BLOCK MRH.103
HUMAN RESOURCE MANAGEMENT

Preface

This Block examines the role and function of human resource management.

It covers the importance of training and development for housing staff and the implementation of a planned programme of training.

It then considers how staff relations are managed in housing organisations, including grievance and disciplinary procedures.

The obligations of employers to employees are covered, including contracts of employment and equal opportunities policies.

Finally, the Block considers approaches to the management of human resources.

Outcomes

After studying this Block, you will be able to:

- describe the range of human resource management responsibilities;

- appreciate the need for staff training and development; and

- appreciate organisational duties to implement equal opportunities policies, and the statutory responsibilities of employers to employees.

Contents

A. Introduction

1. What is Human Resource Management?

The concept of human resource management (HRM) first appeared in Business Studies texts in the 1980s, and has subsequently developed beyond the traditional view of the 'personnel management' role. For our purposes, we do not need to explore in detail the academic debate about the similarities and differences between both roles. Instead, we shall examine the tools and approaches which might be required in managing human resources – the people without whom the organisation cannot achieve its aims and objectives.

Activity

Think about your own organisation and list the main HRM activities that are carried out there.

Time allocation: 10 minutes

A list might include:

Recruitment and selection

– Training and development

– Encouraging involvement in strategic decisions affecting employees

– Provision of employment contracts

– Provision of equal opportunities and fair treatment

– Assessing the performance of employees

– Payment and reward of employees

– Health and safety

– Disciplining employees

– Dealing with grievances

– Dismissal

You may have included these, and others that you have identified in your own place of work. The range and extent of HRM will depend on the structure, size and functions of the organisation, however many elements – such as recruitment or provision of contracts – will be common to all.

Among the many textbooks written on the subject two different approaches to HRM have emerged. These can be defined as 'hard' and 'soft' human resource management.

'Hard' approaches emphasise the primary importance of business needs and see employees as resources which are acquired, deployed and dismissed as the needs of the organisation require. Little consideration is given to the needs of the employees and the emphasis is on measurable outputs.

'Soft' approaches emphasise the need to recognise and develop the potential of all employees, regardless of their status within the organisation. Such approaches pay regard to management techniques which emphasise the behaviour of people at work, and methods for encouraging, developing and motivating them to improve organisational performance.

No doubt you can think of examples of both 'hard' and 'soft' approaches from your own workplace. In practice elements of both approaches will be relevant for the manager to adopt at different times depending on circumstances and the ethos of the organisation.

2. Why is Human Resource Management Important to Housing Organisations?

Of all the resources which are available to a housing organisation the staff will be one of the most valuable. For example, a housing officer may be paid £18,000 a year and with on-costs and other staff overheads, such as National Insurance contributions, is likely to cost the organisation in excess of £20,000 each year. If the member of staff stays for 10 years, the individual will cost the organisation over £200,000.

If the individual were a piece of computer equipment costing £200,000, over a ten year period there would be a detailed appraisal of the equipment and its competitors before it was purchased. Once purchased, the organisation would probably consider entering into an annual maintenance contract to ensure that the computer equipment gave maximum performance and value for money over its lifetime. As new products came onto the market, they would no doubt add to the hardware. It is also likely that as the organisation grew it would need to purchase better software to run on the computers to benefit from the advances made in computer programming.

Is there a parallel here with the staff who are employed by the organisation? Like computer equipment, staff are a valuable resource and it is important that the organisation takes steps to ensure that they contribute the maximum value to the organisation. This will involve a number of elements. Obviously the issue of pay will be important here, as will conditions of employment and the environment in which staff work. If organisations neglect these areas it is likely that they will find it difficult to recruit and retain well qualified and experienced staff, and the performance of the organisation may well suffer as a result.

3. Who Carries Out Human Resource Management?

Activity

Look back to your earlier list from the last Activity. Make a list of the people within your organisation who carry out these functions.

Time allocation: 5 minutes

You may have identified a specialist HRM or personnel officer or department responsible for many of these functions. This will be the case particularly if you work in a large or medium-sized organisation. Smaller organisations may not employ such professionals, with HRM functions being seen as part of the Senior Manager's role. Whatever the size of the organisation, certain elements will be part of a line manager's role – particularly in aspects of assessing performance and taking steps to achieve improvements.

B. Functional Areas 1– Training and Development

1. Introduction

As we saw earlier, the employment of each member of staff can lead to considerable expenditure for a housing organisation.

One of the most important elements in maintaining the quality of staff and their commitment to the organisation is for the organisation to recognise the importance of investment in staff development and training.

2. The Context of Staff Training and Development

Housing organisations are under a great deal of pressure. Most are faced with increasing demands for rented housing which they are not able to meet in full, with ever-tighter financial constraints and the need to improve the performance of the organisation to ensure that they are giving value for money. In the local authority sector many housing authorities are stretched to the limit. They must deal with the crisis of homelessness and a housing stock in need of major repair and refurbishment, while at the same time coping with a reduction in the capital resources to meet these demands.

In the housing association world, the government requires them to be the main providers of new social housing and to make much greater use of private finance. This is putting new pressures and responsibilities on the voluntary housing sector and the staff who work for associations.

In some local areas, housing staff are having to cope with the implications of reducing demand for certain types of properties, in particular estates. Add to this the increasing government emphasis on social inclusion, neighbourhood renewal and partnership approaches and it is clear that staff must consider changing roles and new ways of managing the housing stock.

At a time when housing organisations are under pressure and are having to face major change, it is very important that the staff who work for the organisation are equipped to deal with these challenges. This is partly about effective recruitment practices, but many housing organisations will have to meet these challenges with their existing staff. This highlights the need to ensure that staff are properly trained to deal with these issues.

3. Approaches to Training in Housing Organisations

Activity

Before we go further, think about your own organisation's approach to training of its staff.

What sort of training does your organisation provide for its staff?

How are the training needs of staff determined?

What sort of budget is available for staff training and who controls how it is spent?

How much time is spent on staff training in your organisation?

Time allocation: 15 minutes

If we compared the answers to this activity from a number of organisations we would have got a large number of different responses. Although all housing organisations are different, it is perhaps surprising that there is not generally a common thread to the delivery of training for staff. In some organisations it is very extensive and well planned, whereas in others it amounts to little more than learning as you go and often simply learning by your mistakes! Some organisations will have full-time training officers, whereas in others there is no one person formally responsible for training.

Some organisations, mainly the housing associations, group themselves together to provide a type of joint training service for their organisations. The best examples of this are the Group Training schemes for housing associations. These are organisations to which individual local associations will subscribe and which will then provide housing training at a very reasonable charge to their subscribers, often using staff who work in the organisations to assist in facilitating courses.

Such collaborative arrangements for training are not confined to the housing association movement, and in a number of areas local authorities have formed informal consortia to provide a similar type of training for their staff. These are often in areas where the local authority housing departments are relatively small, and such arrangements enable high quality training to be provided within the resources which these organisations have for training.

In some organisations a high profile is given to professional training, with staff being encouraged to take a range of professional housing qualifications such as:

- BTEC HNC in Housing Studies;

- Professional Diploma in Housing;

- National Vocational Qualifications (NVQs).

But it is also possible to find housing organisations which do not employ any staff who hold housing qualifications and do not support staff who wish to undertake professional training.

This diversity in the approach taken will also be apparent in resources devoted to training. A number of housing organisations will have a clearly identifiable training budget linked to a training plan, which has sufficient resources to deliver an effective training programme. In other organisations there will be no budget set aside for training and all requests for funding for training purposes will need to be considered in an ad-hoc way.

Training is not simply about providing money for training. It also requires staff to be given the time to train. When staff are training off the job they will not be carrying out their normal duties and these will either be covered by someone else or will simply be allowed to slip. Some organisations have got around this by adopting the approach which is fairly common in the private sector, of closing the office for a short period each week for staff training purposes. Although this does cause some disruption to services the organisations argue that it is better than having other people covering jobs for absent colleagues. Indeed organisations which attempt to deliver effective training without recognising and attempting to address the time problem will face difficulties, with work slipping and councillors and committee members asking "who is minding the shop?" when staff are absent from their posts.

The general conclusion about housing training in Britain today is that there is a wide diversity in approach. However, it is generally recognised that for housing organisations to be effective they need to be able to provide high quality training for their staff.

3. The Development and Implementation of a Training Programme

3.1 The training cycle

If training is to be effective it needs to be well planned and executed. An effective training programme can best be described by means of a diagram which illustrates the training cycle.

Figure 1: Training Cycle

2. The evaluation of the training programme

1. The identification of training needs

3. The development of training programmes to meet those needs

4. The implementation of those training programmes
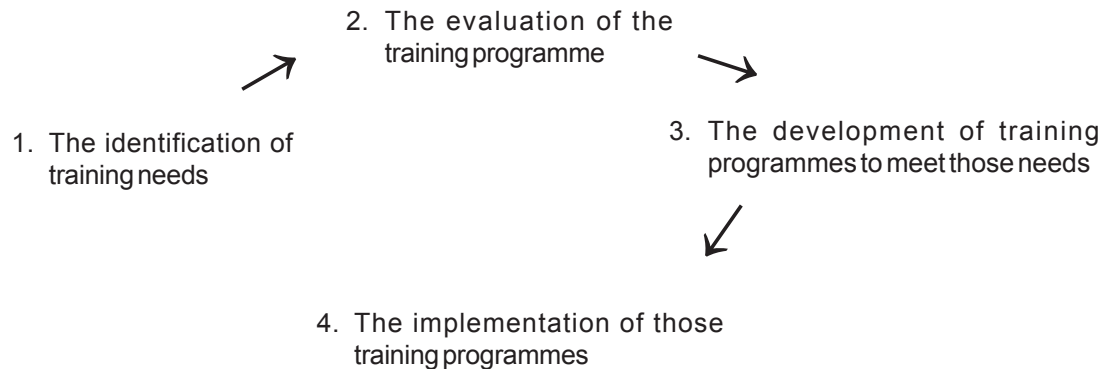
Stage 1: The identification of training needs

Obviously, if an organisation does not know what its training requirements are it will not be able to deliver an effective training programme.

It could, of course, still deliver training but this training may not be what the organisation needs and may, therefore, be wasted. For example, the most pressing need for a lot of the staff may be training to interview the public. If, however, the organisation delivers an excellent programme in report writing skills it will not be directing its resources to best effect.

The purpose of identifying training needs then is to ensure that training effort is directed to where it is most needed.

Activity

How do you feel your own housing organisation could go about identifying the training needs of its staff?

Write down your ideas on this issue.

Time allocation: 5 minutes

A training need is identified when there is a gap between the expected level of performance of an individual and the actual performance. For example, if a receptionist is expected to take repair requests over the telephone but has problems in performing this role because of a lack of technical knowledge, then a training need will exist which can probably be met by a training course in 'repairs for non-technical staff'.

There are a variety of ways in which housing organisations can go about identifying the training needs of their staff.

(a) Line managers

The person with the main responsibility for carrying out this important task is the line manager of the individual concerned. Every manager is responsible for getting the best out of the resources they control, and this includes getting the best out of staff. A good manager will be aware of the strengths and weaknesses of the staff whom they manage and will attempt to build on their strengths and overcome their weaknesses.

One way in which this can be done is to design appropriate training for staff. A good manager will have discussed these issues on a regular basis with the individual concerned to get their agreement as to what needs to be done to improve performance further. This should be happening regardless of whether the organisation has a formal appraisal process, because without these types of discussions it is unlikely that managers will be getting the best out of their staff.

(b) Appraisals

If there is a formal appraisal system, one of the issues which will be discussed will be the training needs of individuals. Organisations can obviously use the results of these appraisal interviews to plan a training programme.

(c) Training needs audit

Organisations could commission special audits of training needs where they decide to specifically find out what the training needs of staff are. These audits could be carried out by an organisation's own staff, or external training consultants could be employed to carry out the audit.

These audits usually consist of detailed questionnaires to staff and managers about training needs, backed up by a series of interviews. The output is often a comprehensive report to the organisation which lists the type of training it should concentrate on.

(d) Self assessment

In some organisations staff themselves may indicate to their managers what they feel they need to be trained in. One of the problems with this type of approach is that it is likely to be the more committed and interested members of staff who will seek out training, and perhaps the staff who are most in need of training are unlikely to suggest it themselves.

Whatever method of assessing training needs is adopted it still remains the line manager's responsibility to ensure that the individuals whom they manage are adequately trained.

Stage 2: The development of training programmes to meet those needs

When training needs have been identified the next step is for the organisation to develop a training programme to meet those needs. A range of training programmes will be available including:

- professional qualification training and education;

- in-house training courses prepared by the organisation's own staff;

- external courses provided by bodies such as the Chartered Institute of Housing;

- on-the-job training where individuals will learn from colleagues who are already doing the job;

- distance learning courses like this one;

- computer-aided learning.

In designing training programmes, it is very important that they meet the needs which have been identified earlier. Organisations will never be able to meet all of their training needs immediately. They must, therefore, prioritise between the needs to ensure that resources are directed to those areas of most importance.

A number of organisations have established training plans which set out clearly their training needs, how they intend to meet those needs and within what timescale. The production of such a plan, if regularly updated, will ensure that training is an ongoing process and not approached in an ad-hoc fashion.

