

COMBATING AGE BARRIERS IN EMPLOYMENT

European Research Report



EUROPEAN FOUNDATION
for the Improvement of Living and Working Conditions

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He has been researching age and employment for some 20 years. He chaired the European Commission's Observatory on Ageing and Older People and was responsible for the special Eurobarometer study on ageing carried out in 1992. He was responsible for the protocol for the European Foundation's Combating Age Barriers Project and was the technical co-ordinator for all subsequent stages. Other recent publications include 'The New Generational Contract' (UCL Press, 1996), 'Changing Services for Older People' (with L. Warren, OU Press, 1996) and 'Ageing Europe' (with T. Maltby, OU Press, 1997).

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The limits to the quality of a publication such as this are mainly determined by the quality of the national reports. This author has no excuses for any deficiencies in the synthesis because the national researchers involved in the project produced work of a very high quality indeed. It has been a privilege to collaborate with such excellent research teams and to be able to use (and hopefully not abuse) their data. I am grateful to my collaborators both for their original work and for their guidance in my interpretation of it. Where direct extracts have been taken from the national reports this is indicated in the text although, to avoid tedious repetition and because some of the reports are being published in different formats, page numbers are not provided.

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Preface

The social cohesion programme of the Foundation has undertaken a number of projects to examine strategies and solutions for disadvantaged groups in European society. The study reported here is grounded in the recognition that, for more than two decades, the EU labour market witnessed increasing exclusion of older workers, as trends towards early exit and long term unemployment became established. There has been growing evidence of discrimination from middle age onwards with regard to job recruitment and training. These employment problems of older workers were highlighted in the conclusions of the Essen European Council (December 1994) and they were identified as a key group for assistance. Earlier in the same year the Parliament asked the Commission and Member States to examine strategies to increase the employment prospects of older workers; and in June 1995 a Resolution on the employment of older workers was adopted by the EU Council of Ministers which specifically called for an exchange of information and good practice concerning employment of older workers across the EU.

The Foundation's decision to launch a European project to analyse initiatives for combating age barriers in job recruitment and training can be seen in the context of these EU developments as well as in building upon results from its own work programme. In addition, the focus upon policies and practices in favour of an ageing workforce reflects rethinking that has emerged among governments and social partners in the last few years. The aims of the project included an examination of the perspectives of these key parties, with particular attention to removing age barriers. The main national studies, on which this report is based, were done in seven Member States. The principal objective of these studies has been to document and assess initiatives, in both public and private sectors, to combat age barriers in employment. The report documents the process of developing and implementing good practice in age management, drawing out

the key factors influencing success of initiatives. The implications for transfer of good practice and the proposals for action involve changes in policy and attitudes, in both the workplace and wider community.

The report was evaluated in September 1996 by representatives of the Foundation's Administrative Board. This group acted as an Advisory Committee throughout the research providing valuable input and experience. They offered encouragement and guidance from their perspectives as representatives of employers (Cormac McConnell, Bernard Le Marchand) Unions (Stephen Brooks), government (Martin Blomsma) and the Foundation's Committee of Experts (Wout Buitelaar). The Committee approved the report subject to minor modification. The members emphasised the need for greater attention to employment, career guidance and training in the second half of working life. Workers may be experiencing disadvantage for a very wide range of reasons; responses must address both discriminatory attitudes and policies which have encouraged early exit.

The different parties involved clearly need greater awareness of the current dilemmas and future challenges of an ageing workforce, but, most significantly, they require ideas, illustrations and impetus to establish better practice in age management. The current report was viewed by the Advisory Committee as important in providing lessons and guidance for positive action for older workers especially in the workplace. Even there, however, there were complex issues still to be addressed concerning, for example, seniority payments, pension security with more flexible retirement, and the equally pressing employment needs of other groups in the labour force, such as young people. Comprehensive and integrated age management presents a significant challenge for organisations but one to which the lessons from this report will contribute.

Clive Purkiss
Director

Eric Verborgh
Deputy-Director

Chapter 1

Introduction

This research concerns one of the most pressing issues confronting European societies: the impact of population ageing on employment and the labour market. European policy makers, employers and trade unions are increasingly having to come to terms with a new paradox. On the one hand there is an increase in the average age of the economically active population in the EU. Over the next 10 years the age structure of the population of working age will change significantly: the numbers of young people (15-19) will decline by over 1 million (-5 per cent) and those aged 20-29 will fall by 9 million (-17 per cent), while the numbers of persons aged 50-59 will grow by 5.5 million (+12 per cent) and the 60-64 age group will grow by 1 million (European Commission, 1996). However, on the other hand, as a result of the continuous lowering of labour force exit thresholds and the operation of age discrimination in the labour market, people over 40 are regarded as nearing the end of their working lives.

This new and increasingly urgent paradox has to be addressed at both macro- and micro-levels (by policy makers and within organisations). Several European governments, including Austria, Finland, France and Germany, are currently reversing the public support they previously gave to early exit from the labour force and are seeking ways of reducing the opportunities for and costs of early retirement (Delsen and Reday-Mulvey, 1996). Some employers are also reassessing their attitudes towards older workers, with some even constructing a positive 'business case' for employing this group. This 'business case' is built upon five points: the return on investment in human capital; the prevention of skill shortages; maximising recruitment potential; responding to demographic change; and promoting diversity in the workforce (Walker, 1995). Some trade unions too are reconsidering their support for early exit strategies (see chapter 2).

In short there is an emerging case for combating age barriers in job recruitment and training on the grounds of pragmatism, commercialism, good human resource practice and in the interests of justice and fairness. However, practical action in pursuit of these aims has been taken by only a minority of European employers and public authorities. Moreover there are differences among European countries in the extent to which age barriers are being tackled (Guillemard and Walker, 1994).

European Context

The issue of age barriers in employment and, in particular, the problem of discrimination against older workers is now moving up the European policy agenda. When the European Observatory on Ageing and Older People was established in 1990, it identified age and employment as one of the four key policy areas it would monitor (the others were incomes and living standards, health and social care, and social integration) (Walker, Guillemard and Alber, 1991, 1993). Consequently the 1993 European Year of Older People and Solidarity Between the Generations was partly focused on this issue, with the publication of the first major report on age discrimination against older workers in the EC (Drury, 1993). In addition the Eurobarometer survey specially commissioned for the European Year revealed, for the first time, that a substantial majority of the general public in all of the then twelve member states believed that older workers are discriminated against in job recruitment, promotion and training (Walker, 1993, p.26). At the end of the European Year older workers were confirmed, in documents from both the Commission and the Parliament, as a priority area for the planned second programme of actions on older people.

In mid-1993 the Commission produced the White Paper, *Growth, Competitiveness and Employment* which was approved by the heads of state as a basis for future EU action. The White Paper set the important strategic goals of a more flexible workforce and more flexible employment practices in order to meet the challenges of global competition. It provided the first public EU recognition of the implications of the ageing workforce, although it did not propose specific actions for older workers. The 1994 White Paper *European Social Policy: a way forward for the Union* did not specifically mention older workers but referred to the economic need for older people to make an active contribution to society. During the last year of the Delors Presidency there was also a *Declaration of Businesses Against Exclusion* which highlighted areas in which companies can develop policies to prevent exclusion and engender greater social cohesion. These initiatives included contributing to the social cohesion of deprived areas and marginalised groups, and promoting integration

in the labour market; and older workers have been identified as a target group (Griffiths, 1996).

At the December 1994 European Council meeting in Essen, the Heads of State or Government confirmed the fight against unemployment as a paramount task of the European Union and as the central objective of economic policy. The European Council Declaration highlighted five key areas for action to improve employment, the fifth of which, improving measures to help groups which are particularly hard hit by unemployment, stated that ‘special attention should be paid to the difficult situation of unemployed women and older employees’. The French Presidency of the European Council, in June 1995, saw the first political declaration at EU level of the need for special actions in this field. The Resolution on the Employment of Older Workers emphasised two key principles:

- the need to redouble efforts to adapt professional training and conditions of work to older workers’ needs;
- measures should be taken to prevent the exclusion of older workers from the labour market and older workers should have sufficient financial resources.

The Resolution proposed specific actions to be taken by national governments and/or the social partners, including raising awareness among employers of the consequences of making older workers redundant, promoting the reintegration of older unemployed workers and eliminating possible legislative barriers to the employment of older workers, although these are not binding on the member states. The Resolution also called on the European Commission to promote the exchange of information and good practice concerning the employment of older workers across the EU (for further information on EU actions on older workers see Drury, 1995). (Looking further afield the G7 Social Summit in Lille on April 2, 1996 called for measures to put an end to the ‘waste of human resources’ following the acceleration of early exit in the face of ageing societies.) The priority given to older workers in the June 1995 Resolution has not been reaffirmed by subsequent European Councils, which have emphasised long-term unemployment and youth unemployment (a point I return to in chapter 5).

Age Barriers Project

In this context of changes in, and emphasis upon, employment policy within the EU the European Foundation for the Improvement of Living and Working Conditions launched, in April 1994, a European project on Combating Age Barriers in Job Recruitment and Training. The project was focused on initiatives in favour of the retention, reintegration and retraining of older workers and

involved seven member states: Belgium, France, Germany, Greece, Italy, the Netherlands and the United Kingdom. In addition some limited material was collected from two new member states, Finland and Sweden. The principal objectives of the project were:

- to collect information about good practice initiatives designed to combat age barriers in recruitment and training in the different member states;
- to examine the perspectives of the social partners, with particular attention to proposals for removing age barriers;
- to document and assess a small number of initiatives - including both workplace and non-workplace initiatives as well as covering the public and private sectors - in order to highlight the lessons to be learnt from the implementation of good practice with regard to older workers.

Each research team prepared a national report comprising four elements: a review of ageing and employment issues in their own country; an outline of the perspectives of the social partners, based on a workshop organised by the team; a portfolio of around 20 initiatives demonstrating good practice in age management; and 2-3 of in-depth case studies of initiatives in the portfolio. (Details of where to obtain copies of the national reports may be found in Appendix III.) Despite the constraints on the research project, set chiefly by resources and time, the national research teams were able to seek out a wide range of initiatives and to include some detailed case studies.

The purpose of this report is to synthesise the material collected by the national research teams. The following four chapters will summarise the key labour market issues in the nine member states (including Finland and Sweden); describe the various dimensions of good practice reported by the national experts; use the in-depth case studies to emphasise the main lessons to be learnt from the implementation of good practice; and, finally, summarise the main findings and make recommendations for action at every level of the EU, to combat age barriers. In addition to this synthesis report, the Foundation is publishing a *European Portfolio of Good Practice*, which contains brief details of the wide range of initiatives found in the nine countries, and a booklet summarising the main findings of the research.

Good Practice in Age Management

This is the first European research to concentrate on good practice in the recruitment and training of ageing workers. But what is 'good practice'? It is most usefully defined with respect to specific policies. In chapter 3, the five main dimensions of age management in organisations - job recruitment and exit;



training, development and promotion; flexible working practice; ergonomics; job design; and changing attitudes towards ageing workers (Casey, Metcalf and Lakey, 1993) - are used to categorise aspects of good practice; and below, good practice is defined in relation to each of the five areas of age management. First though, in general terms, we might say that good practice in the employment of older workers consists of combating age barriers, whether directly or indirectly, and providing an environment in which each individual is able to achieve his or her potential without being disadvantaged by their age. In order to achieve this goal policies do not necessarily have to be labelled 'older worker' policies - there may be general human resource (HR) strategies that are of particular benefit to mature employees. For example, a system of annualised hours has proved to be particularly helpful to ageing workers with caring responsibilities but it is not intended as an older worker-specific HR strategy. Inevitably the selection of examples of good practice entails a value judgement that a particular initiative is reducing age barriers in employment and that this is a desirable outcome. The dilemmas associated with this sort of judgement and the assessment of good practice are discussed in chapters 4 and 5.

It may be helpful to provide some illustrations of the concept of good practice underlying this project and this is arranged according to the five different aspects of age management.

1. *Job Recruitment*

Here good practice means ensuring that older workers have either equal or special access to the available jobs and that potential applicants are not discriminated against either directly or indirectly. An example is the absence of age bars and other discriminatory mechanisms in advertisements and other methods of recruitment. Another example is positive discrimination in recruitment to overcome age barriers. Good practice may also consist of self-employment. In non-workplace settings good practice may include specific skills training to improve job seeking/finding or employment counselling and job search support. It could also mean the provision of support to a self-help group of older people designed to promote their own employment or that of other mature people.

2. *Training, Development and Promotion*

Here good practice means ensuring that older workers are not neglected in training and career development, that opportunities for learning are offered throughout the working life and that positive action is taken where necessary to compensate for discrimination in the past. Examples

of policies and practices designed to achieve these ends include the creation of a learning environment at the workplace; ensuring that training is available regardless of age; and making training 'older worker friendly' by tailoring it to the learning methods and experience of older employees or by providing special courses to redevelop the ability and enthusiasm to learn. Good practice in this area may be promoted by non-workplace based initiatives, for example, by the provision of training to older workers in community programmes, and short-term work placements.

3. *Flexible Working Practice*

Here good practice may be defined as affording older workers greater flexibility in their hours of work or in the timing and nature of their retirement. Of course such flexibility may benefit younger as well as older employees (as with annualised hours) but, specifically, with regard to older people, such flexibility may be an important method of retaining this group in employment or provide an attractive feature for recruitment purposes. Certainly there is evidence of a desire on the part of older employees for greater flexibility in working practices and, therefore, good practice consists of accommodating these wishes as far as is practicable in different organisational settings. Examples of such flexibility include gradual retirement, flexibility over retirement age (including the possibility of working beyond normal retirement age) and the provision of part-time employment (for those under and over retirement age).

4. *Ergonomics/Job Design*

Good practice with regard to job design may take the form of preventative measures or those intended to compensate for physical decline. On the preventative front there is a wide range of ways in which work-induced illness and disability may be prevented by improved job design, for example by the elimination of heavy lifting or violent twisting movements, the provision of beneficial lighting and seating. For those ageing workers that are experiencing physical decline it is possible to modify the workplace in order to assist them to maintain their productivity and, therefore, to remain in employment, for example changes in lighting levels to compensate for poorer eyesight, or alterations to workstations in order to avoid arduous bending and reaching.

5. *Changing Attitudes Within Organisations*

The introduction of good practice in recruitment and training rests on the commitment of key personnel, such as managers, recruiters and employment services staff. Therefore changing the attitudes of such staff towards older workers may be a vital prerequisite to the development of good practice for older workers. Aspects of good practice in this sphere would include a positive approach to combating ageism and dispelling the way this is associated with ageing workers by, for example, the presentation of evidence from a variety of sources demonstrating the benefits of employing and investing in this group. Such evidence may include examples from within the organisation or from other similar ones or the results of more broadly-based scientific research. As well as raising awareness about the need for good practice in the recruitment and training of older workers there may be a need for special training in equal opportunities, with reference to age, or in the particular needs of an ageing workforce.

Conclusion

The main purpose of this report is to analyse the findings of the European Foundation's project on age barriers in employment. The primary focus of this analysis is good practice in age management and, specifically, good practice in combating age barriers. In carrying out the project and in writing this report everyone involved is committed to making practical proposals which will help both to combat the barriers facing ageing workers in the labour market and to contribute to the development of more effective employment policies in the EU. Subsequent chapters discuss the examples of good practice collected by the seven research teams. First, though, comes the labour market and policy context.

Chapter 2

Ageing and employment

The main purpose of this chapter is to provide a national labour market context for the later discussion of good practice initiatives in chapters 3, 4 and 5. National experts were asked to describe the main labour market issues concerning ageing and employment in their respective countries, and this information is used to summarise the main factors behind current employment policies towards this group and to outline its labour market status. In addition each national research team held a workshop on ageing and employment which was designed to obtain the views of the key actors in the labour market, and the reports of these workshops enable us to present a summary of the perspectives of the social partners in each country (Finland and Sweden did not take part in this particular exercise). The starting point is the continuing importance of early exit and, particularly, the role of public policy in promoting it.

The Continuing Growth of Early Exit

The dominant characteristic of the labour market experiences of older workers in the EU is the steady decline in their employment rates over the last 20 years. The pace of decline varies considerably between countries, particularly between the north and south of the EU, but the trend is both unmistakable and persistent, as Table 1 shows. The movement in the employment of older women, shown in Table 2, differs from those of older men largely because of the cohort effect of increasing female participation in the labour force. However, when this cohort effect is disentangled the trend among older women is similar to that of their male counterparts (Guillemard, 1993).

It is well known that the main factors behind this growth in early exit from employment are demand-related and, specifically, recession, unemployment and redundancy (Walker, 1985; Trinder, 1989; Kohli, Rein, Guillemard and Van

Table 1 Employment Rates for Men Over 55 by Age Groups in Twelve of the European Union Countries (1983-1994)

	B	DK	F	G	GR	IRL	I	L	NL	P	S	UK
55-59	1983	60.9	77.4	60.3	77.6	76.4	71.1	52.5	65.3	74.7	79.1	75.8
	1986	54.2	78.3	57.3	73.9	73.7	71.6	56.5	-	72.1	67.9	73.3
	1988	48.1	78.8	56.3	72.2	72.4	69.9	54.6	63.4	69.9	66.6	72.6
	1990	48.4	81.6	56.2	73.9	70.7	69.6	62.8	63.6	73.5	69.4	74.9
	1992	48.7	75.7	58.1	67.2	70.8	66.7	53.3	60.9	68.8	66.7	69.5
	1994	48.6	75.1	55.9	63.9	71.0	67.8	51.3	59.3	68.9	60.7	67.3
60-64	1983	27.4	48.3	28.2	38.3	58.2	63.3	19.5	34.2	62.8	60.4	52.5
	1986	22.4	52.6	22.0	30.8	51.7	57.3	16.1	-	53.5	45.6	48.1
	1988	19.4	51.7	19.4	31.7	49.2	55.0	18.0	25.1	53.7	44.0	49.1
	1990	18.9	48.6	16.0	32.9	45.5	50.4	22.8	21.7	54.2	43.2	49.4
	1992	20.2	45.8	13.5	28.5	45.9	52.1	15.7	21.4	55.4	43.0	47.5
	1994	17.3	40.9	12.5	26.1	45.5	50.6	15.1	21.0	52.2	38.0	45.1
55-64	1983	47.7	63.1	46.0	60.2	68.8	70.3	38.0	50.5	-	-	64.3
	1986	38.8	65.8	40.6	55.4	64.0	64.6	39.6	-	63.2	57.5	61.1
	1988	34.4	65.5	38.7	54.1	61.6	62.7	39.7	44.1	62.2	55.9	61.1
	1990	34.3	65.6	37.0	54.3	58.4	60.2	42.9	44.0	64.6	56.9	63.3
	1992	34.7	61.5	35.9	49.5	58.6	59.8	40.0	42.2	62.0	55.0	58.7
65-69	1983	5.1	26.4	7.9	10.2	34.1	31.6	10.2	5.3	-	20.7	13.0
	1986	5.5	26.0	7.1	8.5	26.8	28.3	4.5	-	30.3	10.9	11.7
	1988	4.2	25.9	6.1	7.4	24.1	26.8	4.2	10.0	30.6	7.5	11.3
	1990	3.3	27.4	5.1	8.6	21.4	25.7	5.5	9.7	31.5	7.4	13.5
	1992	3.9	26.0	5.2	6.9	21.2	25.7	4.3	11.1	28.5	7.0	14.1
	1994	2.3	3.8	2.5	4.3	11.7	16.0	2.1	5.8	20.6	2.9	7.3

Source: Guillemand 1993, Table 3.2; Eurostat Labour Force Surveys 1992 (1994) Table 6; unpublished Eurostat Labour Force Survey 1994, Eurostat.

Table 2 Employment Rates for Women Over 50 by Age Groups in Twelve of the European Union Countries (1983-1994)

	B	DK	F	G	GR	IRL	I	L	NL	P	SP	UK
50-54	1983	26.1	63.8	52.7	45.2	35.6	29.7	20.1	25.9	-	-	60.8
	1986	26.5	68.1	53.2	47.4	38.1	31.2	25.1	-	42.9	23.7	62.1
	1988	25.8	72.6	53.7	47.9	37.9	30.8	24.0	33.3	45.9	24.7	62.0
	1990	28.6	72.9	55.3	53.8	36.3	31.7	26.9	36.0	47.6	25.5	65.2
	1992	31.8	74.1	57.1	59.5	35.1	33.4	30.6	39.9	51.9	28.7	65.7
55-59	1983	15.7	50.2	37.2	37.5	29.5	19.5	17.9	17.2	-	-	47.4
	1986	16.7	57.3	36.4	35.9	29.9	19.9	19.0	-	33.5	21.0	48.6
	1988	14.6	55.9	37.4	36.3	31.4	20.4	17.1	21.7	36.3	21.0	49.1
	1990	14.7	57.6	37.6	38.7	28.0	19.3	18.0	22.9	37.9	21.5	51.9
	1992	17.2	61.4	38.0	36.1	26.0	18.8	21.0	25.1	42.2	21.4	52.1
	1994	20.4	57.1	38.8	37.6	26.5	18.6	19.0	27.4	41.4	20.8	51.7
60-64	1983	6.0	28.0	16.6	12.1	19.9	9.0	10.2	7.7	-	-	19.7
	1986	4.2	29.2	14.7	10.5	20.9	9.5	7.5	-	23.6	14.8	18.0
	1988	3.8	22.9	14.2	10.3	22.0	9.9	7.4	7.2	26.0	15.8	18.6
	1990	4.0	26.9	11.8	11.6	19.7	10.0	9.5	8.3	23.7	14.6	21.8
	1992	5.0	24.6	11.3	9.2	17.4	8.6	9.8	6.3	27.1	15.3	22.8
	1994	4.9	20.8	11.3	8.4	18.5	8.0	7.5	7.2	24.9	15.0	24.7

Source: Guillemaud 1993, Table 3.2; Eurostat Labour Force Surveys 1992 (1994) Table 6; unpublished Eurostat Labour Force Survey 1994, Eurostat.

Gunsteren, 1991; Laczko and Phillipson, 1991). Indeed it has been argued that 'early retirement' or withdrawal from the labour market brought about through an increase in unemployment is better understood as a form of unemployment rather than retirement (Casey and Laczko, 1989).

Early Exit as a Goal of Public Policy

One important aspect of the demand-side determination of early exit over the last 15-20 years has been public policies. Thus measures such as pre-retirement in Denmark and Germany, disability compensation in the Netherlands and the Job Release Scheme in the UK have actively encouraged the trend towards early labour force exit, sometimes as a means of substituting younger for older workers. In other words policy makers regarded older workers as a partial solution to unemployment, particularly mounting youth unemployment. (Of course this was one element of a general policy of labour supply reduction, which also included action to contract the inflow of young labour market recruits.) Moreover early exit was a solution that was favoured by both employers, who could reduce the size of their workforces or rejuvenate them with assistance of public subsidies, and trade unions, which were able to negotiate early retirement packages for their members, many of whom were keen to leave the labour force. The VUT scheme in the Netherlands, for example, was created by collective agreement.

The late 1970s and early 1980s, therefore, witnessed a high level of consensus between the social partners backing the policy of early exit. This does not mean that governments intervened in their national labour markets to the same extent - in fact differences in the level of such interventions have a bearing on the degree to which employers are now willing to depart from the policy of early exit - but the widespread acceptance of early exit was remarkable. Public early retirement schemes were oversubscribed in all European countries in which they were available and this remains the case where such schemes have been maintained. For example, the bridging pension in Belgium covered 42 per cent of the early retired in 1979, rising to 60 per cent in 1992. The VUT in the Netherlands is used by 90 per cent of those eligible for early retirement, and the take-up of Invalidity Act benefits is 30 per cent between the ages of 50 and 54 and 60 per cent among those aged 55-59.

Unfortunately the policy of early exit entailed unforeseen consequences and, in retrospect, may be viewed as a short-term solution to the pressing economic problem of unemployment, the social and economic costs of which were never discussed openly (Walker, 1982) and which, as circumstances change rapidly, looks increasingly anachronistic. In the first place the growth of early labour



force exit has diminished the role of public pension systems as the key regulators of retirement and, thereby, increased the precariousness of many older people in the labour market (Guillemard, 1993). Thus a whole range of *ad hoc* institutional mechanisms and benefits have been added to the social protection systems of the northern EU states to facilitate the early exit policy and bridge the widening gap between employment and retirement. However these benefits do not cover all older workers and many are left with little other than social assistance.

Secondly, the unchecked growth of early exit from employment reinforced the devaluation of older workers in the labour market. As age thresholds have been lowered to provide exit routes out of employment, this has had significant consequences for those ageing workers left in the labour market because it is likely to have affected employers' perceptions of the age at which workers may be considered to be 'too old'. In fact there is a growing body of evidence in different EU countries to show that people in their third age are frequently discriminated against with regard to job recruitment, promotion and training (McEwan, 1991; Drury, 1993). The most comprehensive EU-wide evidence comes from the Eurobarometer surveys conducted for the 1993 European Year of Older People and Solidarity Between the Generations, to which reference was made earlier. We asked the general public whether or not older workers are discriminated against with regard to job recruitment and other aspects of employment and a remarkably high proportion - four out of five for the EU as a whole - said that such discrimination does exist with regard to recruitment. Moreover, there was hardly any difference based on the age of respondents (Walker, 1993).

Changing Policy Perspectives

Recently there has been a significant shift in official attitudes towards early exit in a majority of member states. Most of those with public early retirement schemes or programmes that facilitate early exit have taken action to curtail or restrict access to them. For example, the Austrian government has abolished the early pension scheme which enabled men to retire at 59 and women at 54, the UK government abolished the Job Release Scheme, the Dutch government has restricted access to invalidity benefits and the Swedish government has removed labour market criteria as a qualifying condition for disability pensions. The main factors behind this shift are common to all of the countries in this research - the rising costs of pensions, workforce ageing, recession and unemployment costs - but there are some differences of emphasis between countries. All member states are confronted by twin pressures: on the one hand, demographic change leading to workforce ageing and rising pension costs and,

on the other, economic recession, relatively high unemployment and the deflationary impetus of the economic convergence criteria set by the Maastricht Treaty. These combined pressures have already prompted action in several EU countries to limit the extent of early exit. In addition the decline in youth unemployment in some countries has created some space for policy makers to turn their attention to older age groups and, increasingly, we may expect them to be forced to do so by the growing numerical strengths of the older population and the rising political consciousness of this age group.

This does *not* mean that age and employment is an issue that is high on the policy agenda in all countries. Among the nine member states represented in this research it is possible to distinguish two broad groups. In Belgium, France, Germany, the Netherlands and the UK the issue has a relatively high political profile, whereas in the remaining countries (Finland, Greece, Italy and Sweden) it occupies a relatively low priority. Out of the first group the issue of age and employment has a particularly high profile in France, Germany, the Netherlands and the UK. In 1993 the British Employment Minister (Ann Widdecombe) personally sponsored a major publicity campaign aimed at employers to make them more aware of the issue of age discrimination and to encourage them to recruit more older people. The Dutch government adopted an even more proactive stance and established an Age Discrimination Bureau to highlight this issue. Furthermore the Minister of Social Affairs has announced the intention of the Dutch Cabinet to legislate against unjustified age limits in job recruitment. This proposal stems from a day devoted to publicising age discrimination in March 1996, which received enormous media coverage. In France there is an ongoing debate on gradual retirement and new proposals in the national parliament. In Germany there is a Commission of Enquiry into Demographic Change set up by the Bundestag (German Federal Parliament) which submitted an interim report, in 1994, emphasising the need to encourage older workers to continue in employment. However, the main focus of government interest appears to be the problems of pension financing.

In contrast, particularly in the two southern states that took part in this research, the question of the increasing average age of the workforce has not achieved any prominence in the national policy arena - though in Greece at least there are signs that this is changing. The main reason for this in the case of Italy appears to be that workforce ageing has been artificially avoided by a *de facto* reduction in the official retirement age. Even the debate surrounding the recent draft pension reform bill did not focus on actions needed as a result of the ageing of the workforce. Government action has been taken to implement the EU's guidelines on greater flexibility in labour relations, but the age variable has only

rarely been taken into account. In Greece there has been some debate on the situation of older workers, but the protection offered to older workers in the labour force between 1983 and 1991/92 (to assist them to qualify for pensions) coupled with the higher levels of unemployment among women and young people has minimised official concern, that is until this year. (The recent change in Greece results partly from the activities of the Greek researchers in this project.) The situation in the two new Scandinavian member states is quite different from their southern counterparts. In Sweden the new and traumatic experience of high unemployment has focused attention on the position of young people, immigrants and refugees rather than older workers. Also there is a political reaction against the employment protection law which is seen as an impediment to the creation of a flexible labour market. In Finland the absence of public debate about workforce ageing is partly attributable to the concentration on limiting the growth of early exit and partly to the long tradition of rehabilitation and occupational health legislation, which has been adapted to improve working capacity among older workers.

