

The background features a dense, abstract pattern of red and green brushstrokes. A prominent, thick green stroke runs diagonally from the top left towards the bottom right. The Adecco logo is positioned at the top center in a clean, white, sans-serif font. Below it, the word 'Inovantage' is written in a large, white, cursive script font, overlapping the green stroke.

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Ageing – New ways to Equip the Old

Innovation and Advantage drive success.
Using creativity and analysis-driven writing
to convey business acumen and the pursuit of success,
'Inovantage' is a biannual report that discusses employment,
education and economy in CEE.

Editor's Note

Dear Readers,

We are happy to introduce to you our final **Inovantage** of the year talking about the much debated **Ageing Demographics** - in the context of our usual big three - **employment, education and the economy**.

With 19.2 % of the population in Europe already above 65, declining fertility which in turn results reducing population size, there is no time better than the present to discuss how we address a shortage of skills (Inovantage dates June 2018) in lieu of the demographic shift.

We have distilled our findings into 4 key pillars which we will debate over the three chapters of the report.

- **Staffing & Employment** - Flexibility with a focus on improving Employability
- **Education & Skilling** - Cross-institutional Life-Long Learning
- **Financial Autonomy** - Encouraging Entrepreneurship & Investments in an older Consumer Market
- **Social Welfare Policy** - Advanced Social Protection systems & Subsidized Care-giving

Inovantage explores in depth over three chapters ageing in context to the economy, youth employment and automation.

We sincerely thank our academic & commercial partners for their contribution to the report and for supporting us in the publishing of valid research material, with a CEE focus, in the sphere of employment & education.

Yours Sincerely,

Manlio Ciralli & Sandhya Sabapathy

Branding & Innovation Department
(Italy, Central and Eastern Europe, Middle East and North Africa)



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Preface

According to the latest revision of World Population Prospects, about 12 per cent of the world's population, accounting for more than 900 million people, were aged 60 or older in 2015. This number is projected to reach 1.4 billion, or 16.5 % of all people, by 2030 and 2 billion in 2050. This is the fastest growing segment of the global population, although regional dynamics show considerable variation - for example, European countries are ageing more rapidly than other regions, mainly due to persistently low fertility. Europe's median age in 2015 was about 42 years, which the global population is not projected to reach until 2100.

Declining birth rates, improving life expectancy, and migration of workforce are key drivers of ageing.

The strongest driver, which may come as a surprise to some, isn't the improvement of life expectancy but migration. Migration peaks at 30-55 years of age which unfortunately is also the population at the peak reproductive capacity. This results in fertility drops that increase the age of the current population.

Employers and organisations across the world are finding new ways of supporting people to remain active in the workforce as they grow older; this requires innovative thinking around human resources, organisation forms and technology. Independence is not necessarily the absence of help and support, but the capacity to make choices, and to contribute socially and economically. Looking at the process of ageing through a wellbeing lens means building social networks across and between generations; exploring models such as co-housing where people live collectively; giving attention to both housing and wider neighbourhood facilities and design; and developing opportunities for older people to take personal control, challenging preconceptions of older people as passive recipients and promoting their engagement as active citizens.

Success will not be possible without deeper, accountable cooperation between employers and educational institutions. In this context, it is particularly important to create new platforms for cooperation between universities and business, and to recognise the benefits of such exchanges for all actors involved. We hope to start such conversations with some esteemed professors from top EE schools being partners in this project with us.

We are always available for more enquiries on this important topic of Ageing Demographics and hope to be in touch with all of this report's readers for their feedback, questions and continued support.



Sergio Picarelli
Executive Board Member, Adecco Group
CEO of Italy, Eastern Europe, Middle East & North Africa
Global Head of Permanent Placement and Career Transition



Angelo Lo Vecchio
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How will CEE feel the impact of the aging population in a still emerging market?
What does this mean for the work-force, present & future?

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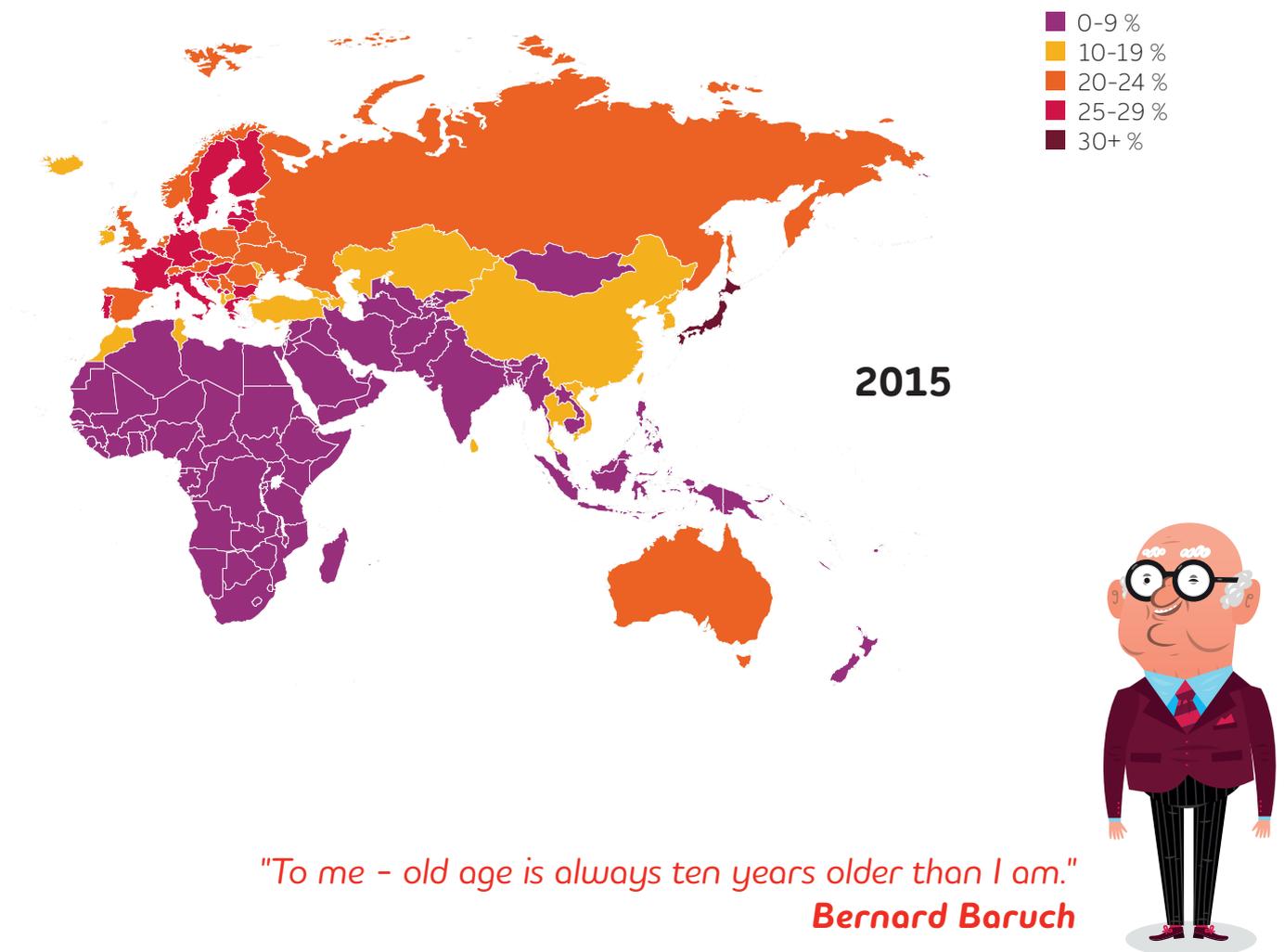
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Demographics in Emerging Europe

With Europe facing a demographic shift, The Adecco Group explores how the world is turning gray and how older countries do not necessarily mean slower growth. Celebrating medical advances with appropriate policy, employment and education changes will drive disruption in fast-aging Europe. That said it's important to keep in mind that emerging Europe faces the dual challenge of a rapidly aging population and an incomplete transition to mature market institutions to deal with the adverse economic consequences of aging.

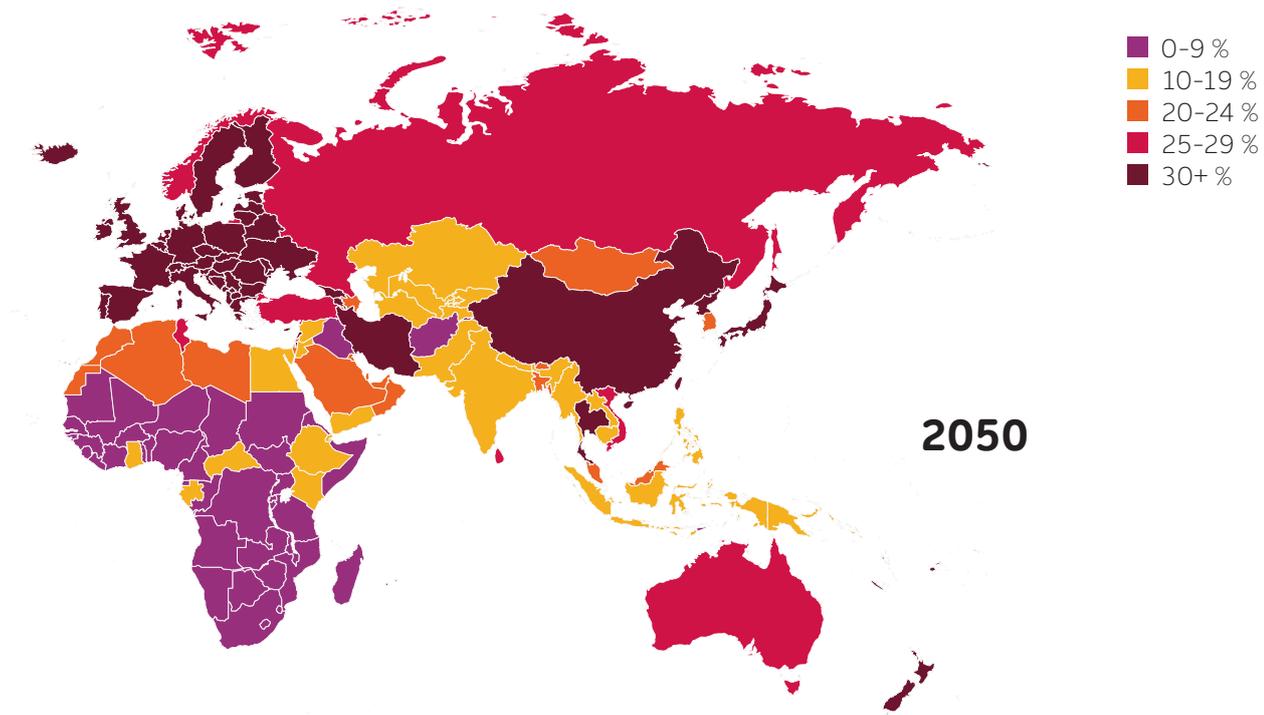
According to the latest revision of World Population Prospects, about 12 per cent of the world's population, accounting for more than **900 million** people, were aged **60 or older in 2015**. This number is projected to reach **1.4 billion**, or 16.5 % of all people, by **2030** and **2 billion in 2050**. This is the fastest growing segment of the global population, although regional dynamics show considerable variation - for example, European countries are ageing *more rapidly* than other regions, mainly due to persistently low fertility. **Europe's median age in 2015 was about 42 years, which the global population is not projected to reach until 2100.**²

Population % of the world over 60 years SOURCE: Global Age Watch 2015



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Drivers & Impact

Declining birth rates, improving life expectancy, and migration of workforce are key drivers of ageing. The strongest driver, which may come as a surprise to some, isn't the improvement of life expectancy but **migration**. Migration peaks at 30-55 years of age which unfortunately is also the population at the peak reproductive capacity. This results in fertility drops that increase the age of the current population.

