

BSB 7.0

**BSBHRM522**

**MANAGE  
EMPLOYEE  
AND  
INDUSTRIAL  
RELATIONS**

# **BSBHRM522**

## **Manage employee and industrial relations**

Release 1

## **Learner Guide**

Aspire Version 1.1



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## Before you begin

This Learner Guide is based on the unit of competency *BSBHRM522 Manage employee and industrial relations*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: [www.training.gov.au](http://www.training.gov.au).

### How to work through this Learner Guide

This Learner Guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the Learner Guide you need to read, and which Practice Tasks and Learning Checkpoints you need to complete. The features of this Learner Guide are detailed in the following table.

Feature of the Learner Guide	How you can use each feature
Learning content	Read each topic in this Learner Guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples	These highlight key learning points and provide realistic examples of workplace situations.
Practice Tasks	Practice Tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Summaries	Key learning points are provided at the end of each topic.
Learning Checkpoints	There is a Learning Checkpoint at the end of each topic. Your trainer will tell you which Learning Checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.

## Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table provides definitions for each foundation skill.

Foundation skill area	Foundation skill description
Reading	<ul style="list-style-type: none"> <li>Interprets, critically analyses and applies appropriate strategies to construct meaning from complex texts</li> </ul>
Writing	<ul style="list-style-type: none"> <li>Displays knowledge of required structure and layout, employing broad vocabulary, grammatical structure and conventions appropriate to purpose and audience</li> </ul>
Oral communication	<ul style="list-style-type: none"> <li>Conveys information using language and non-verbal features appropriate to the audience</li> <li>Employs listening and questioning techniques to clarify and confirm understanding</li> </ul>
Numeracy	<ul style="list-style-type: none"> <li>Extracts and evaluates the mathematical information embedded in a range of tasks and texts</li> </ul>
Initiative and enterprise	<ul style="list-style-type: none"> <li>Modifies or develops organisational policies to achieve organisational goals and comply with legislative requirements</li> <li>Keeps up to date on changes to legislation or regulations relevant to own rights and responsibilities and considers implications of these</li> </ul>
Teamwork	<ul style="list-style-type: none"> <li>Collaborates with others to achieve joint outcomes, playing an active role in facilitating effective group interaction, influencing direction and taking a leadership role on occasion</li> <li>Actively builds networks that include key people with expert skills and knowledge</li> <li>Uses a range of strategies to facilitate an acceptable outcome for all parties where conflicts occur</li> </ul>
Problem solving	<ul style="list-style-type: none"> <li>Sequences and schedules complex activities, monitors implementation and manages relevant communication</li> <li>Uses analytical techniques to identify issues and generate possible solutions, seeking input from others, as required, before making decisions or implementing solutions</li> <li>Draws on the diverse perspectives of others to gain insights into current practices and opportunities for change</li> </ul>

## What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome	Rate your confidence in each section
Topic 1: Develop employee and industrial relations policies and plans	1A Determine a long-term employee relations strategy	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1B Analyse existing employee relations performance	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1C Evaluate options against cost-benefit, risk and industrial instruments	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1D Consult stakeholders and develop IR policies and plans	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1E Identify knowledge and skills requirements to implement strategies	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 2: Implement ER and IR policies and plans	2A Develop an employee relations implementation and contingency plan	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2B Organise training to support the ER plan	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2C Agree on changes required by the implementation plan	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2D Document and communicate procedures for addressing grievances and conflict	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2E Review employee relations policies and plans	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident

Topic	Key outcome	Rate your confidence in each section
Topic 3: Manage negotiations to resolve conflict	3A Train individuals in conflict management	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3B Manage sources of conflict or grievance	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3C Clarify issues in dispute	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3D Obtain expert advice and refer to precedents	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3E Determine negotiation strategy	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3F Advocate the organisation's position in negotiation	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident



## Topic 1 | Develop employee and industrial relations policies and plans

- 1A Determine a long-term employee relations strategy
- 1B Analyse existing employee relations performance
- 1C Evaluate options against cost-benefit, risk and industrial instruments
- 1D Consult stakeholders and develop IR policies and plans
- 1E Identify knowledge and skills requirements to implement strategies

# 1A Determine a long-term employee relations strategy

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Workplace relations professionals should ensure that employment conditions, and the process of determining them, are consistent with the strategies used by an organisation to achieve business objectives.

In the past, the term 'industrial relations' was used to describe the employment relationship from a legal perspective; however, this has been replaced by the broader term 'workplace relations', which incorporates a wider range of employment issues.

Workplace relations describe a process by which employees' pay and conditions are determined. It involves a level of interaction between managers and workers to achieve a set of employment conditions that will meet the needs of employees, and enable the organisation to achieve its strategic and operational objectives.

Long-term workplace relations objectives vary between organisations and industries, and can be identified by analysing an organisation's strategic and operational plans. Workplace relations objectives should be matched with appropriate workplace relations strategies and policies for implementation in the workplace.

## Purpose of workplace relations

The purpose of workplace relations is to ensure a safe, fair, productive and successful workplace for employees, while incorporating flexible and modern workplace arrangements that allow for future change and development.

Workplace relations aim to maintain a stable and harmonious workplace, to eliminate industrial conflict, and to provide stability and certainty for all stakeholders within an organisation.

Australia's decentralised workplace relations system has shifted from industry-wide awards to agreements determined at the enterprise level. Awards now provide only a safety net of minimum terms and conditions of employment, while collective and individual agreements provide opportunities for workers to gain improved pay and work conditions in return for improved performance and productivity.

## Australia's workplace relations system

Australia's workplace relations system started on 1 July 2009 and was established by the *Fair Work Act 2009* (Cth). It covers the majority of private sector employers and employees in Australia.

Workplace relations laws cover employment issues such as industrial awards, workplace conflict, employment standards and pay equity. These laws also cover hours of work and leave entitlements, and protect workers from discrimination and unfair dismissal.

Australia's workplace relations system has been evolutionary in nature. The system has moved from a predominantly centralised, award-based bargaining system towards decentralised, enterprise workplace agreements.

### The key elements of Australia's workplace relations framework

- A safety net of minimum terms and conditions of employment
- A system of enterprise-level collective bargaining
- Freedom of association granted to employees to join unions or participate in industrial action
- The provision of individual flexible working arrangements
- Protections against discrimination, unfair dismissal or unlawful termination of employment

## Workplace relations stakeholders

The four major stakeholders involved in workplace relations processes are employers, their business associations, employees and trade unions.

The involvement of each workplace relations stakeholder is described below.

### Employers

Employers and workplace relations professionals handle all employment issues relevant to an organisation and develop strategies that focus on improving employee satisfaction, motivation and organisational performance.

Workplace relations specialists are employed by large-scale organisations to handle complex legal responsibilities relating to workplace relations and negotiate awards, contracts and agreements at enterprise level.

### Employees

Employees have the right to individually or collectively bargain for better working conditions with their employer, through negotiations conducted at the workplace level.

The objective of workplace negotiations is to achieve outcomes that satisfy both the employer and the employee. Typically, an employee will commit to improving productivity in their area of work in exchange for better pay or working conditions provided by the employer.

### Trade unions

Trade unions are organisations formed by employees in an industry, trade or occupation to protect and further the rights and interests of employee members. Trade unions represent employee members in their efforts to improve pay and working conditions, and to resolve industrial relations disputes. Union members can vote on policies and issues that ensure a safe, fair and productive workplace.

Workers have the right to choose whether or not to join a trade union and employers cannot discriminate against an employee or treat them differently for being a member of a union.

Examples of trade unions include the following:

- Australian Services Union (ASU), [aspirelr.link/asu](https://aspirelr.link/asu)
- The Australian Workers' Union (AWU), [aspirelr.link/awu](https://aspirelr.link/awu)
- Construction, Forestry, Mining and Energy Union (CFMEU), [aspirelr.link/cfmeu](https://aspirelr.link/cfmeu)

### Employer associations

Employer associations represent the interests of employers in a range of industries, assisting them to develop policies and respond to claims served on employers by union members.

Since the decentralisation of workplace relations processes, employer associations have become increasingly responsible for informing members about changes to employment legislation, and providing advice on the compliant negotiation of enterprise agreements.

Examples of peak employer associations include the following bodies who represent the interests of employers in their specific industries:

- The Master Builders Australia, [aspirelr.link/master-builders](https://aspirelr.link/master-builders)
- The Australian Retailers Association, [aspirelr.link/ara](https://aspirelr.link/ara)
- The Australian Mines and Metals Association, [aspirelr.link/amma](https://aspirelr.link/amma)

## Workplace relations entities

There are other key entities in Australia's workplace relations system responsible for administering workplace relations services and resolving workplace relations disputes.

The involvement of each entity is described below.

### Fair Work Ombudsman

The Fair Work Ombudsman is an independent statutory office, responsible for promoting harmonious, productive and cooperative workplace relations, and monitoring, investigating and enforcing compliance with Australian workplace laws. The jurisdiction in which the Fair Work Ombudsman operates is set out in the *Fair Work Act 2009* (Cth) and its services are free to all workers and employers in Australia.

The services provided by the Fair Work Ombudsman include:

- provision of reliable and timely information about Australia's workplace relations system
- education about fair work practices, rights and obligation
- assessment of complaints or suspected breaches of workplace laws, awards or registered agreements
- litigation to enforce workplace laws
- building strong relationships with industry, trade unions and other stakeholders.

### Fair Work Commission

The Fair Work Commission (FWC) is Australia's national workplace relations tribunal. The FWC began operation on 1 July 2009 following the enactment of the *Fair Work Act 2009* (Cth). At its inception, the tribunal assumed the functions of the Australian Industrial Relations Commission and the Australian Industry Registry.

The FWC is an independent body granted with the power to:

- provide a safety net of minimum employment conditions
- facilitate good faith bargaining and the creation of enterprise agreements
- grant remedies for unfair dismissal
- regulate the taking of industrial action
- resolve collective and individual workplace disputes.

### Federal Court divisions

The Federal Court of Australia has jurisdiction over all civil and criminal matters arising in the Fair Work jurisdiction, under section 562 of the *Fair Work Act 2009* (Cth). If an individual employee has a Fair Work matter relating to claims of unfair dismissal or termination or dismissal of employment in contravention of a general protection, the matter must first be heard by the FWC tribunal, before proceedings are heard in the Federal Court or the Federal Circuit Court of Australia.

The practice and procedure for Fair Work proceedings heard in the Federal Court are governed by Division 34.1 of the Federal Court Rules 2011.

## Strategic and operational plans

Analysing an organisation's strategic and operational plans identifies the goals or outcomes a business seeks to achieve over time. This analysis enables workplace relations professionals to plan and implement workplace relations strategies and policies that accurately reflect the strategic direction of the organisation.

Strategic plans incorporate the mission, vision, values, and long-term objectives of the organisation, and detail the strategies, actions and resources required to achieve business goals. Operational plans contain the finer details for executing and implementing the strategic plan in everyday activities.

An explanation of the differences between strategic and operational plans is provided below.

### Strategic plan

A strategic plan determines the overall organisational purposes and goals, and identifies the resources needed to achieve them. Strategic plans also identify the skills required by employees to meet organisational objectives.

Strategic plans:

- cover a large span of time that is several years
- are stated in a general manner that is nonspecific and less detailed
- affect an extensive range of organisational activities, such as financial goals
- are developed by higher-level management to meet broad-based goals
- define the metrics the organisation will use to track and evaluate its overall performance.

### Operational plans

The information contained in the strategic plan is used to develop operational plans. Operational plans focus on short-term goals, outlining exactly what needs to be done by each work group or department in the organisation to achieve those goals. Operational plans may also be termed action plans, annual plans, management plans or tactical plans.

Operational plans:

- usually cover one year
- provide finer details on how tasks should be carried out on a day-to-day basis
- have a more restricted scope, such as the operations of a single department
- are developed by middle- and lower-level management to meet short-range objectives.

## Analyse strategic and operational plans

To analyse an organisation's strategic and operational plans, workplace relations professionals must consider and interpret the aspects listed below.

### Mission statement

The mission statement is the overarching, timeless expression of an organisation's purpose and direction, addressing both what the business aims to achieve and the manner in which it seeks to achieve it. The mission statement declares the reason for an organisation's existence.

### Vision statement

The vision statement is a short, succinct statement of an organisation's future and describes what the business aims to look like in five or more years.

### Values statement

The values statements describe an organisation's distinctive core beliefs. They are the guiding principles that never change and form part of the organisation's strategic foundation.

### SWOT analysis

A SWOT analysis is a summarised view of an organisation's current position, specifically relating to its strengths, weaknesses, opportunities and threats.

### Long-term objectives

Long-term business objectives are the measurable targets to be achieved within a certain time frame, usually within three to five years.

### Short-term goals

Short-term goals convert an organisation's long-term objectives into specific performance targets spanning a one- to two-year period.

### Action plans

Action plans are specific statements explaining how short-term goals will be achieved. Action plans will be contained in an organisation's operational plans and are usually executed by work teams or individual employees within one to two years.

### Scorecard

Depending on the type of organisation, scorecards may be used to report the data analysing specific key performance indicators (KPIs) and measure an organisation's performance against monthly, bi-annual or annual targets.

### Financial position

An assessment of an organisation's financial position will be based on historical records and future projections. It can be used to help plan and predict future workplace relations strategies and enables the effective management of workplace relations budget requirements and the organisation's overall financial performance.

## Business objectives

'Business objectives' are the outcomes that an organisation sets out to achieve and maintain as the business grows and develops. Business objectives are measured over certain time intervals, using specific variables to report progress.

Workplace relations professionals are responsible for ensuring an organisation meets its strategic and operational objectives by aligning business objectives with appropriate workplace relations strategies and policies.

Examples of common business objectives relating to workplace relations are provided below.

### Profitability

- All businesses aim to maximise profits and seek new ways to improve profitability to achieve this. If employee wages are too high, an organisation's profits may suffer. However, if wages are too low, employee satisfaction and motivation levels may decrease, ultimately decreasing productivity levels. Workplace relations professionals must negotiate wages and conditions to an agreed level that contributes to employee motivation, at a reasonable cost to the employer.
- Workplace relations and profitability objectives are closely linked. Improvements to employee productivity has the effect of increasing business profits, so increases in pay conditions are usually negotiated in return for improvements to productivity.

### Employee satisfaction

- Employee satisfaction and motivation have an impact on the way in which employees perform in their roles and the level of service experienced by an organisation's clients.
- A healthy workplace relations environment that includes equitable, flexible and modern working conditions increases staff morale and improves employee retention.

### Quality

- The provision of quality products and services has a direct impact on improving an organisation's market share.
- When employees experience a work environment that is free from conflict and provides fair, safe and inclusive workplace relations policies, they are more willing to contribute to quality assurance activities.

### Ethical conduct

- Ethical organisations are open, honest and transparent in their dealings with employees, and this does not go unnoticed. Employees who view their employers as ethical are more likely to accept temporary reductions in pay or working hours in order to protect jobs and reduce costs.
- Organisations that are recognised for maintaining ethical conduct, especially during difficult economic times, are better placed to negotiate difficult workplace relations issues.

### Social responsibility

- Workplace relations laws enable employees to request flexible working arrangements that suit their individual needs. Employers who are willing to negotiate and facilitate flexible employment conditions are able to maintain a positive workplace culture, avoid workplace relations conflict and grievances, and achieve business objectives relating to social responsibility.

## Workplace relations objectives

The primary goals of workplace relations are to create and maintain a safe, flexible and productive workplace that improves employee motivation while maintaining clear and enforceable minimum employment standards. A number of workplace relations objectives can help both employers and trade unions attain these goals. Fundamental to workplace relations objectives is a clear understanding of the *Fair Work Act 2009* (Cth) and other legislation and regulations governing employment issues.

Workplace relations objectives must be in harmony with the organisation's overall goals, and workplace relations strategies must support the achievement of workplace relations and HR objectives. Long-term workplace relations objectives usually include specific improvements in the organisation's competitive position, profitability and productivity.

### Examples of long-term workplace relations objectives

- Minimising the number of industrial actions and resolving disputes efficiently
- Effective management of grievances, conflict situations and dispute-resolution procedures
- Improving productivity by increasing employee retention and motivation
- Promoting open and honest communication between employees at all levels
- Increasing the flexibility of organisational structures
- Applying policies and procedures in an equitable and fair manner
- Reducing labour costs
- Ensuring compliance with industrial awards and collective or enterprise agreements

- Providing employees with training and development opportunities and decision-making authority where appropriate
- Providing employees with flexible working arrangements
- Securing employee commitment to organisational change or workplace reform

## Example

### Determine long-term employee relations objectives

Caitlin is the HR manager at KNQ Construction. New compliance regulations, organisational restructuring and economic uncertainty have seen some seismic shifts in the building and construction industry over the last 10 years. The organisation has had to negotiate new enterprise agreements with employee trade union representatives to ensure its workers are able to meet tight construction schedules while operating in accordance with work health and safety standards.

Caitlin is responsible for managing all workplace relations matters relevant to the organisation. She analyses the company's strategic and operational plan to determine the organisation's long-term workplace relations objectives. One of KNQ's operational objectives is to eliminate lost time, down time and unproductive work practices that arise through grievances or disputes relating to industrial relations. This is linked to the long-term strategic objective of increasing the organisation's profitability and improving employee job satisfaction.

Caitlin begins developing a number of long-term workplace relations objectives that will support the achievement of KNQ's strategic and operational goals. These include:

- implementing workplace relations policies that comply with state and federal workplace relations legislative instruments, including the *Fair Work Act 2009* (Cth)
- maintaining an open relationship with employees and any elected representatives on a project basis, and with other interested parties as appropriate
- implementing employment practices that ensure equal opportunity and a workplace that is free from discrimination of any kind
- advising all clients of KNQ Constructions during the progress of the work, and within 24 hours of becoming aware of any workplace relations or work health and safety (WHS) matters that may have an impact on the construction program, the principal contract or project costs
- encouraging all contractors working on construction projects to comply with applicable awards and workplace arrangements, while recognising their right to have their own workplace relations policies and arrangements in place.

## Practice Task 1

### Question 1

---

Which of the following are elements of organisational objectives? Tick all that apply.

- Improve quality of products and/or services
- Maintain social responsibility
- Act ethically in all business engagements
- Improve employee satisfaction and retention
- Reduce business sustainability and profit

### Question 2

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Why should organisations develop long-term workplace relations objectives? Provide two examples that would help an organisation improve its productivity.

### Question 3

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Explain how analysing organisational objectives helps to determine long-term workplace relations strategies.

### Question 4

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Draw a line to match each term about employee relations entities to its correct definition.

- |                         |   |
|-------------------------|---|
| » Trade unions          | » Australia's national workplace relations tribunal which has the power to provide a safety net of minimum employment conditions, regulate industrial action and grant remedies for unfair dismissal.           |
| » Federal Court         | » An independent statutory office, responsible for promoting harmonious, productive and cooperative workplace relations, and monitoring, investigating and enforcing compliance with Australian workplace laws. |
| » Fair Work Commission  | » Has ultimate jurisdiction over all civil and criminal matters arising in the Fair Work jurisdiction, under the <i>Fair Work Act 2009</i> (Cth).   |
| » Fair Work Ombudsman   | » Represent the interests of employers in a range of industries, assisting them to develop policies and respond to claims service on employers by union members.  |
| » Employer associations | » Organisations formed by employees in an industry, trade or occupation to represent, protect and further the rights and interests of employee members.   |

# 1B Analyse existing employee relations performance

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To ensure workplace relations plans, strategies and policies meet their intended objectives, workplace relations performance must be regularly analysed and monitored.

A formal analysis of workplace relations performance is required in order to develop effective employee relations (ER) policies and plans. This analysis will determine whether an organisation is meeting its strategic and operational workforce objectives, and identify any performance gaps or areas in need of improvement.

Workplace relations performance gaps and deficits should be addressed in an organisation's workplace relations implementation plan, which will describe the strategies and policies used to improve and maintain workplace relations performance.

## Identify workplace relations performance gaps

Workplace relations professionals must measure whether workplace relations strategies and policies can produce improvements in the collective bargaining relationship and thereby alter the performance of employees. Workplace relations efforts should directly, or through improvements in workplace relations performance, lead to improvements in the quality of employees' roles, product or service quality, direct-labour efficiency, and improve economic performance for the organisation.

Workplace relations performance gaps or deficits exist where outcomes do not meet the objectives identified in an organisation's strategic and operational plans. For example, performance gaps include the differences between actual and desired levels of work productivity, skills, flexibility, absenteeism and turnover.

Examples of performance gaps and their root causes are described below.

Performance gaps or deficits	Causes
Workplace relations performance gaps or deficits may relate to: <ul style="list-style-type: none"> <li>▪ employee productivity levels</li> <li>▪ the level of training and development opportunities</li> <li>▪ workplace conflict, such as industrial conflict</li> <li>▪ the occurrence of health and safety incidents</li> <li>▪ high employee absenteeism rates</li> <li>▪ the level of employee career progression opportunities</li> <li>▪ the level of flexible work arrangements</li> <li>▪ dissatisfaction in the employer–employee relationship.</li> </ul>	The root causes of workplace relations performance gaps or deficits may be due to the following reasons: <ul style="list-style-type: none"> <li>▪ Union resistance to organisational change</li> <li>▪ Inadequate training for workplace relations professionals</li> <li>▪ A lack of commitment to workplace relations objectives</li> <li>▪ Insufficient communication of workplace relations objectives, strategies or policies to employees</li> <li>▪ Failure to collect feedback or measure workplace relations performance</li> <li>▪ Insufficient resources to implement and manage workplace relations strategies</li> <li>▪ Failure to consult with stakeholders on workplace relations strategy implementation</li> <li>▪ Failure to incorporate workplace relations strategies with work practices, business objectives or HR strategies</li> </ul>

## Industrial action

Industrial action is taken by employers or employees to settle a workplace dispute about conditions of employment. Industrial action includes any worker activity that restricts or delays work.

Under workplace relations legislation, industrial action can be legally taken when bargaining for a new registered agreement is unsuccessful. This is known as protected industrial action. For industrial action to be protected by law, existing agreements must have passed nominal expiry dates, parties must have genuinely tried to reach an agreement, and industrial action notice requirements must be met.

Industrial action has a significant impact on workplace relations performance as the downtime causes productivity and profitability levels to decrease. Workplace relations professionals must ensure that identified workplace relations issues are resolved to avoid industrial action and achieve strategic and operational objectives. Workplace relations strategies and policies developed should reduce or minimise the workplace relations performance gaps over the short to medium term (for example, 12 months to five years).

Industrial action may include:

- work bans – where employees decide not to perform certain work activities
- strike actions – a work cessation caused by the mass refusal of employees to work
- go-slow campaigns – where employees deliberately reduce the rate of production
- work-to-rule – where employees do no more than the minimum required by the rules of their contract or job description
- picketing – where workers physically strike outside a workplace
- stop-work meetings – where authorised meetings of employees occur without loss of pay
- lockouts by employers – where employers close worksites or premises and refuse entry to employees to work
- secondary boycotts – where unions put indirect industrial pressure on employers
- no work as directed, no pay – where employers refuse to pay employees if they do not perform the work they have been contracted or directed to do
- stand-downs – the suspension of employees without pay.

## Measure workplace relations performance

**An analysis of existing ER performance will be more objective when it is measured against a set of benchmark standards and targets.**

Developing and implementing a strong workplace relations strategy involves creating an environment that delivers what employees need now and in the future in order to be satisfied and productive in their roles. To understand the existing capacity and performance levels of the workforce, organisations need to set specific targets that measure workplace relations performance.

The performance standards, benchmarks or KPIs used to measure workplace relations performance should be decided on prior to the development of workplace relations strategies and policies to ensure performance standards are objective.

Performance standards should be clearly communicated to all employees, such as in job descriptions, performance management meetings, or other organisational communication strategies. Performance standards should be written in plain English using language and concepts appropriate to cultural differences.

### Characteristics of workplace relations performance standards

- Relevant – linked to the organisation’s strategic and operational goals
- Clearly defined – easy to understand, collect and action
- Measurable – can be measured objectively and quantitatively
- Acceptable – perceived as fair by all employees
- Comparable – allow for comparisons over specific time intervals and against other organisations
- Unambiguous – indicate improvement or deterioration in workplace relations performance
- Attributable – enable management to influence results by taking action
- Statistically valid – based on a significant number of instances or occurrences
- Timely – represent existing performance
- Cost-effective – balance the costs of collection with their usefulness

## Use key performance indicators

Management accountability for workplace relations can be made possible through the use of key performance indicators (KPIs). KPIs are used to measure the effectiveness of an organisation’s workplace relations practices.

KPIs used to measure existing workplace relations performance may include:

- statistics on industrial relations conflicts, such as strikes, go-slow actions, stop-work meetings, time lost or number of grievances lodged
- level of employee absenteeism
- employee turnover rates over time.

KPIs measure the effectiveness of an organisation’s workplace relations strategies and policies, such as levels of absenteeism, employee turnover rates, or time lost through strikes. Workplace relations professionals must be accountable for the effectiveness of workplace relations strategies and policies within an organisation and KPIs assist to monitor and evaluate performance.

Examples of KPIs used to measure workplace relations performance are described below.

### Absenteeism

Employees respond to unsatisfactory working conditions or stressful work environments through absenteeism. High levels of employee absenteeism can be detrimental to workplace relations performance and cost a significant amount to the organisation. Absenteeism can be involuntary, e.g. sick leave, or voluntary, due to a variety of reasons, e.g. an employee's level of job satisfaction or organisational issues such as conflict, stress or demanding work roles.

Absenteeism KPIs could include:

- the cost of absenteeism over a specified period of time
- percentage of leave usage over a 12-month period
- average number of sick days taken per employee
- average number of leave days taken (other than sick leave) per employee.

### Turnover

Turnover is the rate at which employees permanently leave a workforce and are replaced. When employees are dissatisfied in their roles and become progressively absent over time, they may decide to leave their particular workplace. While turnover can incur costs to an organisation through the recruitment and training of replacement workers, it can also provide benefits for the organisation with the addition of new ideas and motivated workers.

Employee turnover KPIs could include:

- $\text{employee turnover rate} = (\text{number of leavers}) \div (\text{average headcount}) \times 100$
- voluntary versus involuntary turnover rates
- the percentage attached to specific reasons for employee turnover rates
- employee satisfaction levels.

## Culture

Employees must feel good about what they do and the work environment in which they carry out their roles and responsibilities. Organisational culture can be analysed to determine what values employees believe are important to the organisation. Organisational vision, mission and values statements should be read, understood and easily accessible by employees. Workplace relations professionals should ensure this information is communicated to all employees on induction, or via an annual presentation.

KPIs relating to organisational culture could include:

- attitudinal climate of the union-management relationship, measured by an employee attitude survey
- number of times the organisational values statement is accessed from the intranet in a specific time frame
- individual employee behaviour, measured by the rate of absenteeism
- collectable and actionable post-hire or exit interview data.

## Communication

Employees need to know what's going on within an organisation. Workplace relations strategies and policies should provide employees with opportunities to provide feedback on organisational change, and participate in decision-making processes where appropriate. Specific procedures should be in place for dealing with workplace conflict, as well as receiving and handling employee grievances.

KPIs relating to workplace communication could include:

- time taken to respond to employee grievances
- number of emails sent, calls received, or meetings held relating to workplace relations issues
- employee adherence to workplace communication plans
- number of responses received from requests for feedback.

## Remuneration

Employees should feel valued in their role and paid according to or above industry standards. The provision of remuneration, benefits schemes and flexible employment conditions will have a direct impact on employee motivation and productivity levels. Organisations should assess whether employees are being reasonably compensated in comparison to similar businesses.

KPIs relating to remuneration and benefits could include:

- comparing organisation's remuneration and benefits data with competitor organisations
- results of the contract administration process, measured by both grievance and discipline rates
- reviewing industry compensation data to identify trends and use as a benchmark
- number of demands introduced in contract negotiations and the time taken to reach agreements.

## Grievances

Employees need to feel satisfied about how their complaints and grievances are handled. Workplace relations strategies and policies should provide a two-way communication process for resolving workplace conflict and handling employee grievances. Workplace relations issues should be solved promptly and achieve an outcome that mutually benefits both the employer and the employee. By doing so, the employer develops a relationship of trust and confidence with its workforce, promoting a positive work environment.

KPIs relating to employee grievances could include:

- the number of employee grievances received in a month
- a decrease in the number of complaints received over a time period
- an increase in the number of workplace relations claims lodged
- a reduction in the time taken to resolve employee grievances.

## Safety

Employees should feel physically safe in the workplace. Organisations should identify workplace hazards and promptly eliminate or control any associated risks. Employees should be trained and actively involved in WHS procedures and problem-solving techniques.

Workplace relations issues such as safety, performance and return to work claims should be measured and managed like any other activity in an organisation. The workers compensation costs that an organisation pays will be largely due to its work health and safety (WHS) and injury management performance. Poor WHS performance and injured workers taking extended leave from work directly impact an organisation's productivity, workplace culture and employee motivation levels.

KPIs relating to WHS could include:

- percentage of planned risk assessments completed
- percentage of WHS audits conducted
- percentage of employees with adequate WHS training
- results from surveys measuring employees' perception of management's commitment to WHS.

## Example

### Analyse existing employee relations performance

Holly is the HR manager at Stringent Retail Operations Ltd and is responsible for analysing and measuring workplace relations performance across the organisation. Three years ago, Stringent Retail experienced a sudden increase in new customers. Although the increase brought in additional revenue, the demanding workload began having negative effects on employees.

An employee survey discovered that more than 60 per cent of the workforce reported experiencing moderate to high levels of stress as a direct result of difficulties in trying to achieve a work-life balance. During the past twelve months, Stringent Retail has experienced its highest absenteeism rate with an average of ten sick days taken per employee. This resulted in lost productivity and decreased employee satisfaction levels.

Holly uses the following equations to calculate the number of days absent for employees in a 12-month period:

- $\text{Total paid and unpaid sick days (all employees)} \div \text{number of employees in the 12-month period} = \text{average number of sick days taken per employee}$
- $\text{Total paid/unpaid days for leave for other reasons (all employees)} \div \text{number of employees in the 12-month period} = \text{average number of days taken for leave reasons per employee other than sick leave}$
- $\text{Total number of employees that took leave (5–20 days) sick leave} \div \text{number of employees in the 12-month period} = \text{percentage of sick leave usage (5–20 days)}$ .

### Analyse existing employee relations performance

Holly groups the percentage of sick leave usage into categories of 0 days, 1–5 days, 5–20 days and 20+ days. She includes both paid and unpaid sick leave in her results.

Recognising the negative impact on business, Holly sends a survey out to employees asking them to address their workplace relations performance issues. Based on the feedback received, and the employee absenteeism calculations made, Holly introduces a number of policies such as flexi-time, reduced hours and reduced overtime, as part of the organisation's commitment towards a healthier and more balanced workplace.

A recent follow-up survey recorded increased levels of employee satisfaction and engagement and a 25 per cent reduction in the absenteeism rate.

## Practice Task 2

### Question 1

Which of the following statements are indicators of positive ER performance? Select yes or no for each one.

- |  |       |      |
|--|-------|------|
| a) Workplace conflict that is disruptive to productivity | » Yes | » No |
| b) Low levels of staff attrition and absenteeism         | » Yes | » No |
| c) Human resources costs that exceed budget              | » Yes | » No |
| d) Low health and safety incident rates                  | » Yes | » No |
| e) Frequent industrial disputes                          | » Yes | » No |

## Question 2

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Briefly explain how ER performance can be analysed to measure workplace relations performance. Provide examples of two relevant KPIs.

# 1C Evaluate options against cost-benefit, risk and industrial instruments

When workplace relations professionals understand the specific workplace relations issues of their organisation, they are in a better position to evaluate the service options available, and select workplace relations strategies and policies that support the achievement of organisational objectives.

Workplace relations service options must be evaluated and monitored to ascertain that they are working well. If any actions need to be taken to ensure they are, these need to be identified. Evaluating workplace relations options against cost-benefit, risk and legislative requirements assists workplace relations professionals to determine which services are most relevant and needed by an organisation.

## Workplace relations service options

There are a range of workplace relations service options that an organisation could implement to ensure harmony, trust, goodwill, fairness, non-discrimination and good work practices within the workplace.

Examples of workplace relations service options are described below.

### Advisory services

- Internal and external workplace relations professionals can provide advisory services to an organisation that promote good workplace relations practices in the workplace. Workplace relations professionals engage with employers, employees and their representatives to develop workplace relations plans, strategies and policies. They may also review or develop effective workplace procedures in areas such as grievances, discipline, communication, consultation and negotiation.
- Additionally, workplace relations professionals can provide advice on how organisations should facilitate dispute resolution procedures between employers and their employees in situations where negotiating arrangements are not available, or where collective bargaining does not take place.

### Negotiation services

- Most organisations will require specialist workplace relations professionals to assist in the negotiation and drafting of enterprise agreements and employment contracts. This includes assistance with meeting employer obligations to notify employees about their representational rights, freedom of association, good faith bargaining, and the lodgement and registration process with the Fair Work Commission.
- Workplace relations professionals may be responsible for reviewing existing agreements and providing a comparison that can be used to assist employers throughout the negotiation process. They may also assist employers to:
  - notify employees about their representational rights
  - advise employers on how best to negotiate with trade unions
  - draft agreements that accurately reflect the intentions of the parties
  - ensure negotiation procedures comply with workplace relations legislative requirements
  - represent employers in the lodgement and approval process with the Fair Work Commission.

### Training services

- Workplace relations professionals should provide training and development opportunities to employees covering a variety of aspects of the employment relationships, such as workplace procedures, communications, duty of care, the negotiation process and support in managing organisational change. Training should demonstrate how workplace relations strategies help to achieve organisational objectives.
- Managers may also require training on how to interpret and apply emerging trends in employment law, the workplace, and the wider corporate environment.
- Training should focus on how to manage the employment relationships to foster a fair, respectful and legally compliant workplace. Training should include current workplace relations legislation and labour conventions that underpin an organisation's employment practices.

### Mediation services

- Mediation within an organisation is a voluntary, confidential process that enables two or more disputing parties to resolve their workplace relations conflict in a mutually agreeable way with the assistance of a third party: a mediator.
- Mediation services can be used to settle disputes such as interpersonal differences, breakdowns in the employer–employee relationship, issues arising from grievances or disciplinary procedures, or workplace relations issues that have not been the subject of a referral to the Fair Work Ombudsman.
- If employees are not receiving the right entitlements from their employer, the Fair Work Ombudsman can also help to resolve these issues through independent mediation processes. In cases of serious noncompliance by employers, the Fair Work Ombudsman can investigate possible breaches of workplace relations laws.

