

Older workers and work–life balance



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Older workers and work–life balance

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1 Introduction

This paper is about the 'work–life balance' issues that affect older workers. It is concerned with those factors that influence older workers' ability to achieve harmony between their preferred contribution to paid employment on the one side of the balance, and with their roles, responsibilities and activities in private life on the other. It provides a focus on a previously somewhat neglected group within the population, and raises questions about the policies and strategies that may still be needed to enable organisations and individuals to make decisions and choices capable of satisfying older people's aspirations in later life without undermining the effective management of organisations.

In the past decade, 'work–life balance' has emerged as a key theme in the policy and academic literature on employment, labour force participation, workplace management and regulation, and the organisation of work (Guest, 2002; Dex, 2003). The concept is also sometimes deployed as a way of acknowledging the social (and sometimes also moral) importance of unpaid work and activities – not least those associated with parenting, caring, volunteering and lifelong learning. Committing time and energy to these latter concerns is widely viewed as 'good behaviour', which supports wider social values, promotes social inclusion and enables the effective functioning of communities.

Emerging from its earlier origins, first in a focus on 'new ways to work' and later in 'family-friendly' employment policies, work–life balance is today widely promoted as a universal good, which is beneficial to everyone concerned and supports everyone in making their own choices. The Prime Minister launched the Work–Life Balance campaign in 2000, and the Department for Trade and Industry (DTI) subsequently developed a range of policy initiatives, publications and case studies in conjunction with 'Employers for Work–Life Balance' (<http://164.36.164.20/work-lifebalance/index.html>).

Despite this, it is also recognised, first, that what constitutes a good work–life balance may have different meanings for different people, and may shift as people pass through different stages of life, and, second, that achieving harmony in work and life is an aspiration that all parties need to strive to achieve. In other words, it is unlikely to happen by chance or accident. Although often focused on the conflicts and tensions facing mature adults in their child-rearing years, work–life balance is also a concept relevant to older workers as they approach, plan for or achieve exit from paid employment, and move into the social status of 'retirement'.

Not all agree that work–life balance is achievable for everyone, and academics have recently been prominent in giving greater attention to:

- 1 challenging the assumption that work–life balance can be achieved ‘without threatening the economic success of either party’ (employees or employers) (White *et al.*, 2003)
- 2 exploring the difficulties of implementing organisational policies in this field (Rapoport *et al.*, 2001; Bond *et al.*, 2002; Yeandle *et al.*, 2003)
- 3 highlighting the persistence of work–life imbalances and their causes (Hyman *et al.*, 2003).

In this paper, older workers are defined as those men and women who continue in employment after reaching age 50, or who are seeking to re-enter the labour market during their fifties or sixties. The 50+ age group has been the focus of a number of major studies and reports in recent years (McKay and Middleton, 1998; Lissenburgh and Smeaton, 2002; Hirsch, 2003), is an age category about whom statistical data can readily be obtained from censuses and surveys, and represents – in the popular imagination – a category associated with ‘moving on’ from the concerns often assumed to be the primary focus of mature people aged 25–49: establishing independent households and building families; securing a place in the labour market and building a career; financing mortgages and covering child-rearing costs; and supporting children in their education and development. As discussed below, older workers share some characteristics, but are also a very diverse group. It should not be assumed that all have shed the responsibilities and activities of younger working life, nor should it be imagined that all are turning their focus towards withdrawal from paid employment, or that new achievements and challenges in either their working or private life do not attract them.

For a century and more now, Britain, like other western societies, through welfare and employment policies supported and promoted variously by political parties, employers, trade unions and lobby groups, has created social categories not familiar to earlier generations: ‘pensioners’, ‘older people’, ‘the retired’ (Thane, 2000). It has done this against a backdrop of profound demographic shifts, moving from a pyramidal age structure of many children and few old people at the start of the twentieth century, to the lowered fertility rates and increased longevity of the early twenty-first century. In other work on changes in working life, I have previously commented on the paradox that, as life became longer at the end of the last century, and as childhood and full-time education were extended to cover the first 20 years of life, paid employment was in effect being squeezed into a mere three of the eight or nine decades of the typical expected life (Yeandle, 2000). Not only this, it was also located in the very demanding years of child-rearing and parental responsibility. The work–life balance agenda is in part a response to this social paradox. A second

paradox concerns the ending of life. For much of the twentieth century, creating arrangements that could give everyone a right to finish with the rigours of being an employee and to end their working life at a known point, and with the support of a pension, was of central importance. Today, while financial security in later life remains of absolutely paramount importance, and is too often still not achieved, departure from the labour force is less eagerly sought by some, and the greater variety of available work and employment options means many people would like to exercise more choice about passing through a 'retirement zone', rather than 'jumping off the cliff' into the unknown territory of permanent and all-encompassing retirement (Vickerstaff, 2004). This has been theorised as an 'unravelling' of later working life and of 'work ending' (Guillemard and van Gunsteren, 1991; Marshall *et al.*, 2001).

