Acas Code and accompanying guidance provides organisations and managers with a degree of discretion over how these issues should be handled. (Paragraph 3 of the Code states: "Where some form of formal action is needed, what action is reasonable or justified will depend on all the circumstances of the particular case. Employment tribunals will take the size and resources of an employer into account when deciding on relevant cases and it may sometimes not be practicable for all employers to take all of the steps set out in this Code.") However, there is a danger that this is conservatively and rigidly translated into policy and practice due to a lack of managerial confidence and concerns about potential litigation. It is our view that policymakers and organisations should re-examine the balance between informal process and formal procedure. More specifically, where possible, the development of guidance and advice needs to consider the potential for a more nuanced approach which takes into account different types and levels of disciplinary action. For example, the potential for lighter touch processes to deal with minor disciplinary issues could be explored.
5. One of the main areas of concern expressed by research participants was the role and impact of investigations. While investigation is crucial in ensuring fairness and equity, there is a danger that organisations feel a need to adopt an overly rigid, one size fits all approach to investigating potential misconduct. This takes up valuable management resource and can create delays that have very negative impacts on the wellbeing of those involved. This suggests a need for a detailed review of guidance in this area. While the Acas Code again provides for discretion in how the facts of a case are established, a review of this area should explore the potential for using the Acas Code and accompanying guidance to further encourage managers and HR practitioners to use greater discretion so that the nature and extent of the investigation is appropriate given the circumstances of the case. (Paragraph 5 of the Code states: "It is important to carry out necessary investigations of potential disciplinary matters without unreasonable delay to establish the facts of the case. In some cases this will require the holding of an investigatory meeting with the employee before proceeding to any disciplinary hearing. In others, the investigatory stage will be the collation of evidence by the employer for use at any disciplinary hearing.") This could include reviewing whether it is always necessary in misconduct cases to appoint an investigator who is not involved with making a disciplinary decision (see paragraph 6 of the Code which currently advises that this should happen "where practicable"). In addition, ways in which the administrative burden involved in investigation could be reduced should also be examined.

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## Appendix 1

Sample composition: sector and size

| Organisation | Sector                    | Size           |
|--------------|---------------------------|----------------|
| A            | Private – transport       | 1,000 to 1,500 |
| B            | Private – retail          | 1,500 to 2,000 |
| C            | Third sector – retail     | 1,000 to 1,500 |
| D            | Private – arts / creative | 150 to 400     |
| E            | Public – local authority  | 500 to 750     |
| F            | Public – transport        | 250 to 500     |
| G            | Public – civil service    | 5,000 to 7,000 |

Sample composition: other details

| Organisation | HR and senior manager interviews    | Trade union interviews                                  | Line manager interviews      | Managers doing online training |
|--------------|-------------------------------------|---|------------------------------|--------------------------------|
| A            | Head of people                      | Group interview with 3 union representatives            | Workshop with 12 managers    | 21                             |
| B            | HR business partner, senior manager | Trade unions not recognised                             | 2 workshops with 16 managers | 13                             |
| C            | HR director                         | Trade unions recognised but not available for interview | 2 workshops with 6 managers  | 10                             |
| D            | HR manager                          | Trade unions not recognised                             | Workshops with 15 managers   | 14                             |

| Organisation | HR and senior manager interviews                 | Trade union interviews  | Line manager interviews                              | Managers doing online training |
|--------------|--|---|--|--------------------------------|
| E            | Head of HR                                       | Trade unions recognised but not available for interview               | Workshop with 14 managers                            | 8                              |
| F            | Head of operations, HR manager                   | Interview with trade union representative of largest recognised union | Workshop with 6 managers and 3 individual interviews | 16                             |
| G            | Senior operational manager, 2 HR representatives | Trade unions recognised but not available for interview               | 3 workshops with 17 managers                         | 2                              |

## Appendix 2 – Attitudinal responses from managers completing the Skilled Managers training

The data in the following tables is drawn from a number of survey questions embedded in the Skilled Managers training course that managers working in the participating organisations were invited to access. In total, 105 managers were given access to the study, 84 managers completed or part-completed the training and 69 managers responded to the survey questions.

