



Eurofound

Living longer – Working better

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Introduction

Of all the future challenges facing labour markets in Europe, none is more certain than the demographic imbalances resulting from the lower birth cohorts after the post-war 'baby boom' and the continual increase in life expectancy. Indeed, this has already led to a significant shift in the age structure in practically all European countries.

Longer life is obviously a good thing and a slower population growth is not a problem per se. The problem is that during the demographic transition, before lower birth cohorts even out the age structure somewhat, there are significantly fewer people of (current) working age relative to those not working, and due to prolonged life expectancy, particularly with respect to older people. The problem is clear: at current levels of labour force participation (and working time), net immigration and labour productivity, the ageing of our societies leads to lower GDP per capita. Moreover, at current levels of pension entitlement and income, it seriously threatens the financial solidity of the social security system. The distributional impacts are also likely to be significant, not only between the young and the old, but also within age groups. Some will be able to adjust their lifetime labour force participation and get secure pensions, others will not.

However, while the age structure prognosis is likely to be quite reliable (especially as regards older ages), the assumptions cited above are much less certain, particularly as regards future labour force participation. By definition the input of labour into the economy is the employment rate of each age group, the length of their working life and how many hours they work per year. The potential for increasing the overall employment rate and the length of working life is enormous in Europe. The re-employment of the millions of people currently unemployed highlights the fact that the ageing challenge is not a matter of immutable demographics, but rather how we manage our economy in general and the labour market in particular. Moreover, the employment rates of older workers in Europe vary significantly and thus highlight that the length of working life is not primarily due to the absolute biological limitations of ageing, but to the organisation of working life at the workplace as well as in the institutional setting of the labour market and the prevailing attitudes in our societies.

This paper cannot address the wider issue of an overall improvement in employment rates for the entire population. It must be underlined, however, that a return to full employment is essential for a satisfactory resolution of the demographic challenge. The scarring effects of unemployment for young people in particular may have a long-lasting impact on Europe's capacity to meet the demographic challenge (see, for example, various recent and forthcoming Eurofound publications of the NEETs project: 'not in education, training or employment').

Instead, this paper focuses more specifically on ageing. This will be done primarily by focusing on older workers on both sides of the traditional pension age of 65. However, ageing is obviously not a state (of being old), but a process throughout working life. Just as individuals who prepare physically, financially and socially make the best transitions to old age, workplaces that have age management policies for the entire workforce and societies that have a life course perspective on ageing will best meet the demographic challenge. The basic message of a major OECD study on the topic is well encapsulated in the report's title: *Live longer, work longer* (OECD, 2006). This must surely be a crucial aspect of policy to address the ageing issue. However, it is vital to realise that the capacity to work longer is determined by working conditions throughout working life. The perspective of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) is thus 'living longer – working better'.

This paper starts with an exploration of some aspects of current working life that are considered conducive to a long working life. It is based on data from the fifth European Working Conditions Survey (EWCS, see references list). It is

followed with some evidence on the expectations of the current labour force to remain in their current job, even towards the end of their working life, and how the variation in these expectations is related to aspects of their current job.

The next section focuses on workers who are approaching the typical pension age. The massive variation in the employment rate of workers aged 55 to 64 indicates that it is possible to increase employment for this age group in many Member States. While much is related to social security systems and attitudes, the paper also examines company practices intended to facilitate the employment of carers as well as age management at restructuring.

A striking feature of the recent recession has been the resilience of the employment rate of older workers. This is particularly the case for the over 65-year-olds. The final section highlights this trend and, drawing upon the findings on the nature of work that they perform, explores some company initiatives aimed at facilitating their employment.

