

# How to manage change



booklet

inform

advise

train

work  
with you

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# About this *guide*

Change can be threatening and disruptive. It can also be very hard work because it usually involves adapting to a new environment, working practices or personal circumstances.

There are some changes that most of us have been through – such as starting a new job, being retrained or moving to a new workplace. This shared experience of change is an ideal starting point for understanding how change can affect you and your employees – on both a personal and organisational level.

This guide will help line managers and employers manage major change more effectively by focusing on:

- the personal experience of change and what this can tell us about the kind of support employees need
- how to engage with employees through regular communication and genuine consultation.

Although every situation is unique, and every organisation is different, there are common elements to managing most change. This guide provides advice on how to:

- **plan for change** – although some change comes out of the blue it is better to have to review your plans than to have no plans at all
- **provide leadership** – this is particularly important during times of uncertainty when employees will need reassurance
- **keep up-to-date with the law** – there is a great deal of legislation covering such things as handling redundancies, transfer of undertakings (TUPE), contracts of employment etc (see Appendix 1, p27).

# Managing change:

## *a summary*

This summary is intended as an *aide memoire* to employers and line managers and a useful reference point for small businesses.

### To manage change effectively you need to:

#### ✓ **communicate and consult:**

- develop an internal communications strategy to put across your key messages
- talk to your internal and external customers directly through targeted communications
- involve everyone in making decisions through effective and timely consultation to:
  - improve your employees understanding of the need for change and gain their commitment
  - identify and address employees' concerns
  - tap into the knowledge and creativity of your staff

Remember: effective communication and consultation are always important, not just during periods of change. For more detailed guidance see the Acas guide *Employee communications and consultation*

#### ✓ **know your legal duties**, particularly around issues such as:

- contracts of employment
- redundancies
- lay offs
- TUPE
- flexible working and
- the Information and Consultation of Employees regulations (ICE)

✓ **understand the emotional journey** that every individual goes through when faced with change – from hearing the news right through to coming to terms with the after effects. This journey, as described by JM Fisher<sup>1</sup>, typically involves feeling:

- anxiety – can I cope?
- happiness – at last something is going to change!
- fear – what impact will the change have on me?
- threat – the problem is bigger than I thought
- guilt – are the past failings down to me?
- disillusionment – this is not for me so I'm leaving
- acceptance – maybe things won't be so bad
- excitement – I'm looking forward to the challenge

✓ **demonstrate strong leadership**, especially in a difficult economic climate, by:

- creating a vision for the future
- linking individual and teams goals to organisational targets
- setting an example
- walking the floor and being seen
- creating an organisational culture based on openness and trust

✓ **engage with employees** to:

- get the best out of them in terms of performance
- cement their commitment to the organisation
- help line managers trigger positive discretionary behaviour (see p25)

✓ **use problem-solving techniques such as:**

- force field analysis
- SWOT analysis
- cause and effect analysis
- root cause analysis
- brainstorming
- teambuilding.

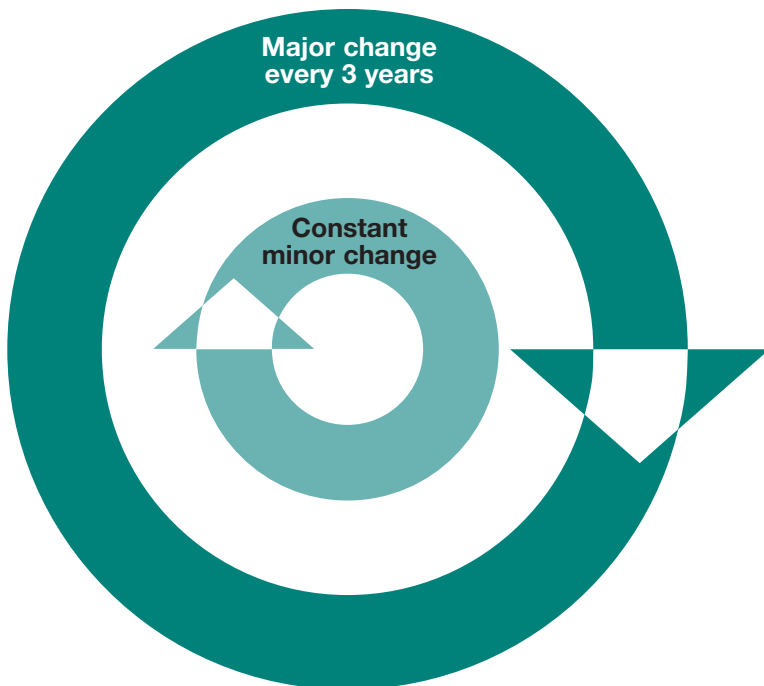
<sup>1</sup> *The Process of Transition*, JM Fisher 2003

# What is *change?*

The answer to this question should be quite simple. After all, recent research has shown that organisations undergo major change about once every three years, and that within that cycle of major change is an almost constant swirl of minor change.

Major change can include mergers, redundancies, re-structuring or new working practices, while minor

change can mean anything from the introduction of new training courses or company policies to new canteen facilities or travel arrangements. Change often alters our routine, challenges our perceptions and makes us reflect on how things are done. Change is usually characterised by a desire to improve things – whether it's cashflow, products or processes.



Employees often feel caught between the two cycles of change, expected to be able to instantly adapt to whatever comes their way. Employers often find it difficult to focus on processes like employee communication and engagement, when faced with constant planning and reviews of products or performance. They may not even always be aware of the imminent change.

How we react to change often depends on whether we see it coming and how many people it affects. Change is either:

- **planned or unplanned** – planned change might include an office move or the introduction of flexible working, while unplanned change might include lay offs or redundancies brought about by an economic downturn
- **individual or organisational** – some change largely affects individuals, such as a new job description or individual redundancy, while other change, such as an office move or company re-branding, affects the whole organisation.

## What causes change?

Change can be caused by:

- **external pressures** – such as changes in global markets, new competitors or technology, government legislation and customer feedback
- **internal pressures** – such as the need to review policies and procedures, accommodation issues, pay structures and employee feedback.

A certain degree of pressure is an essential part of working life for many organisations – it can be often be a motivating factor. Change often starts when pressure reaches a tipping point and employers realise that something needs to be done. For example, if a competitor launches a rival product you may be forced to respond if your own sales figures are adversely affected.

Force field analysis (see Appendix 2, p29) is widely used to understand and manage change. In force field analysis, change is characterised as a state of imbalance between **driving forces** (such as changing markets or new personnel) and **restraining forces** (such as cultural inertia or fear of failure).



As an employer you may see the pressure points developing between conflicting forces. It is often best to act quickly to solve a problem. If you do nothing – and the pressure becomes too great, or goes on for too long – it can cause organisational stress and undermine your productivity.

### Organisational stress

The HSE defines stress as “the adverse reaction people have to excessive pressures or other types of demand placed on them”. This also applies to organisations.

