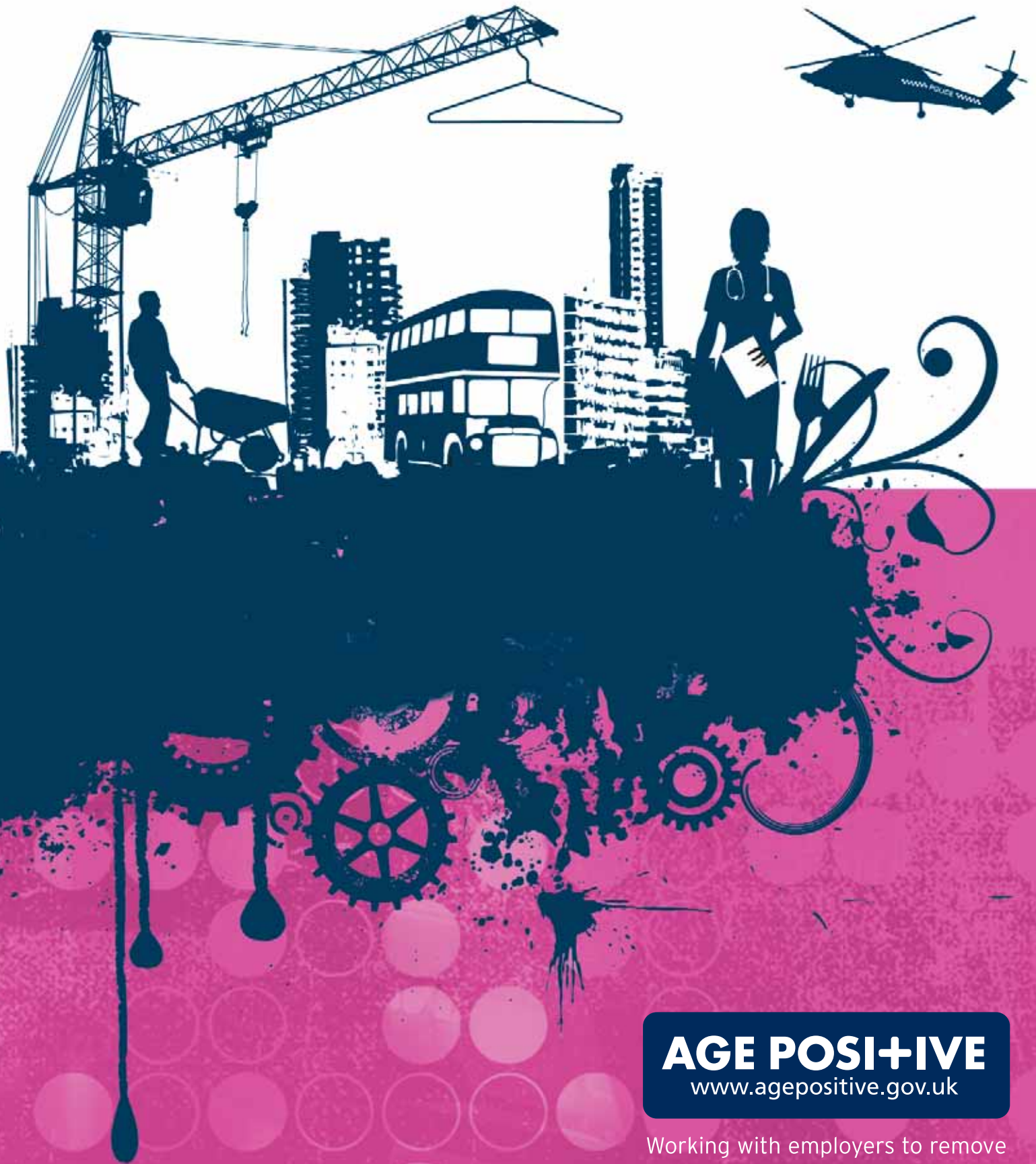
