

GOING VIRAL: SOCIAL MEDIA, AI AND THE NEW ER PLAYBOOK



CONTENTS

About this research	3
Executive summary	4
1. Introduction: the shifting interplay of interests, structures and networks	5
2. Five forces reshaping employee relations	6
3. The evidence from practice: Four case studies	10
4. What the cases teach: The new playbook	14
5. What this means for the ER function itself	16
6. The action agenda: Three horizons	17
7. Open questions	20
References	21

ABOUT CRF

Corporate Research Forum (CRF) is a research-led learning network dedicated to building the capability of HR leaders and their teams to drive organisational performance.

Through more than 30 years of research and practical expertise, we have developed a deep understanding of the ways HR can contribute to business outcomes – what works, what doesn't and in what circumstances. We support our network of over 275 organisations through an evolving programme of evidence-based insights: delivering expert led events, facilitated peer exchange, personalised and timely answers through our AI research tool and impactful technology-enabled learning – all informed by research and shaped by practice. Our focus enables HR to become a more strategic, future-ready function delivering consistent and measurable value tailored to the needs of your organisation.

ABOUT THE AUTHOR



NICK DALTON is the founder of Herrliberg Consulting, former EVP HR at Unilever, and co-author of *H(R) evolution* (Routledge, 2019). A fuller treatment of the argument appears in *The Fractured Network* (CRF) and the forthcoming *Paradox HR*.

EXECUTIVE SUMMARY

For more than a century, employee relations has been viewed through two lenses: **interests** and **structures**. Whose interests are at stake, and through which structures should they be reconciled? This report argues that a third factor now determines how employee relations works. This is the **informal network** – who employees trust, who shapes their views, and how information and sentiment spread through the organisation.

That network has always been present, working invisibly, but has been weakening for years. Successive waves of restructuring have removed the long-tenured “connectors” who did the organisation’s interpretive work, helping colleagues understand what an announcement really meant and resolving tensions before they became formal disputes. Social media is filling the vacuum, becoming the place where employees make sense of work, benchmark their employer and organise their discontent – quickly and publicly, often without any means of resolving the underlying issues. AI is now arriving on both sides of the employment relationship at once. Employers are deploying AI assistants at the interface where trusted colleagues once stood, while employees use the same tools to research, draft and escalate grievances at unprecedented length and pace.

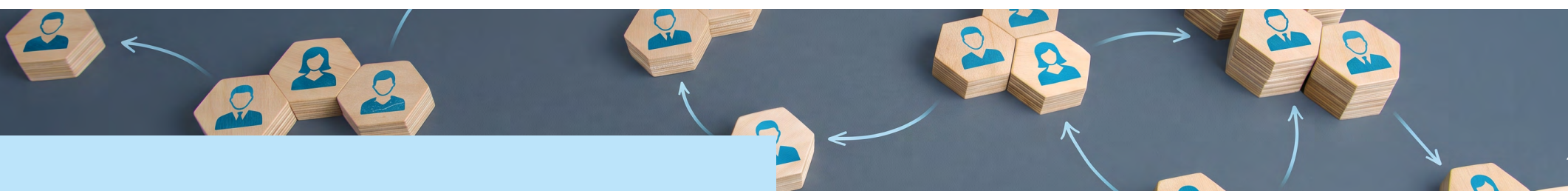
The four case studies at the heart of this report show what this looks like from inside, and they highlight three factors:

First, they highlight the importance of informal networks in distinguishing **noise** from **risk**. In the past, genuine risk outweighed noise, because the informal organisation filtered issues before they became formal. That relationship has inverted. Noise now exceeds underlying risk, and at sufficient volume, noise itself creates risk. One case reported a twenty-page grievance accompanied by a zip file of email correspondence analysed by AI; another, a “27-page ChatGPT letter” where a half-page representative’s letter once sufficed. At the same time, social media has shifted power away from employers *and* unions alike. Neither can control the conversation as they once did.

Second, they show that a **new playbook** exists, and it can take more than one form. Our financial services case has gone furthest in building a *designed* network of volunteer squads, culture catalysts, learning communities and thousands of AI champions. These are supported by data dashboards and connected to leaders with authority to act, with the unions brought inside the change rather than consulted after it. Our passenger transport case has rebuilt the network by deliberately *human* means: replacing appraisals with conversations, holding briefings in depots and tying manager bonuses to engagement. The guiding principle is “it’s all about the informal. If we are in grievance and discipline, we have lost.” The two approaches look different but follow the same logic: rebuild the connective tissue, wire it to resolution, and then measure it.

Third, they are realistic about **constraints**. Our logistics case recognises the new playbook but judges it “too big a leap at the moment” for a stressed, cost-constrained business in the middle of structural transformation. That candour matters, as the gap between awareness of what needs to change and capacity to deliver is the reality for most organisations. The report’s recommendations focus on practical steps they can take within those constraints.

The report closes with a new playbook of **seven practices** distilled from the cases. It highlights what it means for the ER function itself, which faces the same pressure to do more with less as the workforces it serves. The practical agenda covers three horizons: what any ER function can do this quarter with what it already has; how to rebuild the connections over one to two years; and how to redesign the system in the longer term. This requires treating the informal network as the primary asset and focus of employee relations because, as our cases show, everything else now depends on it.



1. INTRODUCTION

The shifting interplay of interests, structures and networks

Employee relations has a well-established grammar of its own. Identify the **interests** at stake and design the **structure** to reconcile them. The paternalist **welfare schemes** of the early twentieth century, the **collective bargaining** machinery of mid-century, the **grievance procedures, works councils** and **engagement surveys** that followed — these are very different answers, but they share the same underlying approach: identify the interests, then work them through bespoke structures.

That grammar worked because the structures rested on dense, trusted informal relationships. The canteen, the shop floor and the long-service veteran told people what an announcement ‘really meant’, absorbed friction before it became formal, and made consultation credible when it happened. Organisational research has understood the power of this informal layer for decades: Granovetter’s foundational work showed that it is often the “weak ties” between groups that carry the most consequential information (Granovetter, 1973), and Krackhardt and Hanson described the informal network as “the company behind the chart” — the place where work and meaning actually flow, whatever the organogram says (Krackhardt and Hanson, 1993). These informal relationships were largely taken for granted, with little explicit recognition of the effort needed to sustain them or the risk that they might weaken.

Our contention is that this third element, the **informal network**, which is so often just assumed or understood, now determines whether employee relations works at all. Even with a clear view on interest, and the best designed structures and processes, without attention to networks, the whole edifice collapses. In most large organisations these networks have been quietly coming apart for years. Social media has filled the vacuum that has been created, taking over the sense-making role. AI is now arriving on top.

The rest of this report is about what that means and what to do about it.

