



THE AGEING WORKFORCE

A dividend to be leveraged,
or an HR problem to be managed?

October 2024

CONTENTS

1. Foreword by Lindsey Pollak
2. Introduction
3. The fastest-growing demographic – globally
4. Ageing populations and labour shortages – crisis or opportunity?
5. Why don't workplaces want older people? Or do they?
6. The case for older employees
7. Making multigenerational workplaces work
8. What companies need to do now
9. Conclusion: Supporting an age-inclusive workforce for a sustainable future
10. Contributors
11. Glossary of terms

4
6
7
14
18
21
24
31
33
34
35

FOREWORD

by Lindsey Pollak

When I joined the workforce in the 90s, the trajectory was very clear: having graduated, the formal learning phase of my career was considered pretty much done, and I was now entering a distinct earnings phase with the expectation that I would bow out at around 55 and devote what was left of my life to hobbies, travel, grandchildren, or whatever marketeers decreed retirees should be doing. The workforce at the time reflected these three phases: the Traditionalists with an eye to their pension payout, the Baby Boomers still climbing the career ladder and Gen X fresh out of college.

In three short decades, that model has been upended, not because Millennials and Gen Zs have joined the workforce but because people are working longer, whether through financial necessity or because longevity has been entirely redefined thanks to advances in medical science. Today, more Americans aged 85 and older are in the workforce than ever before, and in less than a decade, the first Gen Alpha (born in 2013) will be joining them.

The result is that, for the first time, we have five generations in the workplace, and that's unlikely to change. People are not going to go back to retiring at 55 anytime soon. The multigenerational workplace is here to stay, whether employers like it or not.

This is not just a matter of employee preference but a necessity, especially as many parts of the world are rapidly approaching an inflexion point where there are not enough young people to fill the available positions. This is already the case in traditional sectors that lack Gen Z appeal, such as insurance.

However, creating a more inclusive and successful workplace takes more than amending your retirement policy (although this would be a good place to start). Embracing a multigenerational workplace requires a shift in mindset, starting from the top. My advice to leaders committed to optimising generational diversity is to check your assumptions at the door. It's time to challenge long-held beliefs about what a CEO, a board, or a career path should look like. It's time to move past stereotypes about age



Lindsey Pollak is an internationally recognised expert on the multigenerational workplace and the author of four books, including *The Remix: How to Lead and Succeed in the Multigenerational Workplace*. She is based in New York.

and performance and create conditions that allow all employees to thrive at each life stage, opening a world of talent options and preventing skills and expertise from exiting the system too soon.

Creating those conditions means diversifying your network of voices, whether through listening tours or town halls or including the voice of every generation in your decision-making. This is crucial to creating organisational frameworks that provide optionality to people in different life stages. In my experience, far too many organisations take a win-lose approach to employee benefits. The result is that benefits like childcare support for younger parents favour employees at specific stages of their lives. But if most of your employees are no longer responsible for young children but increasingly have the responsibility of caring for their older parents, offering elder care in conjunction with childcare benefits would significantly enhance your employee value proposition. It doesn't have to be 'either-or'.

The other crucial piece of the puzzle is to help people find connections with each other. Stereotypes are divisive and dangerous, and age is no exception. Transformational leadership is the difference between a workplace that leverages each generation's unique perspectives, and one that pits generations against each other. A multigenerational mindset is the superpower of the future workplace, requiring leaders willing to challenge traditional career trajectories, embrace concepts such as reverse mentoring, and encourage a culture of learning, growing, and evolving that leaves no one behind.

In the words of Tech entrepreneur [Gina Pell](#), our collective goal, regardless of whether we started work when the telex machine was still a thing or whether we are teaching coworkers about AI prompts, is to 'be a perennial', someone who is ever-blooming: curious, up-to-date and collaborative.

Be like Gina. Be a perennial.

Lindsey Pollak



"People are not going to go back to retiring at 55 anytime soon. The multigenerational workplace is here to stay, whether employers like it or not." - Lindsey Pollak



INTRODUCTION



Sonal Agrawal

*AltoPartners Global Chair & Managing
Partner Accord India /
AltoPartners India*

To mark the United Nations International Day of Older Persons on October 1, we have put together a report that looks at how changing demographics are affecting the workplace. With longevity increasing in many countries, the 65-plus age group is the fastest-growing cohort, even in places where birth rates remain high. In many developed countries, longevity coincides with falling birth rates, ushering in an era where demand for skilled younger workers is already beginning to exceed supply.

This has important social, economic, and cultural implications for our view on retirement and employability across a wider age spectrum. While ageism is a very real issue, especially when overlaid by income, education, social standing, gender and race, many of our clients are already taking steps to extend the careers of older employees. Some are doing this proactively, others in response to a skills crisis. Either way, traditional working lifespans have expanded.

Forward-looking organisations are looking to older employees for solutions to everything from skills scarcities (most notably in mining, engineering, shipping and agri-business) to part-time demand for affordable talent (startups, private equity, family-owned businesses, board positions) and to cope with labour shortages (hospitality, manufacturing, healthcare, education, insurance and retail).

Leaders who take steps now to destigmatise age, foster intergenerational connections and implement upskilling initiatives will reap the benefits and contribute to more inclusive and harmonious workplaces that will benefit us all.

While this is a call for fairness and equality in the workplace, it's primarily a business conversation about the high cost of discrimination. There is, after all, something oddly paradoxical about discriminating against something that – if we're lucky enough – ultimately affects us all.

We hope that this report helps to guide those conversations.

*AltoPartners Global Chair & Managing Partner Accord India /
AltoPartners India*

THE FASTEST-GROWING DEMOGRAPHIC - GLOBALLY

When 58-year-old software developer Vern Six took to LinkedIn in March 2024 to share an interaction with a recruiter, he had no idea his post would attract over 2,600 comments and over a million impressions. He had clearly hit a nerve.

Six, who subsequently launched a LinkedIn group called Inclusive Futures: Combating Ageism & Discrimination! which now has over 1,000 members, said in his LinkedIn post that a recruiter had told him: "Your age makes people question why you haven't moved up to CTO or something. I can't pitch you to clients."

The recruiter's remarks reflect widespread reluctance to hire older people. And yet, the world's population is ageing rapidly. The United Nations says that the number of people categorised as older working age (55 to 64 years) is projected to surge from 723 million in 2021 to 1,075 million in 2050 and eventually to 1,218 million by 2100.

As Lynne Murphy-Rivera, Managing Director for the Americas at the Association of Executive Search and Leadership Consultants (AESC), points out, the ageing of the global population poses challenges for the world's economy:

"Where are we going to get the talent that we need to fill critical leadership roles? Why not go to the 50+ candidate pool? Why not, especially when they can bring expertise and value?"



In 2000, the number of centenarians in the world was 151,000; in 2021, it had risen to 573,000.

Spain's Maria Branyas Morera, the world's oldest person, was 117 when she died. The mantle has now passed to Japanese woman Tomiko Itooka, who is 116!



Ageism is stereotyping, prejudice and discrimination based on age. As with any identity-based prejudice, it works under the assumption that it is possible to judge someone knowing one thing about them - in this case, their age.

When we think about age bias, we often think of older adults. While it is true that ageism predominantly affects older adults, age bias can create misleading and negative perceptions of individuals at any age.

For excellent guidelines on changing the narrative on ageing, [click here](#).

GLOBALLY 150 Million

jobs will shift to workers 55 and older by the end of the decade

IN 2021 1 IN 10

people worldwide were aged 65 or above

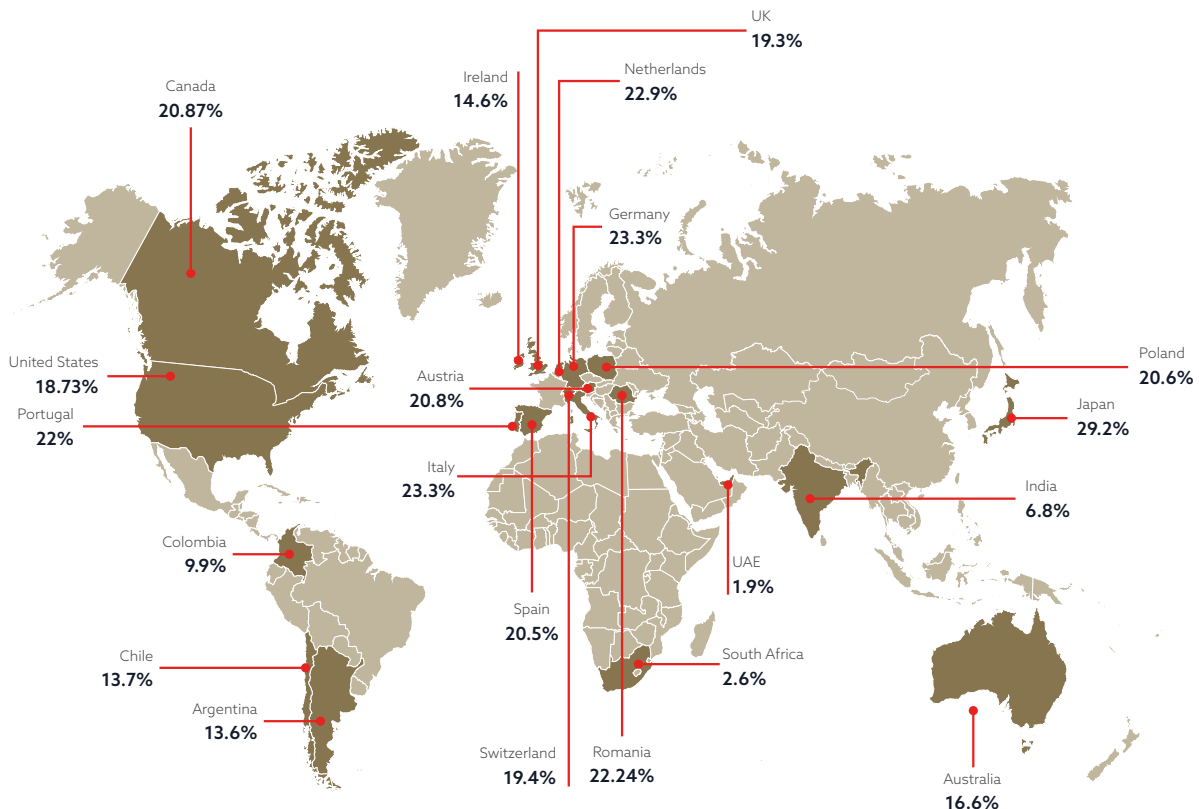
Demographic change: the statistics

Why not, indeed. One of the reasons may be that the literature on age and the workplace is filled with mind-numbing statistics. The figures differ from country to country and region to region, and the sea of numbers can be hard to navigate, but an analysis by management consultancy Bain & Company is a good place to start. The report delivers three sets of numbers worth considering:

