



CONSTRUCTION
SECTOR COUNCIL



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Strategies and best practices for
the recruitment, retention and
employment of older workers
in the construction industry



The Construction Sector Council (CSC) is a national industry-led organization committed to the development of a highly skilled workforce that will support the future needs of Canada's construction industry.

This report is available in both official languages and can be obtained electronically at www.csc-ca.org.

For more information contact:



The Construction Sector Council

Phone: 613-569-5552

Fax: 613-569-1220

info@csc-ca.org

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INTRODUCTION

This workbook is designed to be a practical tool for industry as they strive to implement measures to recruit, retain and support the older members of their workforce.

The Construction Sector Council (CSC) has forecasted that growth in the sector and the retirement of workers will put pressure on the labour force and affect the availability of workers over the long term.

To meet demand for these highly skilled workers, the construction industry must maximize all available labour pools including youth, women, First Nations, immigrants and older workers.

In support of the construction industry the CSC recently undertook a scoping exercise with the goal of developing a series of best practices to recruit, retain and support older workers in Canada's construction industry.

These best practices and strategies are presented in this workbook under four headings:

1. Recruitment
2. Retention
3. Support
4. Other strategies and practices

2

RECRUITMENT

Your workforce is critical to helping you execute business strategies and meet business objectives. That is why developing a talent strategy focused on helping you meet the needs of the business is so important.

The construction industry's journeyman/apprentice system offers a distinct advantage when it comes to hiring and retaining older workers.

Hiring and recruitment practices vary greatly within the construction industry, depending on the sector or the trade. For example, in some areas, construction hiring is done through a labour group in accordance with a collective agreement. In other sectors, workers are hired directly by the company or contractor using an interview process. Regardless of the practice, employers are **required by law to prevent discrimination in hiring on the basis of age.**

This section outlines some recruitment and hiring best practices to help you ensure your processes are age-neutral and that you are hiring the best person for the job.

2.1 Age-neutral recruitment and hiring

Industry should focus on creating consistent recruitment and selection processes in their organizations, including policies.

Consistent recruitment and selection processes will help ensure that:

- you comply with the law;
- candidates are assessed based on their

qualifications as they relate to the job description, not on subjective criteria, such as age;

- all job offers, including the relevant terms and conditions, are clearly understood by new hires as well as the employer;
- candidates who are likely to perform well are the ones who are hired; and,
- complaints of discrimination or unfairness are avoided.

Your recruitment team may be bringing both conscious and unconscious biases to the table when they are involved in the recruitment process. These biases could inadvertently lead to discrimination against older applicants.

Older applicants could also be rejected because they are thought to be over-qualified for the position or because it is assumed they might not stay with the organization for as long as a younger worker would. In fact, the latter is an assumption that is often proved wrong, as younger workers tend to change jobs more frequently. Older workers who appear over-qualified may be very effective in positions that they understand well, and, in turn, can train, mentor and coach younger workers.

Developing age-neutral recruitment and hiring processes, and training your recruiters about age-neutral hiring, are two ways to ensure you are hiring the best people for the job, while respecting the law.

Best practices

- Omit age limits in job advertisements to encourage greater age diversity, or alternatively, run age-specific campaigns targeted at attracting older applicants, letting them know that age is not an impediment to employment.
- Define and describe job roles in terms of skills or use carefully worded job descriptions to encourage older applicants to apply.
- Focus the worker selection process on skills, competencies and experiences rather than age.
- Don't ask age-related questions in the interview.
- Promote all job roles broadly, utilizing a variety of means including the Internet.
- Monitor recruitment processes to control for age discrimination.
- Train human resources personnel in countering ageism to guarantee fair recruitment and hiring practices for older candidates.
- Promote your organization's compliance with age discrimination legislation as a way to attract older candidates and promote age diversity as a competitive edge.

Sample recruitment policy

Policy

[Organization] is an equal opportunity employer. We hire individuals on the basis of their qualifications, without consideration for gender, race, age and other factors delineated in human rights legislation. Potential workers shall be recruited using all available resources and in a manner that encourages candidates from various communities.

Purpose

The purpose of this policy is to ensure that a consistent approach is applied to the recruitment and selection of all workers and to ensure compliance with relevant legislation.

Scope

The policy applies to anyone who has responsibility for recruiting and selecting personnel to fill job vacancies.

- Job descriptions shall include all of the essential functions and requirements of the job.
- Selection criteria must be fair, objective, measureable and directly related to the requirements of the position. Selection criteria should be developed by:
 - reviewing the specific requirements contained in the job description;
 - determining the level of skills required to perform the essential and desired tasks;
 - selecting metrics that measure whether a candidate meets those requirements;
 - avoiding the use of discriminatory language or statements concerning gender, race, etc.; and,
 - avoiding criteria that have the effect of discriminating on the basis of a prohibited ground, including age.
- Offers of employment must be approved by [manager] or a designated nominee before being extended.
- Procedures shall be established to monitor the recruiting and selection process to ensure the fair and equitable treatment of all applicants.

Sample age-neutral training policy for recruiters

Policy

[Organization] is committed to ensuring that its hiring and employment policies are age neutral and not discriminatory in any manner. [Organization] is also committed to ensuring that it is recruiting new workers from the total available pool of prospective workers, including older workers.

Purpose

This policy ensures that workers involved in the recruitment process are age-neutral in their decision making.

Scope

This policy applies to all personnel involved in recruiting new workers to [Organization].

Procedure

- Any worker who will be involved in recruiting new workers to [Organization] will receive training in age-neutral hiring before the recruitment process begins.
- This training will emphasize that discrimination in any form is not acceptable, including on the basis of age.
- This training will emphasize the potential benefits to the operations of [Organization] of hiring older workers.
- This training will ensure that job descriptions and selection criteria are applied uniformly to all candidates, regardless of age.

3

RETENTION

Retaining workers with the right skills, attitudes, dependability and work ethic is a critical part of keeping construction companies competitive. That is why it is important for organizations to continually hone their strategies to retain the workers they have in place.

Older workers in particular may be planning to leave the workplace soon, either to enjoy retirement or because they can no longer physically do the job. Figuring out ways to keep these highly experienced workers employed in your organization will ensure you remain competitive and are able to meet the growing demands of the construction industry.

