



European Foundation for the Improvement of Living and Working Conditions

A guide to good practice in age management



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Detailed information about the cases in this guide can be accessed on the European Foundation's website: <http://www.eurofound.eu.int/areas/populationandsociety/ageingworkforce.htm>

Authors: Gerhard Naegele and Alan Walker

Research institutes: University of Dortmund, Germany and University of Sheffield, UK

Foundation project: Employment initiatives for an ageing workforce

Research managers: Robert Anderson and Gerlinde Ziniel, with Isabella Biletta, Bernard Housset, Gregorio de Castro, Fiona Murray and Barbara Schmidt



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European Foundation for the Improvement of Living and Working Conditions
Wyattville Road
Loughlinstown
Dublin 18
Ireland
Telephone: (+353 1) 204 31 00
Fax: (+353 1) 282 42 09 / 282 64 56
Email: postmaster@eurofound.eu.int
www.eurofound.eu.int

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Foreword

The demographic challenge facing the European Union is that, over the next 20 years, the average age of the working population will increase and the number of people of working age will decline. At the same time, the strain on social security systems will grow with increasing life expectancy.

To achieve more sustainable economic and social development, the EU has set itself the target of increasing the employment rate of older people. For this to be successful, governments, social partners and organisations need to work together to develop the skills and employability of older people while maintaining the health, motivation and capacities of workers as they age. Age discrimination and negative stereotypes of older workers must be tackled, while working conditions and employment opportunities must be adapted to an age-diverse workforce.

In the mid-1990s, the Foundation conducted research into age management across a number of countries in the EU15. It looked at organisations in the public sector and private enterprises, examining good practice in relation to such issues as recruitment, training and development, flexible working, health and ergonomics. The cases studied formed the basis for the 1998 report *Managing an ageing workforce: A guide to good practice*. This new report updates and extends the earlier work, and includes case studies from a number of new Member States.

Aimed primarily at the organisational level, the report is designed to be a guide for all those who are responsible for employment, to ensure that workplace ageing is managed successfully and that older workers are enabled to fulfil their potential. It is hoped that it will prove a useful resource and help contribute towards the better management of ageing in the workplace.

Jorma Karppinen
Director

Willy Buschak
Deputy Director

Contents

Foreword	v
Introduction	1
1 – Good practice in age management	3
2 – The organisational drivers of good practice	5
3 – Dimensions of age management practice	7
4 – Pre-requisites for successful age management	27
5 – Role of key actors in age management policies	31
Bibliography	35

Introduction

The ageing of the workforce is an issue of vital importance to everyone in the European Union (EU). Future economic growth, competitiveness and efficiency will increasingly depend on how effectively employers can utilise their ageing workforces.

This guide is aimed primarily at the organisational level; it is intended to be a practical tool to assist all of those with responsibility for employment, such as managers, policy makers and social partners, in ensuring that workforce ageing is managed successfully and that age does not become a barrier to employment.

The guidelines are derived mainly from the findings of a project looking at developments in employment initiatives for an ageing work force across 11 EU countries (Austria, Belgium, Finland, France, Germany, Greece, Italy, the Netherlands, Sweden, Spain and the UK). Further information comes from new research across the EU including the new Member States (NMS). This follows up the pioneering project 'Combating Age Barriers in Employment' (also funded by the European Foundation for the Improvement of Living and Working Conditions) which produced the first guide to good practice in managing an ageing workforce (Walker, 1999). This new guide updates and extends the earlier one: it incorporates the latest thinking and practice and includes experience from organisations that demonstrates the development of good practice over the previous decade (see 'Dimensions and benefits of good practice' below).

Throughout, the guide makes reference to a wide spectrum of organisations: small and large; in the public and private sectors; in services and manufacturing. Enterprises of different sizes illustrate different approaches to coping with ageing workforces. Moreover, the guide takes into account the needs of different groups of employees – men and women, as well as skilled, low-skilled and unskilled workers. The guide has been presented in such a way that key actors in age management can easily access the information contained, and more readily introduce good practice in their organisations. The four principal reasons why age management is an economic and social necessity are dealt with here.

Managing an ageing workforce

The ageing and shrinking of the EU workforce over the next two decades calls for a new approach to managing ageing, both in the workplace and in economic and social policy terms. Those aged 50 and over already represent one in five of the workforce; soon this proportion will rise to one in four. Until now, European employers in both the public and private sectors have commonly encouraged older workers to leave employment. As the numbers of younger people entering the workforce declines (particularly in those new Member States experiencing net emigration), the challenge will be to retain, and promote the contribution of, these older workers. Faced with competition from younger workforces in the USA and Asia, European employers will need to maintain the capacity for work and the productivity of their ageing employees.

Tackling age barriers and discrimination

In the context of an ageing work force, tackling age barriers and age discrimination becomes an economic as well as a social necessity. Reflecting this, the 2000 Employment Framework Directive creates a completely new legal context in most Member States. The Directive outlaws discrimination on grounds of age (as well as a number of other criteria) in terms of employment,

self-employment and occupation, vocational training and guidance and in the membership of organisations. Social partners and policy makers need to work together to overcome age barriers in job recruitment, training and promotion, and to dismantle the ingrained negative stereotypes about older workers that underpin those barriers.

Benefiting from age diversity

Part of the pressure for legislation to outlaw age discrimination in employment came from enlightened employers and human resources (HR) professionals, who recognise the advantages of age diversity in organisations. A work force with a balance of youth and maturity (and diversity in other characteristics such as gender and ethnicity) is regarded as being best able to respond to the rapidly changing circumstances associated with globalisation. By restricting recruitment to so-called 'prime age' workers, many organisations have prevented themselves from maximising their human resources potential.

Responding to public policy

The public policy context demands stronger age management. In particular, widespread concern about the sustainability of some of Europe's public pension systems has led to a rapid closure of early exit gateways and the adoption of measures to encourage an extension of working life (OECD, 2006; Reday-Mulvey, 2005). Indeed, there is a remarkable consensus among the Member States about the need for active labour market and social protection policies aimed at raising employment levels among older workers and at postponing retirement. The EU has played a key role in raising the policy profile of this issue and, for more than a decade, has promoted both employment policies in favour of older workers and the sharing of good practice between the Member States. In 2000, 26 per cent of older workers (55 to 64 year olds) were in employment; in 2001, the EU set itself the target of raising that figure to 50 per cent by 2010 (European Council, 2001). To put it another way: by 2010, the EU aims to raise the effective retirement age by around five years (European Council, 2002). While the EU is already behind schedule in achieving these targets, they still remain pressing on the Member States and therefore form part of the policy context within which organisations operate. The NMS are just beginning to become familiar with this context; however, it is equally urgent for those countries. This policy approach, reinforced by the response of finance ministers to projections of the impact of ageing on public expenditure, underlines the need to extend working life.

The widespread adoption of good practice in age management will help organisations to: adjust to the inevitable ageing of their work forces; enhance the competitiveness and productivity of their ageing work forces; improve the employability of ageing women and men; assist in prolonging working life; and ensure more equal opportunities between workers of different ages. There is, then, a powerful economic imperative for age management in employment. It will no longer be possible for employers to bank on a sufficient supply of young workers: increasingly, they will have to confront the ageing of their existing work forces. The premise of this guide is that it is better to begin this process sooner rather than later.

In the following report, the key components of age management are examined and illustrations from the case studies are provided; the organisation's own assessment of the benefits and the conditions for successful practice are included. The first four chapters are concerned with age management at the organisational level, while the fifth and final chapter focuses on the broader policy context.

