

## Demographics, politics and business

Recent global population ageing and expansion are unprecedented; more people are living longer as they become comparatively wealthier and healthier. But countries are at very different stages of the process, and the pace of change differs greatly. Population ageing has wide implications, including for the workplace and countries that start the adjustment process earlier will have an advantage. Analyses of population profiles are important tools for planning. At the national level, analyses provide an indication of what employment, healthcare, education and pension provisions have to be made; information on the availability, or scarcity, of human resources and the skills needed for innovation, production and service provision.

The challenges are different across regions and profiles can shift within a generation because of environmental, economic and social impacts. War, famine, poverty, climate change, resource availability and natural disasters can all have implications for population dynamics that may take a considerable time to rebalance. To tackle demographic challenges, it is necessary to tackle other challenges such as immigration, gender issues, skills and learning, pensions policy, healthcare, disability and discrimination. The workplace is a significant influencer and learning environment to help address these issues.

Many of these challenges can be addressed via social provisions, and [ILO Recommendation R202 on Social Protection Floors](#) proposes that countries, within their own needs, provisions and arrangements, introduce the four elements of social protection floors to provide basic:

- ◆ access to essential health care
- ◆ income security for children, providing access to nutrition, education, care and other necessary services
- ◆ income security for working age persons unable to earn because of disability or unemployment
- ◆ income security for older persons

Employers' organisations have a role at national level in helping to determine what such provision should look like.

## What is the impact of the demographic challenge on business?

The situation is very different in developing countries, emerging economies and the developed world. There are two main broad profiles:

- ◆ An ageing population in the developed world (Europe in particular), with fewer young people to provide the skills and resources needed by enterprises and to fund the pensions of the more numerous elderly. Businesses will have to rely in part on older people for the necessary skills and older people will need to remain in work longer to fund their pensions. The situation also puts a strain on healthcare systems.
- ◆ The predominance of a young population, largely in the developing world, seeking skills and employment and making often unmet demands on education, healthcare and employment systems. This, coupled with improved communications, mobility and globalisation, has led to unprecedented migration of populations, creating challenges as well as opportunities for cultural and demographic diversity.

Businesses will have to look at their human resources programmes, to tailor them to their needs and the demographic profile of their communities. With the business case being the key driver for recruitment of both young and mature workers, it will be necessary to:

- ◆ Identify and match employee and employer needs
- ◆ Recognise that needs for employers and employees change
- ◆ Give both parties time and support to accept and adjust to the changing needs

Sensitive adjustments will be required depending on the prevailing circumstances. Recruitment, retention, motivation, career progression, pay structures, support, training and work patterns have to be adapted.

Businesses can build on the opportunities for employing, training and skilling a diverse workforce to develop resilient enterprises and communities. Stereotypical assumptions about the capabilities of the young or mature should not be made and objective criteria should be used to judge, and measure needs and performance. It is important that supportive diversity programmes and measures to combat discrimination are embedded in business cultures if the successful employment of young and mature workers is to develop sustainable enterprises.

### **The implications for OSH management**

OSH management must be aimed at preventing harm to workers and others who may be affected by work operations. Employing young and mature workers poses particular and different challenges for OSH performance. Although rigid adherence to stereotypes should be avoided, in general, the young can bring physical and new technology skills, while the mature will have developed social, financial, emotional, and intellectual skills. The inclusion in teams of both young and mature workers provides good synergy. Common measures applicable to both young and mature workers are:

- ◆ Training and development embracing lifelong learning
- ◆ Supervision and mentoring
- ◆ Adaptation of processes and equipment to physical and mental capabilities
- ◆ Measures to promote health and wellbeing considering work-life balance
- ◆ Flexibility for managing different and changing family obligations
- ◆ Measures for recruitment and deployment
- ◆ Managing career paths

### **Approach to management of risks to a diverse workforce**

Implementing measures requires a risk assessment approach considering the workplace, the worker capabilities and the practicalities of adjustments to be made.

### **Designing workplaces, tasks, organisation and teams**

Principles to improve the work and focus on risk prevention will benefit everyone. Measures include:

- ◆ Encouraging the development of skills for all - it stimulates both the young and mature
- ◆ Making working positions and workstations adjustable and train workers in their correct adjustment

- ◆ Providing good lighting, low noise levels and clear instructions
- ◆ Make pace and targets realistic and achievable
- ◆ Vary the work routines
- ◆ Create teams from a mix of age groups
- ◆ Provide realistic training opportunities open to all
- ◆ Encourage inclusion, recognition of individual strengths, and contribution to team effort
- ◆ Offer assessment, health and wellbeing programmes to all, tailored to needs and capabilities
- ◆ Build mental wellbeing and company, team and personal resilience in supportive programmes

### **How does the IOE influence policy development?**

The IOE monitors and influences the implications of demographics via engagement with relevant United Nations agencies, as well as other international representative business organisations. Businesses are also able to work closely with national employers' organisations, governments, employment agencies, training organisations and local communities to address the challenges of demographic change.

### **For more information and answers to your questions**

Please visit the OSH of our website [www.ioe-emp.org](http://www.ioe-emp.org). If you do not find what you are looking for, please contact the IOE's Adviser Pierre Vincensini [vincensini@ioe-emp.com](mailto:vincensini@ioe-emp.com).