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for Work &
Pensions



Employer experiences of recruiting, retaining and retraining older workers

Qualitative research

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Summary

This research was commissioned to investigate the attitudes and behaviours of employers around the recruitment, retention and retraining of older workers. It aims to go beyond traditional employer survey responses in order to gain a deeper understanding of employer attitudes and experiences of managing older workers.

The findings in this report are based on research case studies conducted with 50 employers in England, Scotland and Wales. Half of the case studies were carried out with employers in sectors that have large volumes of low paid workers including care homes, cleaning contractors, and employers in fashion retail and transport. The remainder were distributed between five broad sectors covering the economy as a whole.

Key findings

- Employers value the benefits of a mixed-age workforce, and generally state that they already have one.
- Older workers are described as loyal, reliable, committed and conscientious, with valuable business and life experience to offer the organisation.
- Fear of contravening equal opportunities legislation can prevent employers from collecting and analysing information on age within their workforce.
- Existing flexible working policies and procedures are seen as effective to meet the needs of older workers. However, these policies are not always clearly articulated and are predominantly used by new parents.
- Flexible working arrangements are more likely to be made for long-standing employees than for new entrants.

There are a set of slides which correspond to this report. These can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/360942/Employer_research_older_workers.pdf

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Executive summary

An ageing population means that making work more inclusive for older workers will be increasingly important for employees, employers and for the economy.

The findings in this report are based on research case studies conducted with 50 employers in England, Scotland and Wales. Half of the case studies were carried out with employers in sectors that have large volumes of low paid workers including care homes, cleaning contractors, and employers in fashion retail and transport. The remainder were distributed between five broad sectors covering the economy as a whole.

Employer attitudes towards older workers

Employers valued a mixed-age workforce and generally stated that they already had one. Older workers were described by employers as loyal, reliable, committed and conscientious. They were seen to contribute valuable business experience and knowledge of their sector. Employers noted that greater life experience made older workers better placed to manage themselves and others in the workplace compared with younger colleagues.

Most employer concerns about older employees focused on accommodating health conditions. However, when asked for specific examples, employers had limited experience of this in their own workforce. This concern was greater for occupations that were seen to be physically challenging, such as cleaning, teaching, manufacturing and retail. Caring responsibilities for relatives other than children were not spontaneously mentioned as a challenge associated with older workers. Caring in this sense was seen as similar to, but less disruptive than, childcare responsibilities.

Generally, employers did not express concern about what an ageing workforce would mean for their business. As a result, employers were not planning to make changes to their policies and practices relating to the recruitment, retention or retraining of older workers. Some employers had responded to an ageing profile in certain occupations within the company by taking steps to attract more young applicants.

It was rare for employers to conduct an analysis of the age profile of their workforce. The research shows that employers can be wary of either collecting or using information on age relating to their workforce or new applicants for fear of contravening equal opportunities legislation and being considered discriminatory.

Accommodating changing needs of older workers

Employers took the view that existing policies for flexible working could be used to meet the needs of older workers. The research found few examples of policies or practices targeted specifically at older workers. Employers stressed that existing procedures could accommodate needs arising from health concerns, caring responsibilities, phased retirement or a wish to work less. However, employers reported limited experiences of offering flexible working arrangements to older workers. Requests were more common for employees with childcare responsibilities.

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The availability of individual types of flexible working was determined on a case-by-case basis. For this reason, flexible working policies were often promoted in a non-specific way. Requests for flexible working were considered by taking account of individual work history, the role of the employee and the potential impact that flexible working would have on colleagues and the business.

Line managers' people management skills were important in determining whether older workers felt confident raising age-related issues, including requests for flexible working. The research included in-depth interviews with both Human Resource managers and line managers within organisations, which sometimes revealed different attitudes to flexible working scenarios. Line managers were sometimes more reluctant to accommodate flexible working within their teams. They were also sometimes less confident about the flexible arrangements that could and could not be accommodated and were more concerned about the day-to-day impact of flexible working on the business.

Usually, flexible working for those in customer-facing and physically demanding roles involved a reduction in working hours and therefore pay. Employers stated that all employees could access policies such as flexible working, but typically not all flexible working options were available to workers in more physically demanding and, usually, lower paid roles. Manual workers were less likely to have access to flexible working hours, working from home and retraining for a different role. Flexibility for these workers predominantly took the form of a reduction in shifts or working hours.

Retraining in the approach to retirement was felt to be an option only for very large employers. Larger employers were more positive about opportunities for retraining older workers mostly because they had a greater variety of job roles to offer.

Employers did not consider that there was any age-related bias in their recruitment approaches. However, it was clear that some of the circumstances that are more likely to affect older workers would put candidates from this group at a disadvantage. Employers interviewed in this study stated that recruitment was always based on skills and experience, and not on age. However, using hypothetical recruitment scenarios with employers illustrated that they would have some concerns about recruiting workers who presented with situations more likely to affect older workers, such as health conditions, caring responsibilities and downshifting. Attributes listed by employers as part of the benefits of employing older workers, such as loyalty and experience, are difficult to effectively demonstrate at a job interview.

Businesses typically did not have processes in place for discussing retirement plans with older workers. Following the removal of the default retirement age in 2011 such discussions were perceived to be insensitive or even discriminatory. Plans for retirement were discussed informally, if at all, with discussions usually being initiated by the older worker.

The strategies for retaining older workers included in the Business Champion for Older Workers' report A New Vision for Older Workers¹ drew a mixed response from employers. Employers were receptive to the idea of 'crisis leave' equating it to existing compassionate leave policies. The idea of 'Gap Breaks' was also viewed as similar to sabbatical procedures for those who had them; nevertheless, sabbaticals were considered more suitable for younger workers. Larger organisations were more receptive to the notion of mentoring. Employers questioned the value of holding a specific 'Mid-Life Career Review' with workers at age 50 outside regular appraisals and performance reviews. Workplace conversations regarding age, health, later life working and retirement were considered to be of a sensitive nature and difficult to approach.

Conclusions

The main conclusions that can be drawn from this research are:

- Employers value the benefits of a mixed-age workforce, and generally state that they already have one.
- Older workers are described as loyal, reliable, committed and conscientious, with valuable business and life experience to offer the organisation.
- An ageing population and, by implication, workforce is not yet a prominent concern for most employers.
- Fear of contravening equal opportunities legislation prevents employers from collecting and analysing information on age within their workforce.
- Existing flexible working policies and procedures are seen as effective to meet the needs of older workers. However, these policies are not always clearly articulated and are predominantly used by new parents.
- Line managers may not always have the skills required to ensure older workers feel comfortable discussing issues related to ageing. They may also be more reluctant to suggest or offer flexible working arrangements.
- Flexible working arrangements are more likely to be made for long-standing employees than for new entrants.
- Flexibility is less likely to be available to workers in physically demanding roles, which tend to be lower paid. Flexibility for these workers is often limited to a reduction in shifts or working hours. This may be contributing to a tendency for lower paid, manual workers to retire from the workforce earlier.
- Employers are wary of holding midlife career review conversations with older workers.

¹ *A New Vision for Older Workers; Retain, Retrain, Recruit – A Report to Government by Dr Ros Altmann CBE Business Champion for Older Workers (Department for Work and Pensions, 2015).*

1 Introduction

1.1 Background

An ageing population means that making work more inclusive for older workers will be increasingly important for employees, employers and the economy. Life expectancy in the UK is higher than ever and set to increase further. Recent figures from the Office for National Statistics suggest that at age 65 men in the UK are expected to live on average an additional 18.5 years and women an additional 20.9 years.²

The increase in life expectancy means many people will have to increase the savings they put in place for retirement or work for longer. For many, working longer will be a matter of economic necessity. In response to the increase in life expectancy the State Pension age (SPa) is also increasing, to 66 by 2020 and 67 by 2028. This means the proportion of older workers in the workforce will increase and the proportion of workers aged 50-SPa is estimated to reach 32 per cent by 2020, and to continue to increase.

Despite the need for people to work longer to achieve a sufficient pension, data suggest that many people aged 50-SPa are not in work. Data from the Labour Force Survey shows that in 2013 28 per cent of people aged 50-SPa were economically inactive, but that only a small proportion of these considered themselves to be fully retired. Despite this, the majority thought that they would probably or definitely not work again.³ While only seven per cent of the 28 per cent out of work considered themselves to be fully retired, the majority of the 1.7 million people 50-SPa classified as economically inactive think they probably or definitely will not work again. The Labour Force Survey also shows that one in six men and one in four women who recently reached State Pension age had not worked since at least age 55. Research by ILC-UK further estimates that 1.4 million people aged 50-69 who left the labour market in the last eight years did so for involuntary reasons.⁴

Low employment rates among those aged 50 plus has a detrimental impact on the economy, due to increased spending on working-age and pension-age benefits and lost tax and National Insurance contributions. Analysis by the National Institute of Economic and Social Research suggests that a one year increase in working life and the subsequent revenues from tax contributions would increase real gross domestic product (GDP) by one per cent.⁵

As well as the negative impact on the economy as a whole, evidence suggests that prematurely leaving the workforce has a detrimental impact on an individual's finances, health and wellbeing. The Department for Work and Pensions (DWP) analysis of the English Longitudinal Study of Ageing survey from 2010, suggests that around a third of those who left work between 2008 and 2010 aged 50-SPa had their household income reduced by

² National Life Tables (Office of National Statistics, 2013-2015).

³ Labour Force Survey Four Quarter Average 2013Q1-2013Q4, quoted in *Fuller Working Lives: Background Evidence* (Department for Work and Pensions, 2014).

⁴ *The Missing Million – Illuminating the employment challenges of the over 50s* (ILC UK, Business in the Community, 2014).

⁵ *The macroeconomic impact from extending working lives* (Department for Work and Pensions, 2011).

more than half.⁶ There is also evidence to suggest leaving the workforce prematurely has a detrimental effect on an individual's mental health.⁷

Steps to encourage people to remain in the workforce later in life are needed to address demographic change and expected changes in the working-age population and the age dependency ratio. An increase in the proportion of people aged 50-SPa in the labour market will be required to offset the reduction in the proportion of people aged under 50. Business in the Community recently argued that by 2022, 12.5 million vacancies will be available due to people leaving the workforce, but that only seven million young people will enter the job market.⁸

While employment rates among older workers in the UK are above the Organisation for Economic Co-operation and Development (OECD) average of 39.6 per cent, they are below those of other countries.⁹ While 63.5 per cent of 55-64 year-olds in the UK are in employment, this rises to over 70 per cent in countries such as Norway, Sweden and Switzerland and to nearly 85 per cent in Iceland.

A number of legislative changes have paved the way for a rethinking of later working lives, in particular the removal of the default retirement age, the equalisation of and increase to the SPa and the right to request flexible working.

1.1.1 Objectives

This report examines research commissioned to investigate the attitudes and behaviours of employers around the recruitment, retention and retraining of older workers. This research defines older workers as those aged 50 and over. The research aimed to examine:

- The barriers employers encounter in recruiting, retaining and retraining those aged 50 plus.
- How employers deal with the issues facing this group:
 - Whether there are specific provisions for older workers and if so what is the reasoning behind them.
 - The reasons for not having specific provisions for older workers in place.