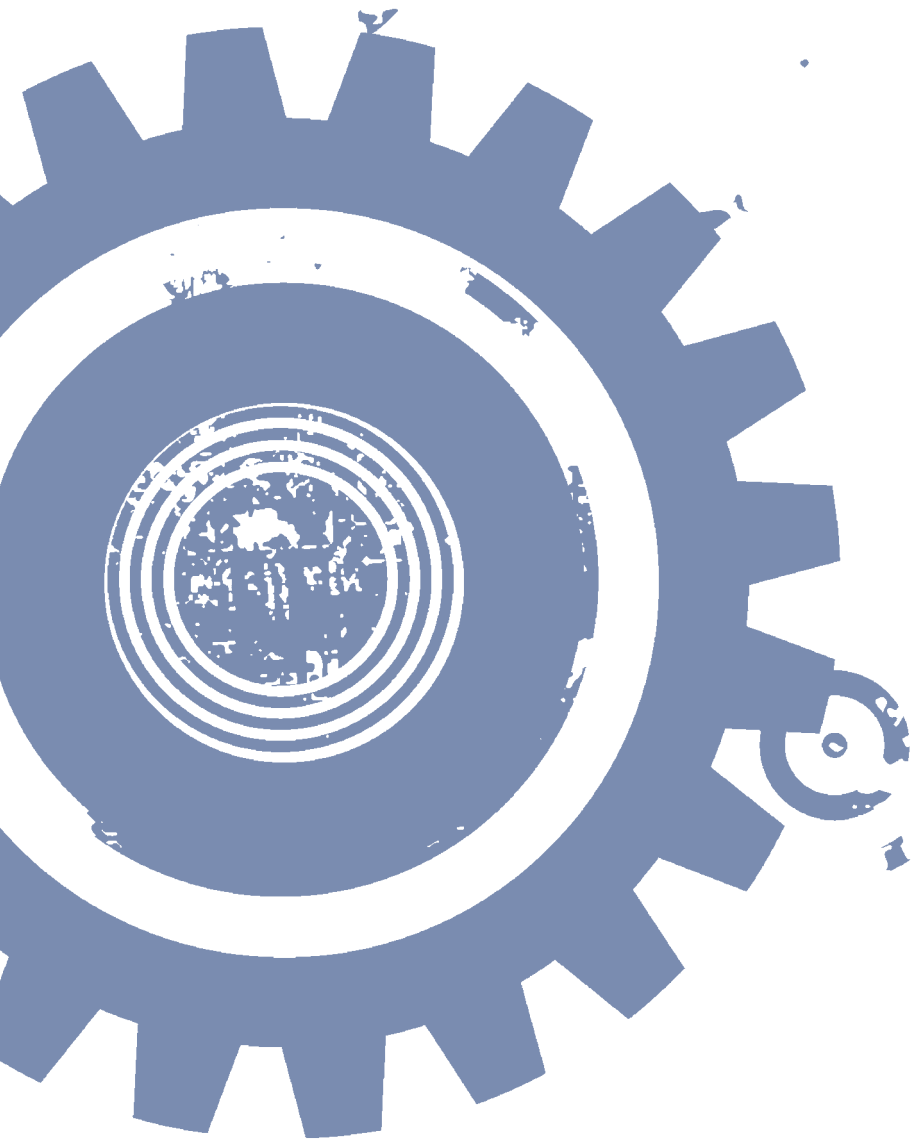