Table A2.1: To what extent do you agree or disagree with the following statements regarding feedback and poor performance?

|   | Strongly agree | Agree | Unsure | Disagree | Strongly disagree |
|---|----------------|-------|--------|----------|-------------------|
| <b>I always try to recognise the work of members of my team by giving them positive feedback</b>  | 52%            | 48%   | 0%     | 0%       | 0%                |
| <b>I am comfortable raising concerns about performance or behaviour when providing feedback</b>   | 16%            | 57%   | 18%    | 10%      | 0%                |
| <b>I worry that if I give my team critical feedback that there is a possibility, they will raise a grievance against me</b>                     | 0%             | 16%   | 9%     | 55%      | 20%               |
| <b>If I have concerns over the performance or behaviour of a member of my team, I will normally ask either my manager or HR to deal with it</b> | 1%             | 7%    | 9%     | 57%      | 26%               |
| <b>I will always address any concerns that I have as soon as I notice it</b>  | 19%            | 55%   | 19%    | 7%       | 0%                |
| <b>If I notice a problem I will wait until it becomes more serious before raising it with the person concerned</b>                              | 0%             | 4%    | 9%     | 58%      | 29%               |

Base: Managers surveyed while completing the Skilled Managers online training course or part thereof (n=69)

Table A2.2: To what extent do you agree or disagree with the following statements regarding the role of HR in managing disciplinary and grievance issues?

|   | <b>Strongly agree</b> | <b>Agree</b> | <b>Unsure</b> | <b>Disagree</b> | <b>Strongly disagree</b> |
|---|-----------------------|--------------|---------------|-----------------|--------------------------|
| <b>Managers and HR work together effectively to resolve potential disciplinary and grievance issues</b> | 27%                   | 41%          | 20%           | 8%              | 4%                       |
| <b>Disciplinary and grievance issues are managed more effectively when HR is present</b>                | 16%                   | 41%          | 35%           | 6%              | 2%                       |
| <b>In general managers and HR trust each other</b>  | 24%                   | 27%          | 20%           | 12%             | 0%                       |
| <b>Where possible our HR department prefers trying to resolve issues informally</b>                     | 20%                   | 47%          | 29%           | 4%              | 0%                       |
| <b>Most managers would feel comfortable going to HR for help with disciplinary and grievance issues</b> | 27%                   | 47%          | 16%           | 10%             | 0%                       |

Base: Managers surveyed while completing the Skilled Managers online training course or part thereof (n=69)

Table A2.3: To what extent do you agree or disagree with the following statements regarding the role of trade union representatives in the way in which HR disciplinary and grievance issues are handled and resolved?

|   | <b>Strongly agree</b> | <b>Agree</b> | <b>Unsure</b> | <b>Disagree</b> | <b>Strongly disagree</b> |
|---|-----------------------|--------------|---------------|-----------------|--------------------------|
| <b>Managers and unions work effectively together to resolve problems</b>                        | 20%                   | 61%          | 5%            | 15%             | 0%                       |
| <b>Discipline and grievance issues are managed more effectively when union reps are present</b> | 16%                   | 52%          | 26%           | 5%              | 0%                       |
| <b>Managers and unions trust each other</b>   | 13%                   | 48%          | 26%           | 13%             | 0%                       |
| <b>Where possible, union reps try and resolve issues informally</b>                             | 14%                   | 55%          | 24%           | 6%              | 2%                       |
| <b>Most managers feel comfortable having an off the record conversation with union reps</b>     | 10%                   | 49%          | 27%           | 14%             | 0%                       |

Base: Managers surveyed while completing the Skilled Managers online training course or part thereof (n=69)

Table A2.4: To what extent do you agree or disagree with the following statements regarding your experiences of managing disciplinary and grievance issues through formal procedures?

|   | <b>Strongly agree</b> | <b>Agree</b> | <b>Unsure</b> | <b>Disagree</b> | <b>Strongly disagree</b> |
|---|-----------------------|--------------|---------------|-----------------|--------------------------|
| <b>Where appropriate, I will always try to resolve potential disciplinary and grievance issues through informal discussion</b>                              | 49%                   | 45%          | 6%            | 0%              | 0%                       |
| <b>If in doubt, I will follow procedure because it gives me clear guidance on the steps I need to take to manage a difficult issue</b>                      | 31%                   | 57%          | 12%           | 0%              | 0%                       |
| <b>I am sometimes reluctant to address poor performance or problems with behaviour because I cannot risk losing staff</b>                                   | 0%                    | 6%           | 18%           | 54%             | 22%                      |
| <b>If someone is suspected of serious misconduct, they should always be suspended while the matter is investigated</b>                                      | 16%                   | 51%          | 19%           | 13%             | 0%                       |
| <b>If someone makes a serious allegation to me, I would normally conduct an informal fact-find before deciding what to do</b>                               | 10%                   | 52%          | 18%           | 16%             | 3%                       |
| <b>I feel that formal procedures make it difficult to resolve issues in an informal and common-sense manner</b>   | 3%                    | 19%          | 37%           | 39%             | 1%                       |
| <b>When deciding how to respond to potential disciplinary and grievance issues I worry about the law and the potential for an employment tribunal claim</b> | 7%                    | 37%          | 19%           | 31%             | 4%                       |

