

Aged Care Workforce Development Framework: Workability

This Submission is a response to the Productivity Commission's Term of Reference to: 'Systematically examine the future workforce requirements of the aged care sector, taking into account factors influencing both the supply of and demand for the aged care workforce, and develop options to ensure that the sector has access to a sufficient and appropriately trained workforce'.

The Workability framework developed by the Finnish Institute of Occupational Health has been applied in Finland since the mid-1980s (see Ilmarinen 2009; Ilmarinen, Tuomi & Seitsamo 2005). Workability refers to the balance between an individual's capacities and resources and the demands of his/her work. This Submission proposes that a Workforce Development Framework based on Workability should be applied to the Australian aged care workforce to increase retention and make measurable productivity gains.

The Workability approach is a multidimensional approach to workforce retention, including health and functional capacities, skills and competence, motivation, values and attitudes (including age awareness) and workplace factors (including leadership, work community and work structures). A person's resources consist of health and functional abilities, education and competence and values and attitudes. Work, on the other hand, covers the work environment and community, as well as the actual contents, demands and organisation of work (Ilmarinen 2009).

The proposal is based on the implementation of the METEOR project (Matching Employees to Training to Ensure Ongoing Recruitment and Retention). The project has been implemented since 2006 and is funded by VicHealth under a *VicHealth Public Health Fellowship* (2006- 2011) (Associate Professor Libby Brooke) and *J.O & J.R Wicking Grant (ANZ Trustees)* (2008-2010). '*Trials of more effective means of recruiting, training and retaining aged care professionals*'.

The Business Work and Ageing (BWA) Centre for Research, Swinburne University has been working with Professor Juhani Ilmarinen, a former Director of the Finnish Institute of Occupational Health in applying Workability in Australia. BWA is working with residential aged and home care organisations, vocational trainers, employment services providers and a range of other community organisations to develop pathways towards longer working lives for a sustainable aged care workforce.

Rationale

The Australian Productivity Commission Issues Paper (May 2010) reports the National Health and Hospitals Reform Commission (2009) forecasts that the number of aged care places will need to at least double to meet projected demand. The National Health Workforce Taskforce report (2008) cites Hogan's 2004 projection that the size of the aged care workforce will increase by 35% over the next decade. The health and community services sector is the highest growth industry sector (DEEWR 2008). Aged Care is thus facing challenges on both the supply and demand fronts. The sharply increasing demand underscores the imperative for a workforce development framework for managing recruitment and retention.

There is a need to retain the supply of the aged care workforce which is ageing. Martin and King (2008) report that 70% of community care aged care staff, 60% of residential care workers and 40% of new recruits are aged 45 and over. There is a connection between the quality of working lives and quality of aged care. Thirty-eight per cent of residential aged care homes use agency staff (See Martin and King 2008). This may reduce continuity of care for residents as 'intuitive' understandings between staff are passed on in more stable work communities (Personal communication by Ray McIntosh, Manager of John R Hannah, Catholic Homes). Significant staff turnover in aged care work has been reported, forming 98 % of the reasons for recruitment (DEEWR 2008: 24). There is a need to retain the supply of older workers in good quality work providing good quality aged care.

Applying Workability in aged care employment

Two research instruments, the Workability Index and the Workability Survey developed by Business Work and Ageing, Swinburne University, have been applied to measure workability in aged care employment:

At the centre of the model is a self assessment tool, the Workability Index. The Workability Index (WAI) is a (confidential) quality assurance tool which measures subjective perceptions (including current workability compared to lifetime best; expectations of work ability two years from now) and health indicators (including diagnosed diseases and extent of impairment). Workability has been applied in aged care work (e.g: Pohjonen 2001) and validated in large population based samples (eg: 40,000 nurses, See Radkiewicz 2005). The Finnish Health 2000 Survey (n=5800) has applied the Workability Index to survey workability in relation to exit factors, eg exit due to disability (Gould et al. 2008).

The Workability Survey (WAS) is an organisational survey adapted to aged care (including validated measures of psychosocial and physical work demands, pace of work, trust, support and recognition, control, training, work/life balance etc). This Survey provides organisations with a profile of occupational health and well being risks impeding retention which identifies organisational issues to target for the design and development of intervention programs.

