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**Ageing and Employment:
Identification of Good Practice to Increase Job Opportunities
and Maintain Older Workers in Employment**

Executive Summary – English Version

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Warwick Institute for Employment Research, University of Warwick

Economix Research & Consulting , Munich

In collaboration with

Social Economic Research Institute Rotterdam (SEOR BV)

LABORatorio R. Revelli, Centre for Employment Studies (Moncalieri / Torino)

Arnkil Dialogues Co (Hämeenlinna)

S2E2-Sociedade de Estudos Económicos e Sociais (Lisboa)

Collegium Civitas, Polish Academy of Science (Warsaw)

Institute for Social Research, Vilnius University

Jiri Vecernik, Institute of Sociology, Academy of Sciences (Prague)

Szusza Szemans, independent consultant and Institute of Sociology of the Hungarian
Academy of Sciences (Budapest)

Danielle Kaisergruber, Professor at the Ecole Nationale des Ponts et Chaussées (Paris)
and independent consultant – DKRC

Members of the Research Team

Project co-ordination

Professor Robert Lindley (Project director, co-ordination team)

Dr. Nicola Duell (Co-ordination team)

Contributions to the Synthesis Report

Nicola Duell (Chapters 1,2,3,8,9,10,12)

Robert Lindley (various chapters and the Executive Summary)

Robert Arnkil (Chapter 7, 11)

Beate Baldauf (Chapter 12)

Derek Bosworth (Chapter 4)

Bernard Casey (Chapter 5)

Arie Gelderblom (Chapter 6)

Simone Leitzke (Chapter 8)

Country Reports and Case Studies

Robert Arnkil (FI)

Beate Baldauf (UK)

Luis Centeno (PT)

Leszek Chajewski (PL)

Bruno Contini (IT)

Arie Gelderblom (NL)

Danielle Kaisergruber (FR)

Romas Lazutka (LT)

Simone Leitzke (DE)

Gerry McGivern (UK)

Andrew Sparks (UK)

Szusza Szémans (HU)

Jiri Vecernik (CZ)

Kurt Vogler-Ludwig (DE)

EXECUTIVE SUMMARY

A key element of European economic and social strategy is the raising of the employment rate through extending working life. How this can be encouraged in practice without lowering living standards, endangering attempts to improve work-life balance, and undermining the pursuit of equity, economic efficiency and community depends on finding good practice approaches at organisational and institutional levels. The project on ‘Ageing and Employment: Identification of Good Practice to Increase Job Opportunities and Maintain Older Workers in Employment’ (AEIGP) was designed to shed light on the emergence of ‘good practice’ drawing on the experience from eleven Member States. The central part of the research consisted of 41 organisational case studies. This was complemented by analysis of the strengths and weaknesses of the national institutional framework within which the organisations operate together with the exploration of selected good practice examples of initiatives of social partners, NGOs and national or regional policy-makers.

This Executive Summary covers each of the principal chapters of the main report of the study.

THE CASE STUDIES: COUNTRIES, COMPANIES AND INSTITUTIONAL EXAMPLES

Company case studies

In general, five case studies were carried out in France, Germany, Italy and the UK, and three in the Czech Republic, Finland, Hungary, Lithuania, Netherlands, Poland and Portugal. In order to ensure a reasonable mix with regard to sectors, skill levels and gender and to allow for cases turning out to be less useful exemplars than had been expected, a higher number of potential case studies were initially explored. Thus, 67 case study organisations were initially approached, producing a final sample of 41.

- As regards the nature and size of the organisations chosen, public companies represent approximately one-fifth of those investigated, a quarter are SMEs and just one belongs to the co-operative sector.
- The company case studies covered a wide range of areas of economic activity. At the same time there were five branches for which cases were investigated in several countries: financial services, retail trade, public administration, the electronics industry and construction. These clearly do not provide for generalisations about sectoral effects but they offer a basis for drawing attention to especially interesting contrasts and for formulating hypotheses.

