



Soft skills in hard times:

why good people management matters more than ever

In collaboration with:



CIPD

acas working
for everyone

Section 1: Why people management is so important (for business and employees)

The Greater Manchester Good Employment Charter has, since its launch in 2019, championed the importance of improving people management. Good people management practice helps firms create good jobs, delivers opportunities for people to progress, and contributes to the region's growth and success.

The pandemic has further highlighted the value of effective people management practices. This is evident in the increased need for health and wellbeing support, and the challenges of transitioning to more home and hybrid ways of working.

In particular, the crisis has emphasised the need for managers to demonstrate empathy, while providing flexibility and support. These are behaviours that are even more important when managing an increasingly dispersed and disparate workforce.

And, as the UK seeks to recuperate from the effects of Covid-19, there is a growing body of evidence to support this. Evidence suggests that improving people management capability will boost workplace productivity and support economic recovery over the long term.

For example, recent data from the ONS shows that people management practices such as performance reviews are directly correlated with positive firm-level productivity.

However, research shows that positive HR and people management policies alone are not sufficient. Rather, it is the quality of line management that will decide its effectiveness, and

its subsequent impact on organisational performance.

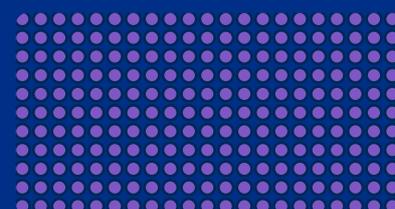
Line managers are critical to the different aspects of job quality, with their behaviour having a major effect on job satisfaction, employees' development, wellbeing, and sense of inclusion at work.

All these outcomes depend on managers having the necessary people management skills to manage and support their staff. This is why the Greater Manchester Good Employment Charter calls out 'People Management' as a key characteristic.

It is the 'golden thread' that binds many of the elements of good employment practice together, and yet too often people managers don't receive any training or support to help them fulfil their role.

In response, we are urging employers in Greater Manchester to boost investment in the development of people management skills. This will be a critical part of GM's recovery as we seek to strengthen good employment practices in our city region and navigate the workforce challenges ahead.

The Characteristics of the Greater Manchester Good Employment Charter:



Section 2: The critical role of line managers in managing, supporting, and developing staff

As discussed, managers are integral to ensuring HR and people management policies are effectively implemented - for the benefit of both the organisation and the individual.

We now turn in more detail to explore five pivotal aspects of managing, supporting, and developing staff.

1) Improving job competence and motivation

CIPD research suggests that it is the quality of line managers' people management skills that will decide, to a large degree, if workers are engaged with an organisation's core purpose. Good quality line management is also associated with employee innovation and support for other staff.

However, only about 40% of line managers receive any training in how to manage people. As a result, it seems their central role in ensuring employee motivation and proficiency is not fully recognised.

Business leaders should be asking questions about their line managers' people management skills and provide training where necessary to ensure the effective delivery of business strategy on the ground.

2) Tackling stress and supporting health and wellbeing

Closely linked to motivation is employee health and wellbeing, an issue which has come under even more focus in the last year as a result of the pandemic. Employers have a fundamental duty of care to their staff, underpinned by health and safety legislation and common law.

Besides the ethical and legal considerations, there is a very strong business case for supporting staff health and wellbeing. This is supported by evidence that shows the link between employee wellbeing and the quality of line management. For example, good quality line management is strongly associated with lower levels of stress among employees, and positive effects on workers' mental and physical health.

3) Managing and preventing conflict at work

Competent people management underpins positive interpersonal relationships and helps prevent and manage conflict at work. Recent research by Acas highlights the negative effect of conflict at work, with nearly seven in ten organisations agreeing that it is time-consuming and more than half reporting that it negatively affects their culture.¹

Conflict between staff and line managers is the most common cause of disputes at work, followed by interpersonal conflict within teams. This information highlights the key role of the line manager in both preventing and managing conflict when it arises.

4) Supporting learning and development

While the role of line managers in managing conflict will be widely recognised in many organisations, their role in skills development and learning is often not well understood.



Line managers are critical in supporting employees' skills development, and in shaping workplace culture to be one that is productive and supportive of learning - according to the CIPD 2020 Learning and Skills at Work survey.

Good line managers help identify learning needs and encourage employee participation in both informal learning activities and training. This is particularly important if people are working remotely, to help assess any learning impacts.

5) Boosting inclusion and diversity in the workplace

Line managers play a central role in creating a more diverse and inclusive work culture. This is by ensuring all staff are treated fairly and consistently and taking action against any form of harassment or discrimination.

Within this is learning and development, as managers are crucial in helping employees' progress and reach their potential regardless of their characteristics or background.

Line managers are also critical to the operation of both formal and informal flexible working arrangements. Effective managers get to know the people they manage as individuals, and provide this flexibility where needed based on a case-by-case basis.

The shift to more home and hybrid working as a result of the pandemic is set to continue once the crisis is past. This will further emphasise the need for line managers to have the people management skills to manage a more flexible and increasingly diverse workforce.

¹ Acas (2020), Dispute and their management in the workplace: a survey of British employers',

Section 3: What does good people management look like?



Research carried out by [CIPD and Affinity Health](#) has identified the five behavioural traits that all managers need to both engage their employees in productive work, and support their health and wellbeing.³ But how relevant are these traits in the current environment?

Being open, fair and consistent. Team leaders need to remain calm under pressure and manage their own emotions as well as those of staff who may be worried for their futures – particularly with the recent surge in redundancies.

Handling conflict and problems. Many workplaces are likely to be experiencing high levels of latent conflict, due to the ongoing stress and anxiety associated with health and safety, job security, contractual changes and new ways of working.

Providing knowledge, clarity, and guidance. For many, remote working has created a welcome flattening of organisational hierarchies. But managers still need to make decisions and play an active part in joint problem-solving initiatives.

Building and sustaining relationships. One positive by-product of the pandemic is that we are becoming increasingly literate in the language of our psychological wellbeing. Now is the time to get to know your staff well.

Supporting development. There may be lessons to learn from the last recession - when there was an over-reliance on agency and zero-hours workers to fill short-term gaps. We need to promote a longer - term investment in skills.

