

Valuing Age



**A guide for public service employers managing
demographic change in the workplace**

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Contents

Introduction	5
Why should employers develop age aware policies?	5
Good practice: managing age in the workplace	7
Employing the best: non-discriminatory recruitment methods	11
Maintaining “work ability” around the life cycle: training, career development and employee health and safety	14
Being flexible: work organisation and phased retirement	21
Keeping everyone on board: the importance of social dialogue	26
Taking stock and moving on: Policy evaluation and forward planning	26
Contact for further information	27
Bibliography	28

Introduction

This guide was prepared as part of a project co-financed by the European Commission under budget line 04.03.03.01 “*Industrial relations and Social dialogue*”¹. It draws on background research of good practice in the management of an ageing workforce and action research with a selected number of employers keen to introduce active ageing policies².

The guide outlines the key elements of good practice in managing an ageing workforce drawing on case study examples. It is intended as a quick reference tool targeted at public service employers and enterprises providing services in the general interest, but is also of interest to other employers and trade union organisations. It covers the following issues:

- Why employers should develop age-aware policies
 - The challenge of demographic change
 - The business case
 - The importance of the national policy framework
- Good practice: managing age in the workplace
 - Knowing where you are and where you are going: workforce mapping and planning
 - Employing the best: non-discriminatory recruitment methods
 - Maintaining “work ability” around the life cycle: training, career development and employee health and safety
 - Being flexible: work organisation and phased retirement
 - Taking stock and moving on: Policy evaluation and forward planning
 - Keeping everyone on board: the importance of social dialogue
- Contact for further information and bibliography

Why should employers develop age-aware policies?

The challenge of demographic change

European societies are ageing. Increases in longevity brought about by greater quality of life and advances in health care are coupled with continuing low birth rates. As a result, the EU’s statistical service Eurostat predicts that by 2030, the number of young people (15-24) will have declined by 12.3% and the number of young adults will have dipped by 16%. The main age groups likely to grow in size (by around 15.5%) are the 55-64 year olds, the elderly (65-79 set to grow by 37.4%), as well as the very elderly (80+). The latter age group will see an increase by over 57%³.

These trends are likely to have a significant impact not only on the pool of potential labour public service employers can draw on, but also on the need for many of the services provided by “Service of General Interest” providers.

The business case

In many countries and sectors, the decline in young entrants to the labour market has already led to recruitment difficulties and skill shortages and the need to attract or retain older workers in employment is therefore obvious. This trend is likely to intensify, although it must be acknowledged that in many countries or regions overall unemployment - and youth unemployment in particular - continues to be high and the need to deal with recruitment difficulties can therefore be less pressing. Even where this is the case, the lessons in this guide regarding good practice in workforce management around the life-cycle continue to hold value: good workforce planning, healthy workplaces and a learning environment throughout an employee’s working life have all been shown to maintain greater productivity and functional flexibility in view of ongoing change processes.

¹ *The project was managed by CEEP UK, with the support of CEEP and involving partners from the Danish State Employers and Bremer Strassenbahnen AG.*

² *Research support and assistance in drafting this guide was provided by GHK Consulting (www.ghkint.com). Particular thanks are due to Gill Whitting and Michelle Harrison at GHK for their assistance throughout this project and to the case study organisations participating in this project: Stockport Metropolitan Borough Council, Nottinghamshire County Council, Bremer Strassenbahnen AG and the Danish Road Directorate. Thanks also to Charles Nolda and Mandy Wright for their valuable comments on early drafts of this guide.*

³ *European Commission Communication, Green paper “Confronting demographic change: a new solidarity between the generations” COM (2005) 94 final (europa.eu.int/comm/employment_social/news/2005/mar/com2005-94_en.pdf)*

In addition to being affected by demographic change as employers, as well as in their role as service providers, public services employers are also distinct from many of their private sector counterparts for two further reasons:

- The public service workforce is on average already older than that of the private sector, with a significant number of employees due to retire over the next 10-15 years.
- As a result of increasing stringency in public finances, many public services employers and providers of services of general interest are faced with changed circumstances, which often restrict their ability to recruit, and reduce the affordability of pensions. Governments and employers are increasingly concerned about the number of individuals leaving work on incapacity benefits and the associated loss of talent and expertise as well as the overall cost to society.

There are therefore not only good business reasons to retain older workers, but also a requirement to think creatively about how to combine the recruitment of younger workers with flexible retirement models for older workers which encourage intergenerational solidarity and learning. This is particularly true, as the age profile of the public service workforce will soon force employers to limit the loss of experience and expertise brought about by the exit of older employees.

Research and good practice have also demonstrated the importance of employers showing a public face which reflects the diversity of their clients and customer base. In the context of an ever increasing emphasis on customer orientation, the faculties which older workers are often seen to bring to the workplace, such as good inter-personal skills and deep personal knowledge of the service they provide, are becoming ever more relevant.

The importance of the national policy framework

The national policy framework in relation to the implementation of anti-age discrimination legislation; training and active labour market policy; work-life balance policies; occupational health service provision; pensions and wage setting has an important impact on active ageing policies. It is not the objective of this guide to make recommendations regarding the content of such policies as these lie within the remit of national, regional and local policy makers and social partners. However, with regard to the presentation of any good practice example, it must be borne in mind that they operate within a national policy context which can be distinct from that of other countries. Wherever possible, this guide therefore provides web-links and other contact details for each good practice case to allow employers to access further information where this might be required to assess transferability.

Good practice: Managing age in the workplace

Knowing where you are and where you are going: the importance of workforce mapping and planning

Tomorrow's public service workforce will not be the same as today's. Knowing what skills you currently have, anticipating the skills you will need in the future, and identifying how to meet this need is of strategic importance. Demographic change will be a key factor in being able to source the skills required, both from internal and external supply sources. It is unlikely that internal supply will meet demand. Therefore key debates need to take place not only about what skills are needed but how, and from where, recruitment or other methods of acquiring skills should be undertaken. Retaining staff up until or beyond retirement age is one of the key strategies for public services to consider.

Key questions for public service employers

- Do you have a comprehensive information base on existing staff?
- Have you undertaken an analysis of the age structure of staff within your organisation?
- Has this information been used to raise awareness of the age profile of the organisation?
- Has this information been fed into workforce planning?
- Have you undertaken forecasting of workforce requirements?
- Do you understand the impact that workers approaching retirement age will have on your future skills profile?
- Have you used information about age and retirement to identify solutions to retaining staff and/or alleviating skill shortages?

The adoption of diversity policies aligned to human resources and corporate/service strategies with commitment from chief executives/senior leaders is one approach. Getting commitment from the top of the organisation is essential in leading and driving innovative business and human resources developments.

Establishing an evidence base about the workforce and future requirements

Good practice illustrates the importance of sound information about the workforce. The implications of not addressing the issues of ageing in an organisation are considerable. Information and intelligence is required at a number of levels:

- Knowledge about the local labour market and potential for public service recruitment
- An information base on current employees
- Analysis by age and other key variables such as gender, ethnicity, disability; analysis should be undertaken at the level of different public service departments
- Forecasts of workforce requirements – numbers and skill levels - across different public service areas - short, medium and long term

Steps

Making the case for a diverse workforce

Demographic trends are clearly creating new pressures for employers. The source of new recruits is changing with fewer young people being available, the existing workforce ageing and older skilled employees leaving the workforce early or at retirement age.

Some organisations adapt readily to new labour market circumstances. Other organisations have had to confront traditions about age and employment and internally promote the skills and experiences that age can bring to a public service.

