

Constraining and enabling factors for establishing “age-oriented” corporate working and learning environments.

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Background

- Considerable gap between scientific, political and public discourse and corporate „reality“
 - Intensified debate (increased retirement age; lack of skilled personnel)
 - Large amount of literature, policy recommendations and examples of „good practice“
 - Elements of „Age Management“ well established
 - Continuous learning is integral part
 - However: by-and-large limited impact on corporate HR and labour policies

Explaining the gap

- What are barriers?
- What are enabling conditions?

Search direction

- Role of context on the industry- and firm-level
- Microeconomics
- Institutions (part. collective agreements)

Methodology

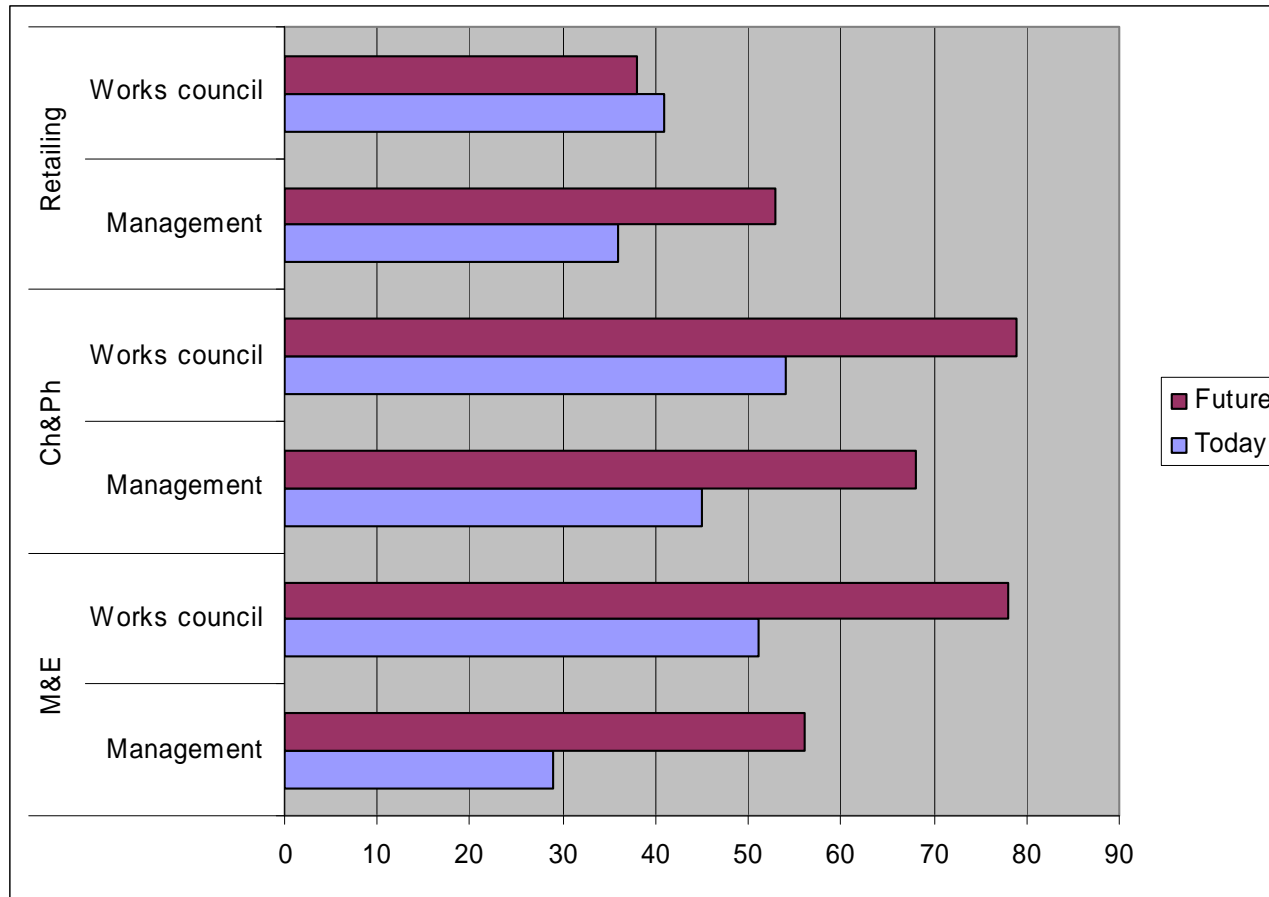
1. Standardized online/CATI-survey (11/2009-02/2010):
 1. 474 corporate managers (general managers/personell managers)
 2. 311 works councillors
2. 11 short case-studies
 1. 42 interviews (between 1 and 2 hrs) in selected companies
 2. 12 interviews with representatives of employer associations and trade unions
3. Industry-specific data of other sources
 1. IAB-establishment panels
 2. CVTS3-additional survey of BiBB
 3. BiBB/BAuA employee survey