Policy Pressures

What are the main pressures behind recent policies towards older workers in the different member states? There is no doubt that the main engines of change are political and economic and, in particular, the desire to limit the social security costs associated with early exit and, indeed, with public pensions. This is the pre-eminent factor in Belgium, France, Greece and Italy and also in Finland and Sweden, and it is a major factor in all of the other countries. However, in each country there are specific national features to the debate and its policy prescriptions. In Italy, for example, the policy debate has focused, first of all, on the falling rate of replacement (the ratio between those aged 15-19 about to enter the labour market and those aged 55-59 about to leave it) which is predicted to fall below 80 per cent in the first 20 years of the next century as a result of the sharp fall in the birth-rate (from 19.1 per thousand in 1965 to 9.4 per thousand in 1993). Secondly there is the increase in people's working lives due to increased life expectancy, which often takes the form of work in the informal economy. Thirdly there is the steady rise in the age at which people start employment, resulting partly from the extension of compulsory education. In combination these factors have led to proposals to reform the pension system and, thereby, to redefine the 'typical' pensioner by extending the working life. In France the desire to limit pension costs has led to government action both to restrict the frequency of early exit, by offering partial retirement schemes, and to reform the public pension system with the aim of prolonging working life. In Sweden previously generous exit paths have been narrowed or closed and firms have been encouraged to take responsibility for counteracting exit from the

labour market. However, many Swedish employers have ignored these appeals and early exit has continued at a rapid rate.

The emphasis on the various factors underlying the recent policy shift away from early exit and, in some cases, towards pro-active policies on age and employment, appears to differ slightly in three countries - Germany, the Netherlands and the UK. In Germany two pressures are driving policy - although they do not have equal weight. On the one hand it is felt that prompt action is required to develop employment policies and training initiatives in order to pre-empt predicted future labour shortages resulting from demographic change. On the other hand, and much more influential, are the political and economic pressure to reduce pension costs which resulted in the 1992 pension reform legislation which increased the pension ages. In 1996, the German government abolished the early pension scheme which enabled men to retire at 60 after at least one year of unemployment. A part-time employment scheme for older workers has been introduced instead but experts see little chance for its implementation at company level. Simultaneously, it has been decided to raise the pensionable age for men from 63 to 65 five years earlier than was planned in the 1992 pension reform act, and this will come into force now in 2001. The knock-on effect of this extension of working life is to further increase the need for employment promotion among older workers. In the cases of the Netherlands and the UK there is an additional, less important, normative factor behind the new policy orientation. Following on from the campaigns by women's groups and black and ethnic minority groups it is increasingly the case that representatives of older people in general, and older workers in particular, are complaining about age discrimination and demanding equal access to job opportunities (McEwan, 1992). The contrasting responses of the British and Dutch governments to these grassroots pressures were noted earlier.

Thus the key factors that have created a new policy perspective on early exit and age and employment are the EU, and national political and economic pressures to reduce social security and especially pension costs. These pressures are exacerbated by recession and high unemployment, current and predicted labour shortages resulting mainly from demographic change, and the increasing profile of age discrimination in some countries. In addition three of the national reports mentioned the importance of the loss of experience and know-how with the premature departure of older employees (Belgium and France), and the unintended consequences of early exit and the ageing of the internal labour market (the Netherlands). These unintended effects of early exit include the loss of skills and know-how, the increase in company level social security contributions and the fact that early exit diverts human resources policy away

from the development of age-aware programmes covering the whole working lives of their employees. Over-emphasis on early retirement schemes in some countries has excused employers from the responsibility of examining the link between career and age and from the development of good practice with regard to ageing workers.

Continuing Exclusion from Employment

Despite the obvious shift in the member states' policies towards early exit and the extensive examples of good practice collected in this research (see chapter 3) the reality of the labour market experience of large numbers of older workers in most EU countries is one of continued exclusion from employment. In most countries older workers tend to occupy a relatively low status in the labour market, experience discrimination with regard to job recruitment and training and are disproportionately represented among the long-term unemployed.

Belgium has the lowest level of labour force participation among those aged 50 and over: only 35 per cent of the total population over the age of 50 is employed or actively seeking employment, compared with the EU average of 50 per cent. In Italy there was a fall of 7 per cent in the employment rate of people aged 50 and over in the 1980s and 1990s (13 per cent for men). In comparison there was a marked increase in the employment and activity rates of middle-aged males (30-49 years). Among older workers, those most affected by the fall in employment and activity rates are those with low educational qualifications. The Italian workforce appears to be undergoing a process of 'external flexibility' based on the replacement of workers aged over 40 by more highly educated younger people. This results from a combination of subsidies for the employment of young people and inducements for older workers to take early retirement.

In Germany the high rate of unemployment generally and particularly in the east of the country means that there is no evidence of any improvement in the job opportunities of older workers. In fact the percentage of the long-term unemployed who are aged 45 and over has increased continuously since 1984 - from 42 per cent in 1984 to almost two-thirds in 1992. The proportion of the long-term unemployed in 1992 in the age group 55-59 was 53 per cent compared with 11 per cent for the 25-29 age group.

In the UK older workers are over-represented among those made redundant. In March 1994 people in the 55 and over age groups had a redundancy rate of 10.9 per 1000 employees compared with rates of 9.7, 9.1 and 8.8 for the 45-54, 35-44 and 25-34 age groups respectively. Older people are much more likely than

other age groups to be found among the long-term unemployed. In 1989 the vast majority of unemployed men in the age range 55-64 were long-term unemployed. Older men were considerably more likely to be long-term unemployed in 1989 as they were in 1983. In 1983, 59 per cent of unemployed men in the age range 50-64 were long-term unemployed. By 1989 this figure had risen to 70 per cent. In contrast the incidence of long-term unemployment among the 25-54 year old age group has declined slightly between 1983 and 1989 from 59 per cent to 55 per cent.

The picture for women is somewhat different from that of men. The rate of long-term unemployment among UK women in the 55-64 age group remained fairly stable between 1983 and 1989 at 55 per cent of those who were unemployed. However, older women appear to be at considerably more of a disadvantage when compared to younger women. Older women were much more likely to be long-term unemployed than younger women (25-54) in both 1983 (55 per cent versus 38 per cent) and 1989 (55 versus 29 per cent). Moreover, as long-term unemployment among the 25-54 age group declined markedly over this period, the gap widened between older and younger women. Statistics on outflows from unemployment show that they are lower for men and women in the age group 55 and over than for the younger age groups.

Greece and the two new Scandinavian member states provide contrasting pictures to the pattern of disadvantage in the labour market experienced by older workers in the other countries. Greek national employment statistics show that older workers (45 and over) are those least likely to suffer from unemployment (4 per cent compared with a national average of 10.7 per cent in 1993). Older Greek men have one of the highest employment rates in the EU. However, there are some indications of increasing vulnerability to labour force exclusion among this group: disproportionate employment in the primary sector, especially in small scale subsistence farming, under-representation in the modernised, high paid sectors of the economy (such as banking and insurance) and the prevalence of very small businesses, often involving family members working for no payment. Despite the recent recession in Sweden the employment ratio for older workers is higher than most other EU countries: 86 per cent, 76 per cent and 51 per cent among men aged 50-54, 55-59 and 60-64, and 85 per cent, 73 per cent and 45 per cent respectively for women (1995). In Finland unemployment is not markedly worse among older workers than other groups and has remained quite stable.

Austria has an unemployment rate of 8.5 per cent and 60 per cent of those unemployed over 40 have been out of work for more than a year. With the recent

abolition of the early pension scheme, unemployment among older workers is expected to increase further. Moreover, with unemployment among young people rising rapidly, labour market programmes have been cut back.

Age Discrimination

The evidence presented by the national researchers in this project provides further proof that explicit age discrimination is widespread in the EU's labour markets and remains a key source of social and economic exclusion. The Belgian team conducted a spot-check of job advertisements in the Flemish daily *De Standaard* of 15 and 16 January 1994 and found that 40 per cent explicitly mentioned an age limit, either lower or upper, or both. The approximate average age of the profile in these advertisements was 31. Of course in some cases no specific age was mentioned but the exclusion of older people may, nonetheless, remain explicit, for example, 'young university graduate' or 'young winner'. At the same time only 21 per cent of personnel managers in Belgium name age as one of the three most important factors in recruitment.

The German researchers report the existence of *de facto* age limits on recruitment although these are rarely quoted openly. According to the findings of a pilot study of the representation of older applicants in job advertisements placed in regional and national daily newspapers, there were hardly any vacancies for applicants in the second half of their lifespan. At a regional level there were no vacancies for applicants aged over 40 and, at the national level, only 5 per cent of all advertisements specified 40 years or older (Straka, 1993). In Germany older women find it even harder than older men to gain secure employment. Moreover the exclusion of the most disadvantaged older workers appears to be worsening:

There is evidence that the employment crisis has caused companies to operate stricter criteria when recruiting new staff and the skills required for each vacancy have increased and are still increasing. As a result older workers who have, say, a previous unemployment record or career gaps have almost no chance of finding a new job (Frerichs, 1995, p.5).

The chances of older applicants are slightly better in small and medium-sized companies (SMES) than in larger ones because the former are more likely to require skilled craftsmen.

More research has been conducted on age discrimination in employment in the UK than in any of the other member states taking part in this project. The authors of the UK report quote the findings of a series of recent independent

research studies, including their own, which have demonstrated that older people seeking work in the early 1990s continue to face considerable discrimination in recruitment. More than two in five large employers (500 or more employees) cite age as an important consideration in the retirement of staff and a significant minority of job advertisements specify age bars.

In addition to age discrimination in recruitment the national reports provide considerable evidence of discrimination with regard to training schemes, both within organisations and, in some cases, those provided by public authorities. Exclusion from training opportunities is particularly significant because employers in different countries frequently refer to the ‘skills deficit’ of older job applicants as a reason for rejecting them. For example, in their pioneering national survey of employers in the UK, Taylor and Walker (1994) asked employers about the factors which might discourage them from recruiting older people and the results are reproduced in the table below.

Employers’ Rating of the Importance of Various Factors in Discouraging the Recruitment of Employment of Older Workers (percentages)

	Very important	Important	Not important
- Trade union rules/opposition	1	11	79
- Maximum recruitment age in company	14	23	55
- Shortage of older applicants	9	36	48
- Rules governing company/occupational pension schemes	16	30	48
- Pay-back period on training	6	43	45
- Lack of appropriate qualifications	13	38	45
- Maximum recruitment age for some jobs	12	39	41
- Lack of appropriate skills	22	50	22

As can be seen, the rules governing pension schemes, the pay-back period on training, and maximum recruitment ages were rated as important discouraging factors by many employers. However, the overwhelming factor discouraging older workers in the eyes of employers was a lack of appropriate skills, 72 per cent regarding this as an important factor. Thus exclusion from training opportunities entails double jeopardy because it has knock-on effects on the recruitment chances of this group. Older workers are particularly prone to a ‘skills risk’ because of changes in their performance levels, intergenerational differences in skill levels, deskilling and a narrowing of initial skill levels over time (Naegele, 1992).



In Belgium older employees participate less in training than their younger colleagues. For example, a survey of the financial sector in Flanders found that only 13 per cent of the 25-30 age group had not taken part in any course in the last five years but, among those aged 55 and over, this rises to 50 per cent. Moreover a very low percentage of older people take part in professional courses run by the Flemish Service for Professional Training (VDAB). These courses are aimed at both job seekers and those in employment. Job seekers taking the courses increase their chances of finding employment. Yet in 1991 only 10 per cent of those who took the VDAB courses were aged 40 and over, even though this age group comprised 36 per cent of the unemployed.

A similar picture of under-representation in training may be found in Germany: in 1991, 47 per cent of all those receiving vocational training were aged under 35. In terms of the volume of training (number of hours) the percentage was even higher, at 59 per cent. In contrast, only 16 per cent of training participants were 50 and over and they received only 9 per cent of the training volume. With regard to public employment promotion schemes in Germany older workers are also significantly under-represented. For example, in 1994, the proportion of people aged 50 and over participating in the special programme operated by the German Federal Government to encourage the reintegration of the long term unemployed was below average at 15.5 per cent. Participation by older workers in other public training and retraining schemes is also well below average. There are programmes in Germany which specifically target the older long-term unemployed but, according to Frerichs, in volume terms they are 'of little significance'.

The Greek Ministry of Labour uses the age of 46 as an upper age limit for the access of unemployed people to training courses. Also, as Mestheneos and Iounadies point out, the majority of training programmes funded by the European Social Fund apply an upper age limit for the unemployed of 45 years of age.

In contrast to the consistent picture of under-representation of older workers in both organisational and general training programmes in the seven main countries in this research, the mini-reports on the two Scandinavian member states do not raise this as an issue. Indeed there is no reference at all to age discrimination in either recruitment or training. Contributory factors could be the well-established employment protection for older workers in Sweden and, in Finland, the tradition of occupational health and adult education. However there is some evidence to suggest that, despite protective measures in Sweden,

age discrimination is still present in the labour market, for example in job recruitment and training.

Perspectives of the Social Partners

As noted earlier a novel feature of this European Foundation project was that each research team convened a workshop which was intended primarily to explore the perspectives of the social partners towards age barriers in employment. (Most of the workshops also included other participants such as research and policy makers.) The results of these workshops provide a useful insight into the attitudes of employers and trade union representatives in each of the seven main participating countries. The picture comprises both conflict and consensus between and among the social partners though, it must be said, conflicting views far outweighed consensual ones. There are also contrasts in the attitudes of the social partners between the countries involved. In addition the workshops illustrated the dilemmas that trade unions are being confronted with by the juxtaposition of an ageing workforce and high unemployment.

Only one country, Belgium, approached overall consensus between the social partners on policies concerning age and employment. Two workshops were organised by the Belgian researchers (one for Flanders and one for Wallonia). The representatives of employers and trade unions attending the workshops agreed that there would have to be a change of attitude on behalf of employees in order to restrict access to early retirement on a bridging pension. Both government and social partners were called upon to make a priority the amendment of seniority payments and the acceptance of a flexible pension age. There was consensus among the social partners that government intervention is essential in order to change the behaviour of older employees.

The Italian workshop concluded with a general consensus on the importance of supporting older workers' participation in the labour force, but there was no agreement about the specific measures that should be taken to achieve this. Subsequent to the workshop, in late 1996, the CISL (one of the leading Italian unions) for the first time raised the issue of unemployed people aged over 40 years. The debate in the Netherlands revealed an emerging consensus between the social partners about the need for action to combat age barriers in job recruitment and training, but there were still differences of emphasis and disagreements about priorities. Similarly with the UK workshop: although there was a wide diversity of participants (leading employers, public sector unions and the main employers and trade union umbrella organisations) they achieved a high degree of unanimity concerning the importance of the issue of age discrimination in employment and the need for action to combat it. Furthermore

there was a strong consensus on the importance of adopting a broad focus on older workers, recognising that they are not a homogeneous group. Participants also agreed that special emphasis should be placed on age awareness training for line managers and on the careful monitoring of job recruitment and training opportunities by age. Despite this high degree of consensus on priorities for action there is a fault line dividing the UK social partners on this issue; the Trades Union Congress supports anti-age discrimination legislation while the Confederation of British Industry is implacably opposed to it.

France and Germany represent clear examples of disagreement between the social partners over the nature of the problem of workforce ageing and the required solutions. In addition, the trades unions and employers have adopted almost diametrically opposed positions on the issue of early exit in each country.

The stance adopted towards workforce ageing by French trade unions is, essentially, to wait for government initiatives. In the words of Guillemard and her colleagues (in translation):

Before one can give serious consideration to combating age barriers to recruitment and training, one needs to possess a clear perception of the need for action. It is nevertheless patently clear that such a perception does not exist within France's four largest (multi-category) unions.

French trade unions have for various reasons favoured the continuance of early exit, even though they recognise the long-term problems associated with the large scale use of early retirement schemes. The introduction of phased early retirement, intended by the government to reduce the cost of early exit, has been generally welcomed by the unions. French trade unions are also clear about their response to discrimination against older workers in training programmes: the right to training should apply to every employee. However they have not formulated any specific proposals to overcome this exclusion.

French employers seem to have taken a more pro-active approach to workforce ageing than that of the trade unions. Large companies in particular have begun to recognise the drawbacks attendant upon the large-scale use of early retirement schemes. Some of these companies are openly stating their opposition to the use of such short-term policies and are looking at ways of introducing workforce planning measures designed to retain older employees. Various recommendations have been made to address the issue of workforce ageing including workforce management techniques, such as skills audits,

greater flexibility in employment and the creation of employment networks. It is important, however, not to get these proposals out of proportion: in France early exit remains extensive and company schemes to retain older staff in employment are the exception rather than the rule. Nonetheless there is a stark contrast between trade union and employer responses to workforce ageing - the former favouring the status quo and the latter arguing for change.

In Germany the positions occupied in this conflictual relationship are reversed. Among trade unions the dilemma between favouring early retirement and extending working life is also prevalent and there are differences between unions on this issue. Unlike their French counterparts some leading German trade unions see dangers in the continual growth of early exit from the labour market, especially the short-term exploitation of the workforce. Moreover they are actively campaigning for changes in the organisation of the working environment to ensure that all employees are able to continue in employment until their normal retirement age. German unions are also aware of the importance of training to the integration or exclusion of older workers, particularly the unskilled and semi-skilled, and fear that continued large scale early exit will bias training initiatives even more against the needs of older workers. For example the metalworkers' union IG Metall has proposed, as part of the reform of collective agreements (Tarifreform 2000), to negotiate the incorporation of the right to receive subsidised training in order to enable workers to carry out a wide range of jobs. The aim is also, as Frerichs points out, to prevent a skills deficit arising by ensuring that individuals retain their ability to learn new skills throughout their entire working life. As long ago as 1975 the German trade union federation (Deutscher Gewerkschaftsbund, DGB) put forward the 'DGB Programme for Older Workers'. This document pointed to the existence of barriers to employment facing older workers and, based on the concept of solidarity, emphasised their rights to work commensurate with their inclination and capabilities. The proposals included active employment policies, such as job promotion and action to reduce working hours.

In contrast German employers' organisations emphasise the continuing need to reduce staffing levels, because of the effects of economic recession and global competitiveness, and they regard early retirement as a policy which is both acceptable to society as a whole and one which can be achieved with the agreement of most workers. Furthermore early exit is seen as beneficial in allowing the promotion of more junior staff and in reducing the average age of the workforce. At the same time employers maintain that the opportunities for taking on the older unemployed are minimal. Individual German employers refer to specific barriers to the employment of older people, such as the



dismissal protection regulations enshrined in collective agreements which give special protection to older workers with a long service record (even though the qualifying period is 15-20 years!) and, in common with employers in other countries, the limited pay-back period on training older workers. However German employers do recognise that early retirement has contributed to discriminatory attitudes towards older workers on the part of some employers - the self-fulfilling prophecy referred to at the start of this chapter. This process is further reinforced by the reduction in the number of older employees participating in vocational training, which is given as evidence of a general fall in the motivation of older workers and in their willingness to participate in training initiatives as they become older.

Like their UK counterparts, German employers' organisations stress the importance of information campaigns designed to make companies more aware of the learning potential of older employees. In 1980 the Federal Association of German Employer Associations (BDA) published guidelines for companies which made various recommendations to increase the integration of older workers. Some employers in Germany are aware of the dangers of continuing with the policy of early exit, such as the loss of knowledge and skills, but none of the employer associations show any sign of a lessening of support for the early retirement trend.

These sharp differences between the two sides of German industry in their attitudes towards early retirement are well summarised by Frerichs:

There is strong evidence that trade unions see early retirement as a problem and their response has been to make specific demands e.g. initiatives to encourage the training and employment of older workers. However it is still the case that practical efforts to integrate this particular group into the working environment remain underdeveloped with a continuation at the company level of the *de facto* preference for early retirement.

The trend towards early retirement seems to be an increasing one in Greece and very few employers have begun to recognise the disadvantages of this approach to age management. Some trade union organisations, such as the General Federation of Greek Workers (GSEE), have attempted to include in negotiations stipulations such as employees leaving to give a special justification for firing older workers, but this was rejected by the Confederation of Greek Industrialists (SEB). The GSEE has highlighted the social exclusion of older workers and has proposed policies to prevent it, such as focusing on the benefits of employing

older workers, the social and economic consequences of excluding them from the labour force and the necessity of changing the attitudes of employers towards the recruitment and retention of older workers. Specific measures proposed to increase recruitment and retention include:

- continuous training for workers of all ages;
- stronger incentives against redundancies, such as the use of salaries rather than hourly pay;
- ensuring a good, ergonomic working environment;
- new forms of social employment for older workers to complete their pension years;
- promoting incentives for the recruitment of older workers.

The National General Collective Agreement 1996-7, section 6, has made a binding collective agreement to increase redundancy pay for manual workers with at least 15 years of service with the same employer, and this should provide additional protection for a considerable section of older workers. There has been a change from 1995: at that time there were early retirement schemes for those older workers living in high unemployment areas where industrial restructuring had been most acute. Since 1996 there are no more early retirement schemes, since the EU is no longer willing to finance them, the social security funds cannot take the strain and finally there is a realisation that early retirement schemes become an incentive for some employers to dismiss older workers.

Compared with the high profile campaign on age barriers undertaken by the UK government, the contributions of employers' organisations and trade unions have been relatively muted. Some unions, mainly public sector and white collar unions, have issued policy guidelines on the issue of ageing workers, and the Trade Union Congress (TUC) has published some brief guidance for trade unions on age discrimination which includes some examples of age discrimination in employment and practical steps to ensure that the issue of age discrimination is included in collective bargaining. The TUC argues that unions should

recognise that discrimination on the grounds of age is a trade union issue affecting thousands of workers. Trade union action on age discrimination should be an integral part of an overall policy to fight discrimination and protect workers' rights.

The TUC guidance covers equal opportunities policies, terms and conditions of employment and internal communication within unions. The TUC favour anti-age discrimination legislation. The 1994 TUC Women's Conference passed a specific motion on age discrimination with particular reference to women. It was agreed that age discrimination affects women in particular because of: their different work patterns; the assumptions made by employers about women's capabilities and reliability; and the pressure placed upon women to present a youthful appearance.

With regard to UK employers, the main private sector employers' organisation is the Confederation of British Industry (CBI). The CBI opposes legislation to outlaw age discrimination but takes the view that 'unjustified discrimination on the basis of age is contrary to good business practice and that older workers should be viewed as a very valuable source of talent in the workforce'. The CBI has issued a short equal opportunities statement which includes a reference to age alongside other forms of discrimination. Thus it is largely up to individual employers what policies they adopt with regard to age barriers in recruitment and training and there is considerable variation among them.

Different Employers, Different Unions

So far this account has tended to suggest a homogeneous perspective on age and employment among all employers or all trade unions. This is not the case, and in both employers' and trade union federations there are frequently tensions and differences of emphasis depending on a variety of factors such as industrial sector and size.

For example there are differences in perception about age barriers between large organisations and SMEs, differences which stem in large part, no doubt, from the contrasting scope for action in large and small organisations. While not wanting to imply that all large organisations adopt one view and all SMEs another, the national experts do report frequent differences in approach based on the number of employees in an organisation. The contrast is illustrated in the following extract from the workshop organised by de Vroom and his colleagues.

HR employee of a large company:

I have been charged with developing an age-aware personnel policy. I am also conducting a study of alternatives to early retirement. I believe it is in the interests of employers to retain older staff in the organisation. The argument in favour of increasing the participation of older people in the labour process is, I believe, accepted, but it is an interest which is quite far removed from the employer's day-to-day practical concerns.

Representative of an employer's organisation for SMEs:

We might do well to realise that 98 per cent of Dutch businesses have fewer than 100 employees and that 90 per cent of those have fewer than ten and they select in a rather different way than big companies. Things are lot more informal and, for instance, less use is made of advertisements.

As to the question whether it is necessary and/or desirable to retain or recruit older staff, I take a very pragmatic view. Speaking for my organisation, I can understand the imminent problem of a split in society and can defend the view that we must do something about it. However, an employer asks himself - certainly in the medium-sized and small business sector - 'Do I need someone, yes or no'. If an employee produces more than he costs, an employer will basically employ him. And who will he choose in that case, an older or a younger person? He will tend to employ a younger person, if he has the choice, because there are quite a few advantages attached. In many collective wage agreements a large number of exceptions are made for older people, which may simply make them less productive. The reason is not that they don't work hard, but that they have more days off, aren't allowed to do overtime, etc. Those are all obstacles. In that case I'd prefer someone younger. They are more use to me, because I can employ them for longer.

Among trade unions too the national reports point to differences in perspective and policies. These mainly reflect the contrasting conditions facing trade union members in different sectors of the economy. For example, in the UK, the major public sector and white collar unions (such as UNISON and MSF) have been particularly active in developing policies and briefing papers on age discrimination. In Greece there are wide differences in the approaches of unions to the issues surrounding age and employment, depending on the sector and locations they represent. In those areas suffering high unemployment trade unions may have no alternative but to negotiate redundancy and early retirement (Westergaard, Noble and Walker, 1989).

A Trade Union Dilemma

This emphasises the acute dilemma which often confronts trade unions when dealing with the issue of an ageing workforce - a dilemma that is illustrated extensively by the national reports. On the one hand trade unions are inclined to recognise the injustice inflicted on older workers by age discrimination and, to some extent, that early retirement reinforces ageism in the labour market. Yet,

on the other hand, in the context of high unemployment, with little prospect of maintaining previous levels of employment or preventing plant closure and with the opportunity to negotiate attractive early retirement packages for their older members, many of whom may have worked in arduous conditions for long periods and who favour early exit in advantageous financial circumstances, it is not surprising that they do so.

For example, in the case of French unions, as Guillemard and her colleagues point out:

The unions are aware of the problems which large-scale use of early retirement schemes can cause in the longer term, especially where the population as a whole is ageing. Yet it is difficult for them to champion the cause of retaining older staff. In the first place they would find themselves in direct conflict with corporate policies which regard the universal retention of older staff as inconceivable. *'Yet when they reduce their workforce, companies are not dismissing staff at random: in view of the methods used to raise productivity, there has been an accelerating trend towards harsher working conditions in recent years. Companies shed staff whom they classify as less profitable, particularly older staff'* (representative of the General Confederation of Labour). In the second place, the unions would appear to be complying with the wishes of their members, who are very keen to retire early and continually request early retirement schemes. Lastly, they regard it as perverse to prolong working life, especially in the short term, in a country with over 4 million unemployed.

Although some trade unions are aware of the dangers associated with a policy of early exit and even when they know that companies use the exclusion of older workers as a tool of labour management, nonetheless they have to enter negotiations in order to secure the best outcome for their members. In Germany, the intensive pressure to reduce staff levels has meant that local works councils have been under great pressure to conclude agreements which result in the premature exit of older workers. In doing so the local representatives are inclined to play down the negative consequences of early exit and emphasise the positive aspects, such as allowing older workers to withdraw from stressful working conditions. Indeed, as the French Christian Workers' Confederation admits:

in practice a degree of complicity has existed amongst employers, employees and unions about early retirement. Even where no major

surplus of staff was present, redundancy programmes were implemented to secure early retirement benefits.

This dilemma experienced by unions is heightened further by their broad concerns for workers of all ages. Thus full early retirement schemes have often been supported, particularly by trade union negotiators at grassroots level, not only on the grounds that they benefit older members but also that they pave the way for the employment of younger people. A change in union policy at national level may not be reflected on the ground, as is the case for the French Democratic Confederation of Labour's support for phased early retirement.

The union experiences difficulty from time to time, and particularly in the iron and steel industry, in getting across the message that phased early retirement is better than full early retirement. It is easier to justify phased early retirement when it is not linked to a redundancy programme and compensatory recruitments are being made.

Conclusion

The first, brutal conclusion of this chapter is that the reality confronting many older workers in the labour market, particularly the semi-skilled and unskilled, is one of age discrimination and relatively high levels of exclusion from employment. This reality is being made even harsher as the previous escape routes into early retirement are being rapidly closed off by governments. Furthermore early retirement is likely to continue as employers seek to downsize their workforces and trade unions are forced to react to circumstances. However, in some countries at least, workers will be expected to make a financial contribution towards their own early retirement (this is happening in the Netherlands, as employers seek to reduce their commitment to the VUT while trade unions are keen to keep exit routes open). This context should be borne in mind as we consider the more positive aspects of the treatment of ageing workers in the following chapters: in all member states older workers are over-represented in early exit and under-represented in job recruitment and training as well as long term unemployment. There is nothing in the national reports to suggest a dramatic departure from the present depressing picture. Also, on the evidence gathered by this project, there is no sign yet of any partnership between the social partners on the way forward with regard to age and employment.

Nonetheless, looking at the positive side, there are so many examples of good practice in combating age barriers that, in most of the countries involved, it is not possible to argue they are merely isolated cases. Change is underway and



the case studies in good practice collected by this project provide a range of models that could be replicated throughout the EU. The main purpose of the remainder of this report is to facilitate that goal.

Chapter 3

Good practice in combating age barriers

The main purpose of this chapter and the next one is to outline the lessons that could be learnt from the 22 detailed case studies prepared by the national research teams. Chapters 3 and 4 will concentrate on four specific issues in the development of good practice in age management: the external context (national and local); organisational culture; implementation processes; and outcomes, including intended and unintended consequences. This chapter examines the first two of these - external context and organisational culture - and the others are covered in chapter 4. The first two sections of this chapter provide a brief overview of the 22 case studies and the portfolios from which they were drawn. In most cases the organisations concerned are referred to by their actual names but with the French companies this was not possible because of the confidential source of the data.

The Portfolios

A key element of the national research projects was the production of a portfolio of initiatives demonstrating good practice in combating age barriers. Altogether 160 examples of good practice were presented by the national experts and, along with eight extra examples from Finland and Sweden, these have been edited and are being published as the *European Portfolio of Good Practice* (Walker, *et al*, 1997).

