Training strategies for an aging workforce

Sergio Koc-Menard

Sergio Koc-Menard is based at the Canada Revenue Agency, Ottawa, Canada.

Abstract

Purpose – *The purpose of this paper is to explore how organizations might support older workers' learning.*

Design/methodology/approach – *The paper highlights an incoming HR challenge (training older workers), conducts a review of corporate responses in Europe, and then identifies lessons. Examples are drawn from the case study database of the European Foundation for the Improvement of Living and Working Conditions.*

Findings – *The paper identifies four lessons. The first is to adopt a targeted approach, which involves both identifying older employees with key abilities and tailoring training products to their needs. The second lesson is to develop training initiatives that update job-related skills and knowledge. The third is to complement skills update products with programs that expand the knowledge horizon of older employees. The fourth lesson is to integrate training into recruitment initiatives that target experienced job-seekers.*

Originality/value – *Many organisations are developing initiatives to tap into the older worker talent pool. Training is a critical component of strategies that seek to retain or attract experienced professionals. The paper provides practical advice that will help organizations to design and implement learning programs for older workers.*

Keywords *Learning, Older workers, Human resource management*

Paper type *Research paper*

Organisations have begun to tap into the older worker talent pool. Loewe AG, a German electronics company, has a health-oriented initiative that targets 55-year-old-plus (55-plus) workers. Known as ''Project 67'', it includes workshops that foster a health-conscious attitude among experienced staff as well as the installation of ergonomic work stations (AARP, 2008). For its part, British airport company BBA has a flexible retirement policy, which offers to employees options such as switching to part-time positions or retiring and then returning to work as contractual staff (Employers Forum on Age and IFF Research Ltd, 2006). The goal underlying these initiatives is to create a work environment that encourages highly-skilled 55-plus professionals to continue working.

Training is a critical component of strategies that seek to retain or attract 55-plus workers. To start, although older workers have a wealth of knowledge and experience, some of them might need to update their technical skills to remain highly productive. Furthermore, a number of studies not only challenge the widespread belief that older workers resist learning new skills, but also reveal that many 55-plus professionals actively look for opportunities to expand their knowledge horizons (Armstrong-Stassen and Templer, 2005). Some companies have learning structures that address the needs of older workers, but they are early adopters. Most organisations have yet to create learning opportunities for

55-plus professionals. The experiences of early adopters are nevertheless a valuable source of ideas and lessons. In the sections that follow, we will focus on four best practices:

1. adopting a targeted approach;

2. renewing critical skills;

3. offering new challenges; and

4. integrating learning into recruitment.

Adopting a targeted approach

Organizations might adopt a targeted approach to the training of experienced workers. In this context, targeting has three dimensions. The first is to identify the 55-plus employees who have the skills and knowledge that the organisation needs. Assurance France Generali (AFG), an insurance company part of the Generali group, has a unit responsible for monitoring the evolution of the company's requirements in terms of trades, qualifications and skills. This information enables AFG to identify highly-valuable older professionals (European Foundation the Improvement of Living and Working Conditions (Eurofund, 2007a)).

The second dimension is to identify the 55-plus professionals with critical skills who would like to continue working. Here, the question is not who has valuable knowledge but who is willing to continue offering that knowledge to the organisation. Corporate surveys can reveal the preferences of experienced employees. For example, in 2007, the city of Calgary polled near-retirees about their retirement projects and found out that 80 percent of them were interested in returning to work post-retirement as long as the city offered some flexibility in work conditions and assignments (Harder, 2008).

The third dimension is to tailor training products and techniques to allow for the learning styles and preferences of older employees. German automaker BMW, for example, has created courses that offer to experienced workers the opportunity to bring their implicit organisational knowledge into the classroom. This is achieved through design options that privilege practical and work-oriented activities and exercises (Eurofund, 2006).

Renewing critical skills

Organisations can offer training to update the skills and knowledge of experienced workers. As suggested earlier, older managers and professionals might need to renew some of their technical competencies in order to remain productive for another five to ten years. Verbund, Austria's main producer and distributor of electricity, has a skill renewal program that targets 45-plus system and grid operators. The program's goal is to ensure that the operators have the tools needed to efficiently manage electricity flows and to limit the risk of system failures. Accordingly, the program addresses both technical competencies (e.g. new planning software and security protocols) and soft skills, such as decision making under stress and teamwork and cooperation (Eurofund, 2007b).