- Globally, approximately 150 million jobs will shift to workers 55 and older by the end of the decade – a number that is not far short of the entire working population of the USA.
- In the Group of Seven countries, workers aged 55 and older will exceed 25% of the workforce by 2031, nearly ten percentage points higher than in 2011.
- In a global employer survey from 2020, AARP (formerly known as the American Association of Retired Persons) found that fewer than 4% of firms were committed to programmes aimed at integrating older workers into their talent system, with only a further 27% saying they were “very likely” to explore this path in the future.

This is despite warnings from the United Nations which says that demographic change in the 21st century is an irreversible trend. In 2021, one in ten people worldwide were aged 65 or above. In 2050, this age group is projected to account for one in six people globally.

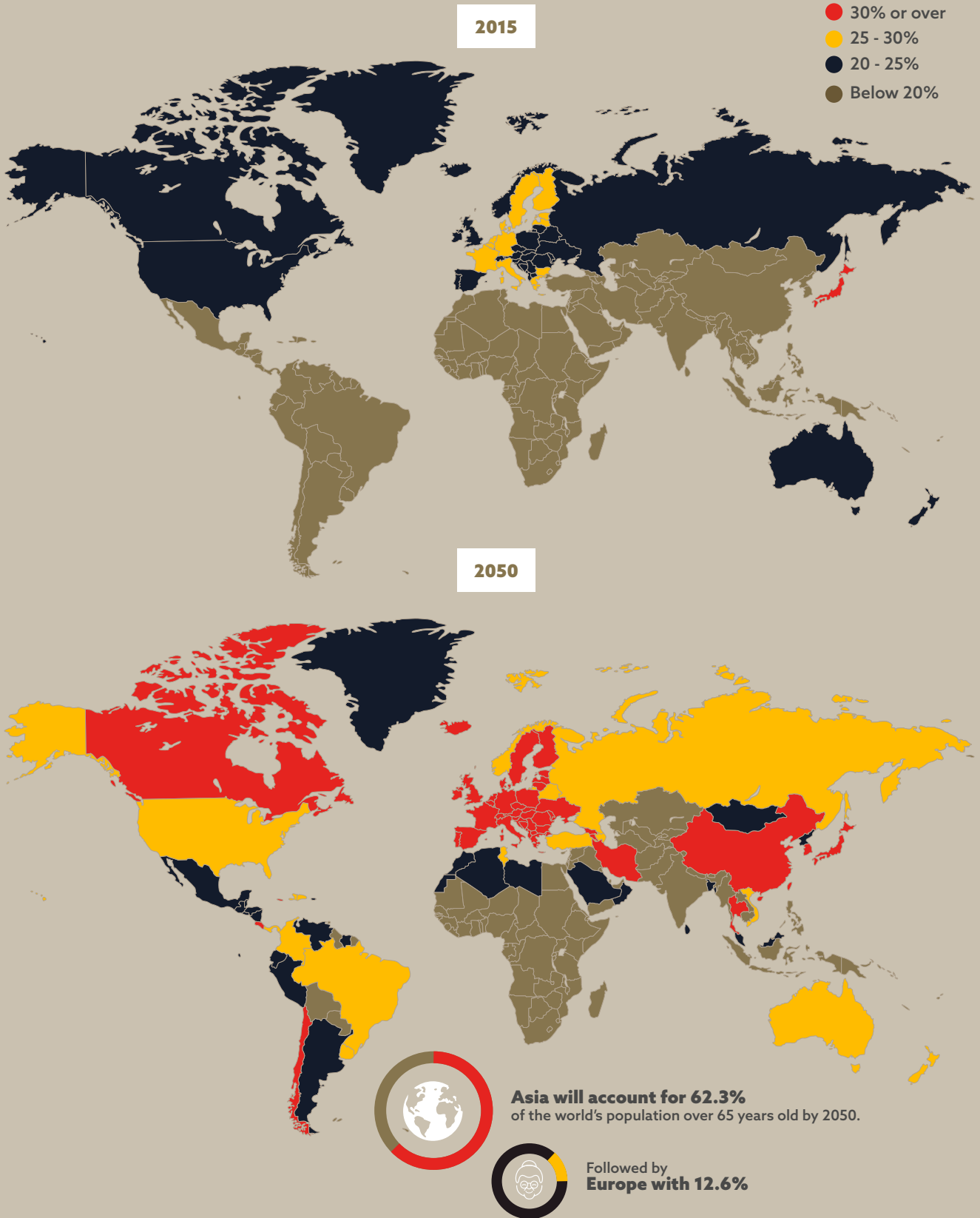
Percentage of the population over the age of 65 in the countries sampled in this report (2023)



Source: CIA World Factbook 2023

Middle aged spread: How the demographic picture changes in just 35 years

Where 20% or more of the population is 60 years or older

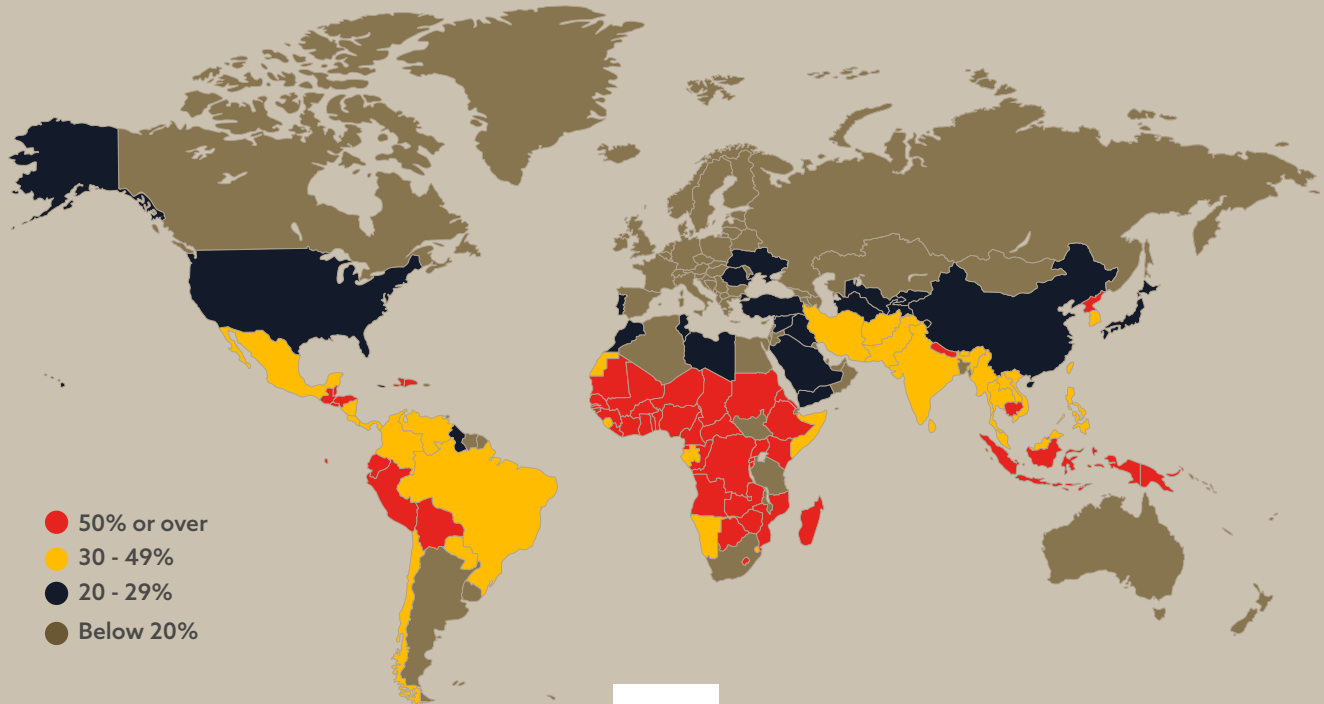


The shift from 2015 to projections for 2050 illustrates the geography of the world's ageing population challenge.