The research also aimed to assess how these attitudes and provisions differ depending on employer size and sector.

Particular groups of older workers are considered to face greater barriers or to be more likely to leave the labour market before SPa. This includes carers, those with a health condition or disability and low paid workers. The research therefore looked specifically at how circumstances may differ for these groups.

⁶ *Fuller Working Lives: Background Evidence* (Department for Work and Pensions, 2014).

⁷ See Heide, Rijn *et.al.* (2013) "Is retirement good for your health? A systematic review of longitudinal studies", in *BMC Public Health*, 13:1180.

⁸ *Missing Million – Recommendations for Action* (Business in the Community, 2015).

⁹ Labour Market Statistics (OECD, 2016).

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In 2014, DWP published *Fuller Working Lives: A Framework for Action* strategy paper. This was followed in March 2015 by a complementary paper from the government Business Champion for Older Workers *A New Vision for Older Workers: Retain, Retrain, Recruit*. It presented a set of recommendations to business and employers to help improve the working lives of those aged 50 plus. DWP commissioned polling into the attitudes employers have to retaining, recruiting and retraining older workers, as well as a programme of fuller working lives analysis into workplace policies and practices for older workers. This qualitative study aims to complement other quantitative research by investigating the attitudes of employers in depth.

1.2 Methodology

A total of 50 businesses were interviewed for this study. Half of the interviews were conducted within five sectors which tend to employ larger volumes of lower-paid workers, paid at around the national minimum wage.¹⁰ The 'Low Pay' component of the research looked at the following sector groupings: care homes, cleaning contractors, fashion retail, transport, and food processing and textile manufacturing.

The remainder of the interviews were distributed across five broader sector groupings to ensure a spread across the economy as a whole. Within each sector, a spread of interviews was achieved by size of organisation. Appendix B provides more detail of the profile of interviews achieved.

Employers were only eligible for this study if they had recent experience of workers aged 50 and over. It should be noted, however, that the majority of employers interviewed had small proportions of older workers in their workforce, which meant they had limited experience to comment on and often discussed hypothetical scenarios.

The main respondent was the individual with lead responsibility for recruitment, retention and training within the organisation. This was typically a Human Resources (HR) Manager or Director in medium and large organisations and an owner or manager in smaller ones. Where possible, an additional interview was also conducted with a line manager to explore whether their views or experiences differed. This also enabled the research to consider whether attitudes and practices held at HR manager level were the same as those of line managers.

¹⁰ *National Minimum Wage: Low Pay Commission Report 2015* (Department for Business, Innovation and Skills, 2015).

2 Employer attitudes to older workers

This chapter explores the overall attitudes of employers to older workers, the perceived benefits of employing older workers and the challenges employers believed older workers could present in the workplace. It also discusses employer concern about the age profile of their workforce.

Key findings

The research found that employers had largely positive views of older workers. They appreciated traits believed to be prevalent among older workers, such as experience, reliability, loyalty and stability. Health concerns, adaptiveness and relationships with younger line managers were recognised as challenges likely to be associated with employing older workers. Employers were not overly concerned about the ageing workforce and did not make efforts to actively monitor the age profile of their workforce.

2.1 Benefits of older workers

None of the employers interviewed were concerned about the age profile of their workforce.

Employers valued having a mixed age profile in their workforce. One employer stated:

'Really we need a bit of everything. So some of my older engineers tend to be better at analogue electronics and the younger ones tend to be better at the IT skills. So there is benefit in having a range of ages in the skills and experience among staff.'

(Line Manager, Business Services, 250 plus employees)

Employers reckoned that there are different benefits to employing younger and older workers. They said that, in contrast to their younger counterparts, older workers have more experience and knowledge of the industry, their job role and the company's ways of working. Employers also valued the life experience that older workers bring to the table.

The following quotation illustrates the perceived benefits of employing experienced older workers:

'It is experience isn't it, life experience and being able to handle people and being able to do the job they are employed to do – that's what it's all about ...'

(Managing Director, Food Processing and Textiles, 10-49 employees)

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This additional experience was associated with a number of beneficial traits and behaviours attributed to older workers:

- Being more stable, loyal, committed and conscientious than their younger counterparts.
- Being better at managing their own time.
- Having better people skills.
- Being better at coping with organisational changes, such as re-structures or redundancy programmes.
- An ability to remain calm under pressure or when faced with challenges.
- Providing reassurance to customers that they are equipped to fulfil their job role well.

Employers reported that, compared with their younger employees, older workers on their payroll were sometimes more alert to the impact of their absence on colleagues, and therefore had better attendance records.

'There is an age balance, where you get reliability and different motivators than other people. There is some stability, and a different level of loyalty to the company. I think what we know of the demographic who are Generation Y Millennials, it is about quick progression and money, and they will move elsewhere for more money; but the stability in 50 plus is about different motivators. Continuity in their life; they do not want to chase career progression, there is a level of familiarity which is satisfying for them.'

(Human Resources Manager, Business Services, 250 plus employees)

'Another benefit is stability. A lot of the younger teachers, they might be married, but then when they have children they go off to be nearer their parents or somewhere cheaper to live; so with older people, they are stable where they are; I get that stability from them.'

(Head Teacher, Public Services, 50-249 employees)

Employers also commented that older workers were less likely to need time away from work to accommodate childcare responsibilities than their younger colleagues.

Older workers were characterised by greater loyalty and stability. They were seen as more comfortable in their job role and less likely to be looking to climb a career ladder. This was attributed to two factors:

- older workers were more likely to have achieved a 'steady state' in their home life and have less financial imperative to progress by seeking higher wages elsewhere; and
- due to greater life and professional experience, older workers were more likely to have a clear idea about the type of job that they wanted to do.

While loyalty and reliability were desired in all sectors, these attributes were described as particularly important in the care sector, where continuity in care was seen as very important for clients.

'You tend to find the young ones just come and go. When people are older they tend to be more stable, and I tend to recruit older workers. It takes a lot to get everybody used to new people and faces, especially in this job role.'

(Manager, Care Homes, 10-49 employees)

The greater stability/reliability associated with older workers was particularly valued in the cleaning sector, where turnover among younger workers was reported to be high.

Employers in sectors providing goods or services directly to the public were keen to have at least some older workers in their workforces to reflect the age range of their customers. For most employers this meant ensuring one or two older workers at each site/in each team. Because of their older client base, care sector employers were particularly likely to value a higher proportion of older workers.

'I think they understand the residents – have better rapport. There is more respect among the older staff and they know the war time songs and know a little bit of the life and things that happen with the elderly and appreciate it a bit more than youngsters ...'

(Manager, Care Homes, 1-9 employees)

2.2 Challenges presented by older workers

Employers were also asked to reflect on the challenges they thought were more commonly associated with older workers. They identified four key challenges:

- increased likelihood of long-term health conditions;
- increased likelihood of staff being unable to cope with the physical elements of their job;
- difficulty or unwillingness to adapt to the need for new skills; and
- potential difficulties due to older workers being managed by younger managers.

Often, the employers interviewed had limited personal experience of older workers. In some cases, employers' views were based on a small number of direct experiences.

2.2.1 Health conditions

The most common challenge associated with older workers was the impact of deteriorating health on absence and productivity. Unsurprisingly, this issue particularly affected physically demanding roles.

As well as an increased likelihood of experiencing health problems, some employers had concerns that older workers can have less energy than younger staff. Some said this might impact on their ability or willingness to work longer hours or commit to travel for work.

'The older people get, the less agile they might get. The engineering sales job involves climbing ladders, carrying heavy equipment etc. Also long days' work on the road and on site. You have less energy as you get older.'

(Managing Director, Primary Services, 10-49 employees)

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Although serious health conditions were seen as more common among older workers, some employers stated that an increased likelihood of absence for this reason was balanced out by a lower likelihood to take time off work for more minor illnesses compared to younger workers.

‘The older ones have a different attitude to the younger ones who think that if you wake up with a sniffle you have the flu and have to be off for two weeks.’

(Human Resources Manager, Cleaning Services, 250 plus employees)

‘Sometimes you might think there might be a bit more illness related with elderly people with knee replacements and stuff like that but that’s just age related and wear and tear from being in that field of work. But then again we have some people who are 26 and they also have high absence so it is even really. I think with the older people, because it is a close team they think they are letting people down so they come to work and make more of an effort to get to work at that age.’

(Line Manager, Public Services, 50-249 employees)

2.2.2 Adaptiveness and new skills

Some employers reported that older workers were less likely to be able or willing to adapt to changes to the industry or to their job role. This perceived lack of adaptiveness was commonly mentioned in relation to technological changes.

‘Older workers are more resistant to change, and things in this industry have changed quite a lot. A lot of the training now is online, and a lot of the older drivers are not computer literate, they were not brought up with computers. I will, quite often, have to go and sit and log on for them because they do not know how. They don’t have computers at home, so they have to do it here, which doesn’t help either. Whereas the youngsters will come in and, ‘bang’, do it and off they go. One of the reasons we’re changing the age profile is because of their can-do attitude.’

(Head of Operations and Human resources, Other Services, 50-249 employees)

However, this view was limited to some employers. Others challenged this widely-held view, by arguing that it was an over-generalisation and not reflected in their own experience.

2.2.3 Relationships with managers and colleagues

Employers stated that older workers can sometimes feel uncomfortable working under younger line managers or be less receptive to feedback from younger colleagues. At the same time, it was also acknowledged that some younger line managers may not be comfortable or sufficiently trained to manage older workers. None of the employers interviewed offered training for managers specifically on age-management. One fashion retail company offered training on managing a flexible workforce and stated that managing older workers was broadly included within this. A recent report by Acas listed age-awareness training as one of its recommendations for managing older workers.¹¹ Age-awareness training would give line managers the skills and confidence to handle informal and sometimes unpredictable conversations with colleagues about potentially sensitive issues, such as health, wellbeing and productivity.

¹¹ *Managing older workers: A report for Acas* (Acas, 2016).

2.2.4 Caring responsibilities

Employers did not spontaneously raise caring responsibilities as a particular issue for older workers. However, they recognised that older workers may be more likely to balance work with the care of relatives other than children. Employers saw all caring responsibilities as having a similar impact on their organisation. Some employers considered that the care responsibilities of older workers were less likely to be disruptive to the business than the childcare responsibilities of younger workers.

'We had an employee who was caring for an elderly mother. It did not cause any problems over and above younger people with childcare issues.'

(Managing Director, Business Services, 10-49 employees)

For more detail on this see Section 4.1.2.

2.3 Workforce profile

Only a few of the employers interviewed had a large proportion of staff aged 50 plus. Smaller businesses and those who had been established more recently were more likely to have no more than one or two experiences of workers aged 50 plus.

Very few employers formally monitored the age profile of their workforce and, as such, only a small proportion were able to provide accurate data on the proportion of their staff who were aged over 50. Employers provided estimates where no data was available. Employers explained that they did not monitor the age profile of staff because they wanted to ensure that their practices were free from discrimination by age. They thought that attempts to monitor or influence the age profile of their staff could lead to discriminatory practices in recruitment. Some employers therefore said that it was better not to monitor the age profile of their workforce at all.

