



EMPLOY OUTSIDE THE BOX

**The Business Case for Recruiting
and Retaining Mature Age Workers**

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The Business Case For Recruiting and Retaining Mature Aged Workers



As an employer you have ongoing challenges to attract and keep a well skilled and productive workforce. Skills and labour shortages, wages competition and a shrinking workforce are just some of the reasons for you to examine your employment practices to ensure that you can find your next worker. This practical guide has been prepared to present a business case as to why you should consider employing 'outside the box' when it comes to your next employee.

One significant and often highly skilled and work ready group currently 'outside the box' is mature aged workers.

The importance of retaining mature aged workers in the workforce has long been offered as a partial solution to labour and skill shortages. Yet relatively few businesses in industrialised countries have successfully adopted policies and practices to take full advantage of this opportunity. Australia, in common with most developed countries, has been warned for many years about looming labour and skill shortages caused by an ageing of the population. We need to understand that it is not "risky" to give mature aged workers more opportunities – it is risky if we don't! The ACCI publication, *Employ Outside the Box – the rewards of diverse workforce*, covers this in more detail.

What is mature aged worker?

There are varying definitions of a mature aged worker, some use 45+ others 50+, with an extension of range to beyond 75 years. There are, of course, differences in approach needed for each age group as their needs may differ. With this guide, we have tried to concentrate on the common issues.

Issues that confront particularly the more senior mature aged workers includes elements of health, retirement, stage of life, impending lifestyle changes & experience.



Diversity is Rewarding

Increasing the participation of mature aged workers will require action to overcome many of the existing barriers affecting their retention and recruitment.

The situation affecting mature aged workers has much in common with other groups 'outside the box' including those with a physical or mental disability, youth, indigenous or women returning to the workforce.

Adherence to a common set of employment diversity principles and implementation of good practices will place you in a far better state of readiness to take advantage of the skills and experience that many people in these groups can bring to your business.

Mature aged workers have networks, external interests and experiences (including volunteering roles) that can add value to your business. You should not overlook this valuable resource particularly if you have the opportunity to keep your existing mature aged workers involved.

We understand that the task of actually recruiting mature aged workers is not always easy and may require some changes in existing employment practices and mindset for some employers. Many questions arise when employers are asked to consider a mature aged worker: will they be more likely to need more time off for health reasons? Are they going to stick around? Will they fit in with younger workers?

In the face of mounting pressure from an ageing workforce, low workforce participation and ever present skills shortages, ACCI has taken the approach of examining the myths and barriers that challenge many employers when considering mature aged workers and suggesting steps an employer can take to resolve skills and labour shortages by taking advantage of the existing talent in the mature aged workforce.

Why you should consider mature aged workers

We have identified a number of reasons – perhaps you can add to our list with your own experience. **You can:**

1. Obtain a better return on your investment in human capital by retaining or recruiting the 'advantages' of significant length of service, investment in training and wealth of accumulated experience.
2. Tap into a source of skill & labour when current sources of labour supply become scarce.
3. Maximise the chances of you employing the best people for the job by considering mature aged job seekers.
4. Mature aged workers have networks, external interests and experiences that can add value to your business.
5. Benefit from a strong commitment to your business by mature aged workers who are often more loyal and stay with your business longer.
6. Respond to the changing age profile of your customers and the need to reflect this in the workforce. Be seen as part of the community by mirroring the community!
7. Acknowledge that mature aged workers are often the corporate memory with lessons of experience, often not recorded, available to be imparted to younger workers.
8. Market your business as a good employer by promoting diversity in the workforce and being seen to respond to emerging pressures to address organisational culture through making changes to your traditional human resource practices
9. Take advantage of government-funded financial incentives, provision of special training grants & support for job creation
10. Respond to changes to the operating environment, competitive pressures & economic circumstances affecting your business.
11. Become better at identifying and understanding any looming problems in your workforce and opportunities that could be developed and future workforce requirements.



What May Be Stopping You From Taking Action?



The barriers and influences that slow the pace of change in employment practices relating to mature aged workers are:

- The myths and misconceptions of mature aged workers.
- Not knowing where to start.
- Time pressures – with so many things to concentrate on in the business. The whole diversity debate may be viewed as being 'too difficult to deal with' given the management intervention required.
- Not seeing a need to address a particular group of workers or potential workers.
- Being worried about singling out a particular group of workers or potential workers.
- The rhetoric for embracing change has had little impact amongst employers apart from a small number of standout industry leaders.
- Concerns that the mature aged workers may not be able to adapt to changing technology.

Often the extended time spent out of the workforce by a job seeker becomes a major issue of concern to an employer when assessing the suitability of the employee/job seeker for the position and leads to repeated rejection.