Driving forces and fields of intervention

The rationales, driving forces and contexts for implementing age management strategies

The case study organisations have implemented age management strategies in a variety of contexts, which include:

- industrial restructuring;
- growing markets and dynamic developments;
- organisational change and technological development;
- demographic change in the company and the danger of skills losses;
- labour shortages;
- trade union policies.

Moreover, in some cases, these contexts have acted directly as driving forces for the development of age management. In more generic terms, they may derive from:

- cost pressures;
- requirements of consumers;
- flexibility requirements in production;
- the need to compete for skilled labour – recruitment and retention problems;
- changing social values within companies.

In many cases we find a combination of different contexts and driving forces for change co-existing with age management strategies. However, their impact on strategic choices is mediated by the different rationales pursued by the various actors. So, alongside the undoubted importance of changes in ‘structure’, there is a significant role for ‘agency’ in the determination of policy outcomes and their consequent impacts.

Fields of intervention

With regard to the variety of age management strategies revealed in the case studies, the measures implemented are mainly in the areas of work organisation, mobility management, career development, design of tasks, recruitment, working time arrangements, continuing training including knowledge transfer, health-related measures, outplacement. If found together in one organisation, they would represent an extensively holistic approach.

A potential prototype of a reasonably integrated strategy, falling somewhat short of the ideal holistic case would perhaps consist of training measures accompanying mobility management, whilst also taking into account health-related aspects, job assignment decisions, and the sustaining of career management approaches for all age groups.

In reality, our case studies represent quite broad selections from the menu of possible interventions in which their ‘joined-upness’ is a matter for debate. Some of the companies have consciously elaborated an age management programme, but this is not the case for all companies. Many pursue interesting approaches to what amounts to age management without having explicitly formulated an age management strategy.

ECONOMIC AND LABOUR MARKET CONDITIONS – SOME INTERNATIONAL REFLECTIONS

All countries are facing an ageing population and most exhibit declining activity rates among the older cohorts. Italy presents a particularly strong example of this whereas the main exception with regard to activity rates is Finland which has the most established age management policy approach though there is some debate about whether or not the rise in activity rates for both male and female older workers can actually be attributed to the policy regime. The relatively low qualifications and skills of older groups, along with their higher probability of working in agriculture or production activities, leave them at a particular disadvantage in accessing higher-level jobs in the major growth areas of services to businesses and services to households.

New Member States, having experienced the most significant structural change are likely to continue to do so. The impact on older workers has been ameliorated by the relatively high growth in economic activity and the fact that a number of these countries have rather well-developed education and training systems. However, though new areas of economic activity and forms of employment relationship are developing, the relative lack of opportunity for flexible working, including part-time and fixed-term contract employment, tends to reinforce the disadvantages of older workers. These are produced by a combination of inherent characteristics, which tend to make them less employable, and discrimination that goes beyond the objective assessment of their worth as employees.

The individual country studies demonstrate quite clearly that older individuals are inevitably at risk in a number of respects unless there is some legislative framework or collective bargaining practice that aims to protect them.

Given the relatively low probability of finding a new job if made redundant, unemployed older workers are faced with a particular problem, that of ensuring sufficient income when retirement eventually comes. This applies both to those who were (had they retained their jobs) fortunate enough to have pensions linked to their final salaries and those unfortunate enough to have had particularly low-paid employment during their working lives and were still trying to build up sufficient pension contributions.

Training programmes for older workers are, in principle, a constructive response to the above situation but the predominance of those with limited histories of formal and, even, informal learning, make them less able to capitalise on the potential benefits of training. This group also faces shorter periods of remaining working life than is the case for younger workers, which thus truncates the rates of return to training that they might otherwise enjoy.

NATIONAL POLICIES: pensions reform, legislation and special programmes

It is not surprising that, in view of the economic and social developments summarised above, virtually all countries have, at least started, to examine the case for changing major parameters of their pensions systems, particularly those relating to the notions of retirement age and disability. Some countries are sufficiently emboldened by their

concern to do something, and by their reading of the evidence on what to do, that they have already set in train nationwide increases in norms for retirement ages.

