Ageing in the Netherlands

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The point of view of decision-makers in the public sector

Ageing tomorrow, innovation today

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With the baby boom generation moving into retirement from 2011 onwards, Dutch society will soon start to show the effects of population ageing. Whereas the causes of population ageing can be deduced logically, its effects and their urgency and severity are often subject to many different interpretations. We can, however, be sure that decision-makers in the Dutch public sector will be facing some daunting challenges. On the one hand, social and administrative responsibilities oblige them to develop a vision on ageing. On the other, they will be confronted with changes in the demand for public services, changes in their production capacity and having to develop new forms of service delivery.

Within the next few years, significant changes can be expected in sectors such as healthcare, local government, education, housing, justice and law enforcement. Pension funds and insurance companies will also be affected.

In our experience, discussion on the subject of ageing tends to be fairly one-dimensional. More often than not, decision-makers tend to focus on how ageing might affect their own organisation in terms of knowledge drain and loss of production volume, or how they can prepare for an ageing workforce. Surprisingly, there is not much discourse on how ageing is going to change society as a whole and what this will entail for the future tasks public sector organisations will be asked to perform and the products and services they will be required to provide.

In order to verify our observations and make a positive contribution to population ageing awareness, we asked Dutch decision-makers for their points of view on this issue. Using the thought model we have developed, we interviewed nineteen leading decision-makers from various sectors on their insights, experiences and concerns with regard to population ageing and dejuvenation.

These sessions produced a lot of fresh concepts and reflections, as well as a call to all concerned to step up to the plate and act upon ideas that have been circulating for quite some time. Above all, the interviews provided food for thought, which is why we would like to share them with you, the reader, by means of this booklet.

We would like to thank all interviewees and PwC staff who contributed to this booklet. On behalf of the PwC Ageing Taskforce, we wish you happy reading.

Gertjan Baars and Anneke Offereins
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Introduction

We all know the Dutch population is ageing. Better healthcare, improved working conditions and shorter working hours have been increasing life expectancy ever since the 1920s. Another important factor is the steep decline in births since the early 1970s. As a result, the number of over-65s is rising while the working age population is slowly declining. When ageing reaches its peak in the mid 2030s, the old age dependency ratio ((i.e. the proportion of citizens aged 65 or over to citizens of working age) is expected to rise to between 42 and 46 percent (as compared to 24.5 percent in 2010).

An integral approach

During our discussions with public sector organisations, we have often observed a tendency to look at the ageing issue from a rather narrow point of view. Whereas decision-makers often identify staff shortages and knowledge drain as significant effects of ageing, they are failing to ask some related, equally important questions. How is client demand going to change and how can we prepare for this by adjusting our products and services? What opportunities does this present? How will ageing affect our service delivery? How should we plan our production capacity and what will it take to keep production volume up?

In order to elucidate the connections between these various issues and place them in a coherent framework, PricewaterhouseCoopers has developed a model centred around three key questions:

1. How is the market going to develop, i.e. how are (potential) care consumers’ supply and demand patterns going to change?
2. What changes will have to be made to the way production capacity is organised and what opportunities are there to optimise and innovate?
3. Which new service provision concepts can be employed to cater to (potential) care consumers’ changing demands and requirements?

What: Market shifts in demand and supply patterns

The precise effects of an increasingly elderly population are hard to estimate. One of the few certainties is that most elderly citizens will have more time to spend on leisure activities after partially or completely retiring from the labour process. They often do volunteer work. As they no longer have dependent children, the position they occupy in society is fundamentally different, and their average disposable income has been increasing steadily over the years. Growing up in an era of economic growth might has accustomed the near future generation of pensioners to continuous financial improvement, but they have been around long enough to fully appreciate this development. Pensioners are also becoming more assertive and self-reliant, but nonetheless old age invariably comes with some physical and/or mental impairments.

Major shifts can also be seen in the young population. Today’s and tomorrow’s youths count on optimum support and having access to facilities such as IT to help them cope with the demands of a 24-hour economy.
They were born in a time of affluence and seemingly endless possibilities. Unaware of the effort that went into creating it, they may find their standard of living threatened by population ageing and its mounting pressure on collective resources. This pressure will affect the patterns of demand of the young and the old alike. It may even result in loss of intergenerational solidarity, which would present public sector organisations with the enormous challenge of having to find a suitable solution.

**How: innovating service delivery concepts**

Ageing may act as catalyst for innovating service delivery concepts to respond optimally to the changing wants and needs of clients. With demand changing in nature and volume and production volumes dropping, organisations are forced to change and smarten up their work methods. Some existing work processes may even need to be abandoned altogether. Organisations should invest in modernisation and innovation of products and services, such as the use of IT to make service delivery more proactive and individually tailored. Examples are the implementation of e-health in the care sector and the automatic remission of certain municipal taxes.

We have found the most promising opportunities for providing suitable and custom-made solutions lie in promoting extensive and long-term partnerships between service providers such as housing corporations, care institutions, educational institutes and government agencies.

**Who: organising production capacity**

Research shows that from 2011 onwards, a growing number of workers will be moving into retirement. This leaves a smaller number of people to do a possibly even bigger job. Dejuvenation is expected to result in labour shortages that will put additional pressure on labour potential. As staff members leave the workforce, valuable knowledge about products, processes and services may drain away. These developments will be visible throughout the public sector as a whole. Work in the public sector tends to be relatively labour intensive, with care and education being the first examples to come to mind. This means new insights are required on staffing policies, methods of knowledge retention and ways in which organisations prepare for changing patterns of demand.

**Analysis model as interview format**

The three questions What? How? and Who? form a comprehensive, easy-reference analysis model by means of which the ageing issue can be mapped out. The model also provided the template for the interviews we conducted. Making use of the What? How? Who? format, we asked decision-makers to present their points of view on the effects of ageing.

The result is a cross-section of visions on ageing from a host of sectors within the public service delivery domain: care, education, local government, law enforcement, justice, public safety and housing.
1 Housing corporations
“The care sector talks about ‘occupants’, whereas senior citizens tend to think of themselves as ‘residents’”.

**Peter Boerenfijn’s point of view**

**What: Market shifts in demand and supply patterns**

In the past, Boerenfijn explains, people who turned 65 used to apply to their local councils for a place in a retirement home. A few years later, a room was assigned to them, and they would be taken care of for the rest of their lives. Those days, Boerenfijn feels, are over: “Senior citizens of the future no longer want to be fussed over”. Pensioners of the future want more luxury and are not keen on moving into a cramped 25 square meter space. Unfortunately, 25 square meters is still the room size on which Dutch financial regulations (AWBZ) are based. Boerenfijn feels this is wrong. This is why Habion no longer constructs care homes with these relatively small rooms. Instead, it has opted for residential facilities with 75 square meter apartments to which care can be delivered when required. In doing this, Habion has let go of the minimum subsidy standards stipulated by AWBZ.

This is not the only aspect of AWBZ that is not future pensioner proof, Boerenfijn argues. “The care sector talks about ‘occupants’, whereas senior citizens thinks of themselves as ‘residents’. People just want to live in their homes and be taken seriously.” The latter comment refers to the practice of fitting care homes with glass panel doors to allow nursing staff to check - and in many cases enter - a resident’s room. It goes without saying that senior citizens value their privacy as much as anyone and would therefore prefer to have a lockable, non-transparent front door. Future retirement homes will project a different image than today’s; they will no longer be ‘care homes’, but residential buildings with care facilities. Boerenfijn also denounces what he calls “the stale smell of Brussel sprouts, broccoli and fish” associated with retirement homes. By the year 2026 these types of facilities will be outdated.

Boerenfijn thinks the AWBZ section on housing has little merit. “Why would over-65s suddenly be unable to pay their rent? This is, after all, why we have housing benefits.”
Boerenfijn says a broader range of comfort and luxury packages is beginning to emerge. Elderly people no longer want a one-size-fits-all arrangement. This means there should be greater variation in the types of residences that are being built. The senior citizens of the future will have a higher disposable income and are accustomed to a higher standard of living. Habion accommodates this by building quality homes that are able to meet future demand. At present, Habion is offering rent reductions to people with limited means. In future this will be compensated by charging market-driven prices.

**How: Innovating service delivery concepts**

The wants and needs of future senior citizens have prompted Habion to make different choices. Habion is building relatively large apartments centred around a so-called residential service zone. “Services are there for those who require them”, Boerenfijn explain. “They include care, but meal services and hair stylists are also on hand.” It is vital that these apartments are part of a vibrant residential community. Informal care will become very important to prevent elderly people from becoming socially isolated.

Senior dwellings should be ready for care delivery, but this does not mean that every home should be standard-fitted with special facilities. As an example, Boerenfijn mentions the grab rails that have been installed in all care home toilets, whether the residents in question need them or not. Habion instead proposes to make toilets grab rail-ready, so they can be easily installed if and when they are required. Boerenfijn thinks that making these kinds of small, practical alterations is very important. He compares this concept to practices in the car industry: “The plugs are there, they only need to be plugged in.”

Boerenfijn foresees an important role for joint ventures between care institutions and housing corporations. He feels both types of organisations tend to be hampered by institutional thinking and would benefit from the formation of an intermediary organisation. “A kind of liaison, an amusement park manager if you will, who listens to what the client wants and is not hindered by the care organisation/housing corporation machine.” This intermediary body should have a decisive say in matters that concern both organisations. Habion is a firm believer in private entrepreneurship and mentions so-called care hotels as a textbook example of thinking outside the institutional box.

According to Boerenfijn, collaboration is key and should extend beyond care institutes. “In the future, pharmacies will disappear and medicines will be sent by mail. This makes TNT (the Dutch postal service) an attractive partner.” This also goes for Sodexo, a food and facilities management service, as almost every residential complex will want to have their own grand café. Boerenfijn is less enthusiastic about mergers between corporations and care institutions. This would only result in new institutional machines, which is the very thing Boerenfijn wants to get rid of. Partnerships are important, but service provision should stay small-scale, local and easily accessible to clients.

**Who: Organising production capacity**

The average age of Habion employees is 46. Boerenfijn thinks this may pose a potential quantitative problem in 20 years time. While Habion employees themselves will not venture out on service calls, Habion will in the future be taking on the role of service organisation: “If someone calls us about a leaky tap, we will call a local plumber to fix the problem.” The housing corporation has the advantage of operating nation-wide and to some degree it already operates as a service organisation.
Habion’s workforce consists of three groups: employees with 25 years of service, employees with 10-12 years of service and those who have been in service for less than 3 years. The group that has been in service the longest represents a lot of valuable knowledge. Boerenfijn makes use of these senior employees to hand down knowledge to junior members of staff. “Older employees often come up with practical solutions, which they share with junior employees who tend to do things by the book.”

As various studies and media reports have shown, job satisfaction among home care employees is declining as a result of the growing number of regulations. A possible solution would be for care institutes to make use of self-employed care workers, Boerenfijn says. These self-employed carers are assigned a certain number of clients and are free to determine on an individual basis which tasks need to be carried out. The care sector is currently experimenting with this work method. However, a prerequisite for making it a success is making sure employees are indeed willing and able to work in this manner.

Senior citizens prefer having a trusted face to direct potential queries and complaints to. Boerenfijn is charmed by the notion of instituting a caretaker. An intermediary body (between care institute and housing corporation) could in this respect act as client liaison.

“It is a fallacy to think that we should combat staff shortages in the care sector by hiring more staff”, Boerenfijn says. Many (future) over-65s want to have an active role in society. These people can perform some of the necessary care tasks by providing informal care, which would contribute significantly to solving staff shortages. Only in nursing care, which comprises only a fraction of total care provision, the staff shortage problem will persist: “We should not burden over-65s with having to care for over-85s with Alzheimer’s.” Scale increase would be one way of dealing with the problem in the nursing sector. Boerenfijn expects that this scale increase in care will make its way to the heart of communities, rather than being ‘tucked away behind a row of trees’ like before.

Habion expects that technological developments will allow a decreasing number of people to carry out the same amount of work. The corporation is already incorporating home automation in some of its new homes. The trend towards providing care in local communities will also cause the demand for staff to drop. “Many people will no longer have to be taken to hospital by ambulance.”
“People make their own choices about where they want to live, we are all individual consumers.”

**Ton Selten’s point of view**

**What: Market shifts in demand and supply patterns**

Selten feels that housing corporations can be expected to look beyond their own housing stock and examine supply and demand patterns from a broader perspective. The correlation between these patterns on a regional level can provide a starting point for the strategic decisions housing associations have to make. From this viewpoint, the merits of entering into partnerships with other parties are obvious. As a staunch proponent of collaboration, Selten has initiated several such collaborations. Lefier’s very origins can be traced back to the observation that three corporations combined can do more to further the development of the Groningen and Drenthe provinces than they could possibly do on their own.

Lefier - Ton Selten

A.W.M. (Ton) Selten (Arnhem, 1953) is the chairman of Lefier, a housing corporation in the cities of Groningen, Hoogezaand, Stadskanaal, Borger-Odoorn and Emmen. He and three other board members form the board of directors of this ambitious corporation.

In 1983 Selten graduated from the University of Groningen as a sociologist. During his studies, he had become an active member of various neighbourhood committees in Groningen’s urban renewal areas, and in 1981 he started his career as a welfare worker in Stadskanaal. In 1987 he joined housing corporation ECW, a precursor to Wooncom, which merged with other housing corporations to form Lefier in 2009.

Throughout the years, Selten has occupied several board positions in the field of politics, labour, childcare, care for the mentally disabled and, currently, chess. He is also on the board of FWA (Working on Housing Fund), Stichting Leerfonds (Tuition Fee Foundation) and MKB-Emmen (an Emmen-based lobby organisation for small and medium sized companies) and he is the chairman of two steering groups formed by housing corporations operating in the northern part of the Netherlands.

Selten does not view population ageing as a problem, but focuses instead on the effects it will have on people’s living conditions and the level of resources in the so-called ‘undivided region’ in which Lefier operates.

Lefier not only looks at the housing stock it should be creating 10 or 15 years from now, but bases its work on a lifestyle vision geared to the possibilities the rural northeast of the Netherlands has to offer to potential residents. According to Selten, the region’s strengths lie in space and peacefulness, low land prices and the fact that it seems far removed from the hubbub of the highly urbanised Randstad area.

That does not alter the fact that the combined effects of ageing and dejuvenation (young people are moving away to the cities) will have consequences for Lefier. The most significant effect is pressure on the value of the corporation’s real estate. Selten: “I don’t quite understand why ageing should result in falling house prices. The dejuvenation aspect I get, but not the ageing aspect. Won’t those people just want to stay and live in that area? Real estate value is one of the important pillars of our corporation’s financial continuity. We need it to be able to make socially relevant investments.” For the sake of public interest, Selten argues, housing associations
should ensure that their real estate portfolio is not too
one-dimensional.