Example: Pay and Workforce Strategy, UK local government

The Pay and Workforce Strategy has been developed and is being implemented jointly by the Employers' Organisation for Local Government and the UK Office of the Deputy Prime Minister in consultation with local authorities, local authority employers and trade unions. It provides a framework to help local authorities with organisation transformation and workforce reforms required to deliver improved services, greater efficiencies and customer focus in frontline services. The strategy identifies the need for workforce development to gather the people and skills necessary to deliver effective services in the context of a tight labour market, emerging skill shortages and an ageing workforce. The Pay and Workforce Strategy required all local authorities to produce a Workforce Development Plan by 2005. These plans should be based on sound analysis identifying current and future skills and numbers of employees needed to deliver new and improved services; compare the present workforce and the desired future workforce to highlight shortages, surpluses and competence gaps. In doing so, diversity considerations were also to be taken into account.

In order to assist local authorities in the process, the Local Government Employers' Organisation has developed a three-stage tool helping authorities to establish where they are trying to get to; where they are now and what they need to do to get to where they want to be.

Step 1

In order to assist with future planning, a number of tools have been developed to assist with workforce planning; a demographic trends and projections report; a tool to marry workforce planning with strategic business/services planning; and assistance in understanding how existing and potential future legislation can affect workforce planning.

Step 2

Tools are provided to chart the existing workforce in terms of their age, skills and diversity profile – including in different business/service units and on different sites. Advice is also provided on how to use national and local labour market trends reports and projects to inform decisions on potential future skills gaps.

Step 3

As a result of this analysis, a workforce development plan is produced covering the following issues:

Introduction – setting out senior level commitment to workforce planning

Establishing the strategic context – setting out the organisation's goals and aspirations

Skills and development planning – elaborating on workforce development

Recruitment and retention planning – setting out new workforce requirements; how any skill shortages will be overcome; how the authority seeks to ensure it retains highly valued staff, diversity planning

Using and working with key partners – setting out strategic partnerships at local and national level

Action planning – a step by step description of how these goals will be achieved.

Source: http://www.lg-employers.gov.uk/pay_and_workforce/planning/

Using the information and evidence to inform HR policy and planning

Results of workforce mapping and planning can highlight acute skill shortages, particularly if high percentages of staff plan to retire in the near future. Being able to anticipate skill pressures along a time line will mean that organisations have more options, and more time to select and implement different options. Also the risks involved in selecting between different options will become transparent and will help to inform decision making.

It is recommended that the evaluation of different options for HR policy and planning is undertaken through dialogue, with all key stakeholders involved. It is extremely beneficial for organisations to identify existing human resource assets, and to optimise resources in line with corporate/service strategies.

In the context of skill shortages, workforce remodelling may also be advantageous, rethinking individual job descriptions to overcome pressure on staff with particular skills or to remove particularly “heavy” elements, enabling older workers to carry out such jobs.

Example: Essex County Council

Essex County Council is currently implementing a scheme to centralise workforce information gathering across the whole council, and has developed an Oracle computer system to centralise data previously held in departmental databases. Lack of centrally held information to date had hindered workforce planning at authority-wide level.

The Essex Children's Services workforce planning project was driven by a 25% deficit in the number of qualified practitioners in social work. Essex had double the 11.3% national Social Services vacancy rate, with particularly acute shortages among field staff, and practitioners at the higher levels. There was stiff competition with other authorities to attract a small pool of qualified practitioners.

Since there was limited opportunity to increase numbers of qualified practitioners through recruitment, the council explored opportunities to maximise the capacity of the current workforce. The department believed that there was scope for qualified practitioners to delegate some activities to administrative support staff. In order to explore this hypothesis further, it was decided to model the current workforce activity via a survey covering three job families within the directorate: Care Management, Specialist Health and Community Support. The survey would also create an opportunity to identify human resource opportunities and issues, relating to staff performance and capacity.

The survey was presented in three sections, the first of which sought basic information such as staff name, role and contract type. The second section of the survey requested information regarding how staff spent their time during a selected week and the volume of service activity during the same period. The third part of the questionnaire gathered the views about how recipients thought that the service might or should change and how this should be reflected in their role. Recipients were asked to identify any:

- Tasks that should cease
- Tasks that should be done in less time
- Tasks which could be done better by someone else
- Tasks that should be allocated more time
- New tasks that should be undertaken
- Tasks that they should undertake that are currently done by someone else

Initially, a workshop was held to communicate the aims of the project, and the intended benefits of

developing a new workforce model. The survey was distributed to over 500 staff. Initial response to the survey was low, and visits were made to community support resource centres to help groups of staff complete their returns.

Once the survey results had been collated and analysed, a second workshop was held to allow practitioners to discuss the findings, consider changes in the nature and pattern of existing roles, and help shape the agenda for discussion with senior service managers.

Information gained from the survey led to the development of a number of proposals which were then discussed with senior management, including the development of multi-agency health care and a proposal for professional input to developing the skills levels of staff in residential/private homes. The information gained regarding how time was spent across the service offered a valuable snapshot for senior managers, raising a number of issues to be considered in more detail.

Source: http://www.lg-employers.gov.uk/pay_and_workforce/planning/essex.html

Good practice points in workforce mapping and planning

- Discuss the contribution that a diverse workforce can make to an effective and productive organisation
- Get commitment from the top of the organisation, align with HR and Corporate/Service Strategies
- Establish a comprehensive information base about the current workforce
- Map the workforce by age in addition to other variables
- Share information about age profiles – discuss issues
- Analyse recruitment and retirement trends and prospects
- Consider the impact of information about age on future workforce requirements
- Consider solutions such as retaining older staff, delaying retirement, retraining older workers, reintegration into the workforce
- Consider opportunities for workforce remodelling
- Integrate findings into HR policies and appraisal practices

Employing the best:

Non-discriminatory recruitment methods

Introduction

Good practice in the recruitment of older workers means ensuring that they have equal access to job opportunities. This often means overcoming prejudice regarding widely held assumptions that older workers are less likely and willing to learn new skills and adapt to changed circumstances and are therefore considered to be less productive. There is also a widely held, but largely fallacious, belief that older workers are more likely to take time off sick. Non-discrimination in recruitment is therefore as much about the presentation, wording and targeting of recruitment literature as it is about training senior managers to overcome these perceptions. As many older workers continue to face barriers to accessing the labour market and consequently become de-motivated, it is also about projecting a positive image of an age-aware employer, keen to value a variety of individual skills and talents and working with other public agencies to assist in the re-integration of older workers.

European equality legislation requires all Member States to introduce anti-age discrimination legislation. This section provides information on what is widely recognised as good practice on selection, pulling out the aspects that need changing or emphasising to meet the requirements of this legislation in relation to recruitment practices.

Key Questions for public service employers:

- Do recruitment strategies (advertisements, application forms) take into account the requirements of anti-age discrimination legislation?
- Do you still have age barriers to employment?
- Are you positive about age and do you value the contribution every individual can make?
- Do you use appropriate 'language' in job advertisements?
- Do job descriptions focus on the nature of the job and the necessary skills required?
- Do you advertise in a variety of places in order to attract the full range of employees?
- Are your application forms age neutral? For example, is full regard given to experience as well as academic qualifications?
- Are you encouraging employees to apply for internal vacancies?
- Do recruitment strategies take proper account of succession planning?

Steps

There are several stages involved in the recruitment and selection of staff to fill vacancies. When going through this process, employers should apply the same rules to all age groups. Each of the stages used in the recruitment and selection process is discussed in more detail below:

Job Specifications

The drafting of job specifications is the first stage in the recruitment and selection process. In order to develop a non-discriminatory process, employers should only consider the skills and personal attributes for the job in question. Using certain criteria which may discriminate on the basis of age should be avoided. For example, employers should ask themselves whether it is absolutely essential to request specific qualifications as a matter of course, when the same skills could be delivered by someone with appropriate experience, as this may discourage older workers from applying.

