Older Workers
Issues, Expectations and Looking to the Future
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Introduction

The expectations of older persons and the economic needs of society demand that older persons be able to participate in the economic, political, social and cultural life of their societies. Older persons should have the opportunity to work for as long as they wish and are able to, in satisfying and productive work, continuing to have access to education and training programmes. The empowerment of older persons and the promotion of their full participation are essential elements for active ageing. For older persons, appropriate sustainable social support should be provided.

Article 12 of the Political Declaration of the Second World Assembly on Ageing (2002)

The term older (or mature) workers could imply anyone over the age of 45 in part-time or full-time employment. It is for people of this age and upward that some mature employment agencies promote their services. It is estimated that the percentage of the New Zealand Resident Labour Force aged over 45 will increase from 33% in 2000 to almost 45% by the year 2040 (Open Polytechnic, 2000).

New Zealand’s workforce is comprised of people from diverse countries, cultures and backgrounds. It is important to acknowledge that older people are seen in different ways in different communities and this may impact on how older workers are treated within the workplace. Some of this is linked to a cultural context but for others, it may be societal.

In Māori culture, the elders of the tribe (Kaumatua/Kuia) often participate in their communities by supporting families and individuals, giving guidance and ensuring their passage of choice is a safe one. The elders have the mana and respect to fulfill leadership roles within their communities and are busy in their later years. They play an important role in traditional rituals and often teach in kohanga reo (Māori language
preschools) and on the marae.

In other Polynesian cultures, elders or ‘matua’ are also seen as people to be respected and their wisdom and leadership is revered. In Asian communities, older people have traditionally been cared for and respected, while continuing to carry out paid or unpaid work, particularly within a family business or in the family home.

Older people have sometimes been seen as ‘past their use by dates’ by people from other sections of the community and their skills and abilities have been overlooked at times by many employers.

Celebrating diversity in the workplace is becoming an important element of good business. Therefore, taking into account cultural and societal factors is crucial in recruiting, supporting and working in the New Zealand workforce of today.
What are the issues for older workers?
What are the issues for older workers?

“Older persons should have the opportunity to work for as long as they wish and are able to, in satisfying and productive work, continuing to have access to education and training programmes.”

This statement in the Political Declaration of the Second World Assembly on Ageing (Madrid, 2002) highlights the rights of older persons, but who supports the implementation of such a declaration? Dr Judy McGregor (2004), Equal Employment Opportunities (EEO) Commissioner with the Human Rights Commission, spoke of “a large unacknowledged and unheralded employment pattern amongst older New Zealanders. This is the idea that there is a pattern of life with work that is inextricably bound in giving lives meaning, material rewards and a sense of belonging.”

There are many issues facing older workers, including:

- discrimination
- unemployment
- health
- retirement.

DISCRIMINATION

Judgments based on age, and stereotypes about incapacity linked with age, are impossible for mature-aged people to combat because the judgments are not being made about objective skills, talents, or capacities for work. Instead they are based on a set of assumptions about which the individual has no control (Fallon, 2002, p. 87).

One of the major issues that older workers face is discrimination. This includes stigma, stereotypes and opinions that are difficult to change.
The majority of employers and employees disregard the issue of discrimination against older workers. Human Resource and Recruitment professionals surveyed in an EEO Trust report, *Recruiting Talent* (2000), identified older people as the group most discriminated against when seeking employment. They believed that their clients, the employers, reinforce discrimination over time by conditioning consultants not to push for diversity. This discrimination was seen as a major issue that needs to be addressed.

**UNEMPLOYMENT**

Finding and keeping work, as well as accessing training and promotion opportunities, can be difficult for older workers. They are often the first people approached for retrenchment and redundancy. While there are now employment services for mature job seekers, the chance of a jobseeker over the age of 55 gaining employment is small. The impact of unemployment on mental health and self-esteem can be daunting for anyone, but older workers may feel they will never be given the opportunity to participate in the workforce again.

"Who would want to employ me at 56, with many years of experience but no formal qualifications? My chances aren’t great even though I am really keen to still work."

