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## **Elder Employees in companies experiencing Restructuring: Stress and well-being**

Note

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This paper resumes the outcomes of the final conference organized within Adapt research project ELDERS – Elder employees in companies experiencing restructuring: stress and well-being. ELDERS is an important project funded by the European Commission, based on a strong partnership between Adapt, Association for International and Comparative Studies in Labour Law and Industrial Relations (Italy), Middlesex University (United Kingdom), ESADE – Business school (Spain), ibw – Institute for Research on Qualifications and Training of the Austrian Economy (Austria), BAuA – Federal Institute for Occupational Safety and Health (Germany), FIOH – Finnish Institute of Occupational Health (Finland), and supported by AGE, the European Older people's Platform and BusinessEurope.

The project aim was to investigate on the condition of mature workers during restructuring and change, and to address the consequences of restructuring and economic crisis in terms of stress and well-being for older workers, and to identify the proper measures in the view to preventing, managing and mitigating such impact. In order to achieve this objective, the ELDERS consortium has set up an interdisciplinary international expert network in psycho-sociology, training, industrial relations and labour law, physical ergonomics and health at work which has investigated the multidimensional facets of the phenomenon by way of combining between research, policy and practice-oriented activities.

More specifically during the seminar have been presented the results of the international research based on the scientific literature review and on six focus on the following EU countries: Austria, Finland, Germany, Italy, Spain and UK, in order to guarantee an original transnational dimension. The main sector of investigation was the private sector; the research group was mainly concentrated on those sectors which were most affected by restructuring processes and/or changes in work organisation, as well as marked deterioration in working conditions in the countries of analysis. The analysis took into careful consideration national and regional specificities as well as the fact that restructuring at sectoral level takes very varying forms.

Hoping to be of help, we're publishing in this special bulletin all the power point presentations introduced by the speakers.

The first session, chaired by Malcolm Sargeant, was characterized by the presentation of the Elders Project by Dr. Maria Giovannone, Adapt Research fellow, in particular she introduced the problem of older workers during restructuring and economic crisis and the results of the international research that had as a target group older employees (over 40), companies, policy makers and policy advisors.

Older workers are more likely to be affected by restructuring processes and economic crisis, and these processes can be extremely stressful and affect their well-being. A growing body of international evidence indicates that organizational restructuring can have profound adverse effects

on worker safety, health and wellbeing, e.g. in terms of poorer mental health outcomes, sickness absence and stress, particularly for older workers.

In addition to direct health effects, restructuring is associated with considerable problems in terms of compliance with occupational health and safety (OHS) legislation and workers' compensation/social security systems. All these changes hit the most vulnerable population groups, including the older workers, particularly hard, in a context where also the quality of working conditions is decreasing in many countries (WORKS-Work Organization and Restructuring in the Knowledge Society, 2009).

In particular elderly employees are among the most exposed groups to job insecurity. The current trend, where organizations are restructuring and downsizing, has led to an increase in the level of perceived job insecurity particularly among elderly employees all around the world. Not only blue-collar employments are affected, but also highly skilled, highly paid graduate employees are concerned with restructuring and downsizing. In the past, the workers that were laid off were mainly male, young, blue-collar workers (Greenglass & Burke, 2001: 1). According to the European Commission strategic report *Improving quality and productivity at work*, some categories of workers, particularly younger and elderly workers, workers whose jobs are insecure and unsafe, migrants, are still overexposed to occupational risks such as stress at work.

Most authors argue that the youngest and the oldest employees of an organization experienced high levels of employment security and related stress.

The fourth European working conditions survey corroborates these outcomes (European Foundation for the improvement of Living and Working conditions, 2005). As for the relation between work-related stress and age, stress was more often reported by 40-54 years old workers.

Matthew Flynn, Professor at Middlesex University, presented the results of an international research about OSH risk factor for older workers that confirmed a strong relationship between age, insecurity and health.

The second session, chaired by Dr. Maria Giovannone, dealt with a special focus on regulatory framework and practices of four EU countries: Spain, Germany, Austria and Finland.

Dr. Gotz Richter and Janine Dorschu, by Federal Institute for Occupational Safety and Health (BAuA) Germany, told that in Germany older people are described as a labour reserve, when it is notorious that job seekers over 50 years are often told that they are too old for the job, and actually older workers have only little chance to get back into work when they need to leave the company after restructuring. Older people have difficulties to return back into employment after a period of unemployment. However, there is the alternative of retirement. Older unemployed people are compared to all unemployed longer out of work. They find a new job after an average of 66.9 weeks, all unemployed after 41.9 weeks. 54.3% of the older unemployed have been jobless for more than one year, the share of all unemployed is 39.1%. These data reflect not only the obstacles to reintegration into the labour market. Summarising the available evidence on the connection between aging and the state of health, mainly three categories of occupational risk factor can be identified, which correlate over the occupational career i.e. with longer exposure time or with a high health risk and therefore affect the employment opportunities of older workers: excessive physical and psychological demands; highly stressful physical-chemical environment; poor work organisation.