Stage 3:   Implementing the training programme

When housing organisations are considering training programmes they will need to consider who will actually deliver the training. If external organisations are involved in delivering training the housing body must make sure that they are competent to carry out the training of its staff.

If the organisation is going to provide training 'in house' it will need to consider who will provide it. Some organisations, particularly the larger housing organisations, will often have a specialist housing trainer who will be able to deliver parts of the training programme. But even if there is not a specialist housing trainer there will probably be certain individuals already employed by the organisation who have an interest and skill in providing training.

For example, an Area Manager may be able to offer training to staff in interviewing the public, whilst a Senior Housing Benefits Officer may have designed a Housing Benefits training package which could be delivered in the organisation. Such interested individuals can be sent on 'training for trainers' courses to give them some basic skills in training staff. The use of such interested staff can often be a very successful and cost-effective way of providing a training programme, although there can obviously be problems if the staff are not skilled in delivering training.

Another aspect of implementation which needs to be considered is who is going to attend the training sessions. This can be difficult if there are a large number of staff needing training and only a limited number of places available. Managers will then need to decide who should attend and this will involve some prioritisation between the staff.

There may also be on occasions some reluctance on the part of staff to attend training sessions; they may see it as a reflection on their current ability to do the job. This needs to be overcome by

managers actively generating a training culture within the organisation which stresses that training is a positive development and one which is linked to making staff even more effective than they are. Once training is seen as a normal part of the organisation's activities this resistance from staff is likely to diminish.

Other matters which need to be given attention are things like administrative arrangements, such as notifying staff they are to attend, booking venues and ensuring that cover for staff on training is considered. It is also important that line managers are aware of what training their staff are receiving in order to ensure that the service continues to be provided in their absence and that they are able to brief individuals both before and after the training.

Stage 4: Evaluating training

When training has been carried out it is important that the training is evaluated.

Evaluation is about making sure the training achieved what it set out to achieve. Very often evaluation of training amounts to little more than asking the participants immediately after the end of the session whether they found it to be of use and how they rated the trainers. Whilst this type of evaluation has some benefits it is fairly limited. It does not really evaluate how effective the training has been in improving a member of staff's skills. For example, if a member of staff has just completed an interviewing skills course the post-course evaluation form may indicate whether the participant found the course interesting and enjoyable, but it will tell the organisation nothing about whether or not the participant's interviewing skills have improved. This could only really be examined at a later stage when the participant has had the opportunity to put the training into practice.

This seems to indicate that effective evaluation should take place sometime after the event and should preferably be undertaken both by the participant and the participant's line manager. On return to the workplace, the participant will be able to comment on whether they feel the training has achieved its objectives and the manager will be able to address the same issue from their perspective. This process of joint evaluation will have been strengthened if both the manager and the participant had a short briefing session about the training prior to its taking place.

It may be that, in this example, the manager feels that the participant's interviewing skills have not improved and this will raise a number of important questions such as:

- Was the training course as good as it could have been?
- Did the course meet its stated objectives?
- Should the objectives have been different and should they be varied in future?
- Was there a problem in the way the course was delivered?
- Have other participants' skills improved after similar training?
- Does the participant need to repeat the training or undergo further training?
- Will the participant benefit from further training?

It is very important that the outcomes of such evaluations are fed back to both the course leaders and the people in the organisation who are responsible for staff training. These people will need to consider carefully the evaluation comments received and use them to reconsider what the training needs of staff are and to make changes to future training programmes.

Take, for example, the evaluation of a training course on interviewing skills. This might indicate that front line staff interviewing the public should know more about the allocations system in order to be more effective. The organisers of the next year's training programme should take this on board and ensure that a training session on the allocations system is organised.

The process of identifying needs, designing and implementing training and evaluating its success is a circular process. Each stage follows on logically, and the review of current training is then used to influence not only how the same training should be delivered again, but will also be of use in the regular reassessment of training needs.

5. An Organisational Training Policy

Most housing organisations will have policies for various aspects of their work such as allocations, rent arrears, tenancy matters and repairs. In the same way it is very important that housing organisations should have written policies and procedures relating to the training and development of their own staff.

Unfortunately, it is often the case that training has a low profile in some organisations and if budgets are under pressure it may be the training budget which gets cut first. Although in the short term such cuts may be relatively painless, in the longer term they can cause major difficulties.

If there is not a training policy and the organisation is not committed to training its staff (in terms of both resources and time) it may well end up having less effective staff and being less able to cope with the greater pressures on them. It seems fairly obvious that not investing in training is a very short-sighted policy to adopt.

Drawing up a training policy will show the commitment of the housing organisation to staff development and will have the following elements:

> *Key elements of a training policy:*

- sets out the training requirements of individual posts (e.g. what training does an Area Housing Officer need?);

- provides a structure to determine training needs of both posts and individuals;

- makes clear which senior officer is responsible for training policy;

- makes clear that line managers have a responsibility for the training and development of their own staff;

- ensures that all staff are properly trained and adequately supported before they are required to deal with the public;

- supports training for qualifications;

- sets out how staff will be involved in determining their individual training needs;

- indicates how training will be delivered;

- sets out priorities for training (e.g. supporting training for front-line staff);

- establishes a training budget and the criteria for its use;

- sets out how training programmes and the policy will be reviewed.

Think about how many of these have been adopted in your own organisation by undertaking the following activity.

Activity

Think about the recommendations above in the context of your own organisation and write your response to each question in the space provided.

Does your organisation adopt the key elements of a good training policy? Specifically, does it:

- *set out the training requirements of individual posts?*

- *provide a structure to determine training needs of both posts and individuals?*

- *make clear which senior officer is responsible for training policy?*

- *make clear that line managers have a responsibility for the training and development of their own staff?*

- *ensure that all staff are properly trained and adequately supported before they are required to deal with the public?*

- *support training for qualifications?*

- *set out how staff will be involved in determining their individual training needs?*

- *indicate how training will be delivered?*

- *set out priorities for training (e.g. supporting training for front-line staff)?*

- *establish a training budget and the criteria for its use?*

- *set out how training programmes and the policy will be reviewed?*

Time allocation: 10 minutes

The second element of good training practice is to develop a plan for training.

6. An Organisational Training Plan

A training plan takes the general principles set out in the training policy and puts them into practice, and will need to include the following elements:

(a) Training needs

A training plan should set out the training needs which have been identified for the organisation, and these may be at three main levels.

Organisation
There may be need for organisation-wide training.

Sectional
Certain training needs may be related to individual sections of the organisation. Arrears staff, for example, may need training in debt counselling.

Individual
Some training needs will be related to individuals, for whom individual training plans may be needed.

(b) How the training needs will be met

The plan will need to specify quite clearly how the training needs will be met.

(i) Professional training

Which training courses will be supported.

How many staff can attend.

How staff will be selected.

(ii) In-house courses and on the job training

What training will be provided.

When the training will take place.

What the target group is.

How staff will be selected.

(iii) External courses

What training will be provided.

What the target group is.

How staff will be selected.

(iv) Budgets

How big the budget is.

How the budget is allocated.

Who controls the budget.

(v) Timescales

A clear indication of relevant timescales for each element
of the plan.

(vi) Priorities

What the priorities are in meeting training needs.

(vii) Administrative procedures

The arrangements for managing and co-ordinating
the training programme, and the name of the senior
officer in charge of training.

(viii) Review and evaluation procedures

How the training programme will be evaluated and
reviewed.

7. Housing Associations and Training Plans

So far, much of the advice we have considered has been written
for local authorities, although there is very little which would not
be directly applicable to housing associations.

Most large housing associations will have developed training
plans for their staff and many will indeed have their own trainers
working for them.

However, in the smaller housing associations it may well be the
case that training plans have not been developed and training may
not be organised in any planned way.

The message from this Block is that all organisations, whatever

their size, do need to consider the training needs of their staff. Indeed, in a small association which employs only a handful of staff, an untrained individual is potentially very damaging as there will be no one else to compensate and cover for the poor performer.

A number of the smaller associations have addressed this issue by joining the Group Training schemes which aim to provide high quality, cost-effective training for housing associations who are members.

8. Training Budgets

A budget for training is an essential part of any training strategy, as without a sufficient budget the organisation will not be able to adequately fund training. Having a separate training budget not only provides resources to this important function, but it also shows the organisation has a positive commitment to training. It indicates to managers and staff that training is a serious matter and not something to be taken lightly.

A training budget should:

- reflect the organisation's training priorities;
- cover all costs such as course and conference fees, travel, subsistence, materials and professional training.
- be of sufficient size to provide adequate training.

The last of these elements may cause some controversy. How much is an adequate budget for training? If a department employs 50 staff and has a payroll for them of £750,000 a year, what would be the size of an adequate training budget?

Most training managers would argue that the training needs of housing organisations are so large that they could spend whatever was provided, and to some extent the requirement for training will dictate what an adequate budget would be. In the private sector, the Confederation of British Industry recommend that British firms should spend at least 5% of their payroll costs on training and, in the example we are using, this would amount to a training budget of £37,500 each year.

Try to find out your organisation's training budget this year in cash terms and as a percentage of total payroll costs. If your organisation employs housing trainers you should include their costs in the total. This information is available from your finance section. Is this budget adequate in your view?

If we took a cross section of housing organisations there would be a very great variation in how much they spend on housing training, and few will be at the CBI recommended level of 5% of total payroll costs.

Whilst organisations should ensure they have adequate budgets the senior member of staff with responsibility for training should always, as a responsible manager, attempt to get value for money out of this training budget. This could include making much greater use of in-house training, utilising existing members of staff as trainers, pooling training resources with other organisations and making sure that external courses are worth the cost in terms of getting a more effective workforce.

9. An Understandable Career Structure

Having a clearly defined career structure will enable staff to identify their development opportunities and to recognise that there are potential career benefits to be had by undergoing further training.

By having a career structure staff will be aware that they can progress through the organisation, and this is likely to improve both staff recruitment and retention. If there is not a career structure, qualified and high quality staff are likely to leave the organisation for one which will meet their career aspirations. A well managed organisation will be keen to retain its best staff, and having a career structure is but a further dimension of good management.

What is the link between staff training and career development? A staff member who is well trained and more effective in the job is more likely to demand challenging posts in the organisation and to get them in competition with others. If the organisation is not able to provide these challenges it is likely that these well qualified staff will either become demotivated or will seek opportunities elsewhere.

Similarly, an organisation which is committed to career development will need to train its staff. If it fails to provide effective training its own staff will either be unable to compete with outside candidates or will be ineffective when appointed to the new post. A career development structure must be supported by a training culture and vice versa. It will also be obvious that a career development structure has to be supported by a staff appraisal system, which is considered elsewhere in this Block.

10. Investors in People

In recent years many organisations have decided to seek to obtain Investors in People status. The Investors in People programme is a national award sponsored by the local Training and Enterprise Councils which aims to improve the way in which organisations go about the training and development of staff. Investors in People recognises that training can play an important role in the success of any organisation but that too often it is unstructured, disorganised and not linked to the organisation's business objectives. Investors in People recognises that training is the key to any organisation's future success. An Investors in People organisation sets clear goals, determines what skills employees currently have, compares existing skills with the skills required and resolves how it will develop those skills to meet any shortfall.

To obtain the award, organisations have to meet a number of key requirements as set out in the Investors programme and demonstrate to an assessor that the organisation is achieving the standards set by Investors in People.

These requirements include the following commitments from an organisation:

> *"An Investor in People makes a public commitment from the top to develop all employees to achieve its business objectives"*

> *Every employer should have a written but flexible plan which sets out business goals and targets, considers how employees will contribute to achieving the plan and specifies how development needs in particular will be assessed and met.*

> *Management should develop and communicate to all employees a vision of where the organisation is going and the contribution employees will make to its success.*

> *"An Investor in People regularly reviews the training and development needs of all employees"*

The resources for training and developing employees should be clearly identified in the business plan.

Managers should be responsible for regularly agreeing training and development needs with each employee in the context of business objectives, setting targets and standards, linked, where

appropriate to the achievement of National Vocational Qualifications (or relevant units) and in Scotland, Scottish Vocational Qualifications.

> *"An Investor in People takes action to train and develop individuals on recruitment and throughout their employment"*

Action should focus on the training needs of all new recruits and on continually developing and improving the skills of existing employees.

All employees should be encouraged to contribute to identifying and meeting their own job related development needs.

> *"An Investor in People evaluates the investment in training and development to assess achievement and improve future effectiveness"*

The investment, the competence and commitment of employees, and the use made of skills learned should be reviewed at all levels against business goals and targets.

The effectiveness of training and development should be reviewed at the top level and lead to renewed commitment and target setting.

As can be seen the Investors in People standard tries to link training and development very directly to the achievement of the organisation's objectives and ensure that training is properly evaluated by managers on a regular basis.

Self Test 1

1   *What are the four stages to the training cycle?*

2   *Give some examples of the way in which training needs could be identified.*

3   *What is the CBI recommendation for training budgets for private sector firms?*

4.   *What other aspect of good management is career development inextricably linked to?*

Now turn to the Answers at the end of the Block.

Summary

1. This section of the Block has stressed the importance of staff training to an organisation. Without investing in high quality training a housing organisation is unlikely to be able to deliver an effective service.

2. Training needs to be planned and organisations should have:

    -   a training policy and plan;

    -   a training budget;

    -   an understandable career development structure.

3. A number of housing organisations have now decided to adopt the 'Investors in People' approach to staff training and development.

