

# Withdrawn

## **This publication is withdrawn.**

This publication is no longer current.

Read guidance about [help and support for older workers](#).

# Employer case studies

Employing older workers for an effective multi-generational workforce



Department  
for Work &  
Pensions

This collection of case studies draws together real examples showing how employers across different sectors and of different sizes have effectively managed the issues and opportunities presented by an ageing workforce.

A common theme is a coherent approach to getting the most from experienced older workers whilst bringing on younger workers. It is a resource from which employers and business organisations can draw practical examples and transferable experience.

All of the case studies were provided by the employers for sharing from 2011 onwards.

# Contents

## CARE

■ Hendra House	4
■ ■ Lilian Faithfull Homes	5
■ The Partnership in Care	7
■ ■ Woodford Home Care & Support	8
■ Home Instead Southport	9

## CONSTRUCTION

■ ■ Nicholson-Roberts	11
■ ■ Clugston Group	13

## EDUCATION

■ Queen Alexandra College	15
■ Epping Forest College	17
■ Stoke on Trent College	19
■ Wakefield College	20

## FINANCIAL SERVICES

■ ■ ■ Nationwide	22
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## HEALTH

■ ABM University Health Board	24
■ ■ NHS Portsmouth	26

## HOSPITALITY

■ ■ JD Wetherspoon	29
■ Marston's	31
■ ■ McDonald's	32

## LOCAL AUTHORITIES

■ Falkirk Council	35
■ ■ Hertfordshire County Council	37
■ ■ North Warwickshire Borough Council	39

## MANUFACTURING

■ ■ ■ Allevard Springs	40
■ ■ ■ South Wales Forgemasters	42
■ ■ British Gas	44
■ ■ ■ Ronseal	45
■ Centrica	48

## POLICE

■ West Midlands Police	49
------------------------	----

## RETAIL

■ ASDA	50
■ Co-operative Group	51
■ John Lewis	51
■ ■ ■ Marks and Spencer	52

## TRANSPORT

■ ■ ■ ■ A T Brown Coaches	54
■ First Group	56

## Legend

■ Recruitment
■ Training
■ Flexible working
■ Performance discussions
■ Succession Management / phasing retirement

# Care

## Hendra House Small employer

Hendra House is a family run residential home located in Ludlow, South Shropshire. It accommodates 28 residents who are cared for by a staff team of 32, 8 of whom are over 50.

### Training

98% of the staff either have or are working towards NVQ qualifications.

The owner, Vince Birmingham, is a firm believer and supporter of the apprenticeship programme providing opportunities to participate for all staff, regardless of age or role. In his experience age has never been a barrier to learning.

### Employing and training all staff enables skill and knowledge sharing. As Vince explained:

“Older and younger workers can offer real business benefits. We make the most of the range of skills and experience brought by our workers of different ages.”

### Not too old to train

Lorna obtained part time employment as a care assistant at Hendra House in June 2010 at the age of 59. Building on her previous experience she became an apprentice and with the support of her colleagues sailed through the learning to achieve an NVQ qualification, in spite of being initially anxious about the Maths and English requirements. As a result of the new skills and knowledge she has gained, Lorna feels she has been given a new lease of life and a renewed sense of self worth. In addition she recognises that she is also able to provide the residents with an even better quality of life.

### Business benefits

In response to any employer concerned about the cost of funding older apprentices, Vince argues that it is an investment well worth making, which produces significant benefits. These include:

- a retention rate of 94% (excluding those leaving for higher education or to have children) as a result of staff commitment to the organisation enabling savings on recruitment costs estimated at £1,000 per new employee;
- low rates of sickness absence (e.g. Lorna has had no sick leave since being appointed);
- having a waiting list for staff vacancies (in contrast to many organisations who struggle to recruit);
- an Excellent rating overall and rated as Excellent across all 7 of the former Care Quality Commission Key Indicators in the last inspection in 2009; and
- improved customer care.

Further evidence that this investment pays off is found in the numerous external accolades Hendra House is awarded year on year as an effective employer and business. The owner is committed to recruiting people with a passion or the potential to be a social care worker, and training and developing them to their full potential, regardless of age.

## Lilian Faithfull Homes

### Medium Employer

Lilian Faithfull Homes is a registered charity based in Cheltenham, Gloucestershire. It operates three residential care homes, one of which is a nursing and dementia home. They are fully committed to operating age neutral recruitment and retention policies, employing staff based on their ability to do their job regardless of age.

The chief executive, Steve Hughes, believes a diverse workforce of varying ages brings with it different skills and experience, with older staff in particular bringing their life experience into their jobs.

### Recruitment and Training

During 2011, eleven people between the ages of 50 and 65 have been recruited to a variety of roles. They include:

Eileen Trigg was recruited at age 70 after being made to retire from a lifelong career as a bookbinder.

Eileen clearly dispels the myth that older workers are neither fit enough nor well enough to carry out strenuous duties. She has never had a day's sick leave, and her energy levels were highly commended by a much younger colleague who substituted for her when she took leave.

Her flexibility, commitment, loyalty and reliability were highly praised by her manager who described her as an excellent role model for the younger staff.

Barbara Wilson (57) had a long career as a carer when she decided, at the age of 50, that she was capable of being a home manager. She consequently decided to take time out to study for her NVQ 4. Shortly after completing her course she achieved her goal and was appointed as manager for one of the Lilian Faithfull homes.

### Flexible Working and Retention

Although the organisation does not have a formal flexible working policy, they respond naturally to the changing needs of their staff as they get older, so that they can retain them for longer. This ensures that the benefits of older workers are retained.

### For example:

A senior carer, aged 60, indicated that she no longer felt confident in continuing her full range of duties. Her responsibilities were consequently adjusted and her hours reduced, enabling her to continue working as a senior carer but relieved of that part of her role she was no longer confident in performing.

### Results and Business Benefits

As a result of their recruitment and retention policy, nearly a third of Lilian Faithful Homes' 212 staff are aged over 50, with the oldest being 77 years of age with eight years service.

This brings the following business benefits:

- a stable workforce, as many older workers have been in post more than 10 years, which also reduces the cost of recruitment;
- lower levels of sickness absence;
- retention of organisational memory, experience and skills;
- high quality customer care from workers with life experience and patience; and
- an ability to manage and cope with stress.

### Conclusion

This flexible approach to retirement enables Lilian Faithfull Homes to retain their staff thus reducing turnover and recruitment costs and to fully benefit from the particular qualities older workers bring.

**“You cannot learn to do the job by studying a book, only knowledge; to be truly competent you need experience from actually doing the job. Older workers with their life skills bring this added dimension to the work”.**

**Barbara Wilson**

## The Partnership in Care Medium Employer

Pat Smart is currently 72 years of age and is employed in Risby Hall Nursing Home run by The Partnership in Care, where she has worked for the past 22 years. She is employed as a care assistant doing night shifts.

### Training

Over the years Pat has witnessed many changes but is not afraid to learn and adapt. She recently completed a month long training course designed to help her and her colleagues respond better to the increasing number of residents admitted with dementia.

Pat currently has no plans to retire. Not only does she need the additional income, but she enjoys the work and believes it keeps her fit and healthy.

### The Employer's View

Tania Sibbald, the home manager, was enthusiastic in her praise of Pat. She described her as an excellent worker, highly skilled and experienced, caring, extremely competent in dealing with even the most challenging behaviours of residents suffering from dementia, hard working and with a perfect sickness and timekeeping record. In addition she is more than willing to accept extra shifts if and when required.

## Skills Transfer

Tania emphasises the importance of recognising the wealth of skills and knowledge that older workers bring from both the job and their own life experience. "These cannot be taught", she stated, "so they are invaluable in helping new staff learn on the job". The buddy system operating in the home enables Pat to be teamed up with newly appointed staff so they can quickly benefit from her extensive knowledge and experience.

Having Pat in the home has left a positive impression on Tania as to the value of older workers and she would have no hesitation in employing others.

Ian Turner, the managing director, also stresses the value older workers provide, retaining experience and organisational memory. In particular he noted that older staff can remember how similar problems have been dealt with previously thus avoiding trying solutions which have already proved unsuccessful. His belief in their value is evidenced by the fact that Pat is just one of a number of his employees over state pension age.

"Provided older workers are willing to continually change their practice and attitudes in line with new approaches and thinking, I am more than happy to employ them", he concluded.



## Woodford Home Care & Support Medium Employer

Woodford Home Care & Support Services, based in the West Midlands, provides personalised services to enable older people, as well as adults with a range of illnesses and disabilities, to remain at home safely and confidently.

They had difficulty in attracting sufficient numbers of high calibre staff able to meet customer needs. Their solution was to employ older people looking to make a career change.

The organisation recruits staff from a range of backgrounds and walks of life. This not only increases the pool of people from whom they recruit but enables them to match carers to the individual needs, requirements and interests of those for whom they offer care.

They are open minded about recruiting and retaining older workers because they have found that they bring reliability, extensive life and community knowledge, high levels of emotional and physical resilience, well developed people skills and low sickness absence rates. Currently over 20% of their carers are over 50, including 2 over 70. Older service users also tend to relate better to carers of their own generation.

### Recruitment and Training and Skills Transfer

Richard Lyndon is a 55 year old care worker they recruited two years ago, following his long career in metal engineering. During the extensive interview process, Woodford immediately recognised his potential and transferable skills, despite his lack of care sector experience and formal qualifications.

This included his self awareness and personal caring experience of looking after his elderly father as well as previous work based knowledge and skills such as health and safety at work, developing colleagues and listening and responding to individuals.

He was initially employed as a basic grade carer but has progressed rapidly. He demonstrated both a willingness and enthusiasm to learn and develop and has obtained his NVQ 3 award as well as completing a number of other courses, for example, dementia care. His role now also includes supporting and mentoring younger colleagues. His swift promotion to the senior management team is clear evidence of the value he has brought to the organisation

### Performance Discussions, Phased Retirement and Skills Transfer

Regular supervision sessions every three months and weekly timesheets that include space for staff to record issues, concerns and worries, enable them to respond to changing staff requirements.

For example, when the needs and performance of a 74 year old former residential home manager changed after 12 years' service, they openly discussed the options and took corrective measures to adjust her role and responsibilities. Instead of undertaking direct care work, she was made responsible for compliance and quality assurance checks as well as supervising and developing new staff.

## Home Instead Southport Small Employer

Home Instead Southport operates as a small business – one of Home Instead Senior Care’s worldwide networks of locally owned and operated offices. They are devoted to providing the highest-quality care for older people in their own homes.

One of the key principles of their business is to ensure that care is tailored to each individual and takes into account individual needs and preferences. They also strive to match their care givers with the diverse personalities and needs of their clients. They therefore recruit the best people with a range of backgrounds and experience.

This approach has led to about one third of their carers being over 50 years of age, many having been recruited after a long career in another sector and following retirement.