### Conciliation services

- Conciliation is a voluntary process in which the parties to a dispute agree to seek the input of a third party to assist them in resolving their workplace relations issues. Conciliation services involve an independent chairperson who steers the discussions and explores possible solutions in a non-prejudicial manner.
- The participation and outcomes achieved in conciliation processes are voluntary. Solutions must be reached by consensus and any negotiations or agreements facilitated between the parties themselves. Conciliation services should be prompt, impartial and effective in handling workplace relations disputes.

### Arbitration services

- Arbitration is the process of settling disputes by using a third party, the arbitrator, to review and discuss the negotiation positions of the parties to the disagreements. The arbitrator makes recommendations on the terms of settlements. Those terms are binding on both parties who therefore lose control over the settlement of their differences.
- The arbitrator is impartial and the role is often undertaken by Fair Work Commission officials. Arbitration is a means of last resort for reaching a settlement when disputes cannot be resolved in any other way. The process of arbitration must take place at the request of both parties who agree in advance to accept the arbitrator's recommendations.

### Compliance services

- Workplace relations professionals may be required to regularly inspect and monitor organisations to ensure compliance with relevant modern awards and workplace relations legislation. Compliance assessments identify any issues that require action through a workplace relations management plan.
- Investigations may involve examining organisational documents and records related to employment issues, conducting interviews with former or current employees, analysing workplace relations performance KPIs, or carrying out health and safety audits. Workplace relations professionals may also be responsible for preparing an organisation for an external audit or investigation.

### Enforcement services

- Where an organisation is ordered to carry out a decision of the Fair Work Commission or other tribunal arising from a workplace relations dispute, the workplace relations professional may be responsible for ensuring the required action is taken.
- This may involve the completion of forms to be used in tribunal applications, or specific performance required by the organisation within a specified time frame.

### Customer services

- Workplace relations professionals may be required to provide advice and assistance to an organisations' customers or clients in relation to workplace relations issues. This may include the provision of information relating to employee rights, equality and workplace relations matters via the telephone, email or workplace relations written publications.
- It may also involve liaising with members external to the organisation who are involved in workplace relations disputes. The relevant parties must be informed of the status of the complaint and any dispute referrals.

### Human Resources (HR)

- Where existing HR management systems are ineffective, an organisation may experience high staff turnover, industrial disputes, breaches of workplace relations legislation, unfair dismissal claims or other workplace relations grievances. All of these issues will have a negative impact on organisational productivity levels.
- Workplace relations professionals may be required to manage an organisation's HR services to ensure systems are implemented effectively and according to legislative requirements.

## Cost-benefit analysis

A cost-benefit analysis is used to evaluate how cost-effective a workplace relations service will be financially and the likely success of a particular service option.

Consultation is important in selecting the most appropriate workplace relations services for an organisation and is just as important as the cost of delivering the option and the benefits that can be realised.

Cost-benefit analysis is a decision-making technique that looks at the positive and negative outcomes of different alternatives, providing decision-makers with potentially more accurate information on which to base decisions. An organisation will need to undertake a cost-benefit analysis of each available option to determine which will deliver the best outcome for the organisation. A precise analysis depends on accurately identifying, quantifying and including all the benefits and costs of each option.

Cost-benefit analysis involves the following steps.

### Identify costs

Analyse the costs involved in workplace relations service implementation. This includes the human resources, equipment, and cost of materials. It may also include use of office space, rent or utilities. The CFO or finance manager must be involved in this step. This maximises efficiencies and ensures accuracy. Remember to include costs incurred in communicating workplace relations service implementation within the organisation.

### Identify benefits

Benefits are determined based on their alignment with organisational and workplace relations objectives.

Qualitative and quantitative measures should be used to identify benefits. An organisation's benefits might be evidenced in improved employee satisfaction levels, employee behaviours, reduced absenteeism rates and the impact of these improvements on the organisation's competitive advantage or market reputation. The CFO or finance manager should be consulted to assist with assigning values to these benefits. Benefits are generally forecasting and their accuracy is subject to changing circumstances.

### Compare costs and benefits

The total costs of workplace relations service implementation need to be compared with the predicted benefits. Calculate total costs and total benefits for comparison and compare them by dividing the total costs by the benefits. Use the cost-benefit analysis to determine what strategies can be applied to manage the costs and realise the benefits.

### Determine break-even point

The cost-benefit analysis findings are used to calculate how long it will take to repay the costs and achieve a break-even point. This is calculated by dividing total costs by the total quantified benefits.

## Non-financial ratios

Non-financial ratios are ratios in which neither figure is expressed in dollar terms. There are various types of non-financial ratios that can be used to evaluate workplace relations service options, such as staff turnover ratio, absenteeism ratio, days lost to injury ratio, or business plan KPIs ratio.

Examples of non-financial ratios are described below.

<b>Staff turnover ratio</b>	<p>The following formula can be used to calculate staff turnover ratio:</p> $\text{Staff turnover ratio} = \frac{\text{number of staff who left}}{\text{total number of staff}} \times 100$ <p>A high staff turnover ratio may indicate employee job dissatisfaction. Workplace relations service options should attempt to address issues faced by employees in staying motivated to perform effectively in their roles.</p>
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<b>Absenteeism ratio</b>	<p>The absenteeism ratio describes the rate at which particular workers are absent from work, or an organisation's overall rate of absenteeism.</p> <p>Gijs Houtzagers (2003) developed a formula to calculate the total costs of absenteeism, per employee, for a specified period of time. The formula is as follows:</p> $ACE = (ML (WH + EBC) + S (RH + SBC) + OC) \div E$ <ul style="list-style-type: none"> <li>▪ ACE – Total costs of absenteeism per employee for a defined period</li> <li>▪ ML – Total employee hours lost to absenteeism for a defined period, including illness, accidents, compassionate absences and emergencies, but excluding annual leave</li> <li>▪ WH – Weighted average hourly pay for the various occupational groups in the organisation</li> <li>▪ EBC – Cost of employee benefits per hour per employee (= 35% of WH)</li> <li>▪ S – Supervisor hours lost in dealing with absenteeism for the defined period</li> <li>▪ E – Total employees</li> </ul> <p>To get this figure, organisations need to:</p> <ul style="list-style-type: none"> <li>▪ estimate the average amount of hours lost per supervisor per day dealing with absenteeism</li> <li>▪ determine the number of supervisors who have to deal with absenteeism</li> <li>▪ define the total of working days for the defined period.</li> </ul> <p>Multiply these three figures:</p> <ul style="list-style-type: none"> <li>▪ RH = Average hourly pay for supervisors</li> <li>▪ SBC = Costs of supervisor benefits per hour per supervisor (= 35% of RH)</li> <li>▪ OC = Estimation of other costs; for example cost of temporary workers, training for temporary workers, loss of production, quality loss, overtime for replacement of absenteeism, costs of external agencies that provide support on absenteeism, and costs of HR dealing with absenteeism</li> </ul>
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Source: Department of Employee and Industrial Relations, Queensland 2015

## Risk analysis

When making any major decisions within an organisation, it is good practice to identify the possible risks involved, the likelihood of them occurring and the consequences should they occur. This is called risk analysis. Many large organisations will have risk management strategies in place to help with this process and these should be followed before workplace relations services are implemented.

Here are some aspects of risk management that need to be considered.

### What is a risk?

Risk is defined generally as exposure to the threat of danger, harm or loss. In business, risk is the probability of threat and loss that exists within an organisation's operations and environment. Examples of this risk might include loss of revenue, change in demand and changing external environmental factors. Risk is embedded in every aspect of every business and all risks cannot be eliminated or controlled. It is the organisation's ability to manage those risks that is important.

### Risk management

Risk management refers to processes for identifying, assessing and prioritising risks so that they can be eliminated, minimised or controlled with minimal impact to the organisation. All new projects, changes and major decisions should undergo risk analysis and risk management planning before implementation.

There are risk management standards that have been set by various bodies, such as the Project Management Institute, the National Institute of Standards and Technology and ISO Standards. These are intended as benchmarks to be used to guide individual implementation. They have been adopted and adapted by many organisations as standard practice and you may find that your own organisation has a very specific risk management procedure, including templates and guidelines to follow.

### Risk management planning

Workplace relations professionals may be required to undertake risk management planning before finalising workplace relations service options. Even if it is not a requirement, it is good practice. Failure to do so may result in unplanned risk encounters and their consequences. Already having risk management strategies in place will either prevent the risk from occurring or allow organisations to deal with it in an efficient and cost-effective way when it does occur.

## The risk management process

All decision-making in an organisation carries a measure of risk that must be managed if the organisation is to achieve its objectives. An organisation's risk management procedures can ensure that any decision-making process has included consideration of the risks involved and how these risks will be managed.

The risk management process is a continuous cycle, involving the following steps.

<b>Identify risks</b>	<ul style="list-style-type: none"> <li>What are the possible risks?</li> <li>How many risks are there?</li> </ul>
<b>Assess risks</b>	<ul style="list-style-type: none"> <li>How serious are the risks?</li> <li>How likely are they to occur?</li> <li>What are the possible impacts or consequences? That is, what is their risk level?</li> <li>What priority should be placed on controlling these risks, given the above?</li> </ul>
<b>Control the risks</b>	<ul style="list-style-type: none"> <li>What strategies can we use to control the risks; that is, accept, transfer, avoid and reduce?</li> <li>What is involved in this?</li> <li>How much will it cost?</li> <li>How long will it take?</li> <li>What is the desired outcome?</li> <li>Implementation of control</li> </ul>
<b>Review controls</b>	<ul style="list-style-type: none"> <li>Did the controls work?</li> <li>How effective were they?</li> <li>Could they be improved?</li> <li>What else can we do?</li> </ul>

## Identify and analyse risks

The following provides an outline of how risks can be identified and analysed.

### Identifying risks

Risks can be identified through brainstorming and consulting with teams, specialists and other managers about likely risk scenarios and issues. The team or group can also review documentation related to previous projects or change initiatives to identify indicators of risk, which may include:

- budget overruns
- impact on workplace relations service delivery and loss of production capability
- loss of key workplace relations staff.

### Analysing risks

Workplace relations professionals must determine the likelihood and potential impact of a risk. The likelihood of the risk occurring may be very likely, likely or unlikely. Some organisations may use different words such as 'expected' instead of 'very likely', 'probable' for 'likely' and 'improbable' for 'unlikely'. The consequences of the risk may be major, moderate or minor. Other rating terms commonly used are 'disastrous', 'severe', 'extreme', 'minimal' and 'negligible'.

## Evaluate risks

A risk assessment matrix can be used to evaluate a risk, where likelihood and impact is identified, to determine the level of the risk where these intersect on the matrix. High risks become the priorities for treatment, and may require the development of contingency plans. Moderate risks will need attention. Some low-level risks may be seen as a low priority because they can be resolved through routine procedures or practices. Workplace relations professionals must consider the likelihood and impact of any workplace relations service options and use a matrix like the one shown below to estimate the level of risk.

		Consequences				
		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	Almost certain	High	High	Very high	Very high	Very high
	Likely	Moderate	Moderate	High	Very high	Very high
	Possible	Low	Moderate	High	High	Very high
	Unlikely	Low	Low	Moderate	Moderate	High
	Rare	Low	Low	Low	Low	Moderate

1 – Very high, 2 – High, 3 – Moderate, 4 – Low (monitor)

## Treat risks

The objective of the risk management process is to eliminate or avoid the risk where possible.

Here are the five options for managing risks.

### Avoid the risk

Options to avoid risk include the following:

- Do not become involved in activities that lead to the possibility of the risk eventuating.
- Outsource risk-related tasks to contractors or specialist providers.
- Discontinue practices that may realise the risk.

### Likelihood

The likelihood of risks can be lowered by removing various stimuli or situations likely to materialise the risk. This may be as simple as:

- reducing exposure to the risk environment
- removing or reducing activities that may lead to the risk being triggered
- using inspection controls and quality assurance measures
- ensuring time lines are realistic.

### Consequences

Contingency plans are a valuable tool for helping reduce the impact or consequence of a risk event and may include:

- establishing measures to control or minimise damage if the risk is realised, such as planning for industrial action
- developing administrative measures, controls, policy or procedures to provide guidance.

### Share the risk

If a risk is too high to take on alone (for example, expanding the business into a new industry), partnerships and strategic alliances allow for risks to be shared. Sharing the risk may also commonly involve external investors, such as venture capitalists or insurers and underwriters, and may include insuring against an event occurring.

### Retain the risk

Some negative risks may be at an acceptable level when the likelihood and consequences can be adequately managed internally within the organisation. Others may have such a low level as to not warrant any effort. For example, occasional staff absences may not have a huge impact on meeting time lines, so this low-level risk can be accepted.

## Review the risk management plan

A risk management plan is a tool used to record in detail all of the steps described in the risk management process. Risk management templates and guides are widely available on the internet and in HR management software. Their purpose and elements are described below.

### Plan purpose

An organisation may have its own templates and documentation relating to risk management plans. When completed, it summarises the proposed risk management approach that has been undertaken. It might be used to:

- assist decision-making
- plan at the start of a project
- support overall business and strategic planning
- demonstrate capability when vying for business; for example, tenders and expressions of interest.

### Plan elements

The risk management plan may form part of a larger document, such as a business plan, project plan or strategic plan; or it may be a stand-alone document. In some organisations, it may be added to a risk register for future reference. Whatever its form or purpose, a risk management plan should include:

- process for identifying, analysing, evaluating and controlling risks
- personnel responsible
- costs involved
- actions to be undertaken
- resources required
- reporting requirements.

## Industrial relations legislative requirements

The options developed for workplace relations service delivery must comply with relevant industrial relations (IR) legislative requirements. There are a number of industrial and legal requirements facing organisations that operate in Australia and workplace relations professionals must be familiar with these to ensure compliance. Compliance benefits organisations by minimising the risk of penalties and loss of income that can occur if the organisation fails to meet its obligations. It is good practice to develop review processes and audit checklists to directly manage the legislation that is related to the nature of a particular business.

Applicable industrial relations legislation includes:

- employment legislation
- equal employment opportunity (EEO) and anti-discrimination legislation
- privacy legislation
- superannuation legislation
- taxation legislation
- work health and safety legislation
- workers compensation legislation.

## Employment legislation

There is a range of employment legislation that affects workplaces across Australia. The Fair Work Ombudsman administers a number of laws and regulations that govern Australian workplaces.

The *Fair Work Act 2009* (Cth) and Fair Work Regulations 2009 are the main legislation dealing with workplace relations. They govern the employer–employee relationship in Australian workplaces, providing a safety net of minimum entitlements through the National Employment Standards, modern awards and national minimum wage orders, enabling flexible working arrangements and fairness at work, and preventing discrimination against workers.

Employment legislation covers:

- National Employment Standards
- modern awards
- enterprise agreements
- records
- leave entitlements.

## National Employment Standards

The national minimum wage and the National Employment Standards (NES) make up the minimum entitlements for employees in Australia. An award, employment contract, enterprise agreement or other registered agreement cannot provide for conditions that are less than the national minimum entitlements.

All employees in the national workplace relations system are covered by the NES irrespective of the award, agreement or contract that applies.

The NES are 10 minimum employment entitlements that must be provided to all employees in Australia. These are described below.

The 10 minimum entitlements of the National Employment Standards	
1	<p><b>Maximum weekly hours</b></p> <p>Full-time employees should work a maximum standard working week of 38 hours, plus 'reasonable' additional hours.</p>
2	<p><b>Requests for flexible working arrangements</b></p> <p>Employees may request a change in their working arrangements, including changes in hours, patterns or location of work from their employer if they require flexibility due to personal circumstances.</p> <p>Modern awards and enterprise agreements must include a flexibility term allowing employees and their employer to agree to an Individual Flexibility Arrangement (IFA), which varies the effect of certain terms of the award or enterprise agreement.</p>
3	<p><b>Parental leave and related entitlements</b></p> <p>An employee who has worked for their employer for at least 12 months is entitled to take maternity or parental leave when a child is born or adopted. Employees are entitled to 12 months unpaid parental leave.</p>
4	<p><b>Annual leave</b></p> <p>Full-time and part-time employees get four weeks of paid annual leave based on their ordinary hours of work.</p>
5	<p><b>Personal carer's leave and compassionate leave</b></p> <p>An employee can take sick, personal or carer's leave to deal with personal illness, caring responsibilities or family emergencies.</p> <p>An employee can take compassionate (or bereavement) leave when a member of their immediate family or household dies or suffers a life-threatening illness or injury.</p>
6	<p><b>Community service leave</b></p> <p>An employee can take community service leave for certain activities such as voluntary emergency management activities or jury duty.</p>
7	<p><b>Long service leave</b></p> <p>An employee who has worked for the same employer for a long period of time (for example, 7–10 years) is entitled to take an agreed extended amount of leave as a reward for long service.</p>

The 10 minimum entitlements of the National Employment Standards	
8	<p><b>Public holidays</b></p> <p>Public holidays vary depending on the state or territory.</p>
9	<p><b>Notice of termination and redundancy pay</b></p> <p>Termination of employment may occur for a number of reasons, including redundancy, resignation and dismissal. When the employment relationship ends, employees are entitled to receive any outstanding employment entitlements, such as outstanding wages, payment in lieu of notice, payment for accrued leave and any applicable redundancy payments.</p>
10	<p><b>Provision of a Fair Work Information Statement</b></p> <p>Every employee has the right to receive a copy of the Fair Work Information Statement when they commence employment with an organisation.</p>

Source: Fair Work Ombudsman, 2015

## Modern awards

Modern awards set out the minimum pay and conditions of employment for specific employees and apply to all employees covered by the national workplace relations system. Awards are industry- or occupation-based and apply to all employees who perform work covered by the award.

Managers or employees who earn more than the high-income threshold may not be covered by a modern award, even if one applies to the specific industry in which they work. However, the NES still apply.

There are numerous awards that cover people working in a range of industries, such as health support services, building and construction or retail operations. A business may be covered by more than one award depending on the roles and responsibilities carried out by employees.

Federal awards are determined by the workplace relations tribunal, whereas state awards are registered with state workplace relations commissions. Modern awards may cover key terms and conditions of employment.

Modern awards may cover:	
<ul style="list-style-type: none"> <li>• minimum pay rates and allowances</li> </ul>	<ul style="list-style-type: none"> <li>• penalty rates</li> </ul>
<ul style="list-style-type: none"> <li>• rest breaks</li> </ul>	<ul style="list-style-type: none"> <li>• skill-based classifications</li> </ul>
<ul style="list-style-type: none"> <li>• overtime rates and incentive-based payments</li> </ul>	<ul style="list-style-type: none"> <li>• allowances and leave loading</li> </ul>
<ul style="list-style-type: none"> <li>• hours of work and variations to working hours</li> </ul>	<ul style="list-style-type: none"> <li>• superannuation</li> </ul>
<ul style="list-style-type: none"> <li>• type of employment</li> </ul>	<ul style="list-style-type: none"> <li>• redundancy arrangements</li> </ul>
<ul style="list-style-type: none"> <li>• leave and flexible working arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• dispute resolution periods</li> </ul>
<ul style="list-style-type: none"> <li>• rostering</li> </ul>	<ul style="list-style-type: none"> <li>• consultation procedures</li> </ul>
<ul style="list-style-type: none"> <li>• notice periods</li> </ul>	<ul style="list-style-type: none"> <li>• annualised wage arrangements</li> </ul>

## Enterprise agreements

On 1 July 2009, the various types of collective and individual workplace agreements that existed under the previous workplace relations system were replaced by enterprise agreements. Enterprise agreements can exist between one or more national workplace relations system employers and their employees, as specified in the agreement.

Enterprise agreements are negotiated by the relevant parties through collective bargaining in good faith, primarily at the workplace level. Once approved by the Fair Work Commission (FWC), an enterprise agreement is enforceable and provides for changes in terms and conditions of employment, applicable to an employee's workplace.

The rate of pay for an employee under an enterprise agreement cannot be less than the modern award that would apply to the employee.

Enterprise agreements are further explained below.

<b>Terms</b>	<p>Enterprise agreements should contain the following terms:</p> <ul style="list-style-type: none"> <li>▪ A nominal expiry date</li> <li>▪ Dispute resolution procedures</li> <li>▪ Individual flexible working arrangements</li> <li>▪ Consultation terms</li> <li>▪ Pay rates, penalty rates, overtime and allowances</li> <li>▪ Standard hours of work</li> <li>▪ Personal and annual leave entitlements</li> <li>▪ Deductions from wages for any authorised purpose</li> <li>▪ Matters pertaining to employment relationships</li> <li>▪ How the agreement will operate</li> </ul>
<b>Types</b>	<p>Under the <i>Fair Work Act 2009</i> (Cth), enterprise agreements may be either:</p> <ul style="list-style-type: none"> <li>▪ single-enterprise agreements – made between a single employer and workers employed at the time the agreement is made and stating who will be covered by the agreement</li> <li>▪ multi-enterprise agreements – made between two or more employers and workers employed at the time the agreement is made and stating who will be covered by the agreement</li> <li>▪ Greenfields agreements – made in relation to a new enterprise of the employer before any workers are employed.</li> </ul>
<b>Formation</b>	<ul style="list-style-type: none"> <li>▪ The <i>Fair Work Act 2009</i> (Cth) provides a framework for employers and employees to negotiate enterprise agreements through bargaining in good faith.</li> <li>▪ Once approved by the FWC, an enterprise agreement is enforceable and provides for changes in terms and conditions of employment applicable to an employee's workplace.</li> <li>▪ Employers and employees have the right to be represented by a bargaining representative and must bargain in good faith throughout negotiations. The FWC provides strict rules applicable for taking industrial action.</li> </ul>
<b>Bargaining representatives</b>	<p>The <i>Fair Work Act 2009</i> (Cth) identifies the following as bargaining representatives:</p> <ul style="list-style-type: none"> <li>▪ An employer covered by the agreement</li> <li>▪ A trade union that has a member covered by the agreement</li> <li>▪ A trade union entitled to represent one or more employees who will be covered by a Greenfields agreement</li> <li>▪ A trade union that has applied to the FWC for a low paid authorisation relating to the agreement</li> <li>▪ A person specified in writing as an employer or employee's bargaining representative</li> </ul>

<b>Good faith bargaining</b>	Good faith bargaining requires bargaining representatives to: <ul style="list-style-type: none"> <li>▪ attend and participate in meetings at reasonable times</li> <li>▪ disclose relevant information promptly</li> <li>▪ respond promptly to proposals made by other representatives for the agreement</li> <li>▪ consider genuine proposals made by other representatives and provide reasons for any responses</li> <li>▪ behave in a manner that is not capricious, unfair or in a way that undermines freedom of association collective bargaining</li> <li>▪ recognise and bargain with other representatives for the agreement.</li> </ul>
<b>Workplace tribunal</b>	Before the FWC approves an enterprise agreement, it must be satisfied that the agreement: <ul style="list-style-type: none"> <li>▪ has been made with the genuine agreement of the parties</li> <li>▪ passes the better off overall test</li> <li>▪ does not include any terms that are unlawful</li> <li>▪ covers groups of employees that were chosen fairly</li> <li>▪ specifies a nominal expiry date that is no more than four years after the date of approval</li> <li>▪ includes a dispute resolution procedure</li> <li>▪ includes flexibility and consultation terms.</li> </ul>
<b>Bargaining disputes</b>	Bargaining disputes arise for a number of reasons but particularly where one party does not bargain in good faith. If a bargaining dispute exists and it cannot be resolved between the bargaining representatives, one or more of the representatives may apply to the FWC for assistance in resolving the dispute. <p>The FWC may issue a bargaining order in relation to the proposed agreement that will includes:</p> <ul style="list-style-type: none"> <li>▪ actions that the FWC requires to be taken</li> <li>▪ actions that are not to be taken</li> <li>▪ other matters that the FWC considers necessary to promote fair and efficient bargaining.</li> </ul>
<b>Unable to agree</b>	<ul style="list-style-type: none"> <li>▪ Where parties are unable to reach agreement on the terms and conditions of a proposed enterprise agreement, a bargaining representative can make an application to the FWC for assistance.</li> <li>▪ The FWC can make a workplace determination, prescribing the terms and conditions for those employees to whom it applies. If there is a serious and sustained contravention of a bargaining order that has significantly undermined the bargaining process, the FWC can make a serious breach declaration.</li> <li>▪ Employees have the right to initiate industrial action when bargaining for a proposed enterprise agreement. The Fair Work Act prescribes strict rules that govern industrial action, including the rights, responsibilities and obligations of employers, employees and their organisations.</li> </ul>

## Employment contracts

An employment contract is an agreement between an employer and employee that outlines the terms and conditions of employment that are not covered by an award or enterprise agreement.

Employment contracts can be in writing or verbal. An employment contract cannot provide for less than the legal minimum set out in the NES, awards, enterprise agreements or other applicable registered agreements.

The rule is that employment contracts cannot make employees worse off than their minimum legal entitlements.

Employment contracts may include:

- duties and responsibilities of the employee
- codes of conduct that must be followed
- relevant organisational policies and procedures
- the grounds on which termination can occur without notice
- the period of notice that must be provided when an employee is terminated
- details relating to performance appraisal processes
- remuneration and benefits.

## Records

Workplace relations legislation sets out provisions relating to record keeping. To ensure that employees receive their correct wages and entitlements, employers are required to make and keep accurate and complete records for all employees, including hours worked and wages paid; and issue pay slips to each employee.

All employee records must be in a form that is readily accessible by authorised users, be legible and written in plain English, be kept for seven years, not be altered unless for the purposes of correcting errors, and not be false or misleading to the employer's knowledge.

Records are private and confidential and should not be accessed by anyone other than the employee, their employers and relevant payroll staff. Fair Work inspectors, auditors or organisation officials may also access employee records on behalf of employees to determine whether there has been a contravention of relevant workplace relations laws.

Information that should appear in employee records is listed below.

Information contained in employee records
<ul style="list-style-type: none"> <li>General records, such as the employer's name and ABN, employee's name, commencement date, and type of employment (e.g. full-time, part-time)</li> </ul>
<ul style="list-style-type: none"> <li>Pay records including the rate of pay, gross and net amounts paid, any deductions and incentive-based payments</li> </ul>
<ul style="list-style-type: none"> <li>Hours of work, including the number of overtime hours worked each day</li> </ul>
<ul style="list-style-type: none"> <li>Leave records, including any leave taken and the balance of the employee's entitlement to leave from time to time</li> </ul>
<ul style="list-style-type: none"> <li>Superannuation contributions, including the amount and date on which contributions were made</li> </ul>
<ul style="list-style-type: none"> <li>Individual flexibility arrangements made in relation to a modern award or enterprise agreement</li> </ul>
<ul style="list-style-type: none"> <li>Guarantee of annual earnings made by an employer under the <i>Fair Work Act 2009</i> (Cth)</li> </ul>
<ul style="list-style-type: none"> <li>Termination records, including how employment has been terminated and the name of the person who terminated employment</li> </ul>
<ul style="list-style-type: none"> <li>Transfer of business records</li> </ul>

## Unfair dismissal

Unfair dismissal occurs when an employee is dismissed from their job in a harsh, unjust or unreasonable manner. Applications for unfair dismissal must be lodged with Fair Work Australia within 14 days of the unfair dismissal taking effect.

A determination as to whether or not dismissals have been unfair are based on:

- the existence of a valid reason for the dismissal
- whether the employee was notified of the reason and provided with an opportunity to respond
- unreasonable refusal to allow the employee to have a support person present
- insufficient warning of the employee's unsatisfactory performance
- the impact on the type of organisation involved
- other matters deemed relevant by Fair Work Australia.

## Leave

Employees can take leave for many reasons. Leave entitlements vary according to the particular award, agreement or contract. Annual leave forms part of the NES and applies to all employees covered by the national workplace relations system, regardless of the applicable agreement or contract of employment.

Workplace relations legislation provides the following leave entitlements for employees. These relate back to the minimum employee entitlements upheld by the National Employment Standards.

<b>Annual leave</b>	<ul style="list-style-type: none"> <li>▪ Full-time and part-time employees are entitled to four weeks of paid annual leave based on their ordinary hours of work.</li> <li>▪ Annual leave accumulates based on an employee's ordinary hours and enables them to take paid time off from work.</li> <li>▪ Annual leave is paid at the employee's base pay rate for all ordinary hours, including extra payments such as overtime rates, penalties, allowances and bonuses.</li> <li>▪ An employer can direct an employee to take annual leave in some situations; for example, during the end-of-year holiday season or when the employee has accumulated excess annual leave.</li> </ul>
<b>Sick and carer's leave</b>	<ul style="list-style-type: none"> <li>▪ An employee can take paid sick when they cannot work due to personal illness or injury. This includes stress and pregnancy related illnesses.</li> <li>▪ All employees, including casual employees, are entitled to two days unpaid carer's leave.</li> <li>▪ An employee is entitled to as much paid sick leave as they have accumulated to recover from an injury or illness.</li> <li>▪ When an employee runs out of paid sick leave, they can take unpaid leave if they are not fit for work.</li> </ul>
<b>Compassionate leave</b>	<ul style="list-style-type: none"> <li>▪ An employee can take compassionate (or bereavement) leave when a member of their immediate family or household dies or suffers a life-threatening illness or injury.</li> <li>▪ All employees are entitled to two days compassionate leave per year.</li> <li>▪ Employees do not accumulate compassionate leave and it can only be taken as needed.</li> <li>▪ Full- and part-time employees are paid at their base rate for the ordinary hours they would have worked during compassionate leave.</li> </ul>
<b>Public holidays</b>	<ul style="list-style-type: none"> <li>▪ Public holidays vary depending on the state or territory.</li> <li>▪ Employees are paid at least their base rate for all hours worked on a public holiday.</li> <li>▪ Awards and enterprise agreements may provide entitlements for working public holidays, such as extra pay, an extra day off, minimum shift lengths or substituting a public holiday for another day off.</li> </ul>

<b>Maternity and parental leave</b>	<ul style="list-style-type: none"> <li>▪ An employee who has worked for their employer for at least 12 months is entitled to take maternity or parental leave when a child is born or adopted.</li> <li>▪ Employees are entitled to 12 months unpaid parental leave.</li> <li>▪ Employees must give their employer a certain amount of written notice and evidence if it is requested.</li> <li>▪ An employee who has taken unpaid parental leave is entitled to return to the job they have before going on leave, even if another person is working in their role as a replacement.</li> </ul>
<b>Long service leave</b>	<ul style="list-style-type: none"> <li>▪ An employee who has worked for the same employer for a long period of time (e.g. 7–10 years) is entitled to take an agreed extended amount of leave as a reward for long service.</li> <li>▪ Most employees' long service leave entitlements come from long service leave laws in each state or territory.</li> <li>▪ In some states and territories, long-serving casual employees are eligible for long service leave.</li> <li>▪ State and territory long service leave laws do not apply when there are long service leave entitlements in a federal pre-modern award, or a registered agreement that covers an employee.</li> </ul>
<b>Community service leave</b>	<ul style="list-style-type: none"> <li>▪ An employee can take community service leave for certain activities such as voluntary emergency management activities or jury duty.</li> <li>▪ Emergency management bodies include the State Emergency Service (SES), Country Fire Authority (CFA) or the RSPCA in respect of animal rescue during emergencies or natural disasters.</li> <li>▪ An employee is entitled to take community service leave while they are engaged in the activity and for reasonable travel and rest time.</li> <li>▪ There is no limit on the amount of community service leave an employee can take.</li> </ul>
<b>Workers compensation leave</b>	<ul style="list-style-type: none"> <li>▪ Employees who have claimed workers compensation are entitled to take leave until they are able to return to safe and sustainable work.</li> <li>▪ Workers compensation includes payments to employees to cover their wages while they are not fit for work as well as medical and rehabilitation expenses.</li> <li>▪ Workers compensation is governed by individual states and territories.</li> </ul>
<b>Leave without pay</b>	<ul style="list-style-type: none"> <li>▪ An employee can take leave without pay where other forms of leave are unavailable.</li> <li>▪ Leave without pay is granted at the discretion of the employer and will generally not exceed 12 months.</li> <li>▪ Leave without pay may include leave to undertake study, settle personal affairs or take extended unpaid sick leave.</li> </ul>

## Equal opportunity and anti-discrimination

Discrimination is never acceptable behaviour and is against the law. All organisations must promote equality for everyone.

There is federal and state legislation relating to anti-discrimination, harassment and equal employment opportunity in the workplace. All employers are required by these laws to create a workplace free from discrimination and harassment with access to all. It is important that employers and their employees understand their rights and responsibilities under human rights and anti-discrimination law in Australia.

The Australian Human Rights Commission can provide information and advice for workplaces and the Fair Work Ombudsman provides resources about how to prevent discrimination in the workplace.

Here are five legislative Acts that must be upheld in the workplace.

### *Age Discrimination Act 2004 (Cth)*

This legislation aims to:

- stop discrimination based on age
- protect everyone's legal rights regardless of their age
- help others understand that everyone has the same rights
- remove barriers that stop older people from joining in work activities and being part of society
- remove stereotypes and false beliefs about older people.

### *Racial Discrimination Act 1975 (Cth)*

This legislation aims to:

- promote equality before the law for everyone, regardless of their race, colour or ethnic origin
- make discrimination against people on the basis of their race, colour, descent or national or ethnic origin unlawful.

### *Sex Discrimination Act 1984 (Cth)*

This legislation aims to:

- eliminate discrimination on the grounds of sex, sexual orientation, gender identity, intersex status, marital or relationship status or pregnancy
- prevent sexual harassment in the workplace, in educational institutions and in other areas of public activity
- promote recognition and acceptance within the community of the principle of equality of men and women.

### *Workplace Gender Equality Act 2012 (Cth)*

This legislation aims to:

- promote and improve gender equality in employment and in the workplace
- support employers to remove barriers to the full and equal participation of women in the workforce
- promote, among employers, the elimination of discrimination on the basis of gender in relation to employment matters, including in relation to family and caring responsibilities
- foster workplace consultation between employers and employees on issues concerning gender equality
- improve the productivity and competitiveness of Australian business through the advancement of gender equality in employment and in the workplace.

### *Disability Discrimination Act 1992 (Cth)*

This legislation aims to:

- eliminate discrimination on the ground of disability
- ensure that persons with disabilities have the same rights to equality before the law as the rest of the community
- promote recognition and acceptance within the community of the principle that persons with disabilities have the same fundamental rights as the rest of the community.

