

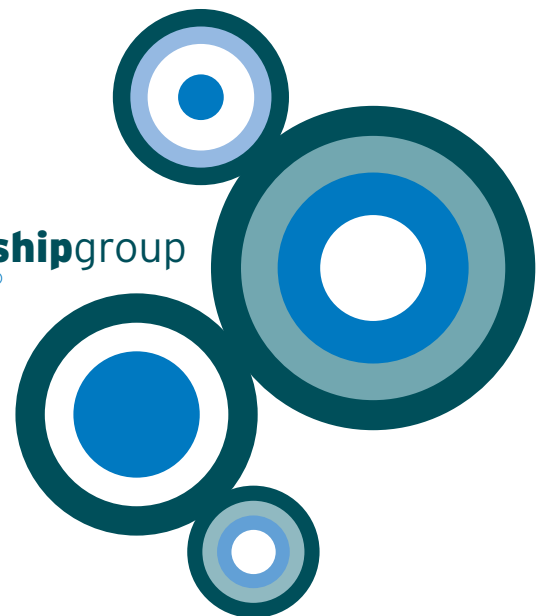
Managing an ageing workforce in the retail sector

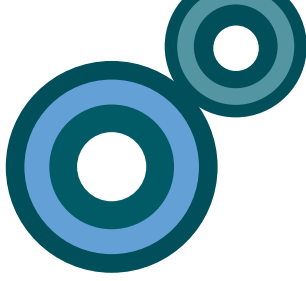
A report for employers

By Stephen McNair and Matt Flynn

Produced for the Department
for Work and Pensions
By the Centre for Research
into the Older Workforce

age**partnership**group
Targeting Employers®





Age Partnership Group (APG)

This research is one of a number of projects commissioned by the DWP on behalf of the APG as part of the National Guidance Campaign (NGC).

The APG was formed in 2002 and consists of a number of national organisations who represent different aspects of employers needs, for example, small business representatives, trade unions, HR and Personnel managers, local government, other government departments, accountancy, insurance and training organisations. There are separate groups representing England, Scotland and Wales.

The NGC aims to raise employers' awareness of, and ability to adopt, practical information and guidance on age diverse employment practices. This includes flexible employment and retirement opportunities in order to increase the recruitment, selection, promotion, training and retention of older employees prior to the implementation of age legislation in October 2006.

You can view the Age Partnership Group website at www.agepositive.gov.uk/agepartnershipgroup

Legislation

In March 2006, the Employment Equality (Age) Regulations 2006 were published. The regulations are the last major stage of the European Employment Directive and will come into effect on the 1st October 2006.

The regulations prohibit age discrimination in employment and vocational training. They apply to individuals of all ages in work, seeking work or looking to access vocational training and to all employers, and to all providers of vocational training and vocational guidance (including further and higher educational institutions).

The regulations can be viewed on the Department of Trade and Industry website at www.dti.gov.uk/employment/discrimination/age-discrimination/index.html

Disclaimer

This report has been commissioned to provide information only. Responsibility for the views expressed in this report rests solely with the authors. The members of the Age Partnership Group (APG) and the Department for Work and Pensions (DWP) do not accept responsibility for the views of the authors.

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Introduction

This report is about how firms in the retail sector are managing an ageing workforce. It has been written for the Department for Work and Pensions (DWP) by the Centre for Research into the Older Workforce (CROW) to help employers to make better use of older workers. It also helps to raise awareness of the new Employment Equality (Age) Regulations 2006 which become law in October 2006, and prohibit age discrimination in work or training against people of any age.

Workforce ageing presents a growing challenge to most employers. Birthrates have been falling for many years, and in the next few years the numbers retiring will outnumber young people entering the labour market. The government believes that the resulting skills gaps and labour shortages in many industries can be reduced if employers can find ways of making better use of older workers, and encourage people to stay in work longer.

However, every industry has its particular features, and this report outlines the special issues affecting the retail sector, based on a large national survey of employers. It highlights employment practices in the sector which will be hazardous under the Age Regulations, and aims to stimulate discussion and improved practice in firms.

This report is not intended to be an authoritative statement on the age discrimination law itself. Details of how to obtain the Regulations, and advice about them, can be found at the end of the report. However, while the Regulations make some activities unlawful, it is for the Courts and Employment Tribunals to interpret this in specific cases. The term "hazardous" is therefore used in this paper to describe activities which might be ruled unlawful if a case is brought. We suggest that employers need to review their practice in these areas.

During 2006, CROW will explore these issues in more depth through case studies of employees in seven sectors, and DWP plans to publish the resulting Research Report in 2007.



1. Summary: key age issues for retail firms

The retail sector has a very young workforce with a high turnover. This makes firms particularly vulnerable to the effects of the falling birthrates, which mean fewer young people entering the workforce over the next decade. It also results in high spending on induction and health and safety training.

The sector already faces serious labour and skills problems, and these are likely to increase. This suggests a need to review who is recruited and retained, and whether better use can be made of older workers.

By comparison to other firms, retailers are less aware of the age legislation. This leaves them at greater risk of legal challenge, and makes awareness raising a particular priority for government and sector bodies. They are also less likely than other employers to have protective systems in place (like equal opportunities policies, formal appraisal and assessment for promotion, "age blind" recruitment systems and training) to ensure that unfair discrimination is not taking place.

Common hazardous practices in retail firms

Common practices in this sector which may need review if employers are to avoid breaking the Age Regulations include:

- **selecting staff on the basis of length of experience.** Two thirds of retail employers do this. Length of experience is a substitute for assessing competence, and is hazardous, since it disadvantages younger workers.
- **targeting particular age groups for recruitment.** This will be unlawful from October 2006, unless the purpose is to increase recruitment from under represented age groups or to meet statutory requirements.
- **providing age information to shortlisting and interviewing staff.** There are legitimate reasons why employers would request dates of birth from job applicants (for example, to monitor equal opportunities), but passing this information to staff who are responsible for selection increases the risk of unfair discrimination in recruitment.
- **using length of service or age to select for redundancy.** The former will be hazardous, and the latter unlawful.

Unlawful practices in retail firms

The following practices are less common, but unlawful, and firms who use them will need to make changes if they are to remain within the law.

- 51% of firms set a **maximum recruitment age** (unlawful until within 6 months of the firms retirement age).
- 25% of firms use **age to select for compulsory redundancy.**
- 22% of firms use **age to fix starting salaries.**
- 10% of firms **specify age in recruitment advertisements.**

2. The shape of the retail sector

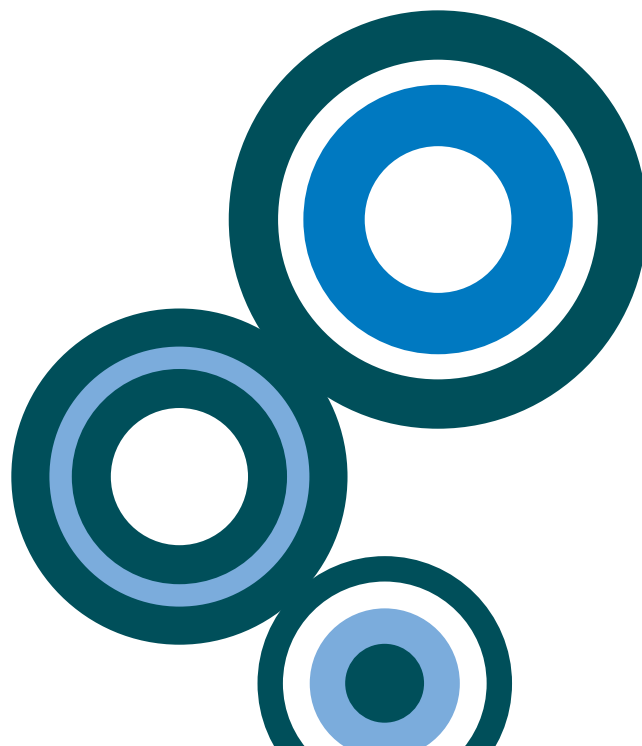
The nature of the age management issues facing a sector depends on factors like the average size of firms, the age and skills profile of the workforce, and future expectations of growth or contraction. This section outlines this context for the retail sector.

The retail sector¹ is very large, employing a little over 3 million people (10% of the national workforce) in 202,000 firms. It covers all retail trade, including general and specialised stores, the retail motor trade, food and beverages, pharmaceutical goods, second-hand sales, “sales not in stores” (markets, mail order, and online) and repair of personal and household goods. Employment is concentrated in two occupational groups: Sales and Customer Services and Managers, with very few workers in other groups, and very little self-employment. The sector is supported by one Sector Skills Council: Skillsmart Retail.

The sector’s output has been rising rapidly but this is predicted to slow, and overall firm numbers are falling slowly. However, employment is expected to grow faster than any other sector, adding 1.4 million new workers by 2014 to its already large base.

The mix of large and small firms matches that of the economy as a whole, ranging from very small micro businesses, to large multinational corporations. In general, management in the sector is relatively informal, with low levels of planning. Despite the high profile of a few very large firms, less than half of all firms in the sector have formal business plans and one third have no business plan, training plan or training budget.