In their guidelines to employers on managing older workers, Acas recommends removing age from application forms, but including it in a separate form to Human Resources in order to monitor the age profile of the workforce and ensure against discrimination.¹² The guidelines state that monitoring the age profile is important to plan ahead for a peak of older workers leaving the organisation or to take positive action to rectify any imbalances in age bands. None of the employers interviewed for this study had used information about their workforce profile in this way.

A small number of employers monitored their age profile through equal opportunities forms which were completed anonymously by new employees. For instance, a large fashion company collected information on age, gender, ethnicity and other demographic criteria. Their Human Resource (HR) manager frequently made use of this database to run reports on movements within the company. When she first started in the position, she used this to examine the age profile of the workforce overall and in individual stores, but she no longer did so as she had never identified any need for action. Data was also not used to plan for retirement because very few workers took retirement:

¹² *Age and the workplace: Putting the Equality Act 2010 and the removal of the default retirement age (DRA) 2011 into practice* (Acas 2014).

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'If my memory serves me right maybe I've had one or two employees retire in the past year. No one really retires ... In the past I used to look at age profiles, but essentially there is no point, because the older population are more stable.'

(HR Manager, Fashion Retail, 250+ employees)

Although they did not formally monitor age, some employers acknowledged that they had an ageing workforce. This was usually attributed to lower turnover among their older workers, compared with younger staff.

2.4 Level of concern about an ageing population and workforce

Employers generally did not express concern about the age profile of their workforce and said they had a suitable mix of ages within their staff.

Human Resource professionals in larger organisations tended to be aware of an ageing workforce within the economy as a whole. However, this had not yet resulted in a response within their own organisation.

Some employers expressed concerns about the age profile of individual teams or occupations within their organisation. The occupations that attracted most concern were those involving manual work or physical activity. Concerns were focused around a possible increase in health conditions or decline in energy that their workforce might experience.

'Teaching is very energetic. Physically, it's the biggest challenge. Doing activities with the children. I don't expect teachers to sit at their desks all day. As the pension age rises, I really worry about that. That they won't be able to have that energy. It's different for my job, but there are very few head teachers and lots and lots of teachers. To make sure the children get the benefit out of their schooling, that might not happen if the age range goes up. That's my biggest worry.'

(Head Teacher, Public Services, 50-249 employees)

The most common responses to these concerns were to try to attract younger workers to these roles, and/or take steps to better retain existing younger workers (rather than to review the support provided to older workers).

Employers in the care home sector were more likely to have considered the implications of an ageing workforce. These considerations were largely driven by the impact of an ageing population on their business as a whole and particularly the increase in demand that will arise as a result. These employers considered an ageing workforce to be a positive development for them as they were already successful in recruiting and employing older workers.

2.4.1 Future plans regarding older workers

Employers did not believe that they needed to take any urgent action to address the recruitment or retention of older workers within their business. An ageing workforce within the economy as a whole was considered to be a slow process and therefore an issue they could gradually adapt to over time. Because employers generally had encountered only a small number of cases where they had needed to rethink work arrangements for older staff, the issue of older workers was not yet seen as a prominent concern. Some employers described HR practices as predominantly reactive, rather than proactive, and said they would consider changing policies once experiences of problems retaining or recruiting older workers become more frequent.

‘Some of the questions you have asked, we have not experienced. We may start to do more of that. A lot of the time with our HR things happen for the first time ... you do not sit down and anticipate what might happen. That’s not how it works in real life.’

(Managing Director, Business Services, 10-49 employees)

Some employers in sectors where physical or manual labour was predominant suggested they may have to be more proactive in dealing with health concerns that arise as employees grow older. However, they had not yet given this a great deal of thought.

‘I imagine we will have more conversations proactively, ask more direct questions about aspirations of older candidates etc.’

(Managing Director, Primary Services, 10-49 employees)

3 Recruitment

This chapter discusses employers' experience of recruiting older workers, including how they advertised their vacancies and whether they monitored the age of applicants. It also details challenges associated with recruiting older workers.

Key findings

Employers recognised that recruitment methods had an impact on applicant profiles and often stated that they made use of mixed methods to reach a range of applicants. None of the employers interviewed had run recruitment campaigns specifically targeted at older workers. Responses to hypothetical recruitment scenarios revealed that situations characteristic of older workers were likely to raise concerns among employers.

3.1 Recruitment strategies

3.1.1 How vacancies are communicated

Employers advertised job vacancies in a range of different ways. The most commonly mentioned approaches were websites, local newspapers and magazines, Jobcentre Plus and recruitment agencies. Employers also used sector-specific approaches, such as trade magazines, journals and websites.

Informal approaches to recruitment were relatively common, often in combination with the methods described above. Informal approaches included word-of-mouth, encouraging walk-in applications and advertising in shop windows. These methods were more common among, although not limited to, smaller employers.

Some employers also mentioned using social media for recruitment, but this was not common practice among those interviewed.

The decision on which approach to use on each occasion was typically determined by job role and the relative cost of each channel. Some opted for free recruitment websites and cheaper methods where possible, but employed more expensive and targeted approaches for harder-to-fill or senior roles.

3.1.2 Monitoring the age of applicants and targeting older workers

None of the employers interviewed monitored the age profile of applicants or those they interviewed. Employers believed that asking for age on application forms would be discriminatory.

Some employers suggested that the age of an applicant could be inferred from information given in CVs and cover letters. However, they believed that this did not influence their recruitment decisions which they said were based on candidates' skills, experience and motivation.

Employer experiences of recruiting, retaining and retraining older workers

Employers acknowledged that the recruitment channels used could affect the demographics of those that applied for vacancies. In particular, they found that online and social media recruitment approaches and the use of agencies tended to attract younger applicants. Some did not take any action to mitigate this, because these channels were effective in attracting enough suitable candidates for them. Others ensured that they used more traditional recruitment practises as well, such as adverts in local newspapers and shop windows, in order to attract a slightly older profile of candidates.

'We have generally relied heavily on website advertising and we want to move slightly away from that because we feel like we miss a generation who are not looking online for jobs, so managers have started to put adverts in local shop windows to try and capture all different demographics ... we have definitely got an empty nester from one of the shop window adverts recently.'

(Senior Human Resources Consultant, Public Services, 250 plus employees)

'The younger generation are more likely to use IT solutions to find their jobs than older people. But we advertise on all our vehicles and on a big sign outside, and we quite often get walk-ins because of the area we're in; there are a high number of drivers, so people just come and hand in their CVs.'

(Head of Transport Operations and Human Resources, Transport, 50-249 employees)

None of the employers interviewed had specifically sought candidates aged over 50. When employers thought it necessary to attract a cross-section of applicants to a particular vacancy they would seek to ensure this by adopting a range of recruitment channels.

Employers found that the language used in the wording of a vacancy ad could also influence the age profile of applicants. One employer, for example, had consciously used the word 'mature' in job adverts that they felt might be better suited to older workers.

'We have advertised for positions with "Position would ideally suit mature committed person, for example, someone looking for a career change or to return to work after raising a family".'

(Managing Director, Primary Services, 10-49 employees)

3.2 Success in attracting older candidates

Only a minority of employers in this research had experiences of recruiting candidates aged 50 and over in the last 12 months. Most older employees had been hired when they were under 50.

Employers attributed their lack of recent experience of hiring an older worker to limited interest in recent vacancies among older workers, rather than any bias in recruitment approaches. Employers often believed that a lack of older applicants was the result of the attributes of the job role, such as being physically demanding or fast paced.

'I don't think older individuals need the stress generally. They are probably more aware that you need skill and a lot of energy and that it can be stressful – whereas the younger ones apply thinking it will all be fun.'

(Managing Director/Owner, Fashion Retail, 10-49 employees)

Employer experiences of recruiting, retaining and retraining older workers

Another reason given for a lack of older applicants was that the job involved unsociable hours. A hotel reported that while people aged 50 plus often applied for domestic and housekeeping roles such as cleaners and dishwashers, few applied for bar or restaurant work. They believed that this was a function of the unsociable hours associated with these roles. It was also suggested that the fact that most people in these roles were younger acted as a deterrent for older workers.

Similarly, older workers were seen as less interested in roles which involved using new products, tools, processes and technologies. Technology retail and marketing are some examples of roles that were more attractive to younger candidates.

Where older workers were successful, this was down to the perceived benefits of older workers, as discussed in the previous chapter. Employers said that the successful older candidate had better experience or deeper understanding of the industry or that they demonstrated better customer service skills, flexibility or reliability.

'We had two young people [apply] but ... the older person got the job because he was experienced and understanding in how they would do the project. He would come up with new ideas that this young person did not have ... expertise and knowledge is a great asset to the company.'

(Human Resources Manager, Retail and Hospitality, 250 plus employees)

Organisations that had been successful in recruiting older workers emphasised the importance of providing part-time work and other flexible working options to attract these candidates. Some employers said that using zero-hour contracts enabled them to offer a fully flexible job role that was attractive to 50 plus workers.

'We get lots of over 50s applying – particularly from nurses and retired nurses. They are not usually wanting full-time – usually want 2-3 days a week. That is good for us.'

(Administrator, Care Homes, 10-49 employees)

'We wanted a customer care person so that is someone going around to the houses to do a bit of varied work. We recruited a 67 year-old on a casual basis – 'when required' type work – and that suited him fine because he didn't want to work full-time.'

(Management Accountant, Food Processing and Textiles, 10-49 employees)

3.2.1 Additional concerns about recruiting older workers

When discussing their own recruitment practices, employers stated that they were open to hiring workers aged 50 and over. However, discussions of both recent recruitment experiences and hypothetical recruitment scenarios highlighted that employers would ask questions or look for evidence from older applicants that they would not require from other younger applicants. In particular, employers wanted older applicants to demonstrate their:

- commitment to working for the organisation for a relatively long period; and
- ability to cope with the job in the long-run.

Employer experiences of recruiting, retaining and retraining older workers

The quotes below are some examples of employers needing to be convinced that an older candidate was likely to stay with the organisation for some time.

'When we took on [Rosie] in an admin role ... I had qualms. I wanted to know why/whether she really wanted the job which was much more menial. She satisfied that she wanted something to keep her busy without all the stress etc. of responsibility.

I'd want reassurance, that they'd stay at least five years and know why they wanted the job.'

(Managing Director, Primary Services, 10-49 employees)

'Don't get me wrong, I do look at that and think "60, how many years have they got left in them?", but I interviewed them and you would never think they are 60.'

(Office Manager, Transport, 10-49 employees)

Concerns about the ability to cope with job demands over time stemmed from the expectation that older applicants might experience health issues. This consideration was more common when discussing physically demanding jobs or those with longer hours. Some employers said that these concerns were driven by direct experiences of taking on older workers. Two examples they mentioned were a housekeeper and a fabricator. Both had left within weeks because they could not cope with the demands of the role.

3.2.2 Reactions to hypothetical recruitment scenarios involving older workers

In order to better understand the views and attitudes of employers towards recruiting older workers, respondents were asked to respond to the following hypothetical recruitment scenarios:

Scenario 1: A female applicant in her early 60s who has caring responsibilities and wants to work part-time

When considering **Scenario 1**, employers first stated that if the role was advertised as a full-time position then starting in a part-time capacity would not be possible. If the position was suitable for a part-time role, then employers would want to know more about the candidate's caring responsibilities and what they involved before deciding whether or not the individual could be recruited. Employers were looking for reassurances that the applicant would be a reliable worker and therefore wanted to know whether there was a risk that their caring responsibilities might increase and involve more time off, perhaps at short notice. One line manager explicitly indicated that caring responsibilities would be a problem and that a candidate with the same attributes and no such responsibilities would be hired for the job.

