

# A sense of a future

## A study of training and work in later life

A report for the Nuffield Foundation

Stephen McNair

**niace**  
promoting adult learning

Published by



© 2010 National Institute of Adult Continuing Education (England and Wales)  
21 De Montfort Street  
Leicester  
LE1 7GE

Company registration no. 2603322  
Charity registration no. 1002775

NIACE has a broad remit to promote lifelong learning opportunities for adults. NIACE works to develop increased participation in education and training, particularly for those who do not have easy access because of class, gender, age, race, language and culture, learning difficulties or disabilities, or insufficient financial resources.

All rights reserved. No reproduction, copy or transmission of this publication may be made without the written permission of the publishers, save in accordance with the provisions of the Copyright, Designs and Patents Act 1988, or under the terms of any licence permitting copying issued by the Copyright Licensing Agency.

Cataloging in Publications Data

A CIP record for this title is available from the British Library

[www.niace.org.uk](http://www.niace.org.uk)

Designed and typeset by Prestige Colour Solutions Limited, Leicester

# Acknowledgements

This report was commissioned by the Nuffield Foundation from the Centre for Research into the Older Workforce (CROW) at NIACE. It assembles evidence from a wide range of sources to explore the relationship between skills, training and work for people over the age of 50.

Many colleagues have contributed directly and indirectly to it. They include: Dr Matt Flynn (University of Surrey), who helped develop the original proposal; Lynda Owen-Hussey (University of Surrey), who carried out most of the interviews reported in Chapter 5; and Dr Yanina Dutton (NIACE), who carried out much of the analysis of the interview transcripts. Dr Tony Maltby (NIACE) oversaw the early stages of data analysis, and shared in the literature review, and the pilot interviews.

The project had a small Advisory Group, which met three times to discuss methodological issues and draft material. They were Professor Alan Felstead, Keith Frost, Professor Donald Hirsch, Dianah Worman OBE, and Richenda Solon. We are grateful for their time and expertise in supporting the project.

All have contributed to the thinking and analysis, for which I am most grateful. However, I have written the final report, and any omissions and errors in my interpretation of the work of colleagues is my responsibility.

Professor Stephen McNair  
Associate Director (Older Learners), NIACE



# Contents

<b>Introduction</b>	<b>7</b>
<b>Executive summary</b>	<b>8</b>
The context	8
Research findings	10
Policy implications	14
Research implications	15
<b>1. The context</b>	<b>16</b>
Three perspectives on learning and older workers	17
The problem of defining 'training'	18
The problem of defining skill	19
<b>2. How the workforce changes with age</b>	<b>20</b>
<b>3. What the research literature tells us</b>	<b>28</b>
The nature of the literature	28
The policy context	30
Older people and the labour market	31
Attitudes to age	34
Labour market exit	36
Learning and older people	47
The benefits of learning	55
<b>4. What the national datasets tell us</b>	<b>59</b>
Training participation does decline with age	59
Formal modes of learning are not replaced by informal ones	67
The decline is not related to level of skills and experience	68
Is the decline caused by employee or employer decision?	69
<b>5. The LWLL evidence: the employee perspective</b>	<b>72</b>
Quantitative evidence on employees	72
Qualitative evidence on employees	83
<b>6. The LWLL evidence: the employer perspective</b>	<b>93</b>
Quantitative evidence on employers	93
Qualitative evidence from employers	102
<b>7. Findings</b>	<b>109</b>
The context: history, attitudes and policy	109

How the shape of the workforce changes with age	111
Is there a skills problem?	113
Is there a training problem?	115
Attitudes to training	117
Managing training	119
Promoting change: segmenting the workforce	121
Key factors influencing training behaviour among older workers	121
<b>8. Conclusions</b>	<b>123</b>
Policy implications	123
Implications for research	125
The existing national datasets	126
<b>9. The future</b>	<b>127</b>
<b>Annexe 1: Methodology</b>	<b>128</b>
Literature review	128
Review of national datasets	128
The SEPP study	129
The LWLL omnibus surveys	129
The LWLL pilot interviews	132
The CROW ESF/HE interviews	132
The SEPP qualitative interviews	132
<b>Annexe 2: The national datasets</b>	<b>133</b>
Labour Force Survey: understanding the labour market	133
WERS: understanding employer-employee relationships	134
ELSA: understanding older people	134
NALS: understanding adult participation in learning	135
NIACE's Adult Participation in Learning Survey	135
<b>Annexe 3: The research base</b>	<b>136</b>
<b>References</b>	<b>138</b>