In areas of particular skill shortage, it could be considered to redesign a job to make it more attractive to older workers (e.g. by taking out elements of heavy lifting work).

Example: Equal at Work in the public sector (Ireland)

This project reviewed how local authorities in Ireland recruited new staff. Particular emphasis was placed on assessing the respective job requirements stated, as rigid entry-level requirements often appear as a bar to individuals with fewer formal qualifications. The aim of the action was to develop a more competence-based recruitment system.

The project was considered to be highly successful in removing obstacles to the recruitment of older workers. For example, the mandatory requirement for applicants to have completed at least their secondary education has been removed. Instead the skills and abilities of candidates are now assessed through a newly devised 'competence framework'. This makes it much easier to have their informal knowledge and skills taken into account in the recruitment process.

Source: EQUAL project "Equal at Work"; for more information contact poconnor@dublinpact.ie

Job Advertisements

The use of overtly or covertly age discriminatory language should be avoided when placing job advertisements. Many employers are aware of this and are already practising it. This includes avoiding reference to things such as age limits or terms such as “young and dynamic employees sought”. Standard recruitment forms should avoid asking the age of an applicant, or should request this information only on an equal opportunities form, which can easily be detached from the main body of the application. This process not only prevents discrimination but also ensures that employers attract a wide range of applicants.

Some employers use pictures in job advertisements to illustrate that older workers are welcome to apply for jobs within the organisation. Others have specifically targeted recruitment campaigns at older workers to overcome recruitment difficulties. In doing so, employers should consider the importance of offering flexible working opportunities to all age groups as recent research has shown that the need among older workers to have flexibility to combine work with looking after older family and relatives, or indeed grandchildren, is often overlooked.

Example: Fahrion Engineering GmbH & Co KG, Germany

Fahrion is a medium-sized engineering company based in Kornwestheim, near Stuttgart. Employment in the company is skilled, with most employees having college or university qualifications. In 2000, Fahrion began to focus on the recruitment of older, highly qualified engineers – a strategy which became necessary as a result of the company’s specific qualification/experience requirements and the strong competition for labour with other employers in the local area. The company posted a job advertisement explicitly appealing to older engineers and technicians, reading: “Too old at 45 – superfluous at 55?” As a result, the company received 700 applications and recruited 19 engineers, of whom 15 were over 50 and many of whom were previously unemployed. The campaign was considered an unqualified success and the company continues to draw on applications generated as a result of this recruitment drive.

Source: European Foundation for the Improvement of Living and Working Conditions; database of good practice on active ageing; www.eurofound.eu.int/areas/populationandsociety/ageingworkforce.htm

Example: L’Incontro Co-operative, Italy

L’Incontro is a non-profit, social co-operative based in Castelfranco Veneto, in north-eastern Italy. Among other things, the co-operative provides home care for the elderly and for people with mental health problems. Since the early 1990s, the organisation has faced difficulties in recruiting qualified health care staff. As a result, management started to target workers who had recently taken early retirement or were already retired. It also introduced flexible work schedules which matched workers’ needs. As a result, they were able to recruit nurses and other health professionals back into the labour market. What began as a temporary measure to overcome recruitment difficulties has now been expanded because of the significant contributions older workers brought to the organisation in terms of their skills, experience and motivation. This was seen to have a beneficial impact on morale and employment relations on the generally .

Source: European Foundation for the Improvement of Living and Working Conditions; database of good practice on active ageing; www.eurofound.eu.int/areas/populationandsociety/ageingworkforce.htm

Selection Decisions

Employers should not use age as a factor when selecting people for interview. It is good practice to ensure that an applicant’s age and date of birth are detached from the information that is passed to a selection panel. Ideally, the selection panel will only receive the part of an application related to competence, detached from any personal or equal opportunity information.

Both at this and the next stage, employers should be very careful not to make assumptions about what an older applicant or employee may want or be able to do in terms of duties or about how long they may wish to work. An employee or applicant close to retirement may not be intending to retire soon, and/or may wish to move sideways or upwards in the organisation. Making such assumptions is also likely to be unlawful under Member States’ age discrimination legislation.

Conducting Interviews

Employers should test applicants at interviews on their job related skills and abilities and not on their formal qualifications (unless these are a requirement to practice). Many organisations argue that it is most appropriate to agree interview questions among the panel prior to the interview taking place. The questions should be designed in

order to test competencies in relation to job specifications and to draw out any personal characteristics that may relate to the job. Individual responses may then be scored to ensure objectivity is maintained and discrimination of any kind is avoided.

Example: Guidance on Implementing Age Discrimination Legislation (United Kingdom)

To help employers in the UK prepare for the anti-age discrimination legislation in October 2006, the Employers Forum on Age has created a practical toolkit. This is designed to identify age bias in relation to employment decisions and policies. The toolkit is made up of 20 checklists which cover a range of essential employment issues. Topics covered include recruitment, training, promotion, harassment, retirement and redundancy. Their guidance includes the following questions that all organisations within the United Kingdom should consider in relation to their recruitment strategies:

- Have you removed age and date of birth from your application forms and placed them on separate equal opportunities monitoring forms?
- Are you able to justify the use of ‘experience’ (for example, ‘5 years experience’ or ‘2 years post-graduate experience’) in job advertisements?
- Can you provide evidence that staff of a range of ages have equal access to training?
- Are you able to demonstrate that salaries and benefits are not linked to age?
- Can you demonstrate that all age groups have equal access to flexible working opportunities?
- Are you confident that age related bullying or harassment does not occur within your organisation?
- Are you able to cross reference problems, such as high stress levels, by age?
- Are you confident that your performance scoring is not influenced by age?
- Can you demonstrate that age is not a criterion in redundancy selection?

Are you able to demonstrate that employees who work beyond your company pension age have comparable terms and conditions to employees below the company pension age?

Source: Employers’ Forum on Age www.efa.org.uk

Good practice points in recruiting older workers

- Ensure recruitment literature and processes are non-discriminatory
- Raise awareness of the benefits of recruiting older workers
- Provide training to managers to overcome age stereotypes
- Offer flexible working opportunities to all age groups
- Where appropriate, target recruitment campaigns at older workers to re-inforce image of “employer of choice”

Maintaining work ability around the life cycle: training, career development and employee health and safety

Introduction

In today's labour market public service organisations face many human resource challenges. Investing in staff and valuing each employee are critical to achieving public sector objectives, including improving and extending the availability of services to clients. Irrespective of their age, or point in their career, training and motivating staff is good for productivity and business. Taking stock of skills and aspirations and sharing knowledge and experience continue to be key goals for public service employers. Retaining staff up to (and possibly beyond) retirement age is becoming increasingly important. Employers are faced firstly with the immediate challenge of staff coming up to retirement with the prospect of losing much needed skills and knowledge. The second challenge is more strategic and preventative: being better prepared in human resource terms for medium and longer-term business and labour market situations. Utilising staff well, developing staff potential and preparing for the future workplace at all ages and stages of career have become the prime focus. Pivotal to success is the staff annual appraisal process.

According to research carried out by the Joseph Rowntree Foundation in the UK, *“many older adults want to continue working, but also want a change of direction, for reasons that include: the development of new interests; the awareness of previously underutilised potential; changes in personal values; and consciousness that time is running out if they are to achieve their personal ambitions and objectives. Simultaneously, many older adults want to retire from their current place of work (but not to stop working) because they find aspects of work, including unsupportive and impersonal management approaches and conditions in the workplace, increasingly un congenial. There are profound issues here for government, economy, employers, guidance and learning providers, and older individuals themselves, which require concentrated research and attention to ensure that older adults are able to maximise their contributions to work and the national economy”*⁴.

