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Facing Europe's Demographic Challenge: The Demographic Fitness Survey 2007

Adecco Institute

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About the Adecco Institute

The Adecco Institute, founded in 2006, is committed to facilitating discussions among all stakeholders, from governments and academics to employers, unions and employees, on the broad topic of work and how work impacts our society.

Through primary and secondary research as well as thought pieces, conferences and events, the Institute provides a forward-looking and fact-based perspective on innovative approaches to help organizations and regions raise employability, productivity and employee satisfaction at work.

Adecco's worldwide reach enriches the Institute's views. With over 6,600 offices in more than 70 countries and territories, and managing a workforce of over four million individuals each year, Adecco employees every day face economic and demographic realities that both challenge and foster clients' business goals.

The Adecco Institute comprises a board of advisors and is managed and run out of London, UK. The Institute is able to draw on the full resources of the Adecco Group.

Executive Summary

The Adecco Institute presents the Demographic Fitness Survey 2007, the second survey on the topic of demographic change in Europe and its consequences for companies in European economies.

Similar to the inaugural Demographic Fitness Survey of 2006, the 2007 survey is based upon a sample of at least 500 interviews per country – a total of 2506 interviews with companies of all sizes in the five major European economies (Germany, France, the UK, Italy, and Spain), making it Europe's biggest survey on demographics in the business world.

The survey includes a quantitative analysis, measuring the extent to which European companies are preparing for the realities of an increasingly ageing workforce; this quantitative analysis is summarized in the Demographic Fitness Index (DFX).

To calculate the DFX, firms are scored on a scale of 100 to 400 points, and based on those results, country indices and an overall European average is calculated. In 2007, European companies averaged 182 points. While the overall average score of all five countries remained roughly unchanged (2006 DFX: 183), there are considerable changes on country and company levels, notably improvements in analyzing the age structure of workforces, a greater readiness to employ older workers and increased efforts in addressing demographic issues in small and medium-size companies.

Still, the 2007 results indicate that there are opportunities lying dormant. While companies rank demographic change along with globalisation and technological progress as among the most significant challenges faced by companies today, two-thirds of them scored 200 or less, thus indicating great room to improve their readiness for demographic change.

The issue of population ageing is real. In less than ten years' time, people over 40 will, for the first time, form the demographic majority in Europe – in Germany and Italy, 60 percent of all inhabitants will be over 40. By 2050, the population aged between 15 and 64, i.e. the share of the population considered as being of employable age, will drop by one fifth in the European Union, while the share of people over 65 will double to 30 percent of the total population.

This demographic change is a major challenge for all European countries. The ageing of the population and workforce has a major impact on our lives, our jobs, the pension, health and education systems – and the business world. For European companies adapting to the ageing of their workforces will not only have an increasing effect on productivity, competitiveness and innovation, many firms will have to address the issue as a matter of surviving the next decades.

Businesses today are already faced with an increasing lack of specialists, in particular in engineering. 35 percent of the companies surveyed on behalf of the Adecco Institute complain about a lack of technical know-how and adequately trained employees. 30 percent of large companies grapple with a lack of IT and computer skills. Roughly the same holds true for services and trade. 14 percent of the companies surveyed suffer from a lack of foreign language skills among their staff.

It has not traditionally been the business of business to plan for demographic change; yet in comparison to globalisation and technological progress, it is an impending change over which employers have an unprecedented greater degree of control and responsibility.

With the DFX survey, the Adecco Institute encourages European companies to improve their demographic fitness and to better understand its growing impact on business success.

Facts and figures about demographic change

In less than ten years, people over 40 will be in the majority across Europe for the first time. The total number of 50-65 year olds in the five biggest EU economies, representing two thirds of regional GDP, will rise by 16 percent and those in their 20s to 40s will decline by nearly 10 percent.[1]

According to the US Census Bureau's International Database,[2] by 2025, more than 1 in 5 in Germany, the UK, France, Italy and Spain will be 65 and older. Put slightly differently, only 22 percent of the German and Spanish populations will be 24 years old or less by 2025. In Italy, only 20 percent of the population will be 24 or younger. France and the UK appear to be in enviable positions with 26 percent and 29 percent of their populations, respectively, aged 24 or less by 2025.

Compare and contrast: India's population aged 24 and under is projected to be 42 percent of their total population in 2025; Morocco's 40 percent. More developed countries are facing a talent shortage that is not expected to be filled by immigration, and this demographic trend will put an enormous burden on a shrinking proportion of the population unless we re-engage the ageing workforce.

European firms can build reserves in the inevitable war for talent by ensuring that their existing workers remain ready and willing to remain in the workforce – but for most employers, that will mean change. US and European studies have found that older workers have a stronger work ethic, are more reliable, more willing to work different schedules, and more likely than younger colleagues to have a positive attitude towards work and their employers.[3]

Yet, the labor force participation tends to drop as people age – in some cases quite dramatically.[4] In France, only 60 percent of men aged 50-64 are employed; in Germany, only 66 percent. In OECD countries on average, only 68 percent of men aged 50-64 participate in the workforce.

