1. LEADERSHIP COMMITMENT
1.0 DEMONSTRATE LEADERSHIP TO WORKFORCE AGE DIVERSITY

Set the ‘tone at the top’ and apply an integrated approach to managing workforce age diversity.

WHY IT MATTERS

The Australian Public Service (APS) has already begun to experience the effects of a shifting age profile, with rapid ageing of its workforce since the early 1990s. Many older workers are making valuable contributions in the workplace and community. Older people are choosing to work if the conditions are right. Financial reasons, social interaction and wanting to use skills and experience are commonly cited as reasons for delaying retirement.

Longer and healthier lives, changes in work design, and technology enhancements create opportunities for innovation and flexibility, so people can continue to be productive and make a contribution through work, regardless of age.

The trend towards a longer working life is one the Australian Government embraces and supports. Participation and engagement of all generations at work is essential for dynamic and productive workplaces, and for organisational performance and excellence in service delivery. The Australian Government expects the APS to take the lead in realising the potential of senior Australians through work.

Recommendation 14 of the Australian Government’s Advisory Panel on the Economic Potential of Senior Australians report, Realising the economic potential of senior Australians: turning grey into gold, states that government should:

> embed age diversity within their workforces and model best practice on attracting, developing and retaining older workers

> report annually on age diversity in each agency and successful initiatives put in place.

HOW IT IS DONE

Take an integrated approach. Integrated workplace solutions are required to help address the challenges of an older and multigenerational workforce. The Work Ability and Ageing Framework for Action (Figure 1) was endorsed by the APS Secretaries Board in 2012 to help the APS address these challenges through integrated strategies in workforce planning, health and safety, skills and human capital development. This framework will help improve workforce participation, increase productivity and tackle the barriers to a longer productive work life.
Reinforced by leadership commitment, engagement and learning, the four main elements of the *Work Ability and Ageing Framework for Action* are the priority areas where opportunities for change can occur.

> Workforce planning and development—understanding the demographic profile of the organisation, and recognising the tension between work and life differs with age, is essential to attracting, engaging and retaining a multigenerational workforce.

> Front line confidence—building the capability and confidence of managers to better manage workers, and better match workers with opportunities.

> Work design—good work design that is fit for purpose will facilitate recruitment, retention and return of older workers to the APS and minimise obstacles in their path.

> Health and wellbeing—the relationship between health and work is critical to get right. Employers need to make sure they capitalise on the critical role of the workplace in keeping people in employment healthy and productive.

**Figure 1: Work Ability and Ageing Framework for Action**
Promote the importance of leadership. Senior leaders need to set the tone at the top and apply an integrated approach to help workers tackle the challenges of a life in work. Alongside the Work Ability and Ageing Framework for Action, the Statement of Commitment is a tool organisations can use to demonstrate their commitment to good practice in managing workforce age diversity. Refer to Investing in Experience—a checklist for organisations to learn how you can deliver on the commitment.

Embed strategies in broader HR frameworks. Use the organisation’s overarching people strategy, diversity strategy or implement a specific age diversity strategy. Choose an approach that is tailored to your organisation’s needs, taking into account information derived through workforce planning, how necessary change is and the readiness of the organisation to adapt.

Support a shared responsibility. The principle of a shared responsibility underpins the elements in the Work Ability and Ageing Framework for Action. Self-management in optimising health and wellbeing, career planning, engaging in personal development and balancing work and non-work, are important career competencies for active ageing.\(^1\)

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STATEMENT OF COMMITMENT TO INVESTING IN EXPERIENCE

The principles outlined in this statement demonstrate leadership commitment to managing workforce age diversity.

To deliver on the commitment we will:

1. Know our workforce and plan for the future
2. Recruit the best, regardless of age
3. Invest in lifelong learning and encourage skills and knowledge transfer
4. Be proactive in retaining workers and supporting workers to transition to retirement
5. Build the capacity of managers to practice age diversity
6. Provide a safe and healthy working environment
7. Promote and share better practice
INVESTING IN EXPERIENCE—A CHECKLIST FOR ORGANISATIONS

The Investing in Experience Statement of Commitment defines seven guiding principles organisations may follow to demonstrate commitment to good practice in managing workforce age diversity. This checklist provides a list of practical actions to deliver on the commitment.

1. KNOW OUR WORKFORCE AND PLAN FOR THE FUTURE

Knewing the demographics of your workforce and understanding the expectations of mature age workers is essential for managing an age diverse workforce.

Checklist:
- Take specific steps to know and better understand your workforce.
- Look at ways to turn demographic risk into an opportunity for the workplace.
- Identify and understand the needs, skills and knowledge gaps to enable participation.
- Make informed human resource and management decisions to enable age diversity.
- Develop and implement a plan of action to help meet the challenges of the future.
- Partner efforts to better understand the impacts of the ageing population on the workforce.