One of our interviewees put the practical consequences starkly. His organisation’s employee relations, he said, is now governed by the difference between **noise** and **risk** – yet the machinery his function inherited was designed for an era when informal networks helped distinguish between the two before issues reached the ER team. It no longer works, “and a new playbook is needed now.” Another, from a very different industry, arrived at the same destination from the opposite direction: “It’s all about the informal. If we are in grievance and discipline, we have lost.” This report considers the implications of what sits between these two quotes.

ABOUT THE RESEARCH

This report is the product of:

- a desk review of the academic and practitioner literature on employee voice, social media, organisational networks and AI at work.
- in-depth interviews, conducted in July 2026, with senior employee relations and people leaders in four large organisations: an energy company, a financial services company, a logistics company and a passenger transport company. Each interview summary was shared back with the interviewee for confirmation.

The case organisations are deliberately not named. Each employs tens of thousands of people in the UK. They span the full range of employee relations contexts, from largely non-unionised professional workforces to some of the most highly organised industrial environments in the country. Direct quotations are drawn from the interviews. References are listed at the end.

The report is written for senior employee relations leaders in the UK, and for anyone interested in how the connective tissue of organisations is changing. It is practitioner-led: the argument was tested against practice, and practice has amended the argument. Where the two conflict, we have sided with practice.

2. FIVE FORCES RESHAPING EMPLOYEE RELATIONS

2.1 Restructuring removes the connectors

In any organisation, a handful of people carry most of the connections. Network researchers have repeatedly found that information flow, influence and even innovation depend disproportionately on these brokers who span the gaps between groups (Burt, 2004; Cross and Parker, 2004). They are the people everyone goes to when they want to know what is really happening.

Ongoing restructuring since 2008 has disproportionately removed these people, who tend to be expensive, long tenured and often hard to justify on a spreadsheet. Each reorganisation then does more damage than the last, because fewer connectors remain to absorb the shock. Complete's organisational network analysis shows how vulnerable organisations can become when connectivity depends heavily on a small number of people. "Across our client work, we see examples of fragmented networks, disconnected groups and disproportionate reliance on key connectors – patterns that can create significant risk when those people leave or organisational structures change."

The damage remains hidden at first, because old relationships persist in memory and habit after the organisation chart has moved on. We call these **ghost networks**. Everything appears to work until the people holding them retire or leave at which point the loss becomes suddenly apparent, often misdiagnosed as a problem with engagement, management capability or leadership.

The interviews bore this out in detail. In the energy company, the ER leader described the old networks as trusted colleagues, representatives and line managers – the people who were an employee's first port of call and who brought context and nuance to a problem. Those networks have faded. "The human interface has gone." In the passenger transport company, management ratios of one to 150 meant that the only conversations managers had with staff were disciplinary ones. "No one ever talked to anyone to tell them they were doing a good job." At those ratios managers had neither the time nor the knowledge. This has often been made worse by the trend to outsource or automate the first line of HR response.

2.2 Social media took over the sense-making

Into the vacuum came social media. The academic evidence is now substantial: WhatsApp groups, Reddit threads, review platforms and internal anonymous channels have become voice mechanisms in their own right, making employee sentiment visible to large audiences and giving people direct access beyond their line manager (Khan and Wilkinson,

2026). The pandemic made these channels permanent (Khan, Mowbray and Wilkinson, 2025), and some unions are learning to organise through them (Carneiro and Costa, 2022; Flanagan and Walker, 2021).

However, giving employees a greater voice on social media does not, by itself, improve workplaces. Without mechanisms to address the issues raised, the noise amplifies while the underlying issues remain unresolved (Yang and Zhang, 2025, cited in Khan and Wilkinson, 2026). Non-unionised workplaces can be particularly vulnerable to this. Views can spread quickly outside the organisation's awareness, with no clear responsibility for responding.

Where grievances are strong and internal mechanisms are lacking, workers are using social media to build the institutions themselves. At Starbucks in the United States, the union campaign that began in a single Buffalo store in December 2021 spread across hundreds of branches, with twenty-one stores certified in a single day at one point. Baristas organised through Instagram, TikTok and group chats, with the established union arriving to support a movement rather than create one.

Similar developments have taken place at white-collar level in the technology sector. Some 20,000 employees worldwide joined the 2018 Google walkout, organised in under a week through internal channels. The minority Alphabet Workers Union followed in 2021 and at Microsoft's ZeniMax studios, quality-assurance workers used digital card-signing under a neutrality agreement to establish the company's first US union in 2023. They have since negotiated one of the first collective agreements covering the use of AI in the workplace.

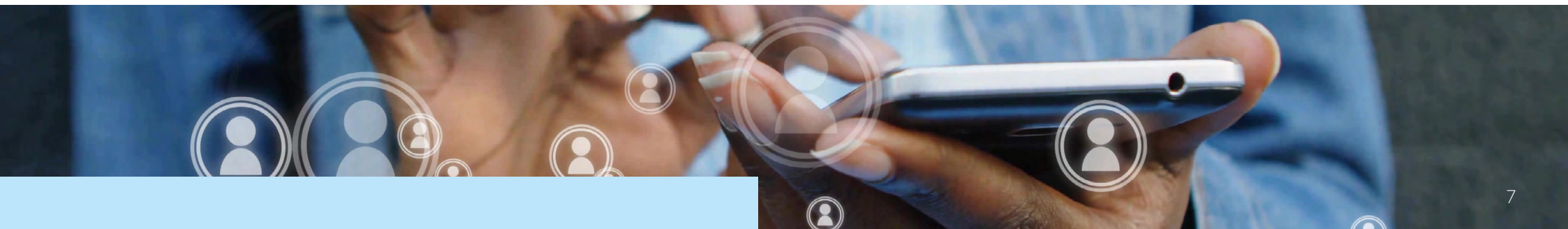
These examples show how digital channels enable employees to mobilise outside established structures. The tools to connect colleagues and coordinate action are already in employees' hands.

This is an uncomfortable lesson for UK employers, particularly non-union employers: a workforce without a union still has collective capability. Self-organisation no longer

needs institutions, only a shared channel and a shared grievance. It can produce counterparties that are digitally native, media-fluent and, at least initially, answerable to no established bargaining relationship. From October 2026, statutory access rights will also give established unions a route into the same channels. The strategic question for employers is whether the first collective conversation in their organisation happens through mechanisms they helped design, or in a group chat they discover afterwards.

The case studies confirmed this and added a further finding: **the loss of control is symmetrical**. The logistics interviewee said that social media has shifted the power dynamic away from union and employer alike. "Both are losing control of their respective narratives." His organisation's recognised unions, trying to engage thousands of members through social channels and open live-streamed meetings, are "wrestling with how to handle it" and lack the necessary communications and technology skills. Employees who might once have sought a representative's advice before raising a grievance now post directly on social media. The passenger transport interviewee said: "Historically people would have been counselled by a rep; now, with social media, micro-issues get amplified." This makes it harder for the organisation to "nip things in the bud" before they escalate.