C. Functional Areas 2 – Staff Representation

This section of the Block looks at how organisations consult and negotiate with their staff in formal and informal ways.

1. Unitary and Pluralist Perspectives

Alan Fox, in his book '*Beyond Contract: Work and Trust Relations*', has identified different approaches to the involvement of staff by employers, and developed the concepts of 'unitary' and 'pluralist' perspectives.

Unitarists operate with the view that anyone who joins an organisation will completely take on the goals and objectives of the organisation, and will direct all of their energies to the achievement of those goals. This approach is based on the assumption that there will be no conflict between different people within the organisation, and that if conflict does occur, therefore, either a misunderstanding of the goals or deliberate trouble making by an individual or group causes it.

In contrast *pluralists* believe that there will be a range of interests among the people and groups making up the whole organisation. One example of this is that employees of social landlords are likely to be interested in a range of issues, including the provision of good quality housing services, and improving or maintaining their working conditions. Senior managers will be more likely to be focussed on measures for improving services and achieving cost efficiency, and this may be at odds with the aim of safeguarding current working practices. The existence of different interests means that conflicts will arise. Pluralists accept that this is inevitable and focus on the need to manage it, seeking to balance conflicting aims in such away that they do not disrupt the effective running of the organisation.

Activity

Do you think that unitarist or pluralist managers are more likely to agree with unionisation of the workplace? Give reasons for your view.

Time allocation: 10 minutes

Pluralist managers are more likely to agree with unionisation, as the activities of trade unions imply different interests and views. Pluralist managers are more likely to recognise the value of the trade union as a representative voice for staff. As such unions can be a useful mechanism by which management can negotiate with large numbers of staff without having to consult each of them on every issue. Union representatives can thus act on behalf of the interests of the workforce.

2. Workplace Partnerships

The government document *Fairness at Work*, published in 1998 identifies partnership as one of the 'three pillars' of supporting its 'strategy for achieving competitiveness'. They suggest that approaches to partnership adopted by different organisations should suit local circumstances, and thus be defined largely by the organisations themselves.

ACAS (Advisory, Conciliation and Arbitration Service) have defined partnership as "employers and employees working together jointly to solve problems".

Partnership can be achieved in both unionised and non-unionised organisations. In the absence of a trade union employers can make arrangements to negotiate and consult with the workforce or elected representatives from within it on a range of issues. Equally, not all consultation will necessarily be channelled through trade unions in unionised organisations, as in some situations other mechanisms will be considered more appropriate.

Activity

Make a list of different approaches to consultation with employees which might be adopted by senior management. You might consider approaches from your own organisation.

Time allocation: 15 minutes

The Department of Employment has identified six categories, each with a range of initiatives to describe different types of consultation with employees, and different levels of involvement of employees in the organisation.

Sharing Information	Team Briefing Employer and employee publications Company videos Electronic news systems
Consultation	Staff suggestion schemes Staff attitude surveys Works committees Health and Safety committees
Financial Participation	Performance related pay Employee share schemes
Commitment to Quality	Continuous improvement Team work Total Quality Management Quality circles Self-managed project groups Employee award schemes
Developing the individual	Performance management Staff appraisal schemes Employee development programmes Investors in people A qualified workforce
Beyond the workplace	The community The environment

(From: Department of Employment (1994), *The Competitive Edge: Employee Involvement in Britain.*)

As the government guidance has tended to make suggestions and leave detailed arrangements to individual organisations and their managers, we would expect a wide range of approaches to be adopted. Some managers will have preferred approaches which will be replaced by different measures as the manager moves on and is replaced by a new manager with different views.

Sharing information is seen by many as the foundation for effective management. We have already seen (in MRH 101) the impact of uncertainty among staff on the ability of organisations to manage change effectively. Clearly staff who are aware of what is happening and why are more likely to work towards the organisation's aims. Even where staff might have conflicting aims, the fact that issues are out in the open, and can therefore be discussed and resolved makes for more effective management of the organisation.

Along with sharing information, consultation is an essential part of the development of good employment relations. Effective communication requires feedback, and therefore in addition to keeping a workforce informed, management also need to establish mechanisms by which employees can make their views known. These approaches can extend from staff suggestions schemes, to active involvement of staff in formalised committee structures to inform decision making on key issues.

The financial participation schemes identified by the Department of Employment have tended to be applied in private sector organisations. However, increasing numbers of social landlords are introducing performance related pay to reflect the contribution that an effective employee can make to the cost efficiency of the organisation.

As we have seen elsewhere a range of factors are impacting on social landlords causing them to seek increasing quality and efficiency in the delivery of services. Partnership approaches such as quality circles can help to increase staff involvement and a sense of ownership of the aims of the organisation to increase quality, and thus work to increase the focus of all staff on the ultimate aims.

D. Functional Areas 3 –
Management of Staff

This section will look at how and why housing organisations carry out formal appraisals of the staff who work for them. The section will examine the use of appraisal as a tool of effective management, and its links with staff training and career development will be emphasised.

Activity

Before we start to discuss staff appraisal in detail, consider the following situation.

Whatever your current job is, imagine that tomorrow your manager leaves and a replacement manager arrives. This manager calls you into the office and says that she wants to find out as much as possible about her new staff. She asks you to tell her how you feel you are performing, what you do well and what you have problems with, your training needs and how you see your career developing. She has asked that you think this over in the evening and come to see her the following morning.

What would you say to her the next day? Write down your responses to each question.

Time allocation: 30 minutes

You may have found this a difficult exercise to complete. You may not have a clear idea as to how well you are performing. Perhaps you feel you are performing well but no-one has ever sat down and said that on the whole you are doing a good job. And what about the things you do not do well?

No-one likes to admit they have difficulties, and you may well find it hard to think of areas where you could improve. Again perhaps no-one has ever spoken to you about doing things better. As for training needs, you may feel that you have done the job for long enough now not to need further training, but are there some areas where you could benefit from extra training?

Career development? Well, you may want a better job but you haven't really given it much thought and no-one has ever asked before. If this sounds like you, then perhaps your organisation does not appraise its staff.

However, you may be completely different. You may be clear about your strengths and weaknesses, your training needs and your career aspirations. The chances are that you work for an organisation which talks to its staff on a regular basis about these issues, or if not you are likely to be someone who could see the value of these issues being discussed by the organisation.

The types of matters which you were thinking about in the last activity are the essence of a staff appraisal system, which is concerned with getting the best out of the staff the organisation employs. A housing organisation's most valuable resource, as we have already discussed, is its staff and if the organisation is to function well it has to get the best out of each individual.

One of the ways in which it can do this is to regularly discuss with staff in appraisal sessions how they are performing and to highlight areas where performance could be improved further. As will be seen, this system of appraisal has important links to staff training and to career development.

Of course, appraisal is not the only way in which organisations attempt to improve the performance of their staff, but it is an important element in making sure that the organisation performs well.

Activity

What other means do organisations use to improve staff performance?

Write down the main headings you can think of.

Time allocation: 5 minutes

There are a number of ways in which organisations attempt to improve the performance of their staff. Effective recruitment will be an important contribution to improving performance, because if the organisation is able to recruit well qualified and able staff it is likely to obtain good performance out of them.

However, many organisations do not have a high rate of staff turnover and they need to use their existing staff more effectively. Staff training is an essential element in improving performance, and an effective training programme can increase the effectiveness of the staff who are employed by the organisation.

Pay and conditions should also not be ignored as these will have an influence on performance. If pay and conditions are good the organisation will not only be likely to recruit better quality staff but, perhaps more importantly, will be able to retain the staff which it has already. If pay and conditions are poor, relative to other organisations in the same area, it is likely that the better quality staff will seek promotion with those other organisations.

In extreme circumstances organisations will have to make use of disciplinary procedures to improve performance. If a member of staff is often late for work it may be necessary to discipline them with the aim of improving their performance. If they persist in their lateness it may eventually be necessary to dismiss the member of staff.

Whilst discipline might be effective on lateness, it is less effective when the employee is not performing effectively in the job. For example, if an Assistant Area Housing Manager is not managing the arrears and technical staff effectively and arrears are increasing and a backlog of repairs is developing, then disciplining the person may not be effective. This is because the reason for the lack of performance may be to do with a lack of confidence, managerial skills or knowledge, all of which should be remedied in a different way. Of course, if the reason for the poor performance was because the Assistant Manager was lazy or always in the pub then this would be a case for disciplinary action!

1. Appraisal Schemes

A well managed organisation needs to consider how well each employee is doing in relation to the objectives of the organisation, and to decide how performance could be improved further.

An appraisal scheme will usually involve the manager and the employee having a structured discussion about performance, and will enable the organisation to explore with employees what is expected of them and how well they are performing. An appraisal will usually be a formal interview between the manager and the employee and there will normally be an agreed structure to the interview. To be effective the appraisal interview needs to be a genuine exchange of views between the manager and the employee and should not be a one-sided review. After all, one reason for an employee's poor performance could be that the manager is not adequately performing, and these issues need to be discussed openly in an appraisal interview.

2. What are the Benefits of an Appraisal Scheme?

2.1 Organisational benefits

Many organisations have now adopted some form of appraisal scheme. Some of these are fairly informal, whilst others are more rigorous and structured. Even in those organisations which have not adopted an appraisal scheme there are often discussions between managers and staff which take the form of an appraisal. Given that many organisations have started to use appraisal schemes, let us spend a little time looking at the benefits of appraisal for the organisation.

Activity

Imagine you are to make a short presentation to the Board of a housing association, advocating the introduction of a staff appraisal scheme. You have decided to use an overhead projector in the meeting to illustrate your presentation. What would be the main headings you would use to show the benefits of the appraisal scheme to the housing association?

Time allocation: 10 minutes

(a) Improving performance

Most organisations which introduce appraisal schemes will do so because they wish to improve the performance of the organisation. The appraisal interview enables managers to sit down with their staff and discuss performance matters in a positive way. This will obviously include giving praise for good performance, and will also include examining areas of work where performance has been less satisfactory and considering how these areas could be improved upon.

(b) Identifying potential

Organisations can also use appraisals to identify potential. One of the areas to be discussed in an appraisal is the career development of individuals. An organisation should be able to use appraisals to identify more clearly the career aspirations of staff and to consider whether it has the opportunities available to meet those aspirations.

Performance will be a factor which will be taken into account when staff are promoted, and appraisals can be used to assist in assessing whether staff are likely to perform effectively in more senior posts. For example, if an appraisal demonstrates that an employee has performed successfully in the current post and is keen to have a more challenging position, the organisation may wish to make available a more challenging post either by promotion or by giving the member of staff a special project to work on.

(c) Reviewing organisational structures

Organisations can also use the results of appraisal interviews to change the way in which the organisation operates. During an appraisal interview it may become clear that some aspect of the way in which an organisation is working is not effective. The sensible organisation will then change the way in which it is organised.

For example, in one housing organisation a senior manager complained to a chief officer in an appraisal interview about the way in which the Departmental Management Team was organised. This Departmental Management Team consisted of all four of the senior managers in the housing department. The meetings were infrequent, often cancelled and rearranged at short notice, and did not have an agenda. This meant that some important issues were not being discussed and, as a result, the performance of the department was slipping. As a result of this discussion the chief officer took steps to change the way in which the Departmental Management Team was organised to deal with the criticisms.

(d) Identifying training needs

One of the important elements of an appraisal interview will be the consideration of the training needs of staff. Organisations should make use of the results of appraisal interviews to build up a profile of the training needs of the organisation as a whole. For example, if a number of middle managers in their appraisals indicated that they needed more training in basic managerial skills, the organisation could make use of this information to design a management development training programme.

(e) Motivating staff

Given that most people like to know how they are doing at work, a well managed appraisal system is likely to lead to a better motivated workforce. Staff will receive credit for what they have done well and will be able to discuss, in a sympathetic environment, how they might improve those aspects of their work which have gone less well. They will be able to discuss their training and career development needs and will have the opportunity to discuss their

own ideas with management as to how the performance of the organisation could be improved. All of this is likely to lead to staff feeling better motivated and in turn to improved levels of performance.

2.2 Benefits to the individual member of staff

Let us now turn to the benefits of an appraisal scheme for the individual member of staff.

Activity

The housing association Board was convinced by your arguments in favour of the organisation developing the appraisal scheme, but were worried because the benefits to the organisation seemed to be so overwhelming. They were concerned that an appraisal scheme might not be as attractive for the individual members of staff and have asked you to list the main advantages of an appraisal scheme for the employees. Luckily for you, the members have just broken for a coffee break and you have a few minutes to prepare a slide for the overhead projector listing the main benefits of an appraisal scheme for the staff.

Time allocation: 10 minutes

(a) Feedback on performance

For individual members of staff perhaps the main benefit will be to have the opportunity to know how they are performing in the eyes of their manager. It will only be when people know what they are meant to be doing, why they are doing it and what progress they are making, that they will be able to make a real commitment to the organisation. The appraisal interview will enable this to happen.

The appraisal interview will give some feedback to the individual on the activities that have been performed well. Hopefully managers would not have waited till the formal appraisal interview to give praise to employees, but the appraisal interview will be another opportunity to formally record good work. It will also be the opportunity to look in more detail at areas of work which need to be improved. Employees will be able to discuss with their managers what went wrong and, more importantly, will be able to agree with their manager how things could be improved.