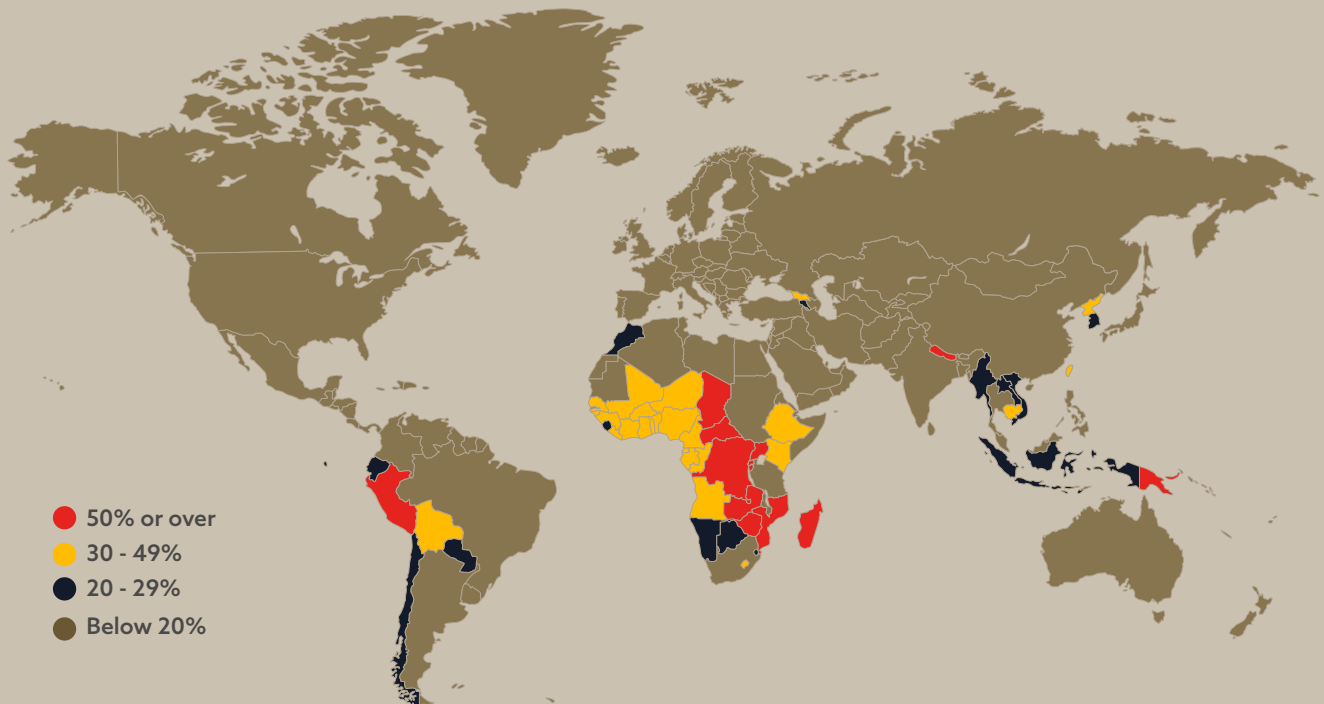
Workforce participation of older persons (by gender, 2017)

Where labour force participation of people aged 65 and older is at 20% or more

Male



Female



Markets with the fastest ageing populations have some of the lowest workplace participation rates of those aged 65+. Declining birth rates in these countries also mean fewer new entrants into the workplace, impacting on pension fund contributions and the fiscus.

On a regional or country level, the ageing of a population varies. In Asia, home to some of the oldest countries in the world – Japan and South Korea – people aged 65 + will account for **18% (or 800 million)** of the total population of the region by 2050, up from 8% in 2019.

On the other hand, Africa has the youngest population in the world, with 70% of sub-Saharan Africa under the age of 30. And yet, by the end of this century, Africa will be home to almost **40%** of the world's population, including a **15-fold growth** in older adults, from 46 million today to 694 million.

In Latin America, the economically active population will stop growing by 2030. According to the **International Monetary Fund**: "It is an important change as this share had been growing until now, enabling the labour force to grow 0.5% per year since 2000."

This is a scenario awaiting all countries currently experiencing a demographic dividend, including India, South Africa and Argentina.

ASIA

65+ | 18%

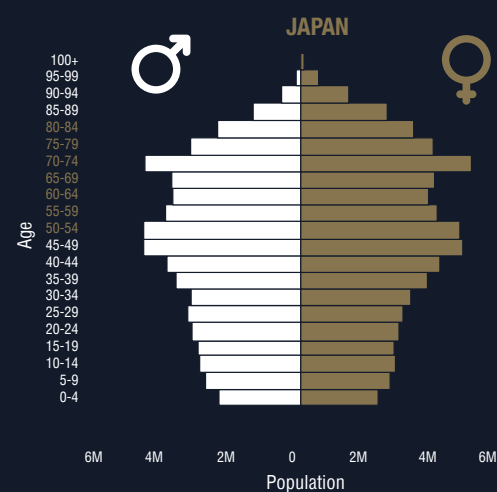
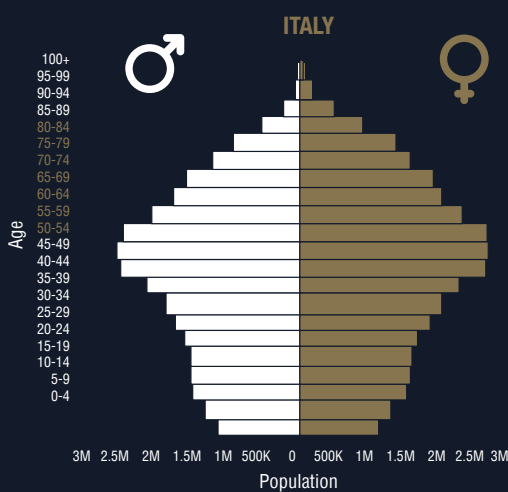
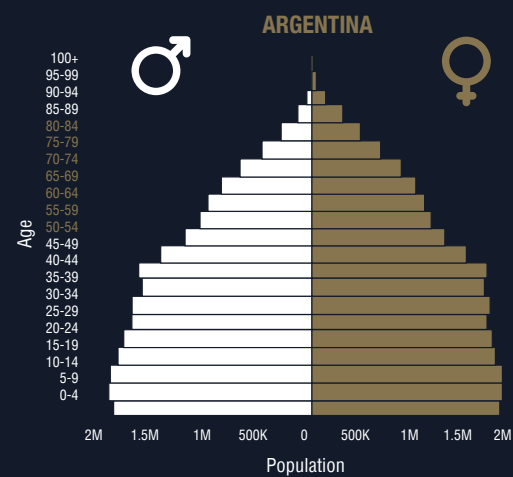
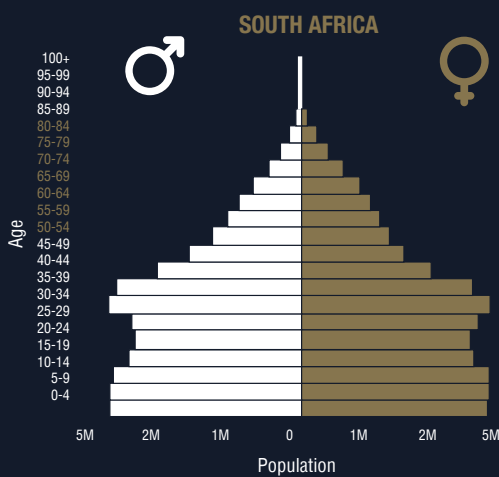
by the year 2050

AFRICA

has the youngest population in the world

70%

under the age of 30



Sample demographic graphs representing the structure of populations by age and gender. A wide base indicates a large cohort of young people (such as in South Africa and Argentina), typical of developing economies, compared to Italy and Japan, where older people outnumber the working age population. However, unlocking the demographic dividend of youthful populations is contingent on economic growth to create jobs, and an education system that can meet the skills requirements of the labour market.

GLOBAL LIFE EXPECTANCY

will increase from

73.6 YRS

in 2022 to

78.1 YRS

in 2050

GLOBAL HEALTHY LIFE EXPECTANCY

will increase from

64.8 YRS

in 2022 to

67.4 YRS

in 2050

Why is the world's population getting older?

Broadly, the global ageing of the population is driven by two factors.

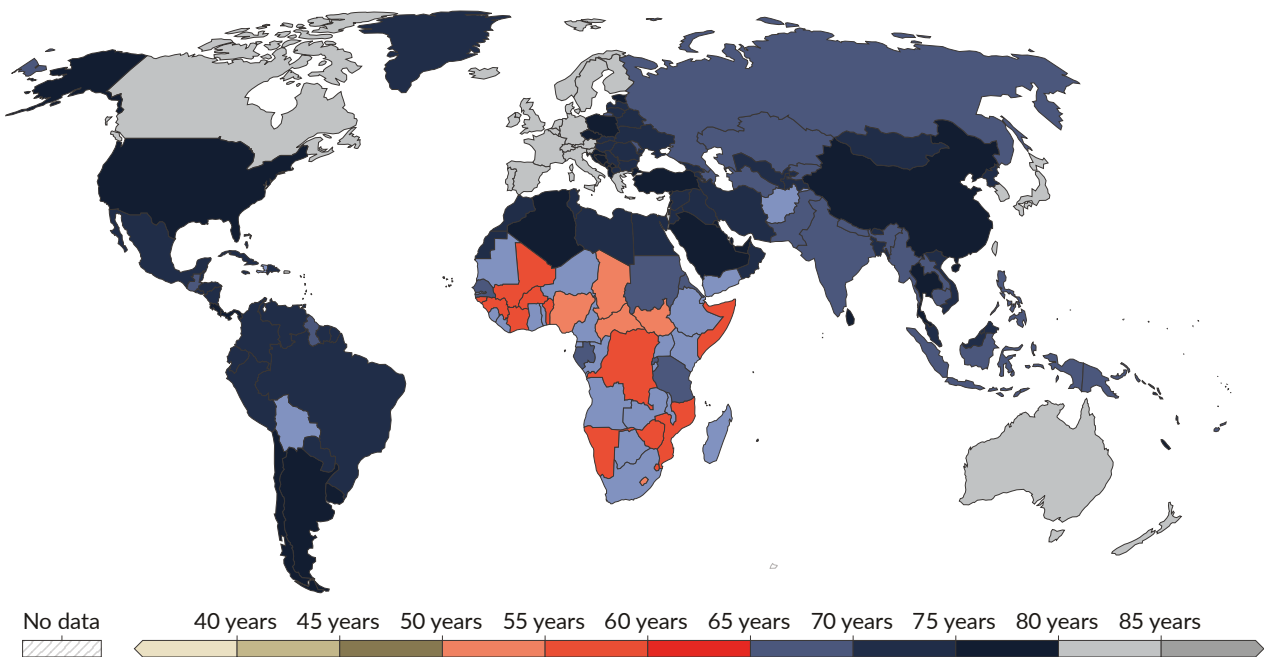
First, rising life expectancy. In many economies, improvements in healthcare and education levels contribute to people living longer and healthier lives. A 2024 scientific study by the Institute for Health Metrics and Evaluation forecasts that global life expectancy will increase from 73.6 years of age in 2022 to 78.1 years of age in 2050 (a 4.5-year increase).