The Workability Index provides an ongoing quality assurance instrument which is used to benchmark Workability 'pre' and 'post' interventions.

In summary, the Workability Aged Care Workforce Development Framework project consists of research instruments, interventions and a quality assurance measure. It also provides training for managers and staff in applying Workability within their work environments.

Aged care employment case studies

The METEOR project has been implemented within demonstration project sites within major large organisations across residential and aged community care (containing approximately 2500 staff). The project is collaborative and its implementation requires ongoing consultation with managers in areas such as human resources, training and occupational health as well as with staff to determine which organisational issues to target for intervention programs.

A case study based in John R Hannah, Catholic Homes, an aged care facility in Melbourne containing around 70 high and low care beds is underway. Workability training was delivered to staff and managers and the Workability Survey and Index research instruments administered. The research found statistically significant correlations between high Workability scores and the meaning of work to employees, optimism about their future and organisational respect. The findings indicated high trust in management, mutual respect and appreciation between employer and employees and good cooperation between colleagues. Low Workability scores were correlated with working beyond mental and physical capacity and being stressed. Further related issues identified included conflicting priorities and the ongoing pace of work.

Interventions under development are currently focused on issues relating to support for stress, e.g.: counselling. Interventions are being designed, developed and measured and outcomes published in the academic literature. The METEOR clearing house within the web site (under construction) provides an inventory of evidence-based interventions and measures concerned with extending working lives (eg specific ergonomic interventions).

Adoption of Workability by other countries

Other European countries such as Germany and Austria have adopted aspects of the Finnish approach within government driven retention policies. The Dutch Ministry of Social Affairs and Employment has promoted Workability on a national scale. 'The labour market in the Netherlands demands a labour force that works and will work longer, healthier and happier'. <http://www.workabilityindex.nl/wai/Work-Ability-Index/Work-Ability-Index-English/WAI-in-the-Netherlands-.html>.

Productivity measures

The Finnish Workability model has been evaluated for over two decades and is shown to improve the ability of people to continue to work well and productively into later life. The Finnish Health 2000 survey data reveal a steady decline in Workability due to the ageing process. These data indicate that the proportion of people with limited workability increased from 10% for those aged 40-44 years to 80% for people aged 70-74 years (Gould et al 2008). Depression and back disorders were associated with limited workability. A passive ('do nothing') policy will reduce productivity

outcomes due to the age-based increase in aged care employment compensation claims. Australian data on reasons for retirement show that health reasons were the predominant retirement reason for close to 30% of people (ABS 2009). Studies of unemployed people link deteriorating Workability and marginalisation of the labour force. The METEOR project is also working in the recruitment area to apply Workability measures and strategies to supporting older people into employment.

The Tervus Economic Appraisal method used to calculate the benefit/cost ratio in Finland is a commercial product (See Bergstrom 2005). Its application to over 200 companies of various size from different branches shows a Benefit / Cost ratio variation between 3 and 10. The benefit occurred through the reduction of absenteeism and work disability (50%) and an increase in productivity (50%). Work ability programs have been shown to be highly effective in improving individual workability ratings, with significant cost saving implications, particularly if the ratings are improved from poor to moderate. The evidence from the Tervus cost benefit analysis is not available within the academic literature.

An Australian tool developed for the Department of Human Services, Victoria to assess the cost benefits of mature age workers will be applied to Workability interventions in aged care employment. This cost benefit analysis measures the costs of recruitment, training, absenteeism and workers compensation. (See Brooke, L. (2003). Human resource costs and benefits of maintaining a mature-age workforce. *International Journal of Manpower*, 24, 3, 260-283).

Conclusion

Improving the Workability of people as they age will contribute to their capacity to remain in the workforce for longer at a time when the growth in labour supply is contracting. This contraction is already resulting in labour misalignments and is predicted to result in considerable labour supply pressure from the end of the decade.

The Submission proposes that a systematic workforce development and quality assurance framework based on the Finnish government Workability program be implemented to recruit and retain the supply of the predominantly older aged care workforce.

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