(b) Clarifying objectives

A well structured appraisal interview will look at what it is that the employee is meant to be doing. It will clarify what the organisation expects of its staff. Should the estates officer be concentrating on her arrears work or on developing a new tenants' association? This type of discussion is important because it may be that the two tasks are in conflict. If she spends time with the new tenants' association then her rent arrears might be neglected and the arrears level will begin to rise. The organisation for which she works might well consider that the first priority should be the arrears work and would be critical of her for spending so much time with the tenants' association. The appraisal interview is an opportunity for the individual member of staff to clarify exactly what the objectives of the job are and what the priorities are.

(c) Identifying training needs

When reviewing performance one important aspect will be to highlight areas where performance could be improved and this might, for example, include the need for further training. It may be that the reason why the level of an estate officer's arrears has increased is because of a lack of knowledge about how to operate the computerised arrears recovery package. The manager would then be able to arrange for the employee to have further training on how to work with the computer system to keep rent arrears under more effective control.

(d) Career development

The identification of training needs is an important benefit of appraisals for staff. For example, a lettings officer may wish to develop a greater expertise in the operation of the homeless legislation, and a manager may be able to arrange for training to be provided in this area. Similarly, in an appraisal interview the individual staff member might agree with the manager that consideration should be given to taking a professional qualification in housing such as the one you are doing now.

Closely linked to this is the whole area of career development, and the appraisal interview will give staff the opportunity to discuss with their manager how they see their career developing. This may necessitate further training and it may lead to the manager attempting to assist the development of the career. For example, if a homeless officer indicates that they want to move into Area Management it might be possible for the manager to arrange a secondment to an area office or a job swap with another member of staff to give the homeless officer some experience of Area housing management. It will also allow the individual to tell the manager that they wish to develop further in the organisation and, perhaps, to 'lay down a marker' for any future promotion opportunity which might come along.

2.3 Benefits for managers

Finally, what are the benefits going to be for the managers who would normally carry out these appraisal interviews?

Activity

The Board meeting has just ended and it has agreed to implement the appraisal scheme you proposed. As you are leaving the meeting your boss asks you what the benefits of your scheme will be to her as a manager. The overhead projector has been packed away but you decide to tell her in a few short sentences what the benefits will be.

Write down the main headings for future reference.

Time allocation: 5 minutes

In many ways the benefits which were discussed for the organisation will apply to the individual managers. Managers are likely to find better motivated staff, and the performance of their section is likely to improve as poor performance is analysed and resolved. As we saw earlier, all managers have the primary responsibility for ensuring that their staff are well trained, and the appraisal interview enables managers to consider the training needs of all their staff.

By carrying out appraisal interviews, managers will be able to assess more accurately the strengths and weaknesses of their team and may be able to change the way in which the team works in the light of this analysis. For example, if an individual seems to have a particular skill in collecting and analysing data it may be that this is the person who is asked to prepare the monthly statistical performance report to headquarters.

Managers will find appraisals particularly useful in identifying the blockages to poor performance in the organisation. Indeed, in some cases it may be that the manager is the cause of the problem and may need to change the way in which he or she carries out the job. This will show the value of the appraisal interview as a genuine two-way dialogue between the member of staff and the individual.

There will be enormous benefits to be gained simply by talking to staff. All too often staff think of their manager as a rather distant and aloof character. The appraisal interview can be used to start to break down these barriers and can improve the relationships between the manager and the staff. The manager will get to understand the member of staff, the job they do and their own career ambitions, whilst in return the staff member will see some of the pressures on the manager and the things which the manager wants to achieve.

Managers will be able to use the appraisal interview to direct the work of the members of the team by agreeing key objectives and how these will be met. This should clarify for every team member what is expected and should assist the team in delivering a high quality service.

3. Types of Appraisal Scheme

There are a number of different ways in which appraisal can be carried out.

3.1 Performance

Most appraisal schemes will aim to review the performance of the individual by highlighting those areas of good performance, and examining how areas of less satisfactory performance could be improved.

3.2 Staff development and identifying potential

Some appraisal schemes concentrate on staff development by looking at the training needs of staff and how they could be developed further. They will also look at the career development potential of individuals. Clearly, in these types of development discussions managers will have to review performance, because this will to some extent inform the training needs of staff. The crucial difference is that the emphasis is on developing the member of staff and not so much on performance.

3.3 Pay and rewards

Some appraisal schemes are used to decide pay and other rewards. Again, performance will be an important factor here, with good performance being rewarded with additional money or other benefits. In the housing world it is still fairly rare to see appraisal schemes being used to determine pay, although such schemes are more common in the private sector. It is perhaps obvious that where an organisation uses appraisal schemes to determine pay and rewards, then there may be less of an open discussion. Staff may be reluctant to expose their weaknesses to managers or to criticise the organisation because this might adversely affect their remuneration.

3.4 Merit rating

This type of appraisal scheme relies on the manager rating individual members of staff against certain criteria. The ratings will be on a graduated scale, perhaps from 'excellent' through to 'poor'. The criteria used varies from scheme to scheme, but typically will involve ratings against elements like:

- enthusiasm;

- energy;

- reliability;

- adaptability;

- judgement;

- knowledge of work area;

- maturity.

Activity

Take the elements listed above and rank yourself and a colleague against each element on the following scale:

	You	*A Colleague*
- *Excellent*		
- *Very good*		
- *Good*		
- *Fair*		
- *Poor*		
- *Bad.*		

Get your colleague to rate you and themselves at the same time. Discuss the results.

What are the main problems with using such a system of appraisal?

Time allocation: 5 minutes

These type of ranking systems appear to be very easy to use and give the impression of scientific objectivity. However, they are subject to a number of problems. The criteria chosen are often very subjective. How easy is it to judge someone's enthusiasm? The other related problem is that they are not discriminating in their scope. For example, an individual may be enthusiastic about some aspects of the job but bored with other parts of the job. How should a manager rank this person on the enthusiasm scale?

Academic researchers have also shown that managers tend to rank staff in the middle of each scale and are reluctant to rank people as either excellent or poor.

3.5 Written assessments

These schemes do not rely on a rating to be given, but require managers to give a written assessment of individuals under a number of different headings. Because managers are having to give a written statement they will think more carefully about what they write and will need to be able to justify their comments.

These written remarks will be against various criteria, but they may also be against specific objectives of an individual's work. The manager might, therefore, comment about an individual's reliability, giving examples of where this was good and poor, but may also assess the individual against work objectives.

So an arrears officer might well be assessed against the level of arrears reduction achieved, the quality of recovery work, the speed of processing benefits claims, and the number of home visits undertaken.

3.6 Target setting

Another appraisal system would be to consider performance against a range of previously agreed targets. A homeless officer may be assessed on the number of applicants seen each week, the speed at which investigations into homelessness were conducted, and the void periods in temporary accommodation used for the homeless.

4. Interviewing as Part of an Appraisal System

An appraisal system is a two-way communication between the manager and the member of staff. Whatever type of appraisal system is used it cannot replace the need for a face to face interview. If a merit ranking scheme is used the manager will have to justify the rankings in discussion with the employee and iron out any problems.

Of course, both the manager and the member of staff being appraised will need to think in advance about the appraisal interview and to consider how the individual is performing. This can often best be achieved by the manager and the appraisee having a checklist of the areas to be covered in the interview. Both can then think in advance about these areas and will come to the interview ready to make a constructive contribution.

The other benefit of this type of preparation is that it gives the opportunity for reflection, and can help both manager and employee avoid simply concentrating on the recent past and overlooking what has happened in the time since the last appraisal. For example, if the member of staff has recently upset a councillor by being rather unsympathetic to a customer, this one

recent mistake might cloud an otherwise good record of performance. A good manager would draw attention to the problem with behaviour to the customer, but would also congratulate the member of staff on the other aspects of work which have been performed effectively.

5. Introducing an Appraisal Scheme

An appraisal scheme needs to be carefully thought out before it is introduced and the following questions should be looked at:

(a) Who should do the appraisal?

In most schemes the immediate line manager will appraise the staff whom they manage. In some schemes, however, it may be done by the management tier above the line manager, on the grounds that staff may not feel able to express any concerns about their own manager if that manager is doing the appraisal. The weakness of this structure is that the person doing the appraisal may not know enough about the member of staff to appraise them properly.

(b) How often?

Most schemes will have an annual appraisal, but if there are real problems with the performance of an individual it may be desirable to have more frequent appraisals taking place.

Certainly newer members of staff may need to have more frequent appraisals whilst they are settling into the job.

(c) What type of appraisal?

What sort of appraisal will be used? Will it be a merit rating system or a written assessment? Will staff be able to prepare themselves in advance by knowing the structure of the appraisal?

(d) What records will be kept?

Should there be a written record of the appraisal which sets out what was agreed? How will the training needs of individuals be collated?

(e) What training do staff need?

It will be necessary to train managers as to how they should conduct appraisal sessions. It may also be desirable to train the people being appraised as to what the appraisal interview and system is designed to achieve.

(f) Consultation with staff and trade unions?

There is often suspicion when appraisal systems are introduced, and it may well be sensible to speak to staff and trade unions about the appraisal scheme to allay fears as to what the scheme involves.

6. Disciplinary Procedures

One of the key mechanisms for managers to maintain control is the existence of fair and equitable disciplinary procedures. Clearly defined disciplinary rules act as a measure for all staff to indicate standards of acceptable behaviour. Disciplinary procedures are the internal and administrative mechanisms for applying the rules.

Employment tribunals place a great deal of importance on a organisation's disciplinary procedures and the manner in which they have been carried out. Trying to defend an unfair dismissal case without having a well established and publicised disciplinary procedure reduces the chance of winning a case.

In addition disciplinary procedures can help to increase the effectiveness of the organisation by cutting financial losses incurred through lost work due to such things as absenteeism, lateness, lack of skills, etc.

Activity

In terms of performance or conduct, which areas do you feel should be the subject of a disciplinary action.

Time allocation: 5 minutes

A survey by the Chartered Institute of Personnel and Development found that the main reasons for organisations taking disciplinary action were poor time keeping, unauthorised absence, poor work standards, and excessive sick leave. These examples applied to all categories of staff, including clerical and secretarial, supervisors, technicians and managers.

Generally speaking, some action may be necessary if any of the following conditions apply:

- the conduct is potentially dangerous;

- the conduct is potentially costly;

- the conduct annoys, irritates or offends other workers;

- the conduct undermines authority;

- the conduct hinders successful job performance;

- the conduct involves breaching disciplinary rules.

7. Disciplinary Procedures In Practice

If, as a manager, you decide to take action, you will need to formulate the complaint precisely so that it is clear and unambiguous. You will also need to collect evidence and relevant facts. You may well need to consult a personnel or human resource management specialist in your organisation. You should check the organisation's disciplinary procedures to ensure that your actions are in accordance with them.

The next stage involves taking action. In the case of minor instances of misconduct, normally an on-the-job reprimand is adequate. This provides feedback to the employee and can be framed in a positive manner, making it clear that you are not dissatisfied with *everything.*

- this should be carried out in private to avoid humiliation or abuse of the individual and should take place as soon as possible after the event;

- it should be made clear to the individual what has been done and why this type of behaviour is unacceptable;

- the employee should be given a fair chance to explain the circumstances; and

- you should summarise the situation and make it clear to the individual if you are giving them an oral warning, and if any review period is appropriate.

Not all cases can be dealt with on the job, even at the informal stage. If an employee is persistently late or careless in the performance of their duties, it may become apparent only over a period of time. The review period is the final part of the informal stage.

- Where an employee does not improve their performance within the review period, or if the misconduct is of a serious nature, the formal stage will be operated. There are a number of points to remember when carrying out disciplinary interviews.

- You need to know the relevant legislation, and a detailed knowledge of the policies and procedures adopted by your organisation to meet any legal requirements.

- You need to know the authority levels that you have, to be able to instigate further stages of the process.

- You also need to have certain skills to handle the situation with confidence and sensitivity. When dealing with discipline, you will probably be dealing with staff in your own working team and, in most cases, will have to work with them afterwards. You will have to live with the consequences of your interviewing approach and so should be careful not to damage relationships permanently.

There is no one way of conducting an interview and it would be impossible to develop a manual of good practice which works perfectly on every occasion. However there are tips for conducting disciplinary interviews.

Goals

- To inform the employee that organisational rules have been broken or performance standards are not to the required level.

- To discover why the breach has occurred.

- To prevent further deterioration.

- To take corrective action.

- To apply sanctions of necessary.

- To clarify standards expected in the future.

Considerations

- Consider when the interview should take place

- Clarify your goals and the required outcome.

- Inform the employee about the time and place of the interview and its purpose.

- If appropriate, inform the employee that they are entitled to be accompanied by a union representative or a work colleague.

- Know your authority level.

- Plan the course of the interview.

- Ensure that you have already done your homework.

- Read or re-read your disciplinary rules and procedures.

The interview

- The atmosphere should be relatively formal.

- Both you and the employee should have roughly the same amount of time to talk.

- Use open questions wherever possible.

- In cases of misconduct, establish what happened and where, and check the employee's reasons for the misconduct.

- In cases of poor performance or negligence, be sure to discuss the nature of the job.

- Summarise the outcome of the interview and the action to be taken.

After the interview record details as required by your organisation's procedures, whether this involves giving copies to the employee, their representative, putting a copy on any personnel file.