Sustainable work

The obvious fact that ageing is a process and does not start at a particular age should be emphasised. To a significant degree, the state of our health, skills and motivation for work are due to what has happened previously in life. Recent research has led to a better and more nuanced understanding of how the ageing process affects the individual's productive capacity. Contrary to common perceptions of continual decline in factors contributing to productive capacity after a certain age, there are both gains and losses in adult development over time. While on the one hand 'cognitive mechanics' (e.g. processing speed) decline with age, 'cognitive pragmatics' (e.g. experience-based knowledge) increases up to around the age of 55 to 60 years and then remains stable until around 85.¹ Similarly, while openness to new experiences declines with age, emotional stability, agreeableness and conscientiousness tend to increase. A successful management of ageing over the life course will mitigate against the decline of some of these factors and exploit the potential of others. There is quite firm evidence that cognitive ageing can be diminished by intellectual engagement throughout the working life, which can be provided both by training and a challenging job. Furthermore, it is not just people who change with the passage of time – the tasks required for a job typically change too. The match or fit of jobs and workers is important in general, but increasingly so with age.

As the productive characteristics of the old and the young differ considerably, there is great potential for diversity management to exploit the complementarities of these characteristics and to promote the scope for mutual learning between generations. Company health management is also mentioned in the research literature, not least regarding the negative impact of chronic stress, but it is also underlined that a more holistic approach is important. The potential for company-level initiatives regarding, for example, diet should not be underestimated. Finally, the literature also considers the perceptions of ageing to be very important. An organisational climate that promotes an understanding and appreciation of the image and productive potential of older workers is crucial, not least for the self-image of older workers themselves.

¹ These concepts and much of the empirical finding come from the work of P.B. Baltes and colleagues at the Max Planck Institute for Human Development. See, for example, Baltes et al (2008).

Factors leading to a sustainable working life

Recent trends in working conditions as measured in the European Working Conditions Survey (Eurofound, 2012a) suggest only minor changes in many of the aspects of working life that are expected to lead to more active ageing. In particular:

- While workers are working shorter hours, work has become more intense.
- There have been only limited changes in the cognitive dimensions of work and in having to learn new things.
- Autonomy indicators also show very limited change.

On a more positive note, some progress can be seen in heightened awareness of health and safety issues and a decline in self-reported health and safety risks. The proportion of workers in the EU27 who feel that their health and safety is at risk fell from 31% of workers to 24% between 2000 and 2010 (in the EU12, it fell from 40% in 1991 to 28% in 2010). This may partly reflect the better provision of information regarding health and safety, as the proportion of workers who report that they are very well or well informed on health and safety risks related to the performance of their job has increased – up to 90% of workers in 2010.

The survey also finds some encouraging results as regards training. In the 2010 survey, training paid by employers was at its highest level since 1995 (for the EU15), with 34% of workers receiving training in the 12 months prior to the survey. This is a break in a 15-year trend in which employer-provided training had not increased (the figure actually declined between 2000 and 2005). Furthermore, on-the-job training also became more prevalent, involving 24% of employees in 2005 and 30% in 2010.

Older workers receive less training than average, with 30% of those aged over 50 years receiving training paid for by their employer, compared with 36% of workers aged between 30 and 49 years. However, this disparity has eased somewhat, with the proportion of older workers receiving training rising by 7% over the last 15 years, as against a rise of only 4% for the younger group.

Expectations of the current workforce

For the past 10 years, the European Working Conditions Survey has monitored whether workers believe they would be able to do the same job when they are 60 years old. Respondents are offered three alternatives: ‘yes I think so’, ‘no I don’t think so’ and ‘I wouldn’t want to’. In 2010, over half (59%) responded positively to the question. Positive answers increase with age (73% of men and 70% of women aged over 50). A quarter of workers in Europe think they would not be able to do the same job when they are 60 years old and less than a fifth (16%) report they would not want to. Over 70% of workers in Germany and the Netherlands feel they would be able to do their job at 60, compared with 26% of workers in Slovenia. These percentages correspond roughly with the actual percentage of older workers in their country’s workforce. Out of the 10 Member States with the lowest percentage of workers expecting to be able to do their job at age 60, seven are also in the bottom 10 in terms of the proportion of workers aged 50 and older in the workforce.

