

**BRAVE
STARTS**

ProAge
Age inclusion at work



A MULTIGENERATIONAL WORKFORCE: MAPPING THE WAY FORWARD



**A collaboration between
Brave Starts and ProAge**

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FOREWORD

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We are on a journey. Our destination? Age-inclusive workplaces, where older workers are appreciated for their contribution and employers reap the benefits of having multigenerational teams. Getting there requires a clear roadmap.

As true pioneers, we have taken and will continue to take a methodical approach to charting the points on this roadmap. Our first step was to get the lay of the land by surveying those who are working in the field. Our next step is to get input from fellow travellers on what has worked so far and what needs to change before we can reach our destination. We have developed a three-phase approach to ensure that the recommendations we develop will be implementable and have broad appeal to employers and employees alike.

- **Phase 1** took place between June and October 2023. We collected input via our Older Employee Decision Maker Survey from company decision makers, Human Resources, and Diversity, Equity, and Inclusion professionals.
- **Phase 2** will occur between November 2023 and mid-2024. We will hold workshops around the country to discuss our survey findings with employers and get their input on what they think can be done to promote a more age-friendly workplace.
- **Phase 3** will occur in mid-2024. At this time, we will combine our survey findings with input from employers, to create focus groups of older employees. These groups will help us ascertain how we can incentivise meaningful work to this age group.

We hope you will join us on this journey to map out the road ahead and develop a set of implementable recommendations that benefit employers and older workers. Join us so that we can make the most of the opportunities that longer, healthier lives grant us.



Lucy Standing
Co-founder Brave Starts



Mike Mansfield
CEO ProAge

INTRODUCTION

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When we create opportunities for inclusion, we all benefit.

Work provides us with a sense of identity and purpose. How many times have you heard someone introduce themselves by saying something along the lines of... "Hi, I'm Sam, I'm a teacher." Work provides us with the economic independence we need to do the things we want and contribute to society. When an older worker loses their job, they are twice as likely as a younger worker to fall into long-term unemployment. Meaning it is vital that we provide them with the supports they need to stay in work.

The benefits of employing older workers are clear. Research from the Centre for Ageing Better shows that, in 2021, 79% of employers in England believed that older workers could help in knowledge and skill sharing [1]. Work done by the OECD indicates that firms whose share of the workforce aged over 50 is higher than average are more productive [2].

Society benefits when we are more age inclusive. People over 50 are net contributors to the UK economy, contributing £602 billion to UK plc every year. £561 billion of this is through paid employment [3]. We also see that raising employment levels for workers over age 50 will have an estimated net economic impact on GDP of £417 billion in the UK by 2050 [4].

In recent decades, great progress has been made to raise awareness and create equal opportunities in the workplace for women and people from different minority backgrounds. Despite the great benefits age inclusivity offers, ageism remains a pervasive issue in society and the workplace, denying opportunities to older workers, the companies they work for, and society at large.

As part of our research and stakeholder engagement, we want to raise awareness about the challenges faced by organisations in creating a more age inclusive workplace and map a way forward where we all benefit and are included.