The Government has recognised this emerging social trend in a variety of ways, addressing it in its Green Paper on Pensions (DWP 2002), and developing its Agepositive web site, which stresses that 'age diversity at work means employing people of all ages, and not discriminating against someone because of how old they are'. This web site promotes a code of good practice for employers, which advocates fair and equal treatment for older workers in six areas of employment: recruitment, selection, promotion, training and development, redundancy and retirement. It forms part of the commitment, made by the Chancellor in his 2004 Budget, to launch a new nationwide resource to provide all employers with detailed guidance about how they can put in place flexible working and retirement practices that can benefit older workers (<http://www.agepositive.gov.uk/>).

The paper that follows begins with some descriptive information about older workers, and then considers their lives outside the workplace and the nature of the tensions that effective work–life balance policies for this group need to address. It then briefly reviews older workers' orientations to work and their attitudes to employment and retirement, before considering employers' perspectives on older workers, and some questions of job design and work organisation, turning finally to public policy issues and to the roles that can or should be played by other stakeholders. The paper has been prepared drawing on previous work, a review of relevant literature and 'soundings' taken from a variety of organisations whose perspectives may not be fully encompassed in the academic and policy literature, but who have a view about the focus and direction that policy development should take. A list of those consulted is included as the Appendix. I am grateful to all those who gave their time to discussing this topic, and to my colleagues Dr Pamela Fisher (who provided research support and conducted some of the telephone discussions) and Dr Lisa Buckner (for analysis of Census data).

2 Older workers: a diverse and varied group

With almost 20 million people in Britain aged 50 or over, a figure set to rise to around 26 million by 2041 (Government Actuaries Department figures), policy attention to the older population has never been more important. There are currently about nine million people aged 50+ who are below current state pension age (65 for men, 60 for women), and recent figures indicate that just over two-thirds of them are in some type of paid employment. Government publications have recently highlighted the fact that, between 1997 and 2003, the employment rate for the over fifties increased faster than the overall employment rate, although nevertheless some 17 per cent of all JSA (Jobseeker's Allowance) claimants are in the over-fifties group and, in September 2004, the National Audit Office estimated that lower levels of employment among older workers cost the economy £19–34 billion per year (in lost output, taxes and increased welfare payments), including Incapacity Benefit payments to around 1.3 million people in this group.

In 2002, a face-to-face survey of a representative sample of almost 3,000 men and women aged 50–69 (conducted by the National Centre for Social Research for the Department for Work and Pensions) provided some important insights into the different behaviour and attitudes of this older population (Humphrey *et al.*, 2003). It found the following.

- Those with better qualifications were more likely to be in work and, among couples, those in work were more likely to have a working partner.
- Among those in work, 40 per cent were expecting to retire when they reached state pension age, although 33 per cent of men, and 13 per cent of women, planned to leave work before this, while about 20 per cent hoped to remain at work after state pension age.
- Those expecting to retire early were better qualified, more likely to be in professional, managerial or associate professional jobs, and to be in a position to access a private pension. In addition, those who had a partner were more likely than those without to hope to retire early and there was evidence of couples planning to take their retirement at the same time.
- Among those who had already retired, well over a third felt they had had retirement 'forced upon them', with about half of those who had taken early retirement feeling this way. Around three-quarters of these people reported that their retirement had been brought forward by poor health.

- Those forced to retire early, as well as those who retired late, had faced the biggest fall in their income after leaving paid work.
- While almost a third of those who were currently working said they were planning to retire 'gradually' (this rose to two-thirds among the self-employed), evidence from those who had already left paid employment revealed that only 7 per cent had in fact retired gradually.
- Just 9 per cent of those surveyed said they were 'semi-retired' and, for this group, self-employment and working on a short-term contract were both considerably more common than among other workers.

Finally, important differences between three identifiable groups of people aged 50–69 who were *not* in paid work were confirmed. Very similar groups had also emerged in earlier work on men detached from the labour market (Alcock *et al.*, 2003). Of those surveyed, 38 per cent were not in paid work and two-thirds of them had ceased looking for work or were not interested in returning to work. The three groups were as follows.

- A mainly male group, including many people with health problems, who had low levels of qualification, were often single and who had, on average, last worked when they were 46. (About half of those who were not working were in this group.)
- A second mainly male group, who had retired and were financially secure, and who had left employment at an average age of 51. This group was supported by private pensions and other assets. (Almost a quarter of those not working were in this group.)
- A third group, this time mainly female, among whom 15 per cent had never had a paid job, and for whom the average age at which they last worked was 35. This group were looking after their home and family, and over half of them were carers. (About one in eight of those not working were in this category.)

We will return to the concepts of 'gradual', 'semi', 'early' and 'late' retirement later in the paper, in the chapters on orientations to employment and job design.

Recent release of data from the 2001 Census offers further relevant information for the whole 50+ population.¹ This source can be analysed by gender, age and a variety of labour market factors – here we look at the economic activity status of

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everyone aged 50+, and, for those in paid employment, examine the industry and occupation in which they work. As will be seen, even in relation only to labour market factors, older workers are a diverse and varied group, in differing circumstances, facing different challenges and having a wide range of different characteristics. Comparing older workers with those aged 25–49, what do we find?