Age structures in M&E, Ch&Ph, Retailing 2009



Source: Federal Labour Agency 2010 (reference date: 30.06.2009). *=with social insurance

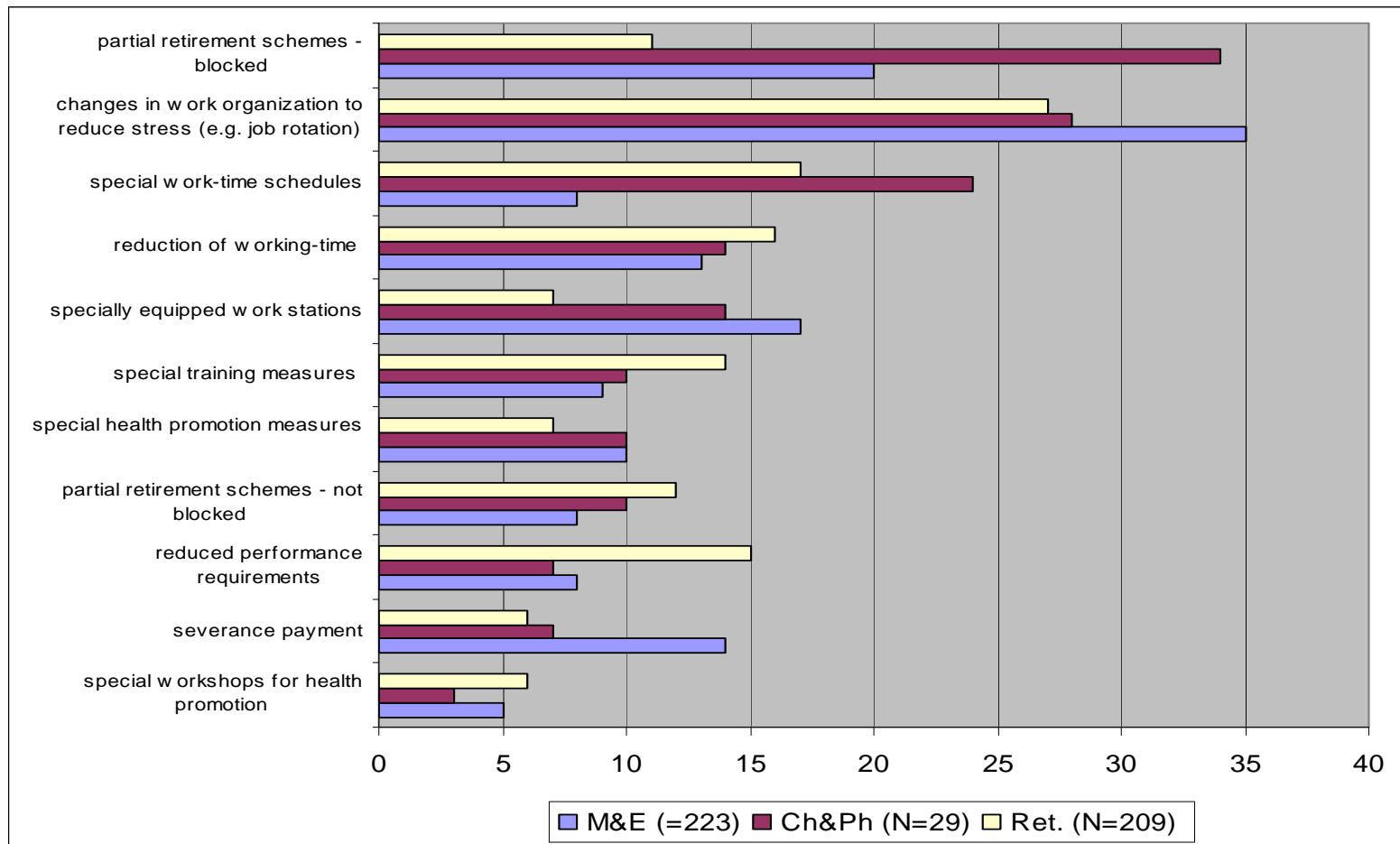
Perceived impact of demographic changes



Top 3 ranking problems of older employees (50+)