Others point to the difficulty of changing national norms when different parts of the labour force face quite different conditions in terms of the demands placed upon workers; their capacities to continue employment even to the point of reaching current formal retirement ages are already in question, never mind pursuing working lives which extend beyond those norms.

However, pension reform is only one of the policy instruments available to governments which seek to create more positive conditions for age management. Two other instruments available are: the introduction of age discrimination legislation and the provision of employment and training programmes for older workers both within the organisation and in the external market.

Age-based pensions and disability-based pensions

In the debate about pension reform, it is sometimes forgotten that the origin of pension schemes was not to provide more choice as to when to give up work but more to provide continuing income when those without choice, i.e. who were no longer able to work or faced special difficulties in doing so, were obliged to give up work. In some countries, there are clear relationships between pension ages and experience with life expectancy so that lower normal retirement ages tend to be found in countries with lower life expectancies, as is the case in eastern Europe.

At the same time, however, social benefit systems condition the point of entry to the pension regime through responses to unemployment and to different degrees of health problem or disability. The strong link that emerged in many countries in the 1980s and 1990s between high unemployment and increases in disability, recorded for the purposes of demonstrating eligibility for disability benefits, indicated a degeneration in the social policy system. Reforms over the last decade or so have sought to reverse these effects as well as the interaction between them.

Legislative action

The review of international evidence and the experience of those countries covered in this study is not very conclusive about the effects of anti-discrimination legislation and only slightly more so about the need to buttress legislative action with accompanying measures relating to awareness raising and employment and training programmes for older workers. The latter seem to help to reinforce the impact of legislation but the observed effects are not dramatic. Moreover, nor should we perhaps expect them to be so in view of the limited experience with more holistic approaches, the short periods of time for which the main components (pensions reform, legislation and programmes) have been in existence and the strong tendency to change specific elements within them before evaluating outcomes. The most common outcome of studies looking at the impact of legislation is that it is marginal.

Labour market programmes for older workers

So attempts to stem the flow into early retirement and/or disability status are now common and legislation against age discrimination is building up, particularly with the implementation of EU Directive 2000/78. In contrast, the use of measures to strengthen the position of those retained within the labour force through employment schemes and training designed for older people is much less developed. Where they are explored, their impacts on both the employment rates and wage rates of the older workers are usually difficult to demonstrate.

On the other hand, the importance of such programmes may lie more in their influence upon the climate of opinion in the labour market, working on the demand side as well the supply side. Thus, challenges to conventional thinking may help to reduce employer discrimination against older workers over the long term and prepare them more for adapting work places and practices accordingly. Similarly, on the supply side, changing attitudes of older workers may gradually encourage more positive engagement with opportunities for redeployment and retraining presented to them. There is evidence at national level to suggest that these effects should not be ignored and the significance of awareness-raising campaigns as part of a more holistic approach to pension reform and labour market intervention needs to be recognised.

At the same time, the experience particularly of Finland and, to a lesser degree, the Netherlands, points to the need for collective departmental or multi-agency approaches at government level in creating conditions under which age management might better flourish at organisational level. It also recognises the importance of encapsulating and transmitting to wider groups of actors the knowledge acquired in development work concerned with age management

PRODUCTIVITY

In most ageing population scenarios, there is concern about pension arrangements giving undue incentives both to employers and individuals to favour early retirement rather than extended working life. Moreover, these are seen to be reinforced by what seem to be, on reflection, inappropriate wage-age structures at the organisational level. Thus higher wages at older ages offer economic incentives for employers to dispense with older rather than younger workers when seeking to reduce employment levels. These reinforce the social incentives already in favour of using the more acceptable vehicle of early retirement rather than creating more youth unemployment, even though, in reality, that trade-off is not as straightforward as public opinion might have it.