Men aged 50–64 are:

- less likely to be in full-time employment (42 per cent compared with 68 per cent)
- more likely to be in part-time employment (4 per cent compared with 3 per cent)
- less likely to be unemployed (4 per cent compared with 5 per cent)
- more likely to be self-employed (18 per cent compared with 14 per cent)
- three times as likely to be sick or disabled (13 per cent compared with 4 per cent)
- 10.5 per cent are retired (compared with almost no younger men).

As shown in Table 1, they are also:

- less likely to work in finance and real estate or public administration
- more likely than younger men to be in education, manufacturing and agriculture
- less likely than younger men to be in professional, associate professional and technical, managerial/senior official posts
- more likely to be in elementary, process, plant and machine operative, and skilled trades occupations.

Between the ages of 50 and 64, men's full-time employment and full-time self-employment rates decline, while part-time self-employment rises slightly. By age 60–4, almost a quarter are retired, one-fifth are sick or disabled and less than 30 per cent are working full time. For men, retirement rises fast after 65: to 78 per cent at age 65–9 and to 86 per cent at age 70–4 – although a minority of men continue to have some form of paid work after 65 (15 per cent at age 65–9 and 8 per cent at age 70–4).

Table 1 Main occupations and sectors of employment: employed men aged 50+

	Per cent of all in the age group who are in this occupation/sector		
	25–49	50–64	65+
<i>Occupations</i>			
Managers and senior officials	21	20	19
Skilled trades	19	20	19
Assoc. professional and technical	15	11	11
Process plant and machine operatives	13	16	12 ^a
Professionals	14	12	14
Elementary	10	11	14
<i>Industrial sectors</i>			
Manufacturing	21	22	15
Wholesale, retail, hotels and restaurants	17	17	22
Finance and real estate	19	16	19
Construction	17	12	10 ^a
Transport, storage and communication	10	10	7
Public administration and defence; social security	6	5	4
Education	4	6	5
Agriculture, forestry and fishing	2	2	6 ^c

a For those aged 65–9; falls to under 10 per cent by 70–4.

b For those aged 65–9; falls to 8 per cent for those aged 70–4.

c For those aged 65–9; rises to 8 per cent for those aged 70–4.

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This picture, drawn from cross-sectional data relating to April 2001, is affected by the way the labour market, and the types of job created within it, have changed over time, as well as by individuals' labour market behaviour (whether voluntary or not) in later years. This means that it must be interpreted with care. However, it suggests that men who remain in employment after age 49 experience a wide range of employers and working conditions. In their later working lives, while many men hold white-collar jobs, where seniority is likely to have come with age, and working conditions do not normally make heavy physical demands, many other men are still working in manual jobs. Here, remuneration may have peaked or plateaued some years before, and the heavy or physical nature of the work will become difficult if muscle power declines, or if injuries are sustained.

The picture for women aged 50+ is rather different, although with similarities. Again, comparing older workers with those aged 25–49, women aged 50–64 are:

- less likely to be in full-time employment (30 per cent compared with 40 per cent)

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- just as likely to be in part-time employment (27 per cent compared with 26 per cent)
- less likely to be unemployed (2 per cent compared with 3 per cent)
- just as likely to be self-employed (about 6 per cent)
- much more likely to be sick or disabled (11 per cent compared with 4 per cent)
- fewer than 6 per cent are retired.

As shown in Table 2, they are also:

- less likely to work in finance and real estate or public administration
- more likely to work in the health and social work, education, and wholesale, retail, hotels and restaurants sectors
- less likely to be in professional, associate professional and technical, and managerial/senior official posts
- more likely to be in elementary jobs or administrative/secretarial positions.

For women, retirement rises fast after 60 (to 62 per cent at 60–4), although quite a large minority of women continue to have some form of paid work (25 per cent at 60–4, almost 9 per cent at 65–9, and almost 5 per cent at 70–4).

The differences between older and younger women in part reflect the lesser educational opportunities afforded to these older women in their youth. Those women who remain in employment after state retirement age become a little more concentrated at either the bottom end of the labour market (in *elementary* occupations) or at the highest qualified end (*professionals and managers*). This suggests that remaining employed for the oldest women may include elements of both choice and necessity.

As Britain's *minority ethnic population* ages, more older people will belong to this itself very diverse group. The 2001 Census has confirmed that there are big differences between different ethnic groups in the economic activity patterns of men and women aged 25 to retirement age, and in the industries and occupations in which they work, but at present analysis is not available for the 50+ age group alone.

Table 2 Main occupations and sectors of employment: employed women aged 50+

	Per cent of all in the age group who are in this occupation/sector		
	25–49	50–64	65+
<i>Occupations</i>			
Administrative and secretarial	23	25	22
Elementary occupations	10	14	19 ^a
Personal service	12	12	12 ^b
Assoc. professional and technical	16	11	9
Managers and senior officials	13	11	10 ^c
Sales/customer service	10	10	11
Professionals	11	10	8
<i>Industrial sectors</i>			
Health and social work	20	22	23 ^d
Wholesale, retail, hotels and restaurants	21	22	25
Education	14	15	13 ^e
Finance and real estate	18	14	14
Public administration and defence; social security	6	6	5 ^f
Manufacturing industry	9	9	8

a For those aged 60–4; rises to 21 per cent by age 65–9.

b For those aged 60–4; falls to 9 per cent by age 70–4.

c For those aged 60–4; rises to under 12 per cent by 70–4.

d For those aged 60–4; falls to 18 per cent by age 70–4.

e For those aged 60–4; falls to 10 per cent by age 70–4.

f For those aged 60–4; falls to 3 per cent by age 70–4.

