

# Supporting businesses to build back better: **The benefits of age diversity**

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# Who is this factsheet for?

Large and small employers, local and national policy makers and those supporting younger and older workers.

This document highlights best practice pre COVID-19 and provides new information concerning what is a rapidly evolving situation. It was informed by a review of research, evidence-informed resources and tools offered by professional bodies, and a webinar involving experts on work and wellbeing.

### Introduction

People of all ages bring a wealth of creativity, talent, and expertise to the workforce. Negative attitudes to age are a risk for businesses, affecting recruitment, development, and retention.

This document aims to:

- raise awareness of the implications of the pandemic for the ongoing work experiences and wellbeing of workers at different life stages. Focus is placed on younger and older workers, as they are disproportionately affected by the pandemic and the resulting economic downturn<sup>1, 2, 3</sup>
- provide organisations with guidance to build actions and
  behaviours to support people at the start and towards the end
  of their employment lifecycles. This will help employers build and
  retain a skilled and healthy multigenerational workforce, critical
  for long-term recovery.

### YOUNGER WORKERS: A SNAPSHOT

#### Younger workers:

- Are at greater risk of being furloughed and unemployed. Most people furloughed were under 35, with a particularly high rate in the under 18 and 24 to 34 age bands<sup>4</sup>. The youngest workers aged between 16 and 24 experienced a marked fall in employment rates<sup>3</sup>. Young adults in northern England, in low paid jobs, from poorer backgrounds, with fewer qualifications and from ethnic minority groups have been disproportionately affected<sup>5</sup>.
- Are more likely to work in 'shut-down' or vulnerable sectors. People aged under 25 are around 2.5 times as likely as other age groups to work in sectors severely affected by the pandemic (such as retail and hospitality)<sup>6</sup>. Young women are particularly likely to be employed in an at-risk industry.
- Are struggling to transition into work. There are fewer job, internship, and placement opportunities. Graduate job vacancies fell in 2020 but have now stabilised or increased<sup>7</sup>.
- Are more likely to be in poor quality work and underemployed. They may be working fewer hours than they would wish, in insecure jobs, with little chance of progression<sup>8</sup>.
- Feel under pressure to succeed, unsupported and isolated. Young people report poor wellbeing arising from pressure to succeed, fear of making mistakes, lack of opportunity to learn and show initiative and poor working relationships<sup>8,9,10</sup>.

- Are experiencing poorer mental health. Among 18 to 29-year-olds, levels of self-reported anxiety, depression and self-harm almost doubled<sup>11,12</sup>.
   For some young people, however, the pandemic has led to a stronger sense of support and less social pressure<sup>13</sup>.
- Are reluctant to report mental health problems. Although at greater risk, young people are less likely to disclose mental health problems to employers<sup>10</sup>.
- Are more likely to work while sick. Younger people, particularly those on precarious contracts, are more likely to engage in presenteeism, even when they do not feel safe<sup>10</sup>. They may feel they have little option to work while sick to avoid being laid off.
- Experience poor financial wellbeing. Young workers are concerned about low pay and debts<sup>14</sup>. Workers who are younger and those on precarious contracts are more likely to report that their financial situation negatively affects their mental health.
- *Feel uncertain about their future, but optimistic.* Three-quarters of 18 to 29-year-olds are more worried about their future than other age groups. Nonetheless, they are generally more optimistic than older people about their lives returning to normal after the pandemic<sup>2</sup>.

#### Increasing employment opportunities for young people

The UK Government has implemented a scheme to keep young people in employment during the pandemic. *Kickstart* aims to create 250,000 new, fully-subsidised work placements for those at risk of long-term unemployment. Young people earn the age-relevant national minimum wage which can be topped up by employers. It is envisaged that this scheme will develop skills and increase employability. Most roles are currently unfilled due to lockdowns and coronavirus restrictions, but the numbers are expected to rise once these are eased.

#### Details can be found here.

Additional incentive payments to support organisations who hire a new apprentice have also been made available.

### **OLDER WORKERS: A SNAPSHOT**

#### **Older workers:**

- Are at greater risk of long-term unemployment. The number of unemployed over-50s has increased well above other age groups<sup>3, 15</sup>. Workers over 65 are only 4% of the workforce, but account for 21% of the total fall in employment. Older workers in deprived areas are particularly vulnerable to job loss<sup>16</sup>.
- Feel more insecure. Older workers are more worried about redundancy<sup>17</sup>. Those who lose their jobs are less likely to be re-employed, or to find a job at a similar wage level.
- Have been on furlough for longer. Nearly a quarter of older employees were furloughed in summer 2020 and are less likely than other groups to be fully back at work<sup>18</sup>.
- Risk losing confidence, despite having a lot to offer.
   Many unemployed older workers worry that they will be disregarded because of their age. This cohort has a wealth of useful and transferable skills – but may need help to identify what they are<sup>19</sup>.

