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WORLDWIDE

GA RESEARCH

Financial Services Council

**How Older Workers are Valued:
Results of the National Survey
on Attitudes to Older Workers**

Combined Quantitative &
Qualitative Research Report

FINAL REPORT

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Note to the Reader

In preparing this report we have presented and interpreted information that we believe to be relevant for completing the agreed task in a professional manner. It is important to understand that while we have sought to ensure the accuracy of all the information incorporated into this report, information has been gathered through sampling the target population and qualitative data reported is not statistically representative. Quantitative data may not add to 100% due to rounding.

Where we have made assumptions as a part of interpreting the data incorporated in this report, we have sought to make those assumptions clear. Similarly, we have sought to make clear where we are expressing our professional opinion rather than reporting findings.

GA Research is accredited to and complies with AS ISO 20252: 2012 guidelines.

Executive Summary

This report details the findings from a national quantitative telephone survey of n=500 respondents aged between 50 and 75 years in November 2013 and fifteen qualitative in-depth interviews conducted with a range of employers and Human Resources Managers across a range of sectors in the economy. The research focussed on attitudes towards and the experiences of older workers.

A positive shift is underway in the way Australian employers view older workers.

Faced with a raft of challenges including the downturn in manufacturing, the growth of the digital and services economies, the high Australian dollar and an ageing workforce, Australian employers are increasingly viewing older workers as a reliable source of skills and experience.

In sectors of the economy with skills shortages, mainstreaming flexibility and strategies to retain older workers are becoming priorities for workplace management. Many employers indicated that they are increasingly aware of the value of older workers and are actively looking for ways to ensure they retain their experience and ensure younger staff benefit from their corporate knowledge. As one senior Human Resource Manager put it:

“In some sectors - like engineering – older workers are valued much higher as often they are the only people with the expertise who have seen things working”

In part this is driven by skills shortages in key sectors and the potential for the de-skilling of sectors of the economy with ageing workforces due to retirement. Many employers viewed their ageing workforce, particularly at senior levels, as a risk that needed to be actively managed to avoid the loss of corporate knowledge and skills. Further, many employers are conscious that they have invested in inadequate succession planning in the past and that they were now having to address these issues quickly, rather than face the risk of losing competitiveness.

Concurrently, older Australian workers are reporting fewer impediments to employment or progression across the Australian economy. While still cause for concern with one in five older workers expressing concern about age discrimination, reported rates of discrimination on the grounds of age decreased from 28% in 2012 to 18% in 2014.

A growing number of older workers are being offered training or up-skilling, suggesting a greater preparedness of employers to invest in older workers. The proportion of older workers who report they have been offered training or up-skilling has increased significantly since 2012 (67% compared to 39%). Of those who were offered, almost all (89%) took up those offers. These findings are fairly consistent across all ages between 50-74.

Older workers are also feeling more financially secure. Over seventy percent of our respondents aged over 65 believed they had enough savings to retire comfortably. This result may reflect a more positive outlook with recent improvements in earnings on superannuation savings, though it could also confirm that many older Australian's underestimate the cost of retiring and maintaining the standard of living they are accustomed to.

Hence, more older workers are keen to continue working as long as they feel willing and able, regardless of their financial situation (66% compared to 53% in 2012). This sentiment is pronounced in senior managers (over 70%) and professionals (over 60%) but drops significantly amongst machinery operators (36%) and labourers (58%).

This willingness to work was particularly apparent in workplaces undergoing change. One Human Resource Manager noted,

“We integrated two businesses which lead to a number of redundancies. The immediate thought is that over 60s may want a redundancy. But what we found was that over 60’s clearly wanted to be here as they were still in the workforce.”

Workers aged 50-64 are far less satisfied they have sufficient funds put aside to provide comfortably for their retirement. Among respondents aged under 65 years, only around six in ten (58%) were satisfied they have sufficient funds, and around one in five (19%) had serious concerns, reporting they were very unsatisfied. More than one in ten (12%) respondents past retirement age reported they were very unsatisfied they have sufficient funds to provide comfortably for retirement. This means that almost 200,000 Australians who are past retirement age still do not feel they have enough money to retire comfortably.

Overall, the influence of financial incentives on decisions of older workers to continue working appears to have eroded (20% down from 25%). This combined with the higher proportion of older workers willing to keep working as long as they are able regardless of their financial situation is a positive development given the broader economic imperative to encourage older workers to stay in the Australian workforce.

Employers recognise that strengths and weaknesses exist at all ages. Across the sectors sampled in this survey, human resources managers recognised that ensuring the best fit of skills and attitudes to any particular job was paramount, irrespective of age.

Most employers identified strengths and weaknesses amongst workers at varying ages and stages of their careers. Common values attributed to older workers by employers were experience, knowledge, wisdom, temperament and a strong work-ethic. The corporate knowledge and commitment to an organisation were also commonly cited as positive values of older workers. The relative satisfaction of older workers in their positions was also considered a positive.

The stability of older workers was also viewed as being of value. There was also recognition of older workers being prepared to work through issues and helping to build positive relationships in the workplace.

Employers ascribed a series of attributes to younger workers, including enthusiasm, innovation, technological savvy, pace-setting, ambition, risk-taking and having a desire to learn. Younger workers were also seen as more open to change and better at collaborating. The understanding of social media and potential of technology was universally considered a strength of younger workers.

Older workers need to keep their skills aligned with workplace demands. Employers did note that older workers can lack the understanding of new technologies, but this was not uniformly a problem. In some cases the older workers not only had technical capacity but the experience of having applied skills and having resolved problems.

For younger workers, employers surveyed expressed concerns related to their desire to move and progress rapidly, compared to the stability and loyalty of an older workforce.

Older workers continue to face a range of impediments. Residual age discrimination is experienced across all sectors of the Australian economy.

One in five respondents still feel they have experienced age discrimination. However the finding in 2012 that middle income earners face the most discrimination no longer appears to be the case. Respondents who earn less than \$120k report around the same levels of discrimination (20-22%), while only a marginal proportion of those who earn over \$120k report discrimination (6% from a low sample base).

Recognising that discrimination is still an issue for many older workers, one General Manager noted:

“Australia has an unconscious bias against older people. It plays out in many decisions throughout the employment lifecycle. Often it is under the guise of not being the right cultural fit. It’s discrimination if a decision is being based on age, whether conscious or not.”

The most prevalent form of discrimination reported was verbal, being sacked or made redundant before others, inflexibility regarding health or physical needs and the lack of training or learning opportunities. There does not appear to be an age or gender effect on this finding, but sales workers (26%), and technicians and trades workers (25%) are more likely to be discriminated against.

Segments of the financial services and ICT sectors reported both employer attitudes and employee experiences that suggest a preference for younger workers who are perceived to have “more energy”, rather than “experienced hands” with well developed skills sets. Age discrimination appears to be a particular issue when employers are making decisions around job-cuts and implementing redundancies. Employers acknowledged that older workers can be amongst the first considered for redundancy.