### Business Benefits

Operations Director and co-owner manager Anthea Pilkington outlined a number of benefits the older workers bring to the company and their clients. She has found that many older workers remain with them long term which means that clients are provided with consistent care from someone with whom they can form a long term trusting relationship. Many of their clients have consequently had the same carer for several years. In some cases this carer may continue to care for a partner when the initial client passes away. Home Instead have found that generally their retention of older workers is quite high, as they provide workers with the opportunity to work a variety of different hours, especially part time, which is particularly attractive to older

workers who are gradually leaving the workforce. This high retention level also means that they save on the costs of recruitment and induction.

As many of the Home Instead clients are elderly, the older workers have much in common with them. They bring with them a lifetime of experience from their personal family and professional life which enables them to easily connect with the clients, many of whom are simply seeking companionship.

Finally, Anthea has found that, in general, the sickness records are as least as good as other workers, countering the commonly held myth that older workers take more sick leave than younger workers.

Older workers are often keen to undertake training and update their knowledge including National Vocational Qualifications and Diplomas. The benefit of this type of qualification is that it is based on the work being carried out day to day rather than traditional classroom teaching that can be daunting for those older workers who have not studied for a long time. Often skills from previous employment and those gained from caring for family members are directly transferable into this role.

**Caroline Ascough, who is responsible for the Quality Assurance process, and who herself was recruited at the age of 53, went on to state:** “older carers are highly valued for their life skills. Relatives are more relaxed when they are around as they tend to be calmer and more confident.”

### The carers

The following carers illustrate the type of older worker Home Instead recruit and retain.

**Enid Wooldridge** (age 61) worked as a machinist before retiring. After moving to Southport she responded to a local advert and began working for Home Instead at 60. She had some previous experience of caring, having looked after her mother for many months before she died and thought that this, together with her life experience, would stand her in good stead as a paid carer.

Since joining Home Instead she has cared for several different clients and is currently completing an apprenticeship programme. She has had only one day's sick leave since becoming a carer.

**Peter Dooley** (age 69) was recruited at the age of 65. He had previously been in the army and navy before joining Cadbury Schweppes as a regional sales manager. Sadly his health deteriorated after he became diabetic and he retired early.

However after he succeeded in controlling the diabetes he started seeking alternative employment. When he came across an advert for Home Instead, he decided to apply although he did not expect to be successful "at my age".

Peter has now worked with a range of clients, some of whom he has cared for over several years. He has also demonstrated his willingness to learn and develop having completed his NVQ 2 qualification.

**Peter stated that the job** "has changed my life; it makes you feel worthwhile, you feel you are doing something worthwhile for society". Not only has the change of career helped Peter, it has clearly brought benefits to the clients and the company.

So outstanding has he proved to be as a carer, that he was a finalist in the Home Instead National Caregiver of the Year awards in 2010. His nomination stated:

"We believe that he deserves this award for his outstanding service to clients with Alzheimer's disease and dementia."

### Learning Points

- Older workers bring a wealth of life experience which is highly valued by older clients.
- Older employees are willing to continue developing their knowledge and skills by undertaking further training to equip them even better for their roles.
- Recruiting retirees from different sectors pays dividends in reducing turnover and improving retention and sickness rates.
- Opportunities to work a variety of different hours, especially part time, can be attractive to older workers who are gradually leaving the workforce.
- Older workers can remain ambitious and are keen to progress in their new career.

# Construction

## Nicholson-Roberts Small Employer

Nicholson-Roberts Company Ltd is a family run company near Sheffield. They have 10 employees including the founding manager and his son.

Nicholson-Roberts understand the value in investing in their future and retaining experience. They currently employ two 16 and 18 year old apprentices and three 24-25 year olds – all apprentice trained by them.

In addition they employ a 52 and a 64 year old bricklayer. Their office, payroll, admin and other functions are managed by D (aged 50) who replaced a 64 year old who left abruptly following the default retirement procedure. The sudden loss of this effective long-serving employee, with so much knowledge of running their business systems, was a blow to the company.

### Performance Discussions and Succession Management

One of the reasons why she left suddenly was that colleagues were nervous about initiating a discussion about her future plans and how these might fit in with business needs.

The company has learnt from this experience and now has annual reviews. This has been seen as a major step forward, as previously there was no culture of sharing information or management review.

**D says:** “the company feels a lot more open and people feel more confident about sharing personal information – it is really helping the business plan better.”

### Learning Points

- It is important to understand the hopes, aspirations and possible future plans for all employees by having regular staff reviews - seeking information is not necessarily discriminatory. Building in discussions with all employees to ask where they see themselves in a year or two will give older workers an opportunity to open conversations about retirement planning and working on, full-time or more flexibly. By adopting the same approach and questions regardless of age, discrimination can be avoided.
- Managers should not feel nervous about having conversations with staff – if managers get into the habit of having regular reviews with employees, then they can avoid confusion and nip problems in the bud.
- Workers of all ages need to be encouraged to learn new skills and new ways of working – if an older worker is reluctant to do this, it may be because they are nervous. Take time to reassure colleagues and help them feel less threatened.
- Retaining someone past traditional retirement ages means that you can avoid the shock of losing key skills and expertise and gives you time to put back-up systems or personnel in place and plan the transfer of knowledge, skills and experience back into the business.
- When a member of staff resigns or retires, it is vital to ensure that a full handover takes place – knowledge transfer at this stage will avoid possible mistakes.

### Skills Transfer

M is 64 and has worked with Nicholson-Roberts for many years. He enjoys bringing on the younger apprentices and sharing his experience with them.

As well as being happy to mentor younger workers, M has been keen to keep his skills and knowledge up-to-date. Attending a recent Health & Safety course meant M learnt about new ways of working and has since been eager to reinforce what he has learnt with his younger colleagues.

### Flexible Working and Phased Retirement

M has found the new annual reviews provide him with opportunities to share his views. M is clearly happy in his work, but is starting to find some tasks a bit difficult so the company has made adjustments. Recently the company has been made aware that M would like to reduce his hours and work more flexibly in the future.

“To be honest we were delighted,” says D, “because of the ill-health of our younger bricklayer, we need to keep M on. We also think that M working reduced hours is a great solution that fits both the business and his needs. Our younger workers will continue to benefit from his knowledge and experience – but at the same time they will have increased opportunities to gain greater responsibility. The benefits to the business of retaining M have more than outweighed the reasonable costs of adjustments.”

### Learning Points

- Listen to your employees – their suggestions could well provide a solution that suits everyone.
- Flexible working and phased retirement is a great way of maximising the value of retaining skills and knowledge – younger workers can learn and at the same time may get increased opportunities for promotion or responsibility.
- By making adjustments for reduced physical capability, a business can incur some additional cost, but this can be offset when skills and knowledge are not lost.

Retaining older workers can also save money – since the business may not need to recruit an immediate replacement.

## Clugston Group

### Large employer

The Clugston Group is a privately owned, limited group of businesses covering construction, logistics, property development and facilities management. The company employs over 500 people with operations stretching across the UK.

- In 2007 Stephen Martin joined Clugston as Group Chief Executive. In 2009 Stephen participated in Channel 4's 'Undercover boss' series. Making this programme gave Stephen the opportunity to learn at first hand just what the issues were in the business and to experience life at the sharp end. Stephen found the experience extremely useful and realised that the company was putting itself at risk by potentially losing the knowledge and skills of the many long serving workers employed by Clugston.
- Since 2009 Stephen and his team have made a number of critical changes to how the business works in particular to focus on performance and avoid losing critical skills.

### Avoid losing critical skills

“One of the things that struck me going round our various sites, were the number of long serving workers we had. One was DS a 64 year old supervisor. He had so much knowledge and passion about his work and was so keen to share this with younger workers, but he was frustrated that the business did not seem to be recruiting trainees. In addition it was clear that he was expecting to retire. I could see that Clugston could potentially lose vast amounts of experience and skill if we did not learn to harness the knowledge of our older workers.” **Stephen Martin, CEO Clugston**

### Skills Transfer: What did Clugston do?

- DS was invited to work with the Construction Director to devise a scheme that would address these concerns.
- The business invested in recruiting nine trainees and three apprentices.
- Clugston put in place a mentoring programme – trainees and apprentices are assigned a mentor for a set period - who is more often than not one of the many long serving employees within the company.
- While they are on this programme they meet regularly with the mentor to discuss issues and progress and / or shadow the mentor who supports them as they achieve their qualifications.

“To be honest, we did not really operate a formal retirement age prior to [the introduction of age legislation] October 2006, most people were happy to go as soon as they could access their pension. Taking a clear decision to manage without a retirement age has helped us see the value of older workers.” **(MA, HR Director)**

The retention of experienced workers is very important to this family business, and the management have developed a very pragmatic approach to older drivers to ensure that they can continue as long as possible, subject to the statutory medical requirements for an HGV driver.

### Performance and Job Transfer

One example of this is for drivers of their 'steel' related contracts, which involves a fair amount of heavy manual work (sheeting over and securing the load etc.).

Where a driver is unable to continue to manage this workload, where possible they look to redeploy to a less physically demanding driving role, for example Flours or Powders.

### Training

The age of an employee also has no effect on whether or not they have training time invested in them. All drivers receive approximately one to one and a half day's training per year. Clugston's train their drivers up to NVQ level 3 and are picking up all the costs for drivers to achieve their Certificate of Professional Competence (CPC).

Mick Lewis is a 66 year old driver who has worked for Clugston since 2003. In 2010 he took an NVQ level 2 in Driving Goods Vehicles.

The first set of results have shown that Mick is one of their top performing drivers overall, based on five Key Performance Indicators (KPIs). The 5 KPIs are: keeping the truck in the green rev band; engine idling time; harsh acceleration and braking; speed control and optimum use of the cruise control. As an older driver, many organisations may not have felt that investing in training would have been beneficial; however Mick has shown that older workers show a great return on the investment in training and excel in the areas that are so important to the business.

**Mick Lewis states:** "I have not made a firm decision on the date when I wish to retire but know that my line manager, Kevin Smith, operates an open door policy and will work with me on a solution that suits us all."

### Succession Management and Performance Discussions

Through the use of 'age profiling', the management team are able to assess their current position in relation to those who may be considering retirement as an option. This also highlights where open discussions about future plans in regular review conversations should also include potential retirement.

**The General Manager of Clugston distribution states:** "We encourage our older drivers to maintain a regular dialogue with their line manager to ensure their operational work pattern is sustainable and to flag up if any mutually acceptable work adjustments are required."

Because forced retirements are not part of the culture within the organisation, and the desire is to retain employees, these conversations are frank and open with no 'hidden agendas'. This of course results in a benefit to employees, as they feel that they are able to be honest, and it also enables the company to plan future workforce requirements more effectively.

