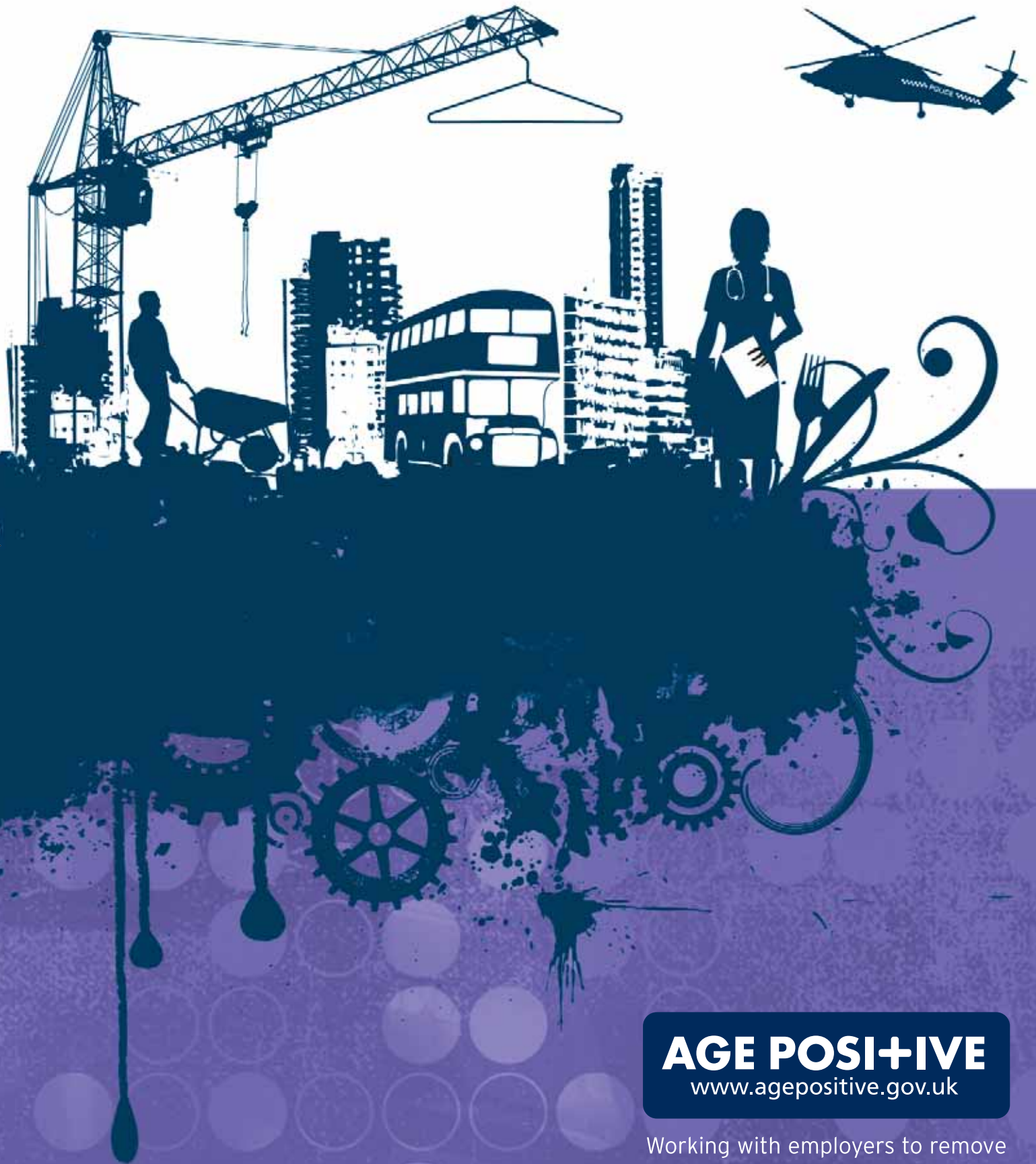


# Promotion: Age Positive Guide



**AGE POSITIVE**  
[www.agepositive.gov.uk](http://www.agepositive.gov.uk)

Working with employers to remove  
age discrimination in employment

# Introduction

Employing and retaining an age diverse workforce could have real benefits for your organisation. People of all ages have the potential to contribute positively to your business at every level.