Older workers remain opposed to wage discrimination. Employers recommended older workers be flexible in both the positions they are prepared to do, their hours of work and salary, and the level they are prepared to work at. Yet older workers feel that they should not be expected to take pay cuts to stay employed. **When asked whether they should be paid more or less as an older worker, almost half of respondents said exactly the same as any equivalent younger employee** (43%), while around the same proportion (41%) said more because of their experience and knowledge. This was most likely to be the case among managers (57% said they should be paid more).

As one senior HR manager in the communications sector noted:

“Companies asserting that older workers should take pay cuts to stay employed are discriminating against older workers. It looks illegal to me.”

However, growing numbers of older workers are seeking more flexibility regarding work hours and remuneration to continue working (39% up from 28% in 2012), especially where they seek to stay working for personal rather than financial reasons.

Older workers seeking to stay in the workforce need to maintain skills, be flexible and stay motivated. Employers noted they would look for evidence that older workers have maintained skills and continued to train in an applicant’s resume. Showing an ability and willingness to learn was considered important at all ages. With more competition for jobs emerging in a tightening employment market, all the employers interviewed during this survey recommended that prospective recruits needed to remain flexible about the roles they would consider and should focus on keeping their skills up to date with contemporary job requirements.

Research Objectives & Background

The Financial Services Council of Australia has commissioned this research to track the progress of attitudes of both older workers themselves and those that employ them compared to similar research conducted in January 2012 in order to understand the key issues around the employment of older workers in Australia.

Research Methodology

Quantitative

Telephone surveys were conducted by interviewers at AFS Smart Askers between 18 and 27 November 2013 using a questionnaire by GA Research (see Appendix 1) based on a similar questionnaire used in 2013. The average time taken to complete the survey was 6.3 minutes.

The survey was conducted amongst n=500 people across Australia between the ages of 50-75, with a margin of error of +/- 4.4% at 95% confidence and the following demographic breakdowns:

Location	n=	%	Pop.*
NSW/ACT	151	30%	30%
VIC/TAS	135	27%	27%
QLD	108	22%	22%
WA	60	12%	12%
SA/NT	46	9%	9%
TOTAL	500	100%	100%

Gender	n=	%	Pop.*
Male	208	42%	49%
Female	292	58%	51%
TOTAL	500	100%	100%

Age	n=	%	Pop.*
50-59	245	49%	49%
60-69	191	38%	38%
70-75	64	13%	13%
Total	600	100%	100%

*Pop.= Actual national population proportions for 50-75 year olds from 2011 ABS Census Data. All data reported has been weighted to be representative of the population by age, gender and location using 2011 ABS Census Data.

Of the sample, 33% reported they were in full-time employment, 23% in part-time employment and 35% were retired or do not work. Almost seven in ten (69%) report their annual income before tax is less than \$80,000.

One quarter (25%) report their current or previous occupation was as a professional, 16% clerical and administrative worker, 14% technicians and trade workers and another 14% community and personal service workers.

Seven in ten (70%) of respondents report they are married, 10% divorced, 8% never married.

Qualitative

We conducted n=14 in-depth interviews between 20-60 mins in duration amongst Human Resources Managers and other senior executives of major companies across a range of different industries in Australia. Interviews were conducted in November 2013 – January 2014.

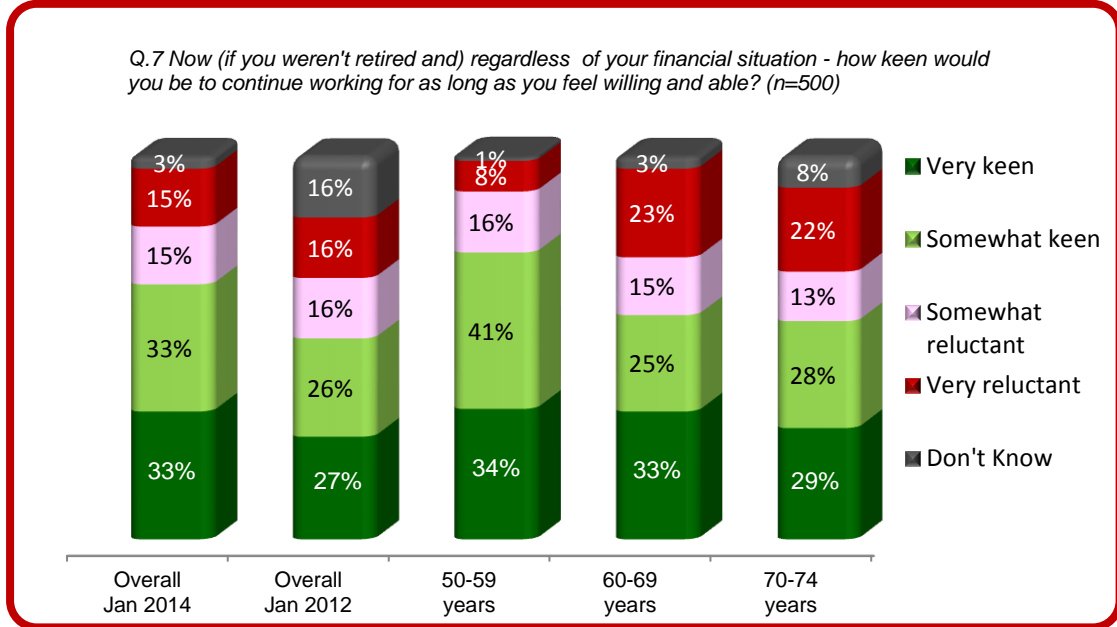
Participants were recruited and told they were participating in research on issues around workers.

Where relevant, comparison results are reported compared to similar research conducted in 2012.

Key Findings

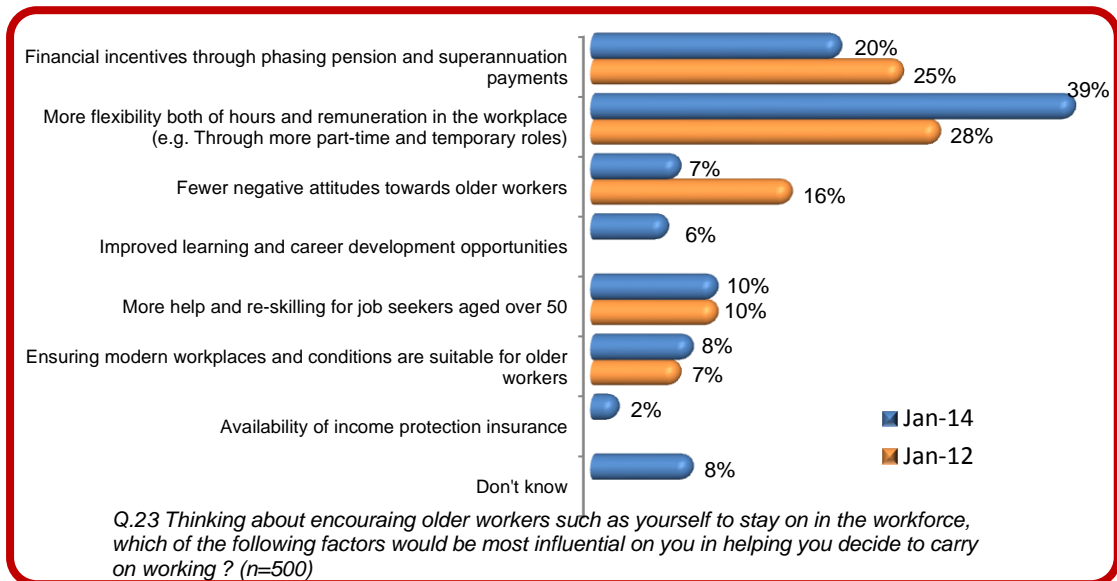
Quantitative

The quantitative telephone survey started with some questions about older workers' current working situations and the motivations behind this.

