

Where can I get more information?

Acas advisory booklets *Absence and labour turnover*; *Stress at work*; and *Parents at work*; or Acas advisory leaflet *Flexible working* – to order, call Acas Publications on 08702 42 90 90 or order online at www.acas.org.uk.

The Learning and Skills Council may be able to assist with training needs – call their Infoline on 02476 58 2761.

DTI *Factsheets for small firms* – available at www.dti.gov.uk/publications.

Acas runs charged training for small firms and has a national helpline – 08457 47 47 47 – which gives free advice on employment matters.

This information is intended to be a brief introduction to the subject. Legal information is provided for guidance only and should not be regarded as an authoritative statement of the law.

Acas can help with your employment relations needs

We inform

We answer your questions, give you the facts you need and talk through your options. You can then make informed decisions. Contact us to keep on top of what employment rights legislation means in practice – before it gets on top of you. Call our helpline 08457 47 47 47 or visit our website www.acas.org.uk.

We advise and guide

We give you practical know-how on setting up and keeping good relations in your organisation. Look at our publications on the website or ask our helpline to put you in touch with your local Acas adviser. Our Equality Direct helpline 08456 00 34 44 advises on equality issues, such as discrimination.

We train

From a two-hour session on the key points of new legislation or employing people to courses specially designed for people in your organisation, we offer training to suit you. Look on the website for what is coming up in your area and to book a place or talk to your local Acas office about our tailored services.

We work with you

We offer hands-on practical help and support to tackle issues in your business with you. This might be through one of our well-known problem-solving services. Or a programme we have worked out together to put your business firmly on track for effective employment relations. You will meet your Acas adviser and discuss exactly what is needed before giving any go-ahead.

Controlling labour turnover

experienced
workers

applications

resignations

recent
starters

staff

What if I get it wrong?

Excessive labour turnover leads to increased expenditure on recruitment and training.

Far costlier may be:

- lost or delayed production or inability to provide service to customers on time
- increased production or service costs
- unnecessarily high staffing levels and overtime payments
- increased risk of accidents
- damage to the firm's local reputation
- low morale and resulting low productivity
- long-term workers becoming unsettled and leaving.

What are the legal requirements?

If dismissals are involved, it is important to handle them fairly so as to avoid employment tribunal claims.

Why is controlling labour turnover important?

It is natural and healthy for people to leave your firm from time to time as this allows for the introduction of fresh ideas and promotions. Unless you retain workers for a reasonable period, however, you are unlikely to be able to provide the quality goods and services required to remain competitive. If labour turnover becomes excessive, it can indicate management problems.

How do I get it right?

- ✓ Keep a record of the number of people leaving and why.

- ✓ Pay particular attention to voluntary resignations and ask people why they are leaving.
- ✓ Decide whether turnover is excessive and causing a problem. There is no reliable benchmark for acceptable levels of labour turnover, but if you are worried, it can help to compare your turnover with that in similar local firms.
- ✓ Establish whether excessive turnover is among recent starters or among trained and experienced workers.
- ✓ Reduce turnover among new starters by paying particular attention to recruitment, induction and training. In particular:
 - ensure job advertisements give an accurate picture of the job including terms and conditions;
 - prepare a clear specification of the person you require;
 - set standards that are not too high (this could result in recruits who are overqualified and who might become bored) nor too low because of a shortage of good candidates;
 - set suitable selection tests where appropriate – eg for essential practical skills – but be careful they do not discriminate unfairly;
 - involve supervisors and ensure that interviewers are trained;
 - help new recruits settle in and make sure they have enough information about the job and the organisation and are trained to carry out their duties effectively.
- ✓ Reduce turnover amongst long-term workers by checking:
 - that they feel involved and are kept in the picture about such things as new orders, product development, new equipment and other changes;
 - that they are not unfairly discriminated against because of their race, sex, disability, sexual orientation, religion or belief;
 - that they are not being bullied or harassed or working under undue stress;
 - that they have opportunities for development and/or advancement;
 - management style is acceptable and managers and supervisors (including you) are trained, particularly to handle the human aspects of management;
 - pay levels have not become out of line with similar local jobs;
 - systems and methods of pay are fully understood and felt to be fair;
 - there are proper procedures for dealing with grievances and disciplinary matters;
 - that workers are given the opportunity to discuss work and progress with you or their manager or supervisor;
 - working conditions are safe, healthy and clean and facilities, such as toilets, are up to standard;
 - flexible working is taken seriously. Parents of young and disabled children have the right to request more flexible working arrangements, including; flexi-time, home working, term-time working, and job sharing – and employers can only refuse such requests if there are clear business reasons for doing so;
 - that workers receive adequate training for new work or to operate new machinery or procedures;
 - why leavers resigned;
 - what the workers like and dislike about the company.