

A woman with long dark hair, wearing a dark blue sleeveless top, and a man with grey hair and a beard, wearing a light blue shirt and a dark tie, are looking at a white tablet together. They are in an office environment with other people blurred in the background.

DRIVING DIVERSITY & INCLUSION IN THE WORKPLACE

AN AGEING WORKFORCE

Totaljobs

ROBERT WALTERS



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1. METHODOLOGY

Robert Walters and Totaljobs surveyed over 9,000 professionals across the UK to gain insight into employee experiences in the workplace.

Focusing on age, gender and ethnicity, the 'Driving Diversity & Inclusion in the Workplace' research series assesses some of the barriers faced by workers that can hinder their progression, engagement and inclusion at work. It will also explore how organisations can ensure their working environment is supportive, diverse and inclusive of people from all backgrounds, including those that continue to be underrepresented within many businesses.

With 1 in 3 British workers estimated to be over 50 years old, the first report focuses on how age impacts diversity in the workplace.

9,000

Robert Walters and Totaljobs surveyed 9,000 UK professionals



2. INTRODUCTION

From the silver screen to sport, government legislation to the workplace, the importance of diversity and inclusion has taken centre stage in recent years, with the much-debated topic high on the agenda for UK businesses.

In April 2017, the government made it mandatory for large organisations (over 250 employees) to report on their gender pay gap – the average difference between the salary of male and female employees. More recently, the government has begun to consider whether ethnicity pay reporting should also be made mandatory. Alongside this, increasing discussion around the UK's ageing population and how this will impact the future of work has re-focused the lens on how employers can maximise productivity and plug skill gaps.

While UK legislation – covering age, disability, race, religion, gender and sexual orientation among others – sets minimum standards and prohibits discrimination, an effective diversity and inclusion strategy goes beyond legal compliance and seeks to add value to an organisation, contributing to employee wellbeing and engagement. Put simply, diversity is what you have, and inclusion is what you do as a business.





“ The topic of diversity is one that is intrinsically linked with what is going on in the UK – and globally - as a whole. As more generations, women, racial and ethnic minorities, LGBTQ individuals, veterans, and people with disabilities enter the workforce, organisations are challenged to find new ways to create a more dynamic workplace - one that fosters engagement and innovation and drives performance.

Sarah Horridge, Head of HR - Robert Walters

AN AGEING WORKFORCE

According to ONS labour market projections, a third of UK workers will be over 50 by 2020¹. The UK's ageing workforce arises from higher life expectancy, coupled with a rising threshold for state pension eligibility - to age 66.

Research from Deloitte's Global Human Capital Trends highlighted that perceptions of older workers drastically need to shift in order to accommodate an ageing workforce². The report found that 20% of respondents didn't see the value of older workers. Similarly, a Robert Walters whitepaper revealed that almost two thirds of employees (59%) have experienced intergenerational conflict in the workplace³.

Whilst employers are having to contend with an acute skills shortage in the UK, there are one million people between the ages of 50-67 who want work but are unemployed. The Open University's Business Barometer recently revealed that organisations spent a staggering £6.3 billion on temporary workers, recruitment fees, inflated salaries and training as a result of skills lacking in the UK labour market⁴.

According to the Centre for Ageing Better, the proportion of workers from this cohort in 'insecure work' has risen⁵. In fact, Deloitte found that almost half of professionals (49%) reported that their employer has not helped older workers find new careers as they age.

With mature workers at risk of being overlooked by prospective employers or not being prioritised by their current employer, companies stand to waste the wealth of knowledge and experience that this talent pool holds - unless they do more to engage these professionals.

The following whitepaper considers the career trajectory across age groups surveyed by Robert Walters and Totaljobs, from Generation Z (18-24), Millennials (25-35 years), Generation X (36-50 years), through to Baby Boomers (over 50).

1: ONS, Labour market projections 2006-2020

2: Deloitte, [Global Human Capital Trends](#) (2018)

3: Robert Walters, [Retaining Millennial Professionals](#) (2018)

4: The Open University, [Business Barometer](#) (2018)

