

Viewpoints

Talent has no age limit

Engaging workers across all generations



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As recently as 2001 there were only 400,000 workers aged over 65 within the UK workforce. Back then all the talk was of high potentials and fast-track graduate schemes. Yet in June this year, the Financial Times reported that the number of over 65s in work had increased to one million, more than doubling in just 10 years. By 2050 there will be 19 million over 65s in the UK population, and with no default retirement age a significant proportion of them will be in work. Therefore, UK plc needs to get to grips with how to manage, motivate and reward older workers, and it needs to do so fast.

At our recent engagement network event 'Engaging workers across generations', Yves Duhaldeborde presented recent trends in employee attitudes across generations from Towers Watson's Global Workforce Study. Comparing the responses from the 50-plus age group to the 30 to 39 age group, the differences in attitude between the two groups are not as stark as some might expect. Yet, a few interesting contrasts jump out. "Compared to their younger peers, employees in the 50-plus age group tend to believe in the goals of their organisation and typically understand how their job contributes to these goals. They feel enthusiastic at work, manage to sustain a good level of energy throughout the working day and are normally very positive about the products and services of the organisation. They also seem to be more resilient and seldom miss work due

to illness and injury", informed Duhaldeborde. "In many cases, these positive outcomes can be explained by the sense of job mastery that older workers have developed, to their 'know-how' in coping with pressure and stress, and to their more relaxed attitude towards promotion or financial rewards. Over time, their priorities have changed; they have become able to step back and gain a sense of perspective that younger generations have yet to acquire. Having often worked for many years with their company, their sense of attachment to people, brand, products and services has grown stronger. And having seen their opportunities to switch employer dwindle over time, their self-conviction that joining their company was the right choice to make in the first place gives their general positive outlook an additional boost".

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Where older workers are less positive than their younger peers, said Duhaldeborde, “has to do, not surprisingly, with their development. They are well aware that investments in training are directed toward talents who are in the ascending phase of their career, and when it comes to line managers helping them improve their performance, they feel forgotten and left behind. As specialists who are at the top of their game, they find themselves boxed in and have no hope that performance reviews will further their development.”

This was a subject explored by Dr Emma Parry, DBA Director, Reader in Human Resource Management at Cranfield School of Management. “The focus that we’ve had historically on simply getting younger people into the workforce really needs to change”, said Parry. “There are examples of organisations over the last 10 years that have let people retire and then ended up re-employing them on a contract basis because they’ve just lost all those skills. There’s also been a lot more talk about customer base, so the workforce needs to become more age diverse to serve our customers or clients.”

The development of older workers has been woefully neglected by line managers, suggested Parry. “The idea that once people reach 55 they aren’t interested in progressing any more is complete rubbish. The time between career stage transitions gets longer as people get older, but this isn’t necessarily because that’s what they want. It’s not because they’re not interested in new challenges or new roles, but more commonly it’s due to a decline in opportunities. If we let people career plateau we run the risk of seeing people that are in the same jobs start losing their skills because they’re not updating them, they become less satisfied and their well-being starts to drop. That’s not good for anyone, it’s not good for the individual and it’s not good for us as employers.”

Potential answers to these problems include flexible working, ensuring equal training opportunities for older workers, and addressing age discrimination, said Parry. “We like to think that discrimination doesn’t happen anymore. The evidence suggests something very different I’m afraid. One of the areas where this is most common is with training. Most organisations will not say that people aren’t offered training at a particular age, but this still happens. Most commonly once people reach the age of 50-plus they just aren’t offered training any more”.

Much of this comes down to organisational culture, argued Parry. “The most important support is not about formal policies and practices, it’s about generally supportive cultures, about support from peers and support from line managers. I did some

work with an organisation that are often held up as an exemplar of policies and practices when it comes to age. But when we talked to older workers in that organisation they said the organisation had a very young culture, telling us ‘I wouldn’t expect to go for promotion once I’ve passed about 40.’ It just shows that you can have the best policies and practices but it’s just not going to work if the line managers aren’t trained to support people.” In contrast, her research uncovered an NHS organisation with “a brilliant course for people when they hit their 40s, that actually took people at that age and asked them to plan the second stage of their career.”