Moving into an integrated approach

The high usage of labour force potential is top priority in the Europe 2020 strategy. Improving exit transition of the workforce by lengthening careers and providing flexible solutions and supporting life-long learning are some of the leading important discourses. Different positive effects of prolonged economic activity are broadly discussed, including better economic performance, stability of public finance and improved living standards of the elderly. To address the coming challenges, the labour market for older workers is examined both from supply and demand aspects, as well as in the wider context of work and family life reconciliation, including sharing of public-private care responsibilities and moving from a traditional to an age-integrated concept of life phases over the life course.³

Life phases

Traditional



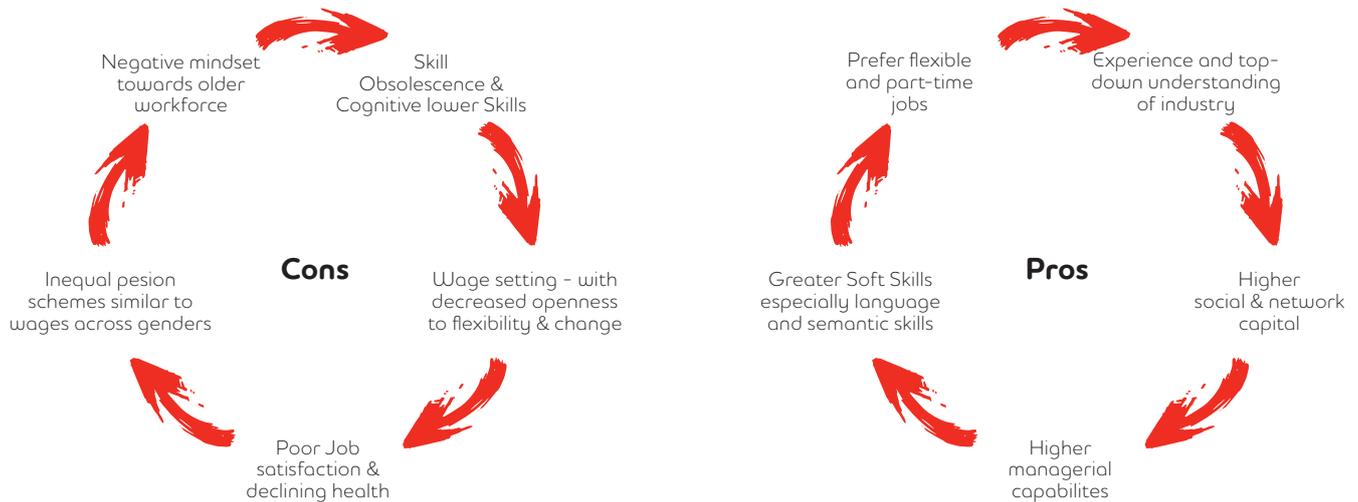
Age – integrated



Employability of the ageing workforce

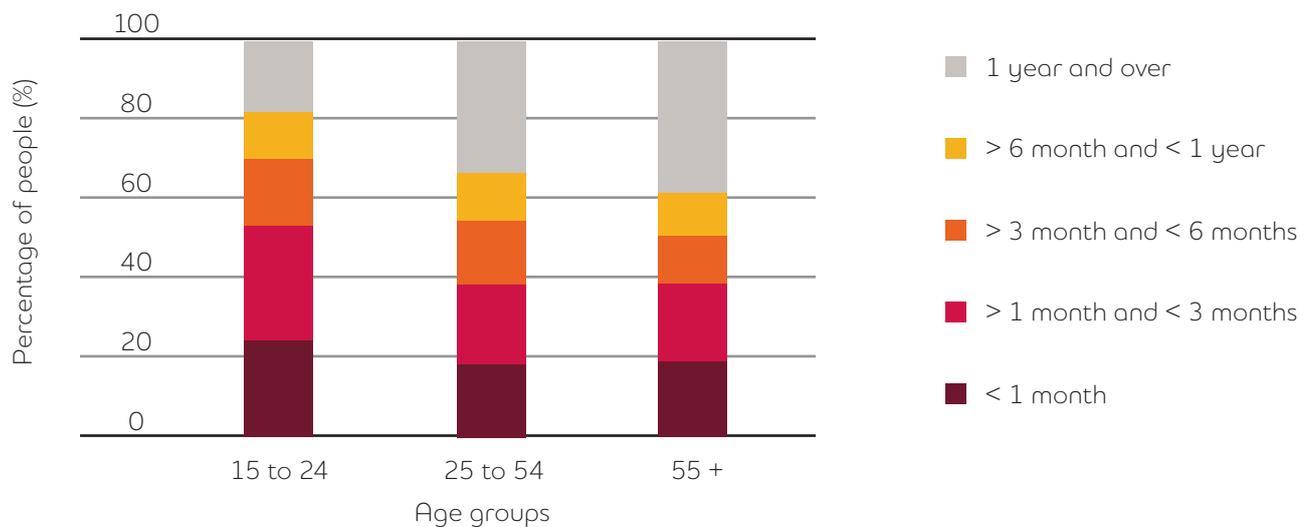
Another way to increase labour participation is to extend working lives. Longer labour market participation requires the high employability potential of the ageing workforce to be maintained. Employability is a combination of work ability and policies (employment and deactivation policy, education and social protection measures) that affect employment, economic well-being and quality of life. Work ability is, in turn, a combination of factors starting with health, through competences and values, ending with the work environment. All these aspects are set in the context of close networks of family, relatives and friends, as well as of society as a whole.³

Here are the pros vs. cons surrounding elongating careers in the workforce – especially in the lower educated populations:



Older workers who lose their jobs because of privatization and other forms of restructuring often withdraw from the labor force because they lack re-employment prospects. In many cases, this withdrawal has been encouraged through extended unemployment benefits and early-retirement pensions. In the future, governments will need to remove such incentives for early exit and use income incentives as well as effective employment programs to encourage these workers to seek re-employment. Although increasing the participation of older workers is an obvious response to the aging of the region, the projections carried out show that, in many countries, greater labor supply gains can be realized by achieving modest participation increases across the adult population.

Exhibit 9: Duration of Unemployment by Age (OECD Nations)



Cross-country analysis by the World Bank, the OECD, and others has consistently shown that more flexible employment protection rules are associated with higher participation rates. By reducing the costs of hiring (and firing) and encouraging flexible contracting, these rules can draw more workers into the labor market. These types of reforms have a particularly positive effect on the participation of such groups as women, older people, and younger people, who, in most countries, often face barriers to participating in the labor market. Policy makers can also address the productivity concerns associated with aging labor forces. The key instrument in this regard is a training and education framework that supports *lifelong learning*.¹

Labor Market Reform Agenda for Aging Countries by Country Grouping

Country grouping	Reform priorities for the labor market
EU countries	<ul style="list-style-type: none"> • Recognize credentials and social security portability to encourage migration. • Liberalize employment protection rules to encourage flexible employment. • Encourage wage adaptability through reduced or differentiated minimum wages. • Increase labor supply in low-wage regions by adjusting benefit levels. • Consider harmonizing unemployment and pension benefit rules to encourage participation of older workers. • Develop incentives for training older workers.
Southeastern Europe	<ul style="list-style-type: none"> • Recognize credentials and social security portability to encourage migration. • Reduce labor taxes, especially on low-wage labor. • Encourage wage bargaining structures that increase wage flexibility. • Complete restructuring of SOEs, with reemployment support for laid-off workers. • Eliminate links between unemployment and access to social/health benefits. • Develop incentives for training older workers.
Middle-income CIS	<ul style="list-style-type: none"> • Recognize credentials and social security portability to encourage migration. • Increase scope for flexible employment. • Encourage wage bargaining structures that increase wage flexibility. • Eliminate links between unemployment and access to social/health benefits. • Complete restructuring of SOEs, with reemployment support for laid-off workers.
Low-income CIS	<ul style="list-style-type: none"> • Deregulate labor market and improve enforcement of basic standards. • Eliminate links between unemployment and access to social/health benefits.

Source: World Bank staff compilation.

Note: CIS = Commonwealth of Independent States; SOE = state-owned enterprises.

Florin Godean, Country Manager of Romania gives some sincere comments on older workforce employability.

'Employers need to rediscover the hidden treasure that is elderly talent. Romanian law prevents ageism in employers but there is a general 'feeling' among HR professionals that younger candidates are more eager to work hard, accept longer hours, learn a lot and stay longer with their current employer. This culture must change, and we notice that in Romania it slowly is.

The job market is booming, and employers are discovering that the young candidates are more mobile than the older workforce. Mobility in youth brings the need for teachable 'pillars' at work – older candidates with great skills in communicating, help us get through to youth quickly.

Retailers and private security companies in Romania now also employ part time older workforce in increasing amounts. They tend to be more stable and can be depended to stay in the role for a while.

But a lot more has to change to have a proper attitude towards the older workforce. First as I mentioned at the beginning we recognize the hidden treasure – people with work experience– are primed to learn as they have worked across industries in a variety of roles. So, we must be ready to change our corporate culture into one that is inclusive and open to more than one generation.'

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Poland – Case study in Ageing

Starting us off in this case study is **Anno Wicha**, Country Manager Adecco Group Poland:

"Demography is one of the key factors that affects the labour market. It defines both access to young workers and the number of pensioners that the state maintains under the general insurance system. In the coming years, Poland will see a population decline. It is estimated that by 2030, our population will decrease by nearly a million.

This process began in the post-war years. Demographic data indicates that for several dozens of years fertility has been gradually decreasing and for almost 30 years, it has not reached the value of "2" - necessary to replace current generations. In 1990, the fertility rate was 1.989, in 2000 it was 1.376, and in 2015 – 1.289. For this reason, the natural increase rate (per 1000 inhabitants) also decreases. Since 1997 it has not reached the value of 1, and in 2002-2005 and 2013-2016 it was even negative.

The result of this situation is the ageing of society. It is not only a Polish or Eastern European problem. In 2016, young people (0-14 years) constitute only 15.6 percent of the 510 million people living in the EU-28.

People in working age (15-64) constitute 65.3 percent of the population, and at the same time, the group of older people (aged 65 and over) oscillate at the level of 19.2 percent. This indicator has increased by 2.4% compared to ten years ago. The median age in these countries has increased by about 4 years since 2002.

The drop in the population is a big threat to the labor market, because it means a decrease in the number of people in working age. We can see the most violent decline in the group of people in active working age, between 18 and 44 years old.

What are the effects of these processes on economies and on particular social groups? The lack of substitutability of generations has two negating effects - a decreasing group of people able to work and a growing group of those who receive pensions. It is harder for employers to find an employee which stops revenues, firms' development and additionally increases wage pressure.

However, if you do not look at the economy holistically but in fragments, you will find that the current demographic situation has its beneficiaries. These are groups of employees previously marginalized. Employers - under market pressure - finally began to see how great value for organizations can bring a people aged 55+.

Their strength is not only professional experience, but also approach to work - slightly different than those represented by later generations. Their knowledge, the need for stability, loyalty, commitment, accuracy or leadership skills predispose older employees not only to managerial positions, but - perhaps first and foremost - to the mentoring roles in companies dominated by more self-development and own career-oriented millennials.

When analyzing the impact of demography on the labor market, it is worth to remember about those for whom current situation created and continue to create new opportunities. First of all - immigrants. Data from the Ministry of Labor and Social Policy indicate that in 2017, as many as 216,048 applications for work permits for citizens of Ukraine were submitted, of which 192,547 ended with permits. Secondly - young mothers, and thirdly, people who left Poland to European Union a dozen or so years ago. I am convinced that there will be new interesting challenges for these groups on the Polish labor market.

Demographic problems - a decrease of population, fertility and the number of people of working age - should force employers to change their employment strategies. It is necessary to popularize and introduce age management programs - among others, allowances for older people, defining and dedicating sentences appropriate to their age, competences and family conditions. Such solutions are successfully used in Western Europe. It is also important to use more flexible forms of employment, including outsourcing. In the coming years, demography will still be a key aspect shaping the labor market and will force employers to change in human resources management."

Krzysztof Martyniak, eminent sociologist from Warsaw University explores the situation in Poland a little deeper.

"In the modern labour market - both in Poland and in other countries of the region - we observe two trends that may seem incompatible. This is the progressive ageing of societies and so-called "The fourth industrial revolution", which requires employees to constantly develop their skills related to technologies.

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According to the stereotypes, new technologies are the domain of young people. Therefore, there are fears about whether older employees will manage in an economy based on innovation. It is worth remembering that the problem of the ageing of nations concerns mainly highly developed countries. In most parts of Asia, Africa or South America the problem is different - a huge number of young people and lack of job propositions.