### Why pro-actively manage change?

You need to pro-actively manage change for the following reasons:

- **economic survival.** Change is not usually a choice but a necessity. Developing new products or retraining staff could keep you ahead of your competitors
- **accountability.** Effective change management gives you the chance to explain, to both internal and external customers, what you are going to do and why
- **employee wellbeing.** Health and wellbeing at work is strongly linked to having a degree of control over our job and how it is done. Giving employees a voice in how change is managed can help maintain their sense of wellbeing
- **organisational effectiveness.** Everyone expects teething problems with new systems but rushed, unplanned change can seriously damage the confidence of staff and customers
- **employee engagement.** Research has shown that employees take their lead for how they feel about their job and how hard they work from their line managers. Line managers can trigger ‘positive discretionary behaviour’ (see p25) by showing that they care about how change impacts on their staff
- **employment relations.** Badly managed change can cause long-lasting resentment and ill feeling that damages employment relations and creates an organisational culture based on mistrust and a lack of cooperation.

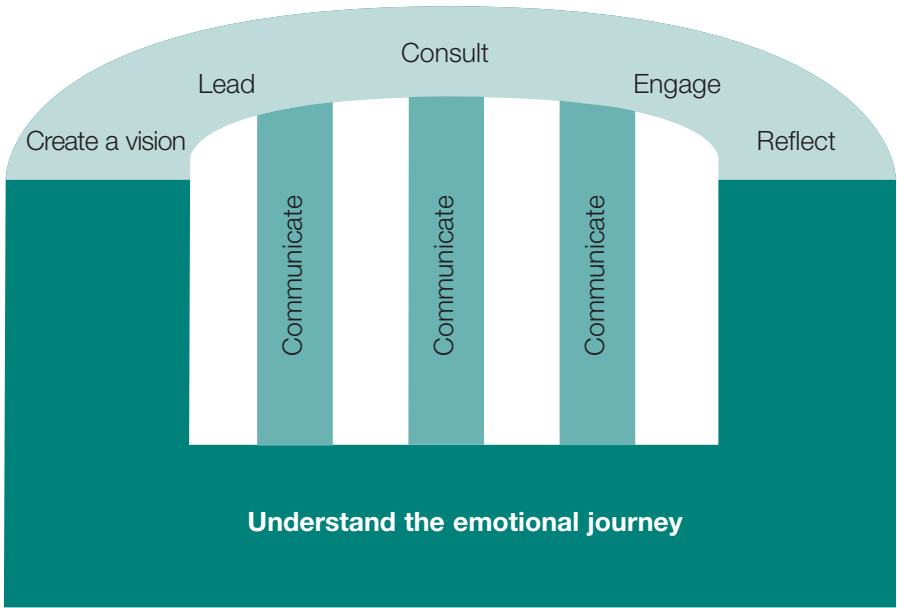
## How do you manage change?

Academics have analysed the different ways we manage change and some of the more popular theories include:

1. Change: **moving from one static state to another.** Lewin's Model of change sees organisations operating in an almost permanently frozen state. To alter the status quo organisations 'unfreeze', overcome the obstacle or hurdle, and then 'refreeze'.
2. Change: **influencing the way we think and behave.** Beer's Model of change focuses on task alignment to manage change and suggests that employers can use formal policies to institutionalise change.
3. Change: not a beginning or an end point but **an ongoing process.** Shaw's Model of change sees change as an untidy and at times clumsy process but also a natural part of how organisations evolve.

It is impossible to be too prescriptive about how you should manage change effectively but the basic building blocks many organisations use include:

- Underpinning all change management is an understanding of what people go through when they experience change – see 'How does change feel?', p9
- If Acas had to answer the question 'how do you manage change?' in three words our answer would be "Communicate, communicate, communicate" (see 'What do you tell people and how?', p14)
- Change can be traumatic and disruptive. As a manager your key responsibilities are to:
  - create a vision
  - lead
  - consult – particularly on those issues covered by the law, such as redundancies and transfers of undertaking
  - engage with employees (see 'How important is employee engagement?', p24)
  - reflect on how you have managed change and what can be improved in future and celebrate successes.



# How does *change feel?*

Faced with something new or unexpected our initial reaction is often one of anxiety and sometimes fear. To understand how change feels we need to look at:

- the link between health, work and wellbeing
- the contrasting emotions we can experience during periods of change.

## The link between health, work and wellbeing

In the Acas guide *Health, work and wellbeing* we ask the question: 'Is work good for your health?' The answer is that yes, work is good for your health because it provides:

- financial reward
- self esteem
- companionship
- status.

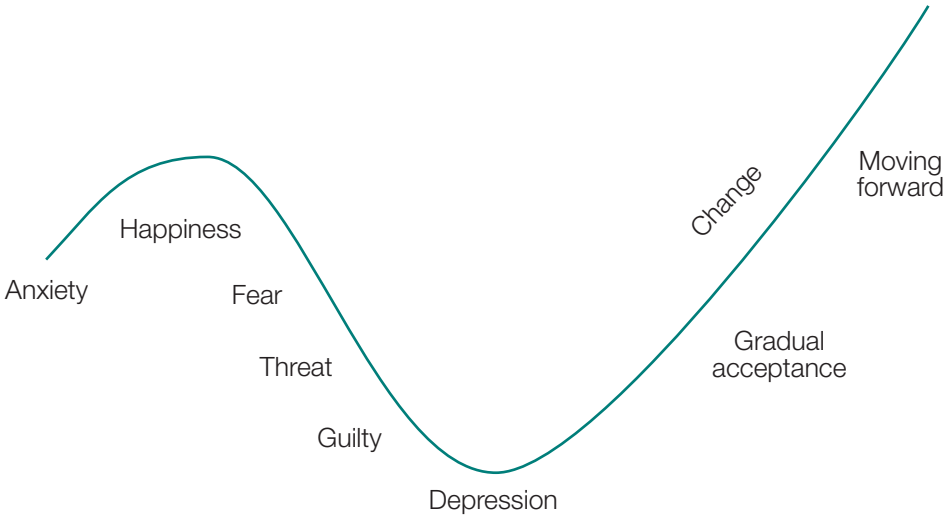
What cements these elements and creates a 'feel good' factor about going to work is having some control over our working lives. The greater the level of control you have over how you do your job, the happier you are likely to be and the more committed to your place of work.

Change can affect the way you feel – emotionally, mentally and physically. It can also damage your self-esteem by putting you in new and demanding situations, and it can deprive you of your friends. Badly managed change can also make you feel as if things are 'out of control' and affect how well you engage with your customers and colleagues.

However, although change is generally seen as negative, this is not the whole picture. Any basic analysis of change will highlight opportunities as well as threats (see 'SWOT' analysis on p30). During a reorganisation, for example, employees may feel the safety of their jobs to be under threat, but they may also feel they have the opportunity to achieve greater career fulfilment.