Employer experiences of recruiting, retaining and retraining older workers

Scenario 2: A male applicant in his mid-50s who has moderate arthritis but who does not believe this will impact on his ability to carry out the role

For **Scenario 2**, employers said that they would not be concerned about an applicant having moderate arthritis if the candidate was applying for a non-physical or office based job. If the vacancy was for a more physically demanding role then they would want to ask questions about the tasks the individual would not be able to perform. Others wanted to know what reasonable adjustments they might need to make if the individual was employed. While some were content to rely on the candidate's self-assessment of the impact of their health condition, others said they would request a medical report and some said that they would want a longer-term prognosis. One line manager indicated that his organisation would want to see a sickness report from the candidate's previous job and would probably want to make any job offer contingent on a successful probationary period.

Scenario 3: A female applicant in her mid-50s with a five-year gap in her employment history but who wants to return to work full time.

When considering **Scenario 3**, employers stated that they would want to ask the applicant about the reasons behind the five-year career gap. The responses employers gave to this scenario suggested that some reasons were considered to be more 'legitimate' than others. 'Legitimate' reasons included completing a university course, looking after a child or caring for an elderly relative. Some employers said that a career gap of this nature would prompt them to consider a criminal records check or pay particular attention to character references.

In addition, a significant career gap meant that employers would need to be convinced that the candidate was motivated and committed to returning to full-time employment. Some employers felt that a long career gap might be a sign that an individual's skills were out of date.

Scenario 4: A male applicant in his late 50s who has been in a managerial role, but is now applying for a more junior role at around 60 per cent his previous pay levels.

For **Scenario 4**, employers appreciated that the candidate might offer valuable skills and experience beyond those expected for the advertised role. However, some stressed that they would need to be convinced that the individual was committed to a role which may have been 'beneath them' in their previous job. A number of employers indicated that they would need reassurances that the applicant did not perceive the position as a short-term stop gap.

Employers thought that some reasons for applying for a less senior role were more 'legitimate' than others. In particular employers were apprehensive about a career change driven by a change in health.

Overall responses showed that although employers believed that they would consider applicants fairly in each of these positions, each scenario raised doubts and prompted them to ask questions or seek more information that they would not ask from other candidates. It was apparent that employers would be likely to favour other candidates who did not raise these concerns. Each of the scenarios explored is indicative of issues that are more likely to affect 50 plus workers and therefore result in disadvantage to older workers in the recruitment process.

4 Policies affecting older workers

This chapter discusses the policies in place for flexible working. It also looks at employer responses to some of the retention strategies for older workers outlined in the *A New Vision for Older Workers* report.

Key findings

Employers made efforts to accommodate needs for flexible working for older employees. Opportunities for flexible working were not broadly advertised and requests were dealt with on a case-by-case basis. Interviews with employers showed that there was an onus on the employee to approach their manager and make the case for flexible working. Those in manual roles were likely to have different opportunities for flexible working than those in non-manual roles; many of the options available to them involved reduced hours and therefore pay.

4.1 Approaches to flexible working

From June 2014 all employees have a statutory right to ask their employer to work flexibly for any reason, provided they have worked for their employer for 26 weeks continuously at the date the application is made.

Evidence highlights that flexible working is of interest to a large number of older workers as they approach retirement. In a quantitative study looking at the attitudes of the over 50s to fuller working lives, 39 per cent of workers aged over 50 said that the best way to retire would be to work part time or flexible hours before stopping work altogether.¹³ In addition, 36 per cent of retirees said they would advise someone who was contemplating stopping work altogether to 'consider switching to a flexible or part time work for a period first'.

Employers recognised their obligation to consider requests for flexible working and reported that they made efforts to accommodate workers' needs as best they could. Flexible working was seen to be an effective way to improve retention rates. Most experiences of accommodating flexible working among employers were focused on new parents, but employers were able to provide some case studies of older workers whose needs had been accommodated through flexible working. These examples included accommodating requests to reduce the number of hours worked and adjusting working hours. Requests were usually a result of changes in health conditions, new or increased responsibilities for the care of parents or grandchildren or as a precursor to retirement.

¹³ *Attitudes of the over 50s to Fuller Working Lives* (Department for Work and Pensions, 2015).

Employer experiences of recruiting, retaining and retraining older workers

Nearly all employers indicated that requests for flexible working or a reduction in hours had been considered on a 'case-by-case' basis. Decisions to accommodate requests were usually based on a combination of the work history of the employee and the nature of the role. This case-by-case review of individual requests meant employers did not actively promote flexible working options to staff. Employers thought a wide promotion of options was not sensible as opportunities varied too much for different employees within the organisation. Hence none of the employers interviewed had developed any formalised policies or practices to accommodate flexible working requests from older workers.

'We could not have a totally flexible situation; because here on a Saturday we are really busy and we need two people in the shop. We could not be totally flexible, but on the other hand if we knew it was for a certain number of hours per week we could work around it.'

(Director, Retail and Hospitality, 1-9 employees)

The only exceptions to this were a few organisations that operated a flexitime system where the opportunity to adjust start and finish hours was available to all staff.

'The staff that work full time also know they can vary their hours. They can come in three hours later and go three hours later if they want to. I operate that flexible hourly way of working because it doesn't cause conflict and still gets the production ... There are no formal processes, it would just be a chat.'

(Managing Director, Food Processing and Textiles, 10-49 employees)

It was clear from the employers' experiences of accommodating flexible working requests that in most cases the worker had approached their employer with a clear idea of the change they required. There were no examples of employers proactively suggesting changes in working arrangements to staff. It is likely that some older workers may be unaware of their right to make a flexible working request and of the types of flexibility the employer can provide. Others may lack the confidence to suggest alternative ways to contribute to the business. Previous research found that 30 per cent of older workers were not aware that they have the right to ask their employer about working part-time or working flexibly.¹⁴

When employers described accommodating requests for flexible working this usually involved employees who had proved their value to the organisation over many years of service. This suggests that the willingness of an employer to accommodate a specific situation depends on the perceived contribution of the worker. For example, one small employer mentioned being highly dependent on his finance director, who was over 50, and said he would be willing to accommodate her as far as possible to retain her within the company. In the example below, flexible working had similarly been offered to a long-term employee who was highly valued within the company. The employee was in a role which could be shared with another colleague looking to increase her working hours.

'We have a woman over 50 who does not want to commute as much, so she works 3.5 days and she job shares with a woman who has just returned from parental leave. So you have both ends of the spectrum sharing the same job. A new mum recently returning to work, and a grandmother who wants to work less days. And it works.'

(Human Resources Manager, Business Services, 250 plus employees)

¹⁴ *Attitudes of the over 50s to Fuller Working Lives* (Department for Work and Pensions, 2015).

Employer experiences of recruiting, retaining and retraining older workers

The type of flexible working requests that could be accommodated varied by job role. Working off-site or needing to start or leave work at irregular hours was easier to facilitate among senior staff and among office workers or those in administrative roles. However, it was harder to accommodate a reduction in the number of hours or days worked among such employees, because of difficulties finding and/or funding suitable cover. Employers perceived adjustments in terms of working from home or working hours to be difficult to accommodate in physically demanding roles, such as cleaner and carers. A reduction of working hours was often described as easier to offer, achieved by simply reducing the number of shifts worked.

'In the office it is flexible, if you need to go early for example, but for telephonists it is bit more difficult because they work shift patterns.'

(Human Resources Manager, Transportation, 10-49 employees)

Businesses with a pool of workers on either part-time or zero-hours contracts were able to offer more flexibility to their employees. Several care home employers said they were able to accommodate flexible working because of inherent flexibility in their workforce, resulting from a large number of part-time employees. One care home said employees were able to shift from contracted hours to zero-hour contracts if they wanted greater flexibility.

'We would be advising [employees] to change from working contracted hours staff to being on the "bank" shifts list. This means that they are on the cover list. They are not paid full-time; they go onto zero-hours contract and get holidays as they work as opposed to the full benefits of full time. The pay is the same per hour. A lot of people prefer to work "bank" shifts if they have challenges outside work as it is very, very flexible. If the shifts are available and they are free, they can do them here or at another home in the group.'

(Manager, Care Homes, 50-249 employees)

Similarly, an employer in the charity sector said it was able to accommodate flexible working through a system of switching people from permanent to part-time contracts. They regularly took this approach for employees with childcare or caring responsibilities, as well as those with health conditions.

Smaller businesses had more difficulties in accommodating requests to work fewer hours or days because they had fewer employees to provide cover and the use of job-sharing or shift working was less common. Although these employers believed flexible working in principle could be beneficial to their business, they thought that difficulties of managing employees working reduced days outweighed the benefits.

'Because we are a small company, we run on head count that covers the business. If we have one or two off sick, and I have made accommodations for another, then I need to get external people in, which costs, hugely increases my overheads, and I might not make profit on the day we have accommodated him.'

(Head of Operations and Human Resources, Other Services, 50-249 employees)

'Because we are a small company it makes it more difficult if it is long term. They could maybe do more telesales and we could think of altering their role to accommodate, but ultimately if someone really can't fulfil the role they are employed in, after some time and discussion, we would have to review the situation.'

(Managing Director, Retail and Hospitality, 1-9 employees)

Employer experiences of recruiting, retaining and retraining older workers

The financial performance of the business also had some impact on the likelihood of requests for flexible working being accommodated. A small fashion retail company which had recently been bought out of administration felt that its tough financial circumstances meant it had little flexibility to offer employees. The pressures of meeting challenging performance targets meant there was little flexibility to allow for additional staff to cover the responsibilities of someone who wanted to reduce their hours or work flexibly.

'The pressure on us to perform as a business – we are not doing very well at the moment – and it is putting budgetary pressure on the business. So where you might like to try and accommodate people, and we try hard to do so, but at the end of the day it's a question of whether the business can absorb that change.'

(Human Resources Manager, Fashion Retail, 50-249 employees)

Other employers explained they had accommodated requests to reduce the number of days worked particularly because the company was undergoing a quiet period and the reduction in overhead costs was welcome.

Some businesses recognised that an ageing workforce profile was an incentive to reconsider flexible working arrangements, but this was not something they had addressed yet.

'It's going to take a few innovative people to come up with a creative working structure. With older workers, what happens if people want to work fewer hours? It's about structuring a part-time team who don't necessarily want to work in an office.'

(Finance Director, Business Services, 10-49 employees)

4.1.1 Health conditions

Employers shared experiences of adapting working arrangements, either temporarily or permanently, to accommodate an older worker with a health condition. In smaller organisations, the impact of health conditions on an individual's ability to continue in the same role was assessed informally, predominantly relying on the individual's self-assessment. In mid to large size organisations there were processes in place involving an occupational health assessment to determine what reasonable adjustments were needed.

In sectors involving physically demanding work, accommodating changes in health was seen to be particularly challenging.

