

Working Better

The over 50s, the new
work generation



Equality and
Human Rights
Commission

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Introduction

The ageing of the population has led policy-makers to put a high priority on extending working life. However, little attention has been paid to creating the conditions to enable people to work beyond retirement age. Traditional views about older workers still shape the attitudes of many employers. Our survey of the work aspirations of the over 50s, and the barriers facing them, reveals that many assumptions made about this age group are wrong:

- The majority of workers over 50 (62 per cent of women and 59 per cent of men) want to continue working beyond state pension age.
- More than twice as many (11 per cent) over 50s want promotion as want to downshift (4 per cent).
- Instead of being unfit to work due to ageing and ill health, 62 per cent describe themselves as feeling as fit as ever, with structural and attitudinal barriers thwarting their ability to stay involved.
- Enthusiasm for learning persists: 44 per cent of 56-59 year-olds and a third of 60-64 year-olds have undertaken training in the past three years. 21 per cent of the over 50s had trained to improve their job prospects.
- Responsibility for children continues, with nearly one-quarter of 56-59 year-olds and 9 per cent of 70-75 year-olds still supporting their children financially.
- Working longer is not a burden borne purely out of necessity: those who have elected to work longer are happy and enjoying what they do.
- There is significant demand for greater flexibility in hours and location of work. Sixty-eight per cent of the over 50s unemployed below state pension age and 85 per cent of people inactive and over state pension age said that greater availability of flexible and part-time work would help them to find jobs.

The demographic and policy context

Over the last 200 years, life expectancy in Britain has increased continuously. For people aged 65 in 2008, life expectancy is projected to be a further 21 years for men and nearly 24 years for women **(1)**. One in four babies born today will live to 100 **(2)**.

While this is cause for celebration, it also poses big challenges. Birth rates are not high enough to replace the population, so the number of people of working age available to support those in retirement is declining.

Policy-makers have therefore made it a priority for workers to remain economically active long beyond current retirement age in order to fund their own and older generations' pensions.

This change has already begun. During most of the 1990s, only about 8 per cent of men over 65 and women over 60 were in work. By 2006, this reached nearly 10 per cent of men and 12 per cent of women of state pension age. The trend has accelerated sharply in the past two recessionary years: the proportion of people over 55 planning to work beyond state pension age has jumped from 40 per cent to 71 per cent, largely for financial reasons **(3)**.

At the same time, opposing forces are pushing people out of the workforce early: by 2007, a third of men aged 55-64 and women aged 55-59 were unemployed, inactive or retired. Older workers are finding it harder than any other age group to get back into work after being made redundant in the recession **(4)**.

The launch of our research into employment preferences, barriers and solutions for workers over 50 comes as the government is reviewing the default retirement age (DRA) of 65 **(5)**. The Commission welcomes the review, since forcing people to stand down on grounds of age rather than ability is one of the most blatant forms of discrimination against older people.

Extending working lives by one and a half years could reduce government borrowing by one per cent of GDP. In 2008 terms, a one per cent of GDP budget improvement is almost £15 billion.

Our research suggests, however, that abolishing the DRA will have little impact on extending working life on its own. It must be accompanied by a concerted drive by government, employers and agencies including the Commission to tackle stereotypes and to meet the health, caring and work needs of the over 50s to enable them to remain economically active.

Research findings

Our research was based on a telephone survey of 1,500 people aged 50-75 about their working lives and aspirations. We explored the theory that there is some resistance to working longer and investigated the barriers and potential solutions. We also reviewed employer practices in relation to this age group and interviewed other interested parties, including government, trade unions and non-profit organisations.

A key finding is that this is an extremely heterogeneous age group. Views and experiences of work vary greatly according to age, occupational status, gender, health situation and family responsibilities.

We summarise our key findings below as Aspirations, Barriers and Solutions and provide case studies of employers and individuals benefiting from ‘age-positive’ practices.

Aspirations

The research reveals that there are many reasons for people to carry on working into later life, both through **choice and necessity**.

- Many people say they want to remain economically active beyond state pension age: the figures are 64 per cent of women and 24 per cent of men.
- Around 60 per cent would like to continue working after state pension age, but on a part-time basis. Some 40 per cent would like to stay in their current jobs, but with greater flexibility in hours or days worked.
- Among the one-quarter of men and two-thirds of women wishing to remain at work beyond state pension age, 77 per cent of men and 71 per cent of women would like to continue working for their current employer.
- There are also aspiring entrepreneurs: 10 per cent of men and 7 per cent of women would like to set up their own business once they reach state pension age.