Global healthy life expectancy – the average number of years a person can expect to live in good health – will increase from 64.8 years in 2022 to 67.4 years in 2050 (a 2.6-year increase). The trend is largely driven by public health measures that have prevented and improved survival rates from cardiovascular diseases, Covid-19 and from a range of communicable, maternal, neonatal, and nutritional diseases, the study says.

Secondly, while people are living longer, people across the world are having fewer children. A critical metric is the replacement fertility rate – the rate at which women give birth to enough babies to sustain population levels (assuming that mortality rates remain constant and net migration is zero).

Statistically, for a country's population to remain at stasis (i.e. for births to replace deaths on a 1:1 basis), the replacement rate should be 2.1. That rate also works in terms of the number of people entering the economy and replacing those who leave the economy as they age.

Average Life Expectancy in key regions (2022)



World average global life expectancy has increased from 48 in 1950 to 73 in 2020. While approaches to employment and retirement planning have changed in 50 years, those changes have not been rapid or radical enough to accommodate this shift in most countries.

Any country whose replacement rate is higher than 2.1 has a more youthful population, while any country with a number below 2.1 has an ageing population (and hence workforce). In 2024 the only countries who have a replacement rate of 2.1 are Indonesia, Myanmar, Peru, Venezuela and the US Virgin Islands. Elsewhere:

- The majority of Africa and LATAM, along with large portions of the Middle East and Asia, all sit above 2.1 (in varying degrees) with Niger having the highest replacement rate of 6.6.
- All of Europe, Australia, the UK, North America, China, Japan, pockets of Asia and even smaller pockets of the Middle East and LATAM are below 2.1, with Hong Kong the lowest at 0.8.

PUT BLUNTLY...

in many parts of the world, not enough babies are being born to supply the needs of labour markets over time.



“In Japan, a lot of families don’t want to have children. Companies have policies about taking leave to have children, but women think taking a break will affect their future success. We do have childcare, but it’s probably not as good as it could be. And the average home size in Tokyo is very small – around 70 to 80 square metres. So, little dogs replace children. There are probably more dogs in baby carriages than children on the streets of Tokyo”.

- Waichiro Hayashi, Managing Partner of Hayashi Consulting / AltoPartners Japan

Replacement fertility rate in key markets (2024)

2.3	South Africa	
2.1 Replacement rate		
2.0	India	
1.8	Ireland	
1.7	United States	
1.7	Romania	
1.7	Colombia	
1.6	UK	
1.6	Netherlands	
1.5	Switzerland	
1.5	Poland	
1.5	Germany	
1.5	Chile	
1.5	Canada	
1.5	Australia	
1.5	Argentina	
1.4	UAE	
1.4	Portugal	
1.3	Japan	
1.3	Italy	
1.3	Spain	
1.3	Austria	

4

WORKERS 65+

have increased in the past two decades to

117%

WORKERS 55+

will grow

3 TIMES

times faster than the number of workers aged 25-54.



"In 2023, Switzerland extended the mandatory retirement age to 70, up from 65. Companies can decide on an appropriate retirement age for their organisation within this range."

- Regina Graf

*Managing Partner and Owner,
MPB Recruitment Group AG /
AltoPartners Switzerland*

AGEING POPULATIONS AND LABOUR SHORTAGES – CRISIS OR OPPORTUNITY?

All of this has consequences for business, and for the leaders of businesses.

In 2023, in a report entitled *Data Deep Dive: The Workforce of the Future*, the US Chamber of Commerce took a downbeat view of the situation:

"Over the past two decades, there has been a remarkable 117% increase in the number of workers aged 65 or older, and it is projected that the number of workers aged 55 or older will grow three times faster than the number of workers aged 25-54. As these older workers eventually retire, businesses will encounter challenges in filling job vacancies with a less experienced workforce, potentially exacerbating the shortage of workers to support the expanding economy. Consequently, the nation... will be tasked with providing care and support for a growing number of elderly Americans."

These themes come up again and again: an ageing workforce that retires out of the working world, a shortage of younger workers (or, at the very least, a shortage of younger workers with the skills that employers want and need), and the economic burden that individuals and countries will carry as they care for a cohort of elderly people, many of whom will be dependent on the state, or on their families. Add climate change into this mix, and even those who work hard to pay off mortgages to ensure a secure old age are only one wildfire or flash flood away from losing everything. The joint risks of an ageing workforce and climate change could plunge even the most developed country into an economic crisis, overnight.

Retirement – the first piece of the puzzle

A critical part of this paradigm is the assumption that older people will retire from the workforce at a particular age. Some countries and many companies have mandatory retirement ages, generally around 65.

The idea of retiring is well-embedded in global culture. People have been retiring from their workplaces ever since the concept was invented, apparently by German Chancellor Otto von Bismarck in the 1880s. One source says that Bismarck decided to pay citizens aged 70 and older to leave the workforce voluntarily to stave off an uprising by young, unemployed Marxists.

This was straight out of the playbook of Augustus, the founder of the Roman Empire, who instituted a pension programme for a select group of Roman legionnaires (who had served 20 years in the military) to prevent retired soldiers from revolting against the Empire.

The current demographic challenge is not just the fact that a major demographic (Baby Boomers, born between 1946 and 1964) has either reached traditional retirement age or is nearing it. In every country (apart from those experiencing civil unrest and war), life expectancy is rising. In many countries, people simply can't afford to live that long, which is why governments are pouring resources into initiatives aimed at keeping citizens in the formal economy for longer.

Shortage of young talent – the second piece of the puzzle

The challenge lies in the fact that in many developed economies, the cohort of younger people who would eventually have stepped into the shoes of retirees is shrinking. Some numbers worth noting:

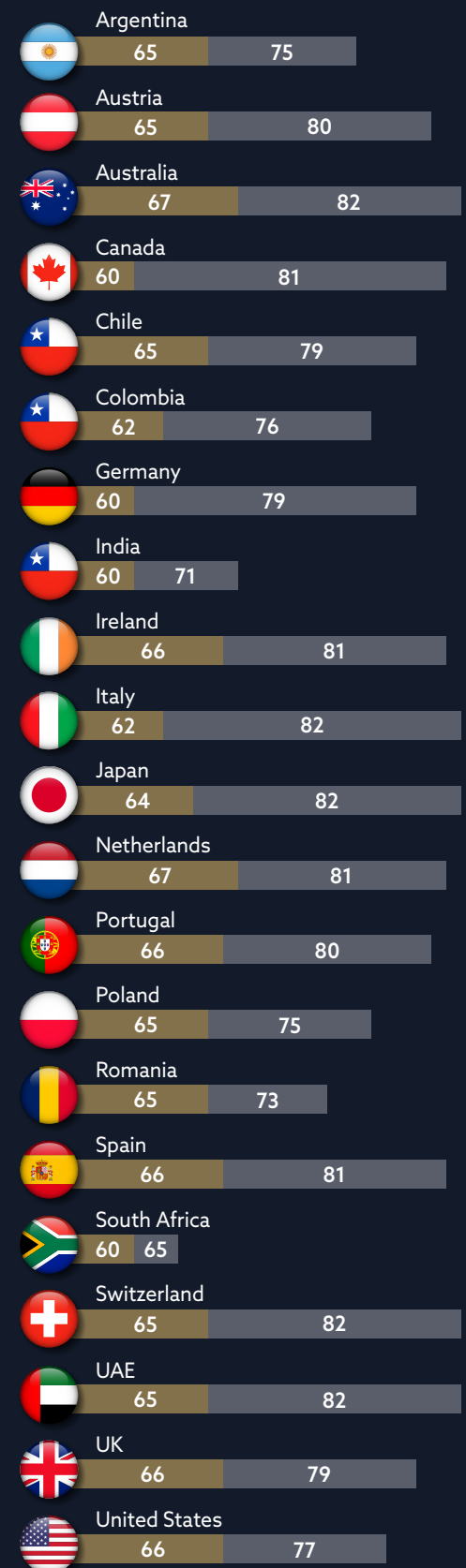
- In January 2023, the Federal Reserve Bank of Atlanta reported that there were 1.7 job openings in the US for every available worker. "A retirement boom coupled with a shrinking pool of younger people means the labour force is not replenishing itself."
- In 2023, over half of German companies reported that they were struggling to find skilled workers to fill vacancies, according to German Chambers of Commerce reports.
- In Japan, the country's low birth rates and rising life expectancy have reduced the domestic workforce (those aged 15 to 64 years) to 59.7% of the total population.

The World Economic Forum says the Covid-19 pandemic worsened demand-supply imbalances across numerous industries, and sectors like accommodation and healthcare continue to experience a shortage of skilled workers. Indeed, in Europe especially, Covid-19 was the catalyst for many senior executives and professionals to reevaluate their priorities, and take early retirement, further exacerbating the problem.

A June 2024 report by McKinsey, *Help wanted: Charting the challenge of tight labor markets in advanced economies*, surveyed labour markets in advanced economies and concluded that labour markets are among the tightest in two decades. This is "not merely a pandemic-induced blip but rather a long-term trend that may continue as workforces age".

