



# PEOPLE matter



## I can't get no satisfaction

With a recent report highlighting the 35 million days UK workers falsely take off as sick days, it has been questioned whether the problem lies with employers themselves. There's no doubt that both parties have a part to play in what seems to be a growing problem for businesses, but it may be useful to consider what an employer can do to help reduce absenteeism in the workplace. After all, job quality is declining. In Britain, workers find their jobs less interesting and less fulfilling than 10 years ago. This is in part due to the economic downturn. Priorities have changed and although business owners understand the importance of ensuring jobs are fulfilling, they find it hard to find a business case for it. They are paying less attention to keeping people happy because of a surplus of job seekers. However, in many cases, it's in the employers' interests to provide work-life balance as part of their approach to supporting attendance. It's also worth considering when boundaries are blurred between genuine sickness and not being able to cope. The damaging effects of stress are high profile these days. Recent research shows that people who work 10 to 12 hours a day are 56% more likely to develop heart disease or have a heart attack than people who work less than 10 hours. Good line management is essential. Managers need training in people management to ensure that by using common sense, honesty and communication, individuals feel supported and able to ask for help. Here are a few simple, low cost ways to increase job satisfaction.

- Flexi-time
- Local initiative benefits
- Praise and the encouragement of feedback
- Teambuilding meal

## Is it coz I is bald?

A man who applied to join the police but was rejected because he did not have enough hair for a drugs test has successfully appealed against the decision. Because of his baldness, he could not give them hairs of up to 3cm in length. He was also unable to provide about 200 body hairs as an alternative. Following his unsuccessful attempt to become a trainee officer, the would-be policeman claimed the decision was irrational and discriminatory and he succeeded in his claim.

After all, according to The Equal Opportunities Review annual survey of compensation awarded in discrimination cases, the amount of compensation increased substantially in 2009, standing at just over £8 million in total.



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People Matter is a regular bulletin for business owner/managers who want the staff, but don't want the hassle of dealing with all the red tape that comes with them.

If this was forwarded to you, and you'd like to receive more bulletins on getting more from your team, please email with 'People Yes' in the subject line. If you no longer wish to receive bulletins from us, please email with 'People No' in the subject line.

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# Performance Management

Too often in The HR Dept we hear managers say "I don't need an appraisal system my staff know what I think of them!" Sadly they are really missing out. Appraisals are an essential part of a performance management system. If you want a really successful business then reviewing the performance of what should be your greatest asset, your team, is essential. Performance management is the overall process covering the culture of your company, the strategic direction and goals the company wants to achieve as well as the management of your people. Unfortunately many of us will have experienced badly run appraisals which have turned into a bureaucratic nightmare for already busy managers. The whole thing

rapidly becoming a form filling exercise which both managers and staff deemed a waste of time and effort. However, at The HR Dept we believe that a well designed appraisal ensures that each employee understands the business goals, knows what is expected of them and the company can see how each person's performance can be improved to help drive the business forward. Good appraisals have the top down approach with the company objectives being cascaded downwards throughout the organisation. This can improve communication and be extremely motivational with the whole team feeling they are working towards a shared aim. Usually the appraisal has three elements, a review of the

individuals past performance and previous objectives, setting objectives for the future and looking at training and development needs. Frequently too much emphasis is put on the form and not the actual appraisal meeting. Preparation by both parties is the key. The meeting should be booked well in advance and if the system has a self appraisal form this should be given to the employee so they have adequate time to complete and return it to their line manager. The golden rule is that this meeting is not about blame and there should be no surprises. This is not the moment to beat up an employee for their time keeping record; this should have been dealt with along the way. If a company is

going to invest the time and energy into appraisals it makes sense to train managers not just about how to run an appraisal meeting but about the benefits a well structured process can bring to the company. If you need any help designing, training or simply reviewing your current system please do give us a call.



## Britain's got talent

For the 300,000 students graduating from university this summer, there is no doubt they face a tough time trying to land their first job. Many high-profile employers have been forced to close or limit their graduate schemes and the latest figures show that one in five jobless 18 to 24-year-olds has a degree – up from one in six three years ago. For these graduates, work experience is crucial. Most students will work for free in order to gain experience and create opportunities. An internship program can also benefit the employer. An internship is a time limited work experience placement, which includes an element of training. Here at The HR Dept over the last few years, throughout the network we have had a number of successful internship and graduate placements



which have been beneficial to the business. Over a third of internships are currently unpaid, with a loophole in national minimum wage legislation creating confusion over whether interns should be paid. The CIPD is now calling for a £2.50 per hour guaranteed minimum training wage, in line with current minimum rates of pay for apprentices. For any small business owner, an internship program can be a great way to build your business. Here are just a few of the reasons why.

- Cost effective.
- Willingness to undertake tasks in order to gain experience.
- Potential to increase awareness in new social media technologies such as Facebook and twitter.
- A fresh view and the opportunity to generate solutions.

## THE INDICATOR

### Employment and litigation issues

#### STATUTORY PAY (rates are reviewed each April)

**Maternity/Adoption pay** – SMP/SAP is paid for 39 weeks. Pay rate for first 6 weeks of SMP: 90% of the employee's average weekly earnings. SMP remaining weeks/SAP: £124.88 or 90% of average weekly earnings, whichever is less.

**Sick pay** – £79.15 a week

#### REDUNDANCY PAY (next review February 2011)

**Pay rate** – 0.5 weeks pay for each year of service for employees aged under 22 (a weeks pay is calculated at £380 or the weekly amount if it is less). 1 weeks pay for each year of service for employees between the ages of 22 and 40. 1.5 weeks pay for each year of service for employees aged 41 and older.

#### NATIONAL MINIMUM WAGE (reviewed each October)

**Hourly pay rate** – £5.80 workers aged 22 and older, £4.83 workers aged 18 to 21, £3.57 workers aged 16 to 17.