## The emotional journey

The academic JM Fisher has produced a 'process of transition' curve that highlights the journey that employees typically go through during the process of change. These emotions are represented in a curve which shows the emotional highs and lows in the following way:



There is no time constraint on how long this journey normally takes – it depends on the circumstances and those involved. Employees are unlikely to be aware of moving

systematically from one emotion to the next but the range of emotions is very common. Managers may get to the 'moving forward' stage before employees so regular communication and feedback is vital.

Employers and line managers can react to change in the right way by:

Change: reacting to emotion in the right way:		
Where are you?	Employee emotion	What can you do?
<p><b>Rumour mill:</b> nothing has been announced but people are talking at tea points and in the canteen</p>	<p><i>"I can't stand the uncertainty. It's starting to affect my sleep"</i></p> <p><i>"Stress levels are sky high at the moment"</i></p>	<ul style="list-style-type: none"> <li>- Act quickly, the longer the uncertainty lasts the worse people will feel. The anticipatory phase of change can cause anxiety and stress</li> <li>- Involve employees at the earliest stage in planning change – see Appendix 1 on redundancies and the law</li> </ul>
<p><b>Official statement:</b> you announce your plans to restructure the business</p>	<p><i>"At last, some concrete news"</i></p> <p><i>"I always thought the old system could be improved"</i></p> <p><i>"What does this mean for me?"</i></p>	<ul style="list-style-type: none"> <li>- Tell the truth! It can be tempting to gloss over the more damaging impact of change</li> <li>- Build on positive feedback – some employees may be relieved or even happy that something's been done at last</li> <li>- Offer reassurance, particularly with likely job losses or extensive re-training</li> <li>- Consult with staff as soon as possible</li> </ul>
<p><b>Company vision:</b> you develop a vision for the future of the organisation</p>	<p><i>"This is all very blue sky but I wonder what they're really planning"</i></p> <p><i>"What does any of this mean in practical terms to me?"</i></p>	<ul style="list-style-type: none"> <li>- Be clear about the message you are putting across: avoid ambiguity and jargon!</li> </ul>

## Change: reacting to emotion in the right way:

Where are you?	Employee emotion	What can you do?
<p><b>Communication:</b> you communicate details of the restructuring via emails and team briefings</p>	<p><i>“So, it’s really happening and my old status and job are under real threat now”</i></p> <p><i>“I just want to get on with it and forget all the talking”</i></p>	<ul style="list-style-type: none"> <li>– Think about the way you communicate – see ‘What do you tell people and how?’ p14</li> </ul>
<p><b>Line managers:</b> Individuals are told the impact on their jobs by their line managers</p>	<p><i>“I cannot accept this is going to happen”</i></p> <p><i>“I feel responsible for the failings of the old system. If only I’d worked harder”</i></p> <p><i>“Yet more restructuring, I’m going to start looking for a new job”</i></p>	<ul style="list-style-type: none"> <li>– Address personal concerns and give employees the chance for questions – constructive criticism can be very positive!</li> <li>– Recognise how individuals feel</li> <li>– Plan for employees who cannot accept the changes and want to leave</li> </ul>
<p><b>Changes begin:</b> job descriptions and contracts change and new reporting structures start</p>	<p><i>“This is just complete rubbish”</i></p> <p><i>“It’s hopeless. I’m never going to get used to the new system”</i></p>	<ul style="list-style-type: none"> <li>– Provide training where necessary for new duties or procedures</li> <li>– Keep communicating</li> <li>– Offer strong leadership and motivation</li> <li>– Provide counselling where appropriate</li> </ul>
<p><b>Bedding in:</b> new structure is monitored and feedback is sought</p>	<p><i>“There are teething problems – some days things are better than before and some days they seem worse”</i></p> <p><i>“We’re really beginning to pull together as a team now”</i></p>	<ul style="list-style-type: none"> <li>– Set up a working group to work on specific problem areas</li> <li>– Involve employees in reviewing ongoing changes</li> <li>– Celebrate successes</li> </ul>

## How do you overcome resistance to change?

Some resistance to change may be inevitable. You are likely to experience more resistance if you do not respond to how employees are feeling in the right way. Although individual employees are often at different points on their emotional journey at different times, you may find that there are a few distinct clusters of employees who share the same attitudes. For example, there are often those employees who:

- are **very reluctant to change** and are often caught up in feelings of anxiety or fear longer than their colleagues. These employees will need plenty of coaxing and reassurance but it is important that their concerns are not glossed over
- go along with the change but begin to **lose sight of the end objectives**. These employees may be quickly disillusioned or unhappy and feel they are caught between two stools, having given up the reassurance of the old systems but without having the satisfaction of seeing any results. You will need to motivate and encourage these employees and keep reminding them of your key messages (see 'communications strategy', p33)
- have begun to **accept the need for change** and are beginning to see the light at the end of the tunnel. These employees may still express a certain amount of hostility but they may also be impatient to get on and make things work. You will need to continue to win these employees over, making the most of their positive feelings and the way this can influence others
- have **adapted to change** and are already making forward strides working with the new systems or work environment. Although these employees will generally feel happy about the changes they may begin to identify themselves as being different from colleagues who are lagging behind. You may find that they can be used as mentors or provide useful role models for the change process and how it can work best.

Managing groups of employees experiencing this emotional journey can be very demanding on a line manager's inter-personal skills. See 'how important is employee engagement' (p24) for more information on how line managers can get the best out of their staff.



# What do you tell

*people and how?*

## Communication or consultation?

**Communication** is concerned with the interchange of information and ideas within an organisation.

**Consultation** goes beyond this and involves managers actively taking account of the views of employees **before** making a decision

For more information see the Acas guide *Employee communications and consultation* at [www.acas.org.uk](http://www.acas.org.uk). For more information on the role employee representatives play in consultation see the Acas guide *Representation at work*.

When you talk to your employees about changes to the organisation and their working lives they will often want:

- to question your plans and the reasons you give for the changes taking place
- their concerns to be listened to by their senior managers
- reassurance about how the changes will affect them personally
- clear direction and leadership
- the sense that you empathise with their position and there is no sense of 'us and them'
- honesty – the truth is best even if it is bad news
- a promise of regular updates during the change process
- the chance to be consulted.

Before you decide exactly what to tell your employees and how, you should:

- develop an internal communications strategy (this need not be very complex for small firms)
- check what the law says (this is covered in Appendix 1, (p27))
- think about the words you use – but also your tone of voice and body language
- do your homework: think about the emotional journey individual employees go through – you may have to customise your message for different internal audiences.