The national research teams were asked to collect around 20 summaries of specific initiatives or general organisational policies concerned with combating barriers in the retention, recruitment and training of ageing workers. A detailed protocol was prepared in order to ensure that the national portfolios were synchronised (Walker, 1995). National researchers were asked to concentrate on initiatives promoting job recruitment and/or retention rather than early

retirement or early exit from the labour market. The primary focus was on initiatives based on the workplace, whether sponsored by employers or other agencies, but researchers were specifically requested to seek out some non-workplace based programmes, such as training for older unemployed people organised by NGOs or public or private agencies, if these had wider European relevance. As far as possible the national researchers were requested to select a range of initiatives representing different kinds of organisation, public and private, large and small, and location, rural and urban. The issues of gender and ethnicity in relation to ageing were also highlighted. However, the main criterion for the selection of initiatives was that they should be of general European interest and capable of transfer or wider application. They were expected to be positive examples, as far as possible, and there was no question of their being representative in nature or distribution.

A range of approaches were utilised to ensure that the examples of good practice collected in each country were either the best ones available or typical of a wider selection. Despite the short timescale of the project, systematic techniques were used by the researchers in searching out these case studies. These included national postal surveys, literature searches and the ‘snowball’ method whereby contacts with initiatives are progressively gathered in as one contact leads to another and the project becomes known more widely. (A more detailed account of the methodology used in each country is provided in Appendix 1 of the European Portfolio.)

Dimensions of Age Management

As indicated in the introduction, there are five main dimensions to age management in organisations (Casey, Metcalf and Lakey, 1993):

- Job retirement and exit
- Training, development and promotion
- Flexible working practice
- Ergonomics/Job design
- Changing attitudes towards ageing workers within organisations.

Although the main focus of the project is on job recruitment and training, the research teams were mindful of all five dimensions of age management because the boundaries between these different areas are often blurred. For instance, it may be that in order to achieve good practice in recruitment and training a major initiative will be required throughout the organisation to change attitudes and raise awareness. Similarly, the provision of flexible working arrangements or innovative job design may prove to be keys to the successful recruitment of

older employees. It was often impossible to disentangle initiatives on recruitment and training from other aspects of age management. This should not be surprising: if an organisation adopts HR policies that emphasise equal opportunities this orientation is likely to permeate all aspects of employment. Furthermore training *per se* may not be the main goal of an 'age aware' HR strategy but, rather, a means to achieve other goals, such as alterations in work processes.

The five dimensions of age management outlined above were used as the basic framework for the examples in the European Portfolio, with particular emphasis being placed on job recruitment and training. However, during the course of the research a more detailed classification was developed (chiefly by Bert de Vroom) which allowed the researchers to categorise their portfolio examples in a relatively sophisticated manner. Two categories - changes in exit policy and 'other' policies - were added to the five main ones and each was further subdivided into more specific policies and practices (as can be seen in Appendix II). In practice most examples spanned several sub-categories.

It is important to emphasise the significance of the large number of portfolio examples collected by the researchers. The sheer scale of the *European Portfolio* provides a clear demonstration that a wide range of different organisations, in all of the member states represented, have taken some kind of action to combat age barriers and have done so often in very adverse labour market conditions. The majority of the portfolio examples and case studies were located in relatively large, private, profit-making organisations. Non-workplace-based initiatives or initiatives taken by local government employers were much less common. In addition, very few of the initiatives were based in small organisations.

Initiatives concerned with the recruitment of older workers were much less commonly reported than those concerned with flexible working practices and job training, development and promotion, although initiatives focusing on job recruitment were more frequently reported than those concerned with ergonomic measures. Initiatives aimed at changing attitudes towards older workers and those focused on changing early exit policies are very rare among the portfolio examples.

There was considerable variation in the types of initiatives reported by the research teams. The UK team reported far more initiatives focused on job recruitment than the other teams. The German and British research teams found the vast majority of initiatives which were concerned with the development of

training initiatives specifically for older workers. By contrast, the Greek and French teams provided the majority of initiatives designed to open up existing training programmes to older workers. The British and Greek teams reported most of the initiatives on career development. Turning to flexible working practices, the British and French teams found most of the initiatives about flexible working hours or age-related working time. The British and the Greek teams provided most of the initiatives concerned with flexible retirement. By contrast the French team reported the majority of examples of gradual retirement. No examples of flexible working practices were reported by the Italian team. Ergonomic measures were most frequently reported by the French team, followed by the Greek team, whereas the Dutch team included only a few such initiatives and the Italian team's report has no such examples.

The Case Studies

A detailed specification for the selection and preparation of the case studies was given to the national research teams (Walker, 1995). This recognised the inevitable tension in case study selection between, on the one hand, national factors relating to the range of activities available and the accessibility of the organisations or agencies concerned and, on the other, the interest of the project as a whole in representing a broad cross-section of European initiatives. The final selection was discussed at a meeting of the researchers. Thus the case studies derived from the national portfolios and consisted of detailed investigations, including at least one visit to the site of the initiative to conduct face-to-face interviews with key personnel among both management and unions.

As the following profile shows, there is a wide range of initiatives spanning the private, public and voluntary/non-profit sectors. Most of the case studies are workplace-based, a reflection of the main focus of the portfolio of examples of good practice. The main emphasis, as required by the project, is on job recruitment and training but there are several case studies which demonstrate more general age-aware human resource (HR) strategies. The size of the organisations represented varies widely, from 5 to 18,800 employees, but this is not a significant factor in terms of the illustrative power of particular case studies (see chapter 4). Moreover the size variable is slightly misleading because it applies both to specific agencies established to combat age barriers (such as IBM Sernet, POPE and Forum Wisselwerk) and to the organisations within which an initiative is taking place (such as the French and Greek examples) even though the actual staff numbers affected by the initiative may be small.



Since the selection of these case studies was not based on random sampling they cannot be regarded as representative. However, that was not the intention, which was to provide illustrations of initiatives that exemplified certain elements of good practice and which had the potential for transfer within a country and between EU countries. A further caution lies in the fact that some of the initiatives are still in their experimental phase and, therefore, lack evidence of impact, though they do provide important information on processes. In particular it was not within the scope of this project to conduct surveys among those affected by the initiatives which would provide one acid test of whether they were successful or not, although some information from the ageing workers themselves is available for a few of the case studies.

PROFILE OF CASE STUDIES

Country/Name	Main Focus (Good Practice Code)	Sector Classification	Size of Organisation
BELGIUM			
1. IBM Skill Team	Recruitment (1.4) Business Services	Private	Medium
2. Onze Lieve Vrouw Middelares Hospital	Recruitment (1.3, 1.7, 2.4)	Private Health Care	Medium
3. The Passantenhuis (day centre)	Recruitment (1.3, 1.7)	Non-Profit Social Care	Small
FRANCE			
1. Furniture Company	Recruitment (1.3, 4.1, 6.2)	Private Manufacturing	Large
2. Insurance Company	Flexible Employment (3.8)	Public-Profit Financial Services	Large
3. Chemicals Company	Flexible Employment (3.8)	Private Manufacturing	Large
GERMANY			
1. GFAW (Thuringia)	Recruitment (1.4, 1.5)	Public Employment Agency	Small
2. Stahlwerke Bremen	Training (2.1) Ergonomics (4.1, 4.4)	Private Steel Production	Large
3. Wilkhahn GmbH & Co	Integrated (1.2, 2.2, 2.4, 3.4, 5.2, 7.1)	Private Furniture Manufacturing	Large
GREECE			
1. TITAN Group	Training (2.1) Recruitment (1.4)	Private Cement Manufacturing	Large
2. DELTA Model Milk Industry	Training (2.2, 2.4)	Private Food Production & Distribution	Large
3. SISEMA (Car Mechanics Association)	Training (2.2)	Non-profit Trade Association	Large

Country/Name	Main Focus (Good Practice Code)	Sector Classification	Size of Organisation
ITALY			
1. L'Incontro Coop	Recruitment (1.1, 1.4) Flexible Employment (3.2, 3.6)	Non-profit Social care	Small
2. IBM Sernet	Recruitment (1.4)	Private Business Services	Small
3. Province of Trento (Employment Agency)	Recruitment (1.4)	Public Public Administration	Large
NETHERLANDS			
1. Fontijne Holland	Training (2.1)	Private Machine Engineering	Medium
2. Forum Wisselwerk (Job Exchange)	Training (2.4)	Non-profit Business Services	Small
3. DSM	Flexible Employment (3.1) Integrated (1.2, 1.5, 1.7, 2.1, 2.2, 2.5, 2.6, 7.1, 7.2)	Private Chemical Production	Large
UNITED KINGDOM			
1. St Ivel	Integrated (1.2, 1.5, 1.7, 2.1, 2.2, 2.5, 2.6, 3.3, 5.2, 6.2, 6.4)	Private Food Production & Distribution	Large
2. Glaxo R&D	Integrated (1.2, 1.3, 1.5, 1.7, 2.2, 2.3, 2.4, 2.6, 3.2, 3.8, 7.1, 7.4)	Private Research and Development	Large
3. POPE Recruitment Agency	Recruitment (1.6)	Non-Profit Employment Agency	Small
4. London Borough of Hounslow	Training (2.1) Integrated (1.2, 2.1, 3.8, 5.2, 7.1)	Public Public administration	Large
Source: National Reports			
Note: Small = under 100 employees Medium = 100-149 Large = 500 plus			

IBM Skill Team (Belgium)

In 1991 IBM decided to set up a new company. This was to be a limited company which would be independent of IBM and would operate autonomously. The company would also offer services and advice, and be profitable. Although IBM has 60 per cent of the capital in this new undertaking, it does not have a majority vote. The managing director was a former employee of IBM who had resigned in order to devote himself completely to the new partnership. Skill Team became fully operational at the beginning of 1992, when 160 IBM employees were given the opportunity of voluntarily joining the new undertaking.

At the end of 1990 IBM Belgium realized that it would have to make savings in the near future, above all on staff costs. The high wage costs that were paid mainly to older management staff were particularly targeted. These were in the age group 54 to 60. Since IBM was still a profitable company, it could not be equated with a company either in difficulties or undergoing restructuring. As a result the state bridging pension was not payable but would have to be funded by the company, which would have meant considerable expense.

The costs of the bridging pension, the loss of experience to the company and the personal wish of some employees to continue working part-time put the company on the track of an alternative to early retirement: Skill Team.

Who was eligible for Skill Team? Employees had to be aged 55 at least to join it. They must also sever all links with IBM, and in future they would be paid fully by the new company. For the first two years the employee would work for a minimum of 75 per cent of the norm, 50 per cent for the next two years and 40 per cent for the last year. On reaching the age of 60 they would have to leave the team and take early retirement. The employees earn 50 per cent of their previous salary.

Although employees are removed from the payroll of IBM, they remain on the staff list of their former company and so retain a number of acquired rights. The most important advantage is the supplementary pension which remains in force and is calculated on the basis of the salary last earned with the company. The fact that employees transferring to Skill Team still remain to some extent with IBM also has an important psychological consequence. In this way they remain part of a gigantic company which is very important in its market segment, achieves good results and has a long history behind it. Their link with their former company is therefore not severed abruptly.

The 160 candidates were given from April to the end of September 1991 to decide whether or not to work part-time for the newly-founded company.



Ultimately some two-thirds (96 employees) decided to risk taking the step. The year afterwards, in 1993, another group was again given the choice of transferring from IBM to Skill Team. The decision phase in this case was reduced to one month. Ultimately 103 of the 160 older employees (including the 64 remaining from the year before) decided to change employer.

Both during the first year and in the course of the second year, about 15 graduates were recruited. They are important because they ensure the continuity of the recently created service company. There is a kind of symbiosis between the younger and older employees. On the one hand the older workers feel more motivated by being able to work with younger people. On the other hand the younger employees can learn a great deal from the experience of their older colleagues. The latter know that they cannot advance professionally because they will remain in the company for a maximum of five years. As a result the older employees do not have to feel that they will have to give way to younger employees in a couple of years. There is therefore an optimum transfer of expertise since older workers do not need to regard younger workers as direct rivals.



Onze Lieve Vrouw-Middelares Hospital (Belgium)

The Onze Lieve Vrouw-Middelares Hospital in Deurne employs 423 people. The composition of the workforce is as follows: 54 per cent nursing staff, 19 per cent support staff (kitchen, cleaning, technical services), 12 per cent paramedical staff (radiography, physiotherapy, lab staff) and 15 per cent administrative staff. There are 76 manual workers and 359 white-collar staff, and 78 per cent of employees are women.

This hospital has undergone a number of changes in the last few years. For example in 1990 a separate personnel service was set up. Its first objectives consisted of drawing up selection procedures, job profile characteristics and evaluation criteria. The workforce has been expanded over the last few years. This is principally because hospitals have become responsible for their own cleaning and kitchen services.

In August 1993 the post-career job project was launched, a three-year experiment under the auspices of the social fund for private hospitals. The initiative originated with the hospital's management board. Together with the heads of department, and in contact with the personnel service, prospective post-career employees aged 55 and above examine the initiative that would best suit them. They can devise a new post-career job for themselves.

The project has a dual objective. In the first place staff aged 55 and above are offered a post with less pressure and an interesting job content. In this way they are no longer obliged, when they can no longer cope with the tempo and stress of their work, to resort to disability leave or unemployment. This would overburden social security and the hospital would in this way lose the specific know-how which these people have built up over the years. On the other hand the shortage of nursing staff (which is mainly attributable to shorter stays in hospital beds) can be compensated for in this way because the post-career employees can take over part of the work of nursing staff. The posts created in this way (which are located mainly in patient transport and logistics) entail a qualitative improvement in the level of care, because nursing staff can remain in their departments and the care of a patient does not have to be interrupted by responsibilities elsewhere in the hospital. Certain services also run more efficiently because with the creation of the new posts they can be centralized more effectively.

The social fund requires the creation of a supervisory committee. This consists of the director, the head of personnel affairs, two representatives from the works council and two from the joint committee. The supervisory committee monitors the projects and ensures that these relate to extra responsibilities. They also provide an evaluation of the whole project.

The employees concerned retain their basic wage. Bonuses for irregular hours worked are eliminated because basically the responsibilities of post-career employees occur during the day and not at weekends. Heads of services should have the opportunity of working towards an A1 basic wage if the post-career function does not have any management responsibilities. The social fund refunds wage costs monthly on the basis of expense sheets drawn up by the institution. Although the trade unions are favourably disposed to the whole initiative, they do express the wish that the wage will be retained in the future. The wage costs incurred are limited to 3.5 staff units annually and must not exceed 4.5 staff units at any time in the period assigned.

At the start of the project the following jobs were created:

- central transport of patients and wheelchair management;
- patient supervision in pre-operative examination, day care and admission to hospital;
- central courier service and materials lending service;
- logistic support of operation planning;
- patient care and logistic support in geriatrics;
- patient care and logistic support in intensive care and recovery.

These projects are being financed as a pilot experiment for a three-year period, after which there will be a thorough evaluation. In the event of difficulties with subsidy in the long term the possibility of making post-career jobs available for staff from the age of 50 onwards will be investigated.

The Passantenhuis (day centre) (Belgium)

The Passantenhuis in Dendermonde was launched in February 1993. Its aim is to provide a day centre for older people and the infirm in order to provide support for home care. The project is an initiative of Health Care. This is a socio-economic organization forming part of the Christian Sick Fund, which aims at the integration into society of those with long-term illnesses. It employs five staff, all with low skill levels: a labourer-chauffeur, three attendants for the sick and elderly and a kitchen assistant. These people are all trained and employed for a period of one year. The turnover is minimal.

The organizers try as far as possible to employ people aged 45 and above: they have more experience of life which generally means that they are said to have a more tolerant view of older people and the infirm, and are also more motivated to deal with this category of people. The motivation is more important than any diploma.

The aim of this project is to take the elderly and sick out of their social isolation and at the same time give some respite to home carers by bringing them together during the day. In the communal gatherings the focus is on (re)activating, caring, monitoring and counselling on everyday activities.

The fear of many disabled people being cared for at home is eventual admission to an old people's home. This fear makes home care more difficult since many home care options are linked to residential homes. For this reason the Passantenhuis was launched separately from any institution and a return home is taken for granted. This has considerably reduced the initial fears of the older person and consequently reduces the pressure on the home carer.

Because of the fact that this initiative builds on experiences gained with voluntary workers, the organizers know that the care and counselling of those being cared for at home requires in the first instance a positive attitude to the infirm. Those with this positive human attitude, linked to a willingness to learn, make ideal helpers.

Extensive training is not regarded as a necessity in order to be able to provide good care for those being looked after at home. As a result those with low skill levels are increasingly welcome in caring for the aged. Cooperation with the 'Weer-werk' (back-to-work) campaign has positive effects for both parties.

Back-to-work staff provide a continuity which cannot be guaranteed with volunteers. The back-to-work employees are given the opportunity of acquiring work experience in the care sector. They are also given instruction and supervision in order to acquire the necessary working attitude.

What does the back-to-work campaign involve precisely? The campaign is a Flemish government employment scheme aimed at unskilled workers who have been unemployed for over a year. The intention is to reintegrate them into the labour market. It contains an employment and training component. As part of the employment programme, non-profit organizations and public bodies are given the opportunity of recruiting back-to-work staff for a period of one year. In addition back-to-work staff attend supplementary courses to increase their chances in the labour market.

Furniture Company (France)

This is a large company specialising in the manufacture of self-assembly furniture. It is a private, family-owned business situated in a rural area which is also an unemployment black spot, following the collapse of the local iron and steel industry. It employs over 1,000 people, principally men (over 65 per cent), and manual workers (36 per cent) mostly with poor qualifications. Sixteen per cent of staff are aged over 50. Temporary workers are also used.

Staff numbers have declined slightly in the course of the last ten years. A period of economic difficulty in the mid-1980s resulted in redundancy schemes, but the company has since made a steady and rapid recovery. It has endeavoured for some years to anticipate and manage the staff age pyramid and training requirements. The company has resolved to abolish full early retirement in view of the cost drawbacks of this age-related measure, and in order to retain latitude for manoeuvre should any problems arise.

The company specifically recruits staff aged over 50 in order to fill gaps in its age pyramid. Recruitment of this kind is regarded by management as a means of achieving a more flexible workforce, and limiting the company's commitments without staff perceiving their situation as precarious. Recruitment is nevertheless inhibited, in the management's view, by two obstacles: the low number of people in this age range seeking to resume a working life; and limitations of medical fitness to perform production tasks which remain physically very arduous.

To accomplish the aims of the staff training programme, an unprecedented training campaign was launched several years ago. The ultimate objective is to train all staff to a level equivalent to a Trade Diploma. Training is available to

all provided they demonstrate enthusiasm and motivation. The management have, however, noted widespread resistance among the oldest staff. Following a determined campaign by line managers, and the successes achieved by younger staff, this resistance is beginning to lessen.

Efforts to improve working conditions have continued for several years, in an endeavour to improve hygiene and safety (noise, dust) and to ease work tasks such as materials handling. The aim is to prevent excessive physical deterioration amongst staff in their latter years. Physical incapacity is that much harder for the company to deal with because the scope for transferring staff to less demanding tasks is severely limited. Working conditions are being improved by the modernization of equipment and the introduction of computer-controlled machinery.

For the present, it is still the youngest employees who operate the new machines. Furthermore, little effort is being made to improve working hours. Far fewer staff work part-time than ten years ago. Management is beginning to consider phased early retirement, though it does not plan to introduce it at present.

Insurance Company (France)

This is a very large insurance company in the competitive personal insurance market. It employs 18,800 people of whom almost half are aged between 35 and 44 years. More than two-thirds are not educated to *baccalauréat* level [approximately equivalent to 'A' level standard]. The branch office specifically studied is located in an urban area, and employs 435 people, mainly women. Two-thirds of staff are aged between 35 and 44 years. Part-time working is extensive (15 per cent of staff).

Staff numbers fell at the branch office until 1992, when they began to rise again, following the trend for the company as a whole. Hardly any recruitment has been conducted at the branch office over the last ten years, the preference being to appoint existing staff to any vacancies arising and to train them appropriately. Natural wastage is very low, given the almost total absence of older employees.

Phased early retirement (partial retirement) was offered to staff on three occasions: 1989, 1991, and 1994. The aim is to replace staff by recruiting younger people, to promote work sharing, and to avoid the sudden loss of skilled labour. It is never a question of avoiding redundancies. Phased early retirement is presented as one means of extending part-time working and annualization of working hours, but is little used at branch office level because so few staff are affected.

Ongoing training allows staff to be continually retrained for the company's requirements and changes in the nature of duties. There are no age restrictions on eligibility for training, but older staff are said to be less enthusiastic about training than younger staff. The recent decentralization of training activities has made it possible for greater numbers of staff to be trained.

Chemicals Company (France)

The Chemical Company is a very large business specialising in fine chemical manufacture. It forms part of a privately owned group, and employs some 13,000 people. The works unit studied, located in an urban area, is the company's oldest and largest, having 900 staff. Most employees are male manual workers. An unusual feature of the unit is that it operates with a continuous block of employees aged from 40 to 59 years, who constitute three-quarters of the workforce.

Staff numbers were very dramatically reduced over the last fifteen years, two savage cutbacks occurring in the mid-80s and early 90s. The reductions were unavoidable for two reasons: the implementation of improvements in productivity, and the need to bring the company back into profit. From 1975 onwards, early retirement was the preferred instrument for dealing with surplus staff since it caused the least social distress and was readily accepted by employees.

From 1986 onwards the company has been developing the use of phased early retirement, the new scheme introduced by government. This scheme avoids the loss of experienced staff which occurs with full early retirement, and also the abrupt replacement of staff, since it permits simultaneous recruitment. It also costs the company less because no redundancy occurs (redundancy payments are very costly because of the considerable length of service attained by staff). Phased early retirement was reintroduced in 1987-88 and again in 1993-95, and management confirmed its resolve not to return to full early retirement. Phased early retirement nevertheless creates work scheduling difficulties consequent upon the transition to part-time working and the loss of motivation this causes. Some groups of middle managers are particularly affected in this respect. Discussions took place among senior management and middle management regarding the impact of the scheme upon the company. Senior management wanted to use phased early retirement as a means of extending part-time working. Employees have reservations about phased early retirement, and regard it as a poor alternative to the former full early retirement scheme.

Manpower reductions have been accompanied by a reorganization of work, making individuals available for a wider range of duties. Efforts have been

made to redeploy workers with physical limitations within the company, in most cases on the basis of age. Apart from redeployments of this nature, there are no changes in the duties allocated to older staff. Skill levels are raised by adding several mature staff to work teams.

A substantial training drive is under way, and extended courses leading to qualifications are favoured. Despite the stress laid upon the voluntary nature of such training and upon matching courses to each employee's needs and abilities, staff over 55 years appear less interested in full training courses because they tend to assess them in terms of cost and return on investment.

Gesellschaft für arbeits- und wirtschaftsförderung (GFAW) (Germany)

The Gesellschaft für Arbeits- und Wirtschaftsförderung mbH (GFAW) was established in 1994. The main shareholder is the Land of Thuringia and its remit is to implement a special development programme in Thuringia entitled 'Older Workers'. This programme was developed by trade unions, the Länder authorities and the sponsoring agencies of the Länder for job creation and employment companies. Under the scheme termination agreements are concluded with workers aged 54 whereby they leave the employment of the Treuhand Agency [agency set up to administer state property in the former GDR] and are monitored on the grounds of their unemployment until they reach the age of 60. During this period they are paid a guaranteed income and undertake to be available for any reasonable offers of work.

At present the GFAW is looking after 886 former employees of Treuhand organizations, 199 of whom are women. The majority of participants already have a vocational qualification (58 per cent), 23 per cent are university or college graduates and 19 per cent of the group are unskilled and semi-skilled. The vast majority are aged between 55 and 57, only 2.4 per cent of whom are 58 and older.

To ensure that care is provided as locally as possible the GFAW has built up local networks designed to look after the older workers and place them in employment. Under the terms of cooperation agreements concluded with regional employment offices, GFAW has also established a network of special 'support workers' who look after and seek employment for the members of the group. As part of their job placement remit they contact companies in their area, acquaint them with the opportunities provided by the programme and put forward names of older workers who might be suitable for any vacancies.

These support and job placement activities are supplemented by training measures, which are designed to provide both a stimulus and targeted preparation for new jobs. So far training schemes have been developed for the service sector/commerce, timber processing, transport/storage, biotope mapping/digitalization and archiving of economic data. Each training programme consists of a general followed by a specialist element. This latter element concentrates primarily on the knowledge and skills required in a business situation. In addition work experience is offered which has the added purpose of securing possible employers for participants after their training.

Since the programme started in 1995 work has been found for 163 participants, mainly in the newly established small and medium-sized manufacturing companies. The majority are on short-term contracts with an average length of 6 months. An additional 154 older workers have participated in the training schemes referred to above. In total new opportunities have been opened up for 317 or 38.5 per cent of the target group.

Stahlwerke Bremen (Germany)

The Stahlwerke Bremen is a large company in the steel industry with a current workforce of approximately 4600. The majority shareholder is SIDSTAHL GmbH, a subsidiary of the ARBED steel group. The workforce is relatively young, only 400 employees are 50 or older and the average length of service is 10 years. About 35 per cent of the workforce are skilled workers and its percentage of foreign workers at 18 per cent is above average compared with other industrial sectors.

Despite the difficult employment situation and the job losses in the steel industry, from which Stahlwerke Bremen has not been exempt, the company views the skills potential of older workers as increasingly important. In response it has developed and implemented training concepts for an ageing workforce. This can be partly explained by the fact that the number of young skilled workers will drop considerably in the medium term. Against this backdrop the company has implemented the following projects:

- (1) a pilot scheme providing non-age-specific training of instructors in industrial and technical fields;
- (2) training for workers in hot-roll production with particular consideration of older employees working in production processes; and
- (3) the development of a concept for the reintegration into the working environment and the training of workers, mostly older, undergoing some form of rehabilitation.

(1) A total of 31 industrial and technical instructors took part in the first programme, 22 of whom were 40 or older; the oldest was aged 55 and the youngest 25. Although participants were not divided into specific age groups, the age structure meant that there was inevitably an emphasis on the training of older instructors and practical steps were taken during the pilot scheme to encourage their integration.

The aim of the pilot scheme was to acquaint instructors with certain aspects of educational theory and methodology. The programme consisted of regular weekly team conferences backed up by multiplier seminars and in-depth team seminars on an annual basis. The open learning format of the training and its provision close to the workplace meant it was particularly suitable for older colleagues.

(2) In addition to the above pilot scheme, the Stahlwerke Bremen is planning two other age-related training and reintegration initiatives. It is planning to teach control techniques to about 75 employees in its hot-rolling plant, most of whom are older semi-skilled workers. The training concept was developed by a 65-year old former company employee in cooperation with a younger member still working for the company. Even before the actual start of the project the response of the target group to this initiative has been particularly encouraging.

(3) Finally it has developed a scheme in conjunction with the company health insurance fund and the Land of Bremen, which will seek to reintegrate workers currently on rehabilitation programmes. The scheme, which is targeted primarily at the older members in this group, will introduce a system of job allocation, trial working and training, which will be an integral part of the production process. The system will be geared to the specific needs of older employees who have experienced a change in their capabilities or are suffering from a disability, and is intended to facilitate their permanent reintegration into the workplace.

Wilkhahn GmbH (Germany)

Wilkhahn GmbH & Co. KG is a furniture company which was founded in 1907. Its main site is at Eimbeckhausen, a smallish settlement in a rural part of Lower Saxony. It has an additional production facility in Spain and numerous sales agencies both in and outside Europe. The company specializes in the manufacture of high-quality seating and tables for conference, office and agency use. It currently employs about 550, of whom 360 are male and 190 are female. 80 per cent of the workforce are skilled workers or qualified administrative staff. The average age of the workforce is approximately 43.6

years, almost 20 per cent being 50 years or older. The average length of service is very high at 30 years.

Generally speaking older workers enjoy a high esteem and this is explicitly recognized by the company. In particular the older production workers are highly valued for their practical experience, which is considered of particular importance because the work requires highly developed manual skills. The following measures also play a part in ensuring that older workers are largely integrated in the company and age barriers are almost non-existent:

- integration of older workers, including those whose productivity has been impaired, into new types of production,
- associated workplace training and special training for managerial functions,
- targeted recruitment of older skilled workers from the employment market and wherever possible avoidance of early retirement and
- measures to protect health and agreements to guarantee earnings of older workers with health problems.

At present about 100 employees in the stores, purchasing, dispatch, scheduling and production planning groups of the logistics division are covered by the agreement on integrating older workers into the group working system which has been introduced for production processes. The group is also used as the framework for the required training measures which are provided irrespective of age. All employees are trained so that they can do any of the jobs required in a group. The company has also developed a special training concept to provide workers with the required technical and social skills and methodology.

In addition the company has a policy of recruiting older workers from the external job market. In recent years it has recruited a 58-year old general manager, a 54-year old skilled worker and a 45-year old environmental specialist. It is also planning to recruit an older, at least 53-year old, financial accountant. The recruitment of older employees is justified on the grounds of their special skills and experience.

