

AGE MANAGEMENT IN ITALY – STATE OF THE ART

In Italy security and employment policies of 70's and 80's have facilitated the decline of older workers' participation at working processes, anticipating retirement of 5/10 years.

Such trend, aiming at supporting reorganisation processes and at allowing enterprises to introduce turn-over among young-older workers, thus reducing labour costs, has determined a specific culture of early retirement as well as a substantial decrease in activities of older workers. Moreover, there has been a loss in terms of skills and competencies within the professional system and an increasing trend in security costs, non compatible with the financial equilibrium of the system itself.

From the "ISFOL Plus Survey" emerges that between 2001 and 2021 a decrease of population under 40 years of 26,7% and an increase of 17% of population 40/64 years and of 30% of those aged over 65 is likely to occur.

The lengthening of life expectancy together with the decrease of birth rate determine an ageing process of the population coupled with the improvement of health conditions and income, with direct impact on individual expectations and needs.

Possible intervention to manage demographic change and make social system sustainable affect employment policies, organisation of labour as well as education, training and welfare policies and in particular options related to health, care, quality of life, social inclusion and active citizenship.

Since 2003 in Italy has developed policies devoted to increasing employment among over 45 years old workers and different initiatives related to age management.

Among most effective actions we can mention:

a) Intervention for employment and support of over 50

- Including of over 50 among disadvantage workers category, benefiting of incentives at normative and economic level
- Promotion of equality of treatment of people according to religion, handicap, sexual orientation and age
- Starting of a program for income support for workers of 50 years old

b) Intervention on security and retirement system

- Development of a solidarity agreement (rolling young-older) among generations, aiming at supporting the establishment of new jobs and at reducing exit from the productive system of over 55 workers. Such measure allows the transformation of contracts of over 55 workers from full time to part-time and activates in the same moment part-time contracts for unemployed among 25 and 29 years old, with a educational degree
- Establishment of a new system for the raising of retirement age at 60 years old, that discourages early retirement, with specific disposition for those people working in hard jobs.

c) Actions for adaptability of older workers' skills at low educational level to new needs of labour market

- ESF 2007-2013, through Operational Programmes, both national and regional, promotes life long learning actions to support employability and productiveness of older workers with low education, usually not involved in vocational training processes, by means of updating of professional and transversal knowledge. It enhances, moreover, flexicurity options to improve employability and working conditions;
- Over 45 workers represent a priority target of continuous training, being beneficiaries of training project proposals, both submitted by individuals as well as firms, funded also through training voucher
- Local interventions supporting employability of over 45 workers and age management.

The most relevant experiences in support of employability have been developed in regional and local contexts and promoted mainly by the Employment Services, outplacement agencies, or funded by EC programmes. The best examples can be found in the initiatives started up by the employment centres of some provinces that promoted apprenticeship and training sessions hosted by public bodies or enterprises for a target of older workers with a low professional level; incentives have been disbursed to the enterprises employing workers over the age of 45 in a situation of job mobility and in addition, strategies to support self-entrepreneurship have been set up.

In the ***“ISFOL - AGE MANAGEMENT and the large Italian Companies, a qualitative research”***, Italy, appear, in the European context, as a significant example of how the aging process of the population, linked to the low fertility rate and the increase in life expectancy, requires the identification of intervention strategies with regard to the welfare system and the labour market. In particular, compared to the latter, the phenomenon of the aging of the workforce requires serious reflection to address, on the demand side, the challenge of maintaining and reintegrating mature workers, as well as the prevention of the causes behind their anticipated expulsion.

If the prolongation of working life is considered one of the priority conditions to counteract the negative effects that demographic changes can have on the economic growth of our country, it is also true that in the Italian labor market there are elements and dynamics that, in fact, hinder participation and retention of mature workers. In particular, on the demand side, companies show a widespread concern about the alleged higher cost of labor and / or lower productivity of older employees, which often results in early expulsion and the problematic reinsertion into the employment circuit for this purpose part of the population.

From these considerations comes the ever-increasing attention to age management strategies, that is, the management of human resources in relation to the age factor that, both within the individual labor organizations, and in the labor market in general, is one of the tools of greater effectiveness to support the implementation of public policies to promote active aging and, more specifically, the employability of mature labor force.

In this context, the identification and dissemination of good practices and significant experience of age management is to be considered a key element to initiate and support a trend reversal that starts from the diffusion of a business culture sensitive to the issue of aging.

From what has been exposed and analyzed, it is possible to highlight some emerging elements, arising from the cross-reading of the age management dimensions with the size class and the demographic composition of the company.

Dimensional class of the company and the distribution of actions

A first peculiarity can be seen by observing the dimensional class of the company and the distribution of actions relating to the different dimensions of age management. As emerges, in fact, from the work presented here, the most recurring actions of the age management dimensions are mostly attributable to companies with a size class of up to 499 employees.

Even if, as is evidenced by the data, it is companies with up to 449 employees to show specific attention to improving the working life of staff over 50, carrying out interventions that encourage their stay in the labor market, is increasing of the dimensional class that companies seem to adopt virtuous behaviors in a long-term development perspective, from the point of view of the entire working life cycle of each individual and of the policies for managing differences.

The other specification concerns, as we have anticipated, the composition of the demographic structure of the company, that is the prevalence of over 50 staff, or of younger staff.