²CIPD (2020), 'Learning and Skills at Work. Mind the gap: Time for Learning in the UK',

www.cipd.co.uk/knowledge/strategy/development/learning-skills-work#gref

³CIPD and Affinity Health (2017), 'Developing Managers for Engagement and Well-being',

www.cipd.co.uk/knowledge/culture/well-being/developing-managers-report#gref

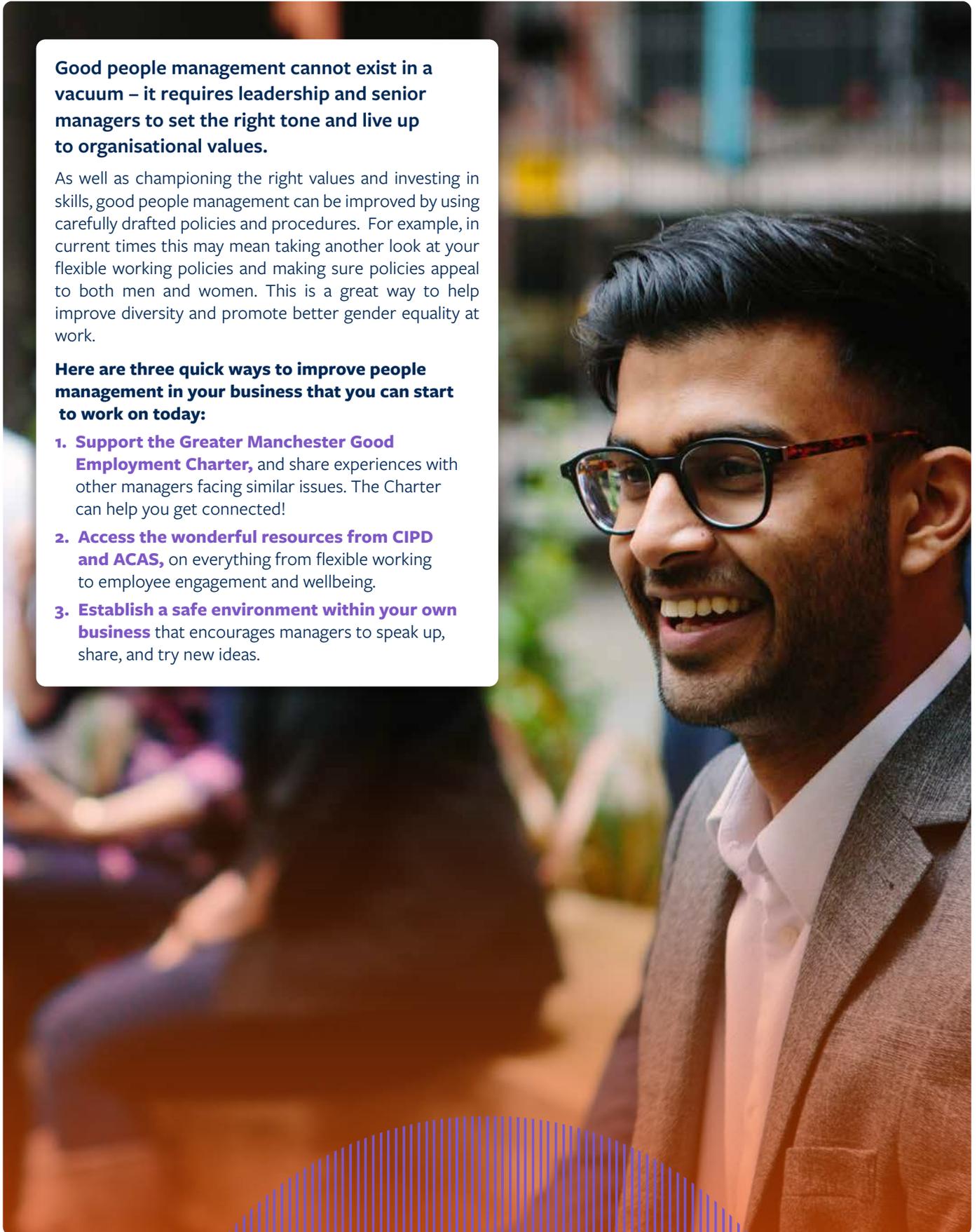
Section 4: How to improve people management

Good people management cannot exist in a vacuum – it requires leadership and senior managers to set the right tone and live up to organisational values.

As well as championing the right values and investing in skills, good people management can be improved by using carefully drafted policies and procedures. For example, in current times this may mean taking another look at your flexible working policies and making sure policies appeal to both men and women. This is a great way to help improve diversity and promote better gender equality at work.

Here are three quick ways to improve people management in your business that you can start to work on today:

- 1. Support the Greater Manchester Good Employment Charter**, and share experiences with other managers facing similar issues. The Charter can help you get connected!
- 2. Access the wonderful resources from CIPD and ACAS**, on everything from flexible working to employee engagement and wellbeing.
- 3. Establish a safe environment within your own business** that encourages managers to speak up, share, and try new ideas.



Section 5: Resources

For help and support to improve management practice employers can find resources here:

Chartered Institute of Personnel and Development

CIPD offer a wide range of resources including guides, podcasts, webinars and training:

The Greater Manchester Good Employment Charter Resource Microsite

- provides up to date guidance and advice on the best management practice.

Line Manager Support Materials

- resources, guides and quizzes to help managers explore and develop their management capability.

Guidance for Employee Engagement

- leaflet for employers and managers.

Alignment Quiz on Behaviours to Support Health, Wellbeing and Engagement

- quiz to determine how your management approach aligns with the five areas of manager behaviour.

Line Manager Development Exercises

- exercises to help you develop a stronger management approach.

Line Managers Fact Sheet

- information about the role of line management, and its relationship to an organisation's people practices.

Training

- course on building the essential people skills for line management.

Line Managers' Role in Supporting the People Profession

- outlines roles and responsibilities of line managers.

Acas

A number of resources are available through Acas to support employers:

Helpline – free and impartial advice for employers, workers and representatives 0300 123 1100

Website – includes:

- **Advice**
- **Template letters, forms and HR documents**
- **Research and commentary**, including *case studies*

E-learning - sign-up for our free e-learning to update your HR knowledge or learn new skills.

Webinars - free webinars on employment law topics and employment relations.

Acas Model Workplace tool – free and easy to use self-diagnosis tool.

- Helps you to check how good your organisation is at people management. Presented in short modules, complete as few or as many sections as you want to. After completing a module, you'll be given a rating, along with useful advice and links to resources.

Training events and courses – 'open access' training providing practical solutions to employment problems.

Tailored support for your workplace - in-company training and in-depth advisory services. Our specialists can work with you to provide tailored support and practical solutions to address challenges at your workplace.

Supported by



GMCA GREATER
MANCHESTER
COMBINED
AUTHORITY

ANDY BURNHAM
MAYOR OF
GREATER
MANCHESTER

Soft skills in hard times: why good people management matters more than ever

Section 1

Why people management is so important?

The Greater Manchester Good Employment Charter has, since its launch in 2019, championed the importance of improving people management. Good people management practice helps firms create good jobs, delivers opportunities for people to progress, and contributes to the region's growth and success.

The pandemic has further highlighted the value of effective people management practices. This is evident in the increased need for health and wellbeing support, and the challenges of transitioning to more home and hybrid ways of working.

In particular, the crisis has emphasised the need for managers to demonstrate empathy, while providing flexibility and support. These are behaviours that are even more important when managing an increasingly dispersed and disparate workforce.

