



Senior Capital

**Transnational Strategy for Central Europe
Aiming to Improve Employment and
Training Opportunities as well as Voluntary
Involvement of Persons at the Age of 55 and
older**



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Index

Introduction	3
Key findings for central Europe	4
AGE STEREOTYPES	4
LIFE LONG LEARNING/ INTERGENERATIONAL LEARNING	4
EMPLOYMENT POLICIES	4
SPECIAL SPOTLIGHTS	5
HOW TO BRING ABOUT THE CHANGE	5
Appendix	7
1. Overcoming age stereotypes/ images of age	7
2. Required changes of laws and regulations to facilitate the employment of 50+ workforce	9
3. Chances and challenges for companies with regards to 50+ workforce	11
4. Necessary changes in working conditions providing for longer working lives	13
5. Interest of lifelong learning with view on mature staff and older job seekers	15
6. How to bring about the change – seizable starting points	17



Introduction

In European countries, life expectancy is rising while birth rates mostly remain low. This leads to an ageing population: In 1985 12,8% of the EU population was at least 65 years old. In 2010, the percentage has risen to 17,4% with the baby boomers (born between the 1940s and the 1960s) just starting to reach that age¹. Thus, this figure can be expected to keep rising and will confront European societies with a new set of opportunities and challenges.

In order to safeguard social security systems of EU member countries and to slow down the decrease of European labour force, it is necessary to delay retirement and boost economic activity of elderly citizens. The involvement of the older generation in social, civic and cultural activities is just as important. It is crucial for older people to stay involved among other aspects in order to foster intergenerational solidarity and understanding as well as the mutual sharing of knowledge.

This is the starting point of the Senior Capital project, a transnational cooperation project under the Central Europe Programme. The project was initiated by the Municipality of 11th District of Budapest, Újbuda (Hungary) in 2012 and joined by nine project partners:

Municipality of Újbuda (Hungary) – Lead Partner, Municipality of Maribor (Slovenia), nowa-Training-Counselling-Project management (Austria), PRIZMA Foundation for Improvement of Employment Possibilities (Slovenia), Province of Treviso (Italy), Municipality of Sopot (Poland), Liguria Region (Italy), National Academy of Medicine (Italy), Centre for Developments in Civil Society (Germany).

The project wishes to contribute to the economic competitiveness of Central Europe with regard to an ageing population. As a consequence, Senior Capital specifically aims at improving employment and training opportunities as well as promoting voluntary activities for people aged 50 or older, staff approaching retirement or who are already retired. In order to identify well adapted and workable solutions for each region, all the partners developed – based on consultations with local stakeholders, testing of pilot activities and transnational exchange – a regional roadmap which features recommendations on appropriate institutional, legal and financial backgrounds for the implementation of new models and services promoting senior activity, education and employment on a regional or national level.

This Senior Capital transnational strategy integrates key findings and the most important messages from the regional roadmaps of all partners. It addresses decision makers, especially the EU commission, members of the European Parliament, lobbyists and other stakeholders.

In an appendix, a more detailed compilation of partners' views on the main points is given. Moreover, all the partners' regional roadmaps can be downloaded from the project website www.senior-capital.eu.

¹ Active ageing and solidarity between generations. A statistical portrait of the European Union 2012, Luxembourg: Publications Office of the European Union, 2011, S..



Key findings for central Europe

AGE STEREOTYPES

All the partners observed that negative images of age play an unfortunate role in the question of missing work and educational opportunities to persons 50+ in their respective regions. A study in the Province of Treviso (Italy) even shows “cultural barriers” as the prevalent hindrance to the re-entry of older workers into the labour market. In the Podravje Region (Slovenia) such cultural patterns lead to the lowest average retirement age in the EU and a consequently growing number of pensioners. The partners agree that these prejudices have to be tackled by awareness raising, dissemination of knowledge about the phenomena and processes of ageing throughout the life-course for example by introducing social gerontology to leadership trainings, university curricula and youth education programmes and finally through changing the way elderly people are represented in the media and referred to in our daily conversations. This is to be done on the social level (with regard to prejudices), on the level of businesses (with regard to disadvantages for elderly job seekers and workers) and on the individual level (with regard to a sometimes negative self-image of elderly citizens).