The report compares job vacancies with numbers of unemployed job seekers as a measure of labour market tightness: if there are more vacancies than unemployed people, that indicates a shortage of labour. The number of job vacancies per unemployed person increased by more than four times on average between 2010 and 2023, and by almost seven times in the USA.

Average retirement age vs average life expectancy for men (2024)



THE NEXT 2-3 DECADES

Current and future generations of African children and youth might represent over

40%

of the world's working-age population



"There are new or sunrise industries (energy transition for example) where there's not enough developed talent readily available at any level. That continues to be a challenge worldwide. And at the entry level, we have a great number of graduates and there are some schools that give a very solid grounding, but not all of them are of the same quality. The problem in India with supply is employability and the skill sets that people have developed through their degrees, which can be patchy."

- Sonal Agrawal

AltoPartners Global Chair & Managing Partner at Accord India / Alto Partners India

Solving the talent shortage

Solving the talent shortage is complex. One possible solution is digitisation and automation, with robots or AI implementation touted as ways to get things done.

But whilst adoption of automation is earliest among countries with the most imminently ageing population, it is worth noting that this creates problems of its own. Machines don't pay tax, and they don't contribute to pension funds. This is a problem considering that public pensions rely on a generational pact whereby the working age-cohort's pension contributions fund retirees' pensions. In China, *The Economist* predicts that the national pension fund will run out in 2035, by which time the pensioned population will be on a par with the entire US population.

Another solution is using immigrant workers from low-to middle-income countries. As Njeri Mwangi, Senior Futurist of the Institute for Futures Research at Stellenbosch Business School, writes, it is expected that within the next two to three decades, current and future generations of African children and youth might represent over 40% of the world's working-age population (between the ages of 24 and 65).

"While the fourth industrial revolution is promising a world of automation, machines and robots that may possibly fill the labour and skills gap in developed regions... it is unlikely that the need for a human workforce will be completely overridden within the next decades... human contributions will continue to be required even in a world of machines and automation, in the form of new types of skills and futures of work. Well-skilled African youth could be a potential beneficial talent pool," Mwangi writes.

While immigration is part of the suite of possible solutions at the macro level, there are things that companies can do to sustain a talent pipeline if they rethink their approach to recruitment.

The McKinsey report suggests that companies seek talent outside traditional sources. More unconventional talent pools include looking at often-overlooked groups, like recently incarcerated workers and those with gaps in their résumés.

The other overlooked group? People over the age of 50. The report recommends that employers offer more flexible work arrangements for people contemplating retirement alongside those they offer to parents of small children. They also advocate the leadership should shape retirement policies to encourage people to work beyond standard retirement ages.

Taking an AI and data-driven approach

In addition to these practical measures, Jamie Garner, Head of Transformational Leadership with The Inzito Partnership / AltoPartners UK, suggests that the question of the talent shortage in general should be reframed.

"People haven't necessarily really got their head around what their company's age profile potentially needs to look like depending on what they want to achieve," he says.

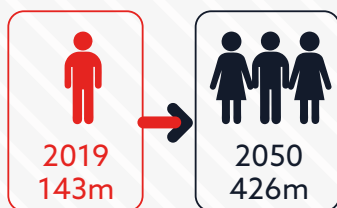
Pointing out that the world and workforces are now subject to rapid and disruptive change, he suggests that leadership teams should steer away from easy assumptions about the age profile in their organisations, or from believing that the best demographic profile is a younger one.

"The beauty of the world today is that data is so easily accessible. With generative AI, you've got the power to start to make sense of complex and large bodies of data. The analysis of that data can inspire better conversations about this really important topic: the age profile and how it informs talent acquisition, talent retention and talent reskilling."

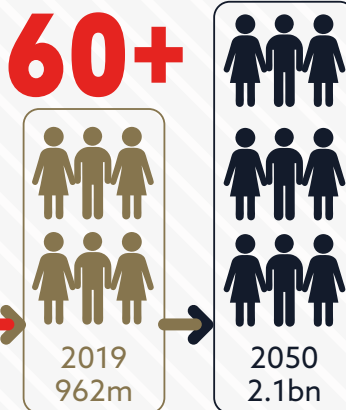
People should be looking for the hidden attributes of the people they already have: "Organisations need data around attributes, characteristics, values so that you can start to discern who has the talent to meet your goals, no matter what age they are. You're looking for the kind of people that can learn how to apply the techniques and tools that will allow us to innovate or deliver things more efficiently."

Modern ageing is a growing global opportunity

Number of people
80+ projected to triple by 2050 globally



Global population



CASE STUDY



Jamie Garner
Head of Transformational Leadership with The Inzito Partnership / AltoPartners UK

Five years ago, a multinational fast-food company was looking to determine the ideal candidate profile for running its outlets. By examining their data, they noticed that the best performing restaurants, particularly in the UK, had an older employee profile, that did not reflect the demographic of their customers. They found that their better performing restaurants were those with one or two older employees who operated in a way that was much more paternal or maternal – both towards customers and towards other staff. And while older staff members were harder to find and more expensive than students or part-time workers, they made up for it with high customer retention levels (which meant less spending on marketing) and lower turnover among staff. Typically, the company would have been churning through high rates of students or part-time workers who just didn't have anybody to look after them or to nurture them and having older staff changed that. There was a familial feel to the setup, which was quite different to their other, less profitable outlets. So, the question companies must ask themselves is: what's the age profile that's going to best help us achieve our aims and what's the skill profile that goes with it?

5

WHY DON'T WORKPLACES WANT OLDER PEOPLE? OR DO THEY?

The discourse about older people and their capacity to work has been at a fever pitch recently. United States President Joe Biden's July 21 announcement that he was stepping down from the 2024 presidential race came after months of debate about his fitness for office, with frequent references to the fact that he is 81.

As ageism expert Ashton Applewhite wrote for Next Avenue, the constant talk about the age of presidential candidates was wearying. But it served a purpose: "No matter who's doing the talking, no matter where they sit on the political spectrum, people are acknowledging the ageism inherent in asking whether someone's 'too old' to hold office. That's huge! Because ageism has gone largely unexamined until recently."

Dr Kavita Patel, a primary care physician in Washington, D.C., and MSNBC columnist, agrees. "Despite advancements in diversity, equity, and inclusion initiatives, ageism remains one of the last socially acceptable prejudices, not so subtly ingrained in our culture, media and institutions."

Her point is underscored by AESC's Murphy-Rivera, who says that at a recent conference, executive search consultants were asked about the average age of candidates sought by their clients. "One European region said they would go 50 and older. Everywhere else - China, the US, Germany, LATAM - they were saying 40 to 45 was the maximum age."

Claire Cronin, Managing Partner at Cronin Partners International Search / AltoPartners Ireland, says that in her experience, being over 50 at a senior executive level is not a significant issue when attracting a top person to another company. But if someone senior finds themselves unemployed after the age of 50, it is particularly challenging for them to get hired again, unless they are willing to take a drop in status/role/remuneration, and sometimes even that isn't enough to get them hired.



"Tax incentives for companies that hire (or even retain) older employees might help move the dial on labour shortages and offset the cost to company of older employees."

- Claire Cronin

Managing Partner, Cronin Partners International Search / AltoPartners Ireland

What are the stereotypes about older people?

According to the World Health Organisation, 1 in 2 people globally are ageist against older people (although it's worth noting that ageism can also be perpetrated against young people).

Dr Patel says that in the USA ageing is portrayed as something to be feared and avoided. The fear and avoidance centres around several stereotypes held about older people:

- Old age is **portrayed** as a time of frailty, cognitive decline, and reduced productivity
- Older people may be prone to unexpected setbacks (a cardiac event that lands you in the hospital)
- As people age, they become set in their ways.

Stereotypes like these are harmful. However, it's the prejudices that employers hold that most affect the employment chances of older people.

What employers think

A study by the Organisation for Economic Co-operation and Development (OECD) and global nonprofit network *Generation* surveyed 6,029 employed and unemployed people (aged 18–65) and 1,510 hiring managers in eight countries: the Czech Republic, France, Germany, Romania, Spain, Sweden, the United Kingdom, and the USA. The study found that

- Nearly 40 % of employers said they would definitely hire someone aged 20–29
- 47 % indicated they would hire from the 30–44 cohort
- 35 % said they would hire someone aged 45–54
- Only 13 % stated they would definitely hire someone aged 55–65.

Reasons for that reluctance were found to be:

- Employers perceived professionals older than 45 to lack both the drive and the openness to innovation possessed by their younger counterparts.
- Employers' core concern was the perceived inability of older workers to adapt to new technologies and learn new capabilities. Companies tended to favour candidates aged 30–44, believing this cohort to be more tech-savvy.
- Younger people are preferred when it comes to soft skills. More than half of the employers surveyed believed this cohort to be more impressive in interviews and to be a better fit for the organisation's workplace culture.

OECD SURVEY:

40%

of employers said they would definitely hire someone aged

20-29

47%

indicated they would hire ages

30-44

13%

stated they would definitely hire someone aged

55-65

The question of fit may also be related to the organisations' desire to mould employees, says Daniele Cuminale, Partner at TreviSearch / AltoPartners Italy.

"People in Italy would prefer to hire a young person, not only because they think they can pay less, but because they think that they can put them on a path, to shape their mind with the culture of the company," he says.

This ties in with an old argument against hiring older people or keeping them in the system longer because they are expensive.

Peter Tulau, Managing Partner, AltoPartners Australia, says that having an ageing worker demographic can be an incentive to "Greenfield" an operation. "Organisations, particularly in the industrial and manufacturing sectors, tend to unwind inefficient, legacy employment structures, which usually include accrued entitlements for older employees. They bite the bullet and reshape their organisations for the future, thus eliminating older workers."

But like all supply and demand dynamics, this must be balanced with the cost of competing for scarce, younger talent and with the cost of losing the institutional memory and strategic insights of older employees.