The perceived sustainability of jobs varies considerably between sectors. In sectors where work tends to be physically demanding, workers commonly think they would not be able to do their current job when they are 60. Only in the financial services sector does the figure exceed 70%. In contrast, only slightly more than half of the workers feel the same way in the agriculture, wholesale and retail, food and accommodation, industry and transport sectors. With regard to perceived sustainability, occupations can be roughly divided into two groups:

- managers, professionals, technicians and clerical support workers;

- service and sales workers, skilled agricultural and fishery workers, craft and trades workers, plant and machine operators, and workers in elementary occupations.

Workers in the second group are much less positive about their job sustainability than workers in the first group. In general, men and women in the same type of occupation do not differ much in terms of their perception of job sustainability. However, there are some exceptions, with male managers, professionals and plant and machine operators being more positive than their female counterparts.

Running a series of logistic regression models confirmed the importance of the following: work–life balance, job strain and active jobs, harassment, exposure to ergonomic risks and ambient risks, workplace innovation, which is associated with the say of the worker, having career prospects as well as being well paid, and the ability to do quality work. It is clear that health matters in the issue of sustainable work. It is also noticeable that favourable working conditions increase the level of reported sustainability of work. Human resources policies that develop workers are also key in this respect. Other results were:

- Autonomy plays a protective role and work intensity plays a deterrent role. Workers in low-strain and active jobs report higher levels of sustainability than others.
- Work–life balance is important and is positively associated with the sustainability of jobs.
- Working time duration seems to have a limited impact: levels of reported job sustainability remain the same in the case of long working hours. Being able to take some time off as well as having some autonomy in relation to taking breaks, etc. are positive resources.
- Experience of discrimination, violence, abuse, bullying or harassment are associated with reduced levels of job sustainability.
- Less physically demanding working conditions are associated with a higher prevalence of job sustainability.
- Social support from colleagues and managers plays the expected role: high support is associated with a higher proportion of positive answers to this question.
- Job insecurity is associated with lower levels of job sustainability.
- Not having monotonous tasks is assessed positively in terms of job sustainability as well as cognitive dimensions of work.
- The highest levels of workplace innovation are associated with higher reporting of job sustainability.
- Intrinsic rewards are associated with higher levels of job sustainability.

In terms of relative effect size, two factors stand out: exposure to posture and movement-related risks (standing, carrying heavy loads, repetitive arm movements, etc.) and subjection to harassment. Other factors that have a relatively large effect (but which are about half of that of the other two) are work–life balance and career prospects, which both have a positive effect.

However, the overall trends are remarkably stable. When answering the question ‘Do you think you will be able to do your job at 60’, 57.1% responded ‘yes’ in 2000. In 2010 the corresponding figure was 58.7%.

Promoting the employment of 55- to 65-year-olds

While the previous section underlined that a life course perspective is essential to ensure that workers are prepared and able to maintain labour force participation even when they become older, it is of course logical to focus explicitly on issues of particular relevance for older workers. Moreover, the variation in employment rates among these workers indicates that there is much scope for improvement in Member States. Much of the big variation in employment rates among older women illustrates the vital importance of a life course perspective, as the labour force participation of cohorts now aged between 55 and 64 was determined much earlier in their working lives, not least in the context of family life with children. In this section, however, the focus is placed on two issues. The first is also strongly related to another source of variation between Member States, namely older workers and restructuring. The second is how to address adult care responsibilities for this age group in order to combine care with work. With a rapidly increasing share of very old people in our societies, this is of increasing importance for their children, who are often in the 55 to 64 age group.

Care responsibilities

It is well known that childcare is important for the labour supply of parents and that the provision of good childcare services is crucial for the labour force participation of women in particular. It is now becoming equally obvious that the same applies to care of the elderly. As the typical family carers of old people are adults in the latter part of their working life, i.e. already prone to withdrawal from the labour force, one might argue that the provision of caring support can have an even bigger impact than the provision of childcare. Care is becoming increasingly important for the employment of older persons.

In 2011 Eurofound published a report, *Company initiatives for workers with care responsibilities for disabled children or adults*, based on 50 case studies of company initiatives for working carers from the 11 participating countries. The key findings were as follows.