3.1 Blended crews

Many companies use blended crews – crews specifically selected to include older and younger workers – to harness the experience and knowledge of more experienced workers by pairing them with more junior workers.

In blended crews, experienced workers can help junior workers:

- learn the trade knowledge, skills and experience that a more experienced worker brings to the job, or what he or she has learned over time;
- learn how things get done on the site and the steps to get the work done, including relationships with other workers and the ability to work as a team – oftentimes a job requires experience and judgement because of its uniqueness; this is not the type of information that is written in a how-to manual;

- understand the policies, practices and systems that have been created within the work site and industry over the years; and,
- share knowledge of newer technologies and materials with older workers.

Best practices

- Pair junior workers with more experienced workers and explain why you are doing this.
- Ensure time is carved out of older workers' regular responsibilities so that they can teach junior workers.
- Ask more experienced workers to show and correct junior workers, and to work together to complete the task in the most efficient manner, similar to the tradesperson/apprentice relationship.

3.2 Mentoring and coaching programs

Mentoring and coaching programs are an integral part of trades training and apprenticeship. They are also used in construction companies to harness the experience and knowledge of older workers for the benefit of younger workers.

Mentoring relationships can be rewarding for both individuals involved: the mentor has the satisfaction of helping a younger colleague by applying his or her experience and job-related knowledge, while the learner receives the benefit of that experience and knowledge in the development of his or her career.

Mentors and coaches:

- can advise younger workers on their career development, specific job-related questions and skills training;
- can be drawn from your current pool of workers or enticed back from retirement; and,
- should receive training on their roles and have their performance reviewed.

Best practices

- Ensure the mentoring and coaching program is supported at the highest levels of the organization.
- Establish the program based on your organization's objectives, such as sharing organizational information or developing future leaders.

The Construction Sector Council has developed information and tools to help employers implement successful mentoring programs. They are available at www.csc-ca.org.

3.3 Intergenerational training

On any given day, workers from the following four generations can be found in most work crews:

- Veterans: born 1945 or earlier
- Baby boomers: born 1946-1966
- Generation X: born 1967-1979
- Generation Y: born 1980 and after

The life experiences of each generation affect how they work and interact with each other. Tradespeople, supervisors and managers should be aware of the challenges represented by the multigenerational

workforce and everyone on a construction site should be encouraged to respect others in their working environment, regardless of age.

One way to ensure this respect and understanding is to offer intergenerational training.

Given that the workforce is ageing, it is in an organization's best interest to ensure that workers of all ages understand one another so that the work environment is both harmonious and effective. Different age groups are motivated by different things and it can sometimes be difficult for other generations to understand these motivating factors. These differences do affect the way workers interact and work together.

For the workers, intergenerational training will:

- promote a better understanding of other generation's values;
- give them a better approach to solving problems involving other generations; and,
- help them feel more respected for their views, values and needs.

For the organization, promoting intergenerational understanding will result in:

- fewer conflicts between different generation workers;
- less time spent by supervisors on resolving conflict;
- less time spent by supervisors explaining other people's point of view;
- older workers more willing to consider staying on the job; and,
- more creative solutions in meeting the needs of different generations of workers.

Best practices

- Provide a working environment in which all workers are treated with respect and dignity. Workers have the right to work in an atmosphere that recognizes equality and diversity and prohibits discriminatory practices.
- Promote a harmonious workplace for all workers, and promote respect between all workers regardless of age.
- Ensure that intergenerational training that promotes respect between workers of all ages is available to employees (this can be aligned with a workplace respect program, as outlined in Section 3.8)

3.4 Wellness and injury prevention programs

Because of the equipment used, as well as the strenuous working conditions workers face, safety is a major concern on job sites. Employers and labour groups should ensure policies, procedures and practices are in place to support the physical well-being of all workers, including older workers. There are a number of benefits to promoting wellness and injury prevention practices.

For the workers, learning about wellness will help them:

- improve their quality of life;
- feel better and more able to enjoy all aspects of their life;
- be less likely to injure themselves;
- be less likely to develop chronic diseases/occupational injuries;
- improve their mental health; and,
- stay on the job longer.

For the organization, promoting wellness and injury prevention means that:

- workers are more likely to turn up on the job site;
- workers can be more productive on the job;
- workers are less likely to get injured on the job;
- the costs to the organization are lower; and,
- there is a greater loyalty to the organization through a feeling of being valued.

The success of operations – and the retention of older workers – depends on employees being healthy. The organization and individual workers share responsibility for health promotion and have an active role to play in ensuring the health of workers. All workers, no matter their age, are targets for chronic illnesses that can both decrease the quality of life and shorten it. An organization can do a lot to support its workers in staying healthy.

Beyond safety practices, there are best practices to assist and encourage all workers to maintain a healthy lifestyle so they can stay productive.

Best practices

- Create a wellness and injury prevention committee separate from the health and safety committee. The committee can:
 - be comprised of volunteers who already have an interest or those who would like to change aspects of their lifestyle
 - consult with other workers and management to identify issues of concern
 - prioritize health and wellness initiatives and implement those that have the support of workers

- encourage workers to participate in health and wellness programs
- provide feedback to management on health and wellness services and activities
- Provide guidelines to prevent injury in the workplace as well as at home. The emphasis should be on how lifestyle can prevent injuries. This will encourage workers to maintain a way of life that values and integrates activity into daily life in a safe manner, reducing the risk of injury and chronic illnesses.
- Implement stretching programs prior to starting work each day, to reduce occupational injuries.
- Focus on the importance of a healthy diet, weight management, cardiovascular health and diabetes prevention. This will encourage workers to make appropriate choices in nutrition reflecting their stage of life, activity levels and overall health.
- Develop programs focused on healthy lifestyle choices to prevent the use of tobacco, alcohol and drugs. Consider developing a policy that doesn't allow smoking, the use of narcotic stimulants or the consumption of alcohol in any of its premises, or in public places near entrances to the organization's premises. Check provincial regulations and local zoning rules to insure your policy is compliant with them.
- Look at stress management, anger management, suicide prevention, domestic violence prevention, spirituality, healthy workplaces and healthy families.
- Protect worker well-being by requesting that employees voluntarily inform their supervisor if they suffer from diabetes, epilepsy, asthma, severe allergies or any other condition that may cause them to require assistance from co-workers. It is important that work colleagues are aware of any danger signs affecting safety.