However, although, on the face of it, employers seem to be acting irrationally when adopting highly differentiated wage-for-age policies, economic theories can be found to explain their behaviour. Unfortunately, two of the most prominent economic models agree that current age-earnings profiles do not reflect productivity differences very well, but then disagree diametrically on how to interpret the profile: the human capital model suggest that the observed age-earnings profile *over-states* productivity at younger ages and *under-states* it at older ages, whereas the contract-efficiency wages model claims the

reverse. Moreover, since we cannot easily observe the age profile of productivity directly at an empirical level, it is difficult to resolve the issue econometrically.

This situation is hardly of much help to policy makers seeking to promote age management with a view to increasing employment rates and productivity at the same time. How much should policy makers worry about persuading employers to change the relationships between age and earnings? Does this represent a major degree of irrationality against which other elements of age management will struggle to have the desired effects?

In practice, the main difficulties arise when there are marked transitions in the age structure of the population combined with the need for relatively large adjustments to employment levels and sectoral-occupational structures. Trying to achieve the latter without changing the age-reward profiles will tend to focus readjustment more onto older workers. In more stable economic development conditions with relatively high job security, age-earnings profiles that depart greatly from the age-productivity profiles are less likely to be problematical regarding losses of efficiency and equity since successive age cohorts of employees are more likely to follow similar life-cycles.

Even with less benign conditions, there are examples amongst our case studies where companies have sought to adjust working patterns so as to harness the comparative advantages of different age groups and minimise their disadvantages. Thus, on the one hand, there is evidence that heavy manual work, the need for rapid learning that makes previous knowledge obsolescent, and working under considerable time pressure cause more problems as age increases. On the other hand, jobs requiring substantial knowledge-based judgement exercised under more limited pressure of time and benefiting from high levels of social skills and awareness favour more experienced workers. However, our study has identified cases where employers have managed to deploy older and younger workers *doing quite similar jobs* but under different circumstances within the organisation in such a way as to make the most of both groups.

More is said about the scope for such adjustments below, but it is unrealistic to believe that the ingenuity of employers and co-operation of employees can simply remove the need for closer attention to be paid to the design of wage structures in changing market conditions. It would also seem necessary to consider some re-balancing of employment relationships so that the benefits derived by the individual from length of service or age, *as long as they remain with the employer*, are reduced in favour of *increasing the likelihood of remaining* with the employer through effective opportunities for re-deployment and re-training before being faced with redundancy or early retirement. This inevitably favours greater consideration of collective, if not individual, age-specific performance-related criteria in the determination of pay systems.

WORKING CONDITIONS AND ‘WORK ABILITY’

So the earnings-productivity issue cannot be ignored. Nor, however, can the need for improvements in work organisation that generate the productivity outcomes and the potential role of age management. Finnish researchers, in particular, have developed a conceptual framework which is intended to facilitate more serious discussion and better

policy design in relation to working and ageing, yet has its roots in more general analyses of what factors constitute, essentially, high performance organisations.

It is too simplistic to say that Finland has been pre-eminent amongst the bolder strategists in increasing retirement ages because of its access to more advanced thinking about work, organisation and, yes, age. But a major reason why Germany has held back, has been its recognition of the need to redesign workplaces and working practices so as to make less fraught the transition to older retirement regimes.

Whilst the notion of ‘employability’ has been a familiar part of the discussion of labour market change, that of ‘work ability’ has much less currency. Among researchers and leading practitioners, however, the concept has acquired significant status and has reached the stage where there is some consensus as to its definition and measurement. As regards the latter, the Work Ability Index (WAI) along with a standard questionnaire has gained considerable currency and covers a variety of variables: strain, autonomy, physical demands, enthusiasm, activity, education, vocational training, etc. International comparisons suggest that the extent of poor and moderate work ability is quite similar across countries, which also share the observation of ‘work ability’ declining with age.