Being able to continue in a job, especially as an older worker, depends crucially on the type of work tasks undertaken and the quality of the working environment and support available. Some jobs are physically demanding. In these cases, older workers will experience a harsher ageing process. Thus, staying on in work will depend on whether the organisation is able to offer support to reduce

the physical burden. Improving the ergonomics of the workplace and assuring that workforce health and safety are maximised will help to retain staff and maintain their “work ability”.

The concept of work ability is one used in the Finnish National Programme on Ageing workers and has been developed at international level for a number of sectors. It is a holistic system which combines different tools and approaches relating to maintaining employees in good health and regularly updating their training throughout their working life. It looks not only at the responsibilities of employers, but also those of employees themselves and the role played by state health and education policies in maintaining the highest possible level of productivity in the workforce throughout the life cycle and as a result to encourage active ageing. The maintenance of work ability, whether it be in terms of the regular updating of skills or ensuring that staff health and safety are maximised must be priorities around the life cycle. Approaches targeting older workers only are likely to come too late to achieve the desired impact and are unlikely to make good business sense. Good health and safety measures, which address physical, as well as psychosocial threats (such as stress), have been shown to significantly reduce sickness related absences and this approach is reflected in the European social partners' 2005 framework agreement on managing stress in the workplace⁵.

Following the concept of maintaining work ability, this section will first look at good practice in relation to maintaining and updating skills and then assess key steps to be taken in ensuring health and safety and improving workplace ergonomics.

Key questions for public service employers: Maintaining and updating skills

- Is a regular process of staff appraisal in place?
- Does the appraisal process take account of anti-age discrimination legislation and good practice?
- Do all staff irrespective of age or stage in career have the opportunity to take part in the appraisal process?
- Is specific training in place for managers which address their perceptions of older workers?
- Does appraisal actively encourage employees to develop their potential irrespective of age?
- Are more senior or older employees given the same opportunities as younger people to undertake training and to consider other career developments?

⁴ *Am I still needed?* Joseph Rowntree Foundation. Info@jrf.org.uk

⁵ The text of the agreement can be found on www.ceep.org

- Do appraisals lead to concrete proposals for the individual's progress and are these actively followed up?
- Has the organisation considered workforce remodelling in order to deal with the challenges posed by certain job profiles to older workers?
- Do you facilitate inter-generational learning? Are older workers used to coach younger employees?

Ensuring employee health and safety

- Does your health and safety policy address the needs of older workers?
- Is there an emphasis on preventing absence by workers through illness?
- Have you looked at this issue from the point of view of retaining staff up to and beyond retirement age?
- Are all workers aware of your health and safety policy and able to discuss their needs and to access the support that is available?
- Have you considered the possibilities of offering older workers a different type of job in order to retain their skills and experiences? Is forward planning in place in respect of this?
- Are health professionals involved in offering advice to your organisation and older workers about best practices? Does this include specialist occupational advice?
- Do your career development, appraisal and health and safety processes take a life-cycle approach?

Steps

Appraisal

Annual appraisals provide a framework for employers and employees to discuss career development. They can also provide the opportunity to discuss options available for remaining in work longer, including flexible work organisation and flexible retirement schemes. These discussions can help to address anxieties about the impact of such solutions on salary, benefit and pensions entitlements.

Pre-appraisal coaching that involves preparatory discussions with managers and employees separately was identified as a beneficial tool. The following example has been developed in the context of the appraisal of headteachers working in schools in the UK; nevertheless it could have application in pre-appraisal coaching for older workers generally and their line managers in thinking through career development and retirement options.

Example: External Adviser to support a performance management process for headteachers in the UK (Department for Education and Skills)

Each school governing body has a statutory duty to review the headteacher's performance with the support of an external adviser. Each governing body determines the appraisal cycle for the headteacher and the appointed governors develop a planning cycle for the process. With the support of the external adviser the appointed governors review the performance of the headteacher against the objectives set in the previous year and agree new objectives for the coming year. The role of the external adviser is to:

- provide high quality and focused advice to governing bodies and headteachers (separately and together).
- assist governors prepare for and conduct the review
- give advice on headteacher performance in the context of previous objectives and the setting of performance objectives for the subsequent year
- help governors to assess the overall performance of the headteacher
- coach and support appointed governors
- advise the headteachers on ways of meeting their professional development needs
- advise governors on the preparation of the review statement

Before the review meeting takes place the adviser is provided with background documentation and key school planning on which to base the written preliminary advice. This is sent to both parties in advance of the review meeting and helps governors and headteacher prepare for the meeting.

Source: www.cea-advisers.co.uk;
contact david.herbert@camb-ed.com

Training

In developing their HR strategies, organisations are encouraged to focus on lifelong learning so that everyone in the workforce has the skills required for meeting the future needs of the public sector. Irrespective of age, all employees should regularly review and upgrade their skills. A life cycle approach is required across an individual's career to ensure that skills are regularly updated. However, arguably older workers need special attention as organisations will need to ensure that key skills and experiences are retained. Older workers who want to remain in work will also benefit from training, preferably highly tailored to their job.

Barriers to training may rest with employers or with individuals. Perceptions that older workers are not interested in accessing training may restrict career development. Older workers' perceptions of themselves may also act as a barrier to progression at work.

What works are shorter training modules that are precisely targeted on business and efficiency needs. The best results are experienced where employees and managers input into the methods chosen for training. Packages of learning are effective that include different training methods such as tutorials, e-learning, mentoring. Individual training plans as part of the annual appraisal process which provide a personal trajectory across a career life span can realise potential and also increase productivity. This should also include forward planning with regard to potential changes in job profile, should an employee become unable to fulfil particularly heavy or stressful job as s/he gets older.

Sharing tacit knowledge

When mature workers leave their jobs, the risk is that they take with them the tacit knowledge and experience about the organisation that has been gained over many years. This is irreplaceable. Tacit knowledge goes deeper than the skills and qualifications to do the specific occupational tasks. Tacit knowledge includes information about an organisation's origins and development, its ethos and culture. Older employees will have lived through and experienced at first hand changes and innovations in the workplace. Capturing tacit knowledge and sharing it contributes to organisational learning; it can help to motivate and retain older workers and improve productivity. Achieving health and safety in the workplace is also part of the experience gained and practised and should also be shared.

How can organisations successfully retain, capture and build on the knowledge and skills of a diverse workforce? How can learning be recycled within an organisation, across different service areas and responsibilities and between employees of different ages and cohorts?

Example: CFDT Ile de France – Vectorat (EQUAL)

In this example the trade union movement is trying to analyse age discrimination from the point of view of its interventions and from that of its own organisers and shop stewards in the workplace. The methods included establishing a network of union officers responsible for age management issues and initiating discussions related to ageing in the workplace. The emphasis was on the retention of skills among experienced workers. The best practices were:

- negotiation of collective agreements on age management linked to non-discrimination on age and to enhancement of acquired experience
- having a focus on three key issues: planned retirement; career development for older workers; imparting skill to new workers
- development of new strategies (career support, training, mentoring)
- shop steward actions to increase safety and reduce job risks

Source: EQUAL project Vectorat, for more information contact mc@mcc-mobilités.com

Key tools:

In-depth assessment and self assessment

The best practice is in encouraging a two way dialogue between managers and employees which also emphasises the value of self-assessment. Group discussions which identify key aspects of knowledge and experience have succeeded.

Using questionnaires for self assessment purposes is another tool. Analysing the skills of employees and preparing individual profiles has also been piloted.