Finally it should be noted that the high percentage of skilled workers in the production process and the preponderance of jobs for skilled craftsmen have meant that in general the underlying conditions favour the integration of older workers. Building on these underlying conditions the position of older workers has been consciously recognized by the company. The introduction of new forms of production has not only maintained the value of older workers, which was already very high, but in some cases has even increased it. The introduction of new methods of working has created new skill and career opportunities, which allow particular account to be taken of the experience and skills of older workers.

TITAN Group of Companies (Greece)

The Titan Group of Companies are major Greek manufacturers of cement and building materials, both in Greece and abroad, which started operations at the turn of the century. Over 40 subsidiary companies are responsible for a wide range of products and activities including mining, transport, shipping, commerce, exporting and serving needs in relation to cement products. The Titan Cement Co. was the 12th most profitable Greek company in 1994. The company has four cement manufacturing factories in different areas of Greece as well as one in the USA, and employs 2,220 people. Among these 1408 are employed in cement manufacture.

Within the factories and depots approximately 97 per cent of the workforce are men, because the majority of work is classified by national agreement as heavy manual labour from which women are effectively excluded. In the central offices 60 per cent are men and 40 per cent women. Part-time employment is not offered by the company because of the nature of production, which is on a continuous 24-hour basis. Those over 50 years of age constitute approximately 30 per cent of the personnel. The organisation can be considered an 'aged' one given that the average age of those in cement manufacture is 46 years. Normally people in the central offices take their pension at between 62-65 years of age while those in the factory take it at 60 years of age.

The introduction of technical changes into the production process has in the past 6-10 years brought about radical changes in the numbers of employees needed in various jobs, particularly manual tasks. Thus loading in the cement factory which once required 80 people has now been automated and needs only 8. The company has had to consider how to reduce surplus personnel, primarily by not replacing those workers who leave when reaching pension age. No other more active measures are taken by the company, despite the cost to the company of having surplus personnel and the increased competition in the Greek cement industry.

Another way in which personnel has been reduced is through the company giving a financial incentive to those of its workers who want to leave to become self-employed, and this includes some older workers. One example is the movement of primary materials via trucks and loaders. The company makes loans available to their workers, e.g. drivers, and thereby gives them the possibility of becoming self-employed. Thus a driver can buy the transport machine or a handler can buy the loading machine and pay off the heavily subsidised loan by instalments, while also having the possibility of becoming contractors in their own right.

The training of all the company's employees independently of their age is another important programme. Training became essential because of the introduction of new technology and automatisations in the factory. Technical education is provided to all workers right up until they take their pension. This is done within the company for middle and lower level personnel. Higher level staff also follow seminars outside the company and abroad. There is no age discrimination because this would create problems of communication between those who had received training and all those who hadn't been trained.

In 1980 individuals, mainly older workers who wanted to use their experience, were chosen as trainers after first having followed a 6 week seminar course. Subsequently with the help of experts they began their work as trainers and wherever it was considered necessary the advisers, who followed the process, intervened and corrected them. After 2-3 months the expert adviser left and the trainers continued with the process and were permanent trainers.

Another important initiative is in the area of health and safety where the company sees itself as one of the leaders in the area and has participated in European programmes such as Health and Safety at Work.

DELTA Model Milk Industry A.E. (Greece)

The DELTA Model Milk Industry Co. belongs to the DELTA Group of Companies which includes 17 different companies and has manufacturing activities in Greece, Bulgaria, Switzerland and the Ukraine. The DELTA Model Milk Industry Co. is a privately owned Greek company founded in 1952 which is involved in the production of milk products and other products such as fruit juices. It is among the most profitable enterprises in Greece, reaching 10th position in 1994. The company has expanded rapidly and consists of very advanced production units based on new technology. Its market share in Greece is 49 per cent for ice-cream sales, 45 per cent for fresh milk, 25 per cent for yoghurt and 65 per cent for fresh fruit juices.

Currently DELTA employs 1750 people in its industries in Attica and in its central offices. Approximately 40 per cent of those employed are men and 60 per cent are women. Around 140 people are employed in the management team, while in the factories the numbers of specialised and trained personnel in production is continually increasing. Approximately 350 people, 90 per cent of whom are women, are recruited seasonally for 5-7 months (January to August) for the ice cream production manufacturing unit. DELTA also has eleven milk stations, geographically distributed throughout Greece, which employ 157 people and co-operate with 2,500 independent milk producers.

Employees over 50 years of age constitute 14 per cent of all employees and a large percentage of these have been employed in the company for many years.

One of the main policies of the company is to provide employment security and personal development within the company. This is shown in the low turnover among existing personnel as well as the company preference for recruiting family members, since these are perceived as people who already understand and share in the philosophy of the company. Older workers are identified strongly with the success of the company. Thus some employees who wish to stay in their jobs after they arrive at pension age in order to complete pension contribution years, or to have an adequate income to finish educating their children, are given the opportunity to do so by the company as long as they have the experience and ability, since they are perceived as a resource with considerable experience which is useful and vital to the company.

DELTA does not use age as a criterion for selection but rather the ability of the person to undertake the job. There are no age limits on recruitment and they have hired people in their 50s if they have the necessary qualifications. Recently they hired someone who was 57 years old as Director of Programming. If however the job requires physical strength then they clearly and definitely would require and recruit a younger person. The higher cost involved in employing an older person with prior experience does not act as a barrier to their recruitment if there is a suitable position for them.

The company believes that if it is to continue developing and being successful it must ensure that people are not left behind in terms of their knowledge and development. The company implements a policy of positive measures for the development of their employees including their older employees. The philosophy of this policy centres on the education of virtually all their employees, the use of their experience rather than their physical capacities and the perception that all employees have a lot to offer which is of benefit to the enterprise. Older workers are dealt with in the same way as younger workers and they receive education and training right up until they actually retire.

Association of Privately Owned Garage Car Mechanics (SISEMA) (Greece)

The Association is an independent not-for-profit trade organisation founded in 1935 and representing 2000 members who are working in small independent garages in the Attica region. This represents approximately 80 per cent of all garages offering motor mechanic services. They are part of the Federation of Small Garage Owners which represents small garages and garage mechanics at the national level and includes all sectors who work independently on cars such

as panel beaters and electricians. They are also, as small and medium businesses, represented within the GESEBE (Greek General Federation of Small and Medium Enterprises) which has approximately 1500 different trade and professional SMEs as members.

The majority of members of the Association are micro enterprises, family businesses or persons working alone. A considerable proportion of the members of the Association and the Federation are older people, though no exact estimate is available. All members are men and there is a very high propensity for self-employment, particularly among those over 40 years of age.

The main initiative of the Association, and subsequently the Federation, which is of particular benefit to older workers was the development and implementation of a training programme for their members in the Attica region and subsequently throughout Greece.

The particular interest of this initiative, which began in 1990, was the recognition by this sector of small and medium-sized enterprises that they were facing massive changes in the technology of cars, and that competition with larger garages which were well equipped to deal with the new technology would eventually drive many of their members out of business. Unlike the old technology the new system requires much more precise knowledge and does not permit a large margin for errors.

The Association requested applications from individual consultants to run appropriate training courses and it appointed a chemical engineer who organised the whole training programme in consultation with the Administrative Council. This chemical engineer also played an influential role from the start in suggesting to the Administrative Council of the Association the need for training. Subsequently he was also to play an important role in extending the training via the Federation into other areas of Greece.

Planning took place in 1991 and implementation began in 1992. After 4 years the Association feels it managed to achieve many of its objectives in terms of training and keeping its members abreast of developments. It has a well-equipped training school in Peristeri, financed by the members and through the European Social Fund, which teaches members how to diagnose and treat problems in the context of the new technology.

In the Attica region the Association arranged the training of 150 people in the first year and 200 in the second with a total of 1000 owners now having completed the first two strands of training. In relation to the whole Federation, 70 courses have been run throughout Greece with nearly 1,500 participants, all men.



In terms of age structure 55-60 year olds made up 10-15 per cent of the participants, 40-55 year olds were about 50 per cent of all participants and 35 per cent were those up to 40 years of age. Initially 200 members who were garage owners paid for the training entirely from their own pockets. Subsequently the Association and the Federation were able to apply for and receive Social Fund money which allowed them to extend the training programme throughout Greece for employers in small garages, with only a percentage of the costs having to be met by the garage owners themselves. The cost per participant was between 2,500-3,000 drachmas per hour.



L'Incontro Cooperative (Italy)

L'Incontro is a social cooperative based in Castelfranco Veneto (Treviso) operating in the personal services sector. It was set up relatively recently (March 1991) and started out by managing, in agreement with the local public authorities, two residential homes for elderly people in need of support or suffering from psychiatric or alcohol-related problems (about 30 people). Subsequently, this was added to by an occupational day centre for the social, mental and physical rehabilitation of those, including young people, suffering from psychiatric illness and alcohol-related problems (15 people). At the present time, a comprehensive treatment plan is being drawn up for disabled people in the area, providing two further units offering assistance and rehabilitation facilities for some further 40 people.

In carrying out its work, the cooperative relies mainly on the employment of older workers who have taken early retirement (for personal reasons, because of restrictions placed on their activities and so on). To this end, it has developed two other bodies (La Sorgente cooperative and La Meridiana association) to provide employment exclusively for people aged over 40. La Sorgente employs as social workers professionally qualified nurses (currently 16 women and 1 man) who provide health assistance, while La Meridiana currently employs about 15 people as art teachers who help with the rehabilitation of those suffering from psychiatric illnesses and alcohol-related problems employed in the day centres. In both units considerable effort is made to accommodate the needs of the older staff by allowing them to organize their working hours on the basis of part-time work schedules and job-sharing.

L'Incontro initially gave preference to the recruitment of older staff mainly because of:

- the dire shortage of specialized staff in this field, particularly in the nursing sector;

- the possibility of having a highly flexible workforce while limiting service costs.

In addition to achieving both these objectives, the recruitment of older employees has also had the following two unexpected results for L'Incontro:

- a major improvement in the quality of client services (this is delicate and stressful work and long working hours inevitably lead to a decline in the quality of service offered);
- improved overall staff management since, as a result of extending to all staff the flexible working hours introduced for older workers, absenteeism has declined.

IBM-Sernet (Italy)

Sernet is a company that was established in 1991 in partnership between a group of IBM managers (aged between 55 and 65) and IBM itself. It offers to companies of all sizes and in every sector professional and consultancy services by means of a network of specialist consultants with many years' managerial and professional experience.

The project was launched in the early 1990s on the initiative of IBM with the aim of achieving greater cost flexibility by contracting out functions or parts of functions not particularly linked to the company's core business. In addition to cost flexibility, it had the following aims:

- to retain the high level of professional skills attained;
- to enlarge the range of services associated with the 'IBM culture' available on the market;
- to provide employees who had worked for many years with the possibility of gradual retirement, thereby avoiding the double shock of sudden and complete retirement.

This led to about 10 highly qualified managers with many years' work experience setting up the Sernet company in which IBM holds a share (initially 34 per cent and currently 10 per cent). Structured permanently on a small scale, with only three administrative staff, the company is based on a network of consultants (about 40 people in all including the co-partners), who work on specific projects and not necessarily exclusively for Sernet each of whom is therefore an independent professional. Following the initial phase of almost complete dependence on the mother company, which guaranteed the success of the newly-formed company in the first three years, Sernet is currently

attempting to consolidate its position in the market as an independent company by:

- further expanding the number of partners involved; this involves taking on consultants, not necessarily from IBM, whose professional qualifications and experience are competitive in the marketplace;
- developing a new company operating in specific sectors with a view to developing a network of associate companies dealing with specific areas.

Generally speaking, this is certainly an innovative project in Italy. While its scale is limited, the project is of interest insofar as it attempts to extend the working life of employees while simultaneously avoiding the wastage of professional skills and experience gained over years of work. Proof of this is the frequent contact with young people in various companies either on a consultancy basis or as a result of the agreement signed with the Autofaver consortium to develop new products in the field of quality systems with the participation of numerous students and trainees from the State University and Polytechnic of Milan. The main limitation of this initiative is that it would not appear to be generally applicable to employees with limited professional skills.

Trento Province (Italy)

The province of Trento is situated in north-east Italy and comprises, together with the province of Bolzano, the region of Trentino Alto Adige. Its population is about 457,000 and its economy is based mainly in the tertiary sector. The public sector is large, employing some 42,000 out of a total of 184,000 and its employment situation is much better than many other areas in the country (in 1994 the unemployment rate was at about 6 per cent). Like Valle d'Aosta and Friuli Venezia Giulia, Trentino also enjoys special autonomy. It has an administrative body with far-reaching autonomous legislative powers in numerous social and economic sectors at local level.

In the mid-1980s it set up an Employment Agency with an independent management, administration and accounts department to implement local employment policies. Since its creation, the Agency has been concerned with finding employment for older people, resulting in 1986 in 'The special project for employment generated by tourism and the region's ecological and environmental potential'. In 1990, this project was transformed and extended by the creation of a permanent body entitled 'The Service for Environmental Restoration and Improvement'.

The aim of the project was to employ men aged over 50 in environmental restoration works and women aged over 45 as administrative and custodial staff

looking after the province's artistic and cultural heritage (exhibitions, museums, libraries, historic buildings, etc). More specifically, the aim was to give older employees made prematurely redundant the opportunity to obtain the minimum old age pension provided for under national legislation. The project, which was entirely financed by the provincial authority, was managed by cooperatives directly responsible for taking on the staff concerned (the employment contracts were therefore negotiated on a private basis). The number of people employed annually in the project since its inception to the end of 1994 averaged almost 750, 55 per cent of whom were men over the age of 50 and women aged over 45. The total number gaining entitlement to a pension came to 262. In general, the project was successful both as regards the number of older workers involved and the benefits for residents and tourists resulting from environmental improvements and increased access to the province's cultural heritage. A few limitations, however, should be noted, namely:

- the time constraint imposed on the employment contract, which automatically expires without any possibility of extension when the person attains the minimum requirements laid down by national legislation governing old age pensions;
- the growing difficulty of employed older workers having problems finding jobs insofar as the undoubted advantages offered by the project (especially in terms of the security and quality of the work offered) end up by gradually preventing those involved from taking active steps to look for other employment opportunities (particularly in the case of women);
- the lack of flexibility, particularly as regards working hours and practices.

Fontijne Holland (Netherlands)

Fontijne Holland BV is a medium-sized designer and manufacturer of specialised machinery. This family business was founded in 1906 and is based in Vlaardingen. The company employs 153 staff, with an average age of 32. One-third (31 per cent) of the workforce belong to the over-40 category. There are 18 employees over 50.

Fontijne Holland is a company in which education and training have been well catered for, particularly with regard to younger staff. However, one result of this was that older staff became increasingly sidetracked. They were not kept up to date with technological advances and this often adversely affected their involvement in the production process. Their enthusiasm and personal contribution to the work declined. Increasingly they asked the question: 'Why

them and not us?' The organisation reacted well to those signals. The signals, the fact that people are going to be employed for longer and longer in organisations and the increasingly heavy demands in the field of theoretical and practical skills led to the setting up of a refresher course in 'workplace technology' for staff aged 40 and over in the organisation.

The course is intended for older employees who:

- have not attended a course on the production process for a considerable time;
- feel less involved in the production process;
- want to study new techniques in depth or expand their professional knowledge.

Those attending the course are expected to show commitment and motivation, since two-thirds of it takes place in employees' own time. Fontijne Holland's aim in this course is to raise the level of technical and practical skills and also to increase the involvement of older staff in the company and the production process.

FORUM WISSELWERK (Netherlands)

FORUM describes itself as 'an independent platform for teachers and headteachers looking for inspiration, support, stimulus and information to help professionalise the job of teaching and the school as an organisation'. The special feature of this initiative is that it can serve as an example of how through communal effort a creative age-aware policy can be developed by relatively small labour organisations.

FORUM was set up in 1994 as a direct consequence of the recommendations of the Van Es Committee which in 1993 examined the options for revitalising the job of teaching. This was felt to be necessary in view of the high sickness and absenteeism statistics, particularly among older teachers. In addition the anticipated increased age of teaching staff in the next few decades increased concern about working conditions in this sector. In addition to a number of diverse plans the accent in FORUM is mainly on the development of an older staff policy and age-aware personnel policy. In addition the Wisselwerk (Job Exchange) project is managed and supported by FORUM. This latter project is also in practice a clear example of good age-related policy. For that matter, in the organisation's philosophy such a policy begins not only 'after one has turned forty', but should begin with the supervision of teachers entering the profession. The practical experience of Job Exchange shows that while the formula appeals

to all age-groups, the 40-60 age group, with 65 per cent of all applications, plays a very significant part.

The Job Exchange project was launched at the end of 1994 and appears to be a promising move towards increasing the mobility and career development of teachers. The core idea is to allow teachers, through a system of secondment, voluntarily to do a different job on a temporary basis (for between 3 months and 2 years). This 'exchange job' may be both inside and outside education. In order to make this exchange possible a network of regional contact points with intermediaries who match supply and demand (candidates and hiring institutions) has been set up.

Up to now over 600 candidates have registered, mainly in the 40-plus age group. At the time of writing contracts have been signed for over 40 candidates, mainly from the 40-plus group, while a few dozen more are in the process of being finalised. Both regionally and nationally the number of men registered is greater than women (75 per cent and 25 per cent respectively). The provisional experiences of candidates and the hiring and supplying organisations are positive.

Overseeing the project is a National Work Exchange Bureau which coordinates and supports intermediaries, produces summaries of current activities and results, conducts research and is also concerned with the acquisition of possible buying-in institutions. The eventual aim is for the regional contact points to begin operating independently.

For industrial legislation and accountancy reasons, exchange jobs have the status of set-term secondments. These may be from a minimum of three months to a maximum of two years in duration. The secondment means that the teachers involved remain formally in the employ of their original organisation. They continue to receive their salary as usual and retain the right to return to their original post. The hiring institution refunds the salary paid to the supplying institution, enabling it to buy in replacement teaching.

DSM Limburg BV (Netherlands)

DSM Limburg BV (referred to below as DSM) originates from the state-owned coal mines. Since the closure of the mines in the 1960s the company has been transformed into a privatised modern chemical group.

In the past few years virtually no new (i.e. young) employees have been taken on. At the same time early retirement opportunities have been drastically reduced and a deliberate policy has been implemented to enable staff to continue to function up to pensionable age (65). In view of this internal and

general demographic trend a marked ageing of the workforce is anticipated in the next five years. Unless there is a change of policy the number of younger workers (aged 35 and below) is expected to fall in the next five years, from almost 3000 at present to just over 1000 in the year 2000. At the same time the number of those aged 40 and above will increase sharply.

This predicted change in the workforce has proved an important impetus to the development of an age-aware personnel policy over the next few years. This is accepted by both the company and the employees' organisations and set out as such in a statement of intent relating to the 1994/96 collective wage agreement.

What is special about this example is that the development of this policy has been very emphatically linked to social systems, either existing or to be created, in close consultation with the employees' organisations. The chosen form of an extended experiment in achieving a well-founded age-aware personnel policy, with the effects on working conditions and terms of employment also being taken into account, make this an interesting example.

On the basis of discussions with various internal and external parties involved, various preliminary studies and the results of various polls of (ex)DSM employees, the emphasis was put on an experiment in which on the one hand an attempt would be made to achieve the change of culture considered necessary and on the other hand the effects of such a policy on the terms of employment would be constantly monitored.

The experiment has three components, namely:

- programmes of action in each of the 17 departments;
- a pilot study of the possibility of achieving the desired cultural change by means of a course-based approach; and
- a pilot study in one division of developing a meaningful second career phase in a situation with relatively arduous physical working conditions where the level of 'ageing' is above average.

St Ivel (UK)

This private sector company is involved in food and related distribution. It employs 8029 men full-time, 2038 women full-time, 509 women part-time, and 85 men part-time. It is a national company with outlets spread across the UK.

In 1989 St Ivel conducted a project which looked at demographic trends and what the company's staffing needs were going to be for the 1990s. The report concluded that the company would not face a significant shortfall in the number of new recruits, a view which, the management believed, was subsequently

borne out by the effects of the recession. Nevertheless, it was felt that increasing diversity in the composition of its workforce would bring commercial benefits and, therefore, St Ivel proceeded to introduce policies to assist the older worker as part of a new equal opportunities policy which was implemented two years ago.

Older people are not given particular priority in the company. Rather they are accorded equal access as part of an overall policy of encouraging labour force diversity. It was during management discussions about equal opportunities that the issue of age discrimination was first raised.

St Ivel already had an equal opportunities policy although senior managers felt that not enough work had gone into promoting the policy in the past. The company approached the Employment Department for advice on developing an equal opportunities strategy. The policy was promoted to line managers on the basis of its economic benefits. For example, managers were told that, since a large proportion of products were sold to women, the company should not be seen to discriminate against women in its policies.

Age is not included in St Ivel's equal opportunities statement which is given to all staff in the organisation. The reason given for this is that age discrimination is not covered by existing employment legislation. However, all managers are also provided with equal opportunities awareness training which covers age discrimination and the problem of indirect discrimination. Those managers involved in recruitment receive more training than others. Employment agencies are instructed not to apply age bars in any recruitment they carry out for the company.

Older people are not targeted when redundancies are required. Management do not ask older people to volunteer. In fact, the emphasis is not on early exit. For example, the organisation does not operate an early retirement scheme. Employees can approach management about the possibility of early retirement but these are one-off arrangements. The company has granted an additional holiday entitlement to people nearing the date of their retirement in order to facilitate their winding down. St Ivel has removed age limits on entry to its pension scheme. Now recruits can enter the pension scheme up to the normal age of retirement of 62 years.

The company's recruitment policy appears to have been successful. Over the last 18 months 18.6 per cent of recruits have been in the age range 41-50, 6.9 per cent have been in the age range 51-60 and 1.4 per cent have been in the age range 60 and over. Older people have been encouraged to undertake milk sales franchises with the company, although milk sales are being scaled down due to economic pressures within the whole industry.

In terms of employee development, the company actively encourages employees to train to keep their skills up to date. Every employee has a 'performance improvement review' (performance appraisal interview) to look at what work they will be doing in the coming year and what skills they will need to achieve their goals. If employees feel they are short of skills then, in consultation with their line managers, a programme of training is devised. The review is mandatory for all employees and training is open to all, regardless of their age.

As a response to a shortage of skilled engineers, technological advances, and primarily because they were no longer getting the same volume of younger applicants as previously. St Ivel offered older workers in the production area the opportunity to do an accelerated two-year apprenticeship to enable them to work on skilled craft tasks, despite resistance from the trade unions.

Glaxo Research and Development (UK)

This organisation operates as a semi-autonomous company within a group which makes up the major British pharmaceutical company. The group has grown rapidly over the last 15 years. Recently its parent company merged with another pharmaceutical company to form one of the world's largest pharmaceutical conglomerates. It employs 1449 women full-time, 1871 men full-time, 158 women part-time, and two men part-time.

A stereotypical view of research and development companies is that they only want to employ young graduates who, after ten years, will be discarded in favour of other recent graduates. The company's management believes that, while 'cutting edge' skills are essential, continuity and knowledge are equally important. Indeed management believe that developing a culture in which older workers are respected and valued and their skills are utilised is essential. It adds value and competitive advantage, from staff whose talent has already been purchased and developed.

Glaxo R & D first recognised the issue of an ageing workforce in 1988 and initiated a major study to examine the implications for their employment policies. Its purpose was to identify the extent to which the organisation would be affected by declining numbers of school leavers and new graduates. Traditionally, it has recruited school leavers at age 18 with 'A' levels, recent graduates at 21, and a few people with PhDs at age 24. The company has a tradition of long service which means that the relatively young average age of the workforce has not come about because of the departure of large numbers of older workers. Older workers tend to predominate in the original core of the workforce. Nevertheless, management believed that if they continued to seek to

recruit large numbers of younger people this would result in a very unbalanced workforce.

Based on the recommendations of the report which was produced in 1989, Glaxo R & D has made a number of changes in its human resource policies. It believed that it faced a 30 per cent downturn in the number of young people entering the labour market and that it would see a reduction in the choice and/or quality of graduates and, therefore, it wanted to broaden its recruitment base to include older workers. Management also want to be sure that they retain the staff they have already recruited because it is felt there is likely to be an increase in competitive pressure from other companies.

The company has tried to eradicate age discrimination in number of ways. For example, recruitment advertisements do not carry upper age limits. The company is also in the process of removing lower age limits where possible. In addition, it ensures that qualifications, skills and experience are job relevant. Glaxo's equal opportunities statement also proscribes age discrimination in terms of recruitment, selection, promotion, training and development. The statement had its origins in a project on equal opportunities chaired by the Director of Human Resources.

Glaxo R & D also makes available care leave of up to five days a year which assists an employee with, for example, an urgent domestic problem such as short-term responsibility for caring for an older relative. Older workers are not excluded from training programmes. They are given equal access to training and development in technical and personnel fields. The company also operates an open learning system which supports its aim of encouraging a learning culture.

In addition, annual reviews of the company's performance pay system include checks for bias by grade, sex and age. Some older staff have said in the past that younger employees have been favoured in terms of pay. This has been examined by personnel and has been shown to be untrue. The data are published by the company.

Glaxo R & D has also taken positive action with regard to recruiting older people. For example, it operates a programme called 'Women Retrainers' which was introduced because of the high turnover of secretaries. The policy included a recruitment drive and an advertising campaign which specifically targeted women wishing to return to employment.

POPE Recruitment Agency (UK)

The origin of the POPE project was as a bid under the UK government's Training and Enterprise Council (TEC) Challenge initiative. The aim of the initiative was to support the development of time-bound innovative local projects which would reduce adult unemployment, particularly long-term unemployment; encourage business growth and job-creation; and develop the local skills base. The UK's network of TECs, which have responsibility for administering training programmes for long-term unemployed people, were invited to submit bids to the government under this initiative to run pilot projects. The POPE bid was submitted by Bradford and District Training and Enterprise Council and was one of 27 bids which were successful.

The overall aim of the project was to assist people aged over 50 into jobs. POPE stands for 'People of Previous Experience'.

The project had four main elements:

- the creation of a register of unemployed people age 50 and over seeking work in the Bradford area;
- marketing of the service to employers and identification of suitable vacancies;
- provision of a computerised matching service which was free of charge to both unemployed people and employers;
- a £2000 subsidy to employers who took on someone from the register (this was paid in two parts: when the person was first taken on and after they had been in post for 6 months).

Employers were eligible to receive the subsidy if the person taken on was taking up a newly created post, and the recruit had to be aged 50 or over and to have been unemployed for 26 weeks prior to being recruited.

The project employs five staff. All the trainers are older people, have experience of working in industry in executive positions and were unemployed prior to being recruited.

The project is promoted through an information pack and leaflets (in several languages) which were distributed through job centres, job clubs, community organisations and providers of adult training. Job centres refer clients to POPE. Considerable use is also made of the local media. As the project developed and knowledge spread, many clients stated that they heard about it from an existing client. Project workers have also made presentations to job centre staff. Staff say that the literature tends to attract better educated clients.

Clients are provided with recruitment advice and an advisory service. Prior to registration on the database, each client's needs are discussed with a consultant for approximately one hour. Each client's skills, experience and job interests are recorded on a computer database. Client details are matched against POPE's register of vacancies.

Statistics for the first year of operation indicate that the project was largely successful in achieving its targets and succeeded in exceeding some. However, the project struggled to meet its target of 25 placements from members of minority ethnic groups.

POPE has registered 1321 unemployed people since September 1994. Of these 1099 were men and 222 were women. However, women are more likely to find employment through the scheme. A total of 184 clients have obtained work through POPE (including 7 temporary posts) since its inception, with 90 of them having been placed since January 1995.

London Borough of Hounslow (UK)

This local council contains the following departments: social services; consumer and environmental services; building cleaning; catering; education; finance; housing; leisure services; planning and transport; property; administration and support; legal; and policy. This organisation employs 5,295 staff of whom 3,342 are women and 1,953 are men. This council's policy on age is in the early stages of implementation. It had its origins in an equal opportunities in employment policy which was produced in 1986. This was followed up by specific statements on particular issues later. A statement on age has recently been published. Because of its comprehensiveness the entire age policy is reproduced in this case study.

At the time of the development of the policy on age the authority was beginning the process of shedding staff, and this has only recently become a major issue within the council. Trade unions have been consulted over the implementation of the policy. The personnel manager thinks that union policy at a national level is likely to differ from that locally. He has been told of incidents where older council employees have been put under pressure from union officials to accept redundancy.

When the council's equal opportunities policy was introduced, a comprehensive programme of training was undertaken. Since then equal opportunities training has been incorporated into the staff training and development programme. However, training is not mandatory. This means that some staff may not have received equal opportunities training.



Responsibility for the issue of age discrimination in employment lies with the personnel officer responsible for equal opportunities. Another officer has responsibility for the issue of ageing and how council policies relate to this issue. In addition, other personnel policies have been amended and now refer to age. For example, the organisation's policy on harassment proscribes harassment on the grounds of age. Similarly, statements on redundancy and training proscribe differential treatment of older workers.

When the equal opportunities policy was first launched all staff received training in equal opportunities. The policy is being relaunched in 1995 and training sessions are being run for all staff. The personnel manager thinks that, for most people, equal opportunities is about race and gender and he is concerned to get across the message that there are other groups who are disadvantaged in the workplace.