Good practice in age management

1

As in the first European guide (Walker 1999), good practice in age management is defined as those measures that combat age barriers and/or promote age diversity. These measures may entail specific initiatives aimed at particular dimensions of age management; they may also include more general employment or human resources policies that help to create an environment in which individual employees are able to achieve their potential without being disadvantaged by their age. Good practice in one aspect of work organisation may coexist with neglect or bad practice elsewhere. Only rarely is it part of a comprehensive HR policy of age management (see 'Comprehensive approaches' below). The range and number of examples of good practice included in this guide are intended to illustrate the sort of positive actions that have been taken by employers in workplaces in different European countries – not to give an exhaustive list.

Good practice, then, is not a once-and-for-all achievement but rather comprises a range of possible interventions, both minor and major, that aim to overcome age barriers and to promote age diversity. Good practice need not mean significant costs for organisations: on the contrary, many changes that benefit older workers can be implemented at low cost. Moreover, such measures often constitute good general HR practice.

There are three key questions to ask of an initiative. Is the initiative beneficial? Is it sustained? Are its effects monitored? For organisations with little or no experience in age management, the priority should be to start implementing good practice, however small-scale that may be, and then to try to build that into a more comprehensive strategy (see 'Comprehensive approaches' below).

While it needs to be implemented at the level of the organisation, age management may also be promoted through legislation or public policy for the ageing workforce as a whole, in order to strengthen labour market integration, increase or sustain productivity and improve the quality of the work environment. The two approaches should be seen as mutually reinforcing, rather than as independent of each other. Good practice in age management is the most important precondition for a substantial increase in the labour force participation of older workers; its benefits can be felt all round – for public authorities, for employees and for the organisation.

The organisational drivers of good practice

2

At the organisational level, there are often serious concerns that workers become more expensive and less productive as they get older. Especially in regard to the recruitment of older workers, higher wage and non-wage costs are reported to act as barriers (OECD 2006). However, the experiences of individual companies show that:

- recruiting older workers means that the organisation gains extra experience and skills;
- organisations benefit from cost containment when investing in skills and health promotion for an ageing work force;
- retaining older workers avoids the expensive loss of skills and may increase market share;
- intergenerational solidarity and work motivation can be increased by capitalising on age diversity.

There are five key reasons why organisations introduce age management policies; in the private sector, all five reflect underlying business needs. In most cases, age management is implemented for a combination of two or more of these reasons.

Maintaining the skills base

Organisations must ensure that their skill needs are met as precisely as possible. This goal can be achieved by hiring new employees; however, another approach is to invest in the skills and qualifications of existing older employees. Many organisations have come to realise that the professional and social skills gained by older employees in the course of their careers represent a special asset. New recruits and younger colleagues cannot entirely match such skills and experience: any attempt to do so would entail high additional costs in recruitment, vocational preparation and on-the-job training.

Qualities such as accuracy, reliability and the ability to communicate with customers and colleagues characterise many older employees. The premature loss of such skills, or the failure to replace them, often entails an economic risk for a company. As both practical experience and research demonstrate, older employees – deployed in the right posts for their individual skills – are highly productive. This is demonstrated by the many successful examples of organisations with teams that combine the skills and attributes of different age groups in an optimal manner: the retention of older workers can be an excellent instrument in intergenerational knowledge transfer.

Making a virtue of necessity

Age management may be driven by the need to involve older workers in organisational restructuring or development. This need may stem from the absence of younger workers with the necessary skills (which is often the case now in the NMS) or because it is mandated by collective agreements. Thus employers may find themselves 'forced' into engaging with older employees because there is no alternative; such circumstances may include the reorganisation or rationalisation of production or administrative processes and changes in market, demand or competition conditions.

When organisations introduce age management measures to ensure that their older workers are fit for the new challenges, there is a good chance that these older employees will not only adapt

readily but, in the private sector, do so to the economic benefit of the company concerned. (Such measures also increase the employability of these workers.) In some cases, indeed, it may be preferable to employ more older workers than younger employees. This is true, for example, in those sectors with an ageing customer base or that supply age-specific products or services. For example, in the health services sector or in parts of the retail trade, older employees may be best placed to respond to consumer needs and expectations.

Reducing age-related labour costs

In many cases, age management is implemented in order to cut additional expenditure and/or labour costs that are the result of a workforce's high average age or its unbalanced age profile. Such additional costs may take the form of higher sickness rates, for example. One response to such a situation may be to lay off, or prematurely retire, older workers. However, targeted measures to promote the health, skills or motivation of older employees may ultimately be more economical. Alternative calculations can justify investments in the employability of older workers – for instance, by offsetting the costs of the premature retirement of older employees against the cost of hiring and training new employees. (This issue will be of increasing importance in the NMS.) Labour costs can also be lowered by making use of national support measures or other public employment programmes – in the case of new employees, for example, or of on-the-job training and education.

Reacting to changes in external labour market conditions

In a number of cases, the need for organisational age management is created by changes in the external labour market conditions of older workers. This may take the form of legislative or regulatory changes – in retirement ages or pension laws, public and collectively agreed principles or awareness and employment promotion programmes for older employees. Experience shows, however, that age awareness campaigns, on their own, do not achieve a great deal if they are not linked to concrete incentives for companies, such as economic advantages or the need to comply with external regulations.

Resolving labour market bottlenecks

Good age management practice can make an effective contribution to resolving bottlenecks in the regional or local labour markets for qualified personnel. Companies that have recruited older personnel often report that such applicants soon prove their worth; this is due to the employees' own motivation, the trust that has been placed in them and the provision of suitable company support and promotion measures.

Where projections indicate that demographic change will lead to a shortage of labour or skills in the future, organisations should proactively invest in the employability of their older staff: if the need arises, they will then be able to satisfy their own employment needs.

Some of the NMS face a particular problem: younger skilled employees are migrating to the EU15 in search of better opportunities and are, therefore, not available in their national labour markets. Furthermore, in the NMS, the rapid change in skill requirements is creating labour bottlenecks. Timely investment in the qualifications of older employees could be an important measure in avoiding such problems.

Dimensions of age management practice

3

Age management encompasses the following eight dimensions:

- job recruitment;
- learning, training and lifelong learning;
- career development;
- flexible working time practices;
- health protection and promotion, and workplace design;
- redeployment;
- employment exit and the transition to retirement;
- comprehensive approaches.

These aspects reflect the most significant interventions as identified in the case studies of organisational initiatives. Measures can be both preventive and remedial: improving the employment chances of older employees and increasing their labour participation calls for a twin-track approach that has two aims. The first is the promotion of workers' employability over their working life, which can help prevent problems; the second is the reduction and elimination of acute employment problems in later phases of the working life course.

In the following eight sub-sections, each dimension of age management is defined, examined in detail and illustrated by examples of initiatives and their outcomes from the perspectives of the organisations concerned. Compared with the original case studies, a wider range of examples is presented; in some instances, good practice has been embedded more deeply in the workplaces. More organisations are now implementing measures related to health and working conditions, job design, flexible working practices and redeployment (Taylor, 2006).

Recruitment

'Good practice means ensuring that older workers have either equal or special access to the available jobs and that potential applicants are not discriminated against either directly or indirectly' (Walker 1997, p. 3).

Some of the positive approaches to age management in recruiting include:

- waiving age limits in job advertisements to encourage greater age diversity;
- the use of specially qualified personnel for interviewing and selecting applicants, and of a selection process focused not on age, but rather on skills, competencies and experiences as well as on the individual needs of older applicants;
- close co-operation with local recruitment agencies (sometimes with regular site inspections);
- a good knowledge of public support programmes and their utilisation – for example, programmes for wage subsidies or settling-in grants;
- age-specific advertisement campaigns aimed particularly at older applicants;
- explicitly targeting older applicants who are unemployed, threatened by dismissal, or already in involuntary early retirement.

What benefits do organisations report from hiring older applicants?