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Data about *caring responsibilities* were also collected in the 2001 Census and show that almost 18 per cent of all men aged 50+, and almost 25 per cent of women in this age group, are carers. Asked whether their health was ‘good, fairly good or not good’, only a little over half of men and women aged 50 to state pension age described themselves as ‘in good health’, while 14 per cent of women and 15 per cent of men said that their health was ‘not good’.

In the next chapter, we consider life outside work for people aged 50+, with particular reference to the group aged 50–75.

3 Life outside work for men and women aged 50+

For many people, life between the ages of 50 and 75 is a period in which they are just as able to be active as they were previously, but in which family roles, household composition, leisure pursuits and other unpaid roles such as volunteering or learning are subject to change. Gender continues to be a key factor mediating experience and attitudes in this life phase (Barnes *et al.*, 2004).

During this period, those who are parents usually see their roles change. With the exception of those who are parents of a disabled child, they shift from having the daily responsibility of caring for their co-resident children, to roles involving guidance, financial help, practical activities, and friendship and emotional support for children who have become adults. Many people become grandparents between the ages of 50 and 75, and, where geographical proximity permits, may once more take on the care of young children, either regularly or occasionally. The variety of ways in which grandparents interpret and enact their roles is discussed in the literature, which suggests that, while grandparenthood is often a source of pleasure and satisfaction, for some it is also a demanding role taken on out of necessity or obligation (Dench *et al.*, 2000).

The period between 50 and 75 is also one in which many people experience loss and bereavement, and household composition frequently changes in response to this, as well as through the departure of mature children. This is the age at which people often experience the death of their own parents, but loss of a spouse or partner, especially for women, is also a common experience, and has profound effects on decisions and preferences about activities in later life. In fact, both living alone and living as a couple are common experiences during this life phase. For some, this is an important time for joint activities with a partner, while participation alone in learning, leisure, or travel is also a common experience. For many older workers, caring responsibilities develop, facing them with the challenge of 'juggling work and care' (Phillips *et al.*, 2002) (see the separate paper by Marilyn Howard for detailed consideration of this topic).

The report *Winning the Generation Game* (Cabinet Office, 2000) reported changes in rates of volunteering for different age groups during the 1990s, noting that rates had fallen among the 45–64 age group, in contrast to a rising trend among older groups. This was linked to high rates of sickness and disability and to the fact that people in work are more likely to volunteer than those who are not, while employment rates for men in their 50s had fallen. However, 77 per cent of the 50–65 age group were involved in informal voluntary actions, such as helping family or neighbours with shopping, or sweeping the pavement. Reasons for low levels of volunteering among the 50–65 group included: lack of awareness of opportunities; cynicism about

Government wanting 'something on the cheap'; an unappealing 'middle-class' image of volunteering; and anxiety about losing benefits or incurring expenditure. Some of these points were echoed by those consulted in preparing this paper. They argued that the paths between formal employment, voluntary work and education needed to be more fluid and flexible, allowing people to combine these activities in different ways.

4 Work–life tensions for the older workforce

The diversity of the older worker population, and the variety of life experiences and events that they typically encounter between the ages of 50 and 65, has prompted considerable academic and theoretical discussion of the restructuring of work and life. In a major international collection of work on restructuring work and transitions to retirement (Marshall *et al.*, 2001), the editors comment that:

... later life job changes can present new positive opportunities, but for many older workers, the loss of the career job has strongly negative implications for financial security.
(Marshall and Verma, 2001, pp. 231–2)

The theme of gender is also highlighted:

... women are becoming more committed to the labour market, but are more vulnerable than men if they seek re-employment following loss of the career job.
(Marshall and Verma, 2001, pp. 231–2)

The sources of work–life tension that affect older workers are in many respects similar to those that other employees encounter and few factors will be exclusively relevant to older workers.¹ However, common experiences and features of men’s and women’s lives at the 50+ stage include the following.

- The issues that arise when *caring and employment* are combined without the support of flexible working arrangements, especially for those whose caring responsibilities develop suddenly or quickly, or who find they have to give increasing time and energy to the person cared for. The 50+ group is particularly likely to be caring for frail elderly relatives, or for a spouse suffering from a serious disability or terminal illness.
- The ongoing parental role of those who have a *disabled child* (often now an adult) can be a source of tension in relation to employment, since managers or colleagues may assume that parental responsibilities have reduced at a time when, for this group, parental roles may demand even more time and energy.
- Frustrations when the demands of paid work conflict with a desire to spend time with *grandchildren*, whether as a pleasure in itself, or to support children who themselves need help in combining paid work and parenthood.