Although, as many of our partners pointed out, some older candidates do themselves no favours.

"I see two types of older candidates: those who have kept current with trends and the important tech advances in their sector and those who think that their experience alone entitles them to a job. This latter group typically has no curiosity about the positive impact of younger generations on the workplace. Instead, they are quick to criticise Gen Z and Millennials without making any effort to understand them. They are often bitter and resentful and will be the first to blame the lack of offers on their age," says Corinne Klajda of Accord Group Polska / AltoPartners Poland.



"For these candidates who approach us for help, my message is the same: age has nothing to do with it. Upskill, get current, be curious and ask what you can do to give back. There is more than enough work out there for people like this."

- Corinne Klajda

*Managing Partner, Accord Group
Polska / AltoPartners Poland*



THE CASE FOR OLDER EMPLOYEES

Research says that the ability to learn is not a one-size-fits-all matter as we age. *Scientific American* quotes physician John Rowe, a professor of health policy and ageing at Columbia University's Mailman School of Public Health, as saying that in their 40s, most people are cognitively similar. Divergences in cognition appear around age 60. By 80, "it's quite dramatically splayed out."

He says that spread of cognitive ability means that focusing on only those with poor brain health misses more than half the population.

There are good reasons to ditch ageism

Rowe's research shows that there are things that improve with age. The ability to resolve conflicts strengthens, and ageing is associated with more positive overall emotional well-being. Older adults are more emotionally stable than younger adults, and they are better at regulating desires.

Leslie Newbold, Director Special Projects, Diversified Search Group / AltoPartners USA, can attest to the power of stability. Citing the example of Judee von Seldeneck, Founder and Chairman of Diversified Search Group, and considered a pioneer of the American executive search industry, she says: "There's no better way than to learn from the top. We are all so thankful to have that support, tutelage and mentorship that Judee offers. A big part of this is the stabilisation that an older individual with all their life experience offers. Judee has been through so much; she's seen it all. And so, when things come up, there's a stability that she provides for us that 'we've got through this before, we can do this'. You can't put a price tag on that."

That emotional stability may be the reason older workers are more loyal, says Rome-based Trevisearch's Cuminale. "Young people change jobs often; an older person could be more reliable. They might be more likely to commit."

Recent research underscores this. A new report suggests that Gen Z are much more likely to look for a new job (64% are eyeing new horizons), while only 25% of Baby Boomers surveyed said they would be seeking out new opportunities in the coming year.

In broader economic terms, keeping older people in work promotes health. Harvard Health reports that:

- A 2016 study of about 3,000 people suggested that working even one more year beyond retirement age was associated with a 9% to 11% lower risk of dying during the 18-year study period, regardless of health.
- A 2015 study of 83,000 older adults over 15 years suggested that, compared with people who retired, people who worked past age 65



"When it comes to putting forward older candidates, age is behavioural, not chronological. If I sense resistance to a candidate based on their age, I remind [the client] that if Steve Jobs were alive today, he'd be 69. That usually settles it."

- Sandra Olive

Managing Partner, Bäcker & Partners / AltoPartners Argentina

STUDY: 83,000

people who worked past age 65 were about

3 TIMES

more likely to report being in **good health** and about **half as likely** to have serious health problems.



"I am convinced of the transformative power that older executives bring to companies and organisations. From my perspective as a 71-year-old, promoting senior talent is not just a matter of equity and inclusion; it is also a smart strategy to enhance organisational performance and foster an inclusive environment that values experience and wisdom. I'm so convinced that 50+ talent is crucial for the present and future of companies and economies in the world that I'm one of the founding members of a pioneering initiative in Chile: *Tálan*, a non-profit organisation that seeks to highlight the labour, social and cultural issues that face professionals and technicians aged 50 and over."

- Mario Mora

Founder & Senior Partner, Equation Partners / AltoPartners Chile

were about three times more likely to report being in good health and about half as likely to have serious health problems, such as cancer or heart disease.

- Other studies have linked working past retirement age with a reduced risk of dementia and heart attack.

Older people who work are less likely to be lonely – a leading cause of decline in old age – and more able to afford preventative healthcare, all of which means the cost to society of healthcare for older people could be reduced by rethinking the concept of a mandatory retirement age.

Older employees – the age-performance paradox

The OECD / Generation study found that the prejudices against older employees held by employers are unfounded.

The writers note that one of the survey's most important and positive findings (was) the 'age-performance paradox', or the gap between what employers said about older employees and what they actually experienced.

"Despite industry's persistent reluctance to give interviews to candidates over the age of 45, 89% of employers reported that the mid-career and older workers they had hired performed as well or better than their younger hires. These current employees aged 45–64 were also perceived to stay as long or longer (86%) and to learn as or more quickly (83%) than younger employees," the report says.

Rethinking hiring practices

Given that stereotypes about older people are just that – stereotypes – how can employers start to rethink their hiring practices?

The World Economic Forum advocates skills-based hiring. Pointing out that having a degree requirement for a job in the USA automatically eliminates 64% of working-age adults who don't possess a bachelor's degree, WEF says that by "assessing candidates based on their skills and abilities, rather than their academic qualifications, employers in industries where labour market conditions are still relatively tight can effectively tackle the issue of skills shortages".

Just as a bachelor's degree is not a predictor of competence, age is not linked to ability, says ageism expert Ashton Applewhite. "Age and ability are different. That distinction is fundamental. The current discourse conflates the two, making it far harder to get to the heart of the matter: is the person mentally and physically up to the job?"

WHERE ARE OLDER EXECUTIVES BEING HIRED?

Our global survey of consultants at AltoPartners showed that at executive level, age is often not a barrier. It's not uncommon for partners to present candidates in their late 50s or early sixties, particularly when companies need to fill a gap in their succession planning. Older executive-level candidates also find good homes here:

Fractional CXOs: Kunal Ghosh, Director and Head of Engagement, Accord India / AltoPartners India, says he has seen a fractional approach to filling senior posts whereby senior CXOs who may not fit from a compensation standpoint are "hired by a smaller organisation for perhaps one day a week. Other organisations hire that person on the same basis. That person gets what they want from a compensation point of view and can also mentor younger colleagues."

Start-ups: Start-ups – even high-tech ones – often prefer a seasoned executive with a wealth of skills and connections.

Interim management: Corinne Klajda (Accord Group Polska / AltoPartners Poland) notes that interim appointments can work well for older executives, who are valued for their strategic skill sets and experience in their field.

Particular sectors: Mario Mora, Managing Partner, Equation Partners Chile / AltoPartners Chile says: "In areas like mining, finance, audit, insurance, compliance, risk management, and legal, we place candidates well into their 50s or even early 60s."

The not-for-profit sector: Toral Patel, Managing Partner Accord India / AltoPartners India, says the not-for-profit sector is often happy to take on people of a slightly higher age who have relevant skills but would now be flexible in terms of compensation.

Family-owned businesses: These are naturally multigenerational environments, and age is far less of a consideration than cultural fit.

Boards: Across many countries, older executives are finding that positions on the boards of companies are a way to stay involved in the economy. In India for instance, Patel says people in their late 50s and early 60s are taking on as many as three or four board roles. "This gives them enough money to stay busy and maintain relevance in the market. There are a lot of senior people who are starting to look at that as a real option. And board roles in India are becoming more lucrative."



**The Greatest Generation:
born 1901-1924**



**The Silent Generation:
born 1925-1945**



**The Baby Boomers:
born 1946-1964**



**Generation X:
born 1965-1979**



**Millennials or Generation Y:
born 1980-1994**



**Generation Z:
born 1995-2012**



**Gen Alpha:
born 2013-2025**

Source: University of Southern California

MAKING MULTIGENERATIONAL WORKPLACES WORK

Some clear patterns emerged from our discussions with 20 partners across Africa, Asia Pacific, Europe, Latin America and North America. Successful multigenerational workplaces had nine key things in common, whether they had sprung up as a solution to a labour or skills shortage, or a desire to represent customer demographics, or pushback from employees who are not ready to retire.

These successful organisations had all viewed multigenerational workplaces as a strategic opportunity to be leveraged rather than an HR challenge to be managed.

Bäcker & Partners' Sandra Olive (AltoPartners / Argentina) sums it up: "Companies that celebrate the unique perspectives and strengths of each generation by promoting cross-generational opportunities for mentoring and learning tend to have a more inclusive mindset, and they are reaping the rewards."

One consequence of this approach, she says, is that many have begun looking at the structural issues affecting each generation, such as retirement benefits, healthcare, and remote work for older workers while examining childcare and student debt issues affecting younger employees.

1. They have ditched the three-phase 'learn/earn/retire' model

Traditionally, workplace policies were based on a 'learn, earn, and retire' career trajectory. This model developed in the wake of the Industrial Revolution and peaked in the twentieth century. It assumed that people would typically enter formal employment after university at around age 24, work until age 65, and then retire.

Organisations that have upended this model acknowledge two things: Firstly, people are not ageing in the way their forebearers did, and secondly, the learn phase has been extended, with many young people delaying the onset of independence either by continuing to live with their parents, taking breaks to pursue passion projects or studying for longer. The upshot is that, in the twenty-first century, it now makes more sense, says Dr James Lappeman of the University of Cape Town Liberty Institute of Strategic Marketing, to view the model in two parts. In the first life phase people learn and earn (age 0-50) and a second life phase (70 to 100+) where we progress gradually from active ageing to restricted ageing, and finally dependent ageing.

In the middle of these two phases is what has been dubbed 'the grey zone' – the period between 50 and 70 when people are transitioning from full-time earning to part-time retirement.

Forward-looking organisations are looking to this grey zone for solutions to everything from skills scarcities (most notably in mining, engineering, shipping and agri-business) to part-time demand for affordable talent (startups, private equity, family-owned businesses, board positions) and to cope with labour shortages (hospitality, manufacturing, healthcare, education, insurance and retail).