[1] International Labor Organization (ILO), Labostat database, October, 2006

[2] http://www.census.gov/ipc/www/idb/tables.html

[3] Center on Aging and Work, Boston College. Issue Briefs 1 and 2. Older workers: what keeps them working? And Businesses: how are they preparing for the aging workforce? July 2005. See also Marius Leibold and Sven Voelpel, Managing the Aging Workforce: Challenges and Solutions. Wiley (2006, forthcoming), pp95-96

[4] OECD Ageing and Employment Policies Project, 23 Feb 2006; data taken from specific country reports

The 2007 Demographic Fitness Survey

The methodology

The Demographic Fitness Survey draws on responses given in interviews from companies of all sizes and sectors in the five biggest European economies: Germany, France, the UK, Italy, and Spain.

The survey includes a quantitative analysis, measuring the extent to which European companies are preparing for the realities of an increasingly ageing workforce. The quantitative analysis of the survey data is summarized in the Demographic Fitness Index (DFX).

To calculate the DFX, the answers given by the firms interviewed are scored on a scale of 100 to 400 points. Based on those results, country indices and an overall European average is calculated. In 2007, European companies averaged 182 points.

The Demographic Fitness Index measures five factors that influence a firm's ability to leverage an ageing workforce:

- Career Management
- Lifelong Learning
- Knowledge Management
- Health Management
- Diversity Management

Improved **Career Management** takes into account the needs of both employers and employees throughout the life cycles of both. When an employer is willing to accommodate the life-cycle needs of employees (e.g. having children, caring for elderly parents, changes in professional interests), employees develop a level of loyalty to the firm that cannot be fostered with traditional perks like pay increases. Companies willing to respond to the individual needs of employees, while also actively managing their own management needs using tools like professional career planning and realistic succession planning, will enjoy a dedicated workforce with a real commitment to the company. Employees who, alternatively, feel that their employer fails to understand or accommodate their needs, or simply "doesn't care", will look for opportunities elsewhere – taking their expertise with them.

Today's workplace is characterised by rapid change – in work processes, in competition, in customer tastes and demands, and in how we work. Both employers and employees must be committed to **Lifelong learning** in order to keep ahead of – and in some cases, current with – the demands of business. Lifelong learning means making learning something we do every day – whether via informal processes that keep employees up to date, or via structured learning. By making learning relevant and compelling, employees keep skills up to date while employers benefit from an active and attuned workforce.

Knowledge management is the proactive management of the knowledge that employees typically have in their heads – whether these be vendor contacts, business processes, or even who to call to get certain problems resolved. The rather recent focus on business continuity planning has highlighted the need to document all the critical links in key processes – lists of systems, vendors, key contacts, etc. Knowledge management is a critical tool for companies that need to understand the role that employees play in keeping the business going – and the risks that companies run when key employees depart.

Health management is a dimension of the DFX index that is uniquely associated with addressing the needs of workers as they age – with the bonus that a well-deployed health management program encourages younger workers to maintain healthy lifestyles. Health management includes sensitivity to workers ergonomic and physical needs (from simple changes like large fonts to more complex issues around mobility) as well as more active engagement in employee health by promoting and encouraging ongoing health checks and consultations.

Diversity Management values the individual for what they offer – regardless of age or rank. Diversity management means ensuring that older and younger workers work together on projects where each is able to actively contribute – thus building self- and mutual esteem.

Main dimensions of the Demographic Fitness Index (DFX)

Building blocs in the 5 DFX areas (list is not comprehensive)

Career management	• Flexible, life-cycle oriented work models e.g. family-friendly, part-time, phasing out • Balanced age structure and retirement processes (to retain workers / avoid a mass exodus) • Properly structured career and succession planning linked to business needs • Opportunities for alternative careers e.g. horizontal shifts for professional growth
Lifelong learning	• Incentives to increase effective participation in learning activities across all age groups • Processes to keep older employees' knowledge up to date (vs creeping know-how decline) • Cycle-oriented learning linked to age, performance and learning abilities • Individualized formal and informal learning to boost professional, social, personal skills
Knowledge management	• Knowledge retention tools and processes, with efficient IT support • Knowledge rejuvenation strategies, and platforms for informal knowledge sharing • Active alumni management to ensure access to expert knowledge past retirement • Culture of creativity, inspiration and innovation ("learning organization")
Health management	• Age-conscious workplace design and ergonomics • Work-life balance and workplace stress/strain reduction programs for all employees • Full range of healthcare, checks and consultations - including prevention / long term • Better employee self-awareness of health maintenance issues
Diversity management	• Better inter-generational cooperation and knowledge exchange • Staffing of all age groups according to their individual strengths • Culture of highly valuing work experience • Efforts to raise work satisfaction, loyalty, performance even as average age of staff rises

We rate each company's performance along the five dimensions based on their survey interview. The maximum score is 400 index points in cases of full implementation / acceptance in all measures across the five activity areas. All companies receive a minimum of 100 index points. Using the individual company scores, we calculate country indices and collate an EU average. By conducting the DFX survey periodically, we are building a dynamic time series demonstrating how Europe is preparing for demographic change over time.