Some mature aged jobseekers may have already left work and be planning on enjoying their retirement. But changing economic conditions, lifestyle changes or just the need to keep busy and engaged can mean that they are looking at re-entering the workforce.

A significant proportion of the barriers identified from an employer's perspective relate to the impact of stereotypes and incorrect perceptions on the mature aged worker's 'suitability for the job'.



Myths and Misconceptions

You may need to reconsider beliefs and attitudes that may exclude participation by mature aged workers in your workplace.

There are many myths and misconceptions about mature aged workers that are dispelled by real evidence from businesses already employing mature aged workers, some of these are:

<p>Health and fitness issues being of concern and doubts that they can cope with the demands of the job.</p>	<p>Many of the functional changes associated with growing older can be delayed or reversed through interventions involving training and many of the workplace alterations that address ageing-related need are of benefit to all workers, not only those who are older.</p>
<p>Too old/loss of productivity due to age/being inflexible/slow or unwilling to learn.</p>	<p>Older workers are considered to have more sustained levels of productivity throughout a working day. Research has shown that mature aged workers are responsive to training, especially flexible learning pathways. In some cases mature aged workers have missed out on formal training but experience must be taken into account in addressing the deficit.</p>
<p>Lacking up-to-date skills/low awareness of ICT & technological developments.</p>	<p>Older people are the fastest growing group of internet users. Many have well developed technical skills and can adapt easily to new technology.</p>
<p>Expected length of stay in workplace too short to warrant employing.</p>	<p>Loyalty is a critical factor. Studies have found that over 45% of workers aged 45 or more intended to remain in the workforce until the age of 65-69. So they offer up to a potential 20 year investment for an employer providing training for them. By contrast, workers aged 30 to 39 remain with an employer for an average of 5.8 years.</p>
<p>Training out of date, education or training completed too long.</p>	<p>Many mature aged workers have well developed technical skills and can adapt easily to new technology. Additional forms of training (e.g. management and mentoring) can harness the valuable experience of older workers to benefit the business.</p>



Myths and Misconceptions

Even if you do not share these perceptions or beliefs, or if you are willing to tackle them head on, you need to be aware that if you outsource your recruitment that the recruitment firm may possess some of them. Research has shown that recruitment firms often fail to refer mature aged job seekers to employers or they 'filter out' mature aged applicants from additional stages of job selection processes.

Recent research by ACCI into mature aged apprenticeships found that most employers believe that mature age workers have much to offer. "Basically life experience, they know that that's what they want to do, they're just more mature" is one of the hundreds of positive comments about mature age apprentices made by employers in interviews conducted for this research project.

Many employers unanimously respect the attributes of mature aged workers that come with age and experience and it shows the value and benefits that mature aged workers bring to a businesses.

For workers or potential workers, entrenched attitudes towards retirement (social or peer views about an accepted age for retirement) form additional barriers which contribute to the virtual elimination of a valuable pool of potential workers.

Those retirees are often assumed to be satisfied with their current circumstances or satisfied with/accepting of their retirement situation.

It is worth being aware that many mature aged workers themselves are heavily influenced by entrenched attitudes towards retirement (social or peer views about an accepted age for retirement). It is expected of them!

Committed business leaders are essential to ensure that age-friendly practices are adopted in order to eliminate stereotypical attitudes and prejudices affecting the employment of mature aged workers. Policies and good practices should be recognised and adhered to within a business.

These should be combined with good communication and the involvement of staff of all ages.



How You Can Take Action

For the wellbeing of your own business and your ability to secure workers in the future, you should consider a commitment to change. It may take time but it is worth having sound policies and practices in place that can assist you in recruiting and retaining mature aged workers. You should also be prepared to consider any extra training or reskilling that mature aged workers may need, in much the same way you look at training for any new worker. For mature aged workers, there is often government funding available to employers to help with reskilling where necessary.

Although this guide talks primarily about mature aged workers, be aware of the danger of focusing policy & practice exclusively on a specific group (mature aged workers) as this may stigmatise this group and raise potential concerns about discrimination. A holistic human resource strategy of life-long education & remedial measures can be effective for avoiding intergenerational friction. In reality, many of the employment practices that benefit mature aged workers benefit all workers.

Be aware that there are hidden costs of age discrimination and that they can lead to the loss of workers in all age groups, particularly mature aged workers.

There is value in spreading management activity over the full range of diversity issues in order to lessen the chances of certain groups in the workforce feeling marginalised.

To achieve changes in your workplace you may need to address perceptions of the value of mature aged workers - mature aged workers should be considered for positions in the context of their individual abilities and capacities - and the challenge of contributing to the promotion of cultural change in the way that the community perceives mature aged workers.