‘Work ability’ is very different from ‘employability’ which tends to be part of the discourse on making people more able to perform the work available and, to a degree, individualising the responsibility for getting the knowledge, skills, etc. to be able to do so. Work ability concerns the interaction between the characteristics of individuals and groups and those of the working environment. It seeks a sustainable balance between the requirements of the work and the capacities of the workers and a sharing of responsibility between management and workers in order to bring this about. Moreover, the WAI is intended to be a diagnostic tool to be used in guiding the process of improvements in work ability so as to benefit both the individual and the organisation and which produces wider gains for society at large, especially when age management is involved.

Work ability integrates considerations of health, competence, values and work. At enterprise level it offers an holistic framework in which to address such issues as productivity, competitiveness, sickness absence and the costs of disability. It gives a high profile to the quality of collaboration between different work groups, including different age cohorts, the quality of work organisation and the quality of leadership. Several of the cases studies show the importance of health promotion programmes as part of age management strategies. They show the closer attention paid to enterprise leadership in relation to older workers, to extending opportunities for responsibility and for having influence, and to designing work that is compatible with both the capabilities of the older workers but can draw on the scope for collaboration between older and younger workers.

In terms of process, several case study organisations actively involved intermediaries who were age management and/or health experts – in one Czech case a psychologist was employed to accompany older workers involved in internal mobility.

LIFELONG LEARNING

The country-based evidence indicates that continuing training strategies are best embedded in the wider approach of age management which aims to keeping the older

worker connected to the organisation through work-related and work-based learning, which provides for internal mobility. Strategies that promote lifelong learning after the employment relationship is broken by redundancy in order to promote mobility in the external labour market are much less effective. This is where good age management can pay off in societal as well as meeting enterprise objectives.

The case studies show that the quality of the learning opportunities is crucial – their adaptation to the needs of older workers where necessary but at the same time being integrated within the overall enterprise learning strategy and effort; examples identified were modular design, certification of skills and competencies acquired in the workplace, individual training plans for older workers not just those in their earlier years of working life, inter-generational knowledge transfer through mixed teams and mentoring, In a few cases, training within the company was intended to assist the worker with *external* mobility when a change of employer was anticipated in the course of industrial restructuring.

HUMAN RESOURCE MANGEMENT

Age management whether or not informed by the ideas of ‘work ability’ does itself imply a certain way of approaching human resource management (HRM). It may start from concern to protect older workers from disadvantage and redundancy; it may aim especially to strengthen the contributions that older workers can make by positioning them and enabling them to position themselves in more promising circumstances within the organisation. However, an age management approach inevitably begins to see at least some HR issues more in *lifecycle* terms rather than as being tied to the circumstances of particular age groups such as the training of (young) apprentices, progression among (middle-aged) middle or senior managers, re-training or redundancy of (old) skilled tradesmen. Moreover, it deals as much with the lifecycle of the *employment relationship*, as with that of the employee (or the organisation).

Note, though, that whilst an age management strategy is intended to introduce a more *balanced approach* to the treatment of different age groups, it is not intended to promote balanced age *structures* of the workforce. Its major preoccupation is rather with monitoring and developing the *internal mobility system* of the organisation.

The case studies reveal the importance of internal mobility in a variety of forms and promoted with a variety of primary motives. Examples include:

- multi-skilling to facilitate job rotation in response to the need for flexible deployment of the workforce in changing demand conditions;
- internal mobility so as to optimise the allocation of tasks for a worker who had acquired a health problem;
- internal mobility enabling those most capable of adapting to technological change to be trained to do so and others to be re-deployed with or without training to other positions in the organisation;
- generating more internal mobility than is strictly required by current business conditions in order to accustom the workforce of all ages to changes in activity so that

this capacity can be drawn upon when it is really needed and so that older workers in the future will be more able to cope with the need for mobility-flexibility;

- increasing mobility and job rotation to increase motivation through offering workers greater variety and interest;
- vertical and horizontal career management to avoid restricting accidentally both the opportunities for individuals to develop combinations of knowledge and experience which will aid their future advancement and the opportunities for the organisation to discover and develop the capabilities of its employees to meet the needs of the business – attention to the demographics of the workforce is especially important in this respect.