# Education

## Queen Alexandra College Medium Employer

Queen Alexandra College is an Independent Specialist College catering for people aged sixteen years and over who have visual impairments and other disabilities. It has around 200 employees, aged between 21 and 73. Approximately 10 per cent of all staff are over 65. The high staff retention rate helps to maintain the capacity to meet the specialist skills needs of the organisation.

### Flexible Working and Phased Retirement

- Working flexibly enables the college to cover unusual working patterns and the extended hours necessary to meet learners' needs. The high staff retention rate helps to maintain the capacity and working knowledge required to meet the specialist skills needs of the organisation.
- In the workplace, the college also works to accommodate older workers' changing work preferences by providing flexible working options and offering a range of working patterns that meet the needs of the organisation and those older employees who want to continue working and phase their retirement.
- A high proportion of the college's staff are part-time workers, therefore flexible working arrangements ensure that capacity is maintained. Older staff in particular welcome the range of options available to them. They are able to consider such arrangements as part-time working, flexible hours and reduced hours.

They are also able to negotiate their timetable, as long as enough notice is given to enable the college to accommodate the specific needs of individual learners in a highly person-centred environment.

Queen Alexandra College attributes the ongoing success of these arrangements to its disability focus which requires great flexibility to accommodate learners, staff and organisational needs. The HR Director comments that working without a fixed retirement age "just happens", without being set out in a formal policy, as it is the way the college works effectively.

### Recruitment

In recruitment, the college emphasises its age-neutral stance by communicating to potential employees that appropriate skills, knowledge and ability to meet learners' specific needs and business objectives are the most important attributes being sought. This results in workers aged over 50 being among those recruited.

### Skills Transfer

Older workers in the college also play a vital role in skills development by helping the college to 'grow its own' specialist skills and knowledge base. They do this by mentoring and coaching other staff on the job, in addition to carrying out their own substantial job roles.

Over time, the college has experienced difficulty in acquiring new staff with speech and language therapy skills and has been 'growing its own' formally through providing Certificate of Education qualifications, and supplementing this by using older workers to mentor and coach other staff in the workplace to ensure continuity of capacity and the service.



### **Business Benefits**

- Older workers tend to remain in the college and add significant benefit to the organisation and its learners. This is because just under 50 per cent of learners in the college have visual impairments, requiring specialist skills such as Braille and disability teaching approaches that improve with working in this environment for a significant amount of time.
- The college is finding that replacing such skills can be difficult, as the combination of skills required to support learners with autistic spectrum disorder and visual impairments are not often found in new recruits.
- Therefore existing staff who have these specialist skills tend to continue working to provide consistency in the service and help the college to retain these scarce skills by coaching other staff.

## Epping Forest College

### Large Employer

Epping Forest College provides a wide range of vocational courses through specialist facilities. These include fully-equipped construction and motor vehicle areas, science laboratories, hair and beauty salons, a television studio and a theatre and dance studio, all requiring staff to have a wide range of knowledge and skills.

The College workforce has an older age profile - nearly 40 per cent of staff are over 50; with more than 10 per cent over 60 years of age and some people working into their 70s. This has arisen from a combination of high retention rates and recruitment of people over 50.

### Recruitment and Phased Retirement

- Epping Forest College removed the fixed retirement age in 2006 after discussions with staff unions; the senior management team proposed its removal and the board of governors approved the decision.
- The college faces the challenge of maintaining capacity and avoiding skills shortages in key areas of the business.
- Retaining older staff and recruiting those with industry experience helps to meet business needs, offering a change of environment for new staff being recruited, as well as providing flexible options for those wishing to continue working longer.
- In addition, recruiting more widely complements the workforce by bringing in up-to-date industry practice and experience, especially in vocational areas.

- Epping Forest College recognises that stereotypes and myths about older workers are misleading and can work to create barriers to their continued employment.
- Negative perceptions can also mask the qualities they bring to the workplace and the extent to which they are valued by colleagues, managers and customers.
- The college counters any negative perceptions by highlighting the positive attributes and contributions to the organisation of older workers. In particular, Epping Forest College values its older staff for the quality of their work and their reliability.

**The Head of HR explains:** “Some people think that workers have more sick leave, including long-term sick leave, high levels of absenteeism and are less reliable as they get older. In fact, we have found the opposite.”

### Business Benefits

- Removing the retirement age has brought benefits to Epping Forest College. The college finds that there is a general shortage of skilled people in specialist areas such as building crafts and plumbing and finds that “recruitment in these areas is nearly impossible”.
- Therefore retaining those older skilled workers who are already knowledgeable about the organisation enables the college to provide a consistent service.
- When recruiting in these areas of work, the college benefits from having older people with experience of working in relevant industry sectors who welcome the opportunity to work in the college as a way of prolonging their working life in a different environment.

- As part of the flexible option, some workers choose to phase their retirement for example, by reducing their working hours over a number of years.

The Head of HR explains that it is not a case of the college encouraging or persuading older employees to remain in the organisation. There is an informal policy in place that serves both the individual and the organisation. There is no urgency to formalise it because it works.

There is a view that formalising the policy could result in older workers being seen as a special issue; staff tend to be happy with the way the policy operates and no complaints have been received so far. It has bedded in and continues to operate effectively.

### Learning Points

Epping Forest College employs the following approaches to ensure that older workers are valued and supported in the college:

- line managing older workers - ensuring that line managers and supervisors in particular are aware that they are not allowed to use age as a tool for getting rid of older staff, or for not supporting their development in the organisation;
- to avoid differentiation in the performance management of staff, the college tightened up the staff appraisal system to ensure that staff of all ages are managed consistently and fairly. This includes considering older workers for training and development opportunities;

- using older workers as mentors – older employees indirectly and directly, share industry experience with other staff in the organisation through mentoring. In turn, those new to the college learn from other staff about the college environment.

## Stoke on Trent College

### Large Employer

The College has 956 employees, including 7 per cent aged 61+ and 2 per cent over the age of 65.

### Succession Management

- The college manages the succession issue by putting a bridging process in place at middle and senior management level. This allows the organisation to identify and train potential successors to be ready to apply to replace the manager who is retiring.
- At other levels, the college uses its Continuing Professional Development arrangements to strengthen internal capacity by developing staff to succeed more senior staff when they retire. The college believes that such advance planning helps to ensure older staff are valued in the same way as other staff whilst protecting the continuity of its services.
- It is an advantage to be proactive in the process of discussing retirement options prior to the decision being taken by the individual.
- It is important to be flexible about working options for workers of all ages and to link this to organisational needs.
- College staff, in particular line managers undertaking performance reviews, need to manage and support workers of all ages consistently.
- Restructuring can greatly affect the college's ability to retain valued older workers. Many older staff have taken the option to volunteer for severance and redundancy as the financial gain was an attractive option in their situation.

## Wakefield College

### Large Employer

Wakefield College maintains an age-diverse workforce through a combination of its recruitment and retention practices and having older workers continuing to work well beyond state pension age. Recruitment includes workers over 65 years old. Some workers are over 70 years of age. The average age for staff is 44, slightly younger than that for the further education sector overall at 45 years.

### Performance Management

Historically, there were issues around the way older workers were perceived and that affected the way their performance was managed. For example, staff coming up to 65 years of age were not performance managed as effectively as other staff because it was expected that they would be leaving the college soon. The perceptions of some line managers had a marked effect on older workers' expectations and performance. Such perceptions may have also contributed to older workers deciding to leave the college on reaching age 65.

**The HR Director explains:** “Older workers who previously had been good employees sometimes demonstrated a dip in performance towards the end of their career. It was inexplicable that these previously competent staff appeared to become less competent within such a short period of time. The college now manages performance equally across the board and all staff are performance managed in a consistent way. Training and awareness-raising for managers helped to explain age issues and remove any unconscious bias, ensuring that staff are managed fairly.”

The college resolved the issue through its communications to line managers about succession planning and career planning. That was supported further by training for line managers and supervisors to raise their awareness and highlight issues relating to age and ageing in the workforce, challenging stereotypes and dispelling myths about older workers. This is currently reinforced with briefings and legal updates and the benefits are shown in the improved performance records of older workers who are now supported more effectively.

The college has increased its monitoring and communications on age equality. This is in addition to staff profiles and information recorded during the performance management process. This monitoring shows that there is an increase in older applicants for vacant positions for specific roles. The college's view is that this demonstrates that older people are keen to carry on working. Those recruited to vocational roles who have little or no prior experience of the sector are helped to acclimatise to the college via induction. A marked increase in the number of unsuccessful older candidates requesting feedback on their performance following the interview is seen as an indication of their determination to take on new roles.

### Phased Retirement and Succession Management

The college has also increased the use of exit interview information to understand why staff leave and what reasonable steps it could take to retain older workers.

Monitoring shows an emerging trend in older workers in the college taking advantage of the range of various options available to extend their working lives.

Along with the usual switch to working part-time or reducing their working hours, the college is noting an increase in older workers looking for positions with a lower level of responsibility.

This increased knowledge of the dynamics around older workers remaining in the college enables the organisation to put parallel and overlapping staffing arrangements in place, where necessary, on a case by case basis to help with retaining and developing expertise in key roles.

There is support for those planning and working towards their retirement through such activities as phasing of retirement. Regardless of the older person's decision, and related directly to the need to manage staff equally without a retirement age, the college is placing greater emphasis on retaining and developing talent. If the older person wants to carry on working, the college would rather they continue in the organisation than take their expertise elsewhere.

One of the key considerations for the college relates to the pressures on the organisation during restructuring. It seems that in such a situation, older workers expect to be the ones leaving the organisation. This perception and expectation might change if older workers are shown that they are valued and can make a significant contribution to the organisation during difficult times.

# Financial services

## Nationwide Large Employer

Nationwide is the world's biggest building society. It employs approximately 16,000 people and operates around 700 branches across the UK. In 2011 nearly 14% of employees were over the age of 50.

They believe that harnessing the strengths and talents of each of their employees creates a productive workforce that puts customers first. They strive for equal opportunities at all levels of their business and encourage employee diversity to eliminate discrimination and to reflect and understand the communities in which they operate.

## Phased Retirement

In line with these principles and beliefs they have been in the forefront of supporting their older workforce for many years.

- As early as 2005 they increased their retirement age, supporting those who wished to continue working up to age 75.
- Their workplace pension scheme includes options for members to draw their pension while continuing their employment.
- They support flexible working – older workers can gradually reduce their hours prior to retiring completely.
- Where medical cover is provided as a contractual benefit, they continue to meet the medical costs of any employees that would have been excluded as a result of their age.
- Their experience to date has shown that this is not in practice excessively costly.

## Performance Discussions

With workers free to work as long as they want, some employers are concerned about how they will deal with underperforming older workers. This poses no problem for Nationwide. They have a company-wide performance management process in place which applies to all employees, regardless of age or role. It includes a requirement for managers to have monthly one-to-one meetings with their staff and twice yearly appraisals. This ensures that performance against agreed individual goals is regularly monitored and any under performance is promptly and supportively addressed.