Human Resources (HR): Age Positive Guide



AGE POSITIVE
www.agepositive.gov.uk

Working with employers to remove
age discrimination in employment



Introduction

Employing an age diverse workforce can have real benefits for your organisation. Age Positive Human Resource (HR) practices encourage people of all ages to value your organisation and contribute more productively at every level.

We understand that many small businesses often don't have a dedicated HR resource, but hope that this leaflet will provide some tips and help for employers of all sizes.

We recognise that all businesses are unique. This leaflet is not intended to cover all individual circumstances or provide advice, but it will give you a range of examples of how other - small, medium and large - organisations are realising their potential through the way they manage their workforce.

Age Legislation

From 1 October 2006 the Employment Equality (Age) Regulations make it unlawful to discriminate against employees, job seekers and trainees on the grounds of age.

The regulations cover workers of all ages - young and old - and all employment and vocational training.

This includes all aspects of the HR process, including access to help and guidance, recruitment, promotion, development, redundancy, perks and pay.

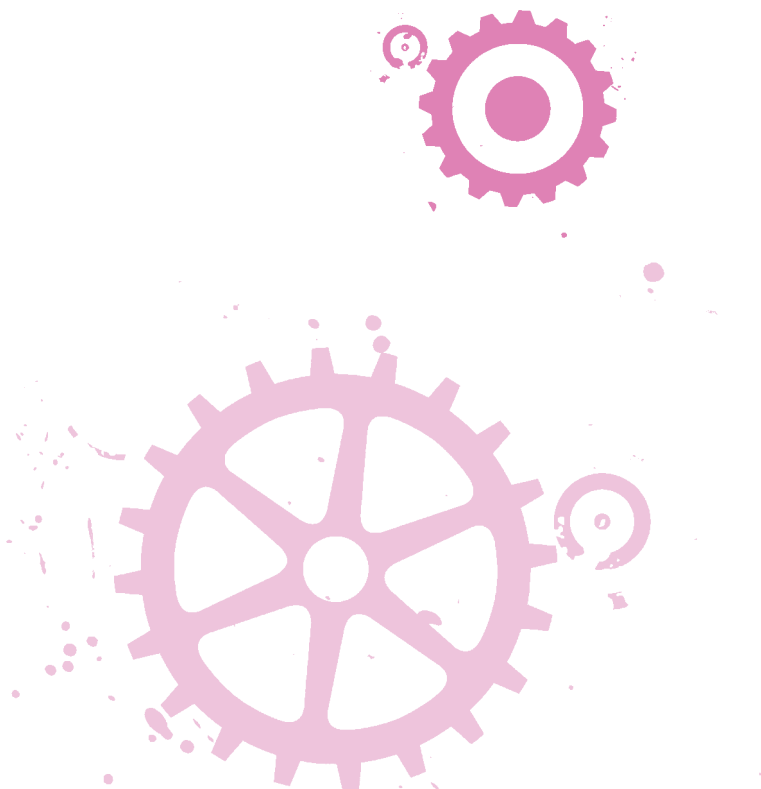
What this means for you

Simply put, the new regulations mean that you need to:

- look at the way you communicate age equality issues to your workforce to reduce indirect or direct age-related discrimination and
- check that all your policies, practices and routines are age compliant.

Specifically, you should ensure that:

- you understand the age make-up of your workforce (alongside other areas of equality, such as gender, disability and ethnicity), and use this information to make sure everyone is being treated equally, regardless of their age
- all staff are fully aware of your age positive practices and procedures, as well as their own responsibility not to discriminate on the basis of age or other grounds
- there are routines or practices in place to check that no bias, deliberate or unintentional, influences any business decisions.



Business benefits of age positive HR management

You already know that an effective workforce is key to business success. It therefore goes without saying that creating a culture where all employees, regardless of their age, are treated fairly and given the right opportunities to progress and develop improves your chances of beating the competition.

The Chartered Institute for Personnel and Development (CIPD) estimates that it can cost as much as £8,200 to replace each employee - this may be less for unskilled posts or more (up to £12,000) for more senior positions.¹ But whatever the figure, it's costing you money and that isn't a business benefit. So, it is essential that you attract and retain a motivated workforce.

Domestic & General (the UK's leading specialist provider of domestic appliance repair protection plans) saw their recruitment costs cut by 50 per cent as a result of their age positive recruitment and retention initiatives.

The best way to do this is to make sure both new and existing staff are fully aware of your policies and practices, and know where to go if they have any questions. All opportunities, from recruitment to retirement, should be accessible to all. For example, by making sure that all vacancies, training and promotion opportunities are communicated and made available to all eligible members of staff, *of all ages*, your employees will feel valued and motivated to contribute to the success of the organisation.

Nationwide's recent staff survey showed very high levels of satisfaction, with 80 per cent of staff agreeing with the statement, 'I believe that development opportunities are equal for all employees regardless of age.'²

Many employers have enjoyed significant benefits as a result of adopting this type of age positive approach. For example, effectively managed older workers have been shown to have better attendance and stay in the job for longer.

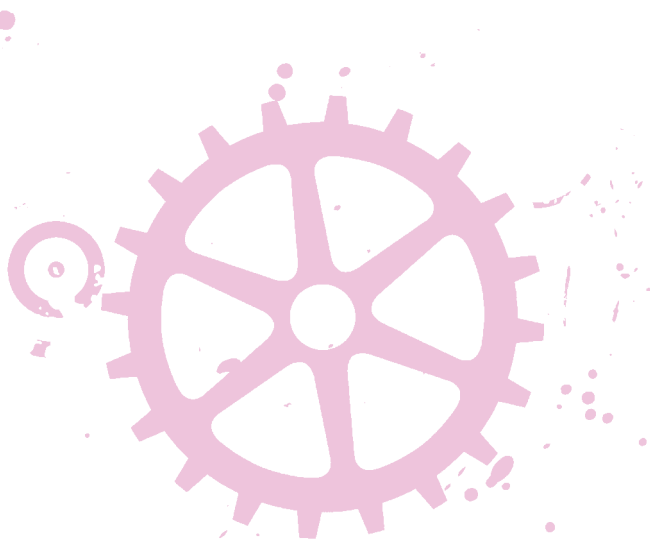
Positive Contact, an outsource call centre, have benefited from very low staff turnover rates - just six per cent in 2005, compared to a national sector average of 22 per cent. They attribute this, in large part, to their diversity policies.