About the survey

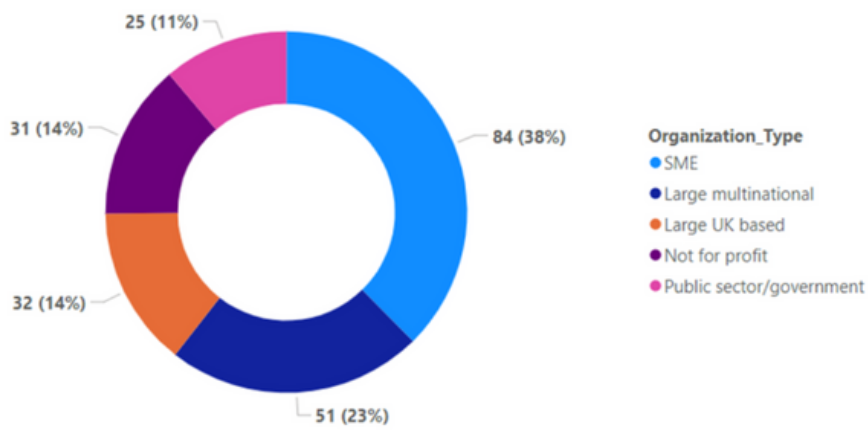
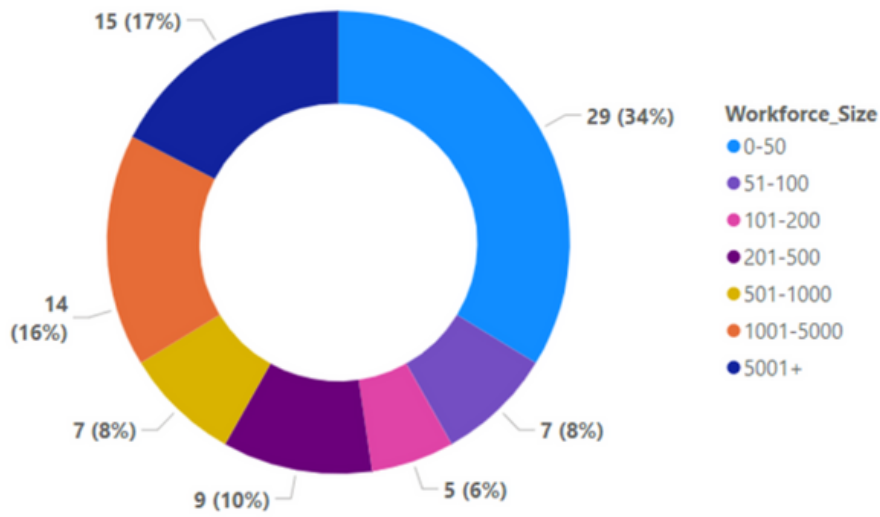
We surveyed company decision makers, Human Resources, and Diversity Equity and Inclusion professionals to understand where the topic of age-inclusion fitted on their agenda. We wanted to understand what companies are currently doing to create a more age-inclusive, multigenerational workforce and what their plans are for the future. This report has been written based on the survey responses collected from 223 participants between June 19, 2023, and October 19, 2023. Our survey respondents represent a cross section of British businesses both in terms of the size of companies and the nature of their operations.

[1] [Research by YouGov for the Centre for Ageing Better conducted in 2021](#)

[2] [OECD Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer](#)

[3] [Saga Generation Experience the UK's Economic Superpower](#)

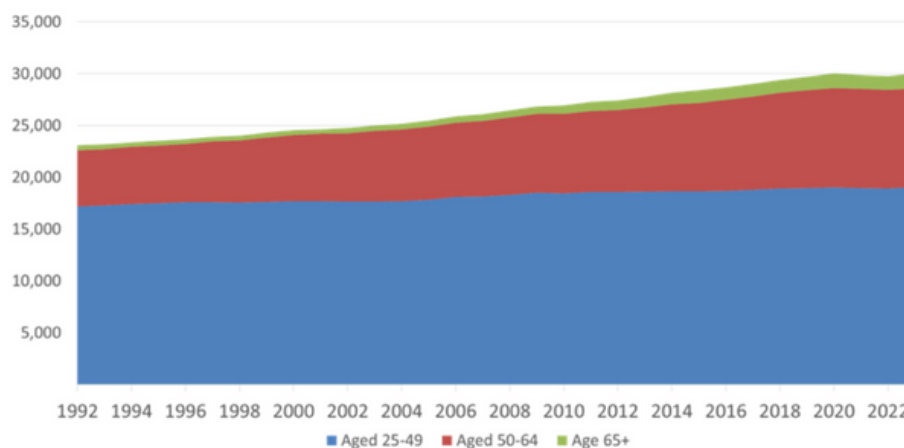
[4] [World Economic Forum, OECD, AARP Growing with Age](#)



PREPARE FOR A BEND IN THE ROAD AHEAD

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Since 1960, life expectancy in the United Kingdom has increased by 10 years. At the same time, birth rates have fallen. These two demographic changes are having an impact on society and the labour market. Older workers are becoming a larger and increasing segment of the UK labour market, yet our views on when we start and stop work, and attitudes towards older workers are not changing. Since 1992, there has been increase of four million workers aged 50 to 64 compared with an increase of only two million workers aged 25 to 49.