Recruiting and retaining workers of all ages enables Nationwide to ensure that their workforce reflects the diversity of their customers, including about a quarter of them who are themselves retired. As Robert Aldrich, Head of HR Strategy and Operations, states: "Having a mixture of ages brings a richness of different skills and experience".

He went on to explain that people naturally know when it is time to stop working and they have therefore not had a problem with people not being competent to do their job. He adds: "As long as the performance is there, the full support will be available".

## Older workers' experiences

Barbara Payne and Roy Small are two employees who have benefited from Nationwide's positive approach to older workers.

Barbara Payne, aged 70, is a Senior Customer Service Advisor. She was recruited at the age of 50, initially in the mortgage services department before transferring to her current department. At the age of 65 she felt it was time to reduce her hours and her request to do so was accepted so that she now works three days a week.

Barbara explains that the Nationwide approach is a win-win for them and her. "At the age of 60 I had accumulated a wealth of experience and being able to continue working meant that Nationwide did not need to train someone new. At the same time for me, still being employed means I have an income and it keeps me happy and healthy."

With regard to being performance managed at her age, she states: "Why should a person over 60 be dealt with any differently from other employees?" She goes on to say that having her performance regularly reviewed gives her the assurance to know that she is meeting the goals set for her and that she is still being productive.

Roy Small, aged 73, is a mailroom operative. He was recruited at age 52 and worked full-time until the age of 60 when he requested to stay on but at reduced hours. He now works 20 hours per week. He also refers to the performance management process. When under performance occurred, it enabled ill-health to be identified as a cause and support to be put in place to help him meet his objectives. Overall he values the flexibility and sympathetic approach of Nationwide in responding to individual needs as they arise as he discovered when his wife was ill with cancer.



# Health

## **ABMU University Health Board** Large Employer

ABMU Health Board is one of the largest in Wales employing around 300 midwives. It serves a population of 600,000 with an annual birth rate of about 6,380. The maternity services are based in three separate sites and midwives provide care in a variety of settings, including consultant led units, midwife led birth centres, the community and at home.

### **What we did and why**

While the ABMU was fortunate not to have a midwifery recruitment problem, nearly a third of the workforce were over the age of 50 with the potential to retire in the near future, which could result not only in the loss of their experience and expertise, but also future difficulties in recruiting replacements.

The option for taking flexible retirement was already available for all staff across the Health Board. Staff approaching retirement, who met the necessary criteria, had the opportunity to consider working reduced hours whilst also being in receipt of their pension entitlements.

The implementation of this scheme appeared to offer enormous positive benefits within the maternity services and would meet the aims of retaining valuable and experienced midwives, while at the same time releasing hours to employ newly qualified and junior midwives to ensure the workforce of tomorrow.

However, there was very limited uptake of this opportunity amongst midwives due to custom and practice, limited knowledge of the scheme and its potential benefits for the staff, the service and the mothers.

### **How we did it**

A new awareness drive was launched on the existence of flexible retirement opportunities and information was disseminated amongst all staff. This was achieved by:

- the Head of Midwifery driving the plan;
- managers informing all their midwives approaching retirement about the scheme;
- provision of help, advice and relevant information to the midwives by the pensions department; and
- broadcasting by word of mouth the positive benefits of the scheme by those already on flexible retirement.

### **Results**

Across the three maternity sites flexible retirement is now the most popular option for eligible midwives. In one site all midwives opted for this option which has meant the retention of over 200 years of midwifery experience.

While some staff simply reduced their hours, others took the opportunity to flexi retire to a new role or one with less responsibility.

These results have been positive for ABMU, staff and women patients.

**Benefits – for ABM**

- experienced staff were retained while releasing hours to create new posts for newly qualified midwives
- teams were put in place with an appropriate and balanced skill mix
- job losses and vacancies were minimised
- cost savings were achieved, e.g. less money was spent on recruitment and vacancy cover
- a more flexible workforce
- reduced sickness levels

**Benefits – for employees**

- increased job satisfaction
- retention of existing banding
- hours more conducive to health and family commitments
- flexible working patterns
- reduced sickness time due to improved health and less stress

**Benefits – for mothers**

- continuity of care from midwives that have supported them through several births, many of them at home

## NHS Portsmouth

### Large employer

NHS Portsmouth has a long history of valuing and supporting its older workforce and has operated without a default retirement age since 2005.

NHS Portsmouth (the Trust) was established as a commissioning organisation on 1st April 2010 after separating from the former Portsmouth City Teaching Primary Care Trust (PCT). It is now the commissioning primary care trust for Portsmouth, Hampshire and currently employs just over 700 staff.

The Trust has an ongoing strong commitment to effective management of staffing resources, including increasing capability, improving development opportunities and enhancing staff engagement.

### What we did and why

NHS Portsmouth is committed to being an employer of choice so that it is able to attract, recruit and retain a high performing workforce. This increases efficiency and enables the maximum return from tight resources. Achievements to date include being recognised by the award of the '2 tick' disability symbol, 'Age Positive Employer Champion' status from the Department for Work and Pensions, and the Work Health and Wellbeing Hallmark from Portsmouth City Council.

Moving away from traditional approaches to staff management, it developed an overarching People Strategy with Workforce, Wellness, Staff Engagement, Recruitment and Learning and Development.

### How we did it

In 2005 the Trust began operating without a Default Retirement Age (DRA) instead focusing on the wellbeing of all staff.

Information correct as of November 2011.

This is based on a model of:

### Well Organisation, with Well Staff who are Well Managed

'Wellness' is seen as embracing the whole person – physical and mental health both in and outside of work. 'Wellness management' covers:

- the need for providing advice;
- for making organisational changes where necessary and appropriate; and
- providing people with the skills and knowledge needed to stay well.

Where problems persist, it encompasses:

- the need to provide support; and
- looking at tackling wellness at an early stage in the process, before the situation needs 'treatment'.

This is of particular benefit to those workers who might be experiencing declining physical abilities such as poor sight or back problems.

In enhancing the total well-being of employees, they recognise that they are a key resource in the delivery of quality services to patients/clients and wellness is central to both this and the conduct of effective employee relations. It helps to reduce sickness absence, improve productivity, and enables them to retain valuable skills and experience for longer.

The Trust is also committed to engaging with their employees and using employee empowerment to influence positive change. Wellness is an area of the employee experience where a two way relationship can be created to shape improvements to working life. The Staff Engagement and Wellbeing Group enables all staff to have a voice within the organisation. The group, representing a cross section of staff,

meets several times a year. The main purpose is to discuss ideas and suggestions relating to employment, working conditions and working practice. It is a chance for staff to have their say and ultimately influence operational and strategic decisions.

Their approach to older workers is further strengthened by their recognition of the need not only to continue to develop talent of all ages, but also to retain talent with a corporate memory who can pass on their knowledge to newer and in many cases, younger and newly qualified, employees.

Regular performance reviews, which take place at least annually, and a sickness management policy are key components of the approach. The latter ensures that any physical or support needs of staff are assessed and met: for example making adjustments such as through the provision of special computer monitors or chair backs or revised working hours.

Its flexible working options, which help people choose when they work, include job share, term time only working, annualised hours, flexi-start and end times and flexible retirement options. In addition, there is the opportunity to work flexibly within skills and competencies, in terms of 'downgrading' to less demanding roles as appropriate and possible. This enables the individual to continue to work and the Trust to retain valuable experience and skills within the workforce.

While some employers are concerned about performance managing older staff, Trust managers are required to hold regular performance reviews and annual appraisals for all staff, regardless of age or role, and their compliance with this policy is rigorously enforced and monitored.

Information correct as of November 2011.

This is based on their belief that it is important to deal with performance issues as they arise. They state "it is not about punishing staff; it is about helping them deal with the role they are in and to find out what obstacles they might be facing so they can be addressed. Usually they are aware they are struggling and are grateful that they are being offered support".

This enables the Trust to maximise productivity and avoid periods of inefficiency.

### Results and Next Steps

The positive approach to older workers has resulted in approximately 38% of their 700 employees currently being over 52 years, with 2 over 72. Between April 2010 and March 2011, 12 out of 56 new starters (approximately 20%) were over the age of 52.

In order to measure attainment of their aim of ensuring that talent at all levels of the organisation are supported to reach their potential, the take up of courses by age is formally monitored.

Results show that, between September 2010 and February 2011, for example, 350 employees over the age of 52 completed courses (including staff taking more than one course). This included 54 over the age of 64 clearly dispelling the stereotyped view of some employers that older workers are neither interested nor able to learn and develop. Keeping workers of all ages upskilled is key to a motivated, highly productive workforce.

Over the year 2010/11, the 'older' workforce did not disproportionately take more sick leave than those in younger age groups.

To illustrate the success of the approach by the Trust to older workers, three workers, all of whom were recruited at an older age, were interviewed to capture their personal experiences.

Anne Axford, age 60, Associate Director, Learning & Development was recruited by the Trust three years ago: “if you invest in staff, they will stay – they stay because it is a good place to be because they are valued”. She therefore ensures that the personal and development needs of all staff are met so that morale can be maintained even in times of major change such as that currently facing the NHS.

Anne values the age diversity of the workforce as young and old bring different sets of skills, knowledge and approaches. Despite being shortly eligible for her state pension she has no immediate plans to retire.

Joy Priestner, age 61 is a catering assistant who was recruited at the age of 54, having previously worked as an agency worker assisting in the canteen on special occasions. Joy has only had one week’s sick leave since starting, less than some of her younger colleagues: “if I retired I’d be old; working helps me stay younger”. She has no immediate plans to retire, although she might take advantage of the Trust’s flexible retirement options and gradually begin to reduce her hours.

Wendy Cooper, aged 70, PA to several directors, was invited to work for the Trust having been compulsorily retired by another NHS organisation, at the age of 66. She was known by the directors who recognised the value she could still provide to them. She recognises the extent and depth of her knowledge and experience gained after a long career so she makes special efforts to pass these on to younger staff.

She also has a near perfect sickness record, having had only 2 days sick leave. “Work keeps you young”, she says, so she too has no immediate plans to retire.

### Top tips

- Adopt and implement workforce policies that focus on individual abilities and competencies regardless of age or disability
- Monitor implementation of policies by age to ensure they are being implemented equally across all age groups
- Recruit the best regardless of age
- Recognise that older workers have amassed a significant amount of knowledge, skill and experience and provide opportunities for these to be passed on to younger colleagues
- Work with Occupational Health to ensure staff that have been off long term sick are assessed and supported to return to work through, for example, environmental adjustments, or revised working hours.

# Hospitality

## JD Wetherspoon Large employer

### Younger and Older

JD Wetherspoon is a pub company with more than 750 outlets throughout the UK. The company's customer base is very broad, a fact which it is keen to reflect in its workforce. Wetherspoon removed its retirement age in 2006, a move which ensures that it can retain valuable skills and experience and give staff the choice of working for longer.