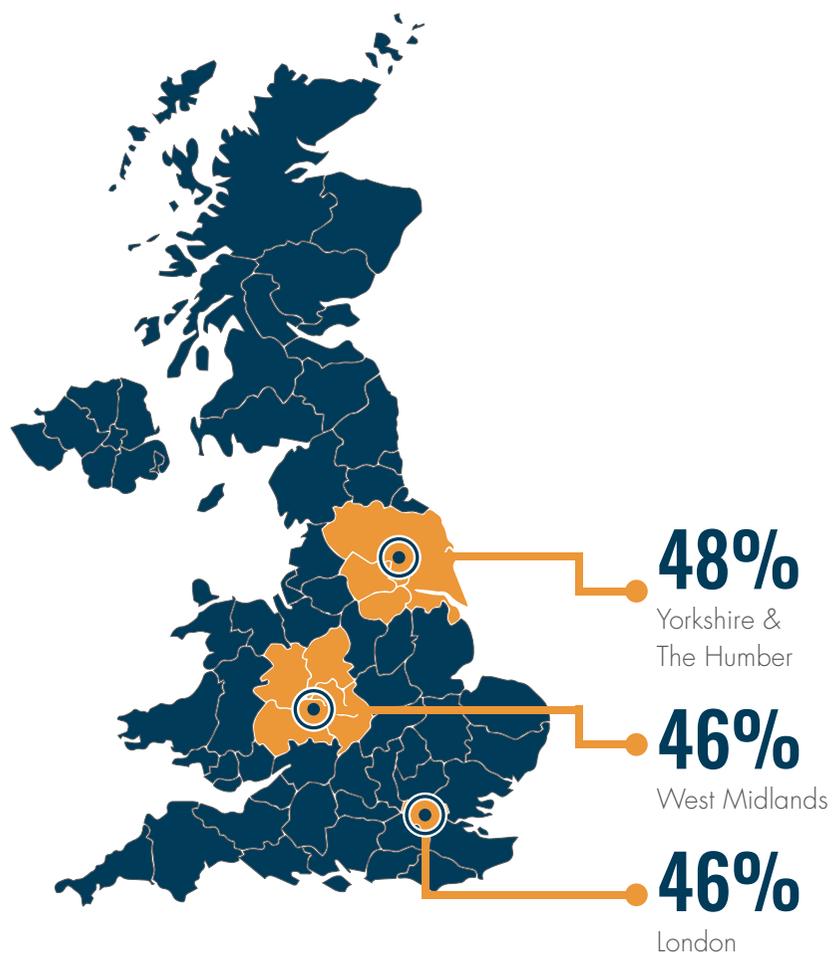
5: Centre for Ageing Better, [The State of Ageing in 2019](#) (2019)





3. KEY FINDINGS

OVER 50s MOST SATISFIED WITH THEIR PAY



WORK PERKS MOST VALUED BY OVER 50s:



90% of over 50s have completed training when offered to them

35% of over 50s think their company's work perks suit their needs

TOP 3 CHALLENGES TO PROGRESSION FOR OVER 50S



VALUE OF FLEXI-HOURS



57%

of over 50s have negotiated their salary in their career



54%

of professionals in their 50s do not think their pay is an accurate reflection of their work

1/3

of over 50s have no clear progression route

SECTORS LACKING OPPORTUNITIES FOR OVER 50S





“ While the moral case for building fairer and more inclusive workplaces is indisputable, the business case is equally as strong. Increasingly, there is research that equates improvement in business performance, staff morale and innovation to organisations with diverse workforces.

James Murray, Director of Financial Services -
Robert Walters



4. PAY & SENIORITY

Unsurprisingly, seniority increases as professionals gain more experience through the years. In fact, 70% of 51-55 year olds are in a manager role or above, compared to 20% of Generation Z (18-24) and Millennials (25-35).

However, this appears to plateau once professionals are over the age of 50. The number of those at manager level or above drops between the ages of 56-60, with 60% of this cohort at this seniority.

This is surprising, given that almost two thirds (60%) of people in their fifties and 65% of over 60s have worked at their employer for over two years.

This decline has an impact on the number of Baby Boomers earning above the average salary for management positions (£50,000). While the percentage of Millennials earning over £50k increases steadily by an average of 1.2% per year, the proportion of Baby Boomers earning above £50k drops by up to 7% throughout their fifties.