And, as the UK seeks to recuperate from the effects of Covid-19, there is a growing body of evidence to support this. Evidence suggests that improving people management capability will boost workplace productivity and support economic recovery over the long term.

For example, in 2017, the Bank of England's chief economist Andy Haldane in a major speech on the UK's productivity problem, argued that a lack of management quality was a plausible explanation for the UK's long tail of low productivity companies¹.

The importance of management capability to firm-level productivity was also highlighted by findings from the ONS Management practices survey of 25,000 firms published in 2017². Analysis of the data found a significant positive link between the presence of more formal management practices and productivity.

The study found that key people management practices - including performance reviews, managing underperformance, training, and promotion – were the management practices most correlated with company productivity.

The role of the line manager is critical to both firm performance and job quality

How effectively these practices are applied in practice in workplaces, depends to a large degree on the people management skills and capabilities of the line manager, or in smaller firms, the owner-manager of the business.

The crucial role of the line manager has also been identified by research on the link between High Performance Working practices³ and business performance. This emphasises the importance of senior

¹ <https://www.bankofengland.co.uk/-/media/boe/files/speech/2017/productivity-puzzles.pdf?la=en&hash=708C7CFD5E8417000655BA4AA0E0E873D98A18DE>

²

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/experimentaldataonthe managementpracticesofmanufacturingbusinessesingreatbritain/2018-04-06>

³

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/34638/12-1195-promoting-high-performance-working.pdf

and line managers in implementing key HR policies to a high standard and appropriately to the context of the firm.

In addition, as this paper sets out, line managers are central to different aspects of job quality, with their behaviour deciding to a large extent whether employees are satisfied with their jobs and are properly directed and motivated. They are central to managing and preventing conflict and stress and supporting people's wellbeing and work-life balance. Furthermore, line managers play a pivotal role in how and whether people learn at work and are able to apply their skills, progress and reach their potential regardless of their individual characteristics or backgrounds.

Excellent people management is at the heart of the Greater Manchester Good Employment Charter

All these outcomes depend on managers having the necessary people management skills to manage and support their staff. This is why the Greater Manchester Good Employment Charter (see box below) calls out People Management as a key characteristic. The charter is designed to help employers develop good jobs, deliver opportunities for people to progress, and help employers in the Manchester city-region grow and succeed.

This paper is designed to support the charter by setting out evidence on why employers need to prioritise ensuring their line managers are equipped with the people management skills to manage and support employees effectively.

It then highlights the key behaviours managers need to demonstrate when managing people effectively, drawing on examples and scenarios of these in practice.

Finally, it considers how excellent people management can be developed in organisations.

Greater Manchester Good Employment Charter

The Charter has three tiers:

1. Supporters - for those employers who support the aims of the Charter and Greater Manchester Strategy, but are not yet in a position to meet the requirements of accreditation.

2. Members – requiring employers to demonstrate excellent practice in key characteristics of employment practice, these are:

- Secure work
- Flexible work
- Real living wage
- Engagement & Voice
- Recruitment
- People management
- Health & Wellbeing

3. Advocates - individuals who have knowledge and experience in the characteristics of good employment and can share their expertise with others to support the aims of the Charter.

Section 2

The critical role of line managers in managing, supporting, and developing staff

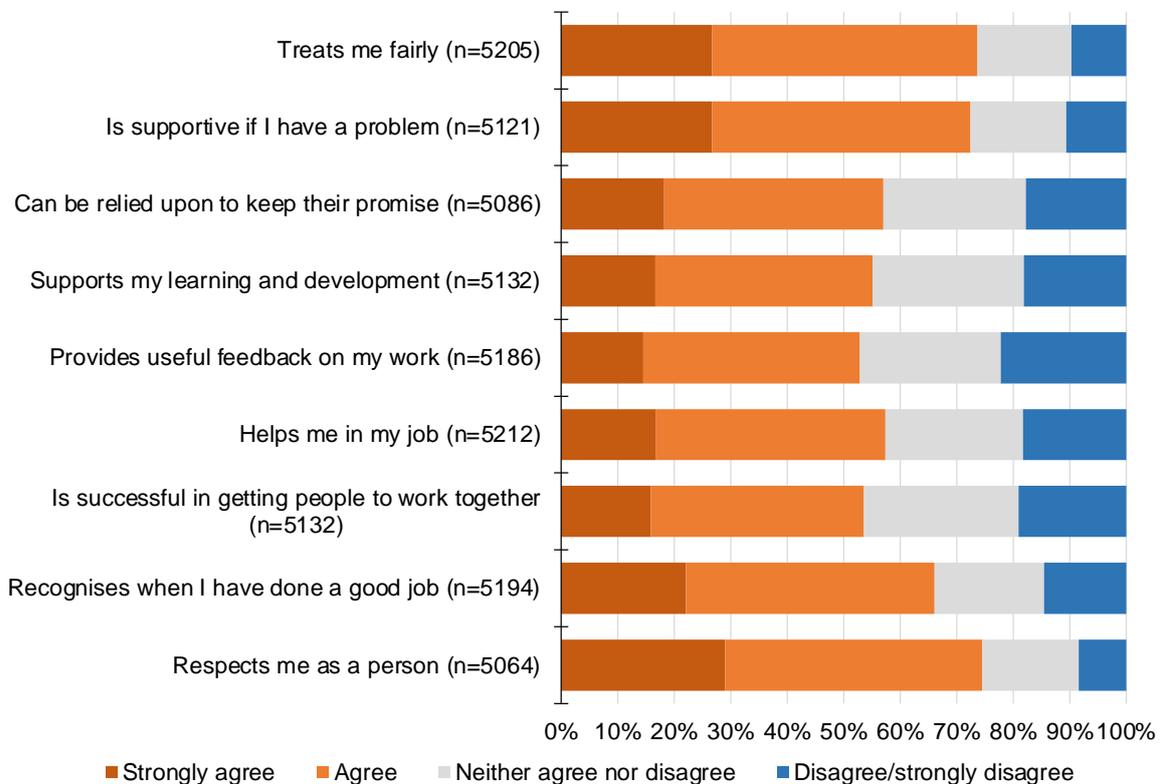
As discussed, managers are integral to ensuring HR and people management policies are effectively implemented for the benefit of both the organisation and the individual. We now turn in more detail to explore the pivotal role of managers in managing, supporting and developing staff.

This will draw on evidence relating to the role of the line manager, that can be defined as an employee who directly manages other employees while reporting to a higher-ranking manager. However, the principles of good people management apply to anyone who directly manages people regardless of their seniority, including owner managers of small firms and CEOs of multinationals.

Figure 1: Analysis of the CIPD’s annual UK Working Lives Survey (2020)

Analysis of the CIPD’s annual UK Working Lives Survey (2020) provides some useful data on line managers’ ability to manage people see Table 1 below. This shows how managers are rated on key aspects of people management by employees.