- **Awareness-raising is often needed within companies:** Levels of awareness and knowledge at the company level in relation to the specific issue of working carers often seem to be much lower than in relation to working parents. Because of this, efforts to raise awareness of the working carer issue amongst managers, supervisors and staff within the company are an important element of the approach in many of the cases.
- **Companies are providing both work-related and care-related supports:** Although approaches focusing on work-related measures (leave, hours reduction and work flexibilities and accommodations) are most common, many of the cases also provide examples of how employers are providing care-related supports (such as information, counselling and concrete supports for costs of care or in finding care services).
- **A combination of both targeted and universal approaches seems especially effective:** Such approaches explicitly identify caring as an important work–family balance situation that may be experienced by employees. They ensure that carers are known and have access to relevant universal provisions for the workforce. They also provide specifically carer-oriented measures to cater for needs that cannot be met through more universal provisions.
- **Employers are recognising the ‘win-win’ opportunities in this area:** Addressing the work–family balance needs of working carers, some employers have formally presented their policies as ones that aim to simultaneously address business and employee needs.
- **The pivotal role of line managers:** The day-to-day resolution of working carers’ needs typically occurs through individual negotiation with line managers. Although initial resistance from line managers seems to be quite prevalent, the cases show how this can be overcome through efforts to raise awareness and to support and equip line managers to take account of the needs of working carers.

- **An issue for both men and women:** In addition to linking company-level approaches on working carers to policies around equality for women, such as addressing the fact that women are more likely to opt for long-term leave and/or to experience negative career implications, some of the cases indicate a growing recognition of work–care balance issues for men.
- **Avoiding the need to leave employment/facilitating the return to work for carers:** A number of cases show how employers have been motivated to provide company-level measures for carers in order to help retain staff as well as to avoid the need for staff to take long-term leave unless it is really necessary or desired. Where long-term leave has been taken, companies are making efforts to maintain contact with those on leave and to facilitate their return to work. Some of the cases show how employers in tight labour markets wish to ensure that carers are not excluded in their recruitment efforts.

Leave provisions are of particular importance in allowing an employee to combine caring and employment. Some of the interesting initiatives are presented below.

Examples of leave-related provisions

Extended eligibility and part-payment (Insurance company, Netherlands)

This company has gone beyond the minimum Dutch statutory requirements (Work and Care Act 2001) on carer's leave in a number of ways. One aspect concerns the spectrum of carers covered: the company makes carer's leave available not just to carers of close family members, but also in cases of care for friends, neighbours and other relatives. The conditions of longer-term leave are also better than the statutory minimum, with the company providing part-payment (it pays for half of the number of leave hours taken) up to a maximum of one month's salary per long-term leave period.

Additional leave days, 'give and take' on pay (Cosmetics manufacturer, Netherlands)

Again, this company has gone beyond the minimum Dutch statutory requirements (Work and Care Act 2001) on carer's leave. Each employee is entitled to five extra care leave days per year in addition to the minimum in the national regulations. These can only be used for caring (not for extra holidays) and are fully paid by the company. It applies in caring situations involving admission to hospital of the employee's own children (up to 16 years old), illness of young children at home who cannot be looked after by others and care-giving for close family members (specifically, final or acute care for bedridden persons who depend on the care of the employee). Some flexibility is possible if more than five days are needed; for example, a 'give and take' approach might be provided where the cost of the extra care days is shared equally by the employer and employee.

Continuity of contact through participation in training (Regional public authority, Germany)

During longer-term care leave, employees are invited to participate in training programmes or to enrol in further education courses. The objective is to maintain a close link to the employee who is on leave in order to ease reintegration and to reduce the probability of non-return. The positive feedback received from employees who have been on longer-term leave confirms that these efforts are much appreciated and have strengthened their commitment to the employer.

Contact during longer leave, support on return (Energy company, UK)

Apart from shorter-term leave provisions, the company's carer policy states that a 'career break' may be appropriate where longer-term caring responsibilities are involved. If a career break is approved, full support (including retraining where necessary) will be provided when the employee returns to work as well as during the career break itself. The line manager will keep in touch with the employee and offer support wherever possible, although the employee may choose to contact their manager more frequently, should this be preferable. The employee will continue to receive all appropriate company communications unless they request not to receive them. A date to review the arrangements entered into will be agreed at the start of the career break.