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 promote and train staff.

## 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 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 make decisions about promoting staff and
- check that any policies, practices or routines you operate are age compliant.

Specifically, when you are dealing with promotion, you should ensure that:

- opportunities for promotion are known to all employees and available to everyone on a fair and equal basis
- staff involved in selecting and interviewing promotion candidates are fully aware of their 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, has influenced promotion decisions
- any promotion selection process treats all candidates fairly, by asking them questions related to the job and making decisions based on agreed criteria.

Experience does count. But remember, it is the time doing the job and the competence of the individual which allows them to develop their experience, not their age.

## Business benefits of an age positive promotion policy

You already know recruiting new employees can be an expensive business, no matter how big or small your organisation. It therefore goes without saying that filling the right posts with the right people and making efforts to keep your talented staff makes good business sense.

If your employees feel they can grow and progress within your organisation, regardless of their age, they will feel more valued and motivated to contribute to the success of the organisation. This has the obvious benefit of **improved productivity**, as well as helping to ensure higher retention rates - which leads to **lower recruitment and re-training costs**.

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.<sup>1</sup> But whatever the figure, it's costing you money and that isn't a business benefit. So, it is essential that you retain as many of your talented staff as possible to keep these costs to a minimum.

**Domestic & General (the UK's leading specialist provider of domestic appliance repair protection plans) found that age positive recruitment and retention initiatives reduced recruitment costs by 50 per cent.**

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

There are widely acknowledged business benefits from retaining an age diverse workforce. For example, some organisations have found older workers generally have **better attendance** and **stay in the job for longer** - often showing **higher levels of commitment** to the company.

**At Domestic & General, the six month leaver rate for older workers (aged over 45) is at least 10 per cent lower than for younger employees.**

There are a wide range of other benefits that many employers are not taking full advantage of. In particular, you can make sure you keep the diverse range of skills and experience brought by people of different ages. While younger workers tend to be more technically proficient, older workers bring valuable experience and, once they have learnt new skills, are often more reliable in performing their job.

The experience that older workers bring can also be harnessed to help **train and develop younger workers** before retiring.

**Wheelies Direct (a cycling insurance replacement service) have noticed that their mature employees are not only very reliable and loyal to the company, they also bring a wealth of skills to the workplace. Their well-developed customer service skills, for example, set a good example to less experienced colleagues. As a result, these older workers have become valued mentors and role models.**

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

**Positive Contact has found that employing a diverse workforce is appreciated by their clients. They are able to offer a variety of different advisor profiles dependent on the client needs, the ideal scenario being that they are able to mirror the client customer base, which means repeat business and satisfied customers!**

## Tesco

### Who we are

Tesco is the biggest private sector employee in the UK, employing around 250,000 people in the UK across 1,779 stores. Our company has had a diversity project team in place for the last two years that works with stores to make sure everyone across the organisation feels valued regardless of age, gender or ethnicity.

### What we do

We regularly examine ways to ensure we recognise all our internal talent and work to develop that talent in order to promote internally, for example we:

- have a range of development schemes for all those who want to progress, regardless of age, and all can be tailored to individual needs
- provide training for line managers to help them understand the schemes and identify which is most appropriate for each employee regardless of their age.
- set internal development targets for each store, and provide line managers with details of their store's demographics so they can tailor information sessions about development opportunities to be relevant to the age profile of their staff
- run a 'talent spotting' scheme, open to all, which we use to actively look for people showing potential, based on performance not age, and encourage them to sign up for development training.