## Privacy legislation

The *Privacy Act 1988* (Cth) is an Australian law that regulates the handling of personal information about individuals, including employees' personal information.

There are 13 Australian Privacy Principles, which are listed below.

- APP 1 – Open and transparent management of personal information
- APP 2 – Anonymity and pseudonymity
- APP 3 – Collection of solicited personal information
- APP 4 – Dealing with unsolicited personal information
- APP 5 – Notification of the collection of personal information
- APP 6 – Use or disclosure of personal information
- APP 7 – Direct marketing
- APP 8 – Cross-border disclosure of personal information
- APP 9 – Adoption, use or disclosure of government related identifiers
- APP 10 – Quality of personal information
- APP 11 – Security of personal information
- APP 12 – Access to personal information
- APP 13 – Correction of personal information

## Superannuation

Superannuation is money set aside over an employee's lifetime to provide funds for retirement. Superannuation payments begin when an employee starts work. The employer pays a portion of the employee's salary or wages into a regulated superannuation fund provider. These payments are known as superannuation guarantee (SG) contributions, or concessional contributions.

Superannuation funds invest employees' money in shares, property or managed funds and offer other services, such as life insurance.

Internal workplace relations, HR or payroll staff are responsible for making arrangements for superannuation contributions to be made on behalf of eligible employees under SG laws. Currently the minimum employer contribution is 9.5% of an employee's ordinary time earnings. Organisations can claim a tax deduction for superannuation contributions paid by the due dates.

## Taxation

The Australian Taxation Office (ATO) administers Australia's taxation laws, and applies these laws to all types of organisations. An employer is responsible for deducting tax instalments from employees' wages and paying them to the ATO. HR or finance staff are responsible for issuing employees with group certificates at the end of each financial year.

Managing tax affairs and obligations is an integral part of any business. Tax obligations and entitlements will vary depending on the industry, business and type of work undertaken. Workplace relations, HR or finance professionals should seek advice when selecting the best legal structure for an organisation.

An organisation must consider its obligations relating to the following taxation requirements.

Taxation requirements
<ul style="list-style-type: none"> <li>Goods and services tax (GST): a broad-based tax of 10% imposed on most goods and services</li> </ul>
<ul style="list-style-type: none"> <li>Business activity statement (BAS): these must be lodged with the ATO to report and pay your tax</li> </ul>
<ul style="list-style-type: none"> <li>Pay As You Go (PAYG): a system that allows you to pay an expected tax liability in instalments</li> </ul>

- SG obligations: employers can pay a set minimum level of superannuation for each eligible employee, or pay a charge to the ATO
- Fringe benefits tax (FBT): if you provide certain benefits to employees or people associated with employees, your organisation may be liable for FBT
- Payroll tax: employees who pay taxable wages must register for payroll tax under certain circumstances

## Work health and safety

Work health and safety (WHS) legislation in Australia aims to prevent injury and disease to people in the workplace. State, territory or Commonwealth legislation applies. WHS legislation includes work health and safety Acts, regulations and codes of practice.

There is also a national compliance and enforcement policy to ensure the health and safety of employees and visitors to organisational sites. At the time of publication, the *Work Health and Safety Act 2011* (Cth) applies to all states except Victoria and Western Australia, which each have their own Acts.

### The obligations of employers under WHS legislation

- Duties to provide a safe and healthy workplace for all employees and other people attending the workplace
- The implementation of safe work systems that do not pose a health risk
- The provision of workplace training to ensure employees work in a safe and competent manner
- Requirements to take steps to prevent injury, illness and disease
- Requirements to consult with employees and their representatives over WHS matters
- Provisions for workplace inspectors to visit workplaces, investigate accidents and enforce legislative provisions

## Workers compensation

Workers compensation is a form of insurance payment made to eligible employees who have been injured at work or become sick as a result of their work.

All organisations in Australia are legally required to have workers' insurance in place. Workers compensation focuses on prevention and rehabilitation. Compensation can be paid due to a work-related injury, illness, fatality or, in some cases, property or environmental damage.

Legislation in each state and territory requires all Australian employers to take out a workers compensation insurance policy within a specified time frame after employing people. If a policy is not taken out, penalties may apply.

Employer responsibilities relating to workers compensation includes:

- ensuring employees understand and have access to workers compensation systems
- ensuring employees are aware of their rights and responsibilities under workers compensation legislation
- ensuring compliant reporting and record keeping of workplace incidents, accidents, injuries and damage
- providing official claim forms available to all employees
- processing all reports accurately and promptly
- ensuring that the system is managed by qualified personnel.

### Example

#### Evaluate options against cost-benefit, risk and legislation

Consider the workplace relations service delivery within your organisation and/or that provided by your training organisation. To support your learning, you might like to investigate the following organisations to see examples of workplace relations service options.

- Victorian Department of Education and Training
- Southern Cross University
- Queensland's Corporate Administration Agency

## Practice Task 3

### Question 1

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Describe two workplace relations service options that need to be evaluated.

### Question 2

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How can a cost-benefit analysis be used to evaluate workplace relations service options?  
Provide two examples of calculations that may be required in a cost-benefit analysis.

### Question 3

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Number each step from 1 to 4 in the order you would follow to conduct the risk management process.

- Assess the risks.
- Review risk controls.
- Identify and analyse the risks.
- Treat or control the risks.

### Question 4

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Draw a line to match each term about industrial instruments and IR legislation to its correct definition.

- |  |   |
|--|---|
| » Modern awards                                  | » The main legislation governing the employer–employee relationship, providing a safety net of minimum entitlements, modern awards and national minimum wage orders.      |
| » <i>Privacy Act 1988</i>                        | » A type of workplace agreement that can exist between one or more employers and their employees, as specified in the agreement.  |
| » Fair Work laws                                 | » The minimum pay and conditions of employment for employees who work within a specific job role in an industry.  |
| » Equal opportunity and anti-discrimination laws | » An individual agreement between an employer and employee that outlines the terms and conditions of employment.  |
| » Enterprise agreements                          | » Requirements to protect the workplace from harassment, bullying and unfair treatment, based on age, gender, disability or religion, ethnicity or other characteristics. |
| » Employment contract                            | » A national law that regulates the handling of personal information about individuals, including employees' personal information.  |

# 1D Consult stakeholders and develop IR policies and plans

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Workplace relations plans and policies are an expression of an organisation's ability to develop and implement an industrial relations management plan. They need to be developed in consultation with the key people that are impacted by their implementation.

An industrial relations management plan is designed to meet the needs of an employer and its employees to encourage industrial harmony, cooperation and increased productivity in the workplace. The IR policies will describe the standard, expectations and commitment of the organisation and its people in achieving the requirements of the plan.

Workplace relations professionals must consult with the organisation's management team and other relevant stakeholders to develop and review workplace relations plans and policies.

## Industrial relations plans

HR professionals are responsible for developing and implementing industrial relations management plans that identify and deal with workplace relations issues relevant to an organisation.

Industrial relations management plans detail specific actions for occurrences of grievance disputes, employment issues or other unforeseen industrial action that impacts on productivity.

Industrial relations management plans underpin the development workplace relations strategies and policies used to support the achievement of workplace relations objectives. Strategies and policies must be linked to an organisation's operational plan and activities.

To achieve overall business objectives, employers must plan for the engagement of a committed and cooperative workforce and provide them with opportunities for training and professional development.

Workplace relations management plans must include:

- The specific areas addressed by the plan; for example, communication
- The actions to be taken within that area of the plan; for example, holding weekly staff meetings
- The person responsible for completing the action; for example, the HR manager
- The time frame required for action to be completed; for example, in two months' time
- Evaluation of the action; for example, all actions completed weekly as required

## Workplace relations management approach

There are several approaches to planning and managing workplace relations in the workplace. The approach adopted by an organisation should reflect the values of senior management and influence the development of workplace relations strategies and policies as shown here.

### Adversarial approach

In an adversarial approach to workplace relations management, an organisation decides what it wants to achieve and employees are expected to cooperate. Employees only exercise power by refusing to cooperate or follow workplace relations policies.

### Traditional approach

In a traditional approach to workplace relations management, a successful working relationship exists between the employer and its employees, but the proposal for workplace relations changes by management, and employee responses, are managed and negotiated by elected representatives.

### Partnership approach

In a partnership approach to workplace relations management, an organisation retains the right to manage workplace relations, but involves employees in the development and implementation of workplace relations strategies and policies. The partnership approach is based on mutual teamwork, collaboration and common objectives.

### Power-sharing approach

In a power-sharing approach to workplace relations management, an organisation involves employees in both day-to-day and strategic decision-making processes. The participation of unions, workplace tribunals and government agencies is accepted by advocates of this approach.

## Develop workplace relations management plan

The workplace relations management plan itself should provide employees with an overview of the organisation's plan to improve the efficiency and productivity of work practices. A workplace relations management plan is separate to a workplace relations implementation plan. An implementation plan documents the actions an organisation will take to implement its workplace relations management plans, workplace relations strategies and policies into the workplace.

Workplace relations management plans may contain, but are not limited to, the sections shown here.

Workplace relations management plan contents	
1	<p><b>Administration</b></p> <p>This section outlines the organisational structure for workplace relations, including the identification of staff responsible for managing workplace relations, reporting lines, and workplace relations roles and responsibilities.</p>
2	<p><b>Risk assessment</b></p> <p>This section identifies the workplace relations risks present in an organisation. The risk assessment should demonstrate an understanding of the workplace relations environments, lessons from previous workplace relations issues, and organisation-specific issues. The risk assessment should identify any issues that will affect the organisation's ability to comply with workplace relations policies and identify any barriers to meeting workplace relations objectives.</p>
3	<p><b>Conditions of employment</b></p> <p>This section outlines the terms and conditions of employment relevant to individuals, or a group of employees. The workplace relations management plans should make reference to the use of enterprise or other registered agreements, awards or contracts of employment that reinforce the employer's expectation in relation to workplace relations matters. This includes freedom of association, grievance management and unlawful industrial action.</p>
4	<p><b>Recruitment and selection</b></p> <p>This section outlines how an organisation will attract, recruit and retain employees. Depending on the size, scope and location of the organisation, it may need to address issues of skills shortages, outsourcing labour, training and development, and competency assurance. The workplace relations management plan should include details of how prospective employees will be assessed and reference checked by an organisation to ensure they can carry out their roles and responsibilities productively.</p>
5	<p><b>Induction</b></p> <p>This section outlines how an organisation will ensure that employees are provided with a full induction into the organisation. The workplace relations management plans should specify all the requirements of an organisation's induction program, including a tour of the workplace, the provision of workplace documentation and a Fair Work Information Statement, and a work health and safety induction.</p>

Workplace relations management plan contents	
6	<p><b>Labour productivity</b></p> <p>This section outlines how an organisation plans to achieve labour productivity and value for money objectives outlined in its strategic and operational plans. The workplace relations management plans should address how the organisation proposes to measure labour productivity, and address workplace relations performance gaps or deficits. The workplace relations management plans should outline key initiatives that promote efficient and industrious work practices. It should also identify consequences for underperformance.</p>
7	<p><b>Performance standards</b></p> <p>This section outlines how an organisation will analyse and measure labour productivity and workplace relations performance. The workplace relations management plans should identify the performance standards or key performance indicators that are relevant to achieving workplace relations objectives. It should also identify how performance metrics will be collected, reported and referred for further action. The workplace relations management plans should provide for data as to overall labour efficiency, absenteeism rates, staff turnover, lost time, and delays due to industrial action. It should also specify who is responsible for collecting, analysing and reviewing performance metrics.</p>
8	<p><b>Freedom of association</b></p> <p>This section outlines how an organisation will comply with freedom of association objectives required by workplace relations legislation. The workplace relations management plans should outline how an organisation proposes to grant and notify employees of their right to join, or not join, trade unions, and participate in industrial action. This might include reinforcing the principles and prohibitions in recruitment induction processes, workplace policies or training programs.</p>
9	<p><b>Right of entry</b></p> <p>This section outlines how an organisation will comply with the right of entry requirements for union representatives. The workplace relations management plan should include an assessment of workplace security and access, and a requirement that relevant employees are familiar with the right of entry requirements and procedures provided for under the <i>Fair Work Act 2009</i> (Cth) and relevant WHS laws. Union officials entering a workplace or site must hold valid permits.</p>
10	<p><b>Grievance management</b></p> <p>This section outlines how an organisation will ensure that employee grievances are handled effectively and in accordance with workplace relations legislation and organisational policies. The workplace relations management plans should include mechanisms for monitoring and recording the nature and frequency of grievances among the workforce. It should ensure that employees are provided with choices as to whether or not they are represented in grievance processes.</p>
11	<p><b>Industrial action</b></p> <p>This section outlines how an organisation will respond to and report unlawful industrial action, including the recovery of any associated costs.</p>
12	<p><b>Audit and review</b></p> <p>This section outlines how an organisation will audit and review its workplace relations management plan. The workplace relations management plan should be reviewed regularly and modified wherever there is opportunity for improved performance.</p>

## Workplace relations policies

The objective of workplace relations policies is to maintain good relations with employees and their representatives; develop a cooperative and constructive workplace relations climate; effectively manage work practices; control labour costs; and develop an engaged and committed workforce.

Workplace relations policies act as a guiding frame of reference for how an organisation deals with employment issues, responds to workplace relations claims and resolves workplace relations disputes in accordance with legislative and regulatory requirements.

Workplace relations strategies set out how workplace relations policy aims to be achieved. The intentions expressed by workplace relations strategies may direct an organisation to alter its enterprise agreements, develop new bargaining structures or increase the involvement of employees in workplace relations decision-making.

Workplace relations strategies and policies should reflect an organisation's strategic and operational objectives, be based on best employment practices, comply with national workplace relations laws and regulations, and meet minimum employer obligations.

Workplace relations policies may cover:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ discrimination, bullying and harassment</li> <li>▪ terms and conditions of employment</li> <li>▪ leave entitlements</li> <li>▪ conflict and grievance handling</li> <li>▪ collective bargaining</li> <li>▪ performance management</li> <li>▪ rehabilitation and return-to-work schemes</li> </ul> | <ul style="list-style-type: none"> <li>▪ equal employment opportunity (EEO)</li> <li>▪ award restructuring</li> <li>▪ flexible working arrangements</li> <li>▪ trade union recognition</li> <li>▪ disciplinary procedures</li> <li>▪ work health and safety</li> <li>▪ training and development.</li> </ul> |
|--|---|

## Develop workplace relations policies

Well-written workplace relations policies should be consistent with the values of an organisation and workplace relations legislation. Workplace relations policies should demonstrate that an organisation is operating in an efficient and compliant manner, and ensure uniformity and consistency in decision-making and operational procedures.

Workplace relations policies will be used by an organisation to assess workplace relations performance and clarify the functions and responsibilities of the employer and employees in relation to workplace relations matters.

It is critical to have senior management support when developing workplace relations policies that relate to employee behaviour. The endorsement and modelling of best practice behaviours by management will encourage employees to accept and follow policies correctly.

The steps for developing workplace relations policies are shown below.

Steps for developing workplace relations policies
<p>The following steps help to ensure that workplace relations policies are successfully introduced and implemented in the workplace.</p>
<p><b>1. Planning and consultation</b></p> <p>Workplace relations professionals should involve other employees in the development and implementation of workplace relations policies to promote awareness, understanding, ownership and compliance. Inviting employees to contribute to policy development helps to determine how and when policies might apply.</p>
<p><b>2. Research and define policy terms</b></p> <p>Workplace relations professionals should research what a good workplace relations policy looks like by finding out what other organisations are doing, and using a variety of sources that acknowledge contemporary workplace relations issues. Key terms used in the policy should be defined to ensure employees understand what is meant. Workplace relations policies should describe acceptable and unacceptable types of behaviours in the workplace. It should contain information about what must be done by employees required to follow the policy.</p>
<p><b>3. Draft policy</b></p> <p>Workplace relations policies should be written in plain English and be easily understood by all employees. Policies should use language and terms appropriate for cultural differences. Employees must understand how to comply with workplace relations policies and any consequences or implications for noncompliance.</p>
<p><b>4. Implementation</b></p> <p>To be effective, workplace relations policies need to be publicised and communicated to all existing and new employees. Workplace relations policies should be explained during induction or other training sessions and made accessible via the organisation's intranet or in a printed policy manual provided to employees.</p>
<p><b>5. Compliance</b></p> <p>It is essential that workplace relations policies are applied consistently through an organisation. A breach of workplace relations policy should be dealt with promptly and according to the relevant procedures. Any consequences for policy breaches should be reasonable to suit the severity of the breach. A termination or disciplinary policy should identify what an organisation considers to be serious, wilful or gross misconduct in relation to breaches of workplace relations policy.</p>
<p><b>6. Review</b></p> <p>Workplace relations policies should be regularly reviewed to ensure they are compliant with current legislative and regulatory requirements. Employees should be notified whenever workplace relations policies are altered and the changes should be clearly explained and publicised to ensure employees' understanding.</p>

## Features of workplace relations strategies and policies

All workplace relations policies should include a workplace relations policy statement that is supported by senior management. Policies should also define responsibilities for workplace relations management and professionals, and identify the legal and other obligations of individuals the policy applies to. Workplace relations policies should include specific procedures that identify potential workplace relations issues and risks and outline performance measures to evaluate, monitor and review workplace relations strategies.

Workplace relations policies should also contain the following features.

### Communication

Workplace relations policies should establish clear communication channels and procedures to allow for the free flowing of information between employer and employees. Procedures might include formal monthly staff meetings, company newsletters distributed by email, or ongoing workplace relations policy training and development opportunities.

### Participation

Workplace relations policies should provide for the inclusion and participation of all employees in the organisation. Employees should be encouraged to join workplace committees, such as the work health and safety committee, or specialist teams formed to discuss the implementation of workplace relations policy changes directly affecting their area of work.

### Training

To ensure an organisation achieves its strategic and workplace relations objectives, it must provide employees with training and development opportunities. Employees should be encouraged to complete training programs and be offered incentives or rewards for doing so.

### Planning

Careful planning is required to effectively deal with and manage any workplace relations issues that arise within an organisation. Workplace relations policies should identify who is responsible for workplace relations implementation and contingency planning, and the types of specialists or external sources that can be accessed to provide professional advice. Workplace relations policies should be in place to effectively handle employee grievances and industrial conflict.

## Specifications of workplace relations strategies and policies

Workplace relations professionals should ensure that any workplace relations strategies or policies developed cover the following specifications.

Workplace relations strategy/policy specifications		
<ul style="list-style-type: none"> <li>Confirmation of managerial support</li> </ul>	<ul style="list-style-type: none"> <li>Specific workplace relations objectives</li> </ul>	<ul style="list-style-type: none"> <li>Actions to be taken</li> </ul>
<ul style="list-style-type: none"> <li>Required resources</li> </ul>	<ul style="list-style-type: none"> <li>Timeline for action</li> </ul>	<ul style="list-style-type: none"> <li>Responsibilities of relevant personnel</li> </ul>
<ul style="list-style-type: none"> <li>Documentation requirements</li> </ul>	<ul style="list-style-type: none"> <li>Communication plan</li> </ul>	<ul style="list-style-type: none"> <li>Workplace relations legal and other obligations</li> </ul>
<ul style="list-style-type: none"> <li>Workplace relations compliance measures</li> </ul>	<ul style="list-style-type: none"> <li>Identification of relevant workplace relations issues</li> </ul>	<ul style="list-style-type: none"> <li>Identification of potential workplace relations risks</li> </ul>
<ul style="list-style-type: none"> <li>Risk assessment</li> </ul>	<ul style="list-style-type: none"> <li>Risk treatment plan</li> </ul>	<ul style="list-style-type: none"> <li>Measures to eliminate or minimise workplace relations risks</li> </ul>
<ul style="list-style-type: none"> <li>Strategy/policy implementation plan</li> </ul>	<ul style="list-style-type: none"> <li>Workplace relations performance measures</li> </ul>	<ul style="list-style-type: none"> <li>Grievance handling procedures</li> </ul>
<ul style="list-style-type: none"> <li>Dispute resolution procedures</li> </ul>	<ul style="list-style-type: none"> <li>Cost–benefit analysis techniques, ratios and formulas</li> </ul>	<ul style="list-style-type: none"> <li>System to ensure strategy/policy is being implemented</li> </ul>
<ul style="list-style-type: none"> <li>Strategy/policy monitoring and review process</li> </ul>	<ul style="list-style-type: none"> <li>Mechanisms for obtaining employee feedback</li> </ul>	<ul style="list-style-type: none"> <li>Procedures for taking corrective action</li> </ul>

## Consultation in the workplace

It is important that an organisation's workplace relations strategies and policies have the commitment of management. HR professionals should look to consult with internal stakeholders first and foremost.

These internal stakeholders include subject matter experts and relevant managers such as those responsible for workplace relations, HR, finance, work health and safety, customer service, production managers or operational managers. Senior management such as the chief executive officer, chief financial officer or members of the board may also be involved.

Organisations that follow best practice develop and implement effective consultation mechanisms that encourage cooperation and engagement of employees and management in decision-making processes.

The forms and benefits of consultation are shown below.

### Benefits of consultation

- Working with the management team to develop workplace relations plans, strategies and policies leads to:
- a more productive workplace as a result of greater cooperation and collaboration
  - better and more informed decision-making processes
  - attraction and retention of a skilled and motivated workforce
  - a workplace that is better able to accept organisational change
  - minimisation of workplace disputes
  - minimisation of workplace relations claims against the employer.

### Forms of consultation

- Consultation may be carried out in the following ways:
- Establishment of specialist committees including employer and employee representatives
  - Regular staff meetings
  - Regular performance and training reviews
  - Regular written communications circulated throughout an organisation, such as emails, memos or newsletters
  - Encouragement of employee feedback on workplace relations decisions

## Example

### Consult management to develop industrial relations policies and plan

An example of a workplace relations policy is provided below.

Tidmine Resources Ltd Workplace relations Policy	
<b>Policy statement</b>	<p>Tidmine Resources strives to continually improve the quality of its productivity, performance and services to enable continued growth in a competitive industry.</p> <p>Our goal is to have open and transparent processes in all aspects of our dealings with employees, suppliers and subcontractors, encompassing all issues pertaining to workplace relations.</p>
<b>Workplace relations objectives</b>	<p>Tidmine Resources aspires to eliminate lost time, down time and unproductive work practices that arise through grievances or disputes pertaining to workplace relations. We are committed to:</p> <ul style="list-style-type: none"> <li>▪ complying with state and federal workplace relations legislation</li> <li>▪ maintaining an open relationship with our employees and any elected representatives</li> <li>▪ advising clients of Tidmine Resources during the progress of the work</li> <li>▪ respecting the national freedom of association laws documented in the <i>Fair Work Act 2009</i> (Cth)</li> <li>▪ applying employment practices that ensure equal opportunity and are non-discriminatory</li> <li>▪ encouraging all employees to comply with applicable awards and enterprise agreements while recognising their right to have individual flexible working arrangements in place.</li> </ul>

## Consult management to develop industrial relations policies and plan

<b>Responsibilities</b>	<p>Tidmine Resources has three active directors who all work for the business on a day-to-day basis, are involved in all aspects of agreement negotiations at all levels, and generally act as project managers for all contracts.</p> <p>Directors are the first point of contact for all issues pertaining to workplace relations.</p>
<b>Performance measures</b>	<p>Tidmine Resources will track and monitor key performance indicators relating to workplace relations and worker productivity. KPIs may include:</p> <ul style="list-style-type: none"> <li>▪ project completion on time and on budget</li> <li>▪ workplace relations impacts project performance</li> <li>▪ work productivity in terms of:                             <ul style="list-style-type: none"> <li>– income per labour hour total</li> <li>– income per labour hour on net profit</li> <li>– average labour cost per hour.</li> </ul> </li> </ul>
<b>Right of entry</b>	<p>Tidmine Resources acknowledges the right of entry to their business for union officials who hold valid entry permits for specific purposes, including:</p> <ul style="list-style-type: none"> <li>▪ investigating suspected breaches of the <i>Fair Work Act 2009</i> (Cth)</li> <li>▪ holding discussions with employees</li> <li>▪ performing inspections and other functions under WHS laws.</li> </ul>
<b>Freedom of association</b>	<p>Tidmine Resources acknowledges that employees have a right to belong or not to belong to any trade union they choose, without it affecting their employment.</p>
<b>Dispute resolution and grievance management</b>	<p>All parties are required to make effort to resolve grievances or disputes with their employees and applicable parties at the appropriate level, in accordance with the procedure outlined in the relevant award or enterprise agreement.</p> <p>All employees should be committed to working towards the elimination of lost time through close consultation and cooperation with those directly affected, and through the effective use of the grievance/dispute settlement policy and procedures.</p>
<b>Workplace relations management plan</b>	<p>Where required by legislation, guidelines, or due to the size of a particular project, Tidmine Resources will develop and monitor a workplace relations management plan that identifies workplace relations issues relevant to a specific project and detail specific actions for handling grievance disputes, workplace issues or any other unforeseen action that may impact productivity.</p>

## Practice Task 4

### Question 1

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Draw a line to match each term about ER plans and policies to its correct definition.

- |                             |  |
|-----------------------------|--|
| » Risk assessment           | » How an organisation plans to achieve an efficient and effective workforce that ensures the labour investment meets strategic and operational goals.              |
| » Recruitment and selection | » How an organisation will ensure that employees are provided with a structured training program as they commence work with the organisation.                      |
| » Labour productivity       | » How an organisation will attract, recruit and retain employees.  |
| » Induction                 | » How an organisation will ensure that employee issues are handled effectively and in accordance with workplace relations legislation and organisational policies. |
| » Grievance management      | » Understanding the wider issues may impact on ER performance and the mitigation strategies to deal with these issues.   |

### Question 2

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List five areas to be included in workplace relations policies.

### Question 3

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Which of the following are examples of internal stakeholders? Tick all that apply.

- Workplace relations manager
- Fair Work Ombudsman
- Chief Executive Officer
- Production Manager
- Workplace Safety Inspector
- Union Representative

### Question 4

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Which of the following provide opportunity for effective consultation and collaboration regarding the development of IR policies? Tick all that apply.

- Establishment of corporate social responsibility committee
- Detailed induction program
- Regular performance and training reviews
- Formal training sessions
- Encouragement of employee feedback on workplace relations decisions

# 1E Identify knowledge and skills requirements to implement strategies

Workplace relations managers and professionals must be able to deploy a range of skills supported by knowledge that facilitates the effective implementation of workplace relations plans, strategies and policies in their organisation.

Skills in communication, negotiation, problem-solving and conflict management are essential for the effective implementation and management of workplace relations policies and plans.

It is equally important that the wider workforce is equipped with the skills and knowledge necessary to interpret and follow workplace relations policies in their roles. HR or workplace relations professionals must provide adequate training and development opportunities for staff so that they can gain an accurate understanding of workplace relations matters relevant to their organisation.

## Workplace relations knowledge

Managers play a critical role in implementing an organisation's employee relations strategies and policies. Where managers do not have the appropriate skills and knowledge, strategies and policies can be implemented incorrectly, which can lead to disputes and grievances among employees.

Workplace relations managers and professionals must have a comprehensive understanding of relevant workplace relations and other employment legislation, and the ability to interpret and apply that legislation in the workplace.

Workplace relations managers and professionals should have knowledge of:

- modern awards
- enterprise agreements
- contracts of employment
- conditions of employment
- disciplinary procedures
- unfair and unlawful dismissals
- equal employment opportunity and anti-discrimination matters
- privacy laws
- records management
- work health and safety laws and regulations.

## Workplace relations management skills

Workplace relations managers and professionals are required to possess a broad range of management and workplace relations skills that enable them to effectively develop and implement workplace relations plans, strategies and policies; resolve workplace relations issues and disputes; train others to develop workplace relations knowledge and skills, and manage organisational change.

A range of skills required by workplace relations managers and professionals is described below.

<p><b>Business skills</b></p>	<p>Workplace relations professionals should possess business skills that enable them to plan for and contribute to the achievement of organisational objectives. Workplace relations professionals should understand how to deal with people within their organisation in a way that delivers value to clients and maintains a competitive advantage in the market.</p> <p>Business skills include:</p> <ul style="list-style-type: none"> <li>▪ interpreting business strategies, plans and objectives</li> <li>▪ managing financial resources</li> <li>▪ developing budgets</li> <li>▪ analysing and interpreting financial records</li> <li>▪ developing key performance indicators</li> <li>▪ ensuring compliance with relevant legislation, regulations and standards.</li> </ul>
<p><b>Communication skills</b></p>	<p>Workplace relations professionals should possess well-developed written, oral, communication and presentation skills that enable them to develop workplace relations plans, strategies and policies, present training, write up agreements and communicate workplace relations issues across their organisation. Workplace relations professionals must be able to collect, interpret and communicate information of a complex, technical or sensitive nature in a clear, logical, concise, correct, prompt and culturally appropriate manner.</p> <p>Communication skills include:</p> <ul style="list-style-type: none"> <li>▪ facilitating two-way communication processes</li> <li>▪ active listening</li> <li>▪ nonverbal body language</li> <li>▪ tailoring communication to a specific audience</li> <li>▪ maintaining credibility and integrity</li> <li>▪ using structure, grammar and language conventions correctly.</li> </ul>

<b>Interpersonal skills</b>	<p>Workplace relations professionals should possess interpersonal skills that enable them to establish and maintain effective workplace relationships with internal and external individuals and groups. Workplace relations professionals must be able to work collaboratively with others to minimise or eliminate workplace conflict and industrial action. Workplace relations professionals should consult with employees, unions, managers and officials before making decisions.</p> <p>Interpersonal skills include:</p> <ul style="list-style-type: none"> <li>▪ maintaining positive work relationships</li> <li>▪ providing accurate information and advice</li> <li>▪ clarifying or resolving issues</li> <li>▪ achieving the cooperation of others</li> <li>▪ obtaining specialist assistance</li> <li>▪ ensuring compliance with legislative and regulatory requirements.</li> </ul>
<b>Problem-solving skills</b>	<p>Workplace relations professionals should possess problem-solving skills that enable them to analyse and understand workplace relations issues, diagnose root causes and decide on solutions that solve the particular issue. Workplace relations professionals should know how to gather and record feedback and consult with relevant members of the workforce to reach desirable solutions. Importantly, workplace relations professionals must know how to anticipate potential problems before they escalate, and take preventative action to eliminate or minimise the issue.</p> <p>Problem-solving skills include:</p> <ul style="list-style-type: none"> <li>▪ gathering and analysing facts</li> <li>▪ evaluating alternative courses of action</li> <li>▪ innovative decision-making</li> <li>▪ creative thinking</li> <li>▪ consultation skills</li> <li>▪ handling disciplinary problems.</li> </ul>
<b>Conflict management skills</b>	<p>Workplace relations professionals should possess conflict management skills that enable them to handle inter-group, interpersonal, and team conflict within their organisation. Workplace relations professionals should make decisions about how conflict can be managed effectively and efficiently to maintain peaceful coexistence, encourage others to compromise and solve relevant workplace relations issues.</p> <p>Conflict management skills include:</p> <ul style="list-style-type: none"> <li>▪ facilitating dispute resolution and mediation procedures</li> <li>▪ counselling</li> <li>▪ constructive confrontation</li> <li>▪ levelling workplace differences</li> <li>▪ reaching preliminary conclusions</li> <li>▪ taking remedial action.</li> </ul>

<p><b>Research and analytical skills</b></p>	<p>Workplace relations professionals should possess research and analytical skills that enable them to make informed decisions about workplace relations matters. It is essential that workplace relations professionals keep up to date with workplace relations legislation and regulations, as well as industry developments that affect workplace relations in their organisation. Workplace relations professionals should know how to analyse organisational policies and procedures, employee feedback, KPIs and findings delivered from relevant research.</p> <p>Research and analytical skills include:</p> <ul style="list-style-type: none"> <li>▪ systematic gathering of facts, indicators and metrics</li> <li>▪ logical reasoning</li> <li>▪ critical thinking and evaluation</li> <li>▪ conducting research and making recommendations</li> <li>▪ developing and justifying original arguments</li> <li>▪ making ethical and legal judgments on workplace relations matters.</li> </ul>
<p><b>Learning and development skills</b></p>	<p>Workplace relations professionals should possess learning and development skills that enable them to enhance the knowledge and skills of employees and to guide line and senior managers on conducting their learning and development activities.</p> <p>Learning and development skills include:</p> <ul style="list-style-type: none"> <li>▪ coaching and mentoring</li> <li>▪ job instruction</li> <li>▪ job, role and skills analysis</li> <li>▪ training and presentation skills</li> <li>▪ skills observation</li> <li>▪ competency modelling.</li> </ul>
<p><b>Leadership skills</b></p>	<p>Workplace relations professionals should possess leadership skills that will enable them to manage organisational change, and develop other leaders within their organisation. Workplace relations professionals should have the ability to persuade others willingly to behave differently. It is the process of getting others to do their best to achieve a desired result.</p> <p>Leadership skills include:</p> <ul style="list-style-type: none"> <li>▪ defining tasks and objectives</li> <li>▪ achieving tasks and objectives</li> <li>▪ maintaining effective workplace relationships</li> <li>▪ persuading and influencing others to change behaviours</li> <li>▪ developing other leaders.</li> </ul>

<b>Investigative skills</b>	<p>Workplace relations professionals should possess investigative skills that enable them to research, analyse, verify and reconcile workplace relations issues in their organisation. Workplace relations professionals must be able to collect relevant data from a variety of sources and collate the information in a way that can be easily understood by others.</p> <p>Investigative skills include:</p> <ul style="list-style-type: none"> <li>▪ determining issues in dispute</li> <li>▪ research</li> <li>▪ data analysis</li> <li>▪ drawing conclusions</li> <li>▪ selecting appropriate courses of action</li> <li>▪ making effective and timely decisions.</li> </ul>
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## Employee knowledge and skills

Members of the workforce must have a variety of essential skills to ensure the successful implementation of an organisation's employee relations plan and policy.

Providing employees with the skills and knowledge to read and interpret employee relations information is essential for minimising confusion and avoiding employee relations disputes. Many disputes are the result of a misinterpretation of information contained in awards, agreements, legislation or policies and a lack of understanding of the changes being implemented.