Even in European countries where candidates over 50 are more likely to experience pushback from clients compared to other regions, organisations have become more open to rehiring retired employees on a part-time, interim or consultancy basis to retain their skills and pass on knowledge to the next generations. In the USA, where it has been illegal to discriminate based on age since the introduction of the Age Discrimination in Employment Act (ADEA) in 1967, the runway for board positions and C-suite appointments has lengthened substantially in the last five years, says Diversified Search's Leslie Newbold.

Carol Leonard, Founder, Managing Partner and head of board practice at The Inzito Partnership / AltoPartners UK, agrees: "In the past, executives in their late 50s and early sixties would retire so that they had time to transition to a portfolio career as consultants and board positions. However, we now see executives staying in the C-suite for much longer, transitioning to portfolio careers in their 70s. People no longer fall off a career cliff at 55, and there is no longer the fear that you might leave it 'too late' to build a portfolio to see you into retirement."

In India and South Africa, which are both currently experiencing a demographic dividend, uneven and unequal education means that older employees are valued to help upskill younger cohorts with gaps in knowledge, either as part of a formal mentoring programme or job-shadowing designed to pass on the requisite skills. "Even in tech start-ups, which are more youthful, we are seeing a demand for older executives at CEO, CHRO, and CFO level to be a steady hand and lend the weight of their experience to young founders. This has given rise to the fractional CEO - older CEOs who work part-time for smaller companies that would ordinarily not be able to afford to hire them full-time," says Kunal Ghosh (Accord Group / AltoPartners India).

2. They actively strive for inclusive policies

One of the unintended consequences of the three-phase Earn/Learn/Retire model was that ageism became hard-baked into many organisational setups, either overtly in the form of mandatory retirement policies or covertly based on stereotypes of what 50+ looks like. These perceptions can be operational and strategic, from talent management strategies to job ads seeking "vibrant digital natives".

Dismantling ageism requires examining policies and practices to make them more inclusive. As Lindsey Pollak points out in her book *The Remix: How to Lead and Succeed in the Multigenerational Workplace*, policies or practices that discriminate against employees based on age are not only an obstacle to retaining talent but are also bound to fuel inter-generational conflict:



"The multigenerational workplace is the best way to make longevity affordable and, more importantly, bearable."

- Ricardo Bäcker
Founder Bäcker & Partners /
AltoPartners Argentina

"Companies should take a hard look at their current and future workforce to understand what they should be doing now to attract and retain key skills. This includes identifying barriers to employing older people, such as mandatory retirement ages and gaps in benefits. For example, young people may value help with student loans, but the 'sandwich' generation – those still supporting their adult children and caring for their older parents – may be tempted by organisations offering elder care benefits."

3. They foster generational curiosity

A key message that came up repeatedly when talking to clients who successfully integrated a multigenerational workplace was the need for companies to ensure that employee cohorts develop mutual understanding and respect for each other's experiences and viewpoints as a precursor to collaboration.

Leaders must proactively engineer this, says Jean Paul Hokke, Partner at Leaders Trust / AltoPartners Netherlands. "Post Covid-19, the Netherlands is facing a critical skills shortage. In 2019, employees close to retirement exited the formal economy, leaving critical skills gaps and taking with them valuable institutional knowledge. Covid was the catalyst for many Dutch companies to work hard to retain older employees and their deep knowledge – even people who were past retirement age. They also became more open to hiring older people. And they all say that they had to contrive situations for generations to mix. It did not take place naturally. But once they put them together, they found that the younger cohort was interested in learning from their older colleagues, and vice versa."

4. They have some form of intergenerational mentoring programmes

"It's a bit like an apprentice system for knowledge workers," says Hokke, referring to his Dutch clients who have established mentoring relationships to transfer skills across generations. This includes reverse mentoring, where younger employees introduce new technologies and trends, and micro-mentoring to transfer pockets of skills between cohorts. Pieter Ysbrandy, Partner at Leaders Trust / AltoPartners Netherlands, says that his clients might not have formal programmes for integration, but they work at ensuring networking among their employees. In Argentina, Raul Lacaze of Bäcker & Partners is on the board of Diagonal, a non-profit organisation that aims to promote the job development for people over 45 years of age and to facilitate generational diversity in organisations. In Italy – which has the oldest population in Europe – Cuminale says that reverse mentoring is extremely important to his clients – not just as a means of cross-generational trading of ideas and skills, but crucially as a proven way to keep older employees engaged: "Engagement levels tend to drop with the age, so clients stressed the importance of initiatives to keep older employees motivated and engaged."

5. They use technology to include, not exclude

Technology can be a double-edged sword for an ageing workforce, says Andrea Brand, Partner at Jack Russell Consulting GmbH / AltoPartners Germany, but companies that use it to upskill and promote healthy ageing are winning. In 2012, Brand was part of the team that conducted initial trials at one of the biggest BMW sites in Dingolfing, Bavaria. She saw first-hand how ergonomically adjusted workplaces, including special flooring and individualised safety footwear, gave experienced factory floor veterans an edge over their younger colleagues.

"Both belts ran at the same speed, and each team was required to complete the same tasks. The older team worked to a higher standard, a factor ascribed to their experience, which led to fewer mistakes. Absentee rates due to sickness were identical across both teams. At the end of the trial, many of the young participants (average age 39) wanted to switch to the older team. These days, companies are also using robotics to reduce and even mitigate the physical demands of production lines on older workers."

Many clients also use the hybrid model to allow older workers to transition into the second phase by working from home two or three days a week. Multi-media training and online courses are also used to ensure that employees stay abreast of technology trends in their sector, allowing older employees to learn at their own pace and revisit sections. Neuroscientists and ageing experts have shown that while there is no limit to what older people can learn, the way we learn changes as we age, relying a lot more on repetition for information to stick.

Professional upskilling featured high on HR agendas. Ricardo Bäcker (Argentina): "Professionals are going through two processes: upskilling and reskilling. The first category focuses on the leadership and management skills necessary to manage in agile times. This means "Beta mode" work - making fast decisions in multifunctional teams, launching an idea and improving it through real life-experience instead of perfecting it to avoid mistakes. The second, equally important aspect is upgrading or acquiring new skills. First, to bridge the technological gap as a user, to be able to work with the technology (not necessarily design it) but to learn how to use it and be open minded. The second, as a leader or coworker, means being willing to work with the cultural requirements of younger professionals: flexibility regarding place and times to work, the way in with younger people respect knowledge and wisdom rather than hierarchy, the hunger for learning and new challenges. We believe in reverse mentoring, having younger people mentor older people in this process."

6. They select leaders with multigenerational mindsets

Creating multigenerational workplaces requires a leap of faith and a willingness to challenge career assumptions and acknowledge the strengths of all employees, including those older and younger than themselves.

"This is a leadership issue, as without the political will to be innovative, it gets left for HR to untangle. Clients who invest in team building create opportunities for team members to get to know one another and build



Estée Lauder's reverse mentoring programme, initiated by CEO Fabrizio Freda in 2015, has over 650 participants globally, including more than 300 senior leaders and is credited with driving innovation and a deeper understanding of consumer behaviour.

trust. At the same time, they also invest in training to help employees overcome generational biases and challenge stereotypes. The more time is put into education and awareness, the better the team fares," says Regina Graf, MPB Recruitment Group AG / AltoPartners Switzerland.

7. They communicate intentionally

Successful multigenerational companies acknowledge that each generation communicates differently and makes a conscious effort to learn each other's languages and preferred modes of contact. Pollak agrees: "It is important to clarify the unwritten rules of communication, which have changed dramatically in the last three decades. Do your team members know how to communicate with you? When must they call you, and when will a WhatsApp suffice? Define your terms. Make it clear so your team doesn't have to interpret when and how to alert you to an issue."

8. They understand what employees want

"We know that older employees value flexibility, meaning, inclusion, and self-efficacy," says Mpho Nkeli, Executive Chairman & Head: Board Practice at Search Partners International (SPi) / AltoPartners South Africa. Many are willing to trade salary for fewer deadlines and less pressure but still want the opportunity to contribute and be productive. Not having to travel as much – whether it's around the globe or a daily commute across town, is also hugely appealing. Phased retirement, where near-retirees reduce their workload and stress while still earning income and maintaining workplace connections, is a win-win for older employees and the businesses that have trained them: "Older people still have the energy and passion to continue working, and they have the experience and are willing to mentor and transfer skills to up-coming talent. They also have the corporate memory which can prove useful and inform certain decisions."

Corinne Klajda (Poland) and Pieter Ysbrandy (Netherlands) are two partners who run specialist interim management divisions to address this trend.

"It was becoming very clear that a skills shortage was looming and that many people did not want to spend their last three decades gardening or playing golf. Every single one of my interim managers is over 50, and they have the best life. They pick and choose their assignments and are highly valued for their strategic skill set and experience in their field. And because they have fewer constraints than employees with young families, they are highly mobile and willing to take assignments around the world. Many of our clients have offered them permanent positions, but not one has accepted," says Klajda.

Primarily, though, people want to be viewed as individuals. "As a fifty-plus person, I would find it insulting to be hired simply because they were looking for an older candidate. The executives we place don't think of themselves as old, and it wouldn't occur to them to blame their age for not making the cut. They are forward-thinking, intellectually curious and stay up to date by embracing new technology and learning new skills," adds Klajda.

For this reason, older employees hate being typecast. Even within these broad generational labels, there can be considerable variations. Younger Baby Boomers, for example, have far more in common with older Gen Xers, while those born in the 80s identify as older Millennials. Pollak says a far more helpful way of understanding where employees are coming from is to understand what technology was available when they joined the workforce: What was their experience of working life? What were the codes and unwritten rules of the workplace? What was considered a proper way to communicate with bosses and co-workers? These are useful starting points to address assumptions by older and younger team members and resolve potential conflict points.