Example: Adulta Oy – Finland

Surveys with organisations in Finland found that a large amount of existing skill and competence (tacit knowledge) rested unused among employees. This tacit knowledge influences work environment and culture. A key task was to get both employees and managers to reflect upon their work practices and become more aware of this untapped resource. A key issue was the need to encourage skilled workers to be able to contribute productively as they grew older and to develop a valued working role until retirement. This meant both recognising existing tacit knowledge and finding new ways for personal learning, taking initiative on professional development

and sharing expertise with colleagues. This process was designed to influence attitudes and increase interpersonal skills thus raising levels of motivation and productivity.

Source: EQUAL project Adulta Oy; for more information contact www.adulta.fi

Mentoring

Using more mature employees as mentors for newer recruits or younger staff in a structured mentoring programme can work well providing it is well designed and tailored to the culture and business concerned.

Example: National Traineeship mentoring programme, UK local government

UK local government employers have developed a national graduate traineeship programme to overcome the difficulties in recruiting high calibre young graduates into the public service. As part of this programme, a mentorship scheme has been developed which brings together serving chief executives with the most promising young graduate trainees, making sure they are based in different local authorities. The aim of this scheme is not only to develop the skills and capacity of the young trainees, but to achieve a cross-fertilisation of ideas. Indeed, chief executives report as much benefit from the scheme as the young graduates with learning taking place both ways.

Source: http://www.lg-employers.gov.uk/leadership/main_ngdp/

Example: Motovo – Finland

Developing confidence at frontline levels was seen as a key element in promoting a learning organisation that was responsive to both employee needs and changing business conditions. By enabling and promoting a greater level of contribution from frontline staff (and particularly older workers) motivation, self-esteem and learning increased throughout the organisation. Mentoring helps to provide support for personal development in a practical manner. It enables mutual learning. One case study involved mentoring for staff in a family and day care centre. Sessions allowed staff to identify their experiential

knowledge, issues concerning the workplace culture and concerns around performance levels. The process allowed staff to better clarify the roles of others in the workplace. It also promoted greater understanding about different work practices and strategies in meeting needs. Front line staff previously excluded because of age have become valued and improved members of teams. New methods of communication have benefited employers and customers. New skills have been identified and promoted leading to improved levels of satisfaction for those at work and better induction methods for new entrants to the labour market.

Source: EQUAL project Motovo; for more information see www.adulta.fi

Coaching

Using senior workers as coaches, again within a tailored programme for organisational learning can result in individual as well as business benefits. Good practice would include training for senior workers to become effective tutors, taking account of the context for learning.

Example: The Extended Tutor Function – Denmark

Activities deal with the twofold challenge of attracting and retaining new employees in addition to retaining members of the older workforce. A climate of responsibility for newcomers is created and with a range of induction activities – so is familiarising new recruits to key aspects of the organisation. Older employees are trained to be tutors. Through providing older workers with the responsibility of tutoring younger employees, they are given a new area of interest within their current job, enhancing motivation to remain in employment and reducing the risk of becoming marginalised.

Central to the tutoring process is the learner, making them feel valued within the organisation. They benefit from the tacit knowledge and familiarity with the organisation that older workers have, adding to their feelings of security within the company. The tutoring function has taken place in 50 companies with approximately 300 employees now trained as tutors.

Source: www.equalmainstream.dk

Intergenerational learning

Intergenerational learning provided it is targeted at the desired and agreed outcomes can help to transform the quality of communication within an organisation. Tools include:

- Establishing a regular programme to support new recruits and older workers in transferring knowledge and experience
- Building competences around the knowledge and experience: integrating these competences into the organisation's HR and professional development strategy
- One to one partnerships between older and younger employees: a two-way exchange with both partners benefiting

Example: Ages et Travail dans le BTP - France

This example emphasises the benefits of intergenerational learning in the public construction sector. The project recognised the urgency to respond to declining numbers of workers in the building industry and brought together a group of organisations with a high potential to combat and possibly reverse this negative trend. The project is led by the National Association for Adult Professional Training (AFPA) and involves the French Building Federation, the main employers' organisation in the sector. It was partly funded by EQUAL.

The partners decided to focus on strengthening and further developing the skills and abilities of older workers, and on developing new work opportunities which would take account of their wealth of experience gained on the job. In order not to lose these valuable experiences through early retirement, partners recognised the need to promote intergenerational solidarity and learning. Initially, a survey was carried out to identify how organisations in the sector managed their ageing workforce. Follow up work identified whether there were any particular categories of older workers in need of support and which training methods organisations typically used to upskill older employees.

Results showed that there was a tendency to concentrate support and training on the development of young people which had restricted the learning and career opportunities of more senior workers. The interest by older workers in further training was also substantially lower, and age also caused several physical and culture problems that decreased their productivity. Findings also revealed the much higher skill levels of senior employees, and the increased workplace safety that resulted from this awareness and expertise.

Emphasis was put on the better management of the skills of older workers, ensuring also that their expertise was effectively transferred to younger colleagues. Methods included diagnosis and advice services to organisations. Managers were able to map the skills base of current employees and to find more efficient ways of hiring new staff while matching skills gaps and needs. Organisations were often surprised by the high level of skills they already had in house and felt encouraged to offer better positions to senior employees. Older workers also took part in the recruitment process and provided advice on what to look for in recruiting new staff.

Experienced workers and new recruits worked together in "collective teams" and also in workshops. Participants discussed the most important skills required to do the job and the best ways to transfer and share these skills. The project also advised organisations on how to make simple adjustments to the working environment that could greatly improve the comfort of the workplace for older workers.

*Source: EQUAL project *Âges et Travail*; for more information contact thierry.rosenzweig@afpa.fr*

Health and safety, workforce ergonomics and redeployment

Each workplace and task is distinct in terms of the physical and mental requirements it places on employees. Similarly, each employee is differently equipped to deal with these requirements. Employers are legally obliged to assess and address the health and safety aspects of each workplace and a proactive and preventative approach to health and safety has been shown to significantly reduce employee absences. The maintenance of a healthy working environment has a significant impact on an individual's ability to remain in the same job for a significant period of time. It must clearly be recognised that certain tasks place greater physical or psychological strain on the individual, therefore making it more difficult to continue such tasks up to retirement age (depending of course on the age at which an employee took up his/her occupation).

Innovative programmes, such as the Finnish National Programme on ageing workers recognise the importance of the role played by both employers and employees in maintaining work ability. Putting the emphasis on prevention is good practice. Involving health professionals (doctors, counsellors and physiotherapists) in the well being of older workers will be a major step towards reducing absence from work, preventing sickness and extending the working life. Aim for the highest health and safety outcomes.

Advances in workplace ergonomics have meant that it is now possible to create healthier and safer working environments allowing individuals to stay in their jobs longer.

However, in particularly demanding occupations and where an individual's health requires it, lifelong learning, career development and work organisation measures must be sufficiently developed to allow individuals to be partly or fully re-deployed within the organisation. This must happen early enough in an individual's career and must offer a real alternative to their current employment. Where workplace adaptations are feasible, government assistance is often available through a grants scheme. Where employers carry out systematic workforce planning, they will be able to identify and anticipate those occupations and groups of workers who are likely to experience problems later in their career and who may end up on ill health retirement or disability related social security measures. Examples include highways workers and others whose job have a high level of physical input. Early identification and interventions may provide alternative career routes within the organisation or within other related organisations.

Example: Bremer Strassenbahnen, Germany

A public transport company servicing the city of Bremen and surrounding area, Bremer Strassenbahnen faces a number of issues associated with the ageing of its workforce. Cutbacks in public sector budgets have imposed a virtual freeze on recruitment. Consequently, the ageing of the workforce (currently an average age of 45) continues to progress.