Well-developed internal mobility systems also benefit the operation of the external labour market through making the organisation able to consider a wider range of potential recruits (including older workers without the preferred technical skills but with potentially valuable experience in other respects). Where there is a predominance of small companies, sectoral solutions to the delivery of training and careers guidance can be part of a shared strategy to retain skills and promote ‘sectoral internal mobility’. This is more difficult to engineer but examples feature among the case studies and in the wider research literature.

DILEMMAS FACING THE SOCIAL PARTNERS

The first conclusion from this part of the research is that the role of the social partners and, in particular, trade unions with regard to developing good age-management practice is rather ambiguous. This applies to many countries and involves a mix of opposing strategies at the different levels of intervention. Thus, trade unions may be opposing the lengthening of working life at national level, while bargaining on the best way to enhance the ‘work ability’ of older workers at company or workplace level. Furthermore, for many years social partners have pursued two strategies: (a) they followed a seniority-based approach to bargaining over wage structures and redundancy rules protecting older workers and at the same time, (b) they encouraged the early exit of older workers from the labour market when unemployment was high generally and especially for young people. This strategy mix is now being challenged as the possibilities for early retirement are being restricted and retirement ages are being increased in a number of countries.

Basically, the role of the social partners in age management is determined by the level at which opportunities for intervention present themselves, namely the macro-level (tripartite negotiations, influencing policy making, being represented on the boards of the welfare state institutions) as well as the sector and company-level (sector-level, company-level and workplace-level collective bargaining). Strategies pursued at these different bargaining levels may be contradictory as the interests are formulated in different ways. However, a number of factors influence the strategy of the social partners. These are in particular, the economic context, the labour market context, the industrial relations system and the role of the State as well as the welfare system.

The social partners are defending the interests of their members in the first place. By doing so, trade-unions, in particular, might also pursue social and political objectives, such as influencing the distributional policy in the company or the whole society. At the same time the organisations seek to remain attractive for their members, offering benefits that come only with membership. Trade unions especially face the free-rider problem. They are struggling to find the right balance between engaging in pursuing equity and growth objectives for all workers at the macro level and focusing on the interests of their members only. A further tension for trade unions consists in addressing the interests of actual members (e.g. older workers) and potentially new members (e.g. younger workers). Thus, membership structure and the interests of the members are also shaping trade unions' strategies. Finally, trade unions generally push for early exit but seek at the same time to improve 'work ability' for those remaining in the company.

In the same way, the position of employers is ambivalent: early retirement represents a welcome option for managing and financing industrial restructuring. However, the possibilities for early retirement are now being increasingly restricted and early retirement is becoming a more expensive tool. Whilst the latter still offers the possibility of limiting social conflicts at the organisational level, nonetheless, it transfers the financial and social costs of doing so to the societal level. A further tension for employers consists in seeking a balance between the requirements of short-term and long-term strategies.

So, strategies formulated at the macro-level may operate against strategies pursued at the micro-level. The general discourse as well as collective bargaining betrays a tension between protecting older workers, but not necessarily protecting their work ability and favouring early exit. Nevertheless, we find that collective bargaining on 'work ability' is emerging in a number of countries in pioneering companies or at the initiative of the State. In those countries where there is a lack of skilled labour, the collective actors are more advanced in developing age-management strategies. In contrast, high unemployment and major industrial restructuring render strategies aiming at enhancing employment rates of older workers more difficult. In this context, also the position of the State is ambiguous: the extension of working lives can conflict with attempts to reduce unemployment, though we need to avoid falling into the 'lump of labour' trap in assessing the outcomes.