And last, but by no means least, a motivated age diverse workforce can help you provide a better service to your customers, with obvious benefits to your business.

Since the Marriot Hotel in Grantham started to focus more on age diversity, monthly analysis of guest questionnaires shows that customer satisfaction has increased.

¹ www.cipd.co.uk. Annual Survey Report 2006: Recruitment, Retention and Turnover

² The Employers Forum on Age diversity case studies <http://www.efa-agediversity.org.uk/case-studies/nationwide.htm>



Being one step ahead of your competitors gives you the competitive edge, but first you need to know the age profile of your own workforce. Answer the following questions to determine whether you're attracting/recruiting a mixed-age workforce; and whether decisions on HR and personnel issues are being affected by views on age.

1. Check your staff records to establish the age profile of your staff - insert numbers below:
16-21...22-29...30-39....40-49....50-59....60+....
2. If you have specific departments or work areas - allocate the staff in those areas into the same age groups. Check if there are any which have all staff in one age bracket.
3. Look at your last recruitment and put the age ranges of applicants into the same age groups. Check if there are any which have all staff in one age bracket.

To achieve business benefits, you need to maximise the potential of your own workforce. For example, it is often the case that businesses eject older workers to create opportunities for younger workers, however, there is no concrete evidence to show that this encourages younger workers to remain, but it can reduce the loyalty and motivation of existing staff.

On the contrary, retaining and retraining older workers not only increases staff motivation and commitment - on a wider scale, it also increases the size of your potential workforce, raises competition for jobs, restrains labour costs and wages, provides you with more choice and can increase productivity - all of which is of benefit to you.



British Energy

Who we are

Based in Scotland, British Energy is the biggest UK electricity supplier. We employ more than 5,000 staff over a number of sites.

What we do

We have long recognised the need to retain the skills and experience of our older workers and take an age positive approach. For example:

- Our Equal Opportunities Policy has outlawed age discrimination since 2000
- To get our equality policy off the ground, we initially set up an Age Working Group, made up of mostly HR specialists. We now have an 'Ageism group' of nominated staff drawn from across the company, which monitors good and bad practice and advises our strategy board on action to take
- We provide equal opportunities training to all line managers involved in recruitment and selection, appraisals, etc. - we produce checklists of 'dos and don'ts' for recruitment and selection, among other topics
- We use a 'cascade' system of communicating with staff - monthly briefing materials (incorporating equal opportunity messages) are sent to area managers who are responsible for briefing their teams
- We check that employees are receiving the appropriate information through 'task observations' - a member of the HR team sits in on the team briefings given by managers and speaks to individual staff to make sure they understand the messages conveyed
- We conduct regular Equal Treatment surveys and analyse the results by age, amongst other things, and communicate findings to employees as well as any plans to deal with issues that come up (again using our 'cascade' system).

How it has benefited our business

- Morale is high, which means lower staff turnover and long lengths of service
- We have been able to retain the highly specialised skills and experience of our older workers in an industry where it can be difficult to attract younger staff
- Being seen as an equal opportunities employer is good PR and helps us to attract and retain staff.

Making your HR management more age positive

The following checklist has been compiled from practices adopted by employers who have already reaped the benefits of an age positive approach through having age positive HR systems in place. This will help you evaluate your policies, practices and procedures and make any necessary changes.

Developing age positive practices

- Lead by example.** Showing your staff that you are personally committed to an age positive approach is one of the most effective ways to get them on board
- Get advice** - speak to other similar employers to find out what they are doing and what works, or get help from one or more of the contacts listed under 'Other Sources of Information' in this pamphlet
- An equality policy is one of the easiest ways to demonstrate that you take discrimination seriously.** Consider including all forms of discrimination and harassment - gender, race, disability, gender reassignment, sexual orientation, religion, as well as age. This can be as simple as a one page document
- Review all your policies, practices and procedures** - including recruitment, promotion, sickness absence, leave and holidays, awarding benefits, pay, training, computer usage, discipline, grievances, staff transfers on exit, flexible working, plus health and safety and retirement. Make sure that there is no age bias or mention of specific ages
- Check out linking policies and practices** - for example, there could be ageist provisions in your company pension scheme which need amending, or you may provide health, sickness or life cover as an employee benefit which has age specific rules which need amending