56-year-old man

**HEALTH**

As people age, health may start to be compromised. Glasses and hearing aids can reduce sensory losses but, in the area of manual labour, capacity to do physical work can sometimes decrease. Moving to another part of the workplace or working between two areas may be options to reduce stress. Looking after both physical and mental health is important at all ages.
RETIREMENT

With compulsory retirement for most people no longer an issue, the question of when to retire can be either a challenging or an exciting one. The ability to plan and decide can be empowering. Considering a variety of options can be useful, whether cutting down to four days a week to have time for outside interests, or being able to work flexible hours or schedules (for more information see the What are the issues around retirement? section). For others, the financial implication of retirement requires that they stay in work longer than they would like to and this can have an impact on their wellbeing and performance.

“My company has a fabulous scheme where at ‘retirement age’ we can choose to go part-time – this could be half a week or half a year. I work fulltime half the year and spend the other half with my family – it’s perfect as I still enjoy my work and get a feel of self-worth.”

68-year-old man
What are the issues for employers?
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Some employers do not have a realistic overview of their workforce. They may be able to generalise that their workforce is ageing but are not fully aware of its actual status. This will impact on future workforce development, which is required for a business to be sustainable, and for skills and knowledge to be passed on where necessary. Having creative options for people who want to look towards retirement or semi-retirement is important. Careful planning can ensure that loyal, quality staff remain and are able to move to other careers within the same organisation. Some people will not choose, or actually be able to retire at 65 so options such as retraining, part-time and flexible work hours need to be explored.

There remains some reluctance on employers' behalf to recruit mature workers. Recruitment agencies and people in the community who hold the belief that the best worker is a younger person further reinforce this. Discrimination against older workers has created a biased attitude amongst many employers, especially when hiring new applicants. There is a perception amongst some employers (and the general public) that older people are less capable in the areas of technology, education, and obtaining new skills. As a result, there is a tendency to want to hire younger job applicants.

Issues for employers include:

- performance
- health
- training and up-skilling
- knowledge retention
- change
- technology
- retirement.
PERFORMANCE

Legislation prohibiting compulsory retirement has led to a reversal of some employers’ former approaches to performance reviews for older employers. Whereas those approaching 65 years were often left to ‘mark time’, with little managerial interest taken in their performance, now it is necessary to evaluate their work irrespective of age. If this is not done, some younger workers complain that their elders are treated more leniently than themselves. Regular appraisals also enable employers and workers to recognise training needs.

HEALTH

Employers are often concerned that older workers’ performance will be affected by poor health or disability that will cause them to stop work with little or no warning. These concerns can be alleviated by allowing staff time off for health checks and provision of information about the benefits of exercise and healthy eating. Consideration of alternative working conditions is also a factor in reducing workplace stress.

TRAINING AND UP-SKILLING

It is important that training and development is part of all employees’ career development. The belief that older workers don’t want, or cannot cope with, up-skilling, especially around technology, is a myth. The popularity and success of SeniorNet (see Resources and links section for more details) demonstrates the eagerness with which many older people have acquired computer skills. The increasing number of mature students at tertiary institutions indicates that many older people are retraining or up-skilling for current or future careers. It should be recognised that they may have different learning styles and training programmes can be tailored to accommodate them.
KNOWLEDGE RETENTION

One quality about older workers that is often forgotten is their general life experience and the knowledge they hold about the workplace, industry, business, and community networks. This can be an added advantage of employing older workers, or working through career transition plans to protect the organisation from knowledge loss. Older workers can be mentors and role models, provide stability in challenging times, and maintain a long-term overview of the company and of business relationships.

CHANGE

Many people do not like change in the workplace, as often it is not well communicated and they fear their jobs will be at risk. This can especially be the case with older workers who are frequently among the first to be asked to consider voluntary redundancy. Good change management plans, which provide the opportunity for staff to share the ownership of the change process and outcomes, can lead to a more supportive response from staff, whether old or young.

TECHNOLOGY

McGregor (2001) undertook a large study of employers' perceptions of older workers and found that older workers were regarded as dependable and productive. However, there was also a (mis)perception that older workers are change resistant and have problems with technology. Her report, *The Employment of the Older Worker*, which raises these issues around technology and, in particular, computerisation, suggests that older workers may simply have different learning strategies to which training methods can easily be adapted. For example, reviewing training needs and providing more time for learning may assist older workers to strengthen their computer skills if needed.
RETIREMENT

By 2051 the number of people in New Zealand over the age of 65 is expected to make up 26% of the population compared with 12% in 1999. The growth rate of the working age population in New Zealand is likely to decrease and become negative by 2041 (Stephenson & Scobie, 2002). This poses a challenge for employers. As the workforce and population changes, employers need to address the issues of older workers, in relation to both employment and retirement. It has been suggested that less than half of businesses in New Zealand actively seek to retain workers over 50 years (Hudson Report, 2004).
What are the issues around retirement?
What are the issues around retirement?