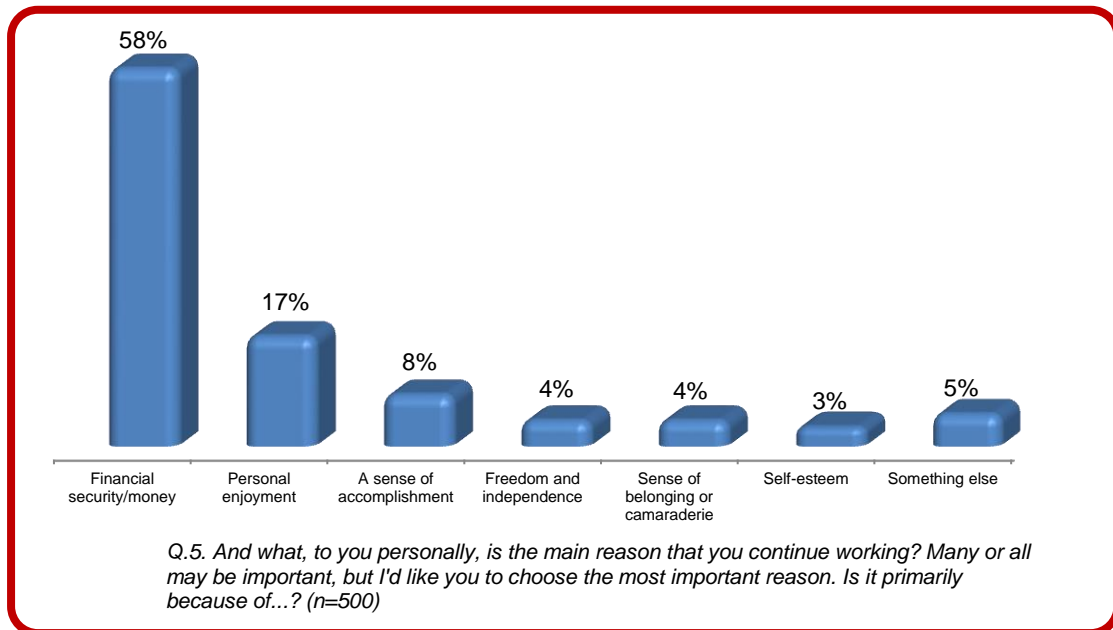


Compared to 2012, far more older workers are keen to continue working as long as they feel willing and able, regardless of their financial situation (66% compared to 53%), while this keenness falls significantly the older the respondent, it is much higher amongst managers (76%) and professionals (69%), than it is amongst machinery operators (36%) and labourers (58%).

The influence of financial incentives on decisions of older workers to continue working appear to have eroded (20% down from 25%). Whereas more flexibility both of hours and remuneration in the work place has increased in importance on decisions of older workers to continue working (39% up from 28%).



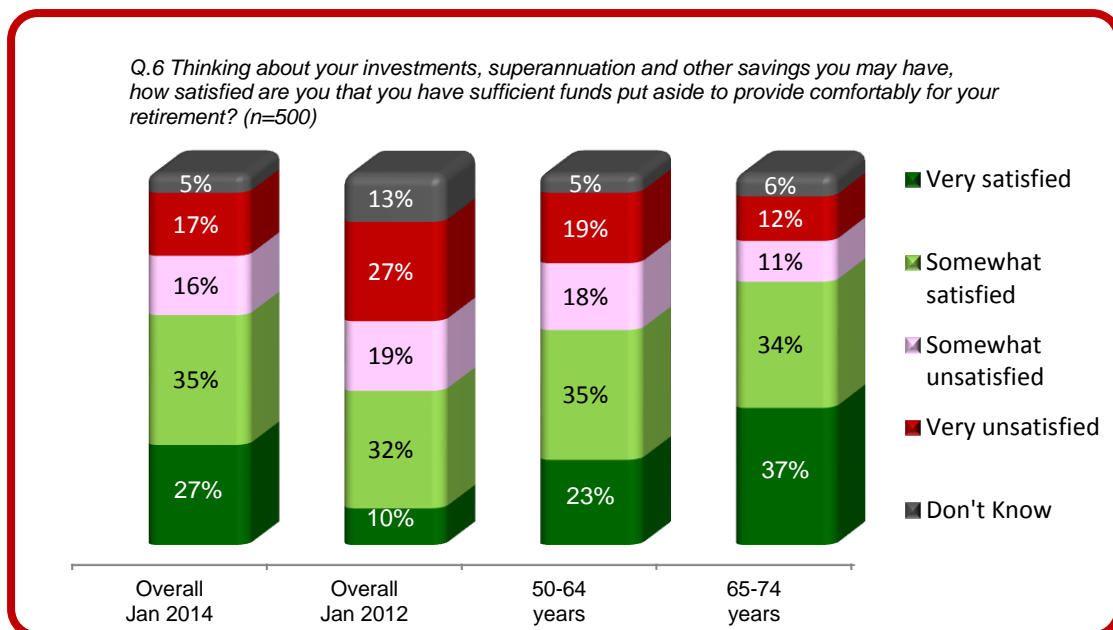
While this is not the case for all older workers as 58% of respondents report that financial security and money are the most important reasons they continue working.



This finding holds for respondents aged between 50-64, but for respondents aged over 65, the most prevalent reason reported for continuing to work is personal enjoyment. In addition to this, older workers are seeking more flexible working arrangements in even greater numbers than before (39% up from 28%).

The data suggests that those aged 50-64 are far less satisfied than those aged over 65 that they have sufficient funds put aside to provide comfortably for their retirement.

Amongst respondents aged under 65 years, only around six in ten (58%) were satisfied they have sufficient funds, and around one in five (19%) had serious concerns, reporting they were very unsatisfied.

