

Gradual retirement as part of (e) conomic inclusion of elderly in communities

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„Hypothesis“

“Gradual retirement and (e) inclusion of elderly are two different pairs of shoes.”



Introduction Franz Josef Gellert

Professional experience



Educational experience

Hanze University, Groningen

Tilburg University, Tilburg





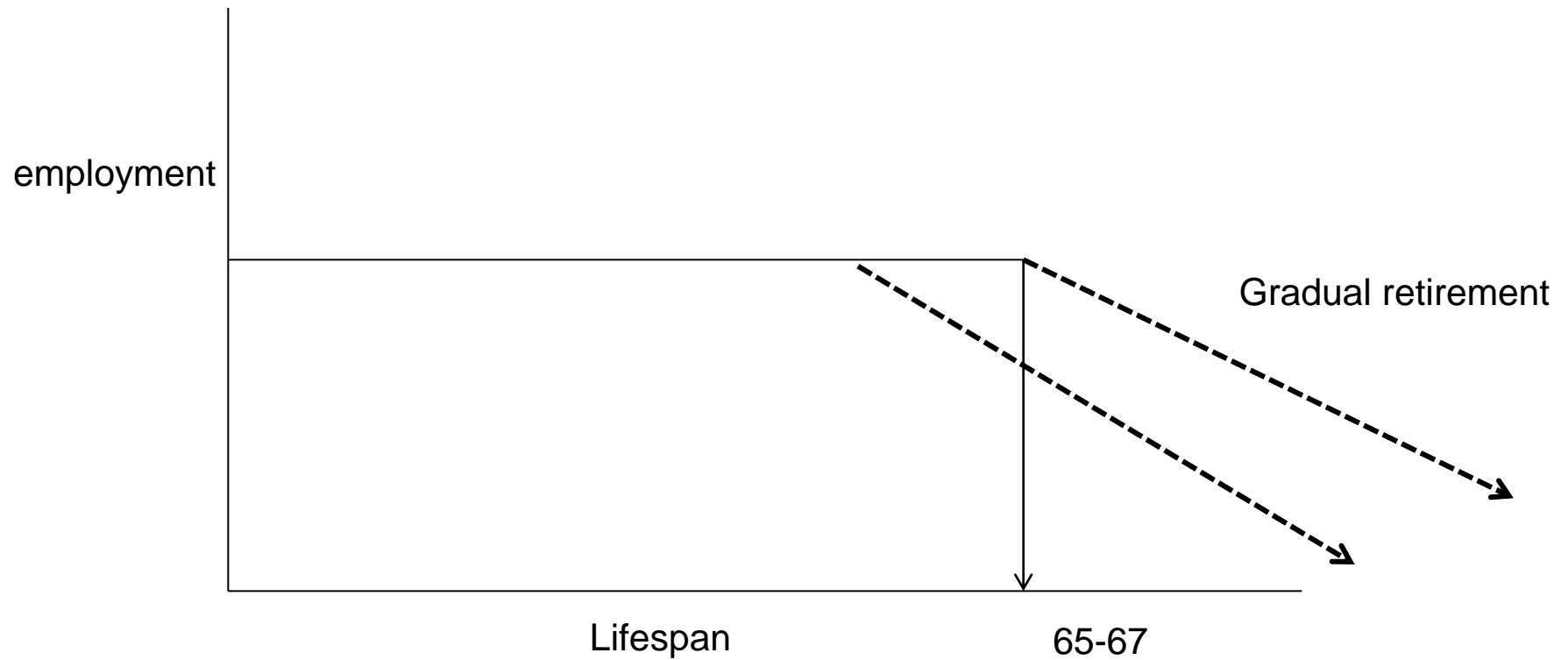
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Current situation



A more natural situation





What can gradual retirement mean?

1. Reduction of working hours (employees)
2. Simultaneous reduction of responsibility and remuneration (employers)
3. More freedom to do other things (employees)
4. More flexibility in recruitment and maintaining knowledge (employers)
5. Installation of new communities or entrepreneurships (employees, society)
6. Participation in regional communities (employees, society)

Effects of gradual retirement on:



Labour markets: overcoming the expert gap, recruitment of experienced people

Retirees: motivation-demotion

Employers: knowledge, experience, productivity

Society: development, sustainability, recognition

Communities: social exchange, proactive people, strengthening regional networks, matching interests in the neighbourhood, senior care campus*

* Wessing (2012)-Living Care Campus.