¹ SIC code 52



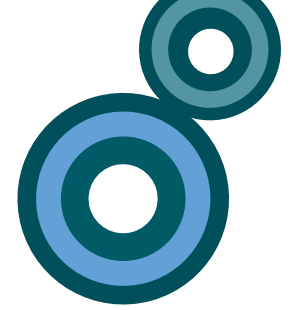
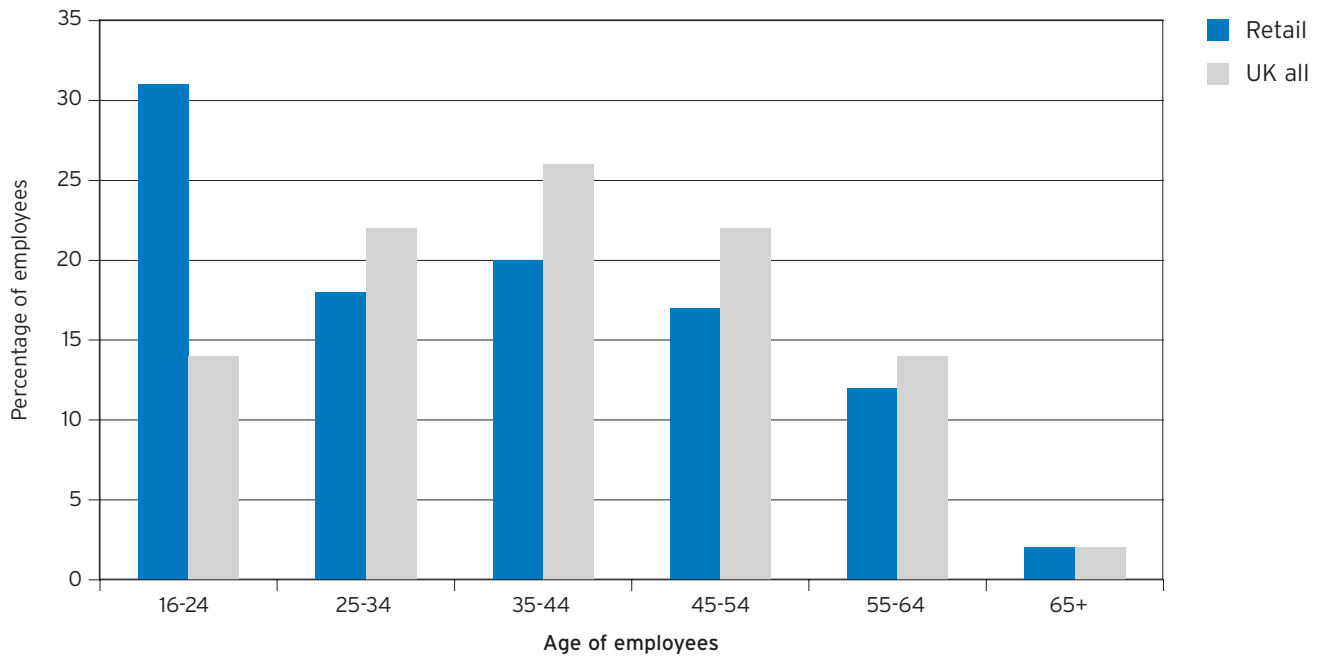


Figure 1 The age profile of the retail workforce



The sector has a very young workforce with nearly a third of all employees under 25, and despite prominent initiatives by some large firms, retailing is less likely to employ people over 55 than firms in general. Other distinctive features of the workforce are high proportions who are part time, female, from ethnic minority groups, and with low qualifications.

The main current skills problems are:

- sales and customer services staff without the necessary skills for the job;
- hard to fill vacancies for managers;
- skill shortage vacancies at three times the national workforce level;
- low levels of training, with only 57% of firms providing training of any kind in the last year, and annual training expenditure at half the national average. What training there is is concentrated in induction and health and safety, probably reflecting a relatively high turnover of staff.

3. Age discrimination in employment

Age discrimination at work is common. It can affect people of any age, but is particularly likely to involve older people, and more than one in five workers over the age of 50 say that they have experienced it either when applying for jobs or in the workplace². In countries where age discrimination law is already in force, it is the commonest cause of discrimination cases in the courts.

From October 2006, it will be unlawful for any employer in the United Kingdom to discriminate against or harass anyone on grounds of age, directly or indirectly, in relation to either employment or vocational training. This will cover arrangements for recruitment and promotion, pay and conditions, education and training, and retirement and redundancy.

There are exceptions: in relation to retirement, where it will be lawful to retire an employee at a given age, provided this is not below 65 (both men and women); and

Where an existing statutory provision exists (like the Minimum Wage Regulations).

An employer may also be able to objectively justify discrimination if it is designed to correct an age imbalance in his workforce, this is positive discrimination; if there is a legitimate business reason (and the discrimination is proportionate); or if there is an objective justification (likely to be very rare). The Regulations, and advice on their interpretation, can be found on the DTI and ACAS websites³.

Some features of age discrimination are common to most employers⁴:

- Indirect discrimination is more common than direct discrimination. DWP and DTI's joint survey, conducted by the National Institute of Economic and Social Research (NIESR), found few examples of direct discrimination, but one in five employers believe that some jobs are better done by people of particular ages. Where such beliefs exist, discrimination is more likely.
- Discriminatory attitudes are more likely to be found in private sector firms, and especially small ones⁵, in sectors like manufacturing and construction. These are also the firms and sectors where there are least likely to be formal procedures and policies to protect against unfair discrimination.
- The most common hazardous practices involve setting age limits on recruitment, especially for those over 50, and using age as a basis for decisions on compulsory retirement and redundancy.
- About half the workforce is covered by a compulsory contractual retirement age. In most cases this is already 65, which is the new "national default retirement age". However, even where firms plan to retire staff at 65, they will have to give formal notice of retirement dates and seriously consider requests to stay longer.

² Discrimination is difficult to measure precisely, since it is subjective, and affected by levels of public awareness of age issues, and many people regard it as "normal". In a CROW postal survey of workers over 50 in 2004, 20% reported age discrimination. In research by the University of Kent for Age Concern England 29% of people reported experiencing age discrimination (compared to 24% for gender).

³ See "Further Information" at the end of this report.

⁴ Information based on DWP and DTI's joint national survey of employers' policies practices and preferences, conducted by NIESR (see "Further Information"), although because this is new secondary analysis not all figures are directly comparable. Also, for certain policies and practices respondents were asked to answer in respect of their largest occupational group rather than for the workforce as a whole.

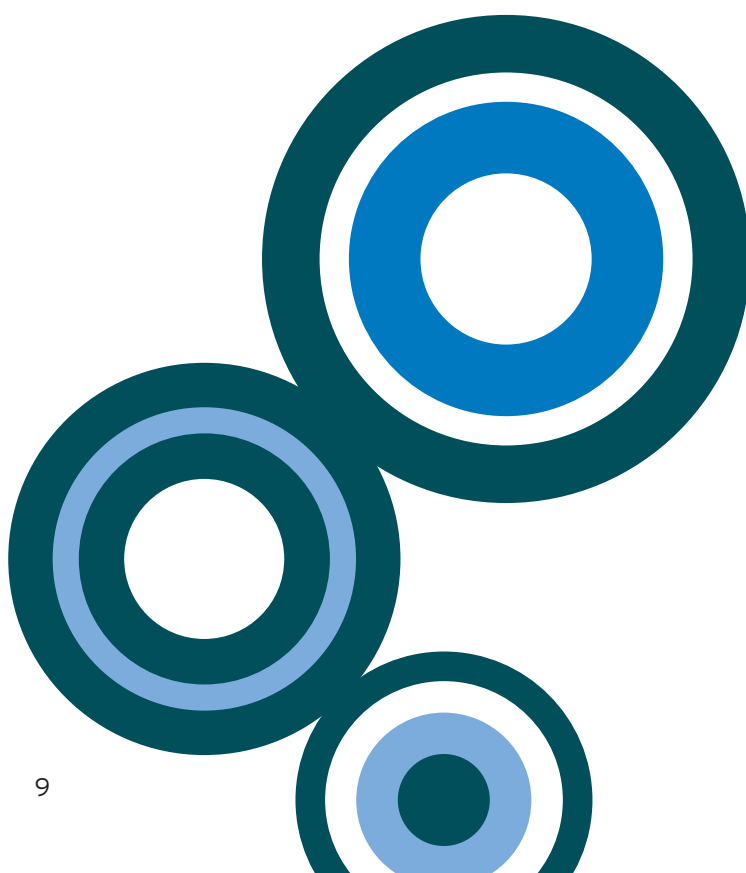
⁵ In this report "micro" firms have 5-19 employees, "small" employ 20-49, "medium" employ 50-249, and "large" employ 250 or more (the survey excluded firms employing fewer than 5 employees).

- Public sector and large private sector organisations, are more likely to have formal procedures (like appraisal schemes or equal opportunities policies) to protect against discrimination, especially where a Trades Union is recognised. However, these organisations are also more likely to have long standing formal agreements which include provisions which are hazardous under the Age Regulations, including contractual retirement ages below the new national default retirement age of 65.
- Two occupational groups are particularly at risk from discriminatory practices. These are professional and associate professional/ technician staff, both of whom are particularly likely to be exposed to discrimination in setting pay, long incremental pay scales, and access to training.