'A lot of our work is lifting stuff. A bad back really limits what you can do in the shop. I think it would be difficult on a long-term basis to employ someone who couldn't do 80 per cent of what the job is.'

(Managing Director, Retail and Hospitality, 1-9 employees)

Line managers and Human Resource (HR) managers also raised a further challenge relating to health: not all older workers are willing to report their health conditions due to concerns that this may influence their position in the company.

'Staff are not generally forthcoming, maybe because they feel they are older so you will tell them you have to retire. I think they have a little bit of fear and because of their age they think they will not find a job somewhere else ... If they are struggling, they tend not to come and discuss it.'

(Manager, Care Homes, 50-249 employees)

4.1.2 Caring responsibilities

Some employers had experiences of making adjustments to working arrangements to accommodate the caring responsibilities of older workers. According to the employers, these were handled in the same way as adjustments to accommodate childcare responsibilities among younger workers.

‘Actually our younger worker [in their 40s] needed some time out when their father was ill and subsequently died. It was all managed through informal discussion. I wouldn’t have thought there was any difference if it was a younger person with childcare issues. They worked remotely from their father’s house sometimes and took the time they needed.’

(Managing Director, Retail and Hospitality, 1-9 employees)

Examples of employers offering flexible working arrangements to older employees with caring responsibilities were predominantly short-term arrangements. These included arrangements for 2-3 days of emergency leave or in some cases up to a few weeks.

The ability to adapt working arrangements to accommodate caring responsibilities can be influenced by the workforce culture of an organisation. One care home employer said that due to a high proportion of older workers, staff members were more willing to pull together and cover shifts for anyone who might need time to care for a relative, as many others have been in a similar situation.

4.1.3 The importance of line managers

Recent research on flexibility as a way of preventing older female workers from exiting the workforce prematurely highlighted the importance of line managers in the process.¹⁵ Earl and Taylor argued that line managers have a crucial role to play in age management, but often they have not received the necessary training to recognise and respond effectively to flexible working needs.

It was evident from interviews with employers that line managers played an important role both in the likelihood of workers raising the issue of changing their working arrangements and in the likelihood of a request reaching the stage of being formally assessed. Employers acknowledged that the attitude of line managers and their response to initial enquiries might prevent some requests from ever being progressed further.

In larger organisations, a request for flexible working arrangements would initially be discussed with a line manager. Subsequently, they may refer the issue to an HR manager or department. The aim of a formalised system of referrals was to ensure a consistent approach in how requests were dealt with.

¹⁵ Earl, Catherine and Taylor, Philip. 2015. Is workplace flexibility good policy? Evaluating the efficacy of age management strategies for older women workers, in *Work, Aging and Retirement*, Volume 2, Issue 2, p214-226.

Employer experiences of recruiting, retaining and retraining older workers

The interviews conducted for this study showed that line managers sometimes acted differently to HR staff in relation to the issues that are more likely to affect older workers. Line managers were more reserved when it came to making adjustments or considerations for older workers. This appeared to be driven by two factors. On the one hand there was a fear of promising adjustments that were not possible within the establishment. On the other there was an awareness of the day-to-day impact that increased flexible working could have on their team and productivity.

A good relationship with a line manager was described as critical in enabling employees to come forward with issues relating to their health, especially health conditions of a sensitive nature, such as mental health issues. Smaller businesses tended to be more confident that their line managers had these strong relationships with their staff.

‘There’s no substitute to being on good terms with the people you’re working with so you know what’s going on in their lives.’

(Managing Director, Business Services, 10-49 employees)

HR managers reported that it was likely that some of their line managers were more open than others to flexible working for older workers in their teams. None of the employers interviewed for this study, however, offered training specifically on managing an age diverse workforce. The fact that employers do little to publicise what the business offers in terms of flexible working, the lack of training and the rarity of these requests is likely to make it challenging for line managers to know how to respond to them.

4.2 Responses to suggested strategies for retaining older workers

In *A New Vision for Older Workers*, the then Business Champion for Older Workers, Baroness Ros Altman, suggested five strategies that might be adopted by employers to help retain older workers.¹⁶ Employers who were interviewed as part of this study were asked for their thoughts on these strategies and their usefulness for their organisation.

4.2.1 Mentoring

A New Vision for Older Workers suggests that employers may wish to harness the industry or firm-specific knowledge older workers have through mentoring schemes where older workers are involved in coaching younger workers.

There were examples of mentoring programmes among the employers interviewed for this research, though these were not organised specifically around age. The exception to this was a development consultancy which organised a two way mentoring programme where younger workers offered training on digital technology and social media, while older workers provided coaching on sector-specific skills.

¹⁶ *A New Vision for Older Workers; Retain, Retrain, Recruit – A Report to Government by Dr Ros Altmann CBE Business Champion for Older Workers* (Department for Work and Pensions, 2015).

Employers were largely positive about the idea of mentoring but felt that a structured mentoring programme was only possible to organise in very large organisations because of the amount of management required. Some employers said mentoring would only be appropriate within specific departments of their business which had large numbers of staff in the same roles. For example, a food processing company and a retail company both said mentoring would not work well for office-based staff, but might be suitable for their sales or workshop teams.

4.2.2 Crisis leave

A New Vision for Older Workers also discusses the potential value of employers offering a period of unpaid leave to older workers. The aim of this provision is to give older workers time off to adapt to events such as family illness and, ultimately, prevent them from leaving the workforce prematurely.

Employers were open to the concept of crisis leave but felt that similar time off was already offered through existing policies providing compassionate leave to employees of any age. Medium to large organisations offered a fixed amount of compassionate leave to employees – typically ranging from a few days to a week. A mid-size logistics company offered up to three months of compassionate leave, reviewed on a month-by-month basis, but this was an exception.

Smaller companies did not have a fixed compassionate leave allowance but stated that they attempted to be flexible and to accommodate whatever was needed. They commented that long periods would be difficult to accommodate as budgets would not allow for temporary staff and a small workforce meant there were limited options for covering the responsibilities of an absent member of staff.

4.2.3 Career break

A further suggestion made in the *Report* is for career breaks for older workers. This suggestion is based on evidence that some retirees wish they were still working and feel they left the labour market prematurely. Twenty-eight per cent of respondents in the Department for Work and Pensions (DWP) commissioned polling said they would be interested in the opportunity to have a few months off and then return to work as an alternative to retirement.¹⁷ The *Report* suggests that an extended period of time off can give older workers time to recharge without them needing to leave employment altogether.

Some of the employers interviewed for this research stated that the systems they had in place for sabbaticals could cover this type of gap break. Sabbaticals usually allowed for up to six months of unpaid leave. In addition, one employer suggested a request for a career break could be facilitated by switching the employee to a zero-hours contract. Another said they would encourage the older worker to resign and then reapply once they were ready to return.

Employers sometimes questioned the likely take-up of career breaks as they felt that very few staff would be able to afford a long period of unpaid leave. Some of those already offering sabbaticals had experienced low take-up.

¹⁷ *Attitudes of the over 50s to Fuller Working Lives* (Department for Work and Pensions, 2015).

Employer experiences of recruiting, retaining and retraining older workers

They were also worried that the financial cost of organising cover would affect their ability to offer career breaks. This was particularly the case for more senior members of staff and among smaller employers.

'I don't think the managing director would go for that. The obvious issue is if they are away for a year we've got to recruit someone to do the job while they're not here.'

(Human Resources Manager, Primary Services, 50-249 employees)

Discussions with employers highlighted that a request for a career break from an older worker would be viewed less positively than similar requests from younger workers. In some cases, employers thought an older worker wanting a career break signals their intention to leave work altogether. They were sceptical about the ability of a career break to renew an individual's enthusiasm for work.

'If an older worker took a career break they would probably say this is great and I'm never going back. It would not work here because we are too small ... I can see that happening in a finance company or a large something up in London where they can move around ... from our perspective the career break option – if you want to leave, leave.'

(Managing Director, Food Processing and Textiles, 10-49 employees)

'I can't imagine anyone taking a year out at 60 and then come back at 62 and then be revitalised.'

(Managing Director, Other Services, 10-49 employees)

It was also clear that employers thought there was less of a business case for offering career breaks to older workers than to younger workers. The examples employers shared of facilitating career breaks typically involved younger employees who wanted to travel or pursue further study. Employers said this could provide useful life experience, which was valuable to the business. Employers considered that older workers already had this type of life experience.

4.2.4 Phased retirement

A New Vision for Older Workers discusses phased retirement as a way of retaining older workers for longer.

Employers agreed that changing work arrangements in the run up to retirement can be beneficial to the business. Some employers suggested phased retirement can help with succession planning, especially when a senior member of staff or an employee with substantial experience decides to leave the company.

Similarly to flexible working requests more generally, any requests for phased retirement were dealt with on a case-by-case basis and employers were reluctant to publicise any form of policy.

Small employers were more concerned about potential cost implications of periods of job-sharing that would result from phased retirement. One small employer said phased retirement over a short period of time could be beneficial in terms of training a successor, but that a longer period of time would not be viable for the business:

'It's about how you get a job share, so it's very much about the practicalities. It depends how long you wanted to have your period of winding down. I can see that if you could find a replacement and used that period as training and a handover but if it was two years, it wouldn't necessarily work.'

(Managing Partner, Business Services, 10-49 employees)

According to employers, a longer period of phased retirement was more feasible for individuals working in large teams of people in the same or similar roles. In these cases they would not have an immediate need to train a successor. Employers in the cleaning and care home sectors said that their large pools of part-time workers could be used to facilitate opportunities for phased retirement.

4.2.5 Mid-life career reviews

Mid-life career reviews are suggested in the *A New Vision for Older Workers Report* as a way to encourage older workers to think about adjustments that they might want to make to their working arrangements as they grow older. A pilot scheme delivering mid-life career reviews was carried out by NIACE in 2013.¹⁸ While the Report does not stipulate that employers should have responsibility for conducting these reviews, this study explored reactions among employers to the idea of delivering them.

Employers felt that a dedicated mid-life career review would be unnecessary because similar conversations were covered in appraisals or performance reviews. This was particularly the case among mid to large sized organisations, where appraisals and performance reviews were undertaken systematically.

Other employers were uncomfortable with the idea of delivering this type of review because they considered this would be too personal and not directly related to their business. They feared that offering a mid-life career review could be interpreted as a suggestion that an employee should retire. This might be seen as at best insensitive or at worse discriminatory.

Employers also questioned the exact meaning of 'mid-life' and wondered whether this label in itself could cause offence to some employees.

The discussion mid-life career reviews would involve requires employers to lay out a range of options that employees could consider in the run up to retirement. Employers were often uncomfortable with this idea as they thought they would not always be able to determine what sort of requests they would be able to honour in advance. Some suggested that they would not be able to offer enough options to make a mid-life career review worthwhile. Some employers for instance were concerned that their business did not offer enough variety in roles for someone to retrain late in their career.

¹⁸ NIACE (2015) Mid Life Career Review Pilot Project Outcomes: Phases 1, 2, and 3 (2013 – 2015) Final report to the Department for Business, Innovation and Skills.

5 Training and retraining

This chapter outlines employer approaches to training in general and for older workers in particular. It also explores opportunities for retraining and how these may differ by pay grade, sector and role.