2 Examples of worldwide proportion of people aged above 65/80 (percentage of total population)

65
years

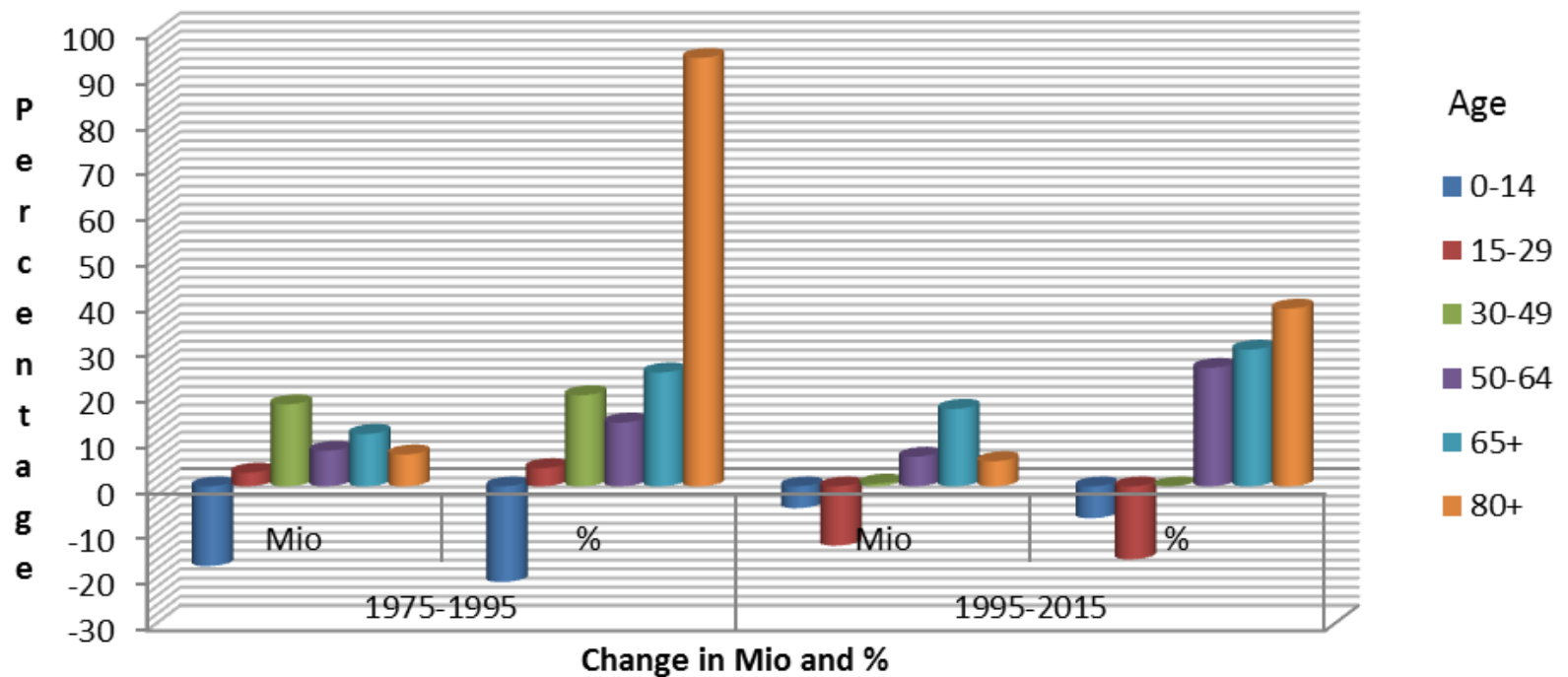
	1975	1997	2025	2050
Europe	10.7	12.9	18.1	25.2
Americas	6.9	7.9	13.2	19.1