There is an upside for practitioners. The same channels that generate the noise also provide the richest sentiment data employers have ever had with access to a broader range of voices than ever come through union representation or an annual survey. The logistics company reads themes on its internal forum and checks them against the union dialogue, seeing where member sentiment diverges from union positions. This provides a lens into the workforce – and into internal union politics – that were previously unavailable. Our financial services case has built this into its operating model: big company announcements routinely attract open comments, and the people function treats the resulting information as an asset. "Information here has never been as good, and visibility of what actions to take has never been clearer."



2.3 The employment deal is being renegotiated in public

The old social contract between employer and employee is shifting, and the negotiation is happening online. A recent study of nearly one and a half thousand Reddit discussions about AI and job displacement found workers collectively working out what AI means for their security, dignity and worth and reaching conclusions that often contradict what their employers say (Shekhar and Saurombe, 2026).

Employer monitoring can further undermine trust. The proportion of large employers using worker-tracking tools roughly doubled between the start of the pandemic and 2022, reaching around six in ten (Gartner, 2022). Employees may interpret monitoring as a sign of distrust, particularly when it is covert or poorly explained (Mateescu and Nguyen, 2019). Review platforms also make it easier for employees to compare their experiences and share concerns when they feel their employer has failed to meet its commitments. These developments come at a time of growing pressure on formal dispute resolution, with Acas early conciliation cases reaching record levels (Acas, 2025).

The interviews highlighted two further developments. The first concerns employees' shifting perceptions of what work should be, combined with limited understanding of the consequences of expressing dissatisfaction on social media. Our passenger transport interviewee characterised this as a mix of "entitlement plus fear" and stressed the importance of understanding where employees get their advice. Second is the pace of external escalation. Our energy case described that employees are turning to early conciliation and subject access requests far sooner than before, often using AI to build momentum of escalation and in drafting the paperwork.

2.4 AI arrives on both sides at once

Not every organisation is deploying AI at scale, but the cases show that where AI arrives, it affects *both sides of the employment relationship simultaneously*.

On the employee side, generative AI has become a grievance amplifier. Our energy case described issues that would once have been resolved through a quiet conversation now arriving as sometimes lengthy documents. In one instance a twenty-page grievance followed by a zip file of email correspondence analysed using AI. Our logistics case reported a "massive increase in both spurious claims and the time and resource needed to process them". The cost of case management is rising accordingly.

Employees who might once have sought advice from a trusted colleague can now turn to AI to help build their case, with the AI often reinforcing rather than questioning their views. As our energy interviewee observed, AI "plays to the employee's desires depending on how it is prompted". Its responses can be persuasive, but lack the context and judgement a colleague could bring. The AI advice is highly subjective to the perspective of the employee interfacing with it.

On the employer side, AI assistants are being installed at the interface where the trusted colleague once stood. They may be a cost-effective way of managing the new levels of demand, but risk amplifying the problem if not managed thoughtfully. Our energy company is rolling out an AI "super agent" to initiate and answer employee questions. It is already reducing the need for the "information broker" roles that were once prevalent, thus removing more of the organisation's human connective tissue, whilst focusing HR resources to where higher risk and complexity sits within cases.

Those deploying AI recognise the dilemma: employees increasingly seek advice outside the organisation, often from AI tools that lack a colleague's understanding of the



workplace. The same organisation is exploring whether AI could help employees resolve concerns before they escalate, for example by coaching them to discuss the issue with a colleague first. However, this remains “a real dilemma to which a solution is not yet available.”

The early research evidence supports the practitioners’ unease. AI agents behave less like tools than participants in working relationships and deployments succeed or fail largely according to the health of the informal network in place. Deployments can damage that network further, by routing work through formal pathways and bypassing the connectors.

For employee relations the timing is particularly difficult. AI can weaken the informal networks that support consultation while driving restructuring that makes consultation necessary. The pace of change risks outstripping established processes and the capacity of ER teams to respond.

2.5 The UK institutional context is raising the stakes

These four forces would matter anywhere. In the UK, changes to employment regulation and pressure on dispute resolution systems are raising the stakes, creating risks for the wider business that require senior leaders’ attention.

The most immediate change is the new statutory framework for union access.

The Employment Rights Act’s access provisions, which give unions rights of entry to workplaces for recruitment and organising purposes – including *digital* access – take effect from October 2026. For highly unionised employers this changes the terms of an existing relationship; for largely non-union employers it is new territory. Our energy case, largely non-unionised in the UK, said the change makes the territory “contentious now”

and highlights the importance of key partnerships. Digital access means unions will exercise their new rights in the internal channels, communities and networks discussed throughout this report. Employers therefore need to understand how these networks operate and consider how unions might use them before the new rights take effect.

Second, dispute resolution systems are already overwhelmed. Acas early conciliation cases are at record levels (Acas, 2025) and tribunal backlogs remain long. Our cases suggest that AI is adding to this pressure by making it easier for employees to submit claims and produce extensive supporting material. A free AI assistant can draft in an evening documents that might previously have required help from a solicitor or experienced representative. Neither dispute resolution bodies nor most ER teams are resourced to handle the resulting increase in volume and complexity.

Third, the boundaries of acceptable conduct in the digital channels where employees share views about work are not always clear. UK tribunal cases illustrate the risks: employers have been held liable for discriminatory remarks in colleagues’ WhatsApp groups outside working hours (Abdi v Deltec, 2021), while unclear policies on whether WhatsApp counted as social media have contributed to findings of unfair dismissal (Nigro v Knightsbridge, 2022). Our case study organisations broadly favour a similar approach: specify which channels policies cover, set clear standards on bullying and harassment, and allow employees space to express their views within those boundaries.

Finally, organisations with European footprints face more demanding consultation requirements under the revised European Works Council framework, including the requirement for a reasoned written response to consultation before decisions are finalised. This comes as AI compresses the timetable for change, leaving less time for consultation. The gap between the speed of the technology and the organisation’s capacity to consult effectively is where the next generation of high-profile disputes will be born.

3. THE EVIDENCE FROM PRACTICE

Four case studies

The four cases below are presented anonymously, in a common format: the context, what is happening, what the organisation is doing, and what we take from it. They were chosen to span the range of UK employee relations contexts – from a largely non-unionised professional workforce to two of the most densely organised industrial environments in the country. They also span the range of strategic positions set out in this research: one case articulates the diagnosis, one shows the new playbook built digitally, one shows it built through human relationships, and one shows what it means to see the playbook clearly and not yet be able to reach it.

CASE STUDY A

Energy: noise and risk have swapped places

CONTEXT. A large, diversified energy business operating across multiple UK locations, with a mix of direct and indirect unionised and non-unionised arrangements. The ER approach sits within a wider strategy and culture agenda anchored in commercial input: unless there is clear ER risk, the question is why an issue should not be dealt with through the line.