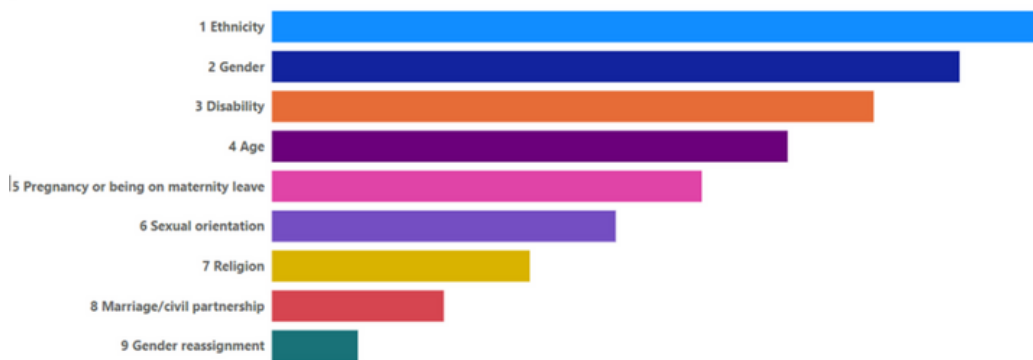


Workers' attitudes to work are changing. Most workers now see retirement as a transition rather than a cliff edge. Recent survey work by Aegon revealed that only 27% of workers in the UK saw retirement as a 'hard stop' [5] where they are working one day and retired the next. In fact, most workers envisioned a phased transition to retirement where they continued working in some capacity beyond traditional retirement age. The workplace has been slow to adapt to changes in demographics and in how employees view their relationship with work. Many organisations still hold traditional views on when workers start and stop employment, transfer between jobs, and ease into retirement. Research conducted by the CIPD in 2022 shows that age inclusion will have to compete with other social issues for attention and action. Only 13% of organisations say that age is something they are going to focus on in the next five years [6].

This finding from the CIPD backs up our research findings. The Equality Act 2010 prohibits discrimination based on nine protected characteristics. We asked our survey respondents to rank, in order of priority, what areas they feel need the most focus. Age was listed as the fourth priority, after ethnicity, gender, and disability. Regardless of the type of company (SME or large multinational), or whether the organisation was focused on recruiting or retaining staff, age consistently came fourth on respondents' priority list.

[5] [The Second 50, Navigating a multistage life](#) – Aegon 2023

[6] [Inclusion at work 2022](#) - CIPD



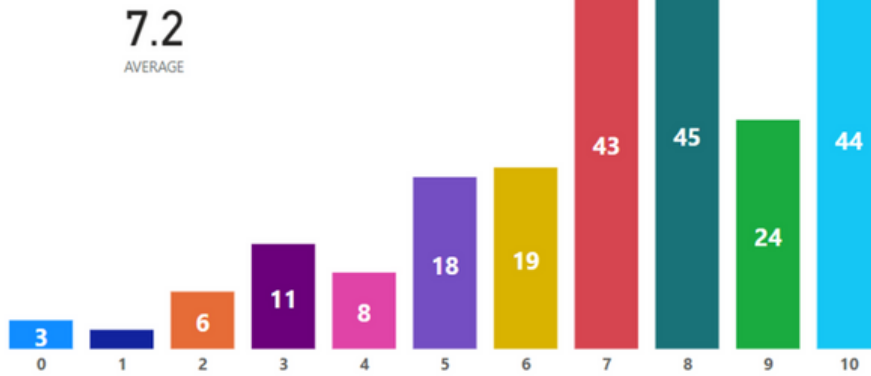
In the UK, legal protection in the workplace based on age (Employment Equality Regulation 2006) was implemented relatively recently, when compared to protections against discrimination based on gender (Sex Discrimination Act 1975) or race (Race Relations Act 1976). While great progress has been achieved to make the workplace more inclusive, HR and DEI have competing agendas and need help and support, so that they can be stronger allies in helping us build the business case for greater age inclusion.