The tables in this paper identify hazardous practices identified in DWP/DTI's employer survey, indicating those which are most common among employers in retail, and among employers in general.

Some of the provisions in the Regulations allow an employer to claim an "objective justification" for a practice which would otherwise be unlawful. Such justifications require the employer to be able to show that his or her action is a proportionate means of achieving a legitimate aim. It will be for Employment Tribunals and the County Courts to rule on what is justifiable under these provisions.

The Regulations also allow some practices, like incremental scales, where pay or terms of employment improve with length of service, but only up to five years, beyond which they will need to be objectively justified.



4. Recruitment and promotion

The key principle in all selection for employment or promotion is that decisions should be fair, and based on the individual's competence for the job, and not on arbitrary factors like age (or gender or race etc).

The research evidence shows that work performance in most jobs does not decline with age before the late 60s, provided individuals are healthy, motivated and kept up to date.

Across the workforce as a whole, the commonest hazardous practices in recruitment and promotion involve excluding applicants, either

directly (by specifying ages), or indirectly (e.g. by specifying years of experience, rather than specific capabilities) in advertisements, job descriptions and interview criteria.

Table 1 shows the most common areas of hazardous practice in the retail sector (with figures for firms in general for comparison). Practices followed by more than half of firms in the sector are highlighted.



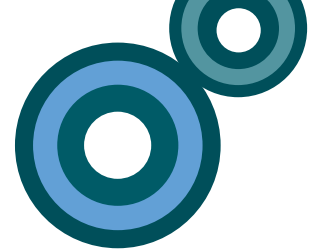


Table 1

Recruitment and promotion	Comment	% of organisations reporting in retail	% of organisations reporting in all sectors
Selection criteria based on length of work experience of any kind	Indirectly discriminatory. The test must be individual capability not experience, unless an objective justification can be demonstrated.	61	62
Application forms ask for date of birth/age	Lawful to use for monitoring purposes and conforming to Statutory requirements. Potentially discriminatory. ACAS recommends removing this information (as with other equal opportunities information) before shortlisting.	59	48
Maximum recruitment ages are specified	Unlawful if set more than six months before the company's retirement age unless objectively justified ⁶ .	51	29
Age information is provided to recruiting staff	Increases risk of discrimination	54	44
Recruitment criteria specify qualifications	Lawful if the qualification is directly relevant to the job, and equivalent qualifications are accepted for candidates of different ages.	48	60
Selection decisions are based on remaining period to retirement	Discriminatory unless a clear business justification can be demonstrated ⁷ (like the cost/time required to train, relative to the expected years of work).	19	18
Age criteria are used directly in recruitment, or particular age ranges are targeted	Unlawful unless required by Statute, or for positive action reasons (e.g. to compensate for the under representation of a particular age group).	10	9
Job advertisements specify age	Unlawful, unless there is a genuine occupational requirement (e.g. a young actor for a young part).	10	6
Selection decisions are based on expected length of service, judged by age	Unlawful	8	7

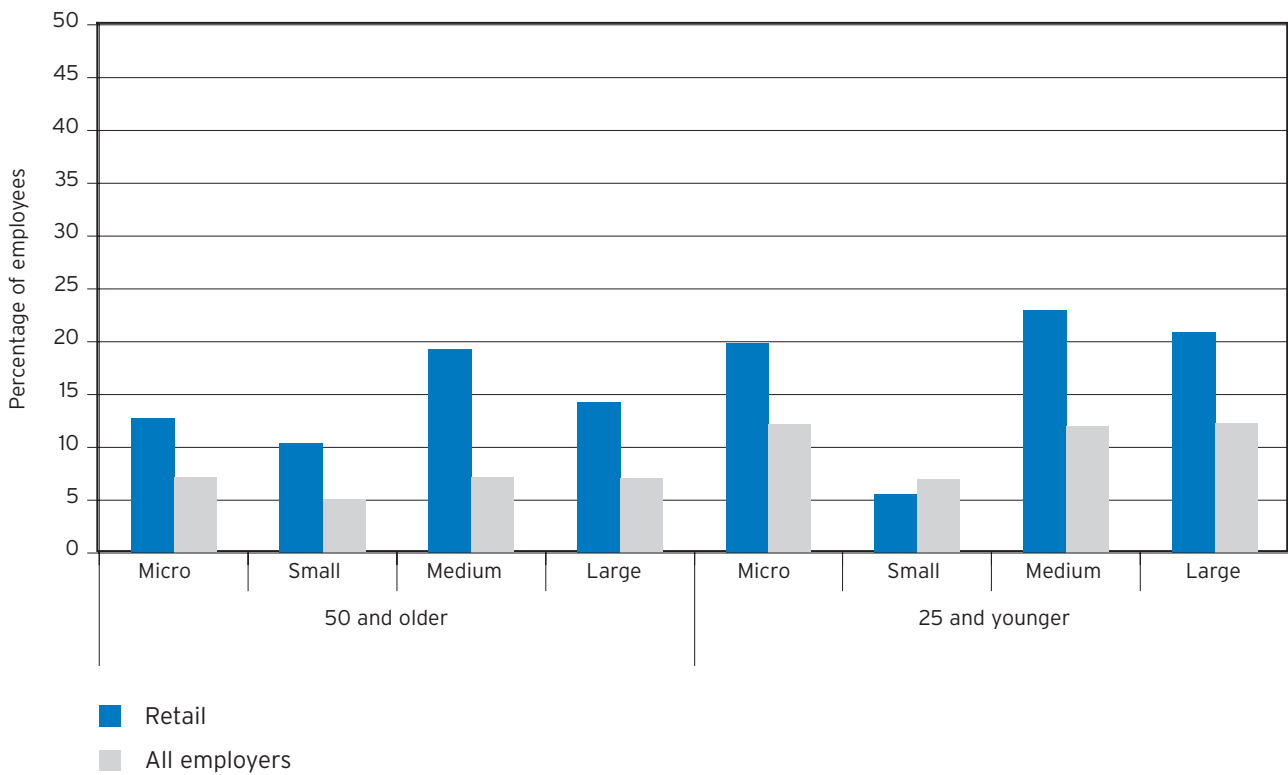
⁶ If the employer does not have a compulsory retirement age, he can set a maximum recruitment age of 64 1/2.

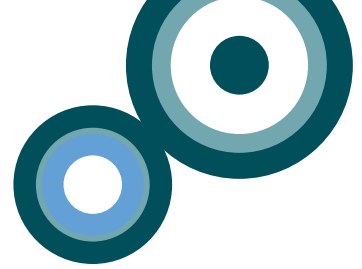
⁷ See also "maximum recruitment age".

Retailers are more likely than employers in other sectors to target particular age groups (both under 25s and over 50s) when recruiting. However, although the retail sector has a reputation for active policies on the employment

of older workers, the survey data suggests that these initiatives are, in general, confined to large multiple retailers, while the retail workforce as a whole is unusually young.

Figure 2 Employers who encourage applications from specific age groups

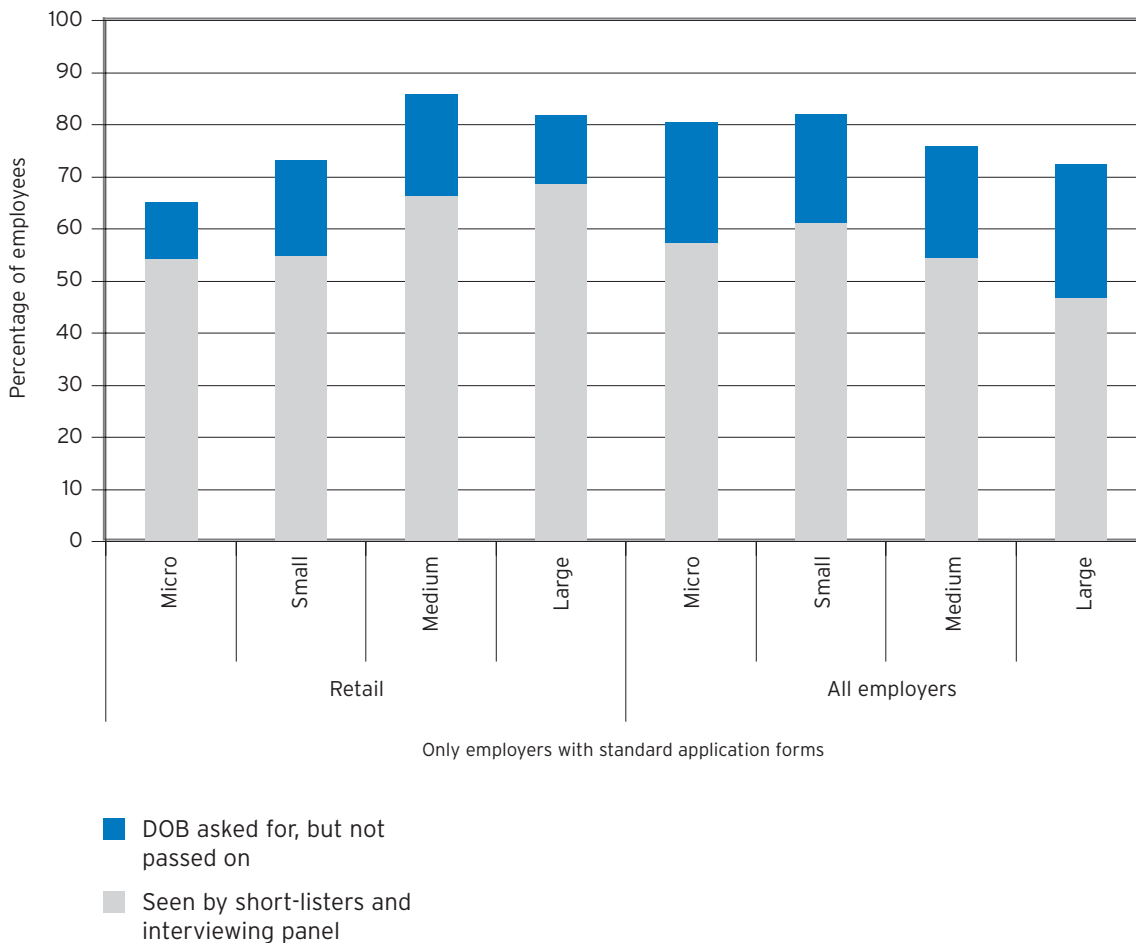




When recruiting, large and medium firms tend to use application forms, while smaller ones either use informal unwritten processes or CVs. Most employers ask for dates of birth (perhaps in order to comply with regulations on the

