



March 2020

Overview

In the next decade, 25% of Canada’s population will be over 65, and half of the population will be over 50. Yet when we explore the potential of the future of work, we are consistently confronted with a focus on youth. In 2015, one in five Canadians aged 65 and older, or nearly 1.1 million seniors, reported working during the year. This is the highest proportion recorded since the 1981 Census and these numbers will continue to rise. Baby boomers are not retiring, they can’t, but they are being pushed out of positions prematurely. In fact, recent research out of the U.S. shows that 56% of people over 50 have lost at least one job as a result of employer decision making. Once out, older adults find it harder to find work than their younger counterparts. Many are turning to entrepreneurial activity and they have become the fastest-growing cohort of entrepreneurs. Others are seeking work through less formal channels and are now the central drivers of the gig economy.

The effect of ageist attitudes has been well documented and is understood to create barriers to performance and ambition¹²³. Negative age-based biases can also be self-imposed creating a ubiquitous and limiting barrier to achievement and frequently resulting in negative health outcomes. In short, self-directed ageist attitudes can become self-fulfilling prophecies. The repercussions can vary between lowered self-esteem resulting in a reluctance to seize professional opportunities to more dramatic outcomes such as diminished health and chronic illness⁴. The importance of offering dedicated support to older adults through education and coaching will be underscored by rising health and social costs. These challenges will not disappear with Boomers, because today’s 20 and 30-year-olds will work into their 70’s and 80’s. We need to reset the way we think about work and intergenerational interaction.

Diversity is About More Than Gender and Ethnicity

Diversity has become a strategic advantage for organizations. Research shows that not only do diverse organizations perform better but those who lack diversity underperform. As noted by McKinsey and Co, “Overall, companies in the bottom quartile for both gender and ethnic/cultural diversity were 29% less likely to achieve above-average profitability than were all

¹ Levy, B. R., & Leifheit-Limson, E., (2009). The stereotype-matching effect: Greater influence on functioning when age stereotypes correspond to outcomes. *Psychology and Aging*, 24, 230–233. <http://dx.doi.org/10.1037/a0014563>

² Kotter-Grühn, D., & Hess, T.M. (2012). The impact of age stereotypes on self-perceptions of aging across the adult lifespan. *The Journals of Gerontology, Series B: Psychological Sciences and Social Sciences*, 67(5), 563–571, doi:10.1093/geronb/gbr153.

³ Levy, Becca R., (2001), Eradication of Ageism Requires Addressing the Enemy Within, *The Gerontologist*, Volume 41, Issue 5, 1, Pages 578–579, <https://doi-org.proxy.library.carleton.ca/10.1093/geront/41.5.578>

⁴ Malinen, Sanna, Johnston, Lucy (2013) Workplace Ageism: Discovering Hidden Bias, *Experimental Aging Research*, 39:4, 445-465, DOI: 10.1080/0361073X.2013.808111.

other companies in our data set. In short, not only were they not leading, they were lagging⁵.”

However, diversity is captured by more than just gender and ethnicity. As we move into a more technologically focused future the benefits of intergenerational thinking will be required to stay innovative. To facilitate and increase productivity and innovation, organizations need to diminish ageist biases and cultivate intergenerational teams that take advantage of the expertise of all generations. The term ‘Intergenerational’ implies the involvement of members of two or more generations in activities that potentially can make them aware of different (generational) perspectives. It implies increasing interaction, cooperation to achieve common goals, a mutual influence and the possibility of change⁶.

Older workers can act as powerful mentors and trainers for younger employees new to the workplace. As noted by Whitney Johnson in the Harvard Business Review, “Just as larger businesses provide economic stability to society in the form of higher pay, better medical benefits, and retirement, experienced workers provide intellectual and emotional ballast in the workplace including innovation expertise⁷”.

Age diversity is one of those “diversities” that is often overlooked. Despite the fact that technology figures prominently in the future of work, not all work is about technology. Good old-fashioned business intuition is necessary to be successful in any industry and this is derived from experience only⁸.

New research makes it increasingly clear that companies with more diverse workforces perform better financially⁹. Diversity is identified as moving beyond gender, ethnicity and culture and including things such as sexual orientation and age. Diversity is proving to be a successful business strategy. Beyond the financial benefits, it sparks better organizational cultures, better customer service and stronger corporate brands. This could be because research and studies have indicated that generationally diverse teams can be better at creative problem solving and innovation¹⁰.

