

Employers Should Make Hiring Older Workers Their CSR



By
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Centric Director (Union)

Our workforce is rapidly ageing with the number of older workers aged 50 and above increasing substantially. Falling fertility rates also mean that the number of workers joining the workforce will drop. This poses a challenge to all companies in getting younger workers. Hence, employers that are able to do well in adjusting their employment practices to leverage on the experience and expertise of the older workers will have a competitive edge over its competitors.

While some companies have done well to develop their older workers and gain from their positive contributions, there are others which are slower in implementing structures and policies to bring out the best of such workers. This could mean missed opportunities for these companies as many older workers are more willing to work to remain economically productive.

With new restrictions on the inflow of foreign workers, it will be more viable for employers to plan their manpower needs in advance and tap on local workers, especially older workers.

We acknowledge the efforts of the tripartite partners to start introducing the Tripartite Guidelines on Re-employment of Older Workers as it better prepares employers and employees

for the re-employment legislation that will come into effect by 1 January 2012.

A concern expressed by our union leaders at the recent NTUC Ordinary Delegates' Conference is that many employers reduce wages of the older worker by 10 per cent without considering the wage structure, job scope, productivity or performance of the older worker.

I remember that the recommendation which was put forth some 12 years back was a reduction of up to 10 per cent in wage cost, which can also be in the form of fringe benefits, variable bonus, Annual Wage Supplement or basic wage. However, there are employers that have implemented the maximum cut, and some have implemented it only on the basic wage without exploring the other options.

Employers should review the cut as their companies move from seniority-based wage structure to performance-based wage structure. There have been considerable efforts made by both unions and employers in moving away from the seniority-based wage system.

By implementing a cut at 60 without considering the "reasonable factors", workers feel demoralised especially if they are still performing the same job with the same level of responsibility and are unlikely to have a drop in performance and productivity overnight. The morale of the peer workers will also be affected as they will reach the same situation in a matter of time.

Another issue is the Employment Assistance

Payment (EAP), which is part of the tripartite guidelines. Employers may be concerned about the cost incurred should they fail to find a suitable position for the worker once he is 62. But, employees also have their concerns as they are worried that employers would rather pay them the EAP than offer them alternative job opportunities.

I strongly encourage employers to diligently arrange job opportunities for the employee should he fit the criteria. Rather than paying EAP, it will be beneficial for the employee and the company if he is sent for further training and development.

Our workers must keep an open mind on the re-employment options provided by the company as they continue to have some income for expenses. Keep healthy, keep up with changes, adopt a lifelong learning mindset as all this will affect productivity and employability. Employers should offer a reasonable re-employment contract, considering value of the job and experience of the worker. Both parties must work towards a win-win outcome.

As we move towards a "Cheaper Better Faster" economy, employers must explore new ways to bring out the best in the older workers through job redesign, health programmes, competency based wage system, training and development, etc, so as to enhance and sustain their competitiveness. Employers should make it their Corporate Social Responsibility to adopt a more inclusive workforce strategy in their long-term manpower planning.

When Being Far Sighted Is Best For Older Workers



By
Naseema Banu Maideen

Well ahead of the government decision to legislate the re-employment of older workers by 1 January 2012, Qioptiq Singapore Private Limited had already been re-employing this group of employees, if they could still do their jobs.

The manufacturer of precision optical components has a clear vision and far sights on the future of its ageing workforce. Its proactive efforts to implement sustainable and scalable re-employment initiatives has landed the company, affiliated with Singapore Industrial & Services Employees' Union, as the latest to attain the highest level in NTUC's re-employment framework.

Qioptiq Singapore also received the draft Tripartite Guidelines for Re-employment of Older Employees on 16 November 2009 in good spirit.

Said Mr Chua Teow Tzing, the company's Managing Director: "The demographics of Singapore's workforce is changing. The longer companies resist adopting good macro practices, the sooner they may hit troubled times. These guidelines are a good measure. They provide sufficient advice and a good degree of freedom for unions and employers to find a sensible balance. At the end of the day, the company has to grow and the workers must also benefit from the growth."

Qioptiq Singapore is just one of the 806 companies within the unionised sector that have already adopted re-employment measures.

Well-planned performance appraisal systems, early engagement and communication plans and workplace health programmes are key features of the company's systematic re-employment measures.

Qioptiq Singapore, which has 736 employees, has currently re-employed two older workers. Eight more who will be 62 years old in two years' time have already been offered re-employment.

"I have never felt like I have been ageing in this company. I have worked 21 years with the company and am glad to be part of its growth and success," said Mr Ramesh Prakash Sharma, 65, one of the two workers re-employed to perform a different job but enjoying the same pay and retaining all medical and welfare benefits.

When Pro-Business Is Pro-Worker

"The company has always been pro-business and pro-worker in all ways. Both the union and management work well and so, it all naturally falls into place. Going forward, we have committed to train our mature workers tapping on SPUR (Skills Programme and Upgrading and Resilience) funding to help them keep up with technological advancements in our industry."

Tan Peng Heng, Singapore Industrial & Services Employees' Union President

"We created the position of Technical Coordinator for several reasons. Mr Ramesh Prakash Sharma has a wealth of technical knowledge and we felt a mentorship role would best tap on his expertise. He now provides specific technical training and advice to production and line leaders at the Lens Department. There is also less physical strain for him now as he does not have to make frequent rounds on the shop floor which was part of his job as a Section Leader previously. We value Mr Ramesh's contributions and will do our best to retain employees like him for as long as we can."

Susanna Chua, Senior Manager (Human Resource), Qioptiq Singapore Private Limited



A Treasure... Mr Ramesh Prakash Sharma (second from left) now imparts his knowledge to younger employees as he stays gainfully employed after the age of 62.