According to OECD forecasts, the % of elderly people in Poland (defined as the ratio of the number of people over 65 to the number of people aged 20-64) will increase to 63 percent within the next three decades (in 2050). Meanwhile, in 2012 it was 22 percent.

From the sociological point of view, the most important element of the full and effective use of the potential of older people and counteracting their digital exclusion is the fight against stereotypes and internal blockages. People aged 55 or 65 often lack intellectual predispositions to practice in the IT sector. The only problem is that the technological revolution found them at a later stage of life, often after finishing education. The key is lifelong learning - changing the way of thinking, that there is no need to learn in the older age.

Learning new technologies is a must for every worker - regardless of their age. Fortunately, it becomes easier. Old computers supported with the help of perforated cards were replaced by touch devices, operated with a finger. It is a symbol of changes in technology. To use it effectively you don't have to be rich or directionally educated, and for sure not necessarily young.

The digitalization of our life is not a problem for an ageing society. It is its hope. Work requiring high health and physical strength is now being replaced by machines and automation. As a result, it is easier to develop the potential of people who once had to be replaced due to the loss of vitality. The challenge facing the labour markets in our region is to implement the idea of lifelong learning. The age of employees is no longer a problem for the economy, but their ability to adapt themselves to new working conditions."

Poland has followed in the footsteps of France, Italy and Japan incorporating some soon to be integral changes in the improvement the Polish seniors' quality of life - by social activation and better integration with the local society.

The ASOS program has generated several direct advantages, not only for the elderly people as the target group but also for the local communities and local economy, where the intervention has been implemented. The implementation of the ASOS program is supportive for development of the 'silver economy'- population ageing phenomenon is the opportunity for economic growth and new work places creation as well as a driving force for taking up the inter-sectoral cooperation and partnership between social, public and private sectors. ⁴

Priorities and actions of the ASOS Programme

<p>Priority I Education of older citizens</p>	<ol style="list-style-type: none"> 1. Diverse educational offer providing knowledge in different areas (including law, economy, health, prophylaxis, sport, tourism and new technologies), educational programs on active ageing 2. Training of volunteers 3. Training of assistants 4. Promotion of volunteering of competency 5. Promotion of educational offer among seniors
<p>Priority II Social participation promoting integration within senior generation and between generations</p>	<ol style="list-style-type: none"> 1. Social activity of seniors, including volunteering 2. Physical activity of older citizens, tourism and recreation 3. Engaging different generations in cultural activity 4. Building social networks based on intergenerational volunteering 5. Eradicating e-exclusion
<p>Priority III Social participation of older citizens</p>	<ol style="list-style-type: none"> 1. Seniors' activity for local communities (development of civil society) 2. Activity supporting participation in social/public life 3. Info-help network (to build positive image of ageing)
<p>Priority IV Social services older citizens (external)</p>	<ol style="list-style-type: none"> 1. Training of volunteers and assistants in field of helping older citizens 2. Supporting various forms of self-help 3. Supporting families in help for seniors based on voluntary assistance 4. Increase of access to social services in various areas: custody, culture, education, sport and tourism



Slovenia's Active Ageing Strategy

Underpinning the Active Ageing Strategy is the concept of active ageing, which emphasizes activity and creativity in all periods of life, concern for health, and intergenerational cooperation and solidarity. This will provide for the population's well-being and quality of life, with an emphasis on intergenerational cooperation and awareness of the importance of high quality ageing. The guidelines also take into consideration that human rights apply equally to all, regardless of age.

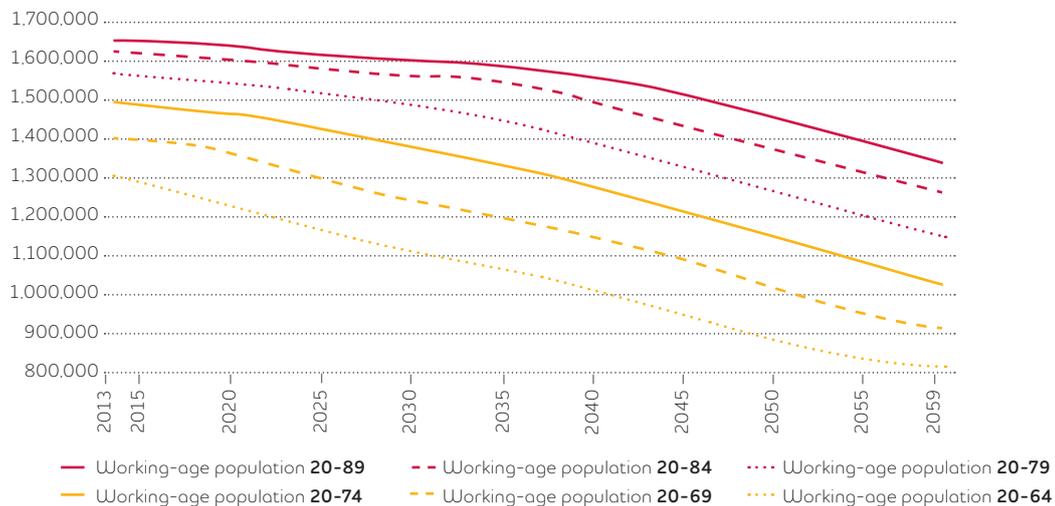
I) Employment (adjustments on the labour market, including education and training, and provision of sufficient labour through net immigration);

II) Independent, healthy and safe living for all generations (systems of social protection, accessibility of healthcare and long-term care services, concern for health, reducing inequalities in healthcare);

III) Participation in society (intergenerational cooperation, volunteering, use of ICT in communication, prevention of discrimination and violence in society, political activity);

IV) Environment enabling an active life throughout the life course (adjustments to the economy, dwelling conditions and transport systems with the support of ICT and technological solutions).

Figure 3: Change in the number of people of working age by definition of upper age limit (without migrations)
Source: SURS, Eurostat.



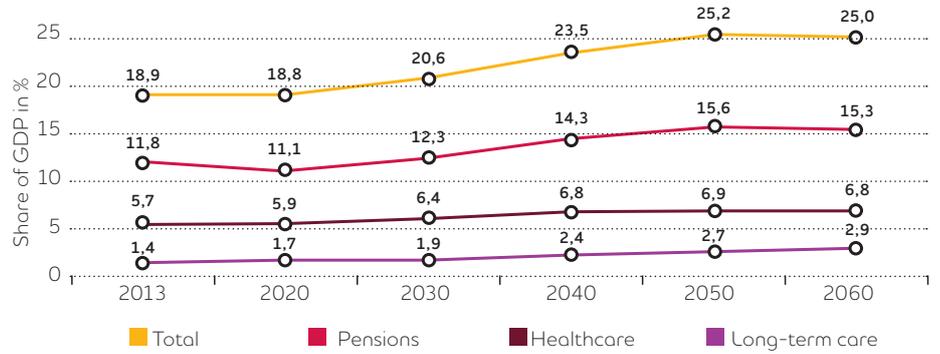
In the 55-64 age group, it is a reflection of early retirement due to the low statutory retirement age for full pensionable service and:

- I) undeveloped age management at companies,
- II) insufficient adjustment of working conditions to an older workforce,
- III) lacklustre promotion of lifelong learning among the older population,
- IV) insufficient incentives for retention of older workers.

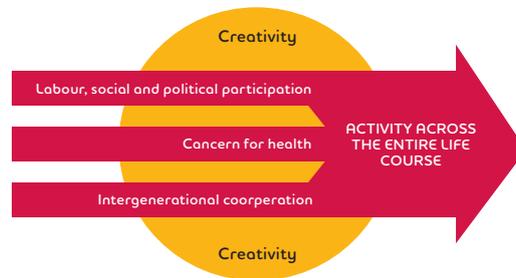
Figure 4: Long-term projections of public expenditure on social protection systems, baseline scenario, Slovenia

Source: EC (2015).

Note: Projections based on baseline scenario of the Ageing Working Group (AWG). Public expenditure on healthcare is shown based on the methodology of the system of health accounts (SHA) but excluding expenditure on long-term healthcare (0.86% of GDP). Expenditure on long-term care (health and social portion according to SHA methodology of 0.98% of GDP) includes disability benefits according to ESPROSS methodology (0.4% of GDP). The baseline year of the projections is 2012.



The concept of active ageing involves: – Activity across the life course, which includes especially greater societal, economic, social and cultural activity of older people; the increasing share of older people is an opportunity that must be leveraged with more active participation in work processes and greater engagement in social and political life; – Concern for health, which includes concern for health and a healthy lifestyle across the life course; this makes it possible to extend working life and lengthen health expectancy and reduces expenditure on health and absenteeism; – Intergenerational cooperation with mutual support, transfer of knowledge and experience, and a contribution by all participants.



"Employers in Slovenia are reluctant to offer education programs to older workers, since they expect they won't stay in the workforce long enough after re-skilling. We believe people would choose to stay longer in the workforce if they had an opportunity to learn new skills needed in the modern work environment. If we could find a way to share new skills with older colleagues there would be more people who stayed in the workforce longer. That would offer employers return of investment they expect and diversify their workforce with full range of experience and skills. A wider government facilitated program would be of great help. Companies, government education systems and individuals must all commit to life long learning to make re-skilling of older workers a reality", emphasizes **Miro Smrekar**, Adecco's Head of the Adriatic Zone.

Konstantinos Milonas, the Country Manager of Adecco Greece points out that Greece, according to EUROSTAT has one of the highest ranks among the EU Member States in share of individuals aged 65 or older, at 21.5% (the EU average is 19.2%). "Greece, together with Japan, South Korea, Spain, Portugal, and Italy are the world's six countries growing older the fastest.

According to the Help Age International, the life expectancy of Greeks aged 60 is 24 years and the life expectancy in good health is 17.4 years, very close to the European average. This means that we need to develop policies that will permit this part of the population remain productive. We need to avoid the risk of having the proportion of people of working age shrinking while the relative number of those retired expanding.

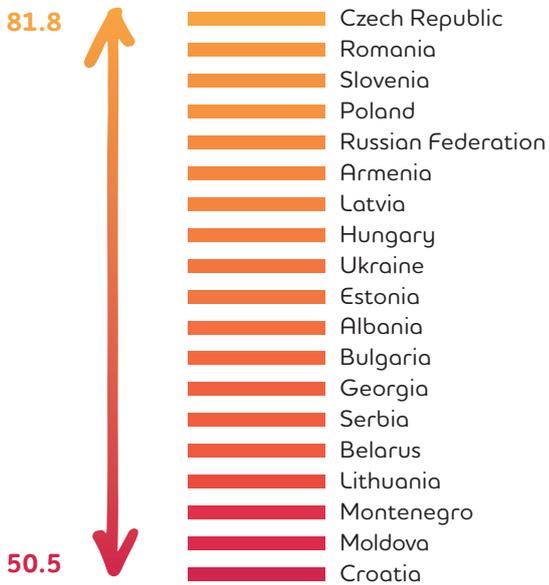
The question is: Have companies in Greece put in place strategies to deal effectively with the ageing workforce? Have they realized the impact of this phenomenon to the market and themselves? And then have they set their key priorities to address this situation? There are some good examples of such companies, but I would say, I am afraid, it's not the rule. In many cases we see that older employees are not retained and when a restructuring need comes up, they are the first target of the restructuring programs."

