

# Stephen Beagent Associates' Newsletter

Finance and Accountancy Recruitment Specialists | Edition 9



## Age Discrimination

Much has been written about the changing demographics in the UK towards an ageing population and its impact on pensions and the economy, but in a country where age discrimination is not actually illegal as yet, are we really dealing with this potential problem? With the need to keep the economic momentum going a more flexible approach to age and working will be required. Yet, in order to do this, we need to address age discrimination which many perceive to be prevalent in our society.

With more and more people reaching 50 and over and living longer, society and the economy will increasingly depend upon the contribution they can make. Currently a third of over 50s are not in a full-time job, yet this age group will make up a third of the population by 2026. The UK economy is £31 billion a year worse off because of older workers' wasted skills and experience<sup>1</sup>. The business case is simple: people are living longer and having fewer children and from the employment perspective, as the population ages, there will be a dramatic drop in the number of new employees becoming available, leading to chronic recruitment difficulties.



Why have people been ageist historically? You only have to look to the media to see how the older person is portrayed and additionally many companies set age limits on their products, for example, insurance companies. At the same time society is continually making judgments about when you are perceived to be old enough to do something.

So when can age discrimination potentially begin? This can vary, but people as young as 35 have felt the effects of ageist practices, but it is probably more likely to occur at around 45. Old age is generally considered to begin at 65, no doubt reflecting the current retirement age. Equally, very young people can experience discrimination due to their perceived 'lack of experience'. Up until now employees in the UK have had minimal cover and according to Age Concern this is the last form of legal discrimination.

In a bid to tackle this, the Government is introducing, in October, one of the biggest pieces of employment legislation in a decade, the new anti-discrimination legislation, which will make it unlawful to discriminate on the basis of age in employment, for both young and old. Draft proposals have been released, however, there are still a number of grey areas and according to the Employers Forum on Age, the Government promised to give companies two years to prepare for the legislation and yet companies will now have less than 12 months. Preparation will be vital, particularly as there is no limit on the amount of financial compensation if a claimant is successful in his or her claim of age discrimination.



What will the new laws cover? They will outlaw mandatory retirement ages below age 65, give those over 65 the right to request to continue working and ban unjustified age discrimination in recruitment, promotion and other employment terms, as well as in vocational training.

There are many common misconceptions about age and research shows that age is a poor indicator of work performance; older workers are just as adaptable as younger ones and tend to respond well to training; older and younger workers are equally effective in their work activities; there is little difference in absenteeism rates between older and younger workers and older workers stay in their jobs longer.

There are also many positive commercial reasons to recruit older workers. Older workers have a wealth of accumulated knowledge and experience which is invaluable to potential employers. Older workers also provide stability, motivation and a steadying influence in an organisation. As the population ages, employers need to reflect the age profile of customers in their workforce. Additionally today's workforce generally looks for organisations which looks after its employees ethically at all stages of their careers. If companies fail to respond to the threat it could potentially put their future growth and profitability at risk

The business benefits of a mixed-age workforce are now widely recognised. Employers must begin work now to bring their policy and procedures in line to meet the requirements of the new legislation. At the same time, it is also up to older workers to try and ensure that the advantages of employing them are maintained, by accepting that organisations evolve all the time and that they need to move with these changes. Many companies are already doing much, including: B&Q, Sainsburys, Barclays Bank, and GlaxoSmithKline and Age Concern is actively encouraging employers to sign up to their pledge 'Break the Age Barrier' in the workplace. For further information visit their website: [www.ageconcern.org.uk](http://www.ageconcern.org.uk) or [www.efa.org.uk](http://www.efa.org.uk)

<sup>1</sup> Figure calculated by The Employer's Forum on Age

## Stress: Good or Bad?

Many people do not understand the difference between stress and pressure, but as the definition provided by the Health and Safety Executive (HSE) states, stress is the adverse reaction people have to excessive pressures or other types of demand placed on them. Being under pressure that is not excessive often improves performance and motivates us into action.

Stress is an adaptive response to danger and is essential for our survival. When confronted with a threat, the stress response is triggered - heart rate, blood pressure and blood sugar levels increase and the immune system is boosted - and generally the body does a good job of protecting us in the short run. So why can stress also be so bad for us?

When the body is in stress response mode for a prolonged period of time, everyday functioning of the body breaks down - repairs are not carried out, you tire more easily, you can become depressed and reproduction is downgraded. At the same time, the constantly high levels of stress hormones cause problems such as diabetes, hypertension, cardiovascular disease, obesity and cognitive impairment and behavioural problems such as greater levels of violence and risk taking.

The ever changing demands of the fast paced and competitive 21st century workplace and the reality that jobs are no longer a life long certainty, mean that work related stress has come to be thought of as inevitable. This is unsurprising when you consider the UK statistics: about half a million people experience work-related stress at a level they believe is making them ill; up to 5 million people feel "very" or "extremely" stressed by their work; and a total of 12.8 million working days were lost to stress, depression and anxiety in 2004/5, costing employers over £3.7 billion. In addition to the cost of absenteeism and high staff turnover, workers facing chronic high levels of stress are not performing to their optimum and their situation is probably impacting negatively on the performance of their colleagues.

