



Demographic Change in the Electricity Industry in Europe

Toolkit on promoting age diversity and age management strategies

European Social Dialogue Committee in Electricity
EURELECTRIC, EPSU and EMCEF

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Contents

PREFACE	IV
THIS PROJECT WAS MADE POSSIBLE THROUGH THE FUNDING BY THE EUROPEAN COMMISSION – DG EMPLOYMENT, SOCIAL AFFAIRS AND EQUAL OPPORTUNITIES.	IV
ACKNOWLEDGEMENTS	V
EXECUTIVE SUMMARY	VI
SECTION 1: DEMOGRAPHIC CHANGE IN THE ELECTRICITY SECTOR: MAKING THE CASE FOR AGE DIVERSITY	1
1.1 INTRODUCTION TO THE TOOLKIT	2
1.2 THE CHALLENGE OF DEMOGRAPHIC AGEING IN THE ELECTRICITY INDUSTRY	4
1.2.1 INTRODUCTION	4
1.2.2 AGE DIVERSITY AND ANTI-DISCRIMINATION	4
1.2.3 EVIDENCE FROM ELECTRICITY COMPANIES	5
1.2.4 IDENTIFYING THE CHALLENGES	6
1.2.5 THE NEED FOR AGE MANAGEMENT POLICIES	8
1.3 DEMOGRAPHIC CHANGE IN EUROPE	1
1.3.1 DATA ON DEMOGRAPHIC CHANGE IN EUROPE	1
1.3.2 EUROPEAN UNION POLICY MEASURES ON EMPLOYMENT AND DEMOGRAPHIC AGEING	2
1.4 INTRODUCTION TO AGE MANAGEMENT	7
1.4.1 DEFINING AGE MANAGEMENT	7
1.4.2 THE BUSINESS BENEFITS FOR COMPANIES TAKING A PRO-ACTIVE APPROACH TO AGE MANAGEMENT	8
1.4.3 ENHANCING WORK ABILITY AND JOB QUALITY OVER THE LIFE-CYCLE: EUROPEAN PERSPECTIVES	11
1.5 MANAGING AN AGEING WORKFORCE: DEVELOPING A STRATEGIC AND COMPREHENSIVE APPROACH IN THE ELECTRICITY INDUSTRY	12
1.5.1 INTRODUCTION	12
1.5.2 THE BENEFITS TO COMPANIES OF TAKING A STRATEGIC AND COMPREHENSIVE APPROACH	13
1.5.3 THE DIFFERENT ELEMENTS OF GOOD PRACTICE IN AGE MANAGEMENT	14
SECTION 2: AGE MANAGEMENT TOOLS	18
2.1 RECRUITING AND RETAINING OLDER WORKERS	19
2.1.1 RECRUITMENT OF OLDER WORKERS AND AGE FRIENDLY RECRUITMENT PRACTICES	19
2.1.2 LIFELONG LEARNING, TRAINING AND DEVELOPING THE SKILLS OF OLDER WORKERS	21
2.1.3 CAREER DEVELOPMENT OF OLDER WORKERS	25
2.1.4 JOB ROTATION AND REDEPLOYMENT OF OLDER WORKERS	26
2.1.5 KNOWLEDGE MANAGEMENT AND THE TRANSFER OF KNOWLEDGE	27
2.1.6 PLANNING FOR THE CORRECT SKILLS MIX	29
2.1.7 MANAGING AND PROMOTING AGE DIVERSITY	31
2.2 HEALTH AND WELL-BEING OF OLDER WORKERS	34
2.2.1 THE MANAGEMENT OF HEALTH AND WELL-BEING IN THE WORKPLACE	34
2.2.2 WORKPLACE DESIGN AS AN ASPECT OF OCCUPATIONAL HEALTH	38
2.3 FLEXIBLE WORKING TIME AND WORK-LIFE BALANCE	39
2.3.1 OLDER WORKERS AND FLEXIBLE WORKING TIME	39
2.3.2 THE ROLE OF THE SOCIAL PARTNERS	43
2.3.3 DEVELOPING A COMPANY WORK-LIFE BALANCE POLICY	44

2.4 AGE MANAGEMENT TOOLS: MEASURES TO RECRUIT AND RETAIN YOUNGER WORKERS	46
2.4.1 ATTRACTING AND RECRUITING NEW TALENT	46
2.4.2 CREATING A WORKPLACE OF THE FUTURE AND MAKING THE WORKPLACE ATTRACTIVE FOR YOUNGER WORKERS	46
2.5 EXIT AND RETIREMENT POLICIES: PREPARING OLDER WORKERS FOR RETIREMENT	49
2.5.1 PREPARING FOR RETIREMENT	49
2.5.2 FLEXIBLE FORMS OF TRANSITION AND RETIREMENT	49
2.6 THE ROLE OF THE SOCIAL PARTNERS AND THE SOCIAL DIALOGUE	51
2.6.1 THE ROLE OF THE SOCIAL PARTNERS IN AGE MANAGEMENT	51
2.6.2 EXAMPLES OF INNOVATIVE AGREEMENTS	52
2.7 AGE MANAGEMENT TOOLS: TEN POINT PLAN FOR SUCCESSFUL AGE MANAGEMENT IN THE ELECTRICITY SECTOR	54
BIBLIOGRAPHY AND SOURCES OF FURTHER INFORMATION	58

Preface

Employment in the electricity industry shows an increasing trend towards older workers. This demographic development has the potential to significantly impact the on electricity Industry in Europe from a labour and skills perspective. There has already been a considerable amount of statistical data produced regarding this issue and some utilities have already put plans in place to enhance skills retention and attract younger workers into the workforce. Nevertheless, there is a need to assist companies and trade unions in meeting this challenge by providing practical tools and guidelines.

In 2007 the European social partners: EURELECTRIC, EMCEF and EPSU decided to consider the implications of ongoing demographic changes on the electricity industry and have launched a project in the framework of the social dialogue committee.

Demographic change brings with it a wide range of issues. There is an obvious skills impact associated with the large number of skilled workers in the industry reaching retirement age. Labour and skills shortages may make it difficult to source new workers for the industry. In addition, the loss of key skills may require new ways of ensuring knowledge/skills retention and transfer. Workplace design may also need attention and adaptation to an older workforce. All stages of the employee life-cycle require examination to assess the impact of the ongoing demographic changes.

The project on demographic change in the electricity industry has focused on the employment life-cycle, from recruitment through employment to retirement. This toolkit presents best practices from company case studies, which can be used by employees, trade unions and workers' and employer's representatives in the electricity industry to address issues arising from demographic change.

The Toolkit / Best Practices guide is not intended to be a theoretical, academic study, but an easy to use, practical guide which can be circulated widely and also featured on web sites. It will be useful for human resource and line managers and trade union officials working in the electricity sector, who have a responsibility for drawing up policies and procedures and monitoring progress in this area.

The European social partners want to see the toolkit used as a basis for addressing demographic change by providing practical suggestions on how to improve existing situations based on the experience of a wide range of Europe's electricity companies.

EURELECTRIC, EMCEF and EPSU would like to thank all company and trade union representatives who contributed to this study, developed the case studies, provided useful information and fed valuable ideas into the Toolkit.

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Executive summary

Section 1: Demographic ageing in Europe: making the case for age diversity

1.1 Introduction

The Toolkit gives practical guidance and examples of good practice approaches taken by electricity companies to address demographic change. The Toolkit is targeted to the social partners, human resource managers and decision makers to assist them in developing comprehensive and practical approaches to workforce change in the electricity industry in order to promote age diversity. This is underpinned by EU equality legislation that makes discrimination against an older worker illegal. Promoting age diversity within the context of anti-discrimination can have positive business benefits for electricity companies. There is also a business case for age diversity in that it can help companies to recruit from a wider pool of talent, while also benefitting from the creativity and innovation that comes from a diversity of age groups working together.

Age management is a comprehensive approach to tackling demographic change in the workplace and promoting age diversity. The most effective approaches to age management are those that are integrated, comprehensive and preventative, that anticipate problems and barriers, and that focus on a life-cycle approach to the working lives of all age groups. As a result the Toolkit focuses on how all employees can reach their potential and how companies can plan for age diversity addresses so that the work ability of workers at all stages of their working lives can be sustained.

1.2 Demographic change in Europe

Age management is particularly important in a European context as an ageing population will result in an overall shortage of 20.8 million people of working age by 2030. The survey carried out of electricity companies to inform this Toolkit has also shown that for a large number of companies managing an ageing workforce and promoting age diversity are major priorities for the future of the industry. While many companies have developed policies, practices and procedures to promote age diversity, many are just beginning to address these issues in their company and human resources strategies.

In many electricity companies the full impact of an ageing workforce will not be felt for another five to ten years, after which many companies report that up to half of their workforce will be eligible for retirement. The 2005 European Working Conditions survey found that 40 per cent of workers in the electricity, gas and water sector were over the age of 45 years, of whom just under one half were over the age of 55 years.

Increasing the employment rates of older people is a key element of the EU's Lisbon strategy. In order to address this, the 2001 Stockholm European Council established an EU target for an employment rate of 50 per cent of older women and men (between the ages of 55 and 64 years) by 2010. The 2020 Barcelona European Council concluded that

there should be a progressive increase of around five years in the average age at which people retire by 2010.

1.3 The business benefits for companies taking a pro-active approach to age management

The Toolkit shows that managing a diverse workforce has become increasingly important to the business case as electricity companies compete in a competitive market. Restructuring and market competition have meant that companies have to consider a range of innovations that can contribute to their strategic development.

Age management necessitates an integrated approach with actions across a range of areas, including changing perceptions of age, implementing measures across the working life-cycle and promoting links and cooperation between generations. Age management also requires there to be good working conditions during the entire life-cycle so that the potential of the workforce is utilised and maximised. Managing the effects of an ageing workforce is a shared responsibility between the social partners.

The business benefits of taking a pro-active and strategic approach to age management and age diversity include maintaining a competitive edge, reducing costs, creating a high quality workforce, achieving the best skill mix and skills requirements for the future, improving company profiles and images, improved employee relations and employee satisfaction.

Demographic change, typified by an ageing workforce and decreasing numbers of younger people entering the workforce, presents electricity companies with critical challenges if they are to have the competitive edge. Addressing the challenge of demographic change means that companies urgently need to accommodate a more age diverse workforce if productivity, competitiveness and innovation are not to be effected.

In summary the main challenges include the need to:

- Manage an ageing workforce to ensure competitiveness and sustainability;
- Value and retain the skills and experience of older workers;
- Create age diversity in the workforce and tackle age barriers and age discrimination in the workplace;
- Develop a corporate culture that promotes a strategic and comprehensive approach to age management;
- Ensure that line managers are effectively trained to implement company policies and promote age diversity;
- Integrate age management policies and strategies into the social dialogue between unions and employers.

1.4 Company case studies

The Toolkit draws on examples of how electricity companies across Europe have responded to demographic changes and in the development of age management programmes. In summary the case studies include:

Vattenfall, Sweden

In Vattenfall age management is identified as a key strategic priority for the next decade. The company has focussed on retaining older workers, promoting workability and

transferring intergenerational knowledge and competencies. An *Ageing Workforce Management Programme* has been developed with seminars for workers over the age of 57 years to enhance their competence and motivation to prolong their careers, a programme to reduce the workload and working hours of workers aged 58 years and over, leadership training for age and health management, a Senior Resource Pool, which is special structure for the reemployment of redundant older workers, and networking for managers and older workers.

EON-Energie, Germany

EON-Energie recognises the challenge ahead in relation to demographic ageing, particularly in the next five years. The company is revising its human resources and other company policies to reflect this. In 2008 a *New People's Strategy* was agreed between the company and unions. This includes the development of a tool for workforce demographics and planning and measures for the employability of older workers. The company has a *Health Management Strategy* which aims to improve the health and fitness of employees irrespective of their age in order to enhance employability. The company's programme for knowledge transfer has been developed for employees over 50 years. The Germany system of co-determination between unions and employers has been vitally important to the success of human resources initiatives on demographic ageing.

Axpo, Switzerland

Axpo Holdings is experiencing a significant ageing of the workforce – the impact of which will be particularly dramatic in the next fifteen years. The company's human resources strategy has two objectives: to retain older workers and to recruit the best young people into the company. The company has introduced programmes to assist and retain older workers in the workplace including flexible working hours for older workers, programmes for night and weekend workers, job rotation programmes, the Axpo talent league, knowledge transfer programmes, and seminars for older workers' career development and retirement preparation. A job rotation scheme has been developed for people over the age of 50 years and the *Fit for the job* programme promotes health and well-being..

Agder Energi, Norway

Agder Energy Production (AEP) is a subsidiary of the group Agder Energy. AEP has a number of schemes to retain older workers, including partial pensions and additional holiday leave for older workers as incentives for them to stay in the labour market. The company has been very successful in reducing sickness absence rates based on an inclusive working life agreement and programmes of health and well-being. Specific measures include competence development schemes that contribute to retaining to older employees and trainee programmes for younger workers. The dialogue between management and unions has been very positive in helping to initiate an awareness of the causes of health problems in the workplace and what can be done to avoid them. The joint work has helped to strengthen the psychosocial working environment and physical health of employees.

RWE, Germany

The company considers the management of demographic change to be one of its key priorities. Examples of company policies include long-term personnel planning and retention programmes, training young adults, the systematic promotion of employees, and a programme of health and well-being. The company's 2007 *Demography Manual* includes recommendations for corporate culture, human resources development, flexible

working conditions and health promotion. One innovative approach has been the development of a method for assessing the potential of employees by comparing employee skills with job requirements. The company is able to identify necessary action and initiate special personnel development measures early on. RWE has a method for anticipating future staff shortages through an IT programme that simulates the ageing process both for the workforce as a whole and for each professional group and location.

Statkraft, Norway

The company considers the ageing of the workforce to be a significant challenge. The company has introduced a comprehensive approach to recruit and retain workers of all ages and in particular to retain older workers. This has taken a life-cycle approach, in areas such as attracting and retaining younger and older workers and detailed workforce planning. It includes a human resources policy for older workers, flexible working hours and work-life balance, a seniors training programme, a bonus programme for older workers who have reached the top of their salary scales, a trainee programme for new recruits, workplace health and well-being programmes, age neutral recruitment, programmes for knowledge transfer and lifelong learning initiatives for older workers. The introduction of knowledge based workforce planning has enabled the company to have a clear and detailed picture of staffing requirements across the company.

Endesa, Spain

Endesa has a global programme on diversity and a new human resources policy. In the next 10 to 15 years a significant number of senior executives and middle managers in the company will retire. The company recognises that there is a significant challenge ahead in developing management and leadership skills. From a technical perspective knowledge management is a critical challenge in some of the core business activities, for example, in engineering and generation. The company is developing programmes for transferring knowledge and for managing the motivation and engagement of older workers. Talent management, leadership development, knowledge management, recruitment and innovation are the main challenges identified by the company. The company has a new talent management strategy that has been developed for all employees and forms that basis of performance management and development. The talent model includes a life-cycle evaluation that identifies the future skills needs of different groups of workers.

ČEZ group, Czech Republic

ČEZ has developed a number of programmes to support and attract new workers, particularly graduates for future employment in the power industry: ČEZ Potentials is a programme to attract graduates in key projects across the company; and Bachelor is a programme to attract graduates in nuclear power engineering. The company has competitions for gifted students, including a competition of scientific projects for high school students, a competition of scientific projects in energy field for university students, and the ČEZ Prize, a competition of diploma thesis. A further programme is focused specially to attracting young people to study nuclear power and includes the development of a 'Nuclear leaving exam' and 'Summer University of Temelin' for high school students. The company provides schools with materials, lectures and student debates about energy to popularise energy matters.

Suez Group, France

The merger between Suez and Gaz de France has provided an opportunity for unions and management in Suez to raise a number of new issues in the area of social responsibility and social dynamics. The union side highlighted a number of important issues related to

age management in equality and diversity, and employment and qualifications. A Medium Term Human Resources plan was drawn up in 2006 with a view to attracting younger workers, to improve knowledge management and the sharing of knowledge between employees. The company has signed two specific agreements with trade unions on Equality and Diversity, and a European Agreement on the Employment and Expertise Plan (GPEC), which aims to improve the management of employment and skills, while also anticipating future changes in occupations. The emphasis is on preventative management in the areas of knowledge and learning, forecasting change and improving the employability, recruitment and career development of older workers.

Section 2: Age management tools

Section 2 of the Toolkit gives practical tools and guidance that can be used by electricity companies covering: the recruitment and retention of older workers, health and well-being, attracting younger workers, flexible working time, exit and retirement policies, and the role of the social dialogue between employers and unions.

2.1 Recruiting and retaining older workers

New human resource management tools and specific initiatives are necessary if companies are to promote age diversity and recruit and retain older workers. The Toolkit provides guidance on a number of measures and practical examples of initiatives that companies implement.

Age friendly recruitment practices

Recruiting older workers can help to ensure that company's services are responsive to a diversity of customers, and particularly to the needs of an ageing population. Older workers often hold skills, experience and knowledge not held by younger applicants, and for this reason should be highly valued for their actual and potential contribution.

Good practice measures include job advertisements that promote age diversity and the removal of age limits to recruitment in advertising; interviewing and selection procedures that focus on skills, competencies and experience of interviewees and the needs and requirements of older applicants; and recruitment campaigns that target older workers.

Lifelong learning, training and developing the skills of older workers

The workplace of today is characterised by rapid changes in work processes, customer demands and work practices. To keep abreast of these changes employers and employees must be committed to lifelong learning in order to keep ahead. Learning should be a normal part of everyday working practices and older workers should have opportunities for training and skills development as part of a culture of lifelong learning across the whole of a person's working life. Putting a priority on the training and development needs of older workers can help to overcome the skills deficits that result in many older workers taking an early exit from the labour market.

Good practices can include the removal of age barriers to training and development programmes; innovative training methods and supports that are relevant to older workers; employee development schemes; data collection on the participation of older workers in learning and development; training that is facilitated by and that draws on the skills of older workers; and age sensitisation training for human resources practitioners.

Career development of older workers

Developing structured career and succession planning is a new challenge for many companies. Career development needs to take a flexible, life-cycle oriented approach if older workers are to be retained. By developing methods of professional career planning, the changing needs of older employees can be linked into workable solutions that help older workers to stay in the workforce and benefit from career development.

Good practices include specific career development policies for older workers; career development interviews; courses in new technology for older workers; and utilising the skills of older workers in career development and mentoring programmes.

Job rotation and redeployment of older workers

Providing opportunities for older workers to sustain their employment will help companies retain older workers in jobs that meet their capacities and promote employability. This can be an effective tool in job and skills matching when companies face reorganisation and restructuring. Job rotation and redeployment can be used to reduce workloads and minimise the effects of stressful, monotonous or repetitive work tasks, to enhance job security for older workers, and provide opportunities for skills development.

Good practices include the development of company job rotation and redeployment programmes and monitoring the effects of job rotation and redeployment programmes on the retention of older workers.

Knowledge management and knowledge transfer

Electricity companies are increasingly recognising the need to identify the holders of business-critical knowledge and to develop new knowledge management retention tools and processes, as well as ways to promote informal knowledge sharing, and measures to access to expert knowledge of employees who have already retired. Many of the new methods of knowledge management can be captured in a culture of the ‘learning organisation’.

Good practices include innovative ways to retain, manage and transfer knowledge; the use new technology in knowledge management; and mentoring programmes.

Planning for the correct skills mix

Achieving the best and appropriate skill-mix requires effective workforce planning and a focus on age diversity. While hiring new employees is important to any organisation, it can be equally important to retain older employees and invest in their training and development. Age diversity can help organisations to be dynamic and innovative.

Good practices include identify skills needs through workforce planning; age diversity in work teams; retaining older workers and develop their skills to match future skills needs; and recruiting new talent.

Managing and promoting age diversity

Having a diverse workforce has many benefits for companies seeking to recruit and retain the most talented workers. A central element of diversity is the recognition and valuing of difference in its broadest sense. These means creating a work culture and workplace

practices that recognise, value, respect and harness the contributions and talents of all for the benefit of the individual and the organisation.

Good practices include the promotion of an organisational culture where older and younger workers work together on projects; awareness training for managers on age diversity issues; systems for intergenerational cooperation and knowledge sharing and a culture that values work experience and learning.

2.2 Health and well-being of older workers

Health and well-being in the workplace

Good practices in age management include those that enhance health and well-being, on the basis that healthy working practices and health promotion at work benefits all workers. Health and well-being in the workplace are central to realising the potential of all workers, reducing the costs of sickness leave and early retirement related to ill health, and to enhancing productivity.

Good practices include identify health risks and health promotion activities as part of an overall strategy; the establishment of working groups on health and well-being in the workplace; workplace health checks; healthy eating and hydration programmes in the workplace; and fitness at work programmes.

Workplace design and occupational health

Creating age-conscious workplace design and occupational health are essential to improving job satisfaction, working conditions and to retaining older workers. Redeployments of older personnel so that they work in jobs that are suitable to their physical capabilities and that utilise their skills and competences, needs to be carried out in consultation with occupational health personnel, employees and trade unions.

Good practices include the effective distribution of work tasks; analysis of workplace and job design; and redeployment courses for older workers.

