

# UK: Employer responses to an ageing workforce: a qualitative study

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Key findings are published today from DWP research into 'Employer responses to an ageing workforce'.

Qualitative research with employers was carried out by independent researchers and aimed to examine how employers are responding to an ageing workforce, particularly in response to the introduction of the Employment Equality (Age) Regulations 2006 which outlawed age discrimination in the workplace and in vocational training in October 2006.

## Key findings from the research show that:

- The employment prospects of older workers, who have historically been a marginal group, are inevitably affected by the overall state of the market, and the interviews showed evidence of an overall tightening. Although most respondents did not identify skills gaps and shortages as a direct and immediate problem, the difficulty of finding appropriately skilled people was a theme of many interviews. These pressures appear to be encouraging employers to adopt more age friendly HR practices, especially around retention and flexible working, both of which were reported to be increasing. However, if this apparently positive climate is to survive an economic downturn, it may be necessary to reinforce messages about age discrimination in areas like redundancy and early retirement.
- Discrimination against workers over 50 is not an issue for many firms, who have none, and for whom retirement policy is thus not a practical concern. Furthermore, some smaller firms are relatively isolated from the current labour market and unaware of future demographic pressures. It may be important to raise awareness among such firms.
- The evidence on retention of older workers is generally positive. Most employers saw them as an asset, and professed to be sympathetic to allowing those employees who reach normal retirement age to stay on. However, this appeared to be a response particularly to those who survive in work into their 60s, and suggests that the focus of discrimination over exits lies at an earlier point, with those who leave through less formal routes in their mid 50s.
- The evidence on recruitment practice is more mixed. Most employers had taken steps to eliminate formal age discrimination, but this did not appear to have led to increased recruitment of older people. The processes of indirect discrimination at the level of line managers may need further attention.
- The mismatch between these findings and previous research into discrimination suggests that the potential of older workers is being underdeveloped as a result of poor communication or unwillingness by managers to have "difficult conversations". Employers report a willingness to provide training and to adapt working patterns to make jobs more attractive to older workers, which employees fail to perceive or request. If such communication could be improved it might lead to a more productive, satisfied and long serving workforce.
- A key issue is the concern of managers to avoid conflicts and complexity. This drives a range of management practices, and produces a resistance to flexible working and extending working life. Providing managers with models of successful and economical practice, and training managers to handle difficult conversations with employees (including saying no to unreasonable requests) might improve communication and the use of the skills and talents of older people.