


# FROM POLICY TO PRACTICE:

## Implementing the Employment Rights Act

---

On 5 March 2026, CRF hosted senior HR and Employee Relations practitioners for an ER/IR Network event on implementing the Employment Rights Act. The discussion explored how organisations are responding to the new legislation and adapting their employee and industrial relations strategies as the regulatory landscape evolves. This included the key legal changes introduced by the Act, the implications for both unionised and non-unionised organisations and practical insights from senior practitioners on managing risk, strengthening employee voice and preparing for implementation.

# KEY TAKEAWAYS



**The Employment Rights Act significantly reshapes the employment relations landscape.** The Act introduces substantial changes to both collective and individual employment rights. These include stronger union access and recognition rights, expanded protections for workers and greater enforcement powers through the new Fair Work Agency. While some elements will take effect gradually between 2026 and 2027, the direction of travel is clear: employment and TU rights are being strengthened and the risk profile for employers will increase.




**Organisations should treat the legislation as a strategic issue, not just a compliance exercise.**

Many employers are reviewing policies and procedures to ensure legal compliance. However, it also raises broader questions about the organisation's overall approach to employee relations. The most effective responses are likely to integrate legal implementation with wider priorities such as employee engagement, leadership capability and organisational culture.




**Employee engagement remains one of the most effective counters to unionisation pressure.**

Union recognition campaigns often emerge where employees feel unheard or dissatisfied with organisational decisions. Strong employee engagement, clear communication and credible internal voice mechanisms can reduce the likelihood of formal union organising activity. Employers that rely solely on procedural compliance may miss the underlying drivers of union interest.



**Constructive engagement with unions can provide greater flexibility.** Where unions are present or seeking recognition, early engagement can help organisations shape more workable arrangements. Once disputes reach formal processes such as the Central Arbitration Committee, outcomes often favour union recognition and the scope for flexibility is reduced. Voluntary agreements may allow organisations to establish more contextually appropriate procedural agreements.



**Implementation will require structured planning and cross-functional coordination.** Preparing for the legislation involves more than updating HR policies. Organisations are beginning to map the implications across different parts of the business, assess operational and cultural impacts and establish cross-functional working groups to manage implementation. Manager capability, clear communication and consistent processes will be critical to reducing risk as the new framework is introduced. Internal stakeholders are likely to include line management, internal communications, shared services and health and safety, among others.



**Individual workplace conflict may present a greater operational challenge than collective disputes.**

Although much attention focuses on trade union activity, evidence from Acas suggests that day-to-day conflict between employees and managers is both widespread and costly. Increasing awareness of employment rights, evolving expectations of fairness and the influence of social and technological change are contributing to rising levels of workplace disputes. Employers may therefore benefit from investing in early resolution, manager training and preventative approaches to conflict management.



**Much of the practical impact of the Act will only become clear over time.** Many provisions in the Act require further regulations, guidance and case law before their full implications are understood. Employers should expect continued consultation and evolving interpretation over the coming years. Ongoing dialogue between organisations, advisers and policymakers will be important as the practical effects of the legislation develop.

## CONCLUSION

Taken together, these insights suggest that the Employment Rights Act should be viewed not simply as a legal development but as a catalyst for broader reflection on employee relations strategy. Organisations that approach implementation proactively, strengthen employee engagement and invest in management capability are likely to be better positioned to navigate the evolving regulatory and workplace landscape.

# THE EMPLOYMENT RIGHTS ACT: RESPONDING STRATEGICALLY

Nick Dalton, former EVP of HR at Unilever and CRF's ER/IR network co-chair, explored how organisations may respond strategically to the Employment Rights Act. Drawing on emerging research and employer discussions, he outlined a framework suggesting four broad organisational responses depending on whether employers take a more operational or strategic approach and whether their response is proactive or reactive.



- **Process adoption (operational and proactive).** Some organisations are focusing primarily on implementing the legal requirements of the Act, reviewing policies, updating procedures and ensuring compliance with the new framework for enforcement, union access and recognition.
- **Engagement strategy (strategic and proactive).** Other organisations are strengthening employee engagement and internal voice mechanisms to reduce vulnerability to union organising activity by ensuring employees feel heard and supported within the organisation.
- **Direct engagement (strategic but defensive).** Some employers may seek to maintain direct relationships between management and employees, complying with the legislation while aiming to minimise the role of unions within the workplace.
- **Reactive or denial response (operational and reactive).** Some organisations may adopt a wait-and-see approach, reacting only when required rather than developing a clear employee relations strategy in response to the legislation.
- **Paradigm shift.** A smaller number of organisations are using this moment as an opportunity to rethink the employment relationship more fundamentally in light of wider changes in work, including technological change and evolving employee expectations.

**It is important to emphasise that there is no single correct response.** Organisations may adopt multiple approaches depending on their context, including factors such as workforce structure, organisational culture, operational pressures and existing employee relations arrangements. The framework should be seen as a 'map, not the territory.'

# PRACTICAL NEXT STEPS FOR EMPLOYERS

- 1. Conduct a structured review of the legislation.** Map the provisions of the Employment Rights Act across the organisation to understand where current policies and practices already align and where changes may be required. A structured impact assessment can help prioritise areas of highest operational or legal risk.
- 2. Define a clear employee relations strategy.** Avoid a purely reactive or compliance-led response. Senior HR leaders should clarify the organisation's overall approach to employee relations in light of the legislation, including how it will balance legal compliance, employee engagement and organisational strategy and goals.
- 3. Strengthen employee engagement and voice mechanisms.** Union recognition efforts often gain momentum where employees feel unheard or dissatisfied with organisational decisions. Reviewing employee voice channels, communication practices and engagement approaches can help address underlying issues before they escalate.
- 4. Review union relationships and recognition arrangements.** Organisations with recognised unions should ensure recognition agreements and consultation arrangements are clearly documented and understood. Where unions are not currently recognised, employers should consider how they would respond to potential access or recognition requests.
- 5. Prepare managers for increased legal and operational risk.** Changes to probationary periods, unfair dismissal rights, redundancy consultation requirements and harassment prevention duties will increase the importance of consistent and informed management decisions. Organisations should review manager capability, guidance and training in key areas of employee relations.
- 6. Plan for operational implications in workforce management.** Employers should assess how provisions affecting zero and low hours workers, shift changes and guaranteed hours may affect workforce planning and scheduling models, particularly in operationally complex environments.
- 7. Focus on prevention and early resolution of workplace conflict.** Individual workplace disputes are widespread and costly even when they do not reach formal processes. Equipping managers to address concerns early and strengthening informal resolution approaches can help reduce escalation into formal grievances or legal claims.
- 8. Monitor developments and adapt over time.** Many elements of the legislation will continue to evolve through regulations, guidance and case law. Employers should treat implementation as an ongoing process and continue to monitor developments while sharing learning across their organisations and networks. Organisations should also engage positively in ongoing consultation processes with government. Trade bodies are often a useful channel for this.