Our 2007 survey is based on interviews with 2,506 companies from the five largest European economies (at least 500 companies each). Approximately half are large companies with sales over 50 million Euro yearly, and the rest are medium-sized companies with sales of 10-50 million Euro. Industry, services, and trade each account for around one third of all companies surveyed. We estimate that our sample is representative of around 148,000 companies across the five surveyed countries. Persons interviewed were decision-makers in HR in the respective companies.

The interviews were conducted in October and November 2007 by TNS Infratest using computer aided telephone interviews (CATI). TNS assessed the underlying structure of the five economies in terms of medium vs. large-sized companies, and industry vs. trade vs. services, to create an overall European structure. They weighted the whole interview sample using this representative European structure for the final total analyses and also for calculating the DFX. Data weighting insures that distinct national economic structures do not affect the overall findings for each country as compared to the other European countries.

The 2007 Demographic Fitness Index (DFX)

Overall results

On average, European companies scored overall 182 DFX index points (compared with 183 the previous year). Similar to last year, more than two thirds of the companies scored less than 200 points. Given the maximum score of 400 index points, there is great potential to improve in all areas. Despite the similarity in overall results, a significant improvement has taken place in medium-sized companies:

- Medium-sized companies have started to close the gap between themselves and large companies – they saw their demographic fitness improve by an average of 2 index points to 180, while large companies lost to 191 index points.

While medium-sized companies may not be as professional as large companies in their approach to the five key areas of the DFX, more

of them have come to understand that they will only be able to compete with big companies – in the medium and long run – as an attractive employer for high potentials if they are equally as attractive as the big companies.

As a whole, the results of the second Demographic Fitness Survey reveal important trends indicating that companies are starting to prepare for demographic change.

The recognition is there: most of the companies in the five biggest European economies ("EU Big 5") identified demographic change as one of the biggest challenges of our times – along with globalisation and technological progress.

54 percent of large companies ranked demographic change as among their top three concerns.

Biggest business challenges for European firms

Significant upward trend compared to 2006 ^

Significant downward trend compared to 2006 v

% of companies
Top two on a scale from 1 to 6
(1 = very major challenge, 6 = not a challenge at all)

	Europe	medium-sized companies	large-sized companies
Globalisation	56	56	55
Demographic Change	47	45	^ 54
Technological Progress	53	51	58
Changes in general (political/social) conditions	39	38	41

On a country level, fully 70 percent of German respondents identified demographic change as one of their major challenges (reflecting the growing reality in that country of the challenge before them). But only 32 percent of UK firms, on the other hand, ranked demographic change as a major challenge. German firms are also demonstrating a greater willingness to address demographic change: in 2006, 17 percent of firms scored the minimum index of 100 points; that number declined to 12 percent in 2007.

Biggest business challenges for European firms by country

Percent of companies
Top two on a scale from 1 to 6
(1 = very major challenge, 6 = not a challenge at all)

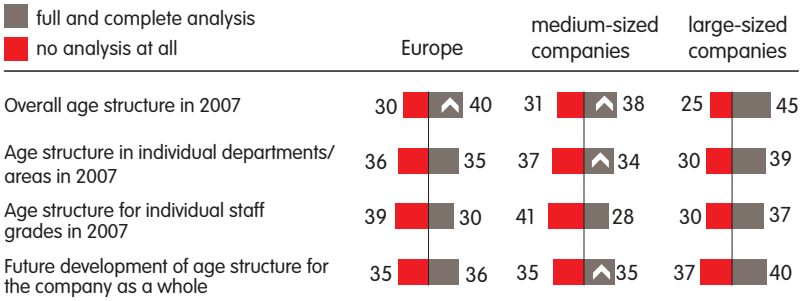
	Germany	UK	France	Italy	Spain
Globalisation	77	41	62	49	51
Demographic Change	^ 70	32	48	43	43
Technological Progress	^ 65	34	57	50	60
Changes in general (political/ social) conditions	44	30	44	31	v 45

Companies have started to do their homework – at least in terms of a more comprehensive structural analysis of the age of their workforce.

Notably, more companies in 2007 reported progress in analysing their organisation's age structure. 40 percent of all European firms, up from one third a year ago, have conducted an analysis of the overall age structure of their organizations. While large companies are typically better than smaller ones in this respect, the medium-sized firms have demonstrated the most significant improvement over the past year. We attribute this to the growing realization that if they are to successfully attract top talent, smaller firms must be competitive with larger firms with regard to their attraction as an employer.