- Check existing policies and practices for historic rules which could be both unnecessary and out of date. Retaining age related rules could be unlawful
- Involve as many managers as possible in drawing up new policies and procedures** - this will get you support to push changes through
- Train your staff in equality and diversity**, - especially those involved in making management decisions (for example in relation to recruitment, promotions, etc)
- Check that any external agencies you use (for example for recruitment or training) are following your policies and procedures, you are responsible if they are discriminating.**

Removing age bias from decision-making

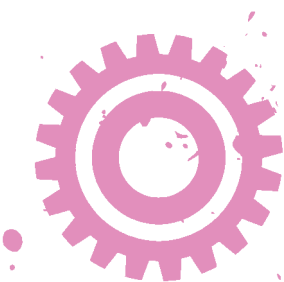
- Use agreed criteria** (for example in recruitment or promotion) to ensure all management decisions are fair to all employees. Base these on business and individual need, as well as skills and performance, and make sure that all criteria are transparent to all staff
- Involve more than one person** when making recruitment decisions and use a **mixed age interview panel** wherever possible
- If you use application forms, consider moving age onto a separate monitoring form** alongside other equality information
- If you don't have a dedicated HR department, get a second opinion** from a colleague to make sure your decisions don't discriminate on the basis of age.

Communicating your age positive approach

- Use evidence (anecdotal or objective) to persuade managers of the benefits of being age positive. Use older, and younger, role models who have made positive contributions to your business to make your case, or speak to other similar employers about their experiences
- Talk to your employees regularly and ask for their views of their work, how they feel about the organisation and the benefits you make available - this can be done informally on a one-to-one basis, in team meetings, in a staff survey, or through appraisals/performance review meetings
- Explain to your staff the reasons for any changes to your practices and procedures, using the normal communication channels that work best for you
- Make sure you act, and are seen to act, on any complaints of discriminatory behaviour
- Publicise all of your policies and practices - either discuss them face-to-face with all new and existing staff, post up on notice boards or, if available, use company newsletters or your intranet.

Monitoring your age positive practices

- Keep a record of the age of your employees at all levels and in all departments. This will help you to identify any areas of concern (for example where all employees are nearing retirement or where you need to recruit to fill expanding or critical areas)
- Compare the age profile of your workforce with that of the local population to make sure you are recruiting from as wide a pool as possible - a useful source of local population data is www.neighbourhood.statistics.gov.uk
- Keep a record of the number and type of people being recruited. Count the number of candidates in different age groups who apply for each post and compare this with the age of those being shortlisted and hired - if any bias is detected, speak to the manager(s) involved to find out why and taken action to stamp out
- Check the age profile of staff who attend different training courses and get feedback from trainees. Look for any differences by age to make sure no group is being discriminated against or neglected
- Monitor unsuccessful promotion candidates to ensure age bias has not occurred during the selection process
- Get feedback from staff who attend training courses to make sure trainers, whether internal or external, are not including any ageist content or methods
- Use exit interviews to identify any unfair treatment on the grounds of age and, importantly, act on any justified complaints.



A changing workforce for employers

Currently, people aged 50+ represent:

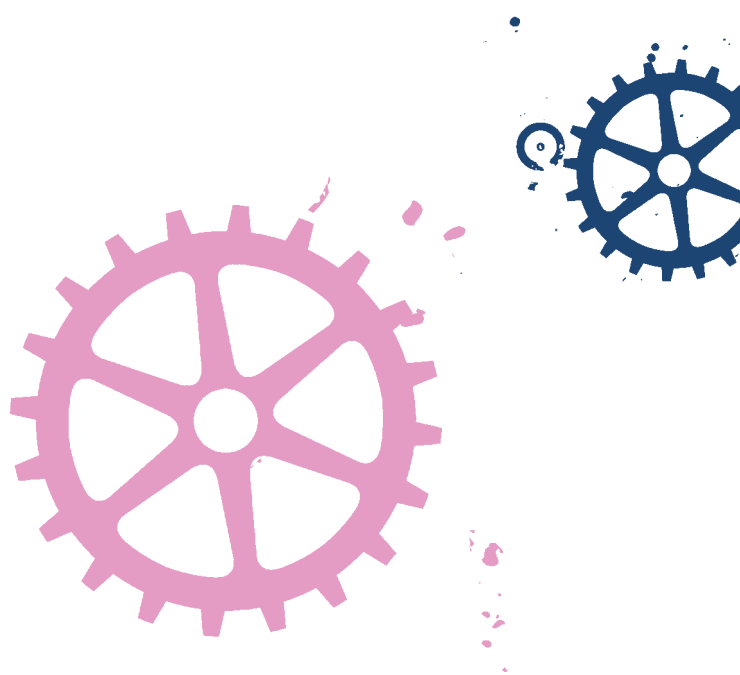
- almost 30 per cent of people of working age³ and
- 26 per cent of those actually in work⁴.