MicroTEC, a technology company based in Germany, relies on hands-on reciprocal learning to update the knowledge of 55-plus workers. The key to MicroTEC's approach is the development of so-called ''benefit partnerships'' between older and younger employees. In these partnerships, as in mentoring relations, 55-plus professionals help their younger colleagues to acquire critical abilities, such as how to plan and implement complex IT

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projects. However, unlike what happens in traditional mentoring, the transfer of knowledge also takes place the other way around. Younger employees, in effect, are explicitly asked to acquaint their experienced colleagues with the most recent technological developments (Eurofund, 2005a).

Offering new challenges

Organisations might also devise learning programs that expand the knowledge horizon of 55-plus workers. Unlike skills update initiatives, which help older employees to perform in their current positions, skill development programs prepare 55-plus professionals to pursue new career paths. These programs respond to two needs. The first is the desire of some 55-plus workers to devote their later career years to positions that allow them to develop new abilities (Pitt-Catsouphes and Smyer, 2006). The second is the organisational need to retain and redeploy senior personnel who become redundant (due to restructuring, for example), but still possess knowledge and experience valuable to the organisation. Skill development programs support older workers in their transitions to new jobs or functions.

Thales Group, a French electronics conglomerate, has a program to guide senior executives and engineers towards new positions within the company. Participants are chosen on the basis of knowledge, experience, motivation, and potential to succeed in jobs outside their field of expertise. Participants remain under their current departments for administrative proposes, but go on assignment to an internal consultancy unit known as Thales Missions & Conseil (TM&C) (Guénard and Le Dauphin, 2001). While in this unit, they train as consultants, receive coaching in new fields of expertise, and work on projects for departments and subsidiaries of Thales. A senior engineer, for example, might work in a consultancy project for a human resources unit. In TM&C, executives and engineers have the opportunity to prove their value to various departments and, with few exceptions, they find in this way their new positions within the organization (European Monitoring Centre on Change, 2004).

Integrating training into recruitment

Organisations might also develop learning initiatives for experienced job-seekers. Although most organisations recruit recent graduates and mid-career professionals to address their talent needs, some companies have begun to target 55-plus workers as well. The business case for recruiting gray talent often makes reference to performance-related attributes of 55-plus workers, such as a high level of job satisfaction, a positive attitude towards the organization, and a strong work ethics (Pitt-Catsouphes and Smyer, 2005). However, perhaps the most persuasive argument is simply the inability to find suitable younger professionals. This inability can be the result of an organisation's specific qualification requirements, a tight competition for labour in a given geographical area, or a combination of both. This said, although 55-plus workers may have the qualifications and availability necessary to address an organisation's staffing needs, they may still require some training in order to perform at the level or in the domain required. This creates the need to integrate training into the recruitment strategy.

Between 1999 and 2003, the Bosch Group, a German manufacturer of automotive, industrial and consumer goods, ran a targeted recruitment program that included a qualifications component (Bosch Group, 2003). Bosch created the program after it realized that the talent needs in its Stuttgart-Feuerbach facility could be addressed by recruiting senior engineers living in or around the region. The initiative, known as the Magdeburg project, proposed an external qualification process. This means that Bosch did not hire the engineers and then train them in-house. Instead, the company partnered with local employment offices and educational institutions in order to qualify the engineers as part of the recruitment process, and prior to hiring. Under the partnership terms, Bosch prescribed the subjects to be taught (e.g. diesel engine technology) and made available a number of contractual positions. For their part, the employment offices proposed the candidates and financed the qualifications

process, whereas the educational institutions were in charge of delivering the training (Eurofund, 2005b).

Finding the niche

Bosch's Magdeburg project illustrates both the value and challenges of training initiatives that target 55-plus workers. By updating and expanding the skill set of senior engineers, the project enabled Bosch to address the talent needs of its Stuttgart-Feuerbach facility. Yet, when the talent needs disappeared, Bosch simply terminated the program (Eurofund, 2005b). The conventional wisdom is that 55-plus professionals will become increasingly valuable due to a coming generalized talent shortage. Labour market projections, however, paint a more cautious scenario (Lapointe *et al.*, 2006; Horrigan, 2004). Talent shortages, if there are any, are likely to be highly localized (for example, IT professionals in growth industries). Accordingly, training initiatives will be value-added, not when they target older workers across the board, but when they, like the Magdeburg project, focus on specific occupational groups, industries, geographical areas, and time frames.

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About the author

Sergio Koc-Menard is a manager at the Canada Revenue Agency where he leads a team of internal consultants in organizational learning. He has written several articles on this topic. Sergio Koc-Menard can be contacted at: skmenard@connect.carleton.ca