

HUMAN RESOURCE POLICY SUPPORTING OLDER WORKERS IN LATVIJAS BALZAMS: LATVIA

1. Organisations involved

- RC Latvijas Balzams
- Organisation Development Academy (ODA) (consulting company on employee and organisation development)
- Elements of the programme financed through the European Social Fund (ESF) are carried out jointly with the nongovernmental organisation Latvian Federation of Food Enterprises (Latvijas pārtikas uzņēmumu federācija) and the Latvian Chamber of Commerce and Industry (LCCI).

2. Description of the case

2.1. Introduction

Latvijas Balzams is an alcoholic beverage production company with two production facilities in Riga. Of its over 600 workers (97% on a permanent contract basis), 20% are above the age of 57. The enterprise uses some technologies and procedures, for example in its production line, that can lead to the development of health problems, particularly musculoskeletal disorders. The risk of developing a work-related disease or injury increases with the duration of working life.

These lines of production require a high degree of task specialisation, which makes it costly to recruit and train new workers. To ensure the continuity of production and reduce staff turnover, the company promotes a holistic approach to occupational health and safety, whereby:

- workers are trained to be more aware of occupational risks and to raise their concerns during risk assessments;
- workers with recognised occupational diseases (who are more likely to be older workers) are given the opportunity to transfer to different tasks or take on different responsibilities in the company; and
- the company has a formal scheme for knowledge transfer/exchange between older and younger workers.

2.2. Aims

The company aims to foster a safe and healthy work environment for all workers, to reduce turnover and retain older workers in particular. Complex production techniques require significant time and training, making employee turnover costly, as well as having a negative effect on working relationships. The company therefore aims to retain and capitalise on the experience and expertise of its older employees.

The initiative is based on a long-standing collective labour agreement. It thus supports cooperation between workers and management.

2.3. What was done, and how?

The enterprise has developed and implemented a comprehensive range of activities that promote a holistic approach towards occupational health and safety (OSH). These OSH activities are integrated into the overall company management system (ISO 9001). In recent years, as OSH matters have

become more significant, the company has begun to consider the development of a separate OSH policy. Most activities are funded by the enterprise.

Many of the activities target older workers, either directly, through activities reserved for older workers, or indirectly, through activities targeting people with occupational diseases, most likely to be older workers. At the time of drafting this case study, the activities were still ongoing.

2.3.1. Workplace adjustments, working-time adjustments

In line with legal requirements, the company has in place a number of critical health protection measures contributing to maintaining the work ability of its workers, in particular older workers.

Medical examinations are carried out for all workers by occupational health services. Where health issues are identified, the company accommodates the needs of the employee where possible, for example by offering flexible working hours or adjusting the work tasks to make sure that the situation improves (or at least does not deteriorate). Alternative work tasks are sought out first in the same line of production and then, if not available, in the rest of the enterprise.

The company provides information on the correct handling of heavy loads and trains its employees in the ergonomic aspects of handling heavy items, correct body postures and relief exercises.

Although this kind of support is available to all employees, it tends to be the older employees who take advantage of it most frequently. The enterprise also pays particular attention to the work ability of workers in job positions for which particular skills are needed (because of the complexity of the task), as there is a need to ensure that these experienced and trained workers remain at work in good health.

Additional leave days are given to employees with higher risks in their working environment or who have been exposed to radiation as a result of the Chernobyl power plant breakdown.

2.3.2. Mentoring and the succession programme

The company has a formal mentoring programme, with exchange of experience, transfer of expertise and skills, and overall mentoring between older and younger workers, according to individualised plans. The aim of this mentoring programme is to maintain industry knowledge and know-how, and harness fresh ideas. Younger workers benefit from gaining more skills and experience, while older workers benefit from having the value of their experience acknowledged.

Consultants from the Organisation Development Academy were contracted to help to set up the initiative. Previous attempts at making the experience exchange initiative more structured or widespread had not been successful because each case requires sufficient flexibility to enable workers to exchange experiences in a way that best suits their interests and needs. Guidance was also needed for older workers who were not sure how to take the initiative in this regard, but who would benefit from being heard and appreciated. The initiative enables retention of industry knowledge, and also improves the appreciation for older workers, thus improving their self-esteem and bringing related (mental) health benefits.

