

## ADAPTING TO AN AGEING WORKFORCE SONNENTOR, AUSTRIA

### 1. Organisations involved

- SONNENTOR Kräuterhandels GmbH
- The consultancy firm Trilog, the organisation 'Qualification Alliance Waldviertel' and the social insurance organisation for employees in Lower Austria NÖGKK support the measures at SONNENTOR.

### 2. Description of the case

#### 2.1 Introduction

SONNENTOR Kräuterhandels GmbH, a distribution company for organic herbs, spices and teas with a strong international brand offering more than 700 products, was founded in the Waldviertel (a rural region to the north-west of Vienna, close to the border with the Czech Republic) in 1988 by chief executive officer Johannes Gutmann. In 1992, an old farm in Sprögnitz (near Zwettl) was purchased for use as the business headquarters. It was converted to a production and distribution centre and over the years it has been modernised and expanded. Recently, it has become a tourist attraction, offering regular guided tours, a shop, a café, gardens and playgrounds, and in 2013 it received around 30,000 visitors.

SONNENTOR currently has 135 employees at its headquarters in Austria and another 75 at its Czech subsidiary. The majority are manual workers. There are also employees in the 15 SONNENTOR shops in cities such as Vienna, Graz and Salzburg, as well as in SONNENTOR restaurants. Altogether, 250 people are employed by SONNENTOR, and the average age of the employees is 42 years.

SONNENTOR has a business commitment to sustainability in the Waldviertel region and extends this to its employees. To this end, SONNENTOR has put in place a number of measures related to working conditions and work organisation to address the issue of its ageing workforce.

#### 2.2 Aims

The measures adopted by SONNENTOR have three aims:

- to retain older workers at work, so that their experience, skills and competences are not lost;
- to attract younger workers (younger workers tend to work in Vienna instead of rural areas) and to help younger workers benefit from older workers' experience; and
- to reduce sickness absence (which is already quite low, with an average of four to five days per worker per year compared with the Austrian national average of 13 days).

SONNENTOR works hard to attract a younger generation of customers, who are willing to pay more if they know the products are healthy and sustainable. An element of this is the fair treatment of employees. SONNENTOR is committed, therefore, to demonstrating that the co

#### 2.3 What was done, and how

In 2000, SONNENTOR's senior management developed a set of measures to address demographic change in the company. The initiative is ongoing and is part of the company's long-term strategy.

Implementation of the measures is supported by the Qualification Alliance, an umbrella organisation of companies within the Waldviertel region.

### **Implementation of measures based on Austrian legislation**

In 2000, the Austrian Public Employment Service (AMS) established a package of measures to promote the employment of people aged over 45. SONNENTOR received part-financing from AMS to implement some of these measures.

As an example, some of SONNENTOR's employees who are close to retirement have taken advantage of the 'Altersteilzeit' scheme (partial retirement scheme), which allows older workers to reduce their working hours for up to five years, without losing any entitlements towards pensions, insurance or unemployment benefits <sup>(1)</sup>.

SONNENTOR also gives its retired workers the option of working marginally part-time to a limit of EUR 395 per month (in 2014). Those employees carry on working in their previous area of employment or support guided company tours. The company appreciates that its retired workers, when they come back to work, bring with them their many years of experience and strong identification with the company culture. This experience and knowledge can be transferred to other employees and the individual can benefit from remaining active and experiencing a smoother transition to retirement.

### **Development of specific measures**

SONNENTOR also put in place a number of small-scale measures to promote better working conditions for older workers. Employees are fully involved in the design of these measures to ensure that they fit their needs.

- *Ergonomics:* In the offices, efforts have been made to improve workers' ergonomic situations. Equipment, such as wrist and leg supports, ergonomic chairs or balls to sit on to counteract neck and back pain, has been provided. Attention was also paid to the height of computer screens. In partnership with GEA, manufacturer of healthy 'Waldviertler' shoes, every SONNENTOR employee was given a voucher for EUR 150 towards a pair of shoes.
- *Work adjustments:* The manual handling of loads is an issue in the processing department, where workers lift heavy bags several times a day. The general limit value is 25 kg per bag, but workers have been given permission to adjust that weight according to their own capability; for example, they can choose to fill 20-kg bags to avoid heavy loads.
- *Professional mobility within the company:* Before new employees are recruited, attention is drawn to professional mobility within the company for existing staff. If an employee needs to change their role within the company, for instance because of health-related issues, their request is prioritised over new recruitment.
- *Generation-mentor:* The departments in the company are heterogeneous and consist of older workers, younger workers and workers with special needs. The company has created the position of generation-mentor, whose main task is to address older workers' fears of losing value and being replaced by younger workers. This activity is put in place when new employees are recruited and integrated into the team. It is a group activity that focuses on fostering exchanges between the different generations and reassuring older employees that they are not being replaced by those who are younger. Actively strengthening the positive image of older workers helps to reduce common stereotypes against ageing, such as not being able to learn new things or being slow to change behaviour. The generation-mentors receive training over a six-month period from the consultancy firm Trilog, together with Qualification Alliance Waldviertel, with financial support from the Austrian Public Employment Service (AMS) and the European Social Fund (ESF) <sup>(2)</sup>.
- *Sonnengsund, the company's health promotion scheme:* In the company's 2013 employee survey, employees requested health promotion activities in the workplace. As a result, the company