2.3 Flexible working time and work-life balance

Many older workers express a preference to work flexible hours, in some cases this can be shorter working hours, partial retirement, changes in shifts, longer periods of leave, job rotation, reductions in overtime or additional work responsibilities. Flexible working hours can be the key factor in retaining staff, achieving company goals and having a productive, motivated and satisfied staff.

Companies that have a flexible approach to working hours often have fewer staff taking sick leave and a more skilled and committed workforce, and thereby improve the company's overall productivity and competitiveness. Flexible working hours has benefits for organisations and employees.

Good practices include company-wide flexible working time policies; a company culture of work-life balance; working time credit schemes; flexible retirement; specific schemes for older workers in stressful or heavy work; training for managers on how to manage flexible working time; and workplace surveys of working time preferences of workers.

2.4 Measures to recruit and retain younger workers

Recruiting younger workers

In the future electricity companies will need to be proactive in searching for new talent. Today's companies recognise the importance of attracting, recruiting and retaining the best talent. Employers of choice are those that have put in measures to successfully recruit and retain people from a wide 'talent' base. This means having the best people with high-quality skills and in the right place at the right time.

Good practices include enhancing the interest among young people in schools and colleges, for example, by giving presentations in schools and colleges and at careers fairs; informing young people of career opportunities, whilst emphasising that the company welcomes applications from a wide diversity of young people; recruitment days, outreach activities and taster sessions for young people; and trainee programmes.

Creating a workplace of the future and making the workplace attractive for younger workers

Forward-looking employers are those that are one step ahead. By addressing age diversity in core business functions will enable electricity companies to benefit from a higher quality workforce, an improved retention of staff, and recruitment from a wider pool of talent and skill. A key issue is that electricity companies need to consider how they can become more attractive and improve their image.

Good practices include developing internships in companies for students; graduate trainee programmes; summer schools; sponsorship of students; competitions, prizes and awards; work-study and work experience programmes; providing attractive working conditions, on the basis that there is a 'people first' culture in the organisation.

2.5 Exit and retirement policies: preparing older workers for retirement

Older workers leaving the labour market

Companies have an important role to play in helping to prepared older workers for their exit from the labour market and retirement. While redundancy and early retirement have been used as a tool in restructuring programmes, some companies have been considering alternatives that include the redeployment or retention of older workers.

Good practices include preparatory courses that help provide older workers with a range of options; counselling for workers who have taken early retirement or redundancy; assistance in finding a new position or in taking up a new training programme; social events that help retired workers to stay in touch with former colleagues; opportunities for older workers to retire flexibly when exiting the labour market; and advice on opportunities after retirement, including part-time work or voluntary work.

Flexible forms of transition and retirement

Older workers may wish to continue to work on a temporary or consultancy basis in order for skills and knowledge to be transferred to younger workers. Flexible forms of retirement are particularly popular with older workers in some countries, particularly because they enable older workers to gradually reduce their working hours as they approach retirement. Utilising the skills and experience of retired workers, for example, in providing temporary or holiday cover, can have benefits for retired workers and companies.

Good practices include providing opportunities for older workers who have retired to be included in a company ‘knowledge pool’ on the basis that their skills and knowledge can be called on when needed; and including retired workers in consultancy, advisory and mentoring schemes for younger workers. Opportunities can also be developed for temporary work, for example, to provide cover at busy times or to provide cover in the vacations, and for keeping retired workers up to date with company policies and developments through a company network or newsletter for retired workers.

2.6 The role of the social partners and the social dialogue

The Toolkit shows the benefits of trade unions and employers working together in partnership and through the social dialogue to develop, implement and monitor age management policies and strategies. Many of the companies that have participated in this project have recognised the key role that trade unions and employers play in jointly developing projects, policies and strategies on demographic ageing. Trade unions and employers have to find solutions to demographic ageing, including new policies on pay, pensions and training, while also ensuring that they do not discriminate against older workers. Partnership working requires there to be a shared commitment to the objectives, goals and success of the organisation. A key outcome of partnership working is the achievement of joint solutions.

Good practices include raising awareness in unions of union age diversity policies and those of their confederations; and ensuring that older people and younger people have a voice in union decision-making bodies, particularly where there are discussions about major change programmes, changes in shift patterns and the organisation of work.

2.7 Ten point plan for successful age management in the electricity sector

In summary the following ten point plan provides an overview of the main elements that will contribute to successful age management policies and practices in the workplace.

1. Plan for a systematic, integrated and comprehensive approach to age management.
2. Promote age awareness through training and development of senior managers, human resources practitioners and managers, line managers, employees and trade unions.
3. Make visible senior management commitment to age management and champions for change.
4. Take a preventative approach across the life-cycle by focussing on all workers.
5. Enhance working conditions for older workers.
6. Involve older workers in the planning of age management strategies and initiatives.
7. Link age diversity to company equality and diversity strategies.
8. Develop age management policies, procedures and policies through the social dialogue and through cooperation between unions and employers.
9. Communicate and provide information across the company on age management.
10. Carry out internal and external monitoring and evaluation of the effectiveness of age management policies.

Glossary of terms

Age management: the management and development of programmes, policies and procedures that address demographic change in the workforce, and that are designed to achieve age diversity in the workplace, the recruitment and retention of older and younger workers, knowledge transfer, and health and well-being.

Age diversity: the development of a workforce with a diversity of age groups on the basis that inter-generational knowledge and experience can enhance creativity and innovation.

Age equality: the promotion of equality on the grounds of age on the basis that older people are not discriminated against in the labour market. Age equality also intersects with other grounds of equality, such as race and ethnicity, sexual orientation, disability and gender.

Life-cycle approach: this enables companies to consider the needs of workers at all stages of the working life-cycle, so that their career development, support needs and skills requirements can be planned for effectively. Using this approach companies can plan for demographic change in more systematic ways.

Section 1: Demographic change in the electricity sector: making the case for age diversity

This section of the Toolkit provides an overview of demographic change across Europe and in the electricity sector, with information about how an age management approach can be developed in a comprehensive way. It discusses the main challenges facing the electricity industry in Europe and why age diversity and age management are critical to the future competitiveness of the industry.

This is discussed under the following headings:

- 1.1 Introduction to the Toolkit
- 1.2 The challenge of demographic change in the electricity industry
- 1.3 Demographic change in Europe
- 1.4 Introduction to age management
- 1.5 Managing an ageing workforce: developing a comprehensive and integrated approach in the electricity industry

1.1 Introduction to the Toolkit

“Future economic growth, competitiveness and efficiency will increasingly depend on how effectively employers can utilise their ageing workforces”.
European Foundation for the Improvement of Living and Working Conditions (2006:1)

This Toolkit provides practical tools and resources to assist the managers and the social partners in developing comprehensive and practical approaches to workforce change in the electricity industry.

This is particularly important as the European Commission has projected that an ageing population will result in an overall shortage of 20.8 million people of working age by 2030 (European Commission 2005). A survey carried out of electricity companies to inform this Toolkit has also shown that for a large number of companies managing an ageing workforce and promoting age diversity are identified as being major priorities for the future of the industry.

The Toolkit aims to provide guidance to electricity companies about how they can manage and respond to these challenges, particularly within a framework of social partnership. Demographic ageing will impact on markets and sectors in different ways, for this reason there will be no one solution to the challenge. As a result the Toolkit will show how a planned approach can include a range of options for consideration by the social partners.

Objectives of the Toolkit

The objectives of the Toolkit are:

- To enhance the management of demographic change in the electricity sector using a life-cycle approach.
- To provide practical guidance to the social partners, managers and leaders in the electricity industry on how to improve the management of demographic change and age diversity.
- To show good practices on age management covering areas such as recruitment, skills development and knowledge transfer, the attractiveness of the sector to new recruits, equality of opportunity for older workers, retention of older workers, working conditions and working time, health and well-being, occupational health, and social partnership.

This section (Section 1) provides an overview of demographic change across Europe and in the electricity sector, with information about how an age management approach can be developed in a comprehensive way. It discusses the main challenges facing the electricity industry in Europe and why age diversity and age management are critical to the future competitiveness of the industry.

Section 2 provides practical tools and guidance for the social partners in the electricity sector. These cover recruiting and retaining older workers; health and well-being; attracting younger workers; flexible working time; exit and retirement policies; and the social dialogue between employers and unions.

The Toolkit deals with a wide range of issues that the social partners, strategic decision-makers, human resource managers and line managers can use as practical guidance to enable them to develop comprehensive and strategic approaches to age diversity.

Many of the company policies being developed by electricity companies are affected by national legislation, national systems of social protection and retirement, which are often the result of ‘political’ decisions. While the Toolkit takes account of these in the presentation of company case studies in the electricity sector, it does not deal with political issues regarding national legislation, for example, in the areas of pensions and social protection. Rather it presents good practices that can be used as a basis for shared learning in the sector.

1.2 The challenge of demographic ageing in the electricity industry

“The need to improve the labour market participation of older people has gained heightened attention in recent years, especially in view of the significant demographic changes the European Union (EU) will undergo due to population ageing. Indeed, population ageing is one of the most important challenges facing the EU, posing a threat to its macro-economic performance and competitiveness. In this context, increases in participation and employment rates for older workers are essential to help sustain economic growth, reinforce social cohesion and the adequacy of pensions, and manage the rising financial burden on social protection systems”. European Commission (2007: 6).

1.2.1 Introduction

EURELECTRIC, EPSU and EMCEF have been promoting equality and diversity as a priority through the European Social Dialogue in Electricity. They have produced a previous Toolkit on Equality and Diversity, with a particular focus on gender equality¹. In this Toolkit on Demographic Change in the Electricity Sector we examine the specific issues that arise from demographic change in the electricity sector and show how age management strategies designed to promote age diversity are central to giving companies the competitive edge in their business operations. While age management is a relatively new area of development, this Toolkit shows that electricity companies are already developing strategies and policies on age management.

1.2.2 Age diversity and anti-discrimination

The management of demographic change and measures to promote age diversity are underpinned by European anti-discrimination legislation, which makes it illegal to discriminate against older workers. This is particularly important because many older workers experience age discrimination in areas such as recruitment, promotion and career development. Preventing age discrimination and recognising the positive benefits of equality and diversity on the grounds of age can have enduring business benefits for companies seeking to retain and develop older workers.

By virtue of the EU Employment Framework Directive (2000/78/EC) discrimination is outlawed on the grounds of age in employment, self-employment and occupation, vocational training and guidance, and in the membership of organisations. The social partners are encouraged to work in partnership to remove age barriers in job recruitment, training and promotion, and in removing negative stereotypes about older workers. Transposition of the Directive was set for 2003, although some member states were given an additional three years, and the new member states were given until 2007 to transpose the Directive into their national legislation. The Directive provides an important framework for removing age barriers and discrimination in employment and to promoting a work environment based on principles of equality.

¹ EURELECTRIC, EPSU and EMCEF *Equality and Diversity Toolkit* (2006) www.eurelectric.org

Age diversity is an integral element of company strategies and age management needs to be seen within the broader context of equality and combating age discrimination in the workplace. For this reason employers need to ensure that they comply with anti-discrimination legislation so that their policies, practices and procedures do not directly or indirectly discriminate against older workers.

“A growing number of European companies are adopting diversity and equality strategies not only for ethical and legal reasons but also for the business benefits they are expected to deliver. Among the most important of these benefits are enhanced employee recruitment and retention from a wider pool of high quality workers, improving corporate image and reputation, greater innovation and enhanced marketing opportunities”. European Commission (2006)

1.2.3 Evidence from electricity companies

This Toolkit has been prepared by the social partners in the European Social Dialogue in Electricity, represented by EURELECTRIC, EPSU and EMCEF, who have identified demographic change as a major challenge facing the electricity industry. A survey of electricity companies was carried out to inform the contents of the Toolkit, from which more detailed case studies were drawn up.

European Social Dialogue Committee in Electricity: Survey of electricity companies

The survey of 22 companies, from which more detailed case studies were drawn up, has helped to inform the Toolkit. (The case studies include: Vattenfall, Sweden; EON-Energie, Germany; Axpo, Switzerland; Agder Energi, Norway; RWE, Germany; Statkraft, Norway; Endesa, Spain; ČEZ, Czech Republic; and Suez, France).

In summary the results of the survey are as follows:

1. The extent to which companies are affected by demographic change

Twenty out of 22 companies responding to the survey stated that demographic change resulting from the ageing of the population was affecting their company. While some companies do not currently face major problems, all companies identified future challenges arising from demographic change, particularly in the next ten years. Sixty-eight per cent of Norwegian companies were affected in some way by demographic change. The Austrian electricity provider, Salzburg AG for Energie, Verkehr und Telekommunikation, stated that by 2015 more than 50 per cent of employees will be over 50 years, and 75 per cent will be over 45 years. Fortum Ouj in Finland stated that in the next eight to ten years the company will lose 40 per cent of its workforce.

2. The main challenges facing electricity companies in relation to demographic change

A number of challenges were identified by companies. The principal concerns were related to how companies can retain and hold onto the knowledge and experience of older workers, attract and recruit younger people, and develop the skills and competences of the workforce.

In summary the main challenges include:

- Managing an ageing workforce to ensure competitiveness and sustainability
- Valuing and retaining the skills and experience of older workers, transferring experience and knowledge from older workers to younger workers.
- Tackling age barriers and age discrimination in the workplace.
- Developing a corporate culture that promotes a strategic and comprehensive approach to age management.

- Ensuring that line managers are effectively trained to implement company policies and promote age diversity.
- Integrating age management policies and strategies into the social dialogue between unions and employers.

3. *Specific initiatives taken by companies in addressing demographic change*

Eighteen out of the 22 companies responding to the survey had carried out specific initiatives relating to demographic change. These ranged from specific age management policies being integrated into corporate and human resources policies, knowledge transfer programmes, talent management and skills development programmes for all workers, building age diverse workforce teams, specific programmes to recruit younger workers, health and well-being programmes, and flexible working initiatives for older workers.

Examples of initiatives include:

- In Etelä-Savon Energia Oy, Finland, the company is working towards being a healthy employer. Workers are able to voluntarily take an annual medical examination and the company has a number of measures to motivate people of all ages to take care of their health.
- In the Lithuanian company, JSC Elektromontuotojas, emphasis has been given to making the company attractive for employees. The company was awarded a prize in 2007 for being an innovative company. The company places a high priority on providing training to employees and adaptation programmes for young employees.
- In Fortum Oyj, Finland, the company has developed an extensive corporate wide Workforce Plan process, which is included in the business plan of each unit. It covers the age structure, number of people retiring, possible competence gaps, recruitment needs in each country and Business Unit.
- In Vattenfall Oy, Sweden, the company has built age diverse work teams to enable older people to transfer the branch knowledge while younger people will bring new educational knowledge, such as information technology and languages.
- ČEZ, in the Czech Republic, has developed several programmes to support new young workers and attract the interest of students to study energy for future employment in the power industry.
- Biomasse Italia Spa, Italy, emphasizes the importance of the continuous investment in the development of the human resources and in the professional training at operating and managerial level, and in management and technological fields. The company has developed a tutorship and mentoring project to facilitate the transfer of technical and managerial knowledge.
- Electricité de France has undertaken Branch-level collective bargaining negotiations on the extension of professional careers. In February 2008, a Branch Agreement was signed and new round of bargaining has now been initiated with trade unions to reach a Company Agreement. In addition, EDF has developed an Employer Brand to support the company's attractiveness as an employer for younger graduates and professionals.

1.2.4 Identifying the challenges

As restructuring, deregulation and technological advance in the electricity industry continue to gain momentum across Europe, electricity companies face unprecedented challenges that require new and innovative responses from the social partners. Having a competitive edge is directly related to the skills and capacities of the workforce. In particular, changing workforce demographics, typified by an ageing workforce and a

decreasing number of young people entering the workforce, has implications for the industry as it seeks to develop new strategies to address skill shortages and age diversity.

Managing an ageing workforce to ensure competitiveness and sustainability

Demographic change has become a major challenge for all European countries. Electricity companies increasingly need to accommodate a more age diverse workforce, including an ageing workforce in the future. The management of age diversity presents new challenges for companies who will need to adapt to demographic change if productivity, competitiveness and innovation, are not to be effected. A key challenge for employers is to find ways to retain the capability and competence of older workers for as long as possible. In particular this means ensuring effective intergenerational transfers of experience and skill so that competencies and knowledge can be retained and passed onto younger workers. In the past many companies relied on early retirement to manage changes. Today this is not an option for many companies. Successful strategies for age management recognise the importance of investing in the long-term in the training and health of the workforce.

Valuing and retaining the skills and experience of older workers

Organisations can benefit from the experience and skills of older workers in a number of ways. First, recruiting and retaining older workers can help to plug skills gaps, retain and maintain valuable skills, and provide continuity and valued knowledge as organisations embark on organisational change programmes and restructuring. Second, it can be cost-effective to hold on to older workers and develop learning and development programmes to retain and develop older workers skills and improve their health. Third, intergenerational knowledge transfers can provide an important impetus to increasing motivation at work and in providing challenges for older workers.

Age diversity: tackling age barriers and age discrimination in the workplace

Age diversity is an important element of age management. This is particularly important as some older workers face age stereotyping. For example, stereotypes include not being regarded as healthy or as competent as younger workers, not as flexible or open to change, or unable to adapt to new skills and challenges. Age discrimination can also take many forms, for example, excluding older workers from promotion and training, age limits in recruitment advertisements and refusals to hire older workers, reducing job responsibilities of older workers, encouraging older workers to retire early as a strategy for dealing with redundancy.

While some older workers may not be able to perform all of the tasks required of them, this does not mean that their skills, knowledge and competencies cannot be applied to other tasks. Breaking down age barriers does require a change in mindsets and this is as important to company culture as it is to the attitudes in the workplace to older workers. Age diversity has a number of benefits for organisations. By recognising the talents and experience of older workers, and having a balance of older and younger workers in the workplace, companies are able to respond more effectively to the competitive and restructuring challenges they face. Age diversity is closely connected to age equality, and as in the case of gender equality, there are clear benefits and a business case for equality and diversity for organisations that seek to be good practice employers that are able to recruit and retain the best and most talented workers.

A corporate culture that promotes a strategic and comprehensive approach to age management

Successful approaches to age management are those that are embedded in a corporate culture that recognises the importance of age diversity and the need to manage an ageing workforce. This requires a strategic and comprehensive approach to age management. An essential element of this is workforce planning and identifying future skills needs, and matching these to the existing workforce.

Ensuring that line managers are effectively trained to implement company policies and promote age diversity

Often the main barriers to implementing change can result from a lack of awareness amongst managers themselves. Line managers in particular play a key role in retaining and developing the skills of all workers, including older workers. Training managers so that they can respond effectively to the diversity of the workforce is crucial to the implementation of age diversity policies.

Integrating age management policies and strategies into the social dialogue between unions and employers

The social partners have a key role to play in age management and in forecasting future employment and skills needs. Many unions and employers recognise the importance of social partnership to successful age management strategies. There are a number of ways in which the social partners can contribute to these perspectives. Trade unions bring insights into worker's preferences, needs and priorities, they are able to assess how improvements in working conditions can be made to retain older workers, and they can provide important perspectives related to health and well-being, age diversity, equality and lifelong learning. Best practice approaches include the development of joint projects and initiatives between the social partners to test and develop new initiatives, collective agreements that are age-neutral and that are also responsive to the needs of older workers, and measures to forecast change and skills needs.

1.2.5 The need for age management policies

“[There is] a powerful economic imperative for age management in employment. It will no longer be possible for employers to bank on a sufficient supply of young workers: increasingly, they will have to confront the ageing of their existing work forces” (Naegele and Walker, 2006).

Age management policies will be important to electricity companies in the future as companies develop new strategies for managing an ageing workforce and in attracting a young workforce in order to be competitive and productive.

In the past electricity companies put in place strategies to reduce the workforce, rather than recruit new staff as a response to restructuring, and in some companies in Eastern Europe, this has continued to be the main strategy used. The result of this approach is that there are growing share of workers that are concentrated in older age groups. This has particular implications for some occupations and sectors, for example, those working in physically demanding jobs, who may find it difficult to continue working into their sixties.

The costs of not maintaining and enhancing the skills of the workforce could have implications for company profiles and competitiveness. Promoting age diversity by retaining older workers has become important to ensuring that workers are trained to keep ahead of technological changes, that their health, well-being and working conditions are enhanced, and the transfer of knowledge is more effective. It is also important that modern day employment practices create the conditions for meaningful employment. This applies to all workers, but particularly to older workers, as companies seek to recruit and retain the best workers.

The management of a diverse workforce is critical to effective human resources strategies. Line managers, in particular, play a key role in the decision making process of older workers as they approach retirement or in making decisions whether workers take up training or career development. Often attitudes to older workers are based on inappropriate stereotypes and discrimination. Research shows that older workers are as just as productive as and perform as well as younger workers. Older workers often use experience to offset any decline in physical or cognitive ability and they are as capable as any other age group of learning new skills. Indeed, it is a myth that older workers are not interested in their careers and self development.

Understanding the productive capacity of a worker is central to human resource management and in planning for future workforce skills. This is particularly important because there are no significant differences in job performance between older and younger workers. The capacity of workers to maintain productivity as they age is influenced by a range of factors including their occupation, working conditions and lifestyle. Because older workers have poor access to training to help them to deal with rapid changes in the electricity sector, productivity decline is often attributed to age rather than lack of training.