LIFE LONG LEARNING/ INTERGENERATIONAL LEARNING

The importance of life long learning is highlighted in different ways by all partners. In Újbuda (Hungaria) and Sopot (Poland), the focus is put on unskilled older workers or people with outdated skills, who need training to improve their status on the job market. Also the Province of Treviso (Italy) sees further training as “a key lever” for the return of persons aged 50+ to work. Other partners such as NOWA (Austria) as well as zze (Germany) widen the perspective to the younger generation – as the future older one – and suggest to implement lifelong learning early and to keep the habit of learning in the prolonged working life of future generations.

However, it is important to acknowledge that the older generation is not only on the taking side in terms of learning: older employees can play an important role as mentors and trainers of new recruits, sharing their experience on their respective working place and thus maintain the quality of products and services. But it also works the other way around for example with Újbuda cooperating with IBM Hungary to win young volunteers as mentors for older participants in ICT courses. In both ways, different generations get the chance to learn from and about each other which facilitates mutual understanding and appreciation.

EMPLOYMENT POLICIES

All the partners see more employment opportunities for 50+ by changing employment policies such as adaption of working place and offering flexible working time according to the needs of employees. Concrete demands by partners include:

- Adaptability of working hours in all phases of life, broader availability of sabbaticals and home office to allow for a working life without unwanted disruptions
- Reconsidering the seniority system and flattening the income curve, taking into account that



high labour costs for older workers are a main reason for employers to lay off or respectively not to hire 50+ workforce

- Exclusive and targeted interventions on national level in favour of this particular group
- Adjustment of work places to work ability and health conditions of mature staff
- Setting up special job seekers programmes and trainings for 50+

SPECIAL SPOTLIGHTS

Whereas the aspects mentioned above play an equally important role in all of the partners' roadmaps, some aspects are particularly highlighted.

GENDER ASPECT

Women are more affected by the difficulty of finding a job at the age of 50+. Disrupted professional careers and part-time jobs due to care responsibilities within the family lessen the prospects of successfully pursuing a career. Another negative outcome of child care leave and part time work is a high risk of poverty at retirement, since the contributions paid to the pension funds are not sufficient.

Clearly, these issues are not naturally connected with biological sex, but rather result of the cultural imprint of societies in central Europe. As soon as care responsibilities are taken on equally by both sexes, disadvantages for women in the field of work will diminish.

VOLUNTARY WORK

In some European regions the economic situation of people 50+ is comparably good, unemployment is not the preponderant issue to be tackled. Instead, the focus is put on fostering voluntary activities of elder citizens promoting a lively and rich civil society along with the feeling of being needed and able to contribute on the side of the mature persons.

HEALTH / ACTIVE AGEING

For the partners from south-eastern European countries keeping mature citizens active and healthy is a main factor improving their opportunities for employment and further education. E.g. in Slovenia, a strategy for active ageing yet has to be set up on national as well as on local level.

HOW TO BRING ABOUT THE CHANGE

- Intensify trisectoral cooperation between employers, political decision makers and individuals forming society
- Put together and spread a collection of age management models and managerial and organisational good practises
- Sensitise management to identify age stereotypes and better employment opportunities of 50+ by making the issue a regular and integrated part of education programs for top-management



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- Foster self-employment among 50+ accompanying the start-up phase and providing entrepreneurial skills and knowledge

For all the partners, the process of setting up a regional roadmap in cooperation with local stakeholders was eye-opening as for which steps have to be taken in order to foster employment and training opportunities for people 50+. In view of most project partners a trisectoral cooperation of public, economy and politics is needed to put these insights into practice.