Achieving a balanced real estate portfolio was the most
important motivation behind the Lefier merger. The
Wooncom and Volksbelang corporations were already
engaged in talks, but analysis of their joint portfolios
showed that they would be vulnerable to the effects of
the population drop taking place in both their areas. Their
housing stock could be described as being more of the
same in a similar market.

In order to reduce vulnerability, the Groningen-based
housing association In became involved in the merger.
The urban Assen-Groningen axis is viewed as a Northern
growth area, boasting two cities with an obvious appeal
to young people. Adding a strong partner in Groningen
would therefore help spread the risk. Selten: “If it rains in
one area, the sun might just come out in another. All
residents will benefit from this merger. The capital
Wooncom has acquired in the past can be used to attract
funds for investing in Groningen and Hoogezaand. The
capital thus acquired can in the future be used to invest
in areas with shrinking populations, where Wooncom
owns a lot of property.” Simultaneously, Lefier is seeking
to collaborate with municipalities, social organisations
and other housing associations based in the northern
provinces to work on harmonising the supply of social
facilities. This is what the term ‘undivided region’ stands
for.

“We use the term undivided region because municipalities
rely on one another. Let’s say a city has a train station
and a theatre. These facilities will not only be used by city
dwellers, but by people from the surrounding villages as
well. Vice versa, day trippers from the city visit these
villages to enjoy the pastoral setting. Similarly, the
contours of the region are outlined by housing careers
and relocation movements.” According to Selten, the
challenge lies in convincing municipal executives that
regional collaboration is crucial. “The undivided region
does not have its own governing body and the province’s
hands are tied if municipalities are unwilling to
participate.”

Selten knows from experience it is hard to motivate
municipalities to adopt the notion of an undivided region,
as the following example demonstrates. A number of
municipalities in the eastern part of the Groningen
province are planning on building 4,000 new dwellings in
the coming years, but studies have shown that only 300
homes are needed. Several municipalities got together
and reached a compromise that involved the construction
of 2,100 houses. “Although these municipalities are well
aware of the fact that the demand for housing isn’t that
high, all of them feel the required 300 houses should be
built in their municipality.” The end result is a
disproportionately large number of new homes. The
Groningen province is pleased that the numbers have
been brought down from 4,000 to 2,100, but does not
have the authority to step in and reduce them even
further. Fortunately, things may not be as bad as they
seem. It is unlikely the number of houses on paper are
actually going to be built. They reflect projections that
were formulated and laid down in zoning schemes years
ago.

The area in which Lefier operates is already seeing a drop
in real estate value. The municipality of Delfzijl (where
Lefier does not own property) is a prime example, with
dozens (and at one point even hundreds) of vacant
homes. The resulting capital destruction is twofold: first
these houses had to be built and now they will be
demolished before they are even occupied.
This negatively affects the house prices and the quality of
life in these areas. Selten therefore calls upon all parties
involved to take a more demand-driven approach to
spending social capital.

“Provinces such as Drenthe and Groningen appeal to
senior citizens who want to escape the crowds. They are
peaceful, offer many possibilities for recreation and land
prices are low. Young people, on the other hand, like
vitality and diversity. It will be very hard to hang to them,
particularly in view of the fact that higher education
institutes in this region have a limited curriculum. Maybe we should not even try to hang on to the young. Although many senior citizens nowadays stay completely self-reliant for a very long time, they will at one point in their lives become dependent on care. When this happens, it is important to bring care to people’s homes. Every village could offer some form of assisted living, provided there is sufficient demand for such schemes. If this is not the case, facilities will not be put to optimum use and social capital is wasted. This is why you must make sure there is no oversupply of facilities. This can only be achieved by organising highly specialised or specific facilities at a higher level.

How: Innovating service delivery concepts

In view of the notion of the undivided region, it would be desirable to bundle facilities, e.g. establishing a Regional Education Centre, a regional hospital and welfare facilities in one area. Creating smart link-ups with major transportation hubs is also very important: accessibility has to be planned and organised. Other areas within the undivided region (i.e. outlying villages) should have a sound transportation network and some type of primary care facility. This facility should be able to answer questions on care, welfare, local government or housing related issues directly or make referrals. In order to achieve this, Lefier has collaborated with municipalities, care institutions and welfare organisations to launch a vocational training scheme. After completing their training, employees of the participating organisations have more insight into how other organisations work, allowing them to operate on a more integral, demand-oriented basis from their local support facilities.

Senior citizens who are toying with the idea of heading north to find tranquillity and low prices do offer some opportunities for entrepreneurs and others parties. Senior citizens have a keen interest in culture, but Selten feels the region’s cultural offerings are at present rather narrow. Also, the expanding geriatric care sector will create jobs and may help bring down relatively high youth unemployment rates in some parts of the region. Training will, however, be required. “Maybe senior citizens will be working for a longer period of time. Society is flexible and capable of absorbing changes. Let population development be the guiding principle, and employment is sure to fall in line.”

It is unlikely that parties in the undivided region such as home care organisations, hospitals, (public) transportation companies, welfare organisations, education institutes, housing associations, businesses and municipalities are going to join forces of their own accord. There is no coordination and no governing body for these parties. “At some point, organisations will have to start getting together and make sure they get on the same page,” Selten says. This is why Lefier and VNO-NCW (Confederation of Netherlands Industry and Employers) scheduled a meeting between large companies and social organisations, during which it became clear that all parties appreciated the issues that are at stake. Collaboration and focus are paramount. “A supra-municipal approach would suit the scale of the problems.”

According to Selten, consultation between these parties should result in a social debate on a unified direction and a joint strategy. Subsequently, a programme may be developed that is sanctioned by the provinces, preferably in such a way that it binds municipalities to its stipulations.

Selten: “People make their own choices about where they want to live. We are all individual consumers.” In practice it is still hard for Lefier to think of senior citizens as individual consumers. It is crucial to remember that tomorrow’s generations of senior citizens will be more highly educated than today’s and have more disposable income. They will no longer allow others to make their choices for them. Lefier will have to learn how to deal with these outspoken senior citizens, particularly when they do not yet depend on care. Consumers will be much more critical. “On a micro level, this is an enormous task. Senior citizens will display a wide range of lifestyles and
housing preferences. Generalisations won’t cut it. This is an issue we still need to explore.”

**Who: Organising production capacity**

“Approximately half of Lefier’s maintenance workers are over 50. A significant portion of those will leave the labour force in the near future”, Selten notes. This raises the question of whether Lefier will be able to call upon sufficient technical staff in the years to come. This also goes for the building firms Lefier collaborates with. They too will have to maintain a sufficiently large and qualified staff pool in order to fulfil their obligations to the housing association.

This is why several northern housing associations have joint forces with Regional Education Centres and the Fundeon knowledge centre. As part of their age-conscious policy, housing corporations are setting aside construction assignments in order to set up student construction sites and additional apprenticeships and work experience posts. During these apprenticeships, older generations educate the young on professional skills through a journeyman-student approach.

Selten is enthusiastic about this approach, which allows older employees to become or remain productive across various sectors. This means more can be achieved on a larger scale. This is a good thing, because senior employees represent a wealth of knowledge that can be passed on to younger generations.
Healthcare
“Among ethnic groups, ageing might result in an interesting shift in demand patterns.”

**Petra van Dam’s point of view**

**What: Market shifts in demand and supply patterns**

In Amsterdam, Arkin’s main area of operation, demographic shifts present a picture that seems to differ from the rest of the country. In part, this is the result of housing and economic policies and the fact that the city is home to two universities. The large number of residents with an ethnic background also contributes to Amsterdam having a relatively young population. Projections say that in 2012 approximately 12 percent of the population will be 65 or over.

Remarkably, Arkin’s client base has seen the proportion of clients over 65 drop in the past few years. On the one hand, this can be explained by changes in the pattern of demand, with an expanding client group of people under the age of 65. On the other hand, it may be caused by supply pattern developments. It is possible more clients are being treated by primary care facilities or new care providers.

At present, approximately half of Amsterdam’s inhabitants are of ethnic origin. Among residents of 65 or over, 74 percent are of non-ethnic origin and 13 percent have a non-western background. Projections estimate that in 2030 these percentages will be 58 percent and 30 percent respectively.

These demographic developments have an effect on demand patterns in the field of psychiatry and drug counselling. Population ageing will lead to shifts in these patterns. One of the most pronounced will be a rising demand for somatic care. Van Dam thinks care providers should adapt to these changes in care demand. To meet the population’s changing care needs and requirements, adjustments should be made to care programmes, housing, work locations and the location of (outpatient) clinics.

The relatively large proportion of seniors of ethnic origin among the ageing local population reveals an interesting shift in care demand. Health-related problems tend to

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**Arkin - Petra van Dam**

Drs. M.E. (Petra) van Dam has been on the board of Arkin since September of 2008. Arkin was established on 1 September 2008 as a merger between JellinekMentrum and AMC de Meren. Arkin provides drug treatment and mental healthcare services in Amsterdam and Gooi & Vechtstreek, ranging from prevention to forensic psychiatry. Arkin employs over 3,600 employees at 43 regional locations, plus three locations outside the region. By the end of 2009, the merger partners combined were treating or providing care for some 25,000 clients.
differ among ethnic groups, with depression, for instance, being much more prevalent among people with a Dutch, non-ethnic background. How care demand will develop among the second and third generation of people with an ethnic, non-western background is hard to predict.

So far, scientific research into these differences in care requirement has been fairly limited. Not much is known about demand development among the different generations of ethnic groups. It is possible that second generation senior citizens with an ethnic background experience problems that are much more similar to non-ethnic seniors. Shifts in care demand require adjustments to care offerings. Van Dam stresses the importance of training institutes. They should respond to these changes as best they can to make sure new generations of care providers are familiar with evolving care demand. Input from the various target groups is indispensable. The special consultation hour for elderly Chinese women is a textbook example of how care offerings can be modified to fit demand.

How: Innovating service delivery concepts

In the future, the use of new technologies will be playing an important role in mental health care and addiction treatment. Various forms of counselling are already available online. Their application should always be integrated with face-to-face treatment, however. Online treatment always has to be linked to the case file in some way and tie in with the treatment process as a whole. To provide optimum services, e-health and face-to-face consulting should be integrated. This allows social workers’ productivity to increase and care to be tailored to individual needs.

The application of online treatment has led to some interesting outcomes. Online, clients prove to be far more open than they would have been in face to face encounters with care workers. Van Dam explains: “The Internet encourages clients to display a greater degree of candour in sharing their experiences.” Online counselling has the added benefit of allowing a more flexible organisation of care, because it can be delivered more easily and to any location. But, as Van Dam says, “appointment times should be more rigorously managed, because neither carers nor clients want or can afford to wait long for the other party to log on.” The introduction of care via the Internet has signified a change in the type of contact care workers have with their clients. Understandably, there has been some apprehension. How will the lack of non-verbal cues affect the quality of service and what will be the effect of clients’ greater openness? Arkin expects an increase in the number of screen-to-screen treatments and a more important role for IT in the care industry. This will in turn allow a relative reduction in the number of face-to-face patient encounters.

Ageing will also necessitate changes to housing and home design. An increase in somatic comorbidity will require specially adapted facilities. Standards of hospitality will also have to be geared to new client groups. Clients want to be able to feel welcome and at ease when meeting care providers and they are justified in expecting ever higher standards of service.

Who: Organising production capacity

The number of Arkin employees in the 45-58 age bracket is three percent higher than the Dutch average. Studies among Arkin employees have shown that older members of staff do not experience more work-related pressure than younger staff and continue to develop within the organisation. Van Dam indicates attention should be paid to retention policies to prevent employees from leaving the organisation.

In order to hang on to employees, Arkin offers professional training schemes and promotes internal mobility. The organisation also maintains close ties with educational institutions to recruit new staff. In order to make their training future-proof, these training institutes should become better attuned to what is happening in the field.
Arkin is participating in a local Education and Care Platform to improve the compatibility of training with work floor practices. Furthermore, the mental health organisations GGZ are working together at making agreements on a collective employment agreement and training schemes for staff members. Arkin feels competition on the labour market is becoming more fierce, especially with regard to recruiting highly specialised care workers. Employers no longer shy away from offering competitive salaries and the battle for personnel is often fought and won by virtue of relatively minor differences in employment terms. One might wonder whether all this will really help keep future employees motivated. Research shows that the new generation of care professionals find having an interesting job, nice colleagues and pleasant working conditions much more important than earning a high salary. Discontinuity in professional staff will have an adverse effect on the quality of care across the sector.

In the future, Arkin will have to find alternative methods to retain employees. Van Dam expects to make headway with this issue by changing the way the work is organised, for instance by allowing employees to opt for different rota systems, more flexible work hours and a variety of contract types.
“The demand for geriatric care and disabled care is converging.”

Ton Caspers and Alfons Klarenbeek’s point of view

What: Market shifts in demand and supply patterns

Over the past fifty years, the life expectancy of people with a moderate to severe mental impairment has been going up, from approximately 30 a few decades ago to 60 today. Caspers indicates that people with a mental handicap tend to age more quickly than the average person. This ageing process comes with associated diseases such as Alzheimer’s and cancer and progresses more rapidly. This typically makes the care process shorter but more intensive than normal. Unlike home care and nursing, population ageing initially does not seem to have a significant effect on the number of older clients in disabled care. Casper explains: “The influx of clients remains relatively stable. Many clients spend their lives in a care institute or assisted living facility, which they move to on average at the age of 20-24. They usually stay in these facilities until they reach old age.” In addition, it is very hard to put an exact number on the influx of clients, which according to Caspers is the result of various developments. “On the one hand, the trend of care as societal responsibility seems to lead to a drop in intramural care. On the other hand, changes in laws and regulations have resulted in a transfer of clients from psychiatric to disabled care. New target groups are emerging. The number of young people with minor mental impairments is growing, leading to an overall growth in the number of clients. There is also an increase in clients from an ethnic background.” The latter target group has shown a remarkable trend: young ethnic clients tend to make use of day care centres and daytime activity schemes until they reach maturity, after which they leave the care institute system and are cared for by relatives (with or without the aid of a personal care budget). Finally, there are various geographical changes. “In the past, clients came from all over the country. Nowadays, most clients come from the region in which the facility is located.” These developments combined make it hard to accurately predict the influx of new clients.

Amerpoort not only deals with the recipients of disabled care, but with their families as well. One of the striking results of ageing is that the informal care for relatives with mental handicaps is beginning to shift from parents to siblings, as the former are getting too old to perform their care duties. Younger generations usually have their own take on how things should be handled and they tend to do things their own way.

