



Prifysgol Cymru  
Y Drindod Dewi Sant  
University of Wales  
Trinity Saint David

# LCMB7011

## Managing People

### Week 6

## Employment Relations & Assignment Workshop

*Trawsnewid Addysg; Trawsnewid Bywydau*  
*Transforming Education; Transforming Lives*  
18/11/2022



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# Recap of Week 3, 4 & 5

- A good work (environment)
- Reinforcement of Employee Engagement (EE):
  - 5C Model
  - Maturity Model of EE
- Contemporary approach for Employment relations
  - The interested parties
  - The 3 key players
  - Internal and external environment factors

# Contents

1

Employment Relations Exercise

2

Selection Exercise

3

Formative Assignment Workshop: Review paper on the tactics of Fire and Rehire

# Self Directed Reflection- Factors Affecting the Relations Environment



Would you join the union(s) if you work in the UK? Why?



What is your opinions on the UCU strike actions 2022 which may disturb your study?

# Self Directed Activity-

## Factors Affecting the Relations Environment



**Group exercise** (<https://forms.office.com/r/6LLGdQc6Nq>)

- Based on the external factors (via PESTLE) what have been the factors affecting the external environment of the RMT and UCU strikes in 2022?
- Can you see any potential problems/ impacts that the main 3 players (**employee/ employer/ government**) might encounter as a result of these actions?
- What do you anticipate being the most important in the next few years ?

# Employment Relations-

## The Relations Environment Analysis

| PESTLE ANALYSIS                                                                                                                     |                                                                                         |                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>POLITICAL</b><br>Services<br>Tax policies<br>Regulations<br>Infrastructure                                                       | <b>ECONOMIC</b><br>Staff costs<br>Inflation<br>Growth rate<br>Business cycle and trends | <b>SOCIAL</b><br>Demographics<br>Income distribution<br>Education<br>Cultural variations/norm        |
| <b>TECHNOLOGICAL</b><br>Communication<br>Emerging technologies<br>Transfer of technology from other areas<br>Research & Development | <b>LEGAL</b><br>Laws<br>Regulatory change<br>Guidelines                                 | <b>ENVIRONMENTAL</b><br>Ecological focus<br>Health in the workplace<br>Energy<br>Resource management |

# Next...



## **Formative Assignment Workshop**

Fire and rehire

31 Mar 2022

# 'Fire and rehire' – guidance for employers

What this practice is, why you should avoid it, and how to approach it if no other options are available

<https://www.cipd.co.uk/knowledge/fundamentals/emp-law/terms-conditions/fire-rehire-employer-guidance#gref>

## FORMATIVE ASSIGNMENT WORKSHOP

# Reading and Understanding the Assignment

British Gas are no exception. Since mid 2020, they have been in protracted negotiations with their employees to change contractual employment terms. This article outlines the issues and the eventual outcome

21st April 2021

British Gas have been in a long running dispute with boiler engineers over changes to their terms and conditions of employment. The 9-month long dispute resulted in numerous strikes by British Gas engineers, backed by the GMB trade union. The engineers were asked to sign new contracts which required them to work longer hours, for no additional pay. Originally, around 1000 engineers refused to agree to the changes to their employment contracts and as a result, British Gas deployed a 'fire and rehire' strategy forcing the engineers to choose between accepting the new contractual terms or being dismissed. Many engineers, though disgruntled, agreed to sign the new employment contracts, but Centrica, which owns British Gas, confirmed that 2% of its staff (around 500 employees) decided not to accept the new employment contracts and as a result were dismissed.

<https://www.rosenblatt-law.co.uk/media/british-gas-fire-and-rehire-boiler-engineers-resulting-in-mass-dismissals-unfair-dismissal/>

# Reading and Understanding the Assignment Requirements

## **Your task.**

**Write an article intended for business or academic publication that:**

Reviews the practice of “fire and rehire” tactics within the UK labour market to evaluate the approach taken by different organisations

Explains the legal implications of changing contractual employment terms

Considers the potential impact of any changes on employee engagement

Evaluates HR involvement in this issue and considers whether traditional models of HRM provide an adequate framework for managing contemporary employment relations.