## Develop an internal communications' strategy

A communications strategy sets out how you are going to communicate your messages to your target audience. Examples of what an internal communications' strategy

might look like is provided at Appendix 3. Although they may not be needed for all minor forms of change, the same basic principles apply – in terms of issue, audience, message etc – and it is worth getting used to using them. Here are some useful hints on developing a strategy:

<p><b>Communicate promptly</b></p>	<p>Communications needs to be built into the planning process for change right from the very start when you decide:</p> <ul style="list-style-type: none"> <li>– the issues</li> <li>– objectives</li> <li>– audience</li> <li>– messages</li> </ul> <p>Larger organisations are likely to have a specialist internal communications team. Small firms may allocate internal communications to the manager who looks after HR or the employer may undertake the role themselves.</p> <p><b>NOTE:</b> The way internal communications is handled can tell you a lot about the culture of your organisation. Very hierarchical organisations can be slower to react to advice from their communications team.</p>
<p><b>Get commitment</b></p>	<p>Your leaders need to own the change process – this means agreeing with the messages and being very visible and accessible right through the process – see 'Do you manage or lead?' p19.</p> <p><b>Note:</b> Clear and visible leadership helps to actively engage employees and maintain their effectiveness (see p24).</p>
<p><b>Be consistent</b></p>	<p>Don't communicate for the sake of it but don't be afraid to repeat your messages – remember employees will be at different stages in coming to terms with change.</p>

<p><b>Provide context</b></p>	<p>Your key messages may well be based on your corporate or business objectives. These can seem remote to employees but middle managers – or line managers in small firms – can provide the local context that makes the changes meaningful to individuals and teams.</p> <p><b>Note: Provide your managers with the right tools to put across your messages locally – these might include Q&amp;As, slide shows or weekly email bulletins.</b></p>
<p><b>Choose the right channels</b></p>	<p>The more face-to-face communication you have with employees the better: so use team meetings to brief staff. You may not be able to answer all questions during a fixed meeting time so consider using emails or newsletters to respond to queries.</p> <p><b>Note: Always use Plain English. Jargon will only dilute your message and confuse your audience. For example, say ‘the new system will process our orders more quickly’ rather than ‘the new system will be fit for purpose’. For more information visit <a href="http://www.plainenglish.co.uk">www.plainenglish.co.uk</a></b></p>
<p><b>Get feedback</b></p>	<p>Taking regular ‘mood checks’ on how people are feeling at different stages of the change will help you plan your communications strategy. You might simply ‘walk the floor’ or adopt more formal means of testing the water, such as consultation meetings or focus groups. You should be able to work out what messages are not getting through or how to tackle any resistance to change.</p> <p>Also, encourage constructive criticism – it can produce good ideas and it shows that you trust your staff.</p>
<p><b>Look after your staff</b></p>	<p>Your employees are your biggest asset. If you manage change poorly they are likely to be less motivated and less productive and your reputation as an employer – with customers and stakeholders – will suffer.</p> <p><b>Note: the way procedures and systems are set up and used is just as important as the systems themselves. Line managers with the right kind of interpersonal skills have the ability to trigger ‘positive discretionary behaviour’ – in other words, they can improve the way employees do their jobs – see p25 for a definition.</b></p>

In many organisations there is no single audience, but many different groups and individuals all with their own preferred ways of communicating and being communicated with. For many employers team briefings continue to be used as the preferred way of getting key messages across, but some employees may find these inhibiting – not all employees will feel confident about speaking up in front of a group of colleagues and senior managers. It may be best to use a mix of communication channels – such as emails, intranet sites, or bulletins. Trade union and employee representatives also have an important role to play in getting messages across – see p20.

### Your internal communications strategy checklist:

Your internal communications strategy checklist:

- What is the issue?
- Who do I need to talk to?
- What do I need to say?
- How will I put across my message (this is your strategy)
- What methods will I use?
- How will I get feedback?

Effective internal communication is also based on the perception of what is being communicated and how, and this may vary between managers and employees. For example:

- **senior managers** may hold a team meeting, ask for views on imminent changes and feel they can tick the ‘consult staff’ box
- **employees** may turn up to a hastily arranged meeting in a large hall, stand near the back as their employer speaks at length and go away feeling they had little chance to express their views.

This can also apply the other way round, with managers going to great lengths to consult with staff and employees not making the most of the opportunity or taking part fully.

Communication is a very physical process. Although the words you use are very important, your tone of voice and body language are also vital. Research<sup>2</sup> has found that when conveying messages about your personal feelings or attitudes, your body language is the most important instrument for getting across these feelings.

This much quoted equation may not apply to every workplace meeting – for example, when you are giving out information – but it is worth bearing

<sup>2</sup> *Silent Messages*, Mehrabian

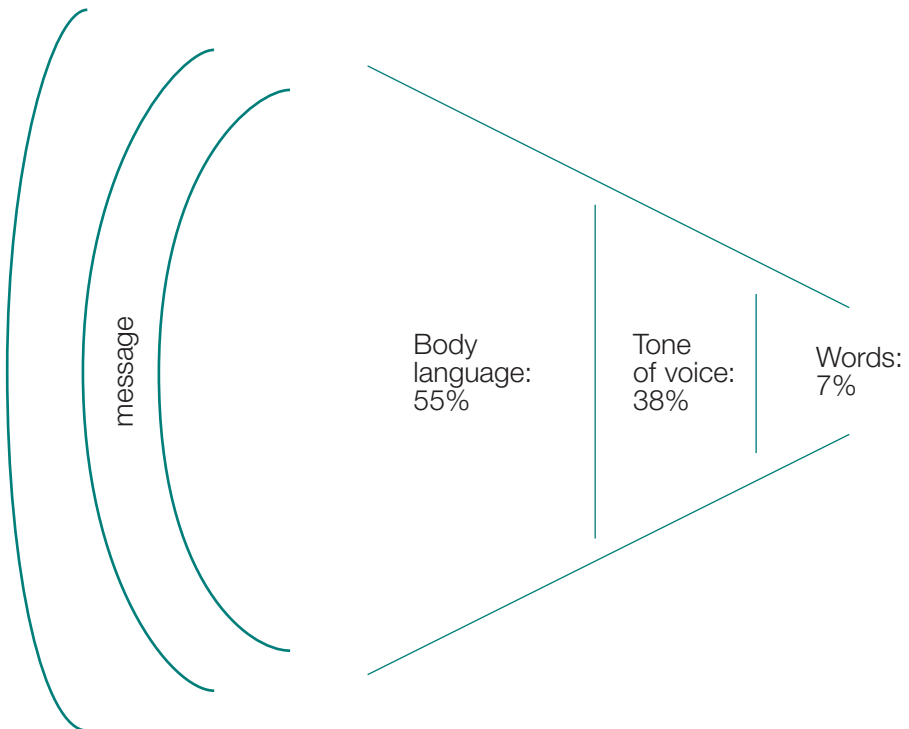
in mind if you want to give extra weight to your feelings. For example, if you have to say “I am very sorry about the loss of jobs” you will certainly want to give the impression that your words have real meaning.

Don't be afraid of stating the obvious. The sense of obligation that exists between employer and employee – sometimes called the 'psychological contract' – can be assumed or taken for granted.