- Encourage annual flu vaccinations, possibly covering the cost of doing them on the jobsite.

Possible health and wellness initiatives

- gym membership
- coverage for the costs of physiotherapy and massage to a certain level annually
- coverage of costs of programs to assist in quitting smoking
- addiction counselling
- nutrition information sessions
- stress management sessions

3.5 Career development/ transition plans

Research has shown that older workers can become dissatisfied when they perceive that an organization no longer considers them eligible for career development, including promotion and advancement.

Putting a career development plan into place shows your older worker that you are committed to their development. The worker feels more engaged and is more likely to stay on the job. Whether it be for team-building or leadership, or project management for a specific project, all training and development should be offered on a consistent basis to all older workers.

Like any worker, older workers have an interest in learning and evolving. As older workers may begin to find it more difficult to manage the physical aspects of their work, they may consider retiring or changing

professions. To continue to benefit from these workers' experience and knowledge, organizations could consider transitioning older workers to other positions (e.g. supervisor, mentor, etc.) where appropriate.

Taking on a new role, however, means learning new skills such as managing workers or coordinating work and planning. To help older workers transition to new roles, supervisors should help their workers put career development plans in place.

While the construction industry has developed pathways to help workers qualify for trades through apprenticeship, there is much work to be done on building other types of skills, which could help older workers transition into supervisory roles. These include supervisory skills, project management skills, negotiating skills, mentoring/coaching skills or team-building skills.

The development of these skills not only develops your workers – and increases their job satisfaction – but they can contribute to the worker's long-term commitment to your organization and the effectiveness of your operations.

When developing a career development plan, older workers should consider how to perform existing responsibilities more effectively, aligning their learning goals with their organization's goals, their supervisor's input. Supervisors should take into consideration performance evaluations offered by older workers, their mentors, and direct supervisors; consider the worker's career aspirations; identify competency gaps within the organization; and, pinpoint competency gaps within the worker's skill set.

While the organization should have a policy in place to help workers develop their careers, older workers can do a number of things to manage their own careers, such as:

- keep skills and knowledge up to date to meet changing workplace needs;
- seek opportunities for ongoing skills enhancement through different training methods, both formal and informal;
- take advantage of relevant training;
- acquire or maintain certification, as required;
- refer to the competencies for their trade and seek out training that corresponds to the competencies listed for job-required or job-related training; and,
- consider new roles, when physical abilities become limited, to continue as a valuable worker.

Best practices

- Work with older workers to set out information about the current role held by the older worker as well as the target role recognizing that identifying the target role in no way guarantees promotion to it.
- Encourage older workers to pursue training consistent with your business goals.
- Identify areas requiring skills/knowledge development for the target role or development of the desired competency.
- Indicate any skills that the older worker currently holds that will contribute to the development of the skill or competency, and the size of the gap.
- Note any challenges that may impede progress, such as worker family commitments for a certain period of time, or an organization's major project with tight deadlines.
- Set out the target competency and a concrete action plan that will permit development towards achieving the competency.

- Set a timeline, together with a measure of achievement.
- Provide assistance and direction, if necessary, in the selection of training
- Commit to providing ongoing training for older workers to ensure they can learn about new technologies, changing job descriptions, new government and industry regulatory requirements, new business practices, new markets, human resources policies and procedures.
- Ensure that workers' workload allows for taking the time necessary for training.
- Ensure that an organizational training policy is put in place and that each worker is provided with opportunity for learning/training.
- Assess the impact of training during formal performance reviews with workers.
- Retain an up-to-date copy of the career development plan and revisit it regularly.

Definitions to help explain training requirements

Training and development: Refers to formal training, rotations, work experiences or formal courses of study to update and enhance the skills/knowledge necessary to make a contribution to the work of the organization.

Job-required training: Improves older workers' skills, knowledge and attitudes/performance-behaviour so that employees competently perform their current jobs. This includes training made necessary by new assignments, secondments, new technology, core corporate training, refresher training, and training mandated by trade associations and relevant provincial trades and safety authorities.

Job-related training: Increases job proficiency and/or improves performance above the acceptable level of competency established for a specific job.

Supervisory and management education: Refers to the development and enhancement of core supervisory and management skills for older workers to build and strengthen the organization.

Career-related training: Develops employees' career potential while assisting in the achievement of the organization's goals. This type of training is not job specific and assumes competent performance in the current job.

Core corporate training: Mandatory training sponsored and organized by the organization where attendance is a requirement of employment or position.

3.6 Leadership and management practices

The way in which leaders and management treat older workers in an organization – not to mention the types of human resources policies they put in place – is vital to retaining these workers as part of the workforce. It is the leadership that sets the tone in an organization.

Introducing good leadership and management practices for retaining older workers in your organization will:

- make your older workers less likely to want to leave the organization;
- help you remain competitive when other organizations struggle to find the skills they need; and,
- showcase you as a good employer and help you become a magnet for others who are interested in continuing working.

Best practices

- train leaders at all levels on the special needs of older workers
- Follow the suggestions on best practices from this publication.
- The various subtopics will give you ideas to consider that will meet the needs of your workers and your jobs.

3.7 Succession planning

It is often not necessary to recruit externally to fill positions within an organization. Succession planning is a proven way to fill leadership roles within an organization. It is also a way to make the most of your existing talent pool, especially older workers who bring years of experience to the table.

Identifying and preparing talented workers to fill leadership roles is also a way to mitigate risk and ensure your organization continues to have the right people, with the right capabilities, in the right roles, at the right time, to execute business strategies.

Succession planning is typically done for senior level positions. However, skills shortages are looming in the construction industry and organizations need to plan for positions that will be difficult to fill in the future, including those left empty due to retirement. Typically, the larger the organization, the more sophisticated the succession planning process.