There a particular concern about the health of drivers and their ability to continue in employment up to retirement age. The company has already introduced a flexible partial retirement scheme, but is keen to take other measures to maintain the work ability of its workforce. The company already operates "health circles" and "back clinics" to address the most common causes of ill health related absence. In addition, trials are under way to enable workers to share their time between their driving job and an administrative or maintenance job, thus enabling them to stay in work for longer. There are efforts to assess the experience of those workers who remain healthy to evaluate how they have been able to achieve this, thus learning from good practice.

Source: BSAG; for more information contact angelocaragiuli@bsag.de

Example: Age Unlimited Project (The Netherlands)

Aspects related to health and safety and the comfort of the working environment are key issues in all organisations because if managed efficiently, they reduce the level of occupational illnesses and accidents. This is even more true when referring to ageing workers.

An initial diagnosis phase is carried out in order to identify workstations where ergonomic problems are frequently encountered. Through interviews with all the key players (line manager, employees, occupational health doctor, health and safety commission, HR manager) a diagnosis is drawn up with recommendations. Consultancy work is then undertaken by qualified specialists to introduce the necessary modifications to the workstation involved. A steering committee is set up in the organisation involving all the key players to report on progress at regular intervals

Source: www.goc.nl

Example: The route of the professional shipyard worker (Finland)

The shipyard industry mainly employs older people. Moreover it is also very difficult to attract new recruits. Health and safety issues are a key concern given a high number of accidents in the workplace. Older workers carry considerable information about how to avoid casualties in the work place and how to manage their daily tasks in order to achieve the best possible occupational and health outcomes. It is important for productivity that shipyard workers remain occupationally competitive and that they have the opportunity to transfer the tacit knowledge they have gained to a new generation of workers. A guide on safety and health issues in the shipyard industry has been issued as a means of transferring experience from one generation of workers to another. It has been translated into several languages so that it can assist migrant workers. A model for sharing the tacit knowledge of the ageing workforce has also been developed.

Source: www.eunetyard.net

Example: City of Helsinki Public Works Department, Finland

The Public Works Department (PWD) of Helsinki city plans, builds and maintains Helsinki's streets, parks and green areas. It also designs, constructs and modernises the city's work facilities. The PWD is concerned about the high average age of its workers and has invested in projects and rehabilitation courses to promote the work ability of all its employees. PWD technical services ran a pilot programme for workers over 44 years of age. The organisation is also planning a project aimed at developing methods for transferring the experience of older workers to the younger workers, e.g. by developing data collection methods, pair working and group discussions. The PWD has implemented an organisational workplace health promotion programme. The objectives were to improve the well-being of the entire PWD staff, to reduce health risks, to promote physical and mental capacity and to make the culture of the work organisation more participative.

Every worker participated in at least one of the following interventions:

Questionnaire survey and feedback for personnel about the well-being of the work community;

Training for supervisors in handling feedback;

Participative work conferences;

Support for workers' hobbies, education and exercise.

Since the programme was introduced, the work communities are now more able to recognise problems related to work ability and to support the work ability of all ageing workers. Sickness absence has also decreased. Openness and social dialogue have increased.

Source: European Foundation for the Improvement of Living and Working Conditions, Database on good practice in active ageing; www.eurofound.eu.int/areas/populationandsociety/ageingworkforce.htm

Good practice points in relation to maintaining work ability

- Use annual appraisals to review and develop older workers' skills
- Coach line managers and employees to raise and resolve key issues
- Develop strategies to capture and share tacit knowledge
- Value and use the skills of older workers as tutors, coaches etc
- Consider using senior staff to induct new recruits
- Ensure there is equal access to training for mature employees
- Involve social partners and other stakeholders in giving support
- Realise the business benefits of maximising the skills of the workforce
- Adopt a lifecycle approach to age; plan for tomorrow as well as today
- Consider health and safety more widely
- Older workers are more likely to stay in work longer if they feel safe and healthy
- Ask older workers what would make a difference to their working environment
- Discuss issues between managers and older workers
- Consult with social partners
- Involve health professionals in developing policy and giving advice
- Make sure older workers know what support is available
- Consider different job tasks if appropriate to retain older workers
- Keep track of how well the policy is working

Being flexible: Work Organisation and phased retirement

Introduction

The public service workplace is rarely static. New priorities, customer needs and technologies require flexibility and movement in terms of working practices, the division of labour and skill updating. Customers expect public services to be available at a wider range of times and in new ways just as they are more and more by the private sector. This offers real opportunities to both improve services and improve opportunities and skills for all employees. It is important that employers offer workers the opportunity to continuously update their skills in line with service requirements. Employees on the other hand have the responsibility to engage in such ongoing learning. Prejudicial views regarding the ability and willingness of older workers to learn and adapt continue to persist and must be addressed on both sides. At the same time, individuals' requirement for flexibility changes throughout their working life. This is not only true for particular groups such as young parents, but, can equally be the case for older workers, who may be looking after elderly relatives or grandchildren. Adapting working practices to suit the work–life balance of employees is a key pathway to increasing motivation and employee retention and should be available as an option to all. An increasing number of organisations are becoming aware of how a flexible, family-friendly work organisation can enhance the overall performance of an organisation and can indeed improve service delivery to public service clients. It is important that flexible working practices are developed with both requirements in mind. Best practice shows successful outcomes where employees seeking flexible working make a good business case for such arrangements.

Key questions for public service organisations:

- Are working practices organised to take account of work-life balance?
- Are structures in place enabling employees to make a business case for flexible working?
- Are policies for achieving work-life balance embedded in your HR strategy?
- Do they take account of the needs of older workers?
- If flexible working policies exist, do all members of staff know about them?
- Is there equal access to these policies for all staff across the organisation?
- Are all staff eligible to benefit, including for example weekly paid manual staff working off-site?

- Do you have a policy for flexible retirement? Is it successful in retaining staff?
- Are all staff aware of the policy? How well is it communicated and discussed across the organisation?
- Is there a beneficial impact of flexible working for service delivery?

Steps

Flexible work options

Employers have different options for introducing flexibility in the workplace. These essentially address the following questions:

- Flexibility in where the work is done
- Flexibility in how the work is done/who does the work/when work is done

Each of these options, including flexible retirement, is explored in more detail below. First, it is explored how to prepare and implement a flexible working policy.

Preparing and implementing a flexible working policy

The case for a flexible working policy should be based on both business and human resource arguments. A policy on flexible working can contribute to the mainstream objectives of an organisation and also to ensuring that staff are used effectively. Strategic planning documents and the overall HR strategy should underpin the approach taken. According to one good practice guide, the following key stages should be considered:

- **Generating support:** Get backing from senior management from the outset and maintain it throughout, putting forward both business and HR arguments.
- **Preparation:** use data about your workforce including age profiles and other research about employee needs and preferences. Take account of any information you have about employee views on achieving a satisfactory work life balance. Review the results of any recent staff surveys.
- **Communication:** think about how you are going to communicate this initiative effectively across the organisation. Take account of the fact that not all workers are based in central locations and have access on a daily basis to electronic information systems.
- **Involve older workers** in discussions and get commitment from them for the initiative.
- **Involve** at an early stage trade unions, works councils and staff associations.

