

# EMPLOYERS RISK HEFTY PAYOUTS UNDER NEW GUIDELINES FOR EMPLOYMENT TRIBUNALS

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New rules designed to simplify employment tribunals leave employers at risk of having to pay out huge sums, according to an industry expert.

While the new Code of Conduct is supposed to encourage early resolution of disputes in the workplace, there is a sting in the tail.

Phil Brown, Managing Director of Youmanage, explained: "Tribunals now have the power to increase payouts by up to 25 per cent if they find an employer has 'unreasonably' failed to follow the Code.

"In a sex or race discrimination case, where payouts are unlimited, an extra 25 per cent could prove to be very expensive indeed!

"The Code of Conduct sets out guidelines as to how disputes should be handled from the outset and it is vital that managers are familiar with it.

"Particularly in a recession, no business ever wants to incur totally avoidable costs like these, just because managers are unaware of the law."

The guidance came into force on April 6 and applies to cases which start on or after that date.

A simple method of ensuring front-line managers are up-to-date with current legislation and guidance is through the Youmanage online HR toolkit which guides them through every step of the employee's time with a company, from initial interview through to managing someone out of the business.

At the click of a mouse managers can call up all an employee's vital records, from basic information such as start date and salary, through to holidays, sickness, training, annual performance review, targets, absenteeism, and any disciplinary matters or time-keeping issues.

The package comes with up-to-date guidance on current employment law and health and safety regulations, which can also be tailored to incorporate advice on an individual company's own policies and procedures.

Accessible from anywhere that a manager can reach the internet, it is highly flexible and ideally suited for companies with split site working, or where the manager is often travelling between offices.

Mr Brown said: "By spending a little money now, employers can avoid potentially huge costs later. Youmanage will help them to avoid the pitfalls which can lead to expensive employment tribunals.

"But that is just the start – the Youmanage online tools can give a company a competitive advantage by enabling managers to bring the best out of their staff and to focus them on key objectives.

“By equipping front-line managers with easy access to vital information, the online Youmanage system helps them both to motivate employees and to monitor their performance.”

The new Code of Conduct, drawn up by ACAS, came into force on April 6 2009. Disputes which began before that date come under the previous ACAS guidance.

Editor's Note: for further information contact Century Public Relations (Tel: 024 7622 8881).