Amerpoort - Ton Caspers (board of managers) and Alfons Klarenbeek

Amerpoort’s management board consists of a single board member, drs. A.M. (Ton) Caspers, who has occupied the position since 1999. A. (Alfons) Klarenbeek is a policy officer with Amerpoort who has been working on the population ageing issue. Amerpoort offers assisted living services to people with mental disabilities and answers their questions on daytime activities, leisure activities and housing. Amerpoort’s area of operation includes the provinces of Flevoland, Utrecht and part of North-Holland.
How: Innovating service delivery concepts

There are many shifts in the care supply. Whereas disabled clients used to live in large, often relatively secluded complexes, they now typically live in small-scale assisted living communities that are very much part of society. It should be noted this only goes for clients with minor to moderate mental impairments; people with severe mental disabilities usually live in care institutes. Particularly for younger clients there are many special small-scale housing and care concepts, such as the Thomas Homes and several private initiatives. Caspers wonders what will happen to these clients when they get older. “It is possible that this category will eventually end up in larger, more sheltered housing facilities.”

In the future, Caspers sees possibilities for partnerships with the nursing and (home) care sector. “Preferably, clients should be able to live in their local region. This can be realised by collaborating with the nursing and (home) care sector.” According to Caspers, geriatric and disabled care demand are converging. Regional care provision can be improved by sharing capacity and resources. “This will ultimately evolve into a network organisation”, Caspers explains. “Individual care providers cannot by themselves provide housing and care concepts for all these different categories: the young, the old, the slightly impaired and the severely disabled.” Intensifying collaboration within the care chain would also result in a more diverse care supply. “It is important for clients to have options. We should accommodate this by building both small-scale group homes and large-scale residential facilities.” In order to realise this, Amerpoort has formed partnerships with housing associations and nursing and care organisations.

Who: Organising production capacity

To ensure a sufficiently large and competent staff pool, care providers should effectively position themselves in the labour market. “When it comes to labour potential, quality, not quantity, is the key”, Casper says. “You have to be able to find the right people and bind them to your organisation.” For now, Caspers does not think ageing will prove to be a major stumbling block for staff recruitment. In this respect, the disabled care sector seems to differ from (home) care and nursing. “The influx of clients is fairly constant and most of our staff tend to stay in service for a long time. The diversity of positions and activities in the disabled care sector allows for greater flexibility and a wide range of career options. When certain tasks become too physically demanding for older employees to carry out, they can transfer to physically less demanding positions such as ambulant care. Things tend to work themselves out.” Caspers does not expect implementing IT or technologies like home automation and labour-saving techniques to make a major contribution to improving labour productivity. He feels optimum working conditions are much more important. “Give employees the regulatory space to structure their work in an efficient manner. This will also help ensure optimum care provision.”

In order to promote the steady rejuvenation of the workforce, Amerpoort maintains close ties with schools and offers training positions to students. In addition, the organisation tries to attract workers from the (home) care and nursing sector. “Ours is an attractive sector to work in. This shows when we are recruiting new staff. We appeal to people from a wide variety of care backgrounds.” In this respect, collaboration between fellow care organisations is an important means for optimising labour market exposure for the sector as a whole.
“Care organisations need to think about how they want to position themselves in the market: do they want to adopt a discount or a high-street format?”

Albert Arp’s point of view

What: Market shifts in demand and supply patterns

Many care organisations formulate a strategic focus that covers a three to five year period. In order to settle on a sound strategic course and determine which choices the organisation should be making, it is essential to grasp the implications of long-term care developments. How will these developments affect real estate and building policies? “This means you are basically talking about a twenty to twenty-five year time span”, Arp explains. He says his organisation is trying to get a handle on this, with prevalent diseases and people’s habits and lifestyles being determining factors. The effects of ageing on all these segments can be mapped out by making product/market combinations. Arp expects that market dynamics will have an increasing role to play in care supply and demand patterns. “Clients will have a greater say in the types of products and services that are available to them.”

In the future, care consumers who are reliant on care (5-10 percent of over-60s) will no longer be the most significant target group among the over-60s. A section of the market is starting to aim its attention at the group of healthy over-60s, the so-called coming consumers. These healthy seniors want to be able to choose from a range of products and services offered to them by an array of providers. Arp expects that the care sector will increasingly start focussing on people’s lifestyles and on finding ways of tuning into them. “To get insight into the needs and requirements of target groups, care providers should divide them into segments, draw up client profiles and, similar to what the private sector is already doing, adapt their care offerings accordingly”, Arp says. “Care organisations need to think about how they want to position themselves in the market. Do they want to adopt a discount or a high-street format? Choices will inevitably have to be made.

Beweging 3.0 - Albert Arp

Drs. A.C. (Albert) Arp serves on the board of Beweging 3.0, a care organisation in the Eemland region that engages in a wide range of housing, care and welfare-related activities aimed specifically at clients in their third phase of life. It meets its clients’ needs and requirements by providing care, assistance and social support, as well as suitable housing concepts and services. Beweging 3.0 employs over 3,800 professionals, making it one of the largest employers in the Eemland region.
Projections say that ageing will lead to a noticeable rise in care demand, but as result of dramatic staff shortages product volume will not be able to keep up. Many organisations are probably already having trouble maintaining production volume. Arp expects that competition on the labour market is going to be stiff.

**How: Innovating service delivery concepts**

In order to meet the growing demand for care, care institutions should look for new methods of service provision that are much more efficient and broader in scope. In collaboration with other large care organisations, Beweging 3.0 is looking into the possibilities of making use of telecare. “Remote care promises a large service volume at relatively low cost”, Arp explains. “But since regular financing schemes such as the Exceptional Medical Expenses Act will not be footing the bill, an adequate business case is needed to prove this service delivery concept is indeed viable.” Modernisation of the care sector seems to be a hard nut to crack. According to Arp, there are two main reasons for this: “On the one hand, not enough resources are being set aside to invest in innovation. On the other hand, innovation has not yet gained momentum for want of vision. The leadership and courage needed to make innovation a success seem to be lacking.”

This touches upon a new issue. “Every citizen has the right to receive care, but how are we going to be providing it in the future and, more importantly, how are we going to finance it? The central government will have to make some choices, because the current way of financing is not going to suffice when care demand rises.” With regard to future financing, Arp is thinking of hybrid systems combining public and private financing. He also thinks care organisations might have to consider establishing alternative legal entities, such as new forms of shareholdership. “Geriatric care is currently at an impasse. Right now, there is still no sign of modernisation or innovation at sector level”, Arp says.

In order to become a catalyst for change, Beweging 3.0 wants to act as regional frontrunner in innovation and improvement. This is why the organisation is working vigorously on a variety of social issues, such as opening up the labour market to people with an ethnic background. Beweging 3.0 is also actively seeking partnerships with other parties (such as municipalities and the Ministry of Social Affairs).

**Who: Organising production capacity**

According to Arp, a lot of work remains to be done on improving geriatric care, which would lead to significant cost reductions. “Seventy percent of geriatric care services can be standardised. Processes can be streamlined and designed in a more efficient way, overhead can be drastically reduced. The remaining thirty percent of care services are tailored to the individual and should be paid for through additional health insurance schemes. It goes without saying that the target group’s needs and requirements should be mapped out in detail on the basis of a sound business case. Arp can see a lot of benefits in scale and volume increase. “As a decision-maker, you need to carefully consider what types of activities your organisation should be engaged in and which activities can be outsource to others. Only then can you reap the benefits of a larger scale of operations.” Arp, who used to work in consultancy before embarking on a career in care, acknowledges the fact that the healthcare sector is not yet ready to take a business-like approach to care, but does observe a more corporate approach to management. “Decision-makers are beginning to take into account the expected output of their strategic decisions.” Partly due to the economic downturn, solvency and funding are becoming major issues.

For employers, it is crucial to distinguish themselves from the competition. They have to become employers of choice and make themselves attractive to potential employees. “Organisations are fishing in a small pond.”
Therefore, it is important not to focus exclusively on the care sector, but to direct efforts at attracting staff from other sectors as well.” Arp: “The current economy is an economy of perception. People want to work for an organisation because they feel proud to be part of it.” Many care workers tend to work for the same organisation for a very long time, moving up the career ladder until they reach a management position; a trend that Arp describes as “football players evolving into coaches”. Not all employees are going to thrive in a more business-like environment, however. “You need to invest in the employees that do make the grade, so that they may develop into a solid middle management layer that propels the entire organisation forward.”

How can care organisations retain and recruit employees in a strained labour market? Hiring self-employed staff may seem like a good solution, but self-employed workers carry the risk of not being as loyal or willing to commit themselves to any one particular organisation. Turn employees into shareholders, or stakeholders at the very least”, Arp suggests, “but remember this will only have an effect if these workers get an actual say in the decision-making process.”

According to Arp, these processes take time to come to fruition. “Changes to the ‘hard’ side of organisations may take one, maybe two years to implement, but realising desired changes to the ‘soft’ side may take up to between three to five years.”
"We should no longer think in terms of living longer, but in terms of growing old healthily."

Huibert Pols' point of view

What: Market shifts in demand and supply patterns

Population ageing brings to the fore several issues, one of them being the accessibility and affordability of care. The rising number of geriatric citizens is likely to put an increasing amount of pressure on intergenerational solidarity. According to Pols, this should be the subject of profound social debate. He feels healthcare reforms are necessary to ensure that care remains accessible to all in the years to come. In his view, this should entail a system with some type of basic universal care and additional care that clients can opt for at a premium. Pols expects the future care arena to be much more tailored to individual needs, with clients taking responsibility for their own health and taking charge of their own care processes. "Personalised medicine will be a widely accepted notion in the future."

Pols does not view ageing as a burden, but rather as a challenge. Tomorrow’s senior citizens will have a higher disposable income than today’s and they will display different wants and needs. Pols has dubbed this group of wealthy seniors the silver economy. This silver economy creates opportunities for developing specific care products and services. "Not only will there be more senior citizens, but seniors will also live longer", Pols explains. "For every week a weekend." This also means that the elderly will be relying on care for a longer period of time. “Fifty to sixty percent of people over the age of seventy have two or more medical conditions”, Pols says. He feels the current disease management model aimed at living longer should be discarded in favour of a quality of life model aimed at growing old healthily. “By starting this approach early, through exercise and healthy eating, many people will be able to stay in good health for a longer period of time. Prevention offers a lot of opportunities.”
How: Innovating service delivery concepts

In order to optimally gear care offerings to clients’ needs, we will first have to do some research into what these needs actually are. “Ti-GO makes use of senior citizens’ focus groups to assess their requirements and determine whether these can be met by our proposed solutions. In this way, we are working together with seniors at developing products and services.” Collaboration is paramount, Pols explains, because there seems to be a gap between users and providers. “Eighty percent of appliances that are developed specifically for elderly users are never actually used because they do not correspond with their personal needs.” He elaborates: “Today’s senior citizens are used to establishing a personal bond with their care providers. They value personal contact and it will take time for them to get used to other forms of communication.”

It remains to be seen whether labour-saving technologies or innovations will deliver the desired results. “You can implement all kinds of home automation such as fall detectors, but as long as there is no system in place to process the data and take appropriate action, the practical use of these technologies is virtually nil.”

Many innovations are yet to see large-scale introduction. According to Pols, this is the result of a lack of consensus on the standards these innovations have to meet and a lack of centralised coordination at national or regional level.

Who: Organising production capacity

Due to the rising demand for care and diminishing labour potential, new solutions will have to be found to maintain production capacity. Pols feels that keeping senior citizens actively involved in the labour process and pushing back the retirement age may help increase labour potential. “For some senior employees, this may mean having to take a step back on the career ladder, returning to a position they occupied when they were younger.” According to Pols, this idea has met with major reservations, mostly because people fear losing the social prestige their former position commanded. Nevertheless, the question we ask over-65s should no longer be ‘when are you going to retire?’, but ‘what are you going to be doing next?’. This requires a change in mentality.”

According to Pols, information and communication technology can play an important part in enlarging production capacity. This means we have to take a fresh look at the care process and come up with a different set of answers. Technological developments may help decrease the number of medical check-ups because patients will be able to contribute to their care process at home. This does, however, require a degree of responsibility and self-reliance on the part of the patient.

Efficiency improvements can also be realised by altering the way care processes are organised. Pols feels labour productivity in hospitals can be increased by improving infrastructure. Standards have to be developed to design processes in a more efficient way. Reassigning tasks (e.g. delegating duties from physicians to nurse practitioners) may also be a possible solution. Pols feels there is still much to be gained in this respect.
Local and regional governments
“Ageing can be compared to climate change and swine flu in the sense that everyone knows it’s coming, but people are slow to swing into action.”

Herman Sietsma’s point of view

What: Market shifts in demand and supply patterns

“At the moment, ageing is not a priority item on the provincial agenda”, Sietsma says. Population ageing is, however, going to affect the province in numerous ways and occasionally it is a topic for discussion in the provincial domain.

The province of Utrecht will have a grace period before the consequences of population ageing start to become apparent, but this does not mean there will be no problems. Sietsma explains: “Utrecht is currently experiencing a growth spurt, with many young people and families being drawn to the province.

These groups tend to favour the (larger) cities, however, which means the consequences of ageing will strike the smaller towns and villages first.”

Partly due to the Lodders report, many provinces feel that they should primarily concern themselves with tasks in the physical rather than the social environment. As a result, provinces are increasingly reluctant to carry out social and cultural tasks, feeling these are primarily municipal responsibilities. In the recent executive agreement, the number of social tasks for provinces has been reduced, mostly due to budget cuts. Current spearheads of provincial policy are regional development, road construction, infrastructure and the environment. This means social issues are not included in provinces’ primary set of tasks.

Sietsma is adamant, however, that ageing should not force the province to withdraw from the social domain altogether: “Constitution-wise, provinces are open households. They are entitled to take on the tasks they deem necessary. A province is a community onto itself. When ageing results in the closure of facilities in small communities, such as shops and care institutions, a connective provincial policy may be essential.”

Province of Utrecht - Herman Sietsma MPA

Drs. H.H. (Herman) Sietsma is the provincial clerk and general head of the official apparatus of the province of Utrecht, acting as liaison between the Provincial Executive and the civil service. Sietsma serves as chairman on the board of directors and in this capacity carries final responsibility for the provincial civil service apparatus.
Ageing may thus shift the provincial focus back to dealing with certain social tasks.”

Sietsma explains: “The quality of care diminishes due to lack of social cohesion and the trend of giving market dynamics free reign. Ironically, the need for care in a society that is both ageing and losing cohesion will grow exponentially. We may no longer be able to take for granted that care resources (care institutions and informal care resources) are evenly distributed across the country and among population groups. According to Sietsma, the biggest challenge lies in answering the following question: “Are we capable of safeguarding a society that upholds human values, combats social isolation and allows all its citizens to participate?”