During periods of change and uncertainty it is often best to spell things out. For example:

- if there is no threat to jobs then say so, but don't promise what you cannot be sure of delivering in the future
- if training budgets are going to be cut then say so, but brief line managers so that they can explain what this will mean to their own teams.

## The visual act of communication



# Do you manage or lead people *through change?*

It is often said that you manage people through good times and lead them through bad times.

Organisational change is far too common a phenomenon to be seen by employers as necessarily 'bad', but it does often have the potential to destabilise organisational effectiveness and employment relations.

As an employer you face a difficult balancing act during periods of significant change between:

- **sharing the decision-making** with your employees so they have chance to express their views and opinions and feel part of the organisation's future plans
- **showing the kind of strong leadership** and sense of direction that employees often expect during uncertain times.

Employee consultation is often a legal requirement during periods of major change – for example, during redundancies, mergers or take-overs. Many employers go beyond consultation and involve employees and their representatives in joint decision-making. This can help maintain performance and productivity by improving employee

engagement (see 'how important is employee engagement?' p24).

Strong leadership can sometimes be confused with an authoritarian style of management but for many employees strong leadership is about:

- **visibility:** simply 'walking the floor' can be a very effective way of reassuring employees and keeping in touch with the general mood
- **accessibility:** some managers are almost permanently in meetings – set some time aside for regular contact with your team
- **consistency:** if you've got a plan that's been agreed with staff stick to it wherever possible
- **decisiveness:** although its good practice to involve employees in making decisions sometimes the buck stops with you and a firm and quick decision is needed. But remember, it is always best to explain your reasons
- **clarity:** ambiguous messages can fuel the rumour mill during periods of change. Managers need to be clear about their message and how they will communicate it.

### The role of elected representatives is to:

- ✓ ensure effective two-way communication between staff and management
- ✓ encourage employees to get involved by canvassing views, seeking feedback and sharing information
- ✓ convey the views of employees accurately
- ✓ act as a sounding board on employee feelings for management
- ✓ respect confidentiality where appropriate
- ✓ maintain a broad overview of what's happening in the company.

### Working with employee representatives and working groups

Working with union and other employee representatives is a vital aspect of successfully managing change. A good employee representative will be keen to see your organisation do well, be able to see the broader picture in terms of management issues as well as represent the views of employees.

If you employ 50 or more employees, your employees have the right to request an information and consultation agreement. For more details on the Information and Consultation of Employees (ICE) Regulations and other relevant legislation see Appendix 1, p27.

It is important to maintain good working relationships with your employee representatives. You should:

- **consult them before** decisions are made and early enough to give them the opportunity to influence policy
- allow them enough **time and proper facilities** to canvass views of employees
- give an **explanation** if a proposal put forward by an employee representative is rejected
- make a **clear decision** where agreement cannot be reached
- provide **information** promptly and helpfully
- hold **effective consultation meetings** with meaningful agendas, professional chairing and well worked out arrangements for reporting back to employees.

## Negotiation or consultation?

**Negotiation** – often takes the form of discussions between unions and employers in order to reach agreement on things like pay and conditions. Can be used as part of collective bargaining.

**Consultation** – employers inform their employees of workplace developments and ask (and take account of) their views before making a decision.

For more information on employee representation see the Acas guide *Representation at work* and the two guides on managing time off: *Trade Union Representation in the workplace: a guide to managing time off, training and facilities* and *Non-union representation in the workplace: a guide to managing time off, training and facilities*. All these guides can be found at [www.acas.org.uk](http://www.acas.org.uk).

## The value of workshops

Employers will often work closely with employee representatives in well established joint consultative committees to manage significant organisational changes, such as changes to pay and conditions. Employers can also engage with employee representatives and gauge how well change is going by using less formal one-off methods such as workshops. Acas advisers often work with organisations to help run participative one-day workshops during significant periods of change. These are based on problem-solving and joint decision-making and will give an employer a snapshot of:

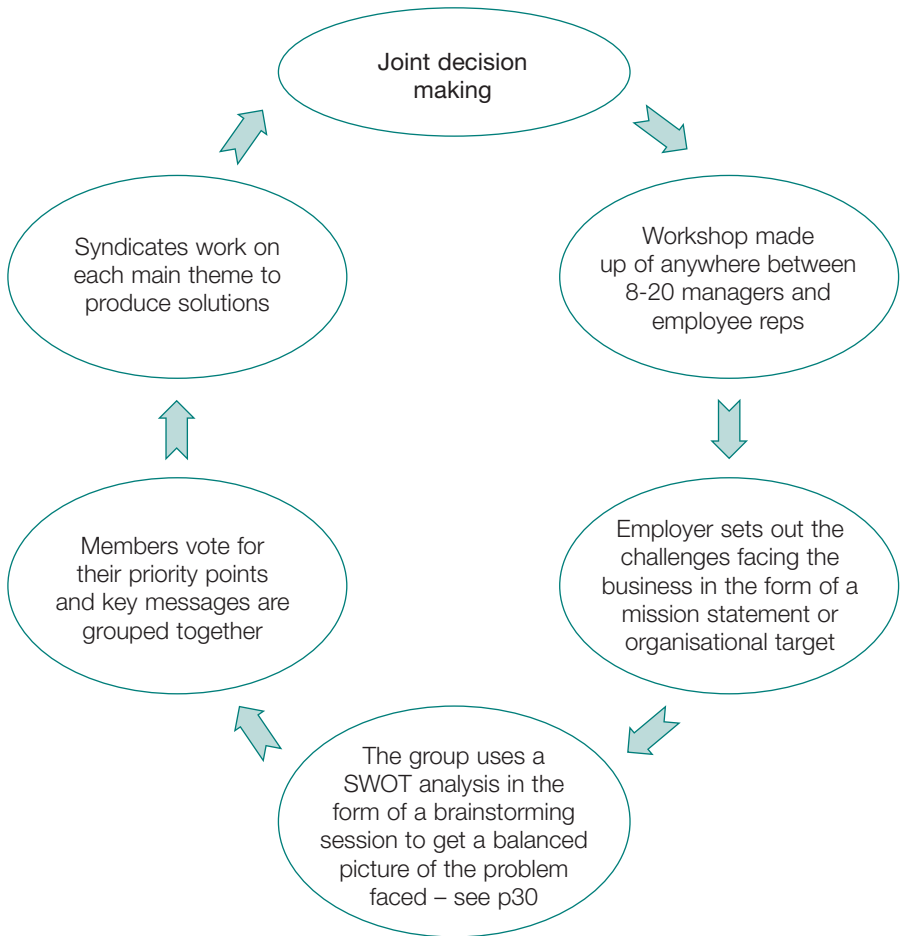
- the main change issues affecting the organisation and
- the concerns that managers and employees are grappling with.

Each workshop works slightly differently, depending on the size of the organisation and the issues being discussed. You can have anything between 8-20 attendees, representing different grades and with both management and employee representatives.