CEE Aging numbers

Courtesy of the Global Age Watch Index let's have a look at some important numbers in TAG's selected CEE countries:

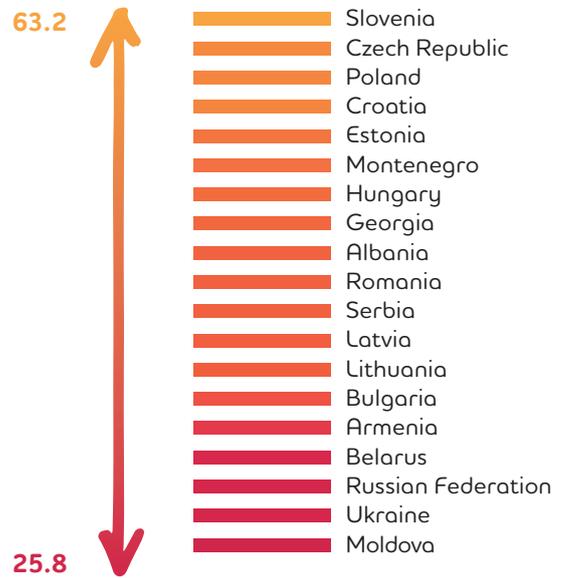
Income security domain value

Eastern European Group



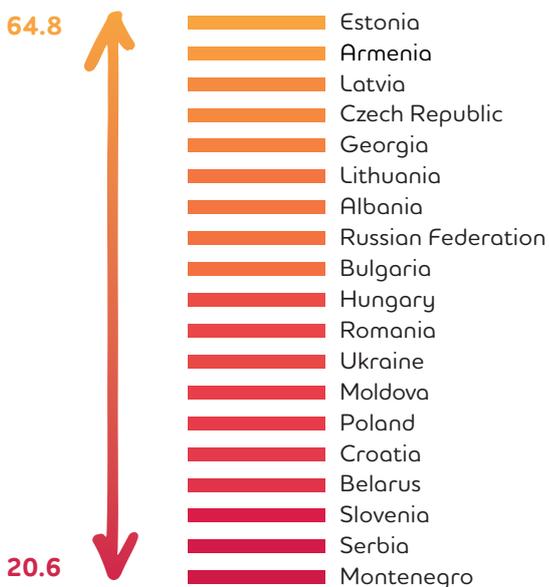
Health security status domain value

Eastern European Group



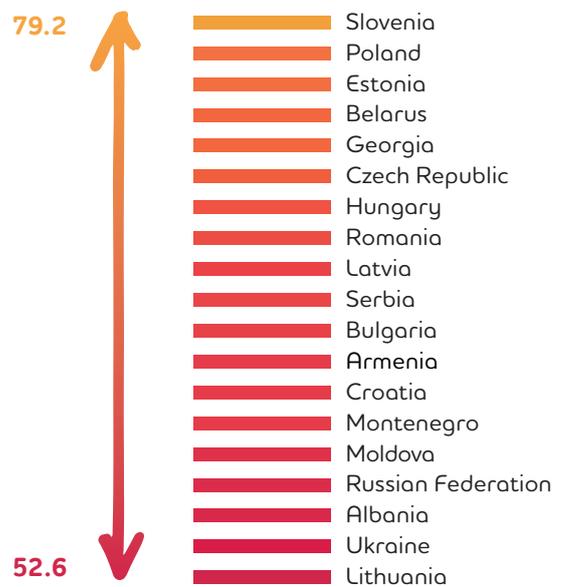
Capability domain value

Eastern European Group



Enabling environment domain value

Eastern European Group



Countries	Healthy life expectancy Aged 60	Pension Coverage (% above 65 receiving pension)	% population over 60
Bulgaria	14.5	96	26.9
Croatia	15.6	57	26
Czech Republic	16.2	100	26
Greece	17.4	77	27
Slovakia	15.2	100	20.5
Slovenia	17.3	95	25.2
Serbia	15.7	81	24.4
Turkey	15.6	88	11.2
Romania	15	98	24.4
Poland	16.2	96	22.7
Hungary	15	91	24.9

Tibet Egrioglu, Zone Director of Middle East, North Africa & Turkey points out that the definition of an older employee also varies from country to country.

"What is the definition of old employee in Turkey? Demographical definition of old is defined around the age factor in the country, and it is accepted that people who are between 55-64 fall in the 'older' workers category. Due to the OECD Labour Force Participation Rate, 4 (3,68) in 10 Turkish workers is over the age of 55, which is the lowest proportion within the EU and candidate countries.

One of the most human-centric challenges faced by the CEOs, is facilitating a workplace culture that allows continuing work each employees of any age. Changing the accepted organizational culture for age-friendly workplace environment can make things difficult in the sense of gradual human source progress and adaptation.

Employers perception indicators about older workers in Turkey:

Older Workers	
HIGHER ATTENDANCE RATE	Have better attendance records
SERVICE	Have better customer service
PERSONAL QUALITIES	Are loyal, dependable and reliable
HUMANIZED INVOLVEMENT	Have higher ownership state
TUTORING SKILLS	Have the capacity of tutoring newly hired employees
PRESENTABLE	Recognize the reputation of their working institutions
HIGHER EMOTIONAL INTELLIGENCE	Eager to set connections among all employees

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Now, focusing on the benefits of working with mature employees in Turkey:

Older workers can make important contributions to productivity and growth in case of employers recognize their value, adopt the right policies and establish a supportive culture in their companies. In such an economy, growth will be sustainable and broadly inclusive and older individuals, and these who depend on them, will enjoy greater financial security.

Three policies could be shared to steer the economy through the demographic challenge that is now unfolding in our country.

Firstly, companies could provide support for employee caregivers. Caregiving responsibilities are one reason that workers may retire sooner than they planned, workplace rules that make rules for caregiving. Including leave policies, can help caregivers hold on to their job and contribute to the broader economy.

Secondly, flexible workplace policies could be beneficial for mature ones. Older workers usually face personal health issues. Flexible scheduling, telecommuting, phased retirement, wellness programmes, family leave, paid sick days can add years to a workers' tenure. Employers benefit from reduced turnover, lower absenteeism and the know-how that is often possessed by experienced workers.

Third area is trainings and education. Employees have a duty to keep their skills competitive and to recognize that change is inevitable if not always easy. But most employers can do a great deal more to keep their workers up to date by providing training and development opportunities to workers of all ages.

Consequently, mature employees are requested by the companies due to their experience. The newly hired young ones get benefit from their personal and professional qualities.”⁸

What are the next steps?

Let us look at TAG's 4 pillars to improving CEE's approach to ageing:

EDUCATION & SKILLING	FINANCIAL AUTONOMY	SOCIAL WELFARE POLICY	STAFFING & EMPLOYMENT
<p>CEE's growing manufacturing industries employ a large number automatable jobs that require upskilling (Eg. waiters and pay rollers could be transitioned into customer-service and dining-event management roles. Plant and machine operators could become specialty technicians and robotics monitors.)</p> <p>Improving the employability of these workers guarantees better living for all</p> <p>Life-long learning must stop being targeted at the top 10 % of the workforce & must be mandated for all</p>	<p>Start-up activity amongst the elderly must be encourage as they understand their own target audience best.</p> <p>In countries with better legal protections for borrowers and lenders, older workers are less likely to be at risk of automation and more likely to be in higher-skilled work on average.</p> <p>Opening up possibilities to invest resources from an intellectual stand point must be backed up financially by policy.</p>	<p>In countries with more government consumption spending and higher pension replacement rates, older workers tend to be doing higher-skilled work</p> <p>Richer countries do have better public spending systems on welfare and pensions, it's not the only reason</p> <p>Strong systems of social protection encourage older workers doing low-paid, elementary jobs to exit the workforce</p> <p>High-skilled workers left behind continue to work because their employment income exceeds what they would receive from the state if they retired.⁶</p>	<p>Encouraging flexible careers which requires modernization of employer strategies, labour market policies and education systems</p> <p>Strengthening social security around these flexible work force solutions to improve participation from the older workforce</p> <p>Training about the differences from the traditional workforce contracts and the benefits of the same across the board</p>



Organizations will need to adapt to facilitate an older workforce. A core aspect of the working life cycle approach is to design work systems for a highly diverse workforce, including older people.

“Economic factors though are forcing people to work longer in order to maintain a reasonable income to support their quality-of-life expectations” mentions **Konstantinos Milonas**, Country Manager of Adecco Greece. “Keeping older workers in their jobs for longer has become, and will increasingly become, a matter of survival, while at the same time the ageing population has raised concerns about the sustainability of pension systems and labor supply, given the other big challenge the world of work is facing, the skills shortage.

The shift from the manufacturing industry towards services and knowledge-based industry, as well as increased digitization and automation of tasks, have reduced the need for heavy physical work, which hit older employees hard. On the other hand, many abilities and skills such as good interpersonal skills, customer service and experience in the field, often associated with older people, are increasingly valued. Older employees have a lot to offer to the labor market.

In this context, main priority and most important thing for the companies of all sectors to cope with is the generational diversity in the workplace. Four very different generations have to work together and remain productive giving their best to achieve a common goal. A 65-year-old employee has to work effectively with a 20 year old one and these two have to be able to understand each other, recognize own and other’s strengths and limitations and work towards a common goal. This can be challenging but also exciting. In order to bring these 4 generations together, the companies must develop relevant culture and strategies, that will promote diversity and inclusion, will make each employee feel useful, productive and efficient and give them the space they need to offer their best to the company.”

In conclusion, employers and organizations across the world are finding new ways of supporting people to remain active in the workforce as they grow older; this requires innovative thinking around human resources, organization forms and technology. Independence is not necessarily the absence of help and support, but the capacity to make choices, and to contribute socially and economically. Looking at the process of ageing through a wellbeing lens means building social networks across and between generations; exploring models such as co-housing where people live collectively; giving attention to both housing and wider neighbourhood facilities and design; and developing opportunities for older people to take personal control, challenging preconceptions of older people as passive recipients and promoting their engagement as active citizens

Over the next chapters ADECCO explores two critical topics that will define the future of the old; youth and automation.

*Economy
& Ageing*



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Youth Employment & Ageing



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Youth Employment & Ageing: Engaging the entire workforce

The relevance of youth employment in the context of increasing the length of careers has been much debated - as Europe enters an age where youth employment has been a point of concern for over two decades and ageing is demographically altering things significantly, we no longer have the luxury of not connecting the two especially in emerging Europe.

EU has had a general negative outlook on youth unemployment & longevity of careers as well as a with long duration unemployment amongst these two demographics. While there are clear relations, there is *no clear causal* relation between either of these variables being heavily interdependent in a negative manner.

It's important to note that in countries successfully having increased the career activity rates among those aged 55-64 despite recessionary pressures, youth unemployment has tended to increase less than in other countries. In countries such as Greece, low activity rates for older persons are combined with high youth unemployment, while in other countries such as Germany relatively high activity rates for older persons are combined with low youth unemployment. ¹

Promoting early retirement was a frequently used policy to keep open unemployment low in a phase of massive industrial restructuring in the 1970s and 1980s or even more recently in many EU Member States. In some countries, explicit policies to encourage older workers to leave the labour force were put in place to make jobs available for young labour market entrants at the time. However, while such schemes were gradually dismantled in many European countries over the last two decades, we can observe a certain renaissance of the view that in a situation of crisis high levels of youth unemployment can be reduced when older workers retire earlier. ²

Ondřej Wysoglad, Country Manager of Adecco Czech and Slovakia helps us draw some general qualitative comparisons we can draw b/w older and younger workers:

YOUNG WORKERS	OLDER WORKERS
<i>Digital Natives:</i> Innovative sector and evolving industries recruit younger workers and have better results after training the young workforce	<i>Process Natives:</i> Show higher productivity levels in process driven structured industries that need ample mentorship for day-to-day tasks
<i>Exposure:</i> Millennials are experience-seekers going where they are challenged the most and where they can grow holistically	<i>Loyalty:</i> Older workers prefer to stick to stability and improve on skill-sets that have spent years honing
Commonalities:	
<i>Autonomy:</i> Respond well to flexible working solutions and better understand the variety of job/contract mixes	<i>Support:</i> Respond well to flexible working as it ensures they can take the time off they need for health reasons and still work/perform well.
<i>Training:</i> Apprenticeships, vocational training and re-skilling of the young force is very well received and are future high performance guarantors	<i>Up-skilling:</i> Appreciate and positively perform in response to institutions investing in life-long learning and up-skilling measures to improve their employability



"Old age is like everything else. To make a success of it, you've got to start young."
Theodore Roosevelt

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Labour Lumping: It's not that simple anymore

The theoretical foundation of the lump of labour fallacy rests on an almost perfect substitutability between young and elderly workers. According to this perspective, an old worker leaving the labour market makes room for a young worker who can perfectly substitute the older worker in their previous task. However, this perfect substitutability is not the likely reality we see considering the job market mix is going considerable change.

