



ISFOL

## AGE MANAGEMENT IN ITALIAN COMPANIES Findings of two ISFOL surveys

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Surveys were conducted by:

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# ITALIAN COMPANY STRATEGIES TO FACE DEMOGRAPHIC AGEING ON WORKFORCE



## SOME FINDINGS FROM TWO SURVEYS

### Quantitative: Ageing work force in SMEs



- ❏ To study the solutions adopted for the maintenance, the professional exploitation and the possible reintegration of ageing workers
- ❏ Sample survey on 2.000 private SMEs (except agriculture); 10-249 employees
- ❏ Sectors involved: industry, building, services with low added-value and services with high added-value

### Qualitative: Age management in large companies



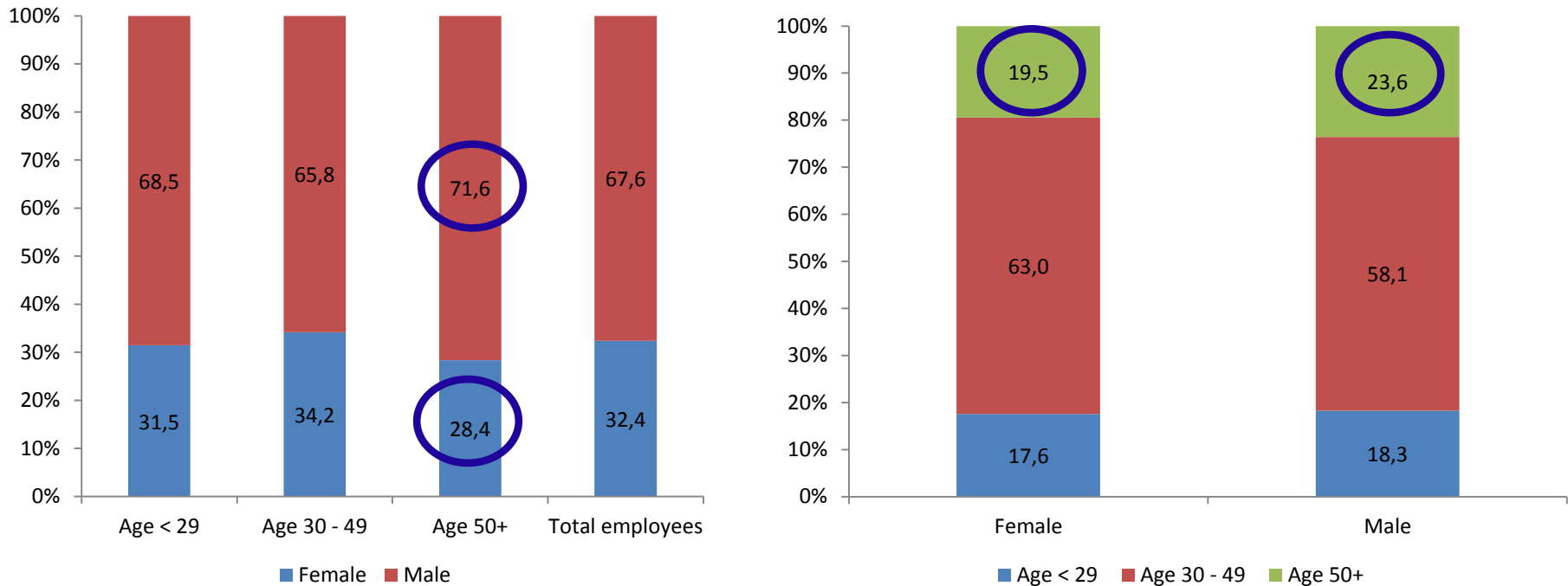
- ❏ To analyze the most meaningful age management experiences for facing worker ageing and skill obsolescence
- ❏ 152 large companies (telephone interview); 8 case-study (in-depth interviews/focus groups).
- ❏ Sectors involved: manufacturing, building, electricity, gas, water and waste management supply, telecommunications, publishing information technology, financial services

# DESCRIPTIVE ANALYSIS (1)

Isfol quantitative search is a sample survey on 2.000 private SMEs (except agriculture) with 10-249 employees and this sample represented 207.675 Italian enterprises