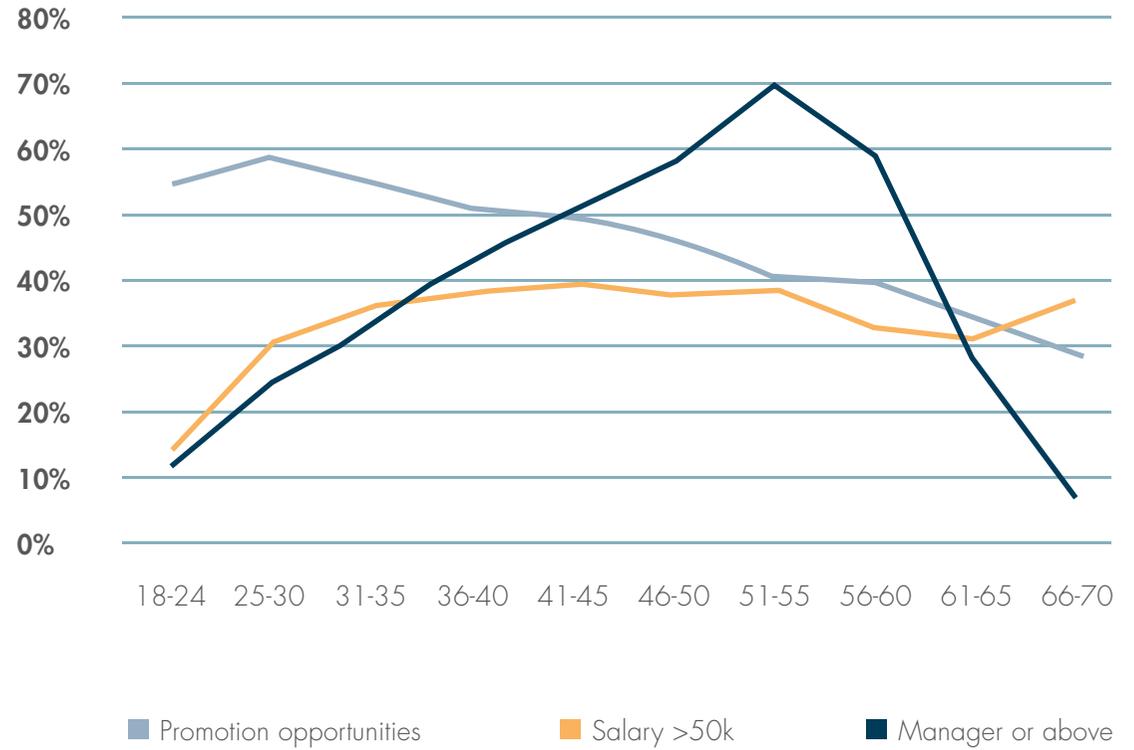
“ With today’s professionals working for longer, ensuring progression paths are still available to more experienced workers is essential to make sure staff feel valued.

Lee Allen, Group Sales Director - Totaljobs





SALARY & PROGRESSION BY AGE



74%

of 50-60 year olds have no promotion opportunities at their current employer

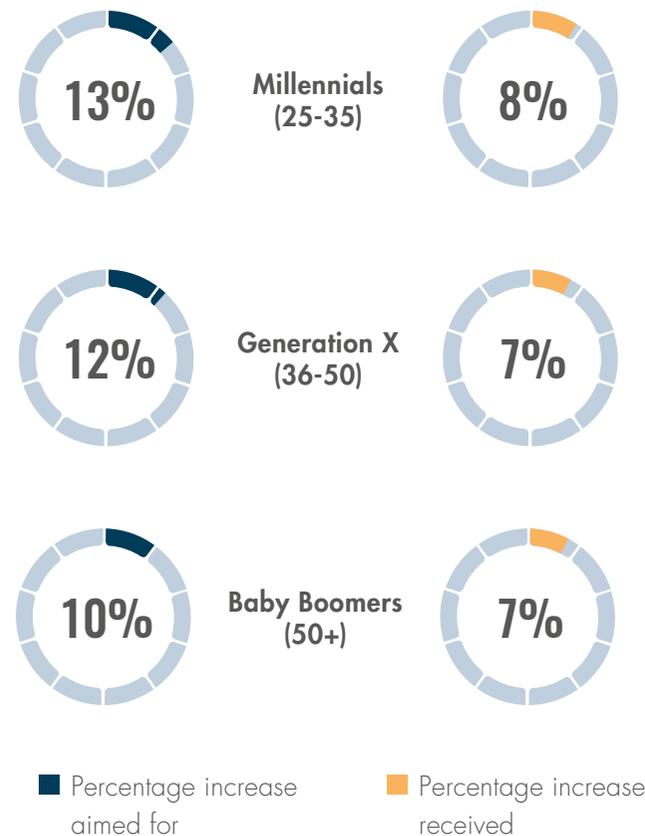


5. NEGOTIATING SALARY

Even with fewer years of experience on their CV, it seems just as many Millennials have negotiated a higher salary in their career when compared to Generation X, or Baby Boomers - 56%, 57% and 57% respectively.

Interestingly, Millennials tend to aim higher when negotiating salary (13% increase), compared to Generation X (12% increase) and over 50s (10% increase). Millennials also receive a higher percentage increase compared with any other generation, which could be attributed in part to the fact they negotiate by a higher amount. This suggests younger workers know their worth and are more confident in getting what they want from a role, posing more competition for older workers when it comes to securing a pay rise.