- A growing awareness that the *lifespan is finite* and that time may be running out for undertaking desired activities, such as travel or leisure pursuits, especially if these are long-term plans or dreams developed with a partner.
- Difficulty in continuing with the *fast pace* and long hours characteristic of some occupations and careers, or in dealing with bureaucratic requirements or *operational changes* from which the older employee may feel detached, or about which they may not have been consulted.
- Stress arising from *changes in work tasks or skills* where training is targeted at younger workers, and older workers feel their experience and skills are going to waste or that they are being sidelined.
- *Managing chronic illness* may come into tension with working life if older workers are not supported in making appropriate adjustments to working hours, work tasks, or other features of working life.
- Dealing with the geographical dispersion of family and friends.
- Handling the emotional demands of common life events – responding to illness or disability in the family, coping with divorce, the breakdown of the relationships of loved ones or bereavement.

5 Orientations to employment and attitudes in later working life

Orientations to work, for any age group, include a combination of factors: motivation, self-esteem, obligation, rewards and identity. These may be linked in different ways and, for older workers, tend to be influenced by previous experiences of employment. The place that work and vocational skills have played in their younger lives is highly relevant to the way work in later life is experienced, and to the type of 'work-ending' experiences people hope to have (Skinner, 2003).

Among older workers, motivations may range from: a mainly *instrumental* approach, focused on pay and wages and – where relevant – on how their continued employment may affect their occupational pension; satisfaction derived from *social contacts* within the workplace, especially important for women and for those who live alone; using *skills, capacities and expertise* that are relevant in the workplace but may have limited visibility or relevance outside employment; a *work ethic*, or set of values about work, in which it is felt to be right and good to work 'throughout one's life', while health permits; pleasure and *satisfaction* deriving from the nature of the work itself, or from the familiarity of regular work routines.

Older workers' attitudes and orientations to work have usually been formed in youth, and have been influenced by prevailing expectations about men's and women's working lives when they entered the labour market. Those now aged 65, if they entered employment in the late 1950s, had a very different early experience of the labour market, compared with those aged 50, some of whom had greater access to extended education, but started work in a period of rising youth unemployment in the 1970s. In the latter twentieth century, the lifelong male breadwinner employment pattern was beginning to unravel and, for women, engagement with paid employment was developing into the predominant pattern, even for those who were married and mothers (Yeandle, 2001).

As workers age, inevitably work ending gradually comes into view. A range of responses – acceptance, denial, adaptation – may follow, and strategic planning may sometimes be possible and chosen. However, the way this is experienced will be shaped by the extent to which arrangements at the end of working life can be planned and prepared for, or come suddenly, unexpectedly and unwanted, ahead of the expected time. Public policy needs to support those whose circumstances could not have been predicted and who need to respond quickly, often in difficult circumstances, to unexpected developments. Table 3 offers a range of categories into which older workers' experiences may fall. This is intended to stimulate thinking about the variety of experience, and about the range of policy responses needed, rather than to be a definitive or exhaustive list. Within it are some echoes of Vickerstaff's (2004) typology of retirement scenarios, which includes those: 'happy

and keen to retire'; 'forced, or felt forced to retire'; 'don't want to retire'; and 'blown off course'. The concepts of 'gradual', 'semi', 'early' and 'late' retirement also come into play here. For both individuals and organisations, clarity about which of the latter four alternatives to conventional retirement they hope to achieve will be important, and, after the age of 50, could be the focus of discussion during the regular review meetings that many organisations conduct with employees.

In Table 3, it can be seen that, partly as a result of their orientations to work, those employees who are in well paid and highly qualified employment typically have better experiences and more attractive options available. By contrast, employees at the bottom end of the labour market, with few skills and qualifications, have limited options, few of which are attractive.

Table 3 Schema of experiences of older workers

Category	Experience/orientation	Policy supporting work–life balance
<i>Career changers:</i> previously in well-paid, highly qualified post	Want to give something else a try, or to ‘give something back’; want a new challenge, think, ‘I’ve done my bit here’.	Lifelong learning. Access to training. Portable pensions. Vocational guidance. Age discrimination protection.
<i>Downshiffters:</i> previously in senior roles involving stress but rewarded with good pay	Tired of work pressures, want more time and less stress; accept a drop in income, a lower standard of living or changes to consumption patterns; opt for self-determination, being a more rounded person.	Financial information. Vocational guidance. Portable pension.
<i>Exit strategists:</i> a few found in most employment categories	Planners who often have clear retirement plans, often developed with a spouse or partner, who look forward to more leisure and freedom, and may want to assert control or to achieve ‘time sovereignty’.	Financial information. Secure pension. Phased exit/reduced hours options. Pension/part-time employment option.
<i>Rejected workers:</i> typically in lower paid and less qualified employment	Redundant older workers; those with obsolete skills; older workers in declining industries or firms.	Vocational guidance. Fair recruitment. Access to training. Pension protection.
<i>Reluctant quitters:</i> typically in lower paid and less qualified employment	Likely to quit job through their own poor health; expected to quit paid work as family or caring obligations mount.	Reduced hours working. Flexible employment options. Career break or extended leave option. Career support services. Dependable social care services.
<i>Identity maintainers:</i> previously in well-paid, professional posts	Choose to leave employment but carry on their work in a professional or skilled role in another setting. May have shifted to self-employment much earlier in life course.	Self-employment. Consultancy options. Pension/part-time employment options.
<i>Workers till they drop:</i> typically in lower paid and less qualified employment	Low pay and lack of assets make continuing to work essential. Likely to work in elementary occupations, to have few qualifications and to work until health fails or forced to retire.	Income guarantees. Health promotion. Information about pensions and tax credits. Lifelong learning – should not be ‘written off’ as incapable of progression or training.