European companies made progress in analysing age structures

Share in %

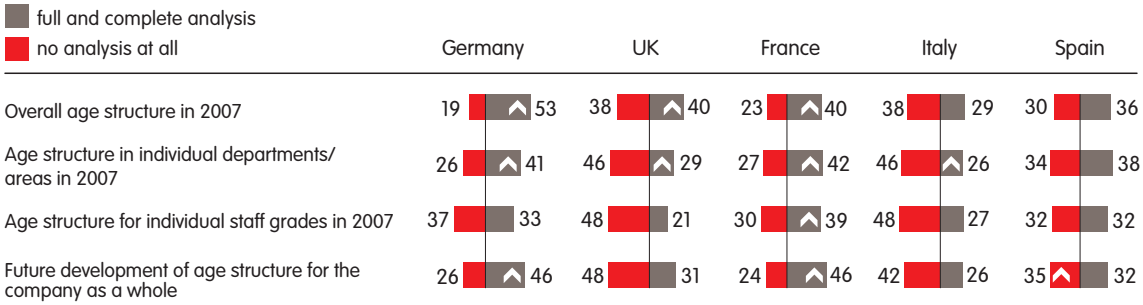


Question: To what extent have you carried out a statistical analysis of the age structure in your company in the following areas above?

In Germany, the UK and France, a growing number of companies are currently analysing the age structure of its workforce, thus laying the foundations for improved demographic fitness. However, only in France and the UK has this improved level of knowledge led to – urgently needed – long-term staff planning.

Most countries could improve analysis of age stuctures

Share in %



Question: To what extent have you carried out a statistical analysis of the age structure in your company in the following areas?

Unfortunately, staffing is still more of a short-term matter in most European companies. The survey results indicate that no companies plan overall staff needs more than 18 months ahead.

European companies have short-term personnel planning horizons

	Europe	medium-sized companies	large-sized companies
Average in number of years			
All staff employed by the company	1,1	1,1	1,3
Professionals and executives	1,3	1,3	1,5
Commercial staff	1,1	1,0	1,1
Industrial staff	1,0	1,0	1,0

Question: How far ahead do you usually plan your staffing requirements?

Planning horizons are above average in Germany, the UK and France. Germany reported doing slightly shorter term planning for recruiting commercial staff than last year, and overall the planning horizons of Spanish companies for recruiting all staff are shorter than a year ago.

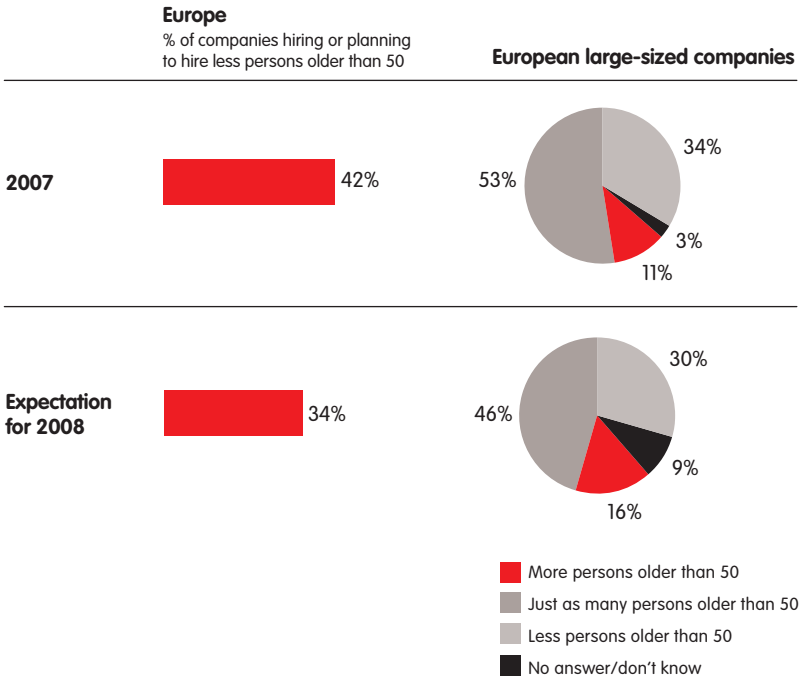
Personnel planning horizons by country

	Germany	UK	France	Italy	Spain
Average in number of years					
All staff employed by the company	1,3	^ 1,3	^ 1,4	0,8	v 0,9
Professionals and executives	1,8	1,2	1,5	1,0	v 1,1
Commercial staff	v 1,0	^ 1,2	1,2	0,9	v 0,9
Industrial staff	0,9	^ 1,2	^ 1,1	0,9	v 0,8

Question: How far ahead do you usually plan your staffing requirements?

One of the most encouraging findings of the 2007 Demographic Fitness Survey is that more and more major European companies are willing to hire older employees. 16 percent intend to hire more older employees in 2008 than in 2007 (11 percent), and the share of companies who intend to hire fewer people over 50 has decreased from 42 percent to 34 percent. 46 percent of large companies indicate that they intend to hire just as many people over 50 as last year.