“To what extent do you agree or disagree with each of the following statements for your main job? My immediate supervisor, line manager or boss ...”



In order to analyse this data further and understand how management capability is linked to outcomes like ability to do the job, motivation, commitment and wellbeing, CIPD combined the results from all nine questions to produce a line management sub-index, whereby respondents’ line manager was assigned a score between zero (worst possible score) and one (best possible score).¹ We then divided the data into quartiles to help understand how management quality was linked to a number to a range of outcomes which are explored in this section.

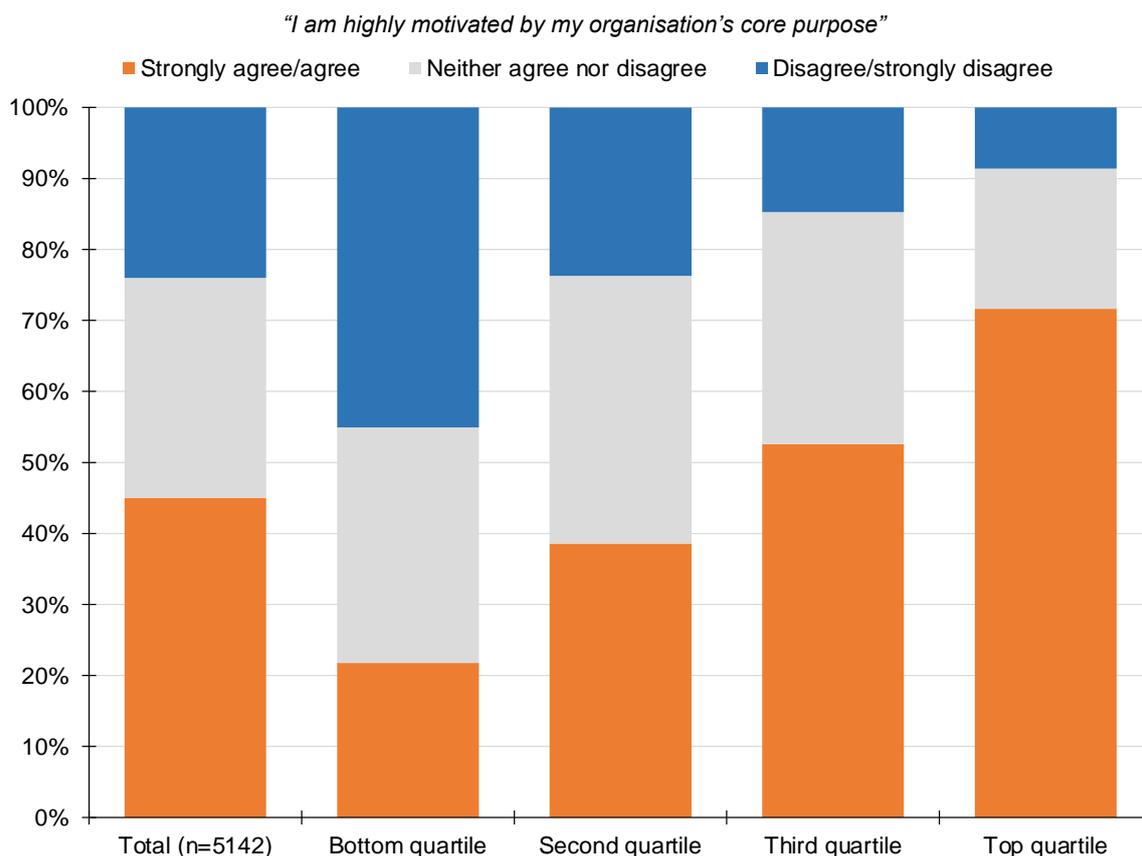
Boosting employee motivation and job competence

It goes without saying that an organisation will need an engaged and competent workforce to succeed. However, given only about 40% of line managers⁴ receive any training in how to manage people, it seems their central role in ensuring employees are motivated and are fully proficient in their roles is often not fully recognised by business leaders.

Analysis of the CIPD's 2020 UK Working Lives survey shows employees whose managers fall into the bottom quartile on management quality (see Box) are much less likely to agree they are highly motivated by their organisation's core purpose than respondents whose managers are in the top quartile. See Figure 1 below.

Figure 2: Organisational commitment by line management sub-index quartile, 2020

(UK, excluding self-employed and owners/proprietors and partners)



Source: UK Working Lives survey 2020.

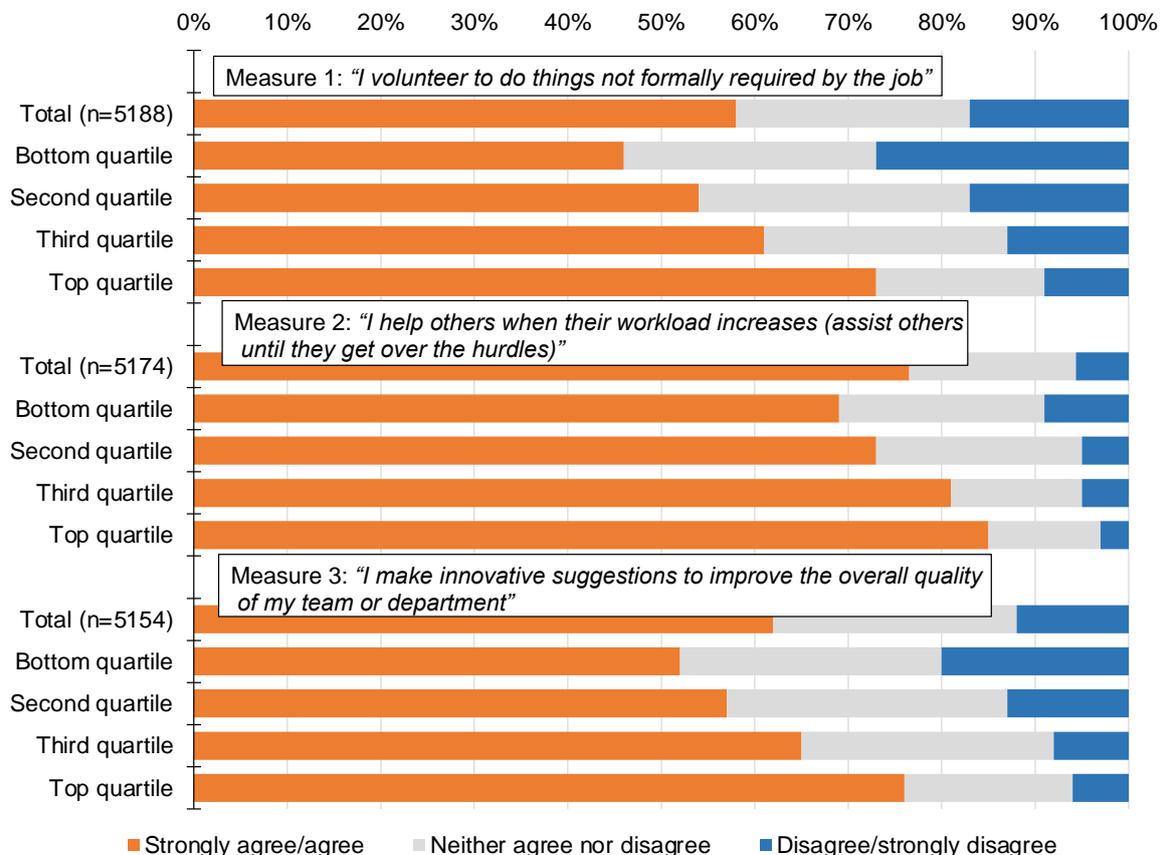
Workers with higher rated managers are also more likely to 'go the extra mile' for the organisation, help colleagues or make suggestions for improvements. See Figure 3 below. The UKWL analysis also finds that workers with managers in the bottom quartile on management quality are also significantly less likely than respondents in the top quartile to report that they are competent in all areas of their job and handle tasks with proficiency.