Small communities have already indicated they would benefit from a provincial policy on communities. This is, for instance, why a local library programme has recently been launched. At supra-municipal level, the (central) government will probably need to expand its role in care and education, two sectors which have thus far been operating without much government involvement. This requires a significant cultural change.

Ageing will also present the province with some challenges with regard to spatial planning. The province of Utrecht is dynamic and relatively rich in areas of natural beauty, and is committed to preserving these assets as they meet important social needs. There is also a large demand for housing. “There seems to be a widening chasm between social needs (social cohesion and the young population’s demand for housing) and the limits to home construction. We need to balance the demand for new dwellings with the quality of life as envisioned by the province. Changing social needs will make supra-local frameworks more important”.

In Utrecht, the ageing problem is a little less pronounced than in other provinces and as a result, ageing-related policies are as yet not as decisive as they could be: “Ageing can be compared to climate change and swine flu in the sense that everyone knows it is coming, but people are slow to swing into action.” At present, policy and spatial planning documents sometimes briefly touch upon the population ageing issue, but Sietsma does not rule out a future need for specific provincial ageing-related policies that view the various problems as aspects of ageing rather than the other way around.

Regardless of its rather privileged position, Utrecht has in the last few years launched several pilot projects with regard to ageing-related problems, most of them in the field of regional development. The province has, for instance, ‘adopted’ several neighbourhoods with a view to making them more ‘life phase proof’, financially supporting community projects for incorporating the concept of home automation in the designs for the new Veenendaal-Oost district and the redevelopment of the Ondiep district in Utrecht. “In this way, Utrecht shows that it is aware of the need to adapt products and services to meet changing social demand. The role of the province lies mostly in facilitating this process and creating the right preconditions.” Sietsma also sees sharing knowledge gained from pilot projects like these as an important provincial task.

How: Innovating service delivery concepts

Sietsma indicates that there seems to be a downside to employing technology. “Closing down service points and replacing them with online services may run contrary to society’s needs. Society relies on social cohesion to combat phenomena such as social isolation.” The role provinces can play in this issue is limited, according to Sietsma. “Citizens rarely deal with provinces apart from applying for certain permits. Their municipality is their first point of contact; provinces merely create the framework and conditions within which municipalities operate.”

Provinces do concern themselves with measures to gear public service delivery to changing demand, however, albeit in a more indirect way. The province of Utrecht promotes initiatives such as age-proof housing, which allows senior citizens to live independently for an
extended period by giving them access to external and in-home resources. “For provinces, changes in service delivery concepts should focus mostly on erecting a sound supra-local framework and creating the right conditions by allocating the appropriate funds.”

Who: Organising production capacity

According to Sietsma, raising the retirement age to 67 is going to be an important and virtually inevitable ramification of ageing. This change will lead to an increase in labour potential, causing a large group of people to remain productive rather than merely consumptive for a longer period of time. Despite union resistance, it is only a matter of time before measures like these will have to be implemented. “Early retirement schemes that allowed workers to retire at the age of 57 used to be fairly common, but now the concept is virtually inconceivable. The argument that older employees cost more than younger staff no longer seems valid.” Increasingly, employers are beginning to appreciate the knowledge and experience that older employees bring.

In the fairly recent past, the province of Utrecht has experienced an outflux of older civil servants. The vacancies they left behind have been filled by younger staff. It has never been difficult for the province to recruit young personnel, due to the region’s appeal to this particular target group. Also, the province maintains close ties with both the University of Applied Sciences (HU) and the University of Utrecht (UU). The province benefits from these institutions’ innovative capacity and has little trouble in recruiting talented, highly educated graduates. Nonetheless, the province of Utrecht devotes a lot of energy to keeping its new recruits motivated to make sure they stay in service. Utrecht has to safeguard its labour potential across the board. “But luckily”, Sietsma says, “Utrecht occupies a rather favourable position compared to other provinces: there are no large grey clouds overhead.”
The challenges municipalities will be facing are going to require a lot of creativity.

Ralph Pans’ point of view

What: Market shifts in demand and supply patterns

“It is important to view ageing in relation to municipal and regional dejuvenation”, Pans starts off by saying. “When young people are moving away, the age dependency ratio goes up. Young people’s activities are therefore a key factor in assessing the effects of demographic developments on municipalities.” That approximately half of municipalities will be experiencing negative growth in the coming twenty years is a given, but the ramifications of this development will vary across the board. Particularly municipalities and regions with shrinking populations will be facing major challenges, but as Pans explains, this is not necessarily a problem. “The speed with which these developments take place is equally important. Gradual developments can be accommodated, whereas sudden changes are much harder to absorb.” Because there are significant differences between municipalities, the notion of finding a one-size-fits-all solution should be abandoned.

The consequences of demographic development are legion. The average composition of families will change and increasingly the housing supply will fall short of the changing requirements. In small communities, community centres and schools may be forced to close their doors. Shrinking populations give rise to various urban renewal and development issues. In some cities, homes may even have to be demolished. “The challenges municipalities will be facing are going to require a lot of creativity”, Pans states. The issues at hand are invariably complex and costly to solve and there are no standard solutions. Instead, the answer may be found in specific arrangements and tapping into new forms of financing other than overstretched municipal funds. Some of these financing schemes may be transnational, especially in regions bordering neighbouring countries. Pans feels that the central government, provincial governments and the Association of Netherlands municipalities (VNG) have an important supportive role in bringing this about.
Ageing is going to affect municipalities in a variety of ways. In municipalities with relatively large elderly populations, the pressure on vulnerable groups is going to mount. There will be a growing need for volunteers and strong social cohesion. Municipalities have a major role to play when it comes to getting people involved. One of the instruments at their disposal is the Social Support Act (Wmo). As result of population ageing, the demand for Wmo-related services is going to change in nature and volume, pushing municipal budgets to and over their limits. Municipalities should take precautions.

Demographic changes may also force local governments to adopt a different view on other facilities, such as local shops and community centres. In order to enhance their communities’ appeal, local governments will increasingly have to take local and regional strengths as starting points. “Municipalities will have to ask themselves some key questions. What are our strengths? Which qualities do we aspire to? How can we keep the town attractive?”, Pans explains. “Municipal strategies should address these questions. Ageing does not have to be a problem if there is a clear strategy in place, one that does justice to both the quality of the town and the needs of its residents.” In the future, regional partnerships are going to become ever more important. Working together with other (neighbouring) municipalities should be based on consultation rather than competition. If a town has many nice boutiques, its neighbour should not try to steal its limelight by also promoting itself as a town with nice boutiques. There are still some important steps to be taken before municipalities get to this stage, however.

How: Innovating service delivery concepts

In order to meet changing demand, municipalities should get their households in order, particular with regard to IT. “Ongoing computerisation, such as linking various basic registration databases and taking a life event-oriented approach, gives a boost to service delivery development. This so-called self-service concept allows citizens access to an increasing number of products and services without the need for direct civil servant involvement. Designing a sound infrastructure behind the (digital) service desk is a key factor in developing smarter work methods, but one should keep in mind that a local government cannot refuse service to any of its citizens. There will always be IT illiterate clients. This means municipalities will always be required to make their services available through multiple channels.”

Who: Organising production capacity

Dutch municipalities will be facing a massive outflux of older civil servants. These vacancies will need to be filled to maintain quantitative capacity. “Ageing will result in a greater demand for staff. On the one hand, the outflux of retiring civil servants will have to be absorbed and on the other, municipalities will be asked to display more creativity and innovative capacity. Municipalities will have to recruit creative thinkers”, Pans argues. Despite the fact that the economic downturn has resulted in an ample but temporary supply of qualified staff, VNG has recently launched the Local Employers project. “The aim of the Local Employers project is to promote municipalities as employers of choice”, Pans explains. “There are advantages to working for a municipality, such as attractive job benefits and working conditions. There is still, however, much to be gained by enhancing municipalities’ recruitment efforts, but this requires a different approach to being an employer. Municipal bodies should take note of the different work methods future staff will be employing, e.g. flexible work schedules, flexible work locations and alternative work processes. Municipalities should, in short, be able to meet the needs of the young working population. According to Pans, setting up supra-municipal training schemes and staff pools should be an integral part of this. The question remains whether this will suffice to meet the quantitative demand for staff. Innovation and management efficiency improvements will also be required.
Creative and innovative minds should be recruited to enable municipalities to develop smarter work methods and step up their collaborative efforts, but Pans feels a culture change is needed to make this possible. “Scale increase through collaborating with other municipalities and government bodies has many benefits, without necessarily culminating in a municipal merger. Municipalities are slow to realise that their autonomy lies in the content of their policies rather than in how they organise their business processes.” Although Pans does not discount the possibility of further public/private partnerships with regard to forming staffing pools, for instance, he feels the time is not yet ripe. “Such forms of collaboration need to be well thought-out. It is paramount that the foundations are secure and municipalities have their own affairs in order. In this respect, municipalities still have a long way to go.”

Besides the managerial aspect, there is also a democratic aspect to municipal policy. At the moment, many local councils are ageing. The typical local council member is white, male, highly educated and over fifty. “In view of the ‘getting people involved’ concept, municipalities should develop long-term strategies to recruit young people into local politics to ensure that councils remain a valid representation of society.”
"Self-reliance is destroyed once municipalities start pampering their citizens."

Frans Mencke’s point of view

What: Market shifts in demand and supply patterns

In view of the ageing issue, it is important to ensure a town’s appeal and be sensitive to what the population wants. “In Hoorn we recently had a public debate on what kind of town we wanted to be”, Mencke says. “It turns out our residents want a lively city that accommodates the young and the old alike, even if this means they have to put up with some public nuisance as a result.” The municipality is receptive to these signs, but also has to take into account regional interests. Mencke explains: “Because of the facilities they have to offer, regional urban centres are very appealing, particularly in areas experiencing population decline. As a result, cities run the risk of draining the surrounding villages, which is a shame as this would eat away at the quality of the region as a whole. Therefore, regional urban centres should always have their region’s best interests at heart.” Interaction and consultation with neighbouring municipalities helps establish a multiform region, which allows young people to live out in the country if they so choose and old people to move closer to where the facilities are.

The current housing demand and supply are not always in alignment with demand. This is why collaboration between housing associations is very important. “Housing corporations and municipalities should work together as natural partners. There is a lot they can learn from each other. Housing corporations have the know-how and the necessary finances, whereas municipalities have unrivalled expertise in responsible business practices”, Mencke argues. When it comes to spatial development, municipalities can also create the right preconditions for an integrated, cohesive and collaborative approach to care and education, for instance. These developments should always tie in with the population’s needs. Municipalities have to make sure they stay in touch with their citizens. By taking a neighbourhood-oriented approach and deploying community teams, municipalities can work actively at uncovering the issues residents are struggling with and...
tackle them head-on. According to Mencke, municipalities should, wherever possible, make use of existing social networks and tap into people’s resourcefulness. “Once municipalities start pampering their citizens, self-reliance is destroyed.” Mencke illustrates this with an example from another municipality: “Their meals-on-wheels service used to deliver fresh warm meals to a large number of elderly residents on a daily basis, using an extensive network of up to sixty volunteers. In order to cut costs, the decision was made to change to a weekly delivery of frozen meals. As a result, the network collapsed and people became socially isolated. The social costs of this measure far outweighed the costs that may have been saved. Unfortunately, social costs weren’t taken into consideration during the decision-making process.”

How: Innovating service delivery concepts

Ageing is a key concern for municipalities, but as it is mostly an external problem, it is hard for them to tackle and solve on their own. “Municipalities should join forces with other parties to examine the issue. They should not dismiss it because they think it is not going to affect them”, Mencke says. “It is crucial that leading decision-makers look beyond their own organisation and abandon the notion that whatever happens in the outside world belongs to the domain of national politics. As primary advisors to the municipal executive, civil service executives will have to adopt an outside-in perspective, identify problems and offer advice on possible solutions.” Entering into a dialogue with partners such as housing and care institutions is essential to get on the same page and work together at finding solutions. On the subject of the credit crunch Mencke has the following to say: “Municipal cutbacks make collaborating with others even more important. Poverty is the mother of invention. If there is no money, we have to work together. Partners should be encouraged to join forces and municipalities should take on a supervisory role.”

When developing its town vision, the municipality of Hoorn expressly looked at the role of its citizens and incorporated this into its approach to citizen relations. “When residents of Hoorn visit our service desk to ask for assistance, we think of them as clients, and their personal circumstances become the starting point. The conversation serves as input for our public officers, who can deploy a full range of products and services tailored to meet individual needs”, Mencke explains. “Not all departments employ this way of working, however, and sometimes legal requirements won’t allow it. Nonetheless, we do require our employees to take initiative and think about how best to meet client demand.” This does not mean municipalities should wait on their residents hand and foot. According to Mencke, municipalities should always think about whether to take the initiative in providing certain solutions or leave it to the resourcefulness of private citizens. “Municipalities tend to pamper their residents. This makes citizens dependent. It discourages personal initiative. Municipalities can, however, make it easier for citizens to participate in society.” Better use should be made of the resources that are already in place. Active citizenship can be promoted by relatively simple means, for instance by encouraging initiatives such as National Neighbour Day and allowing communities to organise barbecues without having to apply for a permit. “Starting small and scaling up often produces the best results. It is activities like these that best meet local demand.”

Who: Organising production capacity

Community team employees should get a feel for what goes on in their neighbourhood and act upon this information when necessary. “Neighbourhood teams have to be attuned to social trends”, Mencke says. “This requires a special way of thinking and working.” This does not always happen spontaneously and to some workers, adopting this approach may not come easy. The coming years will see a shift in staff profiles. This means some employees may have to change the way they do things. Recruitment procedures should be geared to
these developments. Strategic HR policy should no longer focus exclusively on simply replacing staff, but rather on attracting the right mix of competencies. Mencke explains: “Future municipal personnel should be team players who are able to adopt an outside-in perspective and are also able to take on a supervisory role. This transition is already taking place and some staff members are having trouble adapting. Some are more resistant to change than others.” As employers with a very diverse staff pool, municipalities should try to handle this issue delicately. To illustrate, Mencke uses the example of diversity among older municipal employees: “There are over-55s who decided to retire early a long time ago and are now merely counting down the days until their retirement day comes along. Unsurprisingly, these people are not likely to make significant investments in their professional development. They are very hard to motivate, they do not welcome change and they are afraid of losing tasks they are familiar with and experienced in. Ageing may well push back their horizon, however, for instance by forcing employers to raise the retirement age. On the other hand, there are a lot of over-50s who are eager to change and develop professionally. These so-called ‘happy greys’ abhor the thought of early retirement and may even be prepared to contribute in some capacity after the age of 65.” Not all employees are the same. Consequently, not all individual needs are the same”, Mencke argues. To maintain a vigorous and energetic staff pool, it is becoming ever more important for municipalities to adopt a personalised approach to HR facilities. Making use of customised arrangements, for instance in the form of personal budget schemes, can contribute to keeping people active in the workforce. “Partial retirement schemes and the like would be a godsend to many happy greys”, Mencke says.