A formal succession programme also exists, whereby workers coming up to retirement age mentor and train workers to replace them after their retirement. The management is informed when an experience exchange arrangement is formed, but the workers involved are responsible for setting up the mentoring/experience exchange arrangements. The initiative was started some years ago.

2.3.3. Health insurance and other benefits

The enterprise offers the following services and support to all employees regardless of age: health insurance; rewards and material support on special occasions (such as for medical rehabilitation or after the birth of a child); and subsidised sports activities (including access to swimming pool and a company annual sporting event).

These components of company policy have become custom and practice and are now regulated through a collective agreement between the enterprise management and the trade unions. The take-up of these benefits among workers varies and is still low for some (for example younger workers). To

encourage take-up, the company conducts awareness-raising activities to make sure that employees are aware of how to look after their own health and safety and to promote the use of the benefits offered.

Merit awards and gifts form part of the company's general policy to value its older workers. Although there is no minimum age requirement to qualify for these benefits, recipients are usually employees with more than 10 years' service, and all employees who reach retirement age at work.

2.3.4. Collaboration with other companies to promote a holistic approach to OSH

The company is also collaborating with other organisations to promote a holistic approach to OSH issues. The enterprise co-developed a project financed through the European Social Fund together with the Latvian Federation of Food Enterprises (LPUF), of which Latvijas Balzams is a member, and the Latvian Chamber of Commerce and Industry (LCCI). Within the project, external consultants contracted by the LPUF organised and delivered awareness-raising workshops for interested enterprises. The project has now been concluded, but follow-up projects are possible. Latvijas Balzams also engages in experience exchange with other enterprises, allowing for cross-learning on OSH issues. From time to time, learning excursions are organised in the production facilities to gather feedback and improve the approach to OSH.

2.4. What was achieved?

Although the company did not set specific targets for the activities, it has found that the experience exchange and succession programme, and the other activities, have improved the retention of workers and have ensured continuity in production operations. The enterprise plans to continue these activities and is considering developing an OSH strategy, demonstrating the added value it sees in promoting OSH.

A 2012 worker satisfaction survey showed that the OSH activities have been appreciated; workers felt safe and secure and considered the enterprise to be socially responsible. In the same survey, some workers stressed the need for employees to be more closely involved in developing OSH initiatives and in decision-making processes overall.

Other channels are also used to identify areas for improvement. Feedback is requested from workers who are leaving the company and interviews are carried out with managers to identify additional needs of workers.

2.5. Success factors

The following success factors have been identified:

- *Specific activities for older workers but benefits for all:* Initiatives to promote OSH among older workers are necessary and beneficial for long-term business success, as well as being beneficial for all workers.
- *Involvement of trade unions:* The inclusion of OSH measures in the collective labour agreement demonstrated commitment to health promotion on the part of management and workers, and built on the collaborative working relationship already in place.
- *External support:* External consultants were successfully used to help set up the mentoring and succession programme.
- *Motivation of the workers:* The company values its older workers and expresses this in a number of ways (mentoring, merit awards, etc.). In turn, this motivates individuals to become involved in initiatives such as the mentoring/succession programme.

2.6. Transferability

The activities driven by the management, such as the mentoring/succession programme, OSH awareness-raising and work adjustments/adaptations, are transferable to other companies. Individual

motivation to become involved may vary between companies and this may affect successful transfer of the activities described here.

Elements such as merit awards and material assistance require budget allocation, which may present a challenge for smaller companies, or those that do not have a budget for such activities.

2.7. Further information

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3. References and resources

- Interview with Signe Bidermane, HR director
- Website of the enterprise: <http://www.lb.lv/en/>
- Latvijas Balzams (n.d.), JSC 'Latvijas balzams' sustainability report 2011–2012. Retrieved 07/11/2015, from: http://issuu.com/lb1900/docs/lb_corporate_sustainability-report