More European companies are willing to hire older employees



Question: 1: When you think of last year, have you hired more persons, less persons or just as many persons older than 50 as before? 2: And how do you expect these characteristics to develop in your company next year?

Overall, European companies are putting increased emphasis on the importance of education. 69 percent of all companies surveyed see improved school education as one of the most effective means of countering the growing scarcity of qualified specialists. 59 percent of companies surveyed felt that skills gaps could be reduced by improving the transition from school to work. 57 percent think that increasing internship opportunities before leaving school would counter skills shortages. More than 50 percent say creating 'transition managers' to help students manage the transition would help. More than a third of the companies surveyed count on the support of private employment and recruitment agencies in closing skills gaps.

European companies consider better education key in fighting skill shortages

Share in %	Europe	medium-sized companies	large-sized companies
improve school education	69	70	66
improve transition from school to work	59	57	64
more internships in companies for students before they leave school	57	56	58
installing transition managers at schools that help students manage the transition into jobs	52	52	53
train more women in technical professions	53	51	60
increase number of students at universities	35	35	38
improve human resource development within the company	58	57	59
keep the older workforce longer in jobs	44	43	51
Immigration of skilled workforce	38	37	41
Services provided by private employment agencies	37	38	35

Question: Which of the following measures/strategies do you consider to be particularly effective in order to counter the growing scarcity of qualified specialist workers?

The 2007 Demographic Fitness Index

Country comparisons

When comparing country results, Germany and the UK lead the group with 186 index points respectively, followed by Italy, Spain and France (182 / 180 / 174 index points).

A year-over-year comparison shows a visible improvement for Germany (from 181 to 186) and France (from 172 to 174), while Spain's demographic fitness decreased from 185 to 180. The UK dropped from 189 to 186 and Italy from 186 to 182.

The Demographic Fitness Index (DFX): illustrates the state of fitness in Europe

Indicator	Germany	UK	France	Italy	Spain
average score 2007	186	186	174	182	180
average score 2006	181	189	172	186	185
Trend	+5	-3	+2	-4	-5

The Demographic Fitness Index (DFX): breakdown of scores

	% of companies				
Index points on scale of 100 to 400	Germany	UK	France	Italy	Spain
Average	**186 points**	**186 points**	**174 points**	**182 points**	**180 points**
100 points	12	8	9	12	13
101 - 150 points	28	27	23	34	33
151 - 200 points	27	33	41	19	18
201 - 250 points	10	18	18	12	12
251 - 300 points	12	11	7	13	20
301 - 350 points	9	2	1	8	1
351 - 399 points	1	1	1	2	3
400 points	1	0	0	0	0

Clearly, public debate has been most effective in Germany – not least against the background of the economic upswing accompanied by a lack of skilled personnel. Yet none of the five major EU economies has attained a satisfactory Demographic Fitness Index. Positive developments in analysis of age structure and in health and diversity management are not enough to outweigh deficiencies in other areas and thus fail to increase the overall fitness score.

However, this does not come as a surprise: the goal of the Adecco Institute Demographic Fitness Survey is to raise companies' awareness of the process of demographic change. This is apparently happening. We are observing preliminary results – from a growing openness towards older employees to a stronger commitment to improved education and qualification for existing workers.

Companies need to improve in every dimension of the DFX to effectively prepare for and embrace an ageing workforce or they risk endangering corporate competitiveness, productivity and innovation.

Specific results across the five demographic fitness dimensions:

The following developments were noted in each of the five dimensions of demographic fitness (lifelong learning, knowledge management, career management, health management and age diversity management):

1. Career management

Of the nine main **career management** tools cited in our survey, European firms on average offer four. Compared with other European countries, Germany scores worst in offering career management tools (but has improved in offering individual career programs).

Career Management

9 main management tools

Average number of tools offered:	Germany 2.9 (of 9) ^	UK 4.4 (of 9) v	France 3.6 (of 9)	Italy 5.1 (of 9)	Spain 4.5 (of 9) v
% of companies offering:					
Work-life plans	28	48	55	69	25
Change of profession/career path	^ 36	54	45	76	53
Creation of entirely new positions	46	69	59	44	51
High potential programmes	18	24 v	18	^ 48	38
Mentoring programmes	25	55	35	^ 36	48
Coaching programmes	43	69	30	45	58
Internal career consulting	36	48	46	63	69
External career consulting	10	14	17	68	v 64
Individual career programmes	^ 45	v 55	45	60	43

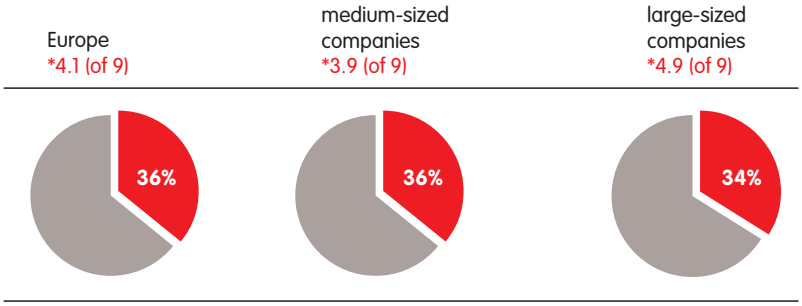
Question: Which of these tools are currently used in your company? And what percentage of your employees uses the human resource development tools that you offer?

