Mediation at work - CIPD Fact sheet (December 2024)

Learn how mediation can resolve conflict in the workplace.

Mediation is a voluntary process led by an impartial third party to resolve conflict between people. Conflict can occur in any employment relationship and is best dealt with early at source. Mediation can help to avoid more formal and costlier routes by guiding participants towards reaching mutually acceptable solutions.

This factsheet looks at workplace conflict, how mediation can help resolve different disputes, and what it entails. It outlines the process, including what sort of situations mediation can help with, who should be involved, and when mediation should be called upon. Importantly, it also considers when mediation might not be appropriate.

Workplace conflict

At some point, disagreement and tension are inevitable in organisations, but left to fester can build into unhealthy conflict, which can damage relationships and lead to wider discord.

CIPD research on <u>how employers are tackling bullying and harassment at work</u> shows that a quarter of employees (25%) had experienced conflict or abuse in the past 12 months.

Based on CIPD survey data, it's estimated that the <u>cost of conflict to UK organisations is</u>
<u>£28.5 billion</u> per year – the equivalent of more than £1,000 per employee. Impacts also include damage to morale and team relationships, increased workplace stress, time off work, resignations and dismissals.

According to our report <u>Real-life leaders: Closing the knowing-doing gap</u>, managing conflict and having difficult conversations are the top two challenges for leaders at all levels. Embedding effective ways to resolve conflict is an important task for HR leaders.

What is mediation?

Mediation is a tool to resolve workplace conflict or disputes. It's often described as a form of informal or 'alternative' dispute resolution (ADR), as it's less formal than the more traditional grievance and discipline procedures and employment tribunals. It nonetheless follows a structured approach.

Mediation can be used at any stage of a disagreement or dispute. The process is flexible and voluntary, and any agreement is morally rather than legally binding. The process aims to create a safe, confidential space for those involved (the 'parties') to find solutions that are acceptable to each side.

A mediator's role is to act as an impartial third party who facilitates a meeting between two or more people in dispute, to help them reach an agreement. Although the mediator oversees the process, any agreement comes from those in dispute.

See our employers' guide <u>Mediation: an approach to resolving workplace issues</u>.

Benefits of mediation

Mediation seeks to give a solution to individual workplace conflict without recourse to formal rights-based processes. It aims to:

provide solutions that are faster and less stressful

- address underlying relationship difficulties
- reach solutions that are more genuinely win-win and increase the chances that relationships can continue afterwards.

In contrast, adversarial and rights-based approaches tend to entrench views, as well as being more costly and more likely to lead to dismissal, resignation or team changes.

What happens in mediation?

The first stage is the mediator meeting with each party separately to understand their experience of the conflict, their position and interests and what they want to happen next. During these meetings, the mediator will also seek agreement from the parties to a facilitated joint meeting. Following this, the mediator will bring the meetings to a close, provide a copy of the agreed statement to those involved and explain their responsibilities for its implementation.

Confidentiality

Anything said during mediation should be confidential to those taking part, unless all parties agree to share specific points, such as agreed actions or arrangements with their colleagues, managers, or HR. This means that a mediator may report to HR that a meeting has successfully taken place but not disclose the detail of what was discussed or agreed. The only exceptions to default confidentiality are where, for example, a potentially unlawful act has been committed or there's a serious risk to health and safety.

Representation

Representation by lawyers, trade unions, colleagues or relatives during mediation is generally discouraged. Mediation works best where there is direct interaction between those involved in the conflict, leading to open and honest discussion, a reframing of relationships, and solutions that the parties find themselves.

Mediation within a wider conflict management strategy

Organisations are more likely to resolve conflict and foster healthy thriving relationships if they adopt a holistic, integrated system of conflict management, rather than treating mediation as an isolated intervention. An integrated conflict management system can draw together practices such as:

- not relying only on formal HR procedures
- employee representatives involved in developing solutions
- conducting stress risk assessments
- mediation services
- team facilitation
- conflict and relationship coaching
- manager training in mediation skills.

Introducing mediation

How organisations introduce mediation is important for its effectiveness. Success factors include:

- Commitment from senior leaders, line managers and trade unions (where recognised).
- Raising awareness so that employees know that mediation is available and understand its value, even at an early stage of conflict.
- Setting an expectation that colleagues in conflict try mediation before going through formal processes, and keep the option to halt the formal process at any time and return to mediation.
- Having HR generalists available to support people through effective conflict resolution.
- Promoting an attitude that accepts that conflict is a reality and turning to mediation is not a sign of failure.

Roles and responsibilities in mediation

Internal or external mediators

There are two approaches to mediation which can be used alongside each other:

- Developing an in-house mediation scheme, with trained internal mediators.
- Using external mediator services, possibly as part of a call-on/call-off arrangement to deliver services as and when necessary.