Some of these issues are even more polarised in France, where employment rates of those aged 55 to 64 are among the lowest in Europe. “The pressure on this age bracket has been very strong”, says Rodolphe Delacroix, Practice Leader – Talent, Reward and Communications at Towers Watson in France. His research into why this was the case found that, “training was very difficult to get after 50. There was something wrong with the French model and the reason was for 40 years we used early retirement as a solution to unemployment, we put the older workers out of the market believing that it will help the company to find new people.”

Recognising a need to address the issue, the last 10 years has seen a response from employers and from government. “If you work after the default retirement age you now receive a bonus in France, and more interesting again is active policies which try to improve working conditions and employability through training, mobility and taking into account all the factors for people to remain in work.” A programme Delacroix worked on addressing older workers in Finland also led to the conclusion that, “middle management is the key audience if you want to achieve results...what we saw was a huge focus on working conditions, healthy work and the mobilisation of not only human resource professionals but all stakeholders. They tried to understand what was important for the seniors to stay in work and found they wanted to decrease workload, they want the work they do to be more challenging, better opportunities and better leadership. So it’s not about old age, it’s really about a better balance between work and life.”

Furthermore, said Delacroix, “all the studies show that age does not mean a lesser or lower level of performance. If you take into account for example the lower turnover or absenteeism in the 50-plus age group. If you consider factors like resistance to stress, enthusiasm, capability to liaise with groups...some studies conclude that there is no difference in terms of performance between older and younger workers.”

The experience of how best to utilise older workers in France has shown that “the company has to make a plan, they have to make a diagnostic of their demographic trends”, argued Delacroix. “They must assess their needs in terms of recruitment for young people, they must address how many seniors they want to maintain in work and then make proposals in terms of cooperation between generations, adaptation of work conditions as well as objective appraisals for training. What’s interesting is it won’t work unless you make a very important effort in terms of communication, change management, and focus on the middle managers if you want them to change their opinions about seniors. I think this is a big challenge. But the simple idea that I think everybody agrees on in each country is talent has no age – you can be a genius at 20 and still a genius at 66.”

Duhaldeborde offered an effective summary of the views presented by Parry and Delacroix. “A number of points emerge as priorities. One in particular is about the attitudinal shift required in organisations. If I were to put one process or policy under the spotlight, I would ask you all to take a careful look at how you define potential in your organisations. It’s amazing when you scratch beneath the surface you realise that however much we in HR have helped leaders to have a more objective and a less partial view of potential, when you speak to senior leaders one-to-one and say ‘What do you really look for when you’re looking to appoint someone into a new role?’ how often you hear remarks tinged with out-and-out ageism. I spoke to a senior leader whose answer was ‘Young, hungry go-getters.’ That tells you a lot.”

What needs to change, said Duhaldeborde, is the concept of career progression: “too often progression is about a movement forward and up, instead we’ve got to be about progression through greater challenge and variety, tours of duty rather than ‘my next promotion’.” The very notion of retirement is rapidly changing too. “There is no longer an abrupt career end for any of us”, said Duhaldeborde. “It will be a phased movement into a very different way of working, associate working, contract working and a particularly important role for older workers to play is the transfer of knowledge to younger workers and enabling organisations to do that in a very planned and coordinated way”.

Duhaldeborde challenged the assembled audience of HR leaders, “are we doing enough given what we know about the willingness of older workers to share, to guide, to help maintain the aspects of the culture that are really important, crucial to customer satisfaction and in particular and performance?”

Are we doing enough in terms of the interface with younger workers and having older workers really supported?” The answers to those questions in the next five to ten years will be crucial to organisational success. An older workforce is not one to be feared, but embraced. As Emma Parry put it, “To those people that say ‘Let’s employ younger workers because they are more dynamic, enthusiastic and energetic.’ No, let’s just employ people that are dynamic, enthusiastic and energetic, regardless of their age.”