6 Employers' perspectives on older workers

There is of course no single 'employer perspective' on older workers, and it is important to stress that, in the soundings conducted in preparing this paper, in other research and in the academic literature, there is evidence of both positive and negative images of older workers, and of good practice and bad. Some employers are developing and implementing constructive and innovative arrangements in the workplace, and work-life balance and flexible employment arrangements are seen, especially by some senior managers of successful companies (large and small), as important features of modern workplace organisation (Yeandle *et al.*, 2003). These employers have begun to value older employees for the accumulated organisational knowledge they have, for the role they can play in coaching or mentoring younger colleagues, and for the experience and expertise they offer. This is likely to apply particularly to those in managerial, professional or technical jobs, but is also relevant in many comparatively junior roles where well-honed 'people skills' are required.

Against this is a considerable body of evidence, from both employees and middle managers, that implementation of flexible employment policies is patchy, that lean staffing and modernised working arrangements sometimes offer little room for manoeuvre, even when a good case has been made or when an employee is well regarded, and that some managers and employers have concerns – which may be little more than prejudices – about the performance and productivity of older employees (Phillips *et al.*, 2002; Yeandle *et al.*, 2002, 2003; Dex, 2003). Taylor (2004) has noted that employers' attitudes and practices towards older workers tend to vary over the economic cycle.

Recently, some employers and their representatives have also expressed concerns that age discrimination legislation, if interpreted as removing fixed retirement ages as discriminatory, may impose on them difficult burdens in managing the exit of older workers. Here a key concern is that performance appraisal systems, primarily designed to facilitate effective arrangements for reward and promotion, may need to be reshaped to identify evidence of underperformance or low productivity in support of a case for dismissing an inefficient older worker who prefers to remain on the payroll. Employers argue that implementing revised systems to negotiate employee departures that are desired by employers but not by employees may damage workplace relations and create difficult experiences for workers at the end of working life (Yeandle, D., 2004).

Of course, for some employers, 'flexible' jobs – part-time employment; working from home; working variable, compressed or reduced hours; jobs covering peaks in demand or enabling the employer to offer 24/7 service – have become key features

of workforce organisation (Yeandle *et al.*, 2003). Notable examples include jobs in retail, banking and finance and some parts of the service sector. Employers who have large numbers of staff in customer-facing roles report that older workers not only tend to be conscientious and customer oriented but also sometimes inspire greater confidence in those using their service – for example, for advice on financial matters – and that they bring life experience and maturity to emotionally demanding jobs such as in social care. There is no escaping the fact that many of these part-time, flexible jobs are low paid. This will be a continuing problem if, in the future, those already employed within these sectors are looking for career progression as well as part-time work and flexible working patterns, unless employers address the tendency for senior and better-paid roles to be offered mainly on a full-time basis.

Humphrey *et al.*'s research (2003) makes it clear that there is demand for flexible employment and phased exit from the labour force among both male and female older workers. As we have seen above, older workers may bring a range of different values, expectations and aspirations into the labour market, and we can expect an increased tendency to opt for flexible retirement if new rights and opportunities become available. Organisations will need to deal with two difficult issues if they are to meet this demand and enable those who want a gradual and managed retirement process to achieve it. First, they will have to address 'double standards' at senior levels, where very senior managers, delivering on demanding agendas, are routinely working very long hours, and where a link is perceived across the workforce between working very long hours, being a committed employee and performance/promotion. The more progressive employers are already asserting that opting for part-time, or entering a new type of work in later life must not close down avenues for development and progression, as these must be available if staff morale and commitment are to be sustained. Second, they will need to tackle the cultural shift needed to encourage middle managers to see requests for flexible working as offering opportunities to deliver work in innovative and better ways, rather than as another 'headache' facing them in their management of the work along 'tried and tested' conventional lines.

7 Job design for an older workforce

This chapter considers job design and flexible employment options, and how they could be used to support older workers. While some options will inevitably be the focus of individual decision making, here the concern is with how jobs might be reshaped, redesigned or reorganised to enable older workers to choose a pattern of working that suits their aspirations for other aspects of life. Attention is also drawn to what employers might do to make employment in their organisation more attractive to older workers, to reduce recruitment and retention costs, and to enable them to attract unemployed or detached older workers to work in their organisation.

Differences between types of employer (size, sector, core business, organisational structure and management style) mean that no single model will be suitable for all organisations. Public policy aspects regarding pension arrangements, regulation of employer–employee relationships and support for older workers are discussed in the following chapter.

Those older workers for whom continuing in full-time employment until a set retirement age is *not* the preferred option are likely to be considering questions of the following types.

- Why do I want to change my style of working or the work I do at this point? What else am I trying to accommodate or respond to in my life?
- Do I want to change my job, my career or my employer, or only one of these?
- Do I want to work shorter hours each week, or would longer periods of leave suit the other areas of my life better?
- How much do I want and/or need to earn from employment, and how will any changes affect my pension and my later-life financial circumstances?
- Who can I turn to for advice about how to manage the latter years of my working life?