1.3 Demographic change in Europe

1.3.1 Data on demographic change in Europe

In many electricity companies the full impact of an ageing workforce will not be felt for another five to ten years, after which many companies report that up to half of their workforce will be eligible for retirement.

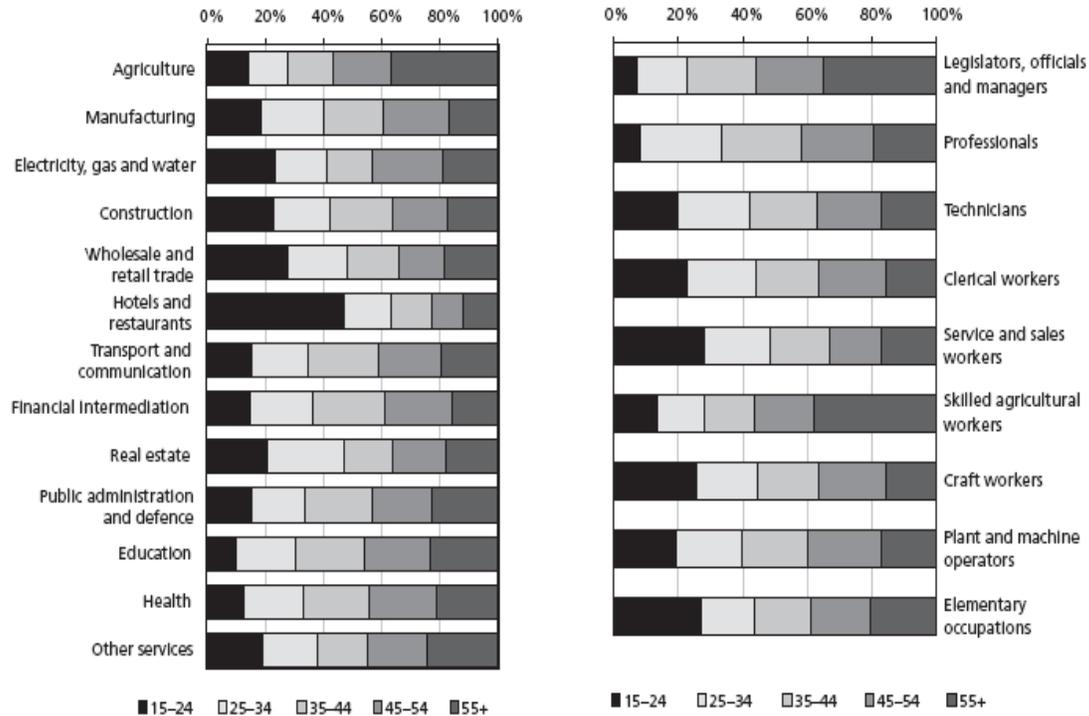
The European Commission's projection of an ageing population and of labour force shortages has resulted in a policy priority to increase the employment rates of older people. This has been an important element of the EU's Lisbon strategy and has continued to be a priority in recent European Union policies. While the employment rate of older workers has been growing in recent years, the European Commission argues that many more older workers would like to be working – in the EU 27 it was found that 7 per cent of economically inactive people between the ages of 55 and 64 years would have liked to work. Data also shows that older workers have benefited from the knowledge based economy with a higher skills profile in employment than in the past (European Commission 2007).

Some facts about demographic change in Europe

- Demographic change occurs because people are living longer. By 2030, the number of older workers (defined as those aged between 66 and 64 years of age) will rise by 24 million.
- In the next decade people over the age of 40 years will be the majority of the population in Europe, while in Germany and Italy, this will be 60 percent of the population. As a result there will be a significant shrinking of people of working age, while those over the age of 65 years will represent more than 30 per cent of the population the European Union.
- The total number of 50-65 year olds in the five biggest EU economies, representing two thirds of European GDP, will rise by 16 percent and those in their 20s to 40s will decline by nearly 10 percent.
- Average life expectancy has risen and the number of people over the age of 80 years will grow by some 180 per cent by 2050.
- This change is accompanied by a corresponding reduction in the fertility rate across Europe, which today is below the level that is needed to replace the current population, and lower numbers of younger people entering the labour market.
- The ratio of dependent young to older people of working age will increase from 49 per cent in 2005 to 66 per cent in 2030.

Figure 1 breaks down the findings of the 2005 European Working Conditions survey by sector and occupation. It found that just over 40 per cent of workers in the electricity, gas and water sector were over the age of 45 years, of whom just under one half were over the age of 55 years. Figure 1 also shows that older workers are more prevalent in managerial positions than in clerical, plan and machine operative, and craft occupations.

Figure 1: Age distribution of employment by sector and occupation



Source: European Working Conditions Survey, 2005

1.3.2 European Union policy measures on employment and demographic ageing

Policy measures developed by the European Union have stressed the importance of increasing employment rates of older workers in order to address demographic ageing and a reduced supply of younger people entering the labour market:

The 2003 European Employment Strategy, which aimed to create more and better jobs and the increasing labour market participation for all groups of workers, developed special measures to remove discrimination and barriers related to age. The Strategy refers to the importance of active ageing in the workplace and for measures to enable older workers to remain in the labour market for longer periods of time (European Commission 2003).

The Employment Guidelines, 2005-2008, highlighted the urgent need for measures to attract and retain more people in employment, to improve the adaptability of workers and enterprises, and to invest in human capital through better education and skills. Guidelines 17, 18 and 20 specifically addresses the need to increase the employment rates of older people and younger people, the need to promote a life-cycle approach that particularly targets younger and older workers, and the need for measures to match labour market needs with an ageing workforce (European Commission 2005).

Specific European Commissions reports have recommended that governments and the social partners take action on demographic ageing:

- The 2002 report of the European Council and the European Commission, *Increasing labour force participation and promoting active ageing*, has recommended that a life-cycle approach be implemented to enhance the participation of older workers in the labour market (European Commission 2002).
- The European Commission's 2005 Green Paper, *Confronting Demographic Change: A new solidarity between the generations*, recommends that new forms of intergenerational solidarity need to be achieved across the working life-cycle, in areas such as mutual respect and transfer of skills and knowledge (European Commission 2005).
- As a follow up to the Green Paper, the European Commission's 2006 Communication *The demographic future of Europe – from challenge to opportunity*, reiterated the importance of addressing the challenge of an ageing population and opportunities that arise from people having longer, productive lives in improved health (European Commission 2006).
- The European Commission's 2007 Communication *Promoting solidarity between the generations*, stressed the importance of intergenerational solidarity and better work-life balance that are based on equal opportunities. In particular, the Communication highlights the importance of increasing the labour force participation of women.

Targets related to increasing the participation of older people in the workplace have been established at three recent European Council's meetings:

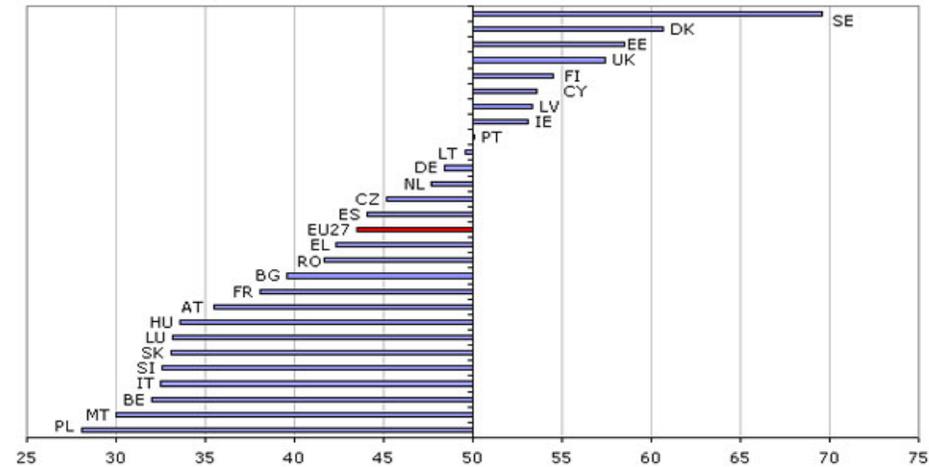
- The 2000 Lisbon European Council established the strategic goal for the EU of more employment, economic reform and social cohesion in a knowledge based economy. It recommended that the **employment rate should be increased overall to 70 per cent, and for women to 60 per cent by 2010.**
- The 2001 Stockholm European Council established an EU target for an **employment rate of 50 per cent of older women and men** (between the ages of 55 and 64 years) by 2010.
- The 2020 Barcelona European Council concluded that there should be a **progressive increase of around five years in the average age at which people retire by 2010.**

The number of people aged 65 years and over will increase by 52.3 per cent before 2030; at the same time, fertility rates are not expected to grow as employees reach retirement age (European Commission 2005). To accommodate this situation, the EU is committed to raising employment rates to over 70 per cent, which requires that member states introduce policy measures aimed at encouraging older workers to remain in employment. Older workers, however, face a number of barriers in the labour market. Older workers are often less well qualified, they may possess outdated skills and work in production-related industries, all of which make older workers more susceptible to unemployment.

Figure 2 shows progress made in achieving the European Commission's targets for increasing the labour force participation of older workers, between the ages of 55 and 64 years, to an employment rate of 50 per cent. Only eight out of 27 countries (Sweden, Denmark, UK, Estonia, Finland, Ireland, Cyprus and Portugal) have reached or had gone beyond the target, while some countries had only reached a 30 per cent target (Italy,

Malta, Poland, Slovakia and Slovenia). Nevertheless, compared to younger people, older workers accounted for around one-third of the rise in employment between 2004 and 2005, whereas employment rates of younger people have fallen significantly (European Foundation 2008).

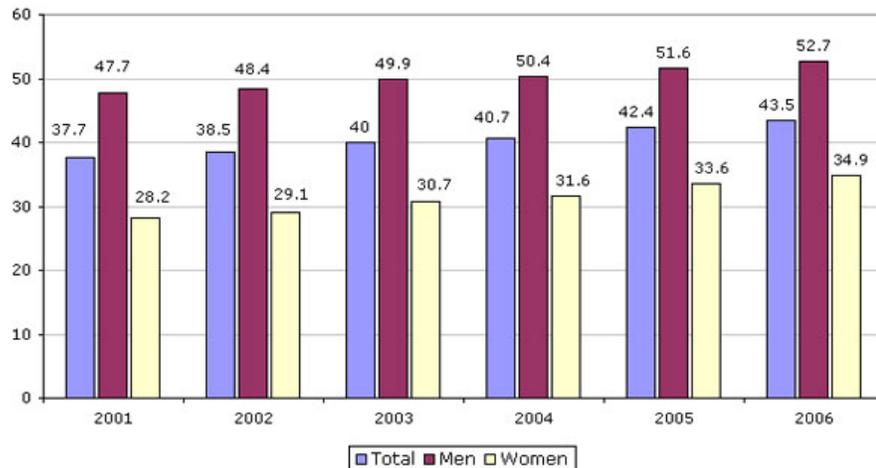
Figure 2: Employment rates of older workers, by country, 2006 (%)



Source: Eurostat, LFS main indicators, 2007

Figure 3 shows that between 2001 and 2006 the employment rate of older workers across the EU27 increased by 5.8 percentage points. Employment rates in the EU27 were 43.5 per cent in 2006, with an average rate of men of 52.7 per cent and of women of 34.9 per cent. Older women had a much lower employment rate, reaching 50 per cent only in Denmark, Estonia, Finland and Sweden.

Figure 3: Employment rates of older workers, by sex, EU27, 2001–2006 (%)

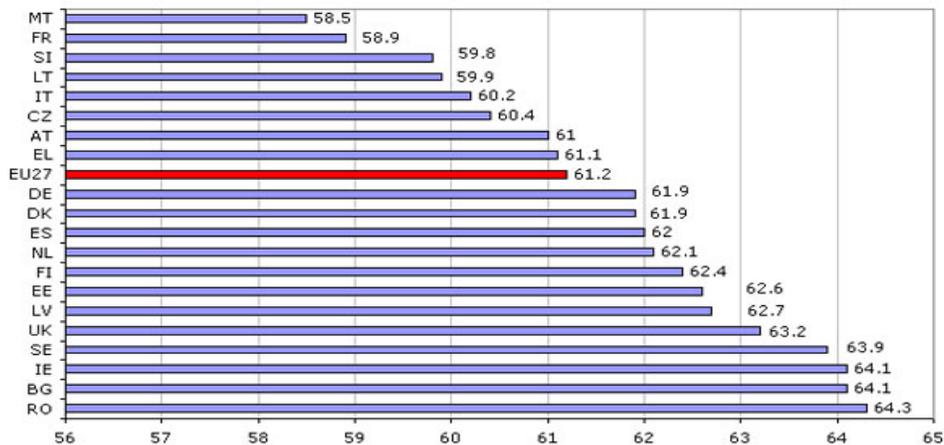


Source: Eurostat, Structural indicators, 2007

The 2002 European Council in Barcelona set the target of increasing the average exit age by five years by 2010. Figure 4 shows that in 2006 the average exit age from the labour force in 2006 in the EU27 were 61.2 years. There were differences between the member

states with the highest average exit ages found in Romania at 64.3 years, and Ireland and Bulgaria both at 64.1 years. Malta at 58.5 years and France at 58.8 years had the lowest average exit age.

Figure 4: Average exit age from the labour force, 2006 (years)



Note: No data for Belgium, Cyprus, Hungary, Luxembourg, Poland, Portugal and Slovakia. Source: Eurostat, Structural indicators, 2007

Survey evidence on demographic ageing

European Working Conditions Survey: working conditions of an ageing workforce (2008)

Analysis has been carried out of the working conditions of older workers, based on data from the European Working Conditions Survey. The survey covered 31 countries in Europe in 2005. The report of these findings finds significant differences between younger and older workers:

- Older workers have less exposure to physical risks in the workplace, enjoy a higher level of autonomy and a lower level of work intensity, than younger workers. However, they are less likely to be involved in new organisational developments, and in participating in training and development.
- Outside of the workplace middle-aged workers have a higher level of responsibility for caring for dependent relatives than do younger workers; they also report a lower level of satisfaction with work-life balance.
- Job quality and job satisfaction are key factors in the sustainability of work and in retaining older workers in the labour market.
- Discrimination by age increases as people get older, with older women citing the most significant levels of discrimination in the workplace.
- In some countries there is a decline in earnings in the older age groups of workers (particularly significant in the UK, Ireland and Eastern European countries).
- Older workers are also found to have high levels of attachment to their work, have high levels of performance in their jobs, and good attendance at work.

Adeco Institute, Demographic Fitness Survey (2007)

The Adeco Institute's 2007 Demographic Fitness Survey of European companies suggest that companies need to improve their demographic fitness and to recognise the importance of this to business success. The survey of demographic changes took place in companies in Germany, France, the UK, Italy, and Spain. Companies ranked demographic change along with globalisation and technological progress as among the most significant challenges they face. However, the survey found that many companies still had a great deal to do in order to improve their readiness for demographic change. Many companies are affected by a skills shortage,

particularly of specialists in technology and engineers. The Demographic Fitness Index measures five factors that influence a firm's ability to leverage an ageing workforce: career management, lifelong learning, knowledge management, health management and diversity management.

European Commission survey on managing an ageing workforce (2006)

A study on age and employment provides examples of how some companies are beginning to address the issue of managing an ageing workforce. The report, based on 41 company case studies in 11 EU Members States, including the Czech Republic, Finland, France, Germany, Hungary, Italy, Lithuania, the Netherlands, Poland, Portugal and the UK, provides an overview of national developments and makes recommendations for maintaining older workers in employment. The report emphasises the importance of protecting older workers from redundancy while in employment, through ongoing training, in the context of lifelong learning, aimed at keeping employees' skills and knowledge up to date. The involvement and support of top management, human resources and line managers were considered essential for the success of age management policies in companies. Furthermore, policy-awareness activities, particularly in large companies, and the inclusion of employee representatives in company policy development were all deemed necessary.

1.4 Introduction to age management

1.4.1 Defining age management

Age management is a term used for practices designed to promote a comprehensive approach to tackling demographic change in the workplace. Good practice approaches in age management have been defined as measures that “combat age barriers and/or promote age diversity” (Walker 1999) and practices “to ensure that all employees can reach their potential, without being disadvantaged by their age” (European Foundation 2006).

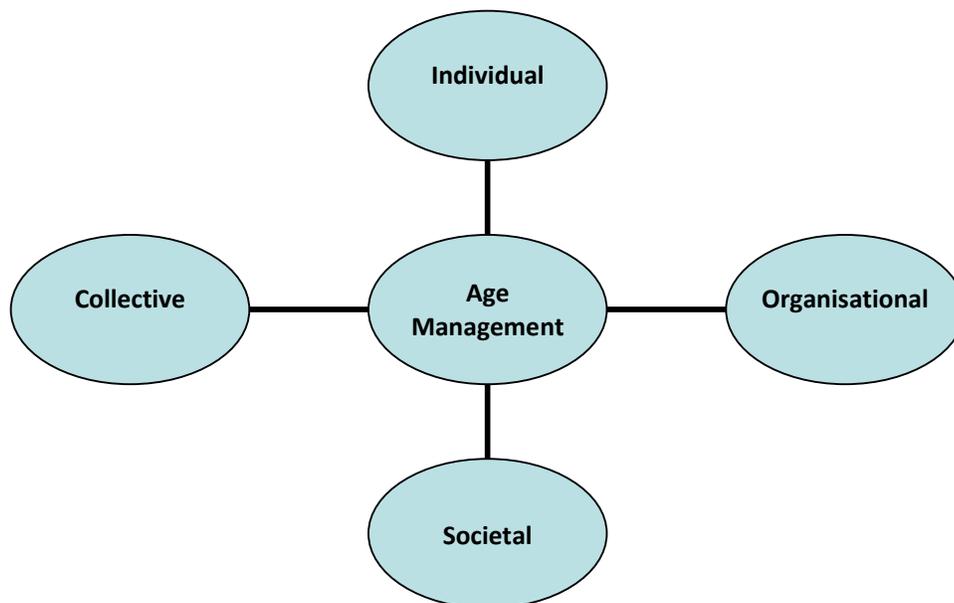


Figure 5: The different elements of age management strategies

As Figure 5 shows, age management strategies can be approached in a number of different ways: individual, collective, organisational and societal. These are described below as:

- **Individual:** these are strategies that focus on individuals and related to working ability, health and well-being, social relationships and the contribution that older workers can make to companies.
- **Collective:** these are strategies developed through collective negotiations and partnerships between unions and employers.
- **Organisational:** these are strategies that are drawn up at an organisational level and concern the retention of competence and labour, knowledge transfer, human resources practices and changes in work organisation and working time.

- Societal: these are strategies developed by governments that concern active ageing, improved health and well-being, reduced costs for pensions, health and welfare services.

Many of these approaches are overlapping, for example, individual, collective and organisational approaches may involve the social partners at different levels. Societal strategies also have a role to play in shaping how electricity companies respond to demographic ageing by setting retirement ages or in developing national approaches to skills development, lifelong learning or flexible working time.

Company case study: Vattenfall, Sweden

In Vattenfall age management is identified as a key strategic priority for the next decade. The company has focussed on issues such as retaining older workers, promoting workability and transferring intergenerational knowledge and competencies. An age management programme *Ageing Workforce Management Programme* has been initiated to support the increase in the pension age to 65 years in the company. The age management programme includes seminars for workers over the age of 57 years to enhance their competence and motivation to prolong their careers, a special programme (80-90-100) to reduce the workload and working hours of workers aged 58 years and over, leadership training for age and health management, the development of a Senior Resource Pool, which is a special structure for the reemployment of redundant older workers, and networking for managers and older workers (developed with the Finnish PWD-Technical Division in Helsinki).

Company case study: EON-Energie, Germany

EON-Energie is one of several business units in EON, with 90,000 employees in Germany and Eastern Europe. The company recognises the challenge ahead in relation to demographic ageing, particularly in the next five years, and are currently revising their human resources and other company policies and strategies to reflect this. The policies on human resources and demographic ageing have been developed in the EON group overall and in 2008 a *New People's Strategy* was agreed between the company and unions. This is the first human resources strategy for the group and it contains eleven strategic initiatives, two of which concern older workers. The first concerns the development of a tool for workforce demographics and planning. The second concerns the employability of older workers, especially those over the age of 50 years. The company also has developed a *Health Management Strategy* which aims to improve the health and fitness of employees irrespective of their age in order to enhance employability. The company's programme for knowledge transfer has been developed for employees over 50 years and they are currently drawing up a Toolkit on how to implement knowledge transfer. The company believes that the Germany system of co-determination between unions and employers has been vitally important to the success of human resources initiatives on demographic ageing. There has been good cooperation with the company's Works Council and the company believes that unless there is acceptance amongst employees, initiatives will not be sustainable in the long term.

1.4.2 The business benefits for companies taking a pro-active approach to age management

New challenges are facing the electricity sector in Europe. Restructuring and market competition have meant that companies have to consider a range of innovations that can contribute to their strategic development. Age management necessitates an integrated approach with actions across a range of areas, including changing perceptions of age, implementing measures across the entire working life-cycle, health and safety, and promoting links and cooperation between generations. Age management also requires there to be good working conditions during the entire life-cycle so that the potential of

the workforce is utilised and maximised. Managing the effects of an ageing workforce is a shared responsibility between the social partners.