And by 2020 there will be nearly five million more people aged 50+ in the UK.³

Combined with decreasing birth rates and increasing skills shortages, this makes the need to develop age positive HR practices ever more pressing - and this will be becoming even more important over the next 10-15 years.

Take, for example, the Retail sector, where a little over three million people are employed (10 per cent of the total national workforce) in 202,000 firms. By 2014, the sector will need an additional 1.4 million new workers to meet demands.⁵

It is essential that all employers, of all sizes, in all sectors, take action now and get ready. It can only be a benefit to be ahead of the competition.



Formation

Who we are

Formation is a training and consultancy provider. We have a small core team of eight staff, and work with a pool of around 25 consultants. Although we are a small company, we currently have staff and consultants ranging in age from 27 to 67.

What we do

As a small company, we have to make the most of the staff we have - we can't afford to lose all that valuable experience. Our age positive approach is led by our directors who are committed to equal opportunity for all. Our age positive culture cascades down the organisation as a result. In particular, we are committed to 'open communication', for example:

- All of our formal policies (for example on equal opportunities, flexible working, special leave entitlements, health and safety) are set out clearly and simply in people's employment contracts
- All our new joiners are provided with their own Staff Handbook as part of their induction. This includes all our formal policies and as change occurs, they are e-mailed updates to insert into their book
- We involve all staff in our regular policy reviews - this way our employees have a say in how we work and are aware of our policies and practices
- Being a small company we don't have formal policies for everything, but we always respond to staff requests (for example for workplace adjustments, flexible hours, etc) - on the basis of individual and business need, not based on age or any other subjective criteria
- We have sometimes daily briefings, regular team meetings and at least one away day each year to keep staff up-to-date with what's going on in the business.

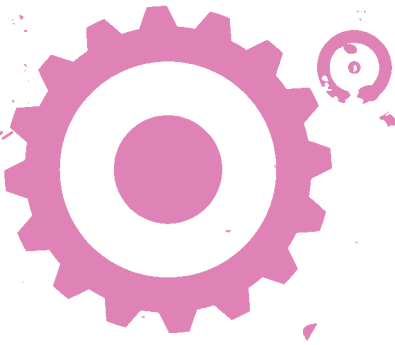
How it has benefited our organisation

- We attract and retain a wide age range of staff, giving us access to a huge variety of different skills that we share across the company
- Staff of all ages tell us they enjoy their work and feel they have something to contribute to the business
- The skills and experience we have been able to retain mean that we deliver a high quality service to our clients.

³ Government Actuary Population Projections, 2004.

⁴ Labour Force Survey Dec-Feb 07

⁵ Managing an ageing workforce in the retail sector. A report for employers available to view at www.agepositive.gov.uk



Age Positive HR Management: answers to your questions

1. I thought the new age regulations only applied to people looking for work. Does it cover those who are already employed as well?

Yes, the regulations do cover anyone who is applying for work but they also cover those who already work for an organisation and, in some instances, people who have left employment. They also cover people of all ages from 16 upwards, with the exception of members of the regular armed forces, full-time and part-time reservists and unpaid volunteers.

2. I only employ a small number of staff - do the regulations still cover me?

Yes, all employers, regardless of size. This includes providers of vocational training, trade unions, professional associations, employer organisations and trustees and managers of occupational pension schemes.

3. I don't have an Equality Policy, do I need one?

Although the age regulations do not actually require you to have an Equality Policy or an appraisal or performance management system, it is good practice and good business sense for companies, large or small, to have them in place.

If you have an Equality Policy, check that it has been updated to include age. Review policies and procedures for age bias, including those covering sick absence, leave and holidays, discipline and grievances, flexible working, IT usage etc.

It is also important to update all employees about the changes and to ensure that those who make decisions that affect others are trained, for example, although it is important for those who deal with recruitment and selection, it is also important for managers and supervisors to be able to recognise and deal with age related bullying, harassment or victimisation.