HR professionals should ensure that employees have the following skills and knowledge in order for the implementation process to be successful:

Skill/ knowledge area	Application in the workplace
Knowledge of terms and conditions of employment in particular their rights and responsibilities	Knowledge of their obligations to the organisation and the organisation's obligations to the employee.
Knowledge of organisational policies	Understanding of the organisation's employee policies, how to read and interpret those policies and where to access them.
Consultation processes	Knowledge of what situations warrant consultation and how employees can participate in consultative activities.
Grievance and dispute resolution processes	Knowledge of what a grievance is, how to address the issue and to whom grievances can be taken to have them resolved. This also includes escalation points when grievances and disputes cannot be resolved internally.

## Skills audit

One of the most effective tools to assist in identifying the competencies of the workforce is a 'skills audit'.

Managers and employees have different skills, knowledge and learning needs. Understanding how to bridge the gap between an individual's current needs and the future needs of the organisation is essential to rolling out an effective and engaging employee relations policy and plan.

Before commencing a skills audit of a manager or employee, a series of planning tasks need to be completed.

The planning phase includes identifying the following three outcomes for each person:

Required competencies needed for the job task (more specifically in this case, competencies required for implementation of the employee relations strategy)

The current competencies of the individual

The specific gaps

The gaps will reveal the learning opportunities and areas of improvement that must be addressed before implementing the workplace relations strategy and plan.

## Competency rating scales

Competency rating scales are a type of competency assessment that can be completed through self-assessment and behavioural observation rating techniques. This tool can be used to identify learning gaps as part of the training needs analysis.

A competency-based rating scale lists the competencies required for a set task and descriptors of performance at each level of competency. It is also a useful tool to help document the outcomes of the skills audit.

## Example

### Competency-based rating scale

Competency	Levels			Rating			Comments
	1. Needs Development	2. Effective	3. Highly Effective	1	2	3	
1. Knowledge of anti-discrimination laws	Cannot define discrimination, harassment or bullying	Able to identify definitions of discrimination, harassment and bullying	Able to apply examples in a range of work contexts	✓			Insufficient evidence provided
2. Knowledge of employer/employee rights and responsibilities under the Fair Work Act	Cannot identify sources of workplace or legal information	Can access and understand employer and employee responsibilities	Uses knowledge to resolve conflicts		✓		Some exposure but more experience required
1. Knowledge of anti-discrimination laws	Cannot define discrimination, harassment or bullying	Able to identify definitions of discrimination, harassment and bullying	Able to apply examples in a range of work contexts				

## Practice Task 5

### Question 1

Number each step from 1 to 3 in the order you would follow to complete a skills audit.

- Identify the current competencies of the individual
- Determine the specific competency gaps that need to be addressed
- Identify the required competencies needed for the job task

## Question 2

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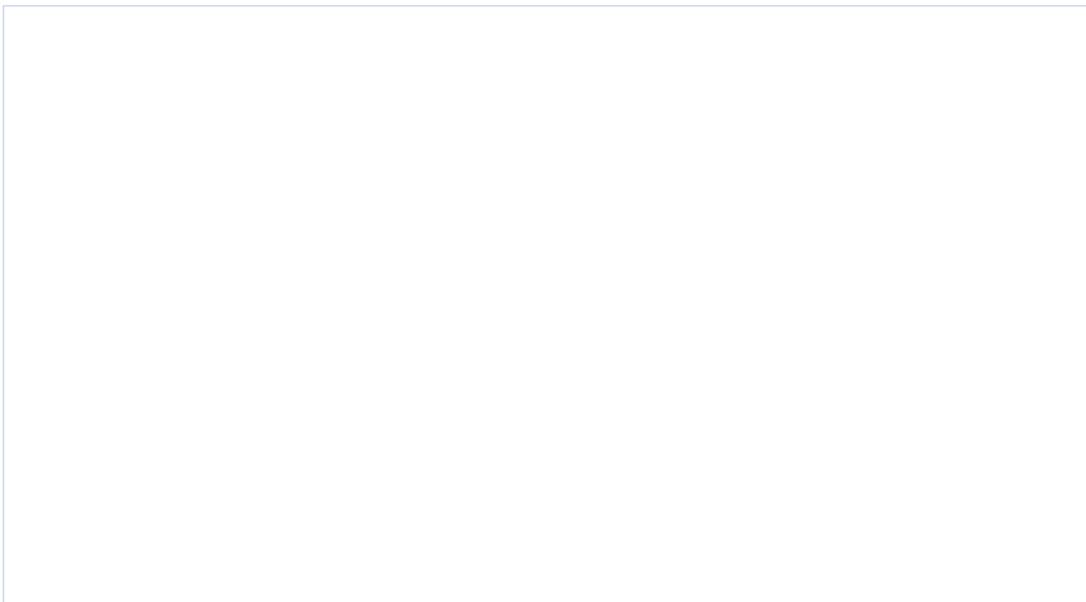
Outline three types of the workplace relations skills that workplace relations managers should possess to effectively implement workplace relations strategies and policies.



## Question 3

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Outline three types of the workplace relations skills that employees should possess to support workplace relations strategies and policies.



## Summary

- Workplace relations involves a level of interaction between managers and workers to achieve a set of employment conditions that will meet the needs of employees and enable the organisation to achieve its strategic and operational objectives.
- To ensure workplace relations plans, strategies and policies meet their intended objectives, workplace relations performance must be regularly analysed and monitored. This analysis will determine whether an organisation is meeting its strategic and operational workforce objectives, and identify any performance gaps or areas in need of improvement.
- Workplace relations service options must be evaluated and monitored to ascertain that they are working well and identify whether any actions need to be taken to ensure they are. Evaluating workplace relations options against cost-benefit, risk and legislative requirements assists workplace relations professionals to determine which services are most relevant and needed by an organisation.
- There are various types of non-financial ratios that can be used to evaluate workplace relations service options, such as staff turnover ratio, absenteeism ratio, days lost to injury ratio, or business plan KPIs ratio.
- Workplace relations management plans underpin the development workplace relations strategies and policies used to support the achievement of workplace relations objectives. Strategies and policies must be linked to an organisation's operational plan and activities.
- The objective of workplace relations policies is to maintain good relations with employees and their representatives, develop a cooperative and constructive workplace relations climate, effectively manage work practices, control labour costs and develop an engaged and committed workforce.
- Workplace relations managers and professionals must be able to deploy a range of skills supported by knowledge that facilitates the effective implementation of workplace relations plans, strategies and policies in their organisation. Skills in communication, negotiation, problem-solving and conflict management are essential for the effective management of workplace relations matters.

# Learning Checkpoint 1

## Develop employee and industrial relations policies and plans

### Part A

1. Which of the following statements about IR entities are correct? Select yes or no for each one.
 

a) Trade unions are organisations formed by employees in an industry, trade or occupation to protect and further the rights and interests of employee members.	» Yes	» No
b) Employer associations represent the interests of employers in a range of industries, assisting them to develop policies and respond to claims service on employers by union members.	» Yes	» No
c) The Fair Work Commission is an independent statutory office, responsible for promoting harmonious, productive and cooperative workplace relations, and monitoring, investigating and enforcing compliance with Australian workplace laws.	» Yes	» No
d) The Fair Work Ombudsman is Australia's national workplace relations tribunal, responsible for providing a safety net of minimum employment conditions and facilitating good faith bargaining at the creation of enterprise agreements.	» Yes	» No
e) The Federal Court of Australia has primary jurisdiction over all civil and criminal matters under the Fair Work laws.	» Yes	» No
  
2. Briefly explain how the *Fair Work Act 2009* (Cth) and Fair Work Regulations 2009 govern Australia's workplace relations system. In your answer, outline two types of industrial instruments that are governed under these laws.

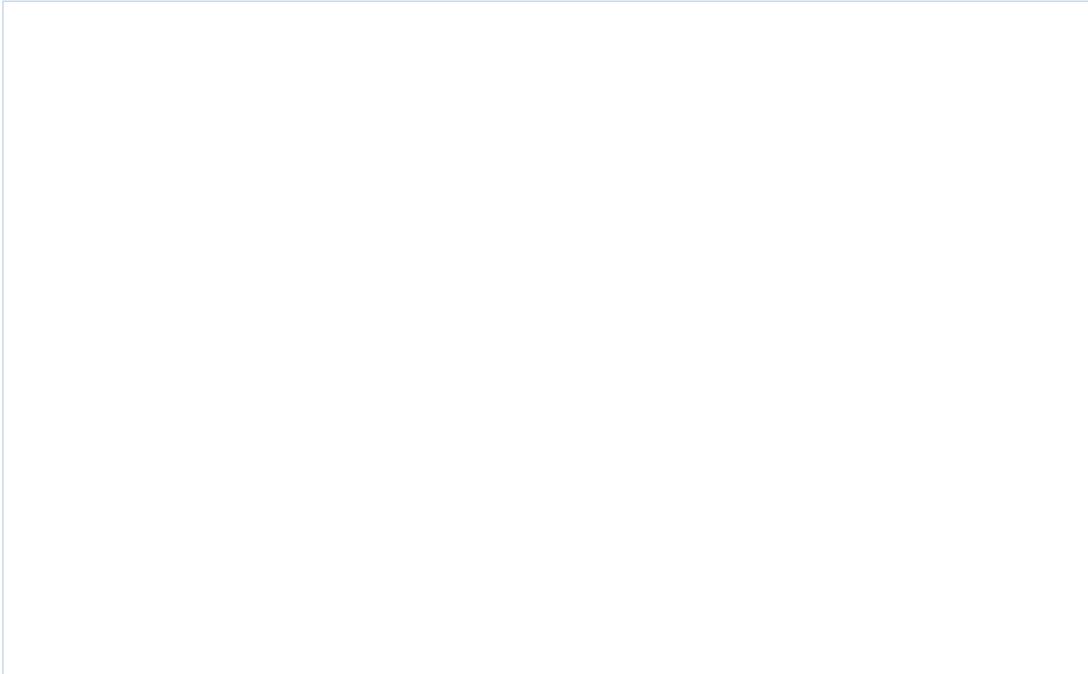
3. List four key areas of organisational objectives that inform an ER strategy.

4. Which of the following statements relate to workforce objectives? Tick all that apply.

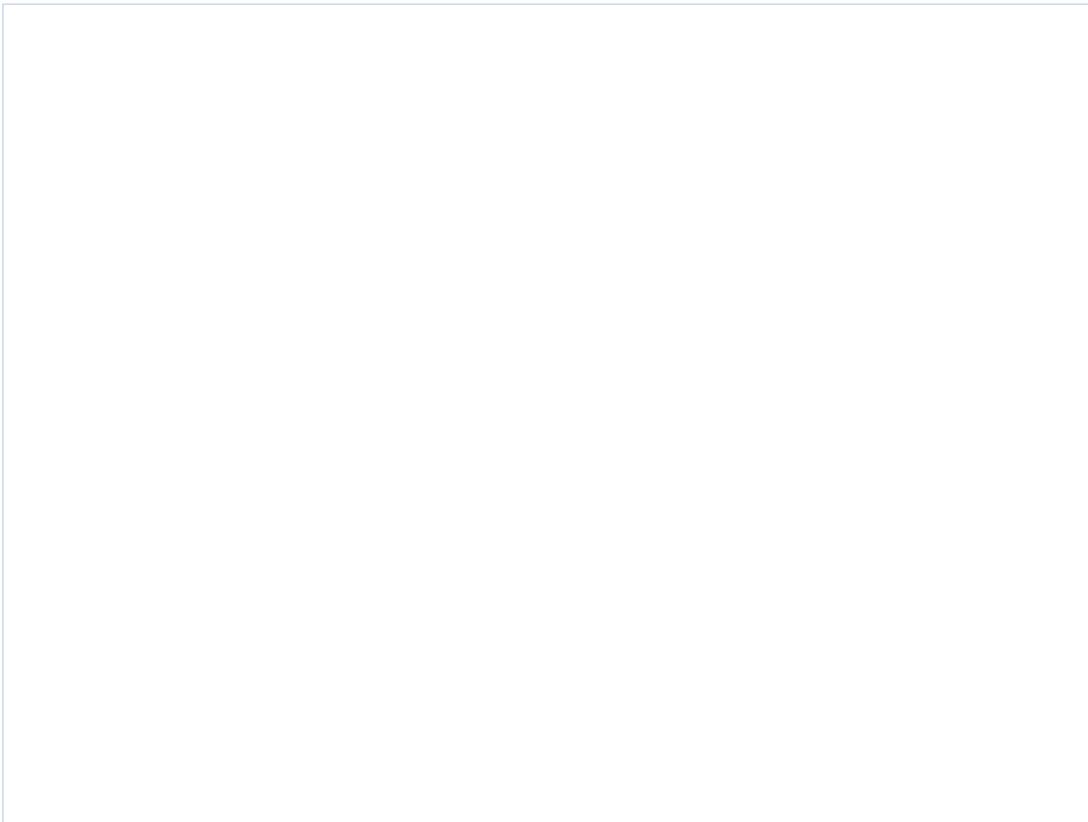
- Minimising the number of industrial actions and resolving disputes efficiently
- Promoting open and honest communication between employees at all levels
- Increasing the flexibility of organisational structures
- Providing outstanding service to customers, in every point of contact
- Providing employees with flexible working arrangements

5. List four examples of internal stakeholders that you could consult with when developing ER policies and plans.

6. Explain three methods of consulting with a management team to develop workplace relations plans, strategies and policies.



7. Outline the analytical skills required by workplace relations professionals that enable them to make informed decisions about workplace relations matters.



## Part B

Read the case study and then answer the questions that follow.

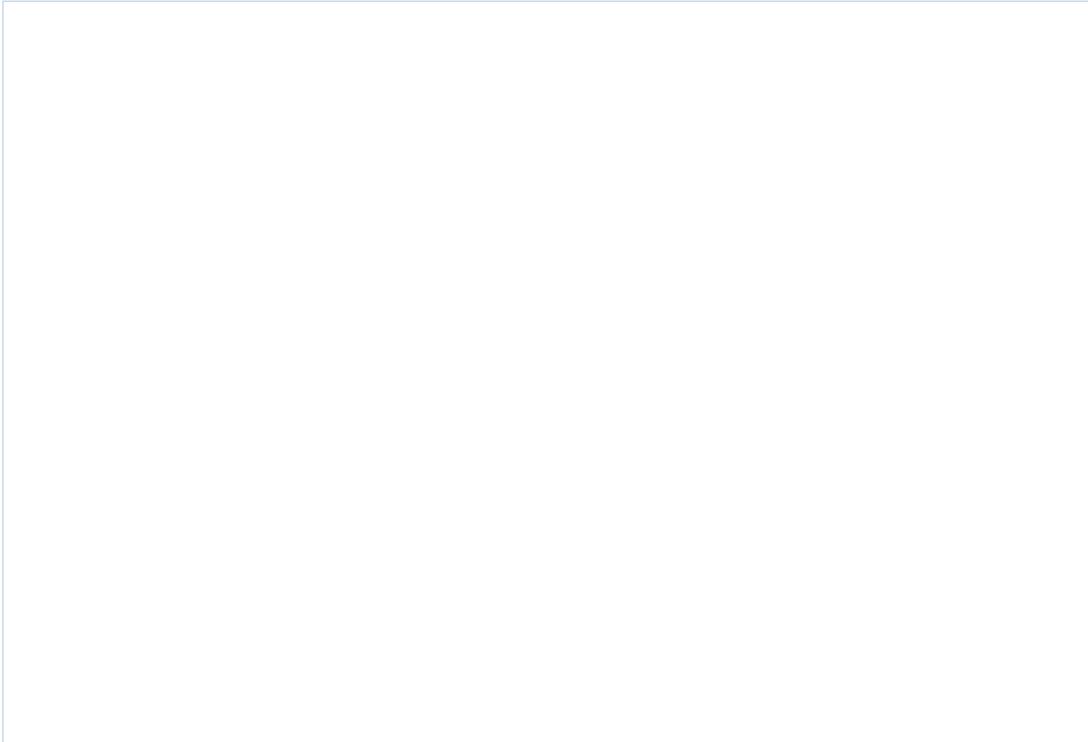
### Case study

Samantha is the Workplace Relations Manager at an oil and gas company and is responsible for managing and negotiating all workplace relations matters relevant to the organisation. Due to an economic downturn and the closure of three major oil rigs owned by the company, a number of employees have been made redundant. At a recent senior management meeting, the results of an employee attitude survey were discussed and it was identified that a number of employees have taken leave from work due to stress about job security, and exhaustion from heavy workloads. The organisation's strategic plan contains a long-term objective to increase employee motivation and job satisfaction over a five-year period.

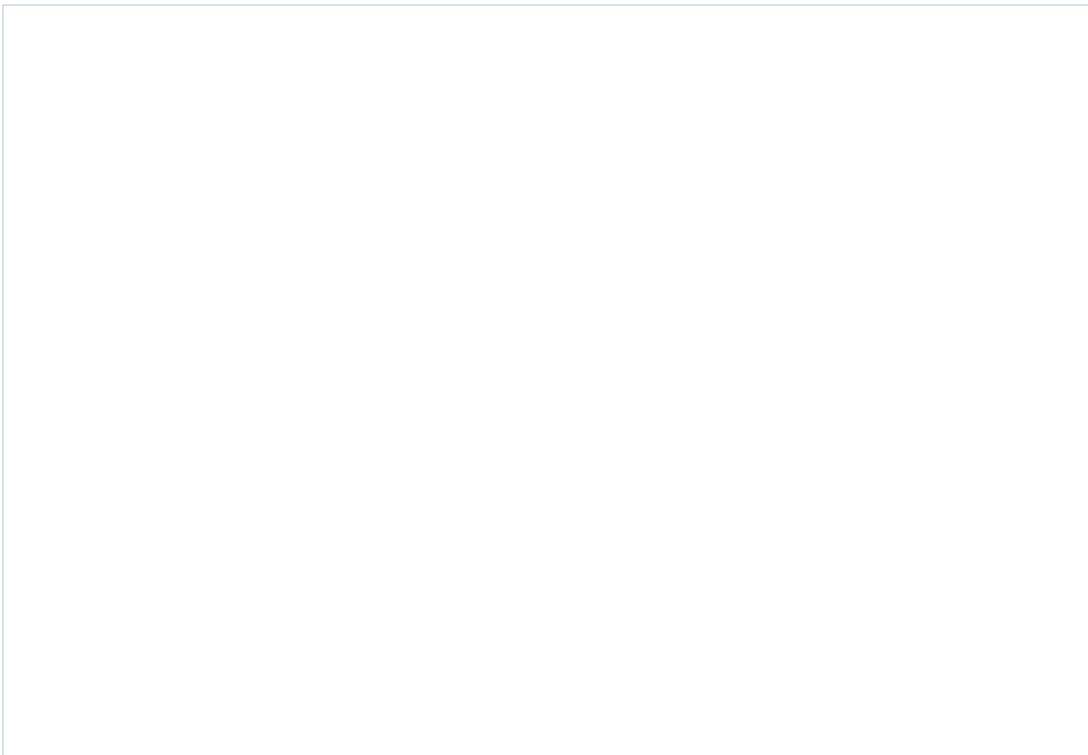
The senior management team asks Samantha to develop a workplace relations strategy and policy that supports the achievement of this strategic objective.

1. Which of the following statements would best describe the organisations ER objectives?  
Tick all that apply.
  - Increase employee motivation and job satisfaction within five years
  - Reduce staff attrition and absenteeism through the implementation of strategic ER initiatives
  - Proactively manage workplace health and safety incidents through improved consultation processes
  - Increase profits of the organisation through strategic restructuring and cost-reduction initiatives
  - Position ourselves as a major competitor within the oil and gas industry within five years
2. Describe at least two KPIs Samantha could use to evaluate and measure employee absenteeism levels.

3. Describe two workplace relations options that Samantha could implement to improve employee motivation and job satisfaction levels.



4. Outline a process that Samantha could use to analyse and manage any risks associated with the workplace relations strategy she will implement.



5. Draw a line to match each term about cost–benefit analysis to the definition that Samantha needs to follow.

» Determine break-even point

» Analyse the costs involved in implementing ER options and strategies, including allocating human resources, equipment, and cost of materials.

» Compare costs and benefits

» Qualitative and quantitative measures should be used to tangible and non-tangible outcomes of implementing the options and the strategy.

» Identify costs

» Calculate total costs and total benefits for each option/ strategy.

» Identify benefits

» Calculate how long it will take to repay the costs and recoup the benefits.

6. Number each step from 1 to 6 in the order that Samantha should follow to develop an ER policy to support her strategies.

- Review the policy
- Implement the policy
- Plan and consult with key stakeholders
- Draft the policy
- Research and define policy terms
- Monitor compliance of the policy

7. How can a skills audit help Samantha to implement the strategies and policy more effectively?







## Topic 2 | Implement ER and IR policies and plans

- 2A Develop an employee relations implementation and contingency plan
- 2B Organise training to support the ER plan
- 2C Agree on changes required by the implementation plan
- 2D Document and communicate procedures for addressing grievances and conflict
- 2E Review employee relations policies and plans

## 2A Develop an employee relations implementation and contingency plan

Once you have developed the required ER and IR plan and policy it is important to determine the best approach for their implementation. This includes developing an implementation and contingency plan.

After an organisation has identified, developed and agreed to its workplace relations plans, strategies and policies, HR professionals must prepare a plan to put them into practice. An implementation plan can be used to do this.

An implementation plan is a formal management tool used to illustrate, in detail, the critical steps necessary to implement workplace relations strategies and policies, measure a group of strategies and policies, or assist organisations to manage and monitor implementation effectively.

All workplace relations implementation plans should include contingency plans in case a breakdown occurs in negotiations with employees over proposed changes.

### Implementation plans

An implementation plan is used to assist organisations to move workplace relations strategies and policies from development to service provision.

An implementation plan should:

- be clear, accurate and free of jargon
- have SMART objectives; that is, objectives that are specific, measurable, achievable, relevant and have a time frame
- outline expected outcomes
- describe inputs and how they will achieve expected outcomes
- outline decision pathways
- determine a timeline for implementation
- define roles and responsibilities of employees responsible for workplace relations (WR)
- train and develop employees responsible for WR
- develop communication protocols.

## Best practice guides

While implementation plans will vary between different organisations and industries, the Fair Work Ombudsman offers an excellent range of best practice guides to help employers implement strategies relating to a range of workplace issues. By adopting best practice initiatives, employers and employees can achieve fairer, happier and more productive workplaces. Each guide has a checklist to help achieve best practice.

To support your learning, you might like to review the guides for a comprehensive discussion on the topics listed below.

What the Fair Work Ombudsman provides best practice guides on
• Work and family
• The right to request flexible working arrangements
• Consultation and cooperation in the workplace
• Use of individual flexibility arrangements
• Gender pay equity
• Workplace privacy
• Managing underperformance
• Effective dispute resolution
• Improving workplace productivity through bargaining
• Parental leave

## Workplace relations implementation plan

Workplace relations implementation plans may contain a number of sections. These are described below.

Contents of a workplace relations implementation plan	
1	<p><b>Plan definition</b></p> <p>Implementation plans must describe:</p> <ul style="list-style-type: none"> <li>what the plan will achieve</li> <li>why the plan is necessary</li> <li>how it will achieve these outcomes.</li> </ul>
2	<p><b>Strategy/policy objectives and performance outcomes</b></p> <p>The implementation plan should outline:</p> <ul style="list-style-type: none"> <li>the context of the workplace relations strategies and policies</li> <li>the underlying need for the workplace relations strategies/policies</li> <li>the legislative and regulatory environment</li> <li>any relevant research, information or analysis</li> <li>the delivery strategy to achieve proposed objectives</li> <li>who will be responsible for the various aspects of the implementation plan.</li> </ul> <p>Objectives should be specific, measurable, achievable, relevant, time-framed and agreed on.</p>
3	<p><b>Benefits statement</b></p> <p>It is important to include a benefits statement to show the benefits that will flow from implementation of the workplace relations strategies and policies. HR professionals must be able to measure the aspects outlined in the benefits statement.</p>
4	<p><b>Evaluation methodology</b></p> <p>An effective implementation plan should explain the methods that will be used to measure whether or not the plan has achieved its goals. HR professionals should choose a method that best suits workplace relations objectives and performance measures.</p> <p>Evaluation methodology should:</p> <ul style="list-style-type: none"> <li>be relevant to and focused on the identified objectives</li> <li>be based on objective performance standards or key performance indicators</li> <li>include a schedule to show when monitoring and evaluation will take place</li> <li>identify who will be responsible for monitoring and evaluation.</li> </ul>
5	<p><b>Governance/key responsibilities</b></p> <p>For a strategy to be successful, the implementation plan should outline:</p> <ul style="list-style-type: none"> <li>who is going to manage the various implementation processes</li> <li>what they are responsible for</li> <li>who they are accountable to</li> <li>what rules and procedures for decision-making will apply</li> <li>reporting responsibilities.</li> </ul>

Contents of a workplace relations implementation plan	
6	<p><b>Scope</b></p> <p>The implementation plan should identify what activities will be undertaken to deliver the organisation's workplace relations strategies and policies, and the activities that should not be undertaken. Defining the scope of the plan identifies any related activities that are outside the scope of the plan or expertise of HR professionals. Some activities may require completion by external parties or specialist consultants.</p>
7	<p><b>Implementation schedule</b></p> <p>The implementation plan should include a schedule clearly outlining what will happen and when it will occur. The implementation schedule identifies and describes the major phases of work that will be undertaken to achieve the desired outcomes of workplace relations strategy objectives. The schedule documents the sequence of events necessary to implement the workplace relations strategies and policies from concept to delivery.</p>
8	<p><b>Work breakdown structure</b></p> <p>Following on from the implementation schedule, the work breakdown structure (WBS) breaks down major phases of work into smaller activities and identifies the details of each key activity. The WBS lists all the workplace relations measures and services to be delivered. For each measure and service, a list of actions that need to be taken in order to deliver each workplace relations measure or service should be identified and explained.</p> <p>The resources required for the successful implementation of each workplace relations measure or service should be identified and a timeline provided for the commencement and completion of each key activity.</p>
9	<p><b>Resources</b></p> <p>A comprehensive list of resources necessary for the implementation plan should be included. By reviewing the scope and WBS sections of the plan, HR professionals can pinpoint the resources critical to the successful implementation of workplace relations strategies and policies. Resources could include tools and equipment, workers with specialist skills or knowledge, or the engagement of external consultants. This section should also identify whether resources are available internally, or whether they will be obtained from external sources.</p>
10	<p><b>Cost plan/budget</b></p> <p>The cost plan for the implementation plan is a management tool that allows expenditure to be tracked throughout the phases of work. The cost plan assists HR professionals to control costs and identify early warning over over-expenditure. The cost plan should be comprehensive and include all costs associated with each section of the implementation plan.</p>
11	<p><b>Risk assessment and management</b></p> <p>Risk management is the project of determining the level of risk to and from a proposed workplace relations strategy, policy or measure. Risk assessment techniques must be used to determine the level of risk and then a strategy to reduce the individual risks must be created.</p> <p>Risk management must be ongoing and identify who is responsible for reviewing risks on a regular basis, and how this will be done. The implementation plan needs to outline this information.</p>

Contents of a workplace relations implementation plan	
12	<p><b>Quality management plan</b></p> <p>Quality assurance means ensuring the implementation plan is on time and on budget. It also involves monitoring progress against milestones and within budget. Other quality assurance measures related to workplace relations objectives must be described. This section should include who will be responsible for ensuring the quality of particular activities, how quality will be measured and when quality assurance processes will be undertaken.</p>
13	<p><b>Communication plan</b></p> <p>The implementation plan should include appropriate communication methods that will engage all stakeholders. When devising these methods, the purpose of the communication must be considered.</p> <p>The communication plan should inform employees about:</p> <ul style="list-style-type: none"> <li>▪ the aims of workplace relations strategies and policies</li> <li>▪ workplace relations objectives and performance measures</li> <li>▪ what is required of employees</li> <li>▪ a timeline for implementation of workplace relations strategies and policies</li> <li>▪ where they can seek further information</li> <li>▪ who they should contact if they have questions</li> <li>▪ how they can provide feedback about the implementation plan and its contents</li> <li>▪ reporting lines.</li> </ul>

## Contingency plans

A contingency is an event that may occur but that is not likely or intended to happen. Managing contingencies is an important part of implementing an industrial/employee relations plan and involves the development of a formal process.

Contingency plans are designed to take account of possible future events or situations that threaten the success of workplace relations strategies, policies and objectives. Threats might include industrial action, workplace disputes or employee grievances. Contingency plans are developed to minimise or eliminate the adverse impacts of potential threats. They include action plans outlining the steps to be taken when something unexpected occurs.

Contingency planning is an integral part of an organisation's risk management plan. Contingency plans should enable immediate, realistic and effective responses to operational failures or changes in the workplace environment.

Contingency plans are essential where workplace relations strategies and policies are being implemented for the first time. HR professionals should develop flexible, adaptive and specific options that can be applied in response to potential or actual threats to the success of workplace relations implementation plans.

Contingency plans should:

- identify operational inefficiencies
- identify issues relating to the nature of the contingency
- outline the impacts of the contingency
- provide feasible and practical options for responding to contingencies
- identify the financial implications of the responses and related resource restrictions
- define time periods
- include risk management procedures
- be simple and easy to follow.

## Contingency planning process

There are four steps to the contingency planning process.

### Contingency planning process

1. Identify the possible contingencies that could disrupt workplace operations or threaten the successful implementation of workplace relations strategies and policies.
2. Determine the impact each contingency would have on the organisation and the likelihood of each contingency occurring.
3. Consider the triggers that would specifically cause the organisation to implement a contingency plan.
4. Decide on the actions to be taken and when. Determine who is in charge at each stage of the contingency plan and what type of reporting process they must follow.

## Contingency plan development

The contents of each contingency plan will depend on the type of workplace relations strategy or policy it relates to. However, a number of elements will be covered in each plan.

Contingency plans should include particular information, which is listed below.

Information to include in contingency plans
<ul style="list-style-type: none"><li>▪ A definition of the trigger or possible event that will cause the contingency plan to be implemented</li></ul>
<ul style="list-style-type: none"><li>▪ A brief description of how the business function should operate while the contingency plan is in effect</li></ul>
<ul style="list-style-type: none"><li>▪ Information on the circumstances affecting the implementation of the contingency plan (such as financial implications)</li></ul>
<ul style="list-style-type: none"><li>▪ Suggestions on how those circumstances can be fixed or resolved while the contingency plan is in place</li></ul>
<ul style="list-style-type: none"><li>▪ A definition of the conditions that allow for the retraction of the contingency plan</li></ul>
<ul style="list-style-type: none"><li>▪ Estimates of the costs required to develop, implement, manage and retire the contingency plan</li></ul>
<ul style="list-style-type: none"><li>▪ A high-level plan summary outlining the tasks to be completed, identifying the responsible parties, estimated time frames and requirements of each task</li></ul>

## Example

### Develop an employee relations implementation plan

An example of a plan for the implementation of a workplace relations strategy/policy relating to flexible working arrangements can be seen in the following table.

<b>Plan title:</b>	Workplace flexibility strategy implementation plan
<b>Plan definition:</b>	To provide a range of leave and flexible working arrangements in order to attract and retain employees; to provide flexibility in meeting business needs; and to assist employees in managing their work and personal responsibilities.
<b>Workplace relations strategy/policy objectives:</b>	<p>To increase productivity levels by improving employee motivation and job satisfaction levels by achieving a work-life balance for all employees.</p> <p>Eligible staff members who have been employed by the organisation for at least 12 months can request the following flexible working options:</p> <ul style="list-style-type: none"> <li>▪ Flexible working hours (such as changed start and finish times)</li> <li>▪ Part-time working arrangements</li> <li>▪ Reduced working weeks</li> <li>▪ Seasonal, part-year and annualised employment arrangements</li> <li>▪ Job sharing</li> <li>▪ Working from home</li> </ul> <p>Employees are eligible to request flexible working arrangements in the following circumstances:</p> <ul style="list-style-type: none"> <li>▪ The employee is a parent, or has responsibility for the care of a child who is of school age or younger</li> <li>▪ The employee is a carer (within the meaning of the Carer Recognition Act 2010 (Cth))</li> <li>▪ The employee has a disability</li> <li>▪ The employee is aged 55 or older</li> <li>▪ The employee is experiencing violence from a member of the employee's family</li> <li>▪ The employee provides care or support to a member of their immediate family or household who requires care or support because they are experiencing violence from the member's family</li> </ul>
<b>Legal environment:</b>	<i>Fair Work Act 2009</i> (Cth), clauses 65–66 <i>Carer Recognition Act 2010</i> (Cth)

## Develop an employee relations implementation plan

<b>Benefits statement:</b>	<p>It is recommended that the organisation implements a formal flexible working arrangements policy, which will assist the organisation to:</p> <ul style="list-style-type: none"> <li>▪ meet legal requirements</li> <li>▪ increase staff retention, satisfaction and motivation</li> <li>▪ improve workplace productivity</li> <li>▪ reduce absenteeism and staff turnover, resulting in lower recruitment and training costs</li> <li>▪ attract, retain and develop talents</li> <li>▪ be recognised as an employer of choice</li> <li>▪ provide smoother transitions for employees between work and parental leave</li> <li>▪ enable employees to maintain their effectiveness at work by meeting the needs of the work area, while also accommodating other personal responsibilities</li> <li>▪ provide both women and men access to equal opportunities and outcomes.</li> </ul>
<b>Workplace relations strategy/policy performance outcomes:</b>	<ul style="list-style-type: none"> <li>▪ Improved employee satisfaction levels</li> <li>▪ Reduction in staff absenteeism levels</li> <li>▪ Reduction in staff turnover levels</li> </ul>
<b>Evaluation methodology:</b>	<ul style="list-style-type: none"> <li>▪ Results from employee attitudes survey</li> <li>▪ Absenteeism ratio</li> <li>▪ Employee turnover rate</li> </ul>
<b>Governance/key responsibilities</b>	<p>The Human Resources (HR) Manager is responsible for the implementation, communication, monitoring and review of the organisation's flexible working arrangements policy.</p> <p>The HR Manager will measure the outcomes of the strategy on a six-monthly basis using the evaluation methodology specified, and report all findings in writing to the senior management team at their request.</p>
<b>Scope</b>	<p>All activities pertaining to the implementation of the organisation's flexible working arrangements strategy will be conducted internally by the organisation's human resources team.</p> <p>If the activities required for completion are outside the scope or level of authority of internal staff members, the HR Manager has the authority to seek the expert advice or specialist assistance from consultants external to the organisation. The HR Manager must seek approval from the senior management team before agreeing to, and engaging the services of external consultants.</p>

## Develop an employee relations implementation plan

Implementation schedule			
Phases of work	Milestone date	Responsibility	
Develop flexible working arrangements draft policy	3 October 2016	HR Manager	
Seek policy approval and/or amendments from senior management team	10 October 2016	HR Manager and senior management team	
Begin negotiating individual flexible working arrangements for eligible permanent and fixed-term employees	23 October 2016	All relevant line and senior managers	
Document individual flexible working arrangements in the relevant employees' enterprise agreements or contracts of employment	31 December 2016	HR Manager in consultation with line managers	
Monitor and review the operation of flexible working arrangements	30 June 2017	HR Manager, line managers	
Present performance results to senior management team	1 July 2017	HR Manager	
Work breakdown structure for the negotiating of individual flexible working arrangements:			
Key activities	Actions	Milestone date	Responsibility
Plan for negotiation	<ul style="list-style-type: none"> <li>▪ Create a set of clear objectives.</li> <li>▪ Gather relevant information.</li> <li>▪ Provide information to other party.</li> <li>▪ Consider other party's point of view.</li> </ul>	1 November 2016	HR Manager and line managers
Discuss arrangements with the other party	<ul style="list-style-type: none"> <li>▪ Meet with the other party.</li> <li>▪ Confirm both parties' objectives and feelings.</li> <li>▪ Listen carefully.</li> <li>▪ Establish common ground.</li> </ul>	10 November–30 December 2016	HR Manager

## Develop an employee relations implementation plan

### Work breakdown structure for the negotiating of individual flexible working arrangements:

Propose individual arrangements	<ul style="list-style-type: none"> <li>Define individual flexible working arrangements for the other party.</li> <li>Check the details are correct.</li> <li>Clarify the other party's understanding.</li> </ul>	10 November–30 December 2016	HR Manager
Negotiate individual arrangements	<ul style="list-style-type: none"> <li>Collaborate with the other party and make compromises to achieve objectives.</li> <li>Generate options.</li> <li>Reach a solution.</li> </ul>	10 November–30 December 2016	HR Manager
Check agreements	<ul style="list-style-type: none"> <li>Document and check agreements.</li> <li>Confirm party's agreement.</li> <li>Set agreement commencement date.</li> </ul>	10 November–30 December 2016	HR Manager

### Resource and cost plan

Objective/phase/activity	Resource	Cost
Administration of flexible working arrangements policy	Salary of HR Manager over six-month period	\$65,000
Negotiating individual flexible working arrangements	10 days external consultancy services	\$10,000
Implementation of 'work from home' arrangements	Wireless technology and equipment	\$30,000

### Acquisition of resources

All phases of work and activities undertaken for the implementation of flexible working arrangements will be sourced from internal staff members, except if the HR Manager requests the engagement of external consultancy services to assist in employee negotiations.