SOME FACTORS THAT SKEW LABOUR LUMPING:

1. Innovation opens new jobs that weren't created before which involves such skill obsolescence for the older workers it isn't a point of substitutability
2. Industries dominated by vocational learning and transactional learning, older workers have a significant advantage both from a managerial standpoint and a loyalty standpoint
3. Flexible working creates new opportunities for both these age groups but in very different areas and entirely different skill-sets for both age-groups

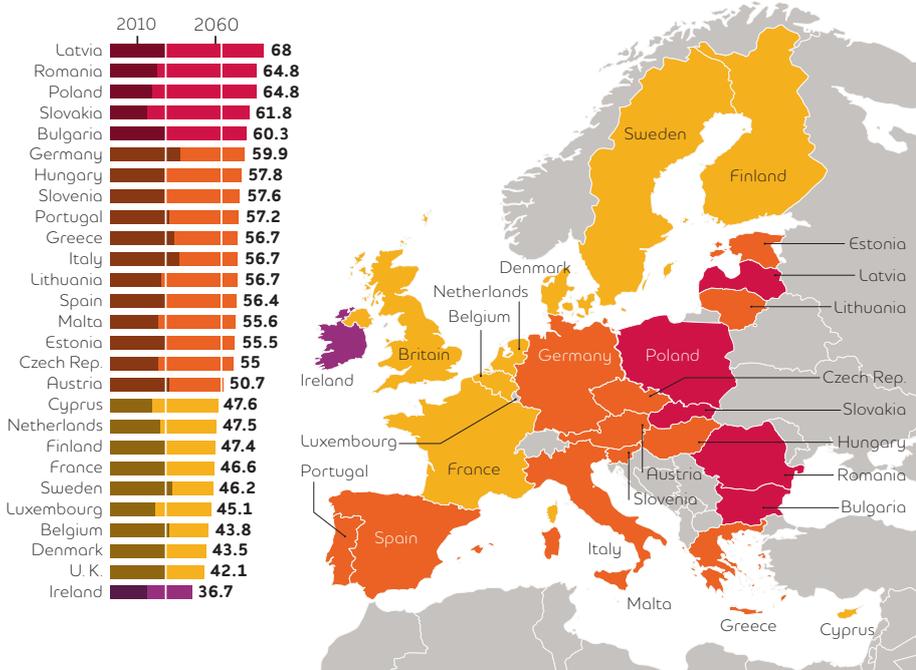
The "linear working life concept" should be replaced by a more flexible one. This implies re-thinking how periods of work, leisure, learning and caring are distributed throughout life similar to what was touched in chapter one – evolution of how we perceive 'work' in our day-to-day life is key in defining how we make these changes and understand the development of multiple job mixes.

Understanding dependency

Europe's ageing population

Projected OLD-AGE dependency ratio

Number of persons aged 65 as a percentage of number of persons aged between 15 and 64.



Dependency measures the amount older individuals will be dependent on younger age group. What is really important to take account is that current dependency ratios don't take into account – potential contributions from people over 65, changing capabilities after 65 and how active they are in communities they are involved in.

Contrary to popularly held beliefs successful entrepreneurial endeavors have massively increased in Europe in the 55-64 age group in some countries even showing a higher rate to entrepreneurs in the 20-34 age group. In effect, the ODR is no longer a relevant indicator for designing policies and services to meet the needs of an ageing population. ⁶

Magdalena Pakuła, PhD, lifelong learning specialist, The Faculty of Pedagogy and Psychology at the Maria Curie-Skłodowska University in Lublin, agrees with the fact that dependency isn't a unilateral measurement but is in fact multifaceted. Here are her thoughts:

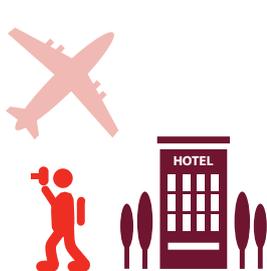
"It is now necessary to undertake very intensive activities aimed at increasing the professional activity of people in the pre-retirement and age and delaying their exit from the labor market. Good practices and projects related to improving competencies and adaptation abilities of employees, consulting, and promoting the benefits of employing 55+ employees serve this purpose. We should strive to increase the participation of such people in various forms of lifelong learning, including, for example, projects under the Human Capital program co-financed by the EU. Undoubtedly, the private sector can also play a big role. The consequence of the change in the attitude towards employing older people - to some extent enforced by demography and the record low unemployment rate - should be the inclusion of this group in educational and training programs run by companies. Today, they are directed primarily at young people.

Consideration of the aging process in the individual area is inherently associated with the consideration of difficulties accompanying this phase of life. The ending of a career usually means a deterioration of the material situation of a person and lowering social prestige, and thus a loss of essential values that are a source of satisfaction with the quality of life. Professional work satisfies not only economic needs, but also important psychosocial needs. Deactivation and loss of the current role is most often caused by a sense of alienation and loneliness. Therefore, the vocational activation of older people is also important far beyond the labor market issues."

Active and healthy ageing offers also **great opportunities**

If we are prepared to change our systems for health and social care, we can benefit from those.

Today **Europeans over 65** have a **spending capacity** of **over € 3,000 billion**.



Travel

Ageing in good health allows us to



Work for more years



Learn new things



Prepare our homes for **living independently** for the many years to come

Source: EU Active Ageing - summit, 2018

Digitalization & ageing: How the young can help the old

What's important to take note that an increase in a certain demographic doesn't mean that jobs for the young will disappear, as needs change, jobs evolve and societies evolves.

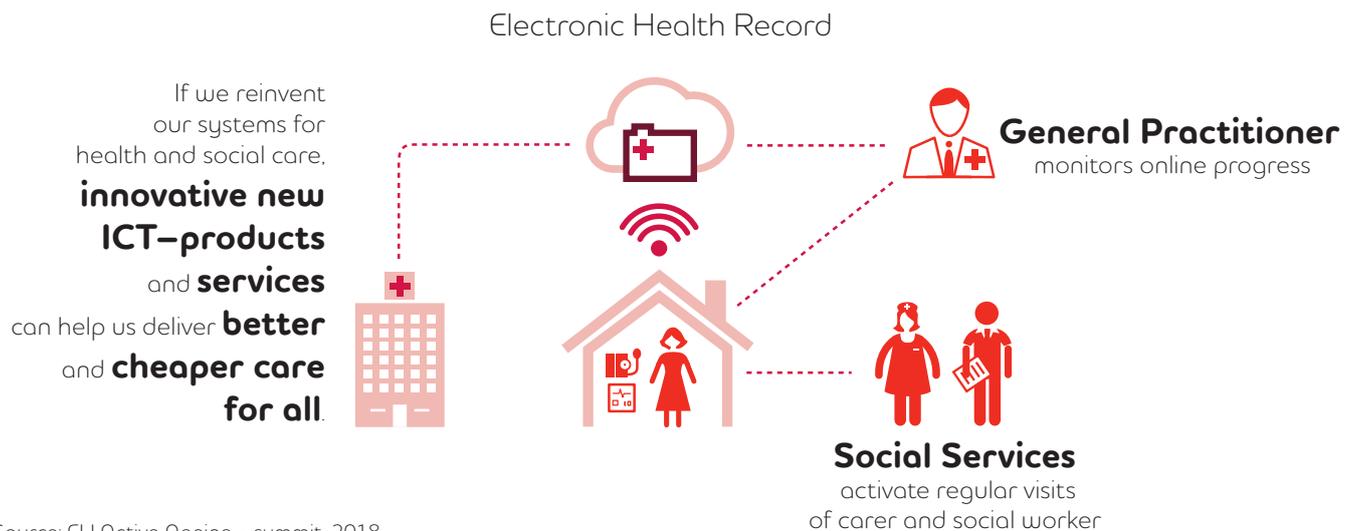
Digitalisation and the internet of things are overlapping with medicine. New jobs, such as bioinformatics technician and nuclear medicine technologist, will develop rapidly at the intersection of healthcare and technology. Professions that need cross-fertilisation and a combination of medical, digital, and statistics skills—such as data scientists and bioinformatics technicians—will also be in much greater demand. Thanks to rapid progress in genetics and genomics, the rise of connectivity in healthcare, along with ever-more personalised medicine, is prompting a revolution in conventional treatments. Diagnostic and therapeutic decisions will increasingly be taken by computers, with physicians becoming 'bio-counsellors' who provide a sympathetic ear and help patients with their maladies in the broadest terms. What is expected to be soaring demand for soft skills and 'the human touch' in an ever-more automated medical world.¹⁰ Some figures highlight the expected boom in connected medicine. In 2014, the digital health market was valued at €2.7 billion. Although the worldwide number of 'connected' objects is currently estimated to be around 15 billion, it is forecast to skyrocket to between 50 billion and 80 billion by 2020. Already more than 100,000 health-based apps are available.

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Advances in artificial intelligence will play a prominent role. Artificial intelligence will help to analyse patients' symptoms, cross-referencing these against cohorts of other patients and accelerating diagnosis and prescription of personally appropriate treatments. Over time, doctors' training will change to focus increasingly on working with machines. All that will trigger massive changes in medical training and ways to work. The likely rise in outpatient treatment through technological progress will prompt increasingly mobile healthcare, with specialists visiting patients at home, while 24-hour cover is provided via real-time video and data links. Although doctors will remain the prime caregivers, demand will rise for a new breed of professionals, at the intersection of medicine and IT, with medical skills short of those of a full physician but sufficient for supervising, monitoring, and remote care. And as technology helps with the improvement of data analysis and diagnostics, time and space is freed up for doctors and all healthcare personnel to improve personal treatments—tailored and personalized cures—highlighting the continued need for the human touch even in an era of ever-increasing automation.

One should not suggest that all tasks will require high levels of skill. There is substantial growth in non-routine elementary occupations such as personal care services that will grow with ageing demographics.⁴



Source: EU Active Ageing - summit, 2018

EU'S POLICY PROGRAMS FOR AGEING:⁵

The European Innovation Partnership on Active and Healthy Ageing
(EIP-AHA) launched in 2012

"More Years, Better Lives", the Joint Programming Initiative (JPI)
which enhances coordination and collaboration between European and national research programmes related to demographic change

Horizon 2020, the EU Research and Innovation Framework programme,
in particular funding under Societal Challenge 1 for innovative ICT solutions for active and healthy ageing

The Active and Assisted Living Programme
where Member States in cooperation with the European Commission fund projects on applied research for innovative ICT-based products, services and systems for ageing well.

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But what are the two sides to the coin that needs to accompany these EU policy programs? – here are some tips from **Konstantinos Milonas**, Country Manager Adecco Greece

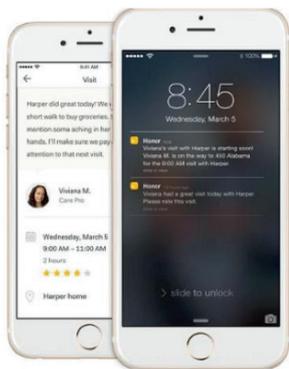
“Some of the steps that need to be taken by the companies are the below:

1. Companies should offer continuous learning, re-skilling, up-skilling and career development opportunities to ensure employees of all ages have their skills up-to-date.
2. Managers need to be developed and equipped with skills and capabilities that will enable them to manage their teams making sure they are confident managing people of all ages.
3. Flexible working policies are also necessary in this new environment.

Governments also need to take the issue seriously and take action:

1. Re-skilling and up-skilling is not only for companies to deal with. It is something that governments need to also address. Policy makers will need to consider new forms of employees’ career transition and foster collaboration between the public and private sectors.
2. Flexibility is a key priority and governments need to make sure the need for flexibility is met without the need for security to fade away. Social benefits models need to be created that are portable, transferable, and tailored to the individuals.”