Another area where the council has acted is in terms of awareness training for staff who come into contact with older people in their work. In 1992 the council ran a pilot 'age awareness' programme with 50 sheltered housing wardens and housing officers in the Housing Department. Half-day workshops examined models of ageing and how stereotypes could influence work practice. The training made use of case studies to identify good practice and to develop action plans. A key feature of this training programme was the use of older people as co-facilitators. The council is also considering providing training for newly appointed front line staff working with older people.

The borough does not include age barriers in its recruitment advertisements. Staff involved in recruitment and selection receive training in how to avoid age discrimination at each stage of the recruitment process.

Hounslow also offers special leave to people who have sick dependants. Under the scheme individuals with caring responsibilities can take 5 days' paid and 5 days' unpaid leave. This scheme focuses specifically on the issue of caring and another scheme focuses on the issue of illness of a relative. The council also allows individuals with caring responsibilities to vary their working hours. In one instance an employee was given six months, unpaid leave to care for a relative. Annualised hours are offered in some parts of the organisation. The authority also provides staff in the final year before they retire with the opportunity to undertake training in areas related to hobbies or pastimes they would like to follow while in retirement.

The Development of Good Practice in Age Management

As was noted in chapter 2, the dominant experiences of older workers in the EU remain age discrimination and long-term unemployment, and the primary focus of private sector employers is competitiveness which, in turn, emphasises cost reductions, especially labour costs. However, this research also demonstrates that there are now a large number of employers, throughout the EU and in a wide range of industrial sectors, that are seeking to combat age barriers in job recruitment and training and, moreover, that some have progressed further to develop more comprehensive age management policies. Furthermore, the case studies prepared by the national experts include outstanding initiatives with enormous potential for application elsewhere (see chapter 4). The general reasons for this reorientation have been outlined (chapter 2) and the case study material allows us to look in greater detail at the specific factors that lie behind the development of good practice.

External Economic and Policy Context

As we saw in chapter 2 the era of public policy support for large-scale early exit is drawing to a close in most EU countries and, in some, it has been truncated already. For a mixture of reasons - economic, political and moral - governments are seeking to both reduce the cost of early retirement and to extend the working life. The reaction against early exit, evident among all EU governments to a greater or lesser extent, was inevitable. This inevitability stems in part from the largely unplanned and open-ended support given to early exit in some countries and, also, partly from the unsustainable contradiction between the rising average age of the economically active population and the continuous lowering of labour force exit thresholds.

As this research shows, employers too are beginning to reassess their attitudes towards older workers. This is to some extent a reaction to the withdrawal or reduction of public support for early exit, but in addition it is clear that some employers are charting a new course with regard to age and employment. Only a small minority of employers are in the vanguard of this change but the fact that some have gone so far as to construct a positive 'business case' (see p.11) for employing older workers is a signal of the shift that is under way in labour market policy and thinking. Some of the initiatives in the European Portfolio and a few of the case studies examined in this and the subsequent chapter are a direct reflection of the newly emerging attitudes towards older workers.

In addition to this general labour market (social and policy) context, an important spur to the development of good practice initiatives is the specific economic and labour market context within which an organisation operates. For

example several initiatives were either developed in response to labour shortages, or such shortages played a significant role in determining their focus, while others, paradoxically, were encouraged by labour surpluses.

L'Incontro (Italy) turned its attention to older people as a source of staff when it was faced with difficulties in recruiting professionally qualified nurses and health assistants. In fact Italy, in common with other EU countries, has recently experienced a shortfall in qualified nurses and has been employing them from Latin America and Central and Eastern Europe. Private health and social care agencies have experienced particular difficulties because they could not compete with the public health authorities in terms of job stability and pay. So L'Incontro decided to target professional nurses, with a minimum old age pension contribution of between 15 and 20 years, who had taken early retirement primarily because they were not allowed to work part-time but who still wanted employment.

A similar case was the Onze Lieve Vrouw-Middelares Hospital in Belgium. This private hospital's management board developed its post-career job project, a three-year experiment under the auspices of the social fund for private hospitals, partly in response to the national shortage of nursing staff. The other main motivation was to reduce the pace of work and consequent stress among older nursing staff and, thereby, minimise the numbers leaving prematurely due to disability.

The furniture manufacturer in France recruits production supervisors over the age of 50 partly in order to balance the organisation's age pyramid, which has been unbalanced by large-scale early exit. In the words of the company's personnel manager:

There have been quite a number of recruitments from that age group. It allowed us to balance the age pyramid. Yet we're still looking for people between 50 and 55 because there are years when we get gaps in the upper age range...

In direct contrast, in some other cases it was the existence of labour surpluses, particularly among older workers, that provided a spur to action. For example the Employment Agency of Trento (Italy) decided to introduce its pioneering job creation programme in response to the large-scale shake-out of older workers that occurred in the early 1980s. Although the unemployment rate in Trento is considerably lower than the national average (5 per cent compared with 12 per cent) there was still a substantial number of unemployed older

workers. Therefore the Province decided to create employment for redundant women and men over the ages of 45 and 50 respectively who were experiencing difficulties finding re-employment.

In France, both the insurance company and the chemicals company introduced phased early retirement schemes in order to reduce the numbers of older workers and thereby facilitate staff turnover. In the words of the regional manager of the insurance company interviewed by the French team: 'it's difficult to keep a company active when no new staff are joining it and no older staff are leaving'. Following two redundancy programmes, in 1989 and 1992, the chemical company resumed recruitment in 1993 but used phased early retirement to 'rejuvenate' the age pyramid.

The demand for labour in particular local labour markets was also an important factor in the success of several training initiatives. There is no doubt that success in finding work is the major source of credibility for off-the-job training schemes. For example, the initial success of the 'programme for the advancement of older workers' (GFAW) in Thuringia (former East Germany), was the result of companies recruiting the most highly skilled workers (information has still to be collected on the success rate for unskilled and semi-skilled workers). According to the German report:

The willingness of workers to participate in training schemes was very much dependent upon whether individuals felt that the schemes would actually improve their employment opportunities or whether they were merely seen as a holding bay until they were old enough to draw a pension. Admittedly GFAW was unable to guarantee that a job would be found but it did stress that the practical nature of the training would significantly enhance their chances of finding new employment.

The success of the two IBM-based case studies - Skill Team (Belgium) and Sernet (Italy) - is due in part to the highly skilled and experienced workers involved in both of them. Conversely however this positive factor may limit the transferability of such initiatives (see chapter 4).

As well as national and local economic and labour market factors, the public policy context has an important bearing on the development of good practice in combatting age barriers. In practice, the case studies reveal that this influence can be both positive and negative - sometimes with regard to the same initiative.



The introduction of phased early retirement by the French insurance and chemical companies was, in part, a reaction to the change in public policy favouring partial rather than full early retirement. The Job Exchange project in the Netherlands resulted from a change in government policies: the local budget management of schools and the compulsory reintegration plan following absence from illness which made severance less feasible and reduced access to invalidity pensions. These emphasised the urgent need for action on absenteeism and low motivation among teachers. Moreover the pump-priming subsidy received from the Ministry of Education and Sciences was a vital factor in the establishment of this project. The government has required that the project must eventually cover its running costs but the subsidy was essential to launch the programme. However, the development of this project is simultaneously inhibited by two different public policies. On the one hand the government has imposed a system of maximum full-time post equivalent units on schools which has the effect of limiting the number of exchanges between schools. On the other hand, the national redundancy payment scheme creates an obstacle because if a school wishes to fill a vacancy left by a teacher loaned out as part of the Job Exchange scheme by making a temporary appointment, the school is liable to pay redundancy benefit if the contract is for longer than 26 weeks.

The social security system has a similarly negative impact on the development of the L'Incontro Coop in Italy because of the aggregation of pensions and earned income. The tax laws in Greece have put a brake on the expansion of the car mechanics association (SISEMA). As an extension of its cooperative work the Association has been trying to bulk purchase equipment but has been deterred by the double taxation on such groups (35 per cent on profits plus individual taxation of participating members).

One of the training schemes piloted by Stahlwerke Bremen (Germany) - 'continuous, cooperation-based self-training' - received financial support from the German Federal Ministry of Education and Science. In order to recruit staff over the age of 50 the furniture company in France took advantage of the government's Back to Work Contracts. This gave the company access to specific benefits and gained it exemption from some categories of national insurance contributions for a minimum period of one year.

The three case studies involving local government - GFAW (Germany), Trento (Italy) and the London Borough of Hounslow (UK) - all demonstrate the advantages of semi-autonomous local administration. In particular the German and Italian cases and another UK example (POPE) illustrate the potential for

assisting the development of good practice where there is devolved responsibility for employment and training.

The development programme for older workers in Thuringia, which GFAW was set up to implement, was agreed by the Truhand Agency, trade unions and the Länder governments in eastern Germany and was sponsored by the organisations in the individual Länder responsible for job creation and employment. The financial support provided allowed the payment of compensation to older workers for their job losses at the age of 54, and the guarantee of a sum equal to 80 per cent of their previous net income until early retirement at 60. This financial support derives from the political decision to invest resources in the eastern part of Germany - similar programmes are not available in other parts of the country.

The above average employment rate in Trento and the Employment Agency initiative on older workers reflects the leading role of this Province in Italy with regard to the development of active employment policies, and especially those aimed at promoting the employment of disadvantaged groups. The Employment Agency itself was established in 1983 under a provincial law aimed at implementing regional unemployment policies. A specific Protocol on Policy on Incomes and Employment was signed by the social partners on 23 July 1993 and was followed by Legal Decrees in 1993 and 1994. Together with recent employment measures enacted by the Italian government, these promoted the sort of programme adopted in Trento to employ redundant workers on cultural and environmental restoration schemes.

The POPE Recruitment Agency differs from these two continental examples because it originated from a bid to the UK government's Training and Enterprise Council (TEC) Challenge initiative. The aim of the initiative was to support financially the development of time-limited innovative local projects which would reduce adult unemployment, particularly long-term unemployment; encourage business growth and job creation; and develop the local skills base. The UK's network of TECs, which have responsibility for administering training programmes for long-term unemployed people and are independent of local government, were invited to submit tenders to run pilot projects. The successful POPE proposal was sponsored by Bradford and District TEC. Without this pump-priming support POPE would not have flourished.

Organisational Culture

It is clear from the case studies as well as other research that the culture of a particular organisation has a critical bearing on the development of good

practice. The most important question here is how far the HR tradition or current policies are conducive to the development of good practice initiatives. The national reports provide some telling examples of the importance of a favourable HR culture and one or two which show the difficulties encountered if such a positive context is absent (I will come back to the negative points in the next section). Sometimes the long-term cultural traditions of an organisation provide the context for good practice initiatives, and sometimes a cultural change stems from a change in management or the style of a particular HR director. Thus an ‘older worker friendly’ cultural context may be created by both old and new managerial approaches. In some countries collective wage agreements provide the necessary framework for action to take place.

For instance, the Wilkhahn furniture company has a well established tradition of consensual management and responsiveness to employees. The company lists social partnership as one of the three main pillars on which its commercial success is built (the others are design quality and environmentally sustainable production). In practice social partnership means the acceptance of the Works Council as an important point of contact. It is represented on all the policy-making bodies in the company, in particular the management and Supervisory Boards. In addition employees are stakeholders in the company (silent partners) and are entitled to 50 per cent of profit after tax. (This does *not* mean that conflict is absent from the company - around three-quarters of employees are members of the Timber and Plastics Union and they have gone on strike for higher pay.)

In the Greek cases, TITAN and DELTA, there are strong family-based management traditions which display a sort of informal social contract. The TITAN Group, for example, pioneered consensual HR strategies, reflecting the founder’s belief in the importance of human resources and a rejection of the ‘get rich quick’ philosophy found in some organisations. The company still describes itself as a ‘learning organisation’ despite the fact that its family character has been replaced by more modern management structures. It claims to be the only company in Greece presenting both an annual business account and also a social report (see chapter 5). The positive HR policies of DELTA reflect the patrician style of the company’s founder, who is currently President of the Administration Council (at 74 years of age) and still working every day. He walks about the factory every morning and greets employees. His son, who is Deputy President and Managing Director, follows a similar approach with regard to employee relations. Indeed these informal HR practices have been formalised in recent years. There are no overt indications of rank or status.

The Italian social cooperative L'Incontro was founded, in March 1991, on the principles of reciprocity and solidarity, which are reflected in its older nurses employment project. In a quite different sector of the same country, the success of the IBM Sernet venture is partly attributable to the homogenous cultural base provided by the parent company and its flexible managerial approach to the formation of the new company.

Although it is a family business, founded in 1906, it was not the personal style of a paternalist employer that established the pro-training culture in Fontijne Holland but, rather, the need to survive in the highly competitive machine manufacturing sector. Because the design and manufacture of high quality machines requires the application of the most up-to-date expertise, the company has a long tradition of training staff. Moreover it has always put emphasis on quality and a great deal of attention is paid to internal quality control and the public image of a modern, highly-skilled company. In the words of the Dutch report:

Seen in this light it is not surprising that the company should devote attention to the internal and external training of staff. In its own internal information bulletins it is stated as an important objective of personnel policy that this 'is focussed on maintaining an optimum level of knowledge in all staff in all relevant fields and on equipping them for present and future posts within the organisation'.

In the Dutch case, DSM, there is a long-established consultative structure in which the company and the trade unions work jointly on all aspects of policy with regard to terms of employment and working conditions. This reflects the fact that DSM has its own company collective wage agreement. This establishes an official social consultative body called COED, on which DSM's Social Policy and Working Conditions administrative section is represented. On the employees' side there are the various unions (BLHP, FNV, CNV, ABW and VHP). The COED has set up a study committee, consisting of representatives from DSM and the unions, which meets monthly and does preparatory work for the official consultative body on terms of employment. The experiment on age-aware HR policies was also discussed extensively in this study committee and the implementation is being evaluated. In this context of consensual management, reflection and open discussion it was not surprising that a debate was launched about the development of a new HR strategy towards age and employment. Once a stimulus has occurred - in this case the raising of the retirement age to 65 and discussions on the second phase of the career - there was a receptive framework in which discussions could develop.

The Director of HR at Glaxo R & D (UK) stated that the company had always taken a positive view of the merits of employing older workers. Certainly its approach to this issue can be seen to reflect the research and development ethos at the heart of the company. It first recognised the existence of an ageing workforce in 1988 and initiated a major study to examine the implications for its employment policy. Its purpose was to identify the extent to which the organisation would be affected by declining numbers of school leavers and new graduates. Based on the recommendations of the report, which projected a 30 per cent downturn in the numbers of young people entering its labour market, Glaxo R & D enhanced the age awareness of its HR policies.

While the above examples demonstrate longstanding cultural traditions within organisations, providing backgrounds conducive to the development of good practice, there are also instances of such practices following from more recent changes in HR culture. The recruitment initiative of the furniture company in France, for example, appears to stem from the change in the senior management team between 1986 and 1988. The new team made a conscious effort to distance itself from earlier management practices and to establish vigorous procedures, including attempts to manage labour in a carefully planned way. The replacement of the senior management team also changed the age structure of managers and this seems to have discredited prejudices about the relationship between age and ability. In the words of the Company Secretary: 'I believe we have got rid of that [prejudice] completely. And I believe it is due to our management structure. The age range within our management team is very wide.' The integrated HR strategy of the UK company, St Ivel, owes a great deal to the personal commitment of the HR Director. In 1989 the company conducted a project which looked at demographic trends and projections of its staffing needs in the 1990s. The report concluded that the company would not face a significant shortfall in the number of new recruits. Nevertheless it was believed that increasing diversity in the composition of the workforce would bring commercial benefits and, therefore, St Ivel proceeded to introduce policies to assist the older worker as part of a new equal opportunities policy which was implemented two years ago.

Conclusion

This is the first of two chapters concentrating on the case studies. There are 22 of them spanning the public and private sectors, large and small organisations and both workplace and non-workplace environments. Despite the continuation of early exit as a major feature of EU labour markets these case studies provide rich illustrations of the main conclusion of the previous chapter - the fact that action *has* been taken successfully to combat age barriers.

This chapter considered the factors that lay behind the development of good practice and help to explain its emergence in different settings. In particular there are the external public policy context, the specific economic and labour market situation in which the organisation is located and the internal culture and traditions. This analysis has demonstrated the critical importance of public financial support for community-based job creation and training initiatives and the impact of public policy on the behaviour of commercial enterprises. It has also shown the very influential role of organisational HR culture: good practice flourishes in surroundings that encourage it. The right conditions may be the result of long-standing traditions or a recent management creation.



Chapter 4

Implementing good practice

This chapter considers the implementation of good practice in age management and, in particular, the successes and dilemmas arising from this process. This is followed by a discussion of the outcomes of the case studies, including their unintended as well as intended consequences. Then the main lessons from the implementation of the 22 good practice initiatives are distilled as a guide to others wishing to emulate them. Finally I outline the significance of each of the case studies for HR and employment policies and their potential for replication elsewhere in the EU.

Implementation: Successes and Dilemmas

The national and local economic and policy context, together with the HR culture of a particular organisation, provide an environment that may foster or inhibit the development of good practice in age management. This environment, particularly the organisational culture, will determine whether or not organisations are pro-active in combatting age barriers, or reactive (wait and see). By definition most of the case studies reported here concern pro-active organisations but, nonetheless, there are a range of approaches to implementation and, in this section, the lessons that might be learnt from these are considered. Where problems have been encountered in the implementation process some of them may be unique to a particular initiative and some may have more general relevance.

Overcoming the Negative Aspects of Organisational Culture

First of all there may be negative features of the organisational culture which act as blockages to change and, therefore, successful implementation of a workplace-based initiative will depend on careful preparation and/or action to

change the culture. With regard to non-workplace-based initiatives there are other barriers to be surmounted (see below).

Fontijne Holland provides an outstanding example of a pro-active organisation which carefully planned the implementation of its training programme for older workers. It decided to recognise the training deficit experienced by many older workers and to develop a special training course for this group. The company was responding directly to a request from a group of older staff for it to address this problem. In addition the company foresaw an increasing trend towards people staying at work longer, partly as a result of the restriction of early retirement schemes in its own sector. Furthermore it envisaged the development of increasingly varied job roles (particularly in its assembly department) and ongoing technical innovation, all of which involve greater and greater demands being made on the theoretical and practical skills of ageing staff.

The course was developed in a number of stages, the first of which was to ascertain the precise training needs of older staff. Next the programme was introduced to staff through the company magazine *Fontijne Holland Nieuws* and staff over 40 were invited to enrol. The course was described to staff as specially intended for older staff who:

- have not attended a course on the production process for a considerable time,
- feel less involved in the production process,
- want to study new techniques, and
- want to increase their professional expertise.

The only entry requirement was 'work experience'. It was deliberately decided to teach part of the course (two-thirds) in the employees' own time, thus making a clear appeal to the motivation of staff.

After details of the course had been publicised, forms were distributed in two selection departments (machinery and assembly) on which staff could indicate their interest, and their preferred time and day. The response exceeded expectations with every employee, except two, in the over-40 group enrolling. In addition some younger staff joined the course and, after some pressure, so did the remaining two over-40s.

When the London Borough of Hounslow's equal opportunities policy was introduced in 1986 a comprehensive programme of training was undertaken for all staff. The policy was relaunched in 1995 and, again, training sessions were

organised for all staff. The personnel manager thinks that, for most employees, equal opportunities means race and gender and he was determined to get the message across that there are other groups disadvantaged at the workplace. The Council took a pro-active HR stance also with staff who regularly came into contact with older people as part of their job. In 1992 Hounslow ran a pilot staff 'age awareness' programme with 50 sheltered housing wardens and housing officers. Half-day workshops examined models of ageing and how stereotypes could influence work practice. The training made use of case studies to identify good practice and to develop action plans. A key feature of this training programme was the use of older people as co-facilitators.

A frequently reported negative feature of organisational culture is the age discriminatory attitudes of line managers. This was one of the factors that prompted DSM (Netherlands) to introduce an integrated 'age aware' HR policy. Despite the very positive organisational culture outlined in the previous section, there was a tendency on the part of some managers to favour 'up-to-date training and younger people' rather than 'experienced, practical knowledge and older people'. In other words, age barriers can survive even within an enlightened HR environment. DSM, in consultation with the trade unions, launched its experiment in the implementation of an age-aware HR policy in July 1995. As a result of various discussions in its study committee, some preliminary studies and consultation exercises with ex-DSM staff, it was decided to focus on changing the organisation's culture. De Vroom and his colleagues explain the meaning of culture change in this company:

This refers to breaking with existing practice and views on the employability of ageing staff. The stereotyping of ageing employees as a 'problem group' must be abandoned. It must be considered normal that career review and performance interview are conducted with all age groups. The DSM paper sees a general reappraisal of the 'status' of the older employee as desirable.

A widely emphasised aspect of the cultural change envisaged is the joint responsibility of managers and staff for employability during the whole of a person's career. Prejudices must be removed and the view of management on the deployment of ageing staff must change. It is often thought that there is no point in training the over-40s. In order to achieve this cultural change it is suggested that a particular style of management must be developed, making it possible to identify and discuss future problems with all age categories in good time. However, in the view of the authors of the paper the cultural change envisaged also requires a

change on the side of the employee. He/she will also have to begin taking more responsibility for his/her future employability, raise any possible problems in good time and possibly take action for himself/herself. In one of the documents the hope is expressed on this point that 'bosses will meet better prepared discussion partners, who want to actively direct their own future employability'.

Another aspect which is presented under the heading of cultural change is the realisation that in searching for solutions to problems the field of vision should not be limited exclusively to DSM. The change in working environment 'should be discussable as a preventive management instrument'. One of the trade union leaders agrees that many employees and bosses too have the idea 'that one can only work where one has always worked'. On the other side he points to the experience of the last few years in which 200 people have changed jobs through outplacement.

Along the same lines the opportunities for horizontal transfers are also being discussed. In the view of the authors of the paper this also requires a cultural change.

Line managers were identified as a specific problem in Glaxo R & D's policy to combat age barriers. According to the UK team's interview with the Director of HR, the company is in the process of educating its line managers about the issue of age discrimination. Previously, senior management had not been effective in getting the message across to this group. There had clearly been poor communication with managers responsible for recruitment and training decisions because they had failed to grasp that the company had sound business reasons for combating age barriers, as well as a desire to promote social equity in employment practices. The HR Director also described the 'natural biases' that managers often have in terms of selection and promotion. His view was that it is impossible to produce written policies to counteract this effect (CF Hounslow). Instead it was necessary to change attitudes. Thus the company has introduced training modules about equal opportunities into all supervisory and management training, retraining and refresher courses. He added that, if someone was determined to be biased, they could not be prevented, but he thinks that it is possible to change the organisational culture over time.

A similar stereotyping blockage was identified in the Wisselwerk teacher exchange project. Local school managers are not very supportive of the mobility of older teachers:



An image prevails that teachers can do nothing but teach and would not welcome a change of school. In general there is a view that teachers do not have the flexibility and experience of working in a team which are required in many jobs outside education.

Furthermore the Job Exchange project was originally presented as a response to the high level of absenteeism through illness in education and, therefore, candidates are often associated with the 'burnt-out' teacher or the 'difficult' case who has got into a rut at school. There is also a suspicion that school managers are using the scheme to off-load difficult staff. These negative images are creating inhibitions in both the potential supplying and hiring institutions, and the project still has some educational work and consciousness-raising to do.

St Ivel (UK) had experienced some problems in the implementation of its age-related HR policies due to the attitudes of local managers. For example some dairy managers held stereotypical views about the type of person who is capable of delivering milk door-to-door. In particular they were biased against both older and female applicants. To overcome this prejudice local managers have been encouraged to test the fitness of an applicant by giving them the opportunity to try out a milk round rather than relying on their assumptions about particular groups of people.

With regard to non-workplace-based initiatives - such as GFAW in Germany and POPE in the UK - the critical role of funding has already been mentioned. But, in addition, a great deal of energy and commitment is required in order to motivate participants and secure placements with employers. The point is well made by the German research:

The GFAW programme represents a very appropriate - and on the basis of available evidence successful - model for combating age barriers in job recruitment. However it should be clearly stated in this context that such models do not run themselves. They demand an active approach to the task of job placement. They demand directed publicity, visits to companies and the nurturing of contacts with companies. In addition discussions must be held with participants designed to improve motivation and offer counselling. Of particular value in this respect is the existence of employment agents and support workers who are drawn from the ranks of actual participants. They have the required motivation, know some of the other participants personally and can identify fully with their situation. It is likely that they are part of the reason why GFAW has been so successful in finding suitable employment opportunities.

According to GFAW the results in other Länder in eastern Germany have been far less satisfactory.

Implementation Problems

Secondly, regardless of how receptive the organisational culture is to changes in HR practice and the extent of planning behind an initiative, problems can occur in the implementation process itself, for example when the initial momentum of a project subsides. This emphasises the importance of experimentation and careful monitoring and, as the following German example shows, effective communication and being responsive to the special needs of older employees.

Stahlwerke Bremen's pilot scheme to give vocational training in industrial and technical subjects to its own trainers experienced several crises. For example, there were initial difficulties in persuading older trainees to attend seminars, as they tried to avoid participation and arranged for younger trainers to attend instead. The project management recognised that older employees had concerns about taking part in external training and, to overcome these, the subject was dealt with at a seminar on 'adults learn differently' and efforts were made to increase the motivation of older trainers. In addition, at the start of the programme, trainers were unable to understand why further training was required in the principles of teaching rather than in technical subjects and in some cases this was viewed as a criticism of their work. Part of the problem was due to the unusual level of creativity and independence expected of trainers in the pilot scheme. Also it was felt that the company had failed to give adequate preparation to participants prior to the start of the scheme. The project management expressed the view that these problems which arose during the initial phase of the programme could have been largely avoided if the objectives of the project had been properly explained prior to its implementation and if the older trainers had been more involved in the planning stage. When the pilot experienced a subsequent crisis the older staff proved critical to its survival:

As is typical in many group processes a crisis of motivation developed one year into the pilot scheme which threatened its continuation. According to the project management the older participants displayed 'tenacity and a craftsman's pride' and in doing so were instrumental in ensuring that the scheme was able to continue.

When the Dutch company DSM decided to implement its age-aware HR policy - 'to keep staff employable and motivated up to retirement age' - it quickly discovered that there was virtually no knowledge or experience concerning both the form and implementation of this sort of policy either within the company or



outside. Therefore it was decided that 'because age-aware personnel policy is still in a 'pioneering phase' - also at national level - the implementation of this policy should take the form of a two-year experiment in all business units'. According to de Vroom and his colleagues:

The experiment has three compartments, namely (a) action plans in each of the seventeen sections of the company, (b) pilot study into the possibility of achieving the desired cultural change through a course-based approach, and (c) a pilot study of one section of the company (the company fire-fighting service) into possibilities of developing a meaningful second career phase in a situation of relatively arduous physical circumstances and a greater than average level of ageing.

Trade Union Dilemmas

Thirdly, the implementation of policies designed to combat age barriers in employment creates dilemmas for trade unions because they have a long tradition of bargaining with employers for reductions in working life. Interestingly *none* of the case studies reported here were blocked by trade unions. On the contrary, trade unions were largely supportive once the intentions and potential benefits of the initiatives had been explained. Thus the agreement and support of the unions was another plus factor behind the success of several initiatives though, in some cases, the fears of trade union representatives had to be allayed. For example trade unions expressed initial concerns about the L'Incontro initiative to recruit older employees. These were overcome by explaining the difficulties of recruiting specialised staff in the region and by demonstrating the ability of the programme to carry out an integrated social care programme for disabled people. Therefore the assessment of the project made by the trade unions in the Italian research was generally positive.

In the Dutch case of DSM there was a fear among employees and their trade union representatives that the development of an age-aware HR policy might be at the expense of pre-pension and sickness benefit schemes established by the collective wage agreement. Yet trade unions are also beginning to recognise the issues arising from an ageing workforce and the extent of age discrimination and, therefore, are focusing increasingly on the need for good quality employment conditions and rights for their ageing membership. Clearly developments in the labour market and in employment policy, such as the shift away from early retirement towards extensions of working life and the move from vertical to horizontal career development, pose an awkward dilemma for trade unions. This dilemma is well encapsulated in the Dutch report on DSM:

On the one hand they must support the wishes and interests of their present membership. On the other hand they must also promote the future interests of their membership. This dilemma was one of the reasons why in consultation with DSM the trade unions opted for an experimental form of age-aware personnel policy, so that the impact on both job content and on terms of employment can be assessed before they commit themselves finally to a different personnel policy.

The dilemma of the trade unions outlined here is also expressed for example by the regional chairman of the BLHP Union in Limburg, itself represented on the COED (the company's social consultative committee). He indicates that executive boards and senior managers regard age-aware personnel policy differently from their membership. Executives and managers see a good age-aware personnel policy mainly as a series of measures to allow staff to continue to function in a responsible way in the labour process. There is concern about the level of take-up of invalidity benefit. They believe that career planning can have an important function in this. In contrast, the membership see an age-aware personnel policy mainly as a series of good 'downsizing schemes', such as early retirement schemes, easy jobs, no shift work, working fewer days a week (4 days a week at age 45, 3 days at age 50, and 2 days at age 55) with retention of one's last full wage. According to the trade union official such a policy is not feasible: on the one hand the work pressure on their younger colleagues would become too great, and on the other a 100 per cent income guarantee is not financially feasible.