Out of a total of 5.465.791 employees, 1.216.177 are over 50 (22.3%)

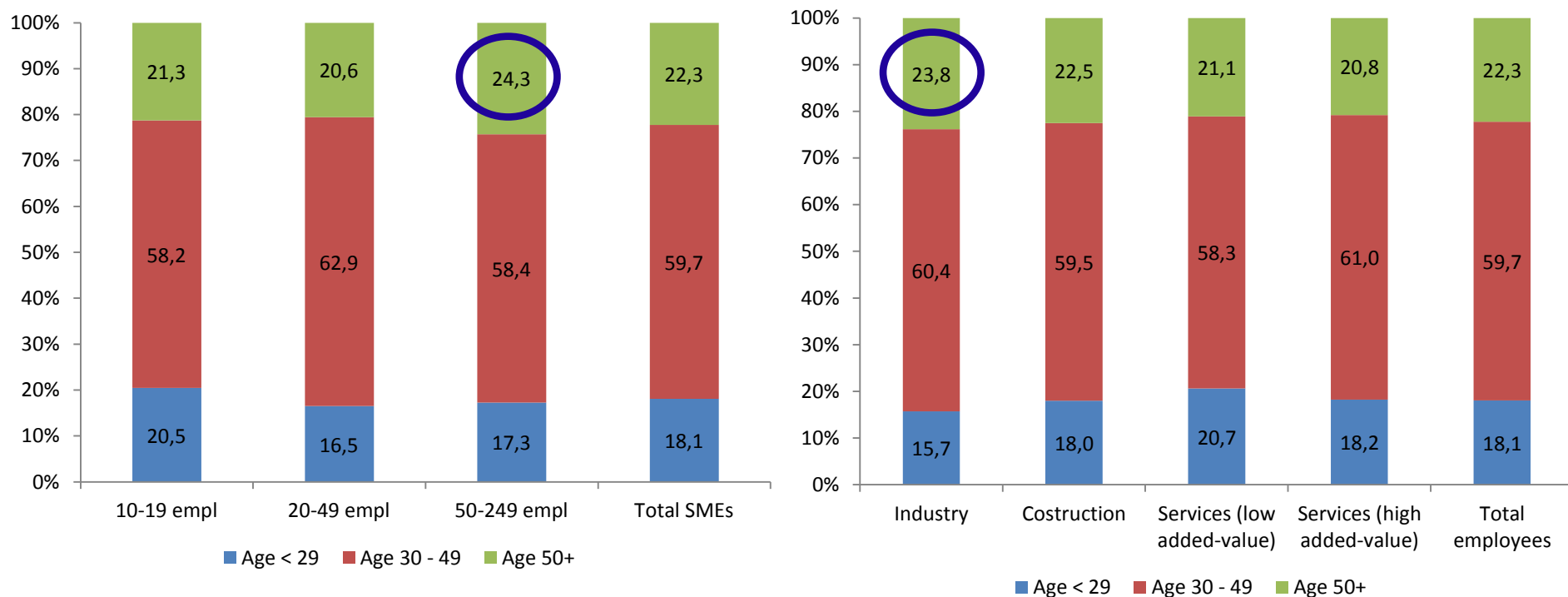
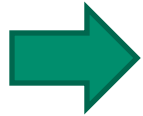
Their distribution by gender shows a significant prevalence of men over women for all age class, in particular for age 50+ (women are only 28.4%)