**Word count: 5000 words excluding references and appendices**

# Reading and Understanding the Assignment

## Fire-and-rehire: What is it and why is it controversial?

2 July 2021

<https://www.bbc.co.uk/news/business-57670287>



There has been a long-running dispute about fire-and-rehire at British Gas

**Has fire-and-rehire become more common?**

# What employers need to know about the new 'fire and rehire' code

Joseph Lappin explains the implications for businesses of the forthcoming Acas code on firing workers and rehiring them on new terms

by Joseph Lappin | 20 June 2022



## What is fire and rehire?

Dismissal and reengagement, commonly known as 'fire and rehire', is a practice employers adopt when making changes to terms and conditions of employment. Employees who refuse to agree to proposed new terms are dismissed and re-engaged on different, often less generous, terms.

Firing and rehiring is not unlawful, but the tactic is controversial and might expose employers to statutory (including unfair dismissal) and contractual claims. Employers may also have collective consultation obligations if large numbers of employees are involved.

Lawfully terminating employment and reengaging on new terms when employers need to act quickly for commercial reasons is different to intimidating employees, often low paid, to pressurise them to sign up to less favourable terms. Either way, the practice can seem aggressive.

## What is fire and rehire? (Cont.)

During the pandemic, some employers adopted the tactic in response to falling profits and rising employment costs. British Gas and British Airways attracted significant media attention when they proposed carrying out the practice. Both businesses said they were taking steps to preserve jobs in response to challenging economic circumstances. However, staff and the unions viewed the conduct of both organisations differently. The Unite union accused BA of “using the current health crisis to sack thousands while firing and rehiring those that survive on vastly reduced terms and conditions”.

A poll conducted for the GMB union in May 2021 found that 76 per cent of the UK public thinks ‘fire and rehire’ tactics should be banned. In response to the public outcry at the perceived increase of fire and rehire tactics during the pandemic, the government asked Acas to investigate. Acas published its report on 8 June 2021.

In November 2021, Acas then published non-statutory guidance on the practice, saying that firing and rehiring should only be used as a last resort. In addition to opening employers up to legal claims and industrial action, Acas advises that the practice of firing and rehiring can damage staff morale, trust, productivity and working relations.

## The new Acas code

In March 2022, UK shipping company P&O Ferries sparked a widespread outcry after sacking 800 crew members. Staff were instructed to watch a pre-recorded Zoom meeting in which they were told that ferries would be primarily crewed by third-party staff in future and that current crew members' employment was being terminated with immediate effect. P&O offered the 800 crew members 'enhanced' severance packages with the intention of 'buying out' the crew members' unfair dismissal claims and their right to protective awards for failing to consult with the unions.

The conduct of P&O attracted significant media attention. P&O has suffered reputational damage, and its brand has been weakened. Although this was not a case of 'fire and rehire', but 'fire and replace with third-party staff', on 29 March 2022, in light of the events involving P&O, the government announced that a new statutory code of practice would be published on the use of 'fire and rehire' practices.

## The new Acas code (Cont.)

The government says the code will detail how businesses must hold fair, transparent and meaningful consultations on proposed changes to employment terms. It will also include some practical steps employers should follow. Tribunals will need to take the code into account when dealing with unfair dismissal claims; they will be able to apply an uplift of up to 25 per cent of an employee's compensation where an employer unreasonably fails to follow it.

The new statutory code will not prohibit the practice of firing and rehiring. The Acas guidance published in November 2021 already gives employers tips on how to work with staff and unions when negotiating changes to terms of employment. We are sceptical therefore that the code will lead to significant changes in the way employers will approach firing and rehiring. Limiting reputational damage, keeping hold of valuable staff and swerving industrial action are probably greater incentives for finding agreement with staff and unions than compliance with the code.

At the moment the government has not set a date for the introduction of the new code. Minister for small business Paul Scully recently told parliament that the relevant legislation would be introduced “when parliamentary time allows”.

