

More years of life, more years of work: active ageing challenges and businesses age management practices

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Introduction

Starting from the 2012 European Year for Active Ageing and Solidarity between Generations it is the more and more accepted that population aging has not to be dealt only as a challenge for the welfare systems, but also as a source of opportunities. Indeed, implications of working population aging can be detected both at individual and at business level. At individual level, an expected longer life will result in a prolonged working life, with more and differentiated career paths; moreover, a more satisfying quality of life could be achieved with a better distribution of working time throughout the life course. Businesses, in turn, could seize the opportunity of the increased availability of workforce which is, on average, older and highly motivated: the average age of actual retirement is increasing and there is evidence that many older people welcome the chance to stay longer at paid work, not only for purely economic reasons, but also for the intrinsic interest in work, social commitment and the sense of belonging to the company.

Many initiatives have been proposed by EU Commission aimed to improve the working conditions for the growing numbers of older people in Europe, to help them take an active role in society, to encourage healthy ageing and to strengthen solidarity and cooperation between generations.

A strategic role is played by the objective “Work and Productivity”, which should provide guidance to Business for a better use of the experience and abilities of older generations of workers; rethink the forms of work organization; review the approaches used in the process of recruitment.

The process of promoting active aging in the workplace implies a system of business strategies called “Age Management”, aimed at leading the competence transfer between generations, monitoring and supporting the time and procedures of retirement, exchanging knowledge between youngest and oldest workers (reverse mentoring) and other good practices such as life-long learning, and the monitoring of workers’ health with periodical medical checkups.

The aim of this paper is to reflect on the implications of demographic aging on Italian businesses workforce and its management. We address the topic by illustrating the results of two recent surveys, conducted on two samples of large and small-medium enterprises respectively, held by ISFOL (the Italian Institute for the Development of Vocational Training of Workers).

Data

In 2013 ISFOL carried out two sample surveys among the Italian enterprises with the express purpose of evaluating if and how they are addressing the new challenges at the organizational and management level. The first survey included a sample of 152 companies with over 250 employees (“large companies”); the second, a representative sample of 2,000 small and medium sized enterprises (SMEs) with 10 to 249 employees. Both samples were randomly extracted from the National statistical archive of active enterprises (ASIA), on the basis of their economic sector, dimension and geographical location.

The aims of the surveys were the following:

- in the case of large companies, surveyed with a qualitative approach, the focus was on the contextual conditions and specific issues (skills obsolescence, skills shortage, generational turnover,

etc.) which have led businesses to articulate age management strategies; and to detect the presence of management practices defined as "good practices";

- in the case of companies of smaller size, the perception of aging process and the expectations regarding the elderly workforce have been explored by a quantitative approach, as well as management choices, namely in relation to the development strategies pursued by the company.

In both cases, the following dimensions of Age Management were explored:

- Recruitment and staff selection;
- Formation;
- Career paths;
- Protection of mental and physical health;
- Exit from workplace.

Results

The qualitative survey among the large-companies allowed to detect a significant number of established "good practices", but also of "promising practices". These testify an attempt to identify specific tools solicited by the aging processes and developed within an increasing cultural attention toward a more responsible management of human and other resources.

In particular, it is observed: a solid awareness of the problem; an analysis of the demographic structure of the company; the recognition of the needs of mature staff; the design and launching of pilot projects; the verification and evaluation of results for the implementation of proper initiatives.

The survey on SMEs leads quantitative data on the theme of the difficult relationship between the market strategies and those of the human resources. Only 35% of the Italian SMEs in 2013 said they had seen an increase in the average age of their human resources. The perception of aging is reported with higher frequency in the medium-sized companies (44.8% in those between 50 and 249 employees), in the industrial sector (39.9%) and in general in the North East (38, 8%). There is a weaker "perceived" matter between the firms in the South (29.7%) and among companies of smaller size, especially in the field of basic services and construction where over 50 workers represent a major component of human resources.

The majority of the companies (68%) tend to consider the working aging a factor neither beneficial nor disadvantageous. As indicated by many findings in the literature, SMEs seem to be a more "inclusive" context for the older labor force. Aging is read basically within a dimension of "value". Those who consider aging a value and an opportunity are about twice those who consider it as a problem for their business (21.6% versus 10.4%), and these statements are slightly more frequent in the case of enterprises operating in industry (24.1%), in the South (24.1%) and the North West (23.4%).

However, the higher the enterprise's size the higher the worrying for the workforce aging: the percentage of those saying that aging is an opportunity decreases from 22.8% among the SMEs with 10-19 employees to 18% among the 50-249-employee enterprises.

Companies active in the industrial sector report a negative relationship between the workers aging and the possibility to introduce new technologies (14%), the difficult adaptability of older people to new jobs (12.2%), the demand for flexible working hours (9.9%) and more generally to organizational change (9.6%). Among the advanced services too, the increase in the average age of the workforce is defined as critical.

Differently from the large companies, among the Italian SMEs practices of Age Management are quite rare. For example, as far as the skills and knowledge transfer among generation is less developed than expected.

Only 36% of businesses say that their employees over 50 never play this role, while for another 14.3% it happens only rarely. The remaining half is divided between just under 30%, which declare

that this function is carried out from time to time and presumably in an irregular manner, 14.5% that reveal a frequent recourse to this mode of transmission of corporate knowledge and just in under 6% of cases the recourse to the role of tutorship of older workers appears to be an established practice.

With increasing size, the practice to use older workers for the transmission of knowledge and skills increases. In the enterprises between 50 and 249 workers, those over 50 are found to exert this role always or at least.

Among the various productive sectors, it is significant that the companies in the service sector with high added value are those which record the lowest percentage of recourse to the “silver workers” as trainers / tutors, while businesses operating in the other economic sectors appear practically aligned each other.

Acknowledgment

The paper is the result of a project granted by Sapienza University of Rome “More years of life, more years of work: active ageing challenge and age management strategies”, in collaboration with ISFOL. We also thank the extended ISFOL research group (Maria Luisa Aversa, Roberto Angotti, Stefania Belmonte, Pietro Checcucci, Roberta Fefè, Luisa D’Agostino, Sante Marchetti, Camilla Micheletta, Maria Parente, Giuliana Scarpetti, Vincenza Tersigni) that kindly made the two cited surveys’ results available.

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