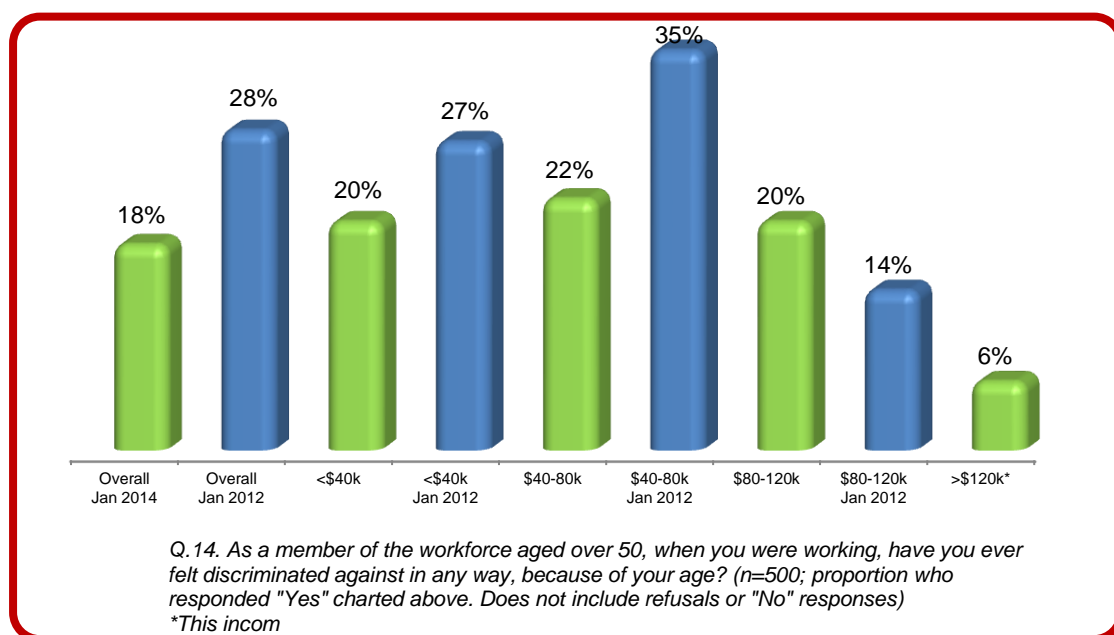


Amongst respondents between 65-74 years, seven out of ten (71%) were satisfied they have sufficient funds. Despite this, more than one in ten (12%) respondents past retirement age reported they were very unsatisfied they have sufficient funds to provide comfortably for

retirement. This represents almost 200,000 Australians who are past retirement age, but still do not feel they have enough money to retire comfortably.

Interestingly though, this is a marked improvement on 2012 as overall, 62% of respondents are satisfied they have sufficient funds compared to only 42% in 2012. While in 2012, more than a quarter (27%) reported that they were very dissatisfied, only 17% of all respondents did this year.

Concerningly, one in five respondents still feel they have experienced age discrimination (18% down from 28% in 2012). However the finding in 2012 that middle income earners face the most discrimination no longer appears to be the case. Respondents who earn less than \$120k report around the same levels of discrimination (20-22%), while only a marginal proportion of those who earn over \$120k report discrimination (6% from a low sample base). This is compared to around one third (27% for under \$40k, 35% for \$40-80k and 14% for \$80-120k) in 2012.



There does not appear to be an age or gender effect on this finding, but it seems that sales workers (26%) and technicians and trades workers (25%) are more likely to be discriminated against.

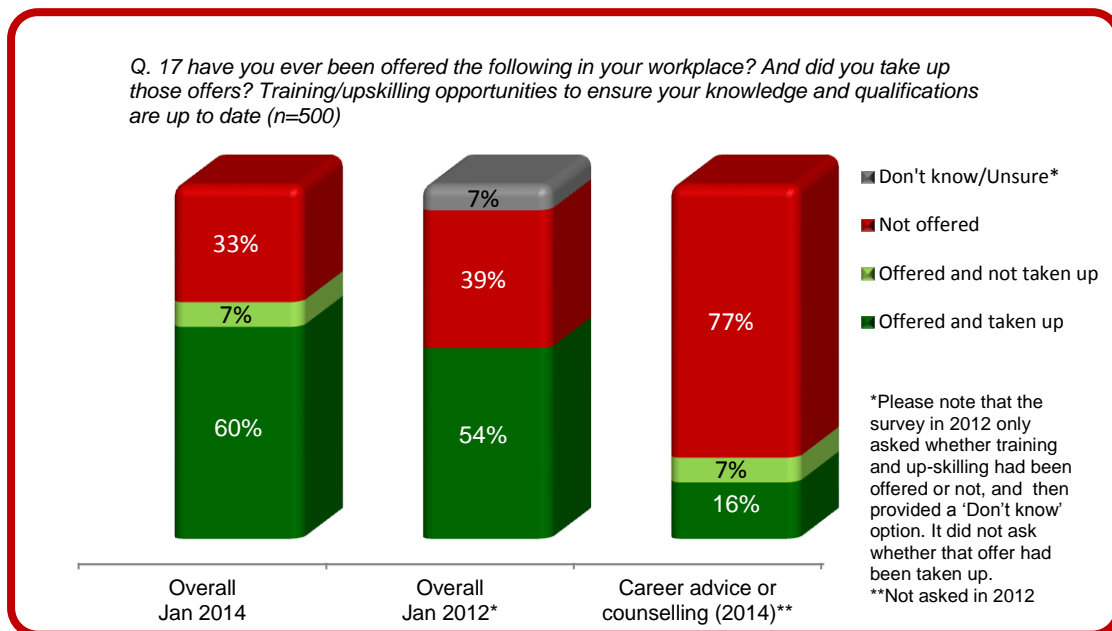
Forms of discrimination experienced

Q.15. And what form did that discrimination take? If you have experienced more than one, just choose the most recent. Was it...?	January 2014 (n=91)	January 2012 (n=140)
Verbal	21%	13%
Sacked/made redundant before others	16%	24%
Inflexibility regarding health/physical needs	15%	19%
Lack of training/learning opportunities	14%	10%
Salary/remuneration	6%	5%

