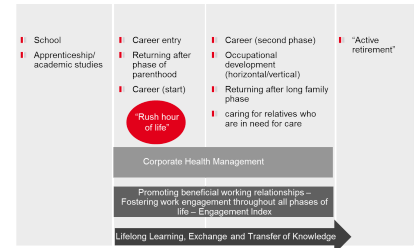


# Life-Cycle Oriented HR Policy



**Published On:** 23 September 2015

**Organisation:** Bundesagentur für Arbeit (Federal Employment Agency)

**Country:** Germany

**Level of government:** Central government

**Sector:** General public services

**Type:** Human Resources, Organisational Design

**Launched in:** 2011

**Overall development time:** 4 year(s)

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# Description

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The Bundesagentur für Arbeit (BA), which provides highly skilled labour market services and products and depends on obtaining well qualified staff, has decided to implement life-cycle oriented HR management.

As an attractive and competitive employer in times of a shortage of skilled labour and junior staff in Germany, it was time to take action by shaping an attractive working environment for younger and older employees alike. It also must be taken into account that the BA, like any other employer, faces the challenge of a decrease of the half time value of knowledge, changing career patterns and extended working lives at the same time.

The BA's life-cycle oriented HR policy is an inter-generational approach to enhancing the work ability of its staff and focuses on competence, health, and engagement to promote life-long learning and well-being at the workplace. These are requirements to promote life-long learning and therefore to support all measures of promoting sustainable change and innovation as well.

Services and tools in the BA's model deliberately target employees at the beginning, in the middle and at the end of their professional careers and beyond. The BA considers that this policy, including corporate health management as well as knowledge management, provides significant leverage to promote engagement and motivation – which is known to a high correlation with customer satisfaction and individual and organisational performance.

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## Why the innovation was developed

- Human resources management in Germany has had to cope with many challenges following the impact of demographic and societal changes, internationalisation and digitalisation.
  - Ageing and more diverse staff have to respond to a shift in demands of the public and changing customer groups, which are also characterised by diversity and mixed age.
  - It must be expected that the staff as a whole will age and be more diverse. Internal surveys show that this diverse workforce places multiple requirements on its employer, such as value-orientation, recognition and appreciation, attractive working conditions, including the reconciliation of work and family, career opportunities, focus on people and salary.
  - Currently, employees from 75 nations work at the BA. Sixteen percent have a migration background and 70% of the staff are women - 46.5% of whom work in leadership positions and 30% in senior executive functions; 9.8% of the staff members have disabilities.
  - The average age is currently 44, whereby half of the staff is 46 and older, and 25% of them will leave the BA in the next 10 years on reaching retirement age. These are the findings of the internal workforce planning and detailed age structure analysis that is carried out regularly.
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## Objectives

Develop staff capacity, Improve user satisfaction

- The BA's life-cycle oriented HR policy is an inter-generational approach to enhancing the work-ability of its staff and focuses on competence, health and engagement to promote life-long learning and well-being at the workplace. These are requirements to promote life-long learning and therefore to support all measures of promoting sustainable change and innovation as well.
  - Services and tools in the BA's model deliberately target employees at the beginning, in the middle and at the end of their professional careers and beyond. The BA considers that this policy, including corporate health management as well as knowledge management, provides significant leverage to promote engagement and motivation – which is known to a high correlation with customer satisfaction and individual and organisational performance.
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## Main beneficiaries

Government bodies, Government staff

- Public servants
- Government

# Results

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## Effectiveness

- Knowledge transfer and inter-generational learning: the BA set up a knowledge transfer pilot in 2014 to ensure that valuable knowledge that employees have gathered over many years is preserved even after they have retired.
  - A structured and systematic knowledge transfer during the transition to retirement with emphasis on experience, organisation and network knowledge, is the main target.
  - Therefore it is necessary to raise the awareness of managers for the important experience and knowledge of older employees, and also to promote a culture of trust that supports knowledge transfer and lifelong learning.
  - With a successful knowledge transfer process, the incorporation of new colleagues can succeed faster, the error rate could be reduced and it will be a good instrument for preventing duplication of effort.
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## Service quality

### Responsiveness:

- Engagement: the BA's Engagement Index was introduced in 2013 as an annual evidence based survey with the participation of 34,000 employees (52% participation rate).
  - It concerns the continuous improvement of leadership and collaboration and the design of working relationships. The focus is on the issues of work ability, communication, identification and mutual expectations in the employee-superior relationship, with a special focus on the psychological contract.
  - The first analysis according to socio-demographic data shows the following: employees under 25 years assess their work ability better than employees over 60.
  - In contrast, older employees assess their psychological contract with the BA significantly more positively than younger employees. That means that they perceive that their expectations are matched. Empirical evidence shows that four main levers explain more than 50% of the variance between different engagement results.
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## User satisfaction

- Family service: in 2011 the BA launched the organisation service for children and care. Short-term down times can be avoided and reduced. Negative effects on employees' mental health due to the double burden of job and family can be intercepted.
- Flexible working time: the BA offers various flexible working time models on the basis of flexi time accounts. An employee survey on "work-life balance and reconciliation of family and work" conducted in 2010 found that 96% of the respondents (94% of respondents over the age of 50) said that they found flexible working hours to be extremely important.
- Flexible work organisation: another flexible way of work organisation is telework, which is especially open to employees with family burdens (caring for children, old or disabled persons), older employees in a later phase of their professional career, and long-term sick employees (more than six weeks) has been added as a means of disability management. A current employee survey found that 46% of all respondents and 38% of respondents over the age of 50 said that the teleworking offer was important for their personal needs
- Mobile working: mobile working is introduced to face up to the challenge of a changing work organisation in terms of time and space. Mobile working can be agreed upon informally with the executive to be used ad hoc and as it suits the present situation.