Continuity of contact and support for reintegration after leave (Telecom company, Austria)

This company has recognised that successful re-entry after a period of leave can be considerably aided by preparatory initiatives taken before the leave commences. Written guidelines are being prepared to support this, addressing both the workers and line managers. A full-time position for a person in charge of ‘leave and reintegration’ has been created. Continuity of contact during leave is also encouraged, including the possibility of being kept informed of what is happening in their unit while on leave.

The Eurofound (2011) report provides similar useful case examples for hour reduction schemes, work-related flexibilities and accommodations (e.g. flexi-time and teleworking), care-related support (e.g. information/counselling, training in caring for carers) and financial supports. Some companies have extensive and multidimensional approaches.

Age management at restructuring

While the differences in the employment rates of older women depend on a range of gender issues throughout the life course, including caring responsibilities, the significant differences in employment rates even among older men would suggest that it is the maintenance of older male workers in the labour force that is of great importance.

Brugiavini et al (2008) find ‘that institutional differences between countries explain much of the cross-national differences in work and retirement, while differences in health and demographics play only a minor role’. Tatsiramos (2010) finds that in countries with institutional provisions for older unemployed persons that offer a pathway to early retirement, older displaced workers exhibit lower re-employment and higher retirement rates compared to the non-displaced. Many of these differences are an institutionalisation of restructuring practices from the 1970s and 1980s.

The resilience of the employment rate of older workers in the recent recession is not just related to age management practices in companies and cannot be divorced from the overall policy developments. Eurofound (2012b) found that the relevant changes in the institutional and legal framework include:

- raising the statutory pension age and eliminating male–female pension age differences;
- reducing incentives for early retirement;
- sickness/disability benefit reform;
- anti-discrimination policy.

The Netherlands has agreed in principle to raise the statutory age for retirement and extend incentives for employee training to prevent early exit. Austria reformed the partial retirement option further to be a genuine part-time work model for older workers. Hungary, the Netherlands and the UK also reward those employees postponing retirement with additional pension accruals for each year worked beyond the retirement age (in the Netherlands, up to the age of 70).

The various company case studies find some shift away from encouraging early retirement, with more emphasis placed on various forms of ‘downshifting’, such as reduced working time or gradual/phased retirement. Nonetheless, as the case studies attest, early retirement remains in employers’ toolkits, as there were as many cases where the share of older workers had increased as decreased.

Several of these case studies prioritised intergenerational knowledge transfer. This transfer can consist of succession planning, involving older employees in establishment training and recording the (often tacit) knowledge accumulated during their career. Examples are the Mol Group in Hungary and Kiruna Regional Administration in Sweden. In some cases, involving older employees as training mentors was a response to the crisis, as training budgets were reduced.

There were several cases of partial or flexible retirement. One example is the flexible retirement policy in use by Cambridgeshire County Council in the UK. The policy provides eligible employees (aged 55 and over with a minimum of three months' membership of the pension scheme) with the right to request a permanent reduction in working hours (20% or more) or request a transition to a role with downgraded duties/responsibility while at the same time availing of accumulated pension benefits. In the Ford manufacturing plant in Valencia, a majority of blue-collar workers aged 61 and over participate in the government-supported partial retirement scheme, which allows older workers to reduce their working hours by up to 85%. Even though there is an obligation to employ one younger employee for each partially retired employee, the scheme remains cost effective from an employer perspective given the significant seniority premia enjoyed by older staff in the company. Borealis Agrolinz Melamine GmbH (Austria) started using the partial retirement scheme more extensively during restructuring after the economic crisis of 2008, coinciding with the reforms to the scheme made by the Austrian government.