The business benefits of taking a pro-active and strategic approach to age management and age diversity can be found in Figure 6.

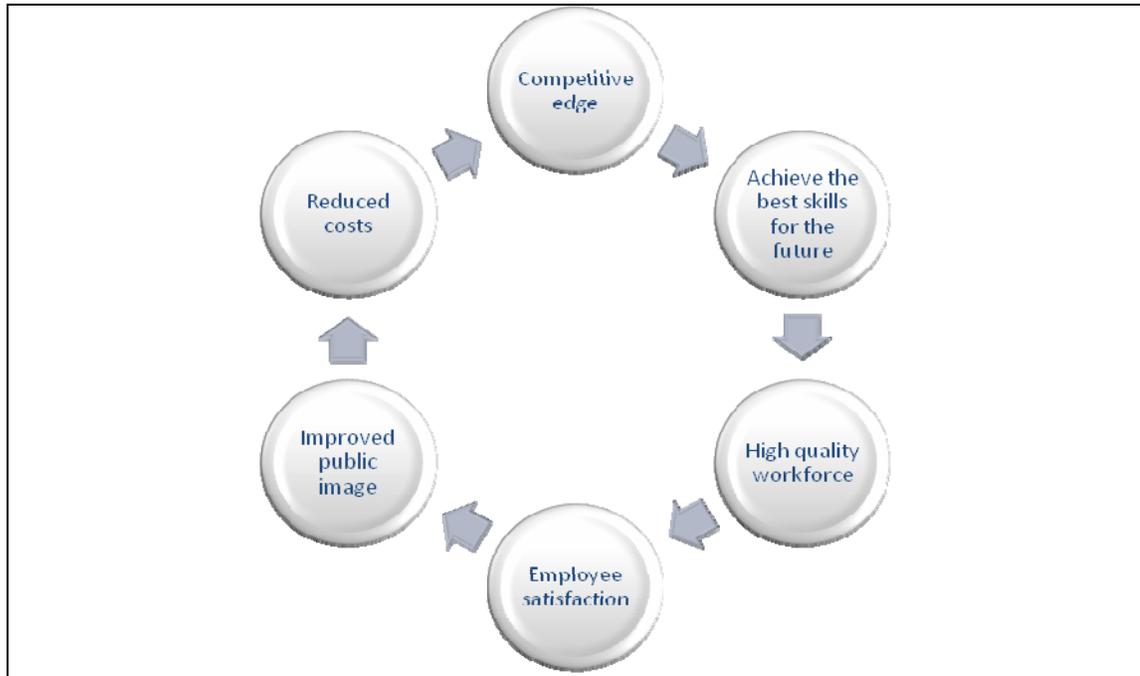


Figure 6: The business benefits of a strategic approach to age management

Maintain a competitive edge in a market driven industry

A planned approach to age management will enable companies to be forward looking and to thrive in a competitive global market. This will contribute to enhanced competitiveness, efficiency and reduced costs. This will also be the result of improved innovation, creativity and motivation of employees.

Reduced costs

Age management measures can be cost-effective, by reducing costs incurred in severance pay, lower absenteeism rates and a decline in staff turnover.

Create a high quality workforce

Creating a high quality workforce will be the result of measures to attract and retain the best and most talented employees of all ages.

Companies achieve the best skill mix and skills requirements for the future

Achieving the correct skill-mix and skills requirements for the future will ensure that the skills requirements needed for meeting new technological changes in the industry can be planned for. Retaining the skills, knowledge and experience of older workers will help to achieve the full utilisation of skills across companies. In some cases this means that jobs are redesigned so that they accommodate the needs of ageing workers. Integrating older

workers in the workforce through sustainable and healthy work environments will also help to enhance retention and motivation.

Companies have an improved public image

The profile and corporate reputation of companies are enhanced so that they are viewed as employers of first choice. This means having a dynamic public image that offers challenging careers to young people and to attracting the best and most talented people will result from a strategic approach to age diversity. Customer benefits and satisfaction will also be enhanced if the workforce reflects the customer base.

Improved employee relations and employee satisfaction

Improved employee relations and employee satisfaction are often the outcomes of social partnership in the workplace; this can help to enhance loyalty to the company, improve working conditions, and which in turn can result in better retention of staff and lower rates of absenteeism.

Examples of different country initiatives

In Austria, there are different approaches taken to age management in different markets and sectors. The initiative *Arbeit und Alter*, funded by the Chamber of Labour and the Austrian Federation of Industry, has supported and financed a number of projects dealing with age-diversity at the firm-level.

A project on age management: *The Different Stages of Life as a Management Challenge* has been developed as a training project to enhance the workability and employability of older workers. The project is a part of The Finnish National Programme for Ageing Workers and is run by the Finnish Institute of Occupational Health (FIOH). The project aims to improve *age knowledge* by raising awareness of the potentials, capacities and opportunities of older workers; to develop *age attitudes* by introducing measures to support the use of the ageing workforce, and to implement *age strategies* through human resources policies and good practices; and to enhance *age know-how* through management training programmes.

<http://pre20031103.stm.fi/english/tao/publicat/manyfaces/themanyfaces.pdf>

In Sweden, concerns about future labour shortages have resulted in the government funding two Age Management intervention programmes for the public sector. The goals for both programmes are to reverse the trend of long term sick leave and early retirement. The Age Management training and professional support programme provides a mentoring programme for middle managers, with a focus on work ability and to create age-friendly work organisations. A close cooperation between the social partners is seen as essential to this.

In Norway, recent pension reform has been a response to the ageing population. The government plans to introduce a scheme, from 2010, for flexible retirement which can be taken from the 62 years up to 75 years of age. It is proposed that an employee can, if they choose, draw a pension from the age of 62 years, whilst also working full-time or part-time. The reform represents an important incentive to continue working, while working flexibly.

A recent campaign to get people working longer was recently launched in Norway “win-win”: www.vinnvinn.org. In addition, an agreement between the social partners and the government (IA-avtale) has had an influence on the policies of electricity companies. The agreement has established three goals: to reduce sick leave, increase average retirement age and include people with long-term disability in working life.

In Norway, the Centre for Seniorpolitikk has been established to make individuals, companies and politicians aware of the benefits of adapting in the workplace to the needs of an ageing

workforce. By promoting research, through awareness campaigns and by forging links with the Workers' Union, the Employers' Association and politicians, the Centre encourages a broad range of activities that aim to reverse the growing trend towards early retirement. www.seniorpolitikk.no

1.4.3 Enhancing work ability and job quality over the life-cycle: European perspectives

Work ability is central to the quality of work and the retention of older workers in employment. It concerns health, professional competences, work content and working conditions. Sustaining work ability means finding a balance between work and personal resources such as health, professional competence and values over the life-cycle (European Foundation 2007). At different stages of a person's working life their personal resources and the working environment in which they work will change, for example, because of changes in technology, company restructuring or arising from the effects of the ageing process. If older workers are not able to maintain a good balance between their personal resources and working environment then they are likely to leave the labour market at an earlier stage than those that sustained their work ability, with appropriate working conditions and work content. Job quality is therefore central to the retention of older workers. This was a priority established by the 2000 Lisbon European Council, and is key a key element of the Employment Policy Guidelines, 2005-2008, established by the European Council in 2005.

The European Commission currently assesses progress in job quality through a set of indicators that are considered to be key elements of job quality that are relevant to age diversity. The Commission has reported that although there has been some progress in achieving these indicators there is still room for improvement. They include:

- Skills, lifelong learning and career development;
- Gender equality;
- Health and safety at work;
- Flexibility and security;
- Inclusion and access to the labour market;
- Work organisation and work-life balance;
- Social dialogue and workers' involvement;
- Diversity and non-discrimination;
- Overall work performance.

A quality **of work and employment model** has been developed by the European Foundation (2007) based on analysis of the European Working Conditions Survey. These criteria are relevant to consider as a framework for age management and the management of an age diverse workforce. There are four key elements to promoting the quality of work and employment for older workers:

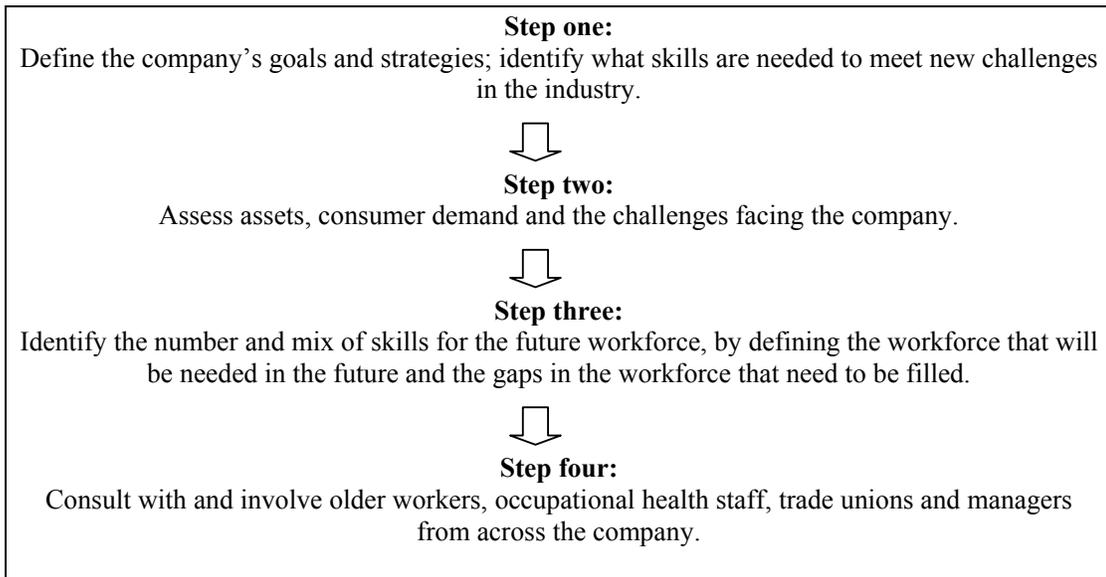
- Ensuring career and employment security;
- Maintaining and promoting the health and well-being of workers;
- Developing skills and competence;
- Reconciling working and non-working life.

1.5 Managing an ageing workforce: developing a strategic and comprehensive approach in the electricity industry

1.5.1 Introduction

“A comprehensive approach to age management transforms the ageing issue into a litmus test for the quality of the entire range of HR policy measures, encompassing all aspects of HR from recruitment to employment exit”. (European Foundation for the Improvement of Living and Working Conditions, 2006: 23)

There are a number of ways that electricity companies can develop a strategic and comprehensive approach to age management. As this section shows, managing a diverse workforce has become increasingly important to the business case as electricity companies in a competitive market. There are four main steps for achieving a strategic and comprehensive approach to age management, as set out below.



These four steps mean that companies can move from reacting to challenges as they arise and are forward looking in taking advantage of future opportunities. Part of this approach requires there to be awareness raising and training for managers and team leaders on age related issues so that they recognise the importance of integrated and comprehensive approaches, as well as how individual solutions are linked into overall strategic objectives.

Company case study: Xpo, Switzerland

Xpo Holdings is an electricity company with around 4,000 employees, and is the parent company to four companies covering information technology, distribution, energy production and sales. These four companies all operate different policies and practices regarding age management. The company is experiencing a significant ageing of the workforce – the impact of which will be particularly dramatic in the next fifteen years. The company has introduced a range of programmes to assist and retain older workers in the workplace. It recognises that in the coming years it will be essential to develop more policies in this area as the situation will develop

dramatically in the future. Axpo recognises that with an ageing workforce it is necessary to retain staff and to listen to what they want in the workplace. The company has two objectives in their human resources strategy: to retain older workers and to recruit the best young people into the company. The company has found that their employees tend to stay working for them for an average of 5-10 years and as a result finding ways to retain staff in the long-term has become central to the company's comprehensive approach in its human resources strategy. Examples of initiatives developed on age management include: flexible working hours for older workers, programmes for night and weekend workers, job rotation programmes, the Axpo talent league, knowledge transfer programmes, seminars for older workers' career development and retirement preparation. The company has a system for the internal representation of employees, which has worked very well. There are between three and five meetings annually where employees and managers exchange views and possibilities. Employee representation is coordinated through the offices of a workplace President, Deputy-President and Secretary.

1.5.2 The benefits to companies of taking a strategic and comprehensive approach

The benefits of a strategic and comprehensive approach to age management in electricity companies are that:

- Age management is integrated into overall corporate strategies, human resources frameworks, leadership, workforce planning and measures for attaining the best skills-mix for the future.
- Age management become part of the overall company culture and this can enhance the acceptance and buy-in of measures by the workforce overall as well as commitment from line managers.
- Age diversity becomes a central objective of corporate culture, enabling companies to recognise the added value of age diversity to their competitiveness and profitability.
- Age management strategies are more likely to be successful and sustainable, particularly if they take a life-cycle approach.
- Age management becomes a central element of trade union and company negotiations, which in turn enhances the relevant and acceptability of initiatives.

Company case study: Agder Energi, Norway

Agder Energi is a company in the south of Norway with more than 1,100 employees and more than 150,000 customers in the region. The Group is undergoing a process of continuous industrial business development, moving from the traditional energy sector to being an industrial group, with customers throughout Norway. There are a number of schemes that have been put in place to retain older workers, including the introduction of partial pensions and additional holiday leave for older workers as incentives for them to stay in the labour market. The company has been very successful in reducing sickness absence rates to 3.8 per cent of total working hours in 2006. This is put down to a programme under the IA (inclusive working life) agreement, which has been successfully implemented. The Group's new HR strategy has been drawn up to reflect some of the new challenges faced by the company and the need to have sufficient skilled staff in the future. This has included competence development and schemes that contribute to retaining to older employees. The company recognises that there is a high level of competition for the best staff, and the company has put in place new measures to recruit and retain employees. The Group has also contributed to a successful trainee programme, in which young graduates are given a unique opportunity to complete a trainee period of a total of 18 months with the enterprises that participate in this scheme. The Trainee Sør project is managed by Agder Energi and has had a positive impact on the recruitment of young, well-educated employees.

1.5.3 The different elements of good practice in age management

Developing a **strategic and comprehensive** approach to age management requires companies:

- To be strategic and forward looking;
- To develop policies, procedures and practices that are comprehensive and integrated;
- To take a holistic approach that encompasses all elements of age management;
- To focus on the prevention of age related problems;
- To take a life-cycle approach;
- To present age diversity as a positive element of equality and diversity;
- To model good practice.

Leibold and Voelpel (2006) identify the five main areas where organisations need to develop policies and actions in order to contribute to a comprehensive approach to age management. These are managerial mindset, knowledge management and learning, health management, work environment and ergonomics, and human resources management.

1. **Managerial mindset:** This can be approached in two ways. The individual employee's mindset regarding work and also the organisation's perception of older workers. This means shifting organisation's mindsets so that they value the contribution of older and more experienced employees. This also means developing an understanding of older workers specific needs, for example, by allowing older workers to reduce their working hours as they approach the end of their working lives. Allowing workers to take on new roles and responsibilities, for example, in a consulting role can be an excellent way to retain older workers and also hold onto their skills and knowledge.
2. **Knowledge management and learning:** This deals with older employees' ability to learn and organisations ability to retain and transfer knowledge. The central objective is to retain knowledge and facilitate intergenerational knowledge, know-how and skills. Examples of this are matching junior managers with senior managers in knowledge sharing workshops and meetings, establishing mentoring programmes between older and younger workers, putting in place job rotation programmes across companies and between companies are ways to reduce monotony of work and transfer knowledge.
3. **Health management:** This deals with the preservation and strengthening of the physical performance of older employees. Many companies have introduced health management into their age management programmes in order to alleviate health problems faced by older workers. Organising health and fitness programmes in the workplace, along with health education and training can help to enhance worker's well-being at work. Regular health checks, including prevention of some of the physical problem faced by older workers, such as repetitive strain injury or back problems, can be prevented through job rotation programmes and appropriate job matching so that employees have work that is suitable to their physical capabilities and training.
4. **Work environment and ergonomics:** deals with the implications for organisational environment and ergonomics with regard to the ageing workforce. Work performance with regard to work environment and ergonomics is particularly relevant for older workers. They can prevent health problems and ensure that workers can effectively perform their work tasks. Often workplaces are designed for younger and physically fully capable workers and often they do not meet the needs of an older workforce, e.g. height adjustable workplaces etc.

5. **Human resource management:** adaptation and implementation of human resource management tools to face the challenges of an ageing workforce. Examples are career development opportunities, mentoring as a tool for succession planning, flexible and phased retirement.

Examples of good practice approaches taken by different companies to age management include:

- Measures to encourage active ageing at work through initiatives to alleviate stress placed on older workers who work shifts or experience high pressures at work.
- Age specific knowledge to enhance the capacities of older workers by turning tacit knowledge into explicit forms of expertise, while also ensuring that older workers have access to training programmes that enhance their training and development.
- Sustainable work-environments that includes comprehensive and holistic approaches to human resources practices and occupational health. Healthy working environments can help to increase personal productivity, and provide working conditions that are motivating, challenging and satisfying. They can help improve physical and mental health and enhance capabilities.
- Flexible working time models that enable older workers to work to schedules that are suitable to them, thereby retaining them in the work place.

Company case study: RWE, Germany

The energy company RWE considers the management of demographic change to be one of its key priorities for competitiveness in the European market. In the next seven to ten years substantial numbers of employees will retire. This has posed a significant challenge in the company particularly as they have found it difficult to recruit sufficient new young talent and retain staff in the long term. Work life balance and improving career opportunities for women are also gaining significance as a result of the change in demographics. As the 2007 RWE Annual Report states: “Excessive ageing, a declining population and the lack of budding professionals: these are the buzzwords that describe our society’s demographic change. The upshot is substantial risks for the German economy—not only in the distant future, but today as well. RWE is rising to these challenges”. The company has a number of comprehensive human resources policies centred on long-term personnel planning and retention, training young adults, and the systematic promotion of employees in order to achieve the correct skills mix for the future, to recruit new young talent, to retain older workers, and to enhance health and well-being of older workers. The priorities established by the company in its 2007 ‘Demography Manual’ include recommendations for corporate culture, human resources development, flexible working conditions and health promotion. One innovative approach has been the development of a method for assessing the potential of employees on the basis that many employees have “multi-level potential”. The objective is to promote talent by identifying individual strengths and weaknesses. By comparing employee skills with the job requirements, the company is able to identify necessary action and initiate special personnel development measures early on. At the same time, this tool puts the company in a position to identify personnel-related risks and take countermeasures where necessary. RWE has initiated a number of projects and has joined with other companies the ‘demographie network’ which is an initiative of the Germany Ministry of Labour and social Affairs and the Initiative for New Quality at Work.

Companies are under threat of losing important knowledge when workers with expertise retire. This means that companies will have to develop integrated, relevant and appropriate human resources strategies such as knowledge transfer, retirement and

retraining programmes, sustainable training and development and appropriate workplace design.

A strategic and comprehensive approach to age management is one that considers and plans for all of the aspects of an organisation's roles, functions and operations in relation to age management. The most effective approaches to age management are those that are integrated and comprehensive, that are preventative, that anticipate problems and barriers, and that focus on a life-cycle approach to the working lives of all age groups. A comprehensive approach can include issues such as work organisation, training and development, employability, working time, human resources policies, job tasks and organisational changes that take account of different age profiles in the organisation. A strategic approach is one that anticipates change that looks ahead and plans in the long term so that problems arising from demographic ageing are prevented at an early stage. This means that all parts of the organisation work around a strategic approach to age management.

Successful age management needs to concentrate on all aspects of the life-course and it should aim to include and empower all workers. The underlying rationale is that the policies benefiting older workers have a long term effect on companies by creating sustainable jobs that can match the skills needs of companies in the long-term. Changing ideas and perceptions towards older workers is central to successful age management. In order to bring about a change in perception and awareness at the all levels it will be important to raise awareness about demographic ageing by creating positive images and role models of older people.

Company case study: Statkraft, Norway

Statkraft has a total workforce of 2,287 employees, 39 per cent of whom are over the age of 50 years. The average age of employees is 46 years. The company considers the ageing of the workforce to be a significant challenge. The main challenge is to have enough qualified employees at the right time and in accordance with strategic needs. This requires adequate workforce planning. It is especially blue collar workers with a certificate of apprenticeship who will be the biggest challenge, and the company will lose significant numbers of staff in this area from 2012. The company has introduced a range of initiatives to recruit and retain workers of all ages, and in particular to retain older workers. There has been a comprehensive approach to demographic ageing, taking a life-cycle approach, in areas such as attracting and retaining younger and older workers and detailed workforce planning. It includes a human resources policy for older workers, flexible working hours and work-life balance, a seniors training programme, a bonus programme for older workers who have reached the top of their salary scales, a trainee programme for new recruits, workplace health and well-being programmes, age neutral recruitment, programmes for knowledge transfer and lifelong learning initiatives for older workers. The introduction of knowledge based workforce planning has enabled the company to have a clear and detailed picture of what is needed (regarding staff numbers) for all types of positions and technological skills in the different plants. Statkraft is one of the more popular companies for newly qualified technology and commercial students. The company's popularity has increased from number 82 in the country six years ago, to number 15 in popularity in 2008.