	Management	Works Councils
	Ch&Ph	
1	High Training requirements	Mental Stress
2	Low Training participation	Physical Stress
3	Lack of development options	High Training requirements
	M&E	
1	Low Training participation	Mental Stress
2	Low Training affinity	Lack of development options
3	Lack of development options	Low Training affinity
	Retailing	
1	Lack of development options	Physical Stress
2	Physical Stress	Lack of development options
3	High Training requirements	Mental Stress

Dissemination of measures for older employees (50+)

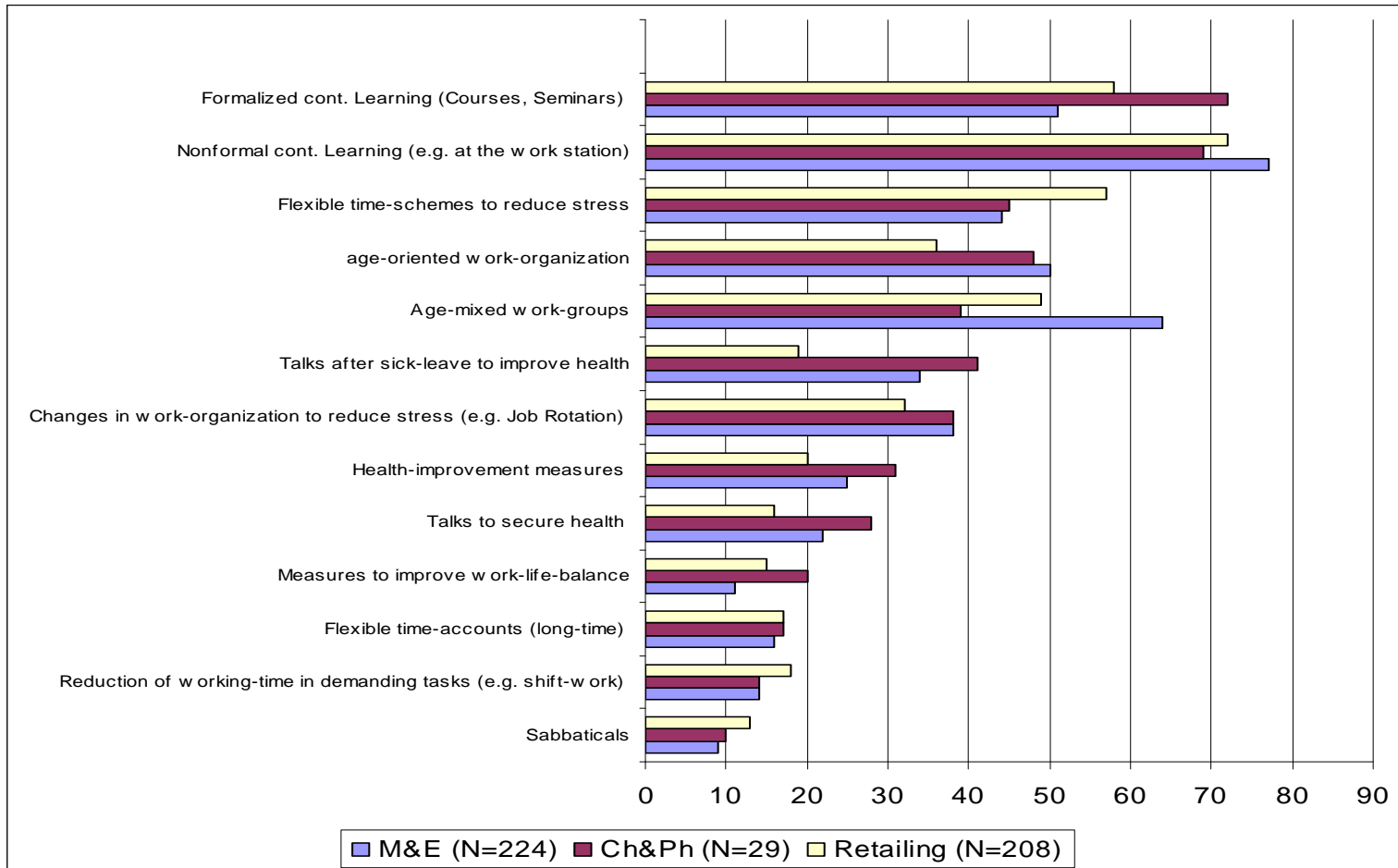


Measures for 50+

Variable	Industry			
	M&E	Ch&Ph	Retailing	Other industries
Company uses measures to keep older employees longer employed	36.3	28.4	33.2	30.0
Company considers special training for older employees as useful	60.5	53.0	52.7	29.5
Company offers special training for older employees	3.0	6.5	0.0	7.8

Source: CVTS3-additional survey 2008

Dissemination of measures for all employees



Constraints I

Micro-economics:

- „age-oriented“ working and learning conditions as a „carried-off utopia“ (Reindl 2009) in finance-driven capitalism?
- Age-orientation costs money now, but pays off only in the future
 - Significant correlation: firms that expect/anticipate negative impact of demographic changes offer more measures
- Undoubtedly, the economic crisis sets other priorities
 - Majority of companies affected by crisis stated that demographic challenge is no longer a priority issue

Constraints II

Information I: lack of relevant knowledge

Use of information tools; in % (manager sample)

	M&E (N= 224)	Ch&Ph (N=29)	Retailing (N=210)
Analysis of age structure	24	46	7
Analysis of qualification demand	43	54	28
Work Ability Index (WAI)	8	14	7
Risk assessment for work places	74	76	44

Source: Freidank et al. 2010

Significant correlation: firms that analyse their age structure have more measures.

Constraints II

- **Information II:** lack of relevant knowledge

Variable	Industry			
	M&E	Ch&Ph	Retailing	Other industries
Company is informed about public programmes to support special training for older employees	32.3	42.6	71.6	60.5

Source: CVTS3-additional survey 2008

Constraints III

Institutionalization of early retirement

- Became almost biographical norm in many industries with
 - a „tradition“ in physically demanding working conditions (like Chemicals, Metalwork, Steel)
 - strong industrial relations (like Ch&Ph, M&E and Public Services)
 - severe structural changes (downsizing, outsourcing, new technologies)
- Capital and Labour were able to deal with pressures and socio-economic changes
