

Direct Parcel Distribution CZ



Age
Management
Masterclass

Have a look at 28 good practice examples that have been collected from various EU countries and take an inspiration for your work.

Examples are suitable for human resource managers implementing age management measures in their companies.

Examples may also serve as a training tool for teachers, trainers and lecturers at various educational facilities.

All case studies are available at: <https://www.amm-project.eu/>



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Organization

Direct Parcel Distribution CZ s. r. o.
Interview with Lenka Miess, HR manager

Sector

Tertiary: shipping and logistics

Specification

The company Direct Parcel Distribution CZ s.r.o. is part of the DPDgroup. With almost 2,000 couriers and 1,350 Pickup points, DPD is the largest private package carrier in the Czech Republic. As the only carrier on the market, it offers the Predict service – the customer knows in advance when the shipment will be delivered to him, for 1 hour exactly. At the same time, in the DPD Courier application you can change the time or place of delivery according to your preferences. As part of DPDgroup, DPD uses over 42,000 Pickup outlets across Europe and delivers to 230 countries around the world. DPDgroup is a completely CO₂e neutral company. It constantly reduces its carbon footprint during the delivery of consignments and the operation of depots and fully compensates all its emissions through various environmental projects that are part of the DrivingChange strategy.

Web-site

<https://www.dpd.com/>

Age management dimension

Comprehensive approaches:

- a holistic approach that encompasses all dimensions of age management

Expected result

From the age management system we expect especially a decrease in job turnover. High quality people care measures that go hand in hand with age management is the main indicator of why people stay with the company.

Main motives for the decision to implement the age management measures

If a company intends to remain in the market with a long-term vision and to be successful, it must have employees who are loyal and, above all, willing to work. In such a company, good people care is essential, people need to feel that they are individuals who are valued, perceived, their work is important and management is interested in them. It will come back to the company in the moments like this one (lockdown of the economy due to the covid-19 pandemic in 2020-2021), when you need to be flexible, grit your teeth, do quick changes - your people will support you.

Our way towards the age management

This process began with my arrival at DPD 6 years ago in 2014. I joined a company that already had a relatively nice foundation of personnel work. For me, this was one of the main parameters for choosing my next employer. I was especially interested in corporate culture, because my previous work experience in large corporations gave me the impression that things that are presented externally are not really meant that way.

It was different in DPD. The company builds on family principles, friendly atmosphere, mutual responsibility. By the time I joined, the company was prospering, and the management was more and more thinking about the company's vision, corporate values and caring for people. My analysis of what was happening in the company and what could be done differently, revealed that many processes were not set up correctly. The situation on the labor market was different at that time, there was a certain unemployment rate, people valued their work more and stayed in jobs. At that time I started thinking about a complete change in

the people-care, especially in the area of simplification of processes, contracts, benefit schemes, bonus schemes, etc. That was a time in the company when almost everything changed in the field of HR.

We introduced HR business partnering (individual departments had their own HR business partners who cooperated closely with managers and solved problems and needs of employees). Thanks to this process, ordinary managers become people managers, who could solve problems of the people in their teams on their own. Thanks to this, the evaluation process was no longer formal, but started to bring value.

Another significant part of the changes were benefits. Although the first positive results of my work were already visible, I could not expect the company to provide significantly more funds to the HR budget at once. I tried to set the benefits so that it did not cost the company more money, but people benefited more from it. I can demonstrate this on the example of a transportation allowance, which was part of the salary and thus was very uneconomical for both employer and employees (the employer paid insurance from it and the employee had to tax it, so the employer had to pay 26€ so that the employee finally got 12€). We realized that each of us sometimes goes to the pharmacy, attends some training, goes for culture, and so we decided to introduce Cafeteria (Edenred Benefit Café). We put all the money allocated for benefits into the Cafeteria, because it is exempt from tax. You can imagine what was happening: people hated me for taking the 12€ from their paycheck, but they couldn't see that they got 26€ instead in the cafeteria. But after a while, the situation changed, people suddenly loved Cafeteria and understood what the change was about.

The team I have formed around me cares about the employees in the same way as I do and they want them to be satisfied in the company. We regularly evaluate employee satisfaction and, based on that, adjust the benefits system. Of course, there were employees who did not use the Cafeteria system, and this gave us an incentive for further change.

The change was the so-called tailor-made benefits, the possibility for employees to choose the form of benefits for next year. They could choose between Cafeteria, the sixth week of vacation, or the money, if that was most valuable to them at that moment. In the first year, these changes were accepted indecisively, about 5 people still chose money even though they were taxed, and about 30 people chose extra vacation because they had small children. Now more and more people are choosing the sixth week of vacation, they value time with their children and families more. It is interesting to see how the choice of benefits changes according to the current needs or age of employees, and also what is happening in the company and society.

From the beginning, we make sure that any change we introduce is properly communicated to all employees. We visited all the depots, where we presented a comprehensive change of the people care approach, and we spoke to each employee in person (there were 350 of them at the time) and explained how it would affect them. We work this way continuously, we support any major change with a large campaign (videos, posters, team meetings) and each employee has the opportunity to comment on the changes.

