

FORGING NEW WAYS OF THINKING

Dealing with the development and knowledge transfer of ageing employees is not an easy task, but very much a necessity in today's labour market. Imagine for a moment that you are an older employee in a foundry or forging enterprise. Every day you are confronted with tough tasks that demand physical strength and vast amounts of energy. You feel that your body and energy levels are not as good as they used to be but, at the same time, you believe that you are still doing a commendable and competent job in your company. Too "old" to deal with extreme tasks but too "young" to think about retirement, this is a common condition for a large number of workers in the German Westphalia and Ruhr region.

Following the closure of the coal industry and the decline in steel production, the Westphalia and Ruhr region now presents itself as a modern business centre with a strong reputation for technological know-how. Today, the centre is characterised by a multitude of medium-sized enterprises focusing on innovative technologies and products. This picture of success is, however, the result of radical and deep-rooted structural changes that have affected the region's economy and workforce in recent years. New trends in globalisation, coupled with demographic change and the introduction of new technologies, have required foundry and forging companies to modernise and review the competence levels of their staff. This requirement has particularly impacted on older and unskilled workers who represent a significant part of the working population in such companies. Given this context, setting up new kinds of working arrangements to improve the internal mobility and increase the competences of vulnerable workers has been the only way for this kind of enterprise to survive.

The partners in the Equal Development Partnership known as 'GENERA' quickly realised that in order to meet the challenges of the coming years, foundry and forging companies needed to guarantee the personal development of their employees. Consequently, the research and consulting company Soziale Innovation, together with IG Metall, the main Trade Union for the metal sector and DGV, the German Foundry Association, set up a wide variety of services aimed at supporting the employability and adaptability of older workers, enhancing their competences and improving the cooperation between different groups of employees.



Older workers within the forging and foundry industry are confronted to physically demanding tasks and often lack the energy to make heavy metal parts

GENERA's focus was closely aligned with the strategic guidelines of the European Employment Strategy (especially point five of the guidelines). In particular, the project aimed to promote active ageing by enhancing the access of the over fifties to continuing training, setting up innovative and flexible forms of work organisation, and eliminating incentives for an early exit from the labour market.

GENERA's activities produced extremely good results, leading to a brand new way of thinking amongst employers and workers of a very traditional and engrained sector. As Cordula Sczesny, coordinator of the project and consultant at Soziale Innovation, puts it, *"the project was about changing the attitudes of employers and older workers through*

training opportunities and new types of work organisation within traditional companies. Whilst in the beginning scepticism dominated, in the end, older staff and managers were asking for extra training!”

CHANGING APPROACHES AND APPEARANCES

GENERA was mainly conceived with the idea of enhancing the adaptation and employability of older workers in the foundry and forging sector by updating their skills to fit with new tasks and technologies. The recurring problem at the time was that the potential of older workers was more often than not underestimated by employers. The senior management did not know how to take advantage of the competences and experience of their mature workforce and were often pushing them towards early retirement. Over the previous two decades, early or partial retirement had been an important instrument in German labour market policy. Generous early retirement provisions had provided an effective instrument for companies to shed older employees, with the costs being partly met through the social security system. Even where the German government had changed various legal provisions in order to stop or slow down this trend, the practice was still very much embedded in the minds of both employers and employees.

How to keep older workers in the company as long as possible? How to adapt them to new sorts of flexible production and, at the same time, stimulate and transfer their skills? Answers to these questions are not self-evident if you are dealing with them for the first time. However GENERA addressed them by devising a new and unique combination of provision for the sector. Not only did the project set up flexible training courses for unskilled and semi-skilled workers, but it also analysed the age and skills patterns of companies and designed tailor-made modules of competence transfer between different generations or different groups of employees. Moreover, it brought together different forms of working arrangement such as working in “tandem” and job-rotation. All of this helped to address the needs of the sector, companies and employees alike, as well as overcome any initial resistance to change and learning. Cordula Sczesny explains:

“Everybody says that older people are unable to learn, that it’s too late. Maybe you can’t force them to go back to school, but they can still learn within their workplace. They have to see how things work and what they have to do.”

Overall, twenty companies in the foundry and forging sector participated in the project, which led to a total of 435 employees and 100 managers participating in training courses. Furthermore, 54 unemployed and migrant workers were hired after having benefited from GENERA’s training.

Beyond the training and associated work initiatives, GENERA also developed activities to tackle the popular prejudices against the foundry and forging sector in general. Despite the efforts of associations and companies to improve the image of foundries and forges, they were still seen as representing an old and dirty sector of the steel industry. People usually thought that the associated jobs were physically demanding and technically uninteresting, and young school leavers often preferred to look towards other areas of employment. In line with this trend, foundry and forging companies had been experiencing a growing shortage of young staff whilst, on the other hand, the proportion



of older employees was constantly growing. In order to tackle this trend, GENERA did not only provide training for older workers but also set up an awareness-raising campaign for school leavers to inform them about the benefits of working within the sector. After having established contacts with schools in the region, GENERA partners organised short information sessions for

pupils. The message conveyed was clear: foundry and forging industries are not as bad as you imagine! These initiatives received significant praise from the audiences involved.

MOVING FROM A VISCIOUS TO A VIRTUOUS CIRCLE

Bochumer Verein Verkehrstechnik GmbH, a medium-sized enterprise based in the Westphalia region, was one of the companies participating in the project. The features of the company were common to the majority of foundry and forging enterprises in the area: a high proportion of older, unskilled and semi-skilled workers, and a growing shortage of young and qualified employees.