These figures suggest widespread latent demand for employment among those of state pension age.



“I don’t feel like an old man. I feel like a person who takes pleasure in work for its own sake.”

David Buckley, 73, Call Centre adviser.

Many workers remain **ambitious** and want to continue developing their careers.

- Just over one in ten people are dissatisfied because they want promotion and greater responsibility. By contrast, only 4 per cent said they would prefer to ‘downshift’ to a job with less seniority.
- More than one-third (36 per cent) of unemployed over 50s below state pension age are highly enthusiastic about wanting to have a paid job.
- A significant proportion of workers over 50 have undertaken training in the past three years: 55 per cent of those aged 50-55, 44 per cent of those aged 56-59 and 33 per cent of those aged 60-64. One in five trained to improve their job prospects.

Most people (62 per cent) feel they are as **strong physically and mentally** at work as when they were in their 20s and 30s. This varies from 70 per cent of managers and senior officials to 50 per cent of people in skilled trades. This finding contradicts the pervasive and potentially highly damaging stereotype found by the Department for Work and Pensions that ‘older people are warmer but less capable than younger people’ (6).

A large minority (45 per cent) of those we surveyed are **content** with their jobs. Many older workers speak positively about their experiences at work, with three-quarters saying they work because they enjoy their jobs and find them worthwhile and useful.



“Initially it was a case of ‘I need a job’. But I’ve ended up quite enjoying it. I want to go on till 65 at least.”

**Graham Eggington, 59,
technical service engineer.**

Enjoying one’s job becomes an increasingly important reason for working as people get older. **Financial necessity** is the most important reason for about half of people aged 50-59, one-third of people aged 60-64, and only one in seven people aged 65-75. Just 9 per cent of people aged 50-55 say **enjoyment** is the main reason for working, but this rises to 27 per cent of people aged 65-plus.

Another important reason for continuing to work appears to be that many people over 50 still have responsibilities for others. Nearly 40 per cent of 50-55 year-olds are caring for children or adults. Financial support for children is another important factor: 25 per cent of over 50s provide financial support for their children, primarily to pay for education. While 50-55 year-olds are most likely to have such financial responsibilities, 9 per cent of 70-75 year-olds are still supporting their children financially.

Barriers

Poor **health** is one of the main causes of premature retirement. Individuals who feel unable to perform their job as well as they did when younger are significantly more likely to be planning to retire before state pension age, with possibly serious financial implications for their later years. It is significant that one-third of older workers in poor health feel unable to approach their managers to discuss difficulties and request more manageable working arrangements.

More men than women report health problems, but stress impacts on both genders: 42 per cent of men and 36 per cent of women feel frequently under stress, while 38 per cent of men and 26 per cent of women expect to work long hours. Workers who are stressed in their jobs are significantly more likely to be planning to retire early. Stress is also a factor in underemployment and in individuals shifting down in terms of occupation.

Motivations for early retirement vary between occupational groups:

- Professionals are most likely to have interesting jobs, to use their skills to the full and to feel most physically able - but they also often feel tired, face high levels of stress and work very long hours. Since they are the group most likely to have occupational pensions, they feel financially able to retire early.
- Manual workers are more likely to say they are physically less able to do their jobs than when they were younger. Low-skilled, low-paid work and poor working conditions can make people decide to retire early, and low-skilled workers in basic jobs stand out as being the occupational group most likely to favour early retirement.

While many people over 50 enjoy their jobs, a majority of 55 per cent say they are not content with some aspects of their working lives. **Flexibility and choice** of hours and location are significant barriers:

- Asked about barriers to their ideal job, half say there are no part-time or flexible jobs available.
- The longer the hours people work, the more likely they are to express dissatisfaction: one in five want more flexibility in their hours and the same proportion want greater flexibility in their working location.

- Twenty-seven per cent would like to change the number of hours they work - primarily to work fewer - and 17 per cent would like to be able to work from home.
- Thirty-eight per cent men and 46 per cent women are not aware of the right to request flexible working available to adult carers.
- People in poor health or with a disability are least satisfied with their working hours and flexibility.
- Among the unemployed who want work, 37 per cent of men and 50 per cent of women say they need flexible hours arrangements to enable their transition back into work.
- Eighty-five per cent of people over state pension age say greater availability of part-time or flexible jobs would be the key to getting a job.



“Flexibility is one of the reasons I stay.”

Linda Britton, 57, press operator.

A majority of 63 per cent of over 50s say the main factor that would enable them to achieve their ideal jobs would be a more **open attitude to recruitment** among employers:

- There is concern about employers’ negative attitudes - real or perceived - towards people over 50. Other recent research shows that men over 50 are at greatest risk of long-term unemployment and need swift, intensive support to avoid becoming ‘a lost generation’ (7).

