

### Introduction:

The stress caused by debt problems can be debilitating not only for individuals but also for their organisations. No one can have failed to notice that the credit crunch (falling property prices, tougher mortgage requirements, and credit card debts) is having an impact on many employees.

It is estimated that at least 10% of the adult population has a problem with debt and therefore it is possible that this relates to a member of your staff.

### Warning Signs:

Few employees are keen to talk about their finances and debt problems can manifest themselves in other ways, such as:

- a dip in performance
- poor concentration
- productivity levels at rock bottom
- higher absence
- unusual / erratic behaviour

### Regular Communication:

A keystone of good management is to have regular, documented, one-to-one meetings with your members of staff. These meetings not only enable clear communication but also provide a forum for setting goals and giving and receiving feedback.

Should an employee have any personal issues which impact upon work, such as debt problems, it is likely these will be discussed in the one-to-one meeting.

### Sources of Advice:

Financial Services Authority - [www.fsa.gov.uk](http://www.fsa.gov.uk)

Samaritans - [www.samaritans.org](http://www.samaritans.org)

One Parent Families - [www.oneparentfamilies.org.uk](http://www.oneparentfamilies.org.uk)

Citizen Advice Bureau - [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

Consumer Credit Counselling Service - [www.cccs.co.uk](http://www.cccs.co.uk)

HM Revenue & Customs - [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

### How To Help:

It can be a humiliating experience for an employee to admit that they are in debt beyond their control. So here are some suggestions to help you support your member of staff, should they bring their debt problems to your attention:

- In roles where bonus/commission is applicable, discuss ways to increase financial incomings. Performance can be increased via mentoring and increased networking.
- Offer training to improve performance. Contact HR+ Ltd for details about government funded training opportunities.
- Consider offering a salary advance should the individuals situation become particularly dire.
- Recommend that the employee does not face this debt situation on their own and suggest they seek professional advice (see sources of advice)
- Suggest that the employee contacts relevant organisations to ensure they are receiving full entitlements i.e. benefits, tax credits, working tax credit, housing benefit and council tax benefit (see sources of advice).
- Should an individual request a salary increase, consider the request objectively in relation to the salary band (if applicable), the salary level of colleagues at a similar level, the market value of the role and the company's performance

### Expected Outcomes/Results:

By supporting the employee at this difficult time you should expect to see:

- Happier, less stressed and more productive employees
- An increase in productivity and improvement in bottom line
- Goodwill obtained from an employee who values having an employer who cares about their well-being

For other useful information, visit us at [www.hrplustraining.co.uk](http://www.hrplustraining.co.uk)

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