employment of young workers). However, a high proportion of large retailers provide date of birth information to managers involved in selection, which increases the risk of unfair discrimination (Fig 3).

Figure 3 Employers who ask for date of birth on application forms



5. Pay and conditions

The key principle in setting pay and conditions should be fairness. Where individuals are treated differently, this should be on the basis of a different contribution or skill, not on age, or on a factor which is a proxy for age (like years of service). This applies to people of all ages, and those over an employer's normal retirement age are equally protected by the law.⁸

The Regulations do, however, allow different treatment where this can be "objectively justified" as a "proportionate" way of achieving "a legitimate business purpose". Rewarding long service can, for example, be justified if it can be shown to benefit the business by increasing staff retention, and the sums involved are reasonable⁹.

Table 2 shows the most common areas of hazardous practice in the retail sector.

Table 2

Pay and Conditions	Comment	% of organisations reporting in the retail sector	% of organisations reporting, all sectors
Starting salary takes experience into consideration	Potentially discriminatory, since experience relates indirectly to age, and does not directly measure competence.	52	58
Annual leave entitlement is based on length of service	Lawful if five years or less or it fulfils a business need like retaining experienced staff. More common in large firms (affects 44% of all firms but 58% of all employees).	43	44
Incremental pay scales are used	Unlawful if scale covers more than 5 years (which occurs in 5% of all firms), unless it can be objectively justified.	38	36
Long service awards	Lawful if five years or less or it fulfils a business need like retaining experienced staff. More common in large firms (affects 33% of all firms but 54% of all employees).	23	33
Starting salary is dependent on age	Unlawful , except in specific situations covered by Minimum Wage Regulations or Apprenticeship.	22	13
Separate youth rates of pay	Only lawful in specific circumstances relating to the National Minimum Wage or Apprenticeships.	15	11
Selection for training depends on period to retirement	Potentially indirectly discriminatory (7% of all firms set a limit of more than 1 year). Objective justification is possible in terms of business benefits such as the cost set against predicted return.	6	8
A maximum age is set for eligibility for sick pay	Unlawful	3	6

⁸ The upper age limit for unfair dismissal claims is being lifted under the new regulations, and employees over their firm's retirement age will have full protection against discrimination.

⁹ This is a complex area. Advice is available on the ACAS website (see "Further Information" below).

A significant minority of retailers use age (excluding youth rates) when setting pay levels, and starting salaries, but they are less likely than other employers to use length of service. The former will be unlawful and the latter hazardous.

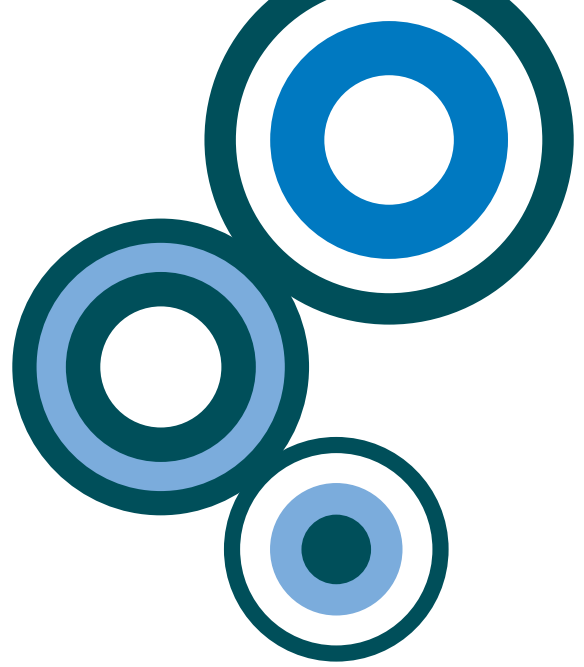


Figure 4 Factors influencing general pay levels

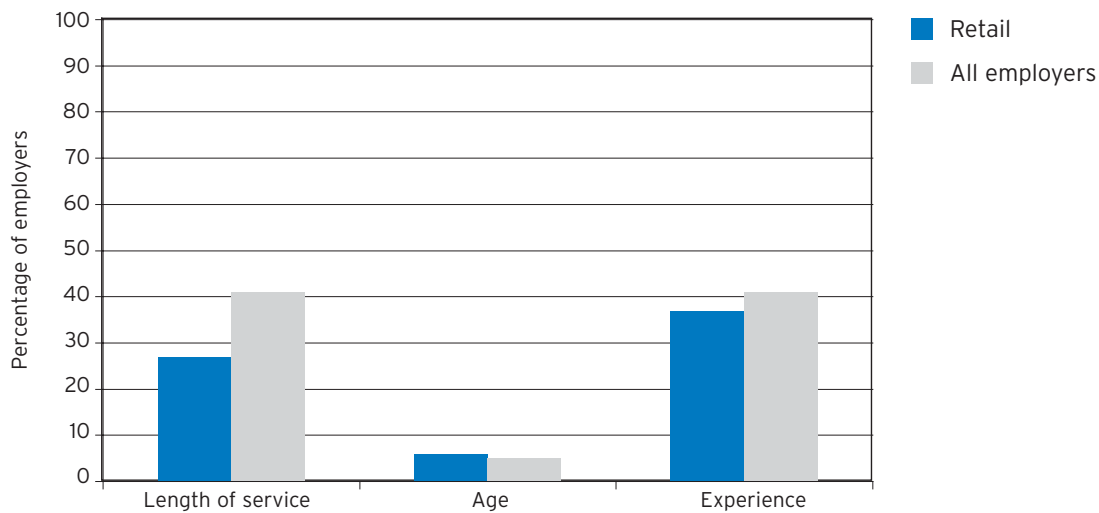
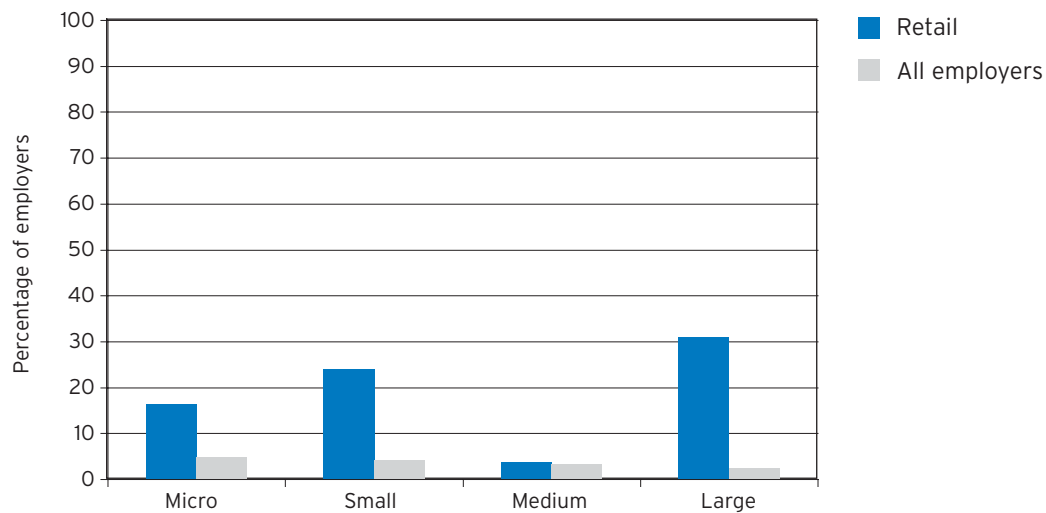