- Explore how best to promote and discuss the initiative with line managers.
- Be systematic in piloting and implementation. Put in place monitoring and evaluation; choose the pilot site carefully so that the experiment can be maximised.
- Follow up pilot results with focus groups to explore in more depth what worked well and why, and what worked less well and why.
- Continue to inform employees about progress of the initiative. Maintain contact also with line managers and key stakeholders.
- Launch the policy with appropriate marketing and promotion.
- Set up help lines and offer support to employees

Source: Managing an Ageing Workforce: A Guide to Good Practice European Foundation
 postmaster@eurofound.ie

Different flexible working options available

Flexibility in where the work is done

New technology offers the opportunity not only to offer more and new services at different times and in different locations, but also provides workers with the opportunity to provide these services from different locations. Home working, mobile working and teleworking from remote sites can assist in workforce retention by making work processes more satisfying, cutting down travel time and allowing for working from different sites. The business case for teleworking needs to be considered for each task and may not be suitable for every individual, but on the whole it has been shown that telework can increase productivity in two major ways. Firstly, teleworkers may be able to work or be based closer to their customers thus cutting down unnecessary travel time. Secondly, accommodation places can be reduced if teleworkers share desk facilities when working on site. Other benefits include social and environmental benefits. In 2003, the European social partners UNICE/UEAPME, ETUC and CEEP reached a framework agreement on teleworking which sets down guidelines for the use of this form of employment⁶.

Flexibility in how/when the work is done

Many public services employers now actively encourage flexibility in how the work is done in relation to working time and opportunities for flexitime, part-time working and job sharing. They recognise that these forms of working cannot only increase retention and staff satisfaction but can also increase productivity and create options for different means of service delivery. In relation to who does the work, experiments are under way, for example in

the UK local government sector, in relation to workforce remodelling and changes in working patterns, delivery channels and the use of technology, rewards, workforce numbers, workplaces/locations and diversity.

All opportunities for greater flexibility can serve to encourage workforce retention, including among older workers. Crucially, they should also contribute to improvements in service provision, for example by extending the hours during which a service is available to the public.

Example: Stockport Metropolitan Borough Council Flexible Working Scheme

Flexibility within employment is viewed as an important employee-related benefit. A wide variety of flexible work options should be available for all employees to ensure that they can acquire the appropriate work-life balance.

Home working is available to employees enabling those with commitments outside of the workplace to meet both the requirements of their job and their home life. This policy offers home working to employees who require it on an occasional basis or those who wish to work at home on a permanent basis. 160 employees are currently working from home either full time or part time.

In addition to this the council have implemented a flexi time policy which enables employees to fulfil requirements in their home lives such as dropping children off at school.

Within some sectors of the Council employees are offered flexibility surrounding their starting and finishing times. This enables employees to tailor their employment to suit their personal needs with the proviso that the requirements of the job take precedence.

Term time working is available to employees, although traditionally applied to services linked to educational establishments. This policy enables employees to have time off during school holidays but requires attendance during term time.

Job sharing is available for consideration for all full-time posts within the council and involves two employees voluntarily sharing the responsibilities and duties of one position. Salaries and benefits associated with the position are applied on a pro-rata basis and attendance can be agreed in a variety of ways such as a split day or a split week. The employees share the workload, decision making, problem solving and where applicable staff supervision.

⁶ The text of the agreement can be found on www.ceep.org

Compressed working weeks provide employees with the opportunity of working their agreed hours over a shorter period. For example, employees may work their hours over a four or four and half day week or a nine day fortnight instead of a five day week. Employees are paid for their full hours but would not receive any overtime payments.

Annualised hours is a system where employee's hours are totalled over a period, usually over a year. Employees work more or less hours each week as agreed, fitting in with seasonal peaks and troughs of the service. Arrangements are made for a number of hours to be rostered in over the relevant period. Any remaining days are held back to meet the needs of unplanned work, cover for absences or training.

Through acknowledging that everyone has a life and responsibilities outside of work and offering flexible working to meet these employee needs the employer can gain from a variety of additional benefits. These include having a more motivated, more productive and less stressed workforce. Employees are more likely to remain with a flexible employer. This cuts the cost associated with recruitment such as advertising, interviewing, selecting and training as well as retaining skilled and experienced employees.

Stockport's experience of flexible working is that absence levels reduce, labour turnover reduces, staff satisfaction levels increase and in terms of service delivery there is an increase in both productivity and accuracy.

Source: Stockport Metropolitan Borough Council; for more information contact Paul. Whitney@stockport.gov.uk

Example: Leeds City Council, Work-life balance policy

The policy started as a pilot project set up in Leeds City Council to improve work-life balance in order to retain and recruit staff in the context of demographic change and recruitment difficulties in occupations such as accountancy. The Council also sought to deal with high staff absence rates. The pilot phase lasted 6 months and initially involved 60 employees in two units of the Finance Department. The scheme was extended to other teams within the Department and is now being developed across the whole of the City Council.

The work-life balance pilot scheme looked at the potential for a more flexible service. Staff across the council were already operating on flexi-time but the existing flexitime system was available to staff but not managers. The new scheme involved all employees, including the managers. Moreover, it offered a broader range of "options", giving staff greater influence on long term planning of working hours and leave.

The UK Employment Act 2002 provides for a 'right to request' but not for a 'right to actually get' a change in work patterns and only covers those with parental responsibility for specified children. The new scheme however was introduced for all employees and all employees could benefit from it, if they chose to.

Careful consideration was given to the process of involvement of the staff and trade unions in implementing the scheme. For example the Trade Union Committee was briefed regularly by management about the scheme and trade unions participated directly as members of the Work-Life Balance Steering Group.

Work-Life Balance co-ordinators were appointed within each team to provide advice to staff about the practical application of the new system.

Each member of staff participating in the scheme had to prepare an individual "business case" stating why they were taking part, and what the benefits would be both for them individually and for the service (discussed collectively by the service staff). It was stressed from the outset that flexible working was not an entitlement and that employees had to demonstrate how their changed pattern of working would benefit the service.

A mix of options was made available and included: annualised hours; term-time working; part-time and reduced hours; compressed week; staggered hours; job-sharing; career breaks; time-off and ad hoc home working instead of part-time.

There have been a number of positive benefits for management, staff and for the service as a whole, in particular: personal life and work life balance improved; a significant reduction in sickness absence was achieved (and maintained over time); due to the hours that staff wished to work, the Council is able to extend the times that telephone services are available to the public by 2 hours.

Source: <http://www.ceep.org/en/documents/Social%20Partners/2005/framework%20of%20actions%20gender%20equality%20010305%20EN-AN>

Flexible Retirement

Research by the Joseph Rowntree Foundation in the UK highlights the following questions that older workers who would prefer to work part-time in the lead up to or beyond retirement age will be considering:

- Why do I want to change my working life at this point? What else am I trying to accommodate or respond to in my life?
- Do I want to change my job, my career or my employer or only one of these?
- Do I want to work shorter hours each week, or would longer periods of leave suit the other areas of my life better?
- How much do I want and/or need to earn from employment, and will any changes affect my pension and my later-life financial circumstances?
- Who can I turn to for advice about how to manage the latter years of my working life⁷?

Flexible retirement policies can offer an alternative to retiring early or at state retirement age. Many public service organisations are already encouraging staff to stay on up to – and in some cases beyond - retirement age. The best practice is to offer employees as much choice as possible. However, the success of flexible retirement schemes depends on wider factors such as pension status and entitlement, and the specific age legislation and tax regimes of Member States. Decisions about retirement are also influenced by many other variables such as health, caring responsibilities, income, motivation, length of travel to work, lifestyle preferences. Eurolink Age advises organisations to consider the following good practice:

- give individuals as much choice as possible in the way they retire
- avoid using early retirement without evaluating its impact on both the individual concerned and the organisation, including the impact on pension costs
- use flexible or phased retirement schemes and/or flexible work schedules where possible
- allow workers the freedom to work beyond pension age if they wish, including through the use of outsourcing to sustain workers in self-employment
- make sure that the knowledge and experience of senior employees is captured and shared with other staff, before individuals retire
- make retirement preparation available to employees

Flexible retirement can involve a range of steps and stages. It can simply mean to prolong working life, but working reduced hours allowing an individual to free up time for other activities (caring responsibilities, other

activities and pastimes). When offering such options it is important for employees to be fully aware of the implication of the decision to work part-time on pension entitlements. Many employees fear that going part-time in the run up to retirement will diminish their final pension. However, under many schemes this is not the case and clear and reliable information needs to be readily available to explain pension outcomes.