# Introduction

This report is concerned with how age affects labour market participation, and specifically with the role of training in extending working life. It looks into this in the context of two major national policies:

- **to extend working life** in response to a deteriorating economic dependency ratio caused by long-term trends in life expectancy and fertility (*Opportunity Age*, DWP, 2005b; *Building Society for all Ages*, DWP, 2009);
- **to raise workforce skills** (*World Class Skills*, Leitch, 2006) at a time of growing long-term labour shortages,<sup>1</sup> skills gaps and skills shortages, documented in the work of the UK Commission on Employment and Skills, and the National Employer Skills Survey.

Participation in education and training declines with age (across all developed countries), and it is often suggested that greater investment in skills development would increase the productivity and/or employability of older people, and encourage them to stay longer in work. If this were the case, it would address both policy objectives. However, empirical evidence on this is thin at best.

This project has therefore sought to explore:

- how the nature of the labour market changes with age (principally after the age of 50);
- whether and how far the nature of training changes with age, and how age interacts with other variables;
- how far age affects the willingness of employers or employees to invest in training, and their perception of training needs.

It has sought to do this through a mix of qualitative and quantitative methods, including:

- a review of relevant academic and policy literature;
- a review of existing national datasets;
- a national Omnibus survey, to examine the relationship between individuals' perceptions of skill, and their experience of training;
- a secondary analysis of qualitative data from several previous projects;
- a secondary analysis of quantitative data collected as part of the Department for Work and Pensions' (DWP) Survey of Employer's Practices and Preferences (SEPP) relating to age.

The methodology is outlined in Annexe 1.

---

<sup>1</sup> Although recession may be temporarily raising unemployment, long-term trends suggest that labour shortages will be a major issue over the next decade (UKCES, 2009).

# Executive summary

This is the report of a study of the relationship between training and working life after the age of 50, and in particular of the extent to which training can contribute to extending working life. It is based on a review of the literature, a specially commissioned survey of the general population, and a reanalysis of quantitative and qualitative data on employee and employer attitudes gathered during previous research.

In this report we use 'older' to mean people over the age of 50, which is the age at which a range of life changes, and age discrimination, begin to affect people's working and learning patterns.

## The context

### The state of knowledge

Research on training in later life is limited. The literature on older people's learning focuses mainly on learning for non-work-related reasons, while the literature on older people and training tends to assume that training will increase the employability of older people, but with little empirical evidence. The literature on the older labour market, and especially on labour market exit, rarely comments on training as an issue. The rather larger body of evidence on the role of training in returning unemployed older people to the labour market suggests that training is only helpful if linked to other strategies.

### The policy context

Government policy on age and work has two distinct drivers. On one hand, age policy is driven by extending life expectancy and declining fertility, which are causing the retired population to grow and the 'working age' population to shrink. Here the aim is to improve the dependency ratio by persuading people to stay in employment later in life. Training might assist by maintaining employability. On the other hand, skills policy aims to improve the UK's competitive position in the global economy by raising skills through training, and especially through raising levels of qualification. These two are not always well articulated, and are even sometimes in conflict.

### Historical change and cohorts

The last quarter of the 20th century saw a steady fall in average retirement age, but this has now reversed. Despite the recession, in the year to September 2009 the employment rate of people over the State Pension Age rose by 6 per cent, while overall employment rates fell by 2 per cent. Current estimates suggest that labour market demand for older



people will continue to grow as economic growth combines with the shrinking numbers of young people entering the labour market to create overall labour shortages.

Today's older workers are very different from their parents at the same age; they are more likely to hold formal qualifications. Older women are more likely to be employed, and in more highly skilled jobs. Industrial restructuring, and particularly the decline of heavy industry and manufacturing, has led to the loss of many of the traditional men's jobs where heavy physical effort excluded older people.

