



Ending Employment

- A contract of employment can be ended by either party
- Workers might want to leave for a number of reasons:





Labour Turnover

- This is used to measure how many people leave a business over a the period of a year
- Businesses will want this to be as low as possible because we have seen that it costs money to:

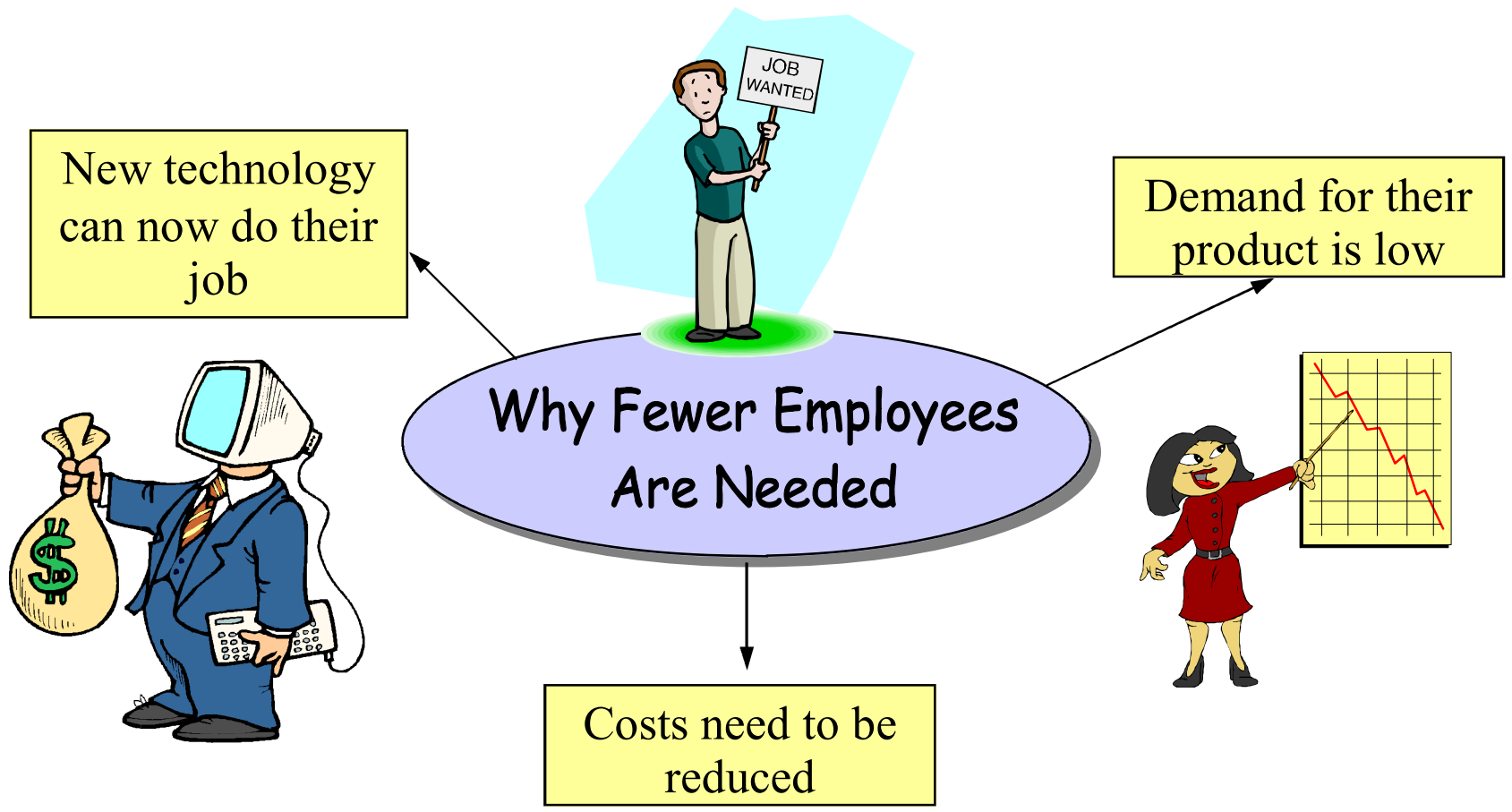
- Advertise
- Recruit workers
- Train new workers





Why Reduce The Workforce?

- There are also a number of reasons why business might want to reduce the number of workers it has:





How Can The Workforce Be Reduced?

● Businesses can reduce the number of workers by:

➤ **Offering early retirement**

- Expensive since payments will have to be made

➤ **Not replacing people who leave**

- Known as “natural wastage”

➤ **Making new jobs part-time rather than full-time**

- Reduces the number of hours that must be paid for

➤ **Asking for volunteers to be made redundant**

- Some will because they will receive a cash payment

➤ **Making people redundant**

- Still have to pay redundancy money



● Redundancy is NOT the same as “getting the sack!”

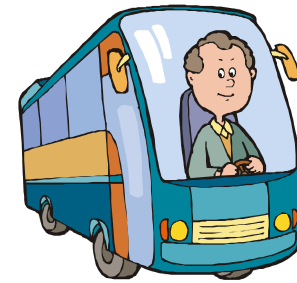


Dismissal

- Sometimes a business will dismiss a worker
- This is often known as “giving them the sack”
- Workers can be legally dismissed for the following reasons:

- **Not being capable of doing their job**

- E.g. a bus driver receiving a driving ban



- **Poor behaviour or conduct**

- E.g. lighting a cigarette in a chemical factory

- **Not declaring a criminal conviction**

- This **MUST** be relevant to their job
- E.g. worker lied on their application form





Unfair Dismissal

- Businesses must be careful to abide by the law when dismissing workers
- For example, the following would be classed as “Unfair Dismissal”:
 - Selecting people for redundancy because they are in a trade union
 - Sacking a female because she is pregnant
 - Sacking a worker for incompetence when no training has been given
 - Dismissing someone because of their gender or race
- If a firm is found to have dismissed someone unfairly they can be heavily fined!