It is recommended that your planning and implementation actions are well considered and flexible, and in the case of retention strategies, encourage early involvement of the mature aged workers themselves as well as general communication of any policy changes with all employees.



Getting Started

Here are some useful steps that you can take to develop a strategy to recruit and retain mature aged workers:

1. Review whether organisational culture (current personnel policies & management style) affects the employment of mature aged workers and therefore may need to be changed.
2. Identify what alternative jobs or flexible arrangements (i.e. shorter hours, different start and finish times, additional unpaid or purchased leave) can be offered to encourage retiring workers to keep working or entice mature aged workers back into the workforce.
3. Ensure that any changes to the culture of the organisation benefit the business as a whole and do not lead to the loss of key younger employees.
4. Communicate to all staff the reasons for and value of the business broadening its approach to employment.
5. Don't create age clusters, involve other generation groups where necessary to achieve greater harmony between groups.
6. Introduce age-awareness training for HR personnel, managers & other key personnel.
7. Support individuals or groups of staff who want to develop initiatives to combat age barriers.
8. Encourage pre-retirement workers to pass on knowledge and competencies to other employees thus ensuring succession planning and minimising loss of 'corporate knowledge'.
9. Remove ageist barriers in language, processes and policies that might hinder retaining or recruiting mature aged workers.



Steps To Take To Keep Your Mature Aged Workers

There are many steps that you can take to help you keep existing mature aged workers for longer, so that you keep their valuable skills and don't have the cost and productivity drag of having to first recruit and then train new staff. The first step to take is to gather accurate statistics on the age structure/profile of your workforce as the basis for an assessment of future workforce needs, including where emerging problems and gaps such as skill shortages may lie. This will give you an idea of any future workforce issues arising from the attrition of mature aged workers retiring.

Once you have identified those workers that you believe may be thinking about retiring in the next 5 - 10 years you can start talking to them about their plans for retirements and whether they may like to stay on in work, possibly with more flexible arrangements and how you may assist them to stay involved.

This provides you with mature aged workers who are fully aware of their options and thus more capable of making decisions on whether to remain involved in work in a productive capacity.

Other steps you can take are:

1. Establish an Employee Advisory/Action Group comprising older workers to contribute to policies & programs and involve older workers in discussions about how to overcome age barriers.
2. Promote the benefits of employees in the pre-retirement stage of their life having access to personal financial advice and retirement planning.
3. Offer Transition to Retirement plans that encourage a more gradual transition to retirement.
4. Offer older workers opportunities to negotiate flexible conditions, consider & select amended roles & to seek information & assistance for amended roles.
5. Consider workplace adaptations and amendments to allow for 'age management' issues necessary to accommodate older worker needs with the aim of improving the quality of workplace environment.
6. Identify sources of financial assistance for training, skills assessment and Recognition of Prior learning (RPL).



Recruiting Mature Aged Workers

Recruiting new staff can be both time consuming and costly for a business. Finding the right person with relevant skills and experience, a good work ethic and ensuring that they are likely to stay with your company are all important considerations when hiring. In many cases, a mature aged job seeker with well-developed skills, considerable experience and work ethic would fit the bill in any workplace.

Unfortunately, however, mature aged jobseekers often have considerable difficulty in securing work. There are steps you can take to help you secure skilled and motivated mature aged workers to fill your next vacancy.

These include:

1. Examine your current recruitment practices to determine if age management principles are applied correctly within the business in order to widen the applicant pool.
2. Ensure removal of age barriers from job advertisements, position descriptions & duty statements.
3. Adopt age-friendly/age-positive terminology in external & internal communications. (It may be advisable to seek assistance from your industry association on this).
4. During initial screening or shortlisting of applicants, double check to ensure that you have not applied any of the negative perceptions about mature aged workers in making your decisions.
5. When outsourcing recruitment use specialist age-friendly recruiters or specify that suitable mature aged workers are not to be excluded.
6. Take advantage of the services provided by Job Services Australia for providing job-ready/job-suitable applicants.
7. Unsuccessful, but potentially suitable, candidates could be encouraged to consider participation in return to work coaching, resume preparation & job seeking skills programs as well as accepting the value.



Good Practice In Age Management

Once you have taken the earlier steps it is worthwhile to assess what you have achieved.

Good practices should include appropriate retention and recruitment strategies to cover those who have left the workforce as well as offering attractive roles and working conditions for employees who might otherwise consider retirement.

Emphasis is placed on flexibility of workplace conditions and suitable jobs as attractors for employees (noting increased opportunities for mentoring and training roles). Retention of experience should be a prime driver.

Good practice also comprises combating age barriers & providing an environment in which each individual is able to work towards achieving his/ her potential without being disadvantaged by their age.

Other key components are job recruitment and exit, training and development, suitable ergonomics and job design and positive attitudes towards mature aged workers.