Recruiting older applicants brings a number of benefits for an organisation:

- older applicants are often more skilled than younger applicants; moreover, their skills frequently better match the organisation's needs ;
- hiring older employees can raise the general skills level of the work force. The workforce, and the organisation, also benefits from the older recruits passing on their experience to younger colleagues;
- the synergy gained by linking the new and existing skills of the workforce can raise the organisation's productivity and capacity for innovation;
- recruiting older workers leads to greater age diversity both in individual teams and in the company as a whole;
- in certain age-sensitive trades and companies, older workers can – by virtue of their age – respond more readily to changing customer wishes and needs; such responsiveness can also result in improved turnover;
- recruiting older applicants can improve the corporate image of the organisation – both internally and externally – and so improve its corporate identity;
- recruiting older applicants can solve the problems of poor labour supply.

Case studies in recruitment policies

L'Incontro Cooperative, Italy

The L'Incontro initiative is a non-profit, social cooperative. It recruits older maintenance workers from the region's local industries to work as instructors in protected job-centres. The workers had either recently retired or had taken early retirement: flexible work practices using part-time contracts and variable work shifts were thus adopted. This approach improved quality of service and internal staff relationships; in addition, production lines could be extended.

Fahrion Engineering GmbH & Co KG, Germany

In 2000, Fahrion began to focus on the recruitment of older, highly qualified engineers: the company posted a job advertisement calling explicitly for older engineers, foremen and technicians, an approach which proved largely successful for the company. This recruitment strategy allows the company to meet its very specific qualification needs; applications are still being received without any additional recruitment effort.

Home Care, United Kingdom

When using recruitment agencies, Home Care places particular care emphasis on each agency's equal opportunities policies. The organisation itself uses formal processes to ensure that its advertisements and its recruitment and selection procedures do not discriminate on grounds of age.

T-interim, Belgium:

T-interim – the temporary work agency of the public employment office in the Flanders region – introduced its 50+ project, which aims to reintegrate older unemployed people into the labour market through temporary work. Part of this project involved the creation of an in-house temporary employment agency for people aged 50 years and over.

T-interim has also introduced Office 45+, a specialised division for the recruitment of older temporary workers aged 45 and over. Office 45+ promotes the ACTIVA plan, by which employers can receive government subsidies when they hire older employees. In addition to the financial benefits of this arrangement, the Office 45+ consultants emphasize the added value of the knowledge, experience and flexibility of older workers. Both the company and the older, new employee benefit from the initiative.

Furs company, Romania:

This furs company prefers to recruit employees who are already experienced in fur production – particularly those aged over 40. This recruitment policy is a strategic objective of top management: because of a lack of vocational schools, it is difficult to find adequately qualified younger staff. Another aspect of the company's strategy is to retain personnel over the age of 40.

Preconditions for 'age-friendly' recruitment

For 'age-friendly' recruitment to work, a number of preconditions must be met. An open-minded approach to recruitment is required: this presupposes an underlying 'age-neutrality' on the part of the recruiting organisation. This, in turn, demands an assessment and selection procedure that is exclusively occupational and task-related; if necessary, outside assistance from specialist employment and consultancy agencies may be called in. For the older employee who has just joined, special orientation or other support facilities may be required: in some cases, offering flexible working hours to newly appointed older workers has yielded positive results. It is also important to make clear to existing employees that they too can benefit from the recruitment of older colleagues. Therefore, they should not perceive the new appointments as competition, but rather as an enhancement of the company's economic opportunities or – in the case of a public organisation – its chances for success.

Training and lifelong learning

Good practice in this field means ensuring that older workers are not neglected in training and career development, that opportunities for learning are offered throughout working life, that training methods are appropriate to older workers, and that positive action is taken where necessary to compensate for discrimination in the past (Walker 1997, p.4).

Older workers often have skills and qualifications that are difficult to obtain and that form a central element of the human resources of an organisation; despite this, skills deficits are frequently considered to be one of the employment risks associated with older employees. What is often

overlooked is the self-fulfilling prophecy at work here: such skills deficits develop primarily *because* organisations do not invest in their older workers. This can be seen in the low participation rate of older employees in company-organised further education and training. Moreover, the economic importance of qualifications and skills is growing, while the workforce is getting older. In light of this, implementing on-the-job training that integrates older employees is a priority task for the organisation.

There is a wide range of good practices in this area. Some approaches include:

- the absence of age limits in determining access to in-house learning and training opportunities;
- special efforts to motivate learners, establish methodologies and provide support;
- systematic evaluation;
- specific provisions in providing leave;
- analysing the skills needs of the organisation, matching these with the available skills and individual educational status of older employees and utilising them in the methodology and contents of training;
- continual monitoring of an employee's educational status;
- defining training opportunities as being an integral part of career planning and not solely as job specific;
- linking training schemes to an individual's life course;
- organising work so that it is conducive to learning and development – for instance, within the framework of mixed-age teams and groups;
- using older employees and their particular qualifications both as facilitators of further education for older and younger employees, and as an organisational 'knowledge pool'.

What benefits do organisations with age-related training policies report?

Organisations report a number of benefits from age-related training policies:

- in-house training and further education of older employees helps raise the workforce's overall skills level and capacity for innovation;
- with older employees on the payroll, younger staff see greater potential for career development: their motivation increases as a result, as does their respect for the performance of their older colleagues; this is especially true for schemes that involve different age groups, as these offer more potential for intergenerational knowledge transfer;
- improvements in the quality of an organisation's products and services;
- in many organisations, the involvement of older employees ensures the maintaining of skills levels and the potential for professional development and internal transfer;
- participating in on-the-job training boosts the employability of older workers: it makes them more motivated and flexible and predisposes them towards greater mobility, both vertical and horizontal;

- when further education and training has been undertaken in earlier career phases, the employee is more willing to undertake more training in later phases: this could help lower the participation barriers found among older age groups.

Case studies in training and lifelong learning

Verbund Konzern, Austria

After analysing and considering the ageing of its staff, management in Verbund Konzern, a leading producer and distributor of electricity, began to develop a number of initiatives, including education programmes, the promotion of age-positive attitudes, intergenerational knowledge transfer programmes and quality management processes. One programme focused on the transfer of practical field experience and implicit knowledge from experienced employees to experienced trainers, all participants being aged over 45.

Atheneum InterContinental Hotel Athens A.E., Greece

The hotel has set up its own certified training centre. This is used both for the initial training of new recruits and for the continual training of all staff, regardless of age or gender. Even those employees within a year of retirement are encouraged to participate. Training is offered to different departments in the hotel and is designed according to the needs of each. All training is evaluated after the completion of the course and a follow up programme determines to what extent it has affected work practices.

Achmea, The Netherlands

In Achmea, a large financial services company, training and development schemes are related to the life course. Career advice is provided to an employee every five years after they have reached 45 years of age. A further scheme assists older workers with study: employees of 40 and over are assigned a maximum of 10 days paid annual study leave, depending on the particular requirements of the course being undertaken. Training maintains the employability of workers, and may also lead to upward or horizontal career moves.

API Raffineria di Ancona S.p.A, Italy

API Raffineria refines raw materials to produce petroleum products. API's training and development initiative focuses on continual worker training without discrimination towards older employees. Continuous training regarding technical/professional training, safety and environmental issues is given once every three months to the entire workforce. Managerial training is given partly in response to individual requirements (improving work skills deemed weak or lacking by the immediate supervisor, for example) and partly in a more structured manner.

Novitech, Slovakia

Novitech, an information technology (IT) company, was awarded the 'Via Bona Slovakia' award in 2004 for IT courses for senior citizens on its premises. Older people, who did not have the opportunity to develop IT skills during their regular education, can now gain those skills and improve their employment prospects.