WHAT IS HAPPENING. The organising idea, set out in an internal paper, is the distinction between **ER noise** and **ER risk**. In the past, genuine risk outweighed noise: the informal fabric filtered issues before they became formal, so the old playbook came with a built-in risk/noise filter. That relationship has now inverted. Noise exceeds underlying risk, and at sufficient volume the noise itself starts to generate risk. The change is visible both in the shape of individual cases, such as a twenty-page grievance accompanied by a zip file of AI-analysed email, and in where they land. Noise can now travel all the way to the C-suite, raising an uncomfortable question about senior management's own noise tolerance. The old networks of trusted colleagues, reps, line manager, were once the first port of call and did the interpretive work. That first port of call is now often external, and increasingly it is AI: "the human interface has gone."

WHAT THEY ARE DOING. The response has three strands. The first is *rebalancing towards relationships*, focusing on high-risk areas, ensuring business leaders build relationships across the UK sites, reframing and upskilling the representative role

through individual coaching, and in clarifying and investing in the roles of collective groups. The approach emphasises relationships ahead of structure and process. The second is *making ER data-driven*. An eleven-question diagnostic, covering legal risk and complexity, graded low/medium/high, is being used to measure the risk and complexity to weed out the "noise" and build a systematic dataset. The ambition is to create a "leader cockpit" that puts listening data alongside attendance and performance, with attrition monitored as a complementary signal. The third is *deploying AI deliberately on both sides of the problem*. An AI assistant answers employee queries and an internal agent built on the risk questionnaire supports the ER community with diagnosing concerns, including exploring whether AI can *counter* escalation by coaching employees towards conversation rather than formality. Moderation of internal social media channels is deliberately light and supports freedom of expression. HR intervenes only where content clearly crosses the line into bullying and harassment.

WHAT WE TAKE FROM IT. This case shows how the loss of informal networks can lead to an inversion of the noise/risk trade-off. The response – build a *deliberate* filter (with data, diagnostics and coaching to enable managers to respond) – replaces the informal one the organisation used to rely on. We suggest this deliberate approach should be the core of any new playbook. It is also important to acknowledge that the noise/risk dilemma "does not yet have a solution."

CASE STUDY B

Financial services: the designed network, wired to data

CONTEXT. A major financial services company with a large UK workforce, a recognised bargaining union of some 30,000 members, and a change agenda dominated by AI and skills has adopted an approach based on strength rather than crisis.

WHAT IS HAPPENING. Technology has democratised employee voice, giving employees more scope to express their views and connect directly with colleagues. There is “no off button”. Major announcements can attract many thousands of open comments, employees create and share short videos in internal communities, and employee inclusion groups organise their own communications. This has changed how employee relations operates.

WHAT THEY ARE DOING. This case is the fullest expression we found of the *build* response. A family of designed networks, including workplace squads, culture catalysts, cross-divisional hub leads, technology “ninja” communities and around 1,200 AI-champion volunteers (roughly two per cent of the organisation, used actively in AI rollouts to de-risk them), is deliberately resourced and given real work to do. The networks are enabled by data. An annual survey, a pulse reaching half the organisation every two months, ad hoc tracking, active listening exercises on live issues and dashboards at every level mean “I can tell you where the disengaged people are.” Listening leads to action, and the standard is explicit: “we are clear about what good looks like around here.”

Representation takes place within change programmes rather than consulting once decisions have been taken. A recognition and skills deal established a strategic skills council with full representative visibility, a business school has been jointly instructed to research what holds people back and union skill champions provide a bottom-up view. The senior leadership team involves the unions and people forums precisely so they hear strategic intent first-hand. The underpinning doctrine is about narrative: “in this day and age you have to work really hard on the ‘why’, so that no one else fills the vacuum. We have to own the ‘why’.” The leadership conditions are explicit: this is “not a lone sport”; the top team must have your back; and – critically for listening at scale – “the leadership team are readied for bad news.”

WHAT WE TAKE FROM IT. This is an example of the third element of the playbook set out in chapter 4 – *build* – by designing networks that overlap deliberately with the real ones (volunteers, enthusiasts, self-organising groups). Design elements include building sensing capability through connecting to dashboards and sentiment channels and wiring to authority (leaders and cultural levers such as bonuses). It also demonstrates that designed networks can carry things back, not just broadcast messages out. In this case, the AI champions network is used at scale on practical implementation and to build confidence and not just a communications channel.

CASE STUDY C

Logistics: social media changing the narrative on both sides simultaneously

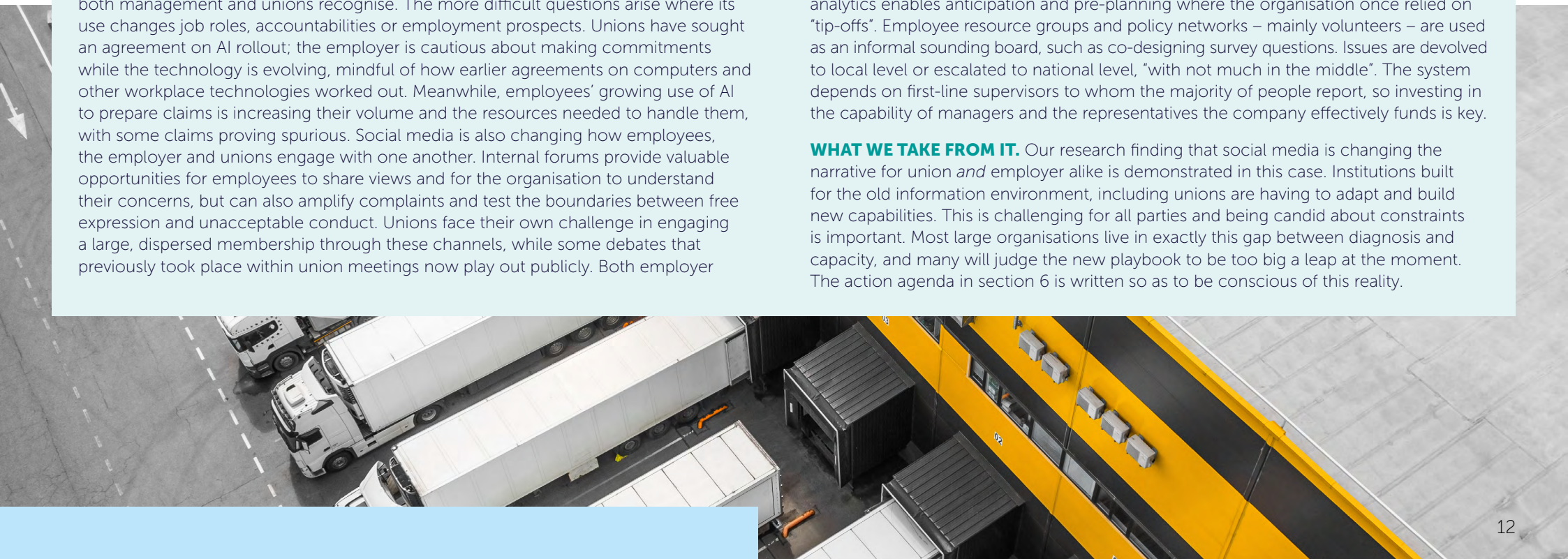
CONTEXT. A large UK-based logistics company with a geographically dispersed, highly unionised workforce. It operates in a high-volume, low-margin market and is undertaking structural change as demand shifts from established services towards growth areas. This combination of operational, financial and organisational pressures limits its immediate capacity to invest in wider employee-relations innovation.