**Says Mandy Ferries, Head of Personnel and Training:** "Some people's perception of our industry is that it's a youth-oriented one, so while we were very good at employing students, we'd always struggled to attract applications from the older age bracket. Although we had a retirement age, in practice we never used it, so early in 2006 we made the decision to scrap it and have never looked back. We now receive job applications each month, from people of all different ages and often recruit trainee managers in their 50s or 60s."

### Recruitment

The majority of frontline recruitment in the company is overseen by pub managers, and they have been trained to ensure that their recruitment practices do not discriminate on age. This includes the revision of all job specifications so that they are in line with good practice on age diversity and the re-writing of the company's interviewing skills course. Wetherspoon's job application forms do not ask for date of birth.

**Mandy Ferries:** "Part of the success of the company is due to being innovative and progressive and this is reflected in our recruitment process. Employing a diverse workforce of men and women of all ages benefits individual pubs and the company as a whole. We actively encourage our pub managers to recruit staff primarily on personality and attitude, not making age an issue."

### Flexible Working

Wetherspoon has found it beneficial to attract diverse age ranges by offering flexible hours. This enables the employee to strike a balance between work and family or other commitments and the business to cover its core hours. For example, lunchtime is a particularly busy period for the company's outlets and it has found that some older workers - who might be looking to work for a few hours a week - are adaptable and happy to work at this time.

Older staff are welcomed at all levels of the business, from part-time bar work to managerial posts. Feedback from pubs which employ older workers suggests they are particularly stable, with low absence, a strong work ethic and a commitment to the business. Training is also available at all levels and Wetherspoon have a number of older employees who have progressed to manager level.

**"As pub managers in a very busy trade, we also have the time and flexibility to spend with our family. Being more experienced in life certainly helps with this job and gives you the confidence to tackle all problems."**  
**Anne, 52 and Paul, 54, pub managers at JD Wetherspoon.**

### **Business Benefits**

The business benefits of Wetherspoon's age diverse approach:

- enables the company to reflect its broad customer base;
- helps to keep pace with demographic change;
- flexible hours help to attract staff to cover busy periods;
- staff retention levels are well above the industry norms;
- frontline managers satisfied with stability and hard work offered by older workers;
- more life experience particularly beneficial to pub manager role; and
- turnover of pub managers at Wetherspoon is half that of the industry average.

From our experience, these team members bring with them a wealth of both job specific and life experience that helps them relate to the needs of our guests, and often deliver exemplary service. They often have more free time available to them, and therefore are able to work more flexibly in order to help us to meet the demands of our guests.

## Marston's

### Large employer

Marston's PLC is a leading independent brewing and pub retailing business operating around 2,150 pubs and bars across England and Wales and five breweries (Banks, Marston's, Jennings, Ringwood and Wychwood).

"Here at Marston's making sure that our workforce draws from a wide age range is not some token nod to political correctness, it's about sound business practice.

...our oldest employee is 97, though the next oldest is a mere 78 – who says this is just a young persons' industry!" **Steve Rowlands, Marston's**

We employ over 10,000 staff in the pubs we manage directly and also operate many more pubs on a franchise or leased basis. The vast majority of these pubs operate outside of town centres and draw both their custom and their staff from the communities that they are located in.

For these pubs to be successful we need to attract custom from the whole community and older customers, many of whom have plenty of time to socialise and are willing and able to spend money if they believe they are getting great value, represent an extremely important customer grouping for us.

Having a workforce that reflects our customer base can be a real advantage in making people feel comfortable and that their custom is both wanted and appreciated. For us it's about the individual and what they can bring to the customer experience which encourages people to return time and time again and age is no barrier to that.



## McDonald's Large employer

McDonald's has 1200 restaurants across the UK and employs 85,000 employees (over 1,000 employees are over 60).

### Flexible Working: Work/life balance across several generations

McDonald's recognise that their 85,000 employees need to balance their home lives with their working lives. They offer a wide range of flexible working initiatives which are all designed to give employees the freedom to juggle their work with their personal commitments. This can relieve the pressure many people experience when trying to meet the demands of both a busy work and personal life. It also enables those people, who wouldn't otherwise be able to be economically active due to other commitments, to lead working lives.

### Family and Friends Contract

The Family and Friends Contract is a UK first, groundbreaking scheme, which allows family working in the same restaurant to share and cover each other's shifts (with no prior notice required). It's designed to help McDonald's' diverse range of employees to juggle their work and personal lives. They have since extended the contract to include friends, widening the group of employees that can benefit from the scheme.

The scheme benefits numerous age groups. For example, students with last-minute deadlines, busy working women with children and not least, older employees with other commitments and employees with caring responsibilities.

Many of McDonald's' older workers work alongside up to three generations of their family members.

The scheme enables them to work as much or little as they wish, depending on their individual needs and situation, offering them greater flexibility without disrupting the business. Several older workers have told McDonald's they appreciate the opportunity to alternate their hours at short notice, giving them a much greater opportunity to change their schedules at last minute. This in turn allows them to fully maximise the benefits of spending time with their grandchildren (or indeed great-grandchildren), spouses and friends, many of whom may be retired.

### Business Benefits

McDonald's has revealed the commercial impact of creating the right blend of youth and experience in its workforce. According to research conducted by Lancaster University Management School, which examined the performance of more than 400 McDonald's restaurants across the UK, employees aged 60 plus deliver a significant business boost.

The study revealed that levels of customer satisfaction were on average 20 per cent higher in restaurants that employ staff aged 60 and over as part of a mixed age workforce.

**David Fairhurst, Senior Vice President and Chief People Officer, McDonald's UK & Northern Europe, said:** "Changing demographics in the workplace mean that later life workers are now the fastest growing age group in the labour market. Yet despite the growing numbers of mature workers, their contribution to business and the wider economy often goes unsung. It might surprise people to learn that at McDonald's we employ over 1,000 people aged 60 and above. These employees play an important role in our business and, as the research shows, they make a huge impact on customer satisfaction."

A survey of Business Managers at McDonald's revealed some of the reasons behind the customer satisfaction boost delivered by later life workers:

- over 66% said later life workers empathised with and connected well with customers;
- over 50% cited later life workers' ability to go the extra mile to deliver the best possible customer service.

### Recruitment

McDonald's recruitment policy is called 'Hire the smile' they recruit for qualities, not qualifications. McDonald's actively encourage older workers to apply to work at their restaurants in addition to other age groups

McDonald's have advertised 'our Jobs' targeting websites which have large numbers of older readers, such as the Telegraph and 50connect.co.uk in addition to wider targeted sites.

This has directly resulted in a significant increase (year on year) in the number of older workers applying and subsequently being hired for vacancies at McDonald's. In 2009, McDonald's saw a significant increase in their recruitment of older workers compared to 2008.

McDonald's hired a total of 746 individuals over the age of 41 in 2009 (an increase of 152% on 2008). Recruitment of employees aged 51-60 increased by 280% from 2008, and of employees over 61 increased by 233%. In 2010, these significant increases were maintained and in addition, a further 25% increase was seen in hires of employees aged 61-90 years.

### Employee stories

Fred Turner was the face of McDonald's 2009 'Later Life Worker Awareness' Campaign. Recruited to McDonald's in 2005 aged over 60, flexible working policies allowed Fred to devote himself to his main passion in life, Judo coaching, two nights a week whilst working two days per week for McDonald's.

Brian Holden, 82 is a Customer Care Assistant at McDonald's. After taking voluntary redundancy in 1992 at the age of 63, Brian contemplated early retirement. However, believing he still had lots to offer a prospective employer, Brian opted instead to take on a part-time role at his local McDonald's. Having worked with young people for many years as a lab technician at a local college, Brian relishes the young and vibrant atmosphere at McDonald's.

In his role as customer care assistant, Brian oversees the dining area and loves the constant interaction with customers. "I've had plenty of experience of dealing with young people in my previous job, so I feel I can relate well to all our customers, no matter what their age. Obviously, I'm quite a bit older than everyone else who works in the restaurant, but we all get on really well. It's fair to say, throughout my time at McDonald's there has always been a fantastic team spirit. With 18 years McDonald's experience under my belt and a whole lot more life and work experience, I like to think I'm something of an example to some of the younger staff.

After all, I've seen quite a lot of life, so it's great to be able to call on that experience to help out my colleagues."

Stella Fleming, 74, was made redundant from her old job at the age of 65. Stella decided to apply for McDonald's and was delighted to be given the chance to join the team, taking over from another mature worker who had decided to retire at the young age of 72. Stella has worked 30 hours a week for almost ten years, starting early in the mornings, which allows her to spend the afternoons with her grandchildren.

Bill Dudley, 86, says age is not an issue and that he is fighting fit for his six hour shifts, which he does two days a week. Despite having suffered angina and having a pacemaker and a new knee fitted, he would not want to retire quite yet. Many of the customers in the restaurant where he works as a customer care assistant think he is in his 60's due to his energy and enthusiasm. They don't believe it when they hear he is 86! He says the thing he values most about the job is the feeling of belonging to a family, the flexibility and the chance to stay young by being active. His manager says he is very popular with the customers.

# Local authorities

## Falkirk Council Large employer

Falkirk Council is a unitary authority which provides all local government services for an area covering 112 square miles. It has a workforce of approximately 8,000 and serves a population of around 152,000.

### Flexible Working and Phased Retirement

Falkirk Council implemented its original flexible retirement policy back in 2005. At the time, few employees were aged 65 or over. One of the objectives of the policy was to broaden options for staff working with the council who wished to continue working beyond age 65.

The policy applies to all Council employees (there is a parallel scheme for teachers) and there are a range of options available for those wanting to continue in employment, including:

- phased retirement with a staggered reduction of hours approaching planned retirement;
- a raft of flexible working options (part-time, job-share, reduced time, compressed hours, term-time working, home working);
- or continuation as per current working arrangements.

### Learning Points

Once the decision to introduce the new policy was made, implementation proved to be relatively straightforward. The only resistance came from some managers concerned about their ability to deal with performance issues arising with older employees.

According to HR Manager Tracey Gillespie: “There were concerns from some areas, particularly managers of manual workers, and also that apprenticeship numbers could be affected in these areas”.

Whilst numbers of younger apprentices have varied over the years, these have not been restricted through implementation of the flexible retirement policy, as initially feared. Similarly, the Council’s existing performance management policy, being fit for purpose for employees at any age, required no significant alteration, and initial concerns were quickly allayed.

### Results

Since 2005 the Council has seen a modest, but steadily growing uptake for working beyond 65 amongst a wide range of employees, all taking advantage of the flexible retirement arrangements in place. In 2010, there were 193 employees aged 65 or over, in a variety of roles including primary and secondary school teachers, policy officers, psychologists and caretakers.

The greatest benefits to the Council as employer were where jobs had typically been hard to fill. By allowing valued workers to continue in their roles longer, the Council was able to benefit from a larger potential labour market, without incurring additional recruitment costs.

