

AGE MANAGEMENT AT SAARIOINEN LTD — FINLAND

1. Organisations involved

- Saarioinen Ltd;
- Saarioinen Ltd's current main occupational health care provider: Tampereen Työterveys ry.

2. Description of the case

2.1. Introduction

Saarioinen Ltd is a manufacturer of food products and was established in 1941. The company has four manufacturing plants in Finland, as well as a logistics centre. Of a total of 1,700 employees, 279 are aged 50 years or older, with a large number of these older workers working in a three-shift system in the production plants.

Since 2003, the company has had an age management programme focused on its manufacturing workers. Musculoskeletal disorders among this group led to high levels of sickness absence and early retirement as a result of incapacity. The programme was developed by management in cooperation with representatives from human resources, health and safety and workers groups.

In 2010, the national collective agreement for the food industry sector in Finland made further provisions for age management. According to the agreement, employers must initiate career planning talks with all employees when they turn 50. The talks can form part of annual performance reviews but must aim to identify the individual challenges and needs of the worker in relation to his job tasks. This allows for mutually agreeable solutions to enhance the health and well-being at work of the individual, and helps to identify ways of prolonging their working career.

Activities within the senior programme are carried out in addition to basic health and safety measures in the workplace.

2.2. Aims

Saarioinen Ltd's age management programme aimed to reduce the costs associated with a high rate of sickness absence and early retirement due to musculoskeletal disorders.

2.3. What was done and how?

Saarioinen Ltd's age management programme — also known as the programme for senior workers — applies to blue-collar employees who are at least 55 years old and who have been employed by the company for at least five consecutive years. Once eligible, an employee can apply for 'senior' status by notifying their employer/manager. Once the request has been approved, the employer holds a career planning meeting with the employee to map out the potential restrictions the employee may experience in carrying out certain work/tasks. Where appropriate, rehabilitation and retraining needs are also discussed. The meeting is documented and used as a basis for planning the employee's future career.

In addition to career planning, designated senior employees may also benefit from other measures, which are outlined below.

Guaranteed salary level

The base income level of senior employees is not altered, even if they are appointed to new tasks that are not at the same level as their previous role. Additional bonuses or performance-related additional income, however, are paid according to the new job profile.

Move away from shift work

Senior employees can be moved from the normal three-shift manufacturing system for health or other reasons.

Reduction in work rotation

Senior employees may request a reduction in the normal work rotation. They are also given priority in choosing tasks.

Senior leave days

Senior employees can opt to transfer annual holiday pay or long-service bonuses to senior leave days. These leave days cannot be taken together with annual leave days or during high production periods.

Priority for job alternation leave (sabbatical leave)

Job alternation leave is provided in accordance with Act 1305/2002 on job alternation leave. According to the act, an employee who has a work history of at least 10 years in total and who has been employed by their current employer for at least 13 months may request temporary leave. During this time, the employer commits to employing a currently unemployed person (priority for those under 25) for whom a short-term contract could be useful in terms of future employment possibilities. The leave granted by the employer must be for a minimum period of 90 days and a maximum period of 359 days. Although job alternation leave can be granted to any eligible staff member, at Saarioinen Ltd, senior employees are prioritised where there are more applicants than the internally allocated quota.

Cover for certain medical treatments

Senior employees may receive financial support for physiotherapy, or similar, where it has been prescribed by the occupational health physician and agreed by the employer. The support can be provided even for non-occupational illness or injury. The company will cover costs up to EUR 300 per employee in every three-year period.

2.4. What was achieved?

The age management programme has increased the well-being of senior employees, as shown by an increase in the average retirement age from 58 years in 2004 to 61.6 years in 2013. Of all eligible employees, 64 % requested the 'senior employee' status and made use of the benefits available to them. The most popular benefit is the option to transfer holiday pay to senior leave days.

Every other year, staff complete a questionnaire on issues including well-being. In recent years, the feedback has been more positive, particularly with regard to the continuous improvement made to the physical working environment for older workers. The company is pleased with the success of the programme and is considering widening its scope to white-collar workers.

The most significant challenge was the ability of managers and senior employees to engage in career planning after the age of 50. Gaps were experienced in the ability to appropriately identify both the needs that are most pertinent and the methods that would be most helpful. The company intends to provide further training on age management through the distribution of information and awareness-raising meetings.

2.5. Success factors

The following factors contribute to the ongoing success of the programme:

- *Legal basis:* Legislation and policy in Finland that promote age management and the introduction of age-related requirements in the collective agreement for the sector;.

- *Coordination of stakeholders:* The systematic consultative approach between top management, human resources, health and safety representatives and senior workers;
- *Identification of attractive measures:* A package of appealing, flexible measures ensured a high participation rate by senior workers, driving the success of the programme.
- *External support:* Use of the expertise of occupational health care practitioners;
- *Diversity of tools:* Use of a variety of human resources management, occupational safety and health, and rehabilitation measures;
- *Career management:* Career planning with employees over 50 reassured them of their value and identified individual needs and potential restrictions in work capacity.

2.6. Transferability

All other organisations could adopt the following elements of this programme without difficulty:

- career planning with the employee after they reach 50 years of age;
- job satisfaction questionnaires.

The wide variety of senior benefits offered in this programme could also be transferred to similar organisations.

2.7. Further information

Saarioinen Ltd

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Contact person: Tero Tuominiemi, Director of Personnel and Administration

3. References and resources

- Andersson, B. et al., Työkaarimallilla kohti pidempiä työuria - opas ikäohjelman laatimiseen, 2013. Available at: http://www.ttk.fi/files/3269/Tyokaarimallilla_kohti_pidempia_tyouria_d8eb.pdf
- Saarioinen Ltd's internal procedure on age management, last updated in January 2011.
- Interview and email correspondence with Tero Tuominiemi, Director of Personnel and Administration at Saarioinen Ltd, January 2014.