WHAT IS HAPPENING. The dilemma plays out with, on the one hand, AI already in use across the organisation, offering opportunities to improve operations and services that both management and unions recognise. The more difficult questions arise where its use changes job roles, accountabilities or employment prospects. Unions have sought an agreement on AI rollout; the employer is cautious about making commitments while the technology is evolving, mindful of how earlier agreements on computers and other workplace technologies worked out. Meanwhile, employees' growing use of AI to prepare claims is increasing their volume and the resources needed to handle them, with some claims proving spurious. Social media is also changing how employees, the employer and unions engage with one another. Internal forums provide valuable opportunities for employees to share views and for the organisation to understand their concerns, but can also amplify complaints and test the boundaries between free expression and unacceptable conduct. Unions face their own challenge in engaging a large, dispersed membership through these channels, while some debates that previously took place within union meetings now play out publicly. Both employer

and unions retain influence, but must exercise it in a more open and less predictable information environment.

WHAT THEY ARE DOING. The organisation values direct access to sentiment which is now available to it. Broader voices than come through the union or the survey are now heard, checked for consistency against the union dialogue. This enables direct engagement with a workforce, across numerous management layers, who mostly have no formal IT access, which can make the unions nervous. A hotspot strategy built on data analytics enables anticipation and pre-planning where the organisation once relied on "tip-offs". Employee resource groups and policy networks – mainly volunteers – are used as an informal sounding board, such as co-designing survey questions. Issues are devolved to local level or escalated to national level, "with not much in the middle". The system depends on first-line supervisors to whom the majority of people report, so investing in the capability of managers and the representatives the company effectively funds is key.

WHAT WE TAKE FROM IT. Our research finding that social media is changing the narrative for union *and* employer alike is demonstrated in this case. Institutions built for the old information environment, including unions are having to adapt and build new capabilities. This is challenging for all parties and being candid about constraints is important. Most large organisations live in exactly this gap between diagnosis and capacity, and many will judge the new playbook to be too big a leap at the moment. The action agenda in section 6 is written so as to be conscious of this reality.



CASE STUDY D

Passenger transport: re-humanising the network

CONTEXT. A passenger transport company with some 34,000 employees across a dozen operating units, a dispersed depot-based frontline workforce, long legacy and tradition, and a starting point of 80 depots with a toxic culture that “had to be unpicked”.

WHAT IS HAPPENING. The same forces highlighted elsewhere appear here: micro-issues amplified by social media where a rep would once have counselled; a reduced ability to “nip things in the bud”; a generational shift in what people expect work to be, overlaid by inexperience of social media contexts. Our interviewee advised being careful about signal and amplification. It’s important to see through the noise, recognise “entitlement plus fear” and always ask where people are getting their advice. He also described the breakdown of coordination between institutions in a single sentence: “we deal with our noise, the unions deal with their noise; we bump into each other as a consequence.”

WHAT THEY ARE DOING. The approach involves rebuilding the network by deliberately human means. The turnaround began with systems-thinking sessions in every depot which surfaced a people-driven diagnosis, including issues with facilities, over-engineered HR processes, 1:150 management ratios, uniforms, the union relationship and the canteen. Fourteen bottom-up initiatives were launched, piloted in eight depots chosen to “begin to tip the system”. They were then implemented into every depot with coaching support: “let’s help you put it in.” Appraisals have been replaced by conversations. Four action-orientated employee surveys happen annually

with a visible “you said, we did” loop. When metrics flag a problem the response is one-to-ones and depot briefings, because “this cannot be done digitally – you just get noise when you do.” Manager bonuses are linked to engagement, which is treated as the pivot for safety and operational performance. This logic is supported by the engagement and service-chain literature (Harter, Schmidt and Hayes, 2002; Heskett et al., 1994; MacLeod and Clarke, 2009). Measurement includes emotions, engagement, empowerment and inclusion, and the tests are deliberately human. Questions asked include: “are people looking in the eye and smiling in a depot? Do people show care?” The strategy is straightforward. It fits on a page and works at every level. The aspiration is “hard outcomes by doing the soft stuff well”, pursued systemically over time. “Stop thinking about interventions, think about outcomes.”

WHAT WE TAKE FROM IT. This case, which emphasises the importance of informal systems (“If we are in grievance and discipline, we have lost”) supports this report’s thesis. Formal ER machinery is not where employee relations succeeds; invoking it provides evidence that the informal system has already failed. This case also corrects any assumption that the new playbook must be digital. Here the network is being rebuilt through lower management ratios, conversations, canteens and eye contact. The obstacles identified also need to be addressed. These include HR’s own capability, still oriented to compliance and problem-solving rather than transformation, and the need to invest in management education around people, culture and collective-teaming capability.

4. WHAT THE CASES TEACH

The new playbook

Together, the four cases describe an old playbook and a new one. The old playbook assumed the informal organisation would sort signal from noise naturally, that employee voice would arrive through representatives and surveys at a manageable pace, and that formal process was where employee relations happened. Every one of those assumptions has failed. What replaces them is visible, in different stages of completeness, across the cases. Our research suggests seven practices characterise the new playbook.

1

Distinguish noise from risk – and build the filter you have lost.

The informal organisation used to filter free of charge; now the filter must be built deliberately. The energy case shows what that looks like: a graded diagnostic, a dataset built on it, an ambition to combine listening data and operational metrics in a leader dashboard, tracking attrition alongside noise. The logistics case's hotspot analytics, replacing "tip-offs" with anticipation, shows the same practice at an earlier stage. Without a deliberate filter, escalating noise is read as escalating risk, and scarce senior management attention is diverted from what matters most. Part of the discipline is a conscious noise-tolerance decision at the top.

Test yourself: when an issue reaches your executive, can you say, with data, whether it is noise or risk? If not, the loudest channel is setting your agenda.

2

Meet the first port of call where it now is.