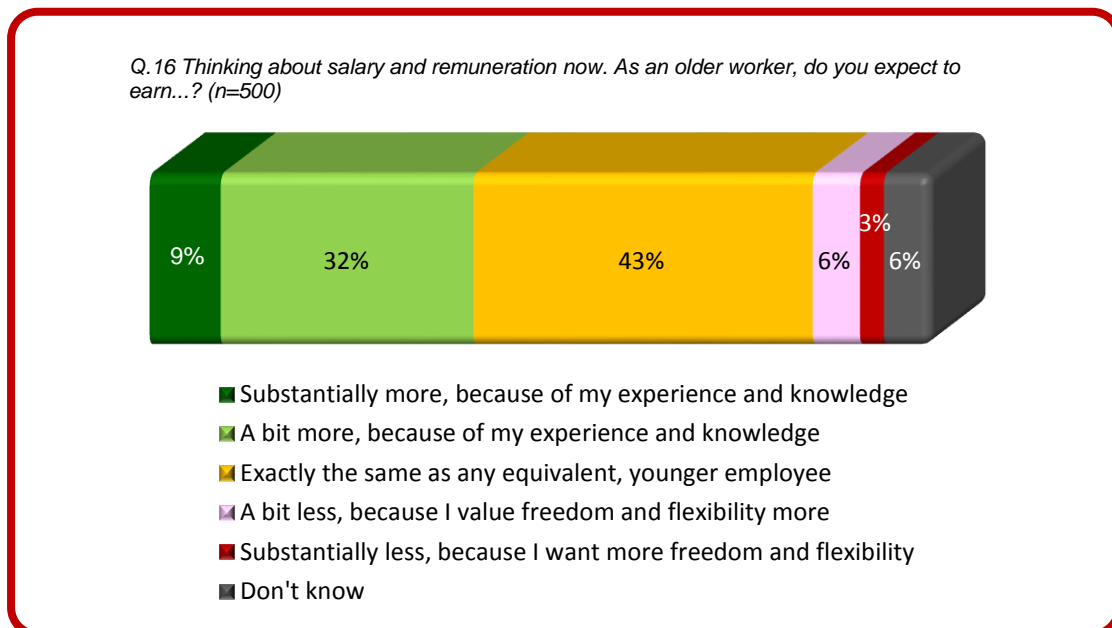
Amongst those respondents who said they had felt discriminated against because of their age, the most prevalent form of discrimination reported was verbal (21% compared to 13% in 2012), sacked or made redundant before others (16% down from 24% in 2012),

inflexibility regarding health or physical needs (15% compared to 19% in 2012) and lack of training or learning opportunities (14% compared to 10% in 2012).

Interestingly, **the proportion of older workers who report they have been offered training or up-skilling has increased significantly since 2012** (67% compared to 39%). Of those who were offered, almost all (89%) took up those offers. These findings are fairly consistent across all ages between 50-74.



Respondents were also asked if they had been offered career advice or counselling and less than one quarter (23%) reported they had been offered this. Those aged 50-54 were more likely to have been offered this (29%). Of those who were offered, 69% report they took up the offer, with those aged over 60 more likely to take up any offers that were given.



When asked whether they should be paid more or less as an older worker, almost half of respondents said exactly the same as any equivalent younger employee (43%), while around the same proportion (41%) said more because of their experience and knowledge. This was most likely to be the case amongst managers (57% said they should be paid more).

Qualitative

The findings in this section reflect a series of structured in-depth interviews with senior human resource and workforce managers. Participants represented a broad range of sectors, including major corporates, SMEs, peak bodies and other organisations. The size of employers interviewed ranged from 10 to 40,000 staff. While views obviously vary across employers given their different needs, skills and make-up of their workforces, there are some interesting commonalities in attitudes and approaches to changing demographics in a workforce. Many of the findings also align with responses to the quantitative survey.

Australia's ageing workforce continues to present challenges for many employers.

As with the survey in 2012, employers acknowledged that workforce ageing is presenting real challenges for workplace management. Major challenges identified by employers included increasingly competitive job markets, workplace regulation, the adoption of technology and structural changes in the Australian economy, particularly the reduction in manufacturing, changes in ICT and other sectors. Combined with the fallout of the Global Financial Crisis, most employers acknowledge that older workers continue to face some significant challenges in the Australian workplace.

"Australia's still dealing with the after effects of the GFC. There were lots of layoffs. It's sad to say but older workers – and middle managers on about 250K in particular – were the first to go. They are a dime a dozen and oftentimes their skills and responsibilities can be folded into other roles. This makes them vulnerable. It's not even as if they are not earning a lot. These are not your average at risk employees, but in the economic downturn they were axed."

Director, Recruitment Agency

"All Australian businesses are currently dealing with the structural changes to the economy brought about by the rise of the digital economy, the down turn in manufacturing, the high Australian dollar and global competition"

General Manager, Communications Sector

Many employers acknowledged that older workers are struggling to find work in some sectors, in particular financial services and ICT. This experience was attributed to the large number of older workers in this sector and changes in the sector, including the consolidation of workplaces that has occurred since the GFC. In ICT in particular, the expectation that older workers have more experience is not necessarily accurate as many young people have been *"tinkering with code since they were kids"*.

Employers identified a number of workforce challenges facing their business. Employers with a relatively large share of older workers noted the challenge of succession planning, staying relevant to markets, and the cost of workers compensation. Employers with younger workforces identified challenges of retaining staff and aligning the workforce with the culture and values of the organisation.

Employers with a relatively high share of older workers attributed this to having a positive workplace culture, loyalty to the company, aligned values, and generous or supportive workplace packages and practices. In some cases employers felt their older workforce would have few alternatives given the changing nature of their industry in Australia, such as in manufacturing.

Employers are increasingly seeing the value of mature age workers

While employers were mindful of the challenges facing older workers in many sectors, there was broad acknowledgement of the need to better engage and tap into the resource of an older workforce. Many employers are actively adopting strategies and workplace practices to retain their older workers and even actively recruiting more experienced, older workers in some specialised sectors. The skills of older workers were seen as essential in sectors involving regulatory change, OH&S and some senior leadership positions.

“So we have put on training programs and warm up courses for older workers. If they’re not feeling safe in the environment requires management... Plus older workers provide a feedback mechanism – they are live to issues around safety in ways younger workers are not. They are protecting their investment and superannuation in a way younger workers don’t often think about. Plus they generally feel that it is ok to talk about needs for equipment upgrades, maintenance.”

General Manager, Communications Sector

There were a number of factors identified by employers as motivating a greater awareness of the contribution of older workers. Chief amongst them were skill shortages, expertise, as well as concern for the loss of corporate knowledge with many senior members of their workforce retiring or expected to retire in the next five years. Many employers viewed their ageing workforce, particularly at senior levels, as a risk that needed to be actively managed to avoid the loss of corporate knowledge and skills. One employer spoke of their efforts to “get knowledge out of their head” and pairing younger workers with older workers to try and encourage the sharing of knowledge. Many employers acknowledged inadequate succession planning in the past as a challenge they were now having to address quickly.

In some cases, older workers were considered vital to meeting particular challenges facing firms at present such as adapting to changing regulatory environments.

“...it’s not so much that we go looking for certain age demographics. We find that certain skills reside in certain age brackets. There probably aren’t too many 50 years old or older web developers out there, I’m guessing, but we only find regulatory affairs specialises in that 40+ bracket. It [the skill set] tends to come with a fair degree of experience and insight into “whole of business” issues that can only be gained from years of experience. So, so long as you know what you’re looking for, we don’t discriminate either way for or against older workers, but when pulling together teams, we place a premium on knowing where to find the skills we need, what the profile of the particular expert will be. They are by and large grey hairs when it comes to regulatory affairs.”