How can organisations manage ageing talent?

Data from Towers Watson’s 2012 Global Workforce Study shows that employees in the more mature segment of the workforce – the over 50s are more enthusiastic, resilient and connected to the goals of their organisation than their younger peers. The focus of their attention has also gradually moved away from the development of their career toward the satisfaction of their customers and the quality of services and products. On the less positive side, older workers feel that their organisation lets them down when it comes to training and personal development. While these findings may not come as a total surprise to HR professionals, our experience shows that very few organisations are exploring how the flow of positive attitudes from older talents could be channelled to create a competitive edge and increase business performance.

Life course researchers have shown that people who have reached the ‘Third Chapter’¹ have a changing outlook on life. They become concerned with the sustainability of their company, are eager to share their knowledge to improve the satisfaction of internal and external clients. They are looking for ways to use the late years of their professional life productively and are anxious to leave a legacy behind. Against societal expectations, they are also ready to take on new challenges; for example, playing a role for which they were passionate and showed predisposition at some point in life, but were at the time unable to pursue. They are still hungry to learn new skills and keen to receive feedback along the way. Their learning pace may be slightly slower than when they were younger but what they are missing in speed they can make up in ability to contextualise newly acquired skills.

So, taking all these elements into account, what can organisations do to more effectively manage older talents?

- (1) The first and most difficult step, which is very much within the influence of HR, is to map the talent terrain and examine career paths. Where would the skills and ambitions of older

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¹ Sara Lawrence-Lightfoot (2009). *The Third Chapter: Passion, Risk and Adventure in the 25 Years after 50*. New York: Sarah Crichton Books, Farrar, Straus and Giroux.

workers, as described above, make the biggest difference to your business? How can you convince stakeholders that a smart deployment of older workers could give your organisation a new competitive edge? Where are the older talents who will give you your first quick wins and set the tone? As you begin to design career paths that respond to the hopes and ambitions of the older workers segment, one obvious area of focus should be customer service, which we know is both a strategic imperative for many organisations today, and one of the key priorities for older talents.

- (2) You are most likely already working on the second step, which is very much about equipping managers with the skills to lead authentic career conversations and productive performance reviews with their direct reports – only this time the target employees are colleagues who are older and more experienced. The purpose of these discussions is to give older talents an opportunity to articulate where they are at, help them map out the paths they could take to reignite their career and add new value to the business. The step should be seen as an extension of the effort to develop line managers' ability to effectively communicate the employment deal.
- (3) Your third step toward a more effective management of your older talents should combine activities aimed at gradually changing company culture and employee expectations relating to their peers who are entering the 'Third Chapter' of their professional life. These activities may include:
 - Implementing reverse mentoring, where less experienced talents receive guidance from older peers but in return give them support with social media and new technologies.

- Providing employees with opportunities to add new experiences to their portfolio throughout the professional lifecycle. Job rotations, lateral moves, secondments to partner organisations, suppliers or academic institutions should not only be offered to graduates but ought to become an integrating part of all career development conversations.
- Offering sources of support beyond the people manager available. Turning down an opportunity to roll gently into retirement in order to fulfil a passion is often frowned upon at work, but also at home. Employee assistance and mentoring programmes prove to be invaluable when employees reach a critical career transition point.
- Having the freedom to call a timeout could prove very useful for employees who are at a crossroads, trying to make a critical professional life transition. Offering these employees the flexibility to take a sabbatical and calmly explore different avenues should be part of the employee value proposition for older talents.
- Fulfilling the sense of purpose and desire to leave a legacy is a core preoccupation for the older segment of the workforce. Organisations should explore potential synergies between their corporate social responsibility agenda and the needs of older talents.

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As recent national statistics show, the pool of older talents in developed economies will continue to grow stronger over the coming years. Organisations that strive to understand the individual needs of talents across the professional lifecycle, and tailor their employee value proposition accordingly, can undoubtedly get a better return on their human capital and gain a real advantage over their industry peers.

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