Added to this was the opportunity to benefit from the experience and knowledge held by such staff, through inter-employee mentoring.

“The policy offers an opportunity for staff to continue working and there are substantial benefits for retaining experienced staff, particularly when, as is the case in the service I manage, there is a considerable turnover of staff in a short period, and a number of newly qualified staff starting.”

### **Helen – Supply Teacher**

Helen spent her career in teaching, specialising in teaching for children with hearing difficulties. She had a successful career which ended in her being the Head Teacher of a school for children with hearing difficulties. Helen took early retirement at the age of 55 to spend time with her husband but unfortunately he passed away suddenly meaning Helen had to take over and run the family business unexpectedly, doing so for 4 years before selling.

She was approached by her old school that was understaffed and having challenges in sourcing teachers with the specialist skills necessary for teaching children with hearing difficulties.

Helen agreed to come back as a supply teacher 4 years after retiring and has been undertaking that role for 8 years now.

### **Feedback from Line Managers**

“I was fairly clear about what the flexible retirement scheme could provide and delighted that Helen was able to take part. So far the outcome has been extremely positive. Helen has provided a very flexible service and has undertaken further skills required of the job in her own time.”

“I am always clear that the employees should be clear of any financial implications themselves and seek independent advice from their pension holder and relevant financial advisors.”

“The policy offers an opportunity for staff to continue working and there are considerable benefits for retaining experienced staff. I perceive this benefit to be around at any time but it is particularly beneficial when, as is the case in the Service I manage, there has been considerable turnover of staff in a short period and a number of newly qualified staff starting.”

## Hertfordshire County Council

### Large employer

Hertfordshire County Council employs a workforce of some 35,000 (including schools staff). 34% of employees are currently over 50 and the majority of the Council's employee age profile is concentrated in the age range 40 to 54, who make up 48% of the workforce.

With over 60% of the Council's workforce being over 40 there were concerns that this wealth of experience and knowledge could be lost from the organisation if the Council did not actively manage the career expectations of older workers.

#### What was achieved?

HCC removed its mandatory retirement age completely in October 2006 and has a flexible retirement scheme in place helping employees to choose when they want to retire.

**Key features of the Council's approach include:**

#### Phased Retirement and Pensions

Under the revised pension regulations employees have an option for flexible retirement while at the same time gaining access to their pension. Rather than having to draw all their benefits they can, with the agreement of their employer, draw some or all of their benefits and continue to work.

#### Flexible working and Phased Retirement

HCC allows all staff to request to work flexibly and highlight the options available to them if they want to ease into retirement by reducing their hours. The Council has seen an increase in the take up of flexible working options over the last year with 94% of requests being granted.

“Work undertaken to promote flexible working to older employees has had a positive effect on carers who work for us. We know that currently 18% of our workforce have elder care responsibilities and predicted demographic changes also point towards this increasing... It is really important that we look to support this group of employees so that they do not have to leave the organisation because of growing care commitments.”

As part of the Council's benefits package it also offers a one-day Pre Retirement course, focusing on the transition from employment to retirement.

#### 'Age neutral' content for management training

HCC has built the concept of 'age neutrality' into its management training programme, so when managers attend a short course on performance or ill health management, for example, issues of age discrimination are specifically discussed. Additionally, the Council has developed its Performance Management Guidance to include tips for managers around issues of age.

The Council requires all its managers to proactively deal with the issues of negative attitudes and stereotypes including age. It trains employees in the behaviours and language required for a diverse working environment.

#### Business Benefits

HCC has benefited from:

- reduced staff turnover and recruitment costs (turnover is currently 13.3%);
- positive employee feedback: for example in the latest staff survey, 65 year-old respondents were the most engaged staff group;
- retention of key skills;

- showing a public face which reflects the diversity of the Council's clients; and
- rather than restrict opportunities for younger workers, encouraging flexible retirement models can actually support and enable a better transfer of skills and organisational knowledge to younger staff.

“There is significant evidence to suggest that over the next few years we will become more dependent on older workers within our workforce. There is a real need therefore for us to limit the loss of experience and expertise brought about by the exit of valued staff and adopt a sensible approach to retirement which eliminates irrelevant age barriers and enables people to continue in employment for as long as they are willing, competent and capable of working.”

### Learning Points

Despite the Council's progress it has faced a number of challenges centred on developing a culture which is age neutral. Typically there can be a tendency for managers to apply a 'hands-off' approach to management of employees who are approaching retirement age; this is no longer acceptable at HCC which requires a shift in perception and management style.

A clear communications strategy to cascade messages about the Council's expectations of its staff, together with management training, has helped to make this approach work well.

“When the age regulations came in we undertook to survey staff and talked to our trade unions about their views on what we could do to make a positive difference in terms of age.

One of the clear messages coming out was that staff wanted to be able to continue to work beyond 65 where they were able to and managers wanted to retain high performing staff.”

### Tips

Ask the question 'why not?' If it is because of health or performance issues – this should be being managed anyway rather than leaving people to coast to retirement.

### Phased Retirement: Staff Perspectives

**59 year-old employee in Environment and Commercial Services:** “I've been with Hertfordshire since 1973. I was the first passenger transport person to be employed and in total I have 38 years' continuity for the service. I took Flexible Retirement in 2010. It has helped HCC as well as me. HCC agreed for me to reduce to 3 days a week at a lower grade. It has allowed me to wind down more gradually (e.g. losing most line management functions) and it allows HCC to keep strategic expertise and manage the transition better.”

**Manager in the Fire and Rescue Service:** “The removal of the compulsory retirement age meant that we were able to agree flexible retirement plans for a key secretarial position in the business at a time to suit both the employee and employer.

The employee adjusted their working hours in the lead up to full retirement. We were able to introduce interim arrangements during the flexible retirement period and this helped to ensure a smooth handover.”

## North Warwickshire Borough Council

### Large employer

North Warwickshire Borough Council serves a population of around 62,000 in a predominantly rural area. Currently, 31% of its staff are aged 51 and above, with 9% aged over 60.

### Phased Retirement

The Council's phased retirement policy applies to all its employees and includes:

- no prior assumptions made about whether staff will wish to retire at a particular age;
- flexible retirement arrangements as part of the Local Government Pension Scheme;
- informal but structured conversations, at least six-monthly between staff and their managers on their future plans and expectations as part of the regular appraisal process - for all staff not just those over 60;
- an effective approach to workforce and succession planning, including a regular review and risk assessment of each staffing role as part of divisional team planning where the potential impact of loss of each staff member is assessed alongside corresponding mitigation plans. This takes much of the uncertainty out of sudden loss of staff, at any age, and allows teams to better plan around the unexpected;
- a flexible approach to re-deployment and re-training;
- the briefing of all senior managers and team leaders on the new policy by the HR Manager; and
- all staff have access to the policy either as part of their induction, via the Council's intranet or in hard copy in locations where staff do not have easy network access.

The Council's criteria for accepting phased retirement are:

- no detrimental effect on delivery;
- economically beneficial; and
- fair to other team members.

### Results

Since October 2006:

- 52% of workers reaching age 65 chose to leave;
- a further 9% stayed for less than a year;
- 18% chose to leave within three years; and
- 15% stayed longer on reduced hours.

**“Since 2006, we have not had a single performance issue with any of our older staff who chose to stay after age 65. In addition, our sickness figures are the best they have ever been.” HR Manager**



# Manufacturing

## Allevar Springs Medium Employer

Allevar Springs specialises in the design and manufacture of coil suspension precision springs for the automotive industry. At its factory in the Rhondda Valley, Glamorgan, staff turnover is very low, with 83 per cent of employees having worked in the plant for over five years.

### Recruitment

The company has a positive view about employing older workers; there is no reference to age on application forms and recruitment decisions are based on a person's ability to carry out the job or task allocated to them and not on the basis of age.

**Despite a high level of unemployment in the area, Perry Stephens, management services manager, says that:** "There is a shortage of skilled maintenance people, which older people play an important part in filling. For example, the company currently has five 'super skilled' engineering technicians and two of them are over 60 and one is over 50 years of age."

The company's view is that employers can benefit enormously from having older people in their workforce, bringing with them skills learnt during their working life coupled with a willingness to continue to learn. Continues Perry: "If somebody is capable of doing whatever job function is required, then age doesn't come into it."

### Younger and Older

The atmosphere at the company's modern plant in Tonypany is friendly and Perry believes that the wide age spectrum is partly the reason for this.

Absenteeism is low at less than two per cent, including long-term sickness.

**Perry says that although he is aware of the misconception that older people may take more time off work because of illness, this hasn't been his experience:** "I find that it's the exact opposite. There's quite a number of older people who haven't missed any time whatsoever, such as Paul, who's had one day off in over 20 years."

### Flexible Working

Perry also finds that older employees are just as happy as their other employees to work the usual shift patterns; "We've got quite a few people in their late 50s still doing the regular shifts: 6.00-2.00; 2.00-10.00; 10.00-6.00."

### Performance Discussions

Each individual's training and development needs are informed by annual staff appraisals. Again, age is irrelevant in this process as is seniority. All staff, whether on the shop floor or in senior management, receive their appraisal.

### Phased Retirement

The company is happy for employees to work longer.

**Jane Hughes was recruited at age 60 on a temporary basis to help the purchase ledger clerk when the factory's accounts department found itself shorthanded. She had lots of previous experience and was able to use all of the necessary software programmes. When the accountant became aware of how skilled she was, she was asked to help with some other work.**

**Jane soon became a permanent employee and enjoys her role:** “Work keeps you active and keeps your mind alive, especially when you’re learning new things. It also gives you a routine and you make friends too. It makes no difference whether you’re young or older - working is a benefit to everybody.”

Other staff have retired and decided to return to the organisation; one for a further 15 months and another who is still enjoying work and plans to continue.

### **Business Benefits**

The business benefits for Allevard Springs of an age diverse workforce:

- low staff turnover - 83% of employees have worked in the plant for over five years;
- recruiting from wider talent pool and retaining experience helps to fill skills shortages.

## South Wales Forgemasters

### Medium Employer

South Wales Forgemasters is a medium-sized engineering company which supplies forgings to the automotive industry.

The business has a very low turnover of staff; in the last four years only two people have left. Most of the company's older workers commenced with them as young people and have seen no reason to leave. Their practical knowledge is seen to be an advantage.

### Succession Management

South Wales Forgemasters removed its fixed retirement age years ago and some of its workforce is now choosing to work beyond pension age. To reduce the risk of sudden loss of skills and expertise, the company examines its age profile to determine when people are likely to retire and makes the necessary contingency plans. An example of this was where a skilled toolmaker, thinking of retiring, was involved in the development of a new trainee who worked with him to learn all aspects of the job.