- *Have had their life plans disrupted.* Many older workers have changed their retirement plans, with some delaying retirement and others retiring early due to the pandemic<sup>20</sup>.
- Tend to report better mental health. Older people reported better mental health and felt more optimistic than younger adults early in the pandemic. Nonetheless, older workers feel more anxious about COVID-19<sup>21,22</sup>.
- May encounter more negative reactions to mental health problems at work. They are more likely to report having been treated unfairly after disclosing a mental health problem, be laid off, or had to resign. Workers aged over 45 are more likely to report that bullying and harassment from managers caused their workrelated mental health problems<sup>11</sup>.

"I think society in general thinks retirement is age rather than attitude related. I've lost count of the number of people who have suggested that I should be retired because I'm now 65 years old. They just don't seem to understand that I enjoy what I do, I still feel I can make a contribution and that you can't buy experience."

- M.L. (aged 65), quoted in <u>A New Vision for Older Workers</u> (2015)

### PREPARING THE RETURN TO WORK

### PLAN RETURN TO WORK CAREFULLY AND SENSITIVELY

Returning to work may be complex, challenging, and frightening. Employers should plan for any return in a way that safeguards the health and wellbeing of staff of all age groups, particularly those who feel vulnerable. Interventions to help people of all ages maintain realistic perceptions of the health risks can be useful.

Guidelines on making your workplace <u>COVID-secure</u> are available and guidance is available on how to bring people back to the workplace <u>here</u> and <u>here</u>.

### HOW CAN ORGANISATIONS DEVELOP A MULTI-GENERATIONAL WORKFORCE?

People of all ages bring a wealth of creativity, talent, and expertise to the workforce. Negative attitudes to age are a risk for businesses, affecting recruitment, development, and retention.

Different age groups have different needs, so organisations should have flexible policies to support the mental health, wellbeing, and personal development of all employees. In this way employers can leverage the contribution of all ages and gain considerable business advantage.

# THE NEED FOR EMPLOYERS TO SUPPORT CARERS

Before the pandemic, one in seven workers was caring for an older, disabled, or ill person, but the number of temporary carers for people with, or recovering from, coronavirus has risen considerably. Caring is a major cause of mental health problems for employees of all ages, but a particular risk for older workers. Nearly half of carers feel their colleagues and managers do not understand the impact of caring on their lives.

Employers need to provide the right support for working carers to stop them leaving the workforce altogether. Guidance is available on <u>supporting carers</u> in the workplace during the pandemic and how to help <u>carers back to work</u>.

### BUILD BACK DIVERSE, MULTIGENERATIONAL WORK TEAMS

Employers value a mixed-age workforce and there is typically a better match profile to customers and services. Teams that are fully diverse (across gender, race, and age)<sup>23</sup>:

- are more productive and innovative
- promote the sharing of best practices and different perspectives
- are better able to solve complex problems
- make better business decisions
- build a healthy talent pipeline.

### BUILDING A MULTIGENERATIONAL WORKFORCE

The following actions can help employers reap the benefits of a multigenerational workforce.

- *Be prepared.* Nearly a quarter of employers believe their organisation is unprepared for the ageing workforce<sup>23</sup>. The (CIPD) provides <u>guidelines</u> on managing an age-diverse workforce and other <u>guidance</u> is available.
- Take steps to recruit and retain an age diverse workforce. Pay attention to attracting and retaining talent at all ages and support health and wellbeing in age-relevant ways. Promote the ongoing development of skills by providing career reviews and guidance and access to training opportunities. Offering staff a <u>"mid-life MOT</u>" can also encourage more active planning.
- Ensure different age groups are not disproportionately affected by change. When planning furloughing, reorganisations or redundancies, ensure that there is equity.
- *Recognise and tackle ageism.* Workers are more likely to experience non-inclusive behaviours at the beginning and end of their working lives<sup>24</sup>. It is crucial to encourage people to look beyond the stereotypes and question assumptions about younger and older workers.
- Ensure that line managers have the right skills.
   A cross-generational approach to <u>mentoring</u> can help managers develop skills to support employee mental health and development at all ages.