The first call is no longer the line manager or the representative, it is the phone, and increasingly the AI tool on it. This is the new ER reality. The energy case's exploration of coach-first AI – an assistant that counsels a sit-down conversation before raising a grievance – is the most direct attempt we found to rebuild the counselling function the informal network used to perform, in the channels where employees now actually are. While this approach does not solve the issue, it suggests a general design principle: whatever stands at the interface between employee and employer must be wired towards de-escalation and human connection, not towards process.

Test yourself: trace the journey of an employee with a 9pm worry. Where do they go first for resolution, and what does it steer them towards?

3

Read the network – and police it only at the edges.

All four cases have concluded, in different ways, that the sentiment now visible on internal and external channels is an asset worth more than the discomfort it causes. The practical stance that follows is consistent: moderate lightly, intervene

only where the bullying-and-harassment line is at risk of breach, lean towards freedom of expression and read *everything* systematically, treating themes as early warning and checking them against what the formal machinery is saying. Open commentary also requires speedy rebuttal, which is the fastest counter-misinformation tool an employer has. Employers need to take into account how the legal boundaries are shifting (see Abdi v Deltec, 2021; Nigro v Knightsbridge, 2022 re employer liability for colleagues' WhatsApp messages). The day-to-day work is to monitor and act on what emerges. **Test yourself:** *who in your function read your organisation's channels yesterday – and what would they have done with a theme if they had found one?*

4 Design networks explicitly – and wire them to resolution, not just to broadcast.

Our research began by questioning whether designed networks (champions, squads, hub leads) coincide with the real network and whether they are adequately connected to leaders. The financial services case shows this can be true and provides a design template: recruit volunteers and enthusiasts (who are disproportionately the real connectors), give the networks real work (de-risking AI rollouts, co-creating solutions, shaping survey responses rather than distributing posters), and connect them to dashboards and decision-makers so that what travels through them can be acted on. The logistics case applies the same logic in miniature with its policy networks. The test of a designed network is whether things come *back* through it. **Test yourself:** *name the last decision your organisation changed because of something a champion, squad or hub lead brought back. If no example comes, you have built a broadcast channel.*

5 Own the “why” – or someone else will fill the vacuum.

When employees can share views quickly and publicly, organisations need to explain decisions clearly and follow through on their commitments. Our financial services case emphasises the value of explaining the “why”, treating people with care and being honest about progress and difficulties. Our passenger transport case makes a similar point: the strategy should be clear enough to explain on one page, and managers at every level should understand why the people agenda matters. Credibility depends on employees seeing consistency between what leaders say and what they do. **Test yourself:** *could a first-line supervisor explain, in a minute, why the current change is happening? If not, employees may look elsewhere for an explanation.*

6 Bring representation inside the change.

The cases display the full spectrum of union behaviour: from seeking control of rollout, through nervousness of the employer's new direct reach and, at the far end, unions with structural visibility of changes in customer behaviour which are driving the skills agenda, jointly commissioning research and co-owning an employability proposition their members want. Our conclusion is that both parties need to be moving towards this end of the spectrum. Where customer and technology driven change is coming regardless, unions must choose between controlling a rollout and equipping its members for it. The employer's choice is between consulting a nervous counterparty after decisions have been taken and giving a partner opportunity to influence decisions beforehand. New statutory union access rights, including digital access, take effect from October 2026. This raises the stakes on getting this relationship right, for non-union employers most of all. **Test yourself:** *what do your representatives (or, absent unions, your elected forums) know about your AI roadmap that they did not learn from a formal consultation document?*

7 Re-humanise – the informal is the point.

The passenger transport case shows networks can be rebuilt with almost no technology through conversations instead of appraisals, briefings in depots, manager ratios that permit meaningful connection, engagement metrics included in every manager's bonus and care made visible and measured. It provides a warning that the metrics-and-dashboards element of the new playbook is inadequate without the human angle: “you just get noise when you do it digitally.” Our cases show that digital and human are not alternatives to choose between. The financial services case succeeds because its digital networks are made of volunteers and enthusiasm; the passenger transport case measures its human system with quarterly data. Combine relationships with measurement and treat the instigation of a formal process as a signal of relationship breakdown. **Test yourself:** *what proportion of your managers' conversations with their people are about performance problems? If the honest answer is “almost all”, you are heading towards the 1:150 model.*

Finally, we find that each of the seven actions relies on a consistent leadership condition. Engagement-led ER cannot be run from the people function alone. The top team must recognise the strategic need, hold the narrative, and be *readied for bad news*, because listening at scale is only worth doing if leaders are prepared to hear what comes back. HR must confront its own capability gap. A function still organised around compliance and case management will become irrelevant, faithfully operating the old playbook while the network it depends on disappears.

5. WHAT THIS MEANS FOR THE ER FUNCTION ITSELF

The new playbook also has to be applied to the ER function itself. Four implications follow.

1 The function will shrink, so it must co-create.

One of our interviewees was blunt about the direction of travel: by 2030, the expectation inside his organisation is that HR will cost around fifty per cent less. Whatever the precise number proves to be, the direction is not in doubt, as AI absorbs the transactional and advisory work on which large ER and HR teams were built. Our energy case has already seen an AI assistant reduce the need for the “information broker” roles that once populated the function. A function half the size cannot run the old, labour-intensive playbook: handling cases, administering procedures and running consultations. It can only work by co-creating – equipping line leaders and representatives, designing networks and (carefully) using AI itself to do the connective work. What remains is a smaller expert core doing what only experts can: judging risk, designing the system, and handling the hardest cases. The choice, as our interviewee framed it, is whether to co-create before shrinking or after.

2 Capability is the constraint, at every level.

The cases kept returning to capability rather than structure. The passenger transport case required investment in management capability because 1:150 ratios made relationships impossible. The logistics case shows first-line supervisor capability – many thousands of people report to them – as “key” and extends the same concern to its representatives. The energy case is individually coaching reps and investing in stronger partnerships between them and business leaders. Every organisation making progress is investing in the *people who carry the network* –

managers, supervisors, reps, champions – rather than on ER process. The research base supports our finding that this is where the leverage is: the quality of the near relationship drives engagement and its operational consequences (Harter, Schmidt and Hayes, 2002; MacLeod and Clarke, 2009).

3

The function needs data capability it has never been asked for.

Noise/risk diagnostics, hotspot analytics, sentiment themes read against union dialogue, pulse data at organisational scale, leader dashboards. The new playbook runs on data, but most ER teams were not built to produce or consume it. Few ER professionals need to become analysts, but the function needs access to analytical capability, a disciplined taxonomy (what counts as noise, what counts as risk, what gets graded and how), and leaders who can hold their own in a conversation about what the data does and does not show. The alternative – instinct plus anecdote – is inadequate in the new reality where counterparties increasingly arrive with AI-generated evidence packs.

4

The function must stay human as it does all this.