8. Grievance Procedures

Grievance procedures are used when an employer in some way does not fulfil the employee's expectations, causing the employee to have a grievance. Most organisations will have developed procedures to cope with employee grievance.

Activity

Look up you organisation's grievance procedure and answer the following questions.

1. Is it simple to operate?

2. Is it rapid in operation?

3. Does it involve the immediate superior at the first stage?

4. Does it provide for the aggrieved employee to be represented at later stages?

5. What is the appeal mechanism?

Time allocation: 10 minutes

---

9. Grievance Interviews

Grievance interviews require the same amount of care and skill as disciplinary interviews. It is just as important to listen, establish a rapport, arrange the interview environment, use good counselling and questioning techniques, and to prepare written reports to follow up. Also in common with disciplinary interviews there is no blueprint for success. However, the following tips may prove useful.

Goals

- To establish from the employee the true nature of the grievance.

- If there is a problem, to reach agreement on a solution which both parties can guarantee.

- If there is a problem which cannot be resolved at the first stage, to ensure that the grievance is carried to the next stage as soon as possible.

Considerations

- In terms of a grievance, you, as a manager will have less control over the time and place of the interview.

- Check your level of authority in relation to possible solutions.

- If you have the opportunity plan the course of the interview.

- Read and re-read your procedures.

The interview

- Allow the employee to do most of the talking.

- Do not attempt solutions until the problem has been clearly agreed and defined.

- Help the employee suggest a solution.

- Summarise the outcome and the action to be taken.

Post-interview

- Write a record of the interview as soon as it is over.

- If necessary, ensure that the next stage of the procedure is activated in a speedy fashion.

- If you are able to take corrective action within your authority, take it and report back quickly to the employee.

At some stages in their career, all managers will have to operate their organisation's disciplinary and grievance procedures. Although there is no one correct way to handle these procedures, there is no substitute for experience.

Good managers keep close to their staff ensuring that poor conduct and poor performance are discussed at an early stage and that grievances are not allowed to fester. In most cases no further disciplinary action is needed after action has been taken at the informal stage.

Summary

1. One of the key obligations which responsible housing organisations have is to get the most out of their staff. One way in which this issue can be tackled is by means of a formal system of appraisal.

2. There are a number of different types of appraisal systems in operation, and housing organisations will need to adopt a suitable system for their own circumstances.

3. Appraisal can bring significant benefits to an organisation, its employees and its managers, but it needs to be carefully introduced and managed if it is to be successful.

4. Appraisal is linked very much to improving performance, and links will be established with other areas of staff management such as staff training and career development.

5. Organisations must operate disciplinary and grievance procedures and it is important that organisations keep both the policy and how it is operated under regular review.

E. Functional Areas 4 –Resourcing

1. Recruitment of Staff

In common with many other areas of the activities of social housing organisations, approaches to recruitment of staff have changed in recent years in line with the increasing business orientation of organisational operations.

Activity

Imagine that you need to produce a report outlining recruitment and selection measures to be adopted by a social housing organisation. List some of the recommended practices that you might include.

Time allocation: 15 minutes

Recent private sector business practice has seen the development of benchmarking clubs through which different organisations share good practice. One such 'club' developed the following list of practices.

Manage and measure recruitment and selection as an ongoing core process to foster continuous improvement. Many effective companies believe recruitment is a value-added process that is critical to the company's future growth. These companies make recruitment a year-round priority and develop systems that ensure that candidates are smoothly identified, and screened, and measure for continuous improvement. Among the key components of managing recruitment and selection as an ongoing core process are accurate corporate forecasting of recruitment needs, tracking key recruitment measures, and implementing strategies to deal with advancements and trends in the recruitment process.

Identify and target 'sources' of candidates and actively market to them. Many companies note that proactive targeting of candidate sources leads to a richer pool of applicants and enables companies to reach better candidates faster. Traditional corporate recruiting has stressed standard recruiting sources: on-campus recruiting, use of headhunters, and massive executive search processes. While each of these sources still plays a key role in the recruitment process, less traditional sources, most notably the Internet, now play enormous parts. Marketing to each source is an increasingly important facet of the recruitment process. Among the other sources that have been identified as important are: the importance of Internet marketing (both through organisations' websites and through online 'job' web sites). Organisations keen to improve levels of recruitment among under-represented groups from the wider community have also noted success through advertising in minority ethnic publications, and via specialist employment services for those with disabilities.

The importance of having line managers who understand the recruitment process. Companies with excellent recruitment systems emphasised the critical roles of both full-time recruitment staff and line personnel. In organisations with a commitment to recruiting excellence, line management is deeply involved at each stage of the recruitment process, including selection; after all, they will work closest with the new staff. Corporate recruitment personnel also take on key responsibilities: most notably serving as consultants and training the line personnel who are involved in the recruitment process.

Develop strong Internet recruiting capabilities to drive recruitment process efficiency and effectiveness. The Internet is particularly important in three areas of the recruitment process: identification of a larger number of candidates than previously was possible, automation of the screening process, and advertisement to potential targets. The Internet has considerable appeal, and access is growing.

Whilst this list was produced by a group of HRM specialists in the private sector, clearly many of the proposals are relevant to the management techniques required of social landlords at the beginning of the 21st Century. The relationship between recruitment and selection, and ongoing appraisal processes is considered elsewhere in this Block.

2. Payroll

Salaries and wages form a large proportion of the overall expenditure of a social housing organisation. It is essential, therefore, that adequate controls are exercised over the management of payroll.

In most larger organisations, it is usual to separate the four functions of payroll, which are:

1. Engaging of staff and keeping personnel records.

2. Recording of time worked.

3. Preparation of wage/salary accounts.

4. Actual payment to employees.

In smaller organisations, the function will be combined, and often carried out by a small team or even an individual. However, within all organisations in which staff are paid, the function is undertaken.

Activity

Identify how the four main elements of the payroll function are managed in your organisation. What roles are undertaken by the payroll section/staff?

The steps taken in managing payroll ensure that wages and salaries can be properly accounted for. Payroll staff take account of the following factors when calculating net amounts due to individual employees:

1. **Rate of pay**. This will vary depending on the type of work done and the levels negotiated either with individuals or groups/unions through collective bargaining procedures.

2. **Hours worked**. This information can be obtained in various ways, for example,

    (a) the use of time clocks to record when staff start and finish work and take breaks;

    (b) recording start and finish times in a time book;

    (c) by simply taking the normal hours as correct unless varied due to an individual being absent or working overtime.

3. In some cases, employees are entitled to **special incentives** reflecting a higher standard of work. Examples might include bonuses to manual staff carrying out repairs, or performance related pay for staff who have achieved particular performance targets or demonstrated the achievement of skills and competencies.

4. **Legal provisions** which require the deduction of income tax and national insurance from employees' pay on behalf of central government.

5. **The common arrangement** whereby the employer deducts certain amounts from the employee's earnings, for example:

    (a) superannuation and pension scheme contributions;

    (b) social club contributions;

    (c) contributions to medical schemes;

    (d) union subscriptions.

Clearly, the range of payroll activities require accurate mechanisms for recording the activities and working time of staff, not least to ensure that appropriate salary and wages payments are made. Accurate and efficient systems are also necessary to ensure that correct deductions are made to ensure that employees' pension entitlements are safeguarded through the payment of contributions.

Whilst there will usually be a specialist team or section responsible for payroll within most organisations, there is a responsibility for all line managers, and indeed all staff, to comply with accounting procedures such as the accurate recording of flexi-time or working hours, sickness absence, and any overtime worked to ensure that the payroll account is accurately maintained.

F. Legal Basis – Obligations to Employees

1. Introduction

Housing organisations have obligations to a wide variety of people and groups, and this Block is designed to explore the most important obligations which a housing organisation has to its staff.

Before we go on to look at these issues in some detail let us spend a short time considering the extent of these obligations.

Activity

What do you think are the main obligations which a responsive housing organisation will have to its staff?

Time allocation: 5 minutes

A typical list of obligations to staff might look like this:

- treat staff fairly;

- provide equal opportunities;

- pay them a proper salary for their work;

- provide good conditions of employment;

- provide a safe and satisfactory working environment;

- train and develop staff to their full potential.

Clearly a housing organisation will have a large number of obligations, and no doubt you produced a fairly long list, which may well include some of the elements listed here.

One of the more important obligations is to treat staff fairly. This is all to do with equal opportunities, and we will be developing this issue throughout the Block.

Staff are a very valuable resource to any employer and it is important that they are encouraged to give their best efforts to their work. We will look at the employment contract and the rights which employees have under it, but we will spend some time on how organisations go about training their staff and developing them further, including the use of appraisal systems.

We will also look at health and safety and the contribution which effective policies and procedures in this area make to getting the best out of the staff who are employed.

2. The Employment Contract

The basis of the employment relationship between the housing organisation and the member of staff is the contract of employment. The contract basically says that an employee agrees to work for an employer in return for payments of money. An employment contract need not necessarily be in writing to be legally valid, but in practice almost all housing employers will provide their staff with a written contract of employment.

In any event almost all employers are required by the **Employment Rights Act 1996** to provide all employees with a written statement of terms and conditions of employment, including:

- the employer's name;

- the employee's name;

- the date employment began;

- the job title;

- the amount of pay and the interval between payments;

- hours of work;

- holiday entitlement and holiday pay;

- sick pay arrangements;

- pensions arrangements;

- notice periods;

- grievance and appeal arrangements;

- disciplinary rules.

(Adapted from '*Employment Handbook*', ACAS)

Activity

Dig out your own employment contract and note the main terms of your employment.

Does it include the items noted above? What other information does it have?

Time allocation: 5 minutes

Any contract of employment will have three main elements:

Express terms

These are those terms which are clearly laid out in the contract, such as the rate of pay for the job.

Implied terms

These are terms of employment which may not be spelled out fully in the contract but which will apply to the contract and which have various sources, including collective agreements, custom and practice.

A collective agreement will be an agreement between an employer and a trade union. In local authorities most housing staff will be covered by the conditions of service agreed between the local authority employers' associations and the main local government trade unions, which are pulled together in the 'Purple Book', so called because it has a purple cover!

Provisions of the national agreements will then apply to individual contracts. For example, the Purple Book has a detailed section dealing with regrading of posts which will be an implied part of individuals' contracts, if it is not explicitly referred to in the employment contract.

Terms implied by the law

Each individual contract of employment will also have certain terms which are implied to it by the law. For instance, many contracts will have specific rights attached to them concerning unfair dismissal, which have been placed there by the operation of various Employment Acts. As legislation changes the employment contract will change as well. Another example which is considered in more detail elsewhere in this Block, are the rights of employees not to be discriminated against, under the terms of the Sex Discrimination Act and the Race Relations Act. Employers are not able to get out of these rules by putting something else in the contract which goes against the statutory requirements.

Other important implied terms will be the concept of equal pay for work of equal value, the requirement to provide itemised pay statements, maternity leave, safe systems of work, time off for public duties, etc. It should be noted, however, that some of these terms are dependent on the individual having worked for the employer for a set period of time.

A responsible employer will provide new members of staff with full details of these additional rights when they start their employment, and such issues should be covered in an induction programme.

3. Induction

Induction is about how new employees are introduced into the organisation. The effectiveness of the induction programme can show the difference between a well managed organisation and a poorly managed one.

Starting work for a new employer can be a daunting experience. Think back to your first day at work with your current employer.

Do any of the following seem familiar?

- meeting lots of new people whose names you cannot remember;

- trying to remember the layout of the new office;

- wondering whether you are going to be able to cope in this new job;

- doing things in a completely new way;

- getting used to new customers.

You probably experienced some or even all of these feelings. Most of us who start a new job will find things strange and it can be a stressful time for most people.

In these circumstances first impressions count. If an organisation fails to look after its new employees in the early days of their employment it can leave a bitter taste for years to come. A well managed organisation will make a great deal of effort in putting together a well designed induction programme for new staff in order to ease them into their new role and enable them to be effective in as short a time as possible. This has obvious benefits, not only for the employee but also for the employer, who will have an employee working effectively in a much shorter space of time.

Activity

Think back again to your first day at work with your current employer and consider how your induction could have been improved. Now complete the following activity.

A new member of staff is taking over your job tomorrow:

1. *Draft out an induction programme for your current post.*

2. *Prepare a list of the information the new member of staff would need.*

Time allocation: 15 minutes

Induction programme

In putting together your induction programme you are likely to have included some of these activities:

- making sure the employee meets their line manager;

- introducing them to colleagues;

- showing them their office and desk;

- showing them the toilets, dining and first aid facilities;

- starting work procedures such as clocking in and time sheets;

- outlining their duties;

- planning for the next two weeks to deal with other aspects of the job.

Information

The information which a new starter is likely to need would include:

- contract of employment;

- sickness procedures;

- grievance and disciplinary procedures;

- details of staff training and development;

- health and safety information;

- welfare and other employee benefits;

- introduction to the organisation, advising as to who does what and where the new staff member fits in;

- key policies and procedures.

This is a lot of information and the new member of staff will need time to digest it. However, the advantage of providing this in written form is that they can read it in their own time and can refer to it whenever necessary.

It is very easy for the new member of staff to be overwhelmed in their first few days with a new employer, and they must be given sufficient time to ease themselves into their new role. It may be necessary, therefore, to spread out an induction programme over a number of days and possibly weeks.