- Occupational status affects people's desire for changes in their working lives: 39 per cent of those employed in low-skilled basic jobs say they would ideally like to change their jobs.
- People have two worries about changing jobs: fear of rejection by employers, and concern about the financial implications - for example of retraining - in the run-up to retirement.
- Seventy-nine per cent of retired people say more openness by employers to recruiting older workers would help them to get jobs.

Work **dissatisfaction** is most prevalent among those in the run-up to retirement, decreasing among older age groups. A parallel finding is that workers aged 56-59 are the least likely to feel strong enough to perform their jobs as well as when they were younger. Once past 60, the proportion feeling strong enough to perform their jobs as well, rises.

There are two possible explanations:

- Either older workers are successfully negotiating their preferred terms and conditions with employers, or moving into more 'ideal' jobs.
- Or those who are less satisfied and/or less robust health-wise are leaving the labour market prematurely, increasing the proportion of those left behind who regard their jobs as ideal. The latter scenario appears more likely, but both possibilities highlight the importance of ensuring that older workers are able to secure the jobs and conditions they want and need in order for working lives to be successfully extended.

Solutions

Tackling barriers to the employment of older people requires taking action on a number of fronts: the quality and flexibility of jobs; occupational health; retirement and pension policies; and attitudes and assumptions about the older generation. This will mean collaboration between government, employers, trade unions, occupational health experts and others.

Many older people are keen to carry on working or to embark on new careers, but they often face obstacles caused by stereotyping, inflexibility or simple lack of imagination about how work could be organised differently. The challenge is to find ways to remove these barriers and promote a less ageist society. This needs a coalition led by government with employer organisations, trade unions and other key stakeholders.

Countries such as Australia and Finland, with their rapidly ageing workforces, offer promising examples. The Finnish National Programme for Ageing Workers brought together government and social partners in initiatives including: help for businesses and age-management training for managers, flexible retirement, health support for older workers, combating ageist attitudes, and incentives such as higher state pensions for those choosing to keep working **(8)**.

Recommendations

■ **Removal of the default retirement age (DRA). This would be a first step in ending retirement discrimination on the grounds of age and encouraging cultural change. By removing the ‘safety net’ for employers, it would encourage more radical approaches to issues such as flexibility, handling performance of workers of all ages, and improving occupational health through ergonomic and other reforms.**

Retirement choices

We recognise the importance of choice and individual preference over whether to continue working and when to retire. It is also important to ensure that all older people, regardless of background, have the resources and information necessary to exercise real, not constrained, choice and to have some degree of control over their future.

There is currently an imbalance in choices in later life, according to professional status and gender. Opportunities to work from home, for example, are greater for men, the well educated and those working in higher professional and managerial occupations. Professionals and managers are most likely to experience long hours and stress - but they also appear to be in a stronger position to negotiate flexibility in their working hours or location than people in manual or administrative jobs.

Policy-makers need to consider the implications for the long-term health of older people who may be forced to continue working to avoid poverty.

Our survey found many older retired people, especially women, were struggling financially to meet their needs - 24 per cent of men and 37 per cent of women had incomes which were less than adequate with 20 per cent of women and 6 per cent of men claiming that their income is completely inadequate to meet their needs.

Policy-makers should also consider the implications for the loss of skills essential to national competitiveness in the case of better-qualified people who can afford to choose to retire early.



There are many ways to keep older people involved in economic activity. More affluent professionals increasingly seek fulfilment in their retirement, which might incorporate part-time work such as mentoring younger people. For people in manual occupations, retirement may be a relief from physical exertion or a means to cope with declining health; for them, any extension of working life is likely to have to combine financial reward with job change or redesign and health interventions.

“Older advisers not only have good attendance records and can mentor younger colleagues, but also empathise with customers.”

Tracy Burrell, HR manager.

Workplace-based solutions are critical. A large number of older people would like to carry on working; this requires more supportive policies and practices from employers. Employers with experience of employing mature workers say they offer knowledge and experience as well as loyalty, maturity, productivity, reliability and empathy with the growing population of mature customers. Yet approaches to retaining older employees, where they exist at all, often tend to be piecemeal rather than comprehensive.