Care-giving goes on demand ³



In the gig economy, workers have more freedom of choice. With no rigid scheduling or office politics to work around, they can choose their own hours and days off, take vacations and turn down assignments they don't feel comfortable with. It's an attractive alternative, especially for workers who dislike the stressors of a traditional 9-to-5 brick-and-mortar job. Ensuring flexible working in beneficial both ways – care-giving can be managed in a very efficient manner in a flexible fashion but also older workers can use this as a means to be involved in the actions well. ³

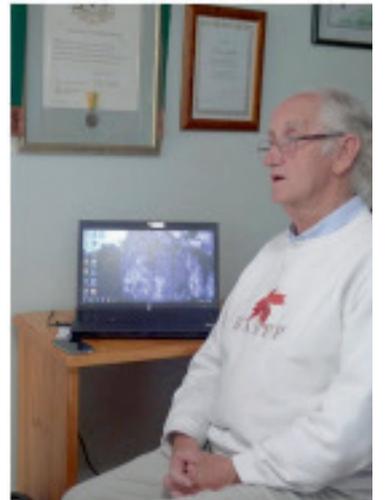
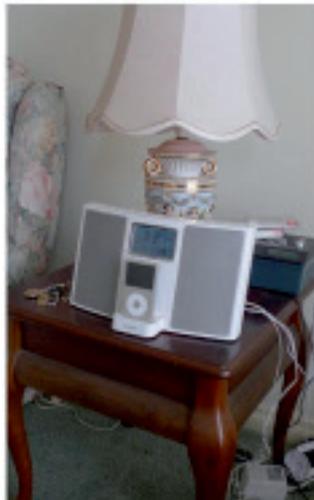
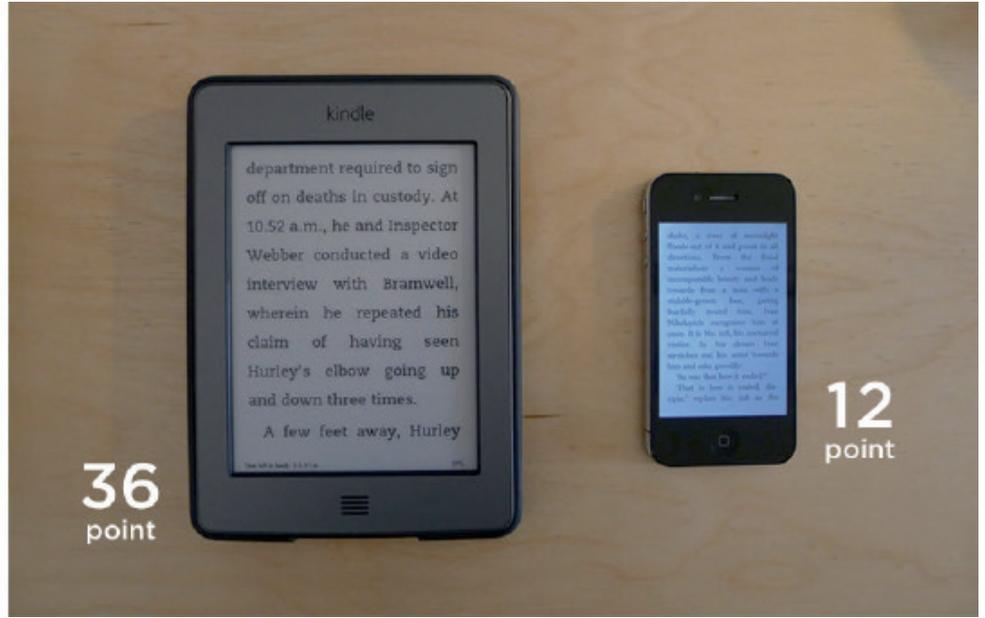
TaskRabbit and other similar apps creates this model where older worker skill-sets can be utilized for day-to-day activities like *baby-sitting* or *cooking* or *manual labour* giving the autonomy to the worker of the 'what and when' of working.

Tech developed for a different demographic

It's easy to forget in this day-and-age what tech has done to our day-to-day lives, whilst the world might be storming about the next big social media revolution tech has also had significant impact in improving living and the workability of older workers. ⁷

SOME AREAS BEING ACTIVELY EXPLORED BY TECH:

1. Vision and Hearing: Generating product keeping audiovisual deficiency improves the use of technology by the elderly.
2. Motor Control & Memory: Making slight adjustments to tools, devices and hardware to take account for slower mobility improves the life of older workers. Improving machine memory also makes it easier for the elderly.
3. Relationships & Cognition: Developing meaningful community and mentorship interactions for older individuals with youth and vice-versa using tech.



Source: Navyvision, Kindle for the elderly

Over the next chapter TAG talks about perhaps the most controversial of topics – Automation and Aging.

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Automation & Ageing

What does infrastructure investment
towards ageing look like?
How can we modernize elderly
care & is the workforce prepared for it?

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Automation & Ageing:

Engaging the entire workforce

Concluding with the most talked about chapter when it comes to changing demographics, Adecco explores how digitalization effects the future of the ageing workforce with the help of some important thoughts from our commercial partners.

Across 15 major economies, the Average Risk of Automation to Older Workers generally sits in the mid-to high ranges of risk. This indicates that older workers in these nations are doing work where 30 percent or more of all tasks are automatable on average. In fact, most of our noted nations have older-worker populations doing jobs where 50 percent or more of their tasks can be automated, indicating the acute vulnerability of older workers to automation. Automatable jobs increase with lower education levels and with less developed markets, making CEE an important area of focus. ¹

"Digitalization is a real challenge & a competitive advantage for the management of the companies. On the one hand, it is becoming increasingly obvious that the automatization of the processes and the use of the new technologies can make their companies stand out in front of their competitors. On the other hand, digitalization involves the development of new strategies of talent attraction, of employees who would not only have the necessary technical competencies, but whose professional experience could be capitalized inside the organizations. On a dynamic market the organizations need competent people who are able to extract value from the digital infrastructure and technologies," states **Prof. Cristian MARINAȘ** from the Bucharest University of Economic Studies, Romania.

As Mercer and Oliver Wyman's recent joint publication, *Delivering the Workforce for the Future*, has highlighted, the spread of automation will ultimately require human beings and human skills to play an even bigger role in organizations that are going digital. The report points out that what in the past was considered "premium" will now be considered "standard": a phenomenon that will necessarily push human workers out from lower value work into more value-added services. For example, humans that previously worked as waiters and payment processors could be transitioned into customer-service and dining-event management roles. Plant and machine operators could become specialty technicians and robotics monitors.

Some important things to keep in mind to create an age-diverse workforce:

Life-long Learning & Development programs specialized for older workers

Goals directed towards emotion regulation focussed on change management

Mentorship programs with the older workers in mind

Improving productivity by removing external stressors to improve already low-stress levels of older workers

Experiential learning as opposed to class-based learning with clear results orientated approach

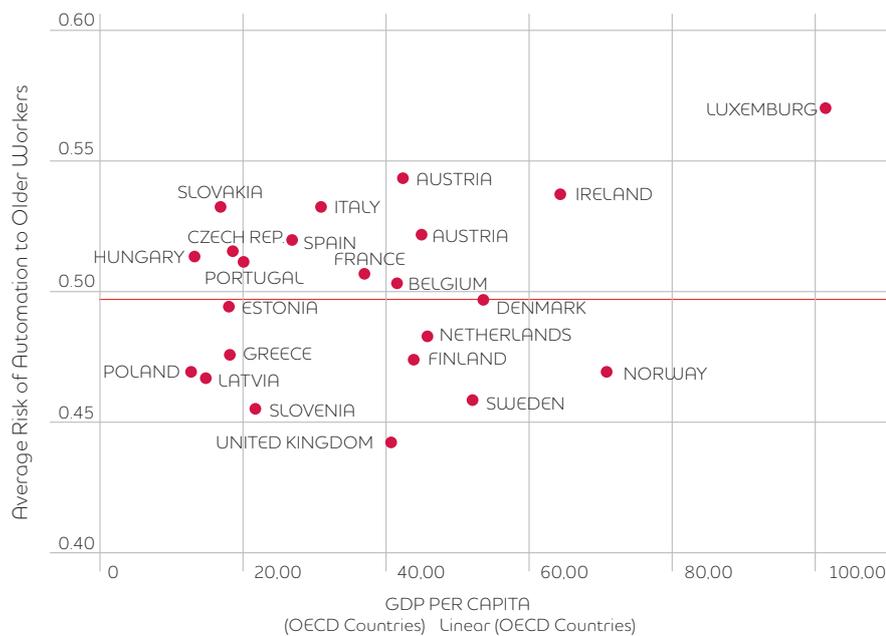
"Automation is good, so long as you know exactly where to put the machine."
Eliyahu Goldratt



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Appendix 4: Average Risk of Automation to Older Workers Scores After Normalization



Companies therefore have much to benefit from investing the productivity gains from automation into their human workers – particularly older ones, who are more and more willing and able to remain in or re-enter workplaces around the world. Investing in older workers through firm retraining programs and older worker accommodation strategies would help older workers reskill and be redeployed in the workplace, and provide firms with a fresh source of vitality in a world of shrinking young labor forces. Technological developments and the automation of work offer companies a unique opportunity to evolve and upgrade their suite of offerings.

Prof. Cristian MARINAȘ from the Bucharest University of Economic Studies, Romania chimes in here stating: “Digitalization doesn’t refer only to technology, but especially to the transformation that impacts the employees and workplace, because it changes their way of thinking, it produces new benefits on a personal level and helps them prepare for the future. In the context of digitalization, the management of the companies should think of new business models. It is clear that the digitalization has direct, long – term effects, especially at the level of the jobs that involve repetitive tasks and the negative impact will be felt primarily at the level of the old population. This is why each organization should develop a strategy through which they could enhance the value of both competencies and professional experience, along with the commitment and fidelity of older employees whose work has been affected by digitalization by creating mentorship and professional reconversion programs.”

“With labor markets around the world aging so rapidly, it will be incumbent upon firms to utilize the unique abilities of older workers as part and parcel of this evolution”, states **Stefano Longo**, Country Manager of Adecco Hungary. He adds that it’s also important to note that, contrary to conventional opinion, older workers can actually be a reliable treasure trove of experience, adaptability, and productivity given the right environment and opportunities. Researchers have found, for example, that older workers tend to outperform younger workers in semantic memory and language and speech skills. Older workers also provide crucial abilities for firm building, knowledge consolidation, and continuity in times of flux. An age-diverse workforce can even reduce costs by increasing organizational commitment and reducing turnover.”

Eleanna Galanaki, Assistant Professor of Organisational Behaviour at the Department of Marketing & Communication of the Athens University of Economics & Business, ties in her research with our findings so far. “There are two main streams of research under the demographic challenges for management agenda. The first deals with generations’ exploration and the dynamics that the collaboration at work of representatives from three, it could be even four different generations (Baby boomers, Gen Xs, Gen Ys, Gen Zs) poses for management. The second has to do with how human resource management should fit to address the needs of a graying workforce, as in some countries (like Greece) the proportion of employees over 50 and 55 has been rising constantly. Indicative of this are Special Issues at several academic Journals (ex. Demographic Challenges for Management at EBHRM) and the initiation of specific serials, such as edited volumes (ex. Generations at work) and specialized journals (ex. Work, Aging and Retirement).³ During my research on the topic we have found that high performance work systems are effective in improving performance of employees of all ages, but that some functions of them (i.e. selective staffing) are more effective in improving the performance of younger employees than older ones. At another instance, we were able to elaborate that working from home is a valuable contribution for older employees and that it pays off with higher innovation rates. The scholarly dialogue on demographics in the near future seems very promising and the topic will not only be interesting, but also with very useful implications for practice.”⁴





How can technology help Europe support an ageing population?

Europe's ageing population is a long-term trend began several decades ago, as life expectancy has increased and birth rates have started to decline.

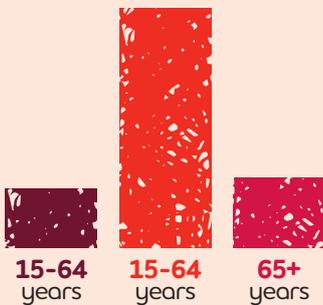
POTENTIAL CONSEQUENCES

- Sustainability of pensions systems
- Sustainability of public healthcare systems
- Quality of care
- Risk of marginalised / socially excluded older population



POPULATION IN EU - 28

510.3 million in total



Highest share: Italy 22.0 %
Greece 21.3 %
Germany 21.1 %

Lowest share: Ireland 13.2 %

ESTIMATIONS BY 2080:

Aged 80+ from 5.4 % to 12.7 %
Aged 65+ 29.1 %

WHAT CAN WE ALREADY DO?

- Better coordination of care across health and social services
- Focus on disease prevention
- Support healthy ageing
- Strengthen data systems
- Use innovation in technology



TARGETING OBESITY, HYPERTENSION, MENTAL HEALTH ETC.