My philosophy is to do meaningful work, to see that people grow under your hands, that they are satisfied, and that they do not leave the company just because someone has offered them a 50€ higher salary, because they know it is not the most important thing.

Strengths and weaknesses of the chosen approach

Strengths

- With the approach we have chosen, we are able to cover all generations working in the company and respect their individual demands (young employees with small children, graduates, etc.).
- We understand that giving people responsibility and freedom at the same time, integrating work and personal life, will have a positive impact on both sides.
- We started thinking about all types of people we have in the company and prefer an individual approach.
- The flexibility of the people care options (benefit package) has allowed employees to choose what suits them best in their lives at the moment.
- We can work flexibly with this package of activities and benefits and include them in the system whenever there is a demand for them.

“Aha” moment

During my journey, I thought for a long time that everything was clear and good. But it did bother me when people refused my efforts. Later I realized that it was not a fear of the particular thing we wanted to change, but a fear of change in general. Everything that changes is bad because it disrupts the routine we are

used to. Now it doesn't bother me anymore when someone refuses something I try to implement for the first time; I will come a second time, a third time, and possibly use a different argument. I have the advantage that during those 6 years that I have been in the company, I have gained the trust of people and they already trust that when I do something, it is in their best interest.

Activities to sustain this initiative

Some time ago, we had the opportunity to apply for a grant for the project introducing age management into the company from the Operational Program Employment, and on that occasion we could add certain areas of the people-care that we still had not implemented.

Among the areas that we do not yet have well covered is, in particular, a long-term vision in connection with the aging of our employees. The company celebrated 25 years last year. Most of the employees who have been here for over 20 years are in managerial positions. We only have one to two employees every year who retire. Currently have only few employees aged 50+ in the company, but we know that in 5 years it can be different again. We need to prepare for the fact that we will have not 5 but 30 employees of pre-retirement age a year, and that we need to work with all employees to keep them with us as long as possible. The company invests in employees throughout their careers, it would be a shame to let them leave early. On the other hand, the employees also benefit from it, if they can stay in the working environment they know well.

Another area that will need to be addressed is the health of employees. The events of the past year have revealed the urgency of these issues. This year we introduced a psychological counseling line in case of personal crisis for our employees. Also, a comprehensive physiotherapy for warehouse keepers and early detection of physical problems is also important.

To continue in these processes, it is necessary to perceive what is happening in the society. Of course, if a certain generation grows up under certain conditions, it also has certain requirements. Now there is a very clear need for flexibility from the side of recent graduates, and this is happening to an extent that did not exist 5 years ago: the possibility to manage their working hours, go to work out during the day, have all the information available on your mobile, do not do routine things, etc. So, even if the company did not want to, it will have to take this into account. If we don't want to control it, it will control us.

Monitoring system of the effects

- We do classic measurements in the company: we measure the simple moving average fluctuation of the last 12 months, and we also measure the monthly fluctuation. This measurement shows that over the last four years the fluctuation has been declining every year.
- We have a set process in which we review our activities every year, whether it is still interesting or whether changes are needed, what is the situation on the market, what is new about our competition, so our care for employees is becoming more and more complex.
- We perform an exit interview with every employee who leaves. I present the results of these evaluations to the entire management, altogether with my comment. If a problem starts to appear repeatedly, I suggest solving it. The evaluation includes special questions on corporate culture, benefits and general care. We monitor these indicators very closely, and in 99% of cases people themselves mention that they have no objections and that the people care system in the company is above average standard.
- Every two years we perform a complete survey of employee satisfaction, of which especially issues related to age management are very highly rated. I consider this as an objective tool that quantifies employee satisfaction. Keeping it anonymous, I have no doubts about its objectivity.

Beneficial effects of the initiative

Fluctuation in our company has decreased significantly in recent years. We are beginning to see that we have a large proportion of loyal employees, not only in offices but also in warehouses, despite the fact that it is a very demanding job and there is a large part of manual work.

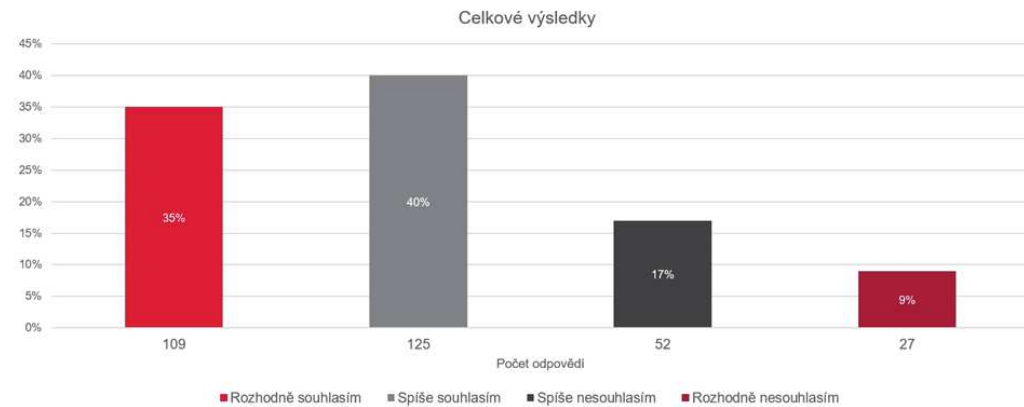
Personal recommendation

- Let's not decide for people. Let's ask them, listen to what bothers them and what they want.

