



## **Keeping a check on conflict: a case study in improving people management systems.**

This case study looks at the experience of YPO, an organisation that aimed to improve the people management skills of their staff. A wide range of interventions were used, including training provided by Acas, and an initiative to address communications inside the organisation have helped them become more productive.<sup>1</sup>

### **Background**

YPO, previously known as Yorkshire Purchasing Organisation, is a supplier of equipment and services predominantly for the education sector, and the public sector more widely. It is the largest public sector buying organisation in the UK, owned by 13 local authorities. Recently YPO has launched its services to private education providers, and continues to grow, supplying companies and individuals across the UK. They supply a diverse range of goods and services from temporary staffing to stationery items, fuel and climbing frames.

The organisation employs approximately 530 people, working in warehousing and distribution, procurement, customer services, sales and marketing, and several support functions. The majority of employees are based at the main site in Yorkshire. Staff are represented by UNISON, the recognised trade union at YPO, with high levels of membership particularly in the operations side of the business.

### **The challenge of line management**

Typically for a growing company, it was recognised that managers across the business needed additional support with managing people. There was a wide variety of experience, capability, knowledge and confidence levels across people managers and as a result there were inconsistencies in the way managers approached their role and handled day to day people management issues.

Absenteeism was considered high, employees in some parts of the business were leaving, there were a number of formal grievances and it was perceived that there was a lack of



progression opportunities because of the use of external recruitment. Conflicts were also arising from the lack of consistency in how staff were treated. Additionally there were tensions between the Union and management, and relations could be strained at times. Overall there was a perception that such people management challenges were having a negative effect on the business:

“[Previously] there was a culture of submitting formal grievances amongst other people issues, and I think that’s always the measure for how your managers are managing their staff.” (HR business partner)

YPO wanted to improve how they managed their people and planned to upskill and invest in their managers. They felt that Acas training would help them achieve this. The HR business partner explained that they chose Acas because of the recognised quality of their training, and because it represented ‘industry best practice, and definitely the credibility around the Acas name as well as investing money back into the public sector’.

### **What did Acas and YPO do?**

YPO implemented a wide range of initiatives to improve people management, including:

- Acas training for people managers. The ‘management development programme’ was a six day course for all line managers, from supervisors to senior management. Successive cohorts received the training drawn from across the business functions to encourage staff to interact with colleagues they would not normally work with. The HR business partner valued the flexibility of the Acas training which had been tailored to meet the needs of YPO for instance by focusing on YPO’s own HR policies and how they might be improved. This ensured the relevance of the training for participants, and also ‘gave the managers the confidence that what they are doing is compliant’. The HR practitioner felt there had been a strong return on investment with this training.
- Several of YPO’s HR colleagues completed the Acas Certificate in Internal Workplace Mediation (CIWM). This five day course is designed to enable delegates to conduct mediations in the organisation, and enhance their conflict handling skills. YPO was particularly keen to ensure that HR staff had the skills to facilitate early resolution of disputes between colleagues, thus reducing the number of formal grievances. The HR business partner felt the Acas mediation training had up-skilled the HR team in conflict handling.
- Communication and voice activities were also reviewed and increased within YPO in order to increase the flow of information and improve relations between staff and managers. Initiatives included:
  - creating an internal communications team;
  - regular meetings between the union and senior management team to openly discuss the business;



- the board carrying out a 'director's walkabout' on a weekly basis;
- a 'you said - we did' forum, which list YPO's responses to colleagues' ideas.

"The Acas training courses also provided opportunities to enhance staff communication skills, for instance through learning how to discuss problems more confidently and effectively, in a 'firm but fair manner'." (HR business partner)

New policies and procedures for people management were also developed. In part this was because it was felt that previous policies did not cover all personnel issues sufficiently. It also created an opportunity for partnership working, as the union was heavily involved in creating these new policies. Additionally during the management development training, Acas fed back on YPO policies which helped HR make improvements and provided a sense check to ensure that majority of the policies reflected best practice.

### **Enhancing people management**

The HR business partner was very positive about the Acas management training and the impact it had. They felt that line managers had become more skilled and confident in dealing with their people management responsibilities. Managers were seen to be conducting better appraisals, improving their performance management methods, better at handling difficult conversations, improving their recruitment processes, enhancing their ability to manage absence, and helping staff link their role to the organisation's strategy.