All these will affect older people's expectations of work, learning and retirement, but social attitudes have not necessarily kept pace. The rate of change also means that research conducted even ten years ago may be a poor guide to attitudes and experience of today's older workers.

## Attitudes to age and older workers

Age discrimination is the most widely reported form of discrimination in the workplace, and many people still regard it as acceptable. However, survey evidence suggests that public attitudes towards older people are benign, but limiting: summed up by one researcher as 'older people are more honest, but less capable'. Employers generally share these attitudes, but it has also been suggested that line managers who manage the day-to-day operations and 'front-line' HR issues, may be less sympathetic.

## The older labour market

The distinctive feature of the older labour market is the way in which the approach of retirement conditions the attitudes and expectations of employers and employees. However, retirement is a complex concept, and labour market exit can happen in a variety of ways, planned and unplanned, from the traditional 'cliff edge' to various forms of phasing out, second careers and self-employment.

Most older workers are willing to consider staying longer, but often aspire to do so in ways which employers are unable, or unwilling, to adopt. The factors which make work attractive to older people include a sense of purpose, social engagement, respect, a sense of control and flexibility (including more control over work-life balance, including part-time and flexible working). Finance is important, but is rarely cited as the most important reason for staying longer.

Before the mid 50s the main cause of exit is ill health, or caring responsibilities for older relatives (which affects women in particular). The groups most likely to leave in their 50s are at the two ends of the income range: those with good occupational pensions or those in poor health in low-paid work.

Those most likely to remain in work later are in better health, with higher qualifications (though not necessarily in high skill jobs), and with ongoing financial commitments (mortgages, supporting children).

From 50 onwards, the workforce becomes progressively more female, and it is in the 50s that employees are most likely to be employed in large organisations and the public sector. After 60, the proportion that are in routine and semi-routine jobs, and in self-employment rises, and those with formal qualifications below degree level are most likely to exit, leaving a workforce divided sharply between the unqualified and the very highly qualified. After 60, workers are increasingly concentrated in five sectors (health and social work, education, public administration, other community, wholesale/retail, and business services). The workforce is older in the South West, and the South more generally, and much younger in London.

---

2 In considering employer attitudes it is important to remember that a third of firms have no employees over 50.

## Research findings

### The skills of older workers

Despite Government views, the large majority of older workers do not think that they have skills problems. Most describe their skills as 'about right' for their present job, and a third think they are overskilled. Fewer than one in ten, mainly in lower social classes, report being underskilled. A mismatch of skills to the current job is most likely among men, and people in part-time employment, both of whom are more likely to report being over or underskilled.

After 50 the proportion reporting skills as 'about right' for their current job rises and the proportion 'a bit overskilled' falls. There is, however, a distinct group who see themselves as very overskilled, and this group expands steadily from 50 to 70+, suggesting significant underemployment or mismanagement of a part of the labour market in this age group. The self employed, who form a growing proportion of the workforce with age, are particularly likely to report being very overqualified, suggesting that self employment is less a way to make creative use of talents than a last resort in the face of age discrimination by employers.

### Training and older workers

The relationship between age and training has changed in recent years. In the past, participation tended to decline progressively with age across the working lifecourse, but it now remains broadly constant from the mid 20s to the early 50s, after which it declines. This is true for all forms of learning (taught courses, seminars, learning on the job, etc.), and there is no evidence of a shift to less formal modes of learning.

Training is more likely to be offered to women, those with high-level qualifications, in high-status occupations and higher social class, and people in full-time work, but there is no evidence of systematic bias in take-up of training when it is offered. The age gap is larger in the private sector, and especially in those occupations and sectors where training levels are generally low (routine and semi-routine work, sales and skilled trades). There is some evidence that, while people in social classes D and E are less likely to be offered training, they are rather more likely to take it up if it is offered.

People who think themselves underskilled for their jobs are the least likely to be offered training (though they are no less likely to take it up if it is offered). Otherwise there is no relationship between skills and training: the 'overskilled' are as likely to participate as those who think their skills are 'about right'.

Refusal to train is extremely rare: almost all older employees claim that, where training is offered, they take it up.