Company case study: Endesa, Spain

Endesa has developed a global programme on diversity and a new human resources policy that includes the development of policies on age management. In the next 10 to 15 years a significant number of senior executives and middle managers in the company will retire. In the company some businesses are beginning to realise that they have a serious problem of an ageing workforce coupled with problems in attracting and recruiting younger people. One issue is that older workers are also seen to be blocking opportunities for promotion for younger workers. The

company considers this to be a key area where the unions can work closely with the company and assist in the development of a long term perspective. The company sees a significant challenge ahead in developing management and leadership skills, and from a technical perspective knowledge management in some of the core business activities, for example, engineering and generation. Several years ago the company made a decision to end the possibility for workers to take early retirement, making it a requirement for workers to stay in employment at 60 years. This has led the company to develop programmes for transferring knowledge and for managing the motivation and engagement of older workers. Talent management, leadership development, knowledge management, recruitment and innovation are the main challenges identified by the company.

Endesa has identified six key areas in their human resources strategy that aim to promote age diversity: attraction of new talent; diversity and equal opportunities in training, career development and promotion; knowledge management and the need to have a pool of workers who receive training and knowledge from older workers; build the talent in the company, by attracting, integrating and training workers in the core business; develop effective systems of promotion in order to retain and develop the best staff; and develop the efficiency and performance of the company by enhancing the skills and knowledge of staff.

Section 2: Age management tools

This section of the Toolkit provides a range of practical tools and guidance for the social partners in the electricity sector. They are discussed under the following headings:

- 2.1 Recruiting and retaining older workers
- 2.2 Health and well-being
- 2.3 Attracting younger workers
- 2.4 Flexible working time
- 2.5 Exit and retirement policies
- 2.6 Social dialogue

2.1 Recruiting and retaining older workers

This section provides information and guidance on specific human resource management tools and initiatives that can be taken to recruit and retain older workers. It will show the benefits of the different measures and will provide practical examples and case studies.

- Recruitment of older workers and age friendly recruitment practices
- Lifelong learning, training and improving the skills levels of older workers
- Career development of older workers
- Knowledge management and the transfer of knowledge
- Job rotation and redeployment of older workers to new positions
- Planning for the correct skills mix
- Diversity management

2.1.1. Recruitment of older workers and age friendly recruitment practices

Recruiting older workers brings a number of benefits to an organisation, particularly in enabling organisations to benefit from age diversity in work practices. As electricity companies face new and changing customer demands, older workers can help to ensure that company services are responsive to a diversity of customers, and particularly to the needs of an ageing population. Older workers often hold skills, experience and knowledge not held by younger applicants, and for this reason should be highly valued for their actual and potential contribution. Older workers may also hold skills that are easily adapted and developed to the benefit of new organisational and business demands. In this sense older workers can help to raise the skills profile of the workforce and therefore contribute to innovation, productivity and change.

Statkraft, Norway

Statkraft has no age limit on its employment. Recently the company employed a very skilled employee with a specialist background at the age of 63 years. In the company employment in the 50s is not unusual, although the majority of employment is of people in their 30s. The company has placed a lot of emphasis on measures to promote age diversity, knowledge transfer and the retention and recruitment of older workers.

What can electricity companies do to promote the recruitment of older workers?

The following are some human resources practices that can be put in place to ensure that companies promote age diversity and recognise the value and contribution of recruiting older workers:

Job advertisements

Ensure that job advertisements promote age diversity. This can be done by removing age limits to recruitment in advertisements for jobs and making a statement in job advertisements that older workers with relevant experience are encouraged to apply.

Interviewing and selection

Review interview methods and if necessary bring in specialists to participate on interview panels so as to ensure that interview questions do not focus on age. Promoting age

diversity means focussing on the skills, competencies and experience of interviewees, as well as giving attention to the needs and requirements of older applicants.

Target older workers

In some cases it may be relevant to consider how older workers can be targeted in recruitment campaigns, for example, specific recruitment and advertising that is aimed at older workers. In some cases companies may consider targeting their advertising to older workers who have been made redundant or who or who are in involuntary retirement.

Non-discrimination in recruitment and selection

Ensure that your recruitment and selection processes are free from discrimination, by checking the language and assumptions contained in recruitment policies and practices. Make a positive statement in your written recruitment and selection policies about the value of age diversity in the company.

Offer terms and conditions of employment that accommodate older workers needs

Offering terms and conditions of employment, such as flexible working hours, that accommodate older workers needs should be set out in job advertisements and in selection procedures. Highlighting these issues will be important to attracting older workers who may be seeking to work flexibly or who may wish to work in a position that gives them a different work profile than they had in previous employment.

Facts about age friendly recruitment practices

According to the European Foundation for the Improvement of Living and Working Conditions there are a number of 'age friendly' recruitment practices that can benefit companies: "For 'age friendly' recruitment to work, a number of preconditions must be met. An open-minded approach to recruitment is required: this presupposes an underlying 'age-neutrality' on the part of the recruiting organisation. This, in turn, demands an assessment and selection procedure that is exclusively occupational and task-related; if necessary, outside assistance from specialist employment and consultancy agencies may be called in. For the older employee who has just joined, special orientation or other support facilities may be required: in some cases, offering flexible working hours to newly appointed older workers has yielded positive results. It is also important to make clear to existing employees that they too can benefit from the recruitment of older colleagues. Therefore, they should not perceive the new appointments as competition, but rather as an enhancement of the company's economic opportunities – or in the case of a public organisation – it chances of success". (2007: 9)

A report from Taleo Research and The Age and Employment Network (TAEN) (2006), urges UK companies to address the looming skills shortage and capitalise on the ageing workforce by changing their approach to recruitment. *Tapping into the older worker talent pool* suggests that despite demographic trends UK organisations still have significant biases and misconceptions about recruiting older workers. The authors argue that practical recruitment strategies that take advantage of the growing talent pool of older workers will be increasingly relevant to maintaining a competitive workforce. Skills-based recruiting and e-recruitment technology promote wide access to job roles, and implement a compliant skills-based recruiting process. Specific advice includes considering where you are advertising your job opportunities, word your job opportunities carefully, capture candidate data on compliant, electronic application forms, drive the selection process based on skills and consider re-skilling or up-skilling of new or existing employees.

2.1.2 Lifelong learning, training and developing the skills of older workers

The workplace of today is characterised by rapid changes in work processes, in competition, in customer demands, and in work practices. To keep abreast of these rapid changes employers and employees must be committed to lifelong learning in order to keep ahead. Learning should be a normal part of everyday working practices, whether this is formal, informal or structured learning. Learning needs to be relevant, engaging and compelling. Employees who are active participants in learning are more likely to be active, loyal and to progress at work.

The increasing reliance on technology and performance-based requirements in companies requires more regular updating of skills so that workers can keep abreast of change and develop their skills. As the workforce ages the training and development of older workers is key to providing the correct skills mix in an organisation. Enabling and supporting all workers to update their skills and learning may require companies to put in place targeted programmes of training and development of older workers. This is particularly important because many companies find that older workers do not participate in large numbers in training and development activities and may have missed out on opportunities in the past.

Providing older workers with opportunities for training and skills development is an important element of good practice in promoting a culture of lifelong learning across the whole of a person's working life. And, as many forward looking companies now recognise, training is now an integral part of employee's career paths. Putting a priority on the training and development needs of older workers can help to overcome the skills deficits that result in many older workers voluntarily or involuntarily taking an early exit from the labour market.

What can electricity companies do to promote the training and development of older workers?

The following are some of good practices in the area of training and development that can be put in place as part of an overall human resources strategy to enhance the contribution of older workers and retain them in the workforce.

Make training and development an integral part of the company culture

It is critical that training and development becomes a central part of skills and career planning for all employees. Investing in training and development will be more important in the future for companies that want to retain their competitive edge. It is important that this is linked to an individual employee's life-cycle, and the needs and requirements at different stages of their working lives. Taking a life-cycle approach to training and career development will also help to establish the centrality of training and development for all workers and this can help to improve the willingness and motivation to participate in training development as employees get older.

Remove barriers to training and development programmes

In some cases companies may have written or unwritten practices that set age limits on the participation of workers in company training and development programmes. Removing these is a first step. A second step is to ensure that older workers know that training and development opportunities are open to them. In some cases this may need a change in the mindset of a manager or team-leader so that they inform older workers of training and development opportunities, and encourage their participation.

Put in place training methods and supports that are relevant to older workers

In some cases older workers may not be interested in and motivated to participate in training and development programmes because they are seen to be ‘for younger workers’. Companies can play an important role in motivating and encouraging older workers by demonstrating that training programmes are relevant and adapted to the needs of older workers. Consideration should be given to the training methods used and the support that can be provided during training and development programmes.

Develop innovative methods of learning and development

Being innovative in the way that programmes of learning and development are organised can help to encourage participation from all age groups. Organising learning in the workplace so that younger and older workers can work together in learning teams can help to promote skills sharing, learning and development. This can be organised informally and formally, for example, through study groups, work-based learning or workshops. It may also be important to provide incentives to increase the effective participation of all age groups in learning activities. This can also be linked to processes to keep older employees’ knowledge up to date, as well as individualised formal and informal learning programmes that are tailored to the specific needs of older workers to enhance their professional, social and personal skills.

Employee development schemes

Many companies offer employee development programmes that support the development of skills, leisure, social and other interests outside of the workplace. These programmes can help to maintain company loyalty and to provide employees with incentives and motivation to improve their overall learning, health and well-being. They can include an annual budget allocated to each employee for adult education classes, sporting and leisure activities, as well as the subsidisation of programmes of university and college courses.

Collate data on the participation of older workers

It will be important for companies to collate data on the participation of older workers in training and career development programmes and the outcomes of these programmes. If it is found that older workers are not participating, measures should be put in place to redress this.

Analyse skill needs as a basis for training and development

An important element of planning for the training and development needs of older workers is for the organisation to carry out an analysis of skills needs and skills-mix requirements in the future. This analysis can form the basis for forecasting the training needs of older workers and matching them to future skills requirements. This is an essential basis for making future plans for training and development programmes.

Carry out regular training and development assessments of employees

One of the reasons that older employees do not participate in training and development programmes is that their needs have not been assessed. Regular training and development assessments should be carried out with the full participation and consultation of employees. One way to achieve this is to draw up an annual training and development plan, in consultation with an employee, with an action plan of how the plan can be implemented in practice. This should be monitored on an interim basis with the employee, to review progress in achieving the actions set out in the plan.

Utilise older workers to facilitate training

Using the skills, knowledge and learning of older workers as facilitators and trainers can also raise the profile of older workers and shift the culture of an organisation. Valuing the skills of older workers in this context can contribute to the training of younger and older workers.

Provide age sensitisation training for human resources practitioners

Human resources practitioners and training departments need to be sensitised to the needs of older workers and to the implications of demographic change for their organisations. By taking a systematic and planned approach, the provision of training and development can be tailored to the skills needs of the workforce. Of importance is that older workers are also consulted about appropriate training methods.

Link training to programmes for job rotation and redeployment

As discussed in the section below on job rotation and redeployment, training needs to be an integral element of changes in job content and profile that are implemented through job rotation and redeployment programmes. Training can enrich people's working lives and provide more challenging and rewarding work, and also enable employees who have been engaged in heavy work to work in different positions. If job rotation programmes are to be successful and tailored to the needs of older workers then it is essential that training and development programmes are run in tandem.

The following checklist aims to get organisations assessing potential barriers experienced by older people in the workplace:

Checklist: assessing the barriers experienced by older people in the workplace?

- What are the main barriers that prevent older people from fully participating in the workplace?
- Have you consulted with older people to find out, from their experience, what are the main barriers?
- Do older workers have the same opportunities for training, promotion and career development as younger workers?
- Is there age diversity in your organisation i.e. a balance of older and younger workers?
- Do older workers benefit from flexible working hours?
- Do your recruitment policies and procedures create barriers for older workers? Are your policies age neutral?
- Are older workers able to and encouraged to apply for promotions and new positions in your company, including opportunities to change their jobs so that they are more suitable to older workers needs and requirements?

Endesa, Spain

Endesa has a new talent strategy that has been developed for all employees and forms that basis of performance management and development. The talent model includes a life-cycle evaluation that identifies the different needs of different groups of workers. The company has developed a tracking system and a pilot project has been put in place to track high potential employees and technical experts, which has helped to put in place a knowledge management strategy. Data is broken down by age, gender and function. A single information system has been developed for human resources and this has helped the company to develop a strategy and a basis for identifying skills needs for the development high potential staff and technical experts for the future. The competency model that has been developed works on the basis identifying and tracking where people are working and what roles they are performing in order to develop generic, technical or leadership competences. The key objective is to match skills with future workforce needs. The company collects data on age and gender and they do so to ensure that the processes of recruitment, development and training are open to everyone. The data has helped to show how different groups of people working in the company, including older workers, are taking up opportunities for development. For example, the company's data has shown that women tend to take people responsibilities in the age group of 35 - 44 years, whereas men peak in an older age group. This means that the company has identified women as a target group that the company should invest in. The company's leadership development programmes are open to all workers regardless for their age – even those approaching retirement; the company believes that this helps to improve age diversity and the skills and competences of older workers are developed.

The views of older workers in Endesa

As part of the development of the case study with Endesa, a meeting was held with four older workers, all of whom occupied senior positions in the company. The older workers identified areas in which the company could develop and retain older workers. The workers stated that the company does not treat younger and older people differently, however, they recognised that retaining older workers is a key challenge in the future. The following suggestions were given of the types of initiatives that electricity companies could put in place to enhance the retention, career development and motivation of older workers:

- Older workers need be informed about company policy on older workers and retirement as this affects how workers plan their career in the company.
- People need to have flexibility to change their jobs, job content and working hours in the company – this makes it possible for older workers to adapt.
- It is important to have the opportunity to take on different projects or activities in order to improve motivation. This is a very personal issue that is not always affected by age, but exists across the whole working life-cycle. This is affected by the level at which people are working.
- It is important to recognise and value the history and knowledge of older workers, so that the knowledge and experience can be transferred to others in the company. Older workers have a lot of history and experience to share and this can be utilised to help to explain the processes of change.
- Motivation is helped if the company demonstrates that it values older workers, for example, by encouraging older workers to apply for new positions.
- Older workers may need to be assisted to adapt to changes and new company cultures. One way to do this is to have age diversity in work teams and to promote the sharing of experience and values of older and younger workers.
- The personal life of older workers and younger workers is very important – there is a need to have flexibility and work-life balance.

2.1.3 Career development of older workers

Many companies are now developing structured career and succession planning that are linked to business needs; building age management into this is an important new challenge for many companies. The objectives of age management are to combine people's career development with a flexible, life-cycle oriented model of work in order to retain older workers and achieve a balanced age structure. In some cases older workers benefit from opportunities for alternative careers that are suited to their own professional development and age requirements.

Improving the career development of older workers needs to be seen in the context of the working life-cycle. By developing methods of professional career planning and succession planning, managers can help to accommodate the life-cycle needs and changes of older employees and provide workable solutions that help older workers to stay in the workforce and benefit from career development. In turn employees are also likely to be loyal and committed to the company if they are met.

What can electricity companies do to promote the career development of older workers?

Develop specific career development policies for older workers

As the workforce ages it has become important to develop policies and practices that promote the career development of older workers. In some cases career development can result in promotion, while in other cases it can result in a sideways move to a different but appropriate job. Both can be important to retaining older workers, and enhancing their motivation and performance. Central to the career development of older workers is that they carry out work tasks that utilise their experience and knowledge.

Carry out career development interviews

One way that the ambitions and needs of older workers can be accommodated is through the provision of career development interviews that identify career paths and career goals. This can help motivate older workers to make plans for career changes. Matching these with the relevant skills training can help to plug skills gaps, while also retaining valued employees.

Introduce courses in new technology for older workers

New technology has a key role to play in the retention of older workers; it is key to knowledge management and to adapting to changes in the workplace. Often competence in new technology is a job requirement and could be a challenge for an older worker. One way to overcome this is for companies to run information technology courses for older workers. For example, in one Norwegian electricity company special and compulsory information technology courses are run for workers over fifty years of age.

Axpo, Switzerland

Seminars are organised and run for workers over the age of 50 years in order to provide them with new challenges and possibilities in their working lives. The seminars tend to focus on brainstorming regarding possibilities and opportunities as well as the different options that could be discussed with managers. The seminars are a valuable opportunity for older workers and managers to exchange ideas. Since this programme was introduced three years ago, there has been a great deal of success in changing people's mindsets and providing them with opportunities to change positions and the way that they are working.

Utilise the skills of older workers in mentoring programmes

Older workers, particularly those that have had successful careers paths, can become valuable mentors for older and younger workers. Mentoring can provide role models, advice and valuable experience for older and younger workers seeking career development opportunities.

Consult with trade unions to help develop older worker's career and job changes

It will be important for human resources managers to consult with trade union to develop wage policies that are commensurate with skills and experience when older workers participate in job rotation and career development programmes.

2.1.4 Job rotation and redeployment of older workers

Providing opportunities for older workers to sustain their employment will help companies retain older workers in jobs that meet their capacities and promote employability. It can also be an effective tool in job and skills matching when companies face reorganisation and restructuring.

Ensuring that older workers have job profiles and work tasks that meet the requirements of the company and of the individual, is closely tied up with a preventative approach to age management, to the promotion of health and well-being and to the prevention of early exit from the labour market. Job rotation and redeployment can be used to reduce workloads and minimise the effects of stressful, monotonous or repetitive work tasks, to enhance job security for older workers, and provide opportunities for skills development.

If job rotation and redeployment programmes are to be successful they need to involve older workers in their design and implementation, they need to be properly planned and executed, and where necessary the appropriate training and development of older workers needs to be put in place. They are vital to new human resource development programmes that up-skill older workers and promote their career development.

Developing these programmes can be highly motivating for older workers, and they provide older workers with new challenges and possibilities to transfer their skills to new situations. It is crucial that job rotation and redeployment programmes do not de-skill older workers, rather the mindset should be that older workers can be empowered and motivated to take on new challenges in the workplace.

What can electricity companies do to develop job rotation and redeployment for older workers?

Develop a company job rotation programme

At a practical level job rotation programmes require coordination between different sections of the company, including occupational health and training functions. One way to achieve this is to ensure that older workers have opportunities to apply for new positions before they are advertised externally. A job rotation programme will need to be linked to career planning and development, and build in relevant and appropriate training and skills development to enable an older person to make a transition between on type of job and another. It will be important to invest in time and resources in matching older workers to new positions and in establishing and publicising internal job rotation programmes.

Develop an organisational-wide approach to redeployment

There are a range of relevant players that need to be involved in these programmes so as to promote the whole organisational approach to redeployment. These include company occupational health staff, trade union representatives, human resources practitioners, managers and team leaders. For example, this approach will help to ensure that redeployment is closely linked into occupational health and safety assessments.

Monitor the effects of job rotation and redeployment programmes

Monitoring the outcomes of programmes is important. Do these programmes help to retain older employees? Have programmes enabled older workers to enhance their skills and benefit from career development? Are levels of productivity and company loyalty enhanced? Are there improvements in health and well-being in the workplace? Have rates of sickness leave been reduced?

Develop methods for the participation of employees and unions

A key to the success of such programmes will be the effective participation of employees and unions. In some cases the development of agreements in the workplace between employers and trade unions will be an important for ensuring that redeployment is not used as a tool for cutting wages or deskilling older workers. In other cases it will be important that the participation of employees and unions highlights the role of job rotation and redeployment as a mechanism for occupational health and safety.

Axpo, Switzerland

A job rotation scheme has been introduced for people over the age of 50 years. This scheme allows people who want new challenges in the future to have access to new jobs and training in the company in order to keep and revive their interest in working. Taking on a new job or challenge has been important in giving older workers a new 'lease of life'. One way that the job rotation programme has been developed is through an internal policy change that requires all job openings to be publicised internally for fourteen days before they are go to external recruitment. This enables everyone in the company to get information and the opportunity to change their job if this is needed. Although the uptake of this scheme is relatively low it is hoped that in the future this can be used more extensively as a form of job enrichment. The company recognises that job rotation also requires the company to make some changes in the workplace and invest in some further education and training for those workers interested in switching jobs.

There are also opportunities for older night and weekend workers in these jobs to take a different job in the company if this is available, to avail of education programmes, and to act as consultants to special projects. The company provides for night and weekend workers, many of whom work in stressful and heavy work, with the opportunity to either take early retirement. The company offers financial incentives to enable people to retire early on the basis that the company understands that work in heavy and hard jobs merits people having access to a better life and early retirement.

2.1.5 Knowledge management and the transfer of knowledge

An ageing workforce means that organisations need to plan for retaining knowledge from older workers as they retire. This knowledge of contacts, clients, business processes and how to solve problems is often tacit knowledge and may not be documented in company records. Electricity companies are increasingly recognising the need to identify the holders of business-critical knowledge and to develop new knowledge management

retention tools and processes, as well as ways to promote informal knowledge sharing, and measures to access to expert knowledge of employees who have already retired.

Many of the new methods of knowledge management can be captured in a culture of learning. In particular, the ‘learning organisation’ concept brings the importance of day-to-day, informal and structured learning into one framework that supports the development and creativity of the company.

