

PIVOTAL

Integrated HR Solutions



POSITIVE EMPLOYEE RELATIONS TRAINING

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What are Positive Employee Relations?

Positive employee relations refer to a broad spectrum of attitudes and organizational initiatives. In an effort to achieve positive employee relations, employers are seeking to:

- **engage employees and getting them to want to work for the company**
- **identify what employees expect from their work**
- **make ethical decisions**
- **appreciate diversity**
- **manage conflict fairly and achieve resolution**
- **provide coaching and feedback**
- **communicate effectively**
- **build respectful and trusting work relationships**

Beyond minimum standards set forth by legislation, almost any human resource initiative (attraction, retention, performance management, rewards, and communication) that an employer undertakes has an ultimate goal of achieving positive employee relations.

And the motivation behind the initiative is not just to be “nice”, although that may align with an employer’s personal morality. There are significant gains to be made, to the extent that positive employee relations are achieved. A company described as having positive employee relations will likely have employees that want to work there. And when you want to work somewhere, you work harder and better. Employees that are working harder and staying longer are distinct advantages in today’s competitive marketplace.

Unfortunately, the same competitive market that demands positive employee relations also places ever-increasing demands on organizations and employee relationships can “fall between the cracks” as management gets side-tracked.

Employees feeling “neglected” by their employer are also vulnerable to joining a union in order to assert their need for fairness in work relationships including issues of working conditions, pay and in order to manage expectations.

One of Canada’s most prominent Union Leaders says:

“We founded our union because we could not depend on Employers to provide us with dignity, respect, a measure of security and a rising living standard.”

In this training we will specifically look at the following areas that tend to form the foundation of positive employee relations:

- ✓ **Providing Effective Leadership**
- ✓ **Managing Employee Expectations**
- ✓ **Building and Maintaining Trust**
- ✓ **Job Rewards**
- ✓ **Working Conditions**
- ✓ **Communication**

The above are not mutually exclusive initiatives and there should be overlap amongst the policies and practices that result from these broad objectives.

Providing Effective Leadership

Excellence in leadership can be achieved when leaders know themselves, know their subordinates, and can use this knowledge in conjunction with effective communication to handle individual situations.

Core Roles of a Leader

- directing people
- building followers
- influence understanding
- one on one relationships
- team strength
- communication
- implementing from above
- setting the standard

Defining “Good” Leaders

Good leaders attract others who are also focused on success. You can become a good leader by inspiring, encouraging, and enabling others to *want* to follow and help you. They will help you achieve your goals, because they know that you will help them to achieve theirs. In fact, good leadership doesn't have much to do with participating in management, ideal working conditions, or superior pay. It doesn't even have to do with being a “nice person” in the conventional sense.



Leadership is getting people to perform to their maximum potential. Leadership is the art of influencing others to their maximum performance, to accomplish any task, objective or project. But, to lead you must first win minds. A good deal of leadership has to do with your ability to win the minds of the people around you. If you can do this, you'll not only lead successfully, but you'll be successful in achieving your goals and objectives.

Research shows that the higher the goals a leader has, the higher the goals a leader will achieve. This is true also of those who follow. Making one feel important is more powerful as a motivator than money, promotion, working conditions, or almost anything else.

When you dominate rather than lead, you may or may not succeed in your goal. However, you will almost certainly fail as a true leader. Generally the person you are trying to dominate will *not* consider you as his or her leader, and you cannot trust that person to follow your lead in the future. Hence, while goal-attainment may be achieved, leadership has not.

Characteristics of a Good Leader

- dare to be different
- have a sense of purpose
- have a high self esteem
- maintain high ethics and standards
- lead by example
- learn to master change
- inspire loyalty through flexibility
- make decisions
- communicate effectively
- build a better team
- have positive expectations
- discipline

Managing Employee Expectations

Expectations form part of the dynamics in the relationship between an employee and employer. In general, employees have expectations that center around the belief that their contribution to the organization should be reciprocated.

This is known as a **Psychological Contract**.

Specifically, the terms Psychological Contract refers to:

- ⇒ the relationship that exists between an employee & an employer as defined by the promises and expectations of each
- ⇒ the extent to which each party believes these promises to have been kept and expectations fulfilled
- ⇒ implicit or explicit beliefs about each other's role/required contribution

Ultimately, the Psychological Contract refers to the implicit and explicit beliefs that one person holds about what their own *and* the other parties' contribution to the relationship is, or should be. In many cases, expectations (the "content" of the Psychological Contracts) are not stated explicitly by either party, and are thus considered "psychological" in nature.

