Labour mobility in the ICT sector: What's age got to do with it?

Employers' perceptions of labour mobility and older ICT workers

Executive summary

2015

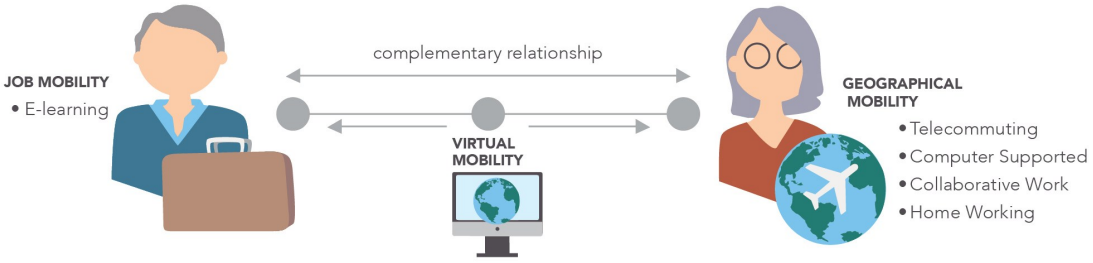
CaMEO

Over the last years Europe has been facing a record high unemployment, whilst the Information & Communications Technology (ICT) sector have seen a considerable lack of skilful practitioners. Despite the vacancies, older ICT workers experience barriers that inhibit their career mobility within this sector. This topic is the focal point for the European Commission funded project CAMEO - Career Mobility of Europe's Older Workforce.

Labour mobility ranks high on the EU-policy agenda in order to manage various social, economic and technological trends. It is anticipated that labour mobility holds socio-economic benefits for employers and employees alike. However, the mobility of older workers, especially in the ICT sector, tends to be limited. Older workers (defined in this study as workers aged 45+) show lower mobility patterns and, for a number of reasons, their job mobility tends to be negatively motivated.

Methodology:

CaMEO's research explored the policies, practices and attitudes of ICT employers, to understand their relationship to the mobility of older workers. The study was conducted between September and December 2014 in 11 countries. An online questionnaire was disseminated to 136 employers in the ICT sector in 12 European countries. Respondents included business owners, HR Managers, managing directors, and heads of ICT units in public organisations, private enterprises and Small & Medium Enterprises. Narrative questions addressed the respondents' workplace policies and perceptions to job, geographic, and virtual mobility. Job mobility refers to moving from one job role to another. Geographic mobility refers to moving to another job location. Finally, virtual mobility refers to being able to contribute to the work of another location or job role without actually having to change physical location or job role.



Findings:

Employers' perception towards older ICT workers' geographic mobility

The respondents agreed that geographic mobility offers a number of important benefits; for example, respondents cited that geographic mobility provides a greater pool of labour which contributes to a better match of supply and demand skills of workers and stimulates creativity. Geographic mobility improves the "time to market" management. A multi-ethnic workforce reflects the socio-demographic profile of the clients, which is good for business. Furthermore, knowledge can be effectively transferred within different regions. In reality, however, geographic mobility is much more difficult to put into practice. It is difficult to nominate internal staff as IT managers in other markets and to relocate qualified staff for knowledge circulation in regions of demand.

The respondents argued that this is because older ICT workers want to preserve the achieved life-style and work-life-balance, may have difficulties to adapt to new (work) environment and may not have sufficient linguistic skills. The contemporary attraction measures for recruiting non-national ICT workers, such as extra pay, provision of apartments and company cars (with drivers) are not effective. Even offers to care for commuting costs several times per week to the country of demand for those who refuse to relocate, are not attractive enough.

To help companies with this mobility challenge, research and development (R&D) should be invested:

- To handle better the ICT labour supply from Southern and Eastern to North and Western countries;
- To understand better how to re-recruit older ICT workers;
- To bring the work to regions with low employment levels instead of relocating people to regions of labour demand.

Mobility promotion activities targeting on older workers should be also included in EU or national rewarding systems.

Good practice example of geographic mobility:

'A 59 years old Swiss technician moved to India and took over the overall technical lead at the site there. This was a big success for our company, as he has extreme high knowledge and expertise. There, in India, he could bring in all his experiences. Before his leadership, the turnover was 70 million and then 1,4 billions' (R68).

Employers' perception towards older ICT workers job mobility

The respondents agreed that job mobility is essential for relying on a pool of skilled staff, adaptable to changing requirements. For example, the provision of career progression opportunities is fundamental for retention management. Job mobility measures lead to better recognition of workers' skills and experiences and hence, to optimized personnel planning. Internal recruiting requires fewer recruiting and training costs. Therefore, internal job mobility is prized among the respondents.

However, despite their interest in promoting internally, the respondents assumed that older ICT workers:

- May have a lower innovation potential;
- Are more eager to have a stable work environment than a changing one;
- Have difficulties in updating or broadening their skills and struggle to master the rapidly changing knowledge.