 - Costs were socialized
- Government could attenuate labour market problems

Backdrop: little incentives for companies, unions/works councils to change working and learning conditions

Enabling factors

- Economics
 - Make costs quantifiable
 - Step-by-step approach instead of grand design
- Information and assistance
 - Firms that use tools (age analysis) show higher level of activity
 - Trade unions and employer associations are important facilitators
 - Firms that integrate their employees show better results

Enabling factors

Institutional regime

Collective/general agreements

- Since end of the 1990's: numerous agreements addressing continuous training:
 - No generalizable model
 - Most frequent: „soft“ regulations: processes to determine demand and to develop training strategy/planning (i.e. no entitlement to receive training);
 - Contested terrain
 - Employers: see managerial prerogative threatened; interested in shifting financial/time burden on employees
 - Works councils: criticize „soft“ character; topic not high on their agenda
 - Limited effects breadthwise (no significant increase of investments into training; selectivity of training access not reduced; Bahnmüller 2009)

Enabling factors

Institutional regime

- Lately: new agreements addressing demographic change in the Steel Industry (2006) and in Chemicals (2008)
 - Comprehensive approach (working time, work organization, work-life-balance, health-issues/ergonomics, continuous training)
 - Mandatory age structure/qualification analysis; discussion with works councils about consequences
 - Endowment fund (€300 per year/employee) (not for training); mostly put into existing pension funds
 - Preliminary results
 - mandatory tools brought issue of ageing into the firms
 - Agreement legitimizes reform oriented actors in HR and works councils
 - Corporate actors need assistance

Conclusion

- Urgency to deal with demographic change is not very high today, but increasing pressure in the future
- Context: Industry- and firm-specific problems
- Different actor perspectives
- Still almost no measures for older employees
- Some measures that can be helpful for all age groups, but little innovation
- Major constraints are economic, informational and institutional in nature
- Tension between necessary strategic shift towards better working and learning conditions for *all* employees and the need to provide early-exit-options for the 50+

- Mandatory age/qualification analysis on the firm level?
- Legal entitlement for continuous training?