



Institut Manpower's work on the age issue in France

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Chairman of the Institut Manpower Scientific Advisory Board

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Institut Manpower's mission

- Manpower, an employment market expert and leading temporary employment and recruitment agency
- Institut Manpower : the Manpower think tank
 - Set up in 1994
 - Mission : to decipher, analyse and anticipate changes in the labour world, to contribute to the exchange of views and thought on the subject, and to take part in the public debate
 - Institut Manpower :
 - Produces publications, studies and surveys
 - Organizes panel conferences
 - Confers a literary award
- Our approach entails
 - Combining academic expertise with field-based pragmatism
 - Involving a multidisciplinary scientific advisory board

Introduction

Françoise Gri, President of Institut Manpower

President of Manpower France since March 2007
Formerly CEO of IBM France
Member of the Medef Ethical Committee



The first members of Institut Manpower's Scientific Advisory Board

- Lawyer/labour law specialist **Gilles Béliet**



Vice-Chairman of the Employment Advisory Board (France).

Associate lawyer, Freshfields, Bruckhaus, Deringer legal practice group

Member of the Office of Labour Minister Jean Auroux in 1981, member of the « Soubie » Commission (appointed by J. Barrot) in 1997, member of the « Virville » Commission (appointed by F. Fillon) in 2003

- Two economists

Pierre Cahuc



Professor of Economics at the **École Polytechnique**, the **ENSAE** (French national school of statistics and administration) and **Paris University-I Panthéon-Sorbonne**

Member of the Council for Employment, Income and Social Cohesion (France), member of the Economists' Circle (France), member of the Council for Economic Analysis (France)

Author of *La société de défiance : Comment le modèle social s'autodétruit* (Economic Book Award 2008, Best Essay Award 2007)

André Zylberberg



CNRS Research Director

Member of the **Paris School of Economics** and of the **Sorbonne Economics Centre**

Author of *Réglementation du temps de travail, revenu et emploi*, report of the Council for Economic Analysis, 2007.

Co-author (with Pierre Cahuc) of *Le chômage : fatalité ou nécessité?*, 2004.

- Two human resources directors

Armand Sohet



Human Resources Director in the Land and Joint Systems Division of the **Thales Group**.

Formerly HRD in the **Novartis** Western Europe and Central Europe Zone / Head of Human Resources in the **PSA Group**

Philippe Vivien



Human Resources Director in the **Areva Group**.

President of the **AGIRC (General Association of Executive Pension Institutes - France)** since April 2008.

Was assigned a mission by Gérard Larcher, Minister Delegate for Employment, in 2006 on ethical charters, professional warning systems and French labour law.

- A sociologist

Dominique Méda



Head of the “Career Paths, Institutions and Employment Policies Unit” of the **Employment Research Centre** (France)

Specialist in the sociology of work and in social policies.

Author of *Le contrat de travail*, published by Repères, 2007 / *Faut-il brûler le modèle social français?*, published by Le Seuil, 2006.

- A demographer

Ariane Pailhé



Researcher at the **National Institute for Demographic Research** (France), where she specializes in labour and family economics

Member of the (CNRS) European Research Group on the Labour Market and Gender in Europe.

Author of *France: High and stable fertility*, published by Demographic Research, 2008.

Institut Manpower's work on the age issue

- The specific nature of certain situations such as the situation in France
 - The unemployment rate amongst the under-25s is high: 19.4%, and young people enter the labour market at a late age.
 - The employment rate for older workers is low: 38.3%, and these workers want to retire early.

Note: retirement age is the lowest in Europe: official age: 60 / actual age: 58 ½

- Managing age: a research subject that is difficult to define / an approach via the broader issue of older workers
- We have opted to deal with the issue from the angle of the link between young and old.
- Our methodology
 - Critical analysis of academic production
 - Field feedback data: major groups, SMEs, institutions
 - Area: France

Societal consensus on the need to take action: age management is essential!

- Demographic issues: ageing of the population
- Public expenditure: financing health care and pensions
- Institutional incentives:
 - Lisbon Strategy: to raise the employment rate for older workers to 50% by 2010
 - Measures taken by the French government to promote the employment of older workers
- Cultures and relations at the workplace, intergenerational tensions
- Impact of technological developments



Our approach is to analyse **bottlenecks** in order to understand why France is lagging behind.

Firms (particularly French firms) that do not manage age? Is this the case?

- Emerging awareness of the need to take account of issues related to the evolution/distortion of the age pyramid
 - 73 % of entrepreneurs consider that managing older workers is going to become a crucial issue for their firms, but almost 2/3 of them (62 %) recognize that it is a complex undertaking – *Institut Manpower survey 2008*

↪ No strategic vision of the question / no forward-looking human resources management



Management is often **curative.**

- Dealing with the consequences of the incentives to take early retirement (the legacy of 20 years of public policies)
- Employment and careers are managed mechanically and passively.
- Management is segmented, discriminatory and short-term.

Firms (particularly French firms) that do not manage age? Why?