Staff members with young children may, on the other hand, have a very different set of needs, as Mencke explains. “One of our female employees always arrived at our city office around nine because she had to drop off her child at school before work. As a result, she could never find a spot in our designated parking lot and was always forced to park in a nearby residential area. Luckily, the town office has an underground charged car park, so the employee chose to use her personal budget to purchase a parking permit. This relatively simple step made her job that much more pleasant.” Small examples like these show that in order to safeguard the vitality of their organisations, municipalities as employers should take an individually tailored approach.

Making jobs more flexible and exciting is also crucial. Mencke explains: “The young people of today have grown up around IT. The sky is the limit. Consequently, they want to be able to work wherever and whenever they want. And after a few years, they are ready to move on to a new position. This also goes for happy greys, who are young at heart and continuously looking for new challenges. As diverse and opportunity-rich employers, municipalities should and can offer a lot of options. By making these options accessible to staff, employers will continue to be attractive and inspiring employers.” A major challenge in achieving this lies in successfully planning internal mobility and bridging the intergenerational gap.
Justice, law enforcement and safety
“Ageing should be a more prominent issue within the Rotterdam Rijnmond Security Region.”

Don Berghuijs’ point of view

What: Market shifts in demand and supply patterns

“At the moment our security region is hardly paying any attention to the subject of ageing and its consequences for our internal and external surroundings”, Berghuijs says. The topic may have been discussed briefly in relation to other developments in the security region, but it has never been dealt with specifically.

One of the pertinent aspects of the ageing problem is safety. Berghuijs explains that the British community safety methodology has shown that over-60s run an increased risk when it comes to creating fire hazards, because people tend to become less observant and more forgetful as they age. This means population ageing will most likely lead to a higher safety risk. It is important, however, to put these British developments into perspective: gas ovens are not as common in the Netherlands as they are in the UK, which means the safety risk will probably be lower.

Another aspect of ageing is the age composition of the population. When the ageing phenomenon is at its peak, there will not be as many young people, which also means there will not be as many students. According to Berghuijs, student housing facilities typically are buildings with an increased fire risk. When it comes to safety aspects, it is therefore safe to say that ageing will cause a shift in both type and level of risk. VRR is currently preparing for these coming changes.

How: Innovating service delivery concepts

As explained above, ageing will result in a changing (and increasing) demand for VRR services. Berghuijs indicates that VRR is trying to respond to this by offering new types of services.

As part of a pilot project, VRR is collaborating with the local government to fit homes in the Nesselande area of...
Rotterdam with electric smoke detectors. Berghuijs explains that this measure gives people an early warning and allows them to call out the fire brigade much sooner. Not only is this form of service provision of great importance to elderly citizens, it can also bring some advantages to the fire service. The number of calls may actually drop as fires can now be detected at an earlier stage, when people may still be able to put them out by themselves. It may also help to cut the fire brigade’s response time.

Another service reform concept that is currently being considered is deploying small, flexible, round-the-clock intervention teams. Although this avenue is mainly being explored because of impending cut-backs, it may also prove useful for combating safety issues caused by ageing. This new service delivery approach involves the formation of teams consisting of a firefighter, an emergency medical technician and possibly a police officer as well. In view of the distribution of social costs, it will in the long run become untenable to have fire brigades on standby at fire stations, waiting for a call to swing into action. Instead, these new intervention teams can be deployed, which may be the answer to the expected ageing-related increase in small incidents.

With regard to the recent swine flu pandemic, Berghuijs notes that the elderly tend to be physically weaker and more vulnerable to complications. The (new) approach therefore focuses on preventive vaccination schemes for this particular at-risk group. Berghuijs adds that because of its sizeable staff buffer, VRR does not expect to experience any pandemic-related impediments to its operational services. Only if more than 30 percent of staff call in sick will there be any real problems. This scenario will only come to pass if the entire population is hit by the flu virus and as yet, this is not the case. Berghuijs emphasises, however, that ageing may cause pandemics to spread more rapidly. An important measure to keep the flu from spreading is having GPs visit flu-stricken patients at home rather than having sick patients show up in crowded waiting rooms. Berghuijs indicates this issue is being addressed by the public information campaign on the flu pandemic. A possible option would be for VRR to supply cars to GPs so they can make their rounds, as some practices are no longer set up for making a large number of house calls. With population ageing just around the corner, general practitioners will have to restructure and adapt their service provision.

Berghuijs feels that there is much to be gained from implementing self-organising IT systems, such as remote care and online support programmes, but a greater sense of urgency is needed to propel innovation forward.

Who: Organising production capacity

Berghuijs indicates that he does not expect the fire service staff pool to be negatively affected by population ageing in the foreseeable future. In the seventies there was a large influx of professional firemen, many of whom (50 percent of the total workforce) retired from the fire service a few years ago, resulting in a rejuvenated organisation.

The ambulance service GHOR, on the other hand, is another matter. The age composition of ambulance service personnel is very different and staff shortages may well arise. Berghuijs fears the demand for medical care is going to grow whilst capacity (partly due to cut-backs) is bound to decrease. He feels every effort should be made to find a solution for the impending staffing problem.

Berghuijs concludes with the observation that ageing should be a more prominent item on the VRR agenda. It takes time to organise matters in a different way and invest in making changes. Now is the time to deal with long-term issues. Berghuijs says this interview has helped him gain insight into a number of interesting long-term strategy perspectives that may contribute to combating the challenges population ageing is going to bring.
"Projections estimate that half of our current staff pool will have left the service by the year 2017."

Leon Kuijs’ point of view

What: Market shifts in demand and supply patterns

"Not much is known about how ageing is going to affect the environment in which the police force operates", Kuijs says. It is interesting to speculate on what an ageing population could mean for the police. It may result in a lower crime rate. It could also result in a higher number of dispatches because compared to young people senior citizens are less tolerant of problems like anti-social behaviour. Senior citizens may also spent a longer period of time away from home to spend the winter in warmer climes, which could result in an increase in the number of break-ins. But whatever the consequences of ageing may turn out to be, the policy service will have to adjust its capacity planning accordingly.

The police have recently rounded off a senior citizens project that focused on forecasting changing demand. What are elderly people’s needs? What does safety mean to them? What are the current trends? One of the issues that arose was the increase in cases of elderly abuse.

Another interesting question is at which point people actually become a ‘senior citizens’. It seems like the definition of the concept is beginning to transform. The 50-year-olds of today have a different take on life than people who were in their fifties several decades ago. Kuijs stresses that most crime will develop in ways that are entirely unrelated to the ageing issue. “In this line of business, we get to deal with a lot of youth crime and nuisance. Ageing is not going to diminish this problem. Furthermore, there are types of crime that are not affected by ageing. The Netherlands are a relatively affluent country, a trading nation characterised by open borders. This mentality also extends to the criminal community. Modern crime often transcends national borders and new types of crime like cybercrime will develop autonomously from the ageing phenomenon.”

Although Kuijs indicates that additional efforts are still needed to prepare the police force for ageing-related changes in supply and demand patterns, the subject of
population ageing has already been incorporated into its employer vision. Ageing is not, however, explicitly included in its strategic agenda. While this may not be necessary as such, the subject of population ageing should in some way be factored into all cornerstones of police policy. Kuijs feels that this interview has been an eye-opener when it comes to the potential effects of ageing. “The police will have to spend a judicious amount of time on exploring this issue so they can face the future well-prepared. We should commission experts to do research into how ageing can be incorporated into each and every pillar of police policy.”

How: Innovating service delivery concepts

Ageing can lead to a changing demand for police services. The police are and will always be society’s safety net. Pensioners have more time on their hands and providing services to the elderly may take up more of our time. “It’s an interesting question to ponder”, Kuijs says. “How can a young police force serve an ageing population adequately? We will have to adjust our service delivery.”

Today’s police officers are already providing a variety of services and uniformed policemen are already expected to adjust their approach depending on the type of person they are dealing with.

In relation to new service delivery concepts, Kuijs feels that the possibility of tightening or relaxing privacy laws should be explored, as the current privacy laws seem to be benefitting criminals. Kuijs supports the notion of creating so-called communities. Citizens should have ownership of their own privacy and be able to determine which personal data they want to make available. The amount of personal data citizens share then determines the degree to which they can participate in these various communities. The strength of these communities lies in the fact that they do not need policing. This would result in a facilitating rather than an enforcement-oriented police force. To accommodate this, police training would have to start focusing on dealing with communities rather than individuals.

Who: Organising production capacity

As a large employer, ageing of the workforce is definitely an issue of import to the Dutch police force. At present, the average age of police service employees is 43-44. Projections estimate that half of the current staff pool will have left the service by the year 2017. Employee outflux is expected to reach its peak at 2014 and may affect the force in a variety of ways. Current policy stipulates that over-55s are exempt from the obligation to work night shifts (i.e. night shifts are optional). Should older employees make use of this option en masse, the force will be faced with a major problem in terms of planning. Many of these employees are relatively expensive and some of them do not work the streets. This will have a large impact on the deployability of police.

At regional level police forces have been trying to prepare themselves for these developments, for instance by recruiting additional police officers, but if they exceed the norm the money has to come from their own budgets. HR polices are also being re-evaluated, as a younger workforce demands a different style of management.

The Dutch police service has carried out a study into the needs of its personnel. The findings revealed that young recruits find it very important to 1) feel like they belong 2) do a job that makes a difference 3) have opportunities for rapid career advancement. The police service is currently able to meet the first two needs without problem, but the third carries an inherent risk. At present, the police organisation is very hierarchical and opportunities for career advancement are mainly vertical. “Older police officers feel like you have to earn your stripes before you are allowed to take another step up the ladder.” A striking example in this respect is a recent pilot project involving the lateral influx into the Criminal Investigation Department of staff with an applied science degree. These new recruits are entering the CID at the same level
as highly experienced police officers with vocational training. “Often these newcomers have fast-track careers. This creates tension on the work floor.” This tension can also be felt in works councils, which often consist of senior employees. Kuijs thinks resentment can be prevented by also offering development opportunities to existing staff, for instance by enabling them to study for an applied science degree. In view of the current case backlog, increasing investigative capacity is and will always be an important issue for the police.

Young people have a different take on career development than the old. Kuijs feels “it is not logical for the police service to have a one-track human resource policy. HR policy should become more diverse to be able to respond adequately to all these developments.”
“Expectations are we won’t have to make significant alterations to our service delivery concepts to serve the ageing target group.”

Hans van der Vlist' point of view

What: Market shifts in demand and supply patterns

“So far, ageing has not been a prominent issue in the justice domain.” The Public Prosecution Service has done some research into the relationship between population ageing and crime development, but this has not yielded any shocking conclusions. The justice sector’s primary target groups are youths and repeat offenders. Ageing does not play a significant role in the social context in which we operate; therefore it does not have a major impact on the policy agenda. In the long term, ageing might even lead to lower crime rates. Compared to the young, the elderly are far less often engaged in criminal activity. It should be noted, however, that the relationship between population ageing and lower crime rates also depends on other, external factors such as immigration.

The safety sector is in many ways ruled by the existing balance of power. Nowadays, discussions on spending are increasingly being conducted on the platform of public opinion, as demonstrated by the debate about the feasible and affordability of increasing police presence on the streets. The Netherlands may have become a safer country these past few years, but public perception says otherwise and the media are only too eager to feed into this notion. Ageing could have a major impact on how people perceive safety. “If this is the case, policy issues will largely be determined by the perception of safety”, Van der Vlist says.

How: Innovating service delivery concepts

People on the work floor, such as prison guards, are the most important factor when it comes to making changes in the justice domain. If changes indeed prove necessary, they will mostly revolve around making adjustments to the way various target groups are approached. Having said that, it should be noted senior citizens require more

Administration of Justice and Law enforcement - Hans van der Vlist

Mr. J. (Hans) van der Vlist has been working as Director-General for the Administration of Justice and Law Enforcement (Ministry of Justice) since August 1, 2005. Before assuming his current post, he worked for the Council for the Judiciary and was director of the Financial and Economic Affairs department of the Ministry of Justice.
or less the same approach as the current category of over-40s. “Expectations are we won’t have to make significant alterations to our service delivery concepts to serve the ageing target group.” It also remains to be seen if the group of criminal senior citizens is actually going to expand.

Building on the notion of safety perception potentially becoming a more important factor, policy-makers should start focusing more on improving people’s perception of safety by investing in communication and marketing. Van der Vlist feels that the central government could and should be stepping up its communication and marketing efforts anyway.

Who: Organising production capacity

“Current prognoses do not predict a sudden exodus of retirees from the justice domain”, Van der Vlist says. He therefore does not expect to encounter any insurmountable problems when it comes to labour supply. Van der Vlist feels the impact of ageing on staffing may well prove smaller than predictions would have it. Nowadays age is perceived differently than twenty years ago. People feel younger, are more likely to postpone retirement and find it easier to relate to younger generations. This trend of ‘mental rejuvenation’ is expected to continue in the years to come.
5 Health insurance companies and pension funds
Ageing is going to cause labour shortages.

Martin van Rijn’s point of view

What: Market shifts in demand and supply patterns

Ageing is expected to lead to a growing demand for care. The nature of demand is also going to change. New clinical pictures will emerge and chronic illnesses are going to become more prevalent. Clients are also going to have changed needs. Van Rijn explains: “Care consumers are going to evolve: clients are going to have more disposable income and be much more vocal. Also, they will want to live independently for as long as they can.” This will result in a different demand for care and housing.” Van Rijn expects that there will be some competition between wealthy care consumers and consumers who are less well-to-do. “We will have to get rid of this ‘living your silver years in luxury’ notion popularised by TV ads, because we will need this money to finance care.” Van Rijn expects that future healthcare coverage is not going to be as all-inclusive as it is today. The central government is under an increasing amount of pressure to cut back on collective resources. “People will be asked to take responsibility and make a larger financial contribution to the care they receive.”

According to Van Rijn, a more prominent place will be reserved for new schemes that involve senior citizens spending part of their pension on care or housing plans, paying extra for any additional or luxury care they wish to receive. “In the future, there will be a wide variety of package deals, allowing consumers to opt for a specific package with an integrated range of housing, care and pension related products. This will broaden consumers’ options and take some of the work involved in sorting out these issues off their hands.” This will automatically result in differentiation of demand: some people may wish to handle their own housing, care and pension affairs, whereas others are going to need some expert advice to look into these things. A third group may opt for integrated products.