Employment satisfaction survey: In the past few weeks I have been appreciated for my work.

33. V uplynulých týdnech jsem byl za svou práci pochválen.

3,0

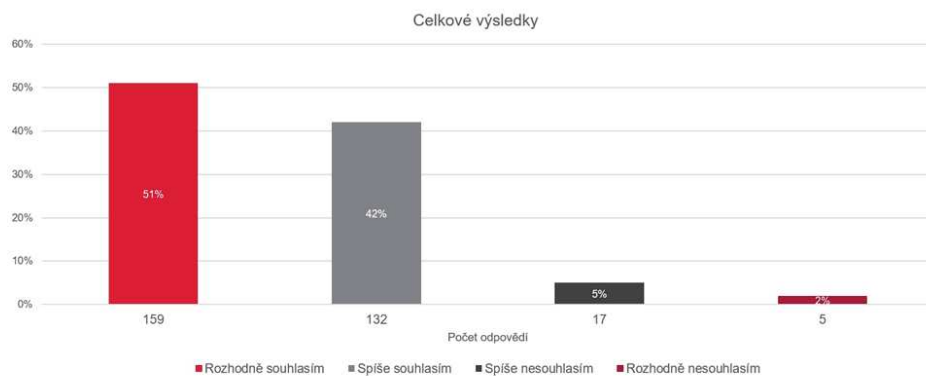


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Employment satisfaction survey: I am satisfied with the benefits I am getting from my employer.

27. Jsem spokojen/a s benefity, které dostávám.

3,4

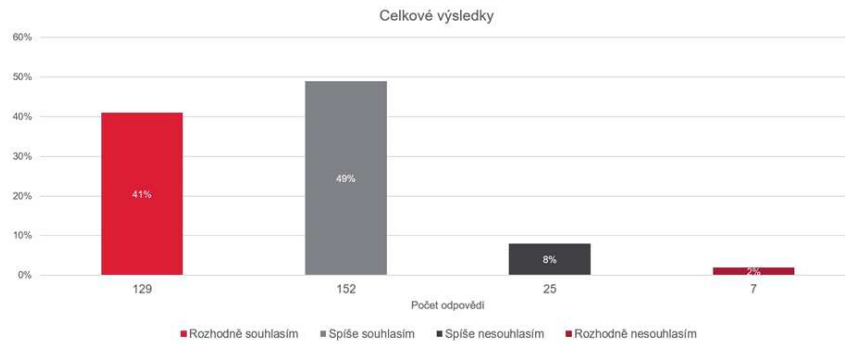


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Employment satisfaction survey: I am proud to be employed in our company.

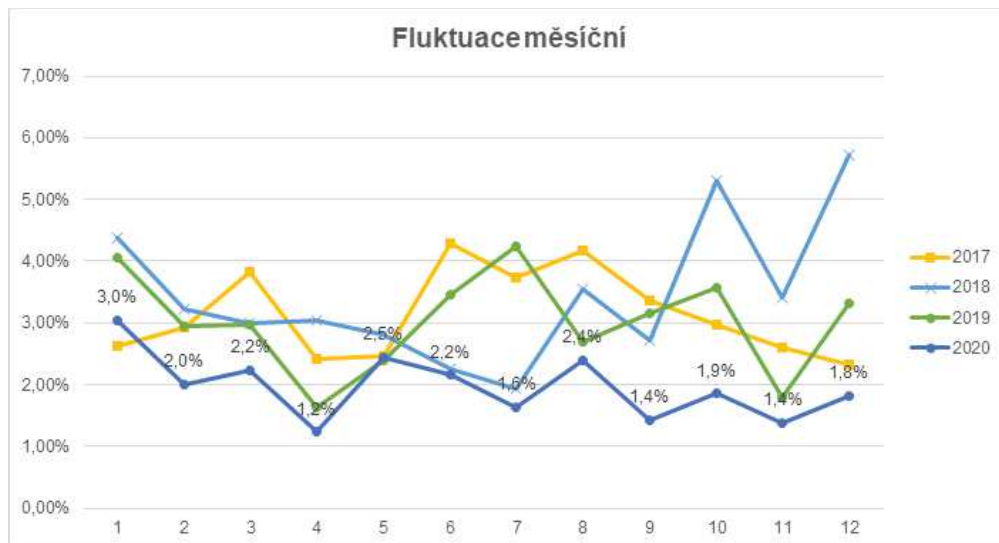
39. Jsem pyšný na to, že pracuji v naší společnosti.

3,3




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Monthly fluctuation in the company, 2017 – 2020



Erasmus+: Age Management Masterclass
2018-1-CZ01-KA202-048133



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Co-funded by the
Erasmus+ Programme
of the European Union