THE ROAD AHEAD WILL BE BUMPY

We may have left home later than planned, but we can still reach our destination on time. The pace of demographic change is increasing, and we have a bumpy road ahead of us, reconciling the competing interests of stakeholders to make them see the benefits of creating more age inclusive, multigenerational workforces.

One of the first issues we need to address is the disconnect between employers' perceptions of the importance of addressing an ageing workforce, and what they're doing about it. On a scale of zero to ten, with zero being 'no importance at all' and ten being 'yikes I need to sort this out yesterday', we asked respondents how important it is to consider and prepare for an ageing workforce. Encouragingly, respondents view the need to prepare for an ageing workforce as very important, ranking it 7.2 out of ten. Public sector/government organisations ranked it highest at 8.3 out of ten compared with SMEs who ranked it lowest at 6.8. Whether an organisation was focused on recruiting or retention of staff did not make a significant difference to how importantly they viewed the topic.

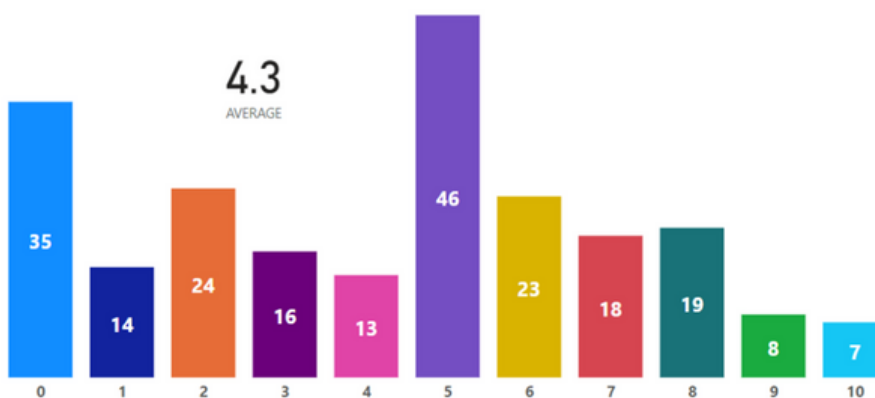
Importance of Ageing Workforce



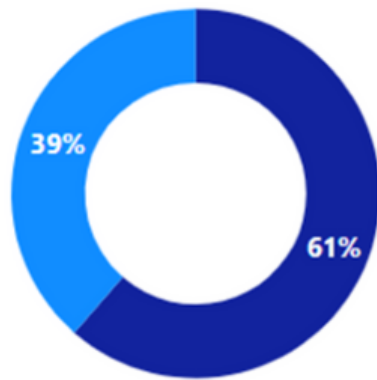
The disconnect comes when we see how strategically prepared employers are in accommodating the challenges of an ageing workforce. Respondents were not as strategically prepared as they need to be (4.3 out of ten) given the importance they assign to dealing with an ageing workforce.

SMEs and public sector/government organisations were most prepared (4.8 and 4.4 respectively) and those least prepared were large UK based organisations and large multinationals (3.4 and 3.8 respectively). Again, whether an organisation was focused on recruiting or retaining staff did not make a significant difference to how they reported their preparations.