Although induction can be time-consuming and a bit of a chore, investment in a sound programme will pay dividends in the future.

Self Test 2

1.   What is the main legislation governing employment contracts?

2.   Within how many weeks of the commencement of employment are staff to be supplied with written details of the main terms of their employment?

3.   What is an express term of employment?

Now turn to the Answers at the end of the Block.

Summary

1. The main document setting out the relationship between employers and employees is the contract of employment. This does not have to be in writing although all employees should receive a written statement of particulars of employment.

2. In addition to the express terms laid down in the contract, employment contracts are also subject to terms which are implied by collective agreements and custom and practice. In addition, a number of statutory provisions will also affect the contract, such as the Sex Discrimination Act and the Race Relations Act.

3. One of the important responsibilities which housing organisations have is to make sure that new staff are provided with effective induction programmes and information about their new job and the terms and conditions of employment. An induction programme assists new staff to perform well in the shortest possible time. Time and resources should, therefore, be devoted to effective induction.

4. Equal Opportunities

As a responsible employer, a housing organisation will have significant obligations to its employees in terms of equal opportunities.

Those organisations which promote equal opportunities in employment will find that they are likely to have a more satisfied and productive workforce, providing better services to their customers as a result.

Many housing organisations have now adopted an equal opportunities statement which sets out how the organisation approaches equal opportunities. You will probably be able to find a number of examples of these and we will look in more detail at this area of equal opportunities later in the Block. For the time being let us look at the statement produced by the National Housing Federation:

> *"The purpose of our policy is to ensure that no job applicant or employee receives less favourable treatment than another on grounds such as sex, disability, race, colour, nationality or ethnic or national origins, or is disadvantaged by any other conditions or requirements which cannot be shown to be justifiable. Selection criteria and procedures will be regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities and the training requirements of all employees will be given equal consideration. The Federation is committed to a programme of action to make this policy fully effective."*

(Source: Committee Members' Handbook, NHF.)

In considering equal opportunities, housing organisations will need to pay particular attention to the provisions of the 1975 Sex Discrimination Act, 1976 Race Relations Act and the 1995 Disability Discrimination Act.

4.1. Equal Opportunities and Sexual Discrimination

Activity

Consider the following brief case study.

A Housing Association manages 2,500 dwellings and employs 150 staff. All of the 30 senior managers are men, although more than 50% of the staff are women.

Well qualified women keep applying for promotion but have yet to break through into the senior grades.

Some of the women object to the pornographic posters that are in the technical office and have complained to the Technical Manager who says they should not be so sensitive.

Last month one of the housing officers was told that her job could not be kept open for her whilst she went on maternity leave. If she wanted to keep her job she would have to return to work immediately after the birth.

Clearly there are some problems in this organisation. What would you do to remedy the situation?

Time allocation: 10 minutes

Clearly, in our mythical (we hope!) housing organisation equal opportunities still has a long way to go.

In terms of recruitment, the fact that women who are well qualified are not getting senior jobs suggests that discrimination may well be taking place. At the very least the organisation needs to monitor its recruitment process and begin to introduce procedures to ensure this discrimination ends.

The issue of the pornographic posters and the dismissive attitude of the manager indicates that the organisation needs to take far more seriously the issue of sexual harassment, and should develop proper procedures to deal with the legitimate concerns of its staff.

The effective dismissal of the woman because of her pregnancy is unlawful and the association could well end up in an industrial tribunal facing a claim for unfair dismissal. The organisation must bring up to date its employment procedures as quickly as possible.

All in all, this organisation is clearly not taking equal opportunities seriously, and its managers need to examine all of its activities as a matter of some urgency.

4.1.1   Sex discrimination

Under the provisions of the **1975 Sex Discrimination Act** it is unlawful to discriminate on grounds of sex or marriage.

Discrimination can take two forms - direct or indirect. Direct discrimination can occur, for example, where a woman is actively treated less favourably than a man, or a married person less favourably than a single person. The dismissal of a woman because she is pregnant is a clear case of sex discrimination. Equally, it may occur when few women get promoted even though they are well qualified to do the higher job.

Indirect discrimination will occur where a woman cannot comply with an unjustifiable job requirement which, on the face of it, applies equally to men and women. For example, an unjustifiable requirement that applicants should be on call 24 hours a day will significantly exclude large numbers of women with child care responsibilities, as would a requirement that applicants must be over 5' 11" tall. (Of course, if the job could only be done by people over this height this would be a reasonable job requirement and therefore legal.)

If a person feels that they have been subjected to sexual discrimination they have the right to take the case and complaint to an Industrial Tribunal and to the Equal Opportunities Commission.

4.1.2   Sexual harassment

In recent years sexual harassment has increasingly been recognised as a problem in the workplace. It involves any unwanted sexual advance, verbal or physical, which causes an employee to feel threatened. It tends to be women who are harassed (although not exclusively) and it can include:

-   touching;

-   sexual advances;

-   suggestions and innuendoes;

-   pornographic material in offices.

Most responsible employers will have recognised the problems of sexual harassment and developed policies to deal with it in the workplace.

If a woman leaves a post because of sexual harassment she may have a claim for unfair or constructive dismissal.

4.1.3   Maternity rights

Most female employees of housing organisations will have certain statutory maternity rights. Increasingly, responsive housing organisations are also providing benefits in excess of the minimum and providing paternity benefits for fathers.

The key maternity rights for women employees are:

-   not to be unreasonably refused time off for antenatal care and to be paid for such absences;

-   to be able to complain of unfair dismissal if she loses her job because of pregnancy;

-   to return to work for her employer after a period of absence because of pregnancy.

Given that in most housing organisations women now make up a majority of the staff, many responsive housing organisations have gone further than the statutory minimum in terms of benefits. Whilst some proposals will undoubtedly cost money, it is also necessary to weigh up the costs of losing the services of well qualified and experienced staff who are forced to leave work because the organisation cannot meet their particular needs in terms of conditions of employment.

In looking at this issue you need to be aware of the major concerns which women have about their working conditions. Much of these concerns revolves around the difficulties which working mothers

in particular face in attempting to combine their work with child care responsibilities. Three areas have been highlighted to improve the situation: child care facilities, flexible hours, and return to work schemes.

(a) Child care

Some enlightened employers do attempt to provide some child care facilities, such as crèches. These may be subsidised to some extent by the employer, or the employer may simply facilitate the establishment of child care schemes, perhaps by seeking to persuade other employers to support the provision of private child care and publicising its availability. If child care facilities are available it will assist women with young children to either return to work or stay at work after the birth of their children. This will enable the employer to continue to have available the services of trained and experienced staff.

(b) Flexible working hours

Flexible working hours can greatly assist working mothers to combine their work with child care responsibilities. If an organisation is able to introduce a flexible working hours scheme mothers may be able to both work and look after children.

This may amount to little more than allowing staggered starting times, or it may be as radical as an annual hours contract, where the employee agrees to work a set number of hours each year but has greater flexibility in determining when those hours are worked. A mother may have difficulty working during the long school holidays, but by having an annual hours contract she may be able to work fewer hours in these periods and compensate by working longer hours at other times.

(c) Returning to work schemes

One of the difficulties faced by mothers wishing to return to work after a break looking after children is that they have to learn the ropes all over again, pick up new procedures and deal with new technology. With the rapid changes which housing organisations are facing this can be a real problem. The issue can be addressed by 'return to work' schemes which aim to ease women returners back into the organisation. In many ways they could be seen as a form of specialised induction. Pioneered by the banks, they involve additional training and assistance to bring the employee 'up to date' in a way which is not seen as threatening or intimidating.

4.1.4   Monitoring sex discrimination

Unless a housing organisation carries out monitoring of its employment practices it is unlikely to be able to assure itself that it is not discriminating against its women employees.

5.   Other Forms of Discrimination

The next section will look at racial discrimination in the field of employment, but it is important to recognise that discrimination can and unfortunately does take place on other grounds.

This can include discrimination on the grounds of age, sexual orientation, marital status, religion or political views. None of these is acceptable, and a responsible housing organisation will take steps to ensure that these forms of discrimination do not occur. Much of the action which can be taken to eliminate sexual or racial discrimination is equally applicable to other forms of discrimination in employment.

6.   Racial Discrimination in Employment

Housing organisations need also to be aware of the dangers of racial discrimination in employment. Under the 1976 Race Relations Act, direct or indirect discrimination in employment is unlawful on the grounds of:

- colour;

- race;

- nationality;

- ethnic or national origins.

(a) Direct discrimination

Direct discrimination could be defined as "treating a person less favourably than another on grounds of race".

Direct discrimination in employment could take a number of forms such as:

- not allowing black applicants to apply for posts;

- stating that only whites will be considered;

- only appointing white applicants even if there are better qualified black applicants;

- not promoting high quality staff to more senior posts on account of their race or ethnic origin.

(b) Indirect discrimination

As with indirect sexual discrimination, indirect forms or racial discrimination can occur. This can happen, for example, where an organisation requires a person to meet a condition which a member of a racial group can satisfy less easily because the proportion of that group able to comply is smaller.

This will not apply if the condition is a reasonable one. For example, if a post requires a Chinese speaker and this excludes certain groups, this is not considered to be racial discrimination.

Examples of indirect racial discrimination in employment would include:

- requiring job applicants to have been educated in Britain;

- posts being filled by advertising vacancies informally, such as getting applications from relatives and friends of existing members of staff.

The first example would not seem to be reasonable and could exclude applicants, particularly those from the Asian community who may have had part of their education on the Indian Sub-continent.

The second example would be likely to exclude members of minority ethnic groups if they are under-represented in the existing workforce.

7. Tackling Racial Discrimination in Employment

7.1 Monitoring

Organisations certainly need to introduce monitoring procedures to check whether there is racial discrimination occurring within their organisations.

The monitoring will be needed to check:

- the number and proportions of employees by ethnic group;

- the distribution of these employees by skill and job grade;

- policy and procedures for promotion;

- induction and training programmes.

All of this is needed to ensure that certain ethnic groups are not being disadvantaged by the organisation, and if concerns are raised in this monitoring, then efforts will be needed to put matters right.

If we refer back to the NHF's equal opportunities statement it is possible to see what the NHF indicates it wishes to do to tackle race discrimination:

"Selection criteria and procedures will be regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities and the training requirements of all employees will be given equal consideration."

As can be seen, the NHF is committed to reviewing its recruitment, selection and other operational procedures to ensure that they do not discriminate and that staff are fairly treated in terms of both training and promotion.

7.2 Positive action

The **Race Relations Act** allows for some positive action to be taken in employment. Positive action involves taking special steps to improve the position in employment of people from minority ethnic groups, but does not allow positive discrimination which would mean giving minority groups unfair preference.

In terms of positive action, organisations can seek to attract applicants from minority groups, particularly where these groups are under-represented. This can take the form of special advertising in the minority press, and to clearly stating on advertisements that the organisation welcomes applications from minorities. It is not, however, lawful for the organisation to give undue preference at the point of selection.

In addition, organisations may make special training facilities available to minority groups. For example, the Positive Action Training in Housing initiative (PATH) provides specialist training and work placements in housing authorities and housing associations for people from minority ethnic groups.

8. Disability Discrimination Act

The legislation created new rights for disabled people in many areas of life:

- access to goods, facilities and services;
- employment;
- land and property;
- education;
- transport.

This section looks in some detail at the first three of these.

8.1 Definitions of disability

The **Disability Discrimination Act 1995** takes a wide definition of disability to include anyone who:

- has or has had a physical or mental impairment which has a substantial and long term adverse effect on their ability to carry out normal day to day activities;

- has a disability which currently has a slight effect on the everyday activities of that person, but is likely to have a substantial effect later on such activities;

- has a severe disfigurement.

8.2 Access to goods, facilities and services

It is against the law for a provider of services (Housing providers come into this category) to the public (whether the services are paid for or not) to discriminate against a disabled person by:

- refusing to provide or by deliberately not providing a service;

- providing a different standard of service;

- failing to change a policy, practice or procedure which has the effect of making the service impossible or unreasonably difficult for a disabled person to use.

(i) Exceptions

There are exceptions to this ruling and for access to goods, facilities and services the provider is not at fault if he or she can show:

- the health and safety of the disabled person would be in danger;

- the disabled person would not be capable of understanding the terms of the contract;

- providing the service on the same standard of service to the disabled person would deny the service to other people;

- extra costs of providing the service where the complaint is that the service is provided on different terms.

(ii) Duties and the limits of duty

There is a new duty on service providers to take reasonable action to change any policy, practice or procedure and to improve access in its widest sense. This includes physical access, approach to and within buildings; communication access such as provision of suitable equipment and facilitators such as sign language interpreters.

The service provider is not required to radically change the style of service in order to comply with the Act. An example is the dim lighting frequently used in museums to safeguard the colour of exhibits. This may well be seen as hazardous for visually impaired people but museum owners will not be expected to upgrade the lighting to create better access for visually impaired people.

There is a new power for service providers in rented premises to adapt the building for access improvements, provided an application is made to the owner in writing and the owner similarly consents in writing. The owner must not unreasonably refuse consent, but may agree subject to conditions.

(iii) Redress

If the disabled person has a complaint about a service provider's attention to any of these matters he or she may sue the provider.

8.3 Employment

This part of the Act came into force on December 6th 1996.