⁴ https://www.cipd.co.uk/Images/managing-conflict-in-the-workplace-1_tcm18-70655.pdf

These findings highlight why business leaders should be asking questions about people management capability in their organisation as line managers will be critical to the effective delivery of business strategy on the ground.

Figure 3: Measures of context performance/motivation by line management sub-index quartile, 2020

(UK, excluding self-employed and owners/proprietors and partners)



Preventing stress and supporting wellbeing

Closely linked to motivation is employee health and wellbeing, an issue which has come under even more focus in the last year as a result of the pandemic. Employers have a fundamental duty of care to their staff underpinned by both health and safety legislation and common law. Besides the ethical and legal considerations, there is a very strong business case for supporting staff health and wellbeing. For example, mental ill health due to conditions like depression and anxiety, is the top cause of long-term sickness absence and stress is close behind at number three⁵.

There is also evidence⁶ showing the negative effect stress can have on people's cognitive ability leading to a reduced ability to concentrate, control emotional responses, remember and plan. In addition, stress is associated with behaviours that can increase the risk of mistakes and accidents at work⁷.

⁵ https://www.cipd.co.uk/Images/health-and-well-being-2020-report_tcm18-73967.pdf

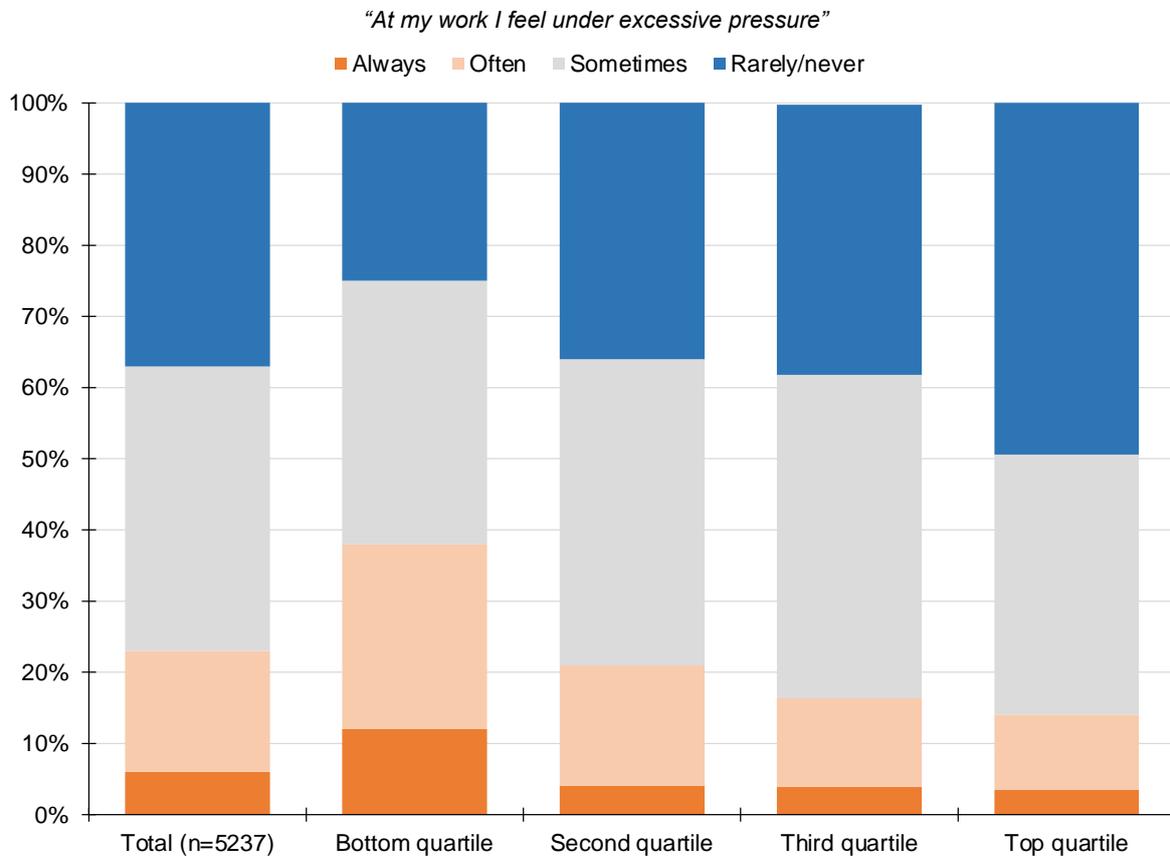
⁶ <https://www.cambridgecognition.com/blog/entry/can-stress-at-work-affect-cognitive-performance>

⁷ <https://www.hse.gov.uk/research/rrpdf/rr488.pdf>

Line managers play a fundamental role in managing and preventing stress at work and supporting employee health and wellbeing more generally. There are clear links between line manager quality and employee health, especially mental health, according to CIPD’s Working Lives Survey.

For example, employees with bottom quartile scoring managers are much more likely to report their workload is too heavy and that they always or often feel under excessive pressure than employees whose managers are rated in the top quartile. See Figure 4 below.