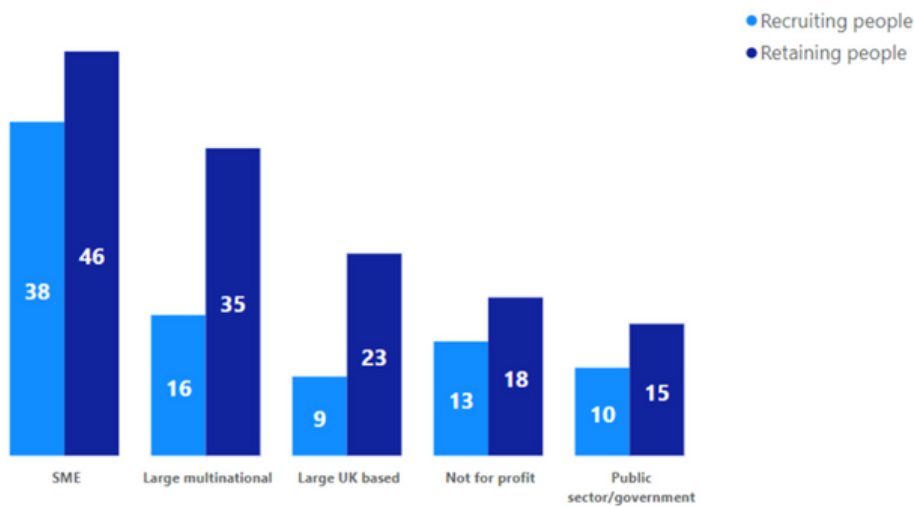
Strategic Preparation Level



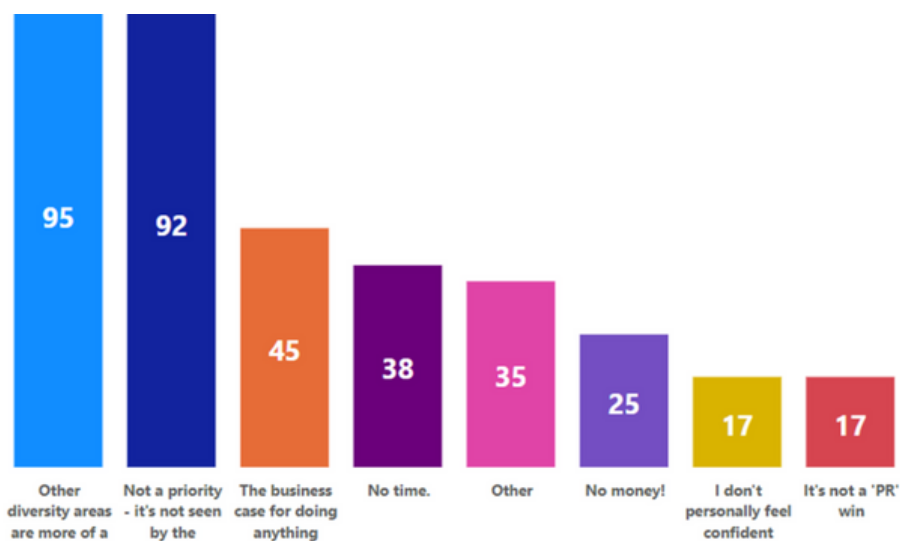
Just over 60% of participants say that retaining people is the issue they are most motivated to solve compared to just under 40% who are focused on recruiting new staff. Across all types of organisations, respondents said that their main pain point was retaining existing staff rather than recruiting new staff. At a time when the country is experiencing a labour shortage in many sectors, retaining existing staff helps an organisation hold on to institutional knowledge and experience, and mitigates the need to compete for scarce market resources. Economically, it makes sense. Research by Jager and Henning estimates that the marginal replacement cost of workers in Germany is between EUR65,000 and EUR85,000 or between 2.3 and three times the annual salary of the incumbent.



