

How Mole Valley District Council is delivering meaningful benefits through workplace mediation

Key Learning Points

- How Mole Valley District Council have been restoring performance whilst modernising services across the organisation with the help of mediation training.
- How mediation principles are helping to redefine the purpose and value of the HR function at Mole Valley.
- How mediation can be an effective solution in a small council without the need for formal implementation.

The need for sustainable modernisation and a more forward-facing approach to employee relations

Mole Valley is a small but ambitious district council that has sought to overcome the current plight of local government by proactively recognising and confronting areas of weakness, striving for transformation and modernisation whilst working to bring their people with them where possible.

Six years ago, the ongoing impact of austerity alongside other pressures had amplified organisational risks previously perceived to be within tolerance. Following a comprehensive review of business processes to re-align services and deliver cost reductions, the council recognised a need to turn performance around and raise employee engagement.

Disempowered people managers and the predominance of legacy employees had contributed to performance decline. Disengagement and resistance were emerging in pockets due to the volume of change confronting the workforce, creating an increasingly volatile employee relations climate.

Kate Ivackovic, Strategic HR Organisation Development Manager, was recruited for her legal background in 2011 in recognition that entrenched performance issues had no place in the future of the council. As Kate explains:

“Funding was down, public expectations were up, and to become financially self-sustaining, the council needed a new attitude and approach. That meant fundamental change at every level and a growing appetite for tackling underperformance. To do this we needed managers and employees who could understand and support change.”

The council also recognised that its legacy HR capability required strategic alignment and modernisation to be able to deliver necessary improvements.

“The need for a different type of HR had become increasingly obvious. Historically, HR in local government has prioritised protection of terms and conditions over business change. The prevalence of rules and regulations and the employee armoury of ‘rights’ often had dramatic impact on the power base. As bureaucracy grows it can undermine managers who fear antagonising the long-serving teams they depend on. For many employers these problems can be so well established that they’ve entered the everyday fabric of the organisation. With previous management experience from within the organisation, I was acutely aware of the need to redress the balance.”

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While Kate saw that HR had to evolve with the organisation, repositioning itself as a strategic partner, she also recognised that heavy-handed employee relations tactics were unlikely to serve council interests in the long term.

“Formal procedure should always be the last resort, not default response. Yes, in the past we’d been too personnel-oriented, but ripping away stability and railroading people for the sake of the business doesn’t help anyone. We needed to put the past behind us decisively and bring our people with us, not push them away. You can’t modernise sustainably by deferring to outdated systems, it requires a more sensitive and open-minded approach. The right outcomes have to be driven in the right way. It also requires an eye on the bigger picture. Why change? With the right vision and managers who are empowered to lead we are far more effective in motivating our people.”

Shaping a solution around the needs and nature of the council

The approach Kate chose to take was shaped by three factors in particular: the need to modernise the HR function, the need to support the council’s people management capability and the internal organisational environment.

In the past the role of HR at Mole Valley had been defined by stability.

“Bureaucracy can thrive in that environment, but bureaucracy tends to face backwards, not forwards. It often stands in the way of progress because it protects against risks rather than enabling innovation.”

To support the council in delivering its vision, the new HR function needed to be a more agile and responsive advisory service, closely aligned to the needs of the business.

“We needed to strike the right balance between supporting and taking the lead. We streamlined all our policies and processes, ensuring they were up-to-date and fit for purpose. We repositioned it all as a discretionary policy framework, emphasising outcomes and encouraging managers to take ownership of risks and consequences.”

These changes introduced new expectations of line managers, which posed a significant challenge in itself.

“We have three-hundred people, of whom approximately thirty are senior or business managers. Below them sits a layer of people with line management responsibilities. Workloads and relationships had evolved and that population had expanded. No one really knew how many line managers there were. Some didn’t even recognise they were line managers. They’d maintained their own equilibrium for a long time. And now we were introducing huge changes. They felt insecure and afraid. Some had never been invested in and there was little connection with senior management, giving them no sight of the bigger picture or understanding of their place in it and no clarity regarding objectives. We needed to mitigate the risks of disempowerment and disengagement.”

The objective for Kate was to make sure that line managers were part of the solution, not part of the problem.