The loudest warning in our evidence came from the practitioner furthest down the re-humanising road. HR capability itself “gets in the way” when the agenda is still compliance and problem-solving rather than transformation. The work “needs bravery – being prepared to be judged” but the people and cultural content of management education is often thin. ER risks responding to these developments by becoming more procedural – more policies about channels, more monitoring – when every case in this report points the other way. The functions that thrive will be the ones that put themselves where the network is: plugged into the channels, present in the depots and hubs, known to the connectors, and confident enough to let data and designed networks carry the routine while they attend to the relationships that carry everything else.

6. THE ACTION AGENDA

Three horizons

Below we set out an agenda across three-horizons, stress-tested and enriched by the cases. It can be started from anywhere, including from inside the gap between diagnosis and capacity described by our logistics case. Nothing in the first horizon requires a budget line.

This quarter: use what you already have

Read your own channels properly.

Review platforms, internal forums and anonymous channels are already telling you where trust is thin. Read them systematically, respond visibly, rebut inaccuracy fast, and treat a sudden ratings drop as early warning, not a branding problem. Police only the clear bullying-and-harassment line and lean towards freedom of expression. The cases warn that heavy moderation drives the conversation somewhere you cannot read it.

Audit your last year of ER cases for a social media and AI element.

How many disputes, grievances or consultations were shaped by a WhatsApp group, a forum thread or a review site before the formal process began? How many case documents show AI drafting? Most organisations have never counted. Our cases suggest surfacing the number will reframe the conversation with leadership – the twenty-page grievance did more to make the argument internally than any briefing paper.

Start sorting noise from risk.

You do not need a mature diagnostic to begin. A consistent grading for all cases (the energy case uses eleven questions, graded low/medium/high, covering legal risk, complexity, seniority and systemic knock-on) builds a dataset that can be discussed with the top team. Make the noise-tolerance conversation with your executive explicit.

Ask managers to identify the connectors, and make sure your designed networks include them.

Ask who do people actually go to when they want to know what is really happening? If you run champion, squad or hub-lead networks, compare their members with the answers. The overlap, or its absence, is one of the most revealing insights in this whole agenda.

Stress-test the AI roadmap against consultation obligations.

Most AI plans generate consultation triggers their owners have not noticed. Identify the requirements before the regulator, the works council – or a 27-page letter – does.

The next one to two years: rebuild the connections

Map the network properly and protect what it reveals.

Organisational network analysis, done openly and with consent, turns a manager exercise into evidence. Treat the connectors it identifies as critical infrastructure in restructuring decisions: removing one is not removing a headcount but a hub through which dozens of relationships flow.

Build (or refit) designed networks — and wire them to resolution machinery.

Recruit volunteers and enthusiasts rather than appointing incumbents. Give the network real work, for example de-risking AI rollouts. Connect networks to dashboards and to people with authority to act and measure their impact by what comes back through, not what goes out. Create a route for fast, visible resolution of what surfaces.

Rebuild the human interface where the work is.

Fix the ratios that make relationships impossible, replace appraisal rituals with conversations and close every loop visibly (“you said, we did”). Take hard-metric problems to one-to-ones and briefings rather than broadcast. Put engagement into every manager’s bonus and treat it as the pivot for safety and operational performance.

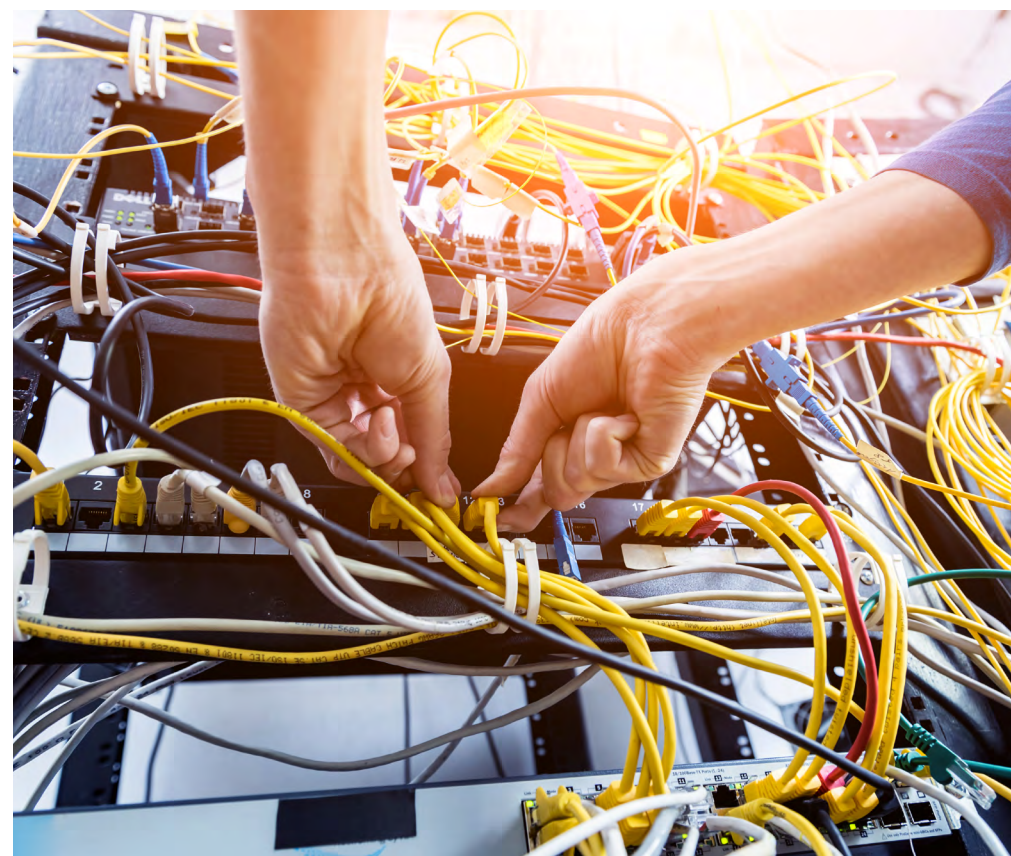
Renegotiate the employment deal explicitly – and bring representation inside.

Say plainly what will and will not be monitored and what technology will change about people’s work. Employees are already discussing these questions on public platforms, out of employers’ control. Where unions are recognised, share proposed organisational changes early and work together on commitments to skills development and future

employment opportunities. Where possible, resolve pay issues early so they do not hold up wider discussions about change. Where unions are not recognised, consider how statutory access requirements, including digital access, will affect your internal networks and communication channels.

Put the connectors inside the AI programme and fit a brake.

Involve them in design and rollout rather than building around them. Use the two-per-cent volunteer model as a template. Agree in advance the thresholds at which a rollout should be paused. A pre-agreed brake can avert a crisis. Where AI stands at the employee interface, use it to enhance human connection and as a mechanism for de-escalating risk.