Usage of **Career Management** tools ranges from a low of 24 percent in Germany to a high of 54 percent in Italy. Relatively low adoption rates indicate that employees either fail to see the value of Career Management, or feel that it isn't valued by employers.

Career Management

One out of three employees actually use career management offers.

*Average number of tools offered



Question: What percentage of your employees uses the individual career management tools that you offer?

2. Lifelong learning

More than one third of European companies report having launched new **lifelong learning** initiatives in the last year. Overall, work-place based training and internal training outside the work-place continue to be the tools most frequently offered. However, these measures primarily focus on the maintenance of existing (professional) qualifications. Tools for developing social skills are least common, particularly in larger companies.

More than half of all employees use the programs available to them, but employees in large firms showed a reduction in the usage of these tools; this raises questions as to whether (1) the tools proved to be meaningful and relevant to employees, (2) whether time was made available for employees to use the tools, and (3) whether the employer valued the results.

Lifelong Learning

8 main learning tools

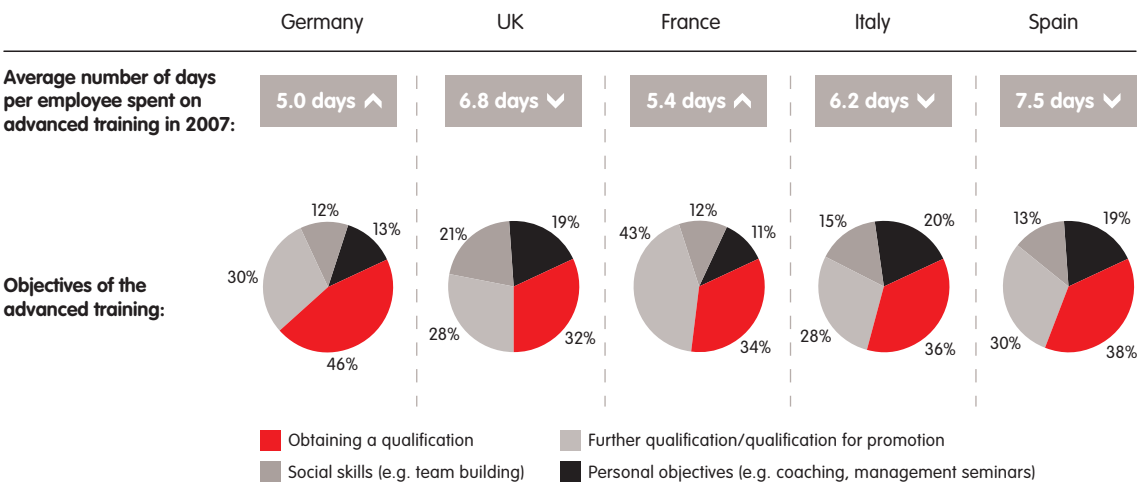
Average number of tools offered:	Germany 5.5 (of 8)	UK 5.8 (of 8)	France 4.5 (of 8)	Italy 4.5 (of 8)	Spain 5.4 (of 8)
% of companies offering:					
Analysis of individual training requirements/ regular discussions	69	77	64	^ 88	68
Workplace-based training initiatives	^ 89	96	83	76	90
Internal training initiatives outside the workplace	77	79	41	66	^ 70
Advanced training initiatives from external providers	81	79	77	66	73
Encouragement through individual attention/ advice	^ 57	78	35	39	71
Schemes for imparting technical skills	v 67	82	56	51	v 53
Schemes for imparting methodological skills	50	46	46	37	59
Schemes for imparting social skills	49	37	34	28	56

Question: Which of these tools are currently used in your company? And what percentage of your employees uses the human resource development tools that you offer?

Total days spent in training per employee across Europe decreased from 6.5 to 6.2 days. Although German firms' average increased from 4.5 to 5 days, they are still trailing the other countries surveyed. Italy and Spain both reduced total average training days, with Spain reducing from a generous 8.7 days in 2006 to 7.5 days in 2007.

Advanced training schemes sponsored by European companies

Days of training per year, and percent of training by type



Question: Regarding the opportunities for advanced training in your company, how many days were used for advanced training in 2007 per employee? When you think of the objectives of your advanced training schemes, what percentage of the schemes can be classified according to each of the following 4 objectives?