To make sure that care remains accessible to all, the central government should vouch for a basic standard of care. “It is the government’s responsibility to make choices about the quality, safety, affordability and

PGGM - Martin van Rijn

Drs. M.J. (Martin) van Rijn is the chairman of PGGM, a pension fund for the care and welfare sector. He is also the chairman of the Board of Commissioners of Espria, a collaborative body formed by housing corporation Woonzorg Nederland and care providers Philadelphia and Evean. Van Rijn has made a name for himself in the field of housing, finances, care and local government. From 2003 to 2008, he occupied the post of Director-General of the Healthcare department of the Ministry of Health, Welfare and Sport. In this capacity he was responsible for the implementation of the new Health Insurance Act. Prior to that, Van Rijn has worked for the Ministry of Housing, Spatial Planning and the Environment and the Ministry of the Interior.
availability of housing, care and pensions. Individual consumers can’t be expected to make these choices.”

How: Innovating service delivery concepts

PGGM is increasingly making use of the internet for service delivery purposes. Van Rijn expects that this communication channel will become ever more important in the future, with more and more people turning to the Internet to make transactions and obtain services and advice. Clients will get an active role in managing their personal data and interacting with the organisation. Most of this will be carried out online.

Thus far, care innovations have not seen large-scale implementation. Van Rijn feels the biggest hurdle to overcome is the gap in pace between innovation and the allocation of funds to finance implementation. “Innovation is a gradual process requiring large-scale investments. These investments in turn require a larger share of venture capital, which is why innovation plans often meet with opposition. As a result, organisations are often not able to take decisive action in response to external developments.” Van Rijn indicates that external stimuli are needed to kick modernisation and innovation into gear, such as the advent of new players in the marketplace.

According to Van Rijn, there is much to be gained from forming logistic or care supply chains. Care providers in the logistic supply chain (such as hospitals, home care organisations and cleaning services) will have to start relying on each other more, which means more and more horizontal and vertical networks will begin to develop. There is still room for improvement when it comes to efficiency. By offering housing, care and pension related products collectively, care resources can be allocated more efficiently. These integrated housing, care and pension schemes are still in a transitional phase, however. “As yet, care providers are mainly focusing on their own affairs, so developments are slow to progress.”

As key player and broker in the care, housing and pension arena, PGGM can play an important part in organising the supply chain.

Who: Organising production capacity

According to Van Rijn, ageing is going to cause labour shortages. Improving labour productivity is vital to cushion the blow. Van Rijn has high expectations for the implementation of new technologies in the care sector, such as home automation and IT, provided that all parties involved start working together on logistics, innovation and technology. “For implementation to be a success, parties will have to start looking beyond their own doorstep.” IT and new technologies can be deployed on a large scale to help take some of the pressure off of the workforce. Van Rijn mentions the examples of remote patient monitoring and diabetes patients using insulin pens to self-manage their condition.

“The back office, too, offers many opportunities for efficiency improvement”, Van Rijn says. “Administrative processes can be more fully computerised. Also, consumers can be given a more active role, for instance by enabling them to manage their own data online.” This highly computerised form of service delivery requires a different type of know-how and experience on the part of care workers than traditional services. Van Rijn thinks there is an advantage to this: care workers can stay in service for longer because they have the option of switching to work that is less physically demanding and can be carried out at flexible times and locations.
“When it comes to care, part of the responsibility and initiative should be handed back to the public.”

**Roger van Boxtel’s point of view**

**What: Market shifts in demand and supply patterns**

How is population ageing going to affect the future demand for care? According to Van Boxtel, it will take some time for ageing to take effect. “The first group of baby boomers will be moving into retirement in the coming years. These are relatively healthy people with active lifestyles who will not be relying on care for some time. Essentially, the demand for care is delayed ten years or so. The coming twenty years are ultimately going to see a cumulative rise in care demand, however, as the baby boom generation ages and becomes more care-dependent. This means we will be facing a massive demand for care further down the line.” The rising number of chronically ill people is going to drive up healthcare costs. “Pulmonary disease, heart failure, diabetes, Alzheimer’s, these are all illnesses that are going to become much more prevalent as a result of ageing”, Van Boxtel says. The corresponding rise in healthcare expenditures cannot be absorbed by the current method of financing.

Van Boxtel explains that the current welfare state is a post-World War II institution that has heightened people’s expectations of what the government can do for them. “When it comes to care, part of the responsibility and initiative should be handed back to the public”, Van Boxtel argues. “This allows them to create and exploit their own opportunities. We should encourage people to stand up for themselves and take charge when the situation calls for it. But if they are unable to do so, they should be able to fall back on collective resources.”

According to Van Boxtel, healthcare reform is needed to make this concept work: “We should already be working on the next reform bill to stay ahead of future problems.” Unfortunately, the sense of urgency seems to be lacking. “To counter this”, Van Boxtel suggests, “we should make the implications of ageing tangible and visible in terms of costs: put a figure to current healthcare expenditures and what the costs will amount to in twenty years time.”
Van Boxtel has often observed the prevalence of short-term thinking in politics. “Annually, we are spending sixty billion euro on care, with an additional ten to fifty billion on informal care. Add to that the costs of other care-associated domains, such as housing, and it becomes obvious we will be spending a much larger percentage of our gross national product on care if we don’t take action. Healthcare costs will be out of control.” Van Boxtel feels these costs should be managed far more effectively.

He expects healthcare premiums to go up in the future. “At the moment healthcare premiums are low due to the introduction of the Health Insurance Act, which promoted competition among health insurance companies and forced them to use some of their reserves to dampen premiums. In the future, premiums will rise to cover the mounting costs.”

According to Van Boxtel, it is crucial to make sure that essential medical care stays accessible to all. “But what is ‘essential’ medical care, exactly? There is no universal definition.” He points out that it will be our collective challenge to safeguard intergenerational solidarity. “We have to work towards a system that offers universal access to basic types of care and charges additional premiums for added comfort and luxury.”

How: Innovating service delivery concepts

In order to absorb the growing demand for care, the care supply will have to be organised differently. “People will have to start looking after themselves more. Many tasks do not necessarily require the presence of a care provider. The way care is currently organised is not very efficient and stands to benefit from a work process overhaul.” Van Boxtel compares the transition the care sector is currently facing to the evolution in banking. “We used to go to the bank to make our deposits and withdrawals. Nowadays, we do most of our banking online, from the comfort of our own homes. Why should patients visit hospitals or doctor’s offices for procedures they themselves could just as easily perform at home, with or without some assistance? The current care system was developed hundreds of years ago when pest houses were established. These pest houses were the precursors of sanatoriums, which eventually evolved into the hospitals we know today. The notion of visiting a large institution when you are sick persists to this day, but the implementation of new technologies will enable patients to self-treat certain conditions at home.” An example is Menzis’s Koala project, which focuses on promoting patient self-reliance.

Van Boxtel stresses that this requires a whole new way of thinking. “New technologies already give chronically ill patients access to 24 hour medical call centres. These call centres are manned by trained nurses who can answer patients’ questions and monitor their medication. This removes the need for patients to visit an outpatient ward, which not only makes things much more convenient but also helps to bring down costs.” It should be noted that not all types of care are suitable for this approach. Acute care would be a good example. When it comes to elective care, however, the implementation of IT may help to drastically reduce costs. There are plenty of possibilities to standardise procedures, such as making use of so-called quick fit knee and hip ‘express lines’, but changes like these will force care providers to make choices. Keeping the job interesting for doctors is also an issue that needs to be addressed when considering a work process overhaul.

Cost reduction is hampered by annual budgets and the lack of a special budget for spreading investment costs (such as the one used by municipalities). At this time, it is also unclear how some costs, such as the cost for emergency care, are covered. The growing distinction between the budget financed care and the free segment is a contributing factor in this. Cohesive solutions are needed. “We should look beyond our own narrow domain at possibilities to link dossiers and look for connections.” An example of such a partnership is the primary care centre recently launched by Menzis. “By collaborating with chain partners, costs have been reduced and the services on
offer have met with positive client response.” Van Boxtel also sees possibilities for integrating housing, care, welfare and pensions, but this requires mutual trust and a fair amount of willpower. Political courage is needed to bring about change. “I can imagine some sort of innovation fund being set up by parties in the care industry to realise this transformation. Each party contributes to this fund with a percentage of its turnover. It does not necessarily have to be a government-funded affair.” Van Boxtel thinks lack of courage and initiative are the biggest obstacles for innovation. “The parties involved should formulate a joint agenda and initiate a flagship project as a launching customer to present to the central government.” According to Van Boxtel, there are many problems the central government cannot handle. “As the problems with our child welfare system demonstrate, the central government often falls short when it comes to dealing with wide-spread problems. You can assign more social workers to a case, but when there is no one to contact when problems arise, things tend to fall through the cracks.”

The question is who should coordinate the efforts. Van Boxtel proposes the foundation of a ‘care society’ formed by representatives from care providers, health insurance companies, employer and employee organisations and patient associations.

Who: Organising production capacity

“We will be facing labour shortages against a backdrop of growing care demand. This development not only applies to care, but to other sectors as well, such as the police force, the judicial sector and industry. With dejuvenation on the rise, the competition for competent staff is going to be fierce.” This development will force organisations to strengthen their training policy. Due to dejuvenation of the working population, people will be required to work and learn for a longer period of time. According to Van Boxtel, training and development schemes should be put in place to facilitate employees in familiarising themselves with new insights and competencies. “In order to safeguard continuity, organisations will have to make work more flexible. Staff members should have the opportunity to move both upward and sideways on the career ladder.” Menzis has given this issue a prominent place on its agenda, for instance by implementing an age-conscious HR policy and launching its own training academy.

Van Boxtel expects that deploying IT may partly soften the blow of staff shortages, but this requires a transition in how nurses and doctors define their job. “There are different ways of seeing patients and some do not necessarily involve actual visits to outpatient wards.” Van Boxtel foresees some hurdles and barriers that will need to be conquered first. “Initially, hospitals will be reluctant to redesign care in this manner because this will lead to a drop in the number of outpatient visits. Also, the practice of annual budgeting is at odds with the long-term investments and stamina that are needed to innovate the care sector.”
“GPs will continue to play an important role in the community, but they will have to start concentrating on their core tasks.”

Martin Bontje’s point of view

What: Market shifts in demand and supply patterns

According to Bontje, ageing is going to have a major impact on the care sector. There will be a growing number of elderly people who will obviously have a greater need for care than the young. A complicating factor is the labour-intensive nature of care provision. “Care is manual labour”, Bontje says. “75 percent of care costs are actually labour costs. This raises the question of whether there will be enough hands on deck to provide the necessary care in the future and if there is anything we can do to attract workers to the care sector.”

Over two-thirds of total care costs can be attributed to the treatment of chronic illnesses. The number of chronically ill patients is expected to rise as a result of ageing. Bontje explains: “In the past, chronic illnesses were far more likely to be fatal. Nowadays in many cases chronic illnesses do not prevent people from reaching a ripe old age.” Bontje thinks there will be changes to the way the care consumption is managed. “Care consumers will have a greater say in the care they receive. They will more often turn to third parties for help, such as support groups or patients’ associations. Bontje thinks these patients’ associations are set to become key players in the years to come. “They will be putting their stamp on the care sector, for instance with regard to the reimbursement for certain types of medication and medical aids. This could drive up costs.”

The senior citizens of tomorrow will be better-informed and more assertive and they will have access to resources such as the Internet to find the information they need. A possible side effect of this may be that they will be quicker to visit their GPs with vague complaints that may point towards certain ailments or diseases. “This may result in higher care consumption”, Bontje says.
When it comes to housing and care, Bontje distinguishes two developments. “On the one hand, people will live at home for as long as they can, with the required care and support. On the other, people will opt for housing concepts that allow them to receive care as and when they need it, without having to transfer to a nursing home.” There will be variety of schemes on offer to cater to every purse. “Obviously, the more you are prepared to pay, the more comfort and luxury you will be able to enjoy.”

How: Innovating service delivery concepts

Bontje thinks the care industry will need to overhaul its service delivery concepts to meet the growing future demand for care. The current care concept is based on the age-old notion that you need a pair of hands to provide care. According to Bontje, care consumers themselves should step up to the plate. “There is a lot people can do at home, with some support from IT applications.” Bontje comments on the rapid advance of technological developments in the care sector: “Care TV already allows clients to communicate with care providers without having to leave the comfort of their homes. With the right support, they can also monitor their own blood pressure and glucose levels.” Bontje thinks developments such as these will take flight in the years to come and play a key role in resolving capacity issues. “At UVIT, we refer to this form of care provision as ‘convenient care’ rather than ‘remote care’.”

Compared to the speed of technological developments, the implementation of IT is lagging behind. Bontje feels this the result of limited investment opportunities and lack of courage. “Many care providers think and work according to fixed patterns. They are afraid to think outside the box. GPs for instance tend to perform an important social function, much like priests and teachers did in the days of yore. Whereas the social role of priests and teachers has diminished somewhat over the years, GPs are still important pillars of the community. As a result, GPs devote 80% of their time to secondary tasks that are not - strictly speaking – part of their core business as medical practitioners. Up to this point, GPs have been slow to delegate these tasks to other parties.” According to Bontje, the role of GPs will have to change in the future. Rather than performing a social function 80% of the time, doctors should start focusing on what they were trained to do: treating patients. There are other institutions that can perform these social duties. “Modern patients no longer need as much doctor’s care”, Bontje elaborates. “They are perfectly capable of performing certain procedures themselves. We can support them by providing them with professional back-up such as online treatment, or access to online communities that allow them to exchange experiences with fellow patients.”

In order to keep costs manageable in the future, Bontje also thinks changes should be made to the way care is financed. “At the moment, care providers’ expenditures are fully covered. Ultimately, we will have to move towards a system in which funding is based on clinical pictures rather than the delivered care.” Bontje explains: “Let’s say there is a region with many cases of COPD. Health insurance companies and care providers can make joint agreements to reduce these numbers, for instance by encouraging people to change their lifestyle.”

To do this, health insurance companies and care institutions should to some extent let go of their autonomy and collaborate with other partners in the supply chain. “To me, the notion of establishing a special centre for diabetics, for example, does not sound that farfetched”, Bontje says.

Bontje thinks that health insurance companies can play an important role as initiators. “Collaborative efforts like these do not evolve spontaneously. Health insurers can help launch such initiatives by providing the necessary funding.” In Bontjes’ opinion, this would give the first parties to step into this market a significant head start, with all the opportunities this entails.
In order to keep future costs under control, people will have to pay more for the care they receive. “People will be asked to dip into their own pockets for additional care and comfort. I think care providers will start providing a greater variety of luxury care. Maybe the ‘first class’ hospital rooms of the past will make a reappearance.”

Who: Organising production capacity

As a result of population ageing, care demand will rise as the capacity for care provision decreases. According to Bontje, this will put more pressure on informal care. “Ageing will lead to a drop in the number of households in the near future, which will also reduce the number of potential informal carers. To meet the demand for care, people will lay a greater claim on social organisations. We will also go back to a situation in which families have to take in their elderly or care-dependent relatives when the need arises.”