# Formative Assignment

Some suggested points from the article of “Fire and rehire tactics”:

- **Employment law:** 1) wrongful dismissal 2) unfair dismissal 3) the right to be consulted for the group redundant (i.e., more than 20 people)
- **It's a legal practice in the UK but not Ireland, Spain and France**
- **9% victim on worse terms since March 2020, mainly BME Workers**
- **Nearly 70% of firms made profits via this tactics**
- **Proposal bill of Employment and Trade Union Rights**

# Formative Assignment

## How to review the tactics of “Fire and rehire”?

Week1: Role of HR- Three-Legged Stool Model

Week 2: Diversity at Workplace- DEI

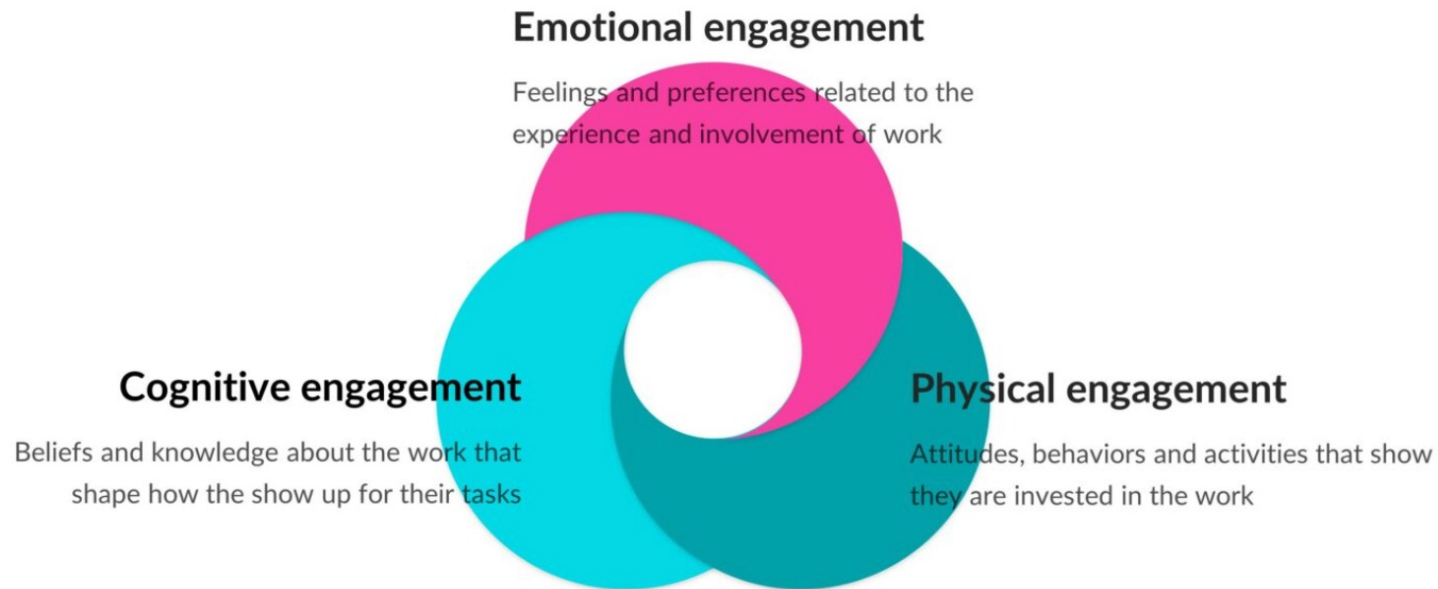
Week 3: Engagement & Wellbeing- Good Work (Environment) & Commitment

Week 4: Employment Relations- Career Resilience, EE and IB staffing Strategies

Week 5: Employment Relations- different aspects (e.g., psychological contract), interested parties, key players and external factors (PESTLE)

# EE Challenges and Changes after COVID-19

## Components of Employee Engagement



GirlsGuideToPM.com

Adapted from: Robert Talbert (2018)

# Gallup's 12 question on EE

The Gallup Q12 survey includes several categories:

- 1. Basic needs (Q01-Q02)**
- 2. Personal contribution (sometimes you can find the interpretation of "manager's support") (Q03-Q06)**
- 3. Teamwork (Q07-Q10)**
- 4. Personal development (Q11-Q12)**

# Gallup “Measuring engagement”

The engagement index slots people into 3 categories:

- **Engaged employees** work with passion and feel a profound connection to their company. They drive innovation and move the organisation forward.
- **Not-Engaged employees** are essentially “checked out.” They are sleepwalking through their workday. They are putting in time, but not enough energy or passion into their work.
- **Actively Disengaged employees** aren’t just unhappy at work; they’re busy acting out their unhappiness. Every day, these workers undermine what their engaged co-workers accomplish.