The reasons

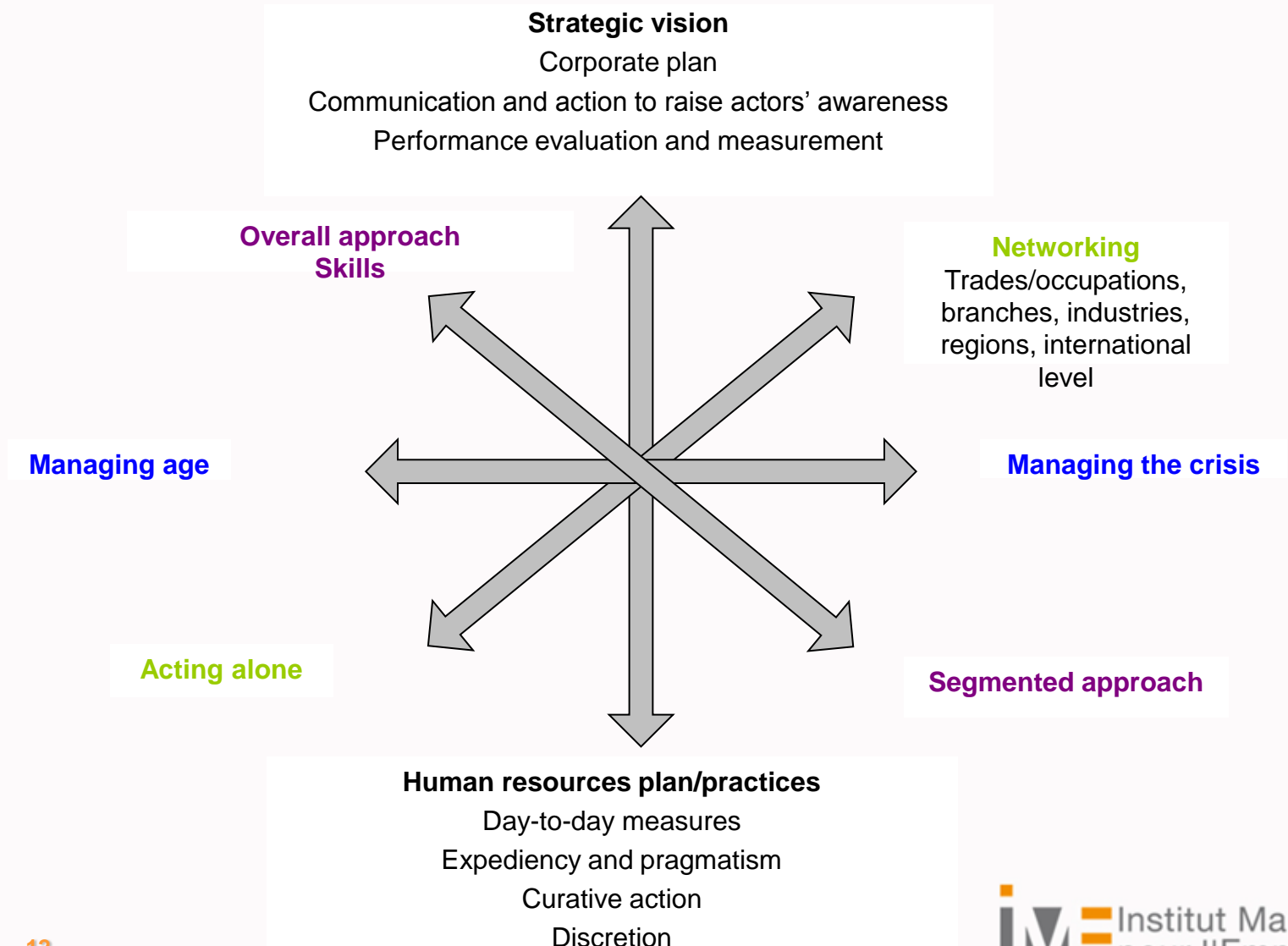
The cost

- Pay levels of older workers
- The cost of social protection
- More urgent emergencies
 - Other priorities: managing production, relations with suppliers, etc.
 - The special context of the crisis
- Cultural prejudices
 - Older workers can no longer develop their skills, age impairs performance and motivation, etc.
- Lack of skills within the firm for dealing with the issue (particularly in SMEs / firms where there is no HR post)

Firms (particularly French firms) that do not manage age? Is this untrue?

- Yet some firms demonstrate exemplary practices such as
 - Tutoring
 - Career interviews
 - Training courses
 - Collaborative work
- Real heterogeneity:
 - In terms of sector of activity: tertiary sector, industrial sector, building industry, and so on,
 - In terms of size of undertaking (very small enterprises, SMEs, large enterprises),
 - In terms of job quality, skills sought, etc.

The complexity of the subject



Initial conclusions

- 1. What if preconceived ideas relating to age concealed realities in the field?
- 2. What if evaluation difficulties were not an obstacle to taking account of the strategic dimension of the question?
- 3. What if age were not the right criterion?

What if preconceived ideas relating to age concealed realities in the field?

Unfavourable beliefs concerning older workers persist / prejudices must be eliminated.

- Skills can continue to develop as a person gets older.
- Experience and performance are not contradictory.
- Age can provide a basis for new forms of cooperation: rather than a career objective, the objective of intergenerational sharing or transmission.
- Older workers are capable of assimilating and adapting to new technologies and new models of work organization and also of developing new interest in their work (motivation).

What if evaluation difficulties were not an obstacle to taking account of the strategic dimension of the question?

- Difficulty in defining /formalizing the field of “age management”
 - Firms manage age implicitly but do not identify this as a specific field of action / managing age without actually saying so (cf. cultural prejudices)
- Difficulty in evaluating results and in measuring the effectiveness of the arrangements implemented
 - What evaluation criteria are meaningful/convincing for top management?
- Difficulty in replicating “good practices” from one undertaking to another or from one country to another
 - Special organizations, specific features of individual sectors, etc.

What if age were not the right criterion?

- **What about the validity of the age criterion?**

- Are we all speaking the same language here?


- Different definitions of young and older workers and different typologies of older workers, depending on occupation, training, skills, culture, personal plans (not all older workers want to be treated the same way)

- **Should generation be considered?**

- A group of people who were born at the same time and have lived through the same period of history

- **Or cohort?**

- People who have shared the same critical experience in a firm at the same time

 Age can be a gateway, but would it not be more appropriate to argue in terms of skills? The subject needs to be extended to take in skills management.