FOR PHYSICAL EXERCISE AND SOCIAL INVOLVEMENT

BENEFITS:

Performance gain
30 %



70 %
Labor substitution

TECHNOLOGY AND THE HEALTH SECTOR:



Automating / digitising routine processes **will free up more time for health personnel** to be able to take care of an ageing population

USING AUTOMATION TECHNOLOGY IN THE ER:

- Improved **efficiency and safety**
- Reduced waiting time
- Increased productivity
- Supports: *Registration, Checkout, Dispensing prescriptions, Other administrative activities*
- **Wearable monitoring device** to collect vital signals
- Automated **fast diagnostics**
- Automated checkout



Sources: Cordis, European Commission, McKinsey, World Health Organization, September 2017

Automation & Ageing

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We take this opportunity to hear from some of our clients about their thoughts on Automation & ageing to give a more holistic view across different industries:

Szymon Łuszczewski, HR Head Poland of Polipol&Faurecia

Generally, discussing workers over 55 is becoming more and more popular due to the challenges of the current labor market in Poland. In my previous experiences, such employees were employed in both direct production and support departments, to which they no doubt brought added value and were respected.

The question of automation is not always related to the age of employees. There were formalized mentoring programs in the company, however, they were not directly targeted at the employee-mentor's age. They were more concerned with sharing experience and substantive knowledge, which inevitably was the domain of older people.

The most directly automated (and susceptible to automation) are production roles. High standardization of such positions and the deficit / high costs of employees on the market prompted investment in automatic tools - robots or cobots. But even here, the aspects of servicing and the generally specialized handling of such machines were often found - often resolved in favor of human work.

I believe that the interest in employees in the 55+ age group is growing, mainly due to changes in the market, aging population and scarcity of resources. As a rule, I do not encounter discriminatory criteria regarding the age of candidates, but sometimes there are performance or quality criteria that are difficult to meet for older people.

We currently employ quite a good percentage of employees over 50 (up to 30 %). This is mainly related to the very high stability of employment in the organization (there are already people with a seniority of 25 years) and specific, increasingly rare on the market qualifications. Admittedly, wherever possible, we try to introduce automation, however, the positions of finished product fitters are still our point of interest in the context of professional knowledge and experience. In this area, we have a well-developed network of internal trainers, which can be called mentors - they are often people with many years of experience and therefore also in a righteous age.

Eleni Gianneli, People Operations Lead Greece of Hewlett Packard Enterprise

Even though as an IT company it's exciting to have young people and fresh ideas added to our headcount, our aim is not to discount the importance of having older workers on board. While knowing their strengths, they offer valuable insight through the significant experience they possess. These employees own a wealth of industry knowledge, valuable credentials also having their expertise recognized by customers and other colleagues thus allowing them to be considered trusted partners in contributing to the operational goals and objectives of our organization. Although many employers tend to be misled by the notion that older workers are resistant to change or lack the fortitude to be trained and developed, we strongly believe they are an asset to our organization that motivates and creates loyalty to newer generations.

Hewlett Packard Enterprise significantly values the importance of mentoring programs offering a continuously evolving network of mentors. Early Career employees have frequently told us they want more formal mentoring for career advancement and innovation. With that in mind, rather than running a large mentoring program for all our employees, our program is designed to run at the level of each Business Unit or Function. This allows for more personalized pairing of mentors with mentees within a given job type and group. Additionally, in order to maximize our people's potential, we also offer the option of Reverse Mentoring by creating a mentoring relationship where both younger and older employees share skills, experiences and new ways of working hence creating a "bridge" that eliminates both the generational and skill gaps that may exist.

When it comes to most automatable jobs, Hewlett Packard Enterprise has mostly automated our Call Centers placing them in hubs that are geographically and strategically aligned to the company's mission and strategy.

At Hewlett Packard Enterprise, we believe Diversity drives Innovation. An environment where everyone feels like they belong and are included is what we are striving for. We strongly believe that when people feel respected, involved, valued and connected every day, they are able to be their best selves – improving the quality of innovation, collaboration, and productivity for our business. With that in mind, employees see past age stereotypes benefiting from all the unique differences that each person brings to the workplace.



Automation
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Paulina Wichłacz-Skibińska, HR Manager Poland of Lisner

Lisner sees significant investments in infrastructure & human resources in general, not only linked to older employees but as a response to a shortage of workforce in Poland. As HR we emphasize that some processes need to evolve to suit older worker needs:

- to reduce reluctance of employers toward employing and recruiting people over 55 with policy changes changed
- to allow employers a more elastic approach to employment contracts (right now employers have bound hands when it comes to contract terminations of older employees due to protective period which is guaranteed by labour law – flexibility is key)

Older employees are more reliable, less demanding, and more loyal toward employers, we need to accept that due to demographic changes we will have to employ more and more people over 55; generally – when it comes to blue collar workers Lisner is involved in this right now – they are among our newly recruited staff.

We look forward to developing a better standard to not only incorporate older workers into our workforce better but launch training programs for their development investing in their lifelong learning.

Vlasis Stefanidis, Supply Chain HR Manager Athens plant, Colgate-Palmolive

As routine tasks get more and more automated, specific jobs seem to disappear. Of course, there are many high and low skill tasks that cannot easily be replaced by machines, which will not be much impacted by automation.

With that in mind, **it's crucial to understand the generational differences and special characteristics that are still useful and focus on enhancing them, so that employees of all ages can remain employable.**

In this new environment, with the new business models that emerge, workers need to redefine their relationship with machines. They have to make sure that they co-operate with machines, using their human skills, in order to leverage productivity.

It's true that older generations are at higher risk of having their jobs automated as they tend to select more routine type jobs compared to what millennials look for. But still everyone can prepare for the new world of work by developing human skills, that are non-routine ones and can be useful for different kind of jobs. Workers whose skills are relevant to the needs of the previous century will be obsolete. Re-skilling is the key element. This is certainly not an easy process. And we cannot expect from people to change completely from one day to the other. But, as their career progresses, they need to make decisions about how they can constantly develop themselves and learn new skills.

As companies, of course, we have an obligation to support our employees during this process, offering training and development opportunities that increase the skill level of our workforce. We need to remember that having a workforce with obsolete skills is our problem as well, not only theirs. The solution is not to replace our whole workforce with younger employees who have the skills set we need each time – this is not possible to happen even if we wanted to-, but to prepare our existing workforce and help them develop the skills that we will need tomorrow as a company. We need to grow together.

The Japanese businesses' approach is quite interesting. They are using automation to help older employees remain productive and keep contributing to the economy for longer given the serious birthrate decline they suffer of. They have understood that solving the problem of their ageing population is not going to happen overnight. What they can do though is take advantage of technology to make sure that employees continue to support the economy for longer. Or else their economy would not be sustainable. Do we really believe that our market is much different than that?

CONCLUSION

TAG concludes with 4 simple areas to tackle as mentioned in chapter 1:

- **Staffing & Employment - Flexibility with a focus on improving Employability**
- **Education & Skilling - Cross-institutional Life-Long Learning**
- **Financial Autonomy: Encouraging Entrepreneurship & Investments in an older Consumer Market**
- **Social Welfare Policy – Advanced Social Protection systems & Subsidized Care-giving**

Professor Robert Kaše, University of Ljubljana, Faculty of Economics one of our partners helps us conclude:

Demographics projections, usually more reliable than any other long-term forecasts about countries, are objective and ruthless. Slovenia, the CEE region and Europe in general have to take demographic shifts very seriously. Countries, organizations and individuals have to start visualizing the effects of these shifts on their own viability, understand and internalize them, and finally, act upon them. The report is helpful in raising awareness about the issue and pointing out that we need to change the way how we think about age, work, careers and learning to make progress. If we are not successful in the traditional way in which demographics issues can be resolved, we'd better find some innovative solutions. The report by Adecco is already taking steps in this direction.

We invite you to contact our local Adecco Offices/University partners for more information on the report!

Thank you for staying with us till the end of the report, your valued-time as a reader is our best possible reward.

Automation
& Ageing

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Special Thanks

Academic Partners:

Prof. Eleanna Galanaki

Eleanna Galanaki is Assistant Professor of Organisational Behaviour at the Department of Marketing & Communication of the Athens University of Economics & Business.

She has a wide teaching experience, most notably in Human Resource Management, Entrepreneurship, and Organisational Behaviour, at undergraduate, graduate and continuous education level.

Her current research interests include outsourcing, management information systems, organisational culture, and leadership. Lately she is also involved in research on macro- trends in HRM, such as the crisis and the demographics challenges. She has published in leading academic journals in the fields of HRM and Organizational Behaviour, such as the International Journal of Human Resource Management; Career Development International; New Technology, Work and Employment; International Journal of Manpower; Personnel Review; Leadership and Organization Development Journal; Transformations in Business & Economics.

For her academic performance she has received various awards and distinctions. She is member of the editorial board of the International Journal of Human Resource Management and of the Editorial Advisory Board of Employee Relations. She also serves as member of the Executive Board of the European Academy of Management, where she represents Greece (2015-2019). She is guest editor of a Special Issue on Demographic Challenges for Management at the Evidence- Based Journal of HRM (expected to be published in 2019).

Affiliated university

The Athens University of Economics and Business (AUEB) was founded in 1920 under the name of Athens School of Commercial Studies. It was renamed in 1926 as the Athens School of Economics and Business, a name that was retained until 1989 when it assumed its present name, the Athens University of Economics and Business. It is the oldest university in Greece in the fields of Economics and Business, its roots tracing to the establishment of a Merchant Academy in Athens. In 1984 the school was divided into three departments, namely the Department of Economics, the Department of Business Administration and the Department of Statistics and Business Informatics. The university developed even further and nowadays it includes 3 Schools (economics, business and information) and eight academic departments, offering eight undergraduate degrees, 28 master's degrees and an equivalent number of doctoral programs.

AUEB launched the first Master in Human Resource Management in Greece, in 2003. This is a program accredited by several organizations (ex. SHRM-Society for Human Resources Management, EFQM and Eduniversal) and it ranks within the highest 15 Masters in HRM for Western Europe since it first participated in this evaluation in 2012. It now numbers more than 800 graduates, the majority of whom are employed in HRM positions of the private and public sector in Greece and abroad.



Prof. Krzysztof Martyniak

A sociologist, graduate of the Faculty of Social Sciences of the University of Gdańsk and doctoral studies at the University of Warsaw. A member of the team of the Social Change Theory Laboratory and the Solidarity and Social Movement Research Center at the Institute of Sociology of the University of Warsaw. He specializes in social analyzes, evaluations, public policy research, and urban sociology. Participant and co-author of many prestigious research projects. Lecturer, trainer, commentator on social phenomena for nationwide and regional media (including TVP1, TVP2, TVP Info, TVP Warszawa, PR 4). Expert and advisor on social consultations, as well as the creation of strategic documents in local government units (strategies for solving social problems, programs for the development of foster care, preventing domestic violence and family support). He worked, among others in the ESF Regional Center in Warsaw and the Mazovian Voivodship Office. He was a street worker, he ran a community club in the Prago district of Warsaw. A graduate of the post-graduate "Course for lecturers and activists - Human Rights and Freedom" of the Helsinki Foundation for Human Rights. President of the Board of the Mazovian Foundation for the Development of Innovation and the Foundation of Innovation and Development. From 2014, the owner of the EGO DIRECTION company.

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Affiliated University

University of Warsaw (Uniwersytet Warszawski)

The University of Warsaw (Polish: Uniwersytet Warszawski, Latin: Universitas Varsoviensis), established in 1816, is the largest university in Poland. It employs over 6,000 staff including over 3,100 academic educators. It provides graduate courses for 53,000 students (on top of over 9,200 postgraduate and doctoral candidates). The University offers some 37 different fields of study, 18 faculties and over 100 specializations in Humanities, technical as well as Natural Sciences.

Today, the University of Warsaw consists of 126 buildings and educational complexes with over 18 faculties: biology, chemistry, journalism and political science, philosophy and sociology, physics, geography and regional studies, geology, history, applied linguistics and Slavic philology, economics, philology, pedagogy, Polish language, law and public administration, psychology, applied social sciences, management and mathematics, computer science and mechanics.

The University of Warsaw is one of the top Polish universities. It was ranked by Perspektywy magazine as best Polish university in 2010, 2011, 2014 and 2016. On the list of 100 best European universities compiled by University Web Ranking, the University of Warsaw was placed as 61st. QS World University Rankings positioned the University of Warsaw as the best higher level institution among the world's top 400.

Prof. Magdalena Pakuła

Magdalena Pakuła, PhD, lifelong learning specialist, The Faculty of Pedagogy and Psychology at the Maria Curie-Skłodowska University in Lublin

Affiliated University

Maria Curie-Skłodowska University was founded in October 1944 as a state institution with Prof. Henryk Raabe as its first Rector. It originally comprised four faculties: Medicine, Natural Sciences, Agriculture, and Veterinary Medicine. Nowadays, the university comprises 11 faculties offering 39 programs and over 120 specializations. It also offers over 80 programs in postgraduate and extended education.

