WHAT is the context?

Over the past decade, the challenges arising from the ageing of the workforce in Europe have triggered a range of different policy responses from governments and social partners. The increased participation of older workers in the labour market is seen as a major factor in achieving more sustainable economic and social development in the European Union. Concerns about pensions, economic growth and the future labour supply have fuelled a range of policy recommendations and initiatives to support longer working lives and later retirement.

Over the next 20 years, the average age of the working population will increase and the number of men and women of working age will decline. The challenge is how to develop the skills and employability of older workers, while maintaining the health, motivation and capacities of workers as they age. Actions need to be taken to combat discrimination and negative stereotypes of older workers. Above all, working conditions as well as employment opportunities must be appropriate for an age-diverse workforce.

WHY this research?

In the mid-1990s, the Foundation began research into barriers and opportunities for age management in companies. At that time, more than 150 case studies of ‘good practice’ in companies were documented. These case studies covered public and private sectors and small, medium as well as large enterprises. They highlighted good practice in relation to such issues as recruitment, training and development, flexible working, health and ergonomics.

The Foundation has followed up these initiatives, analysing their effects on attitudes, the workforce in general and company policy. Lessons from the case studies are drawn together in a report that documents policy developments over the last decade and looks at the evolution and impact of initiatives at the workplace.

The research has been extended to the new Member States, where the employment situation of older workers differs from country to country but where employment rates are also relatively low and the average exit age is similar to that in other Member States. The search for case studies of good practice has been under way in five of the new Member States, as well as in Bulgaria and Romania.

WHAT are the findings?

Range of measures

- Good practice in age management involves specific measures to combat age barriers or promote age diversity.
- Such measures, however, may co-exist with other measures which restrict employment opportunities for older workers.
- Many companies, particularly larger companies, opt for a comprehensive approach: for example, flexible working hours combined with health care measures.
- Most initiatives that benefit older workers have been introduced at relatively low cost.
- Integrated and comprehensive human resource policies for active age management are not common.
- Measures are oriented towards both prevention – for example, health, training, ergonomic or work–life balance – and compensation, to make up for lost opportunities.
- In the new Member States, Bulgaria and Romania, less priority has been accorded to the promotion of ‘active ageing’ and to increasing employment rates among older workers, especially women and those with low skills.

‘By remaining in the workforce, older workers can continue to contribute to the economy, to society at large, but also to their own personal dignity and well-being.’

Vladimír Špidla, Commissioner for Employment, Social Affairs and Equal Opportunities, XVIII International EURAG Congress, Ljubljana, 30 September 2005
In many businesses, the ageing of the customer base has led to a demand for older employees to match client preferences or expectations.

Changes in public policies or financial supports have influenced some company practices – for example, changes to the statutory retirement age or pension laws.

Benefits for workers

- The case studies point to improved well-being, more positive work attitudes and increased employability of older workers.
- There is a positive impact on all workers in terms of inter-generational relationships, and on knowledge and attitudes about older colleagues.
- Older employees were found to be open to new possibilities for learning and development.
- Good practice in comprehensive approaches tends to be characterised by a focus on the whole working life and all age groups, not just older workers.
- Some initiatives directed at older workers involve personal development, readjustments to work schedules, health checks or opportunities for further qualification.

WHAT now?

Recent changes in public policies and developments such as anti-discrimination legislation go some way towards addressing the challenges and opportunities of an ageing workforce. The agenda for action to improve the employment of older workers involves government policies at different levels, the social partners and social dialogue, and companies, as well as older workers themselves.

The Foundation’s research and database of case studies offers an up-to-date resource of ideas, initiatives and incentives to respond to demands for better age management at the workplace. In future there is scope for increasing the level of awareness and commitment and stimulating change in all organisations, particularly in the new Member States. At policy level, changes in early exit and retirement policies need to be accompanied by investment in an ageing workforce.

Benefits for companies

- For companies, the main advantages were viewed in terms of economic factors, productivity and labour supply issues.
- Developing and implementing good practice is usually triggered by the direct business needs of companies, rather than pressure from public policy or age-awareness campaigns.
- Recruitment and retention of workers with particular skills is a key strategy – many firms have identified specific skills and more general qualifications or experience of older employees as an asset.

Further information

Teresa Renehan at ter@eurofound.eu.int

Database of employment initiatives for an ageing workforce
http://www.eurofound.eu.int/areas/populationandsociety/ageingworkforce.htm

The good practice guide and report on developments in age management in workplaces over the past ten years will be published in 2006, available at http://www.eurofound.eu.int/areas/populationandsociety/index.htm

Foundation work on related issues

Combating age barriers in employment
http://www.eurofound.eu.int/areas/populationandsociety/ageing.htm

EWCO topic report: Ageing and work in Europe
http://www.eurofound.eu.int/publications/htmlfiles/EF0483.htm

European Foundation for the Improvement of Living and Working Conditions
Wyattville Road, Loughlinstown, Dublin 18, Ireland
Telephone: (+353 1) 204 21 00 Email: postmaster@eurofound.eu.int
Website: www.eurofound.eu.int