80
years

	1975	1997	2025	2050
Europe	1.6	2.7	4.5	8.8
Americas	1.2	1.7	2.9	5.7

Demographic changes up to 2015

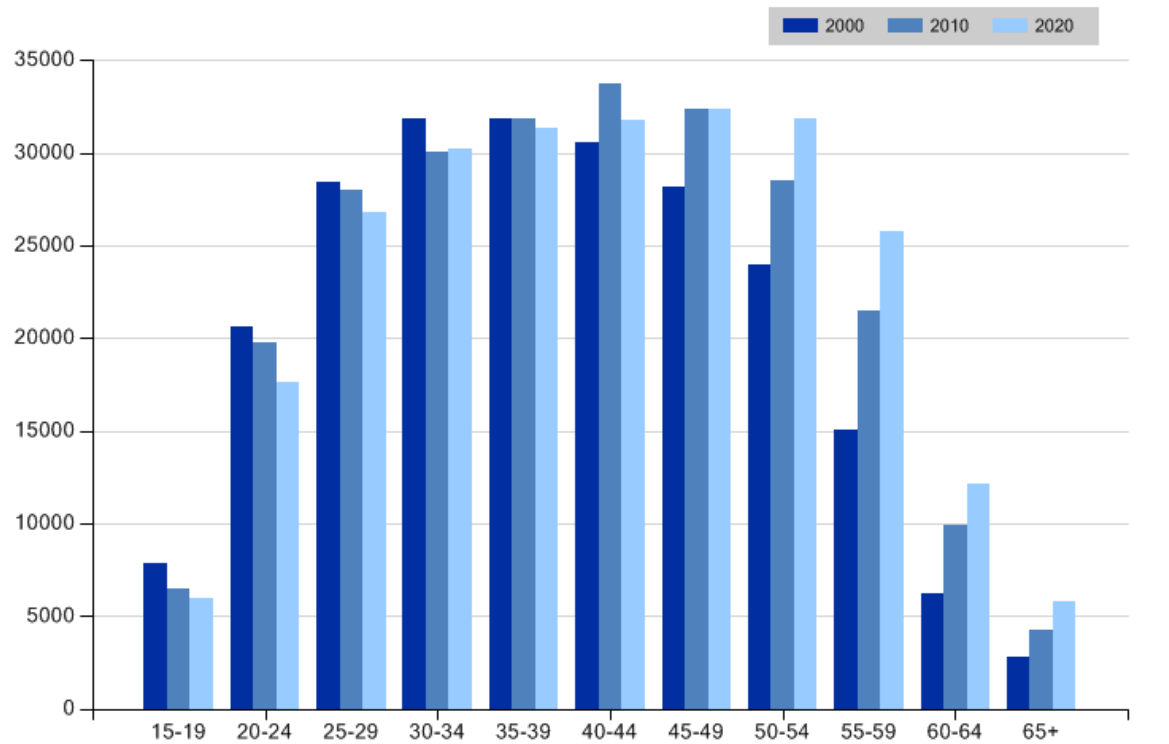
European Predictions about Demographic Changes up to 2015