As well as it being in their interests to take action against work related stress, companies also have a legal duty. In the UK, the Health & Safety at Work Act 1974 requires employers to secure the health (including mental health), safety and welfare of employees whilst at work. In addition, The Management of Health & Safety at Work Regulations 1999 requires employers to carry out a risk assessment involving the health, safety and welfare of their staff. This includes the requirement to assess the risk of stress-related ill health arising from work activities and to take measures to control the identified risk.

To help companies fulfil these duties, in 2004 the HSE launched the Management Standards (available at [www.hse.gov.uk/stress](http://www.hse.gov.uk/stress)) to help employers tackle work-related stress by providing a yardstick against which organisations can measure their performance in tackling particular causes of stress. The Management Standards approach places a strong emphasis on employers and employees working in partnership to develop effective and workable solutions relevant to their particular organisation.

Some companies have already realised the importance of tackling work related stress and have introduced systems to counteract its effects. Lloyds TSB recently introduced a work options policy, which gives its employees more choice over working patterns. PricewaterhouseCoopers runs a two-day survival clinic in which employees undergo health screening and are given practical tips to reduce stress. The Nationwide offers its employees a helpline to discuss work-related stress issues and other problems. Many companies call upon The Association of Stress Management (ASM) which offers programmes to help organisations where staff are having significant stress problems.

Despite huge media interest and government backing in the fight against stress, there is no sign that the stress epidemic has peaked, so it is imperative that we increase the effort to change the culture of the work environment and prevent its negative impacts on individuals, on employers and on the British economy as a whole.



Stephen Beagent Associates is committed to achieving the highest quality standards. However, views expressed in this magazine are independent and whilst every care has been taken to ensure that the information it contains is accurate, Stephen Beagent Associates cannot accept any responsibility for any omission or inaccuracies that might arise.

## Dress Down Days – are they here to stay?

Society consistently judges people on the way they look and dress, it therefore stands to reason that dress down days in the workplace can cause problems for many. Are there benefits for employers and employees in having this option at work? Is this the future? Or could it be that we are slowly returning to the safety of the power suit that resulted in much professional angst during the 90s?

Dress down days originally came from America; originating in 'techie' companies in the Silicon Valley who were looking to visibly express their individualism and who saw it as the antithesis to the power culture of the 80s. Charities swiftly jumped on the band wagon, seeing it as a way to earn extra revenue, and slowly but surely, the momentum gathered force until now, when it seems positively 'uncool' not to have at least some dress down days on the company calendar.

If you ask the 'workers', they will generally argue that it actually motivates them to work harder if they are wearing clothes they are comfortable in, but how seriously can you take a more senior colleague once you have seen them in their Iron Maiden gear? It doesn't help that the British are not generally renowned for their sense of sartorial style. And some employers have been left asking has 'individualism' gone too far? Don't forget that there is also the danger of how your style will be interpreted; according to fashion pundits your clothes can say something about you, whether you are 'arrogant', 'smooth', a 'mouse' and so on. And let's not forget Trinny and Susannah who have persuaded a whole nation to take a much closer look at what they wear. With so many pitfalls perhaps a public health warning for dress down days should be issued 'Warning: wearing the wrong clothes could leave you with your authority and credibility diminished in the eyes of your colleagues.'

Even sticking to the safe option of suits has opened up a series of problems. Do you wear a tie or don't you, is it trainers or loafers? And on it goes... It would be sad to see the back of the suit entirely, it has its place in society, if only as a cultural icon, but that aside, a well cut suit can make most men and women feel good about themselves.

On a more serious level, it is still important to dress to impress, if only to set out the hierarchical boundaries and also to show respect to external people such as clients and to demonstrate acceptance of the seriousness of a work situation, if it is required. The main problem with dress down days is that it is open to interpretation by the individual. Additionally, for many companies, the way people dress is also considered to be part of a company's corporate identity and whilst a more casual dress sense might be the 'right look' for the e-commerce sector, it might not be so appropriate for another sector. For any company wanting dress down days to work, dress codes are a must. More and more employers are formalising their dress code to ensure that there are no loose interpretations and are often including them in employment contracts. Additionally, Employment Tribunals are increasingly being asked to decide what is or is not acceptable in the work place.

Dress down days appear to be here to stay, but whichever way a company decides to go, it is important to bear in mind that many individuals want the freedom to wear what they want to work and see it as a benefit when choosing their next employer.

### **Oxford Office:**    **High Wycombe Office:**    **Reading Office:**

Guydens Farm  
Business Park,  
Oxford Road,  
Oxford,  
Oxon OX44 9AZ  
tel: 01865 361180  
fax: 01865 361143

Aston Court,  
Kingsmead Business Park,  
Frederick Place,  
High Wycombe,  
Bucks HP11 1LA  
tel: 01494 616080  
fax: 01494 616001

200 Brook Drive,  
Green Park,  
Reading,  
Berks RG2 6UB  
tel: 0118 949 7092  
fax: 0118 949 7001

web: [www.stephenbeagent.co.uk](http://www.stephenbeagent.co.uk)  
email: [info@stephenbeagent.co.uk](mailto:info@stephenbeagent.co.uk)