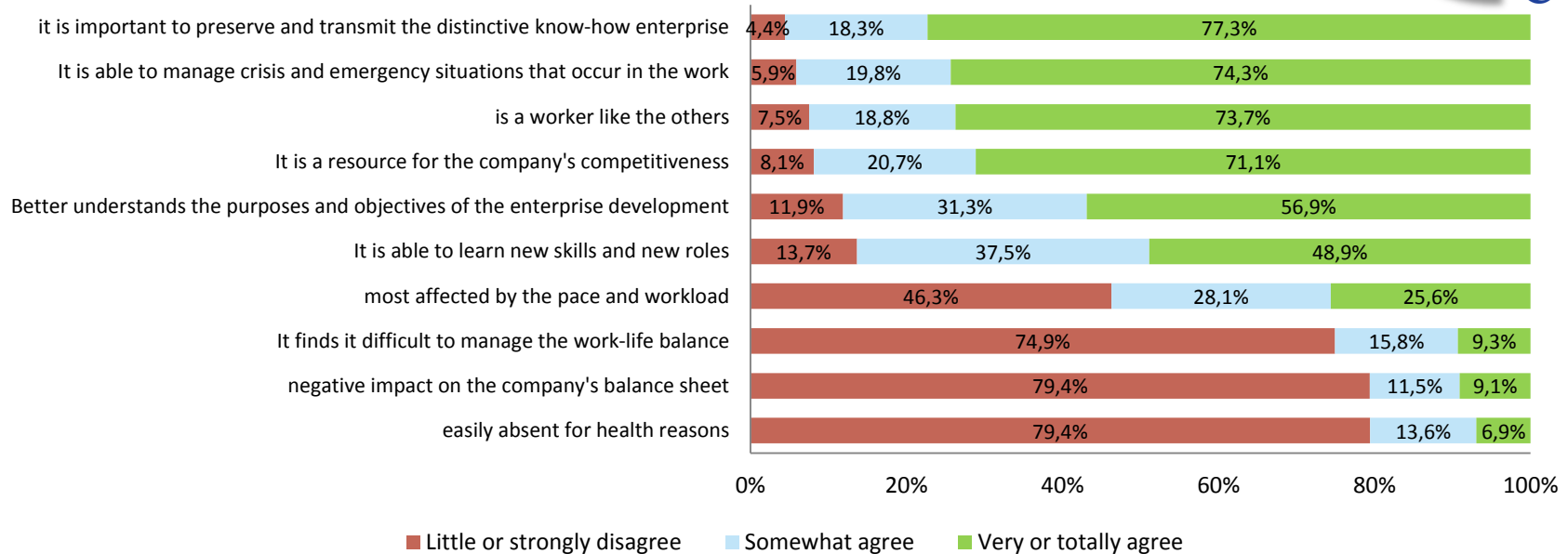
## DESCRIPTIVE ANALYSIS (2)

Incidence of over 50 is greater for medium enterprises where is over 50 about one worker every 4 of them (24.3%). Regarding small companies is 20.6% and smallest is 21.3%

Incidence of workers over 50 is balanced within economic sectors because it is between 20.8% for high added-value services and 23.8% for industry