SALARY NEGOTIATION BY GENERATION



41%

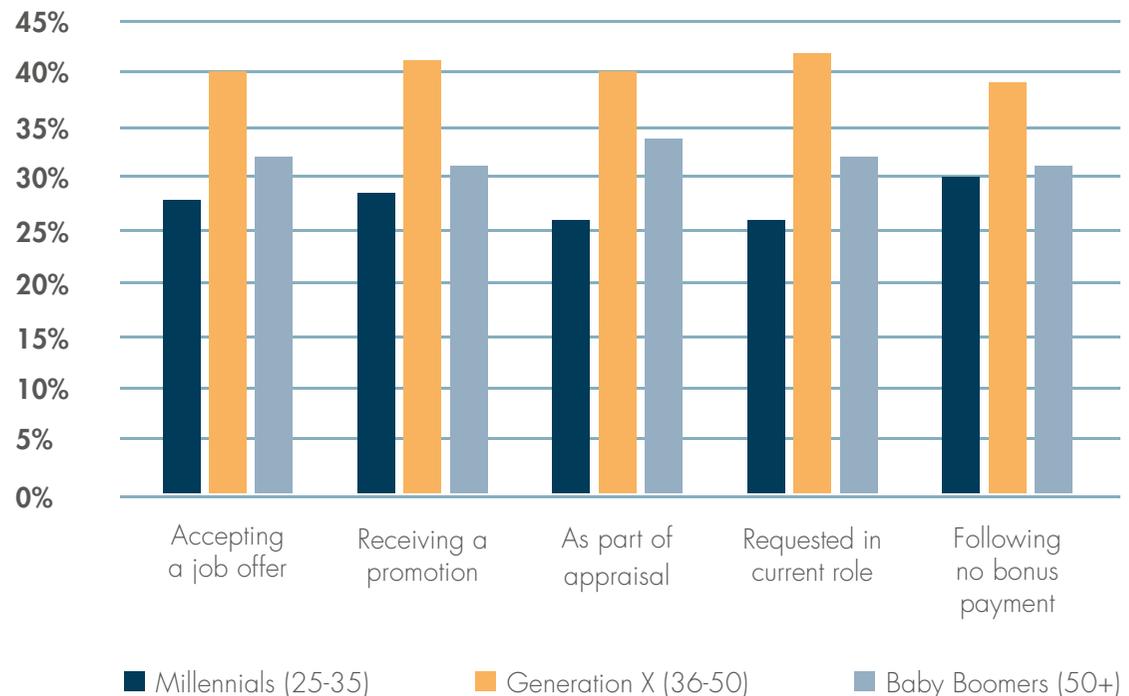
of over 50s who have negotiated their salary think their pay is an accurate reflection of the work they do

It also seems that there is not much variation as to when different generations choose to negotiate a higher salary.

For those over the age of 50 who have negotiated their salary, only 41% think their pay is an accurate reflection of the work they do.

The research reveals that Generation X are 10% more likely than over 50s to request a pay rise in their current role, without this request being part of a formal appraisal or following a promotion. Whereas, the over 50 age group are more likely to negotiate a pay rise as part of an official performance or payment review, with 46% of those who have negotiated salary in their careers, having done so in this context.