If older workers are to retain a place in the labour force, employers need to be able to respond to these enquiries by offering options that permit flexible employment (these will be mainly about *job structure*), by ensuring that attitudes towards older workers are non-discriminatory and respectful of the dignity that all workers have a right to expect (these will be primarily about *organisational culture*) and to have thought about the future planning of how work is to be delivered (these are questions of *human resource management and workforce planning*).

Job structure

Employers today have a wide range of models to draw on in considering options under this heading. Options in widespread, although not universal, use include: part-time employment, job sharing, flexitime systems, ‘flexiplace’ and home-based working, special leave options and outsourcing work to contractors or consultants (which create opportunities to develop self-employment or temporary contract options).

Organisational culture

The way older workers are treated within the organisation – from the initial recruitment interview, right through to the ‘leaving do’, and encompassing all interpersonal encounters and informal practices in between – are crucial factors in ensuring that workplaces are attractive to older workers, and that they feel able to discuss their aspirations and any work–life tensions they experience, in a supportive environment. This involves high-quality management and effective management training, as well as the establishment of relevant policies. Indeed, some of the employers who are most prominent in their commitment to work–life balance argue that organisational culture is all and that policies are mostly irrelevant if the culture is right.

Human resource management and workforce planning

Many employers are already well aware of the importance of workforce planning and of putting in place effective arrangements for supporting those who are approaching decisions about retirement (Skinner, 2003). These employers access the support available through official agencies (see below), arrange for employees to receive independent expert advice about the financial, psychological and other dimensions of any decisions they are taking, and in some cases offer flexibility in employment arrangements for those who require it.

Thus the routes available to older workers include the following:

- *The self-employment route* – full-time or part-time – this could be in similar or different work. Some workers many find retaining some elements of their previous job and delivering them on a self-employed basis an attractive option, but this will be relevant only in some occupations and for many will not be feasible or desirable. It is currently clear that men favour this option more than women.

- Taking a lower-level, downgraded or *less demanding job* – the difficulty here is in the status implications for people accepting a more junior position in the organisational hierarchy. In some cases, workers will worry that reduced earnings in their final years of employment may have a negative impact on their pension. Policy developments relating to this are indicated in Chapter 8.
- A *different* job, but with the same status, perhaps removing direct line management, travel, or responsibility for budgets/meeting targets. This can give employers the chance to make better use of the accumulated knowledge and experience of older workers, and to redesign some jobs so that expertise is transferred, for example through mentoring, to younger employees.
- *Leaving* the employer – to move to a new type of work, which may only be available with a different employer. This is the option for career changers. Our soundings revealed examples such as moves from senior jobs in finance into teaching or nursing. Parts of the retail sector have made themselves attractive to older job applicants and steps could be taken to achieve similar results in a range of public sector jobs where there is a shortage of labour. This option may also be a solution for those whose job has become incompatible with their circumstances or health.
- Different *working hours* or a different *working pattern* – these could be in the same or a different job. Research has shown that many jobs can be delivered on a more time-flexible basis, although this is not possible in all types of work.
- Doing the work *in a different way* (such as home working for all or part of the week, or working flexitime) probably with the support of *suitable technology*. Although superficially one of the most obvious and easy-to-implement solutions, recent research highlights some of the problems that managers and employees can encounter here, and it is important not to oversimplify it as an option (Felstead *et al.*, 2003).
- *Temporary contract* or *portfolio* working. These terms indicate the ‘bottom’ and ‘top’ end of how this route can be experienced. The portfolio of contracts, which may be convenient and attractive as a late career option for professional and managerial employees, can seem more precarious and insecure to those for whom later working life concludes as a series of temporary contract jobs without certainty about continuity of employment, or about how things will turn out if personal or family problems arise.

8 Public policy issues

The discussion above suggests that older workers' opportunities for achieving their preferred work–life balance in later life are affected by a range of public policies. Relevant policy spheres include those relating to lifelong learning; to citizenship, volunteering and social inclusion; to pensions; to equal opportunity policy; and to specific provisions on age discrimination and a fixed or flexible retirement age.

In the international comparative literature relating to this topic, a number of important policy proposals and initiatives have been explored. Noting the popularity of early retirement schemes as a means of addressing high unemployment during the 1980s and 1990s, Auer and Speckesser (1998) have drawn attention to 'the difficulties of ending a favourable and expected labour market exit' once this has been established. Arguably Britain is currently dealing with such a problem. In the light of the above discussion of older workers' behaviour and attitudes, it is hard to argue with Penner *et al.* (2003), who have proposed the dismantling of 'the economic, legal and institutionalised barriers to more flexible employment arrangements for older workers'. Meanwhile Phillipson (2004) has drawn attention to the following issues:

- widening inequalities between the poorest pensioners and those with access to private and occupational pensions
- a lack of training opportunities for older workers
- persistent and damaging stereotypes about older workers' performance at work
- negative attitudes from line managers about the potential of older workers
- the need for support for all those involved in retirement decision making.