In addition, the respondents questioned whether older workers were truly interested in advancing their career at that stage of life.

To advance the job mobility of older ICT workers, R&D should be invested in:

- Developing improved assessment tools of older workers' abilities and experiences for a systematic acknowledgement of skills, such as IT project management skills, software testing skills, problem solving skill in terms of system security, which are all typical skills of older ICT-workers;
- Standardizing job descriptions;
- Promoting effectively the benefits of employing older workers.

Good practice example of job mobility:

'Banking has become digitized. Some employees who have been working in the banking sector for a long time have seen a big change - from when the skills used were very basic, to now when everything is digital. As a result they need to transfer their skills. But we offer programs for that. Some are mandatory and some are voluntary. The older workers have great knowledge and experience to share, abilities, values, and customer service skills' (R116).

Employers' perception towards older ICT workers virtual mobility

All of the respondents utilized virtual mobility in their organizations, at least to some degree. This is because virtual mobility implies substantial economic benefits as it saves costs and time, supports the transnational development of ICT and supports further the higher integration of processes.

Virtual mobility is a particularly relevant for older (ICT) workers:

- In case of health problems, when geographic mobility is too risky (e.g. thrombosis danger when flying), virtual conferencing tools facilitate participation;
- For increasing the recreation time, tele-working tools facilitates better work-life-balance;
- For participation in trainings and up-skilling, e-learning tools easier the access without traveling;
- In case the job location changes, older workers don't need to move too.

Unfortunately, the respondents often reported that older ICT workers have limited or obsolete ICT skills related to computer supported collaborative working and e-learning tools. They also reported that older worker prefer face-to-face over virtual meetings.

In addition to negative perspectives of older workers' ability to effectively use virtual technologies, the respondents noted that:

- Virtual tools as enablers of remote working are less effective than expected and require deeper investments;
- Virtual mobility may cause social isolation and effects the work-life-balance as leisure becomes fragmented and intertwined.

To address this, R&D should be invested:

- In advanced infrastructure for virtual mobility;
- In improved e-working technology which is particularly relevant for older workers.

Good practice example of virtual mobility:

'Virtual mobility can give the initial impetus to an effective job and geographical mobility' (R43) 'Virtual mobility is one of the best ways for older ICT workers to take care about their qualification using virtual mobility way.' (R49) 'Benefits would be better work-life-balance, as traveling is expensive, the internalization of the working environment would be safeguarded, for older ICT workers they could have an international working environment, e.g. in case of thrombosis danger. There are only advantages and no disadvantages.' (R82).

Policy recommendations

Based on the survey responses around existing policies and which policies were needed to improve the mobility of older ICT workers, the following policies are recommended:

Mobility

- To deepen matching systems of e-skills shortages and surpluses in different geographic areas;
- To overcome national barriers for the free movement in terms of social security and pension systems on the workers side and tax systems on the employers side;
- To regulate EU-wide remote working issues;
- To make funds available for helping sending and receiving companies in terms of transition costs;
- To provide knowledge about barriers and obstacles of older ICT workers geographic mobility in order to facilitate targeted recruitment strategies and to reduce the searching phases;
- To reward companies and organisations which introduce promotional mobility programs for older ICT workers.

Skills, qualifications and recognition

- To raise awareness of the value of older ICT workers non-digital skills and competences, in order to overcome the age bias in mobility patterns;
- To improve recognition methods and tools of older ICT workers skills and competences;
- To provide knowledge about polices measures, resources and good practice examples related to geographic mobility;
- To disseminate existing age management strategies and tools of older (ICT) workers, such as mentoring programs, and peer learning;
- To create a social network platform for older ICT workers for exchange of views and experiences at peer level.

Technology

- To further improve and integrate ICT infrastructures and virtual tools.

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Conclusions

The respondents clearly valued geographic and job mobility, as both present significant benefits to their companies; however, it appears that both are more difficult in practice than in theory.

Many of the respondents held the view that older workers are less interested or adaptable to new or changing work environments. However, these views should not necessarily be taken at face value; the attitudes towards older workers presented here may reflect the body of evidence which suggests that such negative perceptions are unwarranted and can be prohibitive of older workers' employment. The fact that geographically mobile workers are in great demand may present an opportunity for older workers who are willing to become mobile. At the same time, it is clear that it takes more than standard incentives to encourage the geographic mobility of older workers. Thus, the policy recommendations provided here should be regarded as feasible steps forward to genuinely improve older workers' career mobility.

Geographic mobility alone is not enough to increase the employment of older workers and to contribute to their occupational self-fulfilment. Job mobility as well as virtual mobility are equally important in meeting the challenges of skills gaps in the European labour market, especially within the ICT sector.
The next steps of CaMEO will be to respond to this data in the creation of an e-Academy and Matching Database to support the professional development and employment of Europe's older ICT workforce.

Read the full report or learn more about the project at: **www.c-ameo.eu**

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