STAGE AT WHICH PROFESSIONALS HAVE ATTEMPTED TO NEGOTIATE A PAY RISE

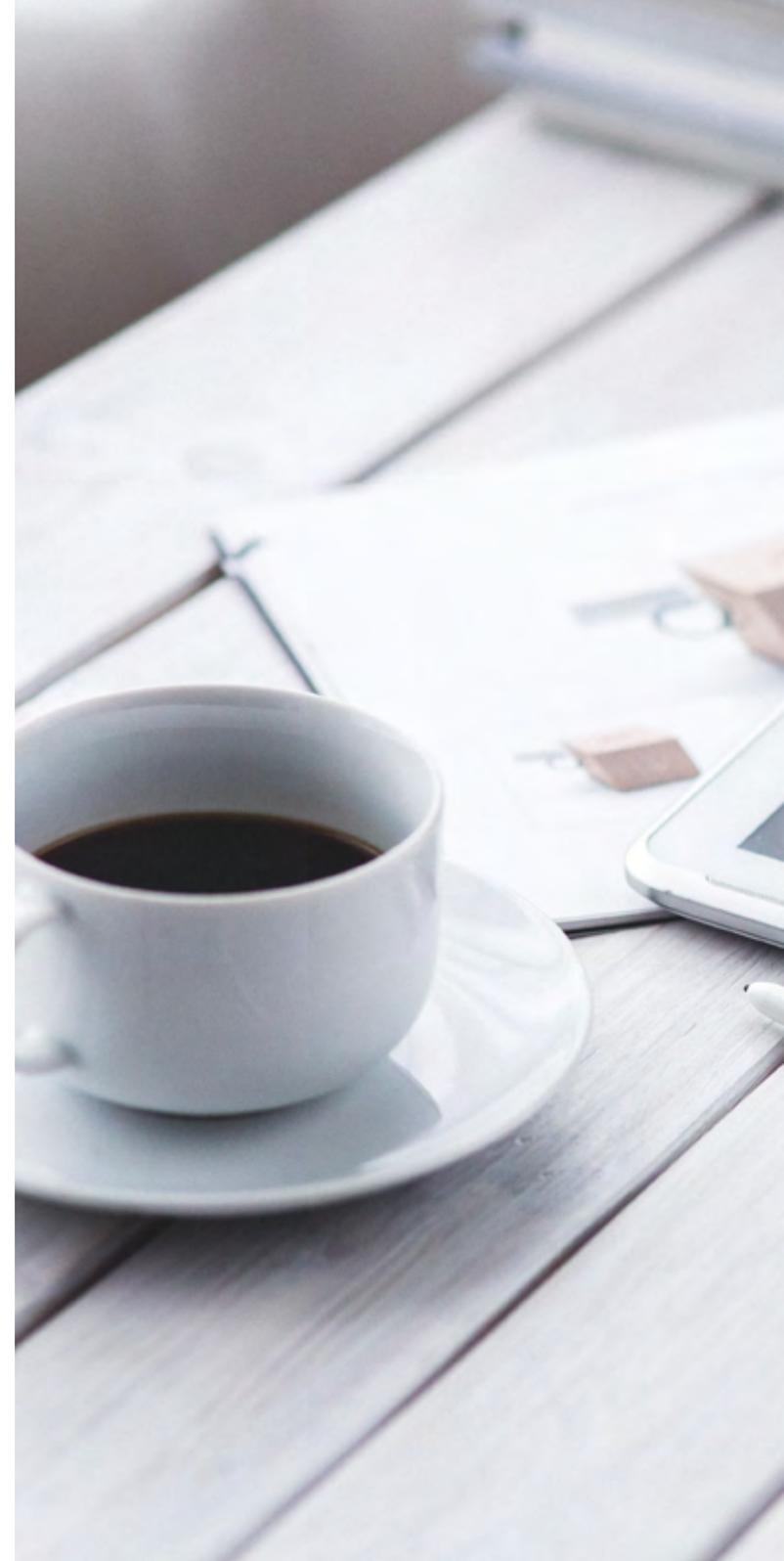


FACTORS PREVENTING OVER 50s FROM NEGOTIATING PAY

Over a quarter of people in their fifties (28%) attribute their lack of salary negotiation to not believing their employer would offer them a pay rise, yet less than half (46%) think their current pay is an accurate reflection of the work they do.

Other reasons stated for not negotiating a pay rise include a lack of confidence (16%), being unsure of how to negotiate (14%) or feeling that the salary offered as part of a promotion was enough (13%).

REASONS FOR NOT NEGOTIATING SALARY – 50-60 YEAR OLDS





“ A lack of confidence and doubts over their employers’ openness to discuss pay is holding older workers back. By setting an appraisal framework, employers can remove the fear factor around salary conversations, which in turn can improve morale, and retention of key talent. Adopting an open-door policy when it comes to more candid conversations about pay can help people feel more comfortable and empowered to make their voices heard.

Alexandra Sydney, Group Marketing Director
- Totaljobs



6. BARRIERS TO PROGRESSION

Nearly half (45%) of over 50s are below middle-management level. Only a quarter of Baby Boomers know what they need to do to receive a promotion from their employer, and a third are not at all aware of the steps needed to progress in their career.

By stunting progression paths for over 50s, employers risk losing out on the skills and experience offered by mature employees. Nearly half (45%) of this generation would be determined to leave their job if their progression path wasn't made clear to them, while a further 28% would consider leaving if this was the case.

- ▶ Having a lack of opportunities made available is the top challenge for 50-60 year olds - 39% experience this problem
- ▶ A third struggle to balance work and family commitments and a quarter find there is a lack of training and development on offer to suit their needs
- ▶ Being unsuited to their company's culture is one of the top five challenges selected by 14% of professionals in their fifties

TOP 5 CHALLENGES TO PROGRESSING – 50-60 YEAR OLDS

-  **39%**
Lack of opportunities
-  **33%**
Balancing work and family commitments
-  **20%**
Lack of training and development
-  **16%**
Lack of diversity in management or senior positions
-  **14%**
Unsuited to company culture

BARRIERS TO OVER 50s ACROSS SECTORS

Having a lack of access to progression opportunities is most prevalent for mature employees working in sectors where younger generations make up a significant proportion of the workforce.

62% of 50-60 year olds in the media industry confirm this is their greatest challenge. This could perhaps be down to opportunities being offered to Millennials, perceived to be more 'digitally-savvy', having been immersed in relevant technologies from a much younger age compared to older generations.

Similarly, 48% of marketing professionals in their fifties experience this problem. In fact, 55% of legal professionals and 40% of accounting & finance professionals in their 50s feel overlooked for promotion.