Producing day after day wheel sets, wheel tyres, axles, seamless rolled rings and wheel sound absorbers is very physically demanding work and older employees often lack the energy to make heavy metal parts. However, as they have been doing the same task their whole lives, they usually lack the skills required to do other jobs and, as a result, are forced to stay where they are. How can the company break this vicious circle and find a way to increase the mobility of the over fifties? Dietmar Halbeisen, Manager of Bochumer Verein Verkehrstechnik GmbH, was very concerned about this negative cycle in his company: the frustration of his older employees was growing, whilst the production chain was becoming more and more inflexible. He therefore decided to invite GENERA to set up a long-term training plan for his employees. When the idea of training courses was firstly introduced to the staff, some of them appeared to be a bit sceptical and doubtful. They couldn't really understand the purpose of such a big innovation. However, they still paid a great deal of attention to Cordula's explanations:

“They were a very attentive audience. For me, it was essential to explain to them in simple and straightforward words the necessity to getting trained, and to make clear that nobody wanted them to be fired.”

A pilot group of 35 workers was firstly set up, which went through an initial skills assessment and then follow-on training. One quarter of the group had a prior education that was not related to the job they were doing, whilst 65% of them had no technical training at all. This showed that the skills and competences required for them to perform their tasks were entirely acquired through years and years of practice in the workplace!

The expertise necessary to undertake each task of the production line was firstly analysed through discussions with the employees, and was then presented in the form of a short written profile. Which equipment do you use? What are the problems that you encounter more often? How do you solve them? By answering these basic questions, older workers could decrypt their tacit knowledge and create an inventory of actions and recommendations, which could be easily used as a reference book within training sessions. This type mapping also enabled the creation of “tandems” for the transfer of know-how from experienced workers to younger staff, or between workers of different departments. The way in which the “tandem” approach operated was by pairing up more and less skilled workers on the same task or in the same workplace so that the former could transfer competences to the latter. After two to four months of working in “tandem”, the less experienced worker was able to replace his or her colleague, and thereby perform several tasks in the production line – which had not been the case previously.

However, training is a long process and, in business terms, time means money. In order to enable employees to be trained without losing precious working hours, eight people were hired for a period of two years, incorporating an established process called job-rotation. While the employees acquired new competences and skills, their work was covered by the new recruits, thus enabling the continuation of production.

The creation of new synergies amongst the workforce had several positive influences, both on the staff and on the company. First of all, the employees had a far more extensive understanding of the whole production line. Where as before they had focused exclusively on their own segment, after the project they knew what their colleagues in neighbouring segments of the line

were doing. This understanding enhanced the quality of everybody's work as employees were better able to anticipate and avoid faults that could hinder work along the line. Moreover, the training enhanced the mobility and flexibility of the workforce, which proved particularly positive for older members of the team.

The situation today in Bochumer Verein Verkehrstechnik GmbH is that employees are able to work in different segments of the production line and therefore replace their older colleagues in the most physically demanding tasks. In this situation, older workers are no longer under pressured to retire; if they don't feel comfortable with a task, they can move to other segments of the production, being replaced by younger and fresher arms.

When asked what has changed in his enterprise, Dietmar Halbeisen answered: "*GENERA has changed the mentality of the workers and the whole company's management. For the first time in 45 years of work within this business, I have seen a real change. Before, the production was inflexible and the tasks limited. Now the employees have competences in different fields of the production line, and a regular rotation and mobility within the departments is possible. The workers are less fearful of being fired, as they're more qualified than before, whilst production has become more competitive. It is an innovative, new way of thinking about how to manage the workforce and production from a long-term perspective*".

To sum up, job rotation and training in the workplace developed new qualifications and competences, which enhanced the flexibility of the production line, which in turn increased the output and competitiveness of the companies. As such, GENERA set up a brand new virtuous circle.

A BEACON OF SUCCESS FOR OTHERS

The original character of the training and working models developed by GENERA had a positive impact on other sectors of the German steel industry as well as on other organisations. Thanks to the contributions of the project's strategic partners, as well as the distribution of several brochures and leaflets describing the tools developed, GENERA gained a high degree of visibility at regional, national and European level.

One of the strategic partners, Stahl (which groups together the Steel Institute VDEh, the German Steel Federation and other organisations and institutes of the steel industry) set up an awareness-raising campaign aimed at promoting training, tandem learning and job-rotation to steel companies. As a result, they anticipate that the adoption of GENERA's tools and approaches will benefit the wider steel industry, which shares similar characteristics to those of the foundry and forging sector.

Another positive outcome for GENERA was the visible support from the companies themselves. Company executives who participated in the project's training sessions went on to advertise and promote GENERA's activities to other colleagues. "*I was so enthusiastic about the GENERA experience that I did not miss any opportunity to tell my colleagues how good it was!*" said Dietmar Halbeisen. This use of companies to champion the project through business networking and word-of-mouth proved extremely effective in terms of dissemination. Companies were more inclined to take on new approaches and ways of working if they had been tried and tested – and most importantly endorsed – by their peers.

As far as the impact on institutions is concerned, Dietmar Halbeisen was recently involved in informing representatives from the Ministry of Economy and Labour in Berlin about the benefits of setting up innovative training plans in traditional companies. During a meeting held in June 2005 with the relevant public authorities, he presented his company's experience and showed how GENERA had changed his staff management introduced new flexible arrangements, leading to enhanced competitiveness in the marketplace. His particular speech aimed to raise the awareness of policy makers towards the needs of companies and vulnerable workers in the steel industry. His message was made clear: the restructuring of companies should not only be the

concern of enterprises, but also of institutions - both at national and regional level. Company managers from different European countries also attended the meeting. They explained the experiences, successes and obstacles that they had overcome, which added value to the overall discussions and debate.

Overall, these dissemination initiatives that directly involved employers were highly instrumental in promoting GENERA as a beacon of success to a wide range of audiences: public and private, national and European.

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