In a particularly useful review article, Taylor (2004) points out that governments and public authorities need to consider the advantages and disadvantages of each of the following policy options, all of which are in operation or have been tried in other countries:

- ending mandatory retirement
- introducing gradual retirement and re-employment schemes
- legislation and regulation on age discrimination
- awareness-raising campaigns

- employment and training programmes aimed at older workers
- support to employers and workers' representatives
- support to labour market intermediaries
- employment subsidy schemes.

Many of these are under consideration in Britain or have already been introduced in some form. Pensions review, age discrimination legislation, the Age Positive campaign and New Deal 50 Plus are just some of the evidence that Government is already 'on the case'. Government departments with responsibility for older workers or with relevant programmes include: the Department for Work and Pensions (DWP) – through both Jobcentre Plus and the Pension Service; the Department for Trade and Industry (DTI) – through its Age Legislation team, Regional Development Agencies, the Small Business Service and the Women and Equality Unit; the Department for Education and Skills (DfES) – via the Learning and Skills Councils and the Department's Extending Working Life Division; the Office of the Deputy Prime Minister (ODPM) – via the Social Exclusion Unit, the Neighbourhood Renewal Unit and its responsibilities relating to local government; the Cabinet Committee on Older People; and the Inland Revenue.

The National Audit Office (2004) review *Welfare to Work: Tackling the Barriers to the Employment of Older People* provides the most recent summary of official policy and activity in relation to older people who have become detached from the labour market. It noted that, while DWP has a strong focus on older workers, not all other departments were giving this group the same priority, and that some quite recent developments (e.g. changes to the in-work incentives for participants in New Deal 50 Plus) may have had detrimental effects. Key developments that are supportive of enabling older workers to access employment or retain their preferred position in the labour market include:

- New Deal 50 Plus, which had helped 120,000 older workers to find employment by December 2003
- the DWP Public Service Agreement target (for 2001–04) to increase the employment rate of older people, which appears to have had some independent effect
- PRIME, which has helped over 7,000 older people interested in setting up their own business

Older workers and work–life balance

- the Government's focus on age diversity and combating age discrimination, which will include legislation on age discrimination by 2006
- the reform of occupational pensions, allowing people to continue to work for their employer while drawing an occupational pension (by April 2006); raising from 50 to 55 the earliest age at which an occupational pension can be taken (from 2010); and, in public service pension schemes, raising the normal pension age to 65.

However, areas of weakness include:

- low awareness among the 50+ population of available programmes and support
- a limited focus on training and guidance for the over-50 group among Learning and Skills Councils (LSCs)
- no specific mention of older people in the 2003 National Skills Strategy
- patchy attention to addressing the needs of older workers within the Regional Development Agencies (RDAs)
- inflexibilities within New Deal 50 Plus
- uneven levels of skill and training relating to assessment and advice for older workers among Jobcentre Plus advisers.

There is thus a continuing challenge for public policy to connect these agendas and to bring them into focus alongside other emerging policy. Relevant issues here will be:

- policy relating to carers – an area that is particularly important for older workers¹
- policy shifts relating to welfare benefits (notably in connection with concerns about the rising costs of Incapacity Benefit)
- development of the right to request flexibility at work, which could potentially be extended to the 50+ group when it comes up for review in 2006
- wider strategies for achieving work–life balance
- a health promotion agenda that gives attention to occupational ill health and stress-related illness.

The focus in public policy has not yet made much use of the issue of work–life balance for older workers as a means of integrating these different policy strands in a very explicit way. A move in this direction could be beneficial, especially if work–life balance were to be promoted for this group as not just about enabling older people *in employment* to accommodate their aspirations to find time and space for non-work roles and responsibilities, but also to identify the importance of ensuring that those *currently detached from paid work in later life* can find re-entry points and flexible employment options. This would allow the large group of over 50s who would like to find paid work (estimates suggest between 700,000 and one million people are in this category) to achieve the work–life balance they too would like to choose.

Achieving a coherent approach, which recognises the diversity of older workers and finds solutions that will benefit those in the lower ranks of the labour market, capable of serving older women just as well as older men, will not be easy. It will require the concerted efforts, and sustained collaboration, of Government, employers, trade unions, human resources specialists and third-sector bodies. There are only limited examples to date of these groups working closely together on this topic. As this paper suggests, however, evidence is now mounting that the rewards of success in this area, in terms both of the well-being of older people and of savings to the public purse, could be well worth those efforts.

Notes

Chapter 2

- 1 Data in this chapter are for England.

Chapter 4

- 1 I am grateful for some of these points to M. John Skinner, with whom many of these topics were discussed in the course of PhD supervision (Skinner, 2003).

Chapter 8

- 1 Support for working carers is the subject of a separate paper in this collection, which is why it has received comparatively little treatment here.

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Appendix: Organisations consulted

The following organisations discussed relevant issues with us in preparing this paper. We are grateful to them for the additional insights this provided. The conversations focused on organisational perspectives, and neither individuals nor organisations have been directly cited in the report.

- Centre for Policy on Ageing
- Confederation of British Industry (CBI)
- Department for Work and Pensions
- FiftyOn
- Rightcouts (HR Management and Consultancy)
- Saga
- Third Age Employment Network (TAEN)