SECTORS LACKING OPPORTUNITIES FOR OVER 50s

 **62%**
Media

 **55%**
Legal

 **48%**
Marketing

 **40%**
Accounting & Finance

“ With the desire to progress, fit in with the culture, and take up relevant training all present, it is clear that older employees remain just as engaged with their work.

Employers should not rest on their laurels and must begin to understand the needs of an ageing workforce and take steps to ensure employees feel valued and can utilise their experience. Central to this is carving out clear progression paths that last throughout an employee's career.

Richard Boyd, Director of Commerce & Specialist Markets - Robert Walters

LEARNING AND DEVELOPMENT

Training plays an important role in extending working lives, however a lack of learning and development opportunities on offer remains a challenge experienced by professionals in later life.

The research reveals a drop in the number of professionals being offered training once they're over 50. Given the size of this talent pool and an ongoing battle for the right skills, this should be considered a missed opportunity for employers.

TRAINING FOR OVER 50S

- ▶ 25% have a lack of training available
- ▶ 34% confirm their employer offers no training at all
- ▶ Only 42% have taken a training course that has benefitted their career

There is undeniably a strong appetite for training amongst older professionals – where training courses have been made available, an overwhelming 90% of over 50s have grasped the opportunity.

With today's professionals expected to stay in the workforce for nearly 50 years, overlooking training opportunities for older workers risks employees feeling they have a 'best before' date when in fact, there are years of working life left.





90%

**of over 50s have undertaken training
when made available by their employer**

“ It’s well documented that training is essential to combat skills shortages. In an ideal business scenario, employers should be investing in talent so that it creates a ‘snake eating its own tail’ scenario, where the result is that skilled professionals end up teaching others.

A failure to sustain training programmes for over 50s - a cohort who are still quite clearly engaged in the workplace – is a massively missed opportunity and will result in organisations falling behind and overspending on talent in other areas.

Lucy Bisset, Director - Robert Walters



7. EMPLOYEE EXPERIENCE & INCLUSION

There is a consensus across all age groups that organisations need to do more to provide employment offers that suit their needs. Only 42% of Millennials think that their current employer offers work perks that suit their needs, which drops to just 35% of Baby Boomers.

THE NEED FOR FLEXIBILITY

The need for flexi-hours is all-too-often associated with parents, but it is consistently the most important work perk for all age groups.

While 55% of Baby Boomers value flexi-hours, this is most significant with those over the age of 60 (61%), when professionals move closer to retirement age and may begin to reduce their work commitments.

In fact, the CIPD has previously highlighted that 61% of HR professionals believe the design of jobs and working hours will need to be adapted as a result of an ageing workforce⁶, taking into account changing working styles and health or carer needs.

⁶: CIPD, [The Impact of an Ageing Workforce](#) (2018)

TOP 5 WORK PERKS FOR OVER 50S

-  **55%**
Flexi hours
-  **34%**
Training opportunities
-  **30%**
Bonus schemes
-  **30%**
Remote working capabilities
-  **30%**
Private healthcare

AGE RELATED PERKS

Private healthcare is regarded most highly by Baby Boomers, with almost a quarter (25%) valuing this perk, almost double the proportion of Millennials.

According to research from Cigna, less than one-fifth (19%) of UK workers are covered by private medical insurance (PMI) provided by their employer⁷.

Interest in monetary incentives, such as bonus schemes and shares and investment opportunities, also increases with age. Therefore, making older employees aware of these types of benefits is key as they progress in their career.

WORKPLACE CULTURE

More work needs to be done to address the generational diversity within today's workforce. Creating cohesion between different age groups will be instrumental in ensuring older employees are motivated and feel a part of their company.

With a range of age groups now working within one organisation, creating an inclusive employment offer that reflects the diversity of the workforce will be essential for retention.