⁵ Hunt, Vivian, Prince, Sara, Dixon-Fyle, Sundiatu, Yee, Yee “Delivering Through Diversity”, January 2018, McKinsey Insights.

⁶ Vilar, Feliciano, ‘Intergenerational or Multigenerational-a Question of Nuance”, 2007, Journal of Intergenerational Relationships, Vol.. 5, Issue 1.

⁷ Johnston, Whitney, “Entrepreneurs Get Better with Age”, June 27, 2013, Harvard Business Review

⁸ Bowers, Rick, “The Hidden Power of the Experienced Mind”, 2017, Life Reimagined, AARP, <https://lifereimagined.aarp.org/page/signature/22581-The-Hidden-Power-of-the-experienced-mind>

⁹ Hunt, Vivian, Layton, Dennis, Prince, Sara, “Why Diversity Matters”, January 2015, McKinsey Insights.

¹⁰ Backes-Gellner, Uschi and Veen, Stephan, (January 2, 2009), The Impact of Aging and Age Diversity on Company Performance. Human Resource Management Journal, Vol 23, no 3, 2013, pages 279–295. Available at SSRN: <https://ssrn.com/abstract=1346895> or <http://dx.doi.org/10.2139/ssrn.1346895>

A large body of research emphasizes the benefits of employing age-diversity in teams. “The magnitude of the benefits depends on the type of tasks that have to be performed and on the type of diversity (demographic or cultural), as pointed out by Luring and Selmer. The benefits are essentially due to three major processes: more diverse problem-solving capacities (an increased cognitive toolbox), better incentive structures, and more effective transfer of specific know-how and norms (cultural values) from older to younger generations.”

There are multiple advantages to pooling resources from a varied age group. Some knowledge will be technical, social or cultural but at differing levels (beginners or advanced). The academic skills may be higher among the younger cohorts, but their social and interpersonal skills may not be as well developed as their senior colleagues. Bringing together employees with such differing perspectives and knowledge pools enhances group discussion, provides for better analysis and superior problem solving: this serves to create a more innovative environment where productivity is increased¹¹.

Solutions

- Senior executives, managers and directors require training in ageism and its impacts, especially with regard to the retention of experienced employees. Ageism has its roots in formative years and is largely an unconscious bias despite its pervasiveness.
- Debunk the myths about older workers and use the available evidence derived through research.
- Conduct more research in the area of older workers and their influence and value in the workplace.
- Pilots have proven successful with regards to employing and incentivizing employers (by governments) to hire and recruit new immigrants. This could be a successful intervention for hiring older adults and creating intergenerational teams.
- A successful strategy which honours employees of all generations is a variation on traditional mentorship models. This is often referred to as reciprocal or reverse mentoring. Using this model, it is acknowledged that both parties add meaning and value to the relationship. Most importantly, if instituted in the workplace, it affords time for connections to develop. As trust is at the foundation of both formal and informal mentoring initiatives, it has to be developed with care.

¹¹ Backes-Gellner, Uschi and Veen, Stephan, (January 2, 2009), The Impact of Aging and Age Diversity on Company Performance. Human Resource Management Journal, Vol 23, no 3, 2013, pages 279–295. Available at SSRN: <https://ssrn.com/abstract=1346895> or <http://dx.doi.org/10.2139/ssrn.1346895>

- Depending on the size and structure of the business, mentoring circles can be introduced as well as on-line mentoring models.
- Review existing policy to ensure there is no embedded bias related to age. For example, pensions that result in financial loss when individuals reduce hours but extend their work lives.
- Make compensation a reflection of the role rather than seniority. This benefits all employees.
- Ensure there is more flexibility to work structure. Considerations may include accommodating:
 - Teleworking
 - Shorter work weeks
 - Part time vs. full time jobs
 - Project-based assignments
 - Longer or shorter days
 - Job-sharing
 - Sabbaticals (short/long term)
 - Adapting to physical needs (for example: access for wheelchairs, noise reduction, ergonomic furniture)
- Benefit packages will also require more flexibility, such as:
 - Time off for care-giving of spouse, grandchildren, other elders
 - Working remotely
 - Bringing a child to work (as a last resort)
 - Holiday time off
 - Health club access
- Professional Development
 - Ensure all employees have an opportunity to receive professional development including upskilling or reskilling.

These solutions are valuable for all employees.