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Managed out at work: Employee guide

Description

Introduction

When you are being **managed out at work** it is fairly unpleasant. In some cases employers have genuine performance concerns that need to be addressed. However, this is not always so. On other occasions, particularly when a new manager arrives with his old team in tow, you could be forgiven for thinking that your employer is on a mission to find fault with your work. And if your worst fears are true and the knives are out, what are your options?

Employer tactics

When youâ??re being **managed out at work** your employer may, for example, try and use a â??below expectationsâ?? rating as a catalyst for instigating a formal performance process against you. The performance process could include inviting you to disciplinary meetings, issuing warnings, and providing you with an opportunity to improve.



Alternatively, your employer could try and suggest that there is a business need to either restructure the business or simply reduce headcount. Suppose you are doing a specific/unique role, your position

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might conveniently cease to exist within the new structure. Should, for example, your role be broadly the same as others, and your employer intends to reduce numbers, you may find yourself selected for redundancy against your peers. Your employer would need to consult with you and search for reasonable alternative roles.

Reaching a deal

When youâ??re being **managed out at work** sometimes itâ??s possible to have an off-the-record (without prejudice) discussion and thrash out a deal. Your employer may agree to pay you off on condition that you leave and donâ??t bring any employment claims. The parties would then normally enter into a settlement agreement and it is a requirement that you obtain legal advice before entering into such an agreement. This allows you to assess your options and obtain important information. For example, you need to be aware that the first Â£30,000 of a termination or compensation payment can sometimes, depending on the circumstances, be paid tax-free. This is not always so though. For example a sum corresponding to notice pay is taxable.



Claims

If you are shown the exit you could consider whether you have a claim for unfair dismissal. Generally, currently, you would need to have had at least two yearsâ?? service to be able to bring the claim. The new employment legislation, however, will reduce the qualifying period from two years to six months. The six month qualifying period will apply for employees with employment end dates on or after 1 January 2027.

You would be required to follow the Advisory Conciliation and Arbitration Serviceâ??s (Acas) early conciliation process prior to issuing a claim.

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Any such claim must usually be filed within three months (less a day) from when the employment ends â?? and thatâ??s subject to the rules for extending time for early conciliation.

The maximum compensation award is, currently, the lower of 52 weeksâ?? pay or Â£123,543. However, the new employment legislation will abolish the 52 week and financial cap. The cap will be removed with effect from 1 January 2027.

There may be other potential claims to consider too.

This guide is intended for guidance only and should not be relied upon for specific advice.

If you need advice on what to do when being **managed out at work** or have queries relating to other employment law issues please do not hesitate to contact me on 020 3 797 1264.

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