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Appendix

1. Overcoming age stereotypes/ images of age

<p>Municipality of Újbuda</p> 	<p>Very strong negative stereotypes prevail against the elderly and older employees which have harmful effects on the social atmosphere, on human relationships at the working place and on the performance of the employees. The local government can take positive steps to change this by collecting missing information to correct the biased image of age and elderly and the conscious development of communication, especially refraining from the promotion of stereotypes</p>
<p>PRIZMA and Municipality of Maribor</p> 	<p>Employers are not interested in hiring persons 50+ because of existing stereotypes. There is a strong need to recognize older employees as guardians of knowledge and experience who still have potentials worth exploring.</p>
<p>nowa-Training-Counselling-Project management</p> 	<p>The negative and positive prejudices which form the cultural construct of age have to be replaced by an attitude of appreciating and putting to use the diversity of individual people regardless of their age. Also the conviction by employers that older employees generally are under lay-off protection needs to be revised since dismissal can only be appealed against when there is verifiable discrimination or any other social adverseness.</p>
<p>Province of Treviso</p> 	<p>The analysis carried out in the Province of Treviso clearly shows that workers aged 50 and older have to face negative stereotypes even if they are respected, well integrated in the society and seen as more expert and reliable than the youngest colleagues in the labour market: They are considered not to be open enough open to new ideas and technologies, reluctant to change and to adapt to new organisational conditions, less productive and at the same time a more costly workforce than younger people.</p>
<p>Municipality of Sopot</p> 	<p>Despite a legally sanctioned ban in Poland, discrimination against older people is rather common, effectively limiting their access to employment or the functioning of the labour market. Institutions should consistently enforce the existing anti-discrimination laws, the population should be informed about their rights and possible interventions, and finally, the general public should not accept discriminatory practices</p>



Region of Liguria and the National Academy of Medicine (ACCMED)



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The persisting economic crisis has intensified the impact of stereotypes on people over 50. It is necessary to act against these stereotypes on the different levels of culture, business and individual.

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As the market and needs analysis and also the observations by the local stakeholders have shown, there is a strong need to alter images of age: E.g. stereotypes of elderly employees still exert a strong negative influence on recruitment processes. But not only in companies and organisations, also in society, there is a strong need to revise the cultural construct of age and ageing by broadly providing up to date gerontological findings.



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2. Required changes of laws and regulations to facilitate the employment of 50+ workforce

<p>Municipality of Újbuda</p> 	<p>Through local regulations support and subvention such as e.g. incentives to take up employment and compensations for persons with a low income level, a longer activity age at the labour market shall be improved.</p>
<p>PRIZMA and Municipality of Maribor</p> 	<p>The seniority principle of remuneration have to be discussed, since the high labour cost of senior workers are an important obstacle for their re(entering) the labour market. The Labour Market Regulation Act (ZUTD) should be better harmonised with the active labour market programmes (ALMP) to guarantee well targeted and adequately funded services and programmes.</p>
<p>nowa-Training-Counselling-Project management</p> 	<p>More steps have to be taken to increase the actual retirement age. Widower pensions, which according to the law serves as a “social safeguard” for spouses has to be abolished. The seniority system has to be discussed. Tender documents could be used in a regulative way considering age and gender specific quality features of applicants in public tenders.</p>
<p>Province of Treviso</p> 	<p>When it comes to employment policies at national level, there are almost no exclusive interventions in favour of this age group, in contrast with the financial and regulatory measures aiming at promoting employment of young people. Some norms that are part of the recent labour reform (Reform Fornero) which seem more in tune with interventions already running at European level still have to be implemented (“staffetta generazionale”).</p>
<p>Municipality of Sopot</p> 	<p>The most respected principle of remuneration is that of “seniority”, which often induces employers to dismiss mature staff and/ or not recruit them. In Poland there exist a number of policies to reduce labour costs for persons 50+, including public support for the cost of training workers aged over 45.</p>
<p>Region of Liguria and the National Academy of Medicine (ACCMED)</p> 	<p>It is important to set up a policy for better and more efficient coordination of services for older people. Policies should be set up which encourage older people to remain in the workforce.</p>



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The European qualification framework (EQF) and the German national qualification framework (NQF) should be more broadly used to provide targeted support to job seekers through employment offices.

A tariff policy well adjusted with expected challenges connected to demographic change has to be put in place, e.g. abolishing the seniority principle of remuneration.



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3. Chances and challenges for companies with regards to 50+ workforce