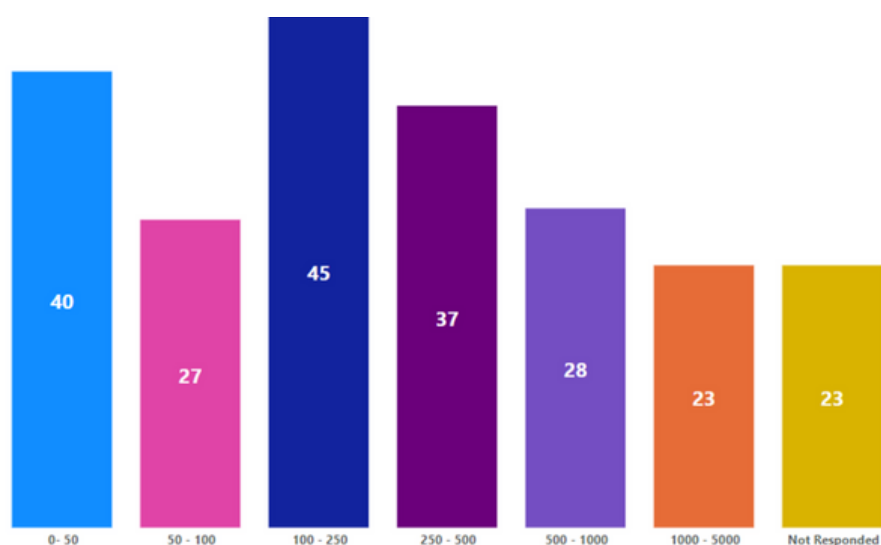
- Retaining people
- Recruiting people



The challenge that employers face is identifying age as a high-priority diversity area. The issue of demographic change is not seen as a business problem. Employers need help if they are to build the case for age inclusion. Based on the number of responses, the three biggest difficulties faced by respondents in getting age on the agenda are: other areas of diversity being given priority, age inclusion not being seen as a business problem, and them not seeing the business case for acting. Large multinationals reported that their biggest issue was that other areas of diversity are seen as a priority. Large UK based companies, SMEs, and public sector companies reported that their biggest challenge was age not being seen as a business problem. Organisations that are more focused on recruiting rather than retaining people were challenged by not seeing age as a business priority - a potentially missed opportunity when we see that workers aged 50 to 64 are the largest growing segment in the labour market.



The good news is it that four in five employers (80%) of those who responded were prepared to invest over £50 per head in an intervention or programme for their employees aged over 50. The most common amount that employers were prepared to invest was between £100 and £250 (23%).



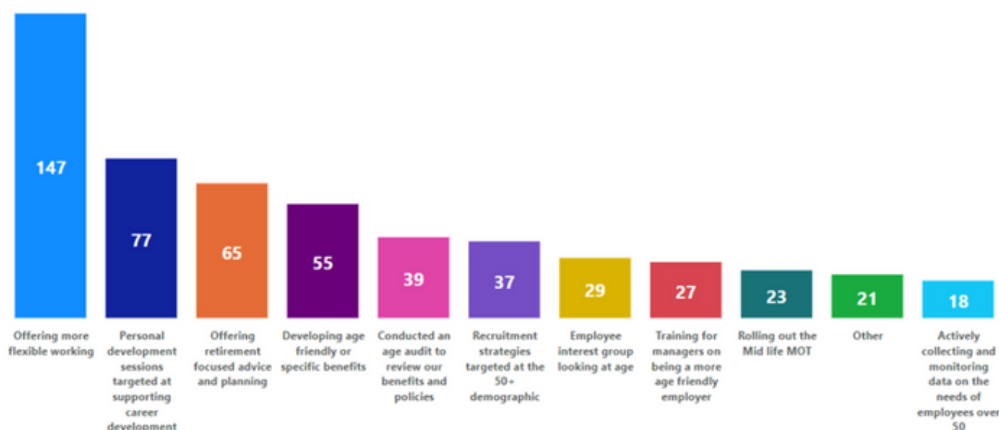
Organisations that are focused on recruiting rather than retaining people are more likely to spend over £50 per head on intervention programmes, 92% compared with 87%. The most common amount that large UK based companies will spend per head is between £250 and £500. Large multinationals and non-profits most commonly say that they would spend between £100 and £250 per head. SME aren't prepared to spend as much, with the two most popular choices being 'between £0 and £50' and 'between £100 and £250.' The most popular amount for public sector organisations to spend was between £0 and £50 per head, with five of the 22 responding organisations saying that they would spend between £1,000 and £5,000 per head.

The fact that organisations see the importance of preparing for an ageing workforce, yet feel they are strategically not prepared and are prepared to invest money in developing interventions for their employees is a positive sign for the future.