### Why does training decline?

The reasons for the decline in training are not clear. Although employees report that training is less likely to be offered as they age, older workers generally say that they are encouraged to develop their skills at work. Employers, on the other hand, claim not to discriminate, and indeed are more likely to support training for older people than younger ones, by paying fees and material costs and providing time off.

Most older workers are positive about training, but many feel that employers prioritise younger workers (and some feel that this is appropriate). Employees frequently complain that employers fail to distinguish between people still motivated to develop and those running down to retirement. Those seeking to return to work after a break typically feel that employers overvalue formal qualifications at the expense of (often undocumented) experience.

It would appear that the arrival of information technology in the workplace in the last 20 years has had a positive impact on attitudes to training. New technologies made the need for continuing learning visible and immediate, and led to a more positive learning culture generally.

There is little evidence that older people in general require, or prefer, to learn in different ways from younger people, and apparent differences are more likely to be the result of individual difference than age.

Some employees choose to learn at their own expense, in order to retain control over what and how they learn, and to avoid being beholden to their employer, and some people undertake training partly as a bridge into activity beyond paid work.

## Nature of training

With age, the number of people training falls, but so does the length of training. While the proportion of workers undertaking courses lasting more than five days declines from 19 per cent of people in their 20s to 8 per cent of people in their early 60s, the proportion doing training of under a day remains constant at around 10 per cent.

This appears to match what employees and employers want. The training which both value most is generally short and strongly focused on the current job. There is little support for long courses or courses leading to formal qualifications, and employees widely believe that, when recruiting, employers place too much value on qualifications at the expense of experience.

## Employer attitudes and practices

Most employers say that they do not discriminate against older workers, either in recruitment or in supporting training. The very small group who do refuse training to workers approaching retirement only do so in the last year.

In general, employers believe that older workers in general are positive about training, and they tend to see training problems as issues of individual motivation rather than age. They think that most of the reluctant respond to persuasion, although cases are cited of particular individuals who prefer to retire early, rather than retrain for new circumstances. However, they also report that employees who have been in the same job a long time are particularly resistant to training, seeing agreement to train as an admission of incompetence, which will reflect on their status with their peers.

Some employers report that older workers have changed, in skills and in attitudes to training, as a new cohort moves into its 50s and 60s. Like employees they sometimes identify the arrival of information technology in the workplace as a driver for this change.

In some firms training is described as 'automatic' and everyone is expected to participate. This is most common in small firms and in hospitality, both of which are generally less likely to train older workers. This may reflect the fact that such training is often focused on induction (in firms with a high staff turnover) and regulatory concerns. In both cases one might expect older workers to be less in need of training.

The most common reasons for supporting training (especially in larger firms, which are more likely to employ older people) are 'to rectify poor performance', and 'to prepare for promotion'. Each is cited by about half of employers, and more often in the public sector and larger firms, who are also most likely to cite lack of recent training (which implies that regular training is the norm).

Decisions on training are made differently in different sectors. In construction and manufacturing they are likely to be made by a manager, but in financial services, business services and public administration by the employee. Joint decision-making through formal appraisal is most common in large organisations, the public sector and financial and business services.

## Why older workers disagree with the Government

Employees believe that their skills are adequate and that they do not need to train. Employers broadly seem to agree. It is possible that they are right, but this view differs significantly from Government views on the under qualification of the workforce. The explanations for this might include:

- underestimating of future needs, which risks long-term unemployment in the event of later redundancy;
- 'conspiracy to underperform' between workers and line managers – avoiding the effort of organising and doing training;
- poor management, making poor use of the latent skills of employees;
- perception of a low return on the effort and costs of training, given the time to retirement; and
- overvaluing of formal qualifications at the expense of experiential learning.

A critical issue is whether older workers are seen as a dynamic force contributing to innovation and growth, or as a marginal group filling gaps in the labour supply on a short-term basis.

## Segmenting the older labour market

It is clear that the nature of the labour market changes with age, as a result of a combination of factors: personal, industrial, sectoral and cultural.