If you feel that you have achieved great results from employing mature aged workers tell others about it. You can benefit from contributing to the counteracting of negative images of mature aged workers and false stereotypes and in promoting awareness of the benefits of retaining mature aged workers.



Where To Go For Help

Your first port of call should be your local Chamber of Commerce or Industry Association. These organisations may already have specific programs in place to provide assistance to employers or may be able to link you to other programs.

Visit the ACCI website (www.acci.asn.au) for the contact details of your State or Territory Chamber of Commerce or relevant Industry Association.

Your local Employment Service Provider or Disability Employment Services provider can help you in recruiting new staff as well as providing information on training options and some of the funding and incentives available to support you.

ACCI and its member industry associations have made some recommendations to government to make the task easier for you. See "Employ outside the Box" for more relevant information relating to the broader aspects of taking advantage of the talents of a diverse workforce.

CAMPBELL PAGE

ACCI has partnered with Campbell Page to assist members and industry in creating direct links between industry needs and the workforce. For more information contact ACCI on **03 9668 9950**.



Government assistance

There are a number of Government programs to help with hiring and retention of mature age workers. The Department of Employment administers the **Restart programme** which provides a \$10,000 incentive to employers to hire and retain mature age job seekers aged 50 and over who have been in receipt of income support for six months or more.

For more information visit:
www.experiencepays.gov.au

Corporate Champions are employers who make a public commitment to move toward better practice in employing mature age people. Corporate Champions receive a package of tailored support to help them achieve the better practice standards outlined in the 'Investing in Experience' Employment Charter.

More information on the Corporate Champions programme and our endorsed employers is available at www.employment.gov.au/corporatechampions or email corporatechampions@employment.gov.au.

Recruiting Mature Aged Workers

- Employment Service Providers
www.employment.gov.au/job-services-australia-jsa

Retirement Advice and Financial Information

- Centrelink Financial Information Service
www.humanservices.gov.au/business
- Commonwealth Financial Counselling Program
www.dss.gov.au/our-responsibilities/communities-and-vulnerable-people/programs-services/commonwealth-financial-counselling-cfc
- National information Centre on Retirement Income
www.nicri.org.au



ACCI MEMBERS

ACCI CHAMBER MEMBERS: ACT AND REGION CHAMBER OF COMMERCE & INDUSTRY BUSINESS SA CHAMBER OF COMMERCE NORTHERN TERRITORY CHAMBER OF COMMERCE & INDUSTRY QUEENSLAND CHAMBER OF COMMERCE & INDUSTRY WESTERN AUSTRALIA NEW SOUTH WALES BUSINESS CHAMBER TASMANIAN CHAMBER OF COMMERCE & INDUSTRY VICTORIAN EMPLOYERS' CHAMBER OF COMMERCE & INDUSTRY

ACCI MEMBER NATIONAL INDUSTRY ASSOCIATIONS: ACCORD – HYGIENE, COSMETIC AND SPECIALTY PRODUCTS INDUSTRY AIR CONDITIONING & MECHANICAL CONTRACTORS' ASSOCIATION AUSTRALIAN BEVERAGES COUNCIL AUSTRALIAN DENTAL INDUSTRY ASSOCIATION AUSTRALIAN FEDERATION OF EMPLOYERS & INDUSTRIES AUSTRALIAN FOOD & GROCERY COUNCIL ASSOCIATION AUSTRALIAN HOTELS ASSOCIATION AUSTRALIAN INTERNATIONAL AIRLINES OPERATIONS GROUP AUSTRALIAN MADE CAMPAIGN LIMITED AUSTRALIAN MINES & METALS ASSOCIATION AUSTRALIAN PAINT MANUFACTURERS' FEDERATION AUSTRALIAN RETAILERS' ASSOCIATION AUSTRALIAN SELF MEDICATION INDUSTRY BUS INDUSTRY CONFEDERATION CONSULT AUSTRALIA HOUSING INDUSTRY ASSOCIATION LIVE PERFORMANCE AUSTRALIA MASTER BUILDERS AUSTRALIA LTD MASTER PLUMBERS' & MECHANICAL SERVICES ASSOCIATION OF AUSTRALIA NATIONAL BAKING INDUSTRY ASSOCIATION NATIONAL ELECTRICAL & COMMUNICATIONS ASSOCIATION NATIONAL FIRE INDUSTRY ASSOCIATION NATIONAL RETAIL ASSOCIATION OIL INDUSTRY INDUSTRIAL ASSOCIATION PHARMACY GUILD OF AUSTRALIA PLASTICS & CHEMICALS INDUSTRIES ASSOCIATION PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA RESTAURANT & CATERING AUSTRALIA VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE



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