

# Employment Relations Comment

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## Older workers and the generalisation game

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Employment Relations Comment will provide short accessible features on topical employment relations issues.

This paper draws very heavily from a research report, 'Managing older workers', produced by Vanessa Beck and Glynne Williams at the University of Leicester.

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Generalisations have their uses, as broad brush strokes allow us to paint a picture more quickly. But generalisations about the characteristics and preferences of age groups at work can be problematic. As the academic Stephen Fineman has noted "once a generational typology takes hold ... then it is hard to dislodge".

We all know how the so-called truisms run: younger workers prefer informality and flexibility while older workers are more loyal but also more resistant to change; younger workers are more interested in training and personal development while older workers are preoccupied with winding down.

Another notable generalisation about age groups relates to expectations of working life. Recent research has shown that a combination of increasingly precarious jobs, intensified work and reduced autonomy mean that older workers have "experienced a less satisfactory work situation than they would have been led to expect from conditions in their earlier careers" (Smeaton and White 2015). In other words, it wasn't supposed to be this way! At the other end of the age spectrum, younger workers are supposedly more comfortable working in a flexible 'gig economy'.

### Recommendations:

- Carry out 'mid-life' career reviews which focus on job content and task discretion
- Improve line manager confidence in handling conversations about work and life issues
- Develop more formal and strategic age management policies in the workplace

Figures from the Workplace Employment Relations Study indicate that the UK has made progress in promoting equality and diversity, with the proportion of workplaces with formal policies rising from 66% in 2004 to 77% in 2011. But celebrating diversity – whether it relates to age,

sex, religious belief etc – is about more than having a written policy. When it comes to age, like everything else, the real question is 'how do we ensure that we make the most of our differences rather than just tolerate them?'

A recently published report from Acas, 'Managing Older Workers', may provide some clues. In order to manage older workers more sensitively, three workplace issues demand closer attention: 1) performance management, 2) job design and 3) clarity around rights and responsibilities.

### **1. Performance management: wind up or wind down?**

With 30 per cent of the current workforce over the age of 50, it is hardly surprising that the Department for Work and Pensions is urging employers to tap into this huge reservoir of skills and experience and 'retain, retrain and recruit' (Altmann, 2015). There is compelling evidence for the economic benefits of doing so with the International Longevity Centre estimating that if the employment rate for older workers matched that for the 30-40 age group, the net gain could be as much as £88.4 billion.

Yet part of the reason why discussion about this changing demographic continues to focus on the 'problem' of an ageing workforce may be that, with the withdrawal of the Default Retirement Age in 2011, employers have less expertise in how to effectively performance manage older workers.

Against this backdrop, research by Van Dalen et al (2015) has concluded that age related management practices often involve 'sorting' older workers – usually on the basis of performance criteria – into two groups: those they consider as upwardly mobile, and therefore in need of training and development, and those who are felt to be on the way out and ought to be encouraged in that direction. In Van Dalen's study, most managers took the latter option. In some circumstances, this may be because younger managers tend to be more sympathetic to employees of their own age and more likely to judge the performance of their elders harshly (Principi et al 2015). There may also be a perception amongst some employers

that as workers get to a 'certain age' they start disengaging and become a less valuable resource.

So what's preventing managers from having more grown-up conversations with older employees about work and life? Firstly, they are often fearful of falling foul of discrimination laws and, secondly, they do not seem to have enough confidence in their interpersonal skills. Rather than engaging staff in what can be 'difficult conversations' about future plans, managers are all too often slipping into what the CIPD describe as 'lazy management' practices. For example, CIPD figures show that 44% of over 65 year olds reported not having had an appraisal over the last two years when compared to employees overall (27%).

### **2. Can jobs be designed to suit your age?**

Acas' new paper points out that there are already some positive statutory means by which jobs can be designed to suit the needs of older workers. Older workers who have a disability are entitled to a review of their working arrangements, for example, and for reasonable adjustments to be made and, since 2014, all employees have the right to request flexible working.