SLOW DOWN BEFORE WE MOVE FORWARD

In recent decades, great progress has been made in the field of social justice. People, who have been traditionally underrepresented have fought hard for equal opportunities in society and in the workplace. Many companies now promote themselves as inclusive employers, who appeal to a diverse workforce.

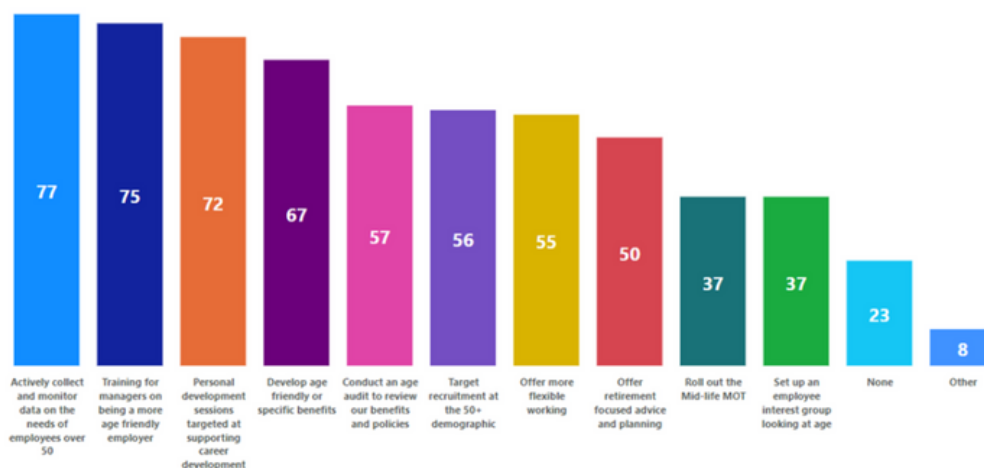
When asked what companies have done or are doing, several of the actions taken fell into the category of either being already mandated by law or good HR practice. For example, the top three actions taken by survey respondents were allowing flexible working arrangements, offering personal development sessions targeted at supporting career development, and providing retirement-focused advice and planning.



Covid demonstrated the visibility of flexible working arrangements. Advances in technology facilitated the mass adoption of remote work. Flexible working appeals to people at all stages of life and is especially appealing to older workers who are often looking to achieve a better work life balance. Since December 2022, workers in the UK have had the legal right to ask for flexible working arrangements.

Survey responses reveal that more work needs to be done if we are to develop an employee value proposition that is appealing to older workers. The number of respondents who say they offer benefits targeted at older workers is disappointingly low: only 65 of our 223 respondents, or 31%, say they offer retirement focused advice and planning and only 55 respondents (27%) say they are developing age friendly or specific benefits. Large multinational companies are placing more emphasis on tailoring the benefits they offer to older employees. For these organisations, developing age friendly benefits is the second most common action they have undertaken. More work needs to be done to examine which of these benefits are most effective at incentivising older workers to remain in the workforce.

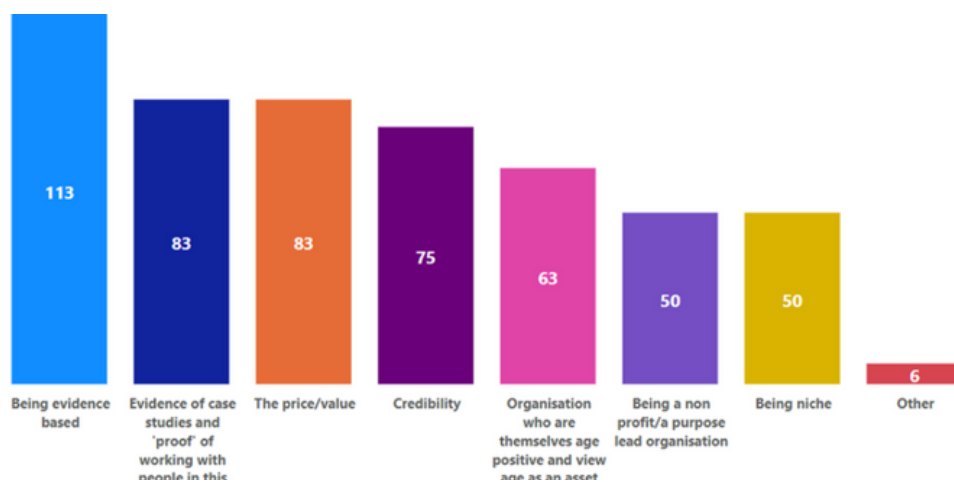
The results of our survey indicate that, so far, organisations have been reactive to the challenge of appealing to an older workforce, with the majority offering general benefits that are not tailored to the needs of older workers. Employers indicate that they will be adopting a more targeted, data driven approach to designing benefits directed at older workers with the top three approaches being: actively collecting and monitoring data on the needs of employees over 50, training managers on being more age friendly, and implementing personal development plans supporting career development.