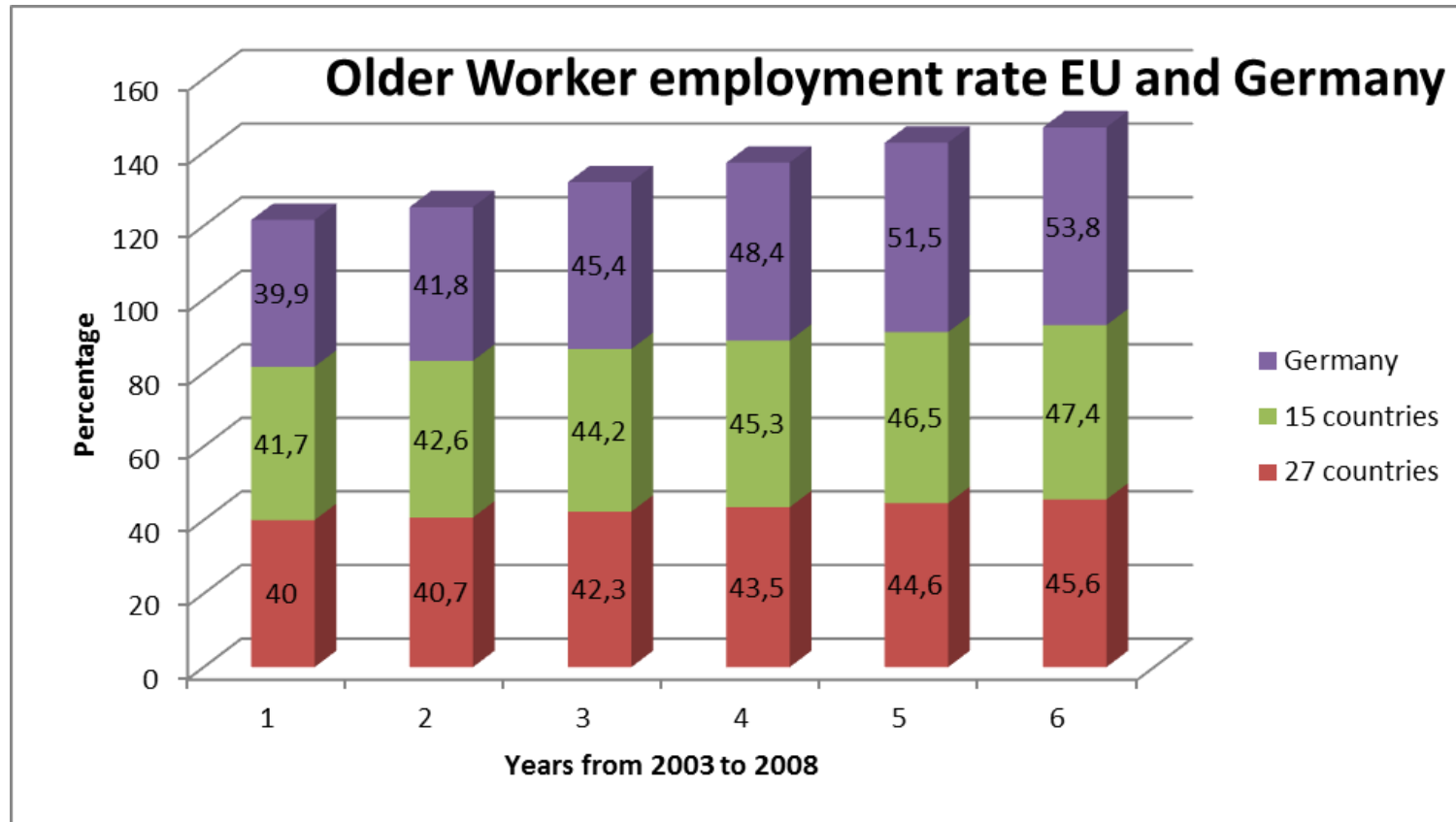
(Source: Eurostat, 2009)

Labour force by age in Europe

Skills forecast: Labour force by age (in 000s), EU27+



Source: Cedefop | Skills Forecasts | Data published in 2012



(Source: Eurostat , 2009)

Current employment situation in selected countries*

Country	Employment rates 55-64		Employment rates 65 plus	
	2000	2010	2000	2010
Germany	36.8	57.7	2.7	4.0
Netherlands	29.7	54.1	3.2	5.7
Denmark	53.6	57.6	2.5	6.2

*OECD Factbook 2011: Economic, Environmental and Social Statistics - ISBN 978-92-64-11150-9 - © OECD 2011



(E) conomic (ex) inclusion of older people

Current situation:

Low level of (e) conomic inclusion of older people in communities

Low participation in social networks, usage of online tools

Loss of social functions and relations

Social and psychological problems*

Lifestyle and behavioural changes: beliefs, values, thinking, attitudes

Future:

Social engagement in communities; matching individual and societal interests, applied experience for active communities

Knowledge presence in society and companies helping with startups, doing incubator work, and playing roles as business angels

Productivity transfer to companies, communities and society

* Bond et al (2007). Ageing in Society



What can be expected when gradual retirement and (e) inclusion takes place?

