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Age Management - Social Care

A Business Case

Demographic changes will continue to see populations across Europe and the world getting older, making an older workforce's contribution to the labour market both valuable and imperative. Currently there are a number of barriers to paid employment for older workers. This document aims to highlight the benefits for businesses of recruiting and retaining older workers with the aim being to achieve an age diverse workforce. In each of the sections affected by age management (recruitment, retention, retirement), the document outlines the contribution that older workers bring to the company or organisation and provides examples of good practice in age management.

AN AGE DIVERSE WORKFORCE

There are number of benefits and advantages in having an age diverse workforce:

- A better balance of different skills and experiences;
- Increased knowledge transfer;
- Better ability to adapt to demographic changes;
- Greater customer satisfaction;
- Wider spectrum of staff avoids skill shortages;
- Retention of corporate memory.

An age diverse organisation can:

- Respond better to organisational demands;
- Improve mentoring and learning between staff;
- Respond better to often-differing aspects of job requirements;
- Increase employee motivation and productivity;
- Decrease absenteeism and staff turnover.

AGE MANAGEMENT

Proactive solutions to accommodate an ageing workforce are being taken by many organisations as the need to review, develop, and implement new approaches to age management is recognised.

Good age management encompasses:

- Measures that combat age barriers;
- Measures that promote age diversity among the workforce;
- A range of possible options on how to plan for an age diverse workforce, but not an inflexible blueprint plan.

Examples of benefits:

- Marks & Spencer and South Wales Forgemasters have experienced an increase in staff retention.
- JD Wetherspoon has found it easier to adapt to the demands of the sector and to reflect its wide customer base.



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A COMPREHENSIVE APPROACH

Comprehensive approaches to age management give the best results. A comprehensive approach should focus on the entire working life of people, covering all age groups and including both preventative and remedial measures: it is not a set of measures but rather a range of interventions.

This brochure demonstrates the business case for adopting a comprehensive approach to age management. Although it focuses on the benefits of employing and retaining an older workforce; older workers are just one element of an age diverse workforce.

RECRUITMENT

RECRUITMENT OF OLDER WORKERS HELPS ENSURE:

- A wider pool of applicants for vacancies;
- Enhanced company reputation;
- Achieving an age-diverse workforce.

GOOD AGE MANAGEMENT IN RECRUITMENT ENCOMPASSES:

- Providing part-time and flexible working options at all levels;
- Using age-sensitive methods in recruitment advertising;
- Eliminating references to, or terms associated with, age on advertisements and application forms;
- Including statements about age-neutral and equality policies in adverts;
- Interviewing and recruiting processes based on competences;
- Age-neutral training provided to those with responsibility for recruitment.

GOOD PRACTICE:

By implementing good age management recruitment practices (e.g. training in recruitment practices, offering flexible hours at all levels, etc), **JD Wetherspoon** has benefited from an increase in applications from people of all ages and has achieved staff retention levels above the industry norms.

RETENTION

RETAINING OLDER WORKERS HELPS ENSURE:

- That an experienced and skilled age-diverse workforce is maintained;
- Inter-generational knowledge transfer;
- Increased motivation, job satisfaction and reduced absenteeism;
- The cost of training and recruitment is reduced.

GOOD AGE MANAGEMENT IN RETENTION ENCOMPASSES:

- Viable routes for **career development and/or promotion** which increases employees' motivation, performance, commitment, flexibility and productivity. It may reduce mental stress and staff turnover due to lack of opportunities for progression.
 - *Information gathering:* staff appraisals, performance management, career development guides, competence-oriented approach.
 - *Initiatives:* career-development guides, having older workers as mentors and trainers, transferring competencies through role transfer and parallel duties.
- **Age-sensitive training** based on current and future skill requirements which considers employees' and the business' needs.
 - *Initiatives include:* using competence databases, annual staff appraisals, flexible training plans.
- **Flexible and part-time working** practices, which increases: staff motivation, health and well-being; productivity; and the recruitment pool. It will decrease staff turnover and absenteeism. These practices will enhance the image of the organisation and the effective use of employees.
 - *Initiatives include:* reduction of working hours, flexible shifts, job sharing, term-time working, career breaks.
- **Re-deployment** could prolong working life, increase motivation and reduce absenteeism.
 - *Initiatives:* change roles or shifts to coordinate and balance the demands of the workplace with the capacities of older workers.
- Measures that promote **health and well-being** improve job satisfaction, motivation and work quality:
 - *Baseline information gathering:* health surveys & checks, performance assessments, working groups.
 - *Initiatives:* re-deployment, flexible working, ergonomic workplace design, health and well-being courses.

