

Factsheet:

Best practice consultation

Introduction

In today's fast-moving economy, organisations can feel under pressure to make quick decisions without involving the workforce. However, effective consultation can save time during implementation by improving understanding, legitimacy and buy-in, while identifying practical issues before they become barriers.

Options-based consultation

To support effective consultation, the IPA developed the option-based consultation model. When a need for business change is identified, managers usually consider several ways to meet the objective — including the option to do nothing. Sharing these options at the earliest opportunity allows employees, through their representatives — whether an employee forum or trade union — to understand the business case, test the thinking and contribute alternatives before a final decision is made.

Option-based consultation gives employee representatives the chance to influence decision-making at an early stage. If early involvement is not possible, the model can still improve communication and support smoother implementation.

The model is focused on the business case: achieving the best outcome when managing change and ensuring decisions, even difficult ones, have legitimacy in the eyes of staff. Without this transparency, employees may see change as predetermined or insufficiently considered, making buy-in harder to achieve.

Principles of option-based consultation

Consultation should ideally begin once the business objective and possible options have been identified, but before a preferred option is selected. This requires managers to share potentially sensitive information and employee representatives to treat it confidentially. Done well, it gives representatives a real opportunity to influence the outcome and helps managers explain their reasoning clearly.

A clear consultation process should:

- 1 State the business objective
- 2 Explain the options considered
- 3 Invite challenge
- 4 Explore alternatives
- 5 Communicate the final decision with reasons. This creates a shared understanding of why change is needed, even where there is not full agreement.

Employee representatives should test both the business case and the options presented, while management should be open to alternative proposals that still meet the objective. The aim is a mature, courteous discussion that balances organisational needs with employee concerns.

Once the options and representative feedback have been considered, management retains responsibility for making the decision. The process does not remove managerial accountability; it strengthens it by making the reasoning clearer and giving representatives a fuller understanding of why other options were rejected.

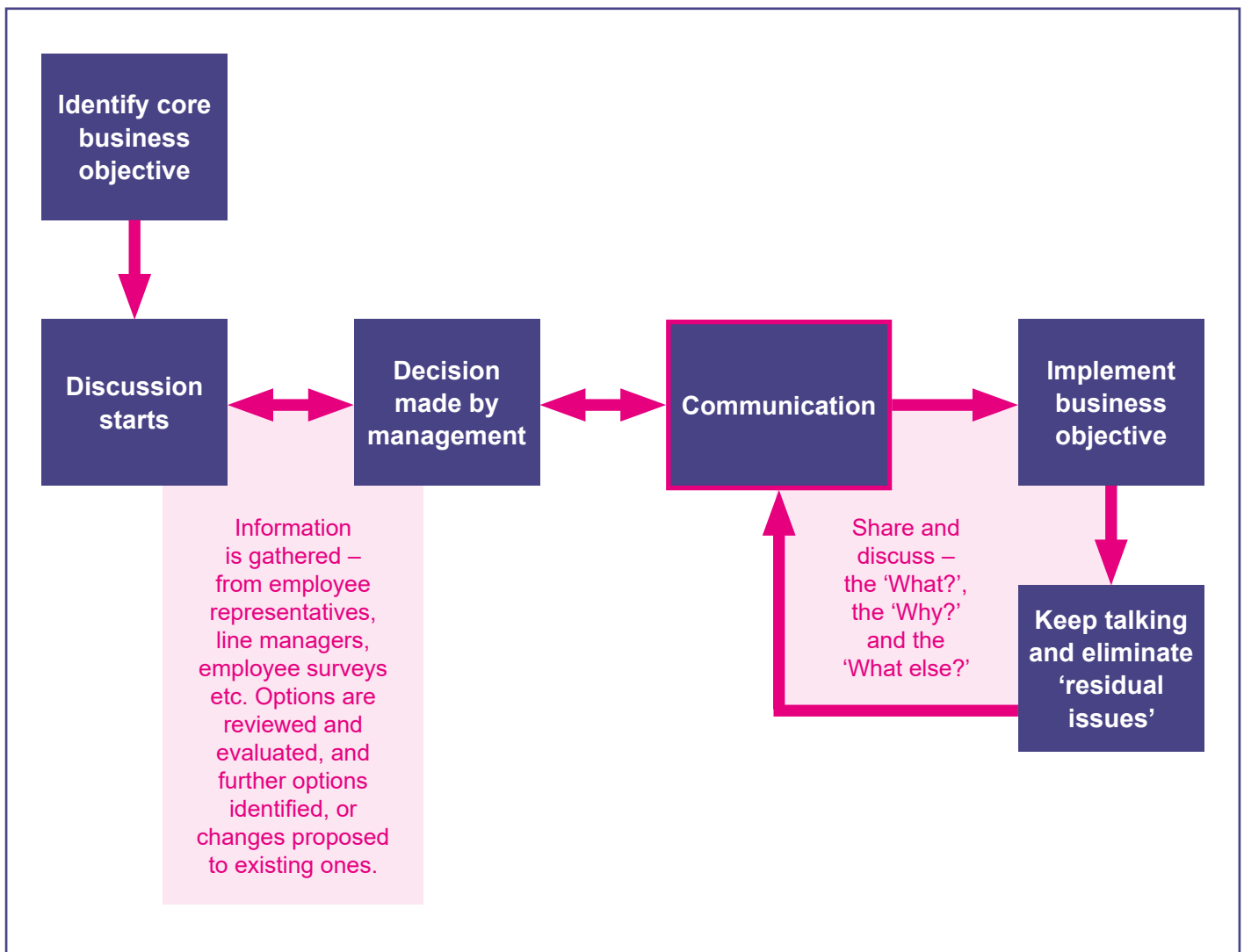
This helps employee representatives explain decisions with authority to their colleagues or trade union members, supporting a more open, transparent and trusting culture.

