
CHANGING MINDSETS, FITTING THE JOB TO THE PERSON

MEETING THE NEEDS OF AN AGEING WORKFORCE

From President's Message in
humanCapital, July / August 2006 issue

Meet Mr Chew. Born in 1943, he grew up the youngest of six children in a kampong in Bedok. As a child, he experienced the social and economic deprivations of post-war Singapore. He started work in 1957, collecting and cleaning eggs for a local farmer. Since then, he has held a series of jobs, from a factory operative to selling machine tools. And he is still working today, as a result of his company's commitment to re-employ staff on a yearly basis as soon as they hit the age of 62. Today, Mr Chew is a production supervisor with a small manufacturing company in Jurong.

Mr Chew is lucky. When it comes to the employment of older workers in Singapore, the statistics are dismal. Only 47% of Singaporeans aged 55 to 64 are employed, compared to 63% in Japan, 58% in South Korea and 60% in the United States. However, Singapore is committed to changing this.

Until recently, Singapore was not considered one of the most age-friendly countries. It is only now that we have started to give serious thought to the matter of mobility and an ageing population. Ergonomics at the workplace is also being allocated

greater priority. This means designing chairs, office space and working areas so that they are people-friendly. By the time we reach the age of 65, we will lose, on average, 25% of our joint and muscle mobility. Computer keyboards have been designed to minimise the occurrence of repetitive strain injury. Among older people, back strain is the most common cause of absenteeism. Ergonomics is about designing job needs around the person, and its scope is expanding.

There are other ways to make the workplace friendlier to older employees. Nippon Paint Singapore, for example, redesigned the selection and storage of paint products in its logistics department and implemented bar-coding to overcome the problem of erroneous selection due to the failing eyesight of their mature workers. Employees over the age of 50 make up 32% of Nippon's workforce. The company has also adopted a policy of re-employing retirees, offering employees reaching the age of 62 renewable one-year contracts subject to a health check.

Meanwhile, Raffles The Plaza has introduced motorised electric trolleys to make it easier for housekeepers to perform their room management duties. The hotel is yet another employer that is committed to taking on and training new employees over the age of 50.

Of SMRT Corporation's 5,480 employees, more than 820 are above the age of 51. SMRT has tied up with the Singapore Workforce Development Agency (WDA) to offer jobs to older people in positions such as bus captains and service assistants at call centres. According to SMRT, older employees tend to prefer the early morning shifts shunned by younger employees.

When it comes to managing a mature workforce, flexibility is key. If older employees cannot be retained in the same jobs, then the organisation has to consider what else they can do. Likewise, if they cannot perform a full quota of hours, employers can hire

them on a fractional or part-time basis. Perhaps we can take a cue from the airline industry. Cabin crew are offered the option of taking ground jobs after reaching a certain age.

The government is also playing a part, for example, by offering tax incentives to companies that employ older people. The Advantage! scheme offers employers financial assistance of up to S\$300,000 per company if they agree to hire or re-employ a certain number of mature workers. Grants for job redesign projects are also available through the scheme. Companies can also tap on the scheme to finance the purchase of equipment deemed necessary for the employment of older people. And, of course, there is the portable medical benefits scheme that is undergoing ongoing review as a means to reduce the costs of employing older workers.

As the saying goes, it is never too late to learn. More training opportunities will be offered to mature workers. As well as going through personal development programmes, older workers will also receive job-based skills training. For some, it will be the first formal training or education they will be receiving in many years. At some levels, the training will be linked to certification programmes.

Let us not assume that these initiatives are simply designed to assist workers with low qualifications or those who are primarily manual or semi-skilled workers. Professionals, managers and technical staff made up 37% of those who were retrenched in the last four months of last year. A scheme under review is to help these people find employment with employers that link remuneration to performance rather than seniority. Leading Japanese companies such as Canon and Toyota are already using such a system.

The employment of older people should not be seen simply as a cost-saving, altruistic measure. We need to retain their services.

The demographic profile of Singapore demands that we match their potential with the needs of the job market.

With new entrants to the labour market anticipated to decline to about 25,000 per year from 2010, we need to unlock the potential of older workers. If economic growth is to be maintained at the 4% level, we need to create approximately 40,000 jobs a year. Singapore needs its older workers. A country that doesn't optimise its human capital will not achieve its full economic potential. ❖