Factors to consider include:

- Size of the organisation it may be more appropriate for a small organisation to use external mediators who will be perceived as independent.
- Cost setting up an internal scheme is likely to demand more upfront investment, but may be more cost-effective in the longer term.
- How to select, train and manage a pool of internal mediators.

A number of organisations run accredited training courses for internal mediators.

When is mediation appropriate?

Mediation isn't a panacea for every dispute or disagreement in the workplace, but there are signs it's underused and its potential not fully realised. Our <u>2024 research</u> finds that 28% of employers use internal mediation by a trained member of staff to deal with workplace issues. A further one in ten use external mediation.

There are other informal conflict resolution approaches that can be helpful, such as 'facilitated conversations' by HR, which can be seen as a management-led version of mediation.

There are no hard and fast rules governing when and how mediation should be used, but some principles include:

• Who? Mediation can be used for conflict involving colleagues of a similar job or grade, or between those with different jobs and levels of seniority.

- When? It can be used at any stage in the conflict including to rebuild relationships after a formal dispute has been resolved. In the early stages of a dispute, it has the benefit of stopping it from escalating.
- What? It can be used to address a range of workplace issues including relationship breakdown, personality clashes, communication problems, and bullying and harassment.

When mediation may not be appropriate

Mediation may be unsuitable if:

- a decision about right or wrong is needed, such as in cases of criminal activity or overt abuse, when disciplinary procedures are more appropriate.
- an individual bringing a discrimination or harassment case wants it investigated formally, or the allegation is of a serious nature.
- an individual is experiencing mental health problems or has learning difficulties that will be an obstacle to a joint meeting.
- it's clear the parties don't have the remit to settle the issue.

Using mediation at different stages of conflict

- Early intervention can prevent both sides from becoming entrenched and avoid a full-blown dispute in which an employment tribunal claim becomes more likely.
- Acas has a statutory duty to offer free 'early conciliation' before employees lodge an
 employment tribunal claim. Any agreement reached in conciliation is legally binding.
- In some organisations, mediation is written into formal <u>discipline and grievance</u> <u>procedures</u> as an optional stage. Where this isn't the case, it's useful to know whether the discipline and grievance procedure can be put on hold if mediation is appropriate.
- During mediation, it can become clear that one or both parties feel the employment relationship is beyond repair. The focus then shifts from helping people find ways to work together better, to instead ending the employment relationship in as mutually beneficial a way as possible. This may be a legal matter and require different facilitation skills.

Useful contacts and further reading

CIPD conflict management resources

Contacts

Acas - Mediation at work

Civil Mediation Council

Blogs and podcasts

CIPD thought leadership article: Five things we know about workplace conflict but ignore

CIPD podcast: Shifting the perception of workplace conflict

Books and reports

Barends, E., Capezio, A., Rousseau, D. and Wietrak, E. (2022) <u>Bullying and incivility at work:</u> <u>an evidence review</u>. Scientific summary. London: Chartered Institute of Personnel and Development.

Kenny, T. (2020) *Welcome to the 21st century: informing HR decision-making about workplace mediation*. CIPD Applied Research Conference, Dublin, January. Reviewed in *Bitesize* research.

Lewis, C. (2015) How to master workplace and employment mediation. London: Bloomsbury.

Liddle, D. (2023) Managing conflict: a practical guide to resolution in the workplace. 2nd ed. London: Kogan Page.

Saundry, R., Latreille, P. and Ashman, I. (eds) (2016) *Reframing resolution: innovation and change in the management of workplace conflict*. London: Palgrave Macmillan.

Saundry, R. and Unwin, P. (2021) Estimating the costs of workplace conflict. London: Acas.

Saundry, R., Wibberley, G. and Wright, A., Hollinrake, A. (2023) *Mediation and early resolution in East Lancashire Hospitals NHS Trust*. London: Acas.

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Journal articles

Hanchard, G. (2024) <u>Using mediation to settle workplace disputes</u>. *People Management* (online). 30 August.

Liddle, D. (2020) HR needs to be braver in challenging the status quo on workplace conflict. People Management (online). 17 January.

Roper, I. and Higgins, P. (2020) Hidden in plain sight? The human resource management practitioner's role in dealing with workplace conflict as a source of organisational–professional power. *Human Resource Management Journal*. Vol 30, No 4, November. pp508-524. Reviewed in *Bitesize* research.

Saundry, R., Bennett, T. and Wibberley, G. (2018) Inside the mediation room - efficiency, voice and equity in workplace mediation. *International Journal of Human Resource Management*. Vol 29, No 6, March. pp1157-1177.

Saundry, R., Fisher, V. and Kinsey, S. (2020) Disconnected human resource? Proximity and the (mis)management of workplace conflict. *Human Resource Management Journal*. Vol 31, No 2, August. pp476-492). Reviewed in *Bitesize* research.

Wigan, Z. (2024) Conflict at work: when is it time to hand over? People Management (online). 19 August.

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