Best practices

- Identify and assess potential leaders.
 - review prior year’s performance
 - have workers and leaders collaborate on developing career goal/development plans
 - consider the talent pool
 - > review eligibility criteria for successors
 - > start to strategize replacement roles
- Engage with and develop succession candidates.
 - provide feedback to employees to help with their growth
 - revisit career goal/development plans and update as required
 - make action plans based on professional development priorities and opportunities
 - ensure linkages to your organization’s business talent strategy
 - implement development opportunities
 - implement candidate moves and transfers
 - analyze and monitor progress against goal/development plan

- Review and follow up with succession candidates.
 - review succession talent pools previously identified
 - review development plans for top successor candidates
 - review of retention risk and mitigation plans
 - review candidate moves and transfers

Succession planning will motivate the most effective older workers to stay with the organization, as they will appreciate the opportunity to progress in their careers.

3.8 Organizational communication

Research has shown that internal communication in many construction workplaces is not seen as a critical concern since employers believe it is being done effectively. However, with the exception of health and safety issues, a substantial amount of the communication that occurs in construction organizations is informal in nature. For the sake of consistency, and to ensure common understanding of policies, issues and concerns regarding older workers and the opportunities available to them, organizations should consider instituting formal communication practices.

There are many advantages to implementing formal communication practices, including:

- organizations that communicate their interest in retaining older workers widely and often are more likely to be successful in retaining them; and,
- older workers who see written communications outlining the ways in which they can stay in the workplace longer are less likely to see this as a “special” arrangement with one older worker.

Best practices

- Make policies and practices as clear as possible about the employer’s commitment to attracting and retaining older workers.
- Ensure that direct reports learn of news affecting the organization from their supervisors in a timely manner through regular toolbox or tailgate meetings and ad hoc meetings when the occasion warrants.
- Have supervisors talk directly (and quickly) with their workers when there is information that is relevant to them alone.
- Share news that impacts the organization in a timely manner; this can be undertaken through daily meetings, town halls, regular meetings, passage of information to forepersons to pass on during tailgate meetings, etc.
- Use bulletin board postings or flyer handouts, as warranted, to communicate with workers.
- Make suggestion boxes available for workers to make anonymous or signed comments and suggestions to management.

3.9 Workplace respect programs

Workplace respect programs emphasize respectful cooperation and communication within the workplace.

While CSC research reveals there exists a high level of respect for older workers in most construction industry workplaces, everyone on a construction site should be encouraged to respect others, regardless of age (see Section 3.3 on intergenerational training).

There are a number of advantages to implementing workplace respect programs.

For the tradesperson, a workplace respect program will give them:

- a better understanding of how to approach communication;
- a better approach to solving problems involving others;
- the feeling they are respected for their views, values and needs; and,
- an incentive to consider staying on the job.

For the organization, these types of programs result in:

- less conflict between different generation workers;
- less time spent by supervisors on resolving conflict;
- less time spent by supervisors explaining other people's point of view; and,
- more creative solutions in meeting the needs of different workers.

Best practices

- Endeavour to eliminate conditions or other factors that might give rise to anything that could be construed as workplace harassment through your policies and everyday work practices.
- Make clear that harassment of any kind is not acceptable and will not be tolerated.

The Construction Owners Association of Alberta (COAA) has a comprehensive Workplace Respect Toolkit available at coaa.ab.ca.

3.10 Recognition

For older workers, and any worker really, a spontaneous and sincere thank you is often the most meaningful and powerful way to acknowledge positive work and attitude. However, it is often appropriate and beneficial to acknowledge exceptional individual acts with something more tangible. To that end, organizations have the opportunity of recognizing the contributions of older workers through specific recognition and reward programs.

Older worker recognition and reward programs are designed to:

- acknowledge outstanding achievement, innovation or behaviours;
- build self-esteem, morale and a sense of belonging;
- increase worker retention;
- encourage individuals to set high standards and goals;
- foster team work; and,
- promote a culture of positive recognition in the organization.

The following are examples of achievements and behaviours that may warrant recognition or reward:

- ideas that have saved time, effort and/or money;
- outstanding performance on a specific project;
- innovative and creative problem-solving;
- excellent provision of customer service;
- excellence in mentoring others;
- positive or morale-building attitude in the workplace;

- ongoing day-to-day contribution; and
- demonstrated improvement in a given area.

Best practices

- Recognize workers on the spot. These spontaneous, unscheduled and discretionary rewards are given in recognition of exceptional achievement or behaviour. The awarding manager should be able to clearly and convincingly explain his or her decision. These awards provide immediate reinforcement of positive behaviour. On-the-spot rewards can be a very powerful form of recognition because they are timely and can be directly and overtly connected to specific activities and behaviours that organizations want others to emulate.
- Introduce nominated awards, like a *Work Crew of the Year* style of award. These types of awards can be most satisfying, especially when the nominations come from peers. All members of an organization should be encouraged to nominate other workers for recognition or reward.
- Give out long-service awards (gifts or vouchers accompanied by a certificate) to convey recognition and thanks for your older workers' long-term commitment and service to the organization. Long-service awards can be presented at team meetings or annual meeting/dinner and can be publicized in newsletters, notice boards or emails. A letter from senior management acknowledging this achievement should accompany the award.
- Set out the circumstances under which nominations could be made for awards recognizing meritorious achievement or behaviour or long service. Note that rewards with monetary value may be considered a taxable benefit under provincial and/or federal tax laws.

- Consider conducting a preliminary survey to discover exactly what types of recognition and rewards would be meaningful to the older workers in your organization, as well as what workers think a fairly designed and administered program would look like.

Examples of rewards

- gift certificates or gift cards
- tickets to sports or entertainment events
- books, CDs or DVDs
- lunches
- monthly parking or transit passes
- organization merchandise (t-shirts, coffee mugs)

4

TRANSITION TO RETIREMENT SUPPORT

While there are several factors that determine an older worker's decision to keep working, one of the most important factors is their level of financial security and the types of programs that are in place to support them as they save and plan for retirement.

Transition to retirement support for workers can begin as soon as an employee joins the organization and should ideally be integrated into a continuum of financial education for workers. Ongoing financial education and financial checkpoints are an important support for employees and a natural foundation for retirement planning.

While any organization can take informal action to help employees prepare to transition to retirement, formal programs do require some administrative support and are best undertaken by medium- to large-sized employers, employer groups or labour associations.

