



FICHE GOOD PRACTICE EXAMPLE
European Network 'Career & AGE'

Identification of the 'Practice'

TITLE of the good practice: MINERVA Plan – the pathway to a longer active career at KBC Banking & Insurance Group

Country/Region: Belgium (Brussels & Flanders)

Nature: Programme – Measure – Project – Other: A programme that entails measures to motivate the ageing workforce to remain active longer and provides innovative career pathways during the transition phase to retirement.

Period*: From concept to roll-out – approximately 1.5 years.

Budget*: N/A

In which language(s) available: A White Paper on the subject, "*De weg naar langer werken: Het Minerva-plan van KBC, een nieuwe aanpak*", co-authored by KBC and SD Worx (an HR consultancy) and published in February 2014 is publicly available in Dutch.

Final beneficiary: Currently aimed at the 55+ age group of the workforce. However, a preparatory phase is already in place on a voluntary basis for KBC staff who are 50 years of age and over. All Minerva principles can be applied at earlier stages in an employee's career, but the 55+ group is currently the main focus, as it is most impacted by new Belgian laws and regulations concerning a higher retirement age and associated pension rights, among other things. There is therefore a need to address the issues facing this particular age group, given the backdrop of a steadily ageing society in Belgium and the relentless "war for talent". We also see this as an opportunity for both employer and employee to tackle the challenge together.

Leading partner: N/A

Contact details: Herman Verhoelst, KBC

Website: <http://www.kbc.com>

*: If known/if available

Description of the 'Good Practice'

What was the challenge?:

At national level: the rate of the workforce in the age range 55-64 active on the Belgian labour market is one of the lowest in Europe and Belgium's average actual retirement age is also one of lowest in the OECD (59.6 for men and 59.0 for women). The Belgian government is gradually raising the retirement age to relieve the pensions burden and the growing demand for a skilled labour force.

At corporate level: the rate of KBC employees aged 46 and over increased by almost 3% from 2011 to 2012, and represented 46% of total FTEs in 2012, while the average age in 2012 was 44 for men and 41 for women. This uptrend has been in place for at least the last five years.

What were the objective(s)?: Finding a solution to balance the triple needs 1) of keeping the older workforce active longer as a way to face the War for Talent and to keep knowledge in-house, 2) while containing staff overhead and 3) keeping older employees motivated to work longer.

What did you do?: The practice has developed the concept of the "I-deal" or individual deal in KBC terminology – providing employees the opportunity to determine their own career pathway in the pre-

retirement phase of their career. Once an employee decides which path to take (continue up the career ladder, slow down by reducing working time and/or workload, opt to work in an external environment), he/she agrees with the employer (represented by his/her line manager), entering into a type of psychological contract based on common contractual principles, which is to be respected by both the employee and the employer. In this way, the intention is to provide a triple-win solution, not only for the employer and the employee, but also for society as a whole (keeping people employed longer, reducing the tax and pension burden, ensuring skills are not lost to history, etc.).

Was there a specific focus on gender, diversity: No specific gender or diversity focus. The only criterion was to focus on the age of 55 and over workforce, with an optional “initiation” phase starting at the age of 50.

What did you achieve?: The Minerva Programme was very recently introduced within KBC Belgium. It should be noted that many of the Minerva options have already been present at KBC for a while, as there are already quite a number of older employees who are following a Minerva-type path. For instance, 40% of KBC staff members aged 55 and over are working part-time; 200 employees have even opted for a lighter workload and fewer working hours. Nonetheless, initial reactions to the Minerva Programme appear to be positive, as it is the first time that KBC is actually giving the employees a formal say in their pre-retirement plans, enabling a two-way dialogue with their employer (line manager), rather than being “gently eased” by the employer down an early-retirement path.

One of the core principles underpinning the Minerva Programme is that the employee is responsible for his/her own career, and the employer will ensure that employees are empowered to perform well throughout their careers. This is also in line with the core values that shape KBC’s culture: Performance, Empowerment, Accountability, Responsiveness and Local networking (PEARL). The results of the first wave of Minerva participants should become known in the coming months. However, we already notice that the general mindset of older employees within KBC has turned from a feeling of disappointment and neglect (lack of appreciation after years of service) to a more favourable view on the new (holistic) possibilities of extending one’s working life.

We also communicated the Minerva Programme to the outside world in a publication co-authored with an HR consultancy office – this was generally very well received by the public (see more details above and below).

What were changes or effects of the good practice?: It is too early to comment, as the Minerva Programme is in the process of being rolled out. However, we hope that the Minerva framework, including the I-deals that are made between our employees and our line managers, will lead to a more flexible approach to everyday performance, moving away from time-based work to one focused on output.

What were the critical points to get the project running?

- 1) Approval by top management and sponsorship by a top manager helped to push the project and provide the vision.
- 2) Entering into a pro-active working relationship with an external consultant as regards investigating and designing a business case for the possibility of redeploying employees to other companies on a paid basis.
- 3) Communication with the unions from the beginning (conceptual design phase), so as to get them on board.
- 4) Ensuring dedicated staff to work full-time on the programme (from conceptual design to rollout).

Transferability:

Which part of your approach could be used in another context? Which conditions are needed to optimise the transferability of the project?

A project such as Minerva is not easily transferable to other contexts, i.e. it is not meant to be a one-size-fits-all framework/toolbox, but must be built up over time. The success factors for realising a Minerva-style approach involve change management techniques and include the following: all stakeholders are important and must be consulted from the onset, the concept should be understandable for and recognizable by all parties, a good communication plan must be set up, resistance must be tackled openly and correctly, etc.

Link with the focus of the network (Tick more than one box if necessary): *All boxes should be ticked!*

SYSTEM level

ORGANISATIONAL level

INDIVIDUAL level

Life phase

Career phase

Generation

Other information

Any other useful information on the Good Practice: A White Paper on the subject, "*De weg naar langer werken: Het Minerva-plan van KBC, een nieuwe aanpak*"; co-authored by KBC and SD Worx (an HR consultancy) and published in February 2014, is available in Dutch (see www.kbc.com/duurzaamondernemen, under "Onze Medewerkers").