

Over a third of businesses will make changes to probation processes with day one rights

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More than a third of organisations are expected to make changes to their probationary periods as a result of employees gaining day one rights, according to a new poll by employment law and HR consultancy firm, <u>WorkNest</u>.

Under the proposed plans, businesses will be able to extend probationary periods from six to nine months. When asked about their plans following the first 100 days of a Labour Government, over a third (36%) said they plan to review their probation period processes, if employees have rights from day one of employment including sick pay, parental leave, and unfair dismissal claims. A further four in 10 (43%) were undecided about whether they would change their process. Only 20% of businesses plan to keep their current probationary procedures unchanged.

Jane Hallas, Head of Team and Solicitor at <u>WorkNest</u>, said: "Developing and implementing effective onboarding processes and robust probationary procedures will be important. It will help employers to defend unfair dismissal claims in the unfortunate event that the employee is not performing as required. It looks likely that the initial period of employment will be set at nine months, however it's still open to consultation, so we await to see what timescale is decided upon."

Over half of the businesses surveyed (56%) were also undecided about making changes to their recruitment process for the same reason. However, nearly two in ten (19%) already plan to change how they find and hire the best candidates in response to day one rights.



Day one rights remain the biggest worry

Back in July, following the change in Government and the King's Speech, when Labour's 'Make Work Pay' plan was officially announced, research from WorkNest at the time found that seven in 10 businesses believed that day one rights would negatively impact their business. This concern made it the most negatively viewed aspect of the ten key pledges outlined in Labour's 'New Deal for Working People' preelection manifesto.

More than 100 days into the new government, this concern doesn't appear to have changed. Half (50%) of those surveyed still believe that the introduction of unfair dismissal, parental leave, and sick pay as day one rights will most negatively impact their business. A further 22 percent believe that flexible working being granted as a day one right will have the biggest effect – more so than banning zero hour contracts, ending fire and rehire practices, and changes to statutory sick pay.

Jane added: "As time has progressed, the industry's view on day one rights hasn't changed. It remains a huge cause of concern for businesses, which is why we're seeing a large number planning to change probation and recruitment processes to try and mitigate risk."

The looming risk of litigation

The concern from organisations regarding enhanced protection for employees is also reflected in the significant number concerned by the increased threat of litigation. Almost six in 10 (59%) respondents say they are worried about the rising risk of legal action.

Jane added: "Now is the time to think about the skill set of your line managers and whether they are equipped to deal with performance issues during probationary periods, and if training and coaching are needed."

WorkNest has created a free guide for employers on the Government's Employment Rights Bill which can be found in its <u>New Labour Government Hub</u>.