Pollak also emphasises that other aspects of a person's identity can compound the effects of age discrimination: "Age is only one narrow aspect of identity. Other factors such as gender, race, culture, social capital and sexuality affect how individuals are treated in different stages of their lives. Older black women may face ageism in addition to sexism and racism, while younger LGBTQ+ individuals might experience different challenges compared to older LGBTQ+ individuals."

Not so big in Japan

This trend of a flexible, creative approach to employees entering the Grey Zone has meant increased prospects in the formal economy for the 50+ cohort in all countries we surveyed except Japan. Deep cultural taboos around seniority are proving to be an obstacle to solving a critical labour shortage in the country with the world's largest share of people aged 65 over (28% in 2019) and one of the lowest birth rates in the world.

"In Japanese society, senior people baulk at having to report to a younger person, and vice versa – younger people are reluctant to manage their elders. These conventions go back centuries and are the hangover from when Japan was an insular, feudal state run along rigid hierarchical lines. The result, however, is that while the world has changed, old beliefs and customs die hard," says Waichiro Hayashi.

"Most of our clients are looking for senior executives between the ages of 40 to 50. However, given how scarce they are, this is a very difficult group to attract, so we are constantly trying to explain the benefits of experience and seniority of candidates over 50. Some clients are receptive, and some less so, depending on the kind of business, the sector, and where the business is on the maturity curve.

"Then there is the issue of retirement ages. We always ask: how long a runway does this person have? If the candidate is 58 and the company's retirement age is 60, people are reluctant to integrate someone into an organisation, only to have to replace them in two years. In the largest companies, the retirement age has changed from 60 to 65, but this is not universal. The retirement age was set relatively low in the 1950s and 60s when the Japanese economy was undergoing rapid expansion to ensure that they made way for the next wave of talent



"If the general manager is 50, they may hesitate to bring in someone who's 54 because they would ask, well, is he going to listen to me because he's older than me?"

**- Waichiro Hayashi
Managing Partner at Hayashi
Consulting / AltoPartners Japan**

and avoided having a stagnant senior management layer, which is fine if you have a booming economy and enough young people coming up through the ranks.

"So, what we see far too often are executives and managers in their late forties and early fifties, suddenly panicking because they haven't received the tap on the shoulder – the discreet sign that you have been earmarked for bigger things within the company.

"Their choice is to stay and work out their tenure, but by around age 57 or 60, they will lose their titles, even if they continue to work on a contractual base for that company for around half their salary, a situation that a lot of Japanese executives struggle with as it invariably negatively affects their social standing and self-esteem. As a result, few people look forward to this.

"The real sadness is that by the time they become aware around age 51 or 52 that promotional prospects have passed them by, they are past their prime by Japanese standards. Some of our clients also feel it's too late to bring them into their organisation and be effective. It's a real dilemma for all but the most senior executives at the biggest companies, who still have their pick of board positions.

"Women who have taken time off to raise families are particularly prejudiced by this system, and for them, there are limited opportunities for promotion once they fall behind on the career ladder.

"A couple of things need to happen. We need to make it less of a cultural taboo for older people to be managed by younger bosses and find more creative solutions to retaining older people in the formal economy for longer so that they are happy, engaged and socially secure doing so. We need more conversations around this. We also just need more talent, period. Japan is historically a very closed society, and while we see more skills visas being granted, especially in tech industries, there are still cultural and language barriers to overcome. Salary levels have also not kept pace with other major economies, and even assuming you could tap into the Japanese diaspora in the US, salaries in Japan are significantly lower than in other major world capitals. Despite the shortage of talent, salaries have been kept low because of the poor performance of many of the largest companies and Japan's economic stagnation since the late 1980s. Japan is the fastest ageing society in global history, and the population decreases each year due to low birth rates and very restrictive immigration policies. One way or another, the situation has to change."

WHAT COMPANIES NEED TO DO NOW

If you're new to the conversation and are grappling with a labour squeeze or a talent shortage, here are the key areas to focus on for developing a multigenerational framework that works.

1. Consider who you are overlooking

Interrogate your assumptions about recruitment: Does a junior job necessarily equal a young person? Do you have outdated policies on tattoo visibility? Have you reviewed the educational requirements for the various positions you typically struggle to fill? Do you have an alumni group of former employees – a pool of talent you can dip back into when you need to (Boomerangers)? Are there talent pools you have not considered?

2. Review your benefits through a generationally inclusive lens

Think 'and' – not 'or', for example, offer pension plans *and* options to pay off student debt. Give each generation a seat at the table so that your policies designed to help one group don't inadvertently prejudice another.

3. Take a hard look at career development within your organisation

This includes examining what employees want to learn and areas where they need to remain current. "Training and development have currency across all generations. People want feedback and value opportunities to develop and grow in a career, not just younger people," says Pollak.

4. View retirement as a process rather than a hard stop

How can you provide a glide path for older employees to transition into the next phase of their lives? What conversations must happen to ensure a win-win for employees and the organisation? Help employees to reframe what retirement means to them.

5. Understand what employees want

Have more transparent 'stay' conversations. Consider the reasons why workers leave employment early. How can those things be addressed? Are your current wellness programmes meeting everyone's needs? Burnout, in particular, is a danger for high performers in this age group. Many opt for retirement because they are feeling burned out. Helping people to make themselves **burn-out-proof** can prevent an exodus of 50+ high performers.

6. Map internal competencies

This is an important precursor to establishing bi-directional mentoring programmes.

7. Conduct a culture assessment

If you're struggling to retain or attract workers at either end of the age spectrum, a culture audit will help determine whether the issue is cultural or structural.

8. Take steps to ensure your workplace is an ageist-free zone

But don't relegate it to the DEI department, either. This is primarily a business discussion that needs to be supported by DEI initiatives, not driven by it.

9. Prioritise preventative healthcare

Among clients surveyed, this included incentivising employees to have regular healthcare screening tests and working with biokineticists to prevent long-term postural damage to deskbound employees and those on the factory floor.

10. Consult your executive search partner to help identify transformational leaders

It takes a transformational leader to re-examine and challenge assumptions about talent, recruitment, and engagement and then carve out the space to allow experimentation.

"Our most recent research shows that the top three critical competencies for leaders globally are emotional intelligence, resilience and results orientation. That speaks volumes about the changing tide of leadership and the skills needed to manage in an evolving, dynamic space. Executive search partners are ideally placed to consult with clients on all aspects of the longevity economy, such as transformation, leadership, diversity, succession planning and board services, not to mention their expertise in finding talent in unconventional pools." – Lynne Murphy-Rivera, Managing Director for the Americas at the Association of Executive Search and Leadership Consultants (AESC).



CONCLUSION: **SUPPORTING AN AGE- INCLUSIVE WORKFORCE FOR A SUSTAINABLE FUTURE**

Ageing populations have profound implications for communities, economies and societies globally.

Governments worldwide are trying various initiatives to address this issue, with many policymakers gradually increasing retirement ages for civil servants in the hope of delaying dependency on government pensions and welfare grants and supporting initiatives to find meaningful work for unemployed people in the 50-plus category.

Businesses should pay attention for three reasons: keeping older people in the formal economy longer is a workable solution for a labour shortage or skills crisis. Where organisations have made a strategic decision to integrate multigenerational workplaces, the benefits are clear in terms of transfers of skills, experience and overall productivity.

Secondly, it makes macroeconomic sense. If people live longer than they can afford to, without any means of supplementing their incomes, they become dependent on the state, putting pressure on state healthcare resources and the fiscus. This has the potential to fuel government debt, leading to a high tax inflationary environment that curbs spending power and constrains growth.

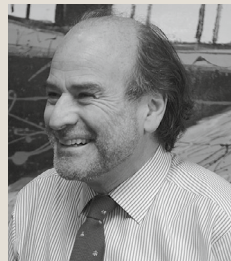
Finally, healthy ageing is linked to people's sense of independence, efficacy and the ability to maintain relationships and feel relevant. Meaningful work, in all its forms, provides this.

AltoPartners urges big business to step up and partner in this effort. Take steps to foster age diversity. Reimagine traditional career trajectories. Create flexible working arrangements. Prioritise lifelong learning and upskilling in your business. Foster diversity. Choose leaders who are forward-thinking and bold enough to challenge the prevailing norms. Choose Perennials.

10

CONTRIBUTORS

With special thanks to Lynne Murphy-Rivera, Managing Director for the Americas at the Association of Executive Search and Leadership Consultants (AESC) and generational workplace expert Lindsey Pollak for their insights.





GLOSSARY OF TERMS

Expected retirement duration	the length of the period over which a pension must be paid.
Mandatory retirement age	the age at which a person is expected or required to stop work. It is usually the age at which someone may be entitled to receive a company or state pension or other government benefits.
Pensionable age	the age at which people can first draw full benefits (that is, without actuarial reduction for early retirement).
Population ageing	an increasing median* age in a population because of declining fertility rates and rising life expectancy. An increasing median age means that the biggest percentage of the ageing population is moving closer to retirement – which means that the active workforce is ageing out and not necessarily being replaced. (*Median: The median is the middle number in a sorted list of numbers and can be more descriptive of that data set than the average.)
Replacement fertility	the total fertility rate at which women give birth to enough babies to sustain population levels, assuming that mortality rates remain constant and net migration is zero.
State pension	a regular payment from the government that most people can claim when they reach pensionable age. Not everyone gets the same amount. And each market has different systems.
Total fertility rate	the average number of children that are born to a woman over her lifetime.



ALTOPARTNERS

Executive Search & Leadership Advisory

WRITTEN AND PRODUCED EXCLUSIVELY BY ALTOPARTNERS 2024

www.altopartners.com