This section outlines the best practices and strategies to provide transition to retirement support for older workers.

4.1 Financial planning

Financial planning education programs should begin early in the careers of their workers. As the worker's length of service increases, so should the depth and frequency of the financial planning programs. These programs can be treated as a worker benefit or they can be conducted on an ad hoc basis.

Generally, financial planning programs are designed to act as incentives to improve workers' financial security and help them achieve their desired lifestyle.

A comprehensive approach to financial planning is to provide workers with information that helps them make better decisions, so they can begin to save the money they will need to fund their future plans. This comprehensive approach shows workers how to make informed decisions about topics such as money management, credit risk, investing, saving and buying a home.

For older workers, the programs can include a financial counselling component that could be conducted by outside professionals. The design of the program for older workers could be under the banner of "retirement planning," as discussed in Section 4.2.

Even the best financial planning programs can be of little help, if they address workers who cannot see how they can afford to save anything, no matter how important they know it is. It has been argued, however, that by making good decisions and acting on them, even workers with money problems can improve their financial situations within a reasonable period of time.

While your organization may choose to use external consultants to lead the financial planning training, you should be coordinating the delivery of retirement education to workers.

Best practices

- Implement a tiered approach to financial planning with increasing support based on some type of age and service schedule, for example:
 - orientation session/package for new employees
 - > benefits material
 - > section on the importance of financial planning and money management
 - > financial planning workbook containing sections on credit risk, debt issues, buying a home, saving and investing, RRSPs, RESPs, etc.
 - at five years of service or at age 30
 - > provide a one-hour financial wellness session with an outside resource to discuss the worker’s financial circumstances. Consideration should also be given to having a financial resource available for questions, information related to financial concerns, etc.
 - > repeat every five years
 - at age 50, shift the focus to Retirement Planning (see Section 4.2)
- Assign responsibility for this program to the appropriate person.
- Remind workers regularly of upcoming financial planning sessions they are eligible to attend.
- Encourage employees to take part in the training even though it should be voluntary in nature.

4.2 Retirement planning

Workers in all stages of their careers, but especially in the pre-retirement phase, will be interested in learning about ways to plan and save for retirement.

To keep workers focused on the job and ensure they are prepared for retirement, employers can develop a program to give workers the tools, expertise and confidence to save for retirement and take charge of their personal lives.

There are a number of advantages to providing retirement planning:

- workers who become increasingly secure financially are an excellent model for recruitment;
- workers who gain literacy in financial matters and are confident in their future financial situation are more likely to be satisfied with, and supportive of, their employer; and,
- studies have shown that financial stress can lead to health issues, leading to lower productivity and worker absence due to illness.

As you develop your retirement planning program, it is important to decide what kind of financial planner you would like to hire.

Independent financial planners charge a fee to help a person develop a financial plan; these people also only work for the person, not the employer. They are not connected to financial institutions and do not receive an income for selling a particular financial product.

Financial planners linked to banks, insurance companies or specific mutual funds make money based on you buying their products. Both independent and non-independent financial planners will provide training for your workers for free, either as part of group financial planning training sessions or in one-on-one sessions.

Best practices

- Make planning for retirement a career-long commitment by introducing an ongoing financial educational program that includes checkpoints and goals.
- Consider hiring an external financial planner to provide workers with an objective third party with whom they may be more comfortable providing confidential financial information.
- Make education on retirement planning available to workers' spouses/partners.
- Assign responsibility of the retirement planning program to an appropriate employee.
- Remind workers regularly of upcoming financial planning sessions they are eligible to attend.
- Encourage employees to take part in the training, even though it should be voluntary in nature.

Suggested topics for group sessions on retirement planning

- **Myths and realities of aging:** The ability to see beyond the standard myths about aging and transitioning into retirement; the importance of a very positive outlook toward the possibilities of the second half of life; and, the significance of responsibly setting goals for all the components of the retirement planning process.
- **Financial independence planning:** Reviewing the fundamentals of investments, risk management, tax strategies, estate planning, as well as organization and government pension and health benefits.
- **Health:** Guided self-analysis of health and wellness needs.
- **Legal planning:** Looking at current and future concerns of estate planning. Topics include: wills, trusts, powers of attorney, etc. as well as how to choose a lawyer.
- **Housing planning:** A review of all the possible housing choices and the many options that match health, lifestyle, finances, family, and retirement needs.
- **Lifestyle planning:** Understanding the changing relationships of spouses, children, friends and co-workers in retirement. Also considered is the necessity to create new networks, leisure pursuits, and continuing education goals to make up a balanced retirement lifestyle.
- **Second career choices:** Analyzing the many possibilities for continued career activity, including activity in the construction industry, as well as how to find and secure full- or part-time employment.
- **Entrepreneurial options:** Exploring how to start/buy a business or franchise.

Resources for older workers and employers

<http://www.advocis.ca/> – Find financial planners on the Canadian Financial Planning Association website.

<http://www.canadabanks.net/default.aspx?article=Financial+Advisor> – Database of Canadian banks, which includes lists of financial advisors, useful tools and a discussion forum.

http://www.seniors.gov.on.ca/en/moneymatters/factsheets_financialplanning.php – This Ontario website provides financial planning resources for seniors.

<http://www.seniorsinfo.ca/en/azindex/F/Financial+Planning> – Database to help educate seniors on financial planning.

4.3 Phased-in retirement

In some organizations, older workers have the option of gradually reducing their hours of work in the years before their planned retirement age. The closer to retirement the worker is, the fewer hours he or she works. This type of program allows older workers to ease into retirement while helping you retain your workers for a few more years. Typically, workers have two options to help them phase into retirement:

1. earn less money for the fewer hours they work
2. bank overtime and/or vacation hours in the years leading up to the reduced hours in order to maintain most or all of their income

Best practices

- Align the program with any existing collective agreements and pension plan rules.
- Consider the needs and desires of the workforce to help decrease the loss of key skills within their organization.
- Design the program according to the demographic and attrition rates of your organization and industry realities.
- Create a program that appeals to older workers, while providing limited or no impact to their retirement income or retirement benefits.
- Ensure the phased-in retirement worker retains the same employment rights he/she had before; they are not part-time workers.