Recommendations

- **Government should consider incentives for employers that offer flexibility for all, with a particular emphasis on greater adaptability on hours and/or location of work for over 50s.**
- **Government should consider funding the provision of age-management and flexibility training for managers.**
- **The right to request flexible working should be extended to everyone.**

Rigid work patterns - with fixed daily hours five days a week - reflect working routines from a time gone by, based on a workforce of working dads with stay-at-home wives. Today's workforce is more female, more ethnically diverse, and older. Rapid demographic change and the globalised economy are fuelling demand for longer, more productive working spans and individuals' need for work options that are sustainable through these longer working lives.

Many older people are keen to work beyond retirement, but they clearly want to do so in a different way. Research points to flexibility - including phased retirement and working from home - as the key to extending working life.

However, the evidence suggests that few employers have yet considered innovative work redesign to retain the knowledge and skills of older people. It is telling that 60 per cent of self-employed people over 50 say they are in their ideal job compared with only 42 per cent of employed workers, and that 82 per cent of the self-employed say their situation gives them more control over their hours of work.

The benefits of greater flexibility would include:

- **Higher-quality work:** Much of the increase in employment among the over 50s since the start of the century has been in low-paid, low-quality jobs with limited prospects. Flexible hours and location, work redesign and internal redeployment to roles such as training and mentoring would enable people to stay in higher-quality jobs rather than becoming marginalised in work that is well below the level of their skills and experience.
- **Health:** Modifying workplace arrangements could help to retain less healthy workers of all ages in the labour market and prevent further deterioration in their health. Adapting work schedules, hours and workload would particularly help, as would greater opportunities to work from home. Older workers with poor health often do not feel able to approach their manager to discuss difficulties and request alternative arrangements. A workplace advocate, in the form of a union or staff representative, would be particularly helpful to negotiate mutually acceptable solutions to health problems which may be very personal.

Case study

Domestic & General: recruiting all ages

David Buckley was made redundant at 60 as sales manager for a textile company and spent nine months on Job Seeker's Allowance, facing rejection after rejection from employers.



**David Buckley, 73,
Call Centre adviser.**

“Nobody wanted a 60 year-old until Domestic & General came along,” he says. He was hired as one of the first 20 employees at the company's new Call Centre in Nottingham in 1997 and has worked there ever since.

Now 73, he is the outbound call handler for the heating team, telephoning customers who need advice and taking ‘brickbats and compliments’. He says younger colleagues approach him for assistance because of his experience. “I don't feel like an old man. I feel like a person who takes pleasure in work for its own sake.”

The company, which provides warranty protection for domestic appliances and heating systems, operates ‘age-positive’ strategies to attract and keep older workers for their experience, reliability and loyalty.

It targets specific media to attract a wide age range, for example using radio stations aimed at older listeners. Other strategies include: telephone interviews to avoid bias at the first stage of hiring; tailored induction, with extra support in areas such as IT skills; career progression workshops; and flexible work arrangements available to all.

The company has no mandatory retirement age, and Buckley opted to continue working when he reached 65. “I like to feel that I'm part of working life, rather than vegetating. The financial motivation was tremendously important when I was 60. Now the money and having a reason to stay alive are equally important.”

Domestic & General employs more than 700 people aged 16 to over 70 in Nottingham. Tracy Burrell, human resources manager, says that “Older advisers not only have good attendance records and can mentor younger colleagues, but also empathise with customers.”

Call Centre agents of all ages can be trained up to management level. “Call Centres are not about short term work and a ‘stop gap’ while someone is looking at another career. There are opportunities to get on and progress just as there are in other sectors.”

Recommendation:

■ Better training and career development for over 50s.

Hand-in-hand with more focus on recruiting older workers goes the need for quality training and career development.

Evidence from our Just Ageing? research with Help the Aged and Age Concern (Age UK from Spring 2010) suggests that people who change jobs as well as those who have been in continuous employment during their careers are more likely to be working longer (9).

Our research shows that individuals would benefit from opportunities and financial support to undertake training in preparation for career change, particularly if their jobs involve challenging physical work.

There is a need for more information and advice on lifelong learning, career alternatives, training requirements, grants, and courses. The type of low-cost training offered by Jobcentre Plus, however, is often unsuitable for older workers, particularly managers, professionals and other more skilled unemployed as it is too generic and low-level. Providing more targeted assistance is a challenge that must be met. Just under half (47 per cent) of the older workers who are in less than ideal jobs say that more affordable training might help them to secure the jobs or employment conditions they need or prefer.

Professional advice and guidance would be welcomed by 40 per cent of those who wish to change some aspect of their jobs. One-quarter feel that a job broker or job agency might help.

Case study

Centrica: New careers at 50-plus

Keith Adams, a recruitment manager for Centrica in southern England, has seen people from a wider range of backgrounds apply for apprenticeships since the energy company lifted its cap on people over 25 in line with the Employment Equality (Age) Regulations 2006.

