

## Long Service Awards

Long service awards are to recognise, celebrate and thank the employee for working with your company for a certain length of time. They show that your business values the loyalty of those who share the values of your business. Celebrating this achievement can be in the form of a mention in the company update, a gift card, an office party, an additional day of holiday or a paid sabbatical. These rewards are designed to boost employee morale and aid retention.



The traditional 10 year handshake and gift is archaic and no longer reflective of the workforce trends. With employees remaining in roles an average of 4.5/5 years it is important to start celebrating your long service awards sooner.

Studies have shown a number of companies celebrate one year's service with a small gift, reflecting on the modern way of working.

It is worth noting that employee input and recognition should not just be about length of service, but also the effort put into the work, and this is where appraisals are invaluable.

### Benefits of long service awards

- A structured way to show appreciation of employee loyalty to the business
- Employees will feel valued
- Employees will be encouraged to remain with the company longer (recognising the business values loyalty, rather than just short-term success)

If you are to embark upon Long Service Awards you need to:

- **Decide upon the milestones** you wish to celebrate, considering your average employee lifespan/ desired lifespan
- **Appropriate reward/gift or reward bands** that will resonate with the employees. Consider a *choice* of reward. Studies have shown that employees are keen for a reward that will make a difference to their personal lives or hobbies/interests
- **Promote the award** e.g. at orientation/ communicate the milestones publicly
- **Measure the success** of the scheme to ensure it's beneficial to the business (and therefore is in line with the Equality Act)
- **Create a policy** for your Long Service Award scheme to ensure clarity/ transparency

## The Successful Probation Period

### What is a probation period and why have one?

Most organisations have a probationary period of between 3 to 6 months in length and this commences from the beginning of the employment relationship. This period of time is to allow both the employer and the employee to ascertain whether they are right for the role and organisation and to focus on a new hire's training, support and guidance for the role in order to succeed. It is important for a new hire to establish good working practises early on and to secure the knowledge required to succeed in the role.

During the probation period the employee is exempt from some contractual items (e.g. notice period). A company can also limit certain benefits until an employee has successfully completed their probationary period. All statutory employment rights are unaffected during this time.

### Suggestions for a successful probation period:

- **Transparency** – ensure the contract of employment specifies the job is subject to a probation and detail the length, with appropriate wording around performance and possible outcomes if the required performance is not met or the employee is considered unsuitable
- Have a **robust orientation programme** to welcome/inform the new employee
- **Discuss the probation process at orientation** and explain the process to the new employee. This should include how their probation shall be monitored, what meetings will be scheduled as part of the process and the employer's expectations during this period
- **Ensure your performance management is clear** from day one with the new hire (what steps will be taken if the new employee is not performing to the employer's standards and what support will be offered)
- **Managers/HR should hold regular 1:1 check ins** with their new employee to ensure they feel supported in their role (ensure they are getting the necessary support/ gain feedback/ address any concerns)
- **Hold a formal review halfway through the probation period** to check on progress, discuss any issues/concerns/ plan development/ training requirements. This can be captured on a mid-probation review form.

## Probation Period End

It is important to hold an end of probation meeting by formally inviting the employee to an end of probationary period review; highlight the meeting purpose and possible outcomes. This meeting should be arranged for just before the probation end date.

The possible outcomes of the meeting are:

- Confirmation of the employee's successful passing of their probationary period
- Probation extension, with clear expectations, guidance and support put in place to help the employee be successful in their role
- Confirmation that the probationary period has been unsuccessful and the employment will be terminated

Regardless of outcome, you should keep meeting notes and confirm in writing the outcome. If the employee has successfully completed their probationary period we recommend you confirm their notice period (as detailed in their employment contract).

Of course focusing on the performance and development of your new employee does not stop once the probationary period has been successfully completed. You must then integrate the new hire into your company's appraisal process. Unless the probationary period ends when your appraisal cycle starts – we recommend an interim review meeting to set objectives and a development plan for the remainder of the year.

## **Introducing Stay Interviews**

### What is a Stay Interview?

A stay interview is a tool used to gauge why a company's people are remaining with the business. It focuses on feedback from the high-performing/ long term/ high potential employees within the business. It determines what they love (and don't love) about the company. It gathers valuable feedback from individuals who have a stake in the business.

### Reasons to use Stay interviews:

- **Improving retention** - a stay interview can give a company tremendous insight into what employees love about working for them – and what can be improved.
- **Understand what the employees really think** – we may think we understand what is great about the company, but without this data, it's really just our perception. Stay interviews give us the facts!
- **Increase people satisfaction and engagement** - identify pain points and areas of improvement before they become reasons for employees to start looking for new opportunities.