Figure 4: Employee perceptions of stress by line management sub-index quartile, 2020

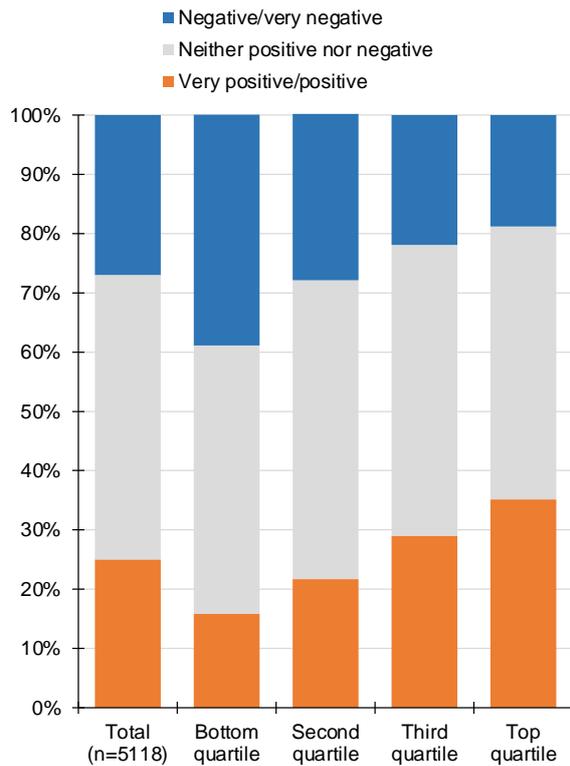


This is likely to explain why respondents with low rating managers in the bottom quartile are over three times more likely to report their work has a negative effect on their mental health (51%) than staff with high-ranking managers in the top quartile (13%). The line manager effect on employee wellbeing also applies to workers’ physical health. See Figure 5.

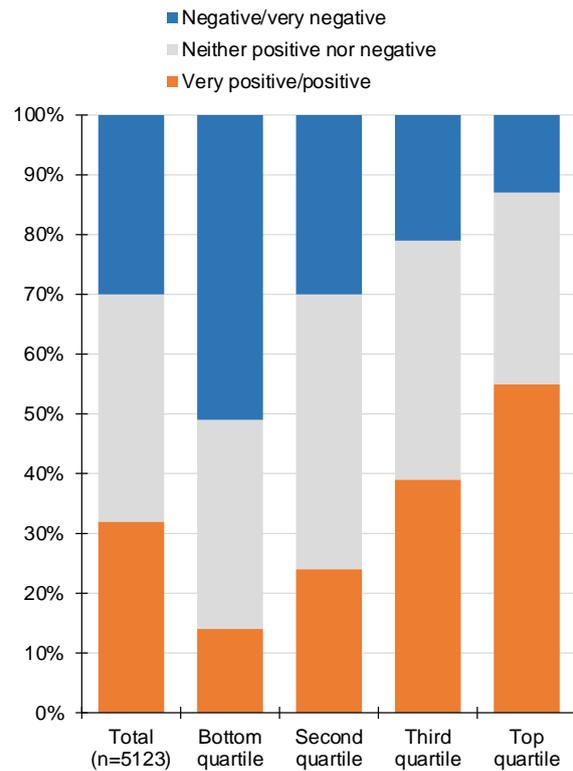
Figure 5: Employee perceptions of the impact of work on their health by line management sub-index quartile, 2020

(UK, excluding self-employed and owners/proprietors and partners)

"To what extent does your work positively or negatively affect the following? Your physical health"



"To what extent does your work positively or negatively affect the following? Your mental health"



Source: UK Working Lives survey 2020.

Effective line managers manage people’s workload appropriately, pick up on early warning signs if people are struggling to cope and provide support and flexibility to help staff through challenges they may be facing outside work. Managers are also critical to the effective implementation of absence management policies and to helping employees return to work following long-term sickness absence if they do suffer ill health⁸.

A failure to equip line managers with people management skills will undermine anything else employers do to support employee health including, for example, improving access to occupational health services or providing support to facilitate healthy eating or exercise among staff.

Managing and preventing conflict at work

Competent people management also underpins positive interpersonal relationships and helps prevent and manage conflict at work. Recent research by Acas⁹ highlights the negative effect of conflict at work, with nearly seven in ten organisations agreeing that disputes at work are time consuming and more than half of reporting that disputes negatively affect their culture. More than a third of employees reported they had experienced conflict at work in the past 12 months according to a 2018 CIPD survey¹⁰, with four in ten of these respondents saying this had reduced their motivation and nearly half reporting this had caused them stress. This survey also showed that conflict between staff

⁸ https://www.cipd.co.uk/Images/manager-support-for-return-to-work-following-long-term-sickness-absence_2010_tcm18-10818.pdf

⁹ <https://www.acas.org.uk/disputes-and-their-management-in-the-workplace>

¹⁰ https://www.cipd.co.uk/Images/managing-conflict-in-the-workplace-1_tcm18-70655.pdf

and their line manager was the most common cause of disputes at work followed by interpersonal conflict within teams.

There are also of course considerable legal and reputational risks arising from conflict at work, demonstrated by numerous recent corporate and political scandals over sexual harassment and bullying in the workplace.

Both the CIPD and Acas research highlight the critical role of line managers in preventing and managing conflict at work. Line managers have a central role in preventing conflict through treating people fairly and with respect and intervening at an early stage, for example, to prevent banter becoming bullying and by taking action to address complaints. Line managers are typically the first person that that employees turn to report conflict ¹¹and make complaints about bullying or harassment so how they respond and their judgement over whether issues can be dealt with informally or if formal disciplinary or grievance processes should be used is critical.

CIPD's 2018 research into conflict management suggests that training managers to manage people can make a considerable difference in how well conflict is managed. For example, among organisations that trained their line managers to manage people just 17% of employer respondents agreed that conflict is a common occurrence compared to 25% in firms which did not train their line managers. Among organisations that trained their managers, 81% agreed that 'if there is conflict within a team, a line manager would help to resolve this effectively', compared with 63% of organisations where managers were not trained. Most people are promoted to the position of line manager because of their technical skills not their ability to manage people so it is not surprising that managers struggle in this respect if they receive little or no training.

Supporting learning and development at work

While the role of line managers in managing conflict will be widely recognised in many organisations, their fundamental importance to how people develop skills and how learning is supported at work, is often underestimated.

Line managers are critical in supporting employees' skills development and shaping workplace culture and fostering a work environment that is productive and supportive of learning, according to the CIPD 2020 Learning and Skills at Work survey.

Good line managers help identify learning needs, encourage participation in both informal learning activities and training, and help to assess learning impact. The survey found that in organisations that report their employees are highly satisfied or satisfied with their jobs, line managers are twice as likely to facilitate continuous learning and be involved in determining learning and development needs compared with organisations where employees are dissatisfied. They are also much more likely to support informal learning, learning transfer and help assess the impact of learning.

Furthermore, there is consensus in the workplace learning research literature that line managers are pivotal¹² in creating work cultures and environments that support learning. The 2016 Government Office for Science Foresight report *Learning Outside the Formal System - What Learning Happens in*

¹¹ <https://www.acas.org.uk/disputes-and-their-management-in-the-workplace>

¹²

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590493/skills-lifelong-learning-workplace.pdf

the Workplace, and how is it Recognised? provides a useful summary of how line managers support learning at work by:

- Avoiding over-challenging and under-challenging individuals, as both are bad for learning and morale.
- Enabling workers to consult with colleagues and work in teams.
- Developing the skills to relieve tensions that threaten the group climate and seek advice if they themselves are directly involved.
- Ensuring workers receive and contribute to on-going feedback about their own and their workplace/organisation's performance.