As of 2011, 220,000 students have graduated from the university and nearly 20,000 are currently enrolled in full-time and extramural undergraduate and master's programs. There are also 900 doctoral students.



Dr. Cristian Marinaș

Dr. Cristian Marinaș is a professor at the Faculty of Management and since 2004 he coordinates the Master of Human Resource Management (MASTER_MRU) program of the Academy of Economic Studies in Bucharest. Cristian Marinaș is also a director of postgraduate studies: Human Resources Management, Career Development and Development and Human Resources Training.

His professional experience in human resources brings together both didactic and practical work as a consultant and trainer for many organizations. Cristian Marinaș is certified in the use of HOGAN (HPI, MVPI & HDS) and Human Synergistics (LSI1, LSI2, GSI & OCI) tools. Over time he has been a member or coordinator of several scientific and / or European research projects. Consultancy in the field of European funding is another area of expertise of Cristian Marinaș. The most relevant project that he coordinated was the project Practice in the Human Resources Field - PREUS, funded by the European Social Fund, a project that was designated within the Good Practices in HR, best practice projects in the field of human resources. He also coordinated another important HR project Job design and analysis in The Bucharest University of Economic Studies – FP ASE. Cristian Marinaș has published 16 books and over 55 specialized articles.

Affiliated university

The Bucharest University of Economic Studies (Romanian: Academia de Studii Economice din București, abbreviated ASE) is a public university in Bucharest, Romania. Founded in 1913, it is now the leader of Romanian higher education institutions in the field of Economic Sciences and Public Administration. The Bucharest University of Economic Studies is classified as an intensive research university by the Romanian Ministry of Education, hosting 23 research centers acknowledged and endorsed by the National Council for Scientific Research in Higher Education. The Bucharest University of Economic Studies has over 22,000 students (undergraduate and graduate levels) in twelve faculties, which organize study programs and scientific research in the fields of Economic Sciences, Administrative Sciences, Sociology and Humanities. Students are offered the opportunity to pursue a full academic path by attending study programs in Romanian, English, French or German, as follows: 24 Bachelor's programs, more than 80 Master's programs, Doctoral studies in 10 fields, and more than 145 postgraduate continuing education programs. In addition, ASE organizes a preparatory year of Romanian language for foreign citizens, continuing training programs, teacher training programs, postgraduate programs, as well as MBA and EMBA study programs. At regional level, ASE undertakes the complex role of Central and South-Eastern European regional hub in education and advanced scientific research. At international level, ASE is ranked 151-200 in Top Shanghai 2017 in the field of Economics - the best position held by a Romanian university in Shanghai Ranking's Global Ranking of Academic Subjects 2017. Moreover, ASE is the Romanian university with the best employer reputation, according to QS World University Rankings 2018, which is confirmed by ASE's own alumni surveys, according to which 81.35% of graduates find employment within 3 months from finishing their studies.



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Dr. Robert Kaše

Dr. Robert Kaše is an Associate Professor of Management at the Faculty of Economics of the University of Ljubljana, Department of Management and Organization, where he teaches various courses at the undergraduate, graduate, MBA and PhD level. His current research interests include social networks (relationships at work), strategic and international HRM, careers, and teamwork/emergence. His doctoral dissertation was among EDAMBA's distinguished papers and won the Emerald/EFMD Outstanding Doctoral Research Award in the HRM category. His work has been published in journals such as the Organization Science, the Human Resource Management, the International Journal of Human Resource Management. He is past Associate Editor of the Human Resource Management (Wiley) and on advisory/editorial boards of Journal of Organizational Effectiveness: People and Performance (Emerald), Human Resource Management Review (Elsevier) and Economic & Business Review. He is frequently involved in organization of academic conferences, workshops and tracks. Supporting interaction between research and practice he is an active member of the Slovenian HR Association, regular speaker at professional conferences, lecturer at executive trainings, and time-permitting works on applied projects, where he disseminates knowledge and learns from interesting organizations and talents.

Affiliated University

The University of Ljubljana (Slovenian Univerza v Ljubljani , Latin Universitas Labacensis) in Ljubljana (Ljubljana) is the oldest, largest and internationally best-rated university in Slovenia . It is ranked among the top 500 or top three percent of the world's top universities by the Shanghai ranking. With over 63,000 enrolled students and doctoral students, it is one of the largest universities in Europe.

The University of Ljubljana was founded in 1919 in the center of Ljubljana. As early as the 17th century, humanist and theological academies existed in Ljubljana, and in 1810 under French rule a first university was founded, but it had only a short existence. Today it employs about 3,500 professors and scientific assistants as well as nearly 900 technical and administrative staff. Until the founding of the universities in Maribor (University of Maribor) (1978) and in Koper (University of Primorska) (2001), she remained for almost 50 years the only university in Slovenia. The role of the University Library is exercised by the Slovenian National and University Library.



University of Ljubljana

Partner Universities

Adam Mickiewicz University in Poznań (UAM)

The university was ceremonially opened on May 7, 1919 (the 400th anniversary of the foundation of Poznań's Lubrański Academy). For the first 20 years it educated students in law, economy, medicine, humanities, mathematics, natural sciences, agriculture and forestry. In 1920 famous sociologist Florian Znaniecki founded the first Polish department of sociology at the university, one of the first such departments in Europe. In the same period of the university's history, botanist Józef Paczoski founded the world's first institute of phytosociology. The university has been frequently listed as a top three university in the country.



UNIWERSYTET
IM. ADAMA MICKIEWICZA
W POZNANIU

Academia de Studii Economice din București (ASE)

The Bucharest University of Economic Studies (Romanian: Academia de Studii Economice din București, abbreviated ASE) is a public university in Bucharest, Romania. Founded in 1913, it is now the leader of Romanian higher education institutions in the field of Economic Sciences and Public Administration. The Bucharest University of Economic Studies is classified as an intensive research university by the Romanian Ministry of Education, hosting 23 research centers acknowledged and endorsed by the National Council for Scientific Research in Higher Education. The Bucharest University of Economic Studies has over 22,000 students (undergraduate and graduate levels) in twelve faculties, which organize study programs and scientific research in the fields of Economic Sciences, Administrative Sciences, Sociology and Humanities. Students are offered the opportunity to pursue a full academic path by attending study programs in Romanian, English, French or German, as follows: 24 Bachelor's programs, more than 80 Master's programs, Doctoral studies in 10 fields, and more than 145 postgraduate continuing education programs. In addition, ASE organizes a preparatory year of Romanian language for foreign citizens, continuing training programs, teacher training programs, postgraduate programs, as well as MBA and EMBA study programs.

At regional level, ASE undertakes the complex role of Central and South-Eastern European regional hub in education and advanced scientific research. At international level, ASE is ranked 151-200 in Top Shanghai 2017 in the field of Economics - the best position held by a Romanian university in Shanghai Ranking's Global Ranking of Academic Subjects 2017. Moreover, ASE is the Romanian university with the best employer reputation, according to QS World University Rankings 2018, which is confirmed by ASE's own alumni surveys, according to which 81.35% of graduates find employment within 3 months from finishing their studies.



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Commercial partners

Vlasis Stefanidis, Supply Chain HR Manager Athens Plant

Colgate-Palmolive is a leading global consumer products company, tightly focused on Oral Care, Personal Care, Home Care and Pet Nutrition. Colgate sells its products in over 200 countries and territories around the world under such internationally recognized brand names as Colgate, Palmolive, Speed Stick, Lady Speed Stick, Softsoap, Irish Spring, Protex, Sorriso, Kolynos, elmex, Tom's of Maine, Sanex, Ajax, Axion, Fabuloso, Soupline and Suavitel, as well as Hill's Science Diet, Hill's Prescription Diet and Hill's Ideal Balance.



Eleni Gianneli, People Operations Lead Greece

Hewlett Packard Enterprise Company (commonly referred to as HPE) is an American multinational enterprise information technology company based in Palo Alto, California, founded on 1 November 2015 as part of splitting of the Hewlett-Packard company. HPE is a business-focused organization with two divisions: Enterprise Group, which works in servers, storage, networking, consulting and support, and Financial Services.

One of the oldest IT companies in the world, Hewlett-Packard (HP) was founded in 1939 by Stanford University Engineering graduates William R. Hewlett and David Packard. Corporate headquarters are in Palo Alto, California.



Szymon Łuszczewski, HR Head Poland

As a global leader in automotive technology, Faurecia provides innovative solutions to automotive challenges within its three strategic businesses: Faurecia Seating, Faurecia Interiors and Faurecia Clean Mobility. Four megatrends are accelerating change across the automotive industry: Connectivity, Autonomous driving, Ride-Sharing and Electrification.

From energy efficient and zero emissions vehicles to connected and predictive cockpits, Faurecia is creating long-term value for all stakeholders by providing solutions for sustainable mobility and smart life on board around the world.



Paulina Wichtacz-Skibińska, HR Manager Poland

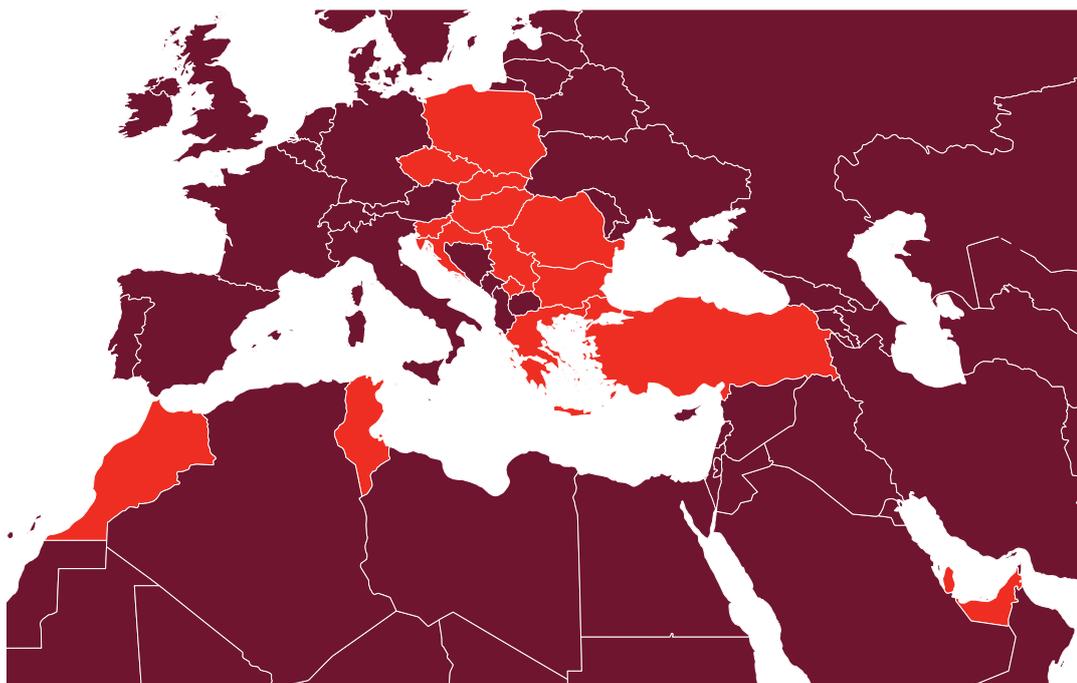
Lisner Sp. z o.o. was founded in 1991. The production plant is located in Poznan and specializes in the processing of fish, mainly herring. The company is a part of the Homann Group. Although Lisner only has a brief company history, it has rapidly become market leader in its home country selling to all regions in Poland by the 21st century.



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What is CEE&MENA... geographically speaking?



**BULGARIA
CROATIA
CZECH REPUBLIC
GREECE
HUNGARY**

**MOROCCO
POLAND
QATAR
ROMANIA
SERBIA**

**SLOVAKIA
SLOVENIA
TUNISIA
TURKEY
UAE**

Key figures

BRANCHES

155

CANDIDATES IN DATABASE

4.200.200

CLIENTS SERVED DAILY

4.500

TEMPORARY WORKER PROVIDED DAILY

57.000

EMPLOYEES

1.380

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