## Develop an employee relations implementation plan

Risk assessment		
Risk	Level (high/medium/low)	Management strategy
Noncompliance with legal obligations and ramifications of introducing flexible working arrangements	High	<ul style="list-style-type: none"> <li>Monitor adherence to legislative and regulatory requirements.</li> <li>Address serious risks of noncompliance.</li> <li>Provide training to all staff.</li> <li>Maintain an appropriate level of workers compensation insurance.</li> </ul>
Quality management plan		
Agreed quality standard	Measure	
Access to quality employment opportunities	Gender equality in access to and utilisation of flexible working arrangements to enable genuine choice for women and men in designing their work and caring arrangements, and in providing greater opportunities for men to choose to be more actively involved in caring	
Access to quality work and promotions	Combination of flexible working arrangements with management and supervisory positions	
Access to work-life balance	Monitoring the impact flexible working arrangements have on the achievement of an individual's desired work-life balance	
Communication plan		
Stakeholder	Information required	Method
All employees	Flexible working arrangements policy	Intranet (internal)
Line managers	Negotiation skills	On-site workplace training
Senior management	Evaluation of policy implementation	Written report and presentation provided by HR Manager

## Practice Task 6

### Question 1

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Which of the following statements relate to implementation and contingency plans?  
Tick all that apply.

- An implementation plan is used to assist organisations to move workplace relations strategies and policies from development to service provision.
- Contingency planning is required to ensure all of the objectives of the IR and ER strategy are evaluated, monitored and reviewed, for continuous improvement.
- Contingency plans are designed to take account of possible future events or situations that threaten the success of workplace relations strategies, policies and objectives.
- All workplace relations implementation plans should include contingency plans which include a detailed account of possible future events or situations that threaten the success of workplace relations strategies, policies and objectives.
- An implementation and contingency plan should be developed in consultation with managers and other key stakeholders.

### Question 2

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Number each step from 1 to 4 in the order you would follow to develop a contingency plan.

- Determine the impact each contingency would have on the organisation and the likelihood of each contingency occurring.
- Decide on the actions to be taken to address each event.
- Identify the possible contingencies that could disrupt workplace operations.
- Consider the triggers that would specifically cause the organisation to implement a contingency plan.

### Question 3

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List five sections that should be covered in an implementation plan.



## 2B Organise training to support the ER plan

Once the skills and knowledge required of managers and employees have been identified, the next step is to develop a training plan – including the training activities required at each stage.

It is essential that the workplace relations implementation plan outlines how employees will be given opportunities to access training and development that allows them to support the new policies.

The effectiveness of training and development is enhanced when training activities are preceded by comprehensive analysis. This allows HR professionals to demonstrate how training and development contributes to the objectives contained in the workplace relations implementation plan.

Training and support initiatives should be as cost-effective as any other functional activity within the organisation.

### Assess training needs

The identification of training needs, and the translation of those needs into training objectives, provides direction and purpose for learning and development activities.

A training needs analysis (TNA) is a process used to assess employee capabilities against required competencies. A successful TNA will establish what is needed, by whom, when and where, to ensure training objectives can be determined.

It is counter-productive to offer training to employees who do not need it, or to offer the wrong kind of support. A TNA will ensure that training resources are used effectively.

A TNA addresses the following questions:

- What training support is needed and why?
- Where is training needed?
- Who needs training?
- How will training be provided?
- How much will training cost?
- What will be the impact on the organisation?

## Conduct a training needs analysis

HR professionals should conduct a training needs analysis (TNA) to measure the knowledge and skills currently held by employees responsible for implementing workplace relations plans, strategies and policies. Learning and development activities should be specifically designed to target any identified knowledge or skills gaps.

The components of a training needs analysis are shown below.

Training needs analysis	
1	<p><b>Determine desired outcomes</b></p> <p>Clarify training goals and expected outcomes. Training goals should align with service level and organisational objectives.</p>
2	<p><b>Link desired outcomes with employee behaviour</b></p> <ul style="list-style-type: none"> <li>Identify the existing competencies of employees (behaviours, knowledge, skills, abilities and personal characteristics) and link these to desired outcomes.</li> <li>Collect information and consult with employees to determine which competencies are critical to achieving desired outcomes.</li> </ul>
3	<p><b>Identify trainable competencies</b></p> <p>Assess the critical competencies and determine if they are abilities an employee should possess prior to employment, or abilities that can be learnt on the job.</p>
4	<p><b>Evaluate competencies and identify performance gaps</b></p> <ul style="list-style-type: none"> <li>Evaluate existing competencies and identify where there are gaps between existing and desired abilities of employees.</li> <li>To evaluate competencies, use performance appraisals, self-assessments, one-on-one interviews, surveys, questionnaires, focus groups or psychometric testing.</li> </ul>
5	<p><b>Prioritise training needs</b></p> <p>Identify the number of employees who require training on the competencies identified. Consider the importance of the competencies in achieving service level and organisational objectives. Use identified competency needs to determine training priorities.</p>
6	<p><b>Select training methods</b></p> <ul style="list-style-type: none"> <li>Select appropriate training methods and learning and development activities according to the needs of the organisation.</li> <li>Consider adult learning principles and best practices for training in particular competencies.</li> </ul>
7	<p><b>Determine the costs</b></p> <ul style="list-style-type: none"> <li>Consider the costs associated with the training methods, to the extent that the methods selected will address performance gaps and meet service-level objectives.</li> <li>Costs may include time off for employees to attend training, program development time, training and assessment resources, training evaluation and reporting, travel and logistical expenses, lost productivity from time spent in training.</li> </ul>

Training needs analysis	
8	<p><b>Evaluate training</b></p> <ul style="list-style-type: none"> <li>• Measure how well the learning and development activities met the training and relevant service level objectives.</li> <li>• Observe employees to identify whether they have retained and applied the information and competencies received.</li> <li>• Assess whether training improved employee performance, enhanced service delivery and supported service-level and organisational objectives.</li> </ul>

## Develop a training program

Once training needs and goals have been determined, HR professionals must develop a training program by selecting methods and activities that achieve training and workplace relations objectives.

When planning a training program, there are a range of considerations that must be taken into account.

Consider the following questions when developing a training program.

Questions to ask
• Who is the target audience, what is their level of competence and what type of training best suits their needs?
• What are the costs of training and how will they be met?
• When and where will the training take place?
• What training resources are already available and who will develop training materials if they do not exist?
• How will training be delivered? Who will deliver it?
• What are the learning outcomes and performance criteria that must be met?
• What is the length and duration of the training program? When must outcomes be achieved?
• How will the training be structured to meet the needs of a diverse workforce?
• How will learning be assessed?
• What methods will be used to evaluate the effectiveness of the training program?

## Select training methods and activities

The methods and activities used to conduct training and assessment must be suited to the individual differences of the participants. Employees required to undergo training should be consulted during the development of the program to ensure the learning is relevant, appropriate and accessible by all participants.

Examples of training methods and their benefits are described below.

### Mentoring

Mentoring is a developmentally oriented relationship between senior and junior employees that involves advising, role-modelling, sharing contacts and giving general support.

Mentoring in the workplace can have long-term benefits as employees become more self-directed and develop strong communication and problem-solving skills. Mentored employees value collaboration and sharing of information.

### Coaching

Coaching is an on-the-job approach to management development in which the manager is given an opportunity to teach on a one-to-one basis.

Workplace coaching equips employees with the tools, knowledge and opportunities needed to develop themselves as effective and efficient workers.

### Shadowing

Work or job shadowing involves an employee following and spending time with a more experienced employee, observing everything they do.

Shadowing enables employees to learn what they are expected to do, and how they are expected to behave, when performing a particular role or delivering a service.

### e-learning

E-learning is learning conducted via electronic media, such as the internet, intranet, using CD-ROMs, videos, Smartboards or other available media.

E-learning is increasingly becoming the preferred training method in many organisations due to its cost-effective and efficient nature. E-learning modules can be easily personalised and tailored to serve a specific purpose and is less intimidating for employees than instructor-led courses.

### Job rotation

Job rotation is the process of moving employees between different tasks to promote experience and variety. Job rotating allows employees to gain new skills and knowledge and produces multi-skilled employees who are able to deliver a range of organisational services.

### Classroom learning

Classroom learning is the most traditional method for training and involves a large number of employees attending instructor-led sessions on specific topics.

Classroom learning is beneficial and cost-effective when training a large group of employees with limited access to instructors. Classroom learning may be conducted on-site in the workplace, or at an off-site location, such as a Registered Training Organisation's premises.

### Self-paced study

Employees who are capable and motivated may benefit from directing their own learning. Self-paced study involves the distribution of training resources to individuals who go away and learn the content in their own time.

Self-paced study allows individual learning needs and training preferences to be met, but is not suitable for the purposes of developing group competencies.

### Peer training

Peer training is a process through which two or more professional colleagues work together to reflect on current work practices to build new skills, share ideas and demonstrate to one another how services and systems work.

Peer training is unique to the individuals engaged in it but generally develops skills in problem solving, teamwork and collaboration.

### Action learning

Action learning is based on learning by experience. It uses real problems from the work situation for trainees to solve.

Action learning provides for the immediate transference of skills and knowledge, bringing about a change of behaviour and thinking processes. It also promotes team learning and problem solving by challenging groups of employees to resolve complex business issues on the spot.

### Simulation

Simulation is a training device designed to reproduce a real-world situation in a risk-controlled learning environment.

Simulation includes role-play training activities in which participants assume the roles of specific people in situations, act out the event and then review the implications of their behaviour.

### Competency-based training

Competency-based training is a skills approach to employee development. Its focus is on performing specific tasks to a predetermined standard.

Competency-based training establishes a framework for constructive performance assessments by management at scheduled intervals and ensures training programs are cost-effective, goal-oriented and productive.

## Document training plans

HR professionals or learning and development coordinators should develop formal training plans for each employee participating in a workplace relations training program. Written training plans describe the goals and objectives, actionable strategies, milestones, progress measures and assessment outcomes.

Asking employees to read and agree to their individual training plans encourages them to take active ownership for their learning goals and outcomes.

A formal training plan should include the sections shown below.

### Training goals

This describes the overall results or capabilities the learner hopes to attain by implementing their training plan.

Example: Become a workplace health and safety officer

### Learning objectives

This describes what the learner will be able to do as a result of the learning activities in their training plan.

Example:

- Demonstrate safe work methods.
- Exhibit interpersonal communication skills.
- Understand work health and safety compliance requirements.

### Training methods

This describes what the learner will do in order to achieve their learning objectives.

Example:

- Complete an e-learning course in work health and safety.
- Demonstrate safe work methods using simulation activities.
- Job shadow a work health and safety officer for one day.

### Evidence

This describes the evidence produced during the learning activities to demonstrate the skills and knowledge required by the training program.

Example:

- Certificate for completion of e-learning course
- Assessor's observation of the learner demonstrating safe work methods
- Documented evidence of completing a work health and safety audit in the workplace

### Evaluation

This is an assessment and judgment on quality of evidence in order to conclude whether the learner has achieved their learning objectives or not. Evidence must be valid, sufficient, authentic and current.

- Valid – the assessor is assured the learner has the skills, knowledge and attributes as described in the training program.
- Sufficient – the assessor is assured that the quality, quantity and relevance of the assessment evidence enables a judgment to be made about the learner's competency.
- Authentic – the assessor is assured that the evidence presented for assessment is the learner's own work.
- Current – the assessor is assured that the assessment evidence demonstrates current competency. This requires the assessment evidence to be from the present or the very recent past.

## Evaluate training program

Training should contribute to the achievement of organisational and specific workplace relations objectives. As a result, HR professionals must include an evaluation phase as part of the learning and development activities within an organisation.

Those who do not undertake an evaluation phase tend to measure training program popularity, which is often a measure of entertainment, not of the transfer of learning.

HR professionals must show senior management that the money spent on training was worthwhile and that the program helped improve workplace relations performance and productivity levels. If management view the training program as adding measurable value, training will be regarded as essential to the organisation's success.

HR professionals must be able to assess and communicate the benefits of all workplace relations training and development interventions. To evaluate training, it is necessary to compare the intended outcome with measurements of actual achievement and to analyse any variances.

Professor Donald Kirkpatrick (1983) suggested a structure for measuring training effectiveness, which is described below.

#### Level 1: Reaction

Reactions can be measured during or after learning and development activities. Reactions include the attitudes and opinions of program participants and identify how much they enjoyed the program, its content, the trainer, the training methods used and the facilities in which the training took place. Reaction data can be gathered by having participants complete a questionnaire.

#### Level 2: Learning

Learning can also be measured at the end of learning and development activities. Special or standardised tests can be used to measure how well the participants have developed a particular skill or acquired a piece of knowledge.

#### Level 3: Behaviour

The behaviour measurement involves identifying changes in job behaviours, work relationships and other factors (such as HR service delivery) that can be attributed to the learning and development activities. Evidence of employee performance can be collected via direct observation or performance appraisal records.

#### Level 4: Results

Results measure how the training program affected organisational objectives. It provides the HR manager or service provider with a cost-benefit analysis of the training effort.

## Example

### Arrange training and development to support the employee relations plan

Here is an example of a training program evaluation questionnaire.

Training program evaluation					
<b>1. Program objectives</b> How clear were the training program's learning objectives?	1 Unclear	2	3 Fairly clear	4	5 Very clear
<b>2. Program relevance</b> How relevant was the learning material to your job?	1 Irrelevant	2	3 Somewhat relevant	4	5 Highly relevant
<b>3. Instructional design</b> Were the learning objectives designed to lead from the simple to the more complex?	1 Never	2	3 Usually	4	5 Always
<b>4. Training methods</b> How appropriate were the training methods used?	1 Inappropriate	2	3 Somewhat appropriate	4	5 Highly appropriate
<b>5. Trainer's knowledge</b> How well did the trainer know the materials?	1 Minimally	2	3 Satisfactorily	4	5 Expertly
<b>6. Trainer's instructional ability</b> Apart from the trainer's knowledge of the subject, how well did they impart understanding?	1 Poor	2	3 Satisfactory	4	5 Excellent
<b>7. Participant interest</b> How much interest did the training program generate?	1 None	2	3 Some	4	5 A great deal

### Arrange training and development to support the employee relations plan

<b>8. Training value</b> What value will this program be to you in your job?	1 Useless	2	3 Somewhat helpful	4	5 Highly valuable
<b>9. Facilities</b> How would you rate the facilities?	1 Unsatisfactory	2	3 Satisfactory	4	5 Excellent
<b>10. Resources</b> How would you rate the training and assessment resources/materials?	1 Useless	2	3 Somewhat helpful	4	5 Highly valuable
<b>11. Overall</b> How would you rate this training program?	1 Unsatisfactory	2	3 Satisfactory	4	5 Excellent

**General comments:**

What did you most enjoy about this training program?

What did you enjoy the least about this training program?

What suggestions would you make to improve this training program?

## Practice Task 7

### Question 1

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Which of the following statements are correct? Select yes or no for each one.

- |   |       |      |
|---|-------|------|
| a) A training needs analysis (TNA) is a process used to assess employee capabilities against required ER and IR competencies.                                 | » Yes | » No |
| b) A TNA is an ongoing process that should be completed at least each month to ensure the training plan is on track.  | » Yes | » No |
| c) A successful TNA will establish what is needed, by whom, when and where, to ensure training objectives can be determined.                                  | » Yes | » No |
| d) Development of training plans should involve a consultation process with individual employees and their managers.  | » Yes | » No |
| e) Once training needs have been determined, HR professionals must develop a training program by selecting methods and activities that meet individual goals. | » Yes | » No |

### Question 2

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List and briefly describe five different types of training methods that can be used to train and develop employees and managers in ER matters.

## 2C Agree on changes required by the implementation plan

Changes to an implementation plan may be identified as part of the planning and consultation process. Making changes to employee relations strategies and policies usually requires agreement and approval from management.

Where workplace relations strategies and policies are developed and implemented within an organisation, there may be situations where changes are required to the organisational policies or implementation plan. As a result, workplace relations managers and professionals must undertake a variety of associated workplace relations activities, and consult with a number of representatives and advisory bodies, to reach agreement on the changes.

Associated workplace relations activities
Clarifying terms and conditions of employment of those people affected
Consulting with employee representatives, including unions or elected worker representatives
Ensuring the legality of proposed workplace relations strategies, policies and initiatives
Referring to employer representatives for advice and support

### Consultation

Consultation is a requirement of many modern awards and enterprise agreements under the Fair Work laws.

Consultation is essential in ER and IR activities because it provides employees and managers with opportunities to provide input about proposed changes; however, consultation is about more than just providing information.

Consultation is the process of actively providing stakeholders and experts with an opportunity to contribute to the decision-making process. A consultation process must allow reasonable time for workers to consider changes and provide feedback and have their issues and concerns resolved.

HR professionals are responsible for consulting with employee representatives, employer organisations, government agencies, and external consultants to renegotiate agreements or make necessary changes to workplace relations strategies and policies.

The types of advice and support provided by each group are identified below.

### Trade unions

A trade union is an organised association of workers in a trade, group of trades or occupation, formed to protect and further their rights and interests.

HR professionals may need to consult trade unions to negotiate pay and conditions of employment, safer workplaces, better working hours, flexible working arrangements, leave entitlements or compulsory employer superannuation contributions.

Unions can provide professional advice and assistance with:

- unfair or unlawful dismissal
- discrimination, harassment or workplace bullying
- work-related injuries, accidents or illnesses
- collective bargaining for better pay and working conditions
- legal advice and representation
- dispute resolution
- employee training on workplace relations matters
- participation in industrial action or lobbying activities.

### Employer associations

An employers' association is a collective organisation of manufacturers, retailers, or other employers of wage labour seeking to coordinate the behaviour of their member companies during negotiations with trade unions or government bodies.

HR professionals may need to consult employer associations to seek assistance in an organisation's negotiations with employees and their representatives.

Employer organisations can provide professional advice and assistance with:

- handling workplace conflict and grievances
- representing employer interests at industrial tribunals
- drafting and representation of collective agreements
- interpreting awards
- compliance with relevant employment legislation
- carrying out research on employment issues relevant to a business
- employment issues such as enterprise bargaining, contracts of employment, unfair dismissal, leave entitlements, termination, redundancy, equal opportunity, discrimination and harassment
- recruitment, selection, induction and training of employees.

### Government agencies

The Fair Work Ombudsman is an independent statutory agency of the Australian Government that serves as the central point of contact for free advice and information on the national workplace relations system.

HR professionals may need to consult with the Fair Work Ombudsman to ensure the legality of workplace relations strategies, policies and initiatives being implemented in their organisation.

The Fair Work Ombudsman can provide professional advice and assistance with:

- minimum pay rates from awards, enterprise agreements or other registered agreements
- minimum leave entitlements for employees who come under the NES
- the rights and obligations of employers making staff redundancies
- minimum employee entitlements
- minimum working conditions
- the resolution of workplace issues or disputes
- workplace relations training and development
- workplace relations best practice guides.

### External consultants

Where an organisation does not belong to an employer association, it might engage the services of external workplace relations consultants, legal firms or professional bodies for specialist workplace relations advice and assistance.

External workplace relations consultants and other professionals can assist with:

- developing workplace relations strategies to help employers get the best out of their workforce
- developing workplace relations policies that meet current legislative requirements
- providing businesses with comprehensive and cost-effective training courses
- assisting employers to resolve employee disputes in-house
- carrying out workplace investigations
- managing employee records off-site
- providing effective representation in cases where external parties become involved
- providing highly specific or technical advice.

## Consultation format

The timing and format of consultation sessions should be specific to the needs and constraints of each stakeholder within the planning and implementation process. Due to level of priority of employee relations planning, in most cases a formal meeting involving HR and senior management will be the appropriate forum. This may include brainstorming sessions, facilitator led discussions or open forums.

If the key stakeholders work or reside in different locations, a webinar or teleconference is usually held.

All formal meetings will need to be scheduled in advance with each attendee to ensure each person is well prepared and has the time available in their schedule to participate fully in the review process.

### Example

#### Undertake employee relations activities to agree on changes required by the implementation plan

Simeon is a marketing employee who made several errors on his last project. Simeon's manager advised him that he would undergo a performance management program to develop his skills. However, while on this program, Simeon continued to make errors. As a result, Simeon's employer changed his daily duties while he was undergoing further training. Simeon lodged a complaint of workplace discrimination with the company's HR manager, Malcolm. Simeon tells Malcolm that if they cannot resolve the issue in-house, he will lodge a formal complaint with the Fair Work Ombudsman for unlawful discrimination.

Malcolm contacts the company's employer association for advice on handling Simeon's grievance. The employer association representative tells Malcolm that it is not unlawful to alter a person's employment if the reason is not based on one or more of their personal attributes (such as race, sex, age, disability). After conducting a thorough investigation into the matter, Malcolm is satisfied that Simeon's claim is not substantiated. To ensure the fair and equitable resolution of the dispute, Malcolm invites Simeon and a representative of his choice to meet with Malcolm and discuss how the issue can be resolved in a way that satisfies both parties.

## Practice Task 8

### Question 1

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Which of the following statements relate to consultation and agreement on ER/IR plans?  
Tick all that apply.

- Formal agreement with management and other key stakeholders is required when making changes to ER/IR plans.
- Consultation is not a requirement of the Fair Work laws.
- A consultation process must allow reasonable time for workers to consider changes and provide feedback and have their issues and concerns resolved.
- Consultation is the process of actively providing stakeholders and experts with an opportunity to contribute to the decision-making process.
- Consultation is the responsibility of employees, supervisors and managers.

### Question 2

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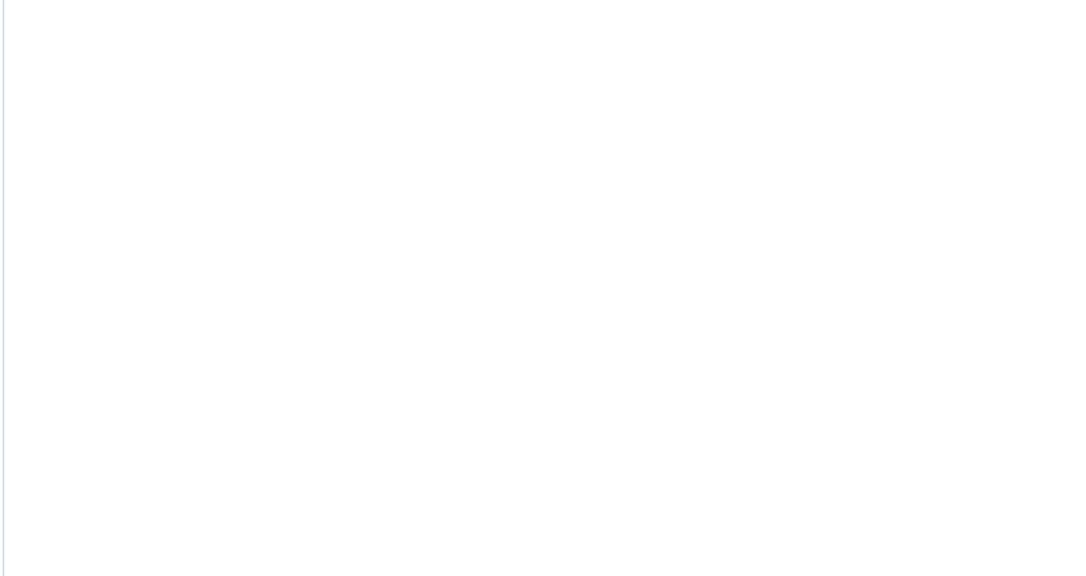
Draw a line to match each term about internal and external stakeholders to its correct definition.

- |  |                         |
|--|-------------------------|
| » Employees and their supervisors                | » Internal stakeholders |
| » Employer associations and external specialists | » Internal stakeholders |
| » Senior managers and the board of directors     | » External stakeholders |
| » Trade unions and their representatives         | » External stakeholders |

### Question 3

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List two types of ER/IR plan changes that you might need to seek approval for when developing the implementation plan.



## 2D Document and communicate procedures for addressing grievances and conflict

A workplace grievance is a real or imagined cause for complaint relating to an employment issue or work conditions.

Whenever an employee has a complaint relating to their work, work duties, employer or another person, a process must be developed to ensure the issue is resolved effectively. Workplace procedures may be implicit (verbally agreed and disseminated) or explicit (recorded in a formal document and published for the workplace to read).

The Fair Work Act specifies the need for organisations to have a formal procedure in place to prevent and settle disputes, conflicts and grievances.

Workplace grievances may be lodged by individual employees, a group of employees, or trade union representatives. If not properly addressed, grievances can escalate into disputes, which can then lead to industrial or federal court action.

### Grievances

For a real grievance or workplace conflict to occur, there must have been a violation of an employee's rights on the job. Also, it must have been the employer or the employer's representative who has violated these rights, directly or indirectly. Most grievances are real in the sense that there is evidence the employer has violated an employee's rights, but this doesn't mean the employee will also win the case.

A number of common workplace grievances are described below.

Common workplace grievances	
<b>Pay and benefits</b>	The most common type of workplace grievances relate to pay and employee benefits. These complaints may involve the amount and qualifications for wage increases, pay equity for comparable work within an organisation, or the cost and coverage of benefit schemes.
<b>Workloads</b>	Another common type of workplace grievance relates to heavy workload. Workers employed by companies going through tough economic times may ask employees to take on more work or responsibility without a pay increase. An employer may also decide not to fill a vacant position and instead assign additional work to existing employees. Such situations lead to employee frustration, workplace stress and job dissatisfaction.
<b>Work conditions</b>	Maintaining a safe and clean environment is crucial to maintaining employee motivation and improving job satisfaction. WHS legislation protects the rights of workers to a safe and healthy workplace. Employees who believe their employer is not following the applicable WHS regulations and guidelines may decide to lodge a grievance.

Common workplace grievances	
<b>Employee rights and entitlements</b>	Employees may complain when they believe the rights owed to them by their employer are not being protected, or entitlements not being met. If employees are unfairly refused leaves of absence, experience unlawful discrimination, workplace harassment or bullying, or unfair dismissal, they have the right to lodge a formal complaint with the Fair Work Ombudsman.
<b>Job role and responsibilities</b>	Employee grievances may relate to the assignment and placement of workers within an organisation. An employee may consider the transfer, promotion or allocation of work to be improper. If an organisation goes through a period of restructuring, employees may be unhappy with changes to their job roles and/or responsibilities.
<b>Violation of union rights</b>	Employees have the right to freedom of association, allowing them to join, or not to join, a trade union. Employees may complain if their employer fails to give them proper representation during industrial disputes or undermines the activities of the union, the employee's union membership, or the union's documented grievance procedures. Employees may also lodge a grievance if they believe they have been unfairly treated because of their union membership or participation in industrial action.
<b>Disciplinary action</b>	Where an employee is required to undergo disciplinary action, but does not believe the action is warranted as a result of unreasonable rule or penalties without just cause, they may lodge a workplace grievance.
<b>Management practices</b>	Employees may lodge a workplace grievance if they perceive their employer's management or supervisory practices to be unlawful. Examples include instances where there is evidence of abuse of authority, intimidation or coercion, over-supervision, inadequate supervision, discrimination or favouritism.
<b>Policy grievances</b>	Both the employer and employee can file a policy grievance relating to the interpretation or application of a collective agreement or workplace relations policy. If workplace relations agreements, strategies, policies and initiatives are not properly documented or understood, an organisation may risk noncompliance with the relevant workplace relations legislative requirements.

## Grievance resolution

Effective grievance resolution can assist employers to maintain good relationships with their employees by dealing with workplace issues at an early stage. Employees are more likely to cooperate and work productively if they know their grievances will be taken seriously by the organisation, and that their right to independent representation will be protected.

A good grievance resolution process will focus on effective resolution at the workplace level, which will help to avoid the costs of resolving claims externally through the FWC or relevant division of the Federal Court.

Grievance resolution procedures must:

- be flexible enough to allow grievances to be managed promptly and appropriately according to individual circumstances
- adopt a common-sense approach with a focus on resolution and fairness
- ensure that all matters are initially assessed to determine that grievance management is the most appropriate pathway for resolution
- ensure that serious matters are not managed as grievances but as disputes and referred appropriately
- ensure that the people responsible for managing grievances have the competencies to do so
- support the early use of facilitation and mediation where appropriate
- identify and protect the rights and responsibilities of all workers
- maintain appropriate confidentiality, documentation and record keeping
- be consistent with relevant employment legislation
- include an evaluation and review process for quality assurance.

## Key responsibilities

Workplace relations managers and professionals are responsible for managing an organisation's grievance handling and resolution procedures.

Here are some of their most important responsibilities.

### Key responsibilities of workplace relations managers and professionals

- Ensuring employees are aware of the grievance process
- Dealing with grievances professionally, sensitively, confidentially and within recommended time frames
- Taking all practicable steps to protect employees from victimisation

- Keeping aggrieved persons and respondents informed of the progress of the grievance
- Recognising and identifying employee issues and concerns and attempt to resolve matters as they arise
- Facilitating the resolution of formal grievances with the relevant parties and document the actions undertaken to resolve the grievance

## Grievance resolution process

A fair and balanced grievance resolution process is important for the effective operation of any business. The purpose of grievance resolution procedures is to provide a framework in which employment issues can be discussed, decisions can be reviewed, all relevant facts can be gathered and a fair, equitable and reasonable outcome achieved.

The typical process for grievance resolution is outlined below. The person responsible for handling the grievance must record the actual dispute and any action taken at each step of the process.

Grievance resolution process
1. An employee (and/or their representative) meets with their direct manager (and/or their representative) to discuss their workplace grievance.
2. The manager listens carefully to the employee and together they try to resolve the dispute.
3. If the manager and the employee cannot resolve the dispute, or it is outside the manager's scope to deal with the dispute, the matter should be referred to senior management.
4. Senior management listens to the employee's grievance and either resolves the dispute or refers the matter to more senior management.
5. More senior management listens to the employee's grievance and attempts to resolve the dispute. It is either resolved or referred to an independent body.
6. An independent conciliator, arbitrator or mediator, such as the FWC, assists to resolve the dispute.

## Right to representation

All employees should be advised of their right to seek advice or support from trade unions, health and safety representatives, colleagues, government agencies, external consultants, legal advisors and other specialists in making their grievance.

The *Fair Work Act 2009* (Cth) requires that a dispute resolution clause in an enterprise agreement must:

- set out a procedure that requires or allows the FWC or some other independent person to settle the dispute
- allow for the representation of employees covered by the agreement when there is a dispute (for example, by another employee or union representative).

The Fair Work Regulations 2009 contain a model dispute resolution clause that can be used to develop a dispute resolution term in an enterprise agreement.

Employers must fully recognise a union for the purposes of collective bargaining when pay and conditions of employment are jointly agreed between an employer and a trade union. Partial recognition occurs when employers restrict trade unions to representing their members on issues arising from employment.

## Dispute resolution referrals

Where a workplace issue cannot be resolved through internal grievance resolution procedures, the matter then becomes an industrial dispute about matters pertaining to the employment relationship and alternative dispute resolution (ADR) procedures are sought.

The aim of dispute resolution is to resolve differences between an employer and a trade union. The aim of collective bargaining is to reach agreement, preferably to the satisfaction of both parties. Dispute resolution or conflict management procedures provide for various stages of 'failure to agree' and often include a clause providing for some form of dispute resolution in the event of the procedure being exhausted.

The FWC may settle a dispute via mediation or conciliation, or by making a recommendation or expressing an opinion. Where it is agreed by the parties, the FWC may also deal with the matter by arbitration and make a binding decision regarding the dispute.

The FWC may only deal with disputes if an application has been made to them by a party to the dispute.

## Develop grievance resolution procedures

A fair and balanced grievance resolution process is important for the effective operation of any business. The purpose of grievance resolution procedures is to provide a framework in which employment issues can be discussed, decisions can be reviewed, all relevant facts can be gathered and a fair, equitable and reasonable outcome achieved.