Figure 5 Age influences starting salary



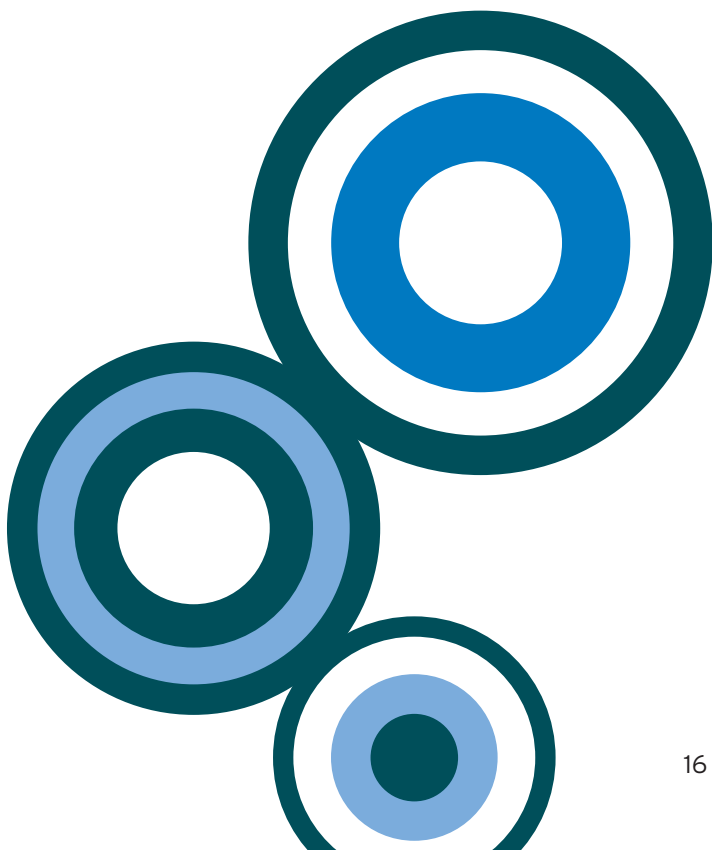
6. Retirement and redundancy

The key principle here is that, up to the new national “default retirement age” of 65 (for men and women), exit from the firm through either retirement or redundancy should be based on individual capability and contribution, and personal preference, not on age¹⁰.

An employer can set a retirement age at 65 or above, but will be required to give individuals formal advance notice of their retirement date, and must consider requests to stay on after that.

The greatest hazards concern the setting of compulsory retirement ages and the use of age in selection for redundancy or setting levels of redundancy pay.

Table 3 shows the most common areas of hazardous practice in the retail sector.



¹⁰ It will only be lawful for an employer to set a retirement age below 65 if this can be shown to be a proportionate means of achieving a legitimate business purpose. Such cases are likely to be very rare, since age in itself is rarely, if ever, a qualification for a job.



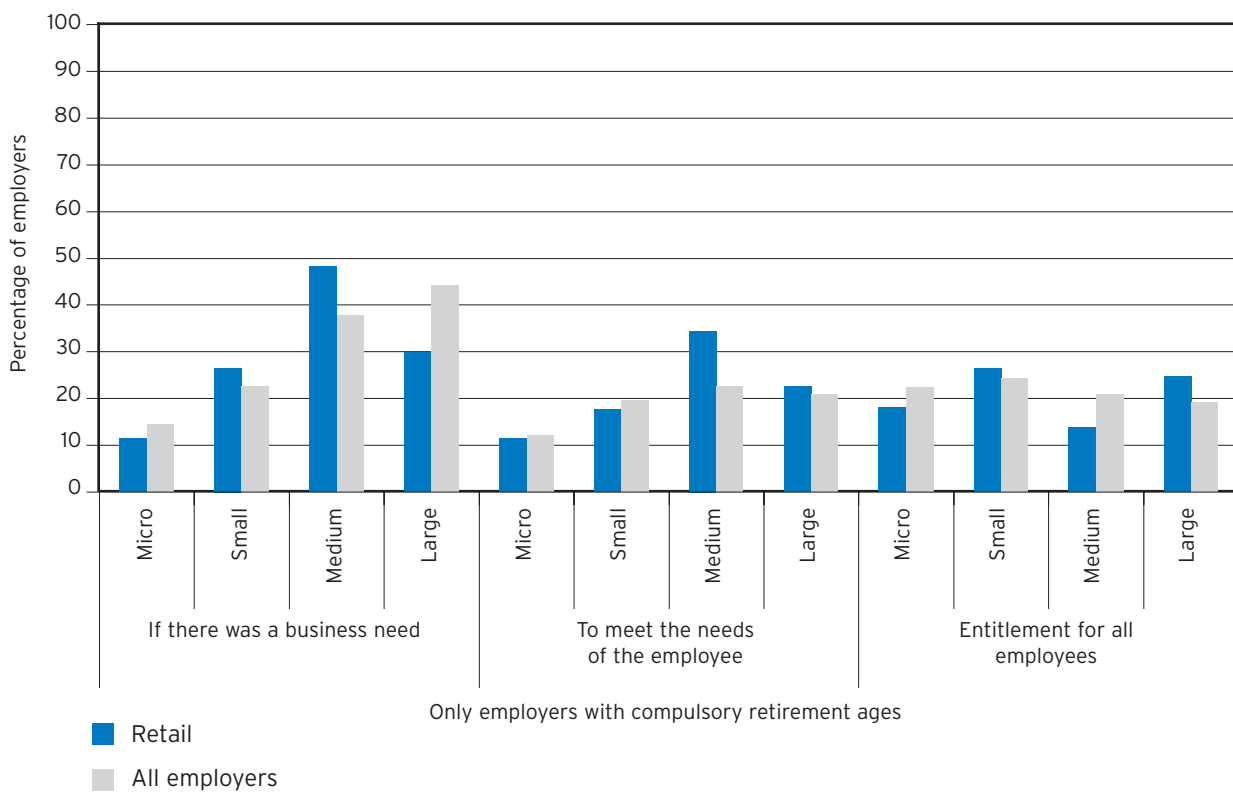
Table 3

Retirement and Redundancy	Comment	% of organisations reporting in retail	% of organisations reporting, all sectors
Redundancy decisions based on length of service	This discriminates indirectly since longer service correlates with age.	58	49
Compulsory retirement ages	Unlawful if below 65 (which affects 6% of all employers), unless it can be objectively justified. Although only 37% of all firms have a formal retirement age, 50% of the workforce is affected (because this is more common in large firms). However, in most cases the fixed age is 65, which will remain lawful, although employers must consider requests to stay on.	32	37
Compulsory redundancy decisions are based on "last in first out"	Likely to discriminate indirectly against younger employees.	29	28
Level of redundancy pay based on length of service	Can be indirectly discriminatory against younger employees. Length of service is used in compulsory redundancy decisions by 27% of all firms but affects 38% of employees. For voluntary redundancy it is used by 23% of all firms but affects 38% of all employees.	28 compulsory 25 voluntary	27 compulsory 23 voluntary
Age is used in selection for redundancy	Unlawful. The decision must be based on requirements of job and competence of staff, or positive action to maintain an age balance.	25 compulsory 5 voluntary	14 compulsory 5 voluntary
Level of redundancy pay is affected by age	Unlawful. Affects only 10% of all firms, but 17% of all employees (because it is more often used in larger firms).	6 compulsory 6 voluntary	10 compulsory 9 voluntary
Redundancy decisions based on current salary	Likely to discriminate indirectly since salary levels generally correlate with age.	3	7

In retailing, flexible approaches to retirement are commonest among small and medium sized firms (50-250 employees), where almost half say that they would allow people to continue in work past retirement if there was a business need, and a

third would do so to meet the employee's needs (but at the discretion of management rather than as an entitlement) (Fig 6). In this sector micro firms are the least likely to consider flexible retirement options.