As more sophisticated attempts are made to tackle age management questions, the possible fields of negotiation quickly expand to encompass working time, further training (e.g. with regard to cost sharing), work organisation, wage system, working conditions and social plans. The low level of collective bargaining on age-management-related issues in a number of countries has to be understood as a result of high unemployment and industrial restructuring. Our comparative analysis has also shown that in a few countries the social dialogue on 'work ability' of older workers or more generally all workers is quite advanced. Moreover, the quality of this dialogue can be regarded as being a success factor for the effective integration of older workers. Indeed, we see interesting examples in the Netherlands in particular, but also in Finland and France.

MAPPING OUT GOOD PRACTICE AND SHARING THE LEARNING AND IMPLEMENTATION PROCESS

Identifying good practices and disseminating them through networks constitute a key part of EU strategies, policies, programmes and knowledge management. It has been recognised as an integral part of the Open Method of Coordination (OMC), now widely practiced in the EU. The rationale is that by exposing different countries, programmes and projects to validated good practice, the overall performance can be enhanced through mutual learning.

This is also the rationale behind the AEIGP and other research-related initiatives: first, identify validated good practices of age-management in the private and public sector in different countries, build a case-bank of good practices, and then disseminate them to enhance the overall performance in age-management in Europe. However, our research has also reflected on ways of improving the learning network for good practice dissemination.

There are several European networks dealing with identifying and disseminating good practice on improving work ability and working conditions that are relevant for the age management issue. There is probably room for improvement of the mutual linking of these efforts, platforms and databases.

The *European Foundation for the Improvement of Living and Working Conditions*, <http://www.eurofound.eu.int/> conducts surveys on working conditions and has several publications, articles and links addressing and pioneering the age issue, including good practices in age management.

The work of the *European Agency for Safety and Health at Work* (EU-OSHA), <http://agency.osha.eu.int/OSHA> is also an important body, especially because it brings together in many ways occupational health and safety professionals, government officials and social partners. Through EU-OSHA there are links to other OSHA-related networks and sites in the world, like USA, Australia, Canada, Japan, ILO, WHO.

In developing closer associations between workplace development, health and safety, and spreading the concept and practice of work ability and the work ability index (WAI) and related issues, a key contribution could be made by exploiting the possibilities of EU-OSHA's site and networks.

The same can be said about the *European Network for Workplace Health Promotion* (ENWHP), <http://www.enwhp.org/home/index.php>. The European Network for Workplace Health Promotion is an informal network of national occupational health and safety institutes, public health, health promotion and statutory social insurance institutions. It aims through the joint efforts of all its members and partners to contribute to improving workplace health and well-being and reduce the impact of work-related ill health on the European workforce. The Network is at the leading edge of developments in European workplace health promotion. By means of various *joint initiatives*, it developed good practice criteria for WHP for a variety of types of organisations and established infrastructures for WHP in the Member States. Through these *national forums* and networks ENWHP facilitates the cross-border exchange of information and the dissemination of good workplace practice. ENWHP focuses in its current 5th initiative

on strategies which enable employees to remain longer in work. There are several other organisations and networks of relevance but it is recommended that steps be taken to fully capitalise on the three mentioned above. The Commission could play a key facilitating role in this process.

AEIGP - case evidence of dissemination and networking

The case material of AEIGP shows that there have been awareness-raising campaigns and government policy developments concerning age programmes, better coordination between ministries on the age issue (see Finnish, German and Czech examples), activities of social partners (see the German example of services provided by social partners with regard to age management) and the companies themselves, special networking to reach small and medium-sized companies (Finnish), awareness raising and campaigning by an NGO (UK) and a regional project providing support for the unemployed 45 plus (UK).

RECOMMENDATIONS

The final chapter of the main report draws together the evidence from the case studies, offers some reflections on the notion of good practice in the light of the research conducted, identifies the factors that seem to contribute most to the successful introduction and continuation of age management and the factors that seem to act as a barrier, and makes some recommendations for action at European, national, company and individual level. This final part of the Executive Summary concentrates on the last of these elements by summarising the main recommendations.