<p>Municipality of Újbuda</p> 	<p>Balanced age of human resources can ensure complementarity and matching of experiences, technical skills, competences to gain information, to make decisions, to solve problems, to negotiate. If people of different ages work well together, the organisational culture of mutuality as a result of learning from each other, cooperation, utilisation of resources for reaching common objectives can contribute to feeling better and content at the level of individual employee</p>
<p>PRIZMA and Municipality of Maribor</p> 	<p>Many companies invest in young professionals and are losing competencies, which are sometimes the key to effective and efficient work output. Age-diverse management strategies should be implemented and companies should invest in building their intergenerational culture. By active management of careers of older employees, companies could benefit from their experience and transfer it to younger workers, which would show appreciation to the older workers and motivate them and lead to a positive and productive climate in the company.</p>
<p>nowa-Training-Counselling-Project management</p> 	<p>The balance between innovation and experience challenges enterprises: older employees have to get the possibility to pass on their experience, which enhances the motivation to stay active until retirement age. Young colleagues can profit from the knowledge, but also from social competence and experience.</p>
<p>Province of Treviso</p> 	<p>The practises of age management are not particularly known in Italian businesses, so more responsive working environments to the needs of older workers yet have to be established. At the same time, models of mentoring and of knowledge transfer making use of the elder workers potential are not widely put in place yet.</p>
<p>Municipality of Sopot</p> 	<p>Elderly workers often have extensive knowledge, experience and have a tendency to share their achievements with others. In addition they have “soft” competencies enabling effective self-management and very good interpersonal skills. It is thus the interest of enterprises to strive to keep such staff as long as possible so that they can then pass on the knowledge and experience they acquired to younger workers.</p>
<p>Region of Liguria and the National Academy of Medicine (ACCMED)</p> 	<p>Enabling older people to take the role of tutors or trainers for young people allows an exchange and intergenerational support and helps companies to well train new recruits.</p>



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It is important to offer workers at the age of 50 and older new challenges and perspectives e.g. to change their fields of work or to take on a new role as mentor or trainer for younger employees. Employers should offer extensive programmes to maintain the physical and mental health and stability of all age groups.



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4. Necessary changes in working conditions providing for longer working lives

<p>Municipality of Újbuda</p> 	<p>identify opportunities for atypical employment (job sharing, job splitting – maybe between young and mature staff) Compensation may be needed if low level of income is not attractive for employees so that they rather chose pension or subsidies</p>
<p>PRIZMA and Municipality of Maribor</p> 	<p>Instead of reducing older workers' responsibilities, managers should consider adding complexity instead. The amended Act of Labour Market Regulation put into force in 2013 brings the possibility of temporary and part-time work for retirees. Moreover a standard for "Family Friendly Companies" is being implemented in Slovenia. It is suggested to use The Investors in People Framework as an orientation for improving work-life balance in companies.</p>
<p>nowa-Training-Counselling-Project management</p> 	<p>The workplace and working times should be adapted to the changing demands – ergonomic and technical adaptations of working places, possibilities to work part-time at an older age and flexible working models. More flexible working-time models should be available independent from the biological age of the employee.</p>
<p>Province of Treviso</p> 	<p>The current regulatory framework uses only one relevant leverage to raise employment of 50+ which is a fiscal bonus granted to employers. It maintains old cultural schemes and stimulates neither intergenerational transmission of competences nor the adoption of alternative and more flexible forms of work nor systematic training of workers over 50 as a competitive lever. There still remains a lot of work in this field.</p>
<p>Municipality of Sopot</p> 	<p>Flexible forms of employment have to be promoted: establishing "care for parents leave" (along the lines of instruments for childcare), sharing of a workstation by two people, working part-time, flexible hours, the so-called "compressed workweek" (same amount of hours in less days) and flexibility in where to work.</p>
<p>Region of Liguria and the National Academy of Medicine (ACCMED)</p> 	<p>New procedures of "step-by-step retirement" have to be developed, because traditional methods such as part-time, have had little success. It is important to focus on technology to promote work from home (e.g. for parents or people with disabilities) and the social networking, to overcome the issue of social isolation which is a real issue in the demographic context of Liguria Region.</p>



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For people of different age groups it is a challenge to balance employment and caring for children, old parents, disabled family members or other close persons in need of care. More flexible options for employees could create more room for different work- and life-models, thus lead to a higher job satisfaction and employment rates with enabling more persons to be part of the labour market and for a longer period of life than they are currently able to.