In organisations dominated by shift work, flexible working can also involve working different or more regular shift patterns which are more suited to an individual's health or other requirements. Consultation with other team members is critical when introducing such options to ensure they do not create resentment among other workers also keen to work such patterns. In the public services, considering such requests for flexibility can usefully work hand in hand with enhancements in service provision which allow public services and services of general interest to be available for longer and more convenient hours for their clients.

Other flexible options in the run-up to retirement include side-stepping or down-shifting. Side-stepping involves taking on new or different responsibilities better suiting the individual employee's requirements or interests. This is obviously a workforce planning decision and must be made in discussion with line managers and co-workers to ensure it meets the requirements of the business and colleagues.

Down-shifting may be desirable for employees keen to continue working, but wishing to reduce their level of managerial or line management responsibility. In these cases it is also important to discuss the pension implications of such decisions in the run-up to retirement.

Example: South Downs NHS Trust, UK

This is a Community and Mental Health Trust employing over 2,000 staff including a substantial number of older workers. The Trust recently reviewed its approach to the management and employment of older workers. The Occupational Health team interviewed all staff referred to them who were over 65. The key result was that the Trust decided that there was no good reason to have a policy to treat staff over 65 differently. The Chair and Board approved the removal of the compulsory retirement age. A new policy was subsequently developed and publicised. This asserts that staff have the right to continue working. Managers are actively encouraged to discuss potential retirement plans at an early stage. Both parties, managers and employees, are encouraged to discuss how they will manage any difficulties such as health, carers needs, performance

⁷ *Older workers and work-life balance, Joseph Rowntree Foundation: info@jrf.org.uk*

issues. Emphasis was also given to ensuring equal access to training on behalf of all staff. A range of options for retirement or partial retirement have been introduced. All staff over 50 have been personally notified of these options.

The Trust runs pensions seminars so that staff can openly discuss concerns about pension entitlements. These have proved to be very popular.

The outcome is an increase in the number of staff staying beyond 65. Use of occupational health has also decreased. There is now a greater acceptance of flexible working and good understanding of work-life balance issues and support.

Source: <http://www.agepositive.gov.uk/researchdetail.cfm?sectionID=42&cid=118>

Example: State Employers' Authority – Denmark

The importance of retaining the knowledge and developing experienced staff is recognised by the State Employers' Authority. Age diversity is considered a necessity for effective organisational performance. Employees are offered flexible retirement as a way of retaining experienced workers. All employees aged 60 (or 55 if they had reached this age before 1st April 2005) are able to work part-time and still receive an unchanged pension. For employees who hold management responsibilities an agreement can be made to enable them to transfer to a less senior position, with fewer responsibilities and they will receive pay and/or pension-related compensation.

Additionally, it is possible for all employees aged over 62 to be granted one day off per month and a severance benefit if this individual postpones their retirement until a specified date.

Source: Danish State Employers' Authority; for more information contact CCA@perst.dk

Example: Flexible Retirement, Hertfordshire County Council, UK

Within Hertfordshire there are several options open to employees reaching retirement age.

- Those who wish to retire when they reach the normal organisation retirement age of 65 years are entitled to do so. However there are also options open to people who want to ease into retirement gradually or postpone it until a later date by extending their service.

- A flexible retirement period of 5 years is open to employees of HCC who wish to extend their service beyond the normal retirement age of 65. This will allow employees to work up to the age of 70.

- If an employee wishes to extend their services beyond 65 years, he or she is required to notify their line manager and complete a request form which asks for an indication of the extension period. The manager will seek advice from the HR department while considering the request.

It is a key part of the policy that managers should not assume that an employee who wishes to extend their service beyond 65 years is any more or less like to experience health and safety or performance difficulties.

Hertfordshire County Council runs a number of flexible working schemes including: a flexitime scheme, job sharing, term time working, voluntary reduced hours, career breaks, compressed hours, annualised hours and location flexibility.

Employees can also wind down in the run up to retirement by applying for a different or lower graded post, if they are interested in considering this option.

A pensions help line is provided so that employees can discuss the implications of options discussed above on their pension entitlement and benefits.

<http://connect.hertscc.gov.uk>

Source: Hertfordshire County Council, contact Claire.Howarth@hertscc.gov.uk

Key good practice points on flexible work organisation

- Flexible working and retirement brings business and HR benefits
- Get commitment from the top but ensure bottom-up involvement
- Consult senior employees, social partners and other stakeholders
- Embed in strategic business and HR planning
- Use workforce data and surveys to inform content
- Consider how to communicate, market and monitor
- Provide help-lines, seminars, ensure equal access

Keeping everyone on board: the importance of social dialogue

Ever since the 1970s, early retirement schemes have been used by governments and employers as a way of effecting restructuring or reducing unemployment among young people. Although it is clear that many employees had little choice whether or not to accept such early retirement packages in view of available alternatives, among certain sections of the workforce, the ability to leave the employment early to pursue other goals and interests has come to be viewed as a perk many are now loath to relinquish. The impact that such, now often unrealistic, expectations have on workforce morale and motivations must by no means be underestimated and must be addressed.

As with all workplace change, strategies for active ageing should be discussed with workforce representatives and individual employees as early as possible to generate a shared understanding of the challenges facing the organisations and the way in which these can be overcome jointly. Decisions regarding retirement and pen-

sions and potentially working longer over the life-span are extremely sensitive and avoiding discussions with the workforce on these issues is likely to be counterproductive. Discussions on active ageing can also raise issues on pay and conditions which need to be discussed jointly.

Social dialogue is therefore of key importance in the planning, implementation and evaluation of active ageing policies. As already pointed out above, as well as collective consultations, regular and open discussions with individuals regarding their career aspirations, training requirements, work life balance issues and retirement planning are an important part of line management duties.

Taking stock and moving on: Policy evaluation and forward planning

Piloting, monitoring and evaluation of age initiatives among public services employers will help to inform their further development and improve their performance. The piloting of measures can assist in assessing impacts on a smaller scale and avoiding potentially counterproductive policy interactions before a policy is rolled out to the entire workforce. When implementing active ageing policies, it is important to:

- Be clear about the objectives and desired outcomes of the initiative and the timescale anticipated to achieve these outcomes. Ensure that realistic timescales are set. Some policies clearly take longer to bed in and take effect than others.
- Establish measurable performance indicators consistent with the wider framework of business and HR performance monitoring. Establish how progress is to be measured and particularly the role to be played by staff surveys in this process.
- Where considered appropriate, arrange for a peer review process with another organisation seeking to attain similar goals. It may be best to seek out a partner, which has already successfully implemented active ageing policies to act as a “critical friend”. It may also be desirable to allocate resources for an independent external review of the policy after a suitable period of time.
- A process should be put in place for dialogue regarding any necessary updating or revision of a policy measure following the period of review.

The key indicators for success will be both quantitative and qualitative. For example the impact of age initiatives on staff retention will be an important benchmark. Understanding better the choices that senior employees make about career, training and retirement decisions will also help to refine age initiatives. Assessing the contribution that various support mechanisms make to staff retention and productivity will also be a key objective of evaluation. Understanding any obstacles to the success of policy initiatives is as important as measuring progress. Staff consultation, peer review or external evaluation can help with identifying ways of overcoming such obstacles.

Contact for further information

More information on the project “Devising active ageing strategies among public sector employers” and the sources used for this guide can be obtained from:

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Further information on the work of CEEP is available online at www.ceep.org

Further information about CEEP UK is available online at www.ceepuk.org

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