Example of a phased-in retirement program using banked hours to offset reduced work hours

This scenario applies to a 45 year-old worker with 20 years of service with his current employer.

- phase-in period is up to five years before the person's planned retirement
- eligible banked hours are overtime hours (time and a half) and vacation time (up to two weeks per year) – note: a worker must take at least two weeks of vacation each year
- the worker plans to retire at age 60 and wants to work four days per week between the ages of 55-60
- to work four days a week for five years, the worker would have to bank approximately 2,000 hours (8 hours x 50 weeks x 5 years)
- if a worker began banking hours at age 45 and did this for 10 years, he would need to bank 200 overtime hours per year
- this could be accomplished by working 134 hours of overtime, which would be 2.5 hours per week
- a worker could add to their banked hours account by including vacation

Note: the phased-in retirement banked hours account is only intended for workers who follow-through with their phased-in retirement. If a worker leaves the organization or opts out of the plan, the worker will be compensated at the hourly or salary rates that applied to the actual years when the hours were banked. Therefore, the administration system that tracks the banked hour accounts needs to compute the dollar value of the individual worker account as it accumulates. The organization will also need to determine if these banked hours are to be classified as an organization liability from an accounting perspective.

4.4 Staying in touch

Increasingly, retired workers, or those on the cusp of retiring, are expressing interest in continuing to stay active, engaged and possibly continue to earn some income. Many of these workers have spent a lifetime plying their trade, gaining invaluable experience and knowledge. Some workers regret leaving the trade and the skills that have given them a livelihood and sense of accomplishment. Most workers in the construction industry can see tangible results from their work: a

renovated house, a new highway, a refurbished factory, the newest skyscraper. Companies should be creative in developing policies to tap into this demographic and help their older workers ease into retirement by staying in touch with them.

Having a strategy or program that reinforces an organization's or labour group's ongoing relationship with its retirees can benefit both parties.

For the older worker, having the employer stay in touch will help them:

- continue to feel a part of the organization family;
- learn about retiree employment opportunities;
- feel appreciated post-retirement;
- keep up-to-date on organization information;
- learn about what’s happening with other retirees, retiree club activities;
- keep current on worker benefit information;
- continue to contribute to charities, e.g., United Way; and,
- take advantage of group purchasing deals/discounts, including company products or services.

For the organization, staying in touch with retired workers will:

- show your current older workers that you will continue to value them post-retirement;
- ensure your retirees will continue to be a source of organization goodwill in their communities;
- provide a source of referrals for potential new recruits;
- give you an avenue to share potential post-retirement employment opportunities;
- help you demonstrate that the service of your older workers continues to be appreciated;
- provide a channel to communicate retiree benefit information; and,
- help promote your organization’s charity programs, e.g., United Way.

Best practices

- Develop a retiree section on websites to provide information on upcoming events, company news, benefits, etc.
- Introduce a retiree publication (hard copy magazine or newsletter) mailed to the retiree’s home. The level of investment in a publication of this nature and its frequency depends on the size of the organization/ labour group/association and the size of the retiree population. This would likely require a dedicated resource, which could be a volunteer retiree. The publications could include stories on individual retirees who are doing interesting things; organization news; retirees who have passed away; and benefit information, including contact numbers and vendor websites.
- Promote retiree clubs to provide a forum for retirees to stay connected with one another. Club networks are typically positive sources of organizational goodwill; however, they are solely dependent on the enthusiasm of their members. The organization is not required to fund club activities, unless there are very obvious reasons to do so.
- Invite retirees to attend annual celebrations such as a Christmas party and can be a way to reconnect with colleagues.

Staying in touch with retirees is not difficult and does not have to be resource intensive.

5

OTHER STRATEGIES AND BEST PRACTICES

With concerns rising about the impending retirement of the baby boomer generation and attendant labour shortages, organizations across a number of industries have implemented innovative retention programs and practices for their older workers.

Research has shown, however, that few organizations in the construction industry have implemented these innovative approaches. This may be due to the unique working conditions of the industry. Nevertheless, some of the programs outlined in this section could be successfully adapted and adopted to help the construction industry retain its older workers.

5.1 Flexible work arrangements

Older workers in many industries, including the construction industry, view flexible work arrangements (FWA) as an important factor in deciding to stay with an employer. Work flexibility frequently involves a special understanding between an older individual worker and an employer. Where feasible, allowing older workers to have some control over their work activities will help retain their experience and expertise.

There are a number of advantages to implementing FWAs, including:

- workers view flexible work options as an important incentive to retention;
- depending on employment needs, well-planned flexible work arrangements may actually save an employer money and increase productivity by allocating workforce resources more appropriately; and,

- helping to retain valued and experienced workers, who would otherwise be forced to look for another job in order to balance work and other priorities or needs.

One of the primary concerns of employers who are considering the feasibility of FWAs is that productivity will decrease. Studies show, however, that this is not usually the case. Worker morale and productivity are more likely to improve, which in turn will positively affect recruitment and worker retention

Flexible work arrangements can take many forms. For smaller organizations, informal arrangement may be sufficient. For larger organizations, a more sophisticated arrangement may be required. Regardless of the agreement, all arrangements will have to meet the requirements of applicable labour agreements.

The following are examples of FWAs:

- **Adjustable work schedules** – these are made to accommodate worker needs or preferences. Shift start and end times, as well as meal breaks, may be varied even though the shift hours worked remain the same. Many possible variations exist, including earlier start/finish times, later start/finish times, shorter lunch periods or alternative days (e.g., Saturdays vs. Mondays).
- **Reduced work week program** – in this instance, full-time workers reduce their working hours to a part-time position. It is important that the worker understands that their wages and benefits will be significantly affected. This may also involve a reduction in work responsibilities or a change to the job description so that the worker is effective over a less than full-time schedule.