Promoting the employment of over-65s

With the continual improvement in the health of older workers, the distinct demarcation between life and pension around the age of 65 is becoming increasingly blurred. As a reflection of this, changes in the pensions system and statutory retirement age make 65 less of a watershed in working life. Moreover, ongoing shifts in perceptions of work and the sharply increased financial necessity arising from the recent recession have led to a significant increase in employment rates for those aged over 65. In the fourth quarter of 2005, 8.9% of this age group were employed. In the same quarter of 2011, the corresponding figure was 10.8%. Thus, the typical focus on older workers defined as aged 55 to 64 is too limited. The following section shows that employed over-65s are a quite different group from employed 55- to 64-year-olds and are working under quite different circumstances. Policy and company initiatives to promote their employment should thus be aware of these differences and design policies and practices accordingly. The second section examines recent company-level initiatives to promote the employment of over-65s.

Employment situation

Employment among the over-65s declines sharply with age. In 2011, the EU employment rate of 65- to 69-year-olds was 10.8%, 5.2% for those between 70 and 74 and 1.2% for those aged 75+. Employment rates for older workers vary greatly between Member States. In 2010, 20% of 64- to 69-year-olds were employed in the UK, while the corresponding figure in France was 4%.

The employed over-65s are a rather heterogeneous group and they work for many reasons. Some work due to the inadequacy of their pension income, while others may have an intrinsic and voluntary preference to work longer. Their employment rate growth is also attributable to their capacity to obtain work, largely due to their skills and health, attitudes to older workers and, of course, the state of the labour market in general. Research indicates that the intrinsic value of work (including social ties) and health are particularly important factors compared to other age groups. See Inceoglu, Segers and Bartram (2012) for some good empirical evidence and a review of the literature.

Twice as many men than women work in the 64–69 age group, though this gap is declining. It is also the better educated who work longer. Almost 57% of these older workers work part time. This is significantly higher than the 20% reported for 55- to 64-year-olds. The same applies for self-employment, with 50% self-employed compared to 14% for those of working age. However, farmers dominate this group. Meanwhile, 17.8% of over-65s have temporary contracts compared

to 6.7% of 55- to 64-year-olds in the EU27.³ It is also striking that a far larger share of over-65s state that their temporary contract is voluntary than for the younger workforce. Thus, the working over-65s are a rather different population than those between the ages of 55 and 64 and often choose to work for different reasons.

Company initiatives

While the policy world has abundant examples of company initiatives to promote the employment of 55- to 64-year-olds, much less is available for the over-65s. This is particularly important when one considers, as was shown in the previous section, that these are quite different groups of people employed under quite different circumstances. While some of the appropriate policies and initiatives for the over-65s are similar to those aged under 65 (e.g. health and caring issues), the design should be somewhat different and with a slightly different emphasis.

One very important dimension of many of the employed over 65-year-olds is the voluntary nature of their participation in the labour market. Older employees are more motivated by intrinsically rewarding job features (e.g. autonomy, personal principles) than extrinsic ones. Another important feature of employment promotion initiatives for over-65s is perceptions of ageing. While there is a growing understanding of the lack of significance of the 65-year-old watershed in working life, it is still the case that some people believe over-65s do not belong at the workplace. These perceptions may also be reflected in the self-perceptions of the retirees themselves. Furthermore, working past the statutory pension age presents many difficult administration issues, not least as regards labour law, taxation and pension rights. Many workers are not fully aware of the possibilities of working past retirement. Thus, when devising company initiatives to promote employment among over-65s, employers should take account of the special motivation issues for these workers and their information needs, both as regards perceptions and clarifying the often complex institutional and legal issues. The two cases below from Eurofound (2012, forthcoming) illustrate these issues.

Centrum Techniki Okrętowej S.A.

Sector: Publicly owned (Ministry of Treasury) joint-stock company: ship design and research centre, with research and development in water-borne transport and shipbuilding

Employees: 140 permanent and 20 contract-bases (10 working retirees)

Gender balance: 31% female

Most employees (60%) are highly educated within ocean engineering and ship technology as well as mechanical engineering. On average, its employees work around five years beyond retirement. Nevertheless, it was reported that due to recent perceived uncertainties about the possibilities of combining paid work and pensions, many people chose to leave the labour market when they reached the statutory retirement age.

