



SmartHR provides a wide range of **professional and effective outsourced HR solutions** to businesses and individuals. With almost 20 years' HR management experience, we utilise our skills and knowledge to assist clients in 3 areas: HR Consultancy, Training and Recruitment.



HR Consultancy:

- HR Consultancy and Advice
- **Tailored Business Support Packages for a fixed monthly fee**
- HR Healthchecks and Planning
- **Employment Contracts and Staff Handbooks (IOM and UK)**
- HR Policies and Procedures
- **Induction, Performance Review and Succession Processes**
- Ad hoc / Interim HR Projects
- **Redundancy Support and Outplacement Services**
- Online E-HR Shop to purchase template employment documents



Training:

- 'Skills Workshops' to improve people management skills
- **1-to-1 coaching e.g. managing absence, discipline & grievances**



Recruitment:

- Executive Appointments
- **General Recruitment**
- Interim Positions

Welcome to SmartHR's October 2012 E-Newsletter

We hope you find this e-newsletter of interest and share it with your colleagues. Gail Yeowell Chartered FCIPD FInstAM(Dip) FCMI FIRP
Managing Director, Smart HR Solutions Limited

Read our Client Testimonials here: [Testimonials](#)

UK: PENSIONS AUTO-ENROLMENT FOR LARGE BUSINESSES STARTS 1 OCTOBER 2012

The UK Government has introduced pensions auto-enrolment to encourage workers to save for their retirement. The auto-enrolment will commence on a phased basis, dependent upon the size of the organisation. Implementation for large businesses starts on 1 Oct. Organisations with more than 120,000 staff in their PAYE scheme will be required to auto-enrol eligible jobholders (who are not participating in a workplace pension scheme) into a qualifying pension scheme or the National Employment Savings Trust (NEST).

Jobholders who are automatically enrolled into a workplace pension scheme will have the right to 'opt-out'. A valid 'opt-out' notice must be provided to the employer in writing. This should be signed and dated by the employee / jobholder. The trustees or scheme provider will retain the opt-out notification for a minimum of 4 years. Jobholders who opt-out will have the right to opt-in again. Employers cannot induce a jobholder to opt-out of an automatic enrolment scheme, for example by offering a higher salary or other incentive.

Further details on pension auto-enrolment can be found at: <http://www.thepensionsregulator.gov.uk/employers/7-steps.aspx> and <http://www.dwp.gov.uk/policy/pensions-reform/workplace-pension-reforms/>



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IPA SURVEY SHOWS THAT 'EMPLOYEE VOICE' HAS A POSITIVE IMPACT ON BUSINESS PERFORMANCE

Employee voice is defined not just as allowing staff to express their ideas and opinions, but organisations actively listening to and involving staff in decision-making processes.

The IPA survey revealed that the majority of organisations believe that 'employee voice' has a positive impact on both employee engagement and performance.

The survey reports that the main challenges cited by businesses were overcoming criticism and securing staff buy-in.

The survey reports that organisations use various channels to enable staff to express their views. The most regularly used are:

Team meetings (80%)

Line Manager / 1-2-1 discussions (80%)

Staff Surveys (74%)

Direct contact with Senior Managers (72%)

The survey also found that:

46% of organisations discouraged the use of social media for staff to voice views about the company

20% forbid the use of social media

Only 7% of the organisations surveyed actively encouraged the use of social media for 'employee voice' purposes

UK: PROPOSAL TO REDUCE UNFAIR DISMISSAL COMPENSATION LIMITS

The UK Government has outlined proposals to cap the compensation limit for unfair dismissals.

Currently the compensation limit for a successful unfair dismissal claim is £72,300. However, the proposal is to reduce the compensation award to one year's salary. Consultation will commence on the proposal as part of wider employment tribunal changes.

UK: SETTLEMENT AGREEMENTS

The UK Government has also confirmed its backing for the use of Settlement Agreements.

By using a Settlement Agreement, an employee would agree to leave his / her employment with a pay-off (settlement amount), and waive his / her right to make an employment tribunal claim against the employer.

Businesses will be consulted on the use of Settlement Agreements and ACAS have agreed to provide a new Code of Practice as guidance.

UK: EQUAL PAY AUDITS

Equal pay enforcement changes proposed as part of the UK Government's 'Consultation on Modern Workplaces'.

The consultation process (which has now closed) included proposed changes to equal pay enforcement. Employment Tribunals will be allowed to instruct employers who lose an equal pay claim to carry out an equal pay audit unless:

- An equal pay audit has been carried out in the last 3 years
- The organisation has a transparent pay scheme
- There is a good reason why the organisation should not carry out an audit

This change has not been implemented yet, but the Government has stated that it will provide further details later in the year.

Implementation is expected early in 2013.

Need help with HR / people management matters?

