



How to successfully manage a Gross Misconduct issue



HR Case Study

P3 People Management





Client Overview

Sector: Professional Services

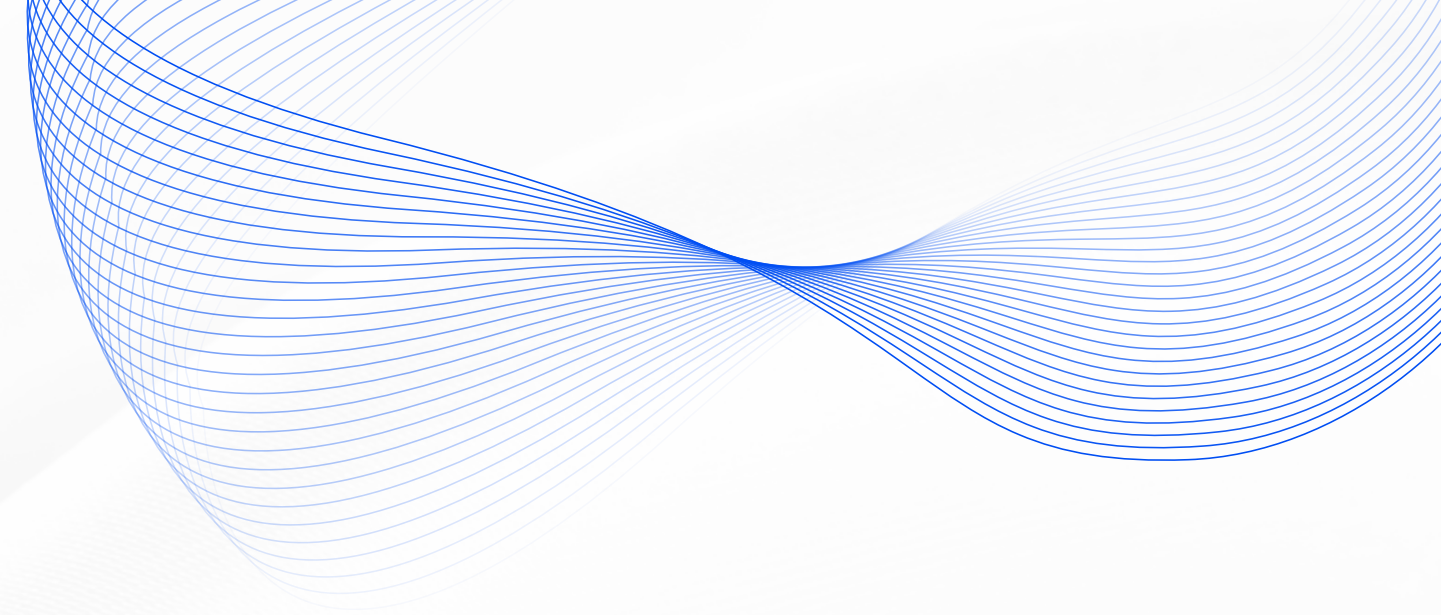
Size: 85 employees, single site

HR Setup: 1 in-house HR Assistant

Key Employment Context: Organisation currently expanding via acquisitions



The Challenge



A long-serving employee, recently promoted to a senior administrator role, was found to have deliberately altered a document to conceal a missed deadline.

The manager believed this could amount to gross misconduct but wanted to avoid formal action and instead move the employee into a lower role for six months. The client intended this to be a supportive step, documented informally.

Risks identified:

Legal: Constructive dismissal or breach of contract, particularly if the demotion was seen as a formal sanction imposed without process


Financial: Exposure to claims potentially in the range of £5,000–£20,000+ depending on outcome and service

Cultural: Risk of employee disengagement or inconsistency in how misconduct is managed




Our Approach

Initial Assessment:

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- We reviewed the situation and process so far, including the manager's notes, the proposed outcome, the employee's history, and the templates the client intended to use

Advice & Guidance:

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- We advised clearly that:
- A demotion, even temporary, is a formal disciplinary sanction
 - Formal process must be followed if the business wants to reduce responsibilities or status as a result of misconduct
 - In the absence of a written contract, what is worked in practice still forms the basis of contractual terms
 - Proceeding informally would expose the business to unnecessary risk of a tribunal claim



Our Approach

Support Provided:

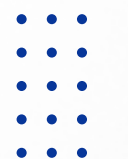


- Drafted revised wording for outcome documentation that removed reference to disciplinary sanctions
- Advised on positioning the change as a supportive operational adjustment
- Provided guidance on legal risk, with realistic financial scenarios
- Reframed the outcome in a way that protected the business but preserved the manager's intended message and the relationship with the employee

Communication & Engagement:



We coached the client in how to deliver the outcome as a mutual, time-limited adjustment without implying wrongdoing or a demotion. We also left space for a proper disciplinary process in future if needed.