These results are a very positive sign. They indicate a collaborative approach to making the workplace more age friendly. They first understand the needs of the target group, then create a culture in which older workers can thrive and have the opportunities they need to develop in their careers. Organisations that are more focused on recruiting older workers have a different set of priorities that reflect their goals going forward. Their priority is first, recruiting the 50+ demographic. This is followed by training managers in being more age friendly and actively collecting data on the needs of employees over 50.

Except for SMEs, all types of organisations take a data driven approach to developing strategies for an age inclusive workplace, however there is a difference in approach between the corporate world and those working in the third sector and government. Large multinationals and large UK based companies both plan on actively collecting data, while not for profit and public sector/government organisations plan on conducting an age audit to review benefits and policies. SMEs plan to dive straight in with developing age friendly benefits being their most common response with actively collecting data coming in as their sixth choice and conducting an audit, eighth.

The move to a more evidence-based approach to creating an age inclusive workplace is apparent when we see the reasons companies have for working with third parties. We asked respondents which factors would make them most likely to work with an organisation like Brave Starts or ProAge compared with other suppliers in this field. The responses show that a combination of facts and human stories are the way we are going to win hearts and minds going forward.



SUMMARY AND WORKSHOP DISCUSSION POINTS

Demographic change is having, and will continue to have, a strong impact on the labour market. Employers need to prepare for these changes and take advantage of a multigenerational workforce. Progress to date has been slow and we need to speed up if we are to seize the opportunities a multigenerational workforce presents and avoid losing the talent we have.

Our summary of the results:

- Older workers are becoming an increasing portion of the UK workforce. We need to develop an employee value proposition that will help us retain and attract older workers.
- Employees' relationship with employment is changing - the concept of a job for life is a thing of the past and workers are viewing retirement more as a transition than a hard stop.
- HR, DEI professionals and company decision makers are struggling to get ahead of the challenges brought about by changing demographics and are unclear on how to take advantage of the opportunities presented:
 - Compared to other protected characteristics, age comes in number four on respondents' priority list.

- Respondents know that preparing for an ageing workforce is important, being ranked as seven out of 10.
- Despite this, respondents feel they are not strategically prepared.
- Employers are taking steps in the right direction but need help if they are to take advantage of the benefits coming from greater age inclusion and multigenerational working:
 - Employers are more focused on retaining the workers they have rather than recruiting new staff.
 - They are prepared to invest resources in their employees with an intervention to help.
 - They realise that the benefits they currently offer may not always be fit for purpose and want to take a more data-driven approach to designing benefits in future.

During the workshops we are holding with employers around the country, we would like to hear your experience and discuss the following topics:

- **How have you observed multigenerational teams working in your organisation?**
 - What have been the benefits from either an HR perspective or a commercial perspective?
 - What have been the challenges?
- **What has your experience been in making the case for greater age inclusion in the workplace?**
 - Where have you experienced success or open doors?
 - What can we do in the future to help you build the case?
- **What do we need to do to design an employee value proposition to appeal to older workers?**
 - What feedback have you received from the older workers you have spoken to in your organisation?
 - How do you propose we design a benefits package that appeals to older workers?
 - Besides a good benefit package, what else can we do to engage older workers?