For example, you may "expect" an employee to work additional hours if required without complaint when it is busy and/or the office is understaffed although this expectation is never truly formalized.

What do Employees Form Expectations About?

1. Tangible Components such as:

- compensation (e.g., salary, bonus, benefits)
- training & development opportunities
- job responsibilities & job security
- feedback on job performance (e.g., frequency, criteria, pay raises)

The above *tend* to be more explicit aspects of an employment contract.

2. Relationship/interpersonal components (intangibles) such as:

- feedback on job performance (e.g., fairness, sensitivity)
- supervisory & organizational support on important issues (note that "importance" can be highly subjective)
- due process
- decision making input

The above components are more vulnerable to breach of the contract, as they are often grounded in assumptions, impressions and individual perceptions.

It is very important to meet employee expectations, because when expectations are not met the relationship goes out of balance and employees usually find some way of restoring that balance through their behavior, efforts and/or attitudes.

For example, an employee who isn't getting what he/she expects may leave the organization, put in little performance effort, become negative and difficult to manage, spread rumors, start a union drive (or support a union drive), increase their absenteeism, or steal from the company in order to "make things fair" in their own minds.



There are two main ways in which employee expectations -- the Psychological Contract -- can be violated:

1. **Reneging.** This is when an employer knowingly or willingly fails to meet an obligation to an employee. Simply put: do not renege. If you cannot meet an expectation, communicate why and take responsibility.
2. **Incongruence.** This is when the employer and the employee simply have a different understanding of the expectations in place. Often the result of a failure to communicate effectively, it can lead to disappointment (and worse) on both sides. Relationship Components of the contract are especially vulnerable to this type of contract breach.

Remember, breach of the Psychological Contract does not have to be accepted as "real" by all parties. It just needs to be perceived by any one of the parties; that is enough.

Benefits of Managing Expectations

The positive consequences of managing expectations include employees that are:

- more committed & satisfied
- better motivated and less stressed
- better able to meet their job demands and thus organizational goals

Overall, this will result in increased retention of high performers.

Employees whose expectations are not met are likely to leave at the first possibility of having their goals met elsewhere (the high performers will definitely be the first to go). If they cannot leave, employees will likely neglect their job to the extent that they can.

How to Manage Expectations

1. Set the right expectations during the hiring period.

Make sure the Recruiter/Hiring Manager is sufficiently knowledgeable about the job, the department, the leadership, and the overall culture. Make sure that the efforts to “market” a role do not convey false or unrealistic expectations on the part of the new hire.

2. Manage the probationary period.

Despite best efforts, it is likely that new hires will enter into the employment relationship with expectations that are not in line with what the organization is willing/able to provide. In general, new hires have a positively inflated sense of expectations when joining a new company. It is important to dialogue with new hires regularly during probation to accomplish the following:

- solidify information presented during interviews
- allow new hires to adjust expectations early in the employment period
- provide clear goals
- flag areas for clarification and coaching

3. Communication.

On an ongoing basis, effective communication with employees is the best way to ensure a shared set of expectations. Expectations do not stop forming at any point. Give people information honestly, in a timely way, and never hide from dialogue.

Building and Maintaining Trust

Trust has been described as the “glue” that holds workplace teams together and bonds individual employees to company goals. Employees that do not trust the people they work for (and thus the company they work for) can never be optimally productive. And to the extent that they *mistrust* their employer, positive employee relations have not been achieved.

Trusting employees are characterized as:

- **having a positive outlook**
- **better able to handle change**
- **being more creative**
- **committed to their employer**

And companies defined as “high trust” tend to be more profitable.

Often, you will not know if an employee trusts you. Certainly it is not likely that an employee who does not trust you will tell you (arguably that type of dialogue could only be had in a very trusting relationship). This is why a mistrusting relationship tends to stay that way; the employee does not tell his/her employer, and the employer does not know and therefore does nothing to build trust.

The best strategy here is to always be building and maintaining trust. In addition to any other criteria, include trust as a lens through which you evaluate your communications and decisions.

Remember that trust is not a clear-cut issue. It is not that a relationship is either trusting or not trusting. There are degrees of trust within any relationship and even within the same relationship at different points of time.

Therefore, even trust building within relationship that you are certain are high trusting should never be considered a “wasted effort”. It may sound cliché, but you can never have enough trust.

While some individuals have a more natural instinct towards trust, it is important to work from the premise that everyone has the ability to build trust.