In April 2011 the Default Retirement Age was abolished.

AGE DISCRIMINATION LEGISLATION

In October 2006 the Employment Equality (Age) Regulations came into force to comply with the European Equal Treatment Framework Directive. These Regulations make age discrimination in employment unlawful.

The Equality Act 2010 harmonises and replaces much of the previous legislation on age discrimination and extends protection to those accessing goods and services.

The Default Retirement Age (DRA) is being phased out over a transitional period running until 30 September 2011.

GOOD PRACTICE:

South Wales Forgemasters has a system of competences databases upon which annual training plans are based. They have introduced more flexible training approaches and have improved the training process for new staff by involving experienced workers who are given formal 'trainer training'.

The Viennese Hospital Association in Austria developed competence levels for nurses and offered a specialised career model.

A small German company, **Karl-Heinz Efke GmbH**, which specialises in the installation of plumbing, sanitary and heating systems and has developed an age and competence-oriented approach to career development, aimed at keeping workers employed in the company for as long as possible.

RETIREMENT

MANAGED RETIREMENT HELPS ENSURE:

- Smooth succession for less experienced workers;
- Enhanced corporate image;
- Options for the re-involvement of former employees when required.

GOOD AGE MANAGEMENT IN RETIREMENT ENCOMPASSES:

- Providing part-time and flexible working options;
- Combining salaries and pensions within a flexible working structure;
- Reintegration of those in retirement as trainers or mentors, totally or partially.

GOOD PRACTICE:

Alleward Springs has implemented flexibility in retirement and benefits from succession and the opportunity to draw back former employees. The latter was one of the main reasons for **South Wales Forgemasters** abolishing their retirement age, which also allowed them to retain the skills, experience and overall value of older workers.

Marks & Spencer has used performance management in an identical way for workers of all ages: this has helped the company to function effectively without a retirement age.

B&Q has benefited from providing a combination of salary and pensions to its employees, within a flexible working environment.

Measures to promote health, motivation and skills could be more economical than premature retirement and hiring new employees

SUCCESSFUL PRACTICES

In most cases, successful age management practices will include:

- Age awareness at all levels (including employee awareness);
- Careful planning and implementation;
- Cooperation and participation of all concerned parties;
- Training for managers and supervisors in a number of age-related issues;
- Workshops for all levels of staff, to explain any new initiatives;
- Continuous communication;
- Monitoring: internal (organisational data) and external (labour market, legislation, etc.);
- Evaluation of the measures implemented and the process.

GOOD PRACTICE:

JD Wetherspoon, Centrica and The Co-operative Group introduced compulsory training for managers and supervisors in relation to a number of age-related issues (capacities, changes, risks, possible interventions and unintended effects, contradictions arising from stand-alone age-management measures).

B&Q held focus groups with employees and also had an advertising campaign including posters, packs, briefings, and ran a dedicated site before implementing their flexible working practices and abolishing their retirement age.



a city for all ages



European Commission



CONCLUSION:

Age diversity in the workforce offers many benefits to employers, workers and customers alike. It has a proven track record of enriching recruitment through a wider pool of applicants and has the added benefit of enhancing the company's reputation.

Through presenting a business case for good practice in age management, this leaflet will help organisations who want to adopt a comprehensive series of age management practices and policies.

FURTHER REOURCES:

Information on legislation regarding age discrimination in employment can be found at: www.acas.org.uk (Retirement process and the removal of the Default Retirement Age, 4 March 2011)

Age management resources cited in this brochure:

Eurofound: A guide to good practice in age management (2006)

DWP: Good practice case studies: managing without fixed retirement age (Jan 2011); Workforce management without a fixed retirement age (Mar 2011)

Employers Forum on Age: Good Practice Employer Policies

LOCAL ACTION RESEARCH GROUP MEMBERS:

NHS Lothians, Capital City Partnership - Joined up for Jobs, DWP - Job Centre Plus, The City of Edinburgh Council - Economic Development; A City for All Ages, A City for All Ages Advisory Group, Edinburgh Chamber of Commerce, Scottish Government - Equality Unit Older People and Age Team, University of Edinburgh - Business School, Edinburgh Voluntary Organisations Council, Queen Margaret University - Centre for the Older Person's Agenda



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