Base: Managers surveyed while completing the Skilled Managers online training course or part thereof (n=69)

Table A2.5: How would you handle a situation where a member of staff complains about the attitudes or behaviour of one of their colleagues.

|   | <b>Strongly agree</b> | <b>Agree</b> | <b>Unsure</b> | <b>Disagree</b> | <b>Strongly disagree</b> |
|---|-----------------------|--------------|---------------|-----------------|--------------------------|
| <b>I would normally ask for HR advice before taking any action</b>  | 7%                    | 35%          | 15%           | 40%             | 5%                       |
| <b>I would have an informal conversation with the relevant union reps to shape my approach</b>                | 5%                    | 23%          | 27%           | 35%             | 14%                      |
| <b>I would normally suggest to the person making the complaint that they should put in a formal grievance</b> | 0%                    | 5%           | 28%           | 60%             | 7%                       |

|   | Strongly agree | Agree | Unsure | Disagree | Strongly disagree |
|---|----------------|-------|--------|----------|-------------------|
| <b>I would always meet individually with the 2 members of staff to see if we could resolve the matter without going through the grievance procedure</b> | 47%            | 50%   | 3%     | 0%       | 0%                |
| <b>The first thing I would normally do would be to get both people in a room to work things out</b>   | 2%             | 18%   | 15%    | 53%      | 12%               |

Base: Managers surveyed while completing the Skilled Managers online training course or part thereof (n=69)

### Appendix 3 – Conflict management style

As part of the Skilled Managers training, managers were asked to complete a questionnaire at the beginning and end of the course to assess their conflict management style based on an inventory developed by Rahim (1983). The inventory measures conflict management style across 5 dimensions:

1. Problem-solving – this refers to the extent to which managers develop collaborative solutions to problems based on the mutual interests of all parties, including those of the manager themselves, and the organisation.
2. Obliging – this suggests a deference to demands of parties in conflict. Obliging managers would tend to accommodate the wishes of the parties to smooth over conflict, possibly at the expense of their own interests and needs.
3. Dominating – this relates to the tendency of some managers to make decisions without involving their staff and imposing decisions on the parties in conflict situations.
4. Avoiding – this dimension refers to conflict avoidance. Managers may adopt a 'wait and see' approach rather than address issues at an early stage.
5. Compromising – compromising managers will develop solutions by seeking compromises and through a process of negotiation. This may involve splitting the difference between the positions of parties.

The advice and training Acas provides is rooted in the idea that successful and sustainable conflict resolution revolves around collaborative approaches. This is linked to an emphasis on early and informal resolution. It follows that high 'problem-solving' and low 'avoiding' scores are consistent with effective people management. The 'obliging', 'dominating' and 'compromising' dimensions all reflect some positive attributes such as listening, decision-making and negotiation. However, problems arise if these styles become dominant – managers become too accommodating, impose solutions, or resolve conflict by 'splitting the difference'.

The Skilled Managers questionnaire comprised 25 statements. Managers were asked to rank these from 1 to 5 where 1 = strongly agree and 5 = strongly disagree. Each question relates to one of the 5 dimensions of conflict management style outlined in figure 3.1 (below). An average score (out of 5) for each style is then obtained.

The average scores of managers within the sample are presented in table A3.1.

Table A3.1: Conflict management styles, mean scores

|                    | Collaborating | Accomodating | Competing | Avoiding | Compromising |
|--------------------|---------------|--------------|-----------|----------|--------------|
| <b>Pre course</b>  | 4.17          | 3.34         | 3.05      | 2.92     | 3.56         |
| <b>Post course</b> | 4.26          | 3.27         | 2.83      | 2.53     | 3.65         |

Base: Managers who accessed and completed or part-completed the Skilled Managers online training course (n=84)

These scores suggest a fairly positive profile – collaborating is the dominant style, and this is well-balanced against the accommodating, competing and compromising styles. However, the average avoiding score is relatively high – this lends weight to consistent research evidence that identifies avoidance as a major barrier to conflict resolution. After the training, there was an increase in collaborating scores and a reduction in avoiding scores, suggesting a positive impact on managerial attitudes. The feedback on the course was positive, particularly in terms of its flexibility and use of video material. However, respondents suggested that there was a need for follow-up provision or extended training regarding more complex scenarios.