

Mature Age

Workforce Resource 2015



A framework of recommendations for the management and retention of mature talent in local government

THE CONTEXT STATEMENT

This Context Statement sets the foundation for organisation development with a brief introduction and background to the broad topic of the mature age workforce in the context of Australian local government. This might be helpful for understanding why it is important for organisations to do this work.

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1. INTRODUCTION

Australian council organisations¹ are keen to be seen as preferred employers to ensure that they can attract the best employees to subsequently deliver the best service to their community. In order to do that they will be keen to make their employment offer very clear to current and potential employees. One aspect of their employment offer is the way in which a council organisation outlines its commitment to its mature age workers.

The *Mature Age Workforce Resource* is a guide for Australian council organisations to proactively support the implementation of a corporate framework, policy and set of aligned, recommended actions towards the engagement, support and retention of older workers. This document, **the Context Statement**, outlines the background and the scope, and sets the framework in its conceptual and practical context.

The intent of the *Mature Age Workforce Resource* is to reflect global best practices in managing an age-diverse workforce, with particular emphasis on the older workforce, which will enable local government organisations to:

- Secure the skills and knowledge of a highly skilled workforce into the future;
- Focus on the wellbeing of older workers;
- Adapt to the capabilities and needs of the current older workforce, including transition to retirement;
- Improve the employability of older workers in the future;
- Provide more equal opportunities between workers of different ages;
- Promote age diversity.

2. BACKGROUND – stimulus for cultural change in local government

The ageing of council organisations' workforces is already evident in the current age structure, with available data indicating the median age of council employees is 45 years. This trend is consistent with broader workforce figures that indicate that over the decade from 2020-2030, 65% of any labour market growth will result from mature age workers within the 45-64 year old age groups.

This indicator has particular relevance to council organisations where the higher than average workforce age profile signals that action must be taken sooner rather than later to circumvent the potential for labour and skill shortages, increased turn-over, rising employment-related costs, potential loss of productivity and a restricted ability to meet future workforce needs through recruitment practices alone.

A national but unpublished survey conducted by the Local Government Association of Queensland in 2007, confirmed a willingness and high interest level by employees who wish to make the transition to retirement. Council organisations have an opportunity to act upon the report's findings by implementing recommendations and suggestions. This whole Resource is drawn from some of those findings. However, managing this opportunity may require new ways

¹ The term 'council organisations' refers to the professional officers of the local government and is used to avoid any confusion with the Council, the group of elected members (the Council).

of thinking about the workplace environment, structure, practices and work arrangements in terms of how mature age workers will engage and be engaged in the workforce of the future.

Policy reform to guide sustainable changes to council organisations’ operational practices is essential to retaining mature age employees, managing employment-related costs, and building and maintaining a productive, healthy and highly skilled workforce capability that aligns with the desired culture and future business, financial and service delivery objectives of the local government.

3. CULTURAL CHANGE – the need for strong alignment and engagement

Alignment

A wide variety of council organisations’ strategies, plans, policies and frameworks will be affected by and impact upon development of the mature age workforce. It is an opportunity to ensure that all of these strategies, plans, policies and frameworks are aligned and linked strategically, so that all are strengthened.

Well-aligned corporate strategies can:

- Provide links to current corporate plans;
- Demonstrate commitment by being evident in leadership approaches;
- Create a positive age-aware culture;
- Accommodate and enhance the wellbeing of mature age workers;
- Encourage open and transparent two-way communication;
- Reflect the value of and commitment to mature age workers in work processes;
- Recognise and reward staff efforts and initiatives;
- Support increased flexibility and structure of jobs, and maximising capability;
- Maximise retention where desired.

Engagement

If council organisations are to maximise the change management, attraction and retention benefits of the *Mature Age Workforce Resource*, it will be most beneficial to have agreed corporate commitment to its implementation. This will include initiatives related to embedding the concepts into the workplace culture, work practices and work arrangements within the organisation. As leaders and employees increasingly understand these initiatives and activities and their subsequent benefits, they will engage in them and support their implementation.

Some key factors of engagement for progressing the age management initiative are:

Commitment of Senior Managers	Learning and development/awareness may be required
Location and involvement of “champions”	Enable identification of successful, respected older workers and their supervisors and build on their experiences
Establishment of work goals	Enable stronger and more proactive partnerships with managers/leaders to identify achievable work goals
Remove barriers to accessing employment options	Provide options for older workers, where none currently exist

The level of engagement required will involve a cross-section of managers, mature age workers and other staff.

4. AUTHORITIES UNDER THE LOCAL GOVERNMENT ACT

Ultimate authorisation for implementation of the *Mature Age Workforce Resource* rests with the Council and the CEO. This authorisation will work through the strategic alignment principles, as outlined in the following table:

Authorisation	Responsibility	Detail
Governance (Strategic)	Council	Derived from Council's statutory responsibility under the Local Government Act 1995, S2.7 or any other Act.
CEO Statutory	CEO	Under S5.41 the CEO's statutory responsibilities extend to include the development and adoption of HR policies - S5.41(g) responsibility for the employment, management and dismissal of employees, subject to S5.37(2) of the Act in relation to senior employees.
Operational	CEO	Gives effect to strategic or CEO statutory policy and guides everyday decision-making.

Note: The CEO can delegate responsibility and accountability to senior management; however, final authority for workforce management remains the overall accountability of the CEO.

