

DIVERSITY'S AGE-OLD BLINDSPOT—UNARMED IN THE TRUE BATTLE FOR TALENT

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Many organisations tout and publicize their diversity commitment to generational diversity. In most cases, this is code for a myopic focus on Millennials and Gen Z with little to no emphasis on the millions of workers 50 plus working alongside their younger colleagues and still ready to work, learn and grow in their professional lives.

The recent and ongoing pandemic has laid bare the plight of the ageing workforce – and pointed out a unique set of problems and opportunities for those DE&I leaders who are far-sighted enough to acknowledge them and build the skills of a truly inclusive and intergenerational workforce.

The 20th century model of childhood/education/work/early retirement or death has been disrupted by the longevity of the 21st century. Even with modest fluctuations, today's workers are outliving yesterday's assumptions. Even as more people need money for longer retirements, traditional pensions are inadequate and non-existent in the US and many parts of the world. Modest Social Security + random 401ks are no substitute. Where a variety of pension schemes do exist across Europe and in some other parts of the world, they are

increasingly dependent on policies in urgent need of updating to meet the current life expectancy and labour market realities. The antiquated “human capital” framework – hire a 20-year-old, use them for a thirty-year period and replace them – no longer works. In a time where companies are increasingly

talking about their commitment to sustainability, ensuring all labour pools can be developed and maximized is the more sustainable approach.

Traditional sources of essential labour, including large scale immigration and replacement level childbirth, are falling short of historical norms across much of the world. This offers a tremendous opportunity to make ageing workers less “disposable.” In fact, in the EU, the median age in the workforce is already nearly 45 and rising and across the pond in the US, the Department of Labour projects that 25percent of future new hires will be ageing workers.

During the pandemic, a record level of ageing workers was laid off. McKinsey estimates that 59 million jobs-or 26 percent of total employment-are at risk of reductions in hours, pay, furloughs and permanent layoffs. Disproportionately impacted across the EU were both younger and older workers but younger workers are expected to re-enter the workforce



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quicker. Older workers are likely to face longer term under or unemployment significantly impacting retirement savings, health and wellbeing. In the US alone, over a million people took “early retirement” – 90 percent of them involuntarily. Headlines scream of the “labour shortages” that threaten the recovery, but there is little effort to recognize, recruit, retrain and retain this pool of experienced and talented ageing workers.

Just as millions of veterans of the recent work from home experience are reconsidering the conditions under which they choose to return to work, so it will take some rethinking and redesign to secure and make the best use of these skilled employees.

Now is the time for diversity and inclusion to reflect a commitment to the very diverse or different ways in which people can work and be most productive. Full time at home, home a few days and in the office a few, 4-day weeks, and phased and partial retirement should be on the table for a more personalized and optimal employee experience. As the old “buyer’s market” – with employers setting the terms --



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counterparts --to be appreciated, rewarded, have flexibility and some level of autonomy -- they have been seen as the means to advancing younger workers through mentoring and sponsorships – not as a diverse group needing its own special attention or offering its own valuable contributions.

In the era of greater longevity, it is critical to abolish the outdated “sell-by date” of 50+ and in the time of extended work, to strengthen ongoing training and development for all workers – both young and old. With many organizations investing in retraining and upskilling their talent, the over 50 are the least likely, according to the Centre for Ageing Better research, to receive any off-the-job investment in their professional development. A truly diverse and disruption-ready workforce will include enhanced contributors from employees in their twenties into their sixties and seventies. They will work all sorts of schedules over their work-life, with reduced schedules for caregiving responsibilities or to pursue higher education and periods of full-time work with the option of reducing as part of a phasing to retirement. In the post-pandemic world, truly listening to the way people want to work matters especially if companies want their employees to stay engaged and continue to drive the business results they need for a full recovery and future growth. In this virtuous cycle, diversity drives greater flexibility and flexibility drives greater diversity.

In light of the recent re-examination of flexible work driven by the massive – and largely successful – work from home experiment, the time is ripe for finally tackling one of the most promising and under-utilized flexible arrangements: phased retirement. The old full-time-in-the-office model of employment may be losing its lustre to the younger workforce, but it does not serve to attract and retain older workers who have been shown to trade valuable knowledge sharing and mentoring for the opportunity to work longer and ease into retirement.

Although there are limited examples of successful phased retirement programs and their many benefits, many myths exist about the challenges of designing and implementing such initiatives. As practitioners who have developed long-lasting programs in this space, we are well aware that there are real and rare challenges that do not arise with flextime or work from home efforts. Like any worthwhile project, they benefit from the expertise and experience of others. Given the coming labour market scarcities and the need to maximize the talent of all age groups, the question is not whether to pursue phased retirement – but when. We think the far-sighted DE&I leader will seize this opportunity now. **HR**



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saying here’s the job, take it or leave it – yields more power to the sellers, the opportunity and necessity of driving changes in employer behaviour is business-critical.

Unfortunately, the diversity field’s forays into questions of age in the workplace have largely been somewhat shallow dives into so-called intergenerational awareness and often faulty “traits” stereotyping. These are often found not to be entirely accurate within any of the three to four generations currently working together in the workplace. Although ageing workers want many of the same things as their younger