It is possible to segment the older workforce, on the basis of employee's views, into four distinct groups:

- **The content** – the large majority (75 per cent of people over 50) believe that they have adequate skills for their present jobs. A minority of this group do train, but the majority are not offered training, and the timing of their labour market exit will probably be unrelated to issues of skill or training, unless they are forced out prematurely by industrial or economic change (in which case they may find that their lack of documented skills is a barrier to return. The numbers in this group rise with age, slowly up to 50, and then much more rapidly, as people begin to adjust to their new 'retired' identity. If this group needs to be trained they will need persuasion that it is relevant. This may be more effective if it is linked to a perception of further career opportunity, or to aspirations for life after retirement.
- **The very overskilled** – this is a relatively small group until the early 50s, after which their numbers rise rapidly (from 12 per cent of workers at 50 to 20 per cent at 70). They are particularly likely to be self employed, although the majority are in employment. They are unlikely to be offered training by their employer, and are unlikely to seek it out, unless they are planning a career move. They may include people who have chosen to move to less stressful work in the run up to retirement, but they clearly represent an underused resource to the economy as a whole. Where they have experienced downwards career moves or age discrimination, they may well be sceptical about the value of training in recovering their former position.
- **The lifelong learners** – there is a small group of people (14 per cent at the age of 50, falling to 9 per cent by the age of 70) who do train, despite being overskilled for their present job. These appear to be committed lifelong learners who will continue to learn, probably into their retirement.
- **The underskilled** – this is a very small group of people (4 per cent of people in their 50s), and their numbers fall very rapidly, presumably because they either retire, or raise their skills. They are the most vulnerable to unemployment in the event of redundancy, but currently the least likely to be offered training.

## Influences on training

There appear to be five factors which increase the likelihood of older people training:

- **Workplace culture** – in some workplaces training is seen as the norm, expected of everyone. In these workplaces older workers seem to accept this as including them, and training is common. It may be important to distinguish such workplaces from others where training is 'automatic' but limited to induction and routine functions like health and safety. Encouraging workplace practices which treat training as the norm may increase participation.
- **Perception of career stage** – qualitative evidence suggests that many people reach a point at which they see themselves as no longer 'progressing' in their work, and begin to prepare for retirement. After this point motivation to train falls away. If people are to choose to stay longer, it will be important to create a sense of positive career opportunity, rather than of prolonged exit.
- **Past job mobility** – past job mobility appears to be a significant factor in whether people remain employable. The longer an individual has been in the same job and with the same employer, the less willing they appear to be to train, and the more at risk they are of being unemployable if they should lose their jobs. Encouraging people to change jobs, and to think in terms of ongoing career development, is an important part of protecting them against permanent premature exit from the labour market.
- **Evident need** – many older people do not see any need to train, since they believe their skills are adequate for their present (and by implication last) job. Qualitative evidence suggests that the arrival of IT in the workplace in mid career for most of today's 50–70 year olds led to a significant step change in positive attitudes to training. If training is evidently relevant, we might expect it to increase (the converse is probably also true).
- **Cost effectiveness** – neither employers nor employees are likely to invest large resources in training unless there is a clear benefit. In many cases the benefits are not self evident, and the cost in terms of disruption in the workplace may be considerable. Line managers in particular may be sceptical, and this can lead to a 'conspiracy to underperform' where managers and employees tacitly agree to accept sub-optimal work.

## Organisations which train older workers

Older workers are more likely to be offered training in organisations which:

- are larger;
- are in the public sector;
- have a high concentration of professional/managerial staff; and
- have a high proportion of female employees.

These features overlap: most large organisations are in the public sector, which is more likely to employ women and older people than the private sector.

## Training and return to work

Few employers or employees believe that training is a major factor in enabling unemployed older people to return to work, and the evaluation literature on training schemes suggests that training is only likely to make an impact when linked to other strategies like work placement.