Teething Troubles

Fourthly, in addition to these general implementation problems and dilemmas there are bound to be specific difficulties encountered by particular initiatives. For example, the main problem experienced by IBM-Sernet was how to establish a small administrative and managerial unit capable of implementing the various aspects of its programme without creating an over-bureaucratic and rigid structure. The solution was to create a network consisting of a core of highly competent people working in close cooperation on specific projects. This problem was specific to this initiative and, given the homogeneous cultural base of the new company, it did not prove to be difficult to overcome. The general lesson that can be learnt from this teething problem, however, is the need for careful preparation, open discussion and monitoring.



Outcomes

As outlined in Chapter 1, a key aim of this project was the collection of examples of good practice in combating age barriers in recruitment and training from the participating countries. By definition, therefore, the case studies discussed in this chapter are good news stories - they are concerned essentially with positive outcomes, even though difficulties may have been encountered along the way. However, this does not mean that every aspect of the outcome of each initiative was positive. On the contrary, there were drawbacks associated with several of the case studies and it is important to learn lessons from these as well.

For example the evaluation of IBM-Sernet conducted by Covi found that older staff were largely positive about the initiative. The main reasons for this were their sense of being useful and productive rather than obsolete while at the same time not having to devote themselves to work full-time. The greater freedom created by their reduced commitment to work enabled them to create a second career and, it was hoped, to extend their working lives. Also they appreciated the continued opportunities for professional growth and exchange of experiences which otherwise they would not have achieved. At the same time the older staff involved had experienced a loss of status both within and outside the company. There was a certain inevitability about this loss of status given the highly skilled professional group involved and should not be seen out of proportion, as Covi notes:

Loss of status has occurred both socially and professionally. Until fairly recently, simply being part of a leading world company such as IBM guaranteed a degree of personal recognition and an almost privileged position. While the notion of status cannot be taken for granted, in future it will depend on other factors such as personal abilities and skills. In any case, the interviewees agreed that if they had given up work completely, this loss of social and professional status would have been even more traumatic.

There is always a danger in positive action programmes that those involved will be regarded by their colleagues as second-class workers. This was not a general problem in the case studies collected for this research, but the loss of status felt by those in Sernet was mirrored in the Belgium IBM Skill Team by complaints from those involved that they were regarded as outsiders, even though they may have worked for the company for 30 years or more. Also, some of the older nurses recruited by Onze Lieve Vrouw Middelaars Hospital said that they thought some colleagues regarded them as inferior. The absence of such

prejudices in other case studies seems to stem from the careful preparation of the ground with trade unions and the workforce, and the use of age awareness education.

Some initiatives did not fully achieve the targets they set themselves, even though they must be classified as highly successful in overall terms. One such example is the POPE Recruitment Agency which did not achieve one of its targets: 25 placements from members of ethnic minority groups. POPE staff report that, according to leaders of the community groups, this deficit is because people from ethnic minority groups in the 50-plus age group are resigned to remaining unemployed. POPE staff have visited the Job Clubs for people of Asian origin but had little success in attracting clients. The fact that all POPE employees are white may also have deterred some potential clients from ethnic minority groups. Most of the initiatives, however, did not have specific quantifiable targets.

In the case of the Employment Agency initiative in Trento the very success of the programme seems to have created a form of dependency among the older participants. Thus when the low turnover of people involved and the increasing difficulty of employing older workers were coupled with the undisputed advantages offered by the scheme (particularly in terms of job security and quality) some of those concerned became indifferent to taking concrete steps to seek other employment opportunities (particularly in the case of women).

The cases presented in this chapter were largely successful, in the eyes of all participants, in achieving their aims or in making substantial progress towards them. In addition to this considerable achievement several initiatives had unintended consequences or beneficial spin-offs that were not originally envisaged by those responsible for introducing the particular programme. Such spin-offs were varied but, most importantly in view of the emphasis given to competitiveness by the EU and its member states, there were significant economic benefits in some cases.

For example, the furniture company in France had identified clear economic benefits from employing older production supervisors on the basis of both their knowledge and experience and their labour mobility. According to the company's personnel manager interviewed by Guillemard and her colleagues:

...it's true that recruiting a 50-year old is very good for us. Frankly, these people know what they're doing, there's no doubt about it, and they are people to whom one is only committing oneself for a limited number of



years... This is a form of labour mobility... which is accepted by all concerned in a reasonable and positive manner.

One of the unexpected benefits of the Fontijne training initiative was, according to one of the key figures interviewed by the Dutch research team, an increased 'feeling of togetherness and team spirit, particularly in component manufacture'. The nature of the manufacturing and assembly process means that staff perform their work in a fairly independent and isolated way and have relatively little overview of the work of other staff. The course therefore gave them the opportunity to get to know each other better personally, but also to gain a better understanding of the nature of the work that other people were doing. This increased team spirit and motivation is expected to enhance the operation of the division, though as yet there has been no formal assessment of these putative benefits. A similar result was observed deriving from Stahlwerke Bremen's training course for instructors. Team work had been non-existent prior to the project but, at the end of the pilot, the trainers recognised the importance of the team conference and decided that it would be continued.

As well as increasing employment in the strategically important health and social care sector and achieving measurable improvements in service quality, the L'Incontro Coop's recruitment project also resulted in a significant reduction in total staff turnover. This is particularly important because staff turnover is traditionally high in this sector. An important indirect spin-off for the IBM-Sernet project was an improvement in the morale of many older workers who were tired of working in the rigid hierarchical structure of a large company but who did not want to stop work completely. (A similar improvement in motivation was noted in the Belgian IBM-Skill Team project.) Even more importantly, the Sernet initiative enabled a significant intergenerational transfer of advanced scientific knowledge and skills.

Covi explains:

The method of work adopted by Sernet staff in consultancies consists mainly in tutoring young people growing up in SMEs, established and developed on the back of strong entrepreneurial skills, which require an organizational/qualitative push to establish themselves in the market place, but lack the internal professional skills to achieve this. In this way, skills and know-how have been transferred not only between different generations, but also between companies with enormous differences in terms of size and research capacity. This is a major initiative to generate

new professional skills amongst the staff of SMEs, to strengthen their competitiveness and market presence.

Another example of the intergenerational transfer of professional skills is the agreement signed between Sernet and the Autofaver consortium of Milan (set up by the State University, the polytechnic and high-tech companies) for the development of innovative products in the field of quality systems. This involved a large number of graduate students as trainees giving them the opportunity to marry new theoretical knowledge with a wide range of experience in the field.

Another unintended consequence of the setting up of Sernet was a positive impact on relations between IBM and the trade unions after the latter were informed that the company intended to manage its reorganisation in a way which was socially valid and minimised the trauma for staff.

An unexpected economic benefit of the SISEMA training initiative in Greece was that participants learnt to organise their garages better and more productively and at lower cost. Many older workers recognised that they had been less productive than they could be with proper workplace organisation. They also realised that they had to change their way of behaving towards the public in order to create a better image. For older workers this was a particularly difficult change in established forms of behaviour, but a necessary one if they were to compete with younger and better educated mechanics. SISEMA perceived a significant difference in the attitudes of participants towards their work. One example of this change was that owners stopped putting up pictures of nude women in their garages.

Costs and Benefits

While considering the economic and related benefits of these initiatives it is worth mentioning the cost-effectiveness of some of them, particularly the non-workplace projects. It was not possible in this project to conduct even a partial cost-benefit analysis of the case studies - with one exception - but some of the other findings are also suggestive of substantial job creation potential at relatively low cost. The exception is the environmental restoration and improvement service in Trento, which has conducted its own initial cost analysis. As can be seen from the table below the initiative does not appear to be particularly expensive: in comparison with the costs of early retirement there is an annual cost *saving* of approximately 1 million lire per employee, taking into account not only the direct labour cost, but also indirect expenditure on materials, planning and so on.



Annual average cost per job provided by environmental restoration and improvement activities (1995) compared to other types of intervention

	Average cost in Lire per job
Work/organization	32,144,000
Expropriations	441,000
Materials	6,419,000
Planning	1,029,000
Specialist work	6,713,000
Rents	2,303,000
Total man-cost of environmental restoration	49,000,000
Total cost of early retirement pension	50,000,000
CIGS	38,000,000
Mobility allowance	32,000,000

Source: Environmental Restoration and Improvement Service of the Independent Province of Trento

A full cost-benefit evaluation of the project must also take account of the effects on the region's conservation, its infrastructure, improvements in the inhabitants' quality of life and the added value created in the tourist sector. As regards this last aspect in particular, sufficient information does not yet exist and any assessment is bound to be a bit hit-and-miss. Nevertheless, the investment of resources, manpower and professional skills has undoubtedly played a central role in developing the sector. At provincial level, the number of overnight stays has quadrupled in the last 40 years (from 7 million in 1950 to almost 28 million in the early 1990s), while the total national figure has not even doubled. The creation of an average of 750 jobs per annum by the Trento project is most impressive. In the German case of GFAW the ratio of ten full-time workers to 886 participants in the programme is equally striking, though at the time of the evaluation 723 were still without employment.

The absence of cost-benefit data for all of the workplace initiatives should not lead us to the conclusion that these have not been assessed. Instead it would be safe to assume that the thirteen commercial companies at least are aware of the broad cost-benefit ratio and have sound business reasons (chapter 1) for employing or training older workers. This is the case even when the numbers involved are relatively small compared with the non-workplace initiatives: the French furniture company has a total staff of 1,019 and the recruitment of older production supervisors amounts to only four or five each year, which is less than 4 per cent of the company's total annual recruitment of manual workers. The

absence of proper cost-benefit calculations may lead to under-utilisation of labour, as was the case with the garage owners belonging to SISEMA in Greece (see page 81). Trento Province's employment agency provides an example of good practice in this respect.

Environmental Improvement

Coincidentally two of the case studies had important environmental spin-offs, one of which has major implications for employment policy in the EU. A completely unexpected benefit of the training programme sponsored by the Greek car mechanics association was a proposal to the government concerning the control of car emissions through local garages and the issue of a card indicating a car's emission levels. The proposal has been implemented. In addition the Association made proposals and implemented actions in respect of the waste from garages and the recycling of car parts.

The environmental restoration and improvement service set up by the Italian Province of Trento has been widely praised not only by those directly involved, but also by authoritative observers outside the region and, in particular, officials responsible for employment policy in other regions and at national level. The aspect of the project which is considered most innovative was not the involvement of redundant workers who had serious problems finding re-employment but, rather, its capacity to create new employment and new professional skills in a sector which had been previously almost completely ignored in Italy. The following quotations give a flavour of the enthusiasm with which the results of the project have been greeted and also the substantial employment potential of such environmental improvement schemes.

How can environmental protection be translated into employment? Examples already exist. With approximately 30 billion Lire per year, the Independent Province of Trento has been able to create 750 jobs restoring damaged areas at one-tenth of what it would have cost to finance industry using public funds (WWF Italia);

public works should be interpreted in the broadest sense and must necessarily involve activities in the region as well as conservation work and support for the public sector which increasingly has difficulty in providing citizens with adequate services (A. Pizzinato, Employment Committee of the Chamber of Deputies).

Thus the Trento project has helped to emphasise the value of environmental protection or socially useful production in economic regeneration and



employment creation and has shown how the intentions of various employment protocols can be implemented in practice.

Dispelling Myths About Older Workers and Training

Finally in this section it is important to note that, although it was by no means unexpected, all of the case studies demonstrate the value of employing older workers and also provide further evidence that this group are not adverse to training, providing it is geared towards their needs. For example in the Greek study, DELTA, when computers were introduced people in the age group 50-55 expressed doubts about their ability to learn to use them. However it transpired that they learned to use them very effectively, in contrast to some people in their 40s who remained negative about the use of new technology. In the SISEMA Association initiative, trainers' initial experience was that older workers were negative towards new technology. But once this first hurdle was overcome they accepted the need for training in new technology and were keen to continue with the training courses. Mestheneos and Ioannidi emphasise the importance of training methods being appropriate to particular groups and not necessarily age-related:

For most this is the first time that they have undergone training. Whatever they have learned in terms of theory in the past has in great part been forgotten or has been overtaken by technical developments. Thus there is the necessity for lesson content not to be too intensive and for the number of hours to be adequate to allow real learning, particularly through practical training. They found it difficult to use the full range of scientific terms and as a result omitted some terms and theoretical interpretations, without actually lessening the content of the programme or making it more superficial. Lessons were done in groups, initially at a practical level and then moving on to more theoretical interpretations. They tended to do the lesson by starting with the machine, showing the garage mechanics what was meant and not just putting them at school style desks. Older workers have an enormous amount of practical experience and teaching is based on this. Older workers, even those within two or three years of pension, also proved more consistent in attendance than younger people, perhaps because they recognised the threat to them if they didn't learn and had professional pride in wanting to deal with this new technology. This has to be seen in the context that all were working all day and then coming to classes for 5 hours all evening. The training took place without any reference to age.

A similar conclusion was reached by Frerichs in his evaluation of the Stahlwerke Bremen initiative. This was seen as highly successful in terms of ensuring that older employees in a large company have an equal right to participate in training programmes. In particular the pilot scheme demonstrated that older workers can be integrated within training programmes and that older employees can make a significant contribution to the success of an initiative. The training initiatives developed by Stahlwerke are particularly suitable for older staff because they are based on open-learning, workplace-based structures.

Open-learning processes are the best way to activate, supplement and reinforce the experience potential of older workers in normal work situations. At the same time it prevents older workers from being seen as a special group and suffering from exclusion.

Principles of Good Practice

What are the main lessons that can be learnt from the implementation of the 22 detailed case studies analysed in this chapter? Looking first at the workplace-based initiatives, there are four positive pointers to success emerging from all or most of the case studies.

First of all it is essential to have the support of senior management in the organisation concerned - the common denominator in all of the workplace initiatives. This may be forthcoming for a variety of reasons, such as a recognition of the implications of the ageing of the workforce and the need to retain and retrain older workers, bottlenecks in the local labour market, a change of management, the availability of public funding for particular types of initiative and so on. In the case of the Belgian IBM Skill Team it was pure economic pressure that acted as the catalyst: the perceived need to reduce staff costs but without the chance of recourse to the state bridging pension. In addition the company did not want to undergo an abrupt loss of experience and skills. Similarly with IBM Sernet in Italy, the parent company wanted to achieve greater cost flexibility and extend its market outlets. In the case of l'Incontro it was a market-based decision which encouraged the company to focus on older workers, thus enabling it to ensure flexibility and reduce the production costs of the services it offers. In the Netherlands DSM, the predicted change in the age structure of the workforce was an important impetus behind the development of its age-aware personnel policy. This is accepted by both the company and the employees' organisations and was set out in a statement of intent in the 1994/96 collective wage agreement.



It was a change in the management team of the French furniture company in the late 1980s which led to a new approach to the issue of age and ability and, in particular, the adoption of measures aimed at raising the level of training and improving working conditions. In addition, its initiative to recruit production supervisors aged over 50 was geared to take advantage of the public back-to-work contract scheme, which then included a one-off grant of 10-20,000 francs and complete exemption from some categories of national insurance contributions for a minimum period of one year. The Belgian Passantenhuis initiative took advantage of the Flemish government's back-to-work scheme aimed at unskilled workers who had been unemployed for over a year.

The senior management of Stahlwerke Bremen were convinced that they needed to introduce initiatives to train older workers because of an anticipated change in the age structure of the workforce and a decision not to recruit increased numbers of younger workers.

Two of the initiatives, the French chemicals company and SISEMA in Greece, drew part of their *raison d'être* from *changes* in government policy and the decision by senior management to take advantage of the change. In the French example it was the abolition of full early retirement subsidised by the National Employment Fund and its replacement by phased early retirement; while in the Greek one it was a government policy which gave financial encouragement to the withdrawal of old cars and the purchase of those with new technology built in.

Thus, although there are a variety of reasons why senior management may support action to combat age barriers, without that support good practice will not be developed. This is not to suggest a homogeneous view among senior managers in organisations; indeed, as the case studies show, in some instances a senior executive, usually an HR/personnel manager, may have to persuade other managers of the need to take action. The head of industrial relations at the chemicals company in France had to convince his colleagues of the need for action and, like the case of the furniture company, it was the change in the rules governing phased early retirement that enabled him to do so: 'what enabled us to "sell" the scheme and convince our senior management to accept it was the change in the rules for phased early retirement'. In three of the UK cases, St Ivel, Glaxo and the London Borough of Hounslow, HR managers played important roles in persuading senior colleagues of the need for action. Thus, in their UK report, Taylor and Walker refer to the significance of an individual within the organisation to 'champion' the cause of a particular initiative to combat age barriers.

Within commercial companies the existence of a sound business case for introducing an initiative will undoubtedly assist its passage but, interestingly, such supporting arguments were not universally apparent in these case studies, suggesting that there may be a mixture of motives underlying action. Of course where the cost to the commercial company of introducing a good practice initiative is minimal, as in the two IBM case studies (with low infrastructure and low training costs), then the resistance to doing so is not likely to be substantial.

The second major lesson for the general development of good practice is that it is likely to thrive in a conducive environment. Thus, as we have seen in the previous chapter, most of the case studies concerned initiatives that were propagated within a supportive HR environment. This does not necessarily have to be overtly older worker-friendly but, rather, an environment that values human resources. All three of the French examples were developed in the context of either a commitment to good HR practice in general or where training had been traditionally given a high priority. The chemical company has been allocating substantial resources to training for many years. (The amounts spent on training vary, depending on the size of the establishment, from 6.5 per cent to 8 per cent of the staff overheads.)

The two German workplace initiatives were sponsored by companies, Stahlwerke Bremen and Wilkhahn GmbH & Co, which not only had conducive HR cultures but which also placed a particularly high value on older workers. The unusual nature of this HR priority was reflected by the manager of human resources at Stahlwerke Bremen:

The principle of seniority still exists in the company. This came as a surprise to me personally. In cases of doubt the rights of the older person will have the edge. When it comes down to it the position of the older worker will prevail.

Wilkhahn has a long tradition of recruiting trainees from its local labour market and training its own skilled production workers and technical sales staff. The company philosophy - design quality, environmentally sustainable production and social partnership - has established an HR culture in which good practice initiatives are bound to develop and thrive. Moreover this philosophy is seen by the company as being an important contributor to its commercial success.

Similarly in both of the Greek commercial companies, TITAN and DELTA, the longstanding human resource traditions were essential for the development of



good practice initiatives. The distinctive HR culture of TITAN is encapsulated in this extract from the Greek national report:

From the inception of the company its founders believed in the importance and value of the human factor and built the company on the abilities and willingness of the workers to support the company and make it viable, through implementing what were then innovative principles in the management of the company, which only today are recognised by modern management science. The owners were not concerned with the 'get rich quickly' philosophy of some employers. This tradition was systematised over the years and with the expansion of the enterprise also institutionalised. The company was never without a human face and continues to be like this, describing itself as a 'learning organisation', despite the fact that in recent years it has tended to lose its family character and for this to be replaced by more modern management structures. Thus there has been a well defined human relations policy for all its employees which is demonstrated in the various actions it has undertaken and the creation of a climate of mutual trust between workers and management. Currently it believes itself to be the only company in Greece presenting not only an annual report on the business and accounts aspect of the company's operation but also a social report.

The senior personnel manager of TITAN has been working for the company for more than 30 years. The high priority given to relationships with employees and enhancing human resources has also been the case since the founding of DELTA.

Both of the workplace initiatives in the Dutch national report, Fontijne and DSM, arose in the context of organisational cultures emphasising quality and consultation with staff. Fontijne's internal information bulletin states that an important objective of its personnel policy 'is focused on maintaining an optimum level of knowledge in all staff in all relevant fields and on equipping them for present and future posts within the organisation'. As we saw earlier in this chapter DSM has a well-developed internal consultative structure. All three of the UK workplace initiatives owe a great deal to the supportive HR environment within which they were born.

Although most of the case studies concern top-down initiatives (only the Fontijne Holland training course was the direct result of pressure by older workers themselves) there is no doubt, thirdly, that the support of those involved, particularly older workers, was crucial to the success of several of

them. Some organisations had gone to considerable lengths to get older workers to 'own' the initiative, both as a means of ensuring a successful outcome and to avoid as many problems as possible. For example both Stahlwerke Bremen and SISEMA (Greece) included special seminars to get feedback from those involved. In the case of training initiatives it is particularly important to gear the training courses to their specific needs and to use training methods which they will readily engage with, such as the open-learning, workplace-based approaches favoured by Stahlwerke. When Fontijne first implemented its training course for the over-40s it was not entirely appropriate to their needs and it was felt by participants that there would need to be changes in the content, presentation, duration and timing of the course.

The fourth principle of good practice emerging from the case studies is that, if they are to succeed and avoid the worst teething troubles, they must be implemented carefully and flexibly. Good communication between management and staff is an essential element of this process. Thus, for example, the initial concerns of trade unions about the recruitment and employment of older people by L'Incontro were overcome by explaining the recruitment problems locally and demonstrating the viability of the project. The Stahlwerke project management team stated that some of the teething problems experienced in the implementation of the training scheme could have been largely avoided if the objectives of the project had been properly explained to all those involved prior to its commencement and if they had been more involved in the planning process.

The three workplace initiatives from the UK are all characterised by gradual implementation. The St Ivel management conducted research on the company's future staffing needs and promoted its equal opportunities policies to line managers. The development of the policy is monitored for example by interviewing managers. Glaxo R & D consulted trade unions and staff committees about its policy, and introduced training modules about equal opportunities into all supervisory and management training and retraining and refresher courses but, because it was not entirely successful in getting its message across, it had to specifically target the education of line managers. When Hounslow launched its equal opportunities policy all staff received training in equal opportunities. The local authority also ran a pilot age awareness programme in its housing department.

The two Dutch workplace initiatives were also carefully prepared and implemented. Fontijne Holland developed its training course in stages, starting with a survey of the precise training needs of older staff the findings of which



were used to devise a teaching package. DSM's age-aware personnel policy is being implemented on an experimental basis. The experiment has three components: action plans in each section of the company, a pilot study into the possibility of achieving the desired cultural change through a course-based approach, and a pilot study in one section of the company into the possibilities of developing meaningful second career phases in a situation of relatively arduous physical labour and a greater than average level of ageing. A key aspect of this programme is consciousness-raising among line managers.

It may be argued that the implementation of good practice can be impeded by the decentralisation of HR responsibilities. In fact, in the two case studies with decentralised HR functions this *improved* the prospects for older workers. The re-allocation of responsibilities between head office and the regional branch of the French insurance company had increased the impact of training. According to Guillemard and her colleagues: 'Bringing training decisions, training programmes, and training targets together under one roof has largely removed the barriers to training particularly for older employees'. The new organisational philosophy in DSM places emphasis on the 'responsibility' of the individual business units for implementing the age-aware personnel policy. This includes keeping staff 'employable and motivated up to retirement age'. The implication is that the implementation of the age-aware personnel policy can be tailor-made for different parts of the organisation.

As well as these four positive principles of good practice, which can be interpreted as universal guidelines for the development of initiatives to combat age barriers at the workplace, the case studies threw up some negative lessons that can inform those interested in the replication of good practice. For example there is the limitation on the duration of initiatives when public funding is used. This proved a difficulty for the Belgian hospital post-career jobs project, and restricted its focus. There is also the problem, discussed earlier, that special measures for older workers may produce stigma and feelings of inferiority. This negative effect was reported by the participants in the Belgian hospital project, as a result of the attitudes of senior nursing colleagues and IBM Sernet, due to a perceived loss of status. Then there is the danger that, despite the operation of a good practice initiative, the continuance of adverse working conditions may worsen the health status of older workers and so counteract some of the positive aspects of the initiative. This proved to be the case in the French furniture company and in the German Wilkhahn company. These negative outcomes emphasise the importance of both careful implementation, including good communication, and the wisdom of a broad HR strategy, encompassing all aspects of age management, if age barriers are to be over-turned.

Non-workplace Initiatives

Turning to the four non-workplace initiatives, several of the same principles may be derived from these as from the workplace ones.

First of all, the importance of influential support was a critical principle in the development of each of these good practice initiatives. Whereas this was largely an internal matter for the workplace projects, in the case of the non-workplace ones it was the achievement of *external* support that was crucial. In particular it was public agencies that breathed life into these projects, even if they were not run by the public sector. In Germany it was the Land of Thuringia and the Treuhand Agency which were responsible for establishing GFAW. In Italy the Employment Agency of the Independent province of Trento started the environmental employment initiative. In the Netherlands it was a subsidy from the Ministry of Education and Sciences that enabled the Job Exchange to get started. In the UK it was the network of quasi-autonomous Training and Enterprise Councils (TECs), responsible for administering programmes to the long-term unemployed, which gave birth to the POPE initiative. When the TEC Challenge Initiative funding ceased, a charitable trust and the European Social Fund stepped into the breach.

Public support may be forthcoming for various reasons, but as far as these case studies are concerned, the one common denominator is that they attacked an area of real need. In the German case it was the peculiar situation in the east of the country that provided the spur to action. In Trento it was the local labour market conditions, the existence of a local employment agency, the threat to the tourist trade posed by the Stava flood and landslide in 1985 (which killed 268 people) and the independence of the provincial government which were the main factors behind the initiative. With the Dutch Job Exchange scheme, official concern was aroused by the high sickness absenteeism rate among teachers and the consequent impact on the take-up of invalidity benefit. In the UK the support for POPE resulted from the quality of the proposal put to the government's TEC Challenge Initiative, the focus on reducing adult unemployment and the emphasis on people aged 50 and over which, as noted above, had been a priority established by the minister of employment.

Secondly, as with the workplace examples, the support of those the project is geared towards is a critical element of good practice. As usual with community-based employment or training schemes, the acid test for those targeted is whether or not a positive outcome may be expected. The willingness of workers to participate in the GFAW programme was dependent on whether they felt that the schemes would actually improve their employment opportunities or whether



they represented merely a ‘holding bay’ awaiting pension age. In order to convince potential participants of the added value of the training programmes, GFAW drew employment agents and support workers from within the ranks of the participants. According to Frerichs:

They have the required motivation, know some of the other participants personally and can identify fully with their situation. It is likely that they are part of the reason why GFAW has been so successful in finding suitable employment opportunities. According to GFAW the results in other Länder in eastern Germany have been far less satisfactory.

The POPE project in the UK employs five staff; all of the trainers are older people, have experience of working in industry in executive positions and were unemployed prior to being recruited.

Thirdly, it is clear that the implementation process is as important for non-workplace initiatives as it is for those in the workplace. In particular, good communication and careful marketing and promotion to employers are essential elements of the implementation process. Due to some misconceptions on the part of both companies and the actual participants when the GFAW programme was first launched, it was forced to hold additional meetings with participants in order to explain further details of the programme and to improve the motivation of participants. POPE staff made personal visits to market the scheme to employers. The Scheme is free to employers and project staff ‘sell’ the benefits of older workers to them and encourage them to fill vacancies through the project.

As with the workplace initiatives, there are also negative lessons to be learnt from the non-workplace ones. For example public funding for the Trento project placed rigid time limits on the employment contracts of participants, and the agreements signed between the social partners placed a number of restraints on the entrepreneurial independence of the cooperatives. The Dutch teacher exchange programme is impeded by the negative image among employers of both teachers and the specific ‘problem cases’ involved in the scheme. The GFAW programme suffered from some negative responses on the part of those involved, who saw themselves as welfare recipients rather than employees. In contrast, the benefits of the employment programme in Trento proved so attractive, particularly to women, that they declined to seek employment elsewhere!

Transferring Good Practice

In this final section of the chapter the million ECU questions are tackled: what relevance do these case studies have for HR, employment and labour market policies outside of the organisations in which they were developed? What potential do they hold for replication across the EU? Each case study is considered in turn, starting with those based at the workplace. Every one of them has at least one feature that can inform the wider European debate about how to combat age barriers, and all of them have the potential to be more widely applied either in part or as a whole.

The first two case studies considered focus on the contracting out of a section of the workforce. Both are IBM derivatives.

IBM Skill Team (Belgium)

The great advantages of this initiative, from the perspective of employers, are the low infrastructure costs associated with it and the financial benefit of both the reduction in bridging pension costs and the 50 per cent saving on the employees' former salary. Employees are largely positive about the greater freedom, the reduction in hours and pressure and the new opportunities offered by the scheme. The carefully staged implementation of this initiative, the maintenance of links with the parent company (especially the right to the company's pension) and the planned intergenerational transfer of knowledge and skills are particularly noteworthy aspects of the Skill Team. The replication potential of the initiative is limited by the specialised nature of the organisation and the highly skilled group of older employees involved. The Skill Team approach could not be adapted easily to the needs of low-skilled older workers. However, contracting out is an increasing trend among commercial companies and this case study shows that this can be achieved in an 'age aware' way.

IBM - Sernet (Italy)

As with the Skill Team the Italian IBM Sernet initiative is limited in terms of scale and scope. However, the model itself has already been transferred (from the IBM derivative Skillbase Limited in the UK) and is unique in the Italian context. It is the only case of an initiative being promoted by a foreign multinational and copied outside of its original national context.

The main significance of both Skill Team and Sernet lies, first, in the successful guarantee of extended working lives to older employees while, at the same time, avoiding the wastage of professional skills and experience. Secondly there is the demonstration that it is possible to achieve greater flexibility in employment

and new forms of contracts between capital and labour without disadvantaging ageing workers.

Attempts to transfer this model of good practice, as represented in both IBM case studies, would need to address the subjective feelings of inferiority reported by some employees and the considerable burden of ensuring cohesion which presently falls on a small number of people.