# EE Challenges and Changes after COVID-19



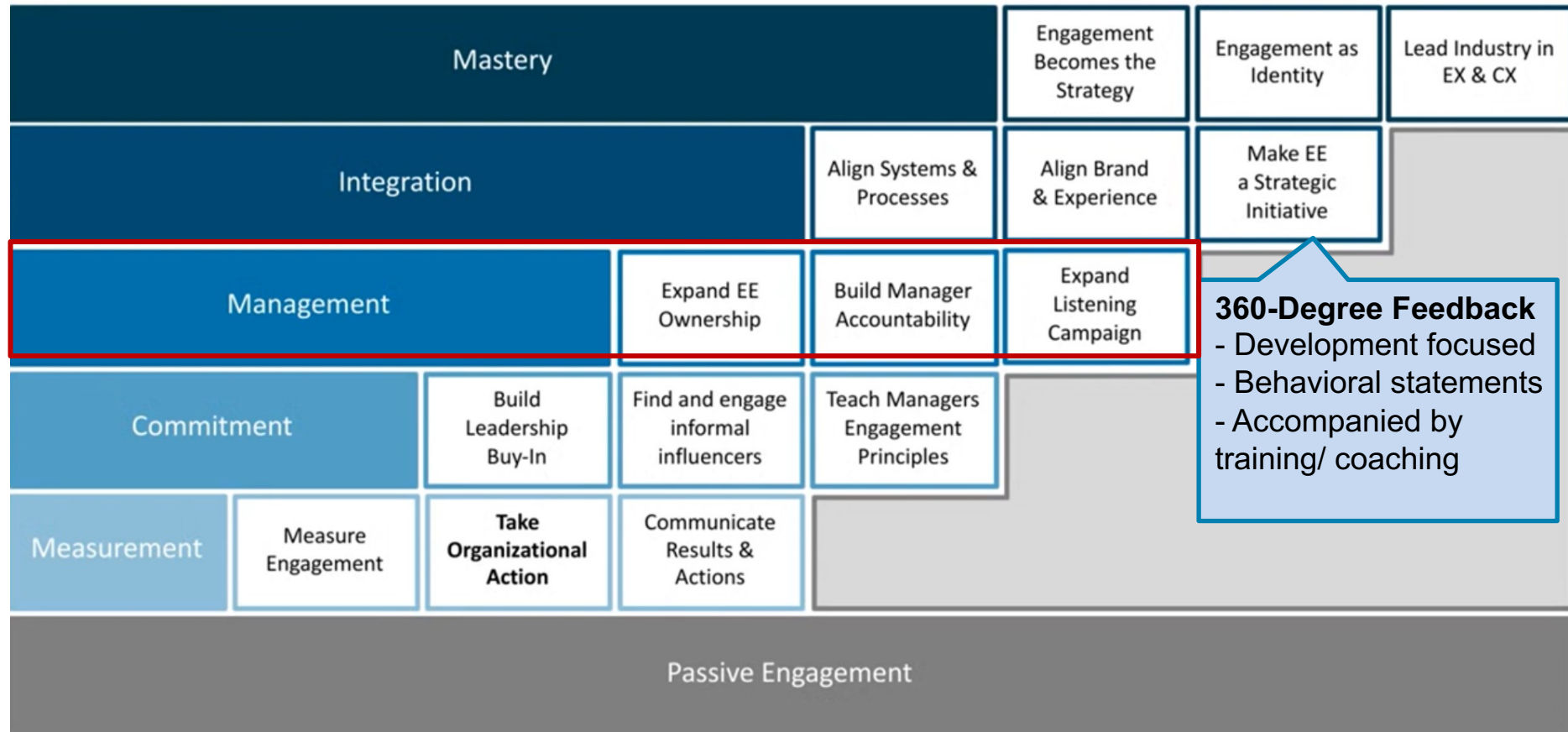
How could organizations react to the changes and challenges of employee engagement (EE) in the changing World?