Taken together, the evidence is clear that employers' investment in skills development and formal training for staff will fail to have the desired impact unless line managers are equipped with the necessary people management skills to allow learning at work to flourish.

Supporting inclusion and diversity in the workplace

Another critically important facet of line management is in supporting inclusion and diversity in the workplace and ensuring that workers are treated fairly and their potential recognised and supported regardless of their individual characteristics or backgrounds. CIPD research¹³ shows that employees from an ethnic minority background that report their career expectations have been met or exceeded, cite benefiting from good-quality line management from their immediate manager as a key factor.

Poor line management can also hold people back and prevent them from reaching their potential. The same research found that experiencing poor quality line management was one of the main reasons cited by ethnic minority staff for their career progression expectations not being met.

Another CIPD study¹⁴ showed that line management is also key to supporting social mobility with employees from economically disadvantaged backgrounds whose career progression expectations have been met citing good quality line management as an important reason. Among respondents unhappy with their career progression, poor line management was cited as the most important workplace factor.

These findings are perhaps not surprising given the core role of the line manager in supporting learning and development, as well as in providing flexibility and support to help employees' work-life balance. There is increasing demand for more flexible working practices from working parents and older workers to help them manage caring responsibilities of different forms, or health problems or conditions while continuing to work. The shift to more home and hybrid working as a result of the pandemic is also set to continue once the crisis is past¹⁵, which will further highlight the necessity of line managers having the people management skills to manage and support a more flexible and diverse workforce.

¹³ https://www.cipd.co.uk/Images/addressing-the-barriers-to-BAME-employee-career-progression-to-the-top_tcm18-33336.pdf

¹⁴ https://www.cipd.co.uk/Images/employee-outlook-focus-on-skills-and-careers_tcm18-10995.pdf

¹⁵ https://www.cipd.co.uk/Images/embedding-new-ways-working-post-pandemic_tcm18-83907.pdf

Section 3

What does good people management look like? The scarlet pimpernel of the workplace?

Good people management can seem slightly ephemeral. A mixture of personality, policies and values, it is not always easy to pin down. Also, different businesses may have different management priorities, depending on whether staff are on furlough, for example, or helping to home-educate their children. Yet, against the pervasive backdrop of Covid-19, it certainly feels right that a consensus has emerged around the pre-eminent role that line managers can play in promoting employee wellbeing. The case for positive mental health can hardly be overstated – with statistics from the ONS showing that we are both [lonelier](#) than ever before and more [depressed](#).

Over the last decade, people management has, arguably, been most influenced by the concept of employee engagement. Macleod and Clarke's landmark publication, 'Engaging for Success', was published partly in response to the last economic recession. Then the focus was on engaging and motivating staff through a mixture of empathetic line management, visionary leadership and effective voice mechanisms (all still crucial today). A decade and another recession later, and the challenge is perhaps even more complex: to boost productivity through sustainable engagement based upon employee wellbeing.

The five key behaviours every good manager needs

Research carried out by [CIPD and Affinity Health](#) has, helpfully, identified the five behavioural traits that all managers need in order to both engage their employees in productive work and support their health and wellbeing. These traits are 'being open, fair and consistent'; 'handling conflict and problems'; 'providing knowledge, clarity and guidance'; 'building and sustaining relationships'; and 'supporting development'.

How relevant are these in the current environment? Let's take a closer look:

Being open, fair, and consistent

For many businesses, part of being an 'open' manager in the current economic environment involves engaging with staff over possible changes to contracts of employment or proposed redundancies. Team leaders need to remain calm under pressure and manage their own emotions as well as those of staff who may be very worried for their futures. The Acas helpline has seen a huge spike in calls relating to redundancies (up 160% in June/July 2020, to 333k, compared to the previous year).

Unfortunately, the pandemic has further underlined many existing inequalities at work and in society. [ONS statistics](#) on the impact of the pandemic, for example, show that black and minority ethnic groups suffered a 'triple whammy of threats' to their mental health, incomes and life expectancy that left them more vulnerable to the coronavirus pandemic. The health crisis has also had a disproportionate impact on the young, women and those with caring responsibilities. Good managers pro-actively promote equality and diversity through their daily interactions with staff and the way they implement policies and procedures.

When the physical and psychological safety of so many employees is being threatened, 'consistency' is undoubtedly an under-rated quality. A report from [Bath University](#) found that consistency, or 'predictability', is one of the four key behaviours leaders need to demonstrate in order to build trust with their employees. The same report described trust as 'engagement with a moral dimension'. Acas has worked with many organisations who acknowledge this moral dimension – for example, by setting

up 'Corona Kindness' sections on their intranets to support and reassure staff in these difficult times.

Handling conflict and problems

When so many organisations are in either survival or adaptation mode, why worry about conflict? All the recent research, from [CIPD](#) and [Acas](#), points to the huge benefits in time, money and creative problem-solving that can arise if you:

- **Intervene early to resolve disputes.** But having those informal conversations at an early stage, about anything from performance to personal issues, takes empathy and good listening skills
- **Tackle negative conflict**, like bullying, head on but see all forms of conflict as opportunities to review skills and practices and, where appropriate, to transform organisational culture and values
- **Are open to alternative mechanisms** for resolving problems, such as mediation

Many workplaces are likely to be experiencing high levels of latent conflict, due to the ongoing stress and anxiety associated with health and safety, and concerns over job security, contractual changes and new ways of working. The CIPD report on '[Managing conflict in the modern workplace](#)', found that not only is conflict often not being resolved (44%), but the individual's manager is just as likely to have made the situation worse. As the report states: "It can take a lot of courage for someone to speak up about inappropriate behaviour at work, but there are very mixed and disappointing results on the ability of organisations to deal compassionately and effectively with complaints."

In a recent Acas policy paper. Professor Richard Saundry says that effective conflict management relies upon "the ability of managers to have quality conversations with their staff," and suggests that this involves a process of "constantly negotiating and renegotiating these relationships." This takes the right investment in skills and a strategic approach to conflict that, as the CIPD report says "puts the ER (employment relation) back into HR."

Providing knowledge, clarity, and guidance

In a time of so much flux and confusion, employees need the answer to three questions:

- **What's going on?** Employment law usually only changes twice a year, with new guidance on emerging issues, such as the menopause or bereavement, emerging gradually over time. But since the first lockdown, the platform on which we all try to build our working lives has been constantly shifting. Good managers recognise that what staff need first are the facts about their employment rights, and openness and transparency about their jobs and future prospects.
- **What do I need to do?** Acas advisors have noticed an almost complete transformation in the psychological contract, simply because so much has changed about what we expect from ourselves and what managers expect from staff. Nothing is worse than ambiguity; if, for example, colleagues are working and home-educating children, be clear about what hours they should work and agree more realistic job targets.
- **What will you do?** There is an old adage that you need 'managers in the good times, but leaders in the bad times.' For many, remote working has created a welcome flattening of organisational hierarchies, but managers still need to make decisions and play an active part in problem-solving initiatives.