Workforce Manager, Financial Services Sector

In a smaller number of corporates, mainstreaming flexibility and strategies to retain older workers was the priority for their workplace management strategies. Some viewed it as part of maintaining organisational capability into the future. A particular challenge was identified when the workforce demographics were unaligned with the customer demographics, and older workers were seen as critical to maintaining a connection with older customers.

Employers recognise that strengths and weaknesses exist at all ages

Most employers identified strengths and weaknesses amongst workers at varying ages and stages of their careers. Common values attributed to older workers by employers were experience, knowledge, wisdom, temperament and a strong work-ethic. The corporate knowledge and commitment to an organisation were also commonly cited as positive values of older workers. The relative satisfaction of older workers in their positions was also considered a positive.

“In some cases I want an older person for a role. It’s the maturity. Often roles involving oversight or dealing with ‘burly fluros’ need maturity to have the necessary credibility for the people they are dealing with.”

Human Resources Manager, Resources Sector

Employers did note that older workers can lack the understanding of new technologies, but this was not uniformly a problem. In some cases the older workers not only had technical capacity but the experience of having applied skills and having resolved problems.

“In some sectors - like engineering – older workers are valued much higher as often they are the only people with the expertise who have seen things working”

Human Resources Manager, Resources Sector

“It’s hard to go past the wisdom of experience. Judgement and oversight of the big issues does tend to reside with older workers, so they are very valuable to us in terms of the quality of their strategic advice, their ability to see the bigger picture, their actual experience dealing with governments, regulators, the media. They also provide good counsel to younger workers, who may not have gone through the wringer in the GFC, or previous system shocks.”

Workforce Manger, Financial Services Sector

The stability of older workers was also viewed as being of value. This was compared to younger workers who are often looking to move quickly. There was also recognition of older workers being prepared to work through issues and helping to build positive relationships in the workplace.

“Older workers are by and large more thoughtful employees. Less interested in their immediate concerns and open to new experiences. They are more inclined to transition to other areas if they are not satisfied with their current role, and thankfully, also more inclined to seek to productively work through issues with their managers in the event that something is amiss in their work environment.

General Manager, Communications Industry

Employers identified the attributes of enthusiasm, innovative, technology savvy, pace-setters, ambition, risk-taking and having a desire to learn, as attributes of younger workers. Younger workers were also seen as more open to change and better at collaborating. The understanding of social media and potential of technology was universally considered a strength of younger workers.

“We need the innovation young people bring. The over 40s will be frustrated and say we have tried things and failed, but a young person will test if the time has come to try again.”

General Manager, Manufacturing Sector

New approaches to retaining and training older workers are being adopted, but not universally

Many employers indicated that they are increasingly aware of the value of older workers and are actively looking for ways to ensure they retain their experience and ensure younger staff benefit from their corporate knowledge. This finding is consistent with the quantitative survey results that the proportion of older workers who report they have been offered training or up-skilling has increased significantly since 2012 (67% compared to 39%).

Further, increasing opportunities appear to exist for older workers in some sectors, with some employers looking to older workers to mentor, consult and perform specialised work, like regulatory reform and professional sectors. The growing practice of transition of older workers to consulting or specialist roles aligns well with the preference of older workers for more flexibility both in hours of work and remuneration in the work place, with 39% identifying this as important for their decision to continue working, up from 28% in 2012. Some employers saw the transition to consulting as a way to offer flexibility where older workers were seeking it, while others saw it as a necessary transition to meet the needs of their business.

“Older workers can have incredible minds but they are not always an economical option for the company. They may take twice as long so when clients are paying by the hour consulting can work as still passing on their skills to others who can then do the work quicker.”

Human Resources Manager, Resource Sector

However these opportunities for greater flexibility were not uniformly available across all sectors. While most employers offered part-time or shift work, this was often the extent of flexibility in many workplaces. The limited flexible work arrangements were considered necessary to meet the needs of the business and a result of institutional rigidities in some sectors. Some employers felt it was necessary for older workers to leave to achieve flexibility, with a relatively common experience of older workers leaving to set up their own companies and work as contractors.

“Older workers tend to get flexibility by leaving companies to set up on their own. They are reacting to the fact there isn't enough flexibility in firms. It's seen as the only way to get part-time work.”

Human Resources Manager, Engineering Sector

Some employers noted the problem of retaining older staff when organisations simply have fewer positions at the top. This creates challenges for retaining experienced staff.

“There is a natural hierarchy of an organisation. There are just less roles at the top. Many older workers are just not interested in the roles you have more of. And even if they accept working at a lower level the challenge is keeping them interested in the work at that level.”

Head of Human Resources, NGO Sector

Employers acknowledge that age discrimination still exists, but they suggest their focus is on aptitude and attitude, not age

Most employers acknowledged the existence of age discrimination. Many did not feel it was an issue in their workplace but were aware of the issue more generally. Employers interviewed who themselves were over 50 raised their own experiences and those of older friends who have found it difficult to gain work post-50 years of age. Many were aware of older workers who had been unable to find work for a number of years.

“Australia has an unconscious bias against older people. It plays out in many decisions throughout the employment lifecycle. Often it is under the guise of not being the right cultural fit. Its discrimination if a decision is being based on age, whether conscious or not.”

General Manager, Financial Services Industry

Employers interviewed largely expressed the view that they employ based on aptitude and attitude, not age. While most employers interviewed acknowledged that older workers were facing challenges gaining employment, they did not see this as an outcome of the strategies they adopted in recruitment or employment; commonly noting they employ the best fit for the job.

“You can have a 65 year old person who thinks and acts like a 45 year old and vice versa. What’s important is their thought process.”

General Manager Human Resources, Health Sector

There were different views as to what actually constituted age discrimination. Some employers talked of age-discrimination not being “active discrimination” but rather a result of a changing job market where older workers didn’t have the relevant skills.

“It’s not active discrimination. No one goes out and says I’ll get rid of an older worker today. It’s about competition between skill sets and the market telling us what is desired as a skill base and the candidates indicating where those skills reside.”

Director, Recruitment Agency

Age discrimination appears to be a particular issue when employers are making decisions around job-cuts and implementing redundancies. Employers acknowledged that older workers can be amongst the first considered for redundancy. Some employers had assumed that redundancy would hurt older workers less than younger workers, but acknowledged it’s a wrong assumption. A number of employers spoke of having adjusted their views on workforce management as a result of having to down-size workforces, moving from an assumption that older workers would be more ready or prepared to retire to a greater appreciation of the commitment of older workers to their positions and the company, something employers valued highly. Leaving a job ‘retrenched’ as opposed to ‘retired’ was thought to have a more significant impact on older than younger workers.

“We integrated two businesses which lead to a number of redundancies. The immediate thought is that over 60’s may want a redundancy. But what we found was that over 60’s clearly wanted to be here as they were still in the workforce.”