Preconditions for effective training policies

If training and lifelong learning policies are to be effective, it is essential that those in charge of the programmes be sensitive to the issues of ageing in the workplace. Vocational training should be

based on a precise knowledge of current as well as future skill requirements and on the educational status and potential of all employees: in this regard, 'competence databases' have proved useful for some organisations. For small and medium-sized enterprises, it may be feasible to carry out training in house; often, however, specialised external support is needed – for example, professional educational consultants, research institutions, chambers of commerce and industry, chambers of crafts or the benchmarking of good practice. The choice of method and the precise organisation of training programmes (individualised provision, dedicated programmes for older employees, age-neutral methodology, on-the-job training, training in special institutions) can only be determined in response to an organisation's specific needs. Nonetheless, there are two universally valid recommendations:

- job rotation should be combined with on-the-job training: this is an effective policy for all employees, not just older ones;
- working time releases should be facilitated – for instance, combining in-house training sessions with special working time arrangements such as partial retirement.

Career development

As with training and lifelong learning, good practice in career development means ensuring that, rather than being neglected, older employees are provided with opportunities to progress (not necessarily hierarchically) and to maintain and enlarge their skills and knowledge. It may also mean that, where necessary, the organisation takes positive action to compensate for past discrimination.

Career development is an important instrument for ensuring the promotion prospects and job security of older employees. It involves structuring demands, incentives and stresses in the working life of an ageing employee in such a way that their motivation and performance are promoted and applied in the most effective manner. It also entails the early counteraction of health risks due to working conditions. A clear example of good practice in career development is the precise matching of job specifications with the work-related performance changes typical of older age over the course of the career. Ideally, employees should be able to perform tasks in the later phases of their working life that harmonise with their particular occupational experience and knowledge as older workers.

Good practice in career development that applies specifically to older employees is rarely encountered. Approaches that have been identified include identifying individual career ambitions and making related plans, tailoring career planning to occupational groups and using specialist advisors in systematic career consultation.

What benefits do organisations with career development initiatives report?

- Facilitating career development reduces physical strains and mental stress and thus contributes to an employee's long-term employability.
- Developing an employee's competencies and qualifications means that, at each stage of their career, those competencies can be best utilised.
- Employees (both younger and older) can develop a career perspective and plot career goals, with positive effects on motivation, commitment, flexibility and productivity.

- Early retirement due to career dead-ends or an employee undertaking a task of limited duration can be avoided: employment periods, therefore, can be prolonged.
- When (re)deployments do become necessary they can be utilised more productively for the organisation.
- Some older workers can be successfully deployed as mentors and trainers for their younger colleagues and for those of the same age. This particularly applies in cases of job succession: the older occupant of the position can familiarise the newcomer with the tasks in question.

Case studies in career development

OKG, Sweden

In 2002, the nuclear power company OKG began an organised, long-term programme for transferring competencies between older (doyen) and younger (disciple) employees. It employed two approaches: parallel duty and role takeover. Parallel duty means that doyen and disciple work side by side: important knowledge and skills are thereby transferred. Role takeover means that, under supervision, the disciple steps into the role of the doyen.

Viennese Hospital Association, Austria

Based on a research study on the development of competencies over the life-course of a nurse, and on developmental paths, consecutive competence levels were developed and a specialised career model offered.

City of Bremen, Germany

Civil servants in the prison service are at risk of becoming unfit for service due to the numerous occupational pressures they face. To prevent this, and to give employees a new perspective in terms of a clearer life course orientation and a 'second career', a model project has been introduced. The final outcome of the project is that employees gain in-service qualifications.

Karl-Heinz Efkemann Sanitär- und Heizungsbau GmbH, Germany

This small company specialises in the installation of plumbing, sanitary and heating systems. It has pursued an age and competence-oriented approach to career development, aimed at keeping workers employed in the company for as long as possible.

The company's different work areas of new building construction, remodelling of existing buildings and customer support are considered as separate qualification stages, providing opportunities for employees to move up the career ladder. The qualification requirements become more stringent from one stage to the next: the knowledge and experience acquired in the preceding business area form the basis of the experience required for the next stage. Customer support demands the most comprehensive skills: tasks in this area are exclusively assigned to the older, most experienced employees. Moreover, there is less physical strain involved for these older workers in customer support than in the installation of new equipment.

International energy company, Greece

A career development guide on the company's intranet is made available to all employees, offering assistance and support when needed. This tool allows older workers to manage their own career development with support from the HR department. Both national and international opportunities are open to employees.

Hinchingbrooke Health Care National Health Service (NHS) Trust, UK

The Trust offers career development courses to older employees, based on the national career framework (which applies to the entire NHS). These courses outline the possible career paths open to employees, and show how older employees can progress from one level of their job to the next, or move from one department to another.

Preconditions for effective career development programmes

Ensuring career development for older employees is a demanding task that calls for a number of measures on the part of the organisation. These include a precise knowledge of the skill requirements of the posts and the stress profiles associated with the workplaces; establishing staff employability profiles and internal mobility opportunities is also necessary. Success in implementing career development programmes also depends on: the systematic embedding of the measure in the company's working time organisation; in-house training; intensive employee preparation and concrete incentives, particularly in the form of wage and tariff policies. In addition, suitable organisational data and information systems are needed, as are HR managers specialised in the areas of ageing and/or diversity. Finally, some of these tasks can also be fulfilled by external resources, such as business consultants or scientific institutions.

Flexible working time practices

Good practice in this field means giving older workers greater flexibility in their hours of work or in the timing and nature of their retirement (Walker 1997, p. 5) and adjusting working time and other aspects of employment to reflect changes in the way people work and in family and caring responsibilities of the work force (Naegele and Walker, 2000, p.8).

The objective of flexible working time practices is both a more productive alignment of working times and work demands and a better reconciliation of work with personal interests and commitments (work–life-balance). This may include study leave, raising children or, as is the case with many older employees today, family care responsibilities. Working time flexibility may be an important instrument for retaining older workers in employment.

Examples of good practice in this field include different forms of flexible working time practices, such as:

- the adjustment of shift schedules;
- special measures of daily or weekly working hours reduction;
- flexible working for older employees;
- partial retirement;
- specific paid leave provisions;
- particular models of job rotation or relief for older employees from overtime and other extra work.

What benefits do organisations with flexible working time practices report?

A number of benefits derive from introducing flexible working time practices.

- Flexible working time has positive effects on the state of health, motivation and off-the-job quality of life for all employees, particularly older staff.

- From the organisation's perspective, flexible working time leads to the optimal utilisation of labour resources. Good practice in this area can also accommodate the often complementary working time wishes of older and younger employees.
- Many employers report a fall in absenteeism and sick days, together with a rise in individual productivity. Flexible working time is an important instrument for 'humanising' working life, particularly in demanding activities such as night shift work. Lower numbers of early retirements and incapacity pensions have also resulted from flexible work practices.
- The work-life-balance of individuals improves: this particularly applies to (older) female employees who often have family elder care responsibilities.
- Under certain conditions, more flexible working time measures can delay an employee's retirement.
- Flexible working time arrangements facilitate other measures that enhance workers' employability, such as training initiatives, career planning and knowledge transfer.
- Gradual retirement schemes makes it easier for workers to adapt to retirement, and facilitate the rehearsing of post-work activities such as volunteering.
- A suitable offering of flexible working times enhances the social image of an organisation (note, for instance, the appeal of the term 'family-friendly company'); it also enhances a company's attractiveness to job seekers in the labour market.

Case studies in flexible working time

Verkehrs Aktiengesellschaft Nuremberg (VAG), Germany

VAG, a public transport company, conducted a project entitled 'Improvement of the work situation of drivers of public transport'. In response to this project, the company developed a number of measures; of these, the 'special driver group' measure proved the most effective. (A driver group is a group of drivers who are scheduled to work on the same shifts.) The measure allowed for a reduction in the working hours of drivers over the age of 57, irrespective of their state of health: older drivers were released from one shift per week (a short morning shift) without their pay being affected.

