

## **Acas in the NHS: Helping improve employment relations in response to 'Agenda for Change'**

Prepared by Mark Stuart (University of Leeds) and Miguel Martinez Lucio (University of Bradford) and Acas Research and Evaluation Section

This research study describes the challenges facing five NHS Trusts resulting from Trust mergers and the implementation of the Agenda for Change pay modernisation programme. The study evaluates the impact of Acas interventions aimed at improving Trusts' consultative structures and building their capacity to manage change. It finds that Acas assistance can help NHS Trusts to prepare for and manage change by setting in place a 'bedrock' of productive employment relations behaviours and practices.

### **Main findings**

- Trust managers and union representatives sought Acas' assistance in improving their working relationships and consultative structures, to provide a basis for joint working around harmonising terms and conditions, revising working practices, and preparing for the implementation of Agenda for Change.
- Acas advisers facilitated workshops and joint working groups where management and trade union representatives worked together to identify problems and develop solutions.
- The effectiveness of the Trusts' consultation machinery improved significantly following Acas' involvement, with committees operating in a more constructive and effective manner. Acas' assistance resulted in a change of focus for committees away from smaller-scale local issues and towards broad-ranging strategic issues of greater importance.
- By improving the efficacy of consultative machinery, Acas interventions had a positive impact on employee representation, the implementation of harmonisation policies, and staff-management working relations, all of which provided a foundation for the implementation of Agenda for Change.

### **Aims and research methods**

This report describes the findings of a study which examined the nature and outcomes of Acas workplace projects conducted in NHS Trusts. The study was qualitative and based upon five case studies of NHS Trusts conducted between July and September 2004. Case studies involved interviews with employer representatives, full-time union officers and workplace union representatives, and Acas advisers involved in each intervention. The study profiles the role of Acas interventions in building positive workplace relationships and improving mechanisms for

negotiation and consultation, thus enabling Trusts to effect change in response to the NHS Agenda for Change pay modernisation programme and other drivers for change.

## **Factors underlying the approach to Acas**

In four of the five cases, merger processes which led to the formation of new Trusts provided the main impetus for the approach to Acas. Following merger, Trusts were faced with harmonising diverse terms and conditions of employment, and most were going through processes of renegotiating contracts with services providers that had implications for working practices. Changes in senior management had also, in most cases, led to a re-appraisal of employment relations practices.

The main mechanisms for dealing with these issues were Joint Negotiation or Consultation Committees, which were operating in all of the trusts, although not effectively. Most of the Trusts' consultative structures had almost ground to a halt and were unable to set about tackling pressing strategic priorities. This was due to: clashes between representatives from formerly separate sites; a dominant focus on 'trivial' or local operational issues and disputes rather than broader strategic issues; a lack of advance agenda-setting; poorly-managed meetings; low levels of attendance by managers and trade union representatives; and committees' lack of credibility within the wider organisation. A further desire to embrace 'partnership working' methods was evident in all of the Trusts, and in one case a formerly robust partnership agreement had been suspended, leading management and union representatives to seek Acas' assistance in getting the partnership 'back on track'.

These issues were heightened by the impending implementation of the new NHS pay and grading system, Agenda for Change, which puts a premium on joint consultation and partnership working in its local implementation. Stakeholders in all of the cases were concerned that the ineffectiveness of their joint consultation machinery would hamper its implementation.

A key reason that Acas was seen as 'the first choice' of provider when compared with using alternative third party organisations, or internal resources (such as trade union or HR department trainers), was because it was viewed by management and union representatives as impartial, objective and independent. Commissioning Acas was unlikely to be perceived by staff as a management-driven initiative, whereas alternative external consultants could be seen as biased towards management interests. Respondents also felt that management and employee representatives were more likely to agree to the involvement of Acas than to alternative providers due to Acas' reputation, its credibility, and its widely-regarded expertise in employment relations matters.

## **The role played by Acas advisers in workplace projects**

The Acas interventions in the case study organisations ranged from a single one-day workshop, to a series of joint workshops and the establishment of joint working groups to tackle issues over an extended period. In some cases, the differences in perspective between management and union representatives were initially considered so entrenched that the likelihood of the workshops succeeding was considered remote by participants. But this often turned out not to be the case: management and union representatives typically had similar views on both the nature of problems and how to move forward in addressing them.

Participants welcomed advisers' approach to facilitation, which involved empowering participants to identify problems for themselves and then work as a group to find agreed solutions. They

particularly valued syndicate group exercises, where management and union representatives worked together in mixed groups to solve problems and find solutions. The sharing of perspectives at the workshops and the use of mixed syndicate exercises helped to raise participants' awareness of each others' problems, and advisers spent time 'teasing out' points of commonality.