<b>A typical Acas workshop on managing change</b>	
<b>Introduction</b>	An Acas adviser explains how the workshop will run. The employer or senior manager then reminds everyone of the key challenges facing the business eg new equipment and working hours.
<b>SWOT analysis</b>	<p>The group conducts a structured SWOT analysis (see p21), listing the strengths, weaknesses, opportunities and threats represented by the changes. The weaknesses and threats are identified first as these are the potential barriers holding the business back and are peoples' fears and concerns. Then the strengths and opportunities are identified to ensure a balanced picture and to build people up for the change.</p> <p>The session is run as a brainstorm (see p31) and each member of the workshop has equal say. This continues until people have made all their points – typically there are about 40 or so points.</p>
<b>Prioritisation</b>	The important points and key issues are then identified and prioritised through voting (three points for your most important issue, two points for your next and one point for your third). The points which have attracted votes are then grouped into three or four main themes eg communications, working arrangements, training. This creates a joint change agenda that all have contributed to.
<b>Syndicate work</b>	The workshop breaks into mixed syndicates to discuss and analyse further the priority issues. They work on how weaknesses or threats can be reduced, strengths built on and opportunities exploited.

As well as providing practical solutions to real workplace problems, workshops can also help to break down cultural barriers – such as overly hierarchical organisational structures – and promote employee engagement (see p24).



# How important is *employee engagement?*

*The Macleod Review*, published in July 2009, found that engaged employees often perform better in the following areas:

- customer service
- innovation
- adaptability
- quality and speed, productivity.

Adaptability is critical to successfully managing change. Engaged employees are likely to adapt better to change – and have easier emotional journeys – because they know they will be consulted regularly and given some say in the decision-making process and because they identify with the future success of the organisation.

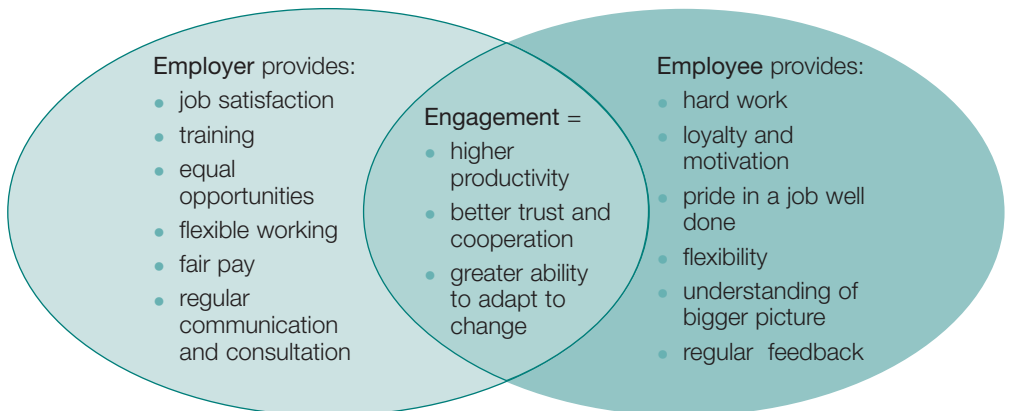
*Employee engagement is “about creating opportunities for employees to connect with their colleagues, managers and the wider organisation.”*

Rees et al 2009 Kingston Employee Engagement Consortium

## What is employee engagement?

The Chartered Institute of Personnel Development describes employee engagement as “a combination of commitment to the organisation and its values plus a willingness to help out colleagues”.

Engagement is very much a two-way process, based upon the recognition of mutual needs and a certain degree of give and take:



Engagement can be directed towards the organisation where an employee works but it is often triggered by line managers who are usually responsible for the way policies are used in practice and for developing good working relationships.

**Positive discretionary behaviour** is behaviour which

“goes beyond the requirements of the job to give that extra performance which can boost the bottom line”

*Chartered Institute of Personnel and Development*

Employee engagement is not something you can conjure up out of thin air. It requires the nurturing of a working environment based on openness, personal development, involvement and trust. What limits or damages engagement is:

- job insecurity and fear
- jobs with very short cycle times
- jobs causing high stress – little autonomy, inflexibility
- unfairness especially in pay and rewards
- bullying especially poor line management behaviour
- being stuck in the same job for long periods and unable to move.

## The role of line managers

Line managers are particularly important during periods of change because they provide the local context – in other words, they can translate organisational issues into personal issues and relate to the particular circumstances of individual employees.

Line managers are also responsible for the exchange between employers and employees (shown in the diagram above) that forms the basis of employee engagement. Line managers deal with things like:

- training
- equal opportunities
- flexible working
- communication
- performance management.

The level of trust developed between line managers and employees enables the ‘process of transition’ described by Fisher (see p3) to be smoother and less traumatic. The University of Bath has undertaken research on the role of line managers. Many of the skills they identified as being critical to developing employee engagement are also vital to managing change.

To encourage the kind of discretionary behaviour from employees associated with higher performance, front line managers need to:

- build a good working relationship with their staff. They need to lead, listen, ask, communicate, be fair, respond to suggestions and deal with problems
- help and support employees to take more responsibility for how they do their jobs by coaching and guidance
- build effective teams.

Line managers do not work in isolation. To be effective they need good teams around them and senior managers who espouse the same kind of values and demonstrate the same kind of behaviours – such as open communication, regular positive feedback and an emphasis on personal skills and development.

# Appendix 1:

## What does the law say?

If your change involves:	You will need to:
<p><b>Redundancies</b></p> <p>For further information see the Acas guide <i>Redundancy handling</i> at <a href="http://www.acas.org.uk">www.acas.org.uk</a></p>	<ul style="list-style-type: none"> <li>o Consult with your employees:           <ul style="list-style-type: none"> <li>• if you plan to dismiss as redundant 20 or more employees at one establishment over a period of 90 days or less you must consult representatives of any recognised trade union or, if no union is recognised, other elected representatives</li> <li>• if 20-99 employees are to be made redundant over the 90 days or less consultation must begin at least 30 days before the first dismissal takes effect</li> <li>• if 100 or more employees are to be dismissed consultation must begin at least 90 days before the first dismissal takes effect.</li> </ul> </li> <li>o Disclose information to the appropriate representatives about:           <ul style="list-style-type: none"> <li>• reasons for the proposed dismissals</li> <li>• how the dismissals will be carried out</li> <li>• the criteria used for selection.</li> </ul> </li> <li>o Seek to avoid job losses wherever possible</li> <li>o Have fair redundancy selection criteria:           <ul style="list-style-type: none"> <li>• use objective criteria, precisely defined and capable of being applied in an independent way, when selecting employees for redundancy</li> <li>• it is illegal to select an employee for redundancy on grounds relating to many issues, including maternity rights, trade union membership, part-time and fixed term-working and asserting a statutory employment right (see Acas guide <i>Redundancy handling</i> for a list).</li> </ul> </li> </ul>
	<p>NOTE: Case law has shown that dismissals have been found to be unfair where a union has been consulted but not the individual.</p>