Although employers often offer flexibility in the hours older employees work, they are far less likely to review job content by looking at things like the variety of work, task discretion and skills utilisation. One possible solution here would be to introduce formalised 'mid-life career reviews'. Between 2013 and 2015, BIS funded a project, working in collaboration with the TUC's Unionlearn, to test the appetite and impact of these reviews. 770 such reviews were carried out by 100 union learning representatives, whose knowledge of the workplace and the employees made them uniquely qualified for the task. Employers reported many benefits, including increased productivity and motivation, and employees appeared more likely to take up training opportunities as a result. New guidance from NICE suggests that these reviews should not be confined to the workplace but supported by 'expert sign-2 posters' in the community

such as career and learning providers. One particular concern around job design for older workers is the possible harmful impact of shift or irregular working hours. The most recent research seems to suggest that, compared to younger workers, older workers tend to be less able to adjust to night shifts but more tolerant of morning shifts (Blok and de Looze 2011). Although, on average, working hours decrease with age, around a quarter of 50-60 year olds still work over 45 hours or more a week (BitC/ILC 2015).

Employers might need to pay more heed to job content and task discretion for older workers. Focussing purely on flexible working, or reasonable adjustments, can become a rather mechanistic exercise and result in what has been described as 'work content plateauing' (Armstrong-Stassen 2008; Bown-Wilson 2011).

### **3. Retirement: a matter of personal choice?**

The abolition of the Default Retirement Age was broadly welcomed as a progressive measure that promotes the right of individuals to make up their own mind about how long they work, but it may have created a bit of a conversation vacuum at work. Unsure what is safe to say, many managers say nothing at all. There is clearly the need for more understanding about legal rights and responsibilities. For example, many employers are seemingly unaware that the law allows them to treat older and younger workers differently, as long as this can be objectively justified as a 'proportionate means to a legitimate aim'. What constitutes a 'legitimate aim' has been a source of some debate. The European Court of Justice has stated that a number of broader priorities can be deemed as legitimate, such as the aim of promoting inter-generational fairness, or the aim of avoiding "humiliating forms of termination of employment" (ter Haar and Ronnmar 2014).

These aims have been the basis of a UK employment tribunal case (Seldon v Clarkson Wright and Jakes 2008), where one of the justifications for setting a company retirement age was to limit the use of performance measures in order to protect employees' dignity at the end of their

working lives (Vickers and Manfredi 2013). One would be wrong to conclude from this that older workers have a greater sense of dignity than younger workers, but the way that employment relationships end clearly needs to be handled very sensitively.

The Acas research report concludes that the "route into retirement has ... become a prolonged, messy and diverse process." If the line between work and home is becoming increasingly blurred by technology and flexible working practices, then the line between working life and retirement is, for some people, beginning to disappear altogether. Employers are being encouraged to retain skills and knowledge for as long as possible; older workers have more financial pressures on them to need to keep working; and governments are keen to increase tax revenues and reduce social security expenditure (Taylor 2013).

### **Conclusion**

In terms of the employment rate for the 55-64 age group, the UK is in a healthier position than many EU countries – increasing by 14.2% to 69% over the last 30 years (the rate for the over 65 age group has doubled to 10.2%). The problem may be that management practices are not keeping up with the changing make-up of the workforce. All the evidence points towards the need for the adoption of more formal and strategic age management in the workplace.

As the Acas report says this is about making a good business case for employing older workers as well as "meeting personal preferences".

Some of the elements in an age management policy – such as raising awareness of ageing and treating older workers fairly – recognise the specific experiences of older workers, but other elements of a policy could apply equally to all age groups – for example, having 'age friendly work arrangements' and 'lifelong learning' (Ilmarinen 2012, 2).

This is surely the point about effective age management – being able to identify the things that everyone has in common as well as those issues that relate more to the needs of one age group.

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