Participants found particularly helpful advisers' ability to describe examples of similar work they had done in other NHS cases and illustrate, with reference to good practice, how to deal with specific problems. Additionally, where the Acas adviser had previously worked with the Trust, they were able to provide some context and background to current problems by drawing on their knowledge of the organisation's history. This was deemed particularly valuable by stakeholders in Trusts which had experienced high levels of management turnover and thus lacked 'organisational memory'.

Advisers played another important role in drawing back from discussion of particular problems or issues to focus on underlying principles around, for example, the difference between consultation and negotiation. In such cases, having agreed jointly what consultation was, and how it should be conducted, participants had a far clearer view of how their consultation committees should work in the future.

Three key issues were identified as challenges within the workplace project process. The first related to maintaining momentum over time. Where a number of workshops were conducted over time, some respondents felt that latter workshops did not seem as effective as the initial workshop, although this was acknowledged to be a reflection of the success of the first workshop in addressing often entrenched problems. Secondly, some Trusts faced problems related to a lack of management attendance at workshops, usually where the project involved successive workshops. Management attendance was seen as important in demonstrating, to others in the organisation, managerial commitment to the project. And thirdly, whilst in some Trusts the actions and decisions of workshops and groups were communicated to the workforce, this did not always take place and it was common for respondents to report that this could have been done more systematically.

## **The impact of Acas workplace projects**

In all cases the effectiveness of consultation machinery improved significantly following Acas' involvement, with committees operating in a more positive and productive fashion. Meeting agenda were now set well in advance, minutes were distributed, and meetings covered all agenda items. Relationships between management and union representatives on the committees had improved and they were better able to work together jointly to resolve issues. Key to this was a renewed appreciation of what consultation meant in practice, and which issues were appropriate for consultation. For management, the main benefit of this process was that trivial or local operational issues were no longer brought to committees as a matter of first resort and there was more emphasis on dealing with such issues via the appropriate line manager, on a day-to-day basis. This left the committees free to focus on more strategic issues.

By improving the efficacy of consultative machinery, Acas interventions had a related positive impact on employee representation, the implementation of harmonisation policies, and importantly, staff-management relations, all of which provided a foundation for implementing Agenda for Change. There were three further aspects to this. First, in most of the Trusts, implementation of Agenda for Change became an established item on the agenda of consultation meetings. Second, the methods of joint working established at the Acas workshops acted as a *modus operandi* for the conduct of the many joint working groups and sub-groups Trusts were setting up to deal with specific issues under Agenda for Change. And third, following Acas

projects, a new climate of representation encouraged workforce engagement in Agenda for Change, for example through unions training members to be 'Agenda for Change representatives'.

## **Participants' views of the Acas intervention**

The majority of respondents were very positive in their assessment of the Acas intervention. This positive perception was due to: advisers' knowledge of employment relations and their facilitation skills; the confidence that both parties had in Acas' impartiality; and, most significantly, the quality of the outcome. Respondents felt that Acas' independent stance, and its recognised commitment to improving employment relations, led to greater confidence and trust of Acas advisers than of alternative external consultants. Acas' reputation as the 'employment relations expert' lent significant legitimacy to the workshops, more so than if workshops had been conducted internally by Trust managers or trade union officers.

In cases where managers and union representatives had less experience of employment relations issues, or where there was a tradition of minimal management-staff consultation, the involvement of Acas was seen by participants as the only way the organisation could have moved forward towards a joint working relationship. There was also general agreement that any internal action taken by the Trusts to improve consultative structures or build relationships without Acas' involvement would have been far riskier, would not have had a mutual gains outcome, and would have taken longer.

## **Conclusions**

This research report details the variety of pressures for change encountered by NHS Trusts in the lead-up to the implementation of Agenda for Change. All of the case study Trusts sought help from Acas to maximise the effectiveness of their representative committees and enable them to jointly manage change. The Acas projects resulted in a change of focus for committees away from local issues and towards strategic, larger-scale issues. A key aspect of the Acas facilitation process involved seeking agreement and clarification of what consultation means, both in principle and practice. The robust, reconstituted Joint Consultative Committees that emerged following the Acas interventions had a greater sense of purpose and direction, and were better equipped to manage the harmonisation of terms and conditions, the local implementation of Agenda for Change, and on-going changes to Trust-level working practices.

The study shows how Acas assistance can help Trusts to manage the after-effects of mergers and prepare for large-scale strategic changes – such as those heralded by Agenda for Change - by setting in place a 'bedrock' of productive employment relations behaviours and practices. The methods of joint working established at the Acas workshops became the standard approach used by the many joint working groups and sub-groups Trusts set up to deal with Agenda for Change. The research found that the changes in behaviours and in the quality of management-trade union relationships resulting from the Acas interventions were strongly linked to participants' trust and confidence in Acas advisers, who were perceived as impartial and knowledgeable.

*This research summary summarises the findings of Acas Research Report 06/05 'Acas in the NHS: Helping improve employment relations in response to 'Agenda for Change''. A full copy of this report is available from the Acas website [www.acas.org.uk](http://www.acas.org.uk).*