Figure 6 When would you allow an employee to stay in work past retirement age



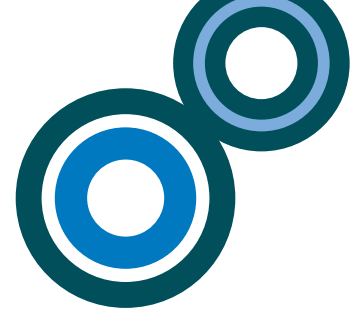
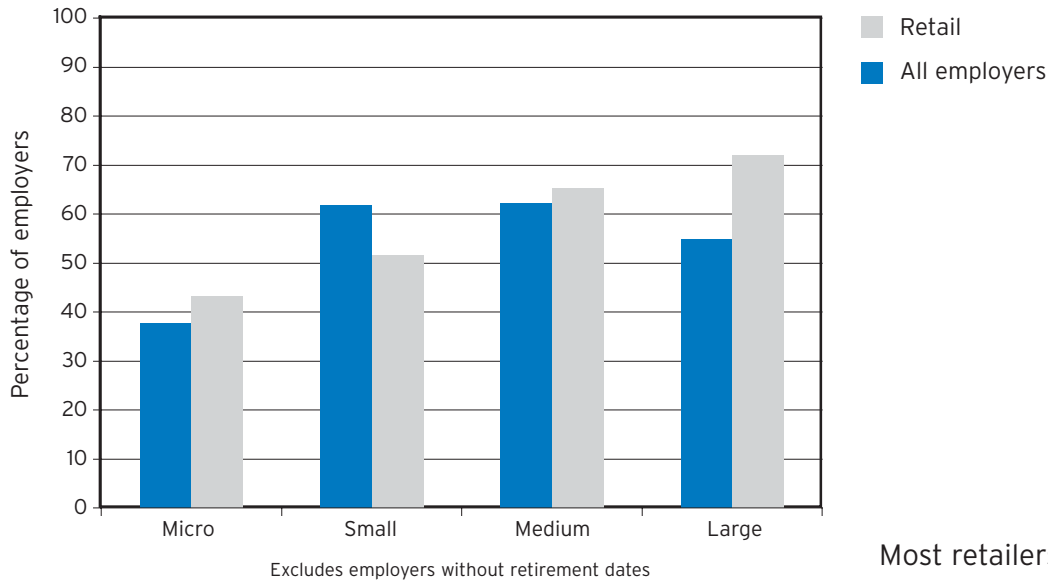
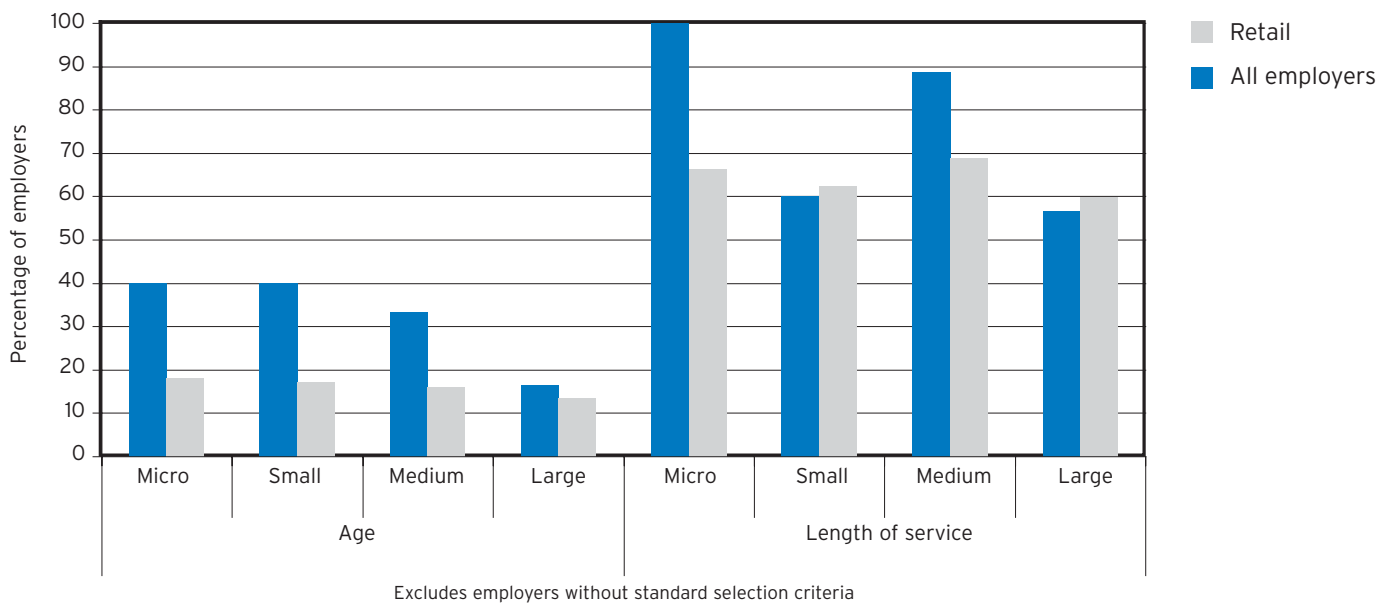


Figure 7 Employers who give employees a choice on retirement dates



Most retailers do not have standard criteria for selecting individuals for either compulsory or voluntary redundancy. Those who do are most likely to use age or length of service, both of which are hazardous under the Age Regulations (Fig 8).

Figure 8 Selection criteria for compulsory redundancy include:



Enhanced compulsory redundancy pay is less likely to be based on age in retail than in other sectors.

7. Management and training

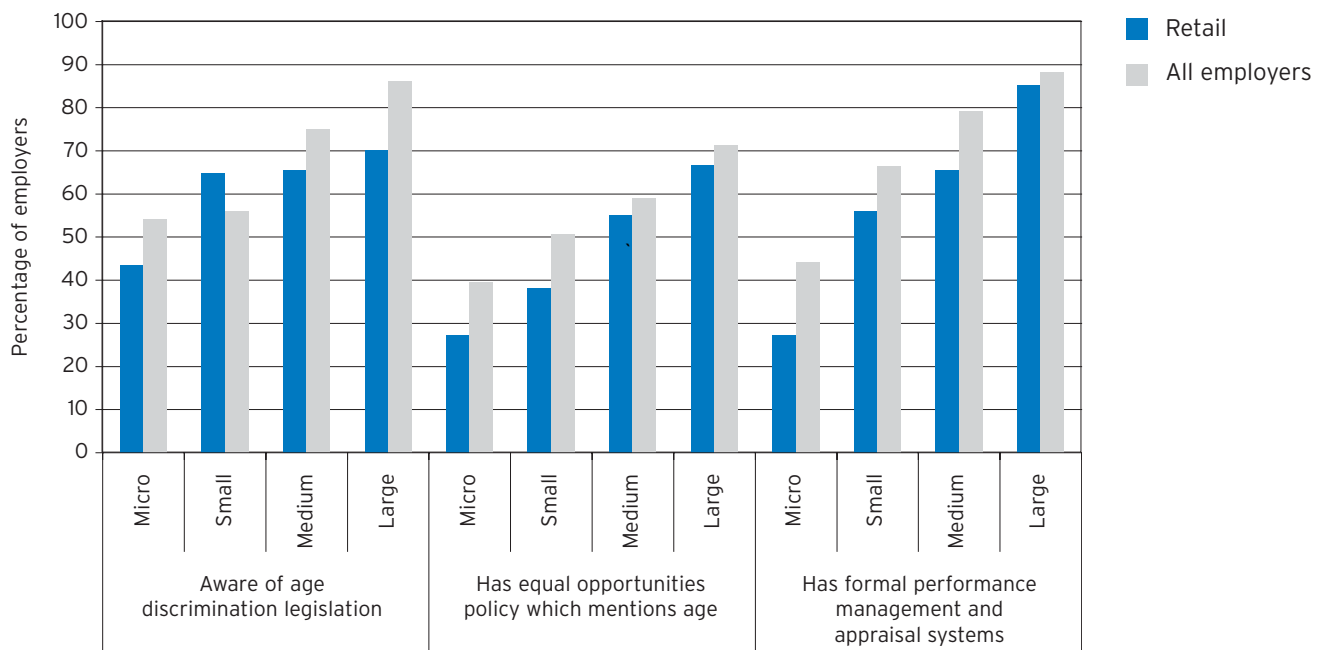
There are a variety of management practices which can reduce the risk of legal disputes under the Age Regulations. Table 4 identifies the commonest ones,

and shows what proportion of firms in the retail sector, and the economy in general, use them at present.

Table 4

Management and training	Comment	% of organisations reporting in the retail sector	% of organisations reporting, all sectors
Equal opportunities policy	Having a policy makes expectations clear to managers and staff, and makes monitoring easier.	68	72
	Equal opportunities policy explicitly mentions age.	53	56
	Policy implementation by age is monitored (only those with age policies).	48	49
Flexible working	Many employees, especially those with childcare or eldercare responsibilities, and those approaching retirement, would like to work part-time or flexibly. Offering flexible working improves retention and motivation of key staff.	80 for childcare 79 for preretirement 72 for eldercare 50 for any reason	82 for childcare 78 for preretirement 74 for eldercare 51 for any reason
Providing work related training for all staff	There is a direct relationship between participation in training and staying longer in work.	66	70
Formal performance appraisal	Ensures that employees are clear about objectives, that performance is recognised, and untapped talents are used. This will also be relevant when firms have to consider formal requests to stay after a firm's retirement age.	65	68
Flexible retirement ages	Flexible retirement allows individuals to work longer and employers to continue to make use of skills and expertise.	47 offer to all staff 3 offer to some staff	50 offer to all staff 4 offer to some staff
Formal assessment for promotion	Formal assessment increases the chances of promoting the most valuable people, and reduces the risk of discrimination (4% of all firms currently have age related criteria, which will be unlawful).	41	37
"Age blind" recruitment practices	Removing dates of birth and age data from applications before they are considered by selectors reduces the risk of discrimination (although training recruiters is also important). Some firms collect this information on equal opportunities monitoring forms which are removed before forms are passed for short listing.	23	43

Figure 9 Preparedness for age discrimination regulations



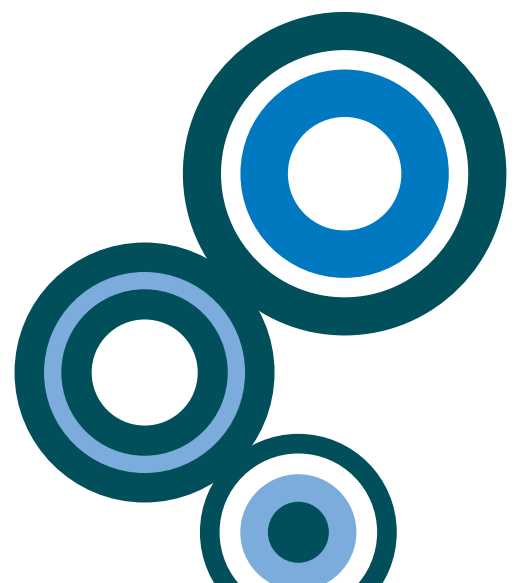
Formal systems for appraisal and performance management are less common in retail than other sectors, and are especially rare among firms employing fewer than 50 people. Under the Regulations, employees have the right to ask to stay in work after their employer's retirement age, and it will be easier for employers to show that there was no discrimination if there are formal records of performance to base decisions on.