**“Many of our older workers provide excellent support to many of our new workers from a practical industrial point of view as well as passing on their experiences.” Paul Brabban, Managing Director, South Wales Forgemasters.**

### Phased Retirement

Another previously retired individual had been asked to return to work within the CAD department to develop designs for a new project. The company was very keen to retain his services because his skills would have been virtually impossible to find elsewhere within the locality.

Information correct as of November 2011.

This form of re-employment has been of mutual benefit to both parties, enabling the company to retain valuable skills and experience and the member of staff to continue working and contributing.

### Recruitment

The nature of the business, heavy-duty metal processing makes it somewhat less attractive as an employment opportunity than those offered by many of the other companies in the locality.

South Wales Forgemasters believe that whether an applicant is 16 or 60+, they have a part to play in the company. The company factors age out of all of its recruitment and retention policies. The company recently employed an electrician, Simon Herbert, who at 57 was concerned that his age might be regarded as a negative factor. However, the company was keen to reassure him that they were only interested in recruiting the most suitable applicant.

### Training

All employees undergo a formal induction period, after which the company and employee agree any necessary training and draw up a training plan. The company assesses the abilities of all employees annually, matching these to the work within the plant and arranging any necessary training.

When the company found that some older workers felt reluctant to undertake training, they made the style in which it was delivered more flexible. This makes the workers feel more comfortable within a learning environment, and appreciate the benefits training can bring.

An older worker who was recently trained in basic computer literacy has continued to learn more about computers and software. He has been instrumental in helping to install some preventative maintenance software into the organisation's computer system.

### **Business Benefits**

The benefits for South Wales Forgemasters of its approach to age diversity:

- helps to recruit and retain skills in a business where it's hard to attract workers into heavy-duty metal processing;
- very low turnover of staff; and
- older workers support to new workers from a practical and personal perspective.

## **British Gas**

### **Large employer**

#### **Recruitment and Training**

When age discrimination legislation was introduced British Gas positively ensured all its recruitment policies and practices were free from age bias.

Opening up apprenticeships to older people was a real culture change in the organisation and resulted in reduced apprenticeships grant funding, but the impact of the initiative was extremely positive: the oldest apprentice taken on was 56. The greater age diversity in the training groups improved the behaviour and maturity of the group as a whole, and older trainees often acted as life mentors for less experienced team members.

A bigger target recruitment market has meant reduced costs and a wider diversity in the applicant pool. The company's reputation has been enhanced as an employer of choice.

## Ronseal

### Large employer

Ronseal is a Sheffield based, wholly owned subsidiary of the multi-national coatings manufacturer 'The Sherwin Williams Company'. Its successful brands are well known in both the wood-care and waterproofing markets. It is one of the fastest growing manufacturing companies in the DIY market and a key supplier to all major retailers, trade outlets, building merchants, shops and wholesalers.

Ronseal employs 260 staff in the UK, 33% of staff are over 50 (of whom 10% are over 60).

Key workplace characteristics include high levels of staff retention and long service (which is recognised and celebrated). Ronseal prides itself on being a good employer.

Ronseal has a positive attitude towards older workers and has introduced a range of policies to support older worker retention, including flexible working arrangements, a supportive approach to 'return to work' and a 'can do' attitude towards making workplace adjustments for employees' changing needs.

As a result Ronseal has benefited from retaining employees with valuable skills, has a workforce able to respond to seasonal fluctuations in demand and has established a position as an employer of choice.

### What Ronseal does

#### Flexible Working

Demand for Ronseal's products is seasonal with peak periods of production between January and May then tailing off towards the autumn. Contracts are either based on annualised hours or a four day, Mon-Thurs, 38 hour week (long days).

Flexible working patterns have been agreed to meet seasonal demand with an option for employees to take ten days additional leave outside periods of peak demand, in exchange for working on a Friday when demand is high.

This policy enables Ronseal to reduce its requirement for temporary staff in peak periods and supports older worker retention as it means employees are given extended leave periods after working their shifts. For those workers who do not wish to work the additional ten Fridays an alternative of an additional 10 days leave during non peak periods is still offered, but without pay. This is particularly popular with the older members of the workforce.

**“Flexible working allows employees choice. They have the option to work less hours if they wish to. Everyone has this choice regardless of their age. Dependant on their circumstances, preference or health they choose the option best for them. This also gives flexibility to the company”. Ronseal**

#### Performance Management

With the abolition of the default retirement age, RONSEAL is reviewing pre-retirement advice provision and performance management processes in order to support succession planning and maintenance of a performance culture:

- all employees have been advised of legislative changes regarding retirement;
- pre-retirement support is offered only once an employee indicates that they wish to retire;
- questions will be inserted into appraisals about future plans with respect to work, i.e. where does the employee see themselves in twelve months to five years – all employees will be asked irrespective of age;

- bi-annual retirement seminars will be held and offered to all employees to allow Ronseal to identify any employees that are considering retirement; and
- where employees' performance is failing or where an employee indicates they are unable to work in the same way but wish to continue working, adjustments are made in consultation with occupational health consultants.

In a recent case, an employee was shifted onto a three day week and buddied up with a colleague on tasks they were no longer able to perform alone. In another case, small adjustments (a bigger screen/magnifier, painting steps) has enabled a valued employee to extend their working life by three years.

### Managing Health: Return to Work

Ronseal supports older workers who wish to remain working for as long as possible. Where a worker of any age has a health problem, Ronseal works closely with Occupational Health, the employee and the employee's doctor to agree and implement an extended, phased return to work. Progress is regularly reviewed. Ronseal does this in order to retain older workers' skills and in recognition of their long service and commitment to the company.

“Phased returns are essential; they ensure that the individuals are well enough to be back at work rehabilitating them at the correct pace. We work closely with the occupational health department. Paying full pay for the duration of the phased return recommended ensures that the employees do not rush back before they are ready and in turn end up taking unnecessary time off”. **Ronseal**

“I was worried to return to work as I never thought I could do everything that I used to. However the HR department sent me to occupational health and were happy to let me return on light duties and less hours for a few months until I built my strength up – I was really shocked as I still got full pay”. Ronseal employee

“My doctor advised that I should have a staged return to work, but I was worried that the company would not let me. I was really pleased to find out that they let me do a staged return with light duties. I am still not on shifts yet and they are not rushing me”. Ronseal employee

### Phased Retirement and Skills Transfer

When an older and experienced member of staff with key skills indicates they wish to retire a successor is identified and mentored. In one case, an experienced member of the R&D team mentored their replacement for two years to ensure effective transfer of skills and experience.

### Recruitment

Ronseal has ensured recruitment processes are age neutral. Recruitment is carried out through the local Jobcentre and candidates of all ages are encouraged to apply. All candidates undertake a standard test at an assessment centre. As a result RONSEAL recently recruited a 62 year old factory operative, based on his ability and performance during assessment.

### Business Benefits

- In monitoring absence, they found no relationship between absence and age of employee.
- Key skills have been retained.

- Recruitment and training costs have been reduced.
- Older workers' policies have supported Ronseal's positioning as an employer of choice.
- Older workers have provided mentoring to younger workers.
- Ronseal is better able to respond to fluctuations in demand for its products.



## Centrica

### Large employer

Centrica started implementing its 'work:wise' programme from 2005 to take forward a major change in ways of working. It wanted to use flexible working to make significant property savings and attract and retain talent from an increasingly diverse labour pool. Teams decided how flexible they could be while giving the same if not better service to their customers.

Now Centrica has a range of flexible working patterns they use across the business for workers of all ages including flexi-time, shift working, job sharing, staggered hours, part-time and compressed hours. Around 8,500 engineers are all home workers, using laptops and wireless technology, to deliver services to customers.

### Approach taken

An engagement programme was designed to give everyone the information and confidence to decide how they could change the way they operated. These included:

- roadshows for managers and employees;
- coaching managers to prepare them for the consultation process with their teams;
- team building workshops to enable teams to decide together how they could best function as a group to work flexibly;
- one-to-one discussions between managers and their staff to plan their way of working and whether to be a home, office or mobile worker;
- technical training on using the new support equipment.

### Perceived challenges

- Speed and scale of the change.
- Manager concerns about loss of control and managing performance remotely, team cohesion, trust and communication.
- Robust information on employees' technical equipment had to be gathered.
- A dedicated helpdesk for remote workers to mitigate frustrations with faulty equipment.

### Business Benefits

- Over 60% of Centrica's 29,000 UK based employees have some form of flexible working arrangement now in place.
- £10 million per annum property savings.
- Greater accountability for work outcomes.
- Over half of flexible workers, managers and co-workers of flexible workers felt flexible working had a positive effect on performance.
- Flexible workers scored higher on commitment, empowerment, job satisfaction and work-life balance.
- 75% of employees now feel flexible working is embedded in Centrica's culture.

# Police

## West Midlands Police

### Large employer

### Flexible Working

West Midlands Police introduced a range of creative flexible working options to address issues that affect their ability to attract and retain key skills.

Working for a police force often requires unsocial hours and long shifts and it can be hard to balance these demands with family and caring responsibilities.

The workforce is ageing and staff can now work beyond age 65 but many older workers prefer flexible working patterns.

### Forms of flexible working introduced

- Those not employed on a shift system can work flexible hours. This allows them to work any hours comprising a wide time band as long as they work the compulsory core hours. Staff can accrue up to 10 hours leave a month, which can be taken as flexi-days.
- Compressed hours working the equivalent of 5 days in just 4, enabling 1 day off a week.
- Annualised hours, working a given number of hours each year rather than each week, specifically to retain the input of highly experienced older workers.
- Term time working, using paid and unpaid leave over school holidays.
- Part-time working, takes many forms and can vary with individual circumstances and operational requirements.
- Job-share partners, treated as part-time employment contracts.

- Flexible workplaces, by providing employees and officers with laptops so they can work from home or any other location.

### Perceived barriers overcome by West Midlands Police

- The 24/7 nature of police business.
- The demands of the job doesn't allow clocking in and out.
- Officers can't just walk out of major incidents.

### Business Benefits

- Reduced absenteeism, higher productivity and greater workforce flexibility.
- Attracting and retaining female workers – over 30% of officers are female, the second highest proportion of female officers in the country.

### Learning Points

In retrospect, West Midlands Police say it should have provided more awareness training for staff and managers on flexible working, to counter initial confusion on the options and the belief that they were just for parents of young children.

# Retail

## ASDA

### Large employer

ASDA reviewed and re-launched its new flexible working programme in 2008 and introduced 'Seasonal Colleagues' scheme to replace temporary workers who had been recruited to deal with peaks and troughs in trade.

'Seasonal Colleagues' are workers with a permanent contract to work at peak times of the year; this means the business retains skilled and experienced colleagues. This particularly suited students and older workers.

### Perceived Challenges

- Managers were concerned that the 'Seasonal Colleague' permanent contract would be more costly than the use of temporary contracts.
- Some managers didn't believe flexible working would be an option for managers.