TRANSITION TO RETIREMENT

According to the *Hudson Report* (2004) less than half of New Zealand businesses have a formal process in place to transfer skills and knowledge internally when an employee chooses to retire. Transition to retirement is not just an issue for a worker but a significant issue that many employers are not considering seriously enough.

People come to retirement via different paths, for different reasons, and at different ages and stages of their lives. Many people assume that retirement is a time to look forward to and that the transition will be smooth and enjoyable. This is not always the case. A large number of people see themselves as defined by work, and feel that who they are is reflected by the work they do. This can make the transition difficult. Moen (2004, p. 2) suggests that “when we move through the transition to retirement, we know we’re not who we were, and often feel that we’ve lost our identity.”

People who have a high commitment to the work role and who place little value on leisure time are less likely to view retirement favourably. People who are more likely to make a successful retirement transition are those who are actively involved in service or voluntary organisations and have a positive outlook toward leisure activities.

“He didn’t know what to do with himself .... suddenly having all this time and not knowing how to spend it ... getting such casual part-time work has definitely eased him into retirement.”

*Wife of retired 64-year-old*

In a study conducted by McGregor & Gray (2003), findings show that older workers with strong outside interests were clearly being pulled
towards retirement when compared to those with more limited outside interests. It is clear that elements of life outside the workplace are more of a predictor of when someone is likely to retire than attitudes and perceptions about the workplace itself.

The study also noted that single or unmarried men have less reason to consider retirement because much of their social support is at work and psychologically they may struggle with retirement. Upon retirement, men can find it a challenge to engage in meaningful activity and form new connections with family and society. Many men have not prepared for retirement beyond financial considerations. These changes can alter their sense of meaning and affect their mental health. With such a changed lifestyle, men may experience isolation, depression and a sense of powerlessness over their situation.

Three issues that have been identified by George (1980) as influencing adjustment to retirement are:

• income – more positive adjustment is associated with higher income levels
• health - poor health often hastens a retirement decision and hinders adjustment to retirement while positive health increases positive well being in retirement
• social support - a marital relationship contributes to successful retirement adjustment.

Making the transition from employment to retirement can be difficult for both employer and employee. Developing programmes to help assist disengagement from the workplace can help the transition. Many retirement policies, however, see retirement as a singular event and not a complex process for which a designed programme is needed. Research suggests that men who in their pre-retirement years identify retirement
expectations and then act on these, can expect a good quality of life for six to seven years following retirement. Retirement expectations may include being financially secure, physically fit, in good health and enjoying interpersonal relationships.

**FLEXIBLE RETIREMENT**

Flexible retirement is the option to work towards full retirement through flexible working patterns. Some options employers offer to employees approaching retirement include:

- part-time working
- job sharing
- downshifting
- sabbaticals
- secondments and volunteering.

Note that downshifting in this context means gradually reducing workplace responsibilities over time. This could include changing jobs within the organisation, relinquishing a measure of responsibility or working in a less pressurised environment. Some companies also support sabbaticals; where employees are given time off to travel or to pursue further education. One organisation pays staff 80% of their salary over five years and in their fifth year they can choose to take the year off, travel, study or work in another area. This supports people to make real choices about the future and enables them to look at opportunities with some financial security.

The National Council on Ageing and Older People (2003), suggests that “a more flexible system of retirement could include phased retirement, involving a gradual reduction in the number of hours, days, or weeks worked in the years before complete retirement”. Flexible options are
increasingly supported by many sectors.

“Being able to plan retirement was more than just financial planning, it was about what would work for me and also my family ... good planning and decision-making was so important and being able to be open at work and have flexible retirement options made it much easier”.

69-year-old man

BEYOND RETIREMENT

The National Council on Ageing and Older People (2003) suggests that the aim of active retirement is to make it a meaningful and enjoyable phase of life by enabling people to meet and engage in educational, cultural, social and sporting activities. Once retired, it is important to create a well-balanced lifestyle between rest and both mental and physical activities, thus allowing for a transition from more physical to mental activities if necessary as time goes on.