- **Job sharing program** – this program makes sense for a full-time worker who wants to reduce hours to a part-time position or where two full-time workers – working on similar or identical projects – want to share the responsibilities of one position. Workers should understand that their wages and benefits will be significantly affected by this arrangement. To make job sharing work, the two workers must have compatible working styles and be able to communicate well on pending work.
- **Work sharing program** – this program is usually instituted by employers as a temporary measure to avert temporary layoffs during a period of reduction in levels of business activity. It allows workers willing to work a temporarily reduced work week to collect Employment Insurance for days without work. Work sharing arrangements must be approved by both worker and employer representatives and the Employment Insurance Commission. A work sharing program can range from six to 26 weeks with an extension to a maximum of 38 weeks. There are specific Human Resources and Skills Development Canada (HRSDC) programs available to help fund work sharing measures. Work sharing arrangements benefit employers by allowing them to stabilize their work force, to retain trained workers and to avoid the costs involved in recruiting and retraining new workers when business returns to normal levels. The employer is responsible for setting up a schedule of work hours and notifying HRSDC of any changes in the amount of time worked and the number of workers on work sharing. These arrangements do not affect a worker's entitlement to regular EI benefits if the worker is subsequently laid off.
- **Compressed work week program** – this program is usually applied on a departmental basis rather than an individual basis. Workers

work their full weekly hours in less than a standard work week (e.g., four 10-hour shifts instead of five eight-hour shifts per week). Employers must be sure to establish how absences for sickness or other reasons are treated in the compressed work week schedule. Before approving an arrangement, employers must consider the needs of other workers, whether the worker is an assistant or supervisor for another worker, and the hours of operation.

Best practices

- Make the application procedures for FWAs the same for all applicants; supervisors must consider every application with an open mind, and be prepared to give concrete reasons if rejecting a proposal.
- Have older workers who wish to request a FWA submit a completed request in writing, together with a proposal to his/her supervisor. The proposal must detail the changes requested and specify any equipment, working conditions, or employment obligations that may be affected under the proposal. If more than one worker is affected by the FWA, each of them should submit an application and the proposal should be submitted jointly.
- Ensure that all workers directly included in the approved FWA read and sign an agreement containing details of the arrangement prior to it taking effect.
- Have workers on flex-time be in attendance during the shift during certain core periods in the middle of the day. This ensures that communications with other workers can be scheduled and maintained.
- Take safety guidelines under the *Occupational Health and Safety Act* into consideration if workers must work alone as part of the FWA.

What should a FWA or compressed work week proposal include?

- how the proposed work schedule will affect the operation of the business
- how the proposal affects the applicant's colleagues and supervisor
- if other colleagues use FWAs, how this proposal fits with those arrangements
- any special arrangements that will be required regarding entering and exiting the building/ worksite, securing or locking up the workplace. If special requirements are needed, provide details.
- whether any job duties and/or performance of those duties require a reliance on colleagues and/or other resources that work at times that are different from the proposed work schedule. If so, specify.
- any trial period that is suggested for the arrangement
- suggested mechanisms for evaluation and feedback on the success of the proposed arrangement

What should a FWA agreement include?

- start and end date for the FWA
- details of the arrangement, including the hours of work per shift and per work week, work schedules, lunch periods, rest periods, etc.
- acknowledgement and agreement by the worker that upon receiving [one week] of written notice, the arrangement may be suspended for a temporary period not to exceed [one] month in the event business needs or circumstances require such action
- acknowledgement and agreement by [Company] that it will take the worker's FWA into account when scheduling meetings or distributing workload
- terms and conditions under which the agreement may be modified or terminated by either party

5.2 Unpaid personal leave of absence

Allowing older workers to take unpaid personal leaves of absence is one way organizations are retaining workers and helping boost morale. While unpaid personal leaves of absence are offered on an exceptional basis – to accommodate family or personal circumstances or to pursue other

interests for a given period of time – this option does offer flexibility to older workers and may influence their decision to remain with an organization or in their trade.

Organizations committed to recruiting and retaining qualified older workers and fostering older worker morale will find that some workers will really appreciate taking time off for periods of time to take on other commitments.

Many jurisdictions have established legislated standards for certain types of leave such as pregnancy, parental and bereavement. Organizations should have a clearly defined policy for requests for leave that do not fall within these categories to ensure that allegations of favouritism or special treatment are avoided.

Do keep in mind that provinces have greatly varying regulations. For instance, effective June 26, 2009, the Ontario Employment Standards Act 2000 was amended to provide workers with job-protected unpaid organ donor leave of absence of up to 13 weeks, provided that the worker has been employed for at least 13 weeks. The leave period may be extended for additional periods but for no more than a total additional 13 weeks.

Best practices

- Develop a clear policy to help older workers understand the types of requests that will be viewed favourably. The policy should also outline the specific circumstances under which the organization will refuse a request for personal leave (e.g., most organizations will not approve an older workers request to work for another organization or to serve a jail sentence). Note that labour contracts may supersede this type of arrangement.
- Take other programs into consideration such as benefits, holidays, etc., particularly those carried through third-party providers such as insurance companies. These programs may be impacted should the employee take an unpaid leave of absence. Many benefit plans are restricted to workers who are actively employed or where the leave is mandated by legislation.
- Request that any time off in lieu of overtime or accrued vacation be exhausted before a worker can apply for a personal leave of absence.

- Judge requests for leave on their merit and take into consideration the impact of the older worker's absence on operations, the number of workers in the same department who are on vacation, leave or anticipated to be on vacation or leave during the same period, the purpose of the leave, the performance and length of service of the worker and the frequency of such requests.
- Have the manager, prior to responding the request for personal leave, consult with senior leadership, for guidance to ensure consistent and fair treatment of all workers.
- Respond to any request for leave in a timely manner and notify the older worker of the disposition of the request.
- Make managers responsible for notifying payroll of any approved requests for leave.

5.3 Self-funded leave programs

Self-funded leave programs allow workers to collect a salary while temporarily withdrawing from active work and either engaging in developmental activities or pursuing other interests. This is done by having employers systematically withhold salary over a given period of time so that employees to receive a regular or agreed wage during the leave period.

Instituting a self-funded leave program gives the organization the flexibility to provide training to workers while accommodate temporary resources. Organizations often implement self-funded leave programs to attract and retain older workers and improve morale.

As with other flexible work programs, organizations need to be mindful of labour contracts that may or may not allow these types of arrangements. Each self-funded leave should not exceed a fixed number of months. Older workers should be entitled to apply for self-funded leave once every year.