Older workers themselves can be retained to help new workers adapt to the working environment. Older workers represent an important knowledge pool, however, a loss of their knowledge and skills could be devastating for companies. For this reason intergenerational knowledge transfer and methods of retaining and managing knowledge will become more important in the future. Similarly a focus on business continuity planning in many companies has highlighted the need to document all different aspects of processes in a company.

Knowledge management is also closely connected to valuing the experience of older workers. Organisations can benefit from the experience and skills of older workers in a number of ways. In particular, intergenerational knowledge transfers can provide an important impetus to increasing motivation at work and in providing challenges for older workers.

Biomasse Italia Spa, Italy

The company emphasises the importance of the continuous investment in the development of the human resources and in the professional training at operating and managerial level, and in management and technological fields. The company has developed a tutorship and mentoring project to facilitate the transfer of technical and managerial know-how and knowledge, accumulated over time, to younger personnel with potential. This has had the effect of reducing the gap between the competences required by the organisation and those held by young people. In Biomasse Italia the "knowledge to do" programme attracts more and more talented young people, and there has been the development of a training centre called ‘BlueLab’ which has the role of transferring the best structured innovations and continuous learning through workbased learning projects and permanent work groups.

What can electricity companies do to retain, transfer and manage knowledge?

Introduce innovative ways to retain and manage knowledge

Create systems for retaining knowledge and creating knowledge communities or groups as practical ways to share knowledge and skills in the workplace. It will be important to assess the risk of loss of workplace specific and company specific technical knowledge if employees leave. Retaining knowledge is one of the most important reasons for creating age diverse team structures, these can share knowledge, increase awareness and enhance problem solving skills.

Use new technology

Technology also has a role to play in knowledge management and retention; companies can capture knowledge through knowledge management systems, for example, by using the company’s intranet system to share work space, documentation and projects, and by developing appropriate documentation through plans and templates to capture project learning and outcomes.

Develop methods for transferring knowledge to new recruits

Advance recruitment initiatives provide an opportunity for old and new workers to overlap. By doing this the older worker can pass knowledge on to the new worker and help to retain valuable knowledge. Hiring a new worker six months prior to the retirement of an older workers can provide the time to building skills and passing on valuable skills and knowledge. Older, retiring workers can act as mentors, supervisors and consultants to people taking up new positions.

Introduce mentoring programmes

Implementing a mentoring scheme can be an excellent way of promoting intergenerational knowledge transfers. Mentoring can enable older workers to support and develop trainees and new employees, as well as support older workers in working life-cycle decisions.

Statkraft, Norway

According to Statkraft managing an ageing workforce is part of their core business and a proactive approach to age management is considered to be a core value and social responsibility of the company. There is a strong business case for the transfer of competence since the older employee has a lot of tacit knowledge. The challenge is to encourage older workers to share this knowledge and to have systems for the transfer of knowledge. Older workers can be rewarded for their experience and transfer of knowledge through a bonus scheme – this particularly benefits older workers who have reached the top of their salary scales. The company emphasises the transfer of skills and competence. Directors (at Senior Vice President level) have to move away from their leadership position at the age of 62 years in order to let younger people take over. Workers at the age of 62 years remain in the company and can take on consultancy or advisory positions, and thereby play an important role in supporting and developing newer and younger employees.

Axpo, Switzerland

An important part of the company's human resources strategy has been to ensure that there are effective systems in place for knowledge transfer. When staff leave the employment of the company they often take with them valuable experience, learning and skills. In order to provide a smooth transfer of these experiences and skills the company has introduced a period of overlapping time so that when a new person is employed in the company their predecessor continues working for two years to enable the new person to have a good lead in time. Another way to promote knowledge transfer is to provide managers with consulting positions; the younger worker taking over their managerial position then has access to the older manager's skills and experience through the provision of consultancy advice. There has been a relatively small uptake of this scheme to date, but the company believes that these practices could become more important in the future.

2.1.6 Planning for the correct skills mix

Achieving the correct skill-mix for large and complex organisations that are changing rapidly presents many challenges in planning for the future. Achieving a competitive edge is essential as markets, competitive conditions and production processes change. For this reason achieving the best and appropriate skill-mix requires effective workforce planning and a focus on age diversity.

While hiring new employees is important to any organisation, particularly as this brings in new talent and new perspectives, it would be misplaced for organisations to rely on new employees to meet all future skills needs. For this reason it can equally be important to retain older employees and invest in their training and development. This is

particularly important as organisations go through change and by recognising that older workers have unique skills and qualities that they have gained through their professional and work-life experiences. Age diversity, as in other areas of diversity, can help organisations to be dynamic and innovative.

RWE, Germany

RWE has initiated a method for anticipating future staff shortages through an IT programme that simulates the ageing process both for the workforce as a whole and for each professional group and location. It works as an analytical tool to collect detailed, skills-specific data, and it also acts as an advance warning system that enables the company to identify trends as they emerge and take action in response to them. The possibility to carry out long-term forecasts of skills and labour shortages and surpluses has been a very positive development for the company. One example of the use of the programme is that some of those on traineeships at the lignite mines in the Rhineland were offered permanent contracts of employment. Another example is that the company can now predict the number of engineers it needs in the medium and long term, which makes it easier to identify the numbers of young people that the company needs to recruit at graduate recruitment drives.

RWE has developed a method for assessing the potential of employees on the basis that many employees have “multi-level potential” can make more than just one vertical career move within a manageable timeframe. A comprehensive potential analysis is the tool used throughout the Group to validate multi-level status. The process involves outside consultants, executives and human resources specialists from several RWE Group companies, who work as observers and appraisers. The objective is to promote talent by identifying individual strengths and weaknesses. This analysis of potential is then used as a basis from which development measures are organised. Participants with confirmed multi-level status are accepted into the RWE *Corporate Talent Programme* where they are promoted further. The company’s qualification management system is a tool that enables the company to record and control this data. Employees enter their qualifications into the system themselves, based on a group wide, uniform catalogue that includes all of the qualifications that are of relevance to the Group. In the future, a list of requirements will be drawn up for every position. By comparing employee skills with the job requirements, the company is able to identify necessary action and initiate special personnel development measures early on. At the same time, this tool puts the company in a position to identify personnel-related risks and take countermeasures where necessary.

How can electricity companies plan for the correct skills-mix for the workplace of the future?

Identify skills needs through workforce planning

Collecting data and introducing new methods for workforce planning will be important to forecasting future skills needs. There are a number of ways in which companies have achieved this. The examples from RWE in Germany and Suez in France give a flavour of an approach that has been taken to identify and forecast future skills needs.

Retain older workers and develop their skills to match future skills needs

As the discussions above on recruitment, lifelong learning and job rotation and redeployment have shown there is an added value to developing the skills and careers of older workers to match those of future company requirements. Training, development, support and assistance programmes will be necessary outcome of workforce planning.

Recruit new talent

It is important for companies to build a large base and pool of potential recruits (this is discussed in more detail in Section 2.4). While it is important to find new and creative

ways of holding onto older people's skills and knowledge, it will be important that the industry profile and image is attractive to younger and older people. This can be achieved by changing the image and profile of the electricity industry so that it is attractive to young people, for example, by showing that electricity is essential to society and has a commitment to environmental sustainability. A key challenge is to ensure that new jobs are stimulating, challenging and attractive to younger people and older people.

Suez Group

The merger between Suez and Gas de France has provided an opportunity for unions and management in Suez to raise a number of new issues in the area of social responsibility and social dynamics. The union side has highlighted a number of important issues related to age management in the area of equality and diversity, and employment and qualifications. The merger is expected to result in redundancies in companies in some parts of France and the company has been working with subsidiaries to find new jobs for employees who had been made redundant. This development drove trade unions to discuss with management an employment and expertise plan. Although the current position regarding the ageing of the workforce in the SUEZ group is not too bad in general, there are some specific problems in recruiting staff to some jobs, for example, in the area of technology. A Medium Term Human Resources plan was drawn up in 2006 to address these issues with a view to attracting younger workers and to improving knowledge management and the sharing of knowledge between employees.

Currently in France it is possible to take early retirement at the age of 55 years for people working in physically demanding jobs. However, recent reforms have meant that people retiring at 55 years have a reduction in their pensions because they lack a full contributions record. One of the issues facing the electricity sector is that people are likely to retire at a later stage, and it is anticipated that the company will need to introduce measures to retain older workers. The company is committed to discussing with trade unions measures to help people stay in the labour market after 55 years. The company has signed two specific agreements with trade unions on Equality and Diversity, and a European Agreement on the Employment and Expertise Plan (GPEC).

2.1.7 Managing and promoting age diversity

This section of the Toolkit has shown a number of ways in which the skills and experience of older workers can be harnessed and developed for company competitiveness. It has been shown that having a diverse workforce has many benefits for companies seeking to recruit and retain the most talented workers.

A central element of diversity is the recognition and valuing of difference in its broadest sense. This means creating a work culture and workplace practices that recognise, value, respect and harness the contributions and talents of all for the benefit of the individual and the organisation. Having a diverse workforce can also help to improve the image of employment in the electricity sector, improve productivity and work satisfaction and maximise human resources so that staff feel valued and reach their full potential. In addition, accommodating diversity in the workplace can be an important pre-requisite for providing services to the public.

Endesa, Spain

Endesa's diversity project aims to ensure that the company fully embraces diversity in all of its operations. A strong business case for diversity has been established and the company recognises that managing diversity is an imperative for leadership. The company has been through significant restructuring in recent years so that today is it a very complex and diverse company. Diversity is seen as both a leadership and a strategic objective that will be proactive and integrated into day to day operations. With changing demographics, tighter markets and a scarcity

of labour Endesa recognises that diversity will bring competitive advantage by reaching out to new markets by attracting, developing and retaining, and managing talent. Endesa's policy on the management of diversity respects and values diversity and the differences between people as a positive element and a fountain of organisational wealth which we want to manage respect and encourage within the framework of the values and organisation culture. The policy covers personal and professional development of employees, opportunities for learning and a greater capacity for employees to be productive, innovative and creative. Other elements cover Endesa's relationship to its shareholders, to the diversity of customers and to broader society through social responsibility to older people, women and minority ethnic groups in the community. The principles of the diversity policy state that diversity is a positive value and source of wealth for the organisation and that Endesa recognises and respects the differences between people and that managing them effectively allows for the maximum of development of people and their involvement in company objectives. The policy has a focus on three strategic areas: minority ethnic groups, women and older workers. The policy highlights the need for leadership and for persons responsible for promoting the policy, a communications plan, specific projects and resources for the implementation of the policy.

ESB, Ireland

ESB has a wide range of policies on equality across the nine equality grounds covered by the Irish Employment Equality Acts, one of which is age. An *Equal Opportunities and Diversity Policy* is directed to both customers and staff in areas such as respect and dignity in the workplace, recruitment and selection, career development and working time arrangements. New employees are given a copy of the policy and a DVD/video has been produced for training on equality issues.

Age management is integral to the management of diversity, the principle of which is that companies value the individual for what they offer, regardless of age or gender. Promoting age diversity means developing an organisational culture where older and younger workers work together on projects where each is able to actively contribute, and where they can learn from each other. While many electricity companies have developed diversity programmes that are targeted at improving the gender balance, particularly in non-traditional and senior positions, fewer have developed programmes of age diversity.

The management of age diversity can have some positive outcomes for companies, including intergenerational cooperation and knowledge sharing, a culture that values work experience and learning, appointments based on merit rather than age, improved staff loyalty, work satisfaction and performance.

Checklist: what should an age diversity policy include?

- A statement that age diversity is a core value for the organisation, and is part of a broader commitment to equality for all groups. This should state clearly how and why achieving age diversity is an important goal for the organisation. This can affirm the equal treatment of employees covering the grounds of gender, race and ethnicity, religion and belief, age, sexual orientation and disability.
- Include in your policy issues that can help to accommodate the needs of older workers, including the need for age-neutral policies on recruitment and selection, staff retention, progression, training and development, working time and flexible working hours, pay, rewards and benefits, harassment and discrimination against older workers, health and well-being, occupational health and safety, consultation and participation of unions, data collection and monitoring and reporting of outcomes, roles and expectations of managers and employees. It will be important to focus specifically on the needs of older women in the workplace.

Demographic Change in the Electricity Industry in Europe
Toolkit on promoting age diversity and age management strategies

- Provide explanations of how policies can work in practice with good practice examples in the areas covered in the policy.
- Set out clear procedures for implementing and monitoring the policy.
- Draw up your policy with full participation and involvement of older workers and unions. Not only does this ensure that you get the right focus to your policy but also that it will become easier to implement it in practice. This will help with disseminating information about the policy widely and getting the buy-in from staff.

2.2 Health and well-being of older workers

This section discusses how electricity companies can promote health and well-being in the workplace and prolong the quality of older people's working lives in two sections:

- The management of health and well-being in the workplace
- Occupation health and workplace design

2.2.1 The management of health and well-being in the workplace

Good practices in age management include those that enhance health and well-being. Not only will healthy working practices and health promotion at work benefit all workers, it will also help companies to reduce costs of absenteeism from ill-health or stress. The changing age structure in the electricity sector raises a number of challenges for companies in developing strategies on health management. This is particularly important as there is a close relationship between occupational stress and long-term health outcomes.

Health and well-being in the workplace are central to realising the potential of all workers, reducing the costs of sickness leave and early retirement related to ill health, and to enhancing productivity. In particular, healthy and active ageing at work are becoming more important for companies seeking to retain older workers and achieve a competitive edge. Studies have shown that one of the main reasons that older people exit the labour market early is because of ill health and/or stressful working conditions.

Increasingly electricity companies are recognising the importance of putting in place programmes of occupational health and safety, health promotion and prevention in the workplace in order to minimise health risks and optimise the quality of working life. These measures can enhance the health and well-being of the workforce and improve health status, reduce sick leave and health related early retirement. They can be the key to extending the working life of older employees. They also send a message that the company culture is one that values its workers and promotes good working conditions.

Older workers, and those working in stressful or heavy work, are also susceptible to common problems such as Repetitive Strain Injury and back pain. Resolving these problems in the workplace through prevention and health promotion will become increasingly important to the retention of older workers and to ensuring that all workers work to their full capacity.

Health and well-being needs to be addressed across the life-cycle, not just when health issues arise for older workers. Work related health problems often have their origins in earlier phases of the people's working lives. For this reason a focus on health promotion and the prevention of ill health for all workers is central to achieving health and well-being at work at all stages of working life. The participation of employees and trade unions is critical to this and older workers can provide valuable insights, knowledge and

experiences of how to resolve health related issues and promote healthy working conditions.

Managing health in the workplace not only addresses the needs of workers as they age, but also the needs of younger workers to maintain healthy lifestyles and working practices. Health management also covers sensitivity to workers ergonomic and physical needs – ranging from simply to complex changes - as well as more active engagement in employee health by promoting and encouraging ongoing health checks and consultations.

Health and well-being at work for women

The public service trade union, UNISON, has with public sector employers in the UK been promoting health and well-being for women workers experiencing the menopause. A guidance note suggests that the menopause is a workplace issue, however, employers do not always recognise this. In the UK there are around 2.5 million working women in their 50s, and 70 per cent of women of menopausal age currently attend work. Job design and equipment mainly relate to male workers. The guidance note highlights the ways in which the menopause raises health and safety issues for women, the problems involved in negative attitudes to the menopause in the workplace, lack of suitable risk assessments, lack of understanding and communications barriers. A report from the European Agency for Safety and Health *Gender issues in safety and health* finds that conventional approaches to health and safety and prevention and control of risks largely ignore gender differences.

What can electricity companies do to promote health and well-being at work?

Identify health risks and health promotion activities as part of an overall strategy

If health and well-being at work is to be taken seriously and addressed across the life-cycle then it is essential that health risks across the company are identified and reviewed regularly. As a starting point it is important to identify health risks in the workplace by carrying out an annual health risk assessment, which should be reviewed regularly in partnership with older workers and trade unions.

Establish a working group on health and well-being in the workplace

One way to develop a company-wide response is to establish a working group on health in the workplace with representatives from all sectors of the company, staff and trade unions. This can help to identify common problems and identify how these can be addressed through health promotion and prevention. In addition, companies can collate data on health issues through a dedicated employee survey on health in the workplace, or alternatively included health issues in regular employee surveys,. Consulting with staff and trade unions is important to identifying key occupational health and safety issues. Workshops, focus groups and working groups can be established for this purpose.

Workplace health checks

Provide regular voluntary health checks for all employees, with more regular health checks for employees over 50 years. In larger companies these can be provided by an on-site doctor or nurse who has knowledge of the workplace, of work tasks and of specific health risks in the workplace. These health checks can also form the basis on any adaptations that need to take place in the work place or in identifying and preventing future health risks. Some groups of workers may face specific or more enduring health risks, for example, those carrying out heavy work, shift and night work, or those that experience stressful working conditions. They may require specific programmes of health promotion and more regular health checks, including those that are gender specific. Workplace health initiatives should place an emphasis on health promotion and

prevention of ill health, in addition, to identifying and addressing underlying health problems faced by older workers.

Training of managers and supervisors

Train managers and supervisors in health management and in identifying preventative health measures. It helps to have a manager who is trained in health and well-being in the workplace who can coordinate and implement workplace health initiatives. In addition, this person can also play an advisory role, raising awareness and promoting good health in the workplace.

Healthy eating and hydration

Provide health eating in the staff canteen and ensure that employees have access to fresh fruit and water in the workplace. Subsidising health eating and providing a healthy menu in the staff canteen is one way that this can be achieved. Health promotion programmes can provide dietary advice and healthy eating suggestions. It is also important that workers are properly hydrated at work and have access to water in the workplace.

Water@work

Water@work is an initiative created by UNISON in the UK to promote the benefits of drinking tap water. Promoting good health in the workplace and taking steps to improve access to water at work has been developed in partnership with water companies in the UK. A website has been developed to improve understanding of the benefits of drinking tap water to both employers and employees. The campaign for water at work states that good health in the workplace saves money. It is a medical fact that well hydrated and nourished people are more resistant to illness and will recover more quickly if they do become ill. Just a two per cent loss of body water can result in a ten per cent drop in physical and mental performance. By increasing water intake to eight glasses a day it is possible to keep energy levels up, prevent headaches, maintain concentration, reduce stress and mood swings, and reduce the risk of chronic diseases such as heart disease. For further information: www.wateratwork.org

Fitness at work

The provision of health and fitness sessions in the workplace, subsidised membership of the local gym or local fitness classes, running lunch time fitness sessions, relaxation programme and programmes of stress management are all ways that companies can promote activity and fitness at work.

Subsidies for health insurance

In some countries, companies have negotiated lower health insurance premiums for 'health-friendly' companies.

Employee and trade union participation

Employee and trade union participation and consultation is essential if meaningful workplace health initiatives are to be developed. Employees and trade unions can provide valuable insights, ideas and proposals about what can be done in the workplace.

Improving health and well-being at work: company case studies

RWE, Germany

In Germany, an increase in the retirement age will also prolong working lives, however, the company recognises that this will put new demands on the company in the area of health management, including maintaining and prevention of ill health. RWE has developed a comprehensive programme that aims to improve employee fitness and prevent illness. The health

programme consists of health care provision in the workplace, a team of doctors and trained health staff in factories, regular health check-ups for staff, including regular health screening for colon cancer. The company provides a healthy food menu and salad bars in its staff canteen. Employees can avail of a number of sporting and fitness classes including soccer, volleyball, chess and sailing, and they can have access to gymnastics and special exercises and classes for back injury prevention. The company has a contract with a gym for use at reduced cost.

EON, Germany

The company has developed a *Health Management Strategy* which provides for health screening for cancer, immunisation against ‘flu’, improved healthy eating in the canteen, training for back pain and back problems, and fitness programmes. The company wants to improve the health and fitness of employees irrespective of their age in order to enhance employability; they recognise the importance of health as a life-cycle issue.

Axpo, Switzerland

The *Fit for the job* programme is an educational module which covers various aspects of healthy living including relaxation, movement and exercise, and healthy eating. The objective of this programme is to keep people healthy and active in their later years and therefore to keep them productive in the workplace. There are other related areas that the company has developed, including ensuring that there is good workplace design and good health in the workplace. Examples include providing employees with water and fresh fruit in the workplace.

Statkraft, Norway

Statkraft has a high priority on health and well-being in the workplace for older workers. Older workers have access to the company’s health programme and regular medical checks. The company has a competition “Energy for Life” which encourages staff in the regions, through flexible working hours if the work climate permits, to participate in outdoor life, for example, skiing and hunting. Physiotherapists check workplace design in the office environment and managers have the responsibility to ensure that there is the best job design. The staff canteen provides healthy eating at a subsidised price and water and fruit are available in the workplace for all employees.

Agder Energy Production

AEP has worked closely with trade unions and employee representatives. The dialogue between management and employees has been very positive in helping to raise awareness of the causes of health problems in the workplace and what can be done to avoid them. The joint work has helped to strengthen the psychosocial working environment and physical health of employees. The focus is on preventive work, and the promotion of health and well-being, including measures to help employees stay in shape. In 2001 sick leave was 5.1 per cent, by 2006 it had fallen to 2.4 per cent. An experiment introduced by the company in 2004, was the provision of free massage to employees, who were later given the opportunity to follow training in massage in their spare time. The outcome was very positive and sick leave went down in the first year from 5 per cent to 3 per cent and in the second year from 3 per cent to 2 per cent. The result led to further efforts in the area of prevention of ill health. The money saved from sick leave was put into a special account to promote further preventative measures in the workplace.