Many people who have retired believe that their health and wellbeing improved after retirement because of less stress and having more time for pleasure and exercise. However, stress can also arise during retirement, from boredom, unplanned leisure time and limited freedom from a spouse. People often find that their actual experience of retirement differs from their expectations. For many people work has strong meanings - especially for men in terms of their masculinity and esteem - and sometimes retirement involves finding a renewed meaning and purpose.

A large number of older people contribute to voluntary work during their retirement years. Voluntary work can promote independence, health and overall positive wellbeing for older people. Volunteering New Zealand even has a special place on its website for 'young seniors' (see Resources and links section for more details).
Retirement can also have an impact on marriages and families. Married retirees may need to restructure their marital relationship because retirement can be a turning point in a relationship as well as in their daily life. When one spouse retires and the other carries on working, there may be a need to reorganise family roles and this can lead to the retiree sensing a change in status within the family.
Practical tips
TIPS FOR OLDER WORKERS

- Start planning – this may mean retirement, up-skilling, retraining or looking at creative options to work more flexibly.

- Take time to look at your life, your physical and mental wellbeing, and whether anything is missing.

- Take up new opportunities at work – health and safety groups, sports groups, work committees, and training.

- If you don’t understand something, ask. Not everyone learns the same way – it is more than likely someone else also doesn’t understand.

- Link in with mature employment services.

- Volunteer your services to local agencies.

- Consider your transferable skills.

- If you are having difficulty with vision or hearing get it checked. Most problems have simple solutions such as glasses or hearing aids.

- Rather than trying to continue all the activities you previously pursued, embrace the opportunity to bring new meaning to your life. What else would you like to do and how many unexplored possibilities are there for you to investigate?
TIPS FOR EMPLOYERS

• Consider the contribution of older people in your workplace.

• Get an overview of your business – not just from a financial perspective but also from a people perspective.

• Ensure job descriptions maximise chances of recruiting the best person for the position, regardless of age. State when you advertise that “people of all ages are encouraged to apply”.

• Review your employment systems including recruitment, promotion, career planning and training and development. Ensure good performance reviews are in place for all people at all times so performance doesn’t become an age-related issue.

• Consider your recruitment policies – do they encourage/support employment of older people or are they promoting ageism both in your company, and also by recruitment agencies.

• Look at your retirement planning programmes – consider flexible and creative opportunities for both the company and staff members.

• Become an employer of choice, where your staff are your best advertisement for recruiting new workers.

• Consider maintaining a pool of retired workers for use when casual, contract or temporary workers are needed.

• Create a work culture that builds a strong sustainable workplace, where succession planning is part of the bigger picture.

• Keep connected with retired staff through company occasions and newsletters.
Conclusion

Older people have an important role to play in our workplaces and community. Employers need to make changes in the workplace to recruit and retain valuable and experienced older workers in paid work. Within our ageing population, it is vital that older people are seen as an important voice and as performing a valuable role in employment and community issues. The experience and knowledge of older workers is valuable to many employers – but most of these workers also want some balance between work and other parts of their lives. The New Zealand Retirement Commissioner, Diana Crossan, has highlighted that older people are now in better health, living longer and expecting to work longer – either by choice or because of financial pressure (http://www.retirement.org.nz).

Retirement planning typically focuses on financial matters and use of increased leisure time but other factors can influence the success and satisfaction brought about by retirement. These include individual roles, relationships, self-esteem, and use of time, support groups and life structures. Where there are changes in any one of these factors, there are associated changes in each of the others, both for the retiree and for significant others.

Employers are now facing an important choice – do nothing and face staff shortages, decreased productivity and loss of competitiveness, or position business to capitalise on the social and economic challenges by recruiting and retaining staff of all ages (Equal Opportunities Commission, 2003).
Resources and links

- The Office for Senior Citizens www.osc.govt.nz
- The Ministry of Social Development www.msd.govt.nz
- Retirement Commission www.retirement.org.nz
- Age Concern New Zealand www.ageconcern.org.nz
- Grey Power New Zealand Federation www.greypower.co.nz
- New Zealand Institute for Research on Ageing www.vuw.ac.nz/nziral
- Grey Skills www.greyskills.co.nz
- Senior Net www.seniornet.org.nz
- Volunteering NZ www.volunteernow.org.nz
- EEO Trust www.eeotrust.org.nz
- Human Rights Commission www.hrc.co.nz

For further information and pamphlets about older people and mental health contact the Mental Health Foundation’s National Information Service and Resource Centre, phone 09 300 7030, or email resource@mentalhealth.org.nz


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