<p><b>Business transfer</b></p> <p>For further information see the Department for Business, Innovation and Skills website at <a href="http://www.bis.gov.uk">www.bis.gov.uk</a></p>	<ul style="list-style-type: none"> <li>o remember that the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) protects employees' terms and conditions of employment when a business is transferred from one owner to another. Employees of the previous owner when the business changes hands automatically become employees of the new employer on the same terms and conditions</li> <li>o inform and consult employees affected directly or indirectly by the transfer.</li> </ul>
<p><b>Changing contracts of employment (lay offs and short-time working)</b></p> <p>For further information see the Acas guide Varying a contract of employment at <a href="http://www.acas.org.uk">www.acas.org.uk</a></p>	<ul style="list-style-type: none"> <li>o agree any changes to existing contracts of employment with your employees. Changes may be agreed on an individual basis or through collective agreements</li> <li>o fully consult with an employee (or his or her representatives) and explain and discuss any reasons for change</li> <li>o if an employer imposes changes in contractual terms without the agreement of the employee, there will be a breach of contract. This may lead to a claim of constructive dismissal at an employment tribunal.</li> </ul> <p>NOTE: It is best to put any agreed changes to contracts in writing.</p>
<p><b>Other major changes such as restructuring</b></p> <p>For further information visit the 'contracts and hours' section of the Acas website at <a href="http://www.acas.org.uk">www.acas.org.uk</a></p>	<ul style="list-style-type: none"> <li>o the Information and Consultation of Employees (ICE) Regulations were introduced on 6 April 2005 and give all employees of undertakings (which are normally businesses) with 50 or more employees the right to request an information and consultation agreement. An employee request must be made by at least 10 per cent of the business employees, which must amount to at least 15 employees. You must start negotiations with representatives of the workforce for an agreement no later than three months after a valid request has been made by your employees</li> <li>o if your organisation already has in place one or more pre-existing I&amp;C agreements, your employer may hold a ballot to see whether a new agreement is needed</li> <li>o you need to talk to trade union representatives or employee representatives (or both) about reviewing your existing systems or setting up new procedures for informing and consulting staff.</li> </ul>

## Appendix 2:

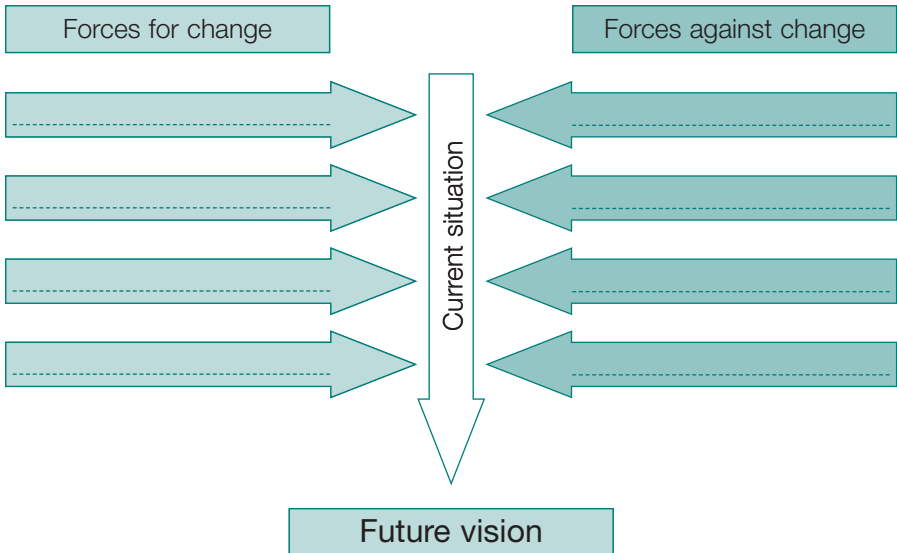
### *some tools for managing change*

#### Force Field Analysis

##### *What is it?*

Force Field Analysis is a useful tool for weighing up the forces working for and against change and assessing the balance of power between these opposing forces.

The first step is to make a list, using a diagram as follows:



You also need to set out your vision for the future – where you would like to be after the planned change. As well as forces that relate specifically to your proposed change there are often generic forces at work that apply to most change situations, such as:

- cost
- resources
- attitudes of managers and staff



- vested interests – ie stakeholders
- legal or regulatory factors
- timescale
- current practices – in other words, how they are done now or have been done in the past.

You may be able to reduce the impact of any mitigating circumstances holding back change and promote those enabling factors that make change more likely. Some employers use the force field analysis as the basis for an action plan, others use it as a starting point for more in-depth discussions and problem-solving using techniques such as SWOT analysis and brainstorming.

## SWOT analysis

### *What is it?*

SWOT stands for ‘strengths, weaknesses, opportunities and threats’ and is effective tool for testing out new ideas and problem-solving. SWOT often works well in a workshop setting (see p21 on using workshops) and can be combined with brainstorming (see below).

Before you start, be clear about the problem or situation you are going to analyse: this can be very broad – such as wide cultural issues within an organisation – or very specific – such as reducing customer response times.

<b>Strengths</b>	<b>Weaknesses</b>
<b>Opportunities</b>	<b>Threats</b>

You may find that many of the strengths and weaknesses relate to internal factors – such as resources, relationships and training – while the opportunities and threats are more likely to be linked to external factors – such as customer demand, market competitors etc.

The key issues that emerge can often be grouped into a few prominent themes. These can be look at more closely in smaller groups.

## Brainstorming

### *What is it?*

Brainstorming is a method of getting a large number of ideas from a group of people in a short time.

Brainstorming is beneficial because it gets members of a team involved in bigger management issues, and gives each member an equal voice in putting forward ideas and suggestions.

### **Tips for brainstorming:**

- ✗ don't criticise as it only inhibits ideas
- ✓ use freewheeling imagination – make mental leaps and connections freely
- ✗ don't adhere to logical thinking
- ✓ build on other's ideas – combine ideas, hitchhike, piggyback one idea on another.

Brainstorming often works best with a facilitator in charge of the process. The process usually works in the following way:

- define and agree the objective – the clearer you can be the better, even if it is something like “what will be the impact of the new system on staff”
- allow people five minutes to reflect on the question
- brainstorm by allowing each person an equal say – for example, by going round the table until all the points have been listed
- identify the main themes

- prioritise the most important themes – this can be done by voting
- agree action plan and timetable
- if a large group, split into syndicates or smaller groups to find solutions to the problems identified
- monitor and agree follow-up action.