It is against the law for employers to discriminate (that is treat a disabled person less favourably than others for good reason) against disabled people in all areas of employment.

For disabled applicants this means employers must not discriminate in, the practicality of the action.

Employers will also not be unable to treat disabled people more favourably than anyone else.

(i) Exceptions

The following employers are exempt from these duties:

- employers with less than 20 employees;

- staff in the armed forces;

- fire services;

- charities;

- employers providing supported employment schemes such as sheltered workshops.

(ii) Duties and limits of duties

Disabled people no longer have to register for employment purposes and employers will no longer need to comply with the 3% quota that was introduced under the **1944 Disabled Persons (Employment) Act** and re-enacted under the 1958 legislation.

If a disabled person does not get a job that he or she applied for and the advertisement directly or indirectly suggested that the employer would probably not be prepared to improve access or change any arrangement which placed the disabled person at a disadvantage or which suggested that a disabled person need not apply, then the industrial tribunal will assume that the disabled person did not get the job because they were disabled.

Any providers of insurance services to employers, managers and trustees of occupational pension schemes are not allowed to discriminate against disabled people.

Employers who are located in rented premises will be able to alter their building for access improvements if they apply in writing and secure the agreement of the owner. The owner must not withhold consent but may agree subject to conditions.

Any employer or Trade Union employing people through employment agencies are also subject to compliance with non-discrimination rules.

8.4 Land and property

It is against the law for anyone who sells or lets land or property to discriminate against people in the terms of sale, by refusing to sell to a disabled person or by treating a disabled person unfairly in comparison with others. This applies where the owner uses their own advertising or uses the service of an estate agent.

It is also unlawful for managing agents of property to discriminate against disabled people.

(i)   Exceptions

If a landlord has 6 rooms or fewer to rent in his own home and private sales and lettings are excluded, then he or she is exempt from the need to comply.

(ii)   Redress

A disabled person can take court action against the owner.

8.5 National Disability Council

In March 1996 the National Disability Council was established. This is an advisory body which advises government on action necessary to reduce or remove discrimination against disabled people, prepare and review codes of practice and advise on the operation of the Act. The Council does not have the power to investigate complaints on behalf of disabled people.

Self Test 3

1. *What are the three main pieces of legislation which govern equal opportunities?*

2. *What are the two main classifications of discrimination?*

Now turn to the Answers at the end of the Block.

Summary

1. Housing organisations have significant responsibilities to their staff in terms of equal opportunities in employment matters. Discrimination means that organisations are failing to make the best use of their human resources, is morally unacceptable and is unlawful.

2. Organisations should adopt equal opportunities statements and policies which put their commitment into practice. This will need to involve monitoring all aspects of their employment practices to ensure that unfair discrimination is not taking place.

3. Housing organisations must be aware of the requirements of the Sex Discrimination Act 1975, the Race Relations Act 1976 and the Disability Discrimination Act 1995, and should consider whether there are additional measures which they could take to improve the employment conditions and prospects of disadvantaged groups.

G. Human Resource Management Practice

1. The Role of the Manager

We discussed earlier (in the introduction to this Block) the different aspects that might constitute human resource management. Now let us consider some of the issues facing managers in more detail.

Despite many of those similar activities we highlighted in Activity 1, the work of the manager is varied and will be influenced by such factors as:

- The nature of the organisation

- The structure of the organisation

- The activities and tasks involved

- Technology and the methods of performing work

- The people employed

- The level at which the manager is working

Mintzberg classified the role of the manager as having three main elements which he called:

The interpersonal role

The manager has to act as a figurehead for an organisation or department. S/he must be a leader of the staff of the organisation – co-ordinating the activities of staff and directing their efforts towards achieving the organisation's aims. S/he must also act as a liaison with other organisations or departments.

The informational role

The manager has a role in monitoring the activities of staff. S/he must also monitor external influences to identify possible implications for the organisation. S/he must then disseminate relevant information in an appropriate form to staff to help them to achieve efficiency.

The decisional role

Mintzberg believed that effective managers were entrepreneurial, with the ability to recognise the implications of changing circumstances for the organisation, and to see opportunities for improving effectiveness. As such Mintzberg's view was that good managers will be able to see beyond the confines of existing practice and procedure and recognise and bring about change wherever necessary.

For the rest of this section we will consider some of the implications of the different managerial roles identified by Mintzberg.

2. Leadership In Management

One of the most essential elements in management is co-ordinating the activities of people and directing their labours towards achieving the organisation's objectives. This involves the process of leadership.

2.1 What Is A Leader?

Activity

Write the names of some people who you consider to be 'leaders'

Now consider the attributes that make these people leaders to help you write a definition of 'leadership'

Time allocation: 10 minutes

Historically, many have had been considered to be great leaders because of their actions in responding to extreme challenges and achieving success, among them Nelson Mandela, Mahatma Ghandi, and Winston Churchill. You might have thought of the world of business and considered successful entrepreneurs such as Richard Branson, Anita Roddick or Henry Ford. Alternatively, you might have thought of a manager within your own organisation who you feel exhibits leadership skills.

Your definition will probably include elements about the ability to motivate staff, to focus on and communicate a vision, and to inspire loyalty and trust. You might have also considered personal attributes such as charisma, strength, integrity, self-confidence, enthusiasm and decisiveness.

Two main theories have dominated the management textbooks on what makes a leader. These have been labelled the 'great man' theory and the 'big bang' theory. The first of these suggests that great leaders are born with a particular nature that means they will be natural leaders. This explanation has been largely superseded by the 'big bang' premise which suggests that some people will become leaders as a result of the situation in which they find themselves. This suggests that people can develop leadership skills, and will emerge as organisations face new situations and new complexities.

Whichever of these explanations you feel best explains leadership, there is a common consensus that the role of effective leadership is to take an organisation from its current to a future state, creating potential opportunities. In order to do this successfully it is necessary for a leader to motivate the staff who are 'following' the lead.

3. Staff Motivation

3.1 Why is Motivation Important?

For an organisation to be effective, the people within it must be motivated to perform their roles and tasks to the best of their abilities. The question of what motivates individuals to behave as they do is a highly complex one, about which we can draw only very generalised conclusions. Each individual is different, and what motivates one person will not necessarily drive another in the same way.

Activity

Write down the factors that you feel motivate you to good performance at work, and/or those that you feel are demotivating.

Motivating   *Demotivating*

Time allocation: 10 minutes

Everyone will identify a different list of motivating factors, which could include: ambition for promotion, desire to be accepted and respected by colleagues, interesting and challenging work, pressure from the boss, need for recognition, high personal standards, enjoying contact with people, feeling the work is intrinsically rewarding, and so on.

You may also have identified money as a motivator. For most people, money tends to be a primary motivating force in the decision to work, but does not often directly influence performance at work unless a performance-related payment scheme is in operation.

We shall return to your list of demotivating factors later in this section.

3.2. Theories of Motivation

3.2.1 Reward and punishment

In the early part of this century, many managers believed that motivation was simply a question of operating a system of rewards and punishments, sometimes known as the 'carrot and stick' approach. It was assumed that people would be motivated by the promise of 'carrots' such as pay rises and job security, or the threat of 'sticks' such as demotion, dismissal or the loss of bonuses. Financial rewards and incentives often figured highly, with payment by results systems becoming increasingly popular. Many influential theorists and managers, such as F W Taylor who developed the Scientific Management approach, believed that workers were motivated by money alone.

Activity

Bearing in mind your answers to Activity 16, identify any weaknesses you see in this traditional approach to motivation at work.

Time allocation: 5 minutes

You could have identified a number of weaknesses, the two most important of which are listed below:

- People are not necessarily motivated by money alone. They are motivated to higher performance by a complex set of factors - look at the answer you gave in the last activity.

- A system which uses the threat of punishments doesn't tend to produce the best performance. People tend to play safe and follow rules, rather than striving for higher performance.

During the 1920s and 1930s many observers began to question traditional assumptions about motivation at work, and new theories began to emerge. Many of these focused on the relationship between needs and behaviour.

3.2.2 Need theories

Need theories assume that behaviour is motivated by innate needs. The most significant ideas were produced by Maslow, who developed the concept of a hierarchy of needs, Alderfer, who modified this theory, and McClelland, who looked at the motivation of managers.

(a) Maslow's hierarchy of needs

The American psychologist Abraham Maslow developed a theory which explained human behaviour in terms of a set of needs which people are motivated to satisfy. These needs form a hierarchy moving from low level basic needs through to the need for self-actualisation or fulfilment, the highest need of all. This hierarchy can be displayed as follows:

- Physiological needs are the most basic of all, and include needs that must be satisfied for survival, for example: food, drink, rest, sex, shelter.

- Safety needs include a desire for security, stability and protection against danger.

- Social needs include the need for love, affection and belonging to a group.

- Esteem needs include the desire for self-respect and self-esteem, and to have the respect of others manifested through reputation and status.

- Self-actualisation needs are the highest needs in Maslow's hierarchy and include the need for self-development and fulfilment, and the need to reach one's full potential ('becoming everything one is capable of becoming').

According to Maslow, these needs are arranged in a hierarchy of importance. Each need only acts as a motivator when it is unsatisfied. The physiological needs are initially the most pressing. Once these are relatively satisfied then safety needs emerge and act as motivators to behaviour, and so on up the hierarchy. Hence higher level needs (self-esteem and personal growth) do not manifest themselves until lower level needs have been at least partially satisfied (basic physical, safety and social needs). However, it is not necessary to satisfy a lower level need completely before higher level needs emerge.

Whilst Maslow's work can be criticised (it has not been supported by empirical research, and there are doubts that everyone has the same ordered priorities) it has proved useful in extending our understanding of motivation at work. Many subsequent theorists have modified or developed Maslow's ideas.

(b) Alderfer's ERG theory

Clayton Alderfer condensed Maslow's hierarchy into three groups of needs:

-   Existence needs which refer to the basic physiological and material requirements necessary to sustain human existence. These include food and shelter, and, at work, reasonable pay, benefits and working conditions. This need encompasses Maslow's physiological and safety needs.

-   Relatedness needs which refer to the need for social interaction, sharing and belonging. These are met through relationships with family, friends and colleagues. This need encompasses Maslow's social needs and part of the esteem needs.

-   Growth needs which refer to the need for self-development, personal growth and the struggle to realise individual potential. This need encompasses Maslow's self-actualisation needs and part of the esteem needs.

Unlike Maslow's hierarchy, Alderfer believed that one level of needs did not have to be satisfied before the next level emerged. He argued that:

-   all of the needs could be simultaneously active in motivating behaviour;

-   some needs could continue to be motivating even after they had been satisfied;

-   if the individual is thwarted in pursuance of one set of needs (for example growth needs) then they concentrate on fulfilling other needs (for example relatedness).

(c) McClelland's achievement - affiliation - power needs

David McClelland and his associates identified three types of need as being important to the motivation of managers:

- The need for achievement, defined as the need for competitive success.

- The need for affiliation, defined as the need for warm, friendly relationships with others.

- The need for power, defined as the need to control or influence others.

Different individuals have differing levels of these needs. Some may have a stronger desire for affiliation or achievement than for power, for example. Others will differ. Whilst the dominance of each as a motivator will vary, most managers still need to satisfy all three needs.

3.2.3 Expectancy theory

Activity

Imagine that a prospect of promotion arises at your workplace. How do you think that you and your immediate colleagues would react to this prospect - and why? Just jot down a few ideas.

Time allocation: 5 minutes

Expectancy theory states that an individual's motivation to do something will depend on the extent to which they expect the results of their efforts to contribute towards an outcome they see as having value.

If the prospect of a promotion arises in an organisational unit, some individuals may value the prospect of promotion very highly while others may place little value on the promotion and thus not be motivated into any particular effort to attain it. Some may believe that the way to gain promotion is to work longer hours, socialise with the boss and obtain professional qualifications. Others may feel that however hard they try, they will not be picked for promotion. The ones who decide to put the effort in will be those who perceive the reward to be worth the effort. Others will not try, as they believe either that they are not capable of the necessary effort, or that the outcome would not be worth this effort. The motivated group here are those individuals that perceive a positive relationship between effort, performance and outcome.

Activity

Have another look at your answer to Activity 18. Does Expectancy Theory seem to be borne out by your personal experience?

Time allocation: 5 minutes

3.2.4 McGregor's Theory X and Theory Y

Douglas McGregor believed that there were two basic approaches used by management to motivate employees. He called these Theory X and Theory Y.

Theory X assumes that:

- people have an inherent dislike of work and will avoid it if at all possible;

- most people are not ambitious, have little desire for responsibility and prefer to be directed;

- most people have little capacity for creativity in solving organisational problems;

- motivation occurs only at the physiological and safety levels;

- to get people to work towards organisational objectives they must be rewarded, coerced, controlled and threatened with punishment.

This view of management and motivation is very similar to the reward and punishment theorists we were discussing earlier and leads towards an authoritarian style of management.

McGregor doubted whether this view of human nature was correct and concluded that any management approaches based on these assumptions would fail to motivate many individuals towards organisational goals. As a result he developed an alternative theory of human behaviour known as Theory Y.

Theory Y assumes:

- people do not inherently dislike work: it is as natural as play or rest;

- people can be self directed and creative at work if properly motivated;

- given the right conditions people will seek and accept responsibility;

- most people have a relatively high degree of imagination, ingenuity and creativity for solving organisational problems;

- motivation occurs at the social, esteem and self-actualisation levels as well as at the physiological and security levels.