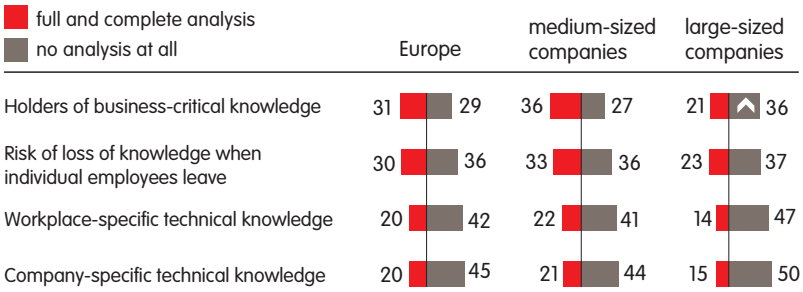
3. Knowledge management

In the area of **knowledge management**, large firms have made the greatest strides over the past year, with 36 percent of firms now actively identifying the holders of business-critical knowledge. Almost half of companies report that they have a strong understanding of workplace-specific and company-specific technical knowledge, but fewer have fully assessed the risk of loss of knowledge when individual employees leave.

Knowledge Management

More large companies are actively identifying business critical knowledge

Share of companies in %



Question: If you now think about the knowledge assets that your company has, to what extent have you carried out an analysis of business-critical knowledge assets in your company?

4. Health management

Health management remains an area that is ripe for improvement. Large companies are coming to understand that apart from compulsory measures (like medical check-ups), individual health promotion matters too, e.g. through healthy catering.

While 76 percent of European firms offer medical check-ups at work, fewer than 10 percent offer dietary advice or relaxation programs. Long-term health options such as sports facilities, back strain reduction and healthy catering remain the exception, with fewer than a quarter of all firms making these available. Long considered firmly in the personal domain, forward thinking firms will look to health management to ensure an active and healthy workforce.

Health Management

9 main health promotion tools

Average number of tools offered:	Germany 3.4 (of 9)	UK 2.9 (of 9)	France 3.4 (of 9)	Italy 3.5 (of 9)	Spain 3.7 (of 9)
% of companies offering:					
Company sports facilities	21	18	19	17	18
Back strain reduction	17	24	9	6	10
Relaxation programmes	8	6	2	4	5
Healthfully catering	34	32	21 ^	17	23
Dietary advice	10	9	10	6	13
Medical checkup at work	81	63	v 77	89	^ 71
Pre-employment medical checkup	^ 59	50	v 80	87	84
Regular health checks	64	45	v 87	v 75	87
Health advice/ medical consultation	40	39	36	53	60

Question: Which of these tools are currently used in your company? And what percentage of your employees uses the health management options offered by your company?

5. Age diversity

On a formal level, almost all companies treat their employees equally throughout all age groups, but sustainable programs promoting **age diversity** are not evident on a convincing level in any country, despite notable advances in Spain in the use of age-neutral appointments, and age-heterogenous working groups. German companies showed an increase in the use of age-heterogenous working groups, and Italy has increased the use of junior-/senior round tables.

We continue to see high compliance across all countries on official policies to ensure equal opportunities for all ages, as well as on age-neutral job adverts and appointments. Germany and the UK remain at the top end of the range with 78-93 percent adoption in these three core areas. Team-building seminars, mentoring schemes, junior/senior round tables and diversity awareness workshops for managers are utilized by less than one-third of survey respondents.

Age Diversity Management

11 main diversity management tools

Average number of tools offered:	Germany 5.3 (of 11)	UK 5.6 (of 11) ▼	France 4.7 (of 11)	Italy 4.4 (of 11)	Spain 5.2 (of 11)
% of companies offering:					
Age-neutral job advertisements	84	78	79	▲ 43	63
Age-neutral appointments	84	▼ 78	79	61	▲ 63
Equal opportunities for all age groups	86	93	84	80	88
Performance-orientated payment system	▼ 70	51	44	▼ 59	▼ 62
Junior-/Senior Round Table	26	18	12	▲ 35	46
Age-heterogeneous working groups	▲ 49	35	66	51	64
Age-heterogeneous working groups	23	26	30	28	36
Teambuilding seminars	25 ▼	48	14	22 ▼	29
Platforms for exchange between employees	42	▼ 41	29	27	16
Mentoring programmes	26	62	31	20	46
Awareness-raising workshops for managers on the subject of age diversity	17	32	2	16	9

Question: Which of these diversity management tools are currently used in your company?

Conclusion

Overall, the results of the Adecco Institute's second Demographic Fitness Survey indicate that demographic change needs to be accompanied by significant changes in the European corporate culture. The five key areas of the Demographic Fitness Index are an appropriate starting point for those firms willing to make changes before change becomes imperative.

Now is the time to start on this path. The Demographic Fitness Index offers the yardstick. With it, companies can increase their ability to innovate and compete amid growing international competition by focusing on their own secret weapon – an experienced, focused and dedicated workforce.

In the final analysis, the oft-mentioned "War for Talent", the competition for the best heads, will not be fought among states and governments, but in and between companies.