General Manager, Manufacturing Sector

“One 50 year old is not the same as another. It’s the same for 20 year olds. Our job as HR managers is to provide options to our workforce. Managers and supervisors can have discussions with individuals, manage issues, and look for telltale signs. Re physical work – some senior managers have a weaker understanding of the issues than is really required. The firm no longer relies on manual handling...there are machines that take the bulk of the work. So age/strength is really no more or less relevant than gender/strength. There is just as much diversity within an age bracket as there is within a gender bracket, and this relates to a person’s suitability for a role. You cannot fall back on stereotypes.”

General Manager, Communications Sector

Employer advice for workers looking to work longer – Maintain skills, be flexible about the work you are prepared to do and stay motivated

Key messages from employers to older workers looking to re-enter or stay in the workforce for longer related to continuing to invest in your skills, be flexible in the work you are prepared to do, and maintaining your enthusiasm. Employers noted they would look for evidence that older workers have maintained skills and continued to train in an applicant’s resume. Showing an ability and willingness to learn was considered important at all ages.

Related to maintaining your skills were the need to feel “tech savvy”. Employers found that for many positions it was hard for older workers to feel confident without some technical capacity. This presents a real challenge for older workers and should be a priority in maintaining and continuing education for work.

Employers recommended older workers be flexible in both the positions they are prepared to do, their hours of work and salary, and the level they are prepared to work at. This was considered necessary given the very competitive nature of the workforce. Getting a position in a company you like was considered a vital step that would lead to other opportunities.

“Older workers can’t expect to maintain status and seniority and also demand flexibility. It doesn’t work. Something has to give”.

Human Resources Manager, Engineering Sector

“Be flexible around the hours you start with. There are often opportunities to expand hours and roles once in an organisation. Internal recruitment process five opportunities once you are in”

General Manager Human Resources, Health Sector

Employers were aware of the impact job seeking can have on morale and confidence particularly for older workers. One employer mindful of this point encouraged job-seekers to stay focused and optimistic. Employers are looking for employees that are *“running towards something, not from somewhere”*. Getting into the frame of mind that is open to doing multiple interviews before finding the right position was considered necessary to stay resilient throughout the process.

Appendix 1: Quantitative Questionnaire

FINANCIAL SERVICES COUNCIL OF AUSTRALIA

Quantitative Study

ATTITUDES TO OLDER WORKERS

November 2013

N=500 Australians aged 50-75 years

INTRO

We hope that you are going to find this survey interesting. The survey is about a topic that is very important to many Australians: Older workers and their attitudes to employment.

To ensure we correctly represent the Australian population.

D1. Firstly, what is your gender?

- | | |
|---|--------|
| 1 | MALE |
| 2 | FEMALE |

D2. And what is your age?

- | | | |
|----|----------|-------------|
| 1 | UNDER 21 | [TERMINATE] |
| 2 | 21-29 | [TERMINATE] |
| 3 | 30-39 | [TERMINATE] |
| 4 | 40-44 | [TERMINATE] |
| 5 | 45-49 | [TERMINATE] |
| 6 | 50-54 | [CONTINUE] |
| 7 | 55-59 | [CONTINUE] |
| 8 | 60-64 | [CONTINUE] |
| 9 | 65-69 | [CONTINUE] |
| 10 | 70-74 | [CONTINUE] |
| 11 | 75+ | [TERMINATE] |

ATTITUDES TO EMPLOYMENT

4. We'd like to begin by asking whether you are still in employment... and whether that is full-time, part-time, paid or unpaid?

- | | | |
|---|-----------------------------|----------------|
| 1 | FULL-TIME EMPLOYMENT | [GO TO Q.5] |
| 2 | PART-TIME PAID EMPLOYMENT | [GO TO Q.5] |
| 3 | PART-TIME UNPAID EMPLOYMENT | [GO TO Q.5] |
| 4 | UNEMPLOYED/LOOKING FOR WORK | [GO TO Q.5] |
| 5 | DON'T WORK/RETIRED | [SKIP TO Q. 6] |
| 6 | DON'T KNOW | [SKIP TO Q. 6] |

5. And what - to you personally - is the main reason that you continue working? Many or all may be important, but I'd like you to choose the most important reason. Is it *primarily* because of... [RANDOMISE]

- | | |
|---|---------------------------|
| 1 | FINANCIAL SECURITY/MONEY |
| 2 | A SENSE OF ACCOMPLISHMENT |

- 3 FREEDOM AND INDEPENDENCE
- 4 SENSE OF BELONGING OR CAMARADERIE
- 5 PERSONAL ENJOYMENT
- 6 SELF-ESTEEM
- 7 SOMETHING ELSE **[DO NOT RANDOMISE]**

6. Thinking about your investments, superannuation and other savings you may have, how satisfied are you that you have sufficient funds put aside to provide *comfortably* for your retirement?

- 1 VERY SATISFIED
- 2 SOMEWHAT SATISFIED
- 3 SOMEWHAT UNSATISFIED
- 4 VERY UNSATISFIED
- 5 NOT SURE/DON'T KNOW

7. Now – (if you weren't retired and) regardless of your financial situation - how keen would you be to continue working for as long as you feel willing and able?

- 1 VERY KEEN
- 2 SOMEWHAT KEEN
- 3 SOMEWHAT RELUCTANT
- 4 VERY RELUCTANT
- 5 DON'T KNOW

PERSONAL EXPERIENCES

14. As a member of the workforce aged over 50, (when you were working did) have you ever felt discriminated against – in *any way* – because of your age?

- 1 YES **[GO TO Q.15]**
- 2 NO **[SKIP TO Q.16]**
- 3 DON'T KNOW/NOT SURE **[SKIP TO Q.16]**

15. ... And what form did that discrimination take. If you have experienced more than one, just choose the most recent. Was it...? **[RANDOMISE]**

- 1 VERBAL
- 2 SACKED/MADE REDUNDANT BEFORE OTHERS
- 3 LACK OF TRAINING/LEARNING OPPORTUNITIES
- 4 SALARY/REMUNERATION
- 5 INFLEXIBILITY REGARDING HEALTH/PHYSICAL NEEDS
- 6 SOMETHING ELSE **(RECORD)**

WORK OPPORTUNITIES

Now, I'd like to ask your opinion on some aspects of life in your present or most recent, place-of-work...

16. Thinking about salary and remuneration now... As an older worker, do you expect to earn...

- 1 SUBSTANTIALLY MORE, BECAUSE OF MY EXPERIENCE AND KNOWLEDGE
- 2 A BIT MORE, BECAUSE OF MY EXPERIENCE AND KNOWLEDGE
- 3 EXACTLY THE SAME AS ANY EQUIVALENT, YOUNGER EMPLOYEE
- 4 A BIT LESS, BECAUSE I VALUE FREEDOM AND FLEXIBILITY MORE
- 5 SUBSTANTIALLY LESS, BECAUSE I WANT MORE FREEDOM AND FLEXIBILITY
- 6 DON'T KNOW

17. Have you ever been offered the following in your workplace, and did you take up those offers?

	Offered	Taken up
Training/Upskilling opportunities to ensure your knowledge and qualifications are up to date	1	2
Career advice or counselling	1	2

23. Thinking about encouraging older workers – such as yourself – to stay on in the workforce, which of the following factors would be most influential on you in helping you decide to carry on working?