Two years and beyond: redesign the institution

Plan the whole workforce, not the headcount.

In most large organisations thirty to fifty per cent of the people doing the work sit outside the employee count: contractors, agency staff, outsourced teams, platform workers. Map the whole system, including AI agents. Count agents not as headcount but as governance responsibilities: how many automated processes does each human hold accountability for?

Build employment models for variable intensity.

Contracts built for a single, continuous, full-time relationship will not hold a workforce that flexes across life stages and employers. Covenant-style arrangements, in which organisation and worker agree how intensity varies across a working life, move the contract from a legal minimum to a mutual commitment. That allows networks to adapt as employment relationships evolve.

Re-found representation on the network.

Redesign consultation and voice around who actually carries influence and trust rather than who holds a representative title. Formal representatives with no informal reach cannot deliver consent, however neat the structure. As our cases show, the unions know this as painfully as the employers do. This is the slowest change, which is why the mapping in the first horizon cannot wait.

How you will know it is working

The old playbook measured activity: cases closed, procedures completed, survey response rates. The new playbook must include measures of the network itself. The cases suggest some options.

Read formal process volume as a failure signal.

If the informal system is recovering, grievances and disciplinaries should fall, because issues are resolved earlier. Check that they are not simply being suppressed. Track the ratio

of issues surfaced (through channels, networks and conversations) to issues formalised. A rising surfaced-to-formalised ratio is the single best indicator that the counselling function of the network is returning. As our passenger transport case put it: if we are in grievance and discipline, we have lost.

The overlap number.

Measure the proportion of members in your formal networks who are also identified by managers as connectors people turn to for advice or information. A low percentage overlap may suggest these networks are mainly a distribution channel rather than a two-way conversation. Improvement over time means your networks are becoming real.

Noise/risk composition.

Use the graded diagnostic to track the number and risk level of issues raised, alongside how and when they are resolved. This can help assess whether lower-risk concerns are being resolved early, serious risks are being identified sooner, and senior leaders are focusing on the issues that most need their attention.

Return traffic.

Track where feedback from employee networks has led to a change in decisions or plans, such as revised survey questions, delayed rollouts or amended policies. In our financial services case, volunteer input helped identify and reduce risks in AI deployments. Organisations should be able to show how employee feedback has influenced their actions.

The human indicators.

Read attrition data alongside the volume and nature of employee concerns, and track participation in voluntary communities. Include everyday signs of stronger relationships, highlighted by our passenger transport case: whether people acknowledge one another, make eye contact and show care. Assess these observations alongside outcomes such as retention, performance and service quality, drawing on research linking employee experience with business results

These measures need not require a new system. They require ER teams to pay deliberate attention to the health of informal networks and to measure how effectively they are working.

7. OPEN QUESTIONS

Four questions emerged from the interviews that this report cannot yet answer. We encourage you to reflect on these within the context of your organisation.

1**How plugged into the networks are ER professionals themselves?**

As transactional work becomes AI-enabled and centralised, does risk-sensing get lost? Where does the quiet word happen that resolves the situation before escalation?

2**What is the right senior noise tolerance?**

If noise now inevitably reaches the C-suite, boards and executives need a deliberate policy for what they react to, otherwise the loudest channel, not the largest risk, sets the agenda. Who decides, and on what data?

3**Can AI be built to de-escalate?**

The coach-first assistant is the most hopeful experiment we found, and entirely unproven. If the first port of call is now a machine, the design of that machine's instincts – towards conversation or towards escalation – may be the most consequential ER decision of the next five years.

4**Where will these tensions come to a head first?**

One interviewee expects the reckoning between AI-driven cost pressure and workforce consent to surface first in less adversarial, better-resourced environments. The agreements reached there will become precedents for everyone else. If so, the organisations with the most room to experiment carry a responsibility that extends well beyond their own headcount.

CRF's ER/IR network provides a forum for practitioners to test this report's conclusions against their own experience and challenge them where needed. If our conclusions are right, practitioners who act now to map their networks, sort noise from risk and rebuild the human interface while there is still time to do this deliberately, will be better placed to anticipate employee concerns and focus scarce ER resources where the risks are greatest.

REFERENCES

Acas (2025) *Early conciliation and employment tribunal cases data, 2024–25*. London: Acas.

Abdi v Deltec International Courier Ltd (Employment Tribunal, 2021).

Burt, R.S. (2004) Structural holes and good ideas. *American Journal of Sociology*, 110(2), 349–399.

Carneiro, B. and Costa, H.A. (2022) Digital unionism as a renewal strategy? Social media use by trade union confederations. *Journal of Industrial Relations*, 64(1), 26–51.

Complete (2026) Organisational network analysis database findings. complete-coherence.com.

Cross, R. and Parker, A. (2004) *The Hidden Power of Social Networks: Understanding How Work Really Gets Done in Organizations*. Boston: Harvard Business School Press.

Flanagan, F. and Walker, M. (2021) How can unions use artificial intelligence to build power? The use of AI chatbots for labour organising in the US and Australia. *New Technology, Work and Employment*, 36(2), 159–176.

Gartner (2022) Research on employee productivity monitoring adoption.

Granovetter, M.S. (1973) The strength of weak ties. *American Journal of Sociology*, 78(6), 1360–1380.

Harter, J.K., Schmidt, F.L. and Hayes, T.L. (2002) Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: a meta-analysis. *Journal of Applied Psychology*, 87(2), 268–279.

Heskett, J.L., Jones, T.O., Loveman, G.W., Sasser, W.E. and Schlesinger, L.A. (1994) Putting the service-profit chain to work. *Harvard Business Review*, 72(2), 164–174.

Khan, M. and Wilkinson, A. (2026) Amplifying employee voice? Situating social media in the organisational voice system. *New Technology, Work and Employment*, 41, 84–99.

Khan, M., Mowbray, P.K. and Wilkinson, A. (2025) Forging new voice mechanisms from a crisis: employee voice on social media during COVID-19. *Human Resource Management Journal*, 35, 713–727.

Krackhardt, D. and Hanson, J.R. (1993) Informal networks: the company behind the chart. *Harvard Business Review*, 71(4), 104–111.

MacLeod, D. and Clarke, N. (2009) *Engaging for Success: Enhancing Performance through Employee Engagement*. London: Department for Business, Innovation and Skills.

Mateescu, A. and Nguyen, A. (2019) *Explainer: Workplace Monitoring and Surveillance*. New York: Data & Society Research Institute.

Nigro and others v Knightsbridge Residents Management Company Ltd (Employment Tribunal, 2022).

Shekhar, A. and Saurombe, M.D. (2026) Algorithmic anxiety: AI, work, and the evolving psychological contract in digital discourse. *Frontiers in Psychology*, 17, 1745164.