At the outset, it has to be stressed that, ultimately, strategies for lengthening working lives can only succeed if much greater progress is made in tackling unemployment through increasing competitiveness and expanding labour demand.

European/transnational level

Recommendations at European level focus on the development of suitable frameworks and support measures on which EU Member States can draw when designing and implementing measures.

- Promote awareness of the potential of age management among national authorities
- Encourage Member States to develop national (or regional) age management programmes
- Promote co-operation among key institutes, networks, agencies and projects in the field of WHP, OSH, workplace development, innovation, adult learning, and strengthen the dissemination of good practice on age management
- Engage in discussions with partners at European level to reveal elements of common interest between generations in the labour market and a more rigorous approach towards notions of inter-generational conflict which does not automatically associate good age management with threats to increase youth unemployment.

National level

- Reform pensions systems to remove distortions that obstruct the potential lengthening of working lives for those who desire it, whilst also taking into account the need for labour market flexibility. A flexible pension system should facilitate retirement over a wider age range according to individual needs.
- Act so as to align public sector retirement practices with those being advocated for the private sector
- Promote effective engagement with key networks concerned with WHP, OSH, workplace development, innovation and adult learning.
- Promote awareness of good age management practices and the co-operation of social partners and citizens through programmes, projects and campaigns
- Adopt a comprehensive approach that adopts a life-cycle perspective rather than focuses largely on employment in later life
- As at the European level, promote a balanced discussion of the notions of inter-generational co-operation and conflict in the labour market.

Regional level / sectoral level

- Provide expertise on age management to SMEs - which are less likely to have access to in-house specialists.
- Provide support (financial or otherwise) for SMEs with regard to life-long learning.
- Incorporate age management perspectives into policy development aiming at greater intra- and inter-sectoral mobility, especially as it affects SMEs
- Build co-operative networks on the aspects mentioned at national level.

Company level

- Implement holistic approaches to age management, adopting a life-cycle perspective and drawing actively on the experience of other organisations, paying special attention to the factors that help to make them sustainable. Strategies at company level that need to be integrated include:
 - improving working conditions and enhancing work ability
 - promoting health
 - increasing internal mobility and flexibility of all age groups
 - implementing career development for all age groups
 - setting up mixed age groups and organising knowledge transfer
 - offering flexible working time
 - reducing or avoiding physically demanding working hours (shift work) and considering deployment of older workers in less busy periods
 - examine the scope for adapting wage and pension systems to reduce incentives for early retirement.

Employers' Federations and Trade Unions

- In the formulation of their strategies employers' federations and trade unions should take a longer-term view.
- In collective bargaining, adopt age management and 'work ability' perspectives to
 - wage policies
 - improving working conditions
 - equal access to training for all age groups
 - negotiating flexibility (work organisation and career development)
 - volume and distribution of working time
 - company pensions

Employers' Federations and Trade Unions can play important roles in raising awareness of age management and provide general guidance to the social partners on how to develop and respond to the implementation of an age management approach.

Trade unions (at all levels)

It has been argued that trade-unions are in an especially difficult position. Nevertheless, our study points to a need for trade unions to develop a clearer strategy in response to demographic change and a need to communicate this to their members.

- In the formulation of their strategies trade unions should take a longer-term view which balances the interests of those members approaching retirement and wanting to retire early, with the interests of those wanting to work on, and with the interests of those members who are young enough to consider alternative pension arrangements that offer them an appropriate mix of flexibility and security with good benefits in proportion to their costs.
- Trade unions should develop a clearer position towards what is in the best long-term interests of their members when dealing with questions of equity in relation to entitlements to company pensions which unduly favour those with longer lengths of service and to removing aspects of pension schemes that discourage mobility and flexibility.

Individual level

Individuals need to take responsibility themselves for maintaining and enhancing their work ability and employability throughout their entire working life, drawing as much as possible on institutional support for life-long learning and career development.