Centrica, UK

In the energy company Centrica engineers considering retirement or who faced ill health were given the opportunity to continue work to enable them to transfer of their knowledge and experience. In consultation with trade unions the engineers were given the choice to step back from their positions in order to accommodate their personal circumstances, ill health or incapacity issues. They were given the opportunity to continue working in their normal field of operations through a combination of mentoring and assessment work that was less physically demanding. This has helped to facilitate the transfer of their knowledge and experience to other engineers, apprentices and new recruits.

2.2.2 Workplace design as an aspect of occupational health

Creating age-conscious workplace design and age conscious occupational health are essential to age management, to improving job satisfaction, working conditions and to retaining older workers. Redeployments of older personnel so that they work in jobs that are suitable to their physical capabilities and that utilise their skills and competences, needs to be carried out in consultation with occupational health personnel, employees and trade unions.

Distribution of work tasks

Distribute work tasks so that older experienced workers take on more complex tasks while younger workers take on more physically demanding tasks, by placing physically challenged older workers in teams with younger fitter workers.

Analysis of workplace and job design

Analysis of workplace design and job functions, carried out in cooperation with trade union health and safety representatives, can make a major contribution to occupational health. This can include examining the position of computer terminals, office design, lighting and seating positions for office workers; as well as minimising the effects of repetitive or heavy work tasks carried out by manual workers. Ergonomic improvements are now recognised as being crucial to health and well-being at work. Organisations can commission an ergonomic review of workplaces or they can train specialists in the company to carry out these reviews.

Workshops on ageing

In some companies providing workshops on ageing or ‘seniors’ training programmes has become one way of providing older workers with information and insights into healthy ageing. While older workers may specifically benefit from such programmes, improving health awareness for all workers is an important element of the life-cycle approach to health and well-being.

Rehabilitation courses for older workers

In some companies rehabilitation courses for older workers can be combined with redeployment, job redesign and job rotation.

2.3 Flexible working time and work-life balance

This section will examine good practice approaches to flexible working time practices that can be put in place to retain and recruit older workers.

- Older workers and flexible working time
- The role of the social partners
- Developing a company work-life balance policy

“People in good health will have to work longer, but not necessarily full-time. We will see more flexible retirement schemes, combining part-time work with pensions, and a change in perceptions as to what retirement and work mean. We need to invest in the human capital of older workers and provide attractive, healthy working conditions.”

Vladimir Špidla, EU Commissioner for Employment, Social Affairs and Equal Opportunities

2.3.1 Older workers and flexible working time

Many older workers express a preference to work flexible hours, in some cases this can be shorter working hours, partial retirement, changes in shifts, longer periods of leave, job rotation, reductions in overtime or additional work responsibilities.

Flexible working hours can be the key factor in retaining staff, achieving company goals and having a productive, motivated and satisfied staff. Companies that have a flexible approach to working hours often have fewer staff taking sick leave and a more skilled and committed workforce, which in turn improves the company’s overall productivity and competitiveness. There is substantial evidence from companies and employee surveys across Europe to show that work-life balance is a major priority for a significant number of employees today. Creating a culture of work-life balance requires that organisations take a positive approach to flexible working.

Flexible working can best be promoted through the social dialogue and implemented through collective agreements. This is particularly important to ensuring that there is a benefit to both the employee and the employer, while also ensuring that policies are appropriate and relevant to the workforce. In many countries unions and employers have found that the development and implementation of flexible working time benefits from a social partnership approach. For example, a 2006 report by the ETUC *Challenging Times: Innovative ways of organizing working time* has shown the added value of a partnership approach for productivity, retention of staff and improved competitiveness.

Flexible working time is a key age management tool that can promote the retention of older workers by helping older workers to adjust to physical and mental changes that result from the ageing process. This can be particularly the case with physically demanding work, work that is highly stressful, or as older workers approach retirement age. However, it is important to stress that this is not just an issue of relevance to older workers, but can be of benefit to the health and well-being and work-life balance of all workers at different stages of their life-cycle.

Flexible working hours has benefits for organisations and individuals:

For **organisations**, flexible working hours can be crucial to retaining valuable older workers by providing them with a better quality of working life, improved health and well-being and motivation:

- Flexible working hours can also be a useful tool for workforce planning by balancing the working time preferences of older and younger workers.
- It can result in lower rates of absenteeism for ill health and can help improve working conditions for older workers who work shifts.
- This can have the effect of reducing the numbers of older workers taking early retirement.
- As a human resource practice flexible working hours can facilitate access to training and skills development, career development, job rotation and knowledge transfer between older and younger workers.
- Employers offering flexible working hours can also improve the image of their company by showing that the needs of older workers are taken into consideration, which in turn can enhance the profile and attractiveness of the company to potential new recruits. Introducing change through flexible working can, therefore, have a positive impact on service delivery and competitiveness.
- If older employees feel valued they will be more motivated and there will be a less stressful work environment, with lower rates of absenteeism and sickness, and increases in productivity.
- As a provision to retain older workers, flexible working provisions can save companies the time and resources that are incurred in recruiting and training new staff.

For **employees** flexible working hours can enable older workers to achieve work-life balance so that they can reconcile their working lives with their personal interests, commitments or care responsibilities:

- Working shorter or flexible hours can promote better health, reduce stress and promote improved working conditions.
- Enabling workers to stay in employment, by working shorter or flexible hours, is a frequently cited preference of older workers.
- For some older workers, particularly women workers, combining work with family responsibilities can also enable them to remain in the labour market for longer periods of time while balancing caring responsibilities.
- Flexible working time can enhance choice and control of working time and the working lives of older people.
- By working together to agree flexible working hours arrangements can result in better relations between management and staff, improved self-esteem, health and confidence, loyalty and commitment, job satisfaction and a better working environment.
- Employees who gain work-life balance have reduced stress and work pressure.

Older workers: testimonies

Arne Birger Sjurso, a 63 years old worker in Agder Energi, Norway, has worked for more than 30 years in the company. He is an electrical engineer and has held several different positions in the company. Currently he is an Assistant Managing Director and works four days a week on electrical power network development. He says that he has had good experiences of working in the company. He recently had the opportunity to change his position within the company to a position that was more suitable to an older worker. He has combined this with a 20 per cent reduction in weekly working time and an extra week's holiday, given by the company to workers over the age of 60 years (this is in addition to the extra week given to all workers in Norway from the same age). He says that the effect on his income has been negligible and it is important to note that his pension will be unaffected by this reduction in working hours. Arne says that the company has done a lot to promote active ageing in the workplace but stresses that it is important that old workers have a real choice concerning their own situation and that they have an occupation that is valued by themselves and the company. Arne says that is happy with his current situation and states that if his health remains good will probably work until his is 67 years of age.

Petter Sorensen is a 65 year old Chief Security Officer who has been working in Statkraft since 1993. Prior to his current position he worked as a Manager for Information Technology for nine years and in 2002 took up work in the security area of the company. The transition from IT manager to security manager was smooth as the position was vacant at the time. Although he believes that he has been better acknowledged at a corporate level, this has nothing to do with his age. The most noticeable benefit he has from company policies is the extra week's holiday which employees receive after 62 years of age, followed by another week at 65 years. He believes that human resources policies in the company have been good and that his age has not affected his career path. In Statkraft that tendency has been to take early retirement at 62 years. He believes that the company should introduce an 80/100 scheme for employees at the age of 62, which would enable older workers to work 80 per cent for 100 per cent pay. He believes that this would be a very good incentive for people to stay in the company that the existing provision of an extra week's holiday. Petter plans to retire at 67 years of age, which is the statutory retirement age in Norway.

What can electricity companies do to promote flexible working for older workers?

Develop flexible working time policies

A visible policy setting out the range of flexible working time policies that workers can take up is important to providing workers with rights and entitlements. While in some countries, for example, in the UK, Netherlands and Germany, there exists a legal right for all workers to request a changing in working hours, in others these entitlements are negotiated through collective agreements or individual negotiations. Flexible working time policies should set out the range of possibilities.

Promote a culture of work-life balance

Creating a culture of work-life balance requires organisations to be proactive, creative and innovative in balancing the needs and preferences of older employees with those of the organisation. It is very important that managers, particularly senior managers, believe in the benefits of good work-life balance. If they do they will be encouraged to implement it themselves.

Develop a working time credit scheme

Working time credit schemes can provide opportunities for career breaks and longer periods of leave from the labour market. This could be particularly important for older workers, who can credit their working time to enable them to take partial retirement.

Consider putting in place flexible or gradual retirement schemes

Flexible or gradual retirement schemes that enable workers to progressively reduce their working hours as they approach statutory retirement age can be an alternative for workers who may otherwise, because of work stress or ill health, have taken early retirement.

Develop specific schemes for older workers in stressful or heavy work

Specific schemes can be developed for older workers that are working shift work, heavy work or stressful working situations. By simply reducing or changing the working hours of workers in these situations can be critical to retaining older workers who may in the past have taken early retirement. This can also help to enhance the company's profile and culture. For example, some companies have changed shift patterns so that older workers can work part-time, in others schemes have been introduced to release workers from one shift per week, or through measures to increase holiday leave or reduce weekly working hours. These measures can help to prevent exhaustion and improve the quality of working life for older workers, as well as showing the older worker that the company values their contribution, while recognising their needs and requirements.

Make the case for flexible working hours in recruitment and retention programmes

Companies that visibly promote flexible working hours will find that they are attractive to older workers. This should be included in job advertisements and job specifications as a way of attracting older workers.

Provide training for managers

Provide training and support to managers so that they can effectively implement and manage flexible working hours and come up with solutions to work-life balance that accommodate older workers. Managers need to be aware of the advantages of flexible working time to the organisation.

Statkraft, Norway

A concern about an ageing workforce and the need to retain the best staff has prompted the company to address age related diversity. An innovative life-course policy for employees aged 62 years and over has been introduced with the objective of providing greater flexibility and the opportunity for older workers to reduce working hours on a phased basis, without a major impact on pay. It works by enabling workers at the age of 62 years to reduce their working time by 10 per cent, at the age of 63 years by 20 per cent, at the age of 64 years by 30 per cent and at the age of 65 years by 40 per cent. This enables the company to retain older workers (who in the past used to leave the company at the age of 62 years) whilst giving older workers more choices of working for a longer period of time on reduced hours. The solution is agreed between the manager and the employee. In some cases flexible working hours can be agreed for older workers under the age of 62 years. The company has a comprehensive work-life balance policy designed to retain employees of all ages. The company's human resources policy for older workers entitles older workers to extra holiday leave – one week extra from the age of 62 years and two weeks from the age of 65 years. Older workers can also have the opportunity to work part-time and with a ten per cent extra salary to compensate for this. A sign on fee and work only for the Spring, Summer and Autumn for maintenance work is available in different regions and also across the whole of the country. In this scheme, employees do not work during the winter months. This initiative was introduced three years ago to avoid laying off workers.

Carry out a working time survey of older workers

Carry out a survey to find out the working time preferences of older workers. You can also follow this up with focus groups and meetings with staff to examine what are the best arrangements to meet the needs of employees and the needs of the company.

Offer flexible working hours to all workers over the life-cycle

By offering flexible working hours to everyone you can help to make everyone feel valued and let people that are working full-time know that this is an option for them in the future if their circumstances change. This can also help to change culture by sending the message that flexible working is positively encouraged. Include older workers that are working flexibly in training, professional development and team meetings. Do not assume that if someone works flexibly or part-time that they are any less committed to their work.

Consultation between employers and trade unions

The participation and consultation of trade unions in the development of policies and practices on flexible working hours are an essential prerequisite to balancing the working time schedules of all staff. Agreements can be developed on flexible working hours that are age neutral, but agreements can also specify flexible working hours options for older staff.

Facts about flexible working

Accommodating older workers who wish to remain in the labour market means acknowledging and recognising that they may face limitations and require flexible working, part-time work or reduced working hours (Loretto et al 2005).

According to research by the UK's National Audit Office (2004) there are up to one million potential workers above the age of 50 who are partly discouraged from actively seeking employment by the lack of flexible work options. Government's cannot afford to ignore these factors if it is serious about reaching its targets for increased labour force participation.

Many governments also recognise the need for a sustainable framework for retirement provision, including more choices about retirement. Several governments have considered flexible retirement as a way of retaining older workers in the workplace.

2.3.2 The role of the social partners

Partnership working between employers and unions can help organisations to implement and develop a culture and practice of age diversity and work-life balance. Partnership working requires there to be a shared commitment to the objectives, goals and success of the organisations. A key outcome of partnership working is the achievement of joint solutions, achieved through joint discussions, projects and initiatives. One way of taking these issues forward is to establish a partnership group made up of union representatives, staff and managers. By promoting partnership working unions, staff and managers can promote shared solutions. This can help to create an organisational style of discussion rather than negotiation. It will also be important to take time to consult with managers, employees and trade unions in order to achieve commitment to changing patterns of work and the smooth introduction and implementation of changes.

What are the working time options available to older employees?

There are a large number of different working time options available to older workers. The most commonly used flexible working time arrangements are described below

Working hours/ the number of hours worked: Full-time, part-time, job-share, flexible retirement and reduced overtime.

Working hours/ when people work: Flexi-time, compressed hours, annualised hours, shifts and shift swapping, reductions in the number of shifts worked by older workers, self-rostering, extra hours and time banks, and working time accounts.

Working hours/ where people work: on employers premises, tele-working, working from home.

Leave arrangements: short and long leave (paid and unpaid), career breaks, holiday leave, family and carers leave.

Other work-life balance arrangements: health, fitness and sports facilities, lifelong learning, personal development and training.

2.3.3 Developing a company work-life balance policy

A work-life balance policy can be useful in establishing clear rules and entitlements, whilst also showing that the organisation has a visible commitment to work-life balance that can help with the recruitment of staff. As a life-cycle initiative it should be made available to all staff. It is important to agree the policy with unions and staff as this is an area that has a direct impact on the working lives of staff.

Suggestions of what to include in a work-life balance policy:

- Identify the scope of flexible working. For example, if all employees have the right to work flexibly is the organisation able to put this into practice? In most cases policies on work-life balance are explicit in stating that requests for flexible working will be accommodated as long as they do not adversely affect the needs of services. (In some countries, for example, the UK, Germany and the Netherlands there is a legal right to request changes in working hours).
- Set out the range of flexible working options and entitlements that are available to staff. It will be important to set these entitlements within the framework of legislation on working time.
- Make reference to equal opportunities in the policy. This can include specific points regarding flexible working time, for example, for older workers, disabled workers, parents and carers.
- Consult widely with staff teams and unions and ensure they are fully involved in the drawing up of the policy.
- Ensure that the policy is widely disseminated to all staff, for example, through a staff handbook or booklet that sets out the policy and options.

Consulting with older workers can be a very effective way of finding out about their needs and perspectives. This can be carried out through a variety of methods including staff surveys, focus groups, staff seminars and discussion groups.

Checklist of issues to consider in carrying out a work-life balance survey in your company

- What are the current working hours (full-time, part-time etc.)
- Do employees have opportunities to work flexibly, if so in what way?
- On average what are normal working hours? Do employees regularly work over these hours? Do meetings extend over normal working times, thereby making it difficult for parents or older workers?
- What work-life balance options would employees like to avail of (e.g. changes or reductions in shift working, flexi-time, part-time work, partial retirement, shorter working hours, longer working hours, working from home etc) ?
- If employees change their working patterns, how would the new work arrangement affect colleagues and service provision?
- What would be the main purpose of a change in working hours (e.g. leisure, hobbies, personal developing and training, improve health and well-being, participation in voluntary or community work etc.)?
- What is the employee's satisfaction with current work-life balance?
- What are the main causes of imbalance in work and personal life (e.g. long working hours, work pressures, stress, caring responsibilities, ill health, etc.)
- What could employers do to improve employee work-life balance?

Axpo, Switzerland

To enable workers between the ages of 55 and 58 years to progressively reduce their working hours to between 80 per cent and 70 per cent of normal working hours. This is a voluntary scheme that allows older workers to discuss working hours flexibility with their line managers. Because normal retirement age in Switzerland is 65 years, the objective is to retain older workers in the workplace until they reach this age. The company is currently discussing the implications of shorter working hours on pensions and social insurance.

Agder Energy, Norway

Agder Energy has a scheme to motivate employees to stay at work beyond 62 years has been achieved by reducing the working hours of older workers, without an adverse effect on their pay and pension rights. The initiative has been well received and there is a reflection of a more positive attitude to older workers in the company. From 1st July 2008 Norwegian employees at the age of 60 years became entitled to work shorter working hours. Employees in Norway have 25 working days holiday per year. Employees over the age of 60 years have an entitlement of six additional days holiday per year. In Norway, the ordinary retirement age is 67 years for all employees. Collective agreements make it possible for some groups of workers to retire at an earlier age, while workers can continue working until the age of 70 years. Due to a relatively large uptake of disability pensions, the average retirement age in practice is around 60 years. All employees covered by a tariff agreement – this covers around 60 per cent of all employees in Norway - have the possibility to take early retirement from the age of 62 years. Norwegian government policy has emphasised the need to keep older employees in the workplace for as long as possible. Surveys show that three out of every four people at the age of 60 years want to work. In the past specific problems have existed regarding taxation for people between the ages of 67 and 70 years, which meant that it was not possible to have income from work without losing a proportion of their pensions. However the government has changed this so that pensions are not adversely affected.

2.4 Age management tools: measures to recruit and retain younger workers

This section will provide information and checklists as well as specific initiatives that can be introduced to recruit and retain younger workers.

- Attracting and recruiting new talent
- Creating a workplace of the future and making the workplace attractive for younger workers

2.4.1 Attracting and recruiting new talent

In the future electricity companies will need to be proactive in searching for new talent. Today's companies recognise the importance of attracting, recruiting and retaining the best talent. Employers of choice are those that have put in measures to successfully recruit and retain people from a wide 'talent' base. This means having the best people with high-quality skills and in the right place at the right time.

Checklist of issues to consider in attracting a diversity of new employees

- Provide information and raise awareness about working in the electricity industry, with a particular focus on giving information to under-represented young people, including minority ethnic groups and girls and women.
- Present a diversity of individuals in marketing material, advertising and publicity. For example, use young people and older people in your marketing and publicity materials.
- Find ways of enhancing the interest among young people in schools and colleges, for example, by giving presentations in schools and colleges and at careers fairs.
- Work with employment agencies, universities, schools and careers offices in informing young people of career opportunities, whilst emphasising that the company welcomes applications from a wide diversity of young people.
- Hold recruitment days and outreach activities, this can be carried out in partnership with local community organisations.
- Offer taster sessions, internships or work experience for young people. This can include practical and hands-on activities.
- Ask existing trainees and apprentices what they think can be done to attract a wider diversity of employees.

2.4.2 Creating a workplace of the future and making the workplace attractive for younger workers

Forward-looking employers are those that recognise that the workplace of the future presents a number of challenges and opportunities. Employers increasingly have to be one step ahead by assessing employment trends on the basis that a more diverse workforce is an essential component of future workplaces. By addressing age diversity in

core business functions will enable electricity companies to benefit from a higher quality workforce, an improved retention of staff, and recruitment from a wider pool of talent and skill.

A key issue is that electricity companies need to consider how they can become more attractive and improve their images. Many companies are viewed as being out of touch with the needs of younger and older workers, often companies have a poor external image, and are seen as only being concerned about profits. Attractive companies need to have a visibly modern image and they also need to make working conditions, pay and leave arrangements attractive for new recruits and younger workers.

There are a number of ways that companies can attract new talent:

- Internships in companies for students before they leave school
- Graduate trainee programmes
- Summer schools
- Train more women in technical, senior and non-traditional professions
- Improve human resource development within the company
- Visits to schools, colleges and universities
- Sponsorship of students
- Competitions, prizes and awards
- Work-study and work experience programmes
- Training and work placements during training
- Providing attractive working conditions, on the basis that there is a ‘people first’ culture in the organisation.

Axpo, Switzerland

Attracting the best young people into the company has been an important objective in recent years. Through the human resources marketing strategy the company has developed a graduate training programme which provides a ‘stage’ or in-service training scheme for new graduates for 18 months. This programme gives young graduates the opportunity to try working in a variety of areas and learn about the different areas of the company, for example, in business operations, networks and human resources. This programme has been very successful in attracting young talented people and has provided young people with a good insight into and experience when leaving university. Many of the people undertaking the programme enter into permanent jobs after undertaking the programme.

RWE, Germany

RWE has a priority in its age management strategy to train and integrate young people into the labour market. This is one way the company believes that some of the challenges of demographic change can be met. The company runs work-based training, apprenticeships and vocational training programmes. RWE has a methods for assessing the potential of employees on the basis that many employees have “multi-level potential” can make more than just one vertical career move within a manageable timeframe.

ČEZ group, Czech Republic

ČEZ has developed a number of programmes to support and attract new workers, particularly graduates for future employment in the power industry: ČEZ Potentials is a programme to attract graduates in key projects across the company; and Bachelor is a programme to attract graduates in nuclear power engineering. The company has competitions for gifted students, including a competition of scientific projects for high school students, a competition of scientific projects in energy field for university students and the ČEZ Prize, a competition of diploma thesis. A further

programme is focused specially to attracting young people to study nuclear power and includes the development of a “Nuclear leaving exam” and “Summer University of Temelin” for high school students. The company provide schools with materials and lectures and offer student debates about energy to popularize energy matters.