# Development

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## Design

The BA's life-cycle management is embedded in an overall strategy called "BA 2020", in the current leadership framework and in a holistic HR management approach. Having one story line is a key success factor in promoting acceptance and dedication in the organisation.

All HR functions, such as recruiting, training, HR development, strategic workforce planning and salary, are geared towards a common business goal: motivating staff and tapping and developing potentials. The HR functions are supposed to influence each other positively. An integrated approach helps to promote the individual employee's ability and motivation to learn, and also to contribute to innovation with ideas. Professional ideas management and a process of continuous improvement to promote the opportunity to participate support all measures.

The BA had an opportunity to have a look at several single initiatives in the past that contributed value to the organisation and were accepted. They were brought together within the life-cycle framework that is presented in this case study to serve the needs of all generations working in the organisation. A modular structured HR development system was already in existence, and thus it was possible to link the HR policy to this and make use of the existing instruments.

The BA also builds its HR strategy on evidence-based methods and implements surveys regularly. Surveys show that the organisation is doing better in terms of appreciation and recognition, and in the staff's perception that their diverse competencies are being brought in. With a yearly Engagement Index survey, the BA can check how employees rate the opportunity, for example, to use their competencies, or the reconciliation of work and private life, or identification with the BA.

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## Testing

- It was very effective to test each concept (e.g. the family service) and to gain more experience and information about users' needs and relevant process steps to develop the final concept. Regarding the younger generation, it will be more important in the future to listen to staff and to let them participate rather than pushing quick solutions.
- Networking with other institutions in the private and public sector, as well as with academics, was helpful to learn from their experience. Leaders and employees with good experience of being involved in the process and being convinced about the quality of "HR products" are the best change agents.

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## Implementation

### Resources used:

- N/A

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## Challenges and solutions

- The major challenge was to design the framework and to create acceptance in the organisation for an integrated or holistic management approach in the beginning. It was a long road to transferring the concept into practice and enhancing awareness that this might be the right way to avoid past mistakes.
- In this context it turned out to be a key success factor in increasing participation and getting all stakeholders involved to build on their experiences with best and worst practices, and to let them participate in developing the concepts (hence, so-called "HR future conferences" were used)
- It was also very helpful to bring leaders together with leaders from different organisations either from the private or public sector to learn why these institutions invest in the same policies. Networks, platforms and forums were also used to share common experiences and to gather further ideas.

# Lessons Learned

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## Lessons Learned

- Implementing good ideas and concepts may go fast - enhancing commitment takes longer. It needs a clear leadership commitment to invest in time and resources as well as dialogue to strive for adaptive change.
  - Another precondition for success is leadership training and a continuous dialogue with leaders on issues they may regard as fluffy and soft. They need time to learn and to experiment.
  - Last but not least, continuous and perceivable top management support is a factor that facilitates implementation of the HR concepts by means of setting the agenda and priorities.
  - This process had to go hand in hand with changing attitudes to the way human resources are managed, motivated and developed in a life-cycle perspective.
  - The goal of this innovative HR strategy is to respond to the needs of executives and staff by developing suitable strategies, instruments and methods for tapping potentials and managing staff's experience and knowledge professionally.
  - Innovation is not only talking about having an innovation competence integrated in a model of competence. This had to be communicated as well.
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## Conditions for success

- Leaders must be convinced that these activities are intended to support them to perform successfully and to achieve their targets.
  - It was, and is, very important to invest time in developing the concept, but even more time in developing and discussing the right implementation strategy.
  - Shaping thinking patterns is more difficult than changing structures and standards. It needs the right way to bring organisational development and HR development together as interactive players.
  - A precondition for implementing any new HR strategy is to discuss the time framework in organisations that are looking for quick gains in improvement.
  - Change takes time, and permanent change and different projects may have a negative impact. The lesson learned is to strive for consolidation.
  - Not every management approach developed and published in the media may fit into the organisational culture. Concepts from other organisations must be adapted individually.
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## Other information

Besides the ongoing implementation, BA will continue to advance the life-cycle oriented HR policy concept, e.g. to establish new ways of (inter-generational) learning and knowledge transfer with regard to future developments.

Looking at the German Demographic Strategy, strengthening resilience and promoting mental health in the workplace will be in the focus of the corporate health management. These activities are also a major prerequisite for shaping a culture that generates innovation.