Trust Between Whom?

The immediate supervisor acts as the critical representative of the company and thus it is this relationship that will most strongly affect trust in an organization. There is so much emphasis on the supervisor’s role because the supervisor represents the personal experience of the organization for employees.

What Workplace Trust Looks Like:

✓ **Good Communication**

Open communications are accessible, honest (even when it is bad news) and information based.

Information is power. When power is shared with employees they are likely to feel entrusted and respond accordingly. People need information to have confidence and trust in what they do. Employees need to know where they stand, how the business is doing and what future plans are being developed. Provide as much information as you can as soon as possible in any situation.

✓ **Fair Management Practices**

Trusting workplaces have an equitable sharing of opportunities and rewards. Each employee should have equal opportunity to perform at his/her best. Decisions concerning job rewards should always be based on performance. Employees should feel there is justice in their workplace and an absence of favouritism.

Best Practices for Building Trust

Organizations rarely prioritize building trust even though they often readily agree that it is necessary. Organizations should be vigilant about taking actions that contribute to a high-trust culture.

- **Establish and maintain integrity.** This includes keeping promises and being honest. Keep confidences.
- **Treat your employees like partners.** This does not mean that all employees be given the same access and influence (in fact, that would likely be chaos) but it does mean that all employees are treated as valued contributors. *Regardless* of how new they are. *Regardless* of how much they get paid. Employers that regularly and consistently engage their employees at all levels through inclusion and dialogue are building trust.
- **Focus on shared goals.** Invite trust through a pulling together of individual goals towards common ones. Ultimately, this is what makes teams work and teams only work when “players” trust each other. Shared goals require that information and input also be shared.
- **Be someone that employees respect.** Not because you are the boss, but because your personal actions command it. Be open-minded, acknowledge your mistakes, and be honest. When employees respect you, they can also trust you.
- **Be consistent.** Trusting relationships are predictable in a life that is often not. While you may have to do or say different things given the context of a particular situation, you can maintain consistency (and maintain the trust) through always being forthright, fair, and acting with integrity. The building blocks of your workplace trust should remain constant at all times.

- **Be caring.** Workplaces are often hesitant to talk about the “feelings” aspect of work but an employee that does not feel that their employer cares about them will never trust them. Express consideration towards your employees.
- **Policies and Practices should support trust goals.** These should be regularly examined for implicit and explicit messages about the importance of trust. Let employees know that trust is a priority.

Trust is built slowly through numerous actions and do not forget that it goes both ways. If you want your staff to trust you, you need to trust them.

Common Trust Breakers

- **inconsistency**
- **breaking promises**
- **lying or telling ‘half truths’**
- **blaming**
- **close mindedness**
- **sending mixed messages**
- **jumping to conclusions**

Rebuilding Trust: 7 Steps to Restore the Damage

1. Observe and acknowledge the situation. Raise the ‘whispered issue’ to conscious awareness.
2. Address feelings and emotions. Betrayal hurts. Allow safe venting. Listen. Empathize. Understand. Do not judge right and wrong but seek to understand how people have perceived what has happened to them and understand how they feel about it.
3. Get support. Experts can help facilitate the healing process.
4. Learn from the experience. What will you do differently next time? Be preventative. The past cannot be changed, but it can be learned from.
5. Take responsibility. What role did you play in the betrayal? Acknowledge your motives and expectations.
6. Forgive yourself and others. Through forgiveness you release yourself, the other person and the event.
7. Move on. Focus on the future.

Job Rewards

Job rewards is not all about base salary. What an employee feels they “get” from their work is going to vary as rewards are highly personal. The best place to start when determining what your employees want is to know your employees. Take the time to understand what they need and what they value and then design job reward systems (including compensation) to align with both your strategic objectives and your unique employee base.

Individuals want to feel they are fairly “getting back” for the contribution they are “putting in”. It is an error to assume that *all* employees want to be compensated by making more money. In order to address the issue of rewards, the best advice is to be as open and honest about your compensation strategy as possible.

You should know what the “market pay” is (i.e., what are other same or similar positions being paid at other organizations in your geographical area). Once you know the market pay, you need to determine your compensation positioning when it comes to base pay. Decide if you will pay “at market” or “above market”. If it is below, then understand the reasons why. There are non-monetary strategies to assist organizations in this position.

