Preparing for new Act on re-hiring

Q: With the Re-employment Act taking effect from Jan 1, 2012, that enables workers to work beyond their retirement age, what steps does my company need to take to make it easy for everyone to adapt to the new regulation? What are the HR policies that might need changing and are there any health considerations?

– Gladys Loong

A: Your question is a good one. First, you ask about the steps employers should take to help individuals adapt to the new regulation. The first thing is to inform employees that the retirement age requirement has been relaxed, and thus, they do not need to be as anxious about forced retirement at this point. There is, however, still a retirement age in effect, just that it is later.

Second, you need to inform employees that they will still be judged on performance, and that they will still need to perform competently in their jobs. Companies might have been more “forgiving” in terms of judging performance for individuals nearing the current retirement age, but the new requirement will require employers to focus more on maintaining and enhancing the performance of individuals who might have believed they would be retiring soon.

With regard to whether there are any HR implications, yes, there will be. HR will need to make sure that these individuals are given the same developmental and training experiences as any other employee, that access to equipment and resources will be the same, and that all employees are treated fairly, regardless of their age.

Health considerations depend on the industry and type of job. However, older individuals are enjoying better health today, especially in Singapore because of its focus on the health and welfare of the population. So the risk of relatively older employees being excessively sick or unhealthy is perhaps overstated (the author of this answer is currently 67 and going strong!).

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