Dr. Rebekka Vedina, by Esade Business School, presented the Spanish framework where older workers are encouraged to switch from activity to retirement by means of public unemployment aid and compensations are given to companies that in the process of restructuration in various sectors have allowed expelling all more than 50 years old from the labour market. An implicit imposition for cessation of work was actually created. Spanish society perceives those older than 50 as having certain stereotypes. In terms of employment, it is believed that older workers enjoy stability and protection so demanded by the young ones: fixed full time contracts versus temporary contracts, well defined economic benefits versus mobility and flexibility, acquired professional level and

various rights versus uncertain and nomadic trajectories. Another aspect of the social image of elder workers is presenting them as opportunists and individualists, more preoccupied with their future pension than the present activity. Their attitudes and behavior represent adjusting themselves for improving payments, choosing the right moment to leave or obtain additional advantages. These perceptions are reflected in the results of SHARE (The Survey of Health, Ageing and Retirement in Europe, 2005), a survey which split up the questioned employees in two groups (workers under and over 50), among those older than 50: Spain is the first with regard to desired resignation age as early as possible with its 67% and Netherlands are the last with 31%, demonstrating the growth tendency from the north to the south of Europe. At the same time, the percentage of enterprises that have developed strategies for maintaining older employees after they reach the retirement age or to recruit new older employees is the lowest in Spain, as a European survey has shown.

Dr. Kurt Schmidt, by IBW Austria, presented the result of an international research about older employees and their further training with a special focus on Austria. The results show that company opinions to learning aptitude of older employees is positive even if the training participation of older employees is lower because for them training does not make sense because they think it is not necessary and/or does not pay off for them, they refer to their higher experience and think their knowledge is sufficient, they are afraid of failures and they diminishing motivation (because they feel drained).

Krista Pahkin, by Finnish Institute of Occupational Health Organizational Innovations and Management Team (FIOH) Finland, demonstrated that Finland has a long tradition in studying the relationship between ageing and work. Different kind of research, development activities etc. have been conducted to find reasons for early retirement and solutions to support staying at work as long as possible. The revision earnings-related pension system (2005) also primarily aimed at support workers to remain at work longer. In case of organizational change there are several laws related to employees' rights. The Finnish Ministry of Employment and the Economic have organized services to make sure that employees' situation during the organizational change is secured. Also the labour market parties in Finland decided in 2005 to implement "change security" model during restructuring. The aim was to speed up re-employment of redundant employees. At the same time, there are systems which support early retirement. For example, one major reason why elderly employees in Finland quit working due to restructuring situations is the so called "unemployment pension tube" system. This system offers elderly employees a possibility to retire earlier, which they often use. Recently, this system has been made stricter and only those long-term unemployed born before year 1950 can apply for unemployment pension. However, one of the challenges of the system is how to make sure that all those elderly employees who use it, do it voluntarily and not because they feel pressure for example from their workmates. Generally the situation of elderly employees seems good in Finland. Their employment rate has increased during the last decade and the recent financial recession did not have major effect on them. They also are satisfied with their work and feel most equally treated at the work place. It also seems that the changes in the workplace do not have so strong effect on them; to their work tasks and to the way they experience the changes. In fact it seems that the situation of younger workers is more vulnerable.

The seminar was closed by Malcolm Sargeant, Professor at Middlesex University and Marjan Sedmak, Age Platform Europe.

Professor Sargeant presented the Decent Work Agenda that underline the importance of fundamental rights at work, fostering employment, expanding and improving social protection and promoting the social dialogue.

The research was closed with a set of recommendations for policy makers and social partners aiming at promoting memoranda of understanding to develop services and integrative support, as part of a bilateral system, for enhancing well-being of older workers affected by restructuring processes and economic crisis such as:

- studies on health risks in the workplace;
- organisational health reports and working groups on health;
- the use of health experts to provide support in organizational terms;
- employee surveys;
- employee participation and education;
- regular health checks;
- training supervisors and key workers in health management techniques;
- ergonomic workplace (re)design;
- preventive redeployment;
- health-promoting working time arrangements;
- training promoting forms of contractual relationships targeted at over 50 workers;
- preventing, managing and/or mitigating stress at work and related psycho-social issues (as a consequence of restructuring);
- rethinking the organisation of work, the division of tasks, and the use and availability of information technology;
- adapting working time schedules;
- providing adequate training;
- informing and consulting workers prior to a restructuring process;
- providing individual support such as coaching or mentoring;
- foster research and policy advice on work-related stress;
- support the implementation of the European Framework agreement on work-related stress.

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