There are many job rewards, both monetary and non-monetary, that extend beyond base pay. You should also consider:

- **performance (individual and company) bonus**
- **profit sharing**
- **vacation**
- **retention bonus**
- **benefits**
- **development opportunities**
- **career advancement opportunities**
- **on-the-job learning**
- **company culture including flexibility and trust**
- **training**

While money is not the only reward, base pay is always going to be an integral part of an organization’s attraction, retention, and maintaining positive employee relations. And to that end, employees should know when they can expect a salary review, how salary and raises are determined (and by whom) and, if applicable, how to move to the next job level.

Employee Conditions

In addition to being part of the overall rewards program, employers should provide healthy (physical and mental) work environments for employees. Ensuring safe workplaces meets both legislative requirements and positive employee relations goals.

You should familiarize yourself with the *Health and Safety Act* and know which aspects are particularly relevant to your workplace. Many employers make the mistake of thinking that because they do not have a “plant environment with machines” that the Act does not apply to them. The health and safety of all employees in any organization should be a priority.



Make sure your supervisors and managers are overseeing and doing work in a manner that protects the health and safety of all workers. In fact, you should only hire/promote supervisors considered “competent” by health and safety standards.

You need to inform workers about potential and actual hazards, and provide health and safety training. Most organizations (over 20 employees) require a Joint Health and Safety Committee. There are other requirements as well, such as posting the *Health and Safety Act*.

It is important that the working conditions are free from harassment or discrimination of any kind, and that these behaviours are not allowed to “poison” the work environment. Review your policies and practices to ensure that employees feel safe and are not subject to bullying or any other harassing behaviours.

In general, it is important to be proactive and not just pay “checkmark” attention to the working conditions. That is, you should not be motivated only to pass an audit or avoid legal punishments but to ensure positive employee relationships.

Communicate Effectively

The benefits of effective communication are inherent in all the strategies for achieving positive employee relations. It *matters* how you communicate with employees, what you say, and when you say it.

In general, when communication is open, timely and personal (which does not necessarily mean “in person”), employees:

- **feel more positive about their organization**
- **have stronger working relationships with their teams**
- **are more loyal and committed**
- **are less likely to be sick**
- **are more likely to engage in informal problem solving**
- **are more productive**

Similar to trust, effective communication characterizes any positive relationship. And like trust, organizations never hit a maximum when it comes to effective communication. Organizations should continually strive for an ideal of “better communications” and to the extent they are achieving that ideal they are also achieving improved employee relations.

Employees need clear, honest and timely information in order to achieve work goals and communication is the only way to provide it. Today’s workplace has more communication tools (e-mail/blackberry, phones/cell phones, etc.) than ever before and yet, ironically, employers still struggle with effective communication.

Although they are useful, tools are not the total answer. Employers must truly recognize the value of the communication itself, and make a concerted effort to ensure that employees are receiving clear communication when they need it.

Effective communication depends on both the sender and receiver. It can also vary depending on the context of the situation. Typically, effective communication is supported by the following:

⇒ **Using the right communication tool**

There are a lot of communication tools out there, such as chosen individual/group meeting, e-mail, web conference, teleconference, telephone, memo, and so on. Employers need to match the right tool with the type of communication. For example, e-mail is not usually the best way to communicate negative performance issues, or to resolve conflict. However it can be highly effective for exchanging information, reviewing notes. There are no “hard and fast rules” here. What is important is to bear in mind that the tool selected is appropriate for what is being communicated.

⇒ **Being clear**

The employees you are communicating with need to understand you. Choose words that are appropriate for the audience, and communicate at a comfortable pace. In e-mail, pay attention to length, and ensure your point is not lost in unnecessary rhetoric. At the same time, make sure you are providing enough detail. Remember, e-mail does have tone, so be sure that the tone you intend to express is coming across.

When speaking in person or on the phone, do not speak too fast or too slow; as you'll lose attention and people will "tune out". Also ensure that your main points are clear, and that your volume and tone are appropriate.

⇒ **Be honest**

Even the best communication strategies will not help you if you are perceived to be untruthful. Effective communication is inherently honest and forthright. If you do not know something, it is better to admit it and seek the answers you need. As a bonus, this makes you more personable, and commands greater respect and trust. When you cannot be as open and honest with employees because of conflicts of interests or privacy issues, you can *still* be truthful by stating that you cannot disclose anything/everything.

There is no 'one way' to achieve positive employee relationships, and the effort to do so needs to be ongoing. Positive employee relations are the result of a number of initiatives as well as the way all programmes and attitudes interact to form the fabric of a workplace culture.