The next three case studies are located in the health and social care sector, a sector that is regarded by many national governments and the European Commission as being of great importance in employment creation and economic regeneration.

ONZE LIEVE VROUW-MIDDELARES HOSPITAL (Belgium)

Although small in size, involving just 5 staff aged 53 and over, the potential of this initiative to combat age barriers and create employment throughout the EU is substantial. The provision of post-career jobs in nursing helps to overcome two common problems in the health care sector: on the one hand there is a persistent shortage of nursing staff and, on the other, high sickness and absentee rates and, hence, a high level of early exit among older nurses. Policy makers and health care managers in different EU countries will also be interested in the significant benefits for patients in this initiative. It enables other staff to concentrate on core nursing tasks while the post-career nurses take on the more peripheral ones. Therefore this model of age management has demonstrable benefits for older workers, their colleagues, patients and the efficient operation of health care services. It is a pity that, for financial reasons, the project is time limited and restricted to a small number of participants.

Any transfer of this model would need to address not only the financial issue but also the HR problem of some post-career nurses being regarded as inferior by their mainstream colleagues.

THE PASSANTENHUIS (Belgium)

This initiative is located in another part of the health and social care sector - the day care of older people. It too has enormous potential significance, belied by its small size, in terms of combating both unemployment and age barriers. This potential derives, on the one hand, from the universal phenomenon of population ageing and, therefore, a rising need for care and, on the other, from the increasing amount of care being borne by family members. Thus good quality day care can improve the well-being of family carers, help to prevent their fatigue and breakdown and thereby prevent the need for (expensive)

institutional care. Moreover the scheme involves older unskilled long-term unemployed people, one of the most disadvantaged groups in the labour market. It has successfully reintegrated them into employment, raised their skills and provided a basis for further jobs. There are considerable potential benefits for frail older people as well, since the Passantenhuis is intended to provide stimulating daytime activities.

L'INCONTRO COOPERATIVE (Italy)

Like the Passantenhuis, this is a small private not-for-profit organisation providing social care and support services. Its ultimate aim is to provide, right across the Castelfranco Veneto region, an integrated support programme for people with mental, physical and social problems. As with the previous two examples the transfer potential of this model is enhanced because of the strategic importance of this sector for employment creation.

It is highly significant that the employment of older staff has resulted in a marked improvement in the quality of care offered to the users of the services (frail older people and those with mental health problems). This is principally the result of the experience of older nursing staff and the fact that they work shorter than average hours. As noted previously this project has also had a substantial impact on staff turnover. The careful negotiations with initially sceptical trades unions and the flexible organisation of the workforce, including the self-regulation of working hours, are key features of the implementation of this initiative.

The scheme's partial financial dependence on the public sector will need to be taken on board when considering its transferability, and the problem of aggregating pension and earned income in Italy has proved to be a constraint on its development.

The following two initiatives focus on organisations that have comprehensive age strategies. The first example is the only workplace one based in the public sector. Research has shown that even when an organisation's senior management is attempting to combat age barriers, line managers may act as a block on policy. Therefore these initiatives have set out to change the culture of organisations.

LONDON BOROUGH OF HOUNSLOW (UK)

The chief significance of this example is the fact that a major public authority has both developed and introduced its own comprehensive age awareness policy. The demonstration effect of this is enormous, even if the evidence

concerning outcomes is limited at present. The Council's age equality policy statement provides a model for other organisations to follow. Novel features of this case study, such as the age awareness training programme which used older people as co-facilitators, could be replicated easily elsewhere, in both the public and private sectors. The Council's special recognition of the position of staff with caring responsibilities - the availability of special leave and variable working hours - is also worthy of wide attention.

The potential replication of this model may be limited by the large size of the authority involved and the substantial personnel resources available to it; however, the age awareness policy would provide a starting point for organisations of any size.

DSM LIMBURG BV (Netherlands)

This company provides the mirror image of good practice in the private sector to that of Hounslow in the public one. The most important aspect of this initiative is the careful and consensual approach of the company to establishing an experiment in changing the culture of the organisation in the direction of greater age awareness. In other words, the form and content of the project are as much an example of good practice as the intended and, as yet unmeasured, outcomes. Thus, like Hounslow in the public sector, DSM offers a model of an age-awareness HR strategy that other private sector organisations could use as a starting point in considering ways in which a policy designed to combat age barriers can be successfully implemented.

With this sort of transfer in mind de Vroom and his colleagues have distinguished five steps which should be taken by other organisations attempting to develop an age-aware HR policy along the lines of DSM:

- (1) analysis of the current age structure and composition of staff;
- (2) analysis of anticipated problems if policy remains unchanged;
- (3) development of a plan of approach in which concrete aims and necessary action are set out;
- (4) periodic evaluation of the effects of the action undertaken;
- (5) constant consultation, information exchange with employees' organisations and works councils on the policy to be developed and the consequences of that policy on job content and terms of employment.

Some of the substantive steps that might be taken to implement such a strategy are outlined in the final chapter.

The following three private companies have developed a range of age management policies in the context of an 'older worker friendly' culture.

WILKHAHN GMBH (Germany)

Older workers already enjoyed a high regard in this company and the introduction of new forms of production has not only maintained that position but in some cases has further enhanced it. The Wilkhahn approach is easily transferable within Germany because the formal agreement that all older workers must be integrated into the new forms of production is similar to other agreements already concluded by other companies, particularly in the engineering industry.

The recruitment of older workers by Wilkhahn is not significant in volume terms but it does show, in contrast to other companies which also pursue an integration-oriented personnel policy with a long-term company commitment, that applicants are not being excluded because of informal age barriers. This policy, and the agreement not to dismiss employees on the grounds of a drop in turnover but, instead, to reduce working hours throughout the company with consequent loss of pay - a model copied from Volkswagen AG which was the first company to apply it in Germany - are an indication that older workers do have more or less equal opportunities.

The wider EU replication of this initiative would be limited somewhat by the specific 'older worker friendly' culture of the company and the above average percentage of skilled manual workers. Nonetheless it is a model applicable to medium-sized companies employing manual craftsmen.

TITAN GROUP (Greece)

The first important aspect of this initiative is the demonstration that older workers can not only be trained in the use of new technology but, once they are trained, can be enthusiastic supporters of it. This in turn has demonstrable effects on productivity. The training system itself has generated material which is specially designed with the needs of older, less-educated workers in mind, and this could be disseminated broadly. Secondly the sub-contracting arrangements with former older employees represent not only a measure that is in line with Greek culture and preferences for self-employment, but one which reflects much more widely-based changes in the labour market. Thirdly the 'older worker friendly' way in which the system of voluntary early retirement



has been introduced, rather than compulsory early retirement based on age, has enabled individual ageing workers to make their own choice. These elements of good practice are broadly relevant and this is not constrained by any special aspects of Greek organisation culture.

DELTA GROUP (Greece)

Like TITAN Group this initiative concerns one of Greece's leading commercial enterprises and a major European company. DELTA'S basic philosophy of public service and its recognition of the importance of its survival in the global market place of investment in knowledge, via the continuous education and raining of its employees, could be emulated profitably by many commercial companies in different countries.

DELTA's policy for continuous training and development, including its older workers, is one that could be imitated by other enterprises. The company's perception that training does not simply refer to the narrow needs of a particular job within the enterprise but involves employees' personal development and the possible future needs and development of the company explains much of the success of DELTA.

The variety of training methods used, particularly those which use older people's experience and promote group work to bring together new knowledge and techniques with more traditional approaches, could be imitated by even the smallest company.

The next commercial company is included as a case study of good practice in recruitment.

FURNITURE COMPANY (France)

The recruitment of staff aged 50 and over allows companies to match job profiles with staff skills in the short term rather than waiting for the skill development of younger staff. In other words older workers may operate as a 'transitional labour force'.

The preferential recruitment of ageing workers by this leading French enterprise is a practice that could be adopted by other companies which, perhaps as a result of technological changes, require labour for relatively short periods. However the furniture company's good practice in recruitment is undermined somewhat by the persistence of arduous working conditions and age discriminatory training. These elements of bad practice would have to be altered in any wider replication.

The next two companies have developed good practice in the training of older workers.

STAHLWERKE BREMEN (Germany)

This case study is of particular strategic importance for two reasons: firstly, it concerns a large, modern and successful company and, secondly, because of its location in the iron and steel industry, which in all parts of Europe has witnessed the large-scale exit of older workers. Therefore Stahlwerke Bremen exemplifies an alternative, more positive, approach to older workers which could provide a model for steel industries in other European countries, all of which have ageing workforces (almost 50 per cent of the European steel industry workforce is aged 35-50).

The training initiatives by Stahlwerke Bremen may be judged successful or promising in terms of efforts to ensure that older employees in a large company have an equal right to participate in training programmes. This does not amount to a comprehensive policy for the training of older employees, but their needs have been given particular consideration.

The pilot scheme to institute a system of self-training for industrial trainers, which from the outset was non-age-specific, has not only provided evidence that older workers can be integrated but in a particular way was also able to show that older employees can make a significant contribution to the success of an initiative. Moreover this was achieved in a particularly difficult area of learning: changing social behaviour. The scheme also introduced a continuous learning process which equipped older workers to benefit from future changes in training and, thereby, empowered them to pursue their own personal development. The open-learning, workplace-based training initiatives are particularly appropriate for older workers because they supplement and reinforce experience and take place in normal work situations. This also avoids older workers being seen as a special group and younger workers from suffering exclusion.

FONTIJNE HOLLAND BV (Netherlands)

The training initiative for the over-40s developed by this medium-sized designer and manufacturer of specialised machinery is important, first of all, because it demonstrates that a high tech enterprise competing in the international market can combat age barriers in this area of age management and, more basically, that it has recognised the reality of an ageing workforce. Secondly, it was a group of older staff themselves who provided the initial request for special training. Thirdly, there is the process by which the training

initiative was implemented. This was carefully staged and planned on the basis of an audit of training needs and presented to staff via the company magazine.

Unfortunately Fontijne Holland operated the training courses for older staff on a one-off basis, though this would not impede the transfer of the concept of targeted training.

The next two private enterprises are both French, and the case studies are concerned with flexible employment and, in particular, phased early retirement. Both are significant in terms of transferability because they represent modifications to the policy of full early retirement which remains the dominant approach to age management in France as well as other EU countries. Therefore they may be characterised as representative of initiatives in the early stages in the development of good practice in age management.

INSURANCE COMPANY (France)

The integration of phased early retirement into a programme of optional working hours is an attempt to maintain both older and, indeed, the eldest staff in employment. It effectively prevents discrimination against those approaching retirement.

The development of part-time working nevertheless runs the eventual risk of concentrating excessively on a single category of staff. Hence the need to promote its expansion to other categories, particularly line managers. The company has therefore started to investigate the introduction of a four-day week as the final stage of the systematic extension of part-time working.

The retention of older staff within the company is greatly helped by a comprehensive and systematic training programme which continuously re-equips staff to cope with changes in the work of the insurance industry. The re-allocation of responsibilities between the head office and the regional branch has increased the impact of training. Bringing training decisions, training programmes, and training targets together under one roof has largely removed the barriers to training, particularly for older employees.

SPECIALISED CHEMICALS COMPANY (France)

Like the insurance company this initiative is about phased early retirement. Its main significance lies in the fact that it is a very large and successful private company which has decided to replace full early retirement with phased early retirement as an alternative method of managing surplus labour. (Older workers do have access to some training but this is not systematic and discrimination

clearly takes place.) Also important are the rearrangement and shortening of working hours which have benefited older workers, even though they were resistant initially.

The fact must be recognised that phased early retirement, on its own, is a fairly limited form of age management good practice and suffers from inflexibility. However, as indicated above, given the prevalence of full early retirement, particularly in France, this is undoubtedly a step forward.

The next two case studies, from the UK, exemplify integrated age management strategies.

ST IVEL (UK)

The importance of this company lies, first, in the fact that it is a major food and related distributor that decided to adopt a comprehensive age management approach covering both recruitment and training. The positive outcomes of this approach make it eminently suitable for widespread transfer. Secondly there are several novel features of St Ivel's age management policy, such as the promotion of the policy to line managers in terms of its economic benefits, the focus on age and sex discrimination, the mandatory performance improvement review linked to training, and the accelerated two-year apprenticeship scheme designed to rapidly improve the skills of older workers. Thirdly, the initiative demonstrates that it is possible to implement a comprehensive approach to good practice in a complex organisation consisting of hundreds of different local sites.

GLAXO RESEARCH AND DEVELOPMENT (UK)

Obviously the first point of significance of this case study is that it flies in the face of stereotypes about research and development operations only wanting to employ recent graduates. On the contrary Glaxo R & D emphasises the importance of developing a culture in which older workers are respected and valued and in which their skills are utilised. Moreover the company legitimises this approach in terms of competitive advantage. The second point of interest with regard to the spread of good practice is that the company conducted its own research on the projected age structure of its workforce and the availability of young recruits. Thirdly the company's approach to age management consists of a number of practical actions that could be transferred easily to a wide variety of different organisations. These include the removal of upper age limits in recruitment advertisements, ensuring that qualifications, skills and experience are job relevant, the provision of care leave, equal access for older workers to training programmes, the creation of an open learning system, a women

retrainers programme aimed at secretarial staff, and annual checks for bias by grade, sex and age.

Both of these UK examples also demonstrate what can be achieved, in terms of good practice, by a committed HR director.

The final workplace initiative concerns training in small businesses.

SISEMA (Greece)

This initiative by the Association of Privately Owned Garage Car Mechanics has broad European relevance because it represents a concerted effort to improve the skill base and technological knowledge of a section of the small business sector in which training has been neglected.

The case study is of particular interest in the Greek context because of the very large numbers of older workers who are self-employed and, faced by technical and economic changes, find the viability of their small businesses threatened. In the retail sector, which includes garages and petrol stations, approximately 80 per cent are small enterprises. Thus while the garage mechanics gained knowledge about the new technology, they also improved their efficiency and productivity as well as enacting measures to ensure improved health and safety at work and better customer relations. Such a training content would be of use to many small enterprises; already owners of dry-cleaning businesses have been in training courses where some of the content in relation to organisation and management, health and safety and psychology and public relations were common strands. The relatively low level of formal education of the older garage mechanics participating is typical of many people in small businesses. Increased competition is not easily met by this group who are unaware that new forms of management and organisation, and new ways of promoting their services and products could help them be more profitable or at least solvent.

There are four non-workplace initiatives, two in the public sector and two from the NGO or not-for-profit sector.

PROVINCE OF TRENTO (Italy)

The enormous potential European significance of this case study was referred to earlier in this chapter. This derives from the twin foci - the employment of older people and work on environmental improvement - which mean that it can inform both the development of good practice in age management and job creation programmes.

The Trento project chalked up some considerable successes - the employment of a large number of unemployed older men and women, extremely positive feedback from participants, major environmental improvements, demonstrating the importance of combining intergenerational solidarity with economic efficiency and the fact that there are less costly and more productive alternatives to early retirement - and details of it should be disseminated widely. The novel idea of employing cooperatives composed of older workers is particularly worthy of further investigation by other local government agencies.

Already the model has been replicated in some other parts of Italy. With regard to its transferability elsewhere in the EU the critical role of the regional public authority must be remembered. The constraints imposed on the project by the time limited employment contract and the agreement signed between the social partners should also be addressed.

GFAW (Germany)

This programme represents another very appropriate and successful model for combating age barriers in job recruitment. Crucial to the whole initiative was the use of resources from public employment and related schemes - GFAW's ability to pay an allowance to companies and to fund this from the payment made by the Treuhand Agency to compensate for job loss. This opportunity arose mainly because of the structural problems in the eastern part of Germany and the resulting introduction of short-time working. This tends to limit the wider applicability of the programme even within the rest of Germany. However this demonstration of the benefits of active employment and public/private partnership should be disseminated widely because of its high level of success.

Of wider interest is not just the provision of new employment but the possibility of the agency hiring out workers for temporary periods of short-term contracts, which enables the older workers to remain attached to the agency while meeting industry's immediate needs. Also noteworthy is the possibility, provided by the special development programme for older workers, for this group to set up their own employment projects with the assistance of social benefits. This allows support to be given to those who find it most difficult to get work, such as the unskilled or those with health problems.

Consideration of the transferability of this initiative must take into account the necessity of an active approach to the task of job placement, the importance of targeted publicity, visits to companies and the nurturing of contacts with employers. In addition efforts must be made to improve the motivation of older



workers. Of particular merit in this respect is GFAW's use of support workers drawn from the ranks of participants.

FORUM WISSELWERK (Netherlands)

This initiative is still in its experimental phase, but the early indications are that it offers a useful formula for breaking the pattern of low mobility in the educational sector. The concept of job exchange pioneered by FORUM provides a model for the improvement of working conditions, staff morale and the quality of teaching in the educational sector. It also has potential with regard to public/private partnership. The approach may also be useful in other sectors with small work units and problems of low mobility.

POPE RECRUITMENT AGENCY (UK)

The recruitment agency model demonstrated by POPE has proved a very successful way to combat age barriers and could be replicated extensively in other EU countries. Of course the project requires funding, which initially came from the public sector, but a charitable trust and the European Social Fund are currently supporting it. The programme has proved that it is viable without the payment of a subsidy to employers.

As with GFAW the crux of the success of POPE is the active promotion of the benefits of employing older people - information pack, leaflets (in different languages), contacts with job centres and community organisations and use of the local media. In particular personal visits to employers are crucial. Of great importance to the success of the venture with the participants themselves is the use of older people as trainers.

Part of the original aim of this project was to act as a national prototype which could be copied elsewhere in the UK. On the basis of POPE's success so far it is worthy of replication in all member states. (Of course the programme could also be run directly by the public sector agencies dealing with unemployment as well as by NGOs on behalf of public authorities.) The only target not achieved by the agency is the recruitment of a significant number of people from black and ethnic minority groups, a deficiency that still remains to be overcome.

Conclusion

The first part of this chapter covered the implementation of good practice in age management and examined various aspects of the implementation process as revealed by the case studies. This showed how the negative features of organisational culture can be overcome by careful planning and implementation. This section also looked at the problems that can occur in the

development of good practice and the dilemmas created for trade unions by policies to combat age barriers. The second part of the chapter considered the outcomes of the initiatives, negative and positive, intended and unintended, and reported a range of beneficial spin-offs, including economic benefits and environmental improvement. The most important outcome was the demonstration of the value of employing and training older workers. Next, the chapter identified four principles of good practice with regard to workplace initiatives and three which apply to those outside of the workplace.

The chapter turned, finally, to the wider relevance of the case studies and concluded that all of them have something to contribute to the wider European development of policies to combat age barriers, and all too have some potential for replication, wholly or partly, in other countries. Some of the initiatives are highly significant in policy terms because of their potential to marry both job creation and age management and, therefore, directly address the emerging European employment policy agenda outlined in chapter 2.

Chapter 5

Conclusions and recommendations

It is hard to overestimate the importance of the subject of the European Foundation project from which this report derives. The impact of population ageing on employment and the labour market is one of the most important issues confronting all European societies. European policy makers, employers and trade unions are increasingly having to adjust to the new paradox created by demographic change and social policy: while the average age of the economically active population has increased, the age at which people leave the labour market has fallen. This new labour market reality provided part of the rationale for the Foundation's age barriers project. A further impetus came from the mounting body of evidence that age discrimination is deeply entrenched in European labour markets. Increased attention is being given by the European policy makers to the issue of age discrimination and other forms of exclusion of older workers, as demonstrated by the 1995 European Council Resolution on the Employment of Older Workers. This echoes to some extent the changing attitudes of national policy makers towards ageing workers and the discernible reassessments taking place among the social partners about their policies towards this group.

Thus this project could not be more timely. Moreover its main focus is on the practical aspects of combating age barriers and, therefore, this report is directed at the main participants in the labour market - policy makers, employers, unions, NGOs and workers. It is intended to distil the main practical lessons to be learned from the leading good practice initiatives in the EU. In previous chapters I have examined the labour market and general policy context within which good practice initiatives have developed; summarised the main aspects of the national portfolios on good practice; and analysed the detailed case studies prepared by the national experts in order to highlight their key features and pull

out the major lessons for those involved in age management. Here the key findings of this research will be summarised with an emphasis on the successful implementation of good practice, and a series of recommendations, aimed at extending good practice in this field, will be addressed to all of the main actors in turn. Despite the admitted limitations of this project - dictated by a restricted budget, limited time frame and lack of accessible data - the research teams were successful in tracking down a wide range of good practice initiatives and it is hoped that the lessons they have yielded will be of assistance to policy makers and practitioners engaged in trying to improve the employment prospects of ageing workers.

Ageing and Employment

Chapter 2 provided a context for the main examination of good practice initiatives. It emphasised the continuation of falling employment rates among older workers in most EU countries, and the crucial role played by public policy in encouraging the early exit trend. However this policy had unforeseen consequences, such as the devaluation of older workers, as well as predictable ones, like the increase in pension costs. As a result of the twin pressures of demographic change, leading to workforce ageing and rising pension costs, coupled with economic recession and high unemployment, all governments with public early retirement schemes or measures that facilitate early exit have either taken action already to curtail them or are in the process of doing so.

As far as older workers themselves are concerned, the reality they face in the labour market, particularly the semi-skilled and unskilled, is higher than average non-employment and long-term unemployment in most countries. A key source of this social and economic exclusion is age discrimination, and this project generated yet more evidence of ageism in the labour markets of the member states (with the exceptions of Finland and Sweden). In short, ageing workers are under-represented in recruitment and training and over-represented in early exit from employment.

The disproportionate impact of long-term unemployment on older workers emphasises the importance of guidance and counselling services for this group. While not a major part of this research, a parallel European Foundation project has been examining guidance and counselling services in the EU. Eurocounsel is an action research project established in May 1991. It aims to improve the quality and effectiveness of counselling services in relation to the prevention and solution of long-term unemployment (Watt, 1994). At the present time recognition of the importance of counselling services varies among the member states (Watt, 1995; O'Conghaile, 1996). Given the increasing need for



counselling and guidance as the labour market becomes more and more flexible, and its enormous potential to empower older workers to make their own choices and take control of their lives, some of the recommendations made at the end of this chapter refer to this issue.

This research project also produced some unique information on the perspectives of the social partners in the different countries represented. Conflict is more common than consensus but there were agreements in several countries about the great importance of age barriers as a policy issue, even if this did not extend to the measures that are required to combat it. There are interesting differences between countries in the positions adopted by the social partners. This aspect of the research also emphasised the dilemmas that are confronting trade unions across the EU as a result of the coincidence of workforce ageing and high unemployment.

Good Practice in Combating Age Barriers

The main theme of the research is combating age barriers in job recruitment and training, but the national research teams collected examples of good practice in all five areas of age management. In all 160 examples were made available in the national portfolios of good practice and, along with eight extra examples from Finland and Sweden, most of them have been presented in the *European Portfolio of Good Practice*. It is often the case that the boundaries between the different dimensions of good practice in age management are blurred. This is not surprising: organisations that have developed one element of good practice are unlikely to have done so in isolation from other aspects of HR management. Also it is frequently the case that to achieve good practice in recruitment or training a more wide-ranging transformation in HR practice may be necessary or, alternatively, training itself may not be the main goal but merely a means to achieve aspects of good practice, such as changing attitudes or work processes.

Philip Taylor conducted a limited statistical analysis of the case studies and portfolio examples which shows the spread of the different good practice initiatives across the member states involved. The majority of the portfolio examples are located in relatively large private, profit-making organisations. Initiatives focused on job recruitment for older workers are much less common than those concerned with flexible working practices and job training. Attempts to change organisational attitudes towards older workers are rare.

The UK examples focus mainly on job recruitment and flexible working practices. The Italian ones are all concerned with job recruitment and training. For Belgium and France the most common area of good practice in age

management is flexible working practices. The Greek examples are mostly concerned with training, as are the German and Dutch ones.

Developing Good Practice

The central purpose of this report is to emphasise the important lessons that can be learned, in terms of transferring good practice initiatives to other organisations and countries, from the 22 detailed case studies carried out in Belgium, France, Germany, Greece, Italy, the Netherlands and the UK. These case studies form the centrepiece of this project and, despite the time constraints, represent substantial investigations on the part of the national researchers, which included site visits and interviews. The result is a rich source of information concerning not just the nature of good practice initiatives but how they were developed and implemented and what their impact has been.

The case studies were drawn from the national portfolios and subjected to more detailed investigation. Most of them (14) are initiatives taken by private companies, three are in the public sector and the remaining five are non-profit-making agencies. Most of the case studies are workplace-based (i.e. initiatives taking place within organisations directly responsible for employing the workers concerned). The size of the organisations studied varies widely, from 5 to 18,800 employees, but in fact this dimension did not prove significant in determining the illustrative power of a particular case study. Among the 22 are numbered some major European organisations, including some very modern high tech outfits and local authorities, indicating that good practice in age management is not confined to any industrial backwater.

What factors influence the decision of an organisation to develop good practice in combating age barriers? There are three main ones but the precise order of importance differs between organisations. First of all, there is the specific economic and labour market setting in which an organisation is operating. For example several initiatives were either developed in response to labour shortages, or such shortages played an important role in determining their focus. Other initiatives were encouraged by labour surpluses. The shortage of qualified nursing staff is a familiar problem throughout Europe and two of the initiatives - L'Incontro (Italy) and the Onze Lieve Vrouw-Middelares Hospital (Belgium) - were aimed directly at overcoming this deficiency by tapping into the pool of older nurses. In contrast the Employment Agency in Trento and the French insurance and chemicals companies introduced their good practice initiative in response to labour surpluses.



Secondly there are changes in public policy, such as the closing-off of early exit subsidies or the provision of special training grants and support for job creation. For example, the change in public policy favouring partial rather than full early retirement influenced the French insurance and chemical companies in their decision to alter their exit policies. The Dutch Job Exchange programme for teachers resulted in large part from a change in government policy towards the education sector.

Of course government, central and local, may influence good practice in different ways: it may pay for its development, it may regulate to ensure it happens, it may exhort organisations to comply with it or, as a direct employer, it may introduce good practice into its own machinery. Public sector subsidies were essential to ensure that several of the initiatives got off the ground - including the Dutch Job Exchange project, Stahlwerke Bremen and the POPE recruitment agency (UK). Three case studies involved local government and demonstrate the advantages of such semi-autonomous forms of administration. In particular the cases of GFAW (Germany) and the Trento Employment Agency illustrate the enormous potential for both job creation and the promotion of good practice in age management where there is devolved responsibility for employment and training.

As well as being a positive influence on the development of good practice the public sector may also act as an inhibitor. This negative aspect of the role of the public sector was illustrated in several initiatives - the main culprits being the social security and redundancy payments systems (Job Exchange, L'Incontro Coop) and the tax system (SISEMA).

The third source of impetus towards good practice is organisational culture. By this I mean the HR tradition, current personnel policies and management style which, together, may support and encourage the development of good practice or, alternatively, favour the retention of age barriers. Because the case studies are examples of good practice they provide insights into the critical influence of organisational culture in one direction only. However, as indicated below, they also demonstrate how certain negative features of organisational culture may be overcome.

Some commercial organisations have long established traditions of consensual management and responsiveness to employees. Sometimes this approaches social partnership or what is fashionably called stakeholder capitalism, as in the case of the Wilkhahn furniture company, and sometimes it reflects a more paternalistic family-based tradition, as with TITAN and DELTA in Greece. Thus

a cultural context favourable to good practice in age management may be created by either the craft traditions or the family orientation of a particular company. But it may also derive from very different and more urgent contemporary pressures, as in the case of Fontijne Holland, which has a pro-training culture because of its need to survive in the highly competitive machine manufacturing sector. Similarly with the UK company Glaxo R & D, which regards the retention and retraining of older staff as a vital element in maintaining its competitive advantage.

Implementing Good Practice

If the examples of good practice are to be used to maximum advantage by the key actors in the labour market it is important to know how they were implemented and, in particular, what lessons may be passed on about the successes and pit-falls of that process.

As was noted above, in order to ensure the development of good practice in all quarters of the workplace, it may be necessary to embark on general action to change the organisational culture. The introduction of an 'age awareness' programme throughout an organisation is one, comprehensive, route to achieving cultural change and the one followed by the London Borough of Hounslow. While most of the other workplace initiatives did not go that far, it is clear that careful planning and preparation was one of the main keys to successful implementation. Fontijne Holland provides an outstanding example of pro-active implementation - including consultation with and responsiveness to staff and targeted publicity material published in the company magazine. The description of the company's approach to implementation on page 70 is a model of good practice for others to follow.

Much of the research on age barriers in organisations highlights the potential blockage on the implementation of good practice created by the discriminatory actions of line managers. (These may derive from discriminatory beliefs and attitudes or perceived pressures to achieve specific business goals, or both.) This was one of the factors that prompted DSM (Netherlands) to introduce a comprehensive 'age aware' HR strategy. In fact DSM already had a very positive organisational culture but, nonetheless, age barriers can still survive in an enlightened HR environment and, in this case, they were being perpetuated by some line managers. The attitudes of some line managers were identified as having a similarly negative effect within Glaxo R & D. Another UK company, St Ivel, had experienced problems in the implementation of its policies to combat age barriers due to the stereotypical attitudes of local managers. In

response the HR department insisted that managers should try out older workers in positions they assumed were unsuitable.