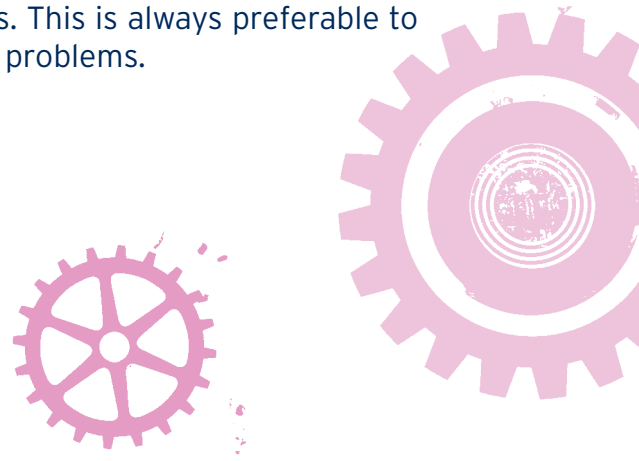
If you don't have one, consider developing a policy - your local ACAS or Business Link should be able to help out.

4. Why do I need an appraisal system, especially if it's not a legal requirement?

It is possible within small organisations to deal with performance on a one-to-one basis, talking to all employees regularly and discussing their career aspirations and future plans, this is particularly important for older workers, who may feel left behind or who may not be performing to their full capacity; or for younger workers, who may feel you offer no progression or opportunities to train or develop.

For a larger organisation, a good appraisal or review system is important to manage staff development and ensure all staff feel valued and remain productive and motivated.

Additionally, with the increased importance in employing and retaining older workers, a good appraisal system provides managers with an unbiased tool to address any performance problems and work out solutions, for example, identifying training needs, changing working hours to address caring needs or providing workplace adjustments to address any work place health problems. This is always preferable to ignoring problems.



5. I'm not sure what would constitute unfair or inappropriate behaviour in relation to age - what should I be aware of?

As an employer it is your duty to ensure every member of staff is treated fairly and with dignity and respect in terms of their age. Harassment, bullying or victimisation occur when one, or a group of people, engage in conduct which has the effect, intentional or not, of isolating another member of staff, violating their beliefs or dignity and creating an offensive, humiliating, intimidating or hostile environment. Make sure all your policies cover age.

Unacceptable behaviour is a serious issue and action needs to be taken to eliminate this type of behaviour. Remember, what one person sees as a joke or as a minor issue, can be viewed very differently or taken out of context by another, for example, using comments such as 'over the hill', granddad, 'wet behind the ears', 'junior' etc, may seem innocent but could cause offence to some people. Additionally, don't permit ageist jokes or ageist birthday cards and try to ensure that no existing practices exclude certain age groups.

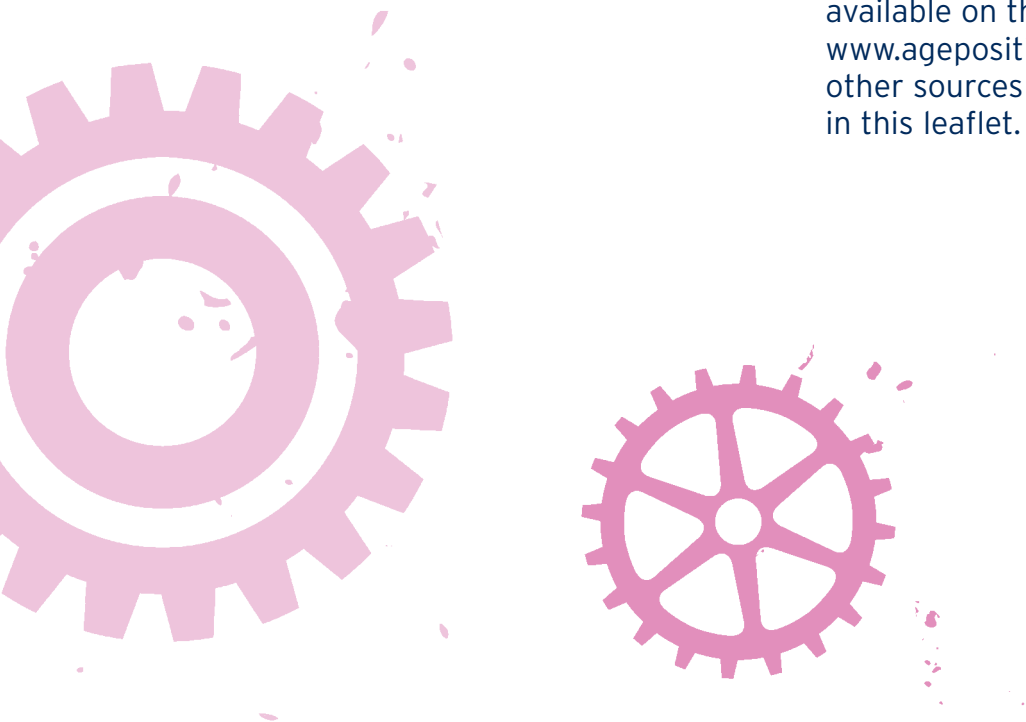
6. What should I do to make sure my systems are in accordance with the regulations?