Again, all are important, but I do need you to choose one. Would it be...
[RANDOMISE]

- 1 FINANCIAL INCENTIVES THROUGH PHASING PENSION & SUPERANNUATION PAYMENTS
- 2 MORE FLEXIBILITY BOTH OF HOURS AND REMUNERATION IN THE WORKPLACE (E.G. THROUGH MORE PART-TIME AND TEMPORARY ROLES)
- 3 FEWER NEGATIVE ATTITUDES TOWARDS OLDER WORKERS
- 4 IMPROVED LEARNING AND CAREER DEVELOPMENT OPPORTUNITIES
- 5 MORE HELP AND RE-SKILLING FOR JOB-SEEKERS AGED OVER 50
- 6 ENSURING MODERN WORKPLACES AND CONDITIONS ARE SUITABLE FOR OLDER WORKERS
- 7 AVAILABILITY OF INCOME PROTECTION INSURANCE
- 8 DON'T KNOW **[DO NOT RANDOMISE]**

DEMOGRAPHICS

Thank you for taking the time to complete the survey. These last questions are just to ensure that we have an accurate sample of Australians.

25. Please indicate the total annual income **before tax** for you personally (i.e. excluding any partner or spouse income):

- 1 UNDER \$10,000
- 2 \$10,001 - \$20,000
- 3 \$20,001 - \$30,000
- 4 \$30,001 - \$40,000
- 5 \$40,001 - \$50,000
- 6 \$50,001 - \$60,000
- 7 \$60,001 - \$70,000
- 8 \$70,001 - \$80,000
- 9 \$80,001 - \$90,000
- 10 \$90,001 - \$100,000
- 11 \$100,001 - \$120,000
- 12 \$120,001 - \$150,000
- 13 OVER \$150,000
- 14 PREFER NOT TO SAY

26 What is or was your occupation?

- 1 MANAGER
- 2 PROFESSIONAL
- 3 TECHNICIANS AND TRADES WORKER
- 4 COMMUNITY AND PERSONAL SERVICE WORKER
- 5 CLERICAL AND ADMINISTRATIVE WORKER
- 6 SALES WORKER
- 7 MACHINERY OPERATOR AND DRIVER
- 8 LABOURER
- 9 OTHER: _____ **[RECORD]**
- 10 PREFER NOT TO SAY

27. What is your marital status?

- 1 SINGLE, NEVER MARRIED
- 2 MARRIED
- 3 DE-FACTO RELATIONSHIP
- 4 WIDOWED
- 5 DIVORCED
- 6 SEPARATED BUT NOT DIVORCED
- 7 PREFER NOT TO SAY

Appendix 2: Qualitative Discussion Guide

FSC Qualitative Interviews

November 2013

Overview

The following is a list of question areas we will cover in the interview. NB. Questions will not necessarily be asked using the exact wording or in the same order. It will depend on the flow of the conversation and the time available.

Introduction

- Thank you for agreeing to participate in this interview. As you are aware, the Financial Services Council has commissioned [GA Research/Kreab Gavin Anderson] to conduct a research study to explore stakeholders' perceptions of their company.
 - *GA Research is an independent market and social research company specialising in complex issues, strategy, communications and stakeholder engagement*
 - *KGA is a communications firm advising corporations and other organisations on issues of strategic importance in business, finance and public affairs*
- The findings will be used to help FSC understand issues surrounding different workers in the workplace
- We are speaking with a range of businesses across Australia in various industries and of various sizes.
- The interview will take about between 20 and 60 minutes depending on your responses and how much time you have available.
- *[Where appropriate]* With your permission I would like to record this interview so I can concentrate on what you are saying and check back later on any details I don't catch in my notes. We operate under strict privacy rules and the recording will not be provided to anyone else. Any comments you make will be unattributable to you.
- Just to clarify, there are no right or wrong responses to my questions today. I am just interested in understanding your perceptions. Do you have any questions before we start?

Broad issues

- 1) Confirm number of employees in the business
- 2) What would you say are the biggest issues facing Australian businesses at the moment?
- 3) What are the major issues **your business** is facing?

Strategic workforce management

- 4) Thinking about the strategic management of your workforce, what are the biggest issues you are facing in that regard? Explore all areas raised.
- 5) Explore how they manage the skills of their workforce and keep that up-to-date, what training and learning and development do they offer?
- 6) Flexibility – how important is that in your business? How are you managing it/building it into your business? Who tends to take up these flexible options? How is it working – both for the employees and for the company? Are both getting the benefits? What are the trade-offs? What could change, how could it work better?

Employee profile and attribute perceptions

- 7) Tell me broadly about the profile of your workforce in age terms [try to get proportions of under 50s to older 50s]
 - a. Explore drivers of their current profile. Based on response, explore barriers to having more older workers. [Wages cost? ROI in terms of progression and long term value to the business? Cost of insurance? Attitude of older workers?]
- 8) Explore value younger workers bring generally to the workplace
 - b. What do they believe are important priorities/expectations for young people in their working lives?
- 9) Explore value older workers bring generally to the workplace
 - c. What do they believe are important priorities/expectations for older people in their working lives?
- 10) 0-10 scale, rate both older and younger workers on attributes as below:
 - a. Motivation
 - b. Productivity
 - c. Skills
 - d. Energy
 - e. Enthusiasm
 - f. Discipline
 - g. Physical aptitude
 - h. Knowledge
 - i. Experience

Age-related issues

- 11) Explore their view on the question of age discrimination – do they believe it's still happening? Is it a problem? Scale? What are businesses doing about it, if anything?
- 12) Does anything need to be done about it? If so – what?
 - a. Explore role of training and development. What are they doing in this regard? Is it working? How could it improve?
 - b. Some people talk about transitioning older workers to different roles i.e. as mentors, directors, consultants?
 - i. Thoughts?
 - ii. Something they're already doing? Explore successes/attempts and results
 - iii. Something they would consider? How would that look?
 - d. Some people have suggested that older people should be happier with lower level positions to either remain or get back into the workforce. Have you found an issue with this?
 - e. Have you found any issues with having senior people who are younger than some of the staff working under them?
- 13) The FSC has noted a trend toward professional services firms employing much younger staff and aiming for staff to achieve partnership at a much earlier age. Have you found this, or do you have any comments or thoughts?
- 14) FSC has also recorded a trend of such firms 'pensioning off' senior partners and executives at 50. Again – thoughts?
- 15) Who's responsible for looking after older workers and assisting them to stay in work longer? Government? Peak bodies? Business? Education bodies?
 - a. What does successful management of this issue look like?

Sum-up

16) Finally, what advice would you give to an older worker looking to work longer?

Thanks and Close

Thank you again for your time, and if you think of anything else, please just give me a call or send me an email. As I mentioned all your responses will remain confidential in the final reporting of the results.