Contact Gail on 619619 / 478764 to discuss your needs or email gail@SmartHR.co.im to arrange a meeting

UK: EMPLOYMENT APPEAL TRIBUNAL DECISION REGARDING MANAGING SUSPENSION FAIRLY

Kent County Council v Knowles (2012)

Knowles was charged by the Police with fraud-related offences. The financial transactions had been carried out by Knowles as part of his job whilst working for Kent County Council.

Knowles was suspended for a period of 28 days whilst an investigation was conducted. He was also on bail during this period, and was available for work. Upon completion of the investigation Knowles was dismissed.

Kent County Council took the decision *not* to pay Knowles during the period of suspension (even though there was no contractual provision to allow them to).

Knowles subsequently claimed stating that this was an unlawful deduction of wages. Kent County Council defended stating that the allegations against Knowles were caused by his own doing and that he didn't have an entitlement to receive pay.

The case went on to an Employment Appeal Tribunal who ruled that Knowles should be paid for his period of suspension (as there was not a specific clause in his contract allowing for a period of unpaid suspension), and that Kent County Council's actions went against the intent of the ACAS Code of Practice: Disciplinary & Grievance Procedures.

To find out how SmartHR can add value to your business call Gail on 619619 / 478764, email: gail@SmartHR.co.im or visit our website at www.SmartHR.co.im

SPECIAL FEATURE:

THE SEISMIC SHIFT FROM EFFECTIVE MANAGER TO ENGAGING LEADER

The following is taken from '*How managers become leaders: the seven seismic shifts of perspective and responsibility*', Michael D Watkins, Harvard Business Review, Volume 90, June 2012, pages 64 – 72.

The article proposes 7 seismic shifts in capability that are needed to make the transition from *managing a function to leading a business unit*:

1. **Specialist to generalist.** Understand what 'excellent' looks like in each business function and the models and frameworks they use to be able to ask the right questions. In addition, find a way to evaluate and develop key talent within each function.
2. **Analyst to integrator.** Rather than focusing on analysing specific problems with a function, more time needs to be allocated to ensuring integration between business divisions in order to solve complex organisation problems.
3. **Tactician to strategist.** Be able to look at the larger picture as well as the details, knowing when each focus is most appropriate. Being able to look for patterns and separate the signals from the background noise.
4. **Bricklayer to architect.** Understand how to design organisation systems, and the inter-relationships between strategy, structure, talent needs and operating models for successful organisation change.
5. **Problem solver to agenda setter.** Shifting from a focus on solving current problems to defining the problems that the organisation needs to focus on.
6. **Warrior to diplomat.** Influencing external stakeholders and shaping the business operating environment is a key part of the leadership role, including regulators, investors, NGOs and the media.
7. **Supporting cast member to lead role.** Being 'centre stage' the challenge is to communicate with and inspire the organisation, acting as a role model of the desired behaviours and values.

Other UK news...

- 1 Oct 2012 - change to UK National Minimum Wage Rates.** The rate for those aged 21 and over has increased from £6.08ph to £6.19ph. The rate for those aged 18 – 20 remains unchanged at £4.98ph. The rate for those aged 17 remains unchanged at £3.68ph. The rate for apprentices who are not otherwise covered by the NMW has increased from £2.60ph to £2.65ph.
- Review of UK Employment Tribunals shows the total discrimination awards for 2011 is £8,774,403.** The amount is £3.5m higher than for 2010. However, there were two large payouts for NHS cases in 2011 which totaled nearly £5.5m. The average compensation award for discrimination claims in 2011 was £38,484. Excluding the above two cases this is £15,130. The median award fell from £8,000 in 2010 to £7,518 in 2011.
- 1 Oct 2012 – HSE introduces ‘Fee for Intervention’ costs.** From 1 Oct 2012 the Health & Safety Executive will have a legal duty to recover costs it incurs for carrying out its regulatory function from those found to be in a material breach of Health & Safety laws. Further details can be found at: <http://www.hse.gov.uk/news/index.htm>



Are you complying with employment legislation?

Do you need support with HR matters on a flexible basis?

Contact Gail on 619619 / 478764, email gail@SmartHR.co.im or visit our website at: www.SmartHR.co.im

SmartHR delivers a range of ‘Skills Workshops’ in order to enhance people management performance, including:

- **Essential HR for Line Managers**
- Effective Recruitment & Selection
- **Effective Appraisals & Objective Setting**
- Managing Performance
- **Negotiating & Influencing**
- Coaching & Feedback Skills
- **Managing Performance Problems**
- Managing Discipline & Grievances
- **Managing Absence**
- Effective Team Meetings
- **Effective Time Management**
- Delegation Skills
- **Managing Stress**
- Customer Care, Telephone & Time Management Techniques
- **Train The Trainer**

Visit the **Training page** of our website at www.SmartHR.co.im for details of all of our training workshops. Click on the workshop name for course outline and learning objectives.

For a cost effective quote to deliver any of the courses internally, please email gail@SmartHR.co.im

We can also create bespoke courses & deliver employment law presentations