Equal opportunities policies which mention age are much less common among smaller firms in retail than among similar sized firms in other sectors. Large retailers, on the other hand, are almost as likely as large employers in other

sectors to have such policies, but are less likely to train staff in diversity or to monitor their human resource practices to check that discrimination is not taking place.

Off the job training is less common in retail than other sectors and around 5% of large retailers consider age when deciding who to train (favouring younger employees), which will be hazardous.

When surveyed, in Spring 2005, retailers were less likely than other employers to be aware of the age discrimination regulations or when they will come into effect.



8. Managing age in the retail sector: discussion questions

The following questions are designed to help you, as an employer in the retail sector, to plan how you will respond to an ageing workforce and the Age Regulations:

1. How concerned are you about **skills gaps and shortages** in your sector, and do you believe current labour market predictions about this?
2. Do you think that **a different age mix** in the workforce could help overcome these?
3. Do people generally in your sector **have strong views about appropriate age ranges for particular jobs** which would limit the opportunity to change the age mix?
4. Is your **ability to change pay and conditions** limited by national agreements, or regulations like “licence to practice” rules? How can you tackle this?
5. Policymakers sometimes assume that all firms in a “sector” are alike. In your sector are there particular **kinds of firm which are very different** in their approach to age management?
6. How easy is it to **extend working lives** in your sector? Does this apply more to some groups of staff than others?
7. Are there **traditional career patterns** in your sector which might change if working lives became longer (e.g. “downshifting” or mentoring roles for older workers)?
8. Older workers often prefer **to work part-time or on a flexible basis**. How easy is it to do this in your sector, and what might be the constraints?
9. Are there jobs where **physical demand or levels of stress** make extending working life more difficult? Are there ways of overcoming these?
10. Is it difficult to **recruit older people** in your sector? After what age? Can training help?
11. **Small firms** in general have less formal management structures and procedures. Will this make overcoming age discrimination easier or more difficult for them?
12. A high proportion of people working after 65 are **self employed**, what role does this play in your sector?
13. What are the implications of an ageing workforce for supply and demand for **training** in your sector? (given that those who train generally stay in work longer)
14. How difficult will it be to **raise awareness among employers** in your sector about the ageing workforce, and about the age discrimination regulations, especially among small firms, who are more difficult to contact?
15. Are there **lessons about managing an age diverse workforce** which your sector could offer to others?

CROW would welcome any comments on these questions (or any others) as a contribution to its final research report for DWP¹¹.

¹¹ See “Further Information” below.

9. About this paper

This paper was written by the Centre of Research into the Older Workforce on behalf of the Department for Work and Pensions. It draws on two sources:

- The background material on the sector comes mainly from the Sector Skills Development Agency's Research Matrix database, which brings together a large quantity of information about all sectors from a variety of sources, including the Labour Force Survey, the National Employer Skills Survey, the Annual Business Inquiry, and the Inter Departmental Business Register¹².
- The material on current age management practice in the sector is based on data gathered by the National Institute for Economic and Social Research (NIESR) and the British Market Research Bureau (BMRB), in a national survey for the DWP and DTI in Spring 2005¹³. They interviewed the most senior person responsible for HR issues in 2084 firms employing more than five people in England, Scotland and Wales. Each interviewee was asked 160 questions about aspects of age management, including recruitment, retirement, benefits, pensions, management practices and discrimination. CROW carried out a separate analysis of this data to produce the current paper. The sample included 103 firms in the retail sector.

The DWP/DTI joint survey evidence is the best available on current employer age management practices across all sectors, but it should be interpreted with some caution since:

- it probably underestimates the frequency of some practices (since firms with a positive record are more likely to respond to such surveys; employers may be reluctant to admit to what they suspect is "bad practice"; and the senior managers who replied to the survey may be unaware of poor practice by some line managers);
- In some cases the number of employers responding is relatively small, and may not be fully representative of particular sizes of firms in that sector;
- Since some practices are more common in large firms, the behaviour of a small proportion of firms may affect a much larger proportion of workers;
- Although some hazardous practices are rare, the firms involved will still be open to legal challenge if they do not make appropriate changes.

We have not commented on pensions issues since pensions provisions are largely exempt from the regulations¹⁴.

All views expressed in this paper are those of the authors. They are not intended to be authoritative statements of the law, and do not represent the views of the Department for Work and Pensions or any other Government Department.

¹² Details on the Skills for Business website at www.ssdamatrix.org.uk/

¹³ See "Further Information" below.

¹⁴ DTI's guidance *The impact of age regulations on pensions*, explains the implications of the legislation for pensions in detail.

10. Responding to this paper

This paper is intended for consultation with employers, sector bodies and other interested organisations and individuals during 2006. Responses will contribute to a larger report on sectoral approaches to age management, which DWP plans to publish in 2007.

If you would like to comment on any aspect of this paper, or on age management in the retail sector (or on age management more generally), please write directly to the Centre for Research into the Older Workforce (CROW). We would be particularly interested in responses which:

- add relevant information on the shape of the sector and age management issues and practices within it
- clarify the reasons for particular features (e.g. why one part of the sector has very different practices from others, or why retail is different from other sectors)

- identify examples of good practice which might be disseminated to other employers or sectors
- identify questions which need further investigation

Responses and comments on the content or issues raised by this paper should be sent by email to: crow@niace.org.uk

Or by post to:

Age Legislation Research
Centre for Research into the Older Workforce
NIACE
21 De Montfort Street
Leicester
LE1 7GE

11. Further information

Further information on age related issues, policies, practices, and legislation can be found at www.agepositive.gov.uk

You can request further copies of this paper, or contact the Government's Age Positive team at: agepositive@dwp.gsi.gov.uk

or write to:

Age Positive Team
Extending Working Life Division
N10
Moorfoot
Sheffield
S1 4PQ

Details of the Age Discrimination Regulations, which will come into force in October 2006, can be found on the DTI's website at:

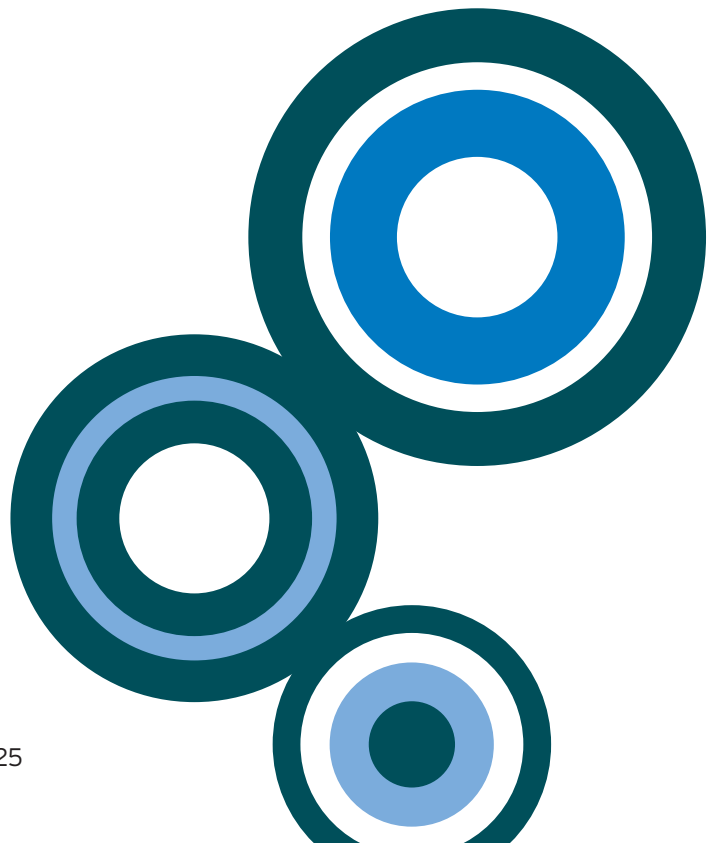
www.dti.gov.uk/employment/discrimination/age-discrimination/index.html