Retirees usually work part time or flexi-time with a permanent or temporary contract. The type of employment and time distribution depend on the company's current and future needs as well as the willingness of the individual employee. In the discussion on work after retirement, both parties consider aspects such as health status and family aspects. In order for the initiative to work, there should be clear descriptions of requirements, i.e. tasks, duties, evaluation criteria, availability of the retiree in light of working time (hours, working days).

² Note that in some countries, open-ended contracts are not permissible for retirees.

The company seeks to retain retirees who can act as consultants or mentors in order to secure competencies. The interviewed retiree was retained because the loss of his skills in hydromechanics would have implied a loss of competence for the company. For the employer, advantages of continued employment for retirees have been securing the continuation of functions that otherwise would indicate drastic changes, the possibility of introducing flexible forms of employment and lower costs for the employer. Moreover, it maintains a workforce that balances youth and maturity. These aspects are both noted as creating added value, such as an increase of professional ethics as well as a natural exchange and transfer of knowledge. Negative aspects are conservative attitudes, objection towards changes and gaps in competences related to computer-based knowledge and language skills.

For the employee, motivation includes work satisfaction (especially after working many years in the same company), life-long learning (knowledge and skills), a social dimension (being with colleagues, friends), contributing to the company's development and success, and health care benefits and other financial reasons. The interviewed working retiree stressed that activity keeps him up to date with engineering knowledge (especially hydrodynamics) and allows him to be with other people who are interested in the same area of competence.

Austrian Senior Experts Pool (ASEP)

Sector: Consultancy providing advice in the development, review and implementation of business concepts

Employees: 170 'members'

ASEP was founded in 1989. It is an association of former high-level managers who have chosen to work as consultants after retirement. Most are male (95%) and have a university degree (87%). All consultants at ASEP are aged over 50, with 7% aged above 65, the Austrian statutory retirement age for men (60 for women). Those who did not reach the statutory retirement age have availed of an early retirement package. A small number do not work beyond retirement, but took partial retirement and partly work for ASEP. Reported motivations include intergenerational transfer of competence, possibilities to work abroad, the opportunity to take part in interesting projects and maintaining a certain income level. A reported principal strength of retirees includes their networks of colleagues and clients built during prior professional experience.

Some recruitment processes have started as a result of a retiree reading about ASEP in newspapers, for example due to one of ASEP's projects. Most are recruited through a recommendation from another member. Interviews are conducted in order to clarify the association's activities and interests, which usually results in membership. ASEP retains competences by offering interesting projects and assignments to people who are socially acquainted with other members rather than by seeking competence externally.

Clients are mainly small and medium-sized companies and start-ups in marketing, finance and controlling. ASEP has experienced an increase in demand for their work, especially in areas such as temporary top management. Due to the generally negative perception of work after retirement in Austria, competition in recruiting retirees is perceived to be low. Interest to work is high among retirees. Nevertheless, an important challenge for the company is finding new members with the suitable skills to fulfil the contracts made by the company when others leave.

Since many activities are carried out in terms of projects, flexibility is both offered in terms of part-time work or part-year work. Financially, facilitators are contract schemes that allow retirees to pay minimal taxes on extra income earned, and a yearly premium of 4.2% on the assessment base to the statutory pension for every extra year in work after the statutory pension age.

Conclusion

The most important political message of the ageing issue is not to fall for demographic determinism. The most obvious policy message is that we must work longer, and Eurofound's contribution is to examine how this can be achieved by 'working better'. While it is important to have a life course perspective on ageing in the workforce, evidence from the EWCS suggests that little substantial improvement has been made in making work more sustainable in the last decade. The resilience of the employment rate of older workers in the recent recession suggests, however, that some progress is in fact being made in terms of increasing employment of over-55s. While some of this increase is undoubtedly due to the financial imperatives of the severe recession, it is quite clear that policy to facilitate longer labour market participation has also been important in this positive development. Moreover, the case studies in this paper and other Eurofound research referenced below show the potential for companies to retain their valuable older workers. In the context of the peer review process, the most important policy conclusion of this short paper is that as the employment rates of the over-55s vary so considerably among Member States, the scope for peer learning is enormous.

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