### How it has benefited our business

- we now have a growing talent pool of candidates to fill our management vacancies - four years ago we had to recruit 80 per cent of our management vacancies externally, we're now in a position that we only recruit 20 per cent externally
- we are able to focus on thinking ahead to what the vacancies are going to be and actively develop the most suitable internal personnel to fill that position when it becomes available.

## Making your promotion policy 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 to promotion. This will help you evaluate the way you promote staff and make any changes needed to retain and develop individuals of all ages:

### Your promotion policy

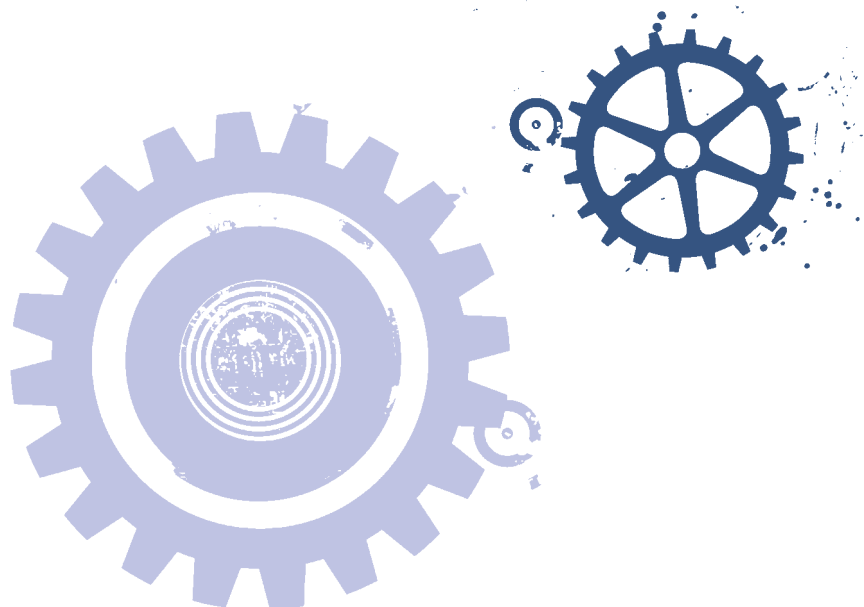
- No-one is 'too old' or 'too young'**  
- make sure your promotion and career development practices emphasise that age is not a barrier
- Avoid having a minimum or maximum cut-off point for promotion**
- Advertise promotion opportunities** to all staff - this can be as easy as posting them on a central message board.

### Promotion decisions

- Meet with staff regularly to discuss development needs and opportunities** (either informally or through appraisals/performance review meetings) - and record what is agreed
- Use agreed performance criteria** to ensure decisions are fair to all candidates. Base these on individual need, ability and performance, plus the competencies required to do the job - refer to the person and job specification if appropriate
- Train those involved** in the promotion process in equality and diversity
- If you don't have a dedicated HR department, get a second opinion** from a colleague to make sure your promotion decisions don't discriminate on the basis of age
- Communicate reasons for decisions** around promotion, making selection criteria transparent to all staff
- Monitor unsuccessful candidates** to ensure age bias has not occurred in the selection process.

### Other good practice

- No matter what the size of your business, ensure you communicate your age positive approach to all your employees** - talk to them face-to-face, discuss it informally, and ask for comments. If you have a more structured approach, use team meetings, newsletters or your internet. Remember, communication is critical to business success
- Develop an Age Action Plan, supported by an 'age positive champion'** to push changes through - this doesn't have to be a senior member of staff, just someone committed to change
- For new and developing companies, monitor your promotion rates.** Count the number of candidates of different age groups who apply for each post and monitor this against the profile of those being promoted
- Companies of all sizes should keep a record of the age profile of their employees at different levels.** 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)
- 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.



## A changing workforce for employers

### Currently, people aged 50+ represent:

- almost 30 per cent of people of working age;<sup>2</sup> and
- 26 per cent of those actually in work<sup>3</sup>.