Key findings

Employers believed they offered equal training opportunities and did not target any training specifically at older workers. Discussions with employers, however, revealed some bias which may affect the likelihood of older workers taking up training. They thought that older workers were potentially harder to train and that the impact of training was possibly smaller. Due to uncertainty over how long older workers were likely to stay within the business, employers questioned whether the return on investment into training was greater for younger workers. Employers also believed older workers were less likely to need and request training.

5.1 Opportunities for training

5.1.1 Identifying training needs

Training needs for individual employees, whatever their age, were typically identified and discussed during annual appraisals and reviews. In some organisations, training needs were raised during informal discussions with a line manager. Large organisations usually made use of more formal practices, such as skills matrices, in order to identify employees' development and training needs. Even when these practices and policies were formal and standardised, line managers still played an important role in suggesting, encouraging and facilitating training opportunities:

'We have a skills matrix and [line managers will] look down that and ask, "Would you like more training in that? Are you feeling competent in that?" and update the matrix to find out what their training needs are. Plus, during the day line managers come up and say, 'I think it would be good if we could get so and so trained up in this'.

(Human Resources Manager, Primary Services, 50-249 employees)

Smaller employers indicated that training needs were identified on an ad hoc basis, such as response to an error being made by an employee, or following the introduction of new equipment or machinery. Other small employers stated that beyond mandatory health and safety training they undertook relatively little training.

While in most organisations training was initiated by management, many also actively encouraged staff to identify their own needs. There were no cases where the process for identifying training needs differed for older employees compared with those aged under 50.

'We have strengths and weaknesses sheets which people do themselves and they then identify their gaps and needs. I send out lists of training opportunities and people can choose what they want to do.'

(Manager, Public Sector, 10-49 employees)

'Training needs are identified through a performance review process or by the manager identifying a need and then coming to me to discuss it.'

(Human Resources Manager, Primary Services, 50-249 employees)

5.1.2 Training opportunities and uptake among older workers

Employers did not mention age as a factor in identifying and delivering training to employees. Additionally, none of the employers interviewed offered training targeted or designed specifically for older workers. They argued that the processes for identifying training needs did not distinguish between older and younger workers, and provided examples of older employees embarking on training to support this claim. Examples included two workers over 50 completing a National Vocational Qualification (NVQ), and a nursery where an older worker recently completed a baby massage course.

Employers argued that equal training opportunities existed for all ages of staff, but they usually reported that in practice older workers undertook less training than younger colleagues. There were a number of reasons for this:

- Older workers, because of their experience, were seen as less likely to require training or to have fewer training needs. This was because they had already attended the relevant training courses required for the role or had acquired the skills needed of them. In other examples, the only older workers in the organisation were the owner or management staff and these were not seen to require any further training. Employers also highlighted that the workers who received the most training were those in trainee roles, or those who were new to the company, and that these tended to be younger members of staff.
- Older workers were also seen as less likely to request training. In contrast, employers perceived younger workers as more career-orientated and therefore more likely to seek out training opportunities. Some employers suggested older workers may be reluctant to pursue retraining due to insecurities in their ability to perform in a new role.
- Older workers can be reluctant to undertake e-learning or online training.

'Older workers don't like training at all, in fact they will resist it. Especially online training, they really don't like it. Some of them you have to physically march into the office and sit them down to do it.'

(Head of Transport Operations and Human Resources, Other Services, 50-249 employees)

Employers made efforts to respond to this by offering both traditional face-to-face and e-learning courses, although this is not always possible:

'You can either do e-learning or go to a training course and they will opt to go to the training course ... we have got to be flexible.'

(Human Resources Assistant, Public Services, 250 plus employees)

One employer noted that older workers were more likely to request IT training than younger counterparts, simply because they felt less comfortable with IT.

Employer experiences of recruiting, retaining and retraining older workers

Some employers were sceptical about the value of training older workers, particularly if they were approaching retirement age. This was based on a view that it was harder to train older workers in new ways of working and that training had less impact. Employers also questioned the value of investing in an individual who realistically would only stay in the workforce for a limited period of time. These employers would not rule out training for older workers, but admitted needing more convincing about the business case than they would for younger workers.

'I would be more inclined to give training to young people because their ability to retain trained information is greater.'

(Director, Primary Services, 50-249 employees)

'I would think, "Can they take any more training? Do they need any more training at that age? Are they at a maximum where they don't really need it? Once you've trained them, how long are they going to be there to exercise the training?"'

(Managing Director, Other Services, 10-49 employees)

5.2 Opportunities for retraining to new roles

5.2.1 Experiences of retraining older employees

Employers were largely positive about the idea of retraining. Yet in practice, opportunities for retraining were limited. Age was not considered to be a deterrent to offering retraining, but opportunities were dependent on the role and skills of the employee in question, the size of the organisation, and the availability of suitable alternative job roles available.

Employers also stated that retraining depended on the individual having the relevant baseline skills to make the transition easily. Employers clearly had to be convinced there was a business case for the change. This may include an identified need for employees in a specific role or assurances that the employee would stay with the company for a couple of years, allowing the business to recoup the investment.

Larger organisations and those with a greater diversity of job roles were more open to retraining staff for new roles, but the decisions to offer retraining were still made on a case-by-case basis.

'Retraining will be available because ... there are many roles within the hotel. The decision will be based on capabilities rather than age, and depend on budget.'

(Human Resources Office Manager, Retail and Hospitality, 250 plus employees)

Usually, experiences of retraining older workers had been the result of changes to physical health making the employee in question unable to continue in their previous role. In other cases, the employee had made a request to lighten their workload in order to reduce levels of stress. The role of physical health in considerations of retraining meant that older workers were often being supported to move from physical roles into office-based or administrative roles.

‘Cleaning was affecting her health because of all of the dust so we offered her the opportunity to do caring instead of cleaning and gave her [the opportunity to study for] an NVQ 3 in health and social care ...’

(Manager, Care Homes, 1-9 employees)

‘There would be support for retraining for a different role if for instance, somebody was in a care role and was challenged and needed to shift to a [less physical] role – we can sit down and offer support, mentorship, training and apprenticeships in some cases to retrain.’

(Manager, Care Homes, 50-249 employees)

Opportunities for retraining were not targeted specifically at older workers, and would not be treated differently than a request from younger staff. Older workers were, however, more likely to have made such requests, due to the correlation with physical health.

5.2.2 Perceived challenges of offering retraining

Opportunities for retraining were limited either by the size of the company or by a lack of variety in job roles within the organisation:

‘Roles are limited here because it is a small company and because of the availability of new roles ... If the opportunity was there I would have no hesitation with my members of staff bettering themselves or if they were finding the work too demanding, taking a lighter role.’

(Human Resources Manager, Public Services, 50- 249 employees)

In organisations where a variety of roles were available, employers suggested retraining would be dependent on the employee having the necessary baseline of skills to transition into a new role. Where job roles were very different, employers were less likely to see the potential benefit of retraining an employee.

‘I can’t see it being something that would ever come up. The roles are so varied and completely different from each other – there is not a lot of crossover.’

(General Manager, Food Processing and Textiles, 50-249 employees)

Employers thought manual workers had fewer opportunities for retraining, usually because they were unlikely to have the skills needed for a transition into an alternative, office-based role. However, some organisations were prepared to go ‘above and beyond’ in retraining their older workers in order to retain them.

‘We have an older guy who started as a carer, and then has moved up to be a Homecare Officer in the office. He was encouraged to apply for an office position and get further training. He was completely IT illiterate and we trained him in IT and increased his customer services training.’

(Director of Human Resources, Public Services, 50-249 employees)

Some employers also felt older workers could be resistant to the idea of retraining to a new role. This was often because they lacked the confidence or felt the transition might be too difficult.

Employer experiences of recruiting, retaining and retraining older workers

'No older workers have gone from the radio room to the office, it frightens them for some reason. They say they are fed up with the job and I say "why don't you try this or ask to do this?" and they say "oh no I couldn't do that, I couldn't do your job".'

(Human Resources Manager, Transport, 10-49 employees)

'Older workers want an easier life, so unless a new opportunity is easy, they will probably say no to it. If they work in the office it may be different, because they can see financial rewards so may therefore want to go for new roles.'

(Regional Director, Cleaning contractors, 50-249 employees)

6 Retirement

This section examines issues relating to retirement, in particular the average retirement age, whether employers had any concerns about the age at which their employees tend to retire, and the manner in which retirement is discussed with older workers.

Key findings

Employers had limited experience of retirement and only a few were concerned about the average retirement age in their organisation. Physically demanding roles were typically associated with lower retirement ages. Employers had no formal process for discussing retirement and preferred to allow this to be handled on a case by case basis. They expected the discussion to be initiated by the employee, except in situations where there was a case of underperformance. Discussions of retirement, age and performance were often considered sensitive and difficult to handle.

6.1 Retirement age

The employers interviewed for this research had limited experiences of retirement within their organisation. Some had not yet experienced an employee retire while others had not had anyone retire for some years. For this reason, many were unable to cite a typical retirement age. Those who provided a figure typically gave an age in the mid-60s.

Employers considered decisions about when to retire to be made entirely by individual employees. Decisions were seen to be influenced predominantly by changing health conditions, but some employers had experience of staff retiring because they no longer had a financial need to work.

'It varies really – it's down to the individual. We have people who say that's it, I'm going, and others who stay on, saying I'm fit and healthy and can do the job.'

(General Manager, Food Processing and Textiles, 50-249 employees)

A few employers had workers who retired due to caring responsibilities:

'We've only had one retire in the last three years since I've been here. She was 69 ... I think she found that the role was getting harder and that's why she retired. She couldn't keep up with the changes and she had grandchildren and they were struggling for childcare.'

(Manager, Care Homes, 10-49 employees)

Employers in sectors with physically demanding job roles, such as teaching, care work, kitchen work and cleaning, often cited slightly lower average retirement ages for workers in these occupations. For example, one care home employer indicated that the majority of those in caring roles chose to retire around 60, whereas those in catering or admin roles tended to continue to around 65.

Employer experiences of recruiting, retaining and retraining older workers

Some employers felt that earnings influenced retirement age within their organisation. They felt that lower paid workers tended to retire later than other employees because their financial situation required them to remain in work. One employer said that office-based workers were more likely to retire at State Pension age (SPa) while cleaners tended to retire between 65 and 70.

There is often an overlap between roles that are physically demanding and those that offer lower levels of pay. Some low paid employees may feel a need to retire earlier because of the demands of the job, despite financial constraints.

Only a few employers expressed concerns about the average retirement age in their organisation. This reflects the fact that many had either few or no recent experiences of retirement and only a small proportion of older workers within the workforce. Employers who had workers above SPa said these staff remained productive and retirement age was therefore not a concern.

The small number of respondents that did have concerns about an increasing average retirement age were worried about the implications of individuals working longer on productivity.

6.2 Planning for retirement

Few firms had formal processes or set procedures for raising the issue of retirement. Employers stated that it was the responsibility of the employee to raise plans for retirement or a desire for different working arrangements leading up to retirement with a line manager or with HR.

‘There’s not really [any formal process]. I think it is for them to let us know.’

(Human Resources Manager, Fashion Retail, 10-49 employees)

In smaller organisations, personal relationships between management and staff clearly aided informal discussions about retirement plans.