Review any policy or practice including harassment, equality, and appraisal and performance systems to make sure that they include age, are working fairly and are without bias.

Make sure all staff who deal with HR or who make decisions (including yourself if it's your responsibility) are fully trained and aware of the regulations, often staff unintentionally allow their own views about age to influence their judgements, for example using inappropriate comments - such as - 'does well despite their age', 'may be ready for promotion once they have more experience' or 'shows remarkable mature/youthful qualities for someone of their age'.

These are important areas, if you have concerns, seek advice. If you don't have access to your own HR department or to independent legal advice, ACAS is the nominated agency to give advice and guidance on age issues. Contact their Helpline on 0845 7474747 or go online at www.acas.org.uk

Good practice, help and information is also available on the Age Positive website at www.agepositive.gov.uk or look at any of the other sources of help and information listed in this leaflet.



Sources of additional information

General help and information

Age Positive

www.agepositive.gov.uk

ACAS

08457 474 747

www.acas.org.uk

Business Link

0845 600 9 066

www.businesslink.gov.uk

Financial Services Authority

0845 606 1234

www.fsa.gov.uk

British Chambers of Commerce (BCC)

020 7654 5800

www.chamberonline.co.uk

Age Concern

0800 00 99 66

www.ageconcern.org.uk

The Employers Forum on Age (EFA)

0845 456 24 95

www.efa.org.uk

Trades Union Congress (TUC)

020 7636 4030

www.tuc.org.uk

Confederation of British Industry (CBI)

020 7395 7400

www.cbi.org.uk

Chartered Institute of Personnel and Development (CIPD)

020 8612 6200

www.cipd.co.uk

Chartered Management Institute (CMI)

01536 204 222

www.managers.org.uk

Equal Opportunities Commission (EOC)

0845 601 59 01

www.eoc.org.uk

The Age and Employment Network (TAEN)

020 7843 1590

www.taen.org.uk

Recruitment and Employment Confederation (REC)

www.rec.uk.com

Federation of Small Businesses (FSB)

020 7592 8100

www.fsb.org.uk

Other Government sites

Department of Trade and Industry (DTI)

www.dti.gov.uk

Department for Work and Pensions (DWP)

www.dwp.gov.uk

HM Revenue and Customs (HMRC)

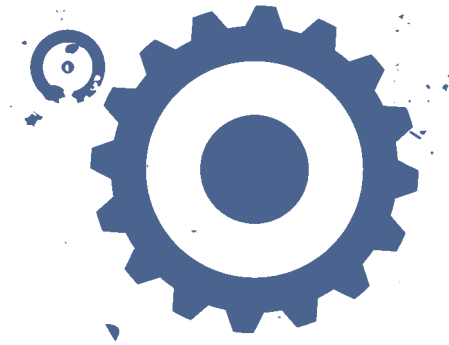
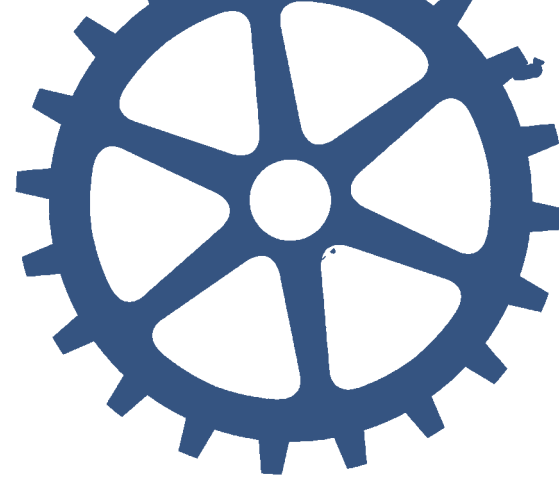
www.hmrc.gov.uk

Health and Safety Executive (HSE)

www.hse.gov.uk

Directgov (Employment)

www.direct.gov.uk/en/Employment/





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www.agepositive.gov.uk
If you require further copies, please e-mail: agepositive@dwp.gsi.gov.uk

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Working with employers to remove
age discrimination in employment

DWP Department for
Work and Pensions