A well-developed grievance resolution procedure will:

- ensure proceedings are conducted in a fair, equitable and timely manner, without bias
- provide an amicable method of conflict resolution to reduce industrial action
- provide quick, effective and satisfactory results
- allow appropriate stages so that matters can be resolved in the workplace
- lead to improved workplace communications, relationships and workplace culture
- increase organisational productivity and efficiency levels
- improve employee motivation, satisfaction and wellbeing
- minimise or eliminate the costs and delays of referring a matter to a tribunal or court
- be transparent, made known and easily accessible by all employees
- provide natural justice for employees.

## Document grievance resolution procedures

Documented procedures may be paper-based or electronic. The process below briefly describes how grievance resolution procedures should be documented to relevant stakeholders in an organisation.

### Documenting grievance resolution procedures

1. Collect and organise the relevant information about the procedures you wish to communicate.
2. Plan the document using a communication plan that assists you to identify the best methods, structure, language and distribution channels for presenting the information.
3. Draft the document and seek approval from the relevant manager.
4. Proofread and edit the document to ensure information is accurate and up to date.
5. Produce the final copy and prepare for manual or electronic distribution.

### Example

#### Document procedures for addressing grievances and conflict

An example of a grievance resolution procedure used by James Cook University can be viewed at: [aspirelr.link/jcu-complaints-procedure](https://aspirelr.link/jcu-complaints-procedure)

## Communicate procedures

For grievance resolution procedures to be implemented in the workplace, HR professionals must communicate and distribute the procedures effectively. By developing a communication plan, HR professionals can ensure the right people receive the right information at the right time.

Grievance resolution procedures must be distributed and easily accessible to all relevant stakeholders. This includes full-time, part-time and casual employees, as well as employees who are on leave, or contractors engaged by the organisation to provide a service over a period of time.

## Communications plans

A communications plan will deal with what information an organisation wants to provide to its employees, how it wants to provide it, to whom, and in what time frame. Provision should also be made for employees to provide feedback, ask questions, or express concerns about the information conveyed.

Effective communication generates trust as organisations take the time and effort to clearly explain workplace information to employees.

HR professionals should carefully plan what, how, when and to whom grievance resolution procedures should be communicated and distributed to stakeholders in their organisation.

The communication plan should inform employees about:

- the purpose of the grievance resolution procedures
- the steps employees must take if they wish to lodge a grievance
- where employees can seek further information about the procedures
- who employees should contact if they have queries or concerns about the procedures
- who is responsible for monitoring, reviewing and updating the procedures
- the alternative dispute resolution procedures available where a grievance cannot be resolved using informal or formal processes
- the legal rights and obligations of employees and employers through the grievance resolution process.

A communications plan should include, but is not limited to, the sections shown below.

#### Background

Information on why a communications plan has been prepared

#### Objectives

SMART objectives that follow on from the key issue or information being communicated

#### Target audience

The relevant stakeholders impacted by the information

#### Key messages

Key messages summarise the information to be communicated to the target audience(s). Audiences will be required to understand, follow and act upon key messages.

Key messages will be used consistently throughout the implementation of the communications plan. They should be brief, written in plain English and easily understood by the target audience.

#### Communication methods

The methods and channels that will be used to communicate and distribute the information

#### Action plan

The actions that must be taken to implement the communications plan

#### Evaluation

Indicators to measure the effectiveness of communication activities in achieving objectives

## Communication methods

A communication plan should cover the range of methods that will be used to convey the information. To be effective, communication must be clear, easily understood and concise. Relevant information should be presented systematically on a regular and timely basis.

A range of communication methods will be necessary to communicate and distribute grievance resolution procedures. Communication may be verbal or written, direct or indirect.

Grievance resolution procedures may be communicated via:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>▪ access to internal intranet</li> <li>▪ coaching or mentoring activities</li> <li>▪ team meetings</li> <li>▪ newsletters and bulletins</li> <li>▪ policies and procedures manuals</li> <li>▪ consultative committee meetings</li> <li>▪ magazines</li> </ul> | <ul style="list-style-type: none"> <li>▪ during induction or other workplace training</li> <li>▪ face-to-face or video presentations</li> <li>▪ memorandums, faxes or emails</li> <li>▪ company reports</li> <li>▪ noticeboards or on a company's website</li> <li>▪ distribution of legislative documents.</li> </ul> |
|--|--|

## Written communication

Face-to-face communication to individuals or groups of employees is both direct and prompt and provides opportunities to gauge the reactions of people who can respond immediately by asking questions. However, where the information is important or complex, face-to-face communication must be supplemented by written material or communications distributed via the intranet.

Written communication is most effective when the information is critical to an organisation's operations. The significance and complexity of grievance resolution procedures requires a detailed and accurate explanation. The audience will be widespread across the organisation.

Written communication may be paper-based or electronic, and includes printed materials, policies or processes, electronic mail, internal memos, faxes, general correspondence, brochures, letters, forms and fact sheets. To be effective, written communication must include the features shown below.

<b>Accuracy</b>	Accuracy: plan, draft and validate the information to be communicated, ensuring that facts, figures and guarantees are accurate and authorised in advance
<b>Clarity</b>	Clarity: clarify and explain complex subjects using as few words as possible; avoid repetition and leave out unnecessary information

<b>Conciseness</b>	Conciseness: avoid information overload; use short paragraphs and sentences, so that the audience will not be confused by excessive information
<b>Purpose</b>	Purpose: use a direct and straightforward approach so that the reason for the communication is clear to the audience
<b>Plain English</b>	In plain English: avoid using academic, jargon or colloquial language to ensure the information is easily understood by all stakeholders
<b>Courtesy</b>	Courtesy: use polite and respectful language and address specific stakeholders appropriately
<b>Cultural sensitivity</b>	Cultural sensitivity: build rapport by considering the cultural differences of the audiences, using language that is sensitive and respectful towards individual differences
<b>Currency</b>	Up-to-date: due to the changing needs of HR services, communication will need to be updated regularly and redistributed to all stakeholders notifying them of any changes
<b>Format styles</b>	Format appropriately: consider the length, style, tone and flow of information; use a logical structure, correct language conventions and spelling and grammar to give credibility to the information.

## Distribution of information

The communications plan should fully inform stakeholders about all aspects relating to grievance resolution to ensure a comprehensive distribution of information is achieved.

The key to gaining acceptance, approval of, and commitment to workplace relations policies and procedures is by making the information easily accessible by stakeholders, and linking the procedures to organisational objectives or performance outcomes.

Grievance resolution information should:	
<ul style="list-style-type: none"> <li>▪ align with strategic and operation objectives</li> <li>▪ link to workplace relations objectives and performance outcomes</li> <li>▪ list benefits for stakeholders</li> <li>▪ provide details of consultative processes</li> <li>▪ describe the desired outcomes</li> <li>▪ identify where further information can be sought</li> <li>▪ acknowledge the legal rights of stakeholders</li> <li>▪ identify feedback mechanisms</li> <li>▪ describe the overall aims of procedures</li> </ul>	<ul style="list-style-type: none"> <li>▪ describe the implications of organisational change</li> <li>▪ identify impact on roles and responsibilities</li> <li>▪ identify any action to be taken by stakeholders</li> <li>▪ provide a timeline for implementation and review</li> <li>▪ identify a person responsible for answering queries and concerns</li> <li>▪ identify the ethical obligations of stakeholders</li> <li>▪ include a process for monitoring and review of procedures.</li> </ul>

## Example

### Communicate key issues about procedures for addressing grievances

An example of a communications plan can be seen in the following table.

Communications plan: Grievance resolution procedures
<b>Background</b>
<p>This communications plan has been developed to inform employees about organisational grievance resolution procedures, including:</p> <ul style="list-style-type: none"> <li>▪ the purpose of the procedures</li> <li>▪ the steps employees must take if they wish to lodge a grievance</li> <li>▪ where employees can seek further information</li> <li>▪ who employees should contact if they have queries or concerns about the procedures</li> <li>▪ who is responsible for monitoring, reviewing and updating the procedures</li> <li>▪ procedures for referral to ADR</li> <li>▪ the legal rights and obligations of all stakeholders.</li> </ul>
<b>Objectives</b>
<p>The objectives of this communications plan are to:</p> <ul style="list-style-type: none"> <li>▪ raise awareness of the organisation's grievance resolution procedures</li> <li>▪ raise awareness of the legal rights and obligations of all stakeholders in resolving workplace conflict</li> <li>▪ change attitudes in regard to workplace grievances and conflict</li> <li>▪ promote positive working relationships and a consultative workplace environment</li> <li>▪ gain the support of stakeholders in implementing grievance resolution procedures</li> <li>▪ educate stakeholders on workplace grievance resolution.</li> </ul>
<b>Target audience</b>
<p>The target audience includes:</p> <ul style="list-style-type: none"> <li>▪ all employees across the organisation, including permanent and fixed-term, full-time, part-time and casual workers, and employees who are currently on leave of any kind</li> <li>▪ specific business units across the organisation</li> <li>▪ other stakeholders such as suppliers, contractors and clients.</li> </ul>

## Communicate key issues about procedures for addressing grievances

### Key messages

As part of the organisation's legal and ethical responsibility to deal with all workplace grievances and disputes, the employer commits to implementing effective, accessible grievance resolution procedures for employees and other workplace participants that conveys the organisation's commitment to:

- taking all workplace grievances and complaints seriously
- preventing the escalation of grievances and complaints by maintaining positive working relationships
- ensuring that grievances and complaints are dealt with consistently and in a timely manner
- reducing the likelihood of external agency involvement which can be time-consuming, costly and damaging to the organisation's reputation
- alerting the organisation to patterns of unacceptable conduct and highlighting the need for prevention strategies in particular areas
- reducing the risk of an employer being held liable under employment or other legislation, including anti-discrimination and EEO
- helping to minimise the harm suffered by the individual making the grievance or complaint
- reducing the organisation's risk of being held to have treated the alleged respondent unfairly, such as an unfair dismissal claim.

### Communication methods

The grievance resolution procedures will be communicated via:

- a written policy and procedures document made available via the intranet
- induction program
- ongoing workplace training
- on the company's website.

### Action plan

Communication method	Activities	Person responsible	Milestone dates	Costs
Launch	Introduce grievance resolution procedures at organisational staff meeting.	HR or workplace relations manager	1 March	
Intranet and website	Publish procedures on company intranet. Public procedures on company website.	IT manager	1 March	

## Communicate key issues about procedures for addressing grievances

<b>Email</b>	Email every employee a copy of, or link to the procedures. Identify where procedures can be found on company intranet.	HR or workplace relations manager	1 March	
<b>Bulletin</b>	Notify external stakeholders of procedures by posting a bulletin on the company website's homepage.	IT manager	3 March	
<b>Induction and training</b>	Include procedures in formal induction program and workplace training activities.	HR or workplace relations Manager	7 March	

### Evaluation

The indicators used to measure the effectiveness of communication activities include:

- results received from employee feedback forms, surveys and/or questionnaires
- success of the grievance resolution procedures over time, measured by the number of successful outcomes
- managerial feedback sessions
- suggestions received contributing to the procedures, via team meetings.

## Practice Task 9

### Question 1

Which of the following are examples of workplace grievances? Tick all that apply.

- Complaints about pay and employee benefits
- Complaints relating to heavy workloads
- Lack of protection of employee rights or refusal of employee entitlements
- Disagreements about training objectives and activities between managers
- An interpersonal conflict between two employees

## Question 2

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When would workplace grievances be referred to the Fair Work Commission for resolution?

## Question 3

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Number each step from 1 to 6 in the order you would follow to address a grievance.

- Senior management listens to the employee's grievance and either resolves the dispute or refers the matter to more senior management.
- An independent conciliator, arbitrator or mediator, such as the FWC, assists to resolve the dispute.
- An employee (and/or their representative) meets with their direct manager (and/or their representative) to discuss their workplace grievance.
- If the manager and the employee cannot resolve the dispute, or it is outside the manager's scope to deal with the dispute, the matter should be referred to senior management.
- The manager listens carefully to the employee and together they try to resolve the dispute.
- More senior management listens to the employee's grievance and attempts to resolve the dispute. It is either resolved or referred to an independent body.

## Question 4

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List four methods that could be used to communicate grievance resolution procedures.

## Question 5

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Draw a line to match each term about effective written communication to its correct definition.

- |              |  |
|--------------|--|
| » Purposeful | » Plan, draft and validate the information to be communicated, ensuring that facts, figures and guarantees are accurate and authorised in advance. |
| » Concise    | » Clarify and explain complex subjects using as few words as possible, avoid repetition and leave out unnecessary information.                     |
| » Clear      | » Use short paragraphs and sentences so that the audience will not be confused by too much information.  |
| » Accurate   | » Use a direct and straightforward approach so that the reason for the communication is clear to the audience.                                     |

## 2E Review employee relations policies and plans

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To determine whether the employee relations policies and plans are meeting their intended outcomes it is necessary to perform a formal review to obtain feedback from employees and management.

To review the effectiveness of workplace relations strategies, policies, procedures and services, HR professionals will need to systematically collect and analyse a range of data in areas such as employee skills development, workplace relations performance, employee satisfaction, staff turnover, productivity levels and budget performance. A plan for evaluation and improvement helps ensure a systematic evaluation takes place annually and establishes whether workplace relations initiatives are meeting their intended outcomes.

The results are then used to identify what works well and what needs to be improved. Regular evaluation and review can identify any dissatisfaction with change processes and trigger the need to make improvements. HR professionals must use the results of staff assessments and other evaluation results to improve the process. If deficiencies are found, a written plan of action should be prepared to document initiatives to improve workplace relations performance in the areas listed. The action plan should be reviewed and approved by the relevant departments and any changes should be trialled, documented and reassessed at a later date.

### Review methods

The methods used to review workplace relations strategies, policies and procedures could include:

- formal policy and procedure review process specific to the needs of an organisation
- gathering and analysing employee feedback to gauge employee satisfaction levels with workplace relations services
- scheduling periodic team meetings to facilitate open discussion and provide opportunities for employees to ask questions and raise concerns
- conducting observations of workplace practices to determine whether workplace relations strategies and policies are being carried out correctly
- work health and safety audits.

## Formal policy and procedure reviews

Workplace relations strategies, policies and procedures should include a date by which a review should be completed. An organisation might maintain a policy and procedure review schedule to ensure it reviews these documents on a regular basis. Formal policy and procedure review components are shown below.

Formal policy and procedure reviews	
What is involved?	<p>The purpose of a formal policy and procedure review is to determine whether:</p> <ul style="list-style-type: none"> <li>the specific objectives of the policy or procedure are being achieved</li> <li>any amendments to the policy or procedure are required</li> <li>the policy or procedure should continue to apply or be retired</li> <li>the policy or procedure is compliant with all current legislation, regulations, standards or codes.</li> </ul>
What is considered?	<p>A formal policy and procedure review will involve consideration of:</p> <ul style="list-style-type: none"> <li>internal factors such as organisational change or restructure</li> <li>external factors such as the economic environment, legislative developments, changes to government policy or professional accreditation requirements</li> <li>any outcomes of compliance monitoring and implementation evaluation conducted by the responsible employee or officer.</li> </ul>

## Possible outcomes of formal reviews

The results of a formal policy and procedure review process may present a number of possible outcomes. HR professionals or responsible managers may be required to:

- make no changes or amendments
- make minor amendment to existing policies or procedures that do not affect document content
- make significant amendment to existing policies or procedures requiring approval by management
- retire policies or procedures
- develop new policies or procedures.
- Possible outcomes may include the following:
  - An outcome of following a policy or procedure is inconsistent with the purpose and intent for which it has been approved.
  - A policy or procedure requires employees to take steps that are inconsistent with the purpose and intent for which it has been approved.
  - A policy or procedure is inconsistent with another policy or procedure that applies to the work activity.

## Employee feedback

Employee feedback can be gathered and analysed to review the effectiveness of workplace relations plans, strategies and policies. The mechanisms used to collect employee feedback must have several characteristics to be effective.

There are several types of feedback that can be delivered regularly and informally as shown below.

### Positive feedback

This type of feedback reinforces good behaviour by describing how and why certain strategies and policies have resulted in positive workplace relations outcomes. Often, people don't know why they have done a good job. While a 'pat on the back' is appreciated, it does not highlight specific workplace behaviours that should be reinforced. Positive feedback provides this information.

For example: 'That provision of learning and development activities was excellent. You delivered the training well and the participants told us the materials were easy to read and very thorough! Well done.'

### Constructive feedback

This type of feedback methodically builds on experience that the HR professionals have obtained through the implementation of workplace relations strategies and policies. This is done by providing concrete steps for future improvement that relate to behaviours or skills the HR professionals have demonstrated up to that point. It is not always positive, but positive feedback may be used to capture the attention of the HR professionals prior to giving constructive directions.

For example: 'You managed to develop an informative induction program, but it wasn't really engaging for the participant. Maybe, next time, practise on a work colleague and see how they respond?'

### Negative feedback

Despite the name, negative feedback can be a very positive tool. Negative feedback refers to the content of the feedback and not the means by which it is given. If an organisation fails to meet a KPI used to measure workplace relations performance, then providing feedback to that effect is negative. Negative feedback should always be counteracted by constructive and positive feedback to maintain personal self-worth, value and self-esteem.

For example: 'Your service failed to achieve the staff turnover rate expected. There may have been some external factors that contributed to this, but there are some underperformance issues we must address as well.'

### Destructive feedback

This type of feedback aims to punish the behaviours seen by management as negatively affecting the organisation. It is easy for this type of feedback to become personal and emotive. Destructive feedback reduces the efficacy and value of workplace relations strategies and policies.

For example: 'The services you provided failed to meet any of the objectives outlined in the workplace relations implementation plan. Do you really think we are ever going to get anywhere by using your rubbish services?'

## Determine outcomes

One of the fundamental approaches for obtaining feedback is to look at the end result. There should be a very clear understanding of what is expected from the process. Feedback objectives should be quantified and used as a benchmark to measure the success.

Look at the end result by asking the following:

- What exactly do you want to achieve?
- What areas are you seeking feedback from?
- What techniques will you use to obtain feedback (for example, questionnaires, interviews, focus groups)?
- Have these techniques been used before? What were the outcomes?
- What will happen once the information is obtained?
- How will you measure success of improvement?

## Gather feedback

Employee satisfaction measurement involves the collection of data that provides information about how satisfied or dissatisfied employees are with a workplace relations strategy, policy or service. The data can be used to understand the reasons for the level of satisfaction that has been recorded.

This information can be collected and analysed in many different ways. The chosen methods will depend on the type of feedback required.

Employee feedback mechanisms include:

- employee attitude surveys or questionnaires
- employee feedback forms
- online workplace relations/HR scorecard surveys
- interviews
- focus groups.

## Employee attitude surveys or questionnaires

One of the most objective and economic methods of obtaining feedback on workplace relations service performance is by conducting employee attitude surveys or questionnaires. Attitudes are a major factor in determining how employees feel towards the workplace relations services and activities available to them.

Well-planned and administered attitude surveys can provide workplace relations managers and professionals with invaluable insight into employee satisfaction levels with workplace relations strategies, policies and services. They can also be used as a driver for change and to specifically address issues associated with workplace relations service delivery.

### Guidelines for conducting employee attitude surveys

- Use repeated surveys to measure trends and changes in direction.
- Consider sampling methods to cut the costs associated with feedback collection.
- Attempt to relate attitude scores with specific workplace relations services.
- Respecting the privacy of employees' wishing to remain anonymous.
- Show employees how attitude scale results have been used to effect workplace relations service improvements.
- Consult with employees and managers to plan the feedback process.
- Verify recommendations for change.
- Report recommendations to manage for follow-up activities.

## Feedback forms

Feedback may be collected to assess the performance of those who provide workplace relations services using generic client or employee feedback forms. These can be used to collect suggestions for workplace relations service improvement, compliments, complaints, questions or comments.

The challenge with feedback forms is ensuring the client or employee returns the form to the organisation.

Here are some tips.

Tips for using feedback forms
<ul style="list-style-type: none"> <li>Develop a well-defined goal for collecting feedback so that respondents can see the results.</li> </ul>
<ul style="list-style-type: none"> <li>Take immediate decisive action when a respondent's answers to feedback questions require attention.</li> </ul>
<ul style="list-style-type: none"> <li>Make the feedback form user-friendly by making it short and the questions easy to understand.</li> </ul>
<ul style="list-style-type: none"> <li>Design relevant questions for feedback forms that will elicit meaningful responses.</li> </ul>
<ul style="list-style-type: none"> <li>Use scored questions, such as numerical scales, and text questions appropriately.</li> </ul>
<ul style="list-style-type: none"> <li>Use feedback as independent reviews or testimonials to differentiate from competitor organisations.</li> </ul>
<ul style="list-style-type: none"> <li>Send feedback requests as soon as possible after a service has been provided.</li> </ul>
<ul style="list-style-type: none"> <li>Share feedback data with all employees involved in the provision of workplace relations services.</li> </ul>
<ul style="list-style-type: none"> <li>Identify cost savings and efficiency improvements to workplace relations service delivery.</li> </ul>

## Workplace relations scorecard surveys

HR/workplace relations scorecard surveys measure the performance of workplace relations service providers in delivering a wide range of services and advice. Workplace relations scorecard surveys determine how well workplace relations are aligned with organisational objectives and identify what the organisation needs to do to enhance employee satisfaction levels and workplace relations performance.

Workplace relations scorecards should include 'hard' measurements, such as employee turnover rates, number of training courses available or employee absenteeism levels. Workplace relations scorecards should also include a range of 'soft' measurement data that can only be gathered by asking employees about their opinions and suggestions on workplace relations plans and initiatives.

Conducting anonymous online workplace relations scorecard surveys is a useful, efficient and cost-effective way of gathering information and insight into the effectiveness of workplace relations strategies, policies and services. The assessment identifies the strengths of workplace relations services and areas in which the organisation needs to make improvements.

#### The benefits of using workplace relations scorecard surveys

- Reinforces distinction between technical workplace relations (outcomes focused on workplace relations efficiency) and strategic workplace relations (outcomes that achieve organisational objectives)
- Focuses on leading indicators that drive the implementation of the organisation's business objectives
- Assesses the contribution of workplace relations personnel to strategic implementation and bottom line impact
- Promotes flexibility and change

## Interviews

Interviews allow HR professionals to obtain employee feedback by directly asking a respondent questions, while clarifying any questions or answers at the same time.

Interviews can be carried out face-to-face, over the telephone or through an online discussion forum. In highly controlled interviews, questions should be designed to elicit short specific responses. In less controlled interviews, questions can be designed to elicit detailed answers and encourage discussion about associated issues.

The person being interviewed must give permission for their answers to be recorded and should be provided with a copy of the interview to confirm their answers are true and correct.

## Focus groups

Focus groups can be useful in uncovering information and suggestions that employees may be reluctant to disclose. The focus group interview is loosely structured and designed to encourage free-flowing discussion.

Employee focus groups are confidential and workplace relations management should not be involved. Each focus group is usually made up of 8–12 participants and led by a trained external consultant. Focus group sessions last between one to two hours.

For example, the consultant may introduce a topic to the group, such as ‘What do employees think of the company’s flexible working arrangements policy?’ Participants are asked to give their views and reactions.

A good focus group leader can obtain a thorough understanding of workplace relations service issues and prepare a summary of the group’s comments and suggestions for the workplace relations management team and/or senior management.

The benefits of using focus groups are identified below.

The benefits of using focus groups	
	Allows for broader and deeper insights into employee views and opinions on workplace relations strategies, policies and services
	Allows for interactive research with small groups as opposed to individual survey responses
	Requires little to no technology and can be completed in one to two hours, making it a cost-effective feedback option

## Manage feedback process

To manage the collection of feedback relating to employee satisfaction with workplace relations service delivery, there are several issues to consider.

Employees responsible for gathering feedback should think about the information they would like to gather and how they are going to do it.

Here are some aspects to consider in managing the client feedback process.

<b>Historical data</b>	Decide whether the information required has been collected and analysed in the past, in order to compare previous information with the latest service performance results. If it has, design a survey or structure interview questions based on the existing information or old surveys so the data can be easily compared.
<b>Number of responses</b>	When surveying employees, workplace relations personnel must decide how many responses are required in order to gather enough meaningful data. Some workers won’t have the time or inclination to participate, so expect to approach more employees than is necessary.

<b>Choosing respondents</b>	Data collected from all feedback methods must be obtained from appropriate sources. Where it is possible to gather feedback from a large number of employees affected by a workplace relations service, it might be appropriate to use population samples to represent the group as a whole. Respondents should be selected based on their ability to provide meaningful information, and the direct impact of workplace relations services on their job performance.
<b>Hard copies</b>	If information is going to be sent out in hard copy, such as with a survey or feedback form, workplace relations personnel should also send a letter or email explaining what it is for. It may also be necessary to offer employees something in return for their opinion and time.
<b>Monitoring feedback</b>	If workplace relations personnel plan on monitoring feedback over time (for example, each quarter) it must decide whether to contact a different group of employees every time or whether surveys will be sent out to the same employees over and over again. Depending on what is being measured, this could affect the results.
<b>Formulate questions</b>	Design questions for each specific area of WR. Workplace relations personnel should test whether the questions will provide information needed by giving a sample survey to a colleague for their opinion.
<b>Performance criteria</b>	Workplace relations personnel must decide whether employees are to rate service performance against pre-determined criteria, such as the competence of workplace relations staff, knowledge of legislative requirements, or complaint resolution processes. If so, workplace relations personnel should consider having employees rate workplace relations services on a scale from 1–5 (1 being poor, 5 being excellent). This type of feedback is a good way to monitor service delivery over a period of time against criteria that reflects the key responsibilities of the workplace relations team or specific workplace relations service areas.
<b>General feedback</b>	Workplace relations personnel must decide whether to collect general feedback from employees about workplace relations strategies, policies and services. This involves asking open-ended questions, such as, 'What aspects of our service delivery do you believe we could improve?' or 'Please comment on how our workplace relations policies compare to other organisations you have worked for.' This type of feedback can be valuable to find out which aspects of workplace relations are below expected standards or to work out where improvements can still be made.
<b>Collection and analysis</b>	Decisions should be made about how results will be captured, recorded and analysed in the early stages of the review process. For instance, it may be necessary to set up a database or spreadsheet that allows results to be compared over time or to write up a report on general feedback that was provided. Consideration should be given as to why the information was gathered in the first place to work out how the data should be best stored for analysis and review purposes.
<b>Motivate clients</b>	Motivating employees to respond to requests for feedback is often difficult, possibly because they do not believe their complaints will be taken seriously. Also, many employees only contact workplace relations if they are upset and have a complaint to make. Some employees will not have the time to complete a feedback form or survey.

## Team meetings

Conducting regular team meetings facilitates the discussion of workplace relations strategies and policies between work teams and their managers. Team meetings provide employees with opportunities to express their queries, concerns and recommendations in an open and honest conversational environment.

There are ways to run effective, efficient meetings that leave employees feeling energised and motivated about their work. Here are some useful tips.

Tips for running effective team meetings	
▪	Clearly define the objective – team meetings must have a specific and defined purpose.
▪	Consider who is invited – team meetings should only involve those employees who really need to be there.
▪	Adhere to a schedule – distribute an agenda prior to the meeting outlining everything to be covered.
▪	Arrange follow-up action – the meeting should conclude with a list of actionable steps and identify the people who will complete follow-up actions

## Amendments to policies or procedures

If the review process identifies a need to make changes to, or amend existing policies and procedures, the following steps should be taken.

Process for amending policies or procedures	
1	Liaise with employees and other managers to identify issues associated with the policy or procedure.
2	Ensure the policy or procedure accurately reflects current legislation.
3	Check the procedure or guidelines document to ensure it accurately reflects the policy.
4	Advise management of the intention to change a policy or procedure.
5	Make amendments using tracked changes and update the version control history section of the document.
6	Forward the document to the owner or relevant manager for approval.
7	Produce a draft electronic copy of the policy or procedure showing the changes made.
8	Obtain approval from senior management.
9	Set a future review date and distribute the new policy or procedure to the workforce.

## Example

### Review employee relations policies and plans

Below is an example of a feedback form used to review employee satisfaction levels with workplace relations service delivery. The feedback form is accompanied by an analysis of hypothetical responses.

Employee satisfaction feedback form					
Please circle the number that corresponds with how you feel about our workplace relations service delivery over the past three months. <b>1 = poor; 5 = excellent</b>					
Any problems or queries I have are resolved quickly.	1	2	3	4	5
Workplace relations personnel have good knowledge of the services they provide.	1	2	3	4	5
Information I have requested on workplace relations services was sent quickly.	1	2	3	4	5
Appointments with workplace relations consultants are useful for performing in my role.	1	2	3	4	5

It is easy to see how data collected from this type of form can be tracked over time. Here is an example of the corresponding record used to keep track of the average responses from all service users each quarter over a 12-month period.

Question	Q1	Q2	Q3	Q4
Any problems or queries I have are resolved quickly.	3	3	4	4
Workplace relations staff have good service and legislative knowledge.	4	4	4	4
Information I have requested on workplace relations services was sent quickly.	2	3	3	4
Employee appointments are useful and helpful to performing effectively in my role.	3	3	3	4

This record shows that a number of trends emerged over the past year. Many were improvements that occurred after new systems and processes were put in place to improve workplace relations services (such as the time it takes to resolve workplace grievances). Using this approach means the effectiveness of workplace relations plans, strategies, policies and initiatives can be reviewed on an ongoing basis.

## Practice Task 10

### Question 1

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Which of the following methods are useful for gathering employee feedback about IR/ ER policies and plans? Tick all that apply.

- Employee attitude surveys
- Staff feedback forms
- Management team meetings
- Online WR/HR scorecard surveys
- Interviews and focus groups.

### Question 2

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What is the purpose of a formal IR/ ER policy and procedure review?

### Question 3

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What are three possible outcomes following a formal review of IR/ ER policies and plans?

### Summary

- To successfully implement workplace relations plans, strategies and policies, the management team must have the cooperation and support of employees.
- An implementation plan is a formal management tool used to illustrate, in detail, the critical steps necessary to implement workplace relations strategies and policies, measure a group of strategies and policies, or assist organisations to manage and monitor implementation effectively.
- The effectiveness of training and development is enhanced when training activities are preceded by comprehensive analysis. This allows HR professionals to demonstrate how training and development contributes to the objectives contained in the workplace relations implementation plan.
- HR professionals are responsible for consulting with employee representatives, employer organisations, government agencies and external consultants to renegotiate agreements or make necessary changes to workplace relations strategies and policies.
- Grievances and disputes may be resolved by procedures provided for in a collective agreement, an employment contract, or by other mechanisms established by an employer.
- A communications plan will deal with what information an organisation wants to provide to its employees, how it wants to provide it, to whom, and in what time frame. Provision should also be made for employees to provide feedback, ask questions or express concerns about the information conveyed.
- The workplace relations policies and procedures review process should centre on gathering and analysing the opinions, queries, suggestions and concerns of employees implementing workplace relations strategies in the organisation.

## Learning Checkpoint 2

### Implement ER and IR policies and plans

#### Part A

1. Draw a line to match each term about inclusions in an implementation plan to its correct definition.

- |                                   |   |
|-----------------------------------|---|
| » Plan definition                 | » A detailed list of materials, information, tools and equipment, people and other requirements needed to implement the plan.                                     |
| » Quality management plan         | » A process that measures the implementation plan is on time and on budget. It also involves monitoring progress against milestones and within budget.            |
| » Resources                       | » A management tool that allows expenditure to be tracked throughout the phases of work.  |
| » Quality management plan         | » An outline of who is responsible for implementing and managing the plan, who they are accountable to, reporting responsibilities and rules for decision-making. |
| » Governance/key responsibilities | » A description of what the plan aims to achieve, why the plan is necessary and how it will achieve these outcomes.   |

2. Summarise the process required to develop a contingency plan.

3. Which of the following are characteristics of a contingency plan? Tick all that apply.

- Identify operational and safety inefficiencies
- Identify issues relating to the nature of the contingency
- Outline the impacts of the contingency
- Include risk management procedures
- Include customer needs and expectations

4. Briefly describe a process for conducting a training needs analysis.

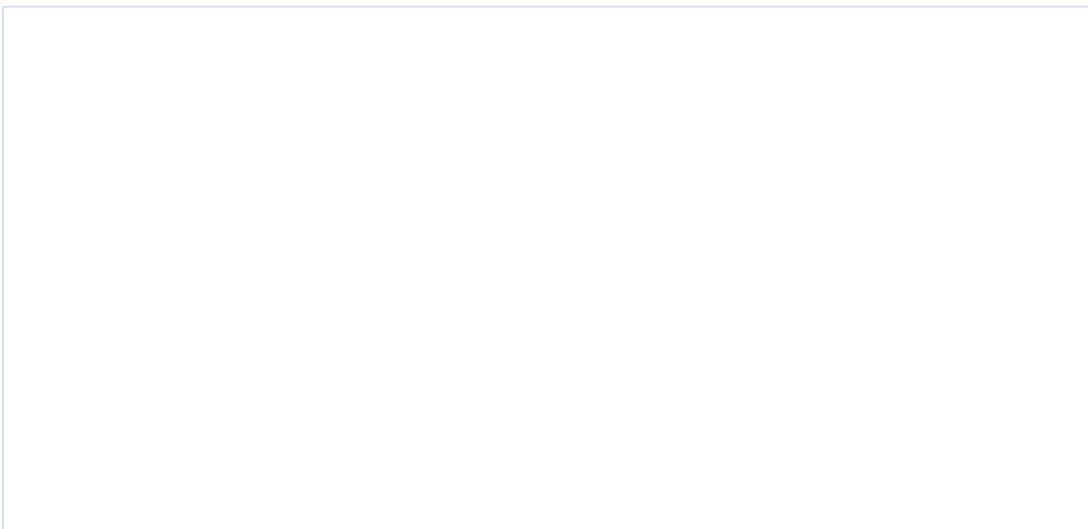
5. Which of the following statements are correct? Select yes or no for each one.