## The five whys (root cause analysis)

### *What is it?*

The ‘five whys’ is a technique for probing behind the answers to sometimes intractable problems. For example:

Problem	We have high levels of absence
Why?	Frustration
Why?	Don't listen to problems
Why?	No forum to express
Why?	No communications strategy
Solution	Improve communications

This technique may help you to get beyond the symptoms to problems and get to grips with the root causes.

# Appendix 3: *sample internal communication strategy*

You will find below an example communications strategy to illustrate the guidance given in this publication. This example is fictitious and designed only as a basic outline structure.

This strategy focuses on internal audiences only and does not consider external audiences or other stakeholder groups such as investors or customers.

Please note this sample communications strategy should complement any formal consultation required by the Transfer of Undertakings (Protection of Employment) regulations (TUPE) when considering changes that may impact an employee's role (see section on I&C Agreement)

## A sample communications strategy

<b>Company profile</b>	'X' company is based in Greater Manchester. It employs 100 staff mainly in roles as carers, several qualified nursing staff, administrative support and reception staff and housekeeping staff.
<b>Issue</b> – what is the situation that is in need of communication support?	The company has secured a deal to buy 'Y', a small chain of care homes which will make 'X' the biggest provider of residential nursing care in the local area. The merger is likely to mean that staff will increase to around 145. The company will be seeking to retain all posts. However the merger will involve looking at service provision and the possibility of making efficiency savings to avoid duplication in service delivery. They have made assurances that no redundancies will be made although some roles may change.
<b>Research</b> – what do you know about your staff already? What about staff morale, attitudes. Beware of making assumptions. Is there any previous research that could help you with this?	What kind of picture do you already have of your staff? Perhaps you have carried out staff surveys in the past. These may give you useful information about how employees feel about important workplace issues – particularly if they have been involved in mergers in the past.

<p><b>Communications objectives</b> – what do you want to achieve? Do you want to raise awareness of an issue, influence behaviour or form a particular attitude on an issue? Don't forget these need to be SMART ('specific, measurable, achievable, realistic, and timely')</p>	<p>Staff will want to know what impact the change will have on their role; what their jobs may look like in future; whether their job is safe and if so and how their role fits into the new, bigger organisation. Staff in 'Y' company might feel particularly vulnerable and have concerns about whether they will be keeping their jobs if this is perceived as a 'takeover'. Employees need to be on board. If they become disengaged this may very well impact on patients and their families.</p> <p>Example objectives might include:</p> <ul style="list-style-type: none"> <li>To raise awareness of the merger</li> <li>To address anxieties or concerns</li> <li>To maximise acceptance and understanding from staff in 'X' and 'Y' company following announcement and in the lead up to implementation</li> </ul>
<p><b>Audiences</b> – who do you want to communicate with?</p>	<p>You will need to consider all internal audiences that you need to communicate with. Don't forget to include everyone that makes up the organisation from managers to volunteers.</p> <p>Managers are a vital channel themselves during any sort of change. However they need to be on board to deliver success. If you haven't engaged your senior team in the changes this won't filter through to the local teams in each care home.</p> <p>Likely audiences that you may want to consider in this type of organisation are:</p> <p><b>In company 'X'</b></p> <ul style="list-style-type: none"> <li>Senior management team</li> <li>Carers</li> <li>Qualified nursing staff</li> <li>Administrative and other support staff</li> <li>Housekeeping staff</li> <li>Volunteers</li> </ul> <p><b>In company 'Y'</b></p> <ul style="list-style-type: none"> <li>Residential care home managers (in each care home)</li> <li>Careers</li> <li>Qualified nursing staff</li> <li>Admin and other support</li> <li>Housekeeping staff</li> </ul>

<p><b>Key messages</b> – what do you want to say?</p>	<p>Different groups may have different information needs. For example admin staff might feel particularly vulnerable as there may be more positions than work available in contrast to qualified nursing staff for example.</p> <p><b>Some general likely messages might include:</b></p> <p>‘X’ company has 20 years’ experience of providing quality care to residents. This merger will provide a valuable opportunity to enhance our service to residents.</p> <p>We appreciate you will have concerns. We want to keep all posts. However some roles may look different in future.</p> <p>The merger will bring about new ways of working and opportunities for developing specialist services.</p> <p>In the longer term it will provide an opportunity to invest in staff development and share good practice.</p> <p>The merger will enable us to continue to provide the best one-to-one care but with the back up of a wider professional expertise, support and infrastructure.</p>
<p><b>Tactics/channels</b> – how are you going to communicate your key messages to staff?</p>	<p>What current mechanisms does each company have? You will probably need to do a quick audit of what processes are in place in company ‘X’ and ‘Y’. It is likely that you will need to introduce specific mechanisms during this time. Have opportunities for feedback been incorporated?</p> <p>What about timing? When should you start communicating? Communications activity will broadly focus on three key stages – announcement, transitional arrangements and following implementation.</p> <p>Possible tactics might include:</p> <p><b>Announcement</b> – ‘big picture’ messages delivered by company director to senior managers and staff in local team meetings.</p> <p>This is followed up by a letter from Chief Executive to all staff outlining the changes. Depending on reaction of local teams managers could dedicate regular slots to ‘walk the floor’ speaking to staff and addressing their concerns.</p> <p>How can staff provide feedback and raise concerns? Is there an anonymous feedback box in the staff room or feedback facility on the company intranet?</p>

	<p><b>Transitional arrangements</b> – regular briefing notes issued to senior managers on the changes to share with their teams.</p> <p>Company intranet and staff magazine</p> <p>Updates on company notice boards</p> <p>Larger informal lunchtime ‘meet and greet’ sessions for the staff to meet each other</p> <p>Implementation onwards – regular communication through all channels.</p>
<p><b>Risks</b> – what could potentially stop you achieving your objectives?</p>	<p>Some of the likely communications risks might include:</p> <p>What about staff morale?</p> <p>How will you address the culture change?</p> <p>Staff will have concerns about the quality of care patients receive in the new structure.</p> <p>What if there are delays in implementation?</p>
<p><b>Measurement</b> – how will you know that you have achieved your objectives?</p>	<p>Set up mechanisms to capture feedback and evaluate the strategy.</p> <p>Staff feedback at area briefing meetings.</p> <p>Through feedback facilities on the company intranet.</p>
<p><b>Review</b> – do I need to change anything?</p>	<p>Regular reviews will help determine whether you need to change your objectives or tactics as the change moves from announcement to implementation.</p> <p>What new opportunities are there to communicate internally following implementation and with change in culture? What worked well and could be introduced on a more regular basis?</p>

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Acas advisory booklet – *Front line managers*

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- Having difficult conversations

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# Notes

*Please use these pages for your own notes*

Information in this booklet has been revised up to the date of the last reprint – see date below. For more up-to-date information please check the Acas website at [www.acas.org.uk](http://www.acas.org.uk).

Legal information is provided for guidance only and should not be regarded as an authoritative statement of the law, which can only be made by reference to the particular circumstances which apply. It may, therefore, be wise to seek legal advice.

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January 2010

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