Outcome & Impact



The employee accepted the adjusted responsibilities positively, without raising grievance or complaint



The manager felt supported and better informed about how to handle future conduct issues



No formal process was triggered, avoiding unnecessary conflict or escalation



The documentation now accurately reflects a neutral, temporary role adjustment, mitigating the legal risk





Lessons & Next Steps

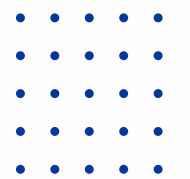
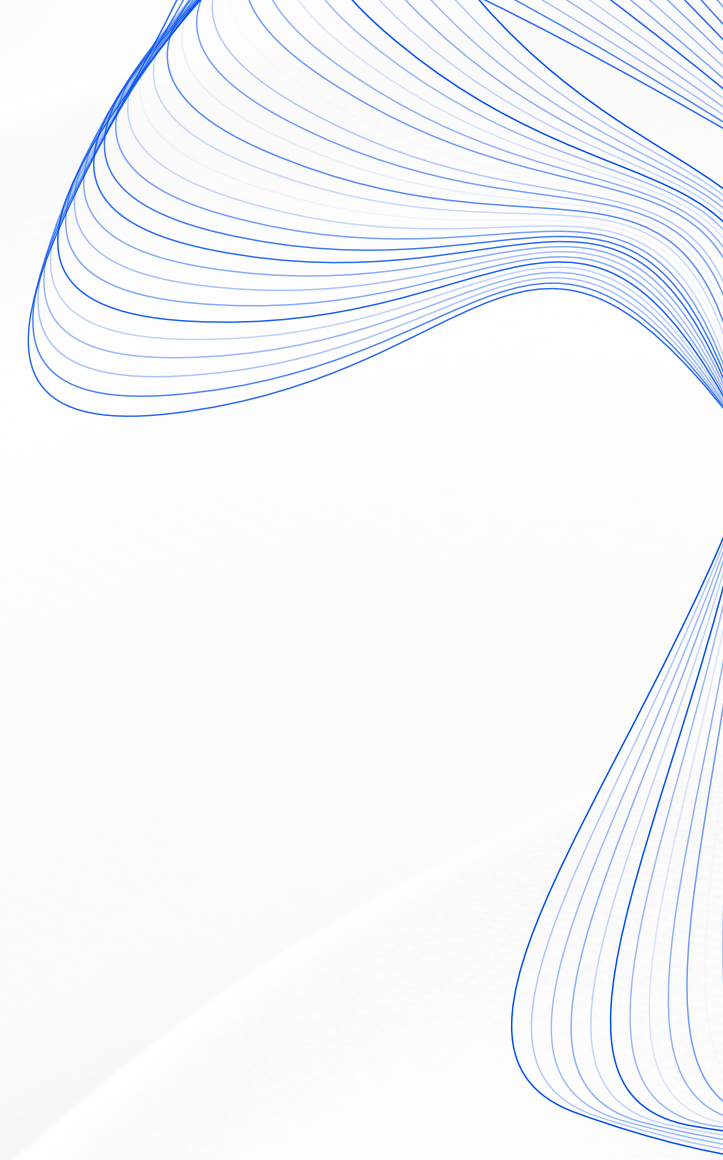
What the client learnt about their own people management approach:

- 1** That intention and presentation matter, but process is essential when any change to status, duties or responsibility is involved
- 2** That contracts aren't the only basis for obligations, what's worked in practice carries weight
- 3** That a softer approach doesn't always reduce risk if it skips procedural fairness

Consultant's Note

Ongoing consultancy support remains in place.

Without our support, the client may have unintentionally exposed themselves to a constructive dismissal claim despite good intentions and a supportive rationale, simply because the process didn't match the outcome.





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