- |  |       |      |
|--|-------|------|
| a) Mentoring is a developmentally oriented relationship between senior and junior employees that involves advising, role modelling, sharing contacts and giving general support. | » Yes | » No |
| b) Shadowing is an on-the-job approach to management development in which the manager is given an opportunity to teach on a one-to-one basis.                                    | » Yes | » No |
| c) E-learning is conducted via electronic media, such as the internet, intranet, using CD-ROMs, videos, Smartboards or other available media.                                    | » Yes | » No |
| d) Structured classroom group learning is the process of moving employees between different tasks to promote experience and variety.   | » Yes | » No |
| e) Self-paced study involves the distribution of training resources to individuals who go away and learn the content in their own time.  | » Yes | » No |

6. Summarise five sections that should be included in a formal training plan.



7. Describe three methods that could be used to review workplace relations strategies, policies and procedures.



8. Explain why it is important to involve key stakeholders in any changes to implementation plans. In your answer, explain who the key stakeholders are that need to be involved when seeking agreement.

9. Draw a line to match each term about consultation and approval methods to the correct context.

» Engaging with a select number of employees who work in the same building

» A formal management meeting

» Internal HR team members

» Video conference call

» Managers that work in the same building

» Structured face-to-face team meeting

» Stakeholders that work remotely

» Focus group

## Part B

Read the case study and then answer the questions that follow.

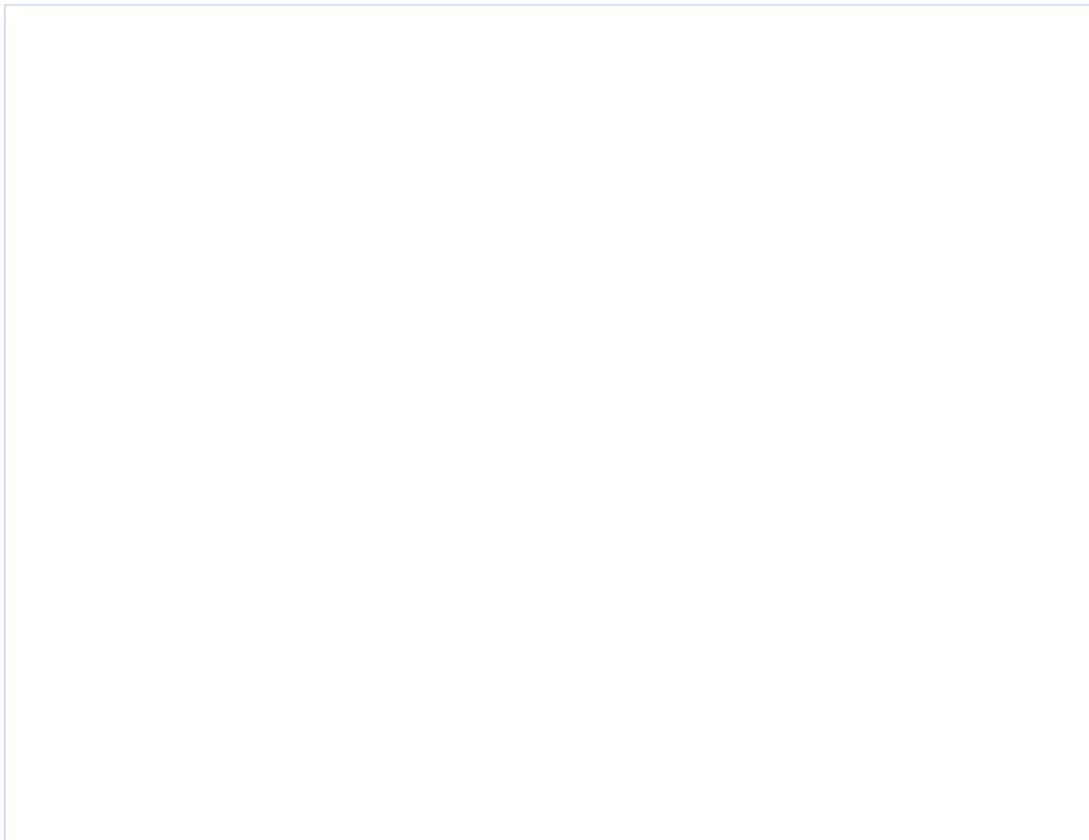
### Case study

Marnie has recently been employed as the workplace relations manager in a large retail organisation. On her first day, Marnie meets with Stephen, the HR manager, to discuss the company's existing workplace relations strategies, policies and procedures. Marnie is surprised to find out that the company does not have formally documented grievance resolution procedures in place. Stephen tells Marnie that since the company's inception, the HR team have been using an informal complaints handling process that is 'known' to most staff members, but has never been put in writing.

Marnie tells Stephen that it is critical to have properly documented grievance resolution procedures in place to help resolve workplace relations issues promptly and consistently at the enterprise level. Marnie emphasises the risk the company faces of breaching compliance with employment legislation for failing to implement a formal grievance resolution process in the workplace.

Stephen asks Marnie if she could immediately begin documenting formal grievance resolution procedures and develop a plan for communicating the information to the company's stakeholders.

1. Develop a basic grievance resolution procedure for the workplace. Ensure there is an escalation process if grievances cannot be resolved internally.



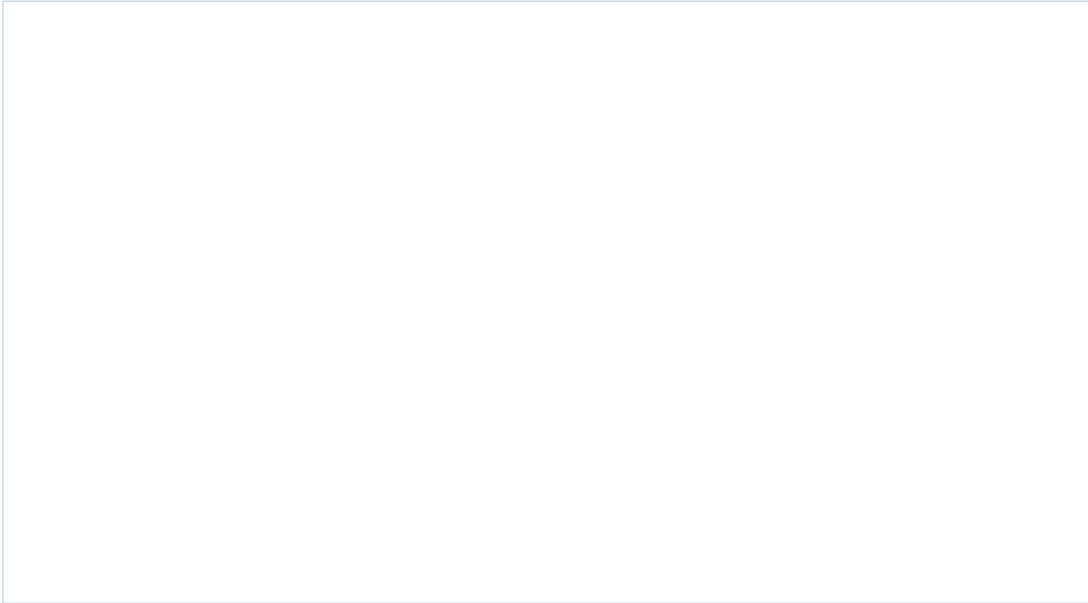
2. Number each step from 1 to 5 that Marnie should follow to document the grievance procedures.
- Proofread and edit the document to ensure information is accurate and up to date.
  - Draft the document and seek approval from the HR manager.
  - Collect and organise the relevant information about the procedures that needs to be communicated.
  - Produce the final copy and prepare for manual or electronic distribution.
  - Plan the document using a communication plan that assists Marnie to identify the best methods, structure, language and distribution channels to present the information.
3. Which of the following information should Marnie include in the grievance procedure communication plan? Tick all that apply.
- The purpose and steps of the grievance resolution procedures
  - The process required to review and monitor the WHS policy and procedure
  - The steps employees must take if they wish to lodge a grievance
  - Key contacts and where employees can seek further information about the procedures
  - The alternative dispute resolution procedures available where a grievance cannot be resolved using informal or formal processes

4. Summarise the written communication conventions that Marnie should use when documenting the grievance resolution procedures.

5. Which of the following stakeholders would Marnie need to communicate the grievance procedure to? Tick all that apply.

- Workplace Relations Manager
- Senior Management
- Employees
- Fair Work Ombudsman
- Australian Competition and Consumer Commissioner

6. What does Marnie need to consider when reviewing the grievance procedures? List at least three key considerations.







## Topic 3 | Manage negotiations to resolve conflict

- 3A Train individuals in conflict management
- 3B Manage sources of conflict or grievance
- 3C Clarify issues in dispute
- 3D Obtain expert advice and refer to precedents
- 3E Determine negotiation strategy
- 3F Advocate the organisation's position in negotiation

## 3A Train individuals in conflict management

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Workplaces are filled with people with different personalities, needs, preferences and expectations and as such, conflict is inevitable in organisations.

The way an organisation manages conflict between employees, management and their representatives can have a significant impact on an organisation's profits, productivity and employee motivation levels. It is critical that managers are proficient negotiators and/or mediators to ensure they are able to identify and resolve workplace grievances before they escalate into industrial disputes.

All employees, workplace relations professionals and managers should be trained in conflict management techniques and procedures to resolve problems early and avoid major disruptions to business.

Good management practices can help an organisation to avoid unnecessary conflict and deal with inevitable conflict in an effective and professional manner. Conflict management procedures can reduce staff turnover and save an organisation time, money and unnecessary damage.

### Conflict

A conflict is a clash between two or more parties with opposing views that have yet to reach an agreement. It may involve one worker and the employer or a large group of workers who share a similar opposing view to their manager or employer.

A conflict is a situation where the interests, needs, goals or values of involved parties interfere with one another. Different stakeholders have different expectations, personalities and priorities.

Conflict may involve managers, employees, departments, teams, projects, clients, suppliers or contractors. It may also involve employer or employee representatives working to resolve disputes on behalf of their members.

Conflict should not always be seen as negative. It can provide an opportunity for progress and change if used constructively. The sharing and transferring of ideas, opinions and methods about tasks and projects should be encouraged in the workplace.

The differences between constructive and counterproductive conflict are described below.

### Constructive conflict

Conflict is constructive when each party involved in a disagreement understands and explores the other party's perceptions and feelings. It is a process of developing mutual understanding to produce a win-win outcome.

Constructive conflict may lead to:

- increased employee participation in decision-making
- the exchange of helpful ideas and information
- the provision of alternative choices
- a reduction in employee anxiety, as a result of having their voice heard
- a collaborative work environment
- an increase in employees' self-awareness, understanding and empathy towards one another.

### Counter-productive conflict

Conflict becomes counter-productive when it is based on personality clashes, or when it is treated as an unnecessary waste of time and resources to be quickly extinguished without proper consideration to the needs of the parties.

Counter-productive conflict may lead to:

- damaged workplace relationships
- a decrease in employee productivity levels
- a reduction in employee satisfaction and motivation
- increased staff turnover levels
- workplace stress and anxiety
- negative reputation for the workplace.

## Conflict management procedures and techniques

Managers should know how to turn conflict into opportunities for growth, progress and improved organisational performance. There are a range of skills and techniques that can be used to manage workplace conflict in a way that achieves positive outcomes for the parties, and benefits the organisation overall. Where explicit conflict management procedures exist in the workplace, staff must be trained in how to follow them.

Procedures and techniques for managing conflict are listed below.

### Conflict management techniques

- Negotiation
- Communication
- Mediation
- Emotional intelligence

## Negotiation

Managers can deal with workplace conflict and improve employee satisfaction levels by developing and using negotiation techniques. Negotiation occurs when two parties meet to reach an agreement concerning an issue or proposition, which one party has put to the other.

Effective negotiators collaborate with another party (or parties) to develop an agreement that mutually benefits them both.

Characteristics that effective negotiators should ideally possess are listed below.

Attributes of effective negotiators
<ul style="list-style-type: none"> <li>Analytical – able to assess factors that affect their negotiating position and the tactics of both parties</li> </ul>
<ul style="list-style-type: none"> <li>Empathetic – able to understand and feel the other person's feelings, thoughts and concerns</li> </ul>
<ul style="list-style-type: none"> <li>Interactive – able to relate well with other people</li> </ul>
<ul style="list-style-type: none"> <li>Communicative – able to convey information and arguments clearly, positively and logically</li> </ul>
<ul style="list-style-type: none"> <li>Innovative – able to generate creative options</li> </ul>
<ul style="list-style-type: none"> <li>Flexible – able to make realistic moves during the negotiation process to improve their own bargaining position</li> </ul>
<ul style="list-style-type: none"> <li>Fair – able to recognise the needs of each party to the negotiation and interact in a fair and equitable manner</li> </ul>
<ul style="list-style-type: none"> <li>Honest – able to respond openly and truthfully to people and situations</li> </ul>

## Personal negotiation styles

The parties involved in negotiations will have their own personal negotiation style that affects the way they communicate or respond to conflict. It is important that the person responsible for managing negotiations understands and can identify the different negotiation styles in order to effectively read the intentions, and respond to the needs, of the other party.

Five personal negotiation styles are described below.

### Self-denying

- Self-denying people may be difficult to negotiate with because they are withdrawn and restrained in providing information or feedback. They may hide their feelings or keep their ideas to themselves.

### Self-exposing

- Self-exposing people demand attention by being vocal about their ideas and feelings, often interrupting others, using attention-seeking body language, and ignoring the ideas of others.

### Self-protecting

- Self-protecting people divert attention away from themselves by discussing other people or issues to hide their true feelings and ideas.

### Self-bargaining

- Self-bargaining people display their true feelings and ideas if the other party shows theirs first. They will only open up once they have been led into negotiation and invited to contribute to the process.

### Self-actualising

- Self-actualising people are ideal negotiators because they seek information and feedback from the other party. Information and ideas are used constructively to facilitate the negotiation process and to achieve the desired outcomes of both parties.

## Communication

It is essential that managers develop communication skills and techniques needed to articulate their needs and desired outcomes during negotiations. Managers may also need to support employees in developing their own communication skills.

Effective communication techniques to resolve conflict are shown below.

### Active listening skills

- Use active listening skills and verbal encouragement to show you are listening, and ask questions to clarify information.

### Body language

- Ensure your body language shows that you are giving the other individual your full attention and is appropriate according to the individual's cultural preferences.

### Verbal communication

- When speaking, be patient, polite and use suitable industry terminology, avoiding jargon or colloquial language.

### Build rapport

- Build rapport by showing empathy, interest and understanding in your conversations.

### Language differences

- Accommodate for language differences by obtaining a translator or using technology to translate business communications.

### Group perceptions

- When interacting with a person who is part of a group, be aware of your susceptibility to stereotype, as this could lead to false or negative assumptions being made about the individual.

### Negatively biased tendencies

- Be aware of negatively biased tendencies you may have and make a conscious effort to learn more about a particular group.

### Seek different perspectives

Where appropriate, seek input from people representing diverse groups or perspectives during decision-making processes.

### Request feedback

Request feedback as to any potential patterns of preference you may be displaying in your communication technique.

## Mediation

Workplace mediation is a form of workplace conflict resolution: a confidential process where an impartial and independent third person facilitates communication between two or more people in dispute. The role of the mediator is to provide a structured process that assists with identifying the issues, developing possible options, and reaching an agreement that satisfies and mutually benefits both parties to the dispute.

The purpose of workplace mediation is to empower people to take responsibility for the issues and the resolution, viewing the conflict in a broader context, and from multiple perspectives. Managers and workplace relations professionals should be trained to mediate workplace conflict while maintaining positive working relationships between the people involved.

Mediation saves an organisation time and money and focuses on improving workplace relationships.

The issues that may be resolved using workplace mediation include:

- interpersonal conflict
- working and communication style differences
- leadership style differences
- management of grievances
- changing work practices
- changing job roles and responsibilities
- employment terms and conditions
- employment termination conditions
- allegations of discrimination, bullying or harassment.

## Emotional intelligence

Emotional intelligence is widely recognised as the ability of an individual to monitor their own and others' emotions in a social or work environment, to discriminate among the emotions and to use the information to guide their thinking and actions. Developing emotional intelligence allows people to recognise, understand and use the power of emotions to facilitate high levels of teamwork and productivity.

Emotional intelligence underpins the successful function of many other management practices, such as innovation and change, problem-solving, performance management and team development.

Daniel Goleman (2002) developed four dimensions of emotional intelligence and corresponding leadership capabilities that determine a person's personal and social competence: how we manage ourselves and how we manage our relationships. These dimensions are shown below.

<b>Self-awareness</b>	<ul style="list-style-type: none"> <li>▪ Emotional self-awareness</li> <li>▪ Accurate self-assessment</li> <li>▪ Self-confidence</li> </ul>
<b>Self-management</b>	<ul style="list-style-type: none"> <li>▪ Emotional self-control</li> <li>▪ Transparency</li> <li>▪ Adaptability</li> <li>▪ Achievement</li> <li>▪ Initiative</li> <li>▪ Optimism</li> </ul>
<b>Social awareness</b>	<ul style="list-style-type: none"> <li>▪ Empathy</li> <li>▪ Organisational awareness</li> <li>▪ Service</li> </ul>
<b>Relationship management</b>	<ul style="list-style-type: none"> <li>▪ Inspiring leadership</li> <li>▪ Influence</li> <li>▪ Developing others</li> <li>▪ Change catalyst</li> <li>▪ Conflict management</li> <li>▪ Teamwork and collaboration</li> </ul>

## Develop emotional intelligence skills

Managers and workplace relations professionals should commit to developing the emotional intelligence skills of themselves and others within the organisation. Emotional intelligence is vital to conflict resolution and the development of effective and successful negotiators.

Emotional intelligence training could take on the forms outlined below.

### Coaching

- Managers can get the best out of their teams by coaching employees individually and as a group. Managers should aim to understand the individual needs of their team members and introduce processes that encourage progress and foster a collaborative and emotionally intelligent culture.
- Arranging for someone to coach a team member who is having difficulties handling their emotions or behaviours in the workplace can be effective, time-efficient and a positive experience for both parties. A coach explains how to respond appropriately, provides opportunities for the person to practise their skills, and suggests different ways to resolve difficulties or approach work tasks.

### Mentoring

- Managers should help employees to gain a deeper understanding of complex emotional states through reflection, adaptation and exploration of new approaches. Managers should offer employees constructive feedback at the conclusion of a dispute resolution process.
- Mentors are often used for new employees, for those experiencing problems with communication or interpersonal skills, or in any area that presents particular challenges.
- A mentor should provide advice or supervision based on their own experience as well as their expertise. Managers can ask an experienced employee or colleague whether they would like to become a mentor. The mentor should explain to the inexperienced person the approach they take with a particular work difficulty or in dealing with a wide range of people.

### Shadowing

- Another strategy is to ask the person to 'shadow' a more-experienced and emotionally intelligent employee. This means observing how another employee manages their emotions during negotiations, pursues workplace relationships and tackles work tasks. This approach is effective when learning how to respond appropriately to workplace conflict.

### Training

- If a manager is not fully equipped to provide training on emotional intelligence themselves, there are now a variety of courses available that build and develop emotional intelligence skills in the workplace.
- Formal emotional intelligence training will benefit employees who want to improve their performance and ability to resolve conflict in the workplace. Training usually consists of real-work and simulated exercises that demonstrate to individuals how to:
  - recognise the benefits of developing emotional intelligence
  - define emotional intelligence competencies and origins
  - identify personal strengths and weaknesses
  - use emotional intelligence to optimise professional performance and relationships
  - build a personal development strategy
  - avoid overreacting in emotionally charged situations.

## Conflict management training

If new grievance, dispute or conflict procedures are developed, or current procedures modified, they must be communicated to all managers and employees. This is to ensure that managers and employees are aware of the procedures and how they apply in the workplace.

Conflict management training provides the essential skills and knowledge necessary for managers and employees to resolve conflict constructively, and in a way that benefits all parties. Training develops highly effective and ethical negotiation styles, along with practical conflict management skills and tools.

Staff and management can be trained in conflict management techniques and procedures using the following methods:

<b>Discussions</b>	The discussion method uses two-way communication between the manager and the worker to increase knowledge. This method uses a short lecture (20 minutes or less) to provide workers with basic information. The information is followed by a discussion among the workers and the manager who then supports, reinforces, and expands upon the information presented in the discussion. Verbal and nonverbal feedback from workers allows the trainer to determine if the desired learning has occurred. Discussions can be used to teach workers about organisational conflict management procedures and strategies.
<b>E-learning</b>	Many companies have implemented e-learning systems, which encompass several different types of technology-assisted training, such as distance learning, computer-based training (CBT), or web-based training (WBT). Distance learning occurs for routine training or when trainers and workers are in remote locations. Typically, technology is used to broadcast a trainer's lecture to many trainees in many separate locations. E-learning can be useful in developing the knowledge of the workforce, including understanding workplace conflict management procedures.
<b>Lectures</b>	The lecture is best used for creating a general understanding of a topic. Several variations in the lecture format allow it to be more or less formal and/or interactive. In the pure lecture, communication is one way, from trainer to trainees. It is an extensive oral presentation of material. Like e-learning and discussions, the lecture method is an excellent way of training staff in understanding conflict management procedures and strategies. These methods however will not help to develop the skills required to effectively resolve conflicts.
<b>Simulations and role-plays</b>	Simulations are designed to mimic the processes, events, and circumstances of the trainee's job. Types of simulations can include: equipment simulators, business games, case studies, role-playing and behaviour modelling. Simulations are an effective way of up-skilling the workforce and teaching valuable conflict management skills.
<b>Coaching</b>	Coaching is the process of training, developing and empowering a person to do a task. It involves supporting and guiding a person through a task and enabling them to follow a process to make good decisions.
<b>Mentoring</b>	Mentoring is the relationship of personal development that exists between a mentor and mentee. Mentoring involves encouraging self-development, listening and questioning, sharing experiences and enabling the mentee to work things out for themselves.  Coaching and mentoring can be used to teach knowledge and skills in conflict management.

## Example

### Train individuals in conflict management

Joanna is a workplace relations advisor at a large construction services company based in Adelaide. It is Joanna's responsibility to provide advice, assistance and representation in respect to the full spectrum of workplace relations, including industrial relations, equal employment opportunity, work health and safety (WHS) and human resources (HR) issues to company members and a diverse clientele. Joanna is also involved in the preparation and delivery of workplace relations training, seminars and events. Joanna's supervisor, Ronaldo, comes to Joanna and asks her to develop a training program that develops the negotiation skills of the company's area managers. This will enable managers to more effectively manage negotiations to resolve workplace conflict between the company and its employees, as well as assist employees to resolve their interpersonal differences at the workplace level.

Joanna starts developing the training program and comes up with a list of relevant topics. These include the following:

- Understanding the interests, priorities, and goals of negotiating parties
- Maximising opportunity through pre-negotiation preparation
- Knowing how personal biases and cultural differences impact negotiations
- Managing difficult behaviours and challenging relationships
- Improving communication by actively listening and asking questions
- Making offers at the right time, and in the right way
- Transforming competition into cooperation
- Managing teams of negotiators more effectively
- Recognising when to walk away.

Based on this summary, Ronaldo is satisfied that Joanna's training program will equip area managers with the knowledge and skills essential for the successful resolution of workplace conflict.

## Practice Task 11

### Question 1

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Draw a line to match each term about conflict management techniques to its correct definition.

- |                          |  |
|--------------------------|--|
| » Mediation              | » Two parties meet to reach an agreement concerning an issue or proposition, which one party has put to the other.   |
| » Emotional intelligence | » Use of active listening skills, positive body language, clear and respectful verbal communication and rapport building skills.   |
| » Negotiation            | » The ability to monitor personal own and others' emotions in a social or work environment, to discriminate among the emotions and to use the information to guide their thinking and actions. |
| » Communication          | » A confidential process where an impartial and independent third person facilitates communication between two or more people in dispute.  |

### Question 2

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Describe two effective conflict-management training options.

### Question 3

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Which of the following are effective communication techniques for resolving conflict?

Tick all that apply.

- Use active listening skills and verbal encouragement to show you are listening, and ask questions to clarify information.
- Limit eye contact and facial expressions so as not to appear intimidating or aggressive.
- Ensure your body language gives the individual your full attention and is appropriate according to the individual's cultural preferences.
- When speaking, be patient, polite and use suitable industry terminology, avoiding jargon or colloquial language.
- Accommodate for language differences by obtaining a translator or using technology to translate business communications.

## 3B Manage sources of conflict or grievance

It is an inevitable part of any HR professional's job that they will, at some time, need to resolve a conflict situation in the workplace.

The source of conflict is the starting point that led to the conflict occurring. Identifying sources of workplace conflict allows issues to be resolved before they escalate and become disruptive to business operations. Identifying the sources of workplace conflict or grievances is the first step in alleviating or eliminating the problem. Early detection is key to maintaining positive working relationships and fostering a productive work environment. Managers should be trained to identify potential workplace issues according to employment legislation and regulations.

### Types of conflict

Conflict influences the actions and decisions made in the workplace. Whether the conflict occurs between individual employees, between team members or between organisational departments, managers should treat it as an opportunity for growth and consultation in the workplace.

Workplace conflict can be classified into the following group types.

#### Interpersonal conflict

Interpersonal conflict refers to a conflict between two individuals. This usually occurs as a result of how people are different from one another. There are various personality types necessary to make an organisation successful. However, personality differences mean incompatible choices and opinions, and it is inevitable that conflict will occur. Managers should develop strategies or adjustments necessary for managing interpersonal conflict before it becomes destructive to workplace relationships.

#### Intrapersonal conflict

Intrapersonal conflict refers to conflict within an individual. All employees bring their own thoughts, values, principles and emotions to the workplace. This impacts how individuals see themselves, how they think others see them, and their perceived value to the organisation. This type of conflict can be difficult to handle if managers find it hard to identify and interpret the emotions of others. Managers should develop emotional intelligence so they can help individuals adapt, grow and express themselves in a positive and constructive way.

### Intragroup conflict

Intragroup conflict occurs between individuals within a team. The misunderstandings and incompatibilities between team members may lead to an intragroup conflict. Interpersonal disagreements, differing views, conflicting ideas or unresolved conflict can negatively affect the achievement of team objectives. Managers should promote a consultative team culture that empowers team members to decide how conflict should be managed, and resolve issues as a group. Managers or workplace relations personnel may need to provide guidance where a team cannot resolve their differences together.

### Intergroup conflict

Intergroup conflict occurs when a misunderstanding arises among different teams within an organisation. For example, where the finance department of an organisation comes in conflict with the customer service department. The cause of intergroup conflict is usually due to the varied goals and interests of different groups. Managers should work together to resolve intergroup conflict by focusing on how they can support each other to achieve common strategic or operational objectives.

## Sources of conflict

Each conflict is different; however, it usually starts when a person experiences unwanted, indifferent or offensive behaviour. These can be summarised as difficult behaviours.

The behaviour may be targeted toward the individual, another team member, the organisation or life in general. For example, a team member may have a lazy attitude toward health and safety. These behaviours are not necessarily targeted toward a specific person, but can be damaging if left unmanaged.

HR professionals should develop their analytical skills to identify the root causes of workplace conflict before issues become disruptive to work practices or damaging to workplace relationships. Managers should learn to distinguish between opinions and facts to discover the likely source of a problem.

Sources of conflict
• Changes to, or dissatisfaction with, terms or conditions of employment
• Negotiation of new agreements or employment contracts
• Personal differences
• Unfair treatment
• Incompatible goals, values, principles or opinions
• Negative attitudes of discrimination
• Unrealistic expectations or workloads
• Unfair or unlawful work practices
• Pay, remuneration or benefits issues
• Unrealistic expectations placed upon others
• Increased workloads, job roles or responsibilities
• Failure to provide clear instructions or accurate information to employees
• Breaching established agreements, awards or contracts
• Health and safety issues
• Concerns relating to job security

## Strategies to alleviate or eliminate conflict

There are a range of strategies that managers can use to alleviate or eliminate conflict in the workplace. Some of these are described below.

<b>Policies and procedures</b>	The most effective way to alleviate or eliminate workplace conflict is to ensure that policies and procedures comply with legislative and regulatory requirements. This enables organisations to avoid situations where conflict or grievances may arise. Relevant managers should keep up to date with legislative changes and update policies and procedures accordingly. Managers should also ensure that all members of the organisation have read, understood and can access policies and procedures, or undergo relevant training if necessary.
<b>Liaise with unions</b>	Managers should maintain positive, cooperative and collaborative relationships with trade unions, working together to maintain employees' understanding of, and satisfaction with, terms and conditions of employment. Trade union representatives will have access to specialist knowledge and expertise relating to the needs of their members. If managers liaise with unions on a regular basis, they are better equipped to address potential grievances before they escalate into disputes.
<b>Appoint internal officers</b>	An organisation may appoint an internal officer to manage workplace complaints, grievances or conflict. Internal conflict resolution officers may include mediators, counsellors, ombudsmen, consultants, change agents or informal managers, who are given authority to investigate and make recommendations as to how grievances or conflict should be handled. Internal officers can provide managers and employees with assistance and training to resolve differing opinions, difficult behaviours or other work-related concerns. Internal officers should operate independently of management structures to ensure they remain impartial.
<b>Observe work practices</b>	When managers observe the work practices of their team members, they gain meaningful insights about the way employees behave, communicate and carry out work tasks on a day-to-day basis. While observing their team members, managers should ask questions about work practices and listen to employees' explanations in order to gauge their understanding of their roles and responsibilities. This technique allows managers to quickly identify or witness any potential sources of conflict and promptly eliminate or alleviate them.
<b>Open door policy</b>	An open door policy is a communications policy in which a manager leaves their office door 'open' in order to encourage openness and transparency with employees. By making themselves available to employees who wish to ask questions, raise or express concerns, managers are able to address possible sources of workplace grievances before they arise. Managers must ensure that any promises to take action are carried out so that employees do not lose confidence in the manager's ability to deal with workplace issues.

<b>Consultative committees</b>	Consultative committees may be formed by managers in order to alleviate or eliminate sources of workplace conflict. Committees should consist of employees, managers and union representatives who make joint decisions about issues impacting employment terms and conditions. Allowing employees and their representatives to contribute to decision-making processes has the potential to minimise workplace conflict by allowing employees to express their concerns and opinions and improving their job satisfaction.
<b>Alleviate workplace stress</b>	Workplace stress refers to the adverse reactions or responses that occur when the demands of a job do not match the resources, needs or abilities of employees. While some level of stress is expected in the workplace, unnecessary or excessive stress has the potential to hinder a person's productivity or ability to perform in their role. Managers should learn to identify and alleviate any potential workplace stressors that could escalate into workplace conflict or disputes. Managers can alleviate workplace stress by using an open and honest communication style, maintaining an open door policy, identifying and addressing negative attitude or behaviours, taking steps to improve work practices, or delegating responsibilities among team members.

## Example

### Identify and/or eliminate, sources of conflict or grievance

Ahmed has just been promoted to project manager in a large oil and gas company. The team Ahmed manages is responsible for planning and executing a high-cost natural gas project in North-Western Australia. Ahmed is in constant communication with his team members and carefully monitors their responsibilities and work tasks to ensure they maintain reasonable workloads. Ahmed maintains an open door policy and encourages his team members to approach him with any potential issues or concerns they may have relating to the project, or to work practices.

To maintain positive working relationships, Ahmed arranges weekly team meetings off-site at a local coffee shop, where team members are encouraged to debrief and discuss how they can help each other to achieve team goals. Ahmed finds that during these meetings, team members often discuss issues they have identified as being potentially damaging to the team's success.

Working together, Ahmed and his team members develop strategies they could implement to eliminate threats to productivity, before they arise. Team members also discuss and support each other to change or alter work practices accordingly. One of Ahmed's team members, Maria, has suddenly taken extended leave to care for an immediate family who is suffering a severe illness. Ahmed immediately meets with his team members to equally distribute Maria's responsibilities between them, until she returns to work.

## Practice Task 12

### Question 1

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Which of the following are sources of workplace conflict? Tick all that apply.

- Personal differences
- A team member is injured and takes time off work
- Incompatible goals, values, principles or opinions
- Negative attitudes of discrimination
- A worker punches another colleague

### Question 2

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Why is it important to address the source of a conflict?

### Question 3

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Explain two useful strategies for alleviating or eliminating sources of workplace conflict.



## 3C Clarify issues in dispute

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When a grievance, dispute or conflict situation does occur it is necessary to check documentation and other information sources to clarify the background and nature of the issue.

HR professionals must check documentation and other information sources to clarify workplace issues in dispute.

Organisations are required to keep and maintain up-to-date records of grievance or dispute resolution processes and outcomes. Written records must include specific details relating to complaints made, investigations carried out and any resolutions or agreements reached by the parties. In some cases, management can conduct the investigation but if the matter is serious, an external organisation may be required to handle it. The resulting written documentation can be used by managers and other responsible personnel when clarifying the issue in dispute, and assist them in taking necessary action.

### Check documentation

To effectively resolve a grievance or dispute in the workplace, it is important to first make sure you understand the issue and the context in which it is occurring. This means you need to review key documents to understand who is involved and what their rights and responsibilities are.

You will need to check documentation and other sources to gather information and understand the nature of the dispute. Attempting to resolve a dispute prior to clarifying the issue can result in an ineffective resolution or even in making the situation worse.

Managers can use the following documents to clarify workplace issues in dispute. These documents need to be checked to ensure they are complete, balanced with the right amount of information to clearly show the issue at-hand, and relevant to the conflict or dispute.

Documentation may include:

- written complaints or grievances lodged by employees
- records of grievance or dispute resolution processes
- records of workplace investigations
- eye-witness statements relating to workplace behaviours
- records from mediation sessions
- work health and safety audits or inspections
- written records of workplace observations
- minutes from meetings
- records of employee performance management reviews
- documented agreements.

Other information sources that managers could use to clarify workplace issues in dispute may include the items listed below.

Other information sources
▪ Employee or customer feedback
▪ Trade union activities
▪ Advice from employer associations
▪ Workplace relations legislation and regulations
▪ Fair Work Commission and/or Fair Work Ombudsman
▪ Human rights commission
▪ Advice from other government agencies or departments
▪ Similar decisions made in industrial relations tribunals or courts
▪ Advice from lawyers
▪ External workplace relations specialists

## Example

### Clarify issues in disputes

Donovan is the operations manager at a company providing roof-plumbing services to corporate and government clients. Donovan is responsible for liaising with Stephen, an external workplace relations consultant engaged by the business, to draft, negotiate and implement enterprise agreements for the company's employees and contractors.

Donovan receives a complaint from a union representative on behalf of a group of apprentice plumbers, claiming that the company does not provide sufficient personal protective equipment (PPE) for workers carrying out high-risk roof-plumbing activities. It is a requirement of businesses and employers who are directing work that involves risk to a person's health and safety, to provide adequate PPE to workers at the workplace, unless already provided by another entity. It is also an offence to charge a worker for their own PPE.