The essential point to grasp in relation to Theory Y is that individuals have the potential to accept responsibility and self direction. The role of management is to create the right conditions to enable this to take shape as a motivating force.

3.2.5 Herzberg's Motivation - Hygiene Theory

Frederick Herzberg developed his 'two factor' model following research into the sources of job satisfaction and job dissatisfaction amongst accountants and engineers. He found that when people felt dissatisfied with their job it was largely due to the environment in which they operated, whereas when people were satisfied with their jobs this tended to be as a result of something intrinsic to the work itself.

Activity

Have another look at your answers to Activity 18. Do your answers tally with Herzberg's findings?

Time allocation: 5 minutes

According to Herzberg, factors leading to dissatisfaction can include:

- company policy and administration

- the quality of supervision

- working conditions

- interpersonal relations

- salary

- status

- job security.

Herzberg called these hygiene or maintenance factors as they are essentially preventative. Getting these factors right can prevent or minimise dissatisfaction, but not cause lasting satisfaction. Satisfaction (and motivation) would only occur through the use of the motivator factors. These are the factors Herzberg identified as leading to job satisfaction, namely:

- feelings of achievement

- gaining recognition for accomplishment

- challenging work

- being given responsibility

- advancement

- growth.

Herzberg recognised that individuals varied in the relative importance they attached to the hygiene or motivator factors. Some individuals were more concerned with feelings of achievement, others with interpersonal relationships or pay.

The implications of this work are clear in that managers should pay attention to the 'hygiene' factors in order to eliminate dissatisfaction, and design jobs in such a way that they incorporate many of the 'motivator' factors.

3.2.6 What do all these theories mean for motivation at the workplace?

Motivation is a complex issue. This is because:

- people are complicated: they have a multitude of needs and expectations which will change over time and in response to differing situations;

- different people will respond and be motivated in differing ways;

- the situations in which people work vary.

Motivation can be affected by economic, political, cultural and social factors. For example, an individual's motivation may be affected by their family's expectations, or by whether or not there is currently a high level of unemployment in the country.

No one theorist has provided us with a comprehensive theory of motivation, but they have all added to the debate. Valuable lessons can be learned from their work.

3.3 Strategies for Improving Motivation in the Workplace

Activity

Bearing in mind what you have learnt from the various theories of motivation, and your own personal experience, suggest ways of improving motivation in a housing organisation.

Time allocation: 10 minutes

You will be aware by now that there is no universal way of improving motivation. Some of the most important ideas are as follows:

Peter Drucker argues that motivation can be improved by getting employees to accept responsibility. There are four elements to this:

- Careful recruitment. The person selected should see the job as one that provides a worthwhile challenge.

- Set high standards of performance. Employees should be encouraged to expect high standards of performance from themselves. These standards should be set by mutual agreement between the employees and their manager.

- Provide the individual with regular (non-threatening) feedback on performance.

- Give opportunities for participation in decision making.

Herzberg and others recommend careful job design, building greater responsibility, breadth and challenge into a job.

4. Team Development

4.1 The Meaning and Importance of Teams

A team can be defined as "a group of people who share common objectives and who need to work together to achieve them". They are a major feature of organisations.

Activity

What types of teams can you identify in your organisation, and why do you think they exist?

Time allocation: 10 minutes

It is possible to classify groups or teams further:

Top teams: these teams set the key objectives and develop the strategy of the organisation. They have a broad task and a broad membership which represents all aspects of the organisation. Sometimes they may have temporary members who are co-opted onto the team to provide particular expertise for a particular purpose.

Management teams: These teams set more detailed objectives and their role is to co-ordinate and control the work of others. On a day-to-day basis they provide leadership and need to be able to relate to the main bodies of members of the organisation. They are also responsible for allocating resources, planning operations, devising development strategies and managing the boundaries between different functions.

Operator teams: These include people who get the job done. They may be the people delivering the housing management service, providing direct maintenance services, or the development team actively building new homes. They are the people who achieve the primary task of the organisation.

Technical teams: These people set the standards in the organisation which may be technical standards, production standards or service standards. Their role is to provide a uniform approach and, as organisations become larger the need for standardisation will become more apparent.

Support teams: These people generally exist outside the normal workflow of an organisation. They provide the indirect support to enable those who get the job done to operate effectively.

4.2 Team cohesiveness

A manager's main concern will be that members of a workgroup co-operate together to achieve the results expected of them. Co-operation among members is likely to be greater in a united cohesive team.

It is not true to say that cohesive groups will inevitably produce higher levels of output, but they may result in greater interaction between members, mutual help and social satisfaction, lower staff turnover and absenteeism and often increased production.

There are many factors affecting team cohesiveness and performance.

Activity

What do you think are the factors which affect group cohesiveness and performance?

Time allocation: 5 minutes

There are many characteristics which could affect team performance. Let us consider some of them.

Size of the group

The size of a cohesive group is important. Studies have shown that the optimum size of a group appears to be somewhere between 7 and 9 with each of the members having a clear distinct role. Beyond this size the group tends to split into sub-groups.

Compatibility

In general, the more shared backgrounds, interests, attitudes and values of the members of the team, the easier it is to achieve cohesiveness.

Communications

The more easily that members can communicate freely with each other, the more likelihood there is of group cohesiveness. Communications might be affected by the work environment, the nature of the task and technology.

Management and leadership

Team activities cannot be separated from management and the process of leadership. The form of management and style of leadership adopted will influence the relationship between the team and the organisation and will determine group cohesiveness. In general terms cohesiveness may be affected by:

- the manner in which the manager gives guidance and encouragement;

- the support offered;

- the provision of opportunities for participation;

- attempts to resolve conflict;

- the attention given to both employee relations and task problems.

Success

The more successful a team, the more cohesive it is likely to be. Cohesive groups are more likely to be successful. Success is usually a strong motivational influence on the level of work performance. Success or reward may be perceived by team members in a number of ways, such as:

- satisfactory completion of the project;

- co-operative action;

- praise from management;

- a feeling of high status;

- achievement in competition;

- benefits accruing;

- performance-related pay.

5. Managing Conflict

Work relationships are like other human relationships to the extent that there is potential for conflict to occur between individuals and groups. When conflict occurs between team members or different teams within a housing organisation this can have a damaging impact on the organisation's effectiveness and therefore on the quality of service delivery.

5.1 Causes of conflict

Activity

Write down some examples of conflict that you have encountered or that could envisage arising within your organisation.

Time allocation: 15 minutes

There are a number of potential causes of conflict, among them:

Differences in perception

Because many of us have different values, the way we respond to different situations can be a cause of conflict. For example, a housing officer may have strong feelings about the nature of certain crimes committed by ex-offenders who the housing organisation has a policy to rehouse. An instruction to provide a consistent level of service in accordance with the organisation's service standards could lead to differences of opinion among team members on the appropriateness of an allocation:.

Limited resources

Most housing organisations are currently operating in an environment in which resources are limited, and individuals or teams might feel that they are in competition for their share of a limited budget. For instance, staff within a team may have identified training needs and might feel it unfair if one of their number is sent on a particular course when they think that it should have been their turn, or that their need is greater.

Specialisation

Most housing organisations are divided into different departments or sections depending on their particular specialisms or the services they deliver. Front-line staff under day-to-day pressure to respond to tenants' demands inevitably have to consider the short term satisfaction of those demands. A policy unit will invariably take a longer term view and will be subject to wider pressures and influences. This can create situations in which neither group fully recognises the circumstances of the other and therefore can be critical of their actions or operation.

Compartmentalisation of work activities

Where the task of one person is dependent on the work of others there is scope for conflict. For example, an allocations officer with targets for letting void properties is often reliant on others to inspect empty properties, clear any debris left by the outgoing tenant, and carry out repairs. If the others in this chain do not carry out their roles quickly enough – possibly because of other demands on their time and the requirement to achieve other targets – this can create resentment on the part of the allocations officer.

Role conflict

An individual's role is the expected pattern of behaviour associated with their position in the organisation. In practice the people actually operate in practice may not be consistent with their expected pattern of behaviour. If the role has not been clearly defined, or is changed – for example, as part of a restructuring – this can create conflict.

Unequal treatment

If one team member or group feels that they are being treated unfairly or unequally this can be a major cause of conflict. Let us consider the example of two housing officers who are being measured against the same rent arrears performance target. If one feels that their patch has a higher proportion of people who are likely to have difficulties in paying they might feel that their work is being unfairly judged in comparison to the other. This can create conflict which could act to de-motivate the housing officer.

5.2 Strategies for managing conflict

Although a certain amount of organisational conflict might be seen as inevitable, clearly the examples that we have just considered are going to be detrimental to service delivery.

Strategies for managing conflict will vary depending on the cause, and could include the following.

Clarification of goals and objectives

Clarifying the objectives of the organisation, and how the individual's role fits into their achievement can help to reduce misunderstandings and conflict. Reviewing and explaining the rationale behind performance targets can also help.

Resource distribution

Although it may not always be possible for managers to increase the resources available to them, they can take steps to overcome conflict created by limited budgets. In the case of the example of access to training courses outlined earlier, a manager could involve the team in the identification of priorities for training and make them aware of the basis for decisions on selection for attendance at events.

Non-monetary rewards

Where financial resources are limited, it may be possible to pay greater attention to non-monetary rewards. For example, staff could be given varied work by including them in special projects such as involvement in working groups to look at policy changes; or flexible working hours; or attendance at courses or conferences.

Development of interpersonal/group skills

Training staff (and managers) in this area can help to encourage a better understanding of one's own behaviour, the other person's point of view, and can help develop skills in problem solving. It can also encourage people to take a more constructive approach to resolving conflicts.

Leadership and management

Crucial to conflict resolution is a participative and supportive approach to management. For example, managers who show an attitude of respect and trust, encouraging personal self-development can create a situation in which team members can work co-operatively together.

6. Managing Change

Most planned organisational change is carried out as a response to new challenges or opportunities presented by factors outside the organisation.

Activity

List some of the factors which have led to changes in housing organisations in the recent past.

Time allocation: 15 minutes

The past couple of decades have seen some fairly major changes to housing organisations.

Government policy with a push to reduce the role of local authorities as providers of new housing, and to focus that role on housing associations has had a major impact. The push for greater efficiency has led to changes in grant funding for new housing development and tighter controls on financial accounting for all social housing providers.

Allied to this is the move, first to Compulsory Competitive Tendering for local authority housing management services, and subsequently the Best Value regime.

An increased emphasis on customer service has led to the re-organisation of many housing organisations from traditional bureaucratic departmentalised structures and seen the introduction of more generic working.

Changing levels of demand in some geographical areas has led some organisations to consider approaches to marketing the housing service, thus requiring a change of the culture of many organisations.

The new financial realities have resulted in the merger of some housing associations and the creation of new associations and local housing companies as increasing numbers of local authorities have transferred their housing stock out of their ownership.

All of these factors have, to a greater or lesser extent, required organisations to undergo change to respond to new circumstances and to seek to exploit opportunities created by the changing environment.

6.1 Resistance to Change

People are naturally wary of change. They can often feel threatened and unsure about whether their jobs will be secure, or whether they will have, or be able to acquire the skills needed to work in the new situation. Many of us find security in established habits and can feel uneasy when those habits are subject to change.

People are likely to resist change if they perceive that they will lose some of their pay or conditions, or if they will be required to take on extra responsibilities for the same salary.

Generally people will fear the unknown, so as an organisation changes the lack of a clear understanding of what the full implications are will lead to resistance.

A lack of commitment to change can also arise from not being aware of the reasons for changing. Many have the view that "if it's not broken, don't fix it", however many staff, particularly in large organisations might not readily see the implications of inertia in the same was that a strategic manager would.

6.2 Managing Change

Activity

Given the reasons for resistance to change above, what steps might be taken to encourage commitment to change among the staff of a housing organisation?

Time allocation: 15 minutes

Making staff as aware as possible of the reasons for change can help to overcome doubts about the need for reorganising.

Encouraging staff to participate as far as possible in plans for new structures and ways of working can help to give them a sense of ownership to the new arrangements. This will help increase commitment, where imposing a new structure without consultation can only increase the number of staff who will find the faults rather than positive aspects of the new approach.

Careful attention should be given to existing job structures and cohesive teams in the existing structure to try to ensure that any strengths are carried forward into the new structure.

Where people will be required to take on new roles training plans should be negotiated so that staff can see what will be required of them, and that arrangements are in place to ensure they get the 'tools to do the job'.

Above all, staff should be clear on the timetable for change. Many organisations have found levels of resistance increasing among more junior staff as they have started by reorganising senior management before outlining the likely appearance of the whole organisation. As the process can be very lengthy this can also result in staff having fears and uncertainties which are not addressed for a long time, adding to the pain of change.

Answers

Self Test 1

1. Identifying needs, designing training programmes, implementing training programmes and evaluating programmes.

2. By managers, through training needs audits, by self-assessment and by appraisals.

3. 5%.

4. Staff training.

Self Test 2

1. Employment Protection Act 1996.

2. 13 weeks.

3. A term of employment which is actually written into the employment contract.

Self Test 3

1. Sex Discrimination Act, Race Relations Act, Disability Discrimination Act.

2. Direct and Indirect Discrimination.