And by 2020 there will be nearly five million more people aged 50+ in the UK.<sup>2</sup>

This, combined with a falling birth rate, makes the need to review your approach to promotion all the more pressing. Retaining your current employees, making sure you don't inadvertently discriminate or demotivate staff of any age, will become even more important over the next 10-15 years.

Take, for example, the 'Other Community' sector - this sector is very diverse and covers recreation, sports, radio, TV, theatres, libraries, gambling, funeral directors and hairdressers. It currently employs 1.5 million people (five per cent of the total national workforce) in 143,000 establishments in public, private and voluntary capacity. Although growth and the number of establishments in the sector is expected to fall, employment is expected to rise - by 2014 the sector will need an additional 862,000 people (equivalent to 56 per cent of the current workforce) to survive.<sup>4</sup>

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.

## South Wales Forgemasters

### Who we are

South Wales Forgemasters supply forgings to the automotive industry. We currently employ 55 people. The nature of the business (the noisy, dirty environment of heavy-duty metal processing) makes it a relatively unattractive employment opportunity. As a result, we have to make the most of the staff we've got and develop them to the best of their abilities - whether they are 16 or 60.

### What we do

There is a very low turnover of staff; in the last four years only two people have left the company. Most of the company's older workers commenced with us as young people and have seen no reason to leave. Our current promotion policy is set up as follows:

- our assessment scheme was originally drafted in 1999 with input from everyone in the company - it is based solely on competency and is a transparent process
- every year, a panel of five experienced employees are chosen to assess the relative competency levels of everyone else on the shop floor (hands-on, computer skills, etc) and the skill grade they are at. Every six months a small number of employees are randomly chosen to be tested against the skills grades they've been allocated by their peers, to ensure that their grades reflect their abilities - this ensures that the process works in a consistent, fair and unbiased way.

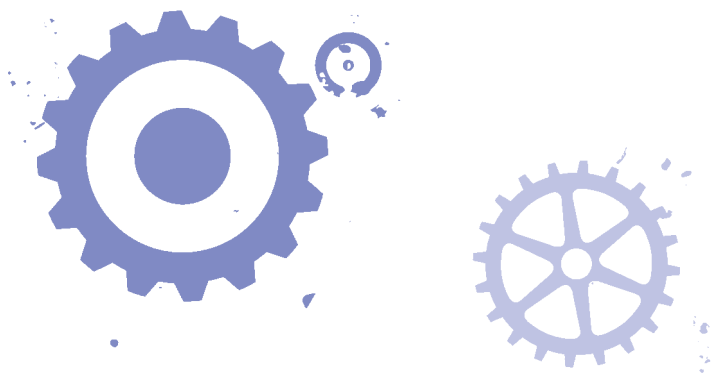
### How it has benefited our organisation

- those most skilled at their jobs are at 'the top of the tree' within each department - they have earned that reward because their peers have said they can do it
- people are rewarded openly and fairly, with no resentment from their colleagues
- skill levels of all employees have improved due to transparent peer review
- skills retention is high - 30 per cent of our employees have been with the company since 1996.

<sup>2</sup> Government Actuary Population Projections, 2004.

<sup>3</sup> Labour Force Survey Dec-Feb 07

<sup>4</sup> Managing an ageing workforce in the 'other community' sector. A report for employers available to view at [www.agepositive.gov.uk](http://www.agepositive.gov.uk)



## Age Positive Promotion: answers to your questions

### **1. I thought the new age regulations only covered people looking for work. Does the law cover those already employed?**

Yes, the regulations cover anyone who is applying for work throughout the full recruitment process. It also covers 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, managers of occupational pension schemes.

### **3. How can promotion opportunities be unlawful - what should I be aware of?**

Opportunities for promotion should be made known to all your employees no matter what their age or status, on a fair and equal basis.

There are many practices, which could be seen as discriminatory, for example, having a minimum or maximum age cut-off point, using length of service or seniority rather than ability and performance to select for promotion. No matter what your company size, make sure any promotional decision is

based on the competence of the individual and is not influenced by prejudice or personal feelings.