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5. Interest of lifelong learning with view on mature staff and older job seekers

<p>Municipality of Újbuda</p> 	<p>Especially the 50+ workforce often lacks professional qualification which leaves them with very low employment opportunities since the demand for unskilled workers is comparably low. Often their skills are not up to date (especially IT and foreign languages), still they show little willingness to participate in training, retraining. So it is one of the key challenges to promote training of unskilled 50+ workforce or people with outdated qualifications.</p>
<p>PRIZMA and Municipality of Maribor</p> 	<p>Life long learning policies in companies should be enhanced by supporting development of age-diverse management strategies and its implementation in the companies. In this context, the role of executives is of key importance as they should understand the need and the value of senior employees and should be supportive to senior career orientation and life long learning.</p>
<p>nowa-Training-Counselling-Project management</p> 	<p>Since elder employees (especially women) are often not sent to further education trainings, participation should be guaranteed or even obligatory. Basically there is no correlation between age and the ability to learn, but different individual learning histories and learning experiences have a strong influence on personal attitudes towards life long learning. Especially older people who have not attained any further education trainings for a long time are not well practised any more in learning. Consequently, employees of all ages are to be encouraged by the human resources development to life long learning.</p>
<p>Province of Treviso</p> 	<p>Since there is a very low educational level among 50+ in Italy, training could be a key lever for the return to work of these people, giving them adequate and up to date competences to be more interesting to potential employers. Unfortunately, there is a lack of adequate training models for the seniors' exigencies.</p>
<p>Municipality of Sopot</p> 	<p>The possibility of continuing education should be guaranteed to all members of society regardless of age. In the face of the fast rate of technical progress and technological and structural changes in the economy, continuous upgrading of knowledge is required to keep up. To increase the number of older workers in continuing education, training costs for employers and employees should be reduced by subsidising the training by public funds, and a special training leave should be installed.</p>
<p>Region of Liguria and the National Academy of Medicine (ACCMED)</p> 	<p>Lifelong learning is essential to hold a job in particular for older workers, but it is difficult to realise mainly because of funding problems. Training methods have to be reconsidered making full use of TLC (for example for online training modules). Also, it is important to have more professional support (mentors, coaches) for people who start a new career.</p>



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Life long learning is a main factor when it comes to securing the long-term employability of workforce next to preventive health care. Not only does it increase the chances of successful professional reorientation when a working contract is discontinued, but it also keeps up the motivation and willingness to learn of the employees. It often happens that only after completing training and some years of working experience people discover their true vocation. Since it is profitable for the individual as well as for society to have people work in the place they can best apply their talents, it is crucial to offer affordable further training throughout one's working life.



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6. How to bring about the change – seizable starting points

<p>Municipality of Újbuda</p> 	<p>Special support has to be offered to job seekers 50+ to make a realistic self-assessment on labour market position and to develop plans for a new career, strengthening mental health (e.g. through job seekers' club and mental health club in the framework of Újbuda 50+)”</p> <p>The involvement of 50+ age group into healthy, active life and health prevention programmes has to be strengthened, i.e. by forming neighbourhood groups of healthy and active lifestyle</p>
<p>PRIZMA and Municipality of Maribor</p> 	<p>Management has to be properly trained to identify age stereotypes and to implement proper age-management.</p> <p>For companies, it is a competitive advantage to focus on skills rather than on age: They hire the most skilled workers other companies may have over-looked due to their age.</p>
<p>nowa-Training-Counselling-Project management</p> 	<p>Raising awareness for the topic of improving employment chances of 50+ on top management level is essential to bring about the change.</p> <p>Age-management and the concerns of ageing workforce should become a regular and integrated part of education programs for top-management</p>
<p>Province of Treviso</p> 	<p>Interventions supporting the over 50 workers' permanence in the labour market should have a preventive instead of only a curative function. They should be services for orientation (career counselling, skills assessment, outplacement training) sustaining the self-esteem of the clients and bettering their chances to attain qualified tasks.</p>
<p>Municipality of Sopot</p> 	<p>A dissemination of knowledge about the phenomena and processes of ageing throughout life and the introduction of social gerontology to youth education programmes at different levels of reaching is desirable to install realistic and up to date images of age</p>
<p>Region of Liguria and the National Academy of Medicine (ACCMED)</p> 	<p>It is important to foster self-employment among mature workers through facilities and services that accompany the start-up phase and convey entrepreneurial skills.</p>
<p>Centre for Developments in Civil Society (zze) Freiburg</p> 	<p>Public administration, enterprises, organisations of employers, training centres, municipal stakeholder and employee representatives have to closely cooperate to make a change in working life and education for people aged 50 and older.</p> <p>Continually bring forward a general change in attitudes regarding age and age stereotypes.</p>