<sup>(1)</sup> Webpage of the Austrian Chamber of Labour on partial retirement. Retrieved 16/10/2015 from: <http://www.arbeiterkammer.at/beratung/arbeitsrecht/pension/altersteilzeit/Altersteilzeit.html>

<sup>(2)</sup> Qualification Alliance Waldviertel (Qualifizierungsverbund Waldviertel) is an association of companies that shares the costs of organising vocational training for their employees. Retrieved 16/10/2015 from: <http://www.waldviertelakademie.at/qualifizierung/qualifizierungsverbund-w4.html>.

established the Sonnengsund project (a play on the company name and the dialect word for 'healthy'), which focuses on a healthy and balanced diet (providing a company lunch for every worker), improving physical health (particularly for older workers) and promoting mental health (in particular, preventing burnout). The project is implemented through teamwork and coaching sessions. Classes in natural healing, ergonomic solutions for back pain and yoga are offered. Employees receive a gift or bonus if they participate in a certain number of sessions. Sonnengsund has been set up in collaboration with NÖGKK (Niederösterreichische Gebietskrankenkasse), the social insurance organisation for employees in Lower Austria, and Qualification Alliance Waldviertel.

## 2.4 What was achieved

The following positive effects have been identified since the measures were implemented:

- *Reduced sickness absence:* Although sick days were already quite low (averaging four to five days per worker per year compared with the Austrian national average of 13 days), the new measures resulted in an even lower level of sickness absence and had a positive effect on company profit.
- *Certification:* SONNENTOR has been a pioneering company for the certification of 'Nestor Gold' and will be re-certified in 2014. Nestor Gold is a standard of good practice for age- and generation-sensitive labour organisation in Austrian companies and organisations. It was created by the Federal Ministry of Labour, Social Affairs and Consumer Protection and the Public Employment Service in 2010<sup>(3)</sup>.

## 2.5 Success factors

- *Holistic approach:* SONNENTOR's management has implemented a package of measures that addresses the issues of ageing, demographic change in the company and health and safety at work from various perspectives, such as working conditions and working hours, prevention of health problems, workplace health promotion, generation management, mentoring and transition to retirement.
- *Dedication to older workers:* With the creation of the generation-mentor position, SONNENTOR has demonstrated that it values its older employees and aims to avert any fear of replacement or dismissal because of age.
- *Communication:* A mixture of formal and informal communication channels are used. An example of formal communication is the employees' survey. On the other hand, regular informal, but respectful, contact between the human resources department and the employees takes place, usually in a relaxed atmosphere, such as during breaks, ensuring a productive exchange of ideas. In addition, workers can raise any problem at any time with management and know that they will be supported. Few problems that have been raised have been left unresolved, although more complex problems, such as those requiring investment (e.g. buying a new machine), can take longer to resolve.
- *Employee participation:* In general, employees are consulted on the initiatives put in place and have the opportunity to give their input.
- *Flexible and tailored measures:* According to the human resources manager interviewed, employees appreciate that the measures are flexible and can be easily adapted to individual situations.

<sup>(3)</sup> BMASK, *Seal of Quality for age(ing) oriented organisations and companies, Information and Indicators*, Vienna, June 2013. Retrieved 16/10/2015 from: [http://www.nestorgold.at/cms/neslor/attachments/2/6/0/CH2020/CMS1435757147126/information\\_and\\_indicators.engl.pdf](http://www.nestorgold.at/cms/neslor/attachments/2/6/0/CH2020/CMS1435757147126/information_and_indicators.engl.pdf)

## 2.6 Transferability

The measures that SONNENTOR put in place are transferable to other companies, provided the company has sufficient resources and/or support from national employment programmes or social insurance organisations. As well as financial support, Qualification Alliance Waldviertel offers opportunities for exchange of good practice and mutual learning. Other companies from this region can benefit from the measures and ideas that have been generated at SONNENTOR.

It is worth noting, though, that one of the success factors for implementation is that most of the measures were tailored to the specific needs of the employees in SONNENTOR. Adaptations may be required for implementation in other companies or sectors. However, the relative lack of bureaucracy required to implement these measures means that they could be put in place in smaller companies with less formally structured human resources departments.

## 2.7 Further information

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Contact: Edith Sagaster, Human Resources Manager

## 3. References and resources

- SONNENTOR's website: [www.sonnentor.at](http://www.sonnentor.at)
- Interview with Mrs Edith Sagaster, Human Resources Manager.