Best practices

- Evaluate the impact of the leave on the organization's operations, on fellow workers and the benefit to the individual and the organization before you approve this type of leave.
- Reserve the right to deny an application for self-funded leave after consideration of the request.
- Put the terms of the self-funded leave in writing, including:
 - the period of leave
 - required payroll deductions required in advance of the leave
 - a signed agreement by the worker to return to the organization after the leave period has ended for a pre-determined period of time
 - summary of daily responsibilities and tasks to allow for additional workload to be moved to other workers
- Start withholding the portion of the worker's salary on the date specified in the agreement, invest the money and credit the interest to the worker. During the leave, the total amount of deferred wages, less any statutory deductions or older worker's benefits contributions to be paid by the participant, are paid to the worker in the same manner as regular payroll.
- Put measures in place to ensure self-funded leave is not being used to assume additional full-time employment for another organization
- Assume no responsibility for ensuring the adequacy of the payment level for the worker's living requirements during the period of leave.
- Make sure the self-funded leave does not interfere with the organization's retirement contributions or continuing employment eligibility.
- Ensure all normal rights are retained by the workers involved in the self-funded leave program; do not allow self-funded leave to represent a break in employment or in service to the organization.
- Request that employees taking self-funded leave give one month's notice to the organization before returning to work early. This will allow the organization to make necessary adjustments to operations to absorb the worker's return.

5.4 Workplace adaptation

Working conditions in the construction industry have evolved greatly over the years. New ergonomic tools such as joy sticks and heated cabs have been developed and advanced technologies have been introduced to make the work easier and safer for workers. Despite these advances, construction work remains physically demanding and can be challenging for older workers. To keep older workers productive, organizations should consider adapting the ways of working to accommodate their needs.

For the organization, agreeing to or implementing workplace adaptations:

- demonstrates their commitment to providing a working environment in which older workers are treated with respect and dignity when they offer to adapt the job;
- makes it more likely that highly skilled workers will stay with the organization; and,
- increases the chances of having workers to meet agreed upon performance standards.

Examples of reasonable accommodations include:

- allowing flexible work schedules for care of family;

- moving a worker to another location for accommodation reasons;
- providing certain types of equipment that will help the worker do the job; and,
- providing an assistant for physically challenging jobs.

Best practices

- Make every reasonable effort to accommodate older workers by identifying modified work alternatives on an individual basis.
- Respect the dignity of the older worker requesting the accommodation (i.e., recognize the privacy, confidentiality, comfort, autonomy and self-esteem of the older-worker).
- Consult with the older worker and considers any suggestions offered by him or her in arriving at a strategy for accommodation.
- Request only information that is reasonably necessary to enable you to consider the request for accommodation. All information concerning the request for an accommodation should be held in strict confidence (e.g., records of the request, contents of meetings, records of interviews and other relevant material). No information relating to the request for accommodation should be

divulged unless expressly authorized by the worker seeking the accommodation or required by law

5.5 Retention incentives program

A number of retention incentive programs can be implemented to help motivate older workers to stay in their current jobs and to help employers reduce attrition.

For employers, the cost of these retention plans must be weighed against the costs of finding and training replacement workers and/or overtime costs paid to other workers.

Retention incentive programs can include monetary rewards linked to time of service or take the form of time off for volunteer work or vacation. Any type of retention incentive program should be aligned with the requirements of collective agreements.

Retention incentive programs should be kept as simple as possible and communicated using clear language that includes examples of how the incentive would be calculated under different scenarios.

How can an older worker request/maintain workplace adaptations?

- bring the request for accommodation to the supervisor or manager
- provide notice of the request in writing and allow a reasonable time for reply
- explain why the accommodation is required and provide enough information to confirm the existence of a need for accommodation and the type(s) of accommodation required
- be prepared to discuss adaptation solutions
- provide updates on physical and medical limitations and continuous feedback on workplace adaptations that have been made to accommodate them
- meet with the supervisor to review the altered work assignment, if applicable, to ensure understanding of the duties

Examples of financially-based incentive programs

- 5% of average monthly wage after five years of service
- 8% of average monthly wage after eight years of service
- 10% of average monthly wage after 10 years of service
- 10% repeated every five years
- these bonuses can be transferred to an organization-sponsored RSP

5.6 Special project teams

Special projects or assignments are often one-off situations requiring a dedicated group of workers to solve a problem or find an innovative method of accomplishing a task.

Older workers with significant experience in your organization are an excellent resource for leading special projects or special assignments. Offering an older worker the opportunity to work on a special project also demonstrates their experience is valued, which in turn can generate a renewed sense of purpose, engagement and motivation.

While some older workers may be at a reasonably senior level and already familiar with special project teams, the focus on this program is to engage older workers who might never have had the chance to take on such a challenge. For example older workers can take on a special role with crews in providing mentoring and other support based on their experience with other projects.

Using older workers for special projects may not be top of mind for project managers. As such, you should encourage your management

teams to consider this option. Project managers may feel older workers could not make the adjustment, lack the desire to try something new or perhaps don't have the energy to take on such an assignment. While this could be true in certain cases, older workers are likely to jump at the chance to use their knowledge and experience in a new way.

For an organization, assigning older workers to special project teams:

- offers unique opportunities to use older workers' skills and experience;
- might lead an older worker to reconsider his retirement plans if it means being part of a special undertaking where his experience and knowledge will be important factors; and,
- could lead to an older worker's decision to continue working if he or she feels they might be asked to do, or lead, this type of project.

Best practices

- Ensure the older worker is properly integrated onto the team and knows his role beforehand. This practice is true of any new task or project that might stretch a worker beyond his/her capabilities. Care should be taken by the project leader to select older workers who they feel have a good chance of contributing and being successful.
- Make it clear across the organization that whenever it is viable and logical, special project team leaders should be seeking older, capable workers to be team members. Companies can choose to take a casual, ad hoc approach to using older workers for special projects. There may be a need to provide some level of guidance to supervisors/forepersons/managers to ensure older workers were considered.
- Make it known to older workers that there are opportunities to be involved in special projects. Furthermore, the organization can request that older workers make it known that they are interested.

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