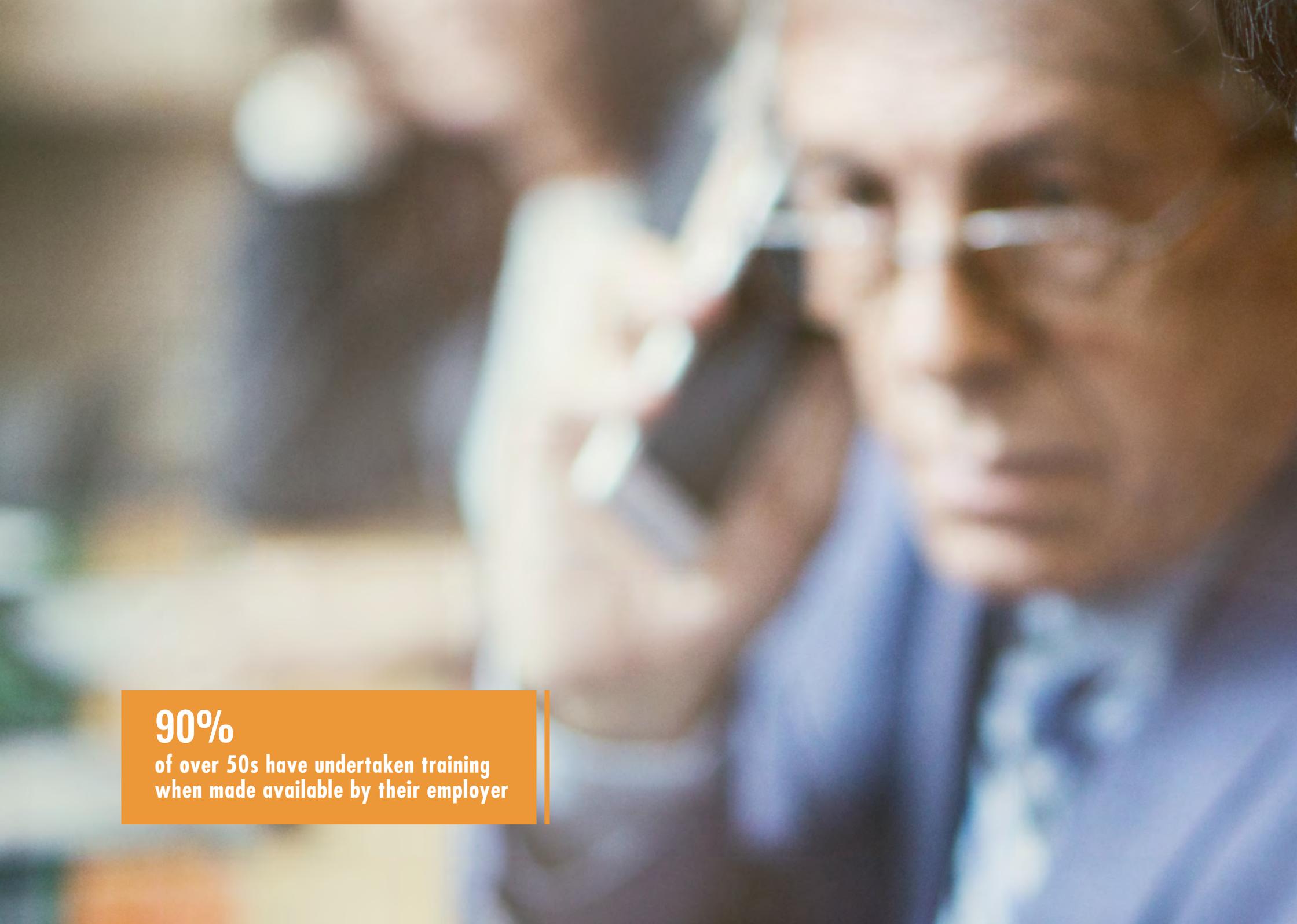
7: Cigna, [360 Well-Being Survey](#) (2018)

“ Often, company culture can wrongly become synonymous with making offices seem quirky or ‘cool’. Employers should be mindful that games consoles or office bars could be unintentionally alienating older workers who are less interested in these elements – if these are the only perks on offer.

To promote a truly diverse workforce, employers should offer a range of perks to their team, to cater to people who have different priorities. Flexibility and varying social events can also be hugely beneficial to ensure that team building activities and company celebrations are not inadvertently leaving out more senior workers.

Lee Allen, Group Sales Director - Totaljobs

55%
of Baby Boomers value flexi-hours



90%

**of over 50s have undertaken training
when made available by their employer**



“ 60% of workers have experienced intergenerational conflict in the workplace. As Baby Boomers continue to make up a significant part of the workforce, finding a way for members of different generations to work together effectively should be a priority for employers.

Making sure that managers understand what motivates workers from different generations, how they like to communicate, and identifying common sources of conflict is essential to creating a strong team of varied generations and diversity of opinions.

Sam Walters, Director of Legal - Robert Walters



8. KEY TAKEAWAYS

1 KEEP THE SALARY AND PROGRESSION CONVERSATION OPEN

On average, a professional's career and earning potential slows at 50. Management teams need to do more to encourage this discussion and present employees with opportunities or career routes which invest into the skills of the individual and adds longevity to their career.

Tip: Creating an open forum where progression and pay can be discussed between workers and their respective managers outside of formal appraisals gives older employees more opportunity to map out career goals.

2 POSITIONS WITH FLEXIBLE WORKING HOURS

As employees near retirement, flexible hours enable older generations to maximise their time. As over 50s cite balancing family commitments as one barrier to progression, it's essential they have the option to tailor their hours in a way that works for them.