5. LEGISLATIVE CONTEXT

All age management policies, actions and procedures will be guided by a range of legislation and council source documents. Some key legislation and reference documents for consideration when developing, implementing and reviewing policies, procedures and work practices for the mature age workforce within the organisation include the following:

Legislation	Source
Local Government Act/s	State
Equal Employment Opportunity Act 1987	Commonwealth
Equal Opportunity for Women in the Workplace Act 1999	Commonwealth
Age Discrimination Act 2004	Commonwealth
Sex and Age Discrimination Legislation Amendment Act 2011	Commonwealth
National Employment Standards, S61-S129, Fair Work Act 2009	Commonwealth
Workplace, Health and Safety Act and Regulations; Occupational, Health and Safety Act and Regulations; Occupational, Health and Welfare Act and Regulations	State
Privacy Act (1988) and Information Privacy Act (2000)	Commonwealth
Superannuation Act	State
Industrial Awards / Instruments	State



<p>Council Source documents:</p> <ul style="list-style-type: none"> ▪ Integrated Planning documents including: ▪ Community Strategic Plan ▪ Resourcing Strategy ▪ Delivery Strategy ▪ Operational Plan ▪ Workforce Management Plan ▪ Financial Management Plan 	<p>Council (CEO)</p>
<p>Policies, Procedures and Work Processes</p>	<p>Council Administration (CEO)</p>

Note: This list is not exhaustive and will vary from state to state.

6. GOVERNANCE STRUCTURE

6.1 Corporate governance – strategic decision-making

Council organisations have established corporate governance frameworks designed to link the principles contained within the Local Government Act (State) with the decision-making, control and monitoring processes underpinning the operations of Council. The governance framework helps to ensure accountability, fairness and transparency of a council organisation’s operations and will make obvious the agreed principles, values and corporate commitment to managing Council.

Under the integrated planning and reporting framework, all council organisations are required to have in place a range of planning processes to improve their long term community, financial and asset planning. Included is the resourcing strategy that requires council organisations to prepare a Workforce Management Strategy for a minimum of four years. The workforce management plan is required to address the human resourcing requirements for the organisation to implement the delivery program. All plans, projects, activities and funding allocations must be directly linked to this delivery program.

Age management and transitional employment arrangements for mature age workers are key priorities for inclusion in the workforce plan linking to the overall delivery program and broader resourcing strategy for council. Workforce planning may be approved and administered by the CEO as the delegated authority under the Local Government Act (State). The strategic focus and objectives of the integrated planning and reporting framework are outlined below.

6.2 Organisational policy (CEO statutory and operational policy)

The governance framework provides the structure for operational planning and the development of organisational policies and procedures to support the daily administration of the council organisation by providing clarity to governance policies, serving to administer legislation or as stand-alone, independent administration policy. Organisational policies provide alignment with the strategic imperatives and business objectives of the council organisation, provide guidance on the requirements or boundaries of operational application, and establish responsibilities for effective operations, in this case workforce management and development. Age management policy and procedures fall into the organisational policy echelon.

6.3 Business unit and/or departmental processes and procedures

In certain circumstances due to the nature of the work area and the specified job requirements, business units and/or departments may require a modified policy approach to appropriately administer age management strategies within the particular work area.

Where a change to adopted policy is believed necessary, the senior manager may obtain approval from the CEO prior to implementing any change. Resolution may require a procedural amendment as opposed to a policy change and the level of change must be determined and agreed. As a guide, business unit and/or departmental policies may have application when:

- Organisation-wide policy does not apply to a particular area of operation or job requirement, and where an adapted or alternative policy is more beneficial to council and employees than the existing policy;
- They are consistent with the established principles for age management and do not conflict with legislative, governance, administrative or industrial guidelines as they apply to council;
- The required changes cannot be satisfied through procedural amendment/s;
- They are pre-approved by the CEO.

7. STRATEGIC OBJECTIVES OF THE MATURE AGE WORKFORCE RESOURCE

The development of the *Mature Age Workforce Resource* is focused on eleven strategic objectives (known as Focus Areas) that identify the key workforce management and workforce development needs of mature age workers, as well as the key workplace changes the organisation can include to successfully address the issues of long term mature age workforce attraction, retention and skill capability development.

The strategic objectives of the *Mature Age Workforce Resource*, which relate to the 11 Focus Areas of the **Toolkit**, are:

Strategic Focus Areas	Strategic Objectives
Knowledge management	To implement activities that engage employees in the sharing of key corporate knowledge, skills, information and access to professional relationships developed over the course of their employment.
Attraction and engagement	To engage managers and staff in the development of a positive age culture that promotes and values the experience and skills of mature age employees in creating an attractive, engaging and effective workplace.
Recruitment and selection	To implement a range of flexible, innovative and equitable practices to attract, recruit and select an age diverse workforce that can contribute positively to the required workforce capability.

Workforce planning and development of flexible work arrangements	To support mature age employees transitioning to retirement, by offering a range of work arrangements that are flexible, and promote work-life balance.
Job design and healthy work environment	To utilise practices such as job design, ergonomic interventions, wellness programs and other identified strategies to assist in the retention of existing mature age workers.
Transitional employment, pre- and post-retirement support	To implement planned and sustainable transitional employment practices that lead to increased retention of productive, motivated and highly skilled mature age employees.
Performance management	To ensure that performance of mature age workers and their supervisors is supported, managed and encouraged to deliver optimum outcomes.
Learning and development	To invest in targeted capability development initiatives that maximise productivity, increase skill capacity and contribute to increased retention opportunities.
Mentoring and coaching	To implement a range of mentoring and coaching opportunities that support knowledge transfer, develop specific job-related competencies and enhance cross-generational cooperation.
Career planning	To develop career path and career development opportunities that support mature age workers to advance their career options.
Succession management	To implement activities that engage all employees in planning for the development of employees to access future roles.