“We needed our managers to manage. We wanted to empower and support them, not punish them.”

At the same time, Kate needed a solution compatible with the council’s intimate size, structure and layout. Working closely with a county level HR department, and experiencing the contrast in cultures, had demonstrated to Kate that a formalised approach could have a detrimental impact at Mole Valley.

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The more you use mediation principles, though, the less conflict you have and the less casework you get.”

“Mole Valley is a small council with a fully integrated and close-knit HR and management team. Formal may work for larger organisations, but it wouldn't be right for us. Cases would become contentious and polarised much earlier in their lifecycle, while opportunities to guide and coach managers would be limited. The organisation would either work around HR or the volume and cost of casework would increase.”

Instead, Mole Valley's close and compact nature presented a golden opportunity for a more informal approach.

“Through our proximity to the business we have the knowledge and insight to influence performance by working with our stakeholders to enhance relationships between managers and employees as well as HR and the business.”

In-depth training that enables mediation to be hardwired into every HR intervention

Kate's vision for improving agility and resilience around people and performance issues was a more subtle employee relations revolution focussing on enhancing leadership and management through strong informal support.

“We wanted to build trust and engagement, guiding managers away from formal processes and encouraging them to actually engage with their people – examining root causes, exploring different perspectives and improving performance based on mutual understanding.”

Kate designed her strategy around the principles of mediation. Her legal background made Kate aware of mediation and its benefits in that context, but legal mediation was not the right fit. She saw potential in using workplace mediation skills to help cultivate and shape new relationships, new behaviours and new ways of working.

“Mediation in law is about avoiding the courtroom and nobody losing. Workplace mediation focusses on exploring and challenging perceptions, identifying underlying causes, preserving dignity and delivering win-win outcomes.”

To refresh and expand her mediation knowledge and skills, Kate trained with South East Employers (SEE).

“I'd trained with them before and knew they were good. They have strong public sector contacts, local government expertise and a good relationship with our county council where they were helping to deliver mediation training.”

The training provided an immediately transferable mediation framework, but did more than equip the basics:

“It gave me confidence and helped validate my thinking. This was much deeper and more meaningful territory than my legal mediation training. It focussed on why people want what they want, which resonated perfectly with our objectives. We didn't just learn how to run a mediation, we learned how to think, communicate and facilitate objectively in order to preserve the integrity of the process.”

The principles of mediation also resonated strongly with council values and strategic principles.

“It's very useful to have this mindset in a small busy council experiencing so much change,” adds Kate. “Mediation is more effective than traditional methods for unearthing workforce issues and enabling positive outcomes more aligned to strategic objectives. It can help flush out emotional and contentious undercurrents by giving everyone fair and equal chance to be heard and understood. Denying that provokes behaviour that can leave you no choice but formal. The more you use mediation principles, though, the less conflict you have and the less casework you get.”

“Once upon a time, an employment tribunal was to be avoided at all costs. Problems that couldn’t be sorted over a cup of tea were left alone. It’s easy to avoid employment tribunals if you never bite the bullet. Now we can be robust and stick to our principles because we’ve done due diligence.”

Building the new HR team, Kate sought out an HR Business Partner with mediation training and the mediation mindset, specifically recruiting someone who’d completed the SEE training with the county council. No move was made to officialise the new mediation capability, however.

“We integrated it into our approach, but formal implementation was never the intention. We apply the process and techniques wherever we feel appropriate. We don’t announce it, just refer to our training as we consult, informally encouraging and prompting managers and employees to engage in the same dialogue mediators seek to facilitate.”

The rationale is that this approach supports development and empowerment of line managers.

“Resolving disputes with employees is a line manager’s responsibility. If we take over we undermine the manager, denying them the opportunity to own the resolution. It’s fairer for the employees as well.”

Whilst careful not to disrupt manager-employee dynamics, the HR team makes every effort to provide support.

“For example, managers can become so frustrated in proximity to a situation that they can, understandably, become a little blinkered. They recognise that and come to us for guidance. A coaching conversation and gentle challenges help them to steer situations to a constructive conclusion without taking or relinquishing too much control. Sometimes all it takes is a little role play to help unstick them.”