Donovan contacts an organisation providing independent workplace investigations to inspect the company's off- and on-site work health and safety practices and make a decision on whether the existing PPE is sufficient for the work being carried out. To support the investigation, Donovan gathers the following documentation:

- a written record of the workers' complaint
- documented policies and procedures for work health and safety and the provision of PPE
- statements provided by site supervisors on the provision of PPE
- a copy of the most recent WHS audit carried out by the company's WHS officer.

## Practice Task 13

### Question 1

Which of the following documents can be used to help clarify issues in dispute?

Tick all that apply.

- Written complaints or grievances lodged by employees
- Records of workplace investigations
- Records from mediation sessions
- Sales records
- Minutes from meetings

## Question 2

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List four other types of information sources that you can evaluate to clarify issues in dispute.



## 3D Obtain expert advice and refer to precedents

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To ensure the issue is handled effectively, the additional skills of an external workplace relations expert or mediator may be required. This may be an individual from the private sector, or from a government agency such as the Fair Work Commission.

There may be situations where managers need to obtain expert or specialist advice about workplace relations issues, complaints, grievances, conflict management, negotiation processes, legal presentations, or other matters relating to employment. Managers may also need to refer to earlier events or actions that provide examples of how similar circumstances were dealt with in the past.

### Advisors

Workplace relations specialists offer a wide range of workplace relations services to assist organisations to manage their regulatory requirements and adopt best-practice employment principles. Workplace relations specialists should be carefully selected by an organisation to ensure they are suitable for the organisation's context and workplace relations requirements. Workplace relations specialists should have extensive experience in providing technical advice, as well as skills in advocacy and representation services across a broad range of industry sectors and jurisdictions.

Workplace relations specialists may be employed or contracted by private organisations, employer associations, government agencies or trade unions to provide advice or negotiate desired workplace relations outcomes on behalf of the party they represent. They may also include advisors from the local Safe Work Authority, Fair Work Commission or Fair Work Ombudsman.

A summary of sources and services provided is below.

#### Source

External workplace relations specialists can be sourced from:

- employer associations
- professional associations
- HR service directories
- an approved listed of providers used by an organisation
- advertisements
- the internet
- telephone directories
- word-of-mouth referrals
- specialist workplace relations management consultancy firms
- professional journals or publications
- seminars, conferences or networking events
- other organisations.

#### Services

Workplace relations specialists can support their clients in the following areas:

- Enterprise agreements
- Employment contracts
- HR policies and procedures
- Representation in industrial relations matters
- Claims of unfair dismissal, discrimination, harassment, bullying and adverse action
- Interpretation and application of workplace relations legislation, modern awards and NES
- Development and negotiation of enterprise agreements and grievance handling
- Mergers and acquisitions
- Redundancies
- Compliance audits
- Workplace investigations
- Mediation

## Expert or specialist advice

An organisation might seek the expert or specialist advice of workplace relations professionals for a number of reasons.

Expert or specialist advice may include:

- interpretation of state or federal awards
- interpretation of state or federal workplace relations legislation
- checking compliance of workplace relations strategies and policies with legislative requirements
- providing information on changes to employment law
- providing information on the operation and procedures of industrial courts and tribunals
- advice and representation before industrial courts and tribunals
- unfair and unlawful dismissal risk management
- drafting enterprise agreements and contracts of employment
- developing and implementing workplace relations plans, policies and procedures
- providing due diligence investigations and reports
- managing workplace relations performance
- facilitating a mediation process
- conducting negotiations with trade unions
- monitoring health and safety practices.

## Precedents

In common law legal systems, a precedent is a principle or rule established in a previous legal case, which is persuasive or binding for a court or tribunal when deciding subsequent cases with similar facts or issues.

Managers or workplace relations specialists can subscribe to online databases that provide access to materials on employment law forms and precedents, as well as general legal research, to assist them in making decisions about workplace relations matters.

Precedents do not necessarily have to be legal in nature to impact workplace relations decision-making in an organisation. Records of grievance or dispute resolution procedures, tribunal hearings, or mediation sessions may influence how managers or workplace relations specialists respond to similar workplace relations matters in the future.

Organisations often choose sound policy arguments and reasons in favour of broad or narrow approaches to resolving workplace relations conflict.

## Access legal advice

There are a range of organisations and websites that managers can access to determine whether or not professional legal advice should be sought. For new users of the legal system, information sources provide advice on how to engage the services of a lawyer to take, or respond to, legal action.

The law society or institute in each state or territory is a good starting point for finding a lawyer or other accredited specialist suitable to an organisation's legal issue and/or location. Using a lawyer referral service will usually entitle you to an initial inquiry with a lawyer that is free of charge. Managers can use this interview to determine with the lawyer the nature of the legal issue, discuss the available options and request an estimate of costs to proceed with the matter.

If a lawyer is requested to undertake any legal work on an employer's behalf, such as drafting agreements and contracts, managing negotiations or resolving workplace conflict, the lawyer's normal fees will apply. Managers should make sure they discuss costs before any work is completed on the organisation's behalf.

### Example

#### Obtain expert or specialist advice and/or refer to precedents

Simeon is the services manager at a community services organisation providing 15 group homes in Adelaide for people with a disability. The group homes are high-quality, community-based, shared accommodation and utilise principles of person-centred active support – an approach of support that enables people with a disability to fully participate in life.

Simeon receives a complaint from one of his team members, Ralph, who claims that one of his work colleagues, Claude, has been bullying him in the workplace. Ralph claims that when he goes to sit down at his desk, Claude pulls away his chair, causing Ralph to fall on the floor. Ralph finds the behaviour embarrassing and the last time Claude did this, Ralph received a bruise on his leg. Ralph has asked Claude to stop, but Claude continues doing it because he gets a laugh out of nearby witnesses.

Simeon is new to his role and does not have the required skills and knowledge to deal with the situation himself. Simeon contacts Claire, the HR manager, and asks her to advise him on the best way to handle Ralph's complaint. Claire directs Simeon to the organisation's procedures for grievance handling that promotes a consultative conflict management technique. Simeon arranges a meeting between Ralph, Claude, Claire and himself to discuss and resolve the grievance. Claire advises Ralph and Claude that they have the right to bring a representative or support person along with them to the meeting. Hoping that the grievance resolution process will be successful, Claire advises Ralph on how he can monitor Claude's behaviour in a way that is fair and equitable, to ensure his workplace behaviour is ethical and adheres to the organisation's policies and procedures.

## Practice Task 14

### Question 1

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Which of the following statements are correct? Select yes or no for each one.

- |  |       |      |
|--|-------|------|
| a) Specialist advisors can include supervisors, internal staff and co-workers from an HR team who have generalist skills and experience.                   | » Yes | » No |
| b) Specialist advisors can be sourced from government workplace relations agencies.  | » Yes | » No |
| c) Expert advice can be sought to assist in understanding the fair work laws, as well as resolving workplace relations disputes, conflicts and grievances. | » Yes | » No |
| d) Expert advice should be accessed in all cases when disputes occur or when workplace negotiations are being held.  | » Yes | » No |
| e) Specialist advisors can be sourced from specialist private sector organisations such as workplace relations and HR consultancy organisations.           | » Yes | » No |

### Question 2

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List five services that workplace relations specialist advisors can provide.

### Question 3

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What are precedents and how do they affect workplace relations decision-making?



## 3E Determine negotiation strategy

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Enterprise bargaining is the process of negotiating the terms and conditions of employment between the employer, a group of employees and their representatives (where applicable) with the aim of making an enterprise agreement.

Employment terms and conditions, including pay and employee benefits, can often be disputed during the process of enterprise bargaining as employees and their representatives strive for better conditions and employers seek to keep costs down. Enterprise bargaining usually involves the employer, employees and a bargaining representative, who is a person or organisation that each party to the enterprise agreement may appoint to represent them during the bargaining process.

This can be an effective strategy for resolving disputes regarding workplace conditions relating to pay, incentive schemes, employee benefits and rights. These issues are typically resolved through a series of negotiations. The negotiation process must aim to achieve mutually beneficial outcomes.

### Effective negotiation

Negotiation is a process where two or more parties with different interests and goals discuss issues to find a mutually acceptable solution. Effective negotiations contribute significantly to business success as they help to build better relationships, deliver lasting, quality solutions, and help managers to avoid future problems and conflicts.

Negotiating requires elements of give and take. Managers should aim to create a courteous and constructive interaction that is a win-win for both parties. A successful negotiation is where a party makes concessions that mean little to them, while offering something to the other party that means a lot to them. A manager's approach to negotiation should foster goodwill, regardless of the differences in party interests.

Before entering into negotiations, managers and workplace relations professionals should determine their desired outcomes, negotiation strategy and time frames with the aim of leaving each party satisfied and ready to do business with each other again.

## Good faith bargaining

When an agreement needs to be re-negotiated, the *Fair Work Act 2009 Act (Cth)* states that it must be completed in good faith.

There are six principles of good faith bargaining as outlined in the Act that must underpin the negotiation process.

The six principles of good faith bargaining require all representatives to:

- Attend, and participate in, meetings at reasonable times
- Disclose relevant information (other than confidential or commercially sensitive information) in a timely manner
- Respond to proposals made by other bargaining representatives for the agreement in a timely manner
- Give genuine consideration to the proposals of other bargaining representatives for the agreement, and give reasons for the bargaining representative's responses to those proposals
- Refrain from capricious or unfair conduct that undermines freedom of association or collective bargaining
- Recognise and bargain with the other bargaining representatives for the agreement

## Negotiation strategies

Understanding the other party's interests and tactics is integral to good negotiating. Selecting a strategy that best responds to their interests and tactics will help managers and workplace relations professionals to achieve the best outcomes.

Negotiation strategies should be matched to the situation. The strategy selected will depend on who managers are negotiating with and the type of relationship they have with them. For example, identifying the level of cooperation and common interests that exist between the parties, and how each party will behave during the negotiation will also depend on what is being negotiated, and the time frame and setting in which negotiations are taking place.

Negotiation strategies	
1	<p><b>Problem-solving: win-win</b></p> <p>Win-win strategies result in situations where both parties are satisfied with the settlement negotiated.</p> <p>Each party commits to examining and discussing issues closely when entering into long-term agreements that warrant careful examination.</p>

Negotiation strategies	
2	<p><b>Contending: win-lose</b></p> <p>Win-lose strategies result in situations in which one party is satisfied and one is dissatisfied. It focuses on the resolution of one party's issue to the exclusion of others, until one side is defeated.</p> <p>It involved persuading your negotiating party to concede to your outcome if you are bargaining in one-off negotiations over major 'wins'.</p>
3	<p><b>Yielding: lose-win</b></p> <p>Lose-win strategies result in situations in which one party is dissatisfied and the other is satisfied. One party withdraws or makes a number of concessions while the other party wins.</p> <p>Conceding a point that is not vital to you but is important to the other party is valuable in ongoing negotiations.</p>
4	<p><b>Compromising: lose-lose</b></p> <p>Los--lose strategies result in situations where the objectives of both parties are too rigid, or when both parties are unable to compromise, problem-solve, or are unaware of the opportunity to do so.</p> <p>Both parties forgo their ideal outcomes, settling for an outcome that is moderately satisfying to each of them.</p>
5	<p><b>Inaction</b></p> <p>This involves buying time to think about the proposal, gathering more information or deciding on next tactics.</p>

## Negotiation process

Every time managers or workplace relations professionals negotiate, they have to make choices that affect whether or not a successful outcome will be achieved for their organisation. To get the best outcomes, managers need to understand the steps involved in the negotiation process.

While many negotiations are straightforward, some will be more challenging. Success depends on careful planning and preparation. Negotiations should always be approached with a clear set of strategies, messages and tactics that guide the manager from planning to closing.

## Plan

No amount of planning or preparation is too much when approaching complex or high-risk negotiations. Plan your approach by researching the subject under negotiation, and consider your choice of tone and communication style.

In approaching the subject of negotiations:

- clearly set your objectives in your own mind, including your minimum acceptable outcome, anticipated outcome and ideal outcome
- determine what you will do if the negotiation fails
- determine your needs, the needs of the other party, and the reasons behind them
- list, rank and value your issues and then consider the concessions you might make
- analyse the other party and assess their objectives and the information they require
- research the market and consult with colleagues, supervisors and managers
- rehearse the negotiation
- write an agenda that includes discussion topics, participants, location and a schedule.

Decide on your communication style and familiarise yourself with successful negotiation strategies. Use a calm, confident tone and a set of strategies that allow you to make considered responses to the tactics you anticipate the other party using.

## Discuss

Your intention is to establish common ground before moving into areas of difference.

In engaging with the other party during the negotiation:

- introduce yourself and articulate the agenda
- demonstrate calm confidence
- remember your objectives and confirm the objectives and feelings of the other party
- use active listening skills to identify areas of agreement and aim to build rapport with the other party
- discuss concepts and ideas.

### Propose

Specifically define the issues you wish to resolve. Link issues to the other party's objectives and focus on interests rather than positions.

Give and take by:

- proposing your first offer and listening to the proposals made by the other party (do not accept the first offer unless it satisfies your interests)
- checking your understanding of the other party's proposal
- paraphrasing the other party's suggestions to summarise the content, ideas and feelings being communicated.

### Negotiate

Begin by asking for what you want, but accept that your objectives might have to be modified. Aim to collaborate with the other party in order to produce a solution that satisfies both parties.

Negotiate by:

- considering concessions, then making and seeking concessions
- suggesting alternative proposals and listening to offered suggestions
- summarising points throughout the discussion to confirm understanding
- taking the time to agree on what you have negotiated so far.

### Close

Take a moment to revisit your objectives for the negotiation. Once you feel you are approaching an outcome that is acceptable to you:

- look for closing signals, such as fading counter-arguments, tired body language from the other party, or negotiating positions converging
- articulate agreements and concessions already made
- make closing statements
- put agreements in writing as soon as possible
- follow up promptly on any commitments you have made.

## Negotiation time frames

As part of the negotiation process, you will need to consider appropriate time frames for completion and also key milestones. These time frames will help keep the process on track, and place a level of urgency on achieving the desired outcomes.

It is important to be realistic about the time required to complete negotiations and ensure that adequate time is provided when negotiating the terms and conditions of employment. A failure to adequately forecast and plan negotiation time frames can result in negotiations being rushed, which can have a negative impact on their success.

When developing time frames for negotiations, the following factors should be considered.

<b>The number of parties involved</b>	Examples of parties involved in negotiations include employee groups, unions, managers, human resources, etc.
<b>Logistics</b>	This is often more of an issue for organisations with multiple sites or large employee numbers because getting to each site and giving large numbers of employees the opportunity to participate in negotiations can be time consuming.
<b>The complexity of the issue that is being negotiated</b>	For example, negotiations for the implementation of an enterprise agreement will usually take a substantially longer time to negotiate than implementing a new process.
<b>Notification requirements</b>	Some awards and agreements, and even organisational policies, stipulate the time that must be provided to employees and unions to consider any proposed change within the workplace.

## Unsuccessful negotiations

Even with the best planning and preparation, managers may not always be able to negotiate a successful outcome. Managers should plan for what to do if negotiations fail. If time and resources are allocated to planning alternative solutions, unnecessary stress and poor business outcomes can be avoided.

Having an alternative plan in place will reduce internal pressures, minimise chances of accepting an offer that is not in the organisation's best interests, and set realistic goals and expectations.

If negotiation does not work or fails to reach an agreement that satisfies both parties, managers should explore their options under the organisation's grievance or dispute resolution procedures. Alternatively, managers could consider third-party mediation to establish a constructive environment for negotiation that requires both parties to discuss, propose and resolve issues fairly and objectively.

## Example

### Determine desired negotiation outcomes, strategy and time frames

Rebecca is the HR manager at a large furniture and home furnishings store. It is her responsibility to negotiate pay and conditions of employment for full-time and part-time employees. Conflict has erupted in the workplace as a result of excessive workload causing stress on workers. Senior management asks Rebecca to adopt a proactive negotiation approach and develop negotiation objectives to deal with elevated work levels. Elevated work levels occur where anticipation in company planning of annual peaks in production is critical; for example, holidays or a rise in customer demand due to the release of new products. Rebecca must prepare employees for the rise in workload by offering overtime or staggering shifts to help deal with employee stress. If the workload situation is not dealt with in advance, then conflict negotiations become a matter of finding solutions to ease the extra work burden experienced by employees. Additional employee breaks or bringing in part-time temporary staff may help to solve the workplace conflict.

## Practice Task 15

### Question 1

Draw a line to match each term about enterprise bargaining to its correct definition.

- |                         |   |
|-------------------------|---|
| » Negotiation strategy  | » When an agreement needs to be re-negotiated, the <i>Fair Work Act 2009 Act</i> (Cth) states that each party must meet six key principles to ensure the process is completed in good faith.                |
| » Negotiation process   | » The process of negotiating the terms and conditions of employment between the employer, a group of employees and their representatives (where applicable) with the aim of making an enterprise agreement. |
| » Good faith bargaining | » A plan that is used when seeking agreement on the terms of employment with one or more employees.   |
| » Enterprise bargaining | » A step-by-step approach to achieving win-win outcomes in the negotiation of workplace agreements.   |

## Question 2

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Which of the following statements relate to effective negotiation principles? Tick all that apply.

- Understanding the other party's interests and tactics is essential in ensuring a positive outcome.
- Win-lose strategies result in situations where both parties are satisfied with the settlement negotiated.
- As part of the negotiation process, HR professional must consider appropriate time frames, for completion, and also key milestones.
- A negotiation strategy should be developed to ensure the goals of the bargaining process are clearly identified and actions are set out that will help achieve a win-win outcome.
- Principled negotiation focuses on achieving a lasting, win-win outcome by separating the people from the issue, focusing on interests, not positions, and basing the agreement on objective criteria.

## Question 3

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Number each step from 1 to 6 in the order you would follow to effectively negotiate.

- Negotiate by asking for what you want, but accept that your objectives might have to be modified. Aim to collaborate with the other party in order to produce a solution that satisfies both parties.
- Put agreements in writing as soon as possible and follow up promptly on any commitments you have made.
- Plan your approach by researching the subject under negotiation, and consider your choice of tone and communication style.
- Propose your first offer and listen to the proposals made by the other party.
- Enter discussions by introducing yourself and articulating the agenda. Your intention is to establish common ground before moving into areas of difference.
- When you feel you are approaching an outcome that is acceptable to you, articulate agreements and concessions already made and make closing statements.

## 3F Advocate the organisation's position in negotiation

Advocacy is the process of supporting a case or proposal by speaking or acting for, or on behalf of, another. Organisational advocates are responsible for promoting an organisation's position during negotiations to obtain agreement by the other party.

Managers and workplace relations professionals are required to advocate for the organisation they work for by being persuasive on the organisation's behalf. Organisations can access advocates externally by engaging the services of workplace relations specialists employed by legal or consultancy firms.

Organisational advocates are responsible for participating in workplace relations negotiations, and representing an organisation where industrial disputes arise.

### Effective advocates

An effective advocate is one who can influence a key decision-maker. Successful advocates will persuade others to support the causes they support, or interests they promote.

Effective organisational advocates require the ability to:

- determine evidence that is relevant and admissible
- prepare and plan for a hearing or meeting
- gather evidence by interviewing witnesses
- present a case using persuasive opening and closing statements
- understand, use and interpret advocacy techniques
- predict an opponent's case and rebut their arguments
- examine and re-examine information and witnesses
- ask non-leading questions
- use excellent oral communication skills
- operate within the authority, jurisdiction and legal requirements of the relevant tribunal.

### Effective advocacy

For advocacy to be successful, organisational advocates must present themselves, and behave in a way that is persuasive to decision-makers. For the advocate to be successful, they must carefully plan and prepare for negotiations or hearings by developing a comprehensive understanding of the procedures and conventions of tribunal hearings, and all matters relating to industrial and workplace relations law.

Advocates must ensure they:

- dress in appropriate attire when appearing before a tribunal
- communicate respectfully by using manners and being courteous and polite at all times
- behave in an ethical manner by presenting solutions that are fair and equitable
- remain objective by carefully considering the accuracy and honesty of their argument
- prepare thoroughly in order to present a case that is ordered, understandable and progresses in a logical manner
- understand the procedures and conventions of tribunal hearings
- have knowledge of industrial and workplace relations law and regulations.

### Example

#### Advocate the organisation's position in negotiation

To support your learning, you might like to read a Parliamentary Library article in which Jaan Murphy discusses how the Fair Work Commission clarifies the differences between a support person and an advocate in discussions relating to a dismissal. The article titled 'Fair Work Commission clarifies differences between a support person and advocate' can be found at: [aspirelr.link/aph-support-person-advocate](https://aspirelr.link/aph-support-person-advocate)

## Document agreements

Once an advocate has been successful and achieved a resolution or re-negotiated an agreement, the final decisions should be recorded in writing and signed by the relevant parties. This ensures that all employees involved in the agreement, or directly impacted by it, understand their responsibilities and obligations for compliance. All relevant employees should be provided with a copy of a documented agreement.

Sometimes negotiation or dispute resolution processes will lead to the development of certified agreements or result in changes to existing certified agreements. These are collective employment agreements that specify the pay and conditions of employment for a group of employees. Certified agreements are legally binding and can cover a single workplace or be made to cover a group of associated employers working in a specific industry or occupation.

Certified agreements may be negotiated between an employer and their employees, or the employer and trade unions representing the interests of its members to be covered by the agreement. Certified agreements will apply to employees commencing work after the agreement is made.

## Agreement approval

Once negotiations and collective bargaining are complete and a draft agreement has been documented, certain steps must be taken to make sure the agreement is valid.

<p><b>Pre-approval</b></p>	<p>The employer must make sure that the terms of the agreement, and the effect of those terms, are explained to employees. Explanations must be provided in an appropriate manner using language that is appropriate for individual or cultural differences.</p> <p>Employees must endorse the agreement by voting for it.</p> <p>The agreement is made when:</p> <ul style="list-style-type: none"> <li>▪ single-enterprise agreement – a majority of the employees of the employer, or each employer, who cast a valid vote endorses the agreement</li> <li>▪ multi-enterprise agreement – a majority of the employees of at least one of the employers who cast a valid vote endorses the agreement</li> <li>▪ Greenfields agreements – it has been signed by each employer and each relevant employee organisation that the agreement covers.</li> </ul> <p>Agreements should not include any unlawful content.</p>
<p><b>Application for approval</b></p>	<p>Once an agreement is made, a bargaining representative for the agreement must apply to the FWC for approval of the agreement using specific forms that can be found on the FWC website, and within specific time frames set by the FWC.</p> <p>The application must be accompanied by a signed copy of the agreement, and any declarations required by the FWC rules or regulations.</p> <p>Applications can be lodged by email, fax, express post, in person or electronically.</p>
<p><b>Considerations</b></p>	<p>To approve an agreement, the FWC must be satisfied that:</p> <ul style="list-style-type: none"> <li>▪ the agreement has been genuinely made</li> <li>▪ the agreement passes the better off overall test (BOOT) making sure that employees are better off than they would have been otherwise</li> <li>▪ the agreement does not include any unlawful terms</li> <li>▪ the group of employees covered by the agreement was fairly chosen</li> <li>▪ the agreement specifies a nominal expiry date</li> <li>▪ the agreement provides a dispute resolution procedure</li> <li>▪ the agreement includes a flexibility clause and a consultation clause.</li> </ul>
<p><b>Undertakings</b></p>	<p>The FWC may approve an agreement that does not meet the requirements in the <i>Fair Work Act 2009</i> (Cth) if it is satisfied that a written undertaking meets the concern.</p> <p>The FWC will only accept a written undertaking from an employer after seeking the views of each bargaining representative and, if satisfied that the impact of accepting the undertaking is not likely to cause financial detriment to any employee, or result in substantial changes to the agreement.</p>

## Implement agreements

After negotiation and dispute resolution processes have taken place, workplace relations agreements will be documented and implemented within an organisation. For example, an employment contract might be varied by agreement to increase pay, reduce work hours or make changes to working conditions.

Under the *Fair Work Act 2009* (Cth), agreements continue to operate after their nominal expiry date until they are replaced or terminated by application to the FWC. Agreements made under previous legislation continue to have effect as agreement-based transitional instruments.

## Implement workplace relations agreements

Managers and workplace relations professionals can use a number of tools to implement agreements in the workplace. The tools selected should be communicated to all employees responsible. Training should be provided if new systems, procedures or plans are being used. These are described below.

### Procedures

Procedures should outline an established process for implementing changes to modern awards, enterprise agreements or employment contracts in the workplace.

### Implementation plan

Agreements can be executed by inclusion in an organisation's workplace relations implementation plan. This allows managers and workplace relations professionals to identify how the changes impact workplace relations strategies and policies and contribute to the achievement of workplace relations objectives.

### Action plans

An action plan could be used to identify the steps required by an organisation to implement a workplace relations agreement. To develop an action plan, managers and workplace relations professionals should break down a larger task into a series of smaller, manageable activities. Action plans should also identify the person/s responsible for each activity, a time frame for completion and the process for following up any conflicts or disputes relating to the agreement. Action plans should be regularly monitored and evaluated to ensure implementation processes are achieving desired outcomes and meeting legislative requirements.

### Schedules

Schedules may be used by managers and workplace relations professionals to determine how much time they have to implement workplace relations agreements and record the activities that need to be carried out. Tasks are prioritised and sequenced in a logical order for completion.

### Flow charts

A flow chart is a useful tool for visually demonstrating how workplace relations agreements should be implemented in the workplace. Each step in the implementation process is summarised into boxes or circles and linked with arrows to identify the order in which tasks should be completed. There are a number of computer applications and programs that managers and workplace relations professionals can use to develop flow charts.

## Example

### Implement agreements

This example illustrates an action plan used to implement an agreement relating to workplace diversity.

<b>Plan title</b>	Workplace diversity action plan		
<b>Aim:</b>	To create a workplace that encourages and supports equity and fairness and eliminates all forms of discrimination, harassment and bullying.		
<b>Objectives:</b>	The objective of this agreement is to integrate workplace diversity principles into the performance management process.		
<b>Legal environment:</b>	<i>Sex Discrimination Act 1984 (Cth)</i> <i>Disability Discrimination and Other Human Rights Legislation Amendment Act 2009 (Cth)</i> <i>Age Discrimination Act 2004 (Cth)</i> <i>Human Rights and Equal Opportunity Commission Act 1986 (Cth)</i> <i>Work Health and Safety Act 2011 (Cth)</i> <i>Fair Work Act 2009 (Cth)</i>		
<b>Manager:</b>	John Smith		
Action plan			
Action	Person responsible	Milestone date	Resources required
Adjust performance management processes to include workplace diversity principles.	John	30 June	Nil
Document new process.	John	3 July	Nil
Seek process approval from senior management.	John	6 July	Nil
Publish new process on company intranet.	Cameron	7 July	Nil

### Implement agreements

Action	Person responsible	Milestone date	Resources required
Negotiate variations to enterprise agreements to adjust performance management terms and conditions.	John and line managers	10 July – 10 August	TBA
Conduct training on new performance management process at an off-site facility.	John	15 August	\$1,200
Review process implementation.	John	15 December	Nil
Report to senior management.	John	20 December	Nil

### Follow up the agreement

A remedy is the end result of the dispute resolution process at the Fair Work Commission. The remedies available to the Commission when dealing with applications are determined by the *Fair Work Act 2009* (Cth).

There are a number of legal remedies available to employers and employees when agreements, awards, legislative obligations or contracts are breached. Remedial action may also be taken when there is a breakdown in negotiations about agreements or other propositions relating to workplace relations matters.

For example, an enterprise agreement may be breached when an employer fails to provide employees with individual flexible working arrangements. As a result, the affected employees have the right to bring an action against the employer for breach of agreement.

Where an employer breaches an agreement, award or contract, it may lead to the employer being fined. As well as imposing pecuniary penalties, a court can grant injunctions to prevent, stop or remedy the effects of a breach of agreement. If further breaches occur, the FWC might arbitrate the employer's enterprise agreement.

## Practice Task 16

### Question 1

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What are organisational advocates responsible for? Tick all that apply.

- Promote an organisation's position during negotiations to obtain agreement by the other party
- Represent the workforce during an enterprise bargaining process
- Represent the organisation at tribunal hearings
- Prepare and plan for a negotiation meeting
- Engage with key parties and work toward achieving a win-lose outcome for their organisation

### Question 2

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Outline four characteristics of effective organisational advocates.

### Question 3

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Outline how action plans can be used to implement and follow up workplace relations agreements.



## Summary

- Generating solutions by examining different points of view and facilitating the objective and rational exchange of information and opinions enables organisations to eliminate sources of workplace conflict, clarify existing workplace relations issues and determine desired negotiation outcomes that benefit both parties of the disagreement.
- All employees, workplace relations professionals and managers should be trained in conflict management techniques and procedures to resolve problems early and avoid major disruptions to business.
- Workplace relations professionals must provide or obtain specialist advice to ensure agreed outcomes are documented, implemented and acted upon efficiently.
- Effective negotiations contribute significantly to business success as they help to build better relationships, deliver lasting, quality solutions and help managers to avoid future problems and conflicts.
- Advocacy is the process of supporting a case or proposal by speaking or acting for or on behalf of another. Organisational advocates are responsible for promoting an organisation's position during negotiations to obtain agreement by the other party.
- Certified agreements are legally binding and can cover a single workplace or be made to cover a group of associated employers working in a specific industry or occupation.
- After negotiation and dispute resolution processes have taken place, workplace relations agreements will be documented, implemented and followed up within an organisation.
- Follow-up requires HR professionals to monitor and evaluate agreements to ensure any disputes and grievances are managed effectively.

## Learning Checkpoint 3

### Manage negotiations to resolve conflict

#### Part A

1. Which of the following statements are correct? Select yes or no for each one.

- a) The discussion training method is an effective training method that uses two-way communication between the manager and the worker, such as listening and questioning, to increase knowledge about conflict management techniques and procedures.      >> Yes      >> No
- b) E-learning is an effective training tool that can be used to develop skills in conflict management techniques.      >> Yes      >> No
- c) Simulations and role-plays can be used to develop the conflict management skills of the workforce.      >> Yes      >> No
- d) Coaching is the relationship of personal development that exists between a mentor and mentee.      >> Yes      >> No
- e) Communication skills are required to ensure conflicts are managed effectively, including appropriate language, non-verbal communication, listening and questioning techniques.      >> Yes      >> No

2. Which of the following statements relate to workplace bargaining processes?

Tick all that apply.

- Employers are legally obliged to set the terms and conditions of an agreement without the input of workers.
- Pay and employee benefits can be negotiated as part of the process of enterprise bargaining.
- Enterprise bargaining usually involves the employer, employees and a bargaining representative.
- When an agreement needs to be re-negotiated, the *Work Health and Safety Act 2011* (Cth) states that it must be completed in good faith.
- There are six principles of good faith bargaining as outlined in the Fair Work Act that must underpin the negotiation process.

3. Which of the following are sources of expert advice? Tick all that apply.

- Fair Work Ombudsman and the Fair Work Commission
- Expert HR consultancy organisations
- Industry and employer associations
- Solicitors with experience in workplace relations matters
- Employees and their bargaining representatives

4. List four types of advice that could be sought from workplace relations experts or specialists.

5. List four types of documentation managers could check to clarify workplace issues in dispute.

6. List five sources of workplace conflict.



7. Draw a line to match each term about managing conflict to its correct definition.

- |                             |  |
|-----------------------------|--|
| » Open door policy          | » Specialist groups that are formed by managers to alleviate or eliminate sources of workplace conflict.   |
| » Appoint internal officers | » A communications policy in which a manager encourages full access, openness and transparency with employees  |
| » Consultative committees   | » Hiring or selecting existing specialist managers to handle workplace complaints, grievances or conflict matters.   |
| » Policies and procedures   | » Setting out and communicating clear internal guidelines that explain the expectations, standards and commitments for responding to conflicts and other disputes. |

8. What is a remedy and how is one determined in workplace relations matters?



## Part B

Read the case study and then answer the questions that follow.

### Case study

Suzanna is the workplace relations manager at a large dairy farm in rural Victoria. She is responsible for negotiating, documenting and maintaining the relevant awards, enterprise agreements and employment contracts that apply to workers employed by the company. Senior management have advised Suzanna that the company has been contacted by the NSW Dairy Farm Workers Union (NDFWU) to re-negotiate terms for increased wages as part of a new enterprise agreement.

The company's existing enterprise agreements pay workers' wages at the equivalent pay rate as stated in the relevant award. The NDFWU has requested a minimum wage increase of \$20 per week for its members. Suzanna begins preparing for the first negotiation meeting, which will take place in one week's time. Senior management has advised Suzanna that there are limited financial resources available to increase wages and that she should negotiate for a lesser weekly increase of \$10.

1. What outcomes might Suzanna hope to achieve as a result of the negotiation process?

Tick all that apply.

- To maintain positive workplace relationships, motivate employees and improve productivity through a successful enterprise bargaining process
- To re-negotiate a new enterprise agreement that ensures wages remain at the current rate, without losing any staff or entering a dispute
- To negotiate a maximum weekly wage increase of \$10 for union members covered by the company's enterprise agreements
- To seek a win-win outcome for the organisation that ensures all members of the NDFWU are paid according to their requests of an additional \$20 per week
- To avoid any potential industrial action from the employees and the NDFWU and maintain harmonious working relationships

2. Number each step from 1 to 5 in the order Suzanna should follow to negotiate an agreement with the employees and their representatives.

- Negotiate to achieve a win-win outcome.
- Plan your approach to the subject under negotiation, your tone and communication style.
- Define the issues you wish to resolve. Link issues to the other party's objectives and focus on interests rather than positions.
- Discuss with the other party the key matters including outcomes, concepts and ideas that need to be negotiated.
- Close the negotiations by revisiting the objectives for the negotiation.

3. How could Suzanna advocate on behalf of the organisation to reach an agreement that aligns with organisational objectives? Tick all that apply.

- Influence the key decision-makers such as the NDFWU and represent herself and the organisation professionally
- Communicate respect by using manners and being courteous and polite at all times
- Behave in a domineering manner by presenting solutions that are suitable to the organisation's needs
- Remain subjective by carefully considering her opinions and preferences about the new terms of the agreement
- Be organised and prepared by presenting an option of increased wages that meets the organisation's budget
- Demonstrate a strong knowledge of industrial and workplace relations law and regulations

4. Explain why Suzanna would need to document the re-negotiated enterprise agreement.

5. Describe a strategy that Suzanna can use to implement the re-negotiated enterprise agreement.