Remember, age should never be confused with capability.

### **4. I'm often asked to provide a reference for members of staff who are applying for internal promotion or transfers - can I still do this?**

Yes, informal and verbal references are covered by the regulations. Make sure that when asked for a reference you are fair and non-discriminatory, avoiding personal or ageist statements.

### **5. What should I do to make sure I act in accordance with the regulations?**

Review your promotion practices now.

No matter how many staff you employ, make sure that all staff are aware of your policy on promotion and development. Emphasise that age is not a barrier - no-one is too old or too young and communicate this to your staff.

Check the process to make sure that age was not used as part of the selection process; also talk to unsuccessful candidates to check their views and ensure they felt the process was fair and unbiased.

Seek advice if you have concerns. 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](http://www.acas.org.uk)

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

Remember - if you discriminate and lose your case, there is no limit on how much an employment tribunal can ask you to pay.

## Sources of additional information

### General help and information

Age Positive  
[www.agepositive.gov.uk](http://www.agepositive.gov.uk)

ACAS  
08457 474 747  
[www.acas.org.uk](http://www.acas.org.uk)

Business Link  
0845 600 9 066  
[www.businesslink.gov.uk](http://www.businesslink.gov.uk)

Financial Services Authority  
0845 606 1234  
[www.fsa.gov.uk](http://www.fsa.gov.uk)

British Chambers of Commerce (BCC)  
020 7654 5800  
[www.chamberonline.co.uk](http://www.chamberonline.co.uk)

Age Concern  
0800 00 99 66  
[www.ageconcern.org.uk](http://www.ageconcern.org.uk)

The Employers Forum on Age (EFA)  
0845 456 24 95  
[www.efa.org.uk](http://www.efa.org.uk)

Trades Union Congress (TUC)  
020 7636 4030  
[www.tuc.org.uk](http://www.tuc.org.uk)

Confederation of British Industry (CBI)  
020 7395 7400  
[www.cbi.org.uk](http://www.cbi.org.uk)

Chartered Institute of Personnel and Development (CIPD)  
020 8612 6200  
[www.cipd.co.uk](http://www.cipd.co.uk)

Equal Opportunities Commission (EOC)  
0845 601 59 01  
[www.eoc.org.uk](http://www.eoc.org.uk)

The Age and Employment Network (TAEN)  
020 7843 1590  
[www.taen.org.uk](http://www.taen.org.uk)

Recruitment and Employment Confederation (REC)  
[www.rec.uk.com](http://www.rec.uk.com)

Federation of Small Businesses (FSB)  
020 7592 8100  
[www.fsb.org.uk](http://www.fsb.org.uk)

### Government sites

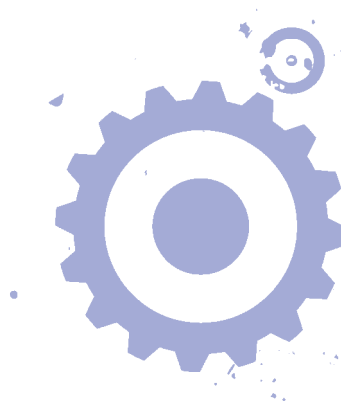
Department of Trade and Industry (DTI)  
[www.dti.gov.uk](http://www.dti.gov.uk)

Department for Work and Pensions (DWP)  
[www.dwp.gov.uk](http://www.dwp.gov.uk)

HM Revenue and Customs (HMRC)  
[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

Health and Safety Executive (HSE)  
[www.hse.gov.uk](http://www.hse.gov.uk)

Directgov (Employment)  
[www.direct.gov.uk/en/Employment/](http://www.direct.gov.uk/en/Employment/)





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[www.agepositive.gov.uk](http://www.agepositive.gov.uk)  
If you require further copies, please e-mail: [agepositive@dwp.gsi.gov.uk](mailto:agepositive@dwp.gsi.gov.uk)

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**DWP** Department for  
Work and Pensions