There are some cases where a harder line has to be taken, but this is never done without consideration of the consequences and assessment of whether a softer and more insightful approach is appropriate.

Embedding mediation principles in the organisation

“We use our mediation skills all the time,” says Kate. “They’re so versatile; hardwired into everything we do. I rely on my mediation training to provide effective counsel at the senior and executive levels while my team are challenging managers to analyse need versus intent versus impact. We head a lot of potential cases off at the pass. For example, we’ve just completed a major restructure that was expected to be extremely challenging. It was a great success. Everyone is satisfied and the entire service has turned around. It could have gone very differently.”

The approach has raised visibility of a key risk to organisational wellbeing, but Kate warns of a potential pain barrier.

“You may experience an initial increase in formal casework as longstanding issues are cleared out. We’ve had our fair share of employment tribunals in this process. Once upon a time, an employment tribunal was to be avoided at all costs. Problems that couldn’t be sorted over a cup of tea were left alone. It’s easy to avoid employment tribunals if you never bite the bullet. Now we can be robust and stick to our principles because we’ve done due diligence.”

Two recent employment tribunal wins have helped raise senior management awareness and appreciation.

“In the last year we’ve replaced two-thirds of our senior management team. All have moved up from different levels in the organisation where they’ve worked closely with HR. They can see the value of what we’ve been doing and understand the difference we’re making. Some of their eyes are wide open because they’ve been closer to it. They’re very supportive. Our new Chief Executive joined in October and I am heartened that she is supported by a bedrock of senior managers who are increasingly comfortable with a modern management approach”

“We’re in a much better position now to respond to whatever new challenges appear on the horizon.”

Meanwhile, informal mediation capability has begun to emerge as a people management skill.

“Our managers are in a completely different place – tooled up and confident about making changes. Those who hide from problems or brush them under the carpet are the exception. Our approach has enabled the benefits of mediation to permeate deep into the organisation. An increasing number of managers are applying mediation principles without intervention. We’re not fully stabilised yet, but we’re definitely heading in the right direction.”

Many services have become more forward-facing and adaptive to change, while new talent and other new influences are helping to move Mole Valley toward a cultural tipping point, creating palpable buzz and energy.

“We can’t be sure what tomorrow may bring, but we’re in a much better position now to respond to whatever new challenges appear on the horizon.”



About Mole Valley District Council

We are a high-performing, innovative local authority with a reputation for punching above our weight.

We work in a friendly, lively and dynamic environment. Challenges do not faze us; we tackle them confidently, with a creative, progressive mindset.

We believe that joint working is essential in order to thrive. We have led the way in forging strong, successful partnerships in environmental health, building control, wellbeing and waste. This collaborative working is delivering significant efficiency savings and, most importantly, better services to our residents.

Mole Valley lies at the heart of Surrey, mid-way between London and the Sussex coast, covering a hundred square miles. The district has a population of approximately 86,000 people, of whom around 72% live in the towns of Dorking and Leatherhead, and the villages of Bookham, Fetcham and Ashted. Over 90% of the district is countryside, and much of it sits within the Surrey Hills Area of Outstanding Natural Beauty.

Mole Valley's economy is robust, with thriving small-and-medium-enterprise sectors, and is the location for national and international business headquarters. Mole Valley has an unemployment rate of 0.5% and is one of the few districts in Surrey with net in-commuting.

About South East Employers

South East Employers (SEE) is an independent and not-for-profit centre of excellence, advising and supporting employers. They are a leading provider of high quality consultancy and learning in areas of organisational change, leadership, compliance with employment law, governance and local democracy. As a central 'hub', they are a forum for networks, partnerships and shared learning. They aim to add value through their wealth of local knowledge, experience and professional expertise regarding the challenges and opportunities facing organisations today and tomorrow.

Since 2010 SEE have trained over 270 mediators and delivered over 60 successful mediations for a range of employers. They are regularly called upon to deliver mediation training and complex mediations in other regions.

The SEE mediation programme is designed and delivered to take account of real and increasingly complex workplace situations. It develops confident and mediation-ready mediators who can gain an ILM certificate on successful completion of the course and assignments.

www.seemp.co.uk