De Klink, Belgium

The organisation, a residential home, seeks to meet all of the individual time demands and needs of its staff: it has implemented a wide range of possible work schedules. Moreover, in response to legal obligations, the working hours of employees aged 45 years and above have been reduced. In addition, a collective agreement in the sector stipulates that an additional 12 days paid leave is granted to employees aged over 45.

Bekaert NV, Belgium

In this global metal transformation and materials company, executive staff aged 50 and over have an option to work part time (between 50% and 90% of normal hours). When executive staff members qualify for working part time under the 'time credit' system (a system of career breaks), they receive an additional bonus from the government.

Coop Adriatica, Italy

Coop Adriatica is one of the largest Italian business cooperatives in the retail trade. Working time flexibility is offered to cashiers, with the aim of reconciling the employees' work-life balance and the organizational demands of the company. The initiative *orario a isole* ('island timetable') allows approximately 600 employees to independently decide their own schedules. Organisation of time has improved, particularly for older workers who constitute 20% of these employees. The scheme has enabled them to dedicate themselves to personal and family related activities such as caring for parents or spending time with grandchildren.

SCA Laakirchen, Austria

To prevent exhaustion and improve quality of life for workers in this paper mill, the company agreed with the works council on an initiative to cancel 15 shifts for shift workers aged over 52 years. This provides 15 more days of rest and reduces the annual workload of night and morning shifts. It represents a concrete recognition of the performance and commitment of these long-established employees. Older shift workers chose this option over that of a financial bonus.

Stamboliiski Plc, Bulgaria

The company offers temporary contracts for retired employees in its paper factory, under which they transfer their professional experience to younger workers. The practice is described as a very effective one, and appears to help retired employees feel both esteemed and committed. The smooth transfer of professional knowledge and skills between older and younger workers, with the help of flexible working contracts, is a key feature of the company's human resource management approach.

Requirements for successful flexible working time measures

Special working time arrangements are often an expression of statutory or collectively agreed general conditions which facilitate their implementation. Sometimes they are also designed as a return for specific workloads and thus as a compensation for extra effort ('time in lieu' instead of money).

There are reservations concerning flexible working time arrangements, on the part of both employers (e.g. cost arguments, practical implementation problems, additional administration effort) and employees (e.g. loss of income and/or status, new workloads due to organisational changes). As a rule, however, these reservations can be overcome by means of a careful and participatory approach to implementing such measures.

Employee participation and evaluation are basic requirements for good practice in this field. Special regulations that apply only to specific, clearly defined, employee groups are often associated with perceived discrimination and, consequently, with potential loss of status. Hence it is advisable to include as many employee groups as possible.

Health protection and promotion and workplace design

Good practice in health protection, health promotion and workplace design means optimising work processes and the organisation of work to enable employees to perform well and to ensure their health and capacity to work (Naegele & Walker 2000, p. 8).

Good practice in this field may take the form of either preventive measures or measures intended to compensate for physical decline. In practice, there is a range of ways in which work-induced illness or disability may be prevented. The following key practices were identified:

- studies on health risks in the workplace;
- organisational health reports and working groups on health;
- the use of health experts to advise the organisation;
- employee surveys;
- employee participation and education;
- regular health checks;
- training supervisors and key workers in health management techniques;
- ergonomic workplace (re)design;
- preventive redeployment;
- health-promoting working time arrangements (see also 'Flexible working time practices').

A further important instrument in health protection is establishing mixed-age groups to ensure that different age-specific performance potentials and competencies are optimally deployed.

What benefits do organisations with health and workplace design policies report?

- A fully developed system of occupational health and safety (combined with health promotion initiatives) has been demonstrated to result in the workforce enjoying a better-than-average health status, as measured by such factors such as physical and mental stress, the number of staff on sick leave and rates of health-related early retirement.
- Effective health promotion is associated with a high level of job satisfaction and motivation, a good atmosphere at work and a satisfactory quality of work.
- Through health promotion policies, organisations can – to a large extent – contain the costs associated with occupational ill health, such as absence from work.

Case studies in health promotion and workplace design

Ruoka-Saarioinen Oy., Finland

To maintain the working capacity of employees in its food processing plant, Ruoka-Saarioinen Oy. has developed a range of initiatives to extend the working life of older employees (those aged 55 years and over). These initiatives are carried out as part of the company's normal routine: regular surveys on the work atmosphere are carried out, personal health examinations are performed, and physical exercise and a healthier lifestyle are facilitated. Occupational health professionals, in cooperation with employees and health and safety representatives, carry out work analyses, recommend ergonomic improvements and implement changes in work content.

Ovako Koverhar and Ovako Dalsbruk, Finland

Ovako plants produce a range of steel products. At the plants, a number of measures have been implemented to maintain the health of older employees. These include: work analyses; ergonomic improvements; redeployments carried out in consultation with occupational health personnel; workshops on ageing; five-day rehabilitation courses in the spa for all employees after their 54th, 59th and 63rd birthdays; personal health examinations; and partial retirement.

Oil company, United Kingdom

Work in the oil and gas industry is physically demanding: to retain older workers, this company offers workplace health assessments that aim to resolve common problems such as back pain. A doctor is also available on site to review employees' existing health problems and to intervene when serious health problems arise. In addition, as a preventive measure, the company offers annual medical examinations for employees aged 50 years and over.

Sozial-Holding der Stadt Mönchengladbach GmbH, Germany

Sozial-Holding der Stadt Mönchengladbach GmbH coordinates community care services for the elderly and other care services. In the organisation's comprehensive health management programme, all employees were first surveyed regarding their health situation. A steering committee on health, involving management, the works council and other key actors, then developed a range of appropriate measures: working groups on health; training courses in lifting and carrying; special training in handling disoriented residents; and the redesign of staff rooms.

Gering Hout en Beton, the Netherlands

Gering is a small to medium-sized enterprise in the construction sector. It has implemented age-aware HR policies. As part of this, differing worker capacities are taken into account in the day-to-day planning of tasks. Older, more experienced workers are given the more complex tasks, while younger, less experienced workers are assigned the more physically demanding tasks.

Albron, the Netherlands

As part of its health promotion policies, the catering company Albron uses an IT-based system for implementing a health plan in the workplace; it also allows employees to use working hours to undertake health maintenance measures. The occupational health measures that have been initiated include the limiting of working hours and ensuring that workers avoid lifting heavy weights or stretching excessively. (This has been accomplished by placing physically challenged older workers in teams with younger, fitter workers.)

Requirements for successful health and workplace design policies

Successful promotion of health over the life course depends upon a systematic analysis and documentation of health risks – for example, a health report, with the findings published regularly. Another important element is consultation with occupational health experts, as shown in the Finnish case studies illustrating the role of the occupational health services. Certain groups are at higher risk: taking preventive measures for these groups is worthwhile – for instance, regular health checks for night shift workers. The appointment of key individuals (such as disability managers) with responsibility for coordinating and implementing health promotion measures is also an effective measure.

As work-related illnesses typically have their roots in earlier phases of the working life, health protection and promotion measures should not be deferred until the employees are older. In this regard, an age-neutral approach is particularly appropriate. Employee participation in health promotion is indispensable, particularly in light of the experience and knowledge of many older employees. Incentives can also be helpful in promoting health awareness in the organisational culture. For instance, a health insurance fund might run a bonus programme in which 'health-friendly' companies are rewarded with lower premiums for health or accident insurance. Health

protection and promotion (for older employees) can only develop effectively in an organisation that recognises employees' health as being central to their productivity and potential, and in which management acknowledges its own responsibility. Attaining the goal of healthy ageing at work depends to a large extent on organisations implementing measures designed particularly for their older employees.