Tip: Job redesign can support ageing workers, for example consulting positions give them the opportunity to share their extensive expertise while transitioning into retirement.



3

OFFER TRAINING TO ALL AGE GROUPS

Set aside a training budget and empower staff to find training opportunities they feel are most relevant for them. Speaking to your employees about what they feel they need in order to upskill can help you build tailored training for all age groups. It's clear that older age groups want training too and it's essential to provide this to achieve a productive workforce.

Tip: Encourage older professionals to seek out training that they feel would be beneficial to their progression and include skills development in appraisal targets. This will help to achieve a productive workforce by motivating older age groups.

4

MENTORSHIPS AND REVERSE MENTORSHIPS

Insights from CIPD research (2015) suggest that younger employees value the practical experience older workers bring, whereas older generations benefit from skills training and new ways of working, such as through technology⁸. For older workers, having the opportunity to coach or mentor younger staff can highlight the value their experience brings to the business.

Tip: Introduce a fit-for-purpose mentorship and reverse mentorship scheme between older and younger employees. This will help to break down generational barriers and enable key knowledge sharing.

⁸: CIPD, [The Impact of an Ageing Workforce](#) (2018)

“ Workers in mid-life have typically amassed significant skills, experience and knowledge that can be invaluable to their employer. In this candidate-short market – exacerbated by Brexit-related concerns and increased demand for highly skilled labour - companies need to utilise this opportunity and consider fine-tuning hiring and development strategies in order to attract and retain older professionals.

The key takeaway from our findings is that an ageing and underused workforce is not an issue of the future, but a problem that exists right now.

Chris Hickey, UK CEO, Robert Walters



9. CONCLUSION

MOVING FORWARD: FROM DIVERSITY TO INCLUSION

To make the shift from a diverse workforce to one we can call truly inclusive, businesses must be transparent in their efforts and keep communication channels open across the board.

Employees are willing to share their opinions if they feel their contribution is actively sought after, valued and made use of. Employers must apply this if they are to foster environments where all feel welcome.

Improving diversity and inclusion requires a multi-faceted approach, one that acknowledges and values individuals of any age, gender, race, disability, sexual orientation or religion, alongside other protected characteristics.

Initiatives must also leave space for learning and adapting to ensure we are doing all we can to foster a diverse, representative workforce through efficient and fair means.

This report highlights some of the barriers to progression for older workers, from a lack of relevant training, to a lack of progression opportunities, as voiced by UK workers. Having awareness of the implications of these factors on employee engagement, productivity and self-worth will aid businesses in drafting future initiatives to improve the experiences of workers across all generations.





“ Fostering an environment where everyone can actively share their opinions and experiences is pivotal. An inclusive workforce at all levels means better ideas, better problem solving, better connections with your customer base and ultimately better business.

To have a successful people strategy is to have a successful business, and in doing so employers need to understand the needs of each person within the workforce, including older employees. A key finding from our research is that learning and development opportunities are still highly sought after by older workers, who see value in upskilling, or even reskilling, in order to further their career and maximise the impact of years of experience. Failing to invest in older workers could lead to them feeling devalued and ‘checking out’ long before retirement.

Alexandra Sydney, Director - TotalJobs



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11. ABOUT THE AUTHORS

ROBERT WALTERS

Powering people and organisations to fulfil their unique potential.

Established in 1985, Robert Walters plc is a world-leading specialist professional recruitment consultancy and the core brand of Robert Walters Group. Hiring managers worldwide rely on us to find their best specialist professionals and our clients range from the largest corporates world-wide through to SMEs and start-ups. We recruit people for permanent, contract and interim roles across the world.

The UK business recruits across multiple professional disciplines including accountancy & finance, banking & financial services, executive search, human resources, technology, legal, procurement & supply chain, projects, secretarial and business support, tax and treasury.



ROBERT WALTERS

TOTALJOBS

Formed in 1999, Totaljobs is one of UK's leading job boards, attracting 20 million visits and over 4.3 million applications from qualified jobseekers every month. Over 300,000 jobseekers visit our platform every day, with over 270,000 jobs to choose from at any given time.

In May 2018, Totaljobs partnered with Jobsite to become the UK's largest hiring platform offering employers the opportunity to advertise vacancies across both platforms from one system, and access to almost half of the UK working population.

Totaljobs and Jobsite are part of the StepStone Group, one of the world's leading e-recruitment businesses. With a head office in London and offices in Birmingham, Havant, Cardiff, Leeds, Manchester, Nottingham and Glasgow, StepStone in the UK comprises Totaljobs and Jobsite plus nine additional job boards. These include: Caterer.com, CatererGlobal, CWJobs, Milkround, CityJobs, RetailChoice, CareerStructure, Just Engineers and emedcareers. Together these brands provide access to over 18 million searchable candidate profiles.



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