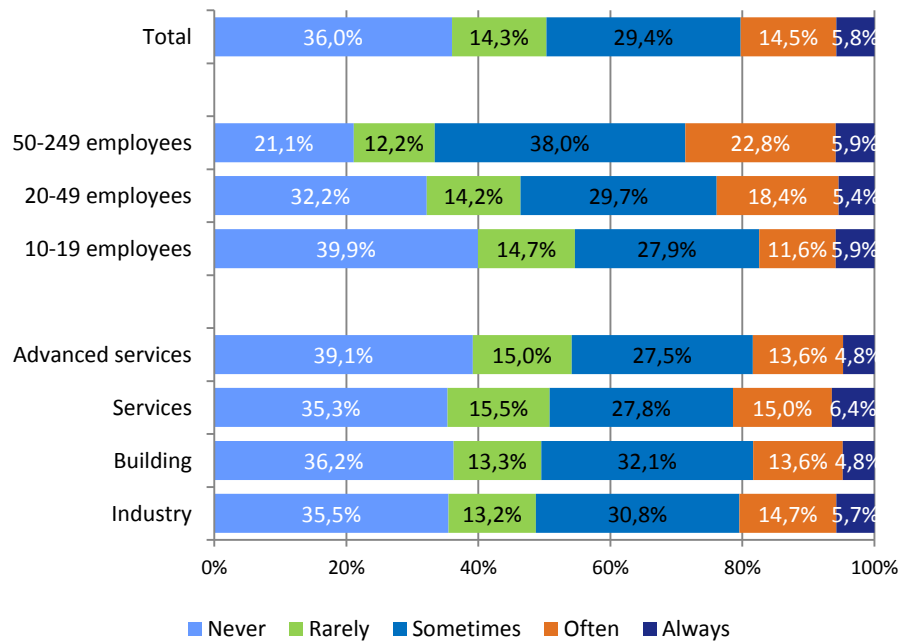


# IMAGE OF OLDER WORKERS AMONG SMEs

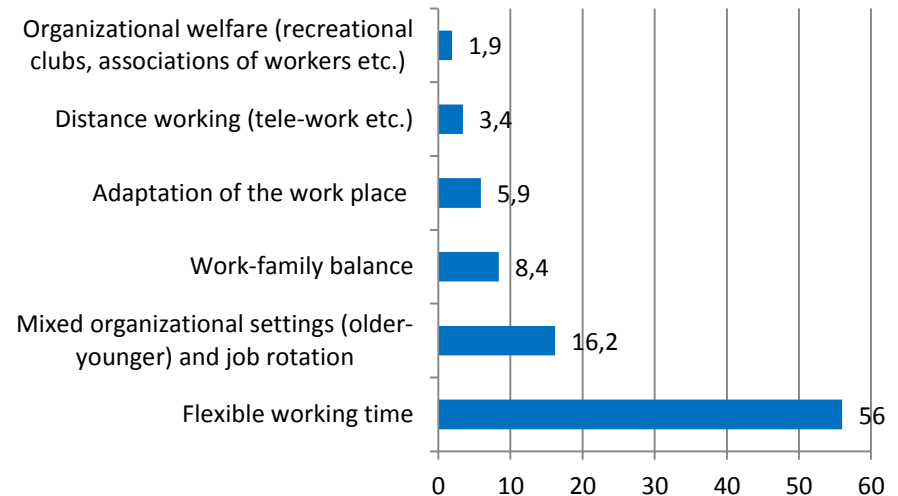


- older workers tend to be viewed as a resource for the business "continuity" and its core know-how
- they are respected according to their reliability and experience, but they don't seem to be perceived as really different from the other workers
- the organizational context and the working conditions can sometimes make it difficult to exploit their full potential

## 50+ involved as tutor or coaches within SMEs (%) (ISFOL 2014)



## Human resources strategies for age management – SMEs (%) (ISFOL 2014)



# LOGISTIC MODEL

2.000 SMEs in the sample analysis generated 207.675 Italian enterprises.

These were analyzed using a logistic regression model (Stata rel. 13).

In order to achieve this goal, we have used the perceived increase in the workforce average age as the dependent variable.

- **Geographical distribution.** Categorical. Four areas: North West, North East, Centre, South and Islands (reference cat.).
- **Economic sector.** Categorical. Four sectors. Industry (reference cat.), Building, Services (low added-value), Services (high added-value).
- **Size enterprise.** Categorical. Three intervals. From 10 to 19 (reference cat.), between 20 and 49, between 50 and 249.
- **Career development (for over 50).** Categorical. Three levels. Marginal measure (reference cat.), As others employees, More than others employees.
- **Bonus and financial incentives (for over 50).** Categorical. Three levels. Marginal measure (reference cat.), As others employees, More than others employees.
- **Tutoring or coaching (by over 50).** Categorical. Five levels. Never (reference cat.), Rarely, Sometimes, Often, Always.
- **Technical skills (competences to develop).** Dummy variable: Yes, No (reference cat.).
- **Intergenerational work groups or job rotation (competences already developed).** Dummy variable: Yes, No (reference cat.).

