

# Older Workforce & Reducing Service Demand

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*Making the south east work for older people  
- now and in the future*

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*Seefa*

SOUTH EAST ENGLAND  
FORUM ON AGEING

# 10 years of South East experience

- 2002: Centre for Research into the Older Workforce
  - Creating a research base (at University of Surrey)
- 2007: 40-70 Tomorrow's Workforce programme
  - Eight projects: support for unemployed older workers
- 2010: Silver Academy project
  - Self employment option for redundant older workers
- 2012: Business Age programme
  - A focus on business needs in smaller enterprises

# Pressures on welfare and services budgets

## Pre-recession:

- Well over half those claiming health related benefits were 50+
- People on health related benefits for 2 years+ more likely to retire or die than get another job

## Now:

- 1.5 million over 50s (57%) are economically inactive in the South East
- Around 60% want to work beyond pension age

Source: The Prince's Initiative for Mature Enterprise

## Trend over past 10 years:

- 820,000 over 65s were in employment between June and August this year - almost double the number 10 years ago (UK figures).

# Work as way of reducing service demand

- Being in (the right) work is beneficial to physical and mental health
- Unemployment increases rates of sickness, disability and mental health problems
- Returning to work results in significant health improvements
- These improvements can reverse the negative health effects of unemployment
- Work can help people recover from sickness and reduces the risk of long-term incapacity

Source: Healthy Working Lives, NHS Scotland

# Labour demand - big businesses

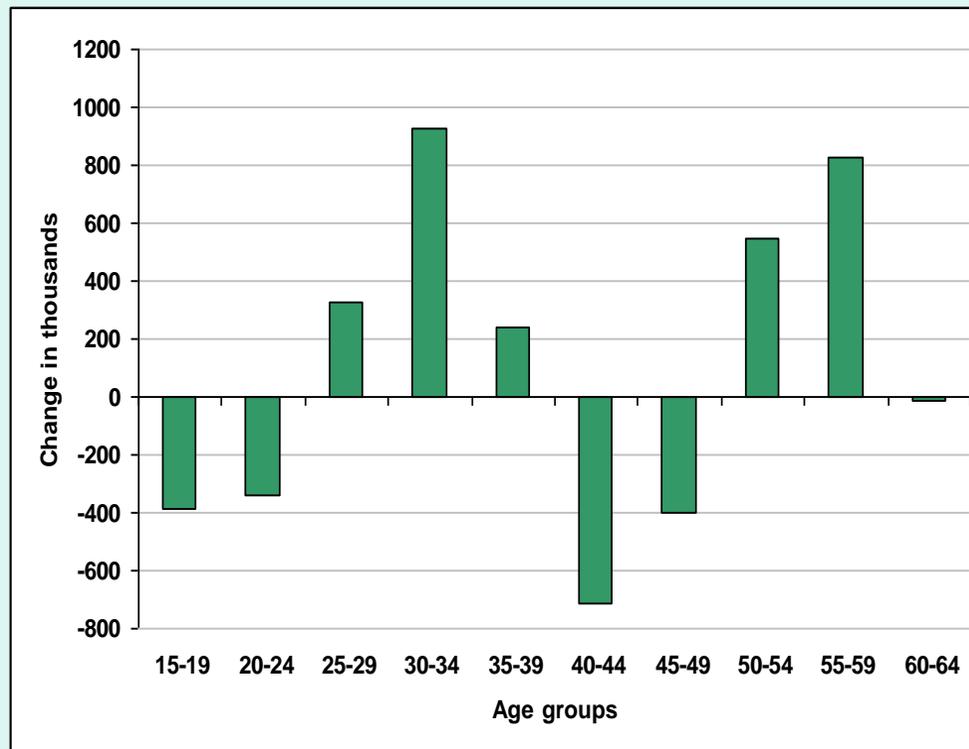
- 2010-11: three-quarters with recruitment difficulties
- Lacking specialist or technical skills (72% v. 67% in 2010)
- Increased competition for talent (52% v. 41% in 2010)
- Increase in weight of applications and unsuitable candidates (73%)

# Labour demand - small businesses

- Last year, 55% of micro-businesses (under 10 employees) looking to increase staffing levels
- 1 in 2 finding it difficult to recruit the 'right staff'
- Candidates lacking confidence, basic interpersonal skills and common sense
- Younger people lacking numeracy and literacy skills, research skills and ability to focus

# Demographic change: 2010-2020 (UK) – 40s will be ‘missing middle of the workforce’

Source: ONS



# Employers: are older workers 'right'?

- Lower absenteeism: 39% lower at B&Q
- Lower turnover: 4% v. 10% at Nationwide
- Creativity: 80% of best production ideas come from 40+ employees (U.S. study)
- Long term assets: 50s & 60s Nationwide recruits stay an average of 13 years

# What employers like about older workers

(Sources: Centre for Research into the Older Workforce and others)