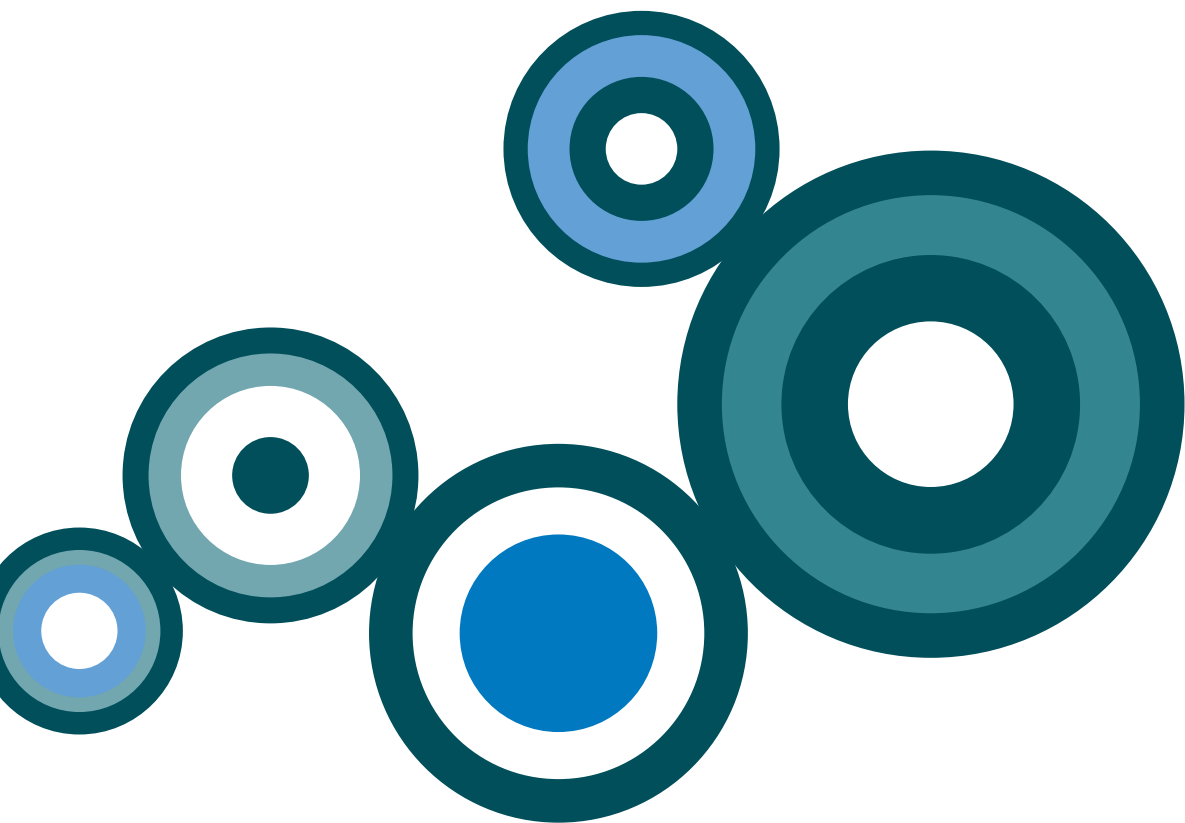
Advice on interpretation and good practice can be found on the ACAS website at:

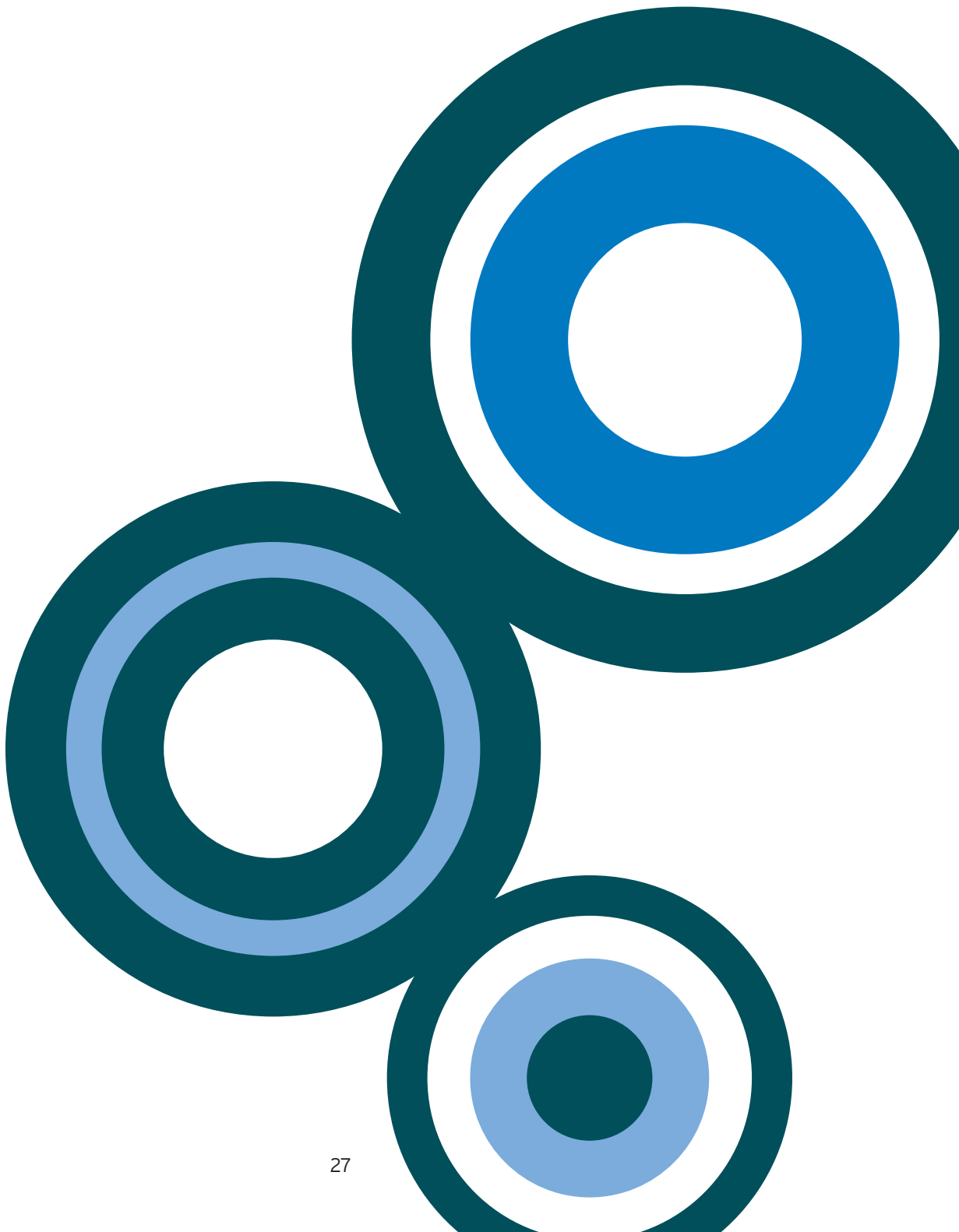
www.acas.gov.uk

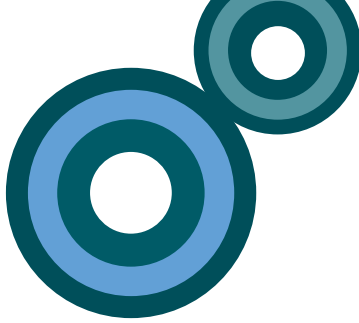
The full report of DWP/DTI's joint national survey conducted by NIESR and BMRB which produced the evidence for this report is *Survey of Employers' policies, practices and preferences relating to age* by Metcalf & Meadows (DWP Research Report 325, DTI employment relations research series number 49) The full report is available for download free on the DWP website at: www.dwp.gov.uk/asd/asd5/rports2005-2006/rrep325.pdf

Further information about CROW can be found at: www.niace.org.uk/crow









Members of the Age Partnership Group

Members of the Age Partnership Group, listed below, support and endorse the Be Ready campaign.

for England

Acas
Association of British Insurers (ABI)
Association of Chartered Certified Accountants (ACCA)
The British Chambers of Commerce (BCC)
Chartered Institute of Personnel and Development (CIPD)
Chartered Management Institute
Confederation of British Industry (CBI)
Department of Trade and Industry (DTI)
Department for Work and Pensions (DWP) - Chair
Employers Forum on Age (EFA)
EEF, the manufacturers' organisation
Federation of Small Businesses (FSB)
HM Revenue & Customs (HMRC)
Institute of Directors (IOD)
Improvement and Development Agency (IdeA)
Local Government Employees (LGE)
National Association of Pension Funds (NAPF)
Public Sector People Managers Association (PPMA)
Small Business Service (SBS)
Trades Union Congress (TUC)

for Scotland

Acas Scotland
A City for All Ages
Bank of Scotland
Better Government for Older People in Scotland
Careers Scotland
CBI Scotland
Department for Work and Pensions (DWP) - Chair
Equal Opportunities Commission, Scotland
Falkirk Council
FirstGroup plc
Help the Aged, Scotland
Highlands & Islands Enterprise
Highlands & Islands Equality Forum
Jobcentre Plus, Scotland
John Reid & Associates
Quality Scotland
Royal Bank of Scotland
School of Management, Edinburgh University
Scottish Chambers of Commerce
Scottish Council for Voluntary Organisations
Scottish Enterprise
Senior Studies Institute, Strathclyde University
South Lanarkshire Council
STUC
The Scotland Office
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3D Wheel Ltd

for Wales

Acas Wales
ACCA Wales
Age Alliance, Wales
Age Concern Cymru
The Chamber of Commerce
CBI Wales
Department for Work and Pensions (DWP) - Chair
Federation of Small Businesses, Wales
Genesis, Wales
Help the Aged in Wales
Jobcentre Plus, Wales
Menter a Busnes
PRIME-Cymru
Prospect Wales
Wales Social Partners Unit
Welsh Assembly Government
Welsh Local Government Association

Copies of this publication can be downloaded from www.agepositive.gov.uk

If you require a hard copy please e-mail: agepositive@dwp.gsi.gov.uk

Series/Issue number APG Retail

Please quote ref: ISBN: 978-1-84695-289-0

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