# LOGISTIC MODEL

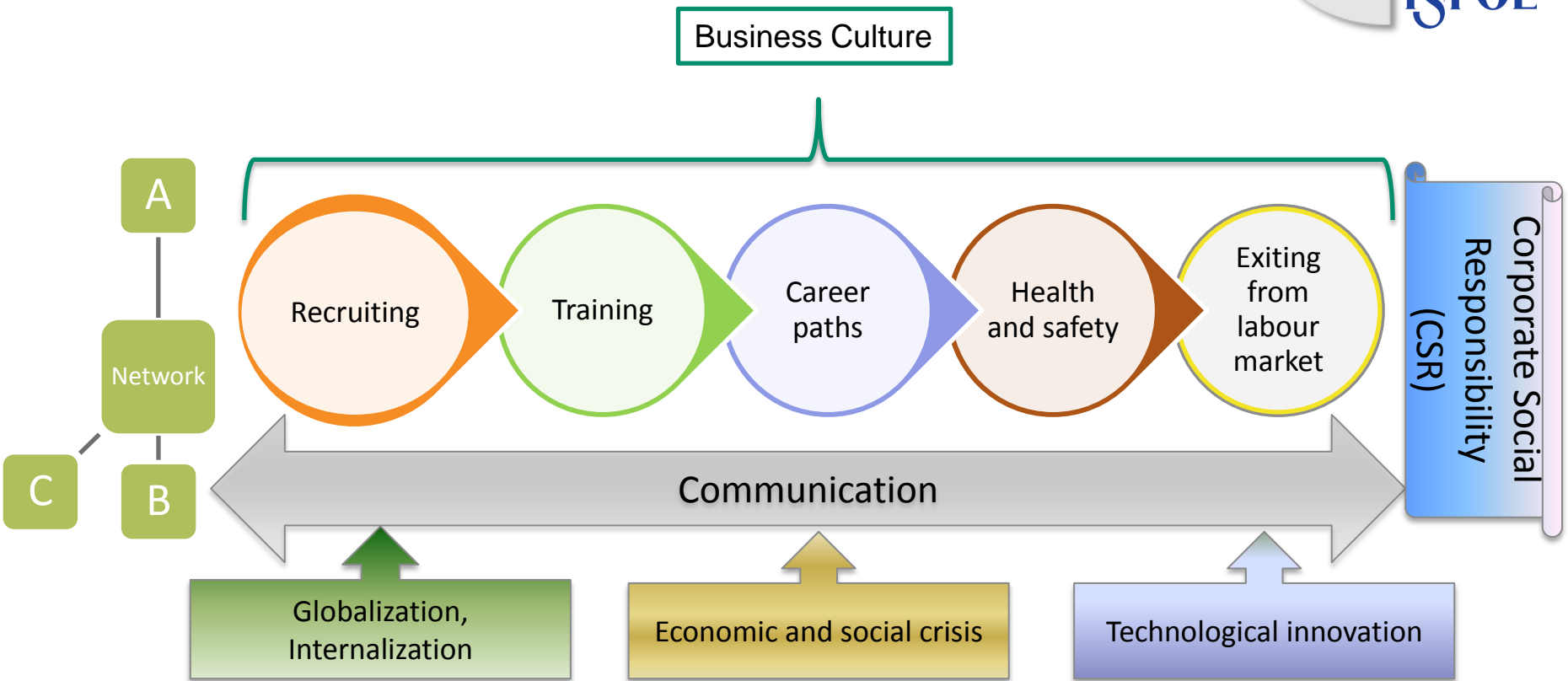
Variables		Coef (B)	Sign.	Exp (B)
<b>• Geographical distribution</b>				
	North West	0.262	0.090	1.300
<b>South and Islands (ref.)</b>				
	North East	0.398	0.015	1.489
	Center	0.244	0.133	1.277
<b>• Economic sector</b>				
	Building	-0.261	0.107	0.769
<b>Industry (ref.)</b>				
	Services (low added-value)	-0.298	0.029	0.741
	Services (high added-value)	-0.209	0.180	0.811
<b>• Size enterprise</b>				
	20-49 empl.	0.275	0.026	1.316
<b>10-19 empl. (ref.)</b>	50-249 empl.	0.307	0.030	1.359
<b>• Career development (for over 50)</b>				
	As others empl.	0.353	0.050	1.424
<b>Marginal measure (ref.)</b>				
	More than others empl.	1.527	0.024	4.604

Variables		Coef (B)	Sign.	Exp (B)
<b>• Bonus and financial incentives (for over 50)</b>				
	As others empl.	0.417	0.022	1.518
<b>Marginal measure (ref.)</b>				
	More than others empl.	0.280	0.646	1.323
<b>• Tutoring or coaching (by over 50)</b>				
	Rarely	0.430	0.017	1.537
<b>Never (ref.)</b>				
	Sometimes	0.431	0.003	1.540
	Often	0.777	0.000	2.175
	Always	0.953	0.000	2.594
<b>• Technical skills (competences to develop)</b>				
	Yes	-0.290	0.017	0.748
<b>No (ref.)</b>				
<b>• Intergenerational work groups or job rotation (competences already developed)</b>				
	Yes	0.314	0.039	1.370
<b>No (ref.)</b>				
<b>Intercept</b>		-1.541	0.000	0.214