*Interested? Please reach out to any of our consultants for further details.*

## **What can you do as an employer to assist your employees with the increased cost of living?**

In the news recently we have been inundated with articles referring to a “cost of living crisis”, but what does this mean in real terms for our employees? It means slow wage increases, inflation in house and rental markets, pricing many younger demographics out and shrinking Gross Domestic Product. The impact of this is an increase in people suffering with mental health concerns such as stress and anxiety. There has also been a direct correlation in decreased time and money spend on entertainment and relaxation and increased reports of those suffering with sleep related issues. Step Change UK conducted a financial wellbeing survey at the beginning of 2022 which showed that 1 in 3 people were struggling to pay bills and credit commitments, which is double than before the pandemic. It also revealed 70% of employees are feeling stressed about money.



As an employer this can impact the working environment in both employee performance and overall company performance. Businesses themselves are also still recovering from the pandemic so the answer to this matter is not about throwing money at the situation. Of

course, if companies are able to increase wages then this will help mitigate increases in general costs but it cannot be seen as a one solution fixes all. The answer to how best to support employees is multifaceted. The bigger and potentially longer lasting problem is employees' mental health and financial wellbeing. As employers it is important to acknowledge the difficulty experienced over the last 24 months and being mindful of what employees are experiencing outside of work. Now is the time to normalise conversations about financial wellbeing and being present to support employees' mental health.

The first way in which employers can assist employees is by looking at payroll and employees' financial literacy. Do your employees understand their pay slips? Do they know when changes to their pay are happening? Would they be able to spot an error on their pay slip? A good place to start with this is to ensure that employees understand how their pay is broken down each month and what financial benefits they are entitled too. This can be achieved formally via teaching sessions or informally via companywide communication i.e. quick and easy to understand guides. Topics covered can be how employees can translate tax or pension percentages into real numbers relating to their own salary amounts or how student finance is worked out.

It is also important to guarantee that payroll is completed accurately and timely. The implications of payroll errors can be far greater than initially thought with up to 50% of employees in that situation being subject to financial difficulty up to being unable to pay their rent or mortgage. This can lead to the borrowing of money and longer term financial problems.

Another way employers can assist employees is by, if they haven't already, introducing discount schemes. Some of the more well-known (and highly rated) ones are Perkbox, Rewards Gateway, Thanks Ben and Advantus Employee Benefits. In April we saw an increase in tax which on average translated to a decrease of £250 out of employees' salaries per year, if employees are encouraged to use digital gift cards and vouchers provided on these platforms for food shopping alone, the £250 can be completely mitigated. Overall introducing these schemes can save employees up to £1000 per year. Some of these schemes can also include things like free gym memberships or free access to health and wellbeing support, including counselling and financial wellbeing mentoring and advice.

Employers should also be aware of services such as "Switched" which automatically switches you to better energy deals, which once set up, is ready for when the energy costs start to decrease, allowing your employees to feel that benefit as quickly as possible.

Lastly, looking at company policies, for example the expense policy. Do employees have to outlay costs first, if so, how long does it take for the company to reimburse expenses? Both of these may have financial impact upon your employees. There is also an increase in companies providing financial wellbeing policies which cover things such as committing to paying staff at least the Real Living Wage, implementing and supporting flexible working,

targeting financial education at key times such as maternity, revising benefit programs to include finance friendly initiatives i.e. giving employees the option to choose how often they are paid and signposting external help for those experiencing financial difficulty.

### Summary and other top tips

- Implement a financial wellbeing policy and provide financial education
- Consider employee benefit and discount schemes
- Provide employee discount to your own products
- Consider salary sacrifice schemes for things such as childcare costs
- Work with your local credit union – they can help employees save regularly plus provide support to those who may be suffering financial abuse and need help in saving money confidentially
- Consider if you have the ability to provide interest free crisis loans E.g. boiler repair to employees?
- Research local support available and communicate these out to employees, so they can all be in receipt of discounts and offers available
- Increase focus of mental health and ensure managers are equipped to support their colleagues through difficult times

*We welcome enquiries for further information on any of the above. Please contact your Agile HR Consultant [chelsey@agilehrconsulting.com](mailto:chelsey@agilehrconsulting.com), [david@agilehrconsulting.com](mailto:david@agilehrconsulting.com), [emily@agilehrconsulting.com](mailto:emily@agilehrconsulting.com), [hils@agilehrconsulting.com](mailto:hils@agilehrconsulting.com) or [jenny@agilehrconsulting.com](mailto:jenny@agilehrconsulting.com)*