2. RECRUIT THE BEST, REGARDLESS OF AGE

The long-term success of any business depends on the ability to tap into a diverse body of talent, knowledge and skills.

Checklist:
- Adopt age-friendly recruitment practices to widen the applicant pool and find the best person.
- Make sure recruitment policies and procedures, including the use of any external recruitment agencies, support the recruitment of mature age people.
- Actively encourage mature age people to apply.
- Work to better match the supply, skills and ability of older workers to the work demands.

3. INVEST IN LIFELONG LEARNING AND ENCOURAGE SKILLS AND KNOWLEDGE TRANSFER

Investing in training for all workers, regardless of age, and encouraging more experienced workers to consider mentoring those with less experience, brings direct benefits to business, including increased productivity and improved morale.

Checklist:
- Provide appropriate training and development opportunities to workers regardless of age.
- Positively encourage the transfer of skills, knowledge and experience within the organisation.
- Make sure learning and development strategies, including the use of external providers, support the learning needs of mature age people.

4. TAKE ACTION TO RETAIN WORKERS AND SUPPORT WORKERS IN THEIR TRANSITION TO RETIREMENT

Retaining experienced workers who understand the business can reduce recruitment and training costs and allow a strong knowledge base, leading to improved quality and productivity, to be maintained.

Checklist:
- Develop, review or update a staff retention strategy to maximise the contribution of workers.
- Work to minimise limitations on, or disincentives to, participation in the workforce by older people.
- Support flexible work arrangements that improve employment options for older workers.
- Incorporate or maintain retirement transition planning as a standard option for our workers.

5. BUILD THE CAPACITY OF MANAGERS TO PRACTICE AGE DIVERSITY

Formal policies and procedures should be reviewed and updated to meet legal obligations, and benefit from capabilities, ideas and insights of a diverse workforce, regardless of age. Diversity principles should be integrated with, and underpin all aspects of human resource management.

Checklist:
- Develop, review and update formal policies and procedures, and provide appropriate training to workers to help remove ageism from the workplace.
- Ensure managers have constructive and positive conversations with workers approaching the traditional retirement age to encourage them to make informed career and financial decisions.
- Integrate age management into workforce diversity strategies.

6. PROVIDE A SAFE AND HEALTHY WORKING ENVIRONMENT

Management has a legislative responsibility to make sure all reasonable steps are taken to protect the health, safety and wellbeing of workers. Positive age-management practices can significantly extend the working life of valued workers by preventing accident and injury and facilitating health and wellbeing.

Checklist:
- Develop, review and update work health and safety and wellbeing strategies to identify and address sources of risks to the health and safety of older workers in the workplace.
- Target initiatives that support and promote a healthy and productive ageing workforce.

7. PROMOTE AND SHARE BETTER PRACTICE

The success of this statement relies on the communication and dissemination of better practice in workplaces throughout Australia.

Checklist:
- Take up opportunities to share experiences, achievements, results and outcomes that support multigenerational workforce management.

For more information refer to Investing in Experience: Working for today and tomorrow
RESOURCES

The Department of Employment's *Investing in Experience Employment Charter and Tool Kit* is a one-stop guide designed to build employer confidence in recruiting and retaining mature age staff.

The Department of Health provides advice on *Better health and active ageing for all Australians*.

The Department of Employment offers guidance on *participation*—investing in skills, experience, and promoting a longer productive working life.

The Australian Government’s *2010 Intergenerational Report* provides a comprehensive analysis of the challenges facing Australia over the next forty years.

The Advisory Panel on the Economic Potential of Senior Australians defines the benefits of retaining older workers in *Realising the economic potential of senior Australians: turning grey into gold*.

The Australian Public Service Commission (APSC) *State of the Service Series* provides year-to-year trends in workforce participation and capability across the APS. Chapter 5 in the 2011-12 report *Ageing and work ability* focuses on the ageing workforce.

*Boston Consulting Group’s* *Turning the Challenge of an Older Workforce into a Managed Opportunity* describes the challenges facing the future workforce and provides an approach to give business leaders the tools they need to cope with demographic risk.

*Managing a healthy ageing workforce: a national business imperative* developed by the Chartered Institute of Personnel and Development (CIPD) UK provides practical guidance for anyone responsible for employing people.


The Australian Law Reform Commission’s Report *Access All Ages—Older Workers and Commonwealth Laws* examines limitations or barriers to participation in the workforce by mature age people and makes recommendations for reforms using legislation and legal frameworks.

The *Australian Institute of Management* (AIM) discussion paper *Engaging and retaining older workers* provides information about the challenges and opportunities to recruit and retain older workers.