1. Take actions on reinforcing EE and addressing employee feedback
2. Expand ownership of employee engagement
3. Modify (I)HRM strategies accordingly

# Careers Challenges and Changes after COVID-19

## Organizational Employee Engagement Maturity Model



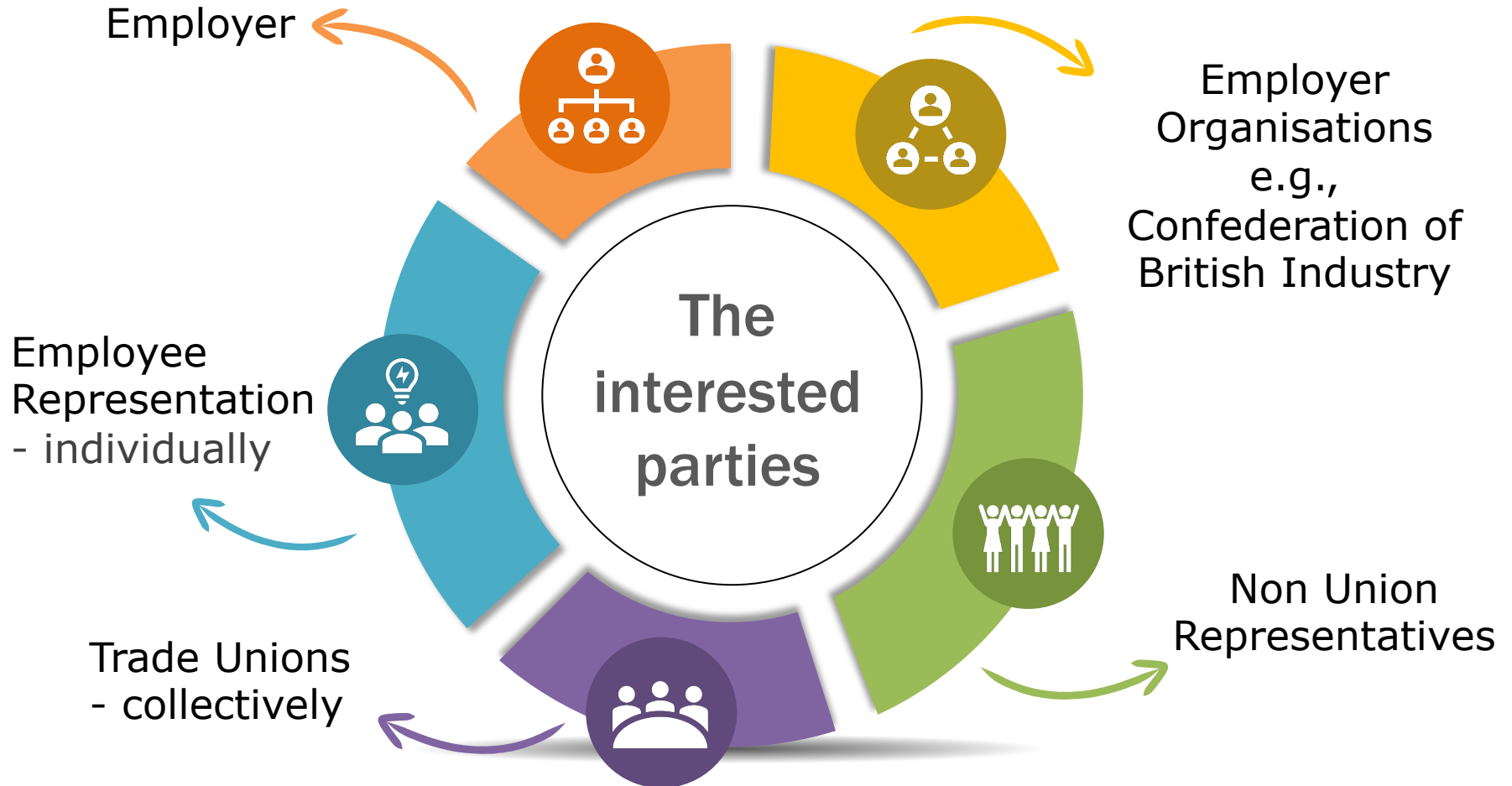
# Careers Challenges and Changes after COVID-19