- *Encourage collaborative working.* Encourage an open and empathic mindset to improve communication between co-workers from different age groups and establish mutual respect.
- Be aware of the age-related causes of mental health problems and offer inclusive support. Toolkits are available to help support staff on age-related issues such as <u>menopause</u> and <u>caring</u> and <u>financial</u> wellbeing. Be aware that your youngest and oldest employees may find it more difficult to seek help for work-related mental health issues. Tackle stigma by <u>training managers</u> on mental health issues and increasing awareness of the support available.
- Promote good flexible working. Flexible working refers to arrangements that consider an individual's personal needs, often involving some degree of working from home and/or flexibility in working hours. It is estimated that nearly half of all jobs could be done remotely without major economic disruption. Flexibility provides work opportunities for people who have been previously excluded and will also attract and retain an older, experienced workforce. A toolkit for flexible working for over 50s is available. Remember that employers have a duty of care to protect the health and wellbeing of homeworkers and the risks must be assessed.

### HELP YOUNG PEOPLE TRANSITION INTO THE WORKPLACE

Key transition points for young people have been disrupted or removed entirely. Without support, there is the risk of long lasting "scarring" effects. Support for mental health will be required, given that younger people are at greater risk, and the provision of training in key life skills, such as managing finances, would also be helpful. The CIPD Learning to Work programme can help employers engage young people and provide targeted training and support. The Youth Engagement Map has seven key focal points (see Fig. 1) to support engagement among young people and secure future talent pipelines, all underpinned by a <u>business case</u>:



### Figure 2 – How to be an age-friendly employer<sup>18</sup>

Five simple actions that employers can take now to improve the way they recruit, support and retain older workers.



#### 1. Be flexible about flexible working

Offer more kinds of flexibility, manage it well and help people know their options



# 3. Ensure everyone has the health support they need

Early and open conversations, and early and sustained access to support for workers with health conditions

#### 5. Create an age-positive culture

Equip HR professionals and managers to promote an agepositive culture, and support interaction across all ages



### 2. Hire age-positively

Actively target candidates of all ages, and minimise age bias in recruitment processes



## 4. Encourage career development at all ages

Provide opportunities for people to develop their careers and plan for the future at mid-life and beyond





### FURTHER RESOURCES

#### **Younger workers**

Employers learning to work with young people <u>https://www.cipd.co.uk/Images/employers-learning-to-</u> work-with-young-people\_2014-july\_tcm18-10275.pdf

Generation COVID-19: Building the case to protect young people's future health <u>https://www.health.org.uk/</u> <u>publications/long-reads/generation-covid-19</u>

Supporting disadvantaged young people into meaningful work <u>https://www.employment-studies.co.uk/system/files/</u>resources/files/548\_0.pdf

Supporting young people at key points of transition into training, learning and work during COVID-19 and beyond <u>https://www.bps.org.uk/coronavirus-resources/</u> professional/supporting-young-people-training-learning-work

The Learning to Work programme

https://www.cipd.co.uk/knowledge/work/youth/learningwork

Young, vulnerable, and increasing – why we need to start worrying more about youth unemployment <u>https://impetus.org.uk/assets/publications/Impetus\_YFF</u> NEET\_Report.pdf

#### **Older workers**

Flexible working for over 50s – a toolkit for employers <u>https://www.ageing-better.org.uk/publications/flexible-working-over-50s</u>

Guidance on age discrimination in the workplace https://www.cipd.co.uk/knowledge/fundamentals/emplaw/age-discrimination/factsheet

Help and support for older workers <u>https://www.gov.uk/</u> government/publications/help-and-support-for-olderworkers/help-and-support-for-older-workers

Improving employment support for over 50s jobseekers <u>https://www.ageing-better.org.uk/publications/back-track-improving-employment-support-over-50s-jobseekers</u>

Ageing gracefully: The opportunities of an older workforce <u>https://www.cipd.co.uk/knowledge/work/</u> trends/megatrends/ageing-gracefully-workforce

Promoting an age-inclusive workforce. Living, learning, and earning longer <u>http://www.oecd.org/employment/</u>promoting-an-age-inclusive-workforce-59752153-en.htm

Supporting Older Workers Toolkit <u>https://www.tuc.org.uk/</u> sites/default/files/2020-08/olderworkers11\_3.pdf

Shut out: How employers and recruiters are overlooking the talents of over 50s workers https://www.ageing-better.org.uk/publications/shut-out-

employers-overlooking-over-50s-workers

The State of Ageing in 2020. Centre for Ageing Better <u>https://www.ageing-better.org.uk/state-of-ageing-20</u>

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