Managers had emerged from the Acas training with a stronger sense of best practice. Additionally, they had gained an understanding of the importance of good people management and were engaging with these processes and taking 'ownership' of their responsibilities, rather than treating them as a paper based exercise or as dictated by HR. They gained a greater understanding of employment law, which both reduced their fears and increased awareness of best practice.

Mediation is now written into policies, with the aim of resolving disputes at an early stage, and it is being used in some parts of the business. The HR business partner explained that they had used 'facilitated discussions' successfully to resolve low-level disputes:

"It tends to be more before a formal grievance is raised. The majority of the issues are nipped in the bud, because we managed to have the discussions and get people to accept each other's point of view, not to be best of friends, but work with each other in an amicable and professional manner."

Improved communications and voice channels were particularly valued by the union representative. The management 'walkabout' was highlighted for enabling employees to talk freely to managers and members of the board, and staff welcomed the opportunity to



share their views. It was felt that managers were approachable, and that the union or their members could discuss issues freely:

“Any member of staff can speak to any member of management, I mean the director is not up here in an ivory tower...[staff] tell them [managers] all their gripes, complaints and God knows what else....I think that’s a really good positive thing personally.” (Union representative)

Both interviewees explained that more trusting relations had been developed between trade unions, HR and managers, which had improved industrial relations substantially and reduced conflict. The union representative said it now felt that managers were there to ‘help you’, and HR explained the importance of ‘getting the union’s view’. This was seen as very positive development all round.

People management has also improved, demonstrated through a wide range of indicators including improved engagement, and internal progression and development. Staff turnover, although generally low, has shrunk considerably in previously problem areas. Absenteeism rates have also decreased in most areas. This was helped by Acas management training, which raised awareness of how to handle long term absence appropriately and effectively:

“It’s given the managers the tools to be able to have conversations with people in a constructive manner when it comes to managing absence.” (HR business partner)

### **Concluding comments**

Overall, there was reduced individual employee conflict. Substantially fewer grievances were raised, and line managers’ efforts to improve their people management skills were credited for the decline in staff complaints:

“Managers were obviously managing in a more effective manner for those grievances to have dipped.” (HR business partner).

Across YPO there are relatively few disciplinaries, although the HR business partner noted there had been a slight increase, but believes this reflects increased managerial confidence to tackle problems early on, rather than an actual rise in disputes. Generally it was deemed there was little conflict, because of YPO’s focus on actively dealing with any issues:

“Discussions take place and 9 times out of 10...you have more or less agreed on a course of action together.” (Union representative)

Both interviewees describe YPO as a good and improved place to work. They feel that they are all working together towards developing the business because it is important to them. It



was described as 'one big family' and a 'happy place to work', with approachable colleagues. Long tenure is the norm throughout the organisation.

For YPO, this attention to improving people management has led to a better place to work, thus reducing conflict and, therefore increasing productivity:

"Going back to when we were at loggerheads all the time...[some] people were on sick, they wouldn't come to work...But...since we have changed the whole balance of things...it seems a lot more of a happy work force and obviously that leads to better productivity." (Union representative)

Many of YPO's initiatives are mutually reinforcing. For instance the management training from Acas gave managers the confidence to handle disputes more effectively, develop their skills, and improved workplace fairness. These then combined to increase workplace productivity:

"[Management development programme]...I do believe that helps imbibe some of that best practice, which overall then leads to these high levels of engagement, which then overall leads to higher output."(HR business Partner)

Overall these initiatives had a positive impact upon YPO and its people management, and were thankful for the support from Acas in helping them achieve this. The HR business partner reported that YPO's productivity has improved recently with 'record' outputs and increased profits.

YPO know they do not have a 'magic wand' as the HR business partner explained, so are continuing to focus on developing their people management practices. This will include: training new managers in people management; further decreasing their absenteeism rates; developing their internal mediation provision; enhancing succession planning and staff development; and further improving internal communications, especially between departments.

## Footnotes

1 This case study is based on interviews conducted by the University of Central Lancashire with a human resource practitioner and a trade union representative at YPO, and discussions with Acas staff.