Building and sustaining relationships

Perhaps the most important trait of all, the ability to build sustainable relationships at work may have been overlooked in the past. The pandemic is arguably the story of millions of individual circumstances. Giving free voice to these is what every good manager should aspire to do. As a result of the pandemic, stress and anxiety have become mainstreamed but one positive by-product of this is that we are becoming increasingly literate in the language of our own psychological wellbeing. For the first time ever many of us are consciously reflecting on things like personal coping strategies.

For those working remotely, making a real connection with staff has been made easier – with the levelling presence of pets, relatives and pot plants – but also harder – with more muted body language and no opportunity to make someone a cup of tea. And perhaps one of the hardest parts of remote working is recreating the informal moments – ‘happy hours’ don’t always work, of course, but they do signal an attempt to reach out.

Of course, the [government review of mental health at work](#) found that the basis of good health is good work. Managers do not have the power to influence all of the drivers of job quality, such as financial security, for example, but they can promote key drivers of job satisfaction like job autonomy.

If people skills are to be given the recognition they deserve, then so must people time. Acas advisors have noticed ‘video fatigue’ setting in, with face to face meetings replaced by hours on zoom. Acas and CIPD are calling on more investment in management training, but this will only be affective if it is matched by ring-fenced time that is set aside for personal interaction between managers and staff.

Supporting development

In the current environment, this may feel like a behavioural trait that is out of synch with the times. However, there may be lessons to learn from the last recession, when there was an over-reliance on agency and zero-hours workers to fill short-term gaps, and a lack of longer-term investment in skills.

With budgets restricted there may, as the recent [CIPD report](#) suggest, be an increasing focus on transferable and technical skill, such as “communication, teamworking and problem-solving”. Unfortunately, the survey found that just 59% of organisations say they provide line managers with training on how they manage and develop people.

But let’s remember that not every intervention has to be aimed at the line manager. As revealed in a recent [Acas paper](#) on how organisations are protecting mental wellbeing in the pandemic, some employers are using creative ways to help staff develop themselves. For example, the MOD’s Defence Intelligence has rolled out meditation training for its staff. But there still has to be some expectation about how managers will look after their staff. Fujitsu has created a charter which sets out the kind of pastoral care managers should provide to their teams but, critically, this is backed up by a new section on their intranet for these managers, which gives them things like ‘talking tips’ on what questions to ask staff and how.

Section 4

How to improve people management

Putting people management in context

Good people management cannot exist in a vacuum – it requires leadership and senior managers setting the right tone and living up to organisational values.

Here are a couple of min case studies of organisations Acas has worked with which will, hopefully, illustrate the context in which good people management exists:

A manufacturing business that needed to grow quickly

Following the tragic Grenfell Tower disaster, this business in the Midlands was inundated with more work, manufacturing building insulation. On the surface they were a successful company with rising orders – definitely not part of the ‘long tail’ of poor productivity identified by Andy Haldane. However, they did recognise that they were going through growing pains and needed to raise their management capability. The Acas advisor was asked to deal with immediate concerns over very poor behaviour, ranging from potential discrimination to gross misconduct and a breach of health and safety regulations.

The dilemma faced by the business was very common: managers had been promoted for their technical rather than their people skills. This happens so often it surely points to a serious underplaying of the importance of people management skills.

Acas provided training for managers in how to carry out workplace investigations – a stage that is often rushed through or overlooked altogether. The Acas helpline has noticed a worrying tendency of managers acting too quickly in response to a problem and leaving themselves open to possible grievances and claims of discrimination. Dealing with a case of gross misconduct can be extremely challenging, as an employee’s job and reputation may be at stake. Confidence is the key ingredient, and this takes not just investment in training but a commitment from senior leaders that managers will be supported in upholding the right values and behaviours. Following Acas’ support, the companies management skills are now keeping pace with their order books.

A manufacturing business that didn’t know what the problem was

When an Acas senior advisor got a call for help and asked what the problem was, the employer gave a long list of symptoms – including high levels of absence and staff turnover, challenging behaviour, in-fighting and signs of poor customer feedback.

It is very common for employers to delay asking for help until a problem gets out of hand; and by then it is hard to identify the root causes. There was clearly huge room for improvement in management skills. The Acas advisor identified:

- **Poor and erratic communication from senior leaders** that gave mixed messages about how the business was doing and future prospects
- **Unhappy middle management** who felt unsupported from the top and unable to cope with increasing customer demands and more complex staff needs

- **Line managers who lacked the confidence** to deal with performance and conduct issues and felt overwhelmed by the mix of permanent and agency staff (the latter brought in to cover gaps from high levels of absence and turnover)

Giving the line managers training – in the nuts and bolts of policies and procedures and in how to improve interpersonal skills – made a huge difference, but it was not enough in itself. Senior managers needed to communicate a clear vision for the company and to work with managers and employee representatives to agree clear standards of behaviour (the latter involved some training for all staff in equality and diversity). Although the problem might start out with a statement like ‘there’s too much bickering going on’, the solution can sometimes be found by addressing questions like ‘what values do you believe in and how do these support productivity and staff wellbeing?’.

Progressive policies that transform

The CIPD/Affinity behavioural traits identify the personal characteristics and values every manager should have to effectively manage their staff but as we suggested earlier, people management is also underpinned by the right policies and procedures.

In the past these policies and procedures were viewed as no more than safety nets that should, ideally, be used as little as possible. Today we have a much more progressive idea of how they can help promote things like equality and inclusivity, positive mental health and genuine employee involvement.

Many workplace policies resonate very closely with the characteristics of good work set out in the Greater [Manchester Employment Charter](#). For example:

- **Flexible work.** We know that having a say in where and when you do your work (flexible working) is as important as how you do your work (job autonomy). The current pandemic has triggered a ‘national experiment’ in flexible working, with so many people working remotely for the first time. We wait to see what the Employment Bill will offer, but perhaps it’s time more businesses started thinking about jobs as inherently flexible from day one?

Voice and engagement: a [recent joint statement from](#) Acas, CBI and TUC highlighted the role unions and employee representatives can play in finding creative alternatives to redundancies, for example by temporary changes to contracts or pay restrictions. Along with unions and reps, good line managers can act as sounding boards for staff, anticipating any problems before they get out of hand. But there do need to be clear policies in place for how communication and consultation will work effectively, using a variety of channels.

Further information and advice on any of the issues raised in this paper can be found here:

- [Acas](#)
- [CIPD](#)
- [The Good Employment Charter](#)