“We’ve even had a stockbroker who said he’d always wanted to work with his hands,” says Adams. As a recruiter, Adams undertook the company’s Age Awareness online training, which provided ‘eye-opening facts’ about the ageing workforce and the need to recruit all ages to avoid future skills shortages. “I could see the benefits of a bigger talent pool – we’ve got quite affluent areas in London and the South East where we struggle to get apprentices.”

When candidates apply, the recruiters are not allowed to know their age. Candidates are initially screened according to how they score in an online test. In their online applications, they only give details of their last few jobs, so the recruiters cannot guess their age.

“I think the older generation have got just as much or more to offer as the younger generation,” says Adams. “Older candidates are tending to look at this as a career and they want to serve out their time. We invest a lot of time and money in training. It’s worth it for the right person, even if they are only going to work for a few years.”

In addition to the e-learning programme for managers and employees, the company offers lifelong training, flexible working, a carers’ network, and a healthy ageing programme.

“An age diverse workforce can better reflect your customer base and leads to innovation in products and services.”

“Companies investing in competent people of all ages and developing them will be fittest to emerge from the current economic climate,” says Melanie Flogdell, Head of HR Policy.

Graham Egginton, 59, started an apprenticeship just before his 57th birthday. Now working as a technical service engineer in the Wolverhampton area, he became apprenticed after 14 months of unemployment that followed the liquidation of the machinery business where he previously worked.



Graham Egginton, 59, technical service engineer.

“Age is still a barrier, even though it’s not supposed to be,” he says. “But age has not been a barrier whatsoever since I came to Centrica.”

He has had some health problems, which prolonged his apprenticeship, and says Centrica helped him through these. “They’ve offered advice. They know the situation and they’ve always said, ‘if you’ve got any problems, give us a ring’. I’ve sorted most of the problems out myself.”

His younger colleagues have also helped him learn new things. “Initially it was a case of ‘I need a job’. But I’ve ended up quite enjoying it. I want to go on until 65 at least.”

Recommendation:

■ **Comprehensive health programmes.**

Employers, business groups and government should work with occupational health experts to ensure older workers have access to programmes to promote wellbeing and to provide early warning of ergonomic adjustments needed to enable people to continue working.

Employers should also monitor stress and long hours working and obtain expert assistance in ensuring well-managed work flows and tasks.

These measures will benefit the whole workforce but will be particularly beneficial in preventing early retirement of professionals and managers who are most likely to experience high stress and long hours.

Recommendation:

■ **Media campaign on age and work.**

The recommendations above should be supported by a media campaign, sponsored by government and employers and supported by the Commission, to tackle ageism in society and to promote age-positive recruitment and employment.

The campaign could feature individuals and employers speaking about the benefits of having a workforce of all ages, including those past current retirement age, highlight key findings from our own and others’ research, and provide links to guidance for employers and employees.

Case study

West Bromwich Tool and Engineering Company: Flexible employer is a reason to stay

Linda Britton, 57, is a press operator at West Bromwich Tool and Engineering Company, which makes parts for the car industry. Her normal shift is 2pm to 10pm but she sometimes needs time off at short notice to provide emergency childcare for one or more of her 17 grandchildren.

“If I need to change my hours for some reason, they’ve let me do that, and I make up the day at another time,” she says. “A couple of weeks ago, I had to help with my grandson. I rang them up in the morning and they let me have the day off. If they need me to help them out at other times, I come in if I’m able to.”

She has been with the Midlands engineering company for 14 years. “I’ve worked quite a few places and this has been the best one for flexibility and helping you out. It’s one of the reasons why I stay.”



Linda Britton, 57, press operator.

Recommendation:

- **Overhaul recruitment practices to ensure people of all ages are recruited.**

Most of the efforts currently made by employers focus on retaining over 50s. Few organisations have thoroughly examined the business case for attracting older workers or changed their recruitment practices to enable ‘age neutral’ recruitment, as in the Domestic & General case study on page 12.

Our research found that nearly three-quarters of unemployed people over state pension age say they would be better able to find work ‘if employers would recruit people my age’.

Conclusion

We need a wholesale re-evaluation by society of ageing as something that starts at birth, not arbitrarily at 50, 55 or 60. Our recommendations are designed to dispatch stereotypes about older people and open new horizons for the over 50s by enabling them to enjoy both quality jobs and quality lives. The successful extension of working life will depend on employment being both an attractive and a healthy option for people throughout their life cycle, including the later years.

Endnotes

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