Redeploying older workers

Good practice in redeployment refers primarily to coordinating the demands of the workplace with the capacity of the (older) employees. It also presupposes the maintenance of work quality for the employees affected by the redeployments. Redeployment is often considered as a compensatory measure in response to existing performance constraints; it can, however, also be used as a preventive measure – for example, as part of health protection or career development measures. Good practice, therefore, refers not only to the process of redeployment itself, the choice and quality of the (new) workplace and the careful preparation of the employees concerned, but also to the measure's positive effects in the long term. For the sake of employees, so-called 'sheltered workplaces' should be avoided, as should occupational deskilling and/or loss of status. All of these have a demotivating effect on the employees concerned: not uncommonly, they lead to a premature 'inner retirement' and can also negatively affect the general working atmosphere. Good practice can be assured if redeployment is viewed as part of a preventive age management strategy geared to maintaining employability – particularly in terms of flexibility, qualification and skill enhancement and health protection.

When benefits do organisations report when redeploying older workers?

Good practice in the case of redeployments has positive effects for both the employees concerned and the organisations.

- From the employee's perspective, a number of criteria are important in rating a redeployment as successful, and the new workplace as suitable: a reduction in the workload and of monotonous work; greater motivation; greater responsibility; the opportunity to use skills and qualifications; and job security and new opportunities (instead of dismissals or involuntary early retirement).
- From the organisation's perspective, whether redeployment has been successful depends to a great extent on whether the employee's productivity has remained constant or increased. Another important indicator is whether less sick leave is taken. A final important consideration is how later recruits view the organisation's redeployment practices, in terms of their own later career development.

Case studies of redeployment

Ford-Werke GmbH, Germany

Ford-Werke is the European headquarters of Ford, the car manufacturer. The company has initiated the FILM project, a scheme that aims to re-integrate about 500 mostly older workers with various handicaps into productive employment. Two core elements of this project are the integration team and the software used in the project. Thanks to the FILM project, employees have been successfully transferred from sheltered positions to roles that add value to the company.

City of Malmö, Sweden

This project, in the city of Malmö, aims to make use of the skills of older teachers (aged 62 to 65 years) and to facilitate older employees remaining in work until the normal retirement age. To achieve this goal, the most tiring and stressful part of the teacher's role – classroom teaching and meeting with the students – is reduced and other necessary tasks are substituted.

Afvalverwerking Rijnmond, the Netherlands

As part of its strategy, this waste disposal company allows older workers to gain the experience required to move from shift work to daytime work with the new function of technical operator. An additional functional role has been created between the process operator and site manager levels – the chief operator. This new role will facilitate workers moving from the operator to the chief level. Implicit in this career path is a life course perspective, because it focuses upon the developing experience of employees.

The firefighting, rescue and civil protection service, Spain

For more than 50 years, the Zaragoza fire brigade has been redeploying firemen aged 50 and over. These workers are relieved from their direct intervention tasks and move on to auxiliary services – support, education, communication, fire prevention and prevention of civil and natural disasters.

Tallinn bus company, Estonia

Older bus drivers, whose reaction times have slowed and whose capacity for dealing with stress has decreased, are put on different bus lines – for example, in the suburbs, where there is less traffic, conditions are less stressful and where their workload may be lighter. Employees who, because of their age, can no longer drive are redeployed as guards in a parking lot. Because of this approach, older employees feel that the company values their work; in turn, their motivation increases.

Preconditions for successful redeployment

For the redeployment of older employees to be successful, a number of preconditions must be met:

- the participation of the employees concerned;
- a systematic approach towards redeployment;
- a matching of the employee's capacities/competencies with the work requirements or customer profiles;
- the cooperation of the relevant actors (company doctor, works council, HR department, line manager, further external specialists) as well as the consent of the union work place representatives and works councils;
- (if possible) provisions in workplace agreements that safeguard the employees against the negative effects of redeployment (in particular, a drop in income) and that integrate health promotion in the scope of the redeployment.

Another important issue, crucial to redeployment being accepted in the organisation, is the extent to which the organisation retains the redeployment job roles and does not eliminate or outsource them. This is not solely a business decision: it also reflects the organisation's level of age awareness.

Employment exit and the transition to retirement

Good practice in this field means basing any redundancy decision on objective job-related criteria and ensuring that retirement schemes offer a choice of options and are fairly applied (Naegele and Walker, 2000, p.10).

A problem that remains largely unresolved in practice is that of individuals and society in general coping adequately with the necessity of early retirement. Even where the best corporate age management strategies are in place, redundancies and/or compulsory early retirements are frequently unavoidable – for example, following restructuring in the NMS. However, even in such cases, good practice is still possible. For many organisations, instances of early retirement are also the first chance they get to consider changes in their retirement culture.

Constructive approaches to exit and retirement policy include:

- preparatory measures for retirement at the corporate level;
- making counselling facilities available to former employees;
- providing assistance in the search for a new position;
- providing opportunities for retirees to maintain contact with colleagues;
- flexible forms of transition: retirees may continue to be employed on a temporary basis, the organisation benefiting from their professional ability; alternatively, they may undertake work outside the organisation – voluntary work in the community, for instance;
- flexible forms of retirement that allow for a phased reduction of working hours;
- sabbaticals that provide time to prepare for retirement.

What benefits do organisations with exit and retirement policies report?

Implementing good practice in exit and retirement policies brings a number of benefits.

- A good exit policy makes it easier to find successors and to familiarise them with the job.
- A well-designed corporate exit and retirement policy can enhance the internal and external corporate image.
- Even after employees have retired, organisations can still – to some extent – draw on their skills and specialist knowledge in such areas as company history and customer contacts.
- In the case of staff shortages, it is easier to call in former employees to make up the shortfall (even at short notice or on a temporary basis).

Case studies in exit and retirement policies

Michelin, Italy

As a result of plant closures, older employees had to be laid off. Michelin provided these employees with opportunities for alternative employment. The company supported workers by providing such facilities as training activities, information, orientation and counselling. It also gave economic incentives to local companies to hire redundant Michelin personnel on an indefinite full-time basis, or until they had fulfilled their retirement prerequisites.

First Group, UK

The company has implemented a scheme that attempts to retain 60–70 year olds in the firm. Its Total Rewards programme and its Flexible Decade initiative allow employees between the ages of 60 and 70 to combine their salary with income from their pension (within a flexible working structure).

TPG Post, the Netherlands

TPG, a subsidiary of TNT, is the successor to the former public Dutch postal service. An internal department, JobConsult, offers support to employees who become redundant because of downsizing. Since downsizing can no longer be facilitated by early retirement arrangements (because government regulations have meant an increase in the cost of early retirement), the focus is placed on increasing labour mobility. JobConsult offers a comprehensive approach, in which employees' capacities and preferences are assessed, additional training is offered, and employees are assisted when applying for other jobs, internally or externally. TNT seeks to cooperate with other organisations that may be willing to engage former postal workers. The good image of postal workers means that TNT also benefits.

Newham NHS Trust, UK

The Trust has instituted flexibility in retirement age for its nurses: they can retire at any time after the age of 55 up to the normal age of retirement of 65. The Trust also allows many staff to stay on past the normal retirement age if they wish and if they have particular skills. Medical consultants can apply to remain in employment up to the age of 70. In addition, staff can retire at 60, take their pension and then be reemployed in a lower grade with fewer responsibilities and less stress until the age of 65.

Mataró glassworks, Spain

Mataró has developed a training plan for the integration of workers who have taken early retirement. The plan is organised on the basis of a relay contract: workers aged over 50 on such a contract spend 25% of their time assessing and training younger employees. The training takes place daily over a period lasting between six and 12 months.