United Utilities, UK

A diversity strategy agreed by the board of United Utilities includes some key actions on monitoring recruitment and selection procedures, benchmarking performance against other major companies, implementing workplace policies, which support flexible working. A ‘grow your own workforce’ initiative has been developed with an equality and diversity focus.

Statkraft, Norway

Statkraft’s goal is to be among the top ten companies in Norway by 2010 regarding attractiveness to new graduates. In 2008 Statkraft reached the number three position in the competition “Great Place to Work” www.greatplacetowork.com and are in the list of best workplaces in Europe (in the top 50 out of 1250 companies). Examples of initiatives that the company had developed are giving new graduates the possibility to write their master’s thesis, summer internships, and presentations to universities about Statkraft. One of the objectives is to have attractive working conditions, examples of which include flexible working hours, prioritised parking spaces for employees with young children, a range of personal and skills development programmes, and opportunities to bank leave time to gain an extra two weeks holiday a year. A trainee programme for skilled workers, based on two years work experience after the ending of an apprenticeship. The trainee programme provides extensive experience in the most interesting maintenance experience Statkraft can offer with theoretical knowledge and skills. In Statkraft, the ‘People First’ philosophy and a focus on competence development has been the basis for creating a healthy workplace and a culture that encourages active employee involvement and commitment. Trade union participation has been encouraged and relations between trade unions and management have been consensual and largely positive. There is a “dynamic group-wide corporate culture that promotes diversity and tolerance” and a commitment to treating employees equally irrespective of religion, gender, sexual orientation, age, nationality, ethnicity, marital status, physical disability or characteristic, and will ensure that freedom of speech and employee rights are upheld” (2005 Annual Report).

Vattenfall, Sweden

One of Vattenfall’s five strategic ambitions is to be the employer of choice. On this basis it has developed a range of diversity initiatives that are focussed on creating an organisation that values the talents of all staff and that creates a work environment that meets employee’s needs and strengthens their commitment. One of the most important conditions for Vattenfall to create long term profitability is the company’s ability to attract, develop and retain skilled employees. Vattenfall knows that its future success will be based on a diversity model with the resources and strategies to create the conditions required to attract, develop and retain leading expertise and motivate employees to perform to the best of their abilities. Business benefits include enhanced employee recruitment, improved corporate image and a better understanding of customers and stakeholders. A *young graduate scheme* has been run for two years and aims to provide temporary employment contracts ‘traineeships’ to young graduates. This not only gives them a foot in the labour market but also gives Vattenfall access to new knowledge and ideas. A commitment has been made to ensure that there is 50/50 representation of women and men in these programmes.

2.5 Exit and retirement policies: preparing older workers for retirement

This section will look at policies and measures that can be introduced when people leave the labour market in their transition to retirement.

- Preparing for retirement
- Flexible forms of transition and retirement
- Measures to ensure that skills, contacts, company history and specialist knowledge are not lost

2.5.1 Preparing for retirement

Companies have an important role to play in helping to prepare older workers for their exit from the labour market and retirement. While redundancy and early retirement have been used as a tool in restructuring programmes, some companies have been considering alternatives that include the redeployment or retention of older workers. Where redundancy and early retirement are unavoidable companies can help prepare older workers through preparatory courses and counselling. This applies equally to older workers that are exiting the labour market upon reaching statutory retirement age.

What can companies do to prepare older workers for retirement?

- Provide preparatory courses that help provide older workers with a range of options;
- Offer counselling for workers who have taken early retirement or redundancy;
- Provide assistance in finding a new position or in taking up a new training programme;
- Introduce social events that help to retired workers to stay in touch with former colleagues;
- Develop opportunities for older workers to retire flexibly when exiting the labour market;
- Provide advice on opportunities after retirement, including part-time work or voluntary work.

2.5.2 Flexible forms of transition and retirement

There may be ways in which a company can provide opportunities for older workers to continue to work on a temporary or consultancy basis in order for skills and knowledge to be transferred to younger workers. Flexible forms of retirement are particularly popular with older workers in some countries, particularly because they enable older workers to gradually reduce their working hours as they approach retirement (as discussed under the previous section in this Toolkit on flexible working hours).

Many older workers indicate that they would like to have opportunities to work part-time or on a temporary basis. Utilising the skills and experience of retired workers, for

example, in providing temporary or holiday cover, can have benefits for retired workers and companies.

Axpo, Switzerland

The company provides employees and their partners with retirement preparation workshops. There are two workshops of two days duration each covering issues such as financial planning, handling pensions, discussion of retirement plans and transition into retirement.

What can electricity companies do to promote flexible forms of transition and retirement?

- Provide opportunities for older workers who have retired to be included in a company ‘knowledge pool’ on the basis that their skills and knowledge can be called on when needed.
- Include retired workers in consultancy, advisory and mentoring schemes for younger workers.
- Develop opportunities for temporary work, for example, to provide cover at busy times or to provide cover in the vacations.
- Keep retired workers up to date with company policies and developments through a company network or newsletter for retired workers.

2.6 The role of the social partners and the social dialogue

This section will highlight the role that the social partners and the social dialogue can play in age management and in developing agreements that respond to demographic change:

- The role of the social partners in age management
- Example of an innovative agreement: Suez Group

2.6.1 The role of the social partners in age management

This Toolkit has shown the added-value of trade unions and employers working together in partnership and through the social dialogue to develop, implement and monitor age management policies and strategies. Many of the companies that have participated in this project have recognised the key role that trade unions and employers play in jointly developing projects, policies and strategies on demographic ageing.

Developing a social dialogue to address demographic change in the electricity sector raises a number of challenges for the social partners. As a 2006 report of the European Commission, *Ageing and Employment*, (Warwick, 2006) has shown:

“...for many years social partners have pursued two strategies: (a) they followed a seniority-based approach to bargaining over wage structures and redundancy rules protecting older workers and at the same time, (b) they encouraged the early exit of older workers from the labour market when unemployment was high generally and especially for young people.”

This approach is not sustainable in the future and trade unions and employers have to find solutions to demographic ageing, including new policies on pay, pensions and training, while also ensuring that they do not discriminate against older workers.

Checklist of issues consider in developing a social partnership approach to age diversity

- Inform unions and raise awareness in unions of union age diversity policies and those of their confederations.
- Ensure that older people and younger people have a voice in union decision-making bodies, particularly where there are discussions about major change programmes, changes in shift patterns and the organisation of work.
- Provide age diversity training for union officials in order to highlight how existing structures, policies or workplace union representation can be further developed to support women.

Trade union roles in demographic change

According to the European Trade Union Confederation (ETUC) trade unions have a key role to play in discussing the implications of demographic ageing. By discussing the subject internally, putting forward expertise and anticipating and managing demographic changes, trade unions can promote new forms of intergenerational solidarity. The ETUC states that trade unions have the

objectives of improving the skills of young and older workers in a lifelong learning setting, negotiating and promoting active policies in terms of employment and training, wage policies and organisational policies, and policies on the environment and the content of work based on quality as well as the protection of health and safety, promoting partnership between the social partners and also with the public authorities at the various levels. These issues concern the quality of the involvement in the workplace, the quality of work through a person's active life, and the possibility of choosing to extend active working life. Trade unions have argued that effective, fair social protection policies need to be in place to enable these challenges to be managed.

According to the ETUC there are ten avenues for trade union action on the demographic challenge in the labour market

1. Raising employment rates
2. Making a commitment to the quality of work
3. Developing measures to act as incentives for quality employment
4. Ensuring a match between training and the labour market
5. Squaring individualised responses and integrated policies
6. Redesigning early retirement systems
7. Ensuring the joint mobilisation of the public authorities and the social partners
8. Targeting the concrete measures
9. Imposing evaluation
10. Transforming the demographic trends into opportunities

See ETUC *Demography and the labour market: a challenge for the unions*, www.etuc.org

2.6.2 Examples of innovative agreements

Suez Group: European agreement on the Employment and Expertise Plan

The development of a series of actions on employment and qualifications has been established under French law. The Suez Group has signed an agreement with the trade unions for an Employment and Expertise Plan (GPEC), within European subsidiary companies of Suez. The Suez European Works Council is a co-signatory to the agreement. The GPEC agreement focuses on the improved management of employment and skills, alongside measures to anticipate future changes in occupations, work and growth. The aim is to develop policies and practices that will reduce the gap between company requirements and resources regarding the number of employees (quantitative) and the skills held by employees (qualitative). A key objective is to develop a proactive employment policy and ensure the employability of employees by anticipating trends in the company, ensuring that there is continuity of skills with respect to customers and suppliers, enabling the company to respond to areas of skills or labour shortages, and ensuring that employees are able to adapt to changes.

The plan envisages that there will be collective measures to implement action in the area of human resources and in managing employment in the medium term; and individual actions in the area of employee career development and training. Overall the plan envisages that the company will develop active employment policies that are related to the Group's activities. It is intended that this will help anticipate major trends that will shape the policies and practices in subsidiaries, define the means by which requirements and resources can be matched on an ongoing basis, ensure preventative management of trends in the age pyramid, and guarantee that the employability of employees is maintained. The company also intends to disseminate good practices emerging from the GPEC.

Suez companies will implement the agreement through negotiation with trade unions or staff representative bodies. The company shall provide information to trade unions / staff representatives on an annual basis on issue concerning company activity, volume of active,

competition and development potential of its markets, with a forecast of the effects of this information on employment and remuneration. GPEC team participants will receive training on implementing and monitoring the plan (this began with two training sessions for human resources managers and trade unions, in 2008). At the European level an employment and expertise committee has been established to address strategic issues, a country GPEC committee will be set up where there are two subsidiary companies in that country and a dialogue will also be established at a regional level where there are two subsidiaries in one region. A dialogue at the company level is also established.

The GPEC system will include an inventory by company and by country of skills and activities, a census of resources and human resources management systems to forecast changes, while taking into account the ageing of the population. Specific actions are implemented on the development of recruitment plans, career plans and development for staff, and retraining where necessary. Section 5 of the agreement concerns personal development of employees aged 45 and over. "SUEZ shall pay particular attention to applying equal opportunities principles for employees aged 45 years and over in terms of recruitment, promotion, remuneration and career support. In particular, they shall benefit from: a career assessment; an adjustment and support programme; and secondments to accessible jobs and activities in order to enhance employability."

The agreement also provides for measures to counteract the effects of physically demanding work, defined as "one having physical or psychological stress requiring a constant effort of adaptation from the employee leaving lasting, identifiable and irreversible effects on that employee's health". The aim to improve working conditions, redeploy employees through professional training and to provide specific measures for maintaining the end of a career. It is envisaged that a range of preventative measures will be introduced including a career assessment, a programme of adaptation and assistance, with measures that maintain an employee's employability through professional training or time off, and secondment to accessible jobs and activities in order to develop their employability.

According to SUEZ the objective of this measure is to ensure that the company can have better tools to identify the trends and developments in different jobs within the company. The first step is to analyse the situation and collect data; the second step is to put in place mechanisms to solve the problems identified. One element is that older workers can manage new employees and train them on the job. SUEZ has also introduced a plan to train young people, for example, to provide young people with work experience through secondments from schools. In this work experience older workers are able to provide training and knowledge transfer.

ENERGI E2, Denmark

E2's human resources policy integrates equality and diversity policy into areas such as recruitment, promotion and career planning. There is a specific chapter concerning senior members of staff and provisions for flexible working time as staff approach retirement that was recently amended to provide opportunities for all staff to work flexibly. The policy has been implemented through each of the business units in the company. Managers from each business unit have been received training and guidance on how to implement the policy and this has been well received by managers. The policy outlines the company's general attitudes and values in relation to all areas concerning its employees. The aim of the HR policy is "to be instrumental in providing the framework of an inspiring and attractive workplace, which must be capable of attracting and retaining competent employees". The policy was adopted by the Joint Consultative Committee of trade unions and management in 2001 (between the company and the company Works Council that represents blue collar, white collar and professional trade unions in the company). The unions were happy with the process and the outcome of the policy. This policy framework is important because the main collective agreement for the company, which covers issues such as pay and working hours, does not have a specific clause on equality.

2.7 Age management tools: ten point plan for successful age management in the electricity sector

The following are the main elements of what will contribute to successful age management policies and practices in the workplace.

1. Plan for a systematic, integrated and comprehensive approach to age management

- Develop an age management strategic plan that is a central part of an integrated with human resources policies and corporate-wide policies. The plan should be drawn up in cooperation with older employees and representatives of trade unions, as well as managers and representatives from all levels of the organisation.
- The plan should be integrated and comprehensive and it should cover all elements of the life-cycle.
- In developing the plan it will be important to consult with older employees to identify existing age barriers and examine different approaches to promoting age diversity. There are number of ways that companies can consult with older employees to identify their needs and requirements: a confidential employee survey, focus groups with older workers, and workshops with workers of all ages.
- Put in place an action plan and a mechanism for monitoring and evaluating the plan on a regular basis.
- The plan can provide for a step-by-step approach so that there is a progressive implementation of age management policies. One way to test out new policies and strategies is to establish pilot projects, which can then be evaluated for their transferability across the organisation.

2. Promote age awareness through training and development of senior managers, human resources practitioners and managers, line managers, employees and trade unions

- Training and awareness on age management is important to developing a culture that is conducive to age diversity and that promotes age management as a central element of corporate culture.
- Put in place age awareness training at all levels of the organisation for senior managers, human resources managers and practitioners, line managers, employees and trade unions.
- Training should raise awareness of the specific needs and requirements of older workers, including attitudinal and organisational barriers, the benefits of age diversity, the compliance with anti-discrimination legislation and the promotion of age quality, organisational and working time changes that can be introduced, methods of improving the working conditions and contribution of older workers, and methods for knowledge management and intergenerational knowledge sharing.
- Training and awareness should also cover the development of organisational strategies on age management that take a comprehensive life-cycle approach for the whole workforce.
- Employees can also be empowered through training to adapt to different life-cycle situations and events. Raising the awareness of employees can also help to provide

new options and challenges for employees as they age. Enabling older workers to contribute positively and to respond with innovative ways of working is a gain that companies can make from raising the awareness of employees.

- Training can also be provided to the social partners to enable them to identify areas for cooperation and partnership in the development of age management strategies. In particular, raising awareness about age barriers and discrimination will be important for the mainstreaming of age diversity issues into collective bargaining.

3. Make visible senior management commitment to age management and champions for change

- A key to company culture is the visibility and commitment of the senior managers in the organisation to age diversity.
- This commitment should be made visible in company business plans, annual reports, company in-house circulars and magazines, on company notice boards, and other sources of information disseminated to employees and trade unions.
- Gaining media coverage may also be a way of more widely disseminating information about age management in the company and in signalling the commitment from senior levels.
- Ensure that there are age management champions in the company – they can help to promote the benefits of age management. Older senior managers can provide valuable role models and champions.

4. Take a preventative approach across the life-cycle by focussing on all workers

- A life-cycle approach should form the basis for age management strategies and policies.
- This will enable all employees to benefit from age management initiatives, while also ensure that as employees move through their working lives they are prepared for different working life experiences.
- Prevention is a key to ensuring that employees are healthy, skilled and able to cope with change.

5. Enhance working conditions for older workers

- There are a number of ways in which working conditions can be enhanced for older workers. These can help to retain valued older workers in the company and avoid involuntary early retirement or early exit from the labour market.
- Working conditions can be enhanced if older workers can avail of flexible working hours, job rotation and opportunities for redeployment that enhance their career development, training and skills development and to work in health promoting workplaces.
- Consulting with older workers and trade unions will be important to identify the best ways to improve working conditions.

6. Involve older workers in the planning of age management strategies and initiatives

- Older workers have valuable experience, learning and knowledge that they can bring into discussions about age management strategies.

- Therefore, the starting point for any new policies or strategies should be consultation with older workers to identify best practice approaches, new and innovative approaches and what works in practice.

7. Link age diversity to company equality and diversity strategies

- Creating a diverse workforce is now recognised as an important basis for successful, customer focussed and outward looking organisations. For this reason it is important to recognise and value diversity, while also acknowledging that diversity in the workforce needs to be accommodated through targeted as well as mainstream company policies, practices and procedures.
- Age diversity should also be viewed as part of the company's overall equality and diversity strategy. This is particularly important because age overlaps and intersects with out grounds such as gender, disability, race or ethnic origin. Having an integrated approach to equality can enable companies to also recognise and accommodate the needs of older women workers, older disabled workers or older minority ethnic workers.

8. Develop age management policies, procedures and policies through the social dialogue and through cooperation between unions and employers

- The social dialogue is the best route through which company policies and strategies can be developed. Trade unions and employers bring different perspectives into the social dialogue and this can be valuable in creating new perspectives and opportunities for age management.
- Trade unions and employers, in their roles as social partners, need to be aware of and well-informed about age diversity issues and challenges.
- Age management and age diversity should be developed as important areas for trade union and employer negotiations. Agreements should be proofed to ensure that they are age neutral, while specific initiatives for older workers should be integrated into collective agreements on working conditions, pay, equality and diversity, health and safety, and working time.

9. Communicate and provide information across the company on age management

- Communication and information are central to the successful uptake and implementation of company policies and strategies on age management. This is important if older workers are to avail of planned approaches to job rotation or redeployment, working time flexibility, or health management programmes.
- Regular communication can also help a company and its employees adjust to a new culture or to organisational changes, to build trust and confidence in the change process and to feel a part of the process of change.
- Companies can put in place a number of different methods of communication and information. Examples include: information workshops, displays of information and information stands, information bulletins and posters that are visible and widely disseminated, and articles in company newsletters and magazines. Trade unions can similarly provide information to their members through trade union bulletins and magazines, with information disseminated in trade union branch or works council meetings.

10. Monitor and evaluate the effectiveness of age management policies.

- It will be important to undertake regular monitoring and evaluation of age management policies, procedures and practices. This evaluation should be on-going i.e. formative evaluation, as well as carried out at the end of specific projects or initiatives to assess the outcomes i.e. summative evaluation.
- An important element of monitoring and evaluation is to have data on the organisation's age structure and on the training and other needs of employees at different stages in their life-cycle, against which progress can be benchmarked.
- Carrying out ongoing evaluation can help to constantly review policies and strategies, and develop new initiatives in the light of developments within companies.
- Monitoring and evaluation should assess the process of implementing policies, the uptake of specific initiatives and the outcomes with regard to older people and the company.
- Older workers, trade union representatives, line managers and senior managers should all participate in monitoring and evaluation.

Bibliography and sources of further information

Websites with further information on age management initiatives

EQUAL programme (information and dissemination of findings of the programme):
http://europa.eu/employment_social/equal/index_en.cfm

European Agency for Safety and Health at work: <http://osha.europa.eu>

European Network for Workplace Health Promotion: www.enwhp.org/index.php?id=4

European Older People's Platform: www.age-platform.org

European Foundation for the Improvement of Living and Working Conditions:
www.eurofound.europa.eu

Other relevant organisations

EURELECTRIC <http://www.eurelectric.org>

EPSU www.epsu.org

EMCEF www.emcef.org

European Observatory on Industrial Relations <http://www.eiro.eurofound.eu.int>

European Commission publications on demographic ageing

European Commission (2007) *Employment in Europe*
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Other relevant reading material

Chartered Institute of Personnel and Development (CIPD) and the Trades Union Congress (TUC) (2007) *Managing age: A guide to good employment practice*: <http://www.tuc.org.uk/extras/managingage.pdf>

Leibold M and Sven Voelpel (2006) *Managing the Aging Workforce: Challenges and Solutions*. Wiley

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Organisation for Economic Cooperation and Development (2006) *Live longer, work longer*, OECD: Paris

World Health Organisation (2001) *Active Ageing*, World Health Organisation: Geneva

ETUC (2006) *Challenging Times: Innovative ways of organising working time: the role of trade unions*: http://www.etuc.org/IMG/pdf/Challenging_Times_brochure_EN-2.pdf

CAWA project – Creative Approaches to Workforce Ageing – information and case study information available at: <http://www.olderworkers.eu>

Ecotec (2006) Nevala, A-M, *Promoting active ageing policies in the hospital sector*, ECOTEC for EPSU and HOSPEEM

Warwick Institute for Employment Research (2006) *Ageing and employment: identification of good practice to increase job opportunities and maintain older workers in employment*, University of Warwick and Economix Research and Consulting

European Foundation for the Improvement of Living and Working Conditions

The European Foundation for the Improvement of Living and Working Conditions has wealth of information on demographic ageing. This includes reports on:

- *Working conditions of an ageing workforce* (2008) (analysis of the 2005 European Working Conditions survey)
- *Age and employment in the new Member States* (2006)
- *Employment initiatives for an ageing workforce in the EU15* (2006)
- *A guide to good practice in age management* (2006)
- *Combating age barriers in employment* (1997)
- Information on different country approaches and case studies on age management can be found on the European Foundation's web site at: www.eurofound.europa.eu/areas/populationandsociety/ageingworkforce.htm

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Statkraft Norway: Erik Norberg, Human Resources Director. erik.norberg@statkraft.com

UNISON Water@Work and the initiative on women's health in the workplace: Steve Bloomfield s.bloomfield@unison.co.uk