- Reliability, loyalty, motivation

- Dedication, punctuality, flexibility

- Skills, knowledge, experience

- Attention to detail

- Maturity, confidence

- Organisational skills

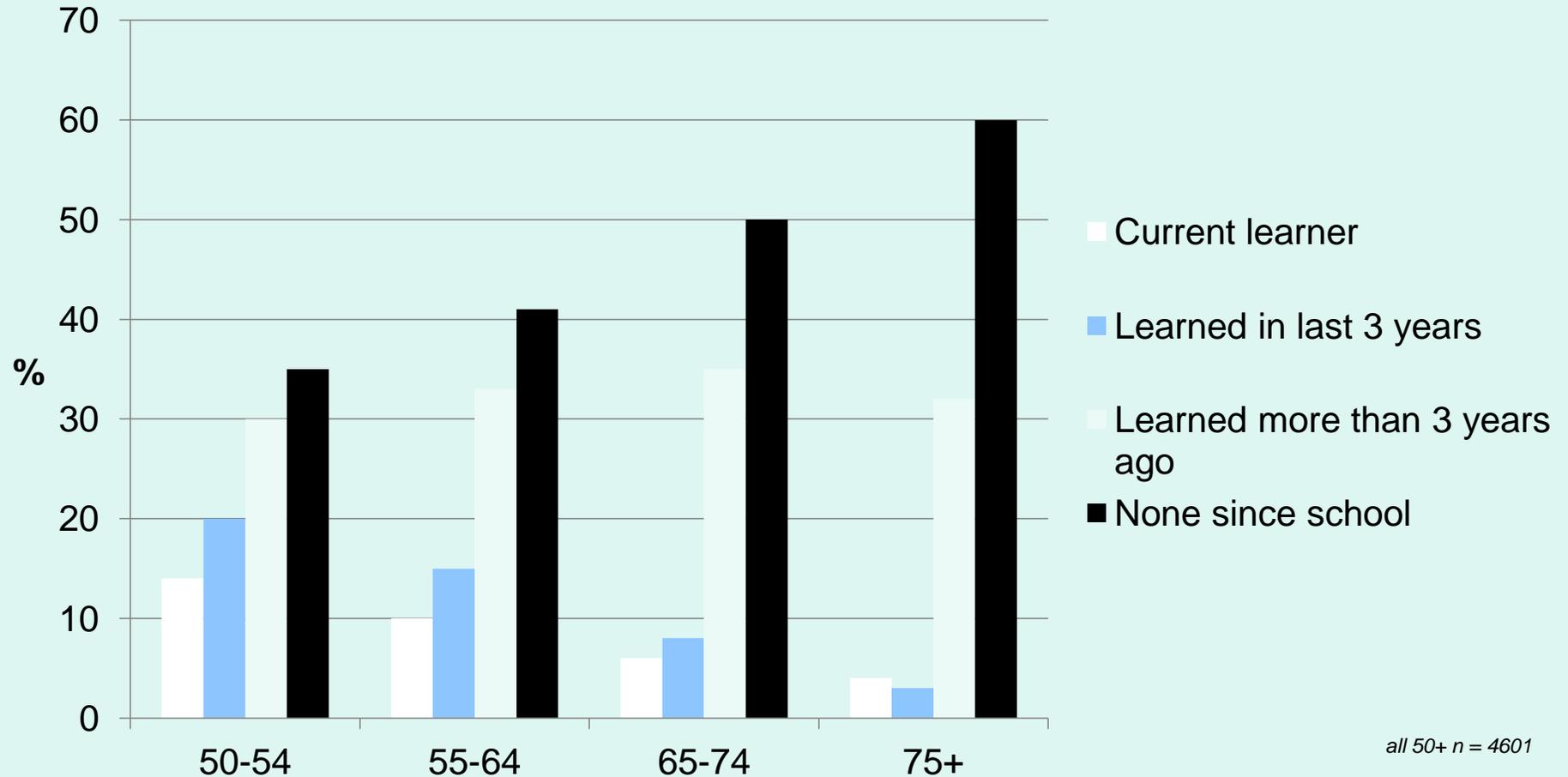
- Communication skills

- Empathy, customer relations

- Mentoring, knowledge transfer

# Suggestion 1: focus Community Learning on return to work

(‘Learning declines with age’ slide: source NIACE)



*all 50+ n = 4601*

# Suggestion 2: projects to encourage employers to recruit older workers

## 40-70 Tomorrow's Workforce programme evidence:

- Employers won't if inundated with candidates
- Employers will if offered the right candidates
- 'Business first' approaches achieved 50–60% placements

# Suggestion 3: support two initiatives

## 1. Business Age project

- Major funding bid to Medical Research Council
- 27 clusters of SMEs in South East, South West, Scotland
- Universities, Chambers of Commerce/other 'intermediaries'
- South East England Councils support at stage 2 of bid

## 2. The Prince's Initiative for Mature Enterprise (PRIME)

- Jessica Stone: new Development Manager for South East
- 'Preparing to Run Your Own Business' courses
- Networking events
- Becoming a mentor