Communication

Communication is central to the process. Employee representatives need to understand staff concerns, but strategic options will often need to remain confidential until a final announcement is made. Premature communication can create confusion, disengagement or unrealistic expectations.

Both parties should agree how and when decisions will be communicated so that messages are clear, consistent and well timed.

The option-based consultation model



Benefits of option-based consultation

Option-based consultation supports better decision-making by narrowing the gap between decision makers and those affected by their decisions. It can work in unionised and non-unionised environments if managers and representatives are trained in the skills and behaviours needed to make the process effective.

Its main benefits are greater transparency, stronger employee voice, improved engagement and a clearer link between organisational strategy and day-to-day work. Employees are more likely to accept difficult changes when they understand why decisions were made and how alternatives were considered.

By filling knowledge gaps and reducing residual complaints, option-based consultation can help prevent disengagement during change. Used prospectively or retrospectively, it gives managers a flexible way to build understanding and support implementation.

Options-based consultation in practice

The senior leaders of a Housing Association employing around 700 people wanted to introduce a long-term hybrid working policy. The executive team believed that some office attendance would support collaboration and service delivery, while many employees wanted greater flexibility.

Rather than presenting a final decision for comment, the organisation used the IPA's Option-Based Consultation approach through its Employee Forum.

The consultation challenge

Management's objective was clear: to develop a sustainable hybrid working model that maintains service quality while improving employee experience. However, the leadership team recognised that there were several possible ways of achieving this objective.

Instead of presenting one preferred solution, they brought a number of options to the Employee Forum for discussion.

The options presented

Management developed three potential approaches:

Option A: Structured hybrid

- Three office days per week.
- Two remote working days.
- Core attendance days for teams.

Option B: Flexible team-based

- Attendance requirements determined by individual teams.
- Managers agree local arrangements.
- Greater flexibility across functions.

Option C: Role-based approach

- Different attendance requirements based on job type.
- Customer-facing roles attend more frequently.
- Support functions have greater flexibility.

Alongside the options, management shared information on:

- Customer service requirements.
- Workspace capacity.
- Employee survey findings.
- Recruitment and retention data.
- Financial implications.

How the employee forum was involved

Rather than asking representatives 'Do you agree with this policy?' leaders asked, 'What are the advantages, risks and practical implications of each option?'

Representatives gathered views from colleagues before the meeting and then used the Forum to explore:

- Impact on different employee groups.
- Equality considerations.
- Effects on team cohesion.
- Recruitment and retention implications.
- Operational challenges.

The conversation focused on improving the options rather than negotiating a predetermined outcome.

Outcome

During the consultation, representatives highlighted several issues:

- Option A was viewed as too rigid for some teams.
- Option B could create inconsistency across the organisation.
- Option C recognised operational realities but required clear principles.

Representatives proposed a modified approach:

- A role-based framework (Option C).
- Organisation-wide principles to ensure consistency.
- Team charters to agree local arrangements.
- A six-month pilot period followed by review.

The majority of these suggestions were adopted by the organisation.

Results

Employees could see that:

- Their representatives had been involved before a final decision was made.
- Alternative options had been genuinely considered.
- Feedback had influenced the final approach.

Management benefited from understanding potential implementation issues before launch, reducing resistance and improving acceptance of the new arrangements.

Option-based consultation is one of the IPA's most powerful tools for improving the quality of employee voice and organisational decision-making.



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