



INVESTMENT QUORUM

UNIQUE, BOUTIQUE WEALTH MANAGEMENT

Health fears

Barrier to employment and retention of older workers

Older workers are an invaluable component of the UK workforce, given their extensive industry knowledge and expertise that all colleagues – particularly younger generations – can benefit from.

They also represent a valuable talent pool for employers as Britain struggles to counter a growing skills shortage. It's an unfortunate fact of life that health concerns tend to become more frequent as we age, and they will become more common in the workforce as we live and work for longer.

POTENTIAL FOR POOR HEALTH TO ACT AS A BARRIER

Nearly three quarters (71%), or 23 million employees[1], plan to work beyond the age of 65, but two in five of these (41%) – equivalent to 9.5 million workers – are concerned their health will make it difficult to do so, according to new research[2].

Over a quarter (27%) of UK employees think their boss views older workers as a 'hassle' because of these possible health struggles. This highlights the potential for poor health to act as a barrier to employment and retention of older workers.

OLDER WORKERS BRING TANGIBLE BENEFITS TO THE WORKPLACE

Employees also believe their boss perceives older workers as stuck in their ways (30%) and technologically inept (30%). Among the biggest concerns of those intending to work beyond the age of 65 is that they will be treated differently because their boss or colleagues perceive them as being 'old'.

Despite these negative perceptions, a significant proportion of employees recognise the tangible benefits that older workers bring to the workplace. Three in ten (28%) UK workers believe that a mix of older and younger workers is desirable because it creates a wider range of skills in the workforce.

OPPORTUNITY TO TAP INTO THE VALUE OF THIS UNDERUSED TALENT POOL

Meanwhile, two in five say that their employer values the experience (43%) and loyalty (40%) of older workers. Demonstrating the latter, among survey respondents aged 55 and above, almost two

thirds (62%) have been with their employer for ten years or more. A third (32%) of UK employees also acknowledge that older workers help younger staff by coaching and mentoring them.

The UK's ageing population means that the number of older workers in the country is set to increase in the coming years, providing employers with the opportunity to tap into the value of this underused talent pool. For example, if half a million keen and able older workers who are currently out of work returned to employment, the UK's GDP would increase by £25 billion per year[3].

NOT DOING ENOUGH TO SUPPORT OLDER EMPLOYEE HEALTH

Employers have a duty of care towards older workers, particularly as a majority (68%) of those planning to work beyond 65 intend to stay in the same job. However, some employers could lose out on retaining valuable older workers because they do not do enough to support employee health.

Among the 14% planning to switch jobs when working beyond the age of 65, a fifth say it is because their current job is either too physically demanding (22%) or too stressful (20%).

HELP TO RESOLVE ISSUES SUCH AS A STRESSFUL OR EXCESSIVE WORKLOAD

Employers keen to retain older workers must address these issues, especially considering it costs an average of £30,000 to replace an employee[4]. The research reveals that flexible working (32%) and appropriate workplace benefits (16%) are the best ways to attract and support older workers and can help to resolve issues such as a stressful or excessive workload.

Employees planning to work beyond 65 indicate that income protection (17%) and life insurance (16%) would be the most highly valued benefits, while one in ten value critical illness cover (13%) or an Employee Assistance Programme (10%). ■

PEACE OF MIND AND PROVIDING SECURITY

We can help you put your financial plans in place. We'll enable you to achieve your goals and ambitions while at the same time giving you peace of mind and providing security in times of uncertainty. Contact us to discuss your goals and ambitions.

Source data:

[1] ONS Labour Market Statistics, May 2019. There are 32.70 million people aged 16 years and over in employment in total

[2] Canada Life Group Insurance. Based on a survey of 1,002 full and part-time employees, carried out in April 2019

[3] RSPH, That Age Old Question

[4] Oxford Economics, The Cost of Brain Drain

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