## 5C model for reinforcing employee engagement in times of COVID-19

| Category         | Factors                                                            | Indicators                                                                                     |
|------------------|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 1. Conciliation  | Remote working<br>Professional-private life<br>Family diversity    | Physical and relational separation<br>Productivity<br>Sustainability                           |
| 2. Cultivation   | Professional career<br>New technology<br>Development opportunities | Geographical and communication barriers<br>Furlough (ERTE in Spain) vs. redundancy<br>Coaching |
| 3. Confidence    | Health<br>Safety<br>Leadership                                     | Health measures at work<br>Psychological support<br>Employee privacy                           |
| 4. Compensation  | Remuneration<br>Endeavor<br>Non-Monetary benefits                  | Risk and remote working allowances<br>Services and help for parents<br>Performance incentives  |
| 5. Communication | Networking<br>Job and career feedback<br>Involvement               | IT resources<br>Two-way dialogue<br>Performance reviews                                        |

Source: De-la-Calle-Durán, M.C. and Rodríguez-Sánchez, J.L., 2021. Employee engagement and wellbeing in times of COVID-19: a proposal of the 5Cs model. *International Journal of Environmental Research and Public Health*, 18(10), p.5470.

# Actors in the Employment Relationship



# BA's fire and rehire plan in 2020



British Airways faces strike threat over 'fire-and-rehire' plan

# Suggested Structure for the Assignment

| Section                      | Words (approx.) | Notes                                                                                                                                                         |
|------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title Page                   | n/a             | With content list (optional)                                                                                                                                  |
| Introduction                 | 500             | Set out your choice of organisation and review points in the light of the organisation you have chosen                                                        |
| Review point 1               | 1200            | Explains the legal implications of changing contractual employment terms                                                                                      |
| Review point 2               | 1300            | Analysis the potential impact of any changes on employee engagement                                                                                           |
| Review point 3               | 1300            | Review managing contemporary employment relations with comparison between hard and soft HRM framework, along with evaluations of HR involvement in this issue |
| Conclusion & Recommendations | 700             | Summarise the important aspects of review point 1, 2 and 3 with recommendations                                                                               |
| Appendices & Reference list  | n/a             | <ul style="list-style-type: none"> <li>• Relevant supported information, graphs and tables etc.</li> <li>• Harvard Reference Style</li> </ul>                 |

# Tesco's ability to "Fire and rehire"



Court ruling on Tesco's ability to 'fire and rehire' to be heard | Adam Wheal discusses

Source: GBNews, 15 Jul 2022

(<https://www.youtube.com/watch?v=TF4k5Vxf2Vc>)

- Controversial practice of 'fire and rehire'
- Imbalance of bargaining power between employers and employees

# International Labour Relations

## The concerns of organised labour

- threaten to move production to another country (e.g., Apparel industry in Bangladesh)
- farm out only low-skilled jobs to foreign plants (e.g., Foxconn Suicides in China; Nokia manufacturing moves from China to Vietnam in 2013)
- import employment practices and contractual agreements from their home countries and reduce the influence of unions



# Traps to Avoid

- Spelling errors
- USING ALL CAPITAL LETTERS
- Out of date information
- Inappropriate sources eg blogs; tabloid newspapers;
- **Use of colours/design too overwhelming**
- **Use of colours/design too weak**
- Incorrect citation
- **Weak citation** – no breadth; reliant on too few and similar sources
- Fundamental concepts of HRM incorrectly identified and applied
- Confusion/errors by incorrectly associating an organisation to a particular sector eg suggesting British Heart Foundation a public sector organisation (its not for profit)