To combat the projected labour shortages in the care sector, Bontje thinks it is important to ensure that workers stay fit and motivated. This will allow them to stay in service for a longer period of time. Employers have the responsibility of providing the optimum preconditions and promoting the speedy reintegration of workers on sick leave. To set the example, UVIT has developed a programme that seeks to improve the health of its employees.

Bontje does not expect ageing will cause major problems for UVIT in terms of staff. “Ageing is a gradual process and I am sure a solution will present itself. We should let the market do its job and fill the vacancies.” Bontje does point out, however, that employers should adapt their job offerings to the various age categories. “With young people, the boundary between personal and professional life is starting to blur. They are less likely to adhere to a traditional nine-to-five routine and they need flexible working hours to accommodate this. As an employer, you should facilitate this, for instance by offering them the resources they need to work from home.”
Staff shortage problems in the care sector are not yet acute.

Jeroen van Breda Vriesman’s point of view

What: Market shifts in demand and supply patterns

In the coming years ageing and dejuvenation will have a significant effect on the affordability of our resources. According to Van Breda Vriesman, the pension market will hit sooner and in a different way than the health insurance sector.

Health insurance has annual premiums, which can be adjusted every year in response to changes in the care sector. Furthermore, care is consumed in the same year as the premium is paid. Ageing will lead to a higher consumption of care and higher care expenditures. Dejuvenation will drive up the costs even more, by creating staff shortages and putting pressure on the care supply, which leads to scarcity and, thus, higher prices. Fortunately, unlike pension premiums, health insurance premiums are paid both before and after retirement. Nonetheless, a large claim will be laid on the young population’s sense of solidarity.

Pension plans are organised differently. You accumulate a pension over the years and only consume the funds after you retire (currently at the age of 65). With an ageing, pension-consuming population, the total amount of revenue garnered from premiums will decrease and pension funds will have start relying more on investments and other financial resources to meet their obligations. All in all, developments in the care and pension sector will force retirees to set aside a large part of their pensions to pay for the care they receive. Consequently, pensions will be subject to inflation.

With the problem of pension inflation looming overhead, we should take appropriate action to keep pension funds stable in value. A possible future option would be to (partly) pay pensions out in kind, for instance in the form of care or housing. This concept asks for extensive collaboration between housing corporations, care providers, pensions funds and health insurance companies. Ageing is going to change the demand for products and services. “Ageing may at this point hardly be noticeable, but the clock is ticking. The demand for...
housing/care concepts is going to show a marked growth in the coming years”, Van Breda Vriesman expects.

How: Innovating service delivery concepts

In order to improve care and absorb the anticipated staff shortages, Van Breda Vriesman identifies three possible solutions: making use of technology, making use of informal care and efficiency improvement.

“Making use of technology will relieve care providers of part of their care duties. Technology will enable the implementation of better treatment methods for self-care, primary care and secondary care, whilst reducing the required number of man hours.” Health insurance companies can be an important link in this process by bringing the various parties and initiatives together. An example is the newly signed covenant between Achmea Care and Philips to bring technological innovation to the care sector, such as new concepts for people with chronic conditions such as heart conditions and diabetes.

Implementing innovations in the care sector is no mean feat. Van Breda Vriesman explains: "The technology is there, but most of the time it is not being used for the purpose for which it was developed. Sometimes it does not correspond with work-floor practices. Although there may be too great a distance between care providers and developers, it is the users who are the key to implementation. To name but one example: there is a system for transmitting blood values online. This can only be put to good use if doctors and nurses are indeed willing to share this kind of information. Not only with each other, but with other parties in the care supply chain as well.” The successful implementation of technology depends on user (i.e. doctors and nursing staff) support. “Personal agendas and work practices should not get in the way of innovation”, Van Breda Vriesman says. In short, care workers should be prepared to adjust their work methods. Money is another obstacle, but it is not the lack of money that causes problems. Sixty million euro should be enough to finance adequate care

A second possible solution is the use of informal carers, but there is a catch. “Not only will there be a shortage of care workers, informal care providers will be in short supply as well. In order to be able to absorb this, people’s social circles should be put to effective use with the necessary support from primary and secondary care resources. This allows people to live at home for a longer period of time, shortening the length of stay at care facilities or preventing admission altogether. A similar option is promoting self-management. Both informal care and self-management will ease some of the pressure off of the healthcare system, which is going to be crucial further down the line.”

A third avenue that can be explored is efficiency improvement. “We will have to make more efficient use of our resources”, Van Breda Vriesman says. “On the one hand, we will have to optimise our processes. Another part of the equation is working on providing care workers with support, resources and development opportunities to ensure optimum employability.

Van Breda Vriesman explains Eureko has made large-scale investments in care optimisation initiatives. “Together with care providers, we are looking into ways of organising care processes in a more efficient way, for instance by adopting so-called lean production methods. If these prove successful, we are going to implement them in the care supply chain on a larger scale.” This is one of the projects initiated by Eureko. Van Breda Vriesman sees many possibilities for improving the efficiency and quality of care, but thinks large-scale innovation and care optimisation do not evolve spontaneously. “Incentives are needed to encourage parties to participate in these kinds of projects.” Financial incentives for quality improvement can help win care providers over to the cause. “Making care more efficient enables care institutes to treat more patients. More patients means more money to compensate for the
perceived loss of revenue associated with engaging in efficiency and quality improvement activities.”

It is also important to keep employees active in the labour process for as long as possible. Van Breda thinks sound HR policies are going to become more important. “Management efforts should be aimed at keeping employees healthy and in shape and preventing health problems associated with high workload.”

Who: Organising production capacity

Van Breda Vriesman has not yet observed any major problems in the care sector labour market. “Staff shortage problems in the care sector are not yet acute. If we look at the current demand to supply ratio, there is sufficient staff to meet care demand. Things are about to change, however. There is still room for efficiency improvement when it comes to the way care is organised and managed.”

Van Breda Vriesman thinks capacity planning is going to become more important in the future. “As long as there is no one to coordinate long-term capacity planning, the current situation will persist. The different parties in the system sometimes have opposing interests: care providers operate at regional level – health insurance companies often operate at national level; health insurance companies work with annual cycles - care providers sometimes focus on the long term. Overcapacity in the market is rampant. One only has to think of unused MRI equipment. In the future, health insurance companies will probably play a more active role in managing capacity planning, but the central government should also take charge and provide clarity as to where responsibilities lie.”
6 Education
When it comes to staff recruitment, we are already having to look abroad more and more often.

Dymph van den Boom’s point of view

What: Market shifts in demand and supply patterns

When it comes to supply and demand patterns, population ageing affects the education market in a number of ways. Mature students have a different take on education and some academic disciplines seem to have a particular appeal for this group. This forces universities to take a close look at their curriculum and think about whether they should develop a curriculum aimed specifically at this target group. So-called contract education also presents universities with a dilemma: should they recruit teaching staff for these courses if there is no research-related funding to cover their salaries?

According to Van den Boom, so-call Lifetime of Learning programmes are slow to come to fruition.

Knowledge valorisation is an issue that requires an academic staff pool with a more diverse set of skills. Whereas in the past education institutes usually assembled highly specialised teams of researchers, they are now expected to take a more multidisciplinary approach to team formation. Employability is also becoming a more important concern. Staff members should receive special training to broaden their competencies and departments should become more flexible with regard to assigning tasks: not all employees have the skills to teach, do research and market their knowledge. By promoting and facilitating employability, organisations may encourage employees to tap into hitherto unused qualities.

The UvA is an important social partner to the city of Amsterdam in a variety of ways. Students and staff are putting their knowledge to practical use at local support centres in vulnerable districts to help tackle some of the problems residents are facing. Senior, more experienced employees are often at the forefront of these kinds of projects.
As part of the Knowledge for the City programme, scientists are working on issues put forward by representatives of the municipality of Amsterdam. Another platform for knowledge sharing with the municipality are regular luncheons with the Municipal Executive. Ageing is one of the items on the agenda. How can we keep the city attractive for senior residents? How can we keep them active and involved? Van den Boom feels collaborating with its two universities allows Amsterdam to further enhance its image as city of knowledge.

How: Innovating service delivery concepts

Senior students could well become a new target group. For now, Van den Boom has not observed a substantial increase in students from this demographic. Older students require a different set of skills from teaching staff, as they are usually not short on time, come to lectures well-prepared and take the opportunity to ask a lot of questions. While the resulting interactive dynamic might help to enliven lectures, it must not get in the way of educational goals and younger students’ needs. When not managed properly, the situation could ultimately result in discord between senior and younger students.

Another potential pitfall is the widening gap between young students and ageing university lecturers. Young students prefer a modern approach to education, with all the new information and communication tools this entails. New education methods and teaching aids such as Blackboard cater to this need, but older lecturers may require training to learn how to work with these new media.

Who: Organising production capacity

The Van Vucht Tijssen report prompted the UvA to take a long hard look at its HR policy. In the sixties the UvA experienced a massive influx of academic staff that stayed put. Faced with a large pool of soon-to-retire staff, faculties started drawing up strategic staffing policies. Research programmes where large numbers of employees were due for retirement around the same time were forced to expedite the recruitment of new staff to secure the transfer of knowledge and expertise. As some of the faculties’ flagship disciplines were facing major knowledge drain, special programmes such as ‘Young Talent’ and ‘Young Generation Campaign’ were launched to pass knowledge on to junior staff members via a so-called overlapping shingle construction. The momentum thus gained was used to update and implement strategic staffing policies in the organisation. “Ageing may at that time have caught us off guard, but it has taught us a valuable lesson in that it alerted us to the importance of strategic staff planning.” Another means of resolving shortages created by retiring employees is taking an international approach. “When it comes to staff recruitment, we are already having to look abroad more and more often.”

Luckily, population ageing also has some positive effects: young people bring fresh new ideas and it also offers employers the opportunity to give team diversity a boost. Nowadays teams should be a mix of complementary skills to compensate for the fact that individual employees cannot possibly meet each and every requirement. Departments can introduce some flexibility to the rigid ‘60 percent teaching, 40 percent research’ requirement specified in job profiles by making better use of team diversity and reassigning tasks.

A large percentage of university graduates will not be able to find a job in academics. National data show that 70 percent of graduates will have to find employment in other sectors. This also goes for the UvA. Consequently, university graduates should be trained and prepared for non-academic careers, for instance by launching apprenticeship programmes, promoting entrepreneurial skills and preparing them for the teaching profession.
Van den Boom says a more international staff pool and a commensurate increase in cultural diversity may prompt teaching institutes to reflect on their work methods. The same goes for the student body. Americans students, for example, tend to be very ambitious, being the product of a more competitive educational system. Their drive tends to rub off on Dutch students, lecturers and researchers. With the international experience they bring, staff members and students from abroad raise professional standards and make education more attractive.
“Ageing will create an ever growing demand for care-related training programmes.”

Hermien Hendrikx and Simone Blenk’s point of view

What: Market shifts in demand and supply patterns

Hendrikx thinks the Lifetime Employment concept is going to materialise now that professionalisation is finally getting the attention it deserves. At the moment, most of ROC Midden Nederland’s course participants are under the age of 45, but projections say this is going to change. At the moment, over-55s are often given dispensation when it comes to refresher and additional training courses, but in the coming years the upper age limit is expected to go up and older employees too will be required to participate. With people retiring at a later age, senior citizens will need to keep honing their professional skills, and companies are turning to ROC Midden Nederland to help them achieve this.

Regional Education Centre Central Netherlands (ROC Midden Nederland) - Hermien Hendrikx and Simone Blenk

Drs. W.J.M. (Hermien) Hendrikx (left) serves on the board of ROC Midden Nederland and handles the portfolios of education and HRM. Drs. S. (Simone) Blenk (right) is director of the HRM department. ROC Midden Nederland’s curriculum encompasses vocational education, corporate training, reintegration programmes and integration courses. Amerpoort’s area of operation includes the provinces of Flevoland, Utrecht and part of North-Holland.

The Bakker commission on labour participation has made three recommendations:
1. get more people involved in the labour process
2. focus on improving employability
3. gradually requiring people to work for a longer period of time

As part of an education sector that offers training to sixty percent of the population, ROC is keenly aware of the Bakker report’s effects on policy.

ROC Midden Nederland consults with municipalities, for example, on issues such as encouraging the inactive population to become fully involved in the labour process. Developing appropriate training schemes aimed specifically at people who have trouble finding employment is one of the preconditions. The current youth unemployment figures may have removed some of the urgency, but Blenk feels the problem will soon be back on the radar.

Blenk also indicates that ageing will create a growing demand for care training programmes. Additional staff will be required to keep up with the increasing demand for care services and we may well need to recruit and re-skill staff from other countries. This means the current training curriculum should be restructured: training courses should be more flexible and made available as separate modules.
How: Innovating service delivery concepts

Due to the aforementioned developments, education will have to be designed in a more flexible way. “Education is always evolving, and so is the form it takes”, Hendrikx stresses. There will be a higher demand for programmes offering remote, part-time and weekend education. Private training institutes such as LOI are experts at providing services for this particular market and have been drawing a growing number of students. Education is increasingly becoming a custom-made affair. Students want to have more opportunities for home study, which is why ROC Midden Nederland has already been working on making education programmes more flexible.

Implementing competency-oriented education has been a major innovation in the field. Within ROC Midden Nederland there has been much debate on how to realise this. According to Blenk, diversity in staff composition (in age, ethnicity, gender and work experience) is a prerequisite for innovation. Hendrikx adds: “This issue, too, can partly be realised by adopting both an outside-in and an inside-out approach. As a teacher, you can only innovate if you are willing to adopt a broader view.”

Who: Organising production capacity

Both nation-wide and within ROC Midden Nederland, the issue of staff composition has been getting a lot of attention. Education currently ranks as the most ageing sector in the Netherlands, with 46 percent of the vocational training staff being over the age of 45 and ROC Midden Nederland’s staff pool being even older than average. These older employees are mostly male, with young female teachers making up the majority of new recruits.

As education is primarily aimed at educating the young, population ageing can be viewed as matter for concern. “Young people are often taught by middle-aged teachers and to students these are not the most likely role models.”

A balanced mix of junior and senior staff would be preferable.

In view of the growing teacher shortage, however, ROC Midden Nederland should retain older staff members.