Preconditions for successful exit and retirement policies

In general, age management measures – including exit and retirement policy – are dependent on the prevailing economic, labour market and legal context, over which enterprises have limited control. Retirement policies and practices should be considered, therefore, not merely as a way of adjusting to changes in economic conditions, but also as a means of improving the welfare of individuals and society by mitigating the social consequences of early retirement – with the reward of additional benefits for the enterprises themselves. A positive attitude towards ageing within the organisation is helpful in this context. In addition, the prevailing external conditions determined by legislation and collective agreements are especially important – in particular, legislation that deals with partial retirement and/or collective agreements and the works council agreements based on this legislation.

Comprehensive approaches

Organisations may want to take relatively small-scale initiatives in response to particular problems, such as skill shortages. However, the limitations of such actions must be recognised

as must the problems that might be created when both good and bad HR practices towards older workers coexist. Therefore, specific measures to combat age barriers which focus only on one aspect of age management and/or the latter part of employees' working lives, as welcome as they are, should be seen as a starting point towards a holistic HR strategy on age and employment (Walker 1997, p.11).

A comprehensive approach to age management transforms the ageing issue into a litmus test for the quality of the entire range of HR policy measures, encompassing all aspects of HR from recruitment to employment exit.

Good practice in comprehensive approaches are characterised by:

- an emphasis on preventing age management problems;
- a focus on the entire working life and all age groups, not just older workers;
- a holistic approach that encompasses all dimensions of age management;
- in the short term, remedial provisions for older workers who are already affected by age-specific occupational problems such as skill deficits as a result of deskilling or poor health resulting from heavy workloads.

In addition to such comprehensive strategies, a wide variety of integrated measures have been applied in different areas: more flexible working hours can be combined with health care measures or with the readjustment of qualifications; the recruitment of younger employees can be combined with knowledge transfer and preventive health care in a mentoring project; an awareness-raising programme can be conducted in association with advanced corporate training and initiatives to optimise work organisation; and new concepts of working hour schedules and organisational structures may be linked to the introduction of performance-based wages. Furthermore, older workers cannot be retained beyond the traditional retirement age solely by financial incentives: a mix of incentives is required, including personal motivation discussions, readjustments to work organisation and working hour schedules or opportunities for further education and training.

What benefits do organisations report when they adopt comprehensive approaches?

Organisations (generally larger organisations) report a number of benefits that follow from the application of comprehensive approaches:

- corporate flexibility in the area of age management can be increased;
- comprehensive approaches can improve the effectiveness of individual age management measures;
- integrated age management measures can be more easily incorporated into a general HR strategy than can stand-alone measures;
- individual age management measures are more readily accepted by employees and executives if they are part of a comprehensive approach;
- comprehensive approaches have a more lasting effect and promote more effectively the development of a corporate culture and policy that is sensitive to demographic changes and which is, consequently, sustainable.

Case studies in comprehensive approaches

Voestalpine, Austria

Voestalpine, a global steel company, has initiated a 'LIFE' programme (Light-hearted, Innovative, Fit, Efficient) with a number of aims: the retention of older employees; the sustainable integration of new employees; knowledge transfer between the generations; and the ergonomic redesign of tasks that carry the risk of injury. The 'LIFE toolbox' includes the following measures: a participatory working time reform process, age-neutral training provisions and the age-specific ergonomic assessment of workplaces.

Finnish News Agency (STT), Finland

Aware of the number of its employees who are ageing (those aged 44 years and over) and older (those aged 55 and over), STT has implemented a range of measures – as part of the company's normal routine – to promote the working capacity of the entire staff. The measures include: training for supervisors to improve their leadership skills; discussions between superiors and subordinates to improve communication about work processes; physical training and fitness tests; ergonomic analyses; part-time pensions; and flexible working hours.

KSB Corporation, Germany

KSB, a pump and valve manufacturing company, has implemented a 'programme for older employees'. The programme offers its older employees age- and situation-related measures that act as incentives to defer retirement and remain in the company. Included in the programme are: discussions with each employee, with integrated appraisals and advice on in-house vocational prospects; the provision of specialised further training; release from night shifts; flexible working time arrangements; mentoring systems that facilitate knowledge transfer and relieve the workload of older employees; health checks; and wage safeguards in case of in-house relocations to new tasks.

DSM, the Netherlands

This Dutch subsidiary of the international chemical and materials company has implemented a comprehensive approach to age management, centring on preventive and remedial measures and cultural and attitudinal change. Workers are trained to give specific attention to their career and to the choices they can make; HRM courses are given to line managers; working conditions include choices in terms of working hours, annual leave, job adjustment and redeployment; managers and workers are informed that a positive attitude towards older workers in their own department is expected of them.

Rīgas Elektromašīnbūves Rūpnīca (RER), Latvia

The HR strategy of this manufacturing company aims to extend each employee's working life and attract retirees back to the workforce. The strategy combines active recruitment methods, bonuses and benefits for elderly employees and social support throughout the whole working process. Another important aspect of strategy is the use of a mentoring system, which involves older employees in the training of new staff.

Preconditions for successful implementation of comprehensive approaches

A number of prerequisites need to be met for the successful implementation of comprehensive approaches:

- a strong orientation towards overall corporate integration;
- the approach should, ideally, be part of a general strategic approach supported by both management and trade unions;
- advanced training is required for managers and supervisors in a number of age-related issues (capacities, changes, risks, possible interventions and unintended effects, contradictions arising from stand-alone age-management measures etc);
- company-wide age awareness campaigns.

Pre-requisites for successful age management

Numerous excellent examples of good practice in age management can be found in many organisations. These include both stand-alone measures and more comprehensive approaches that combine a number of different measures. While such measures may be compensatory, they should also be preventive. In many cases, these measures take into account where employees are in their career path when considering which measures should be proposed and how they should be offered and organised.

Increasingly, it is becoming clear that work–life balance is an essential factor in job satisfaction and the planning of the lives and careers of (in particular) ageing staff. This is in addition to the quality of work (the workplace, the organisation of work, the working environment and the tasks entailed in the job, all of which impact on an employee's capacity for work). When developing and implementing age management strategies that achieve lasting benefits for both the employees and the organisation, employers must consider the overall pattern of their older employees' wishes and expectations towards work. With advancing age, these increasingly encompass their personal lives outside work, such as their responsibilities for familial care.

This guide outlines below the preconditions for sustainable good practice in the key areas of age management. It is recommended that these evidence-based requirements be taken into consideration by all those involved in age management policies; furthermore, they provide important guidelines for practitioners in the NMS.

Age awareness

Age awareness must be developed, particularly among HR managers and staff representatives at all levels, if organisations are to develop a corporate climate sensitive to demographic change and with a positive attitude towards ageing.

Age awareness training (imparting knowledge about the ageing process) has a number of functions: it increases sensitivity towards the necessity and advantages of an age-positive HR policy; it undermines the traditional, mostly negative stereotypes of ageing; and it allows ageing in employment to be considered in a more sophisticated and realistic manner. HR managers need regular training in the background, requirements, opportunities and limits of age management if planning and implementation processes are to be informed by knowledge of general good practice.

Finally, individual employees should also be educated about their own ageing process.

Careful planning and implementation

All age management measures should be carefully conceived and planned, to forestall any possible problems or pitfalls. One way of carrying this out is the phased introduction of age management measures – in trial runs and pilot projects. Measures should be implemented in such a way as to be responsive to possible changes, suggestions, and criticisms. The conception and planning should go beyond the measure itself to include other aspects from the beginning, such as communication and participation, training and monitoring and evaluation.

Improvement of working conditions

If the health and skills of ageing workers is to be maintained and improved, the underlying working conditions must also be improved. For example, it is essential that training measures allow trainees to apply their skills in the work process, which should itself allow for learning – in a group setting, for instance, with varying tasks. Health promotion needs a supportive ergonomic workplace design that prevents such difficulties as age-related muscular and skeletal problems.