Regardless of how receptive an organisational culture may be to the implementation of good practice, problems can occur in the process itself. The initiatives developed by Stahlwerke Bremen and DSM both encountered such problems - initial difficulties in persuading older trainees to attend seminars and lack of experience in the implementation of age awareness strategies - and overcame them by, on the one hand, redoubling their efforts to persuade older workers to take part as trainers and, on the other, by gradual policy implementation and experimentation.

The implementation of policies to combat age barriers also creates dilemmas for trade unions. However, although concerns were expressed by trade unions in the initial stages of several case studies, including L'Incontro and DSM, once the issues were explained to them their fears were allayed and they became supporters.

The Impact of Good Practice

Needless to say the most important outcomes of the 22 case studies are the actual achievement of one or more aspects of good practice and the practical demonstration of the value of employing and training older workers. This is not surprising at all because they were selected as exemplars of good practice in the countries concerned. In this respect many of the case studies are shining examples, beacons of light, for others to follow. They should make a huge contribution to dispelling the myths that older workers are not productive and that they are not interested in training. The fact that so many commercial companies have begun to combat age barriers is some proof of the existence of a business case for doing so.

There are many other positive outcomes from the initiatives, as well as some negative ones. On the positive side, from the perspective of older employees, there is an improved sense of well-being resulting from feeling useful and productive and, in some cases, the economic and social benefits of reintegration in the labour market. On the negative front there is the experience by some participants of being second-class citizens in comparison with those in the mainstream of the organisations.

Some of the outcomes are unintended spin-offs from the main purpose of the initiative, including some significant economic benefits. Improved morale and team-working are associated with the Fontijne and Stahlwerke Bremen training

initiatives and the two IBM case studies. Reductions in staff turnover have accompanied the L'Incontro Coop's recruitment project - a particularly important finding in view of the high staff turnover experienced by many health and social care agencies. A project linked to higher education institutions to transfer skills between generations has developed out of the Sernet initiative. Moreover, because of the good practice ethos that permeated the development of this initiative, IBM reports improved relations with its trade unions. Increased productivity and higher quality service to the public are unexpected benefits flowing from the SISEMA training initiative. The Trento environmental restoration and improvement agency calculates that it achieves a substantial saving (1 million lire) for every employee when compared with the cost of early retirement. Moreover the Trento initiative doubles as an example of good practice in job creation in the field of environment protection as well as in age management.

Principles of Good Practice

When it comes to the main lessons to be learned from the implementation of the case studies, four main principles can be regarded as guidelines for those intending to introduce good practice into other organisations (assuming that the external stimuli exist for such action).

1. ***Backing from senior management.*** There is a wide variety of different reasons why management may support good practice in age management (see pp. 102-3) but, without it, an initiative is not likely to proceed very far. This much almost goes without saying but, in thinking about the transfer of good practice, it is important to bear in mind that in several initiatives this support had to be campaigned for. The role of the head of HR in the French chemicals company and in the UK cases of St Ivel, Glaxo and Hounslow proved decisive in championing the cause of good practice.
2. ***A supportive HR environment.*** This does not necessarily have to be overtly older worker friendly in advance of the introduction of measures to combat age barriers. That was not the case, for example, with the three French companies but the value of training *was* recognised. All of the workplace case studies benefited from a supportive HR climate. In a few this included placing a high value on older workers (eg Stahlwerke Bremen, Wilkhahn GmbH and Glaxo). Where this occurred the companies involved had sound business reasons for doing so. As the case studies show, a supportive HR environment may be created by both a traditional culture (such as the Greek informal social contract model) and a managerial style (as in France and the UK).



3. ***Commitment from the ageing workers involved.*** Although all but one of the workplace initiatives is the result of top-down policy decisions, are there is no doubt that the support of the older workers concerned was a vital element of the success of the case studies. This was not always forthcoming initially and several organisations have gone to considerable lengths to persuade older workers to accept and ‘own’ the initiative, such as running special seminars. In the case of training initiatives the most important factor in guaranteeing commitment is the principle that courses must be geared to their specific needs and employ methods, such as learning, that they can engage with readily. In other words training courses should be developed in conjunction with ageing workers.

4. ***Careful and flexible implementation.*** If all of the other elements behind the development of good practice are secured, then everything rests on the implementation process. The experience provided by the case studies shows that there are nine steps to be followed to guarantee successful implementation:
 - careful preparation, including research in recruitment trends and age profiles of employees and labour market projections;
 - open communication both with staff generally and with the target group about the objectives of the initiatives, including the use of seminars, workshops and newsletters;
 - early involvement of trade unions, works councils and staff associations;
 - early involvement of older workers themselves in the operation of the initiative, which greatly assists with the implementation process;
 - education and consciousness-raising among line managers;
 - staged implementation, including a pilot phase both to test the initiative and to demonstrate to any doubters that it can be effective (this can be carried out in a section of the organisation already predisposed to good practice in age management as a way of multiplying the impact of the experiment), regular monitoring and feedback with adjustments to the initiative if necessary;
 - periodic assessment of impact and feedback once the implementation is complete;
 - constant communication with all employees in order to avoid the development of ‘them and us’ attitudes,
 - attention to other aspects of the working environment, such as arduous tasks and conditions, which may inhibit the example of good practice from achieving its intended effect.

In addition to these nine steps it is undoubtedly the case that the implementation of a specific good practice initiative will proceed most smoothly and be most effective if it is part of a broader HR strategy designed to combat age barriers, a point I return to below.

Some of these principles may be applied equally to both workplace and non-workplace initiatives, but the following are tailored specifically to the latter.

- (i) ***The need for financial support.*** In the case of public sector organisations such as Trento and the Treuhand Agency of Thuringia, finance may be guaranteed internally. But for non-governmental organisations, like Job Exchange and POPE, external funding is essential at least to pump-prime an initiative. NGOs must adhere to this principle but they are, therefore, subject to the uncertainties inevitably associated with securing it in the first place and keeping it for long enough to become established. With regard to winning the funding, a good scheme is not sufficient to guarantee success. It must also be addressed as an area of concern to policy makers in the public sector (see p.111).
- (ii) ***Commitment of those targeted.*** As with the workplace initiatives, the support of those at whom the project is aimed is a critical aspect of the achievement of good practice. This commitment is sometimes difficult to achieve in community-based projects and will be influenced greatly by whether or not a positive outcome can be expected from participation. In the case studies the popularity of both the GFAW programme and the POPE agency is attributed largely to their successful record of job placement. However this may not be enough and, therefore, a subsidiary principle is to involve ageing workers themselves in the operation and marketing of the project.
- (iii) ***Careful and flexible implementation.*** This process is as important for non-workplace initiatives as it is for their counterparts in the workplace. Many of the key steps outlined above may be applied here too. In particular, good communication and the careful marketing and promotion of the project and ageing workers to employers must be regarded as essential.

Transferring Good Practice

In selecting the case studies to be included in their national reports, researchers were asked to be mindful of the need to use examples that also have wider European relevance. Not surprisingly therefore this proved to be the case. But none of those involved in the pre-planning of the project expected such rich and



varied case studies. Moreover, the fact that several of them also have important potential to inform employment policy in the EU is a bonus. The essential elements of each case study for replication in other countries are highlighted below. Where reference is made to the ‘high transfer potential’ of a particular initiative this means both that it would be easy to replicate elsewhere *and* that it would have a significant impact on combating age barriers.

IBM Skill Team

IBM Sernet

- extending the working lives of highly skilled older employees
- flexible employment
- intergenerational knowledge transfer

Onze Lieve Vrouw-Middelares Hospital

The Passantenhuis

L’Incontro Cooperative

- job creation for older workers, including low skilled
- strategically important health and social care sector
- reducing staff turnover and solving skill shortages
- improving quality of care
- high transfer potential

London Borough of Hounslow

DSM Limburg BV

- comprehensive age awareness strategies to change organisational culture
- public and private sectors
- careful planning and implementation
- high transfer potential

Wilkhahn GmbH

Titan Group

Delta Group

- older worker friendly cultures
- collective agreement on integration of older workers (Wilkhahn)
- training of older workers in new technology (Titan)
- flexible employment/sub-contracting
- training methods appropriate for older workers

Furniture Company

- preferential recruitment of older workers

Stahlwerke Bremen

Fontijne Holland

- training initiatives for older workers
- high tech companies
- iron and steel industry (Stahlwerke) and specialised machinery manufacturer (Fontijne)
- continuous learning processes
- careful planning and implementation
- involvement of older workers in implementation
- high transfer potential

Insurance Company

Chemicals Company

- major companies in the services and manufacturing sector
- replacement of full with phased early retirement
- retention of older staff

St Ivel

Glaxo R & D

- integrated age management strategies
- action on recruitment and training
- special programmes for women
- phased implementation
- high transfer potential

SISEMA

- training in small business sector
- addressing needs of those with little formal education
- high transfer potential

Province Trento

GFAW

- job creation for older workers
- strategically important environment sector (Trento)
- involving older men and women
- using public sector funds to create employment on an agency basis
- assisting self-help groups (GFAW)
- use of older workers as facilitators
- high transfer potential

Forum Wisselwerk

- improving staff morale in education sector



POPE

- active promotion of employment of older workers
- use of older people as trainers
- high transfer potential

Towards an Integrated Age Management Strategy

This research has uncovered a range of successful and transferable initiatives that may be seen as a starting point for a new workplace policy towards age and employment. All of them call for positive action to combat age barriers. But there are important caveats too, such as the danger of focusing policy and practice exclusively on older workers because this may stigmatise the group. In order to maintain a balanced labour market policy and avoid intergenerational conflict, it is important not to excessively target initiatives in older workers. It has to be recognised also that some older workers do not want to return to work or stay in employment. The size of this group differs between countries depending on the significance of early exit policies and the relative generosity of social benefits (for example in France there is a dearth of older people wanting to resume work). Also, equally importantly, there are the dangers of a policy which forces older people to stay in employment, either directly through raising pension ages or indirectly through stigmatising early exit. This could put undue pressure on ageing employees, particularly those suffering from ill-health.

This research has shown that good practice in combating age barriers can take a wide variety of different forms. Indeed both the case studies and the portfolio examples reflect a continuum of good practice, stretching from very limited and narrowly focused measures (such as the furniture company) to more comprehensive ones (such as DSM, Hounslow, St Ivel). Implicitly this analysis has suggested that it is possible for organisations to develop more comprehensive strategies and to build on even minimalist examples of good practice. Thus we might usefully conceive of good practice in age management as a dynamic process that should, ideally, be moving along the continuum towards an integrated age management strategy. In doing so, largely reactive good practice aimed at problem-solving would be replaced by an holistic approach designed to *prevent* the occurrence of age discrimination, unemployment and age management problems.

What would this entail? Rather than focusing only on the latter part of an individual's working life, an integrated policy would encompass the whole career. Thus, instead of a series of one-off or *ad hoc* measures, this perspective calls for a new holistic HR strategy on age and employment. Such a strategy

would include both preventive measures (such as life-long education and training) and remedial ones (training for older workers lacking specific skills, for example in new technology). This sort of strategy would also help to avoid intergenerational friction. The essence of this approach is well summarised by Frerichs in his report on Germany:

A fundamental criticism emanating from both management and Works Councils is that undue targeting of training at the problem group of older workers may result in further discrimination being suffered by this group or other groups of workers being placed at a disadvantage. The main requirement in this context is a preventive strategy. In other words companies should encompass the needs of older workers within the framework of a forward-looking personnel policy which seeks to prevent older workers from becoming a risk group. Despite the fact that it may not be enough in future merely to offer training designed to remedy a specific skills deficit after it has arisen and the demand will be for a preventive strategy, it will still be necessary - because of the acute nature of current problems - to offer training designed to remedy skills and learning deficits which have arisen in the past, particularly in the case of the older unskilled and semi-skilled or older female and foreign workers.

Therefore we may conclude that although it is possible to isolate specific examples of age barriers being combated effectively in recruitment and training and to recommend their widespread replication, an integrated approach is the most effective way to both prevent and overcome all forms of age discrimination in employment. Some of the portfolio examples and case studies illustrate the dangers of continuing exclusion among certain groups of older workers. For example not all groups of older workers have an equal chance of participating in training initiatives - ethnic minority groups may remain excluded (POPE) and the unskilled age 55 and over may be excluded when the 40-50 year old skilled group is favoured (IBM - Skill Team, IBM-Sernet). (Despite the original intentions of the project there were few references to ethnic minority groups, but gender was an important dimension in several of them.) On the other hand there are good examples of older unskilled workers, including women, being targeted (Passantenhuis, Trento, GFAW). Moreover it must be acknowledged that special measures for older workers may have negative consequences for younger ones - though there was no evidence of this in the case studies.



Recommendations for Good Practice

In this final section of the report some specific recommendations are made to encourage the spread of good practice at all levels of the European labour markets. These arise partly from the national reports and partly from this synthesis of the reports. (It is possible only to summarise some of the main points emerging from the national reports, which should be referred to for further details.) The recommendations are addressed to the different actors in employment policy and practice.

Employers

The changing attitudes of some employers have been documented in this report and, at greater length, in the national reports. It is being recognised by some employers that full early retirement is distorting the age balance of organisations. There are big national variations: a strong tendency in France to use age barriers in recruitment and to seek to rejuvenate the workforce, compared with the UK in which more employers are orientating towards older workers. Nonetheless age discrimination in recruitment and training exists in all countries. Moreover most workplace initiatives are reactive in nature (i.e. reacting to specific short-term needs rather than long-term planning). For example France:

The picture which (therefore) emerges is one in which company action to retain ageing staff remains very limited in scope. The small number of companies who may currently be credited with innovation in this field are almost without exception large organisations. Only these companies have studied their age pyramids and identified the harmful consequences of large-scale dismissals of older staff as practised in the 1980s. They are endeavouring to implement new strategies.

And Germany:

The report has already cited various examples which have helped to integrate older workers in a company situation. However the results can in no way be seen as evidence of a general reversal of trends. They are, rather, individual examples which have not yet had any impact on the majority of older workers. Specific integration measures have normally been introduced because of particular internal pressures or external influences.

Currently most European private sector employers are primarily concerned with maintaining productivity levels and international competitiveness. Therefore

the evidence provided by this research - that employing older workers does not risk productivity to any extent and may enhance it - provides the most important reassurance for European employers. Moreover the European Portfolio contains some of the EU's leading commercial companies and this should provide ample demonstration of the compatibility between age management and competitive advantage, as outlined in chapter 1.

Combating age barriers and developing good practice in age management must be organisation-led. European governments have taken various forms of action at a macro level and the social partners now have important roles to play. Employers of labour, public and private, have the responsibility to create the conditions in which employees can manage their own careers and ageing. They have to recognise the implications of an ageing workforce. The key action points for employers with regard to the development of good practice in age management are as follows:

- an open commitment to value older workers and to restore their career prospects within the organisation;
- pro-active monitoring of organisational age profiles and the use of age barriers and qualifications thereby creating a database;
- development of an age-awareness policy aimed at all levels of the organisation, to be introduced in the form of an experiment which measures the impact on job recruitment, training and other aspects of employment.
- introduction of age-awareness training for HR personnel, managers and other key personnel;
- development of wider consciousness-raising in the organisation about age and employment;
- encouragement of a perspective which views the workplace as a place of learning for all employees;
- involvement of older workers themselves in discussions about age barriers and how to overcome them;
- making use of the views and experiences of retired older staff to gain insights into the organisation's approach to internal career development;
- examination of good practice in other organisations;
- the provision of career planning and counselling (depending on the size of the organisation);
- introduction of measures which recognise the caring responsibility of some older staff, such as flexible hours and carer leave;
- supporting individuals or groups of staff who want to develop initiatives to combat age barriers;



- examination of the impact of seniority rules, especially those governing pay, and encouragement of more horizontal rather than vertical career movements;
- maintenance of open communication with managers and employers.

For employers who do not want to embark on the extensive programme of measures outlined above, there are some specific recommendations intended to make initial progress on combating age barriers in recruitment and training:

- examination of organisation's recruitment practices to see if age is used inappropriately;
- removal of age barriers in job advertisements;
- reappraisal of the merits of existing exit pathways;
- provision of flexible employment opportunities - including part-time employment and gradual retirement - to maximise the choices of employees;
- linking training to a career-long perspective which includes all age groups and entails regular training audits and reviews;
- use of non-age specific training methods and, where necessary, training methods that are sensitive to the special learning requirements of older workers;
- involvement of older workers in discussions about training needs and in the provision of courses.

It is important to recognise differences between large and small/medium-sized enterprises (SMEs) and the importance of the latter to European labour markets (for example in the Netherlands, 92 per cent of businesses have fewer than 10 employees and, in the EU as a whole, 90 per cent of workers are employed by SMEs). In the words of a Dutch representative of SMEs:

An age-aware personnel policy is of course heavily dependent on the nature and size of the business. It's all very well working on career prospects, performance appraisal interviews, mentor schemes, job rotation, and what have you, but if you employ five people, how are you supposed to organise that? You have virtually no scope to think of different responsibilities with that limited number of staff.

While many of the above recommendations may be applied wholly or partially to SMEs, for example the removal of age barriers in recruitment and the use of non-age-specific training methods, it is obvious that others require a sizeable organisational infrastructure. Nonetheless, as the examples of Fontijne and

SISEMA show, it is possible for both medium-size and small organisations to develop measures to combat age barriers, and the employment prospects of older workers in Europe depend on them doing so. In the case of small businesses there is clearly an important role for trade associations, chambers of commerce or other umbrella organisations in creating the economies of scale to make some forms of training viable.

Ageing Workers

Ageing employees form part of an organisation and its representative structures. If a primary duty of employers is to create the conditions in which individuals can manage their own careers and ageing, then the latter have a parallel duty to take advantage of that opportunity. Likewise older workers outside employment need support and encouragement to take some responsibility for improving their own employment prospects. Some specific recommendations to ageing workers:

- assessing their own training and career development needs;
- communicating training needs to managers;
- taking advantage of all training opportunities;
- acting as mentors to young people;
- planning for gradual retirement;
- taking part in any appraisal and counselling opportunities that are made available (inside or outside of the workplace);
- supporting age integration strategies via trade unions, works councils etc.;
- adjusting to late career horizontal rather than vertical shifts and the change in seniority-related wage increments that this will entail;
- refraining from exhibiting discriminatory behaviour.

Trade Unions

At the workplace it is undoubtedly the case that trade unions continue to face a dilemma (see pp. 93-94). There are national differences in the approach taken by unions. For example in France they appear to have little concern for the needs of ageing staff and focus on the employment of young people even at the expense of older workers and, in Italy, until very recently the main concern has been with protecting income levels. In Germany trade unions have placed much greater emphasis on the dangers of early retirement. In the other countries the trade unions are coming to terms with the dilemma created by the changing policy towards older workers: in a nutshell, whether to defend the interests of current members or to promote their future interests. The following recommendations may help to overcome this dilemma:



- representing the interests of all workers regardless of age;
- including, in collective agreements, recruitment and training measures which rectify the disadvantage experienced by older workers;
- undergoing age-awareness training;
- opposing the introduction of measures which disadvantage older workers (and younger ones);
- assisting the monitoring of age profiles;
- assisting older members to self-advocate their access to training and career development advice;
- encouraging the spread of good practice from other organisations;
- recognising the need for traditional career development patterns to alter.

National Employer and Trade Union Organisations

There is an important role for national organisations of employers and trade unions in highlighting the relationship between age and employment, and disseminating examples of good practice to their members through education and information campaigns. In particular they should educate their local representatives about the disadvantages created by age barriers. These organisations can also act as a channel for information from other EU countries. The Eurocounsel project has shown the important role that the social partners may have in the development of counselling services for the long term unemployed (including older workers) and this needs to be addressed more systematically by the national organisations of employers and trade unions (Hurley, 1994; Watt, 1996). Professional organisations - such as the Institute of Personnel and Development in the UK - can play an important part in the dissemination of good practice.

NGOs in the Employment Field

An important feature of this research is the demonstration of the significant contribution that NGOs can make to this field. This role is likely to increase as a result of the high level of long-term unemployment. The importance of both the health and social care sector and environmental protection for employment and economic regeneration in Europe emphasises the potential for NGO-led projects to recruit and/or train older workers or to assist their recruitment by others. Governments and local authorities should recognise and support this type of activity because it can promote both local/regional economic regeneration and the combating of age barriers. Moreover, as the examples of Trento and GFAW demonstrate, job creation for older unemployed men and women via NGOs can be highly cost-effective. NGOs also have an increasing

role to play in the provision of counselling services for the long term unemployed and, in particular, could augment existing services by special provision for disadvantaged groups such as ethnic minority women (Hurley, 1994).

National Governments

The importance of the policy context for the development of good practice in age management has been amply illustrated by this project (see chapters 2 and 4). The member states occupy three crucial roles with regard to combating age barriers: they may directly finance or subsidise initiatives; regulate the labour market, or society in general, to oppose age barriers; and/or provide non-mandatory encouragement to employers. European Union and national government support proved crucial in several initiatives (public and private): the Belgian hospital project was financed from the European Social Fund, the French CRE supported the furniture company's recruitment policy, the phased early retirement introduced by the other French examples was encouraged by the non-mandatory staff replacement policy introduced by the Employment Division of the Ministry of Labour, central government indirectly financed the POPE initiative in the UK and so on. In a few case studies it was regional government that proved crucial and, where regional institutions exist, the good practice initiatives should be used to demonstrate the enormous potential for action to create employment for excluded older workers and so contribute to local and national economic regeneration. National government action is recommended on several fronts to ensure that governments lead by example as employers, contractors, legislators and rule-makers.

Education:

- raising the awareness of employers to the hidden costs of age discrimination and the loss of older workers;
- public campaigns and practical action by governments to limit the incentive to make older workers redundant;
- public education to counteract the negative images of older workers and false stereotypes and to disseminate good practice (eg. Getting-On campaign in UK, the National Bureau on Age Discrimination in the Netherlands).

Employment Policy:

- governments should not take any policy action which counteracts existing incentives for companies to retain staff;



- the need for general employment policies which put greater emphasis on preventing unemployment and encouraging older workers to continue in employment;
- consideration should be given to the provision of short-term subsidies for employers taking on older workers, for example in the form of reductions in taxes or social contributions;
- active development of the employment potential of older workers;
- removal of age barriers in government job creation and training schemes;
- targeting action on sectors which are likely to experience a major change in age structure;
- greater emphasis on the specific needs of older workers in national employment policies;
- specific targeting of support on older women and those from ethnic minorities;
- development of active labour market policies to aid the integration of disadvantaged groups such as older workers through, for example, improvement of labour market services;
- development of *preventive* measures for those in and outside employment;
- continued use of the European Social Fund to target initiatives at older workers.

Pensions and Social Security Policies

It is important for national governments to examine closely the relationship between pensions, social security and redundancy payments regulations and the employment of older workers. In at least two countries (Greece and Italy) they acted as a barrier to the development of good practice:

- ensuring that social security and pension regulations take proper account of the need to improve employment among older workers;
- not giving incentives for employers to retire workers early;
- encouragement of partial pensions.

Specific Initiatives for the Inclusion of Older Workers

In recruitment, it is important to recognise the distinction between internal and external recruitment. Internal recruitment may include older workers when, at the same time, this group is being excluded by the external recruitment process.

The latter is easier for policy to tackle and this will influence the former. It is important too for national governments to recognise that effective guidance and counselling services will be required increasingly as the labour market becomes more flexible and forms of employment become more varied. As the parallel project to this one, Eurocounsel, has emphasised there is a need for innovative and dynamic approaches to try to *prevent* workers from becoming long-term unemployed (Hurley, 1994; Watt, 1996):

- ban age limits in recruitment (as in Canada and the US);
- encourage the systematic development of career planning and employment counselling;
- take positive action to assist organisations to manage better their ageing workforces e.g. in assessing true costs of HR policies;
- assisting SMEs to forecast future labour needs and age profiles;
- encourage companies to establish comprehensive action programmes in age and employment - by publishing good practice guides, spreading information about successful initiatives, disseminating age awareness literature and course material;
- action to set standards in training (age aware quality standard) and in particular to encourage and assist SMEs in training;
- funding for NGOs to develop pilot projects;
- research on the impact of age on employment and on different training methods;
- monitoring of changes in the use of age barriers;
- recognise the positive role of early exit in some contexts.

European Union

The European Commission has a vital role to play in this area by disseminating examples of good practice and encouraging the transfer of knowledge between the member states. The national differences in the social partners' understanding of the implications of ageing workforces and in the emphasis given to different aspects of good practice highlight the importance of the Commission's networking role. Since the Social Council Resolution in June 1995, older workers have not been mentioned publicly as a priority by the heads of government nor by the Commissioner responsible for employment and social affairs, and it is time that this omission is rectified. Specific recommendations for action at EU level:

- close examination of the Commission's own recruitment practices in order to eliminate age barriers;



- the need for a more proactive approach towards older workers in the EU's employment policies;
- the Commission should examine the adverse side-effects on older workers of policies on regional development;
- encourage greater sharing of knowledge and expertise on the relationships between age and employment and the implementation of good practice;
- refuse to accept the national imposition of upper age limits in ESF training courses for the unemployed;
- include special measures for older workers in the next reform of the ESF;
- publication of a European policy statement recognising the important economic and social value of adult guidance and counselling services, which encourages the member states to report regularly on the provision of guidance services;
- encouragement of a change in focus in EU programmes from targeted education and training to lifelong learning;
- review of lessons learned from programmes such as FORCE which should be publicised to employers' organisations and unions;
- targeting the relevant national and EU human resources organisations for good practice information;
- spread information about the roles of NGOs, regional and local government in some countries (as illustrated in this research by Trento and the London Borough of Hounslow);
- initiation of discussions with European organisations representing the social partners and representatives of older people about how age barriers may be addressed.



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This report is based on research carried out by the following teams. Details of where to obtain copies of the national reports may be found in the appendix on page 157

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Appendix II

Types of good practice in age management

I	Job Recruitment	
-	elevation of maximum age limit	1.1
-	elimination/absence of particular age barrier	1.2
-	positive discrimination	1.3
-	support of self-help group to promote their own employment	1.4
-	training programmes to promote recruitment policies	1.5
-	employment exchange/job centre for older workers	1.6
-	other	1.7
II	Training, Development and Promotion	
-	development of training and educational programmes, in particular for older/ageing workers	2.1
-	existing training and educational programmes opened to older/ageing workers	2.2
-	creation of learning environment and workplace mentorship for older workers	2.3
-	career development	2.4
-	evaluation of performance	2.5
-	promotion of age-specific policy in work organisations	2.6
-	other	2.7
III	Flexible Working Practice	
-	job rotation	3.1
-	flexible working hours/age related working time	3.2
-	age related leave	3.3
-	demotion (without change in wage level)	3.4
-	demotion (with decrease in wage level)	3.5

-	part-time jobs	3.6
-	flexible retirement/early exit scheme	3.7
-	gradual retirement scheme/part-time “early exit”	3.8
-	self-regulation of pace	3.9
-	other	3.10
IV	Ergonomics, Job Design and Prevention	
-	ergonomic measures/improvement work conditions/workload	4.1
-	organisation of tasks	4.2
-	mix of young and older workers	4.3
-	age related health and/or wealth control	4.4
-	older workers excluded from shift labour	4.5
-	other	4.6
V	Changing Attitudes within Organisations	
-	research related to ageing and performance	5.1
-	programmes to change attitudes and opinions towards older workers	5.2
-	other	5.3
VI	Changes in Exit Policy	
-	elevation of minimum age of early exit	6.1
-	abolition of early exit programmes	6.2
-	elevation of normal retirement age	6.3
-	other	6.4
VII	Other Policies	
-	general age related policy; seniority programmes	7.1
-	sectoral age related policy as result of Collective Agreements	7.2
-	future plans	7.3
-	other	7.4

Appendix III

National reports

All national reports may be obtained from the European Foundation in English and the mother tongue. The following two publications are also available in their own countries:-

Belgium

Peter Simoens (Dutch) *Bouwstenen voor een Leefstijdsbewust Personeelsbeleid*, Brussels, Koning Boudewijustichting, 1995.

Peter Simoens (French) *Les Fondements d'une Gestion des Ages en Entreprise*, Brussels, Fondation Roi Baudouin, 1995.

Germany

Frerich Frerichs, *Älterer Arbeitnehmer im Demographischen Wandel - Qualifizierungsmodelle und Eingliederungsstrategien*, Münster, Lit Verlag, 1996.

European Foundation for the Improvement of Living and Working Conditions

Combating Age Barriers in Employment
European Research Report

Luxembourg: Office for Official Publications of the European Communities

1997 – 160 pp. – 16.0 cm x 23.5 cm

ISBN 92-828-0414-3

Price (excluding VAT) in Luxembourg: ECU 25.00

COMBATING AGE BARRIERS IN EMPLOYMENT

Governments and the social partners in Europe have begun to rethink the trend to exit from the labour market at earlier ages, and to re-evaluate the management of the ageing workforce. This report documents the rationale for changing attitudes to older workers, and assesses initiatives, in both public and private sectors, to combat age barriers in employment. The analysis of good practice is based upon extensive interviews and detailed case studies in seven Member States of the EU. The conclusions and proposals for action are directed to all those concerned with the retention, retraining and reintegration of workers as they age.

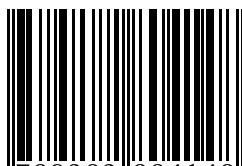
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