Recruiting staff with a professional (i.e. non-teaching) background may help resolve the issues of ageing staff pools and teacher shortages. These staff members will be holding a dual job: half of the time they will be standing in front of a blackboard; the other half they will be doing their regular job. Being taught by someone with experience ‘in the field’ has a lot of added value, particularly considering the fact that ROC’s curriculum is aimed specifically at preparing students for professional life. “This approach would improve education both qualitatively and quantitatively. Many teachers in the vocational education sector lack up-to-date field experience in the disciplines they are teaching young students.” For older employees, combining a teaching job with a regular job could be an attractive option. “Rather than being limited to newly qualified teachers, our labour market is broadened to include professionals from other fields as well”, Hendrikx explains. “It is our ambition to institutionalise this approach, so that it eventually becomes par for the course”, Blenk adds. “We will obviously make sure these professionals receive proper training to make them qualified for the teaching job. Education institutes should uphold their own education standards, after all.”

According to Blenk, ROC Midden Nederland’s HR policies pay a lot of attention to diversity. The organisation has formulated an age-conscious HR policy that focuses on the employability of older staff members. With vitality being identified as one of the key factors, Roc has recently launched a health improvement project consisting of five components: Stop smoking, Take time to relax, Exercise, Eat healthily and Limit your alcohol intake (STEEL).

PricewaterhouseCoopers 65
“Besides the trend of adopting an outside-in approach, adopting an inside-out perspective is also gaining ground”, Hendrikx says. Having a professional career in addition to being a teacher makes for a more dynamic career. Teaching can be tough, and occupational variety may contribute to keeping employees vital. “Teachers should broaden their horizons.” While some of them are doing just that, it is not yet common practice, even though the quality of education would surely benefit. It would also make the teaching position more interesting and therefore competitive on the labour market. For businesses, having employees explore the teaching profession may also be an interesting proposition. Blenk says this would result in a benign blurring of labour markets. Hendrikx adds that implementing such schemes requires semi-permeable demarcations between labour markets and training institutes should always safeguard the quality of their core tasks. This can be achieved by offering proper coaching and sound training courses.
“For the education sector, one of the most pressing aspects of ageing is the fact that young people are increasingly moving away from rural areas.”

Pieter Boekhoud’s point of view

What: Market shifts in demand and supply patterns

For the Albeda College, population ageing is not expected to give rise to dramatic shifts in the demand for training. Traditionally, Care and Welfare has always been its largest discipline, and with an expected ageing-induced increase in care demand that is not likely to change. One potential problem is the fact that care workers will often be required to extend their studies. There is sufficient staff to provide first and second level care, but when it comes to level three and four the numbers dwindle. This means many graduates will have to continue their studies after graduation. To ensure its students are adequately equipped for this, the Albeda College has intensified its participation in care institutes’ own training programmes. It stands to reason this will have an effect on how the college is managed. It is also means Albeda College employees will have to develop a keener sense of commerce.

How: Innovating service delivery concepts

For the education sector, one of the most pressing aspects of ageing is the fact that young people are increasingly moving away from rural areas. Whereas student numbers in the highly urbanised Rotterdam area are expected to remain stable, education institutes in other regions will probably see their enrolment numbers fall. We need to think about how to maintain a basic educational infrastructure in those areas. Another side effect is that training institutes will go where the students are and launch branches in the Randstad region. This obviously has an effect on how these institutes are run.

Similar to the age of teachers, the average age of students has also gone up. At this time, a quarter of Albeda students are over the age of 22. Culturally speaking this is a good thing, because these older students can take younger students and junior staff under...
their wing. On the management side it does present some obstacles, primarily because the financing system is not geared to the deviating study paths these older students tend to follow. Also, older students require a different kind of preparation and a different kind of coaching.

Who: Organising production capacity

The Albeda College started thinking about the ageing issue in the early nineties. At that time management feared it might soon be facing a teacher shortage. Luckily, the problem did not turn out to be as bad as expected. The age at which teachers exit the labour process has risen substantially and as a consequence, the average age of teaching staff has gone up. There is an upside to this: because of their experience and coaching skills, older teachers turn out to have a positive effect on students and junior colleagues alike. This does not take away the fact that the problem has been postponed rather than averted. A third of Albeda’s teaching staff pool is set to retire within the next five years. If student numbers indeed remain stable this is going to become an issue, but as student numbers nation-wide are projected to drop, ageing-related teacher shortages may not become as pressing a problem as many fear.

In response to a newspaper article that claims population ageing might actually help save costs as senior - and thus expensive - retirees are bound to be replaced by cheaper staff, Boekhoud expresses some reservations. There may be additional costs involved in retaining older employees, providing coaching and arranging additional capacity. Also, recruiting new staff members comes with a price tag.

All in all, Boekhoud concludes that population ageing will likely pose some challenges for the education sector. The scope and complexity of those challenges will depend largely on where training institutes are located and on the curriculum they offer.
Final words: the future has already begun

Nineteen decision-makers from various sectors within the public domain have expressed their point of view on the issue of ageing. What do these interviews teach us, and what should we as companies, organisations or individual readers be focussing our attention on? If you compare these various points of view, you will find remarkable similarities. Even though all interviewees view the issue and the solutions from their own perspective, the concepts they put forward fit together like a jigsaw. The following picture emerges.

Increased strength and increased vulnerability

Ageing will enhance the strength of a population. It will also increase its vulnerability. On the one hand, there is a growing group of senior citizens who will continue to work, provide informal care and have money to spend. They need new products that enable them to stay active. On the other hand, there is a growing group of (older) geriatrics who are especially vulnerable due to their advanced age and the multiple afflictions they are likely to have. What these seniors need most of all is social cohesion. Ageing will lay a large claim on the young population, and they in turn will lay a large claim on society. The young expect personalisation, individually tailored service provision and a government that facilitates their busy existence. Ageing ethnic groups may have specific care needs that require customised solutions from care providers and the government. How do we deal with all these changes?

Multiform and life phase proof regions

The interviews seem to tell us that setting up a multiform region should be the first step. A multiform region accommodates all age groups and puts the community rather than the individual centre stage. This means National Neighbour Day is an important event and you should no longer need a permit to organise small local events. Neighbourhoods and villages are life phase proof. This means senior citizens can move within their own district to accommodation that is closer to the facilities they need; an updated version of the notion that old people prefer to stay in their own homes. The application of home automation is an important aspect of life phase proof regions, and a lot of attention is paid to safety in and around the house.

Villages, districts and municipalities should start looking beyond their borders. Instead of the old adage ‘each community should have its own facilities’, the possibilities of the region as a whole are taken into account. This means highly specialised facilities are bundled, with the caveat that each district or village should at least have a primary care facility and some sort of protected living option. Care institutes shall have to adapt their buildings to older clients who need more physical care.

This brings us from the ‘hard’ aspect of home construction and spatial planning to the ‘soft’ aspect of care and service delivery. What are the main areas for attention?

New care and service offerings

Care and service providers will be more mindful of the variety in senior citizens’ lifestyles. Hospitality will be a key factor. Senior citizens want to feel at home and they expect ever higher standards of service. Senior citizens with an ethnic background will in some cases require specific types of care and services.

Training institutes will cater to senior citizens’ interest in art, literature and culture by offering courses that fit demand. Service concepts for the young seem to be changing. New innovative forms of education such as e-learning are beginning to emerge, making it easier for young students to study at home, at their own convenience, without having to set foot in an actual classroom.

When it comes to dealing with the effects of ageing, prevention has long been the magic word. It should be noted, however, that prevention delays rather than eliminates the demand for care. Having said that, prevention measures undoubtedly improve people’s quality of life. They may help reduce care expenditures and the incidence of chronic illness and add to the years people spend in good health. Despite all this, we all know that good health is finite and will be followed by period of ill health, be it at the age of seventy or ninety. We should therefore be wary of viewing prevention as a financial solution, but cherish its social benefits.
As is the case with home construction and spatial planning, care and service providers will sharpen their community focus. The concept of working with ‘new style’ community nurses is gaining ground. Visiting nurses coordinate care, identify problems and take on some of the tasks traditionally handled by GPs. Neighbourhood-oriented intervention teams consisting of police and emergency services take care of safety issues around the clock. Residential care institutes opt for a small-scale approach. They provide care in small groups with regular staff, who will have more professional freedom than they have now.

In order to meet the growing demand for care and services, care organisations will have to standardise part of their processes, which has the added benefit of reducing overhead. This clears the way for devoting more attention to types of care and service delivery that address clients’ individual needs and questions (and may therefore require a personalised, unique approach and a slightly higher overhead). This approach depends on the further optimisation of service delivery to and between supply chain partners, which allows alleviation of regulatory pressure.

Strikingly only one interviewee expressed some doubts as to whether senior citizens actually want all these new technologies. All other interviewees view the growing importance of IT as an inevitable, and in most cases desirable, development. When applied as discussed, IT is not seen a tool that deprives people of face-to-face contact, but as a tool to establish contact where little or no contact would otherwise exist. It enables senior citizens to stay in touch with relatives and loved ones and allows them to speak to or even see counsellors and care workers online. Care can be organised more flexibly and some clients may be more candid about the problems and questions they are dealing with than they would be in face-to-face encounters. In the words of one interviewee: ‘We prefer to call this convenient care rather than remote care.'

IT also offers some indirect benefits to the elderly. Decision-makers in the care sector expect IT to contribute significantly to averting anticipated staff shortages. This brings us to the next area for attention: labour market developments.

The role of employers

All decision-makers that touched upon the subject agree: keeping employees fit and vigorous is going to be crucial in the coming years. Diet, exercise and health checks are important ingredients of health-conscious policy. Line managers may even start bringing up smoking habits during job appraisals. Offering staff ongoing training and in-company development opportunities falls under the same header. Alleviating work pressure is also firmly on the agenda. Some interviewees commented that senior citizens may need to accept having to take a step back on the career ladder. By keeping them involved in the labour process in some capacity, senior citizens can make a valuable contribution to the economy and help prevent staff shortages in the care and service provision sector.
In the education sector, working for a longer period of time translates to an ongoing need for training. Older employees can make a valuable contribution to young people’s knowledge development by passing on their experience and expertise. At the same time, retaining older teachers will only postpone the staff shortage issue. Sooner or later, they are going to retire. One of the most crucial challenges for the education sector is safeguarding the quality of future education by facilitating the influx of young employees.

In order to appeal to younger employees, employers would do well to take their particular wants and needs into account. Offering young recruits a substantial salary may not necessarily suffice; an interesting job that matters, flexible working hours and an organisation that inspires a feeling of belonging are also important incentives. Employers may even wish to consider offering employees shareholder or stakeholder schemes.

New jobs and foundations

A question yet unanswered is how this new society is going to distribute the various tasks and responsibilities and who is going to provide the necessary finances.

Senior citizens themselves will be assigned a more important role, but the notion that “they are becoming increasingly assertive and will be taking charge of their own care and service requirements” needs to be modified. Whereas this may be true of some seniors, care providers need to make allowances for a large group of people who are unwilling or no longer able to be this self-reliant. The role of community nurses has been discussed. Perhaps appointing community hostesses or managers to deal with enquiries may also be an option. More and more elderly people will use the Internet to keep in touch with peer groups and patient associations, organisations that are expected to make a large mark on the care and service delivery landscape. In the future, there may even be care organisations with client shareholder schemes.

Municipalities and provinces have an expanding role when it comes to structuring the environment and creating possibilities for participation.

Not only are senior citizens expected to get a greater say in care and service provision; they will be expected to make a larger financial contribution to the care they receive. Resorting to measures that involve people paying extra for customised care or additional luxury and saving money to pay for future care is no longer considered off-limits. There are also some fairly concrete suggestions that involve partially paying pensions out in kind (i.e., in care or housing) and offering integrated pension/housing/care packages.

And finally: let’s get to work!

The interviews showed a number of organisations have their work cut out for them when it comes to dealing with ageing-related changes to supply and demand, production volume and service delivery concepts. In order to develop solid strategies and bring balance to the decision-making process, it is important to take a comprehensive approach and not put things off for too long. The future has already begun. As a reminder, we have added a list of the ageing issue’s ten most pressing areas for attention.
<table>
<thead>
<tr>
<th>Nr.</th>
<th>Area for attention</th>
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<tr>
<td><strong>What</strong></td>
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<tr>
<td>1</td>
<td>Be aware of the growing group of vigorous, active seniors, but also take into consideration the growing group of vulnerable geriatrics with a complex need for care, social security, safety and social cohesion.</td>
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<td>2</td>
<td>Cater to senior citizens and young people who want to handle their own affairs, but also accommodate people who are unwilling or unable to do so.</td>
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<td>3</td>
<td>Accept the fact that citizens will have to pay extra for additional care and service delivery and take new concepts such as offering integral pension, welfare, care and housing schemes under consideration.</td>
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<td><strong>How</strong></td>
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<td>4</td>
<td>Set up multiform regions in which highly specialised facilities are bundled and primary care facilities and protected living facilities are spread out throughout the area.</td>
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<td>5</td>
<td>Work towards hospitality-oriented care and service delivery.</td>
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<td>6</td>
<td>Make care and service delivery more community-oriented. Care organisations should take a small-scale approach to care provision.</td>
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<td>7</td>
<td>Enhance the role of IT to support service delivery, work processes and digital care.</td>
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<td><strong>Who</strong></td>
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<td>8</td>
<td>Standardise generic components of public service delivery, reduce the overhead of generic services and focus instead on improving individually tailored services.</td>
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<td>9</td>
<td>Promote the enduring fitness and vitality of staff.</td>
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<tr>
<td>10</td>
<td>Be an attractive employer to young recruits by offering flexible work hours, meaningful and exciting jobs, opportunities for development and social cohesion.</td>
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About the authors

Gertjan Baars

Drs. Gertjan Baars is an information management expert and director of the Information Management team within PwC Netherlands’s Local Government group. Working from a clear vision on future developments in e-services and management processes behind the digital front office, his primary focus is the implementation of IT applications in the management processes of municipalities, provinces and water boards. Since a few years Baars has been specialising in population ageing and its effects on the local and regional government domain, advising government agencies on how to deal with the issue.

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Drs. Anneke Offereins is a management and organisation expert and advisor with the Healthcare Advisory Group, a subdivision of PwC Netherlands’s Advisory division. In this capacity, she works on strategic and organisational issues, focussing mainly on improvement of elderly care. As part of the Healthcare Advisory Group, Offereins has been studying the effects of ageing on the care sector and advises care providers on how to optimally prepare their organisations for the coming changes. Besides her position at PwC, Anneke is also part-time employed as researcher on Ageing & Social Innovation in the Healthcare sector at the Research Centre for Social Innovation of the Academy of Applied Science in Utrecht.
PwC Netherlands Ageing Taskforce

Under the supervision of Gertjan Baars and Anneke Offereins, PwC Netherlands has assembled a multidisciplinary team of professionals that study the population ageing issue and work daily at providing clients with optimum assistance and at developing comprehensive products and services. This enables our clients to make efficient use of the opportunities ageing has to offer and circumvent potential stumbling blocks. PwC’s advisors base their work on client consultation and a profound knowledge of the public sector.

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