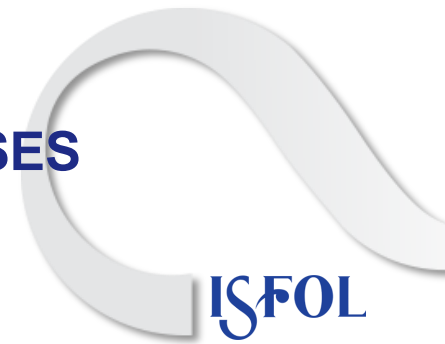


# AGE MANAGEMENT IN LARGE ENTERPRISES

## LOGICAL SETTING OF RESEARCH



# AGE MANAGEMENT PRACTICES IN LARGE ENTERPRISES



## Promising Practices

actions just started on these dimensions, but not recognised yet as age management strategies

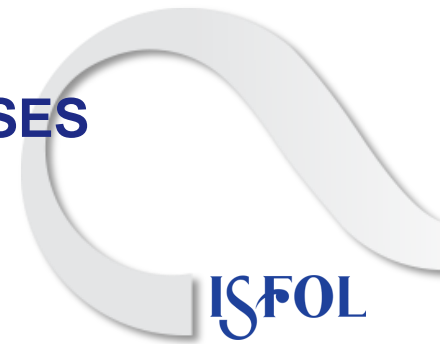
## Crossover interventions on:

- selection and hiring of personnel
- **training \***
- health and safety
- **career management \***
- retirement



*\*promising practices are focused primarily on career path*

# AGE MANAGEMENT PRACTICES IN LARGE ENTERPRISES



Actions on **5 dimensions**: 11

Actions on **4 dimensions**: 39



Actions on **3 dimension**: 65

**Only a few companies provide the entire range of age management practices**

**but an integrated approach is quite widespread**

- ✓ *Actions usually not related to ageing workers: life cycle management*
- ✓ *Predominant presence of over50: actions improving the quality of their working life and supporting the exit*
- ✓ *Young staff: professional training, task redesigning and research of experienced staff during the recruiting phase.*

# AGE MANAGEMENT BEST PRACTICES



15 large companies have implemented good practices of age management

## Common features:

- ✓ Very large enterprises
- ✓ More than 30% of workers +50
- ✓ Northern part of Italy
- ✓ Part of larger corporates
- ✓ Mainly in the service sector (e.g. financial brokerage)
- ✓ Mission and organization not so much hit by the crisis
- ✓ CSR culture
- ✓ Innovative
- ✓ Skills oriented (training is considered strategic)



# BEST PRACTICES OF AGE MANAGEMENT THE STANDARD PATH IN THE LARGE COMPANIES



1. awareness of the problem
2. analysis of the demographic structure of the company
3. recognition of the mature staff needs
4. design and launching of pilot projects
5. results verification and evaluation for proper corrective actions implementation.

**General aim:** maintaining the overall company profitability by improving worker's productivity

### **Three primary action's areas:**

- training
- experience enhancing
- intergenerational dialogue sustaining

### *Elements of strength:*

*positive approach  
communication  
convenient aims  
assimilation in plant-level bargaining  
economic sustainability  
monitoring & evaluation  
favorable external environment*

## FINDING AND DISCUSSION



- ✓ Demographic ageing is a field still nearly unexplored by Italian companies
- ✓ Attention on workforce ageing grows with increasing company size
- ✓ Age management stabilized strategies only in largest companies
- ✓ Largest companies have used human resource development to face the crisis
- ✓ Age doesn't represent a parameter to determine the worker's efficiency
- ✓ Training and skill upgrading play a key-role (double role for workers +50)
- ✓ In a long-term perspective a working-life cycle and a diversity management approach are required



- ✓ Companies need tools for demographic checking, age structure analyzing, project monitoring and evaluating
- ✓ Older workers employability requires multidimensional actions both in enterprises organizational set-up and in welfare policies
- ✓ Intergenerational cooperation rather than generational turnover to develop employment

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**Thanks for your attention!**

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