Companies with a greater presence of over 50 staff carry out actions and behaviors aimed at improving the working life of this component - carry out medical checks differentiated by age, incentivize reconciliation practices, but at the same time, in the selection phase of personnel favor the insertion of young people. They also pay more attention to the phase of leaving work, for example by linking the exit of over 50 workers to the entry of young people, or by providing for a reduction in working hours. On the other hand, those companies made up mainly of younger staff seem to implement broader policies, paying particular attention to professional updating, redesign of tasks, etc.

Following are two paths depending on the prevailing demographic composition:

Companies that present a substantial presence of over 50 staff.

In the selection and recruitment phase of the personnel, they favor the insertion of young people with little or no professional experience, and favor the selection of over 50 workers at risk of being expelled from the labor market, fielding conciliation practices, such as example, family assistance vouchers, carry out medical checks differentiated by age, support the development of associative and voluntary activities during the working period and beyond, agree to reduce working hours with their staff and

experiment with ways to exit workers' work over 50 connected to the youth entrances (for example, young-aged relay service, family job sharing, etc.). In fact, it is noted that in all the actions envisaged in the out-of-work dimension, the presence of over 50 workers in the company is increasingly substantial compared to the younger component, as we have already noted.

Companies with a greater presence of youth staff.

In the selection phase, they seek professional figures with professional experience and employ staff over 50 only in the presence of incentives / subsidies, to motivate and support the motivation / productivity of their employees throughout their working life using awards, re-design tasks, carry out periodic investigations; to develop career paths develop actions that favor the change of role and tasks also in connection with professional updating and enhance the skills and / or experience in the allocation of roles and tasks and finally to protect health and safety of the workers, they encourage the young and the elderly to carry out the most tiring tasks.

Awareness on "Age Management"

The moment of "awareness" of the existence of a phenomenon of aging workers that requires the attention of company management is placed, in the experiences examined, between the end of 2010 and 2013, years in which some related events offer the starting point for a serious reflection on the part of the different actors of the labor market:

- the escalation of the economic crisis which, started in 2008, gradually assumes structural characteristics;
- the reform of the pension system (c.d. Riforma Fornero) which moves forward the age limit for leaving work;
- the Decision of the Parliament and of the European Council proclaiming 2012 "European Year for Active Aging and Solidarity between Generations", underlining the need to address the impact of demographic aging on European social models, in particular in terms of employment.
- Furthermore, in 2013, under the pressure of the European Year, the Banking and Insurance Fund bans resources for the implementation of specific age management projects, partly justifying the concentration of the most significant experiences identified by the survey in the banking sector and insurance, already characterized, traditionally, by frequent recourse to early retirement as a tool to cope with the prolonged stay of workers in the company.

The European Year of Aging, in particular, has strongly contributed to the creation of a reflection on the issue of managing the age of workers and the factors that may influence their stay in the company or the premature exit. This institutional push offered the starting point for many important initiatives, which however, for this reason, were still underway or to be launched at the time of the survey, but which nevertheless presented a serious and interesting planning system and interesting development prospects.

A focus on teachers

Italy has the oldest teaching workforce in the EU. As a high share of teachers in Italy are approaching retirement age, renewing the teaching body is a major challenge. In 2017, more than half (58%) of primary and secondary teachers were over 50 years old (against 37% in the EU), and 17% were over 60 (EU: 9%). This means that, on average, 3.8% could retire each year for the next 15 years. Italy also has one of the largest proportion of female teachers, though (like in other countries) it decreases with educational level taught: in 2016 it ranged from 99% in pre-primary school to 63% in upper secondary education and 37% in universities. The massive wave of recruitments in recent years (over 150 000 since 2015) has had little or no impact on teachers' average age, and did not reduce the problem of teachers' allocation in secondary schools due to a lack of candidates with relevant qualifications (most acute in the sciences).

The 2015 school reform introduced a strong initial education and training component (percorso FIT) and clear employment prospects, with the aim of cutting long waiting lists and meeting future teacher requirements through forward planning, but the reform was not fully implemented. The 2019 budget law abolished the FIT system and reinstated centrally administered public competitions open to all graduates, reducing the training component to a one-year induction period giving access to tenure. The competition will be organized at regional level, and those selected will be required to spend at least five years in the region of appointment to reduce teacher turnover. Its effectiveness in ensuring an adequate

supply of teachers will depend on the ability of the Ministry of education, university and research (MIUR) capacity to organise the competitions as planned, every two years.

Limited career prospects, coupled with relatively low salaries compared to those of other highly qualified professions, make it difficult to attract the best-qualified graduates. The teaching career system offers only a single career pathway with fixed salary increases based solely on seniority. In the absence of performance-related incentives, mobility across schools remains the only possibility to improve working conditions. As a result, schools in disadvantaged areas tend to be deprived of the best teachers and staffed with young, inexperienced teachers on temporary contracts. Teachers' statutory salaries are lower than the OECD average at every career stage. The seniority-based career system means that teachers can only reach the maximum salary after 35 years of service; the OECD average is 25 years.

With over a fifth of academic staff over the age of 60 (and only 14% under 40), further increases in enrolments in higher education will also depend upon the capacity to renew the teaching body. In 2019 the government has allocated additional funding for 1 500 tenure-track positions for assistant professors (ricercatore universitario di tipo B), to be distributed among public universities based on their size and, to a lesser extent, on the quality of their research. In addition, turn-over limitations were eased for financially robust universities. Institutions with a salary expenditure below 80% of the budget and with a positive income/salary expenditure ratio can recruit up to 110% of the previous year's retirements. These measures may help, but are too limited in scope to effectively address low teaching staff levels over the longer term.