

# Business briefing: Dealing with employee grievances

Employment

**This business briefing sets out how a business should respond if an employee raises a grievance.**

## Why is it important to follow the ACAS code?

**It can avoid a potential claim:** ACAS introduced the Code of Practice on Disciplinary and Grievance Procedures to help businesses and employees resolve grievances in the workplace. Dealing with a grievance effectively can avoid employment tribunal claims by allowing the issue to be resolved internally.

**It can affect the level of compensation:** If an employee's claim is successful, but either the business or the employee has failed to follow the ACAS Code, the level of compensation awarded can be affected:

- if the business unreasonably failed to follow the Code, the employment tribunal may increase the employee's compensation by up to 25%; or
- if the employee unreasonably failed to follow the Code, the employment tribunal may reduce their compensation by up to 25%.

This regime applies to the majority of claims brought in an employment tribunal, including those related to:

- discrimination;
- unfair dismissal; and
- breach of contract.

## How should you handle grievances?

### The grievance should be raised in writing

A grievance can be any concern; problem or complaint an employee raises with the business.

If a grievance cannot be resolved informally, the employee should raise it in writing with a manager. If the grievance concerns his or her line manager, raise the grievance with another manager.

A failure to raise the grievance in writing does not prevent an employee bringing an employment tribunal claim. However, in these cases, awards for compensation may be less.

The business should hold a meeting and investigate the complaint

Hold a meeting with the employee to enable them to explain their grievance and to suggest how they think it should be resolved.

If the matter needs further investigation, adjourn the meeting resume it after the investigation has taken place.

At conclusion of the meeting, the business should communicate its decision promptly in writing, including details of any action it intends to take to resolve the grievance.

### The employee can bring a companion

An employee has a legal right to bring a companion (a fellow worker or a trade union representative) to a grievance meeting.

However, it would be unreasonable for an employee to bring someone whose presence would prejudice the meeting.

### The employee has a right of appeal

When communicating the decision, the business should inform the employee that they have a right of appeal.

If the employee is not satisfied with the outcome, they should make an appeal in writing specifying the grounds of appeal.

If the employee brings a tribunal claim without first going through the appeal process, they may receive a reduced compensation award.

Where possible, a manager who has not previously been involved in the matter should deal with any appeal.

Make sure you inform the employee in advance of the time and place of any appeal hearing and that they may bring a companion with them.

The business should communicate its decision promptly in writing.

### **Handling grievances during a disciplinary procedure**

Employees often submit grievances during disciplinary procedures, regarding either the procedure itself or the circumstances leading up to the initiation of that procedure. The business must decide whether to suspend the disciplinary procedure to fully investigate the grievance or, if the issues are related, deal with them both concurrently.

Practical steps businesses can take to improve their grievance procedures

Involve employees or their representatives in developing workplace procedures and make sure those procedures are transparent and accessible to employees.

Train managers:

- how to handle grievances effectively;
- when to involve HR;
- how to spot potential legal claims.

Encourage managers to resolve issues quickly and informally before they get to a formal grievance stage.

Allow employees to put their side of the story at a meeting before undertaking any necessary investigation and again before making a decision.

### **Keep written records, including minutes of meetings**

Communicate decisions effectively and promptly, setting out reasons.

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