- A tool for stress reduction
- Stimulus for lifelong learning
- Tool for preservation of older employees' employability
- Neutralizer of negative feelings such as being excluded from others, injustice or discrimination
- Ensure knowledge transfer over generations
- Increased level of lifestyle quality



Productivity of older people

Age	Voluntary activities	Personal care	Child care
55-69	14%	14%	26%
70-85	8%	9%	15%

* Bond et al (2007). Ageing in Society

Current situation of ageing workforces (international)

Applied research approach:

Automotive industry

When older workers joined teams then the productivity and quality increased (car producer in Sweden)

Health care sector

Age did not play a role in a health care team because the capability to treat a patient well was of high importance (residential homes for elderly in Germany)

Various industries

Age did not play a role with regard to learning (80 companies in Germany)

Source: Gellert (2010)

Current situation of ageing workforces (national)

Employers do not want older workers, Tuesday 14 February 2012

- The days of long-term permanent jobs are over and employers are not enthusiastic about retaining staff once they reach 65, according to a report published on Tuesday by the government's social policy advisor SCP.
- A growing number of employers are filling permanent jobs with staff on temporary contracts in order to create the flexibility lacking in the current collective labour agreement (CAO), says the report.
- According to the SCP, 13% of all workers are on a temporary contract.
- Older workers are not appreciated, says the report. Despite the greying of the population, just 55% of employers want staff to work until they reach 60 and only 15% are happy to keep them on after they reach retirement age.
- The government is planning to increase the state retirement age from 65 to 67 by 2020.

Source: http://www.dutchnews.nl/news/archives/2012/02/employers_do_not_want_older_wo.php

Current situation of ageing workforces (national)

The Netherlands

2.5 million people are over 65 in 2010 =15.3% of the population. In 2038 it is expected to be over 20%.*

People above 65 with mental health:	78 % (CBS statistic, 2009)
Income of people above 65:	25,000 €
Social situation after 65:	20% are single households 6% randomly have social contacts with friends 2% randomly have social contacts with family members

* Garssen en Van Duin, 2007



Current situation of ageing workforces (regional)

Regional-provinces (people above 65 in percent)

Drenthe 17.3 %

Groningen 15.3 %

Friesland 16.0 %

(people who still work above 65 in cities)

Assen 11%

Groningen 10%

Leeuwarden 8%

* Garssen en Van Duin, 2007



Why (e) inclusion of elderly in communities?

Capabilities of older workers:

- Productivity and quality increases
- Relationship quality on a higher level
- Learn less fast but can remember things better
- Memory= foundation of wisdom*
- Motivation is high
- The power of mindfulness

Compared to younger colleagues, older workers are often.....

- More willing to learn
- Resilient to psychological effects
- Aware of delivering good quality*

*Cohen, G.D. (2005). The mature mind. The positive power of the aging brain

*Gellert, F.J. (2008). The effects of ageing workforces on international organizations



The usage of elderly social networks and online surroundings

Current:

60% of people above 50 are online users (Bitkom, 2012).

Of those, 38% are on social networks like Facebook, etc.

Future:

Increasing number of online users and participants in social networks



Outcome Expectation of our Pilot Project

What?

- Room for gradual retirement arrangements as part of labour agreements because of an increased number of older workers remaining in companies
- Increased number of older workers who network with other workers or citizens. Active online community.
- Gradual retirement schemes for employers and employees
- Increased number of older entrepreneurs
- Expand the link of older people with communities
- Increased number of Match-makers (combining mutual interests)

How? Mixed method approach

- Surveys/interviews (attitudes, wishes, desires) of employees
- Surveys/interviews (attitudes, wishes, desires) of employers



The next months to come

Jan-Dec. 2012	Gradual retirement schemes
July-Dec. 2012	Involvement of stakeholders in the survey development
July-Sept.2012	Pre-test, final decision on the instrument and start distribution
Sept.-Dec. 2012	Reception of gradual retirement schemes Report writing
Dec. 2012	Dissemination of results Submission to an academic journal

- Population and workforce are growing older
- Gradual retirement schemes can convince partners involved
- Late careers possible
- Communities help connect people and include them in society
- Employability of older workers helps companies overcome expert shortage in the near future
- Older workers value economic inclusion with high motivation and high level of productivity.

“Gradual retirement and (e) inclusion of elderly are two different pairs of shoes.”

„Hypothesis is not confirmed“



„Does being old exclude every opportunity for happiness?

No, happiness excludes being old.“

Franz Kafka (Austrian Writer)



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Thank you!