### Approach Taken

- ASDA set out to simplify the variety of flexible working schemes they had available and ensured that they were open to workers of all ages.
- They intensively shared information about flexible working case studies across their workforce.
- A series of listening groups were held to understand views of colleagues and managers.
- And they helped those managers who had initial concerns to understand the business benefits of flexible working.
- A major element of the change was re-launching the concept of 'Seasonal Colleague'.

- ASDA also refreshed and simplified their flexible working policies; part-time working, job share and weekender contracts, across the whole business.

### Learning Points

- Shouldn't be seen as a one-off initiative but needs to be integrated into the business strategy with a compelling business case for flexible working.
- Ensure it is supported by senior leaders.

### Business Benefits

- 80% of the workforce now takes advantage of flexible working.
- There are around 8,000 Seasonal Colleagues.
- Workforce age diversity has increased: 21% aged over 50 and 24% under 25
- Labour turnover reduced to 21% and absence to 3.1% (compared to retail averages at the time of 28% and 4.1%).
- Annual 'We're Listening' surveys put flexible working consistently in the top three reasons for working at ASDA.

## Co-operative Group

### Large employer

The Co-operative Group removed their contractual retirement age altogether in 2006 and focuses on competence and ability for workforce planning.

It believes that to use people's skills effectively, employment decisions should be based on competencies, qualifications, skills and potential rather than numerical age. The Group also recognises that many older workers demonstrate the desire and the ability to continue working.

### Phased Retirement and Pensions

“It simply doesn't make sense to retire an employee because of their age. All that should matter is that they have the competency to do their job. Employees can continue in our pension scheme past 65, and draw on their pension while they work for the Group.” Head of Diversity, Co-operative Group.

### Business Benefits

In addition to skills retention, the scrapping of a default retirement age also had a significant impact by reducing the cost of recruiting replacement personnel.

There are currently 1,957 valued employees of the Group over the age of 65, who continue to make a positive contribution to our success and growth.

## John Lewis

### Large employer

### Phased Retirement and Pensions

John Lewis also offers flexible retirement which allows a Partner to continue working for the Partnership at the same time as drawing their Partnership pension. Partners of all ages (including those over 65) have full access to available flexible working options.

## Marks and Spencer

### Large employer

#### Workforce profile:

- 33% employees over 50;
- over 4000 employees have more than 25 years service;
- 1 employee has completed over 50 years service; and
- oldest employee was recruited at age 80.

At Marks & Spencer we recognise the importance of treating people with fairness and respect. We believe that by embracing a diverse workforce that reflects our customer base, we can develop products and services that meet their needs.

#### Phased Retirement and Pensions

- In November 2001 the company's mandatory default retirement age (DRA) of 65 was removed and in 2006 we extended our support to older workers by offering our employees the opportunity to flexibly retire.
- This means that employees who are part of our pension scheme can start drawing their pension from age 55 whilst continuing to work for the company.
- Many employees combine this with a request to reduce their hours and work part time; this can help them have a smoother transition into their eventual retirement.

Our employees love the flexibility of this option, which may be why in 2009/10 over 85% of the total number of employees who retired chose the flexible retirement option. It has also had a really positive impact on the number of older workers

which has more than doubled since flexible retirement was introduced.

#### Training

We do monitor the effectiveness of our training and ask our employees in our annual survey whether they think they receive the training necessary to do their job effectively.

Against a company average of 76%, over 65s scored 82%. We feel this supports our inclusive approach to learning and demonstrates that at M&S training is not just for our new or younger recruits.

#### Results

Our employees are very loyal and this shows in our employee survey results where employees with 25+ years service were 86% positive they would be working with us in 12 months time. This is compared to the average company score of 77%.

#### Performance Management

M&S reports that having no retirement age helps to retain highly effective staff. They use performance management in an identical way for workers of all ages.

Some line managers at M&S were worried about how to handle a situation where a 65 year old worker wanted to continue working when a manager did not perceive them to be fit enough. HR colleagues discussed and allayed these concerns, stressing that performance management should be approached in an identical way for workers of all ages.

Since the policy has been introduced, M&S hasn't had any negative feedback. The company found implementing the policy was simple as the changes required to working practices were minimal and no amendments to existing performance systems were necessary.

## Business Benefits

The business benefits of Marks & Spencer's approach:

- retains highly effective staff;
- increased loyalty of employees who value choice to work longer;
- performance management used in an identical way for workers of all ages;
- has successfully removed the retirement age and has seen the number of employees who want to work past the age of 65 increase significantly; and
- one of the lowest employee turnover rates in UK retail.

# Transport

## AT Brown Coaches

### Small employer

AT Brown Coaches Ltd is a family owned business. They operate 22 coaches, mainly 53 seats, with 70 seaters for school trips, and some 16 seat vehicles. Three-quarters of the company's business is in school and works contracts, including firms that operate late/early shifts. The remainder of activities involve private hire.

AT Brown employs 31 people. The company and staff have a flexible approach to work, for instance many older employees work reduced hours or take on a different role.

### Flexible Working and Business Benefits

“Staff value the flexibility and it helps me to retain the skilled people we need to keep the business successful”, says Director Ewen MacLeod. “Our vehicles operate from 4:15am until midnight. We have to be flexible to meet customer demand for early and late shift hours and school runs, and of course during summer everyone wants extra coaches. Because we're able to respond, we get the business.”

MacLeod believes it is vital for business to take advantage of the flexible approach of staff, and that managers need to be able to respond. Businesses that don't adapt will be left behind. Flexible working has proven benefits for AT Brown and its employees, in terms of commitment and helping retain staff.

Decisions are made on individual and business needs. MacLeod says: “We don't have the flexibility to change the times that schools or factories start and finish – but I can bend, and if I can't fully meet my staff's flexible working requests then I will say what I can do. We have a two-way dialogue to make things work. If I just said 'no, I can't do that', they would go - and I'd have to employ the devil I don't know. I don't want to lose them to the competition. I offer the flexibility, they stay in a job that fits in with the hours they want to work. It's a win-win.”

“Being flexible is also about getting the balance right between full-time and part-time, so you're not paying for people to just stand around. It works for the business, it's not about altruism, as the business benefits just as much as the employees from the relationship.”

For example, Freeman (67) is a driver for the school-runs and occasional weekends. As an ex-school teacher, he transfers his people management skills into the job and his experience is essential when dealing with the customers in all kinds of situations.

Alan (69), is a former employee who was asked to come back part-time to drive a specialist coach with wheelchair access. As an ex-ambulance driver, Alan (69) successfully uses his experience to operate the vehicle which carries up to 12 wheelchair passengers.

Brian joined the business at age 57 as a full-time garage manager. With fifty years' experience 'on the spanner', Brian, now 67, plans to continue working part-time rather than retire. When he considered working differently he discussed options with his manager.

A gradual twelve month handover was agreed, and he has moved from full-time to part-time three days a week. Brian is mentoring Andy (31) into the garage manager role, where Andy is “learning the lifetime of skills and knowledge they don’t teach you in a course!”

Fred (75) works early shift hours through the year. In June he takes a week off. Although it is peak time, the company takes the balanced view that they benefit from Fred’s reliability throughout the rest of the year. When he had some hip trouble, Fred was swapped into runs with an automatic vehicle, and continues to work part-time doing mornings over 5 days.

Francis, who will be 65 at Christmas, wishes to scale back his working hours rather than stop working overnight. Plans are already agreed, both parties are happy, and arrangements will be reviewed regularly, as with all staff, and amended if necessary.

Ray (68) left the company last year after a period of ill health, but now that is behind him, he starts back on a totally flexible, almost casual, basis. Ray is one of life’s ‘characters’, and is viewed by the company as having a positive influence on morale.

The experience and knowledge of older workers plays a big part in the success of the business, growing from 7 coaches in 2002, to 14 by 2005, and now up to a fleet of 22.

### **Training that meets the needs of the business and staff**

Across the industry, firms are at risk of losing older drivers who decide to leave rather than do Driver CPC training. But AT Brown is unwilling to lose experience and flexibility that would be costly to replace. By working with a provider to tailor the CPC to better suit the needs of his business and drivers, MacLeod is encouraging all his drivers to complete the training and stay with the business, saving the cost of additional recruitment and potential disruption. “I have to take cost into account,” he says, “but you get out what you put in.”

At any age, investment in training can show results, including increased motivation and better performance that helps the business grow. Part-timer Alan (69) recently completed a SAFED (Safe and Fuel Efficient Driving) course and says that it has improved the way he approaches his job and helps cut fuel usage.

### **Performance Discussions and Phased Retirement**

AT Brown’s managers have discussions about performance with all their staff. They used to try formal staff appraisals but found that an informal approach suits the business better. Through an open culture between staff and managers, the ‘door is always open’ for two-way conversations: individual and company needs and plans are regularly discussed and aligned, for example about where people see themselves in the future, ideas and preferences for working or the timing or gradual phasing of any plans for retirement.



## Younger and Older

MacLeod says: “Sometimes performance does start to tail off, it’s a fact of life, but is more than compensated for by the positive influences older workers have on younger staff. There’s no substitute for experience.” AT Brown reports no difference in the absence rates between older and younger employees.

MacLeod sees no need to remove older workers to make way for younger workers. “They’re like gold-dust. Their experience and flexibility would be hard and costly to replace. At the same time we do also have a 16 year old apprentice mechanic who is shaping up well and is very keen. Life is full of conundrums, but the bottom line is that I manage my human resources for the best return. It’s better for my business to keep our older workers, many working flexibly, than to recruit replacements. It’s all about long-term survival, even more so in the current climate.”

### Learning Points

- Flexibility is a two-way arrangement. (Tip: start with a trial period to see if it works).
- Business and customer needs come first.
- Support from the top is essential.
- Managers able to discuss options for working flexibly.

## First Group Large employer

First Group (‘First’) is a transport operator carrying 2.5 billion passengers a year. Its UK Bus division employs over 23,000 people and operates in 40 towns and cities. It also operates Greyhound UK.

### Phased Retirement

The company’s Flexible Pension Options scheme allows employees between the ages of 55 and 75, who are able to receive their pension, to work flexibly as well as using their pension income to supplement their reduced pay.

The scheme was introduced to help retain valued older employees (around 40 per cent of employees are aged 50 and over) and also to remove the ‘cliff edge’ impact of retirement. First also attracts staff from other companies.

The scheme website enables members to model their benefits based on their existing, or revised, rates of accrual, at their choice of retirement age. They can also model the impact of taking a tax-free lump sum on their annual pension income.

### Learning Points

**First’s Reward & Pensions director John Chilman accepts that there were challenges:** “Some people felt that retaining older workers could block opportunities for younger employees. There were also concerns that the policy might ‘force’ people to stay in work.”

When the scheme was launched, briefings were delivered to each operating company in partnership with trade unions, to ensure buy-in from all sides.









Department  
for Work &  
Pensions