

Senior Policy in Linjegods AS

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Translation: Eli Schiøtz, November 2004

Linjegods AS is the leading distribution company in Norway, offering solutions designed for business customers. Linjegods was established in 1973 and is a privately owned company with more than 1100 employees. The solutions they develop for their customers are optimized to give best value and service. The goal is to be the preferred supplier of logistics services for business and industry in Norway. By focusing on senior employees the management sees the opportunity for increased profitability.

– We have noticed that many employees retire too early from the company, admits Hans-Egil Myhre who has been in the company for 26 years. He is now working on a personnel policy in a life span perspective. Focus is now on those employees who are well along in years.

– The background for this effort is a wish to keep our senior workers, and thus their competence, in the company. To achieve this, seniors must desire to stay longer. The company on its side must contribute with proper practical arrangements.

– In future years we will see the result of our emphasis on the seniors in the company, says organizational manager Asbjørn Aanesen.

Milestone Interviews

Linjegods AS has 1100 employees throughout Norway. In addition, 1500 chauffeurs are subcontractors and responsible for all transport. Linjegods offers services to all commercial endeavours that need to distribute goods in Norway, and deals with paper work, handling of goods, customer support and sales and marketing.

The company sees three main challenges in the logistic business:

- Tough competition in the market
- Loss of reputation and status
- Shortage of manpower

Linjegods hopes that focusing on seniors will lessen the last aspect.

– The average age in the company is generally high; in fact the average retirement age is 58.5 years. Heavy lifting and a high rate of disability are typical of this branch, says personnel manager Geir Flatekvaal. This is the motive for initiating senior policy in the company.

– Our aim is to keep our workers in Linjegods until they reach 67 years of age. That's why every worker is invited to a milestone interview at the age of 55. When they are 58 another talk takes place. These talks are arranged and followed up locally, which is an important aspect of the program. The purpose is to find grounds for a "late career" and discuss how to realize this plan. Some lines of work are especially designed for this group, but most of the workers must stay in the same positions as they have for years, adds Aanesen.

Flatekvaal and Myhre agree to that the program must not be too comprehensive.

– More flexibility for each worker with minor adjustments or changes is important, suggests Flatekvaal, who emphasizes that only a few initiatives are taken at a time in order to find what effects they may have. One of the "carrots" for seniors is to work 80% and obtain 90% salary.

– This feels like heaven to a person who has been working for 40 years, adds Myhre about the arrangement.

There are several other initiatives for seniors in Linjegods AS:

- Workers over 62 years with at least 10 years of employment in the company may work daytime instead of rotation and get a compensation to minimize the loss in salary
- Adjustments in rotations
- Working part time and getting a pension scheme at the same time
- Senior meetings to inform and motivate every worker over 58 years. The Managing Director is personally involved in all the meetings.
- Workers staying in the company till 65/66/67 years of age get a remuneration

Measuring the Results

The results of the senior programme are measured like the ordinary follow-ups in the company. Senior policy is thus consecutively in focus. Both management and employees involved are realistic as to what is achievable in this field. There are many challenges:

– The arrangements must be anchored in the organization and offer younger employees a proper interpretation of our senior policy. We also need to keep the process going on a long term basic and see to that the arrangements are carried out. Realizing local and corporate interviews are also challenging, says the personnel manager.

Aanesen, Flatekvaal and Myhre feel sure that targeting the seniors is the right direction to proceed. This is their mandate from the leadership: “What can we do to make Linjegods AS more attractive to seniors?”