Statistical Appendix:

Knowledge Management

12 main knowledge management tools

Average number of tools offered:	Germany 5.5 (of 12)	UK 6.1 (of 12)	France 4.6 (of 12)	Italy 5.3 (of 12)	Spain 6.0 (of 12) ⌄
% of companies offering:					
Management Information Systems	44	81	32 ⌃	52	77
Customer Relationship Management Systems	40	53	34 ⌃	43	62
Internal online forums	52	27	30	32	23 ⌄
Publication of knowledge holders in an internal "Yellow Pages"	21	32	37	24	35
Building mixed-age teams	43	32	43	41	⌄ 39
Standardised records of business-critical knowledge	64	56	41	68	⌄ 45
Targeted advanced training programme for renewal of knowledge	62	43	⌄ 53	⌄ 53	76
Use of external consultants	⌃ 64	⌄ 56	⌄ 54	⌄ 70	68
Co-operation with other companies	57	⌃ 72	43	58	61
Co-operation with colleges and other institutions	42	76	40	47	67
Establishing own think tanks	25	⌃ 54	32	15	16
Contact with external think tanks	23	23	14 ⌄	28 ⌃	28

Question: Which of these tools are currently used in your company? And what percentage of your employees uses the knowledge management tools that you offer?

Job requirements vs. actual appointment

Companies are not able to fill positions fully according to their job requirements.

Share in %

appointed **fully** according to the need

appointed **not fully** according to the need

	Europe		medium-sized companies		large-sized companies	
Required qualification	19	81	19	81	19	81
Required number/quantity	17	⌃ 83	19	81	12	⌃ 88
Required date	20	81	19	81	19	81
Required site/ location	13	87	9	⌃ 91	14	86

Question: To what percentage of the positions filled in 2007 did the appointment actually satisfy job requirements?

Jobs requirements vs. actual appointment

Companies in Italy and Spain show the biggest gap between job requirements and actual appointments whereas British companies can cope with this challenge best.

Share in %

appointed **fully** according to the need

appointed **not fully** according to the need

	Germany		UK		France		Italy		Spain	
Required qualification	14	86	15	85	22	78	25	75	21	79
Required number/quantity	16	84	9	91	14	86	25	75	23	77
Required date	23	77	12	88	17	83	27	73	18	82
Required site/ location	12	86	10	90	12	88	24	76	9	91

Question: To what percentage of the positions filled in 2007 did the appointment actually satisfy job requirements?

Skill shortages: Areas with most severe shortage

Most companies in Europe experience a shortage in technical qualifications, and large-sized companies are also struggling with a lack of IT skills.

% of companies	Europe	medium-sized companies	large-sized companies
IT skills	19	16	30
Business / Commercial knowledge	18	15	26
Technical qualifications	35	35	38
Language skills	14	13	15
Other, specific job-related knowledge	23	23	22
Other areas	6	6	6

Question: In what areas were you not able to adequately fill a position with regard to the qualification of a job candidate?

Skill shortages: Areas with most severe shortage

% of companies	Germany	UK	France	Italy
IT skills	17	11	27	22
Business / Commercial knowledge	17	11	23	21
Technical qualifications	34	35	36	37
Language skills	14	12	18	11
Other, specific job-related knowledge	24	14	25	28
Other areas	5	3	3	16

Spain not included because of country-specific deviation from question

Question: In what areas were you not able to adequately fill a position with regard to the qualification of a job candidate?

Strategies to counter skill shortages

Improving school education and improving human resource development within the company are considered the most effective strategies to counter the skill shortage.

% of companies	Europe	medium-sized companies	large-sized companies
improve school education	69	70	66
improve transition from school to work	59	57	64
more internships in companies for students before they leave school	57	56	58
installing transition managers at schools that help students manage the transition into jobs	52	52	53
train more women in technical professions	53	51	60
increase number of students at universities	35	35	38
improve human resource development within the company	58	57	59
keep the older workforce longer in jobs	44	43	51
Immigration of skilled workforce	38	37	41
Services provided by private employment agencies	37	38	35

Question: Which of the following measures/strategies do you consider to be particularly effective in order to counter the growing scarcity of qualified specialist workers?

Strategies to counter skill shortages by country

% of companies	Germany	UK	France	Italy
improve school education	75	62	65	75
improve transition from school to work	66	53	55	61
more internships in companies for students before they leave school	61	55	50	60
installing transition managers at schools that help students manage the transition into jobs	74	36	50	50
train more women in technical professions	56	43	53	60
increase number of students at universities	33	31	45	32
improve human resource development within the company	62	53	45	71
keep the older workforce longer in jobs	56	49	44	29
Immigration of skilled workforce	30	41	43	39
Services provided by private employment agencies	43	26	32	48

Spain not included because of country-specific deviation from question

Question: Which of the following measures/strategies do you consider to be particularly effective in order to counter the growing scarcity of qualified specialist workers?