‘There’s nothing formal. It would be along the lines of “I’ve just received my bus pass” which would lead to a conversation; “Are you looking to retire?”’

(Managing Director, Retail and Hospitality, 50-249 employees)

Some employers felt that the removal of the default retirement age had created increased uncertainty about when employees were likely to retire making succession planning and replacement recruitment difficult:

‘The problem is as an employer, you can’t plan. There’s no planning for any group of people who are going to leave; you know that people around 65 or 70 are going to be leaving soon, but you can’t plan succession very easily, and you can’t plan the demographic, so the replacement of that group of workers, or the handing over of information, so you are tied to their notice period. And some of these guys have a lot of experience and you need a longer period of handing over and succeeding.’

(HR Manager, Other Services, 250+ employees)

6.2.1 Discussing retirement

Employers believed that it was not their responsibility to raise the issue of retirement with their employees. They did not want to be seen to be suggesting retirement or implying that individuals were no longer capable of doing their job. An exception to this was a retailer that had a policy of initiating a discussion about retirement plans six months before the individual reached SPa.

Employers said that annual appraisals or performance reviews presented opportunities for employees to raise retirement issues when discussing future training needs and career aspirations. Nevertheless, employers did not specifically prompt discussions about retirement.

'I wouldn't have a formal process for that, but I certainly would encourage managers, as I do with all managers, to have career conversations with all of their staff at appraisal time to understand [their long-term career goals] ... That conversation, especially if someone was looking to retire, would give them the opportunity to talk about if they want to scale back. I don't think it should be linked to just older workers, it should be everybody.'

(Human Resources Manager, Business Services, 50-249 employees)

Employers had discussions with older employees in situations where their performance had been unsatisfactory or after a period of extended absence due to illness. These conversations naturally led into areas such as health, reducing working hours or changing job role, additional support needs and thoughts on retirement. Risk assessments were also reported to be a situation where issues related to retirement could arise between a manager and an older worker.

Once a need for changes to work arrangements in the run up to retirement had become apparent, employers said that they were willing to consider a range of options including reducing working hours, allowing more working from home, or changing to a less demanding job role. Employers did not feel comfortable encouraging older workers to continue working once they had expressed an intention to retire.

'I wouldn't encourage them [to stay on], it is more about their free will but I am happy for them to work on if they want to. We haven't set any retirement age – as long as they wish to work and are able to do the work.'

(Managing Director, Retail and Hospitality, 1-9 employees)

Interviewees thought conversations about age, productivity and performance were sensitive and difficult to initiate. Some employers shared experiences of situations in which an older worker was struggling in their job role due to a decline in health and they had been unsure about how to handle the situation sensitively. This was particularly the case if the worker had been with the company for a long time. A transport company described a situation involving a worker now aged 71 who had been with the company for 30 years and did not want to retire despite declining productivity. The company had found an alternative role for him largely to avoid feeling that they were forcing him into retirement. The following quote also gives an insight into potential sensitivities.

Employer experiences of recruiting, retaining and retraining older workers

'We had an incident a few weeks ago where one person was talking to someone else, not about age but their capabilities and the person took it in the wrong way and asked if he was insinuating that he was too old to carry on such a duty when the other person was not ... and he took it the wrong way so I am a bit cautious.'

(Human Resources Officer, Retail and Hospitality, 250 plus employees)

Despite the recognised difficulties of conducting conversations about age and productivity effectively, employers did not feel a need to introduce training for line managers or more formal processes around retirement conversations. This is largely because these scenarios were very rare.

7 The role of pay and occupation

This chapter brings together all the findings about differences by pay grades and occupation discussed throughout the report.

Key findings

The support and options employers offer older workers in physically demanding jobs differs from the options offered to those in office-based roles. Due to the overlap between physically demanding and low paid jobs those in lower paid roles are also likely to have fewer options open to them. In particular, they are likely to have limited access to flexible working and retraining.

7.1 Differences in retirement aspirations

Interviews conducted for this study found no clear correlation between pay levels and retirement age. However, employers noted that older employees continued to work in later life and particularly past State Pension age (SPa) for a wide array of reasons. Some employers suggested that lower paid workers were more likely to work longer due to financial necessity while those in higher pay grades were more likely to do so out of choice.

‘You tend to find the carers work longer because they’re not paid as much. If you have a nurse who’s been here a long time they’re on a higher salary than a care assistant so you tend to find the nurses retire first.’

(Manager, Care Homes, 10-49 employees)

‘I think some are likely not to want to but to feel they have to carry on longer – the ones earning less income ... I have seen people saying “I have got to go back to work basically from my sick bed”’

(Human Resources Administrator, Public Services, 50-249 employees)

However, some employers mentioned they had low paid workers who continued to work because of a perceived positive impact of work on their wellbeing rather than as a result of financial necessity.

‘But also there can be the motivation of socialisation, more than just the pay. It is often not just the finance, it is having friends at work, and keeping in touch with the outside world.’

(Assistant Manager, Public Sector, 10-49 employees)

7.2 Differences in flexible working arrangements and other support

Most employers stated that the support they provided to older workers did not differ by pay grade. They attempted, as far as possible, to offer equal support throughout their organisation regardless of pay.

Employers agreed changes to working arrangements very much on a case-by-case basis and they acknowledged that certain types of flexibility could be offered more readily to older workers in some occupations than others. Often a key distinction was between the types of flexibility that could be offered to those in more physically demanding roles and those in office-based or management roles.

Employers said that they were able to offer staff in physically demanding or customer facing roles – that were typically lower paid – less flexibility in terms of changing their working patterns because of business needs for the work to be conducted at specific times. Employers also stated that it was more challenging to adapt tasks and responsibilities to accommodate health issues among these workers because health conditions tended to have a direct impact on their ability to perform the role. In turn this meant that workers would require greater adjustments to continue in their role which would lead to additional costs. For instance, while an office worker who experienced back pain could be provided with the necessary ergonomic support to continue in their role, an employee with the same injury who was required to lift heavy objects on a daily basis would probably require a completed change in job role which might be difficult to accommodate.

However, employers stated that it was often easier to accommodate a reduction in hours worked, such as a move from a full-time to a part-time role, for workers in physically demanding or customer-facing roles. This was particularly the case if these workers were employed in large teams with a shift system where staff could simply reduce the number of shifts worked per week.

Office based roles were typically associated with higher salaries. Interviews with employers revealed that these workers were likely to have access to greater levels of flexibility in terms of hours and working arrangements. According to employers, these staff members could make up for lost time by working from home or outside of office hours, even in times of illness or crises.

'More flexibility is quite possibly shown to the senior partner because they own a big chunk of the business. I think it would be naïve to say it wouldn't make a difference. Having said that, the senior partner here, his father in law was dying last year and he's been ill in hospital for quite a while. The difference is with somebody like a senior partner; they don't leave the office and leave their work behind. Even when he was at the hospital visiting, he'd have had his laptop with him. I wouldn't expect that of a legal secretary or our IT Manager'

(Partner, Business Services, 10-49 employees)

'I think it comes down to being considered more important so they get more support in training or picking up their slack when they can't do it.'

(Director, Primary Services, 10-49 employees)

Employer experiences of recruiting, retaining and retraining older workers

The ability to work outside office hours or to make up for lost time was facilitated by access to technology that senior staff were more likely to have:

‘There is more flexibility for senior roles to work from home because they have work i-phones, and technology set up for them to work remotely.’

(Executive Assistant, Primary Services, 50-249 employees)

In addition to the ease with which employers are able to grant some flexible working requests, differences by occupation also arise in the likelihood of employees to make requests. Employers shied away from publicising guidelines on the types of requests that they are able to grant. This means that employees may be deterred from making requests simply because they are unsure of what their employer can be expected to offer. It is likely that more senior employees are more aware of requests that have been made previously for age-related requirements and therefore feel more confident making a request themselves.

7.3 Differences by sectors

Interviews with employers revealed some differences between those in low paying sectors and employers overall. Below is a summary of each of the five low paying industries included in this study.

Care homes

Employers in the care home sector had a strong interest to employ older workers as they were seen as reliable and loyal. Interviewees stated that continuity in care was important, and older workers were therefore preferred over young candidates who were seen as less reliable. The ability to empathise with older residents was also appreciated.

Employers in care homes stated that there was a limited variety of job roles within their organisation, which resulted in few opportunities for retraining in the approach to retirement.

These employers thought they were better than other sectors at offering flexibility to accommodate different working patterns. This included supporting transitions to part-time working or smaller reductions in hours, sometimes through the use of zero-hour contracts. Employers stated that this flexibility and support enabled care homes to retain and recruit older workers more easily.

Employers reported that a large proportion of their employees were low paid and often needed to work past SPA out of financial necessity.

Cleaning contractors

Similar to care homes, employers in the cleaning contractor sector reported a high prevalence of older workers. This was seen to benefit the business. Again this was primarily because of their greater reliability compared with younger workers. Older workers were also sometimes associated with a higher quality of cleaning.

Cleaning was described as a physically demanding job and health concerns were acknowledged to be common among older workers.

Employer experiences of recruiting, retaining and retraining older workers

Cleaning contractors reported a limited variety of job roles, which meant there were fewer opportunities for retraining in the approach to retirement. Instead of retraining, older workers, particularly those with health concerns, would typically reduce their hours prior to retiring.

Employers also considered themselves to be fairly open to flexible working and mentioned a high number of part-time and zero-hour contract workers as evidence of this.

Fashion retail

Employers in fashion retail reported low proportions of older workers in the workforce. This tended to be the result of a low number of older applicants for vacancies, not down to a preference for younger workers. Employers believed that older people perceived roles in their organisation to be tiring, stressful, and physically demanding.

Employers had not taken any steps to address the low number of applications from older workers.

The customer-facing nature of most of the roles meant employers felt they had limited scope to offer flexibility to older workers.

Transport

Employers in the transport sector reported low staff turnover and an ageing workforce as a result. It was relatively common for workers to work past retirement age out of financial necessity.

Jobs in the sector were typically described as physically demanding; they often involved heavy lifting and long hours. As a result, employers had concerns about the impact of ageing on productivity. All employers had formal procedures for assessing workers' health and physical capabilities on a regular basis. Employers were keen to support loyal workers and if one of these regular assessments pointed towards a change in job role then they would try to accommodate this. One example given was of a driver who had been moved from driving larger vehicles, through smaller ones and eventually to a warehouse role as he had grown older.

Food processing and textiles

Employers in the food processing and textiles sector thought their employees were likely to leave the workforce at around SPa. Employers had no concerns about the ageing population and the potential of the retirement age rising as the sector was seen to benefit from traits typically held by older workers, particularly reliability and experience.

Employers indicated that there was little variety in job roles within the organisation, meaning that opportunities for retraining were limited.

Employers reported examples of accommodating flexible working requests, but decisions were made on a case-by-case basis and the productivity of the employee in question was taken into account.

8 Conclusions

The main conclusions that can be drawn from this research are:

Employers value a mixed-age workforce, with older workers described as loyal, reliable, committed and conscientious. They are also seen as contributing valuable business experience to the organisation. Greater life experience is considered to make older workers better at managing themselves and others in the workplace. Employers stated that they already have a suitable balance of ages within their workforce and few had made attempts to change the age profile of their organisation.