Cooperation of all parties concerned

To ensure cooperation on the basis of equality when age management measures are being instituted, all relevant parties within the organisation should be involved from the start of the planning stage as well as in the implementation. Of particular importance is the early commitment and participation of employees, staff representatives and trade unions.

Any corporate initiative involves some change: it can only, therefore, be successfully implemented if readiness for change already exists among the staff or can be easily developed. One way to accomplish this is to encourage the active participation of employees in the project to increase their motivation; this will also harness those employees' valuable practical knowledge.

Another factor that may contribute to the success of corporate change is good cooperation between management and staff representatives as well as other parties involved (such as the corporate medical staff, the HR department and advanced training departments).

Quite often it can be helpful to embed such projects – for example, in agreements with the works committee. A precondition for this is the development of effective relations between the social partners beyond the organisational level. It is equally important to win the approval and arouse the enthusiasm of the top management, or, in smaller companies, the top executives. If the expertise or HR capacities needed to introduce and implement age management measures are not available within the company, external counsellors or experts with the necessary knowledge should be consulted.

Continuous communication

Ongoing communication is vital for building confidence in any process of change. Open and continuous communication in connection with the project and in all stages of its implementation creates a solid basis of mutual trust: without this, organisational change can be introduced only with difficulty. Appropriate avenues of communication include works meetings, corporate magazines and other communication media. In addition, a culture of open discussion aids the recognition and resolution of problems with, or weaknesses in, the programme, and of any opposition to it.

Internal and external monitoring

So that it can respond to current trends and future needs, an organisation needs to gather information about itself. This applies both to its internal needs and to the external conditions under which it operates. In terms of creating an age-aware HR policy, this requires a systematic analysis

of organisational data, such as the age structure, qualification and personnel development needs, employees' health status and capacity for work (perhaps with the help of a work capacity index).

In terms of external conditions, the organisation needs to monitor the regional development of the labour market, taking into account its own needs as well as the general labour context, such as amendments in the retirement pension scheme or changes in labour market or wage policies. Detailed knowledge of the available public assistance programmes and their systematic application to individual cases would also be useful; in this context, it might be helpful to look at communal and regional structures and services (such as local employment services or health programmes).

Finally, the organisation should learn how other organisations are already dealing with age management and what can be learned from those examples.

Evaluation and assessment

Evaluating and assessing measures serves a number of purposes. Evaluation carried out during the process (formative evaluation) can help uncover possible weaknesses in its conception or implementation, enabling remedial steps to be taken that result in a more effective process. The final evaluation of the measure (the summative evaluation) will indicate its overall benefits, both for the employees as well as for the organisation. Even though the success of such measures is not always easy to quantify, each project should be evaluated by the organisation and its employees or staff representatives to assess its possible effects and results.

Role of key actors in age management policies

Organisational initiatives to combat age barriers must be at the heart of any strategy of responding to work force ageing. However, the most successful outcomes are likely to occur within an overall context that is sympathetic. Age management is not simply a matter for employers and employees: ideally, it should be embraced by all relevant parties.

This section looks at the roles that all key actors should play in helping to create the conditions in which age management can succeed. The aim is to combine all relevant actions and policies into an integrated age management strategy. Integration, in this context, involves the horizontal connection of measures within companies and beyond as well as the vertical integration of policy and practice.

The essential ingredients of integrated age management strategy are:

- emphasising the prevention of age-related work problems (such as the deskilling of older workers and work-related health problems) rather than reactive problem solving;
- focusing on the entire working lifespan and all age groups, not just older workers;
- ensuring a joined-up approach that brings together all dimensions and actors who contribute to effective age management;
- changing attitudes within organisations and in society as a whole to educate people about the need for age diversity;
- ensuring, in the short term, catch-up provision for older workers who missed out on specific skills training or whose health was affected adversely by employment;
- conducting regular strategic evaluations of age management policies and initiatives to assess their effectiveness.

If such a strategy were implemented it would begin to eradicate the negative impact of ageing on various aspects of employment and ensure that organisations maximise their investments in their existing work forces.

Everyone with a role in the labour market can contribute – in some way – to age management; a range of examples of possible actions are outlined below.

National governments

National governments are key players in creating an environment conducive to good practice in age management. They play three crucial roles in regard to age management: they may finance or subsidise initiatives; they can regulate the labour market, or society in general, so as to dismantle age barriers; and they can encourage employers to initiate age management policies. Governments should lead by example as employers, as contractors, as the initiators of legislation and as rule enforcers. Governments can undertake a number of specific actions including:

- reversing existing policies that favour early retirement;

- implementing a principled policy of active ageing which embraces all relevant departments or ministries (WHO, 2001; Walker, 2002). In line with the Lisbon framework, this includes active labour market policies, the promotion of quality employment and preventive health measures;
- implementing the 2000 Employment Framework Directive;
- conducting public education to counteract negative images of older workers and to promote lifelong learning;
- setting and enforcing occupational health and safety guidelines, in line with EU policies on the quality of work;
- encouraging employers to establish comprehensive action programmes on age and employment by publishing good practice guides and disseminating age awareness literature;
- providing financial incentives for the recruitment and retention of older workers;
- promoting the concept of solidarity between the different generations of workers.

Regional and local governments

Regional and local governments have key roles to play as potential supporters of age management initiatives, as regulators and as age awareness promoters. Actions that regional and local governments can take include:

- implementing active ageing policies across all relevant departments;
- introducing local action plans on age management that link training institutions, employers, trade unions, NGOs, universities and other relevant actors;
- conducting local awareness campaigns to counteract negative images of older workers and to promote age diversity.

Social partners

Social partners have an active interest in the development of age management and can take a leading role in the integration of different elements of the strategy. Both employer representatives and trade unions should focus on age management as a key issue in the labour market. Social partners can play their part in promoting age management by:

- disseminating examples of good practice in age management;
- promoting the concept of age diversity;
- negotiating collective agreements that are age neutral in impact;
- ensuring that their members receive age awareness training.

Employers

Both public and private employers should aim to create a context in which employees can manage their own careers and ageing. Public sector employers have a particular role to play by way of setting example: they act as representatives of the state, which is trying to foster the integration of older workers, and they are financed with public money. As the examples in this guide have

demonstrated, there is enormous potential for employers to take action to combat age barriers. Employers' actions can include:

- developing age awareness throughout the organisation and especially among HR middle managers;
- monitoring recruitment and training to ensure that age is not used inappropriately;
- promoting age diversity and ensuring that all levels of management are committed to it;
- ensuring opportunities for lifelong learning;
- introducing age management initiatives and evaluating their impact.

Employees

Employees are the final and crucial cog in the age management machine. They can take a number of key actions, including:

- taking advantage of training and lifelong learning opportunities;
- conducting a regular appraisal of their training and career development requirements;
- focusing on the working lifespan and its likely extension beyond the traditional retirement age;
- ensuring that working conditions are healthy and, as far as possible, promote well-being.

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The ageing of the EU population has implications for the sustainability of pensions, economic growth and the future labour supply. In the light of these concerns, policy attention is increasingly focused on retaining older people in the workforce for longer. Successful age management in the workplace demands a rethinking of traditional approaches to employment, training, skills development, the organisation of time, the promotion of health and workplace design. This report reviews case studies from a range of organisations across the EU that have instituted good practice in recruiting, supporting and retaining older workers. By presenting examples of good practice, it aims to assist all those with responsibilities for employment in ensuring that age in the workplace is managed productively.

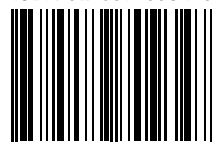
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