Although it is a concern for policy-makers at the macro level, an ageing workforce and the impact this may have on their organisation is not yet a prominent concern for employers. Employers will therefore need considerable persuasion that this is an issue they need to address. The employers interviewed for this study had limited experiences of managing older workers. An ageing workforce was perceived to be a gradual process they could adapt to over time. Those employers who had concerns about the age profile of their employees had addressed this by recruiting younger workers.

Fear of contravening equal opportunities legislation prevents employers from collecting and analysing information on age from applicants. Employers largely do not monitor the age profile of their workforce or do anything with this data if they do collect it. Collecting and making use of this information is in some cases believed to be discriminatory.

Existing policies and procedures around flexible working are considered to be effective in meeting the needs of older workers. Existing policies are said to cover situations such as health conditions, caring responsibilities, phased retirement or a wish to work less, if needed. However, these policies are not always clearly articulated to staff and are predominantly used by new parents.

Requests for flexible working are considered on a case-by-case basis. Factors relating to the individual's work history, their job role and how easy it would be to change work hours or working patterns are taken into account in the decision. This makes employers reluctant to publicise the types of flexibility that they are able to offer, because the same options will not be available to all staff. This in turn means employees may not be aware what arrangements their employer can support. Responsibility is placed on older workers themselves to request and argue for flexible working arrangements.

Employers admit line managers may not always have the skills required to ensure older workers feel comfortable discussing issues relating to ageing. They also think some line managers are likely to be more open to flexible working than others. Interviews with line managers revealed that they were often more reluctant to accommodate flexible working than their HR manager. None of the employers interviewed for this study offered training to line managers on managing an age diverse workforce. The unwillingness of employers to publicise clear guidelines on flexible working coupled with this lack of training and the relative infrequency that most line managers encounter issues affecting older workers makes it challenging for them to know how to react to such situations.

Flexible working arrangements are more likely to be made for long-standing employees than for new entrants. This means new entrants requiring alternative work arrangements are likely to be at a disadvantage.

Employer experiences of recruiting, retaining and retraining older workers

Flexibility is less likely to be available to workers in physically demanding roles.

These tend to be lower paid roles. Employers state that their policies and practices do not differentiate between higher paid and lower paid roles. There were, however, differences found in the type of flexibility employers say they can offer those in physically demanding roles, which are more likely to be lower paid. Flexibility for these workers is often limited to a reduction in shifts or working hours. This may be contributing to a tendency for lower paid, manual workers to retire from the workforce earlier. Flexibility for office-based or more senior staff is often offered as changes to work hours or working patterns.

The attributes listed by employers as benefits of employing older workers, such as loyalty and reliability, are likely to be difficult to effectively demonstrate at a job interview. Employers report that decisions are always based on skills, experience and suitability, and not on age. When asked to consider hypothetical recruitment scenarios it was clear, however, that employers need reassurances about the implications of issues more likely to affect older workers, such as health conditions, caring responsibilities and downshifting. These factors together are likely to place older workers changing jobs or re-entering the workforce at a disadvantage.

Employers were asked to consider four recommendations from the *A New Vision for Older Workers* report:

- **Employers are receptive to the idea of ‘crisis leave’, but argue that this is already provided for within their compassionate leave policies.**
- **Some employers state that ‘career breaks’ would fit within their existing policies for sabbaticals.** Responses to this suggestion, however, revealed that employers are likely to be less receptive to requests for career breaks from older workers than from younger ones.
- **Mentoring programmes are perceived as valuable, but viable only in large companies.** Although employers can see the value in these types of initiatives to retain older workers, small and medium-sized employers say that they are only practical as a formal initiative within large workforces.
- **Employers are unlikely to be willing to play a role in delivering mid-life career reviews.** Employers largely do not have processes in place for discussing retirement plans with older workers and since the removal of the retirement age such processes and discussions are perceived to be insensitive or even discriminatory. Plans for retirement are therefore largely discussed informally and usually initiated by the employee. In larger businesses retirement plans can sometimes surface during appraisals or performance reviews.

8.1 Policy implications

Without intervention it is unlikely that the majority of employers will do much to change working arrangements for older workers in the short to medium term.

They may be open to communications that focus specifically on:

- How to monitor the age of their workforce and recruitment base and how to hold appropriate discussions about retirement plans without contravening age discrimination legislation.
- How employers can ensure line managers are delivering their HR vision in terms of accommodating a mixed-age workforce.
- How to ensure that their existing flexible working policies meet the needs of older workers as well as parents with childcare needs.

To change the practices of older workers and their employers, there may be value in targeted communications that encourage workers considering retirement to think about whether adjustments to their working arrangements might make working longer more attractive. This could emphasize the evidence that employers are willing to make adjustments for valued staff.

There appears to be a strong financial rationale that lies behind the fact that lower paid workers are more likely to retire early. Often the only flexibility that employers are likely to offer older workers in physically demanding – which can correlate closely with lower paid – roles is a reduction in hours with an associated reduction in pay. More consideration of how employees can be helped to make later life transitions and maintain contact with the labour market could be beneficial.

Both employers and older workers would benefit from more employers sharing best practice examples of the advantages of a mixed age workforce and the benefits that older workers can bring to the workplace.

Appendix A

Overview of respondents

Table A.1 Participating organisations in cross-economy sectors

Sector	Type of business	Size
Public	Care agency	50-249
	Day nursery	10-49
	Primary school	50-249
	Disabilities charity	250 plus
	Housing charity	50-249
Business	Commercial radio	250 plus
	Legal services	10-49
	Analytics and insight	50-249
	Management consulting	50-249
Primary	Water treatment	10-49
	Urban planting/landscaping	10-49
	Materials testing	50-249
	Component process solutions	1-9
	Energy saving solutions	50-249
	Massage and beauty products	50-249
Retail and hospitality	Cooking equipment shop	10-49
	Hi-fi sound and vision retailer	1-9
	Biotechnology	1-9
	Hotel	250 plus
	Hotel	50-249
Other	International development	250 plus
	Storage	10-49
	Transport and storage	50-249
	Insurance provider	250 plus
	Taxi company	10-49

Employer experiences of recruiting, retaining and retraining older workers

Table A.2 Participating organisations in low pay sectors

Sector	Type of business	Size
Food Processing and Textiles	Textiles retail	10-49
	Poultry feed	50-249
	Food manufacturer	250 plus
	Health and sports supplements	50-249
	Fabric production	1-9
Care homes	Care home	1-9
	Care home	10-49
	Care home	50-249
	Care home	10-49
	Care home	50-249
	Care home	250 plus
Cleaning contractors	Cleaning contractors	250 plus
	Cleaning contractors	250 plus
	Cleaning contractors	50-249
	Cleaning contractors	10-49
Transport	Taxis	10-49
	Delivery service	10-49
	Working steam and diesel railway	50-249
	Mainline railways	250 plus
	Taxis	50-249
Fashion retail	Wedding retail	10-49
	Menswear	50-249
	Luxury fashion	50-249
	High street fashion	250 plus
	Independent tailoring	10-49

Appendix B

Methodology

A total of 50 businesses were interviewed for this study.

Employers were only included in the research if at least one of the following criteria applied:

- organisation had recently recruited someone aged 50 plus;
- organisation had conducted recruitment recently where they had candidates aged 50 plus who were unsuccessful;
- organisation had individuals among their staff who were 50 plus or approaching 50; or
- organisation had someone aged over 50 but who had not yet reached State Pension age (SPa) leave their workforce relatively recently.

The main respondent within each business was the individual with responsibility for recruitment, retention and training within the organisation. This was typically a Human Resources (HR) Manager or Director in medium and large organisations and an owner/manager in smaller ones. Where possible, an additional interview was also conducted with a line manager to explore whether their views or experiences differed from that of the management.

Half of the interviews were conducted within five sectors which are characterised by having larger volumes of lower-paid workers who are paid at around the National Minimum Wage.¹⁹ These were:

- Care homes
- Cleaning contractors
- Fashion retail
- Transport
- Food processing and textile manufacturing

The broader component of the research covered the following sectors:

- Primary services
- Retail and hospitality
- Business services
- Public services
- Other services

Table B.1 shows the number of businesses participating in this research and the number of interviews achieved within each sector.

¹⁹ *National Minimum Wage: Low Pay Commission Report 2015* (Department for Business, Innovation and Skills, 2015).

Table B.1 Respondents by sector

Sector	Number of businesses	Number of interviews conducted
Low pay element		
Care homes	6	8
Cleaning contractors	4	8
Fashion retail	5	8
Food processing and textiles	5	7
Transport	5	8
Cross-economy element		
Public services	5	10
Business services	4	7
Retail and hospitality	5	7
Primary services	6	12
Other services	5	8

Within each sector, a spread of interviews was achieved by size of organisation and by location. Tables B.2 and B.3 shows the number of participating businesses and interviews achieved by size and location.

Table B.2 Respondents by size of organisation

Size band	Number of businesses	Number of interviews conducted
Micro (1-9)	5	7
Small (10-49)	15	24
Medium (50-249)	19	31
Large (250 plus)	11	21

Table B.3 Respondents by location

Size band	Number of businesses	Number of interviews conducted
London	17	27
South East	17	27
Leeds	2	3
Manchester	4	5
Sheffield	2	5
Cardiff	5	10
Glasgow	2	2
Derby	1	2

B.1 Qualitative interviews

Interviews were conducted face-to-face and lasted approximately an hour. Fieldwork was completed between 19 May and 6 September. The sample was provided by Experian.

In interviews with employers in low pay sectors, respondents were asked to focus particularly on the lower paying job roles within their organisation. For the other interviews, employers were asked to discuss the situation across their workforce as a whole.

The topics covered in the topic guide were as follows:

Section A: Introduction

This section examined the profile of the organisation's workforce, including its age profile. It explored whether employers monitor the age profile of their employees, and whether they had taken any steps to make changes to the age profile of their workforce.

Section B: Retention

This section sought to understand what the average retirement age is in organisations and whether organisations have any concerns about this. It explored the perceived benefits and drawbacks of employing older workers, and the processes organisations have for establishing older workers' plans and aspirations. It also assessed how organisations retain older workers. The section included a discussion of interviewees' experiences as well as hypothetical scenarios.

Section C: Retraining

This section explored how training needs are identified within organisations and how training is delivered. It assessed whether older workers are specifically targeted for training opportunities and whether there are differences in the training younger and older workers receive. It also examined opportunities and attitudes towards re-training workers who are unable to continue in their current role.

Section D: The Role of pay

This section aimed to unpick whether the experiences of older workers might differ within the organisation depending on variables such as pay grade and job role. It explored whether employers believed the support offered to lower paid workers differed from that offered to higher paid workers. It explored whether attitudes towards work and retirement varied according to the employee's occupation or pay grade.

Section E: Recruitment

This section focused on the organisation's approach to recruitment and whether this targets candidates aged over 50 in any way. It also examined employers' reactions to hypothetical applicant and recruitment scenarios relating to older job applicants.

Section F: Future plans

This section asked respondents to summarise their experiences of recruiting, retaining and retraining older workers and what they perceive to be the key challenges.