## Policy implications

The evidence presented here can point in two policy directions. The first is that the older labour market is irrelevant to the Government's broader skills agenda: older workers are a residual group, filling marginal spaces in the labour market, 'serving out their time', while the main drive for growth and productivity is concentrated elsewhere. If this conclusion is drawn, policy is not likely to significantly extend working life, existing skills and experience will be wasted, and many older people will spend the last years of their working lives unfulfilled, and some will leave feeling angry. Economic growth and demography will ensure that older people's labour market participation continues to rise, but much expensively accumulated human resource will be wasted. Training will have a limited contribution, in helping unemployed older workers back into the labour market (linked to work placements), and in a limited way in keeping people up to date

A second option is to recognise that most older workers could be persuaded to defer retirement if work were to be more rewarding. For most, this would require more than merely improving the 'hygiene' factors of employment like flexibility of working hours and employment conditions (important though these are). If this option were to be pursued, employers would need to take more active steps to encourage older workers to look forward to continuing career development and new ways of contributing (not necessarily in conventional 'promotion' terms, which may not appeal to many). Central to this would be better communication between employee and employer about aspirations and opportunities. Here training would play a much more positive part, preparing people for changing roles and expanding skills and knowledge to take up new business opportunities.

The second strategy is the more appealing, since it is more likely to use resources effectively, and improve the well-being of older people. However, in both cases training responses are more likely to be effective if they focus on realistic timescales, and do not expect many older people to seek formal qualifications.

Whichever strategy is adopted, the research to date suggests a number of policy priorities for Government and other national players:

- ensure that policy recognises the diversity of older people, in aspirations for work, life and learning, and target promotional messages at distinct segments of the older workforce;
- promote positive and active images of older workers, to encourage people to see work and training as offering positive life choices;
- draw the attention of the public at large to the importance of training to build resilience and protect oneself in an increasingly unpredictable labour market;
- improve the articulation of Skills and Age policies at national level, to recognise the distinctive nature of the older labour market, and the role appropriate training can play in extending working life;
- support further research into the benefits of training for older people;
- ensure that training is available for the lowest skilled people in their early 50s, when they are most vulnerable to becoming unemployed as a result of redundancy, and when participation rates begin to drop;
- encourage employers to adopt better appraisal processes, to ensure that hidden talents are not ignored, to encourage older workers to express aspirations for the future, and to make better use of the underemployed; and
- actively promote the benefits of investing in older learners to employers.

## Research implications

Questions which further research could usefully address include:

- more detailed empirical work to establish the costs and benefits, to individuals and firms, of employing and training older people, including the role of formal qualifications;
- the extent to which the older workforce can be segmented in terms of motivation to work and learn, and the implications for promotional strategies to extend working life, and for employment practice;
- how older people understand and manage the balance between work (paid and unpaid), caring and other activities (including leisure, life projects, etc.) during the later years of employment and the early years of retirement;
- how training can best combine with other strategies like work placements to improve the employability of unemployed older people;
- how communication about career happens between older workers and employers, including the role of formal organisational policy and of line managers;
- the experience and aspirations of older workers from the various black and ethnic minority communities;
- what influences individual retirement decisions; and
- what kind of flexible working arrangements appeal to what kind of older workers, and how these can be adopted by employers.



# 1. The context

We are at an unprecedented moment in human history. In most countries, developed and developing, improvements in health and social conditions have raised life expectancy to levels unimagined a century ago. Every estimate of life expectancy in the 20th century had to be revised upwards, and 'retirement', which used to be a very few years of 'paid holiday' before illness and death, has grown, to become a third of adult life for most people, and a half of adult life for growing numbers.

An ageing population presents a society with a major economic challenge: how do we pay the living and (later) care costs of the growing older population. As the Turner report pointed out (Turner, 2006), there are only three options: either older people get poorer, or the working population pays more in contributions to the pensions of the retired (through increased savings or higher taxes), or people stay in paid work later in life. All three present political problems. In most developed countries the policy choice has been for a combination of the last two, and in recent years the UK has seen both a reduction in pensioner poverty, and an extension of working life.

There is good reason to believe that employers, society, and many individuals would benefit if most people were to stay longer in paid employment, and many older workers say they would like this, but the factors which make longer working life more likely are not all well researched.

It is often suggested that older people are forced out of the labour market by out-of-date skills and knowledge: and that they would stay in work longer, and get back into work more easily, if they had better skills, knowledge, understanding or qualifications. 'Training' is widely advocated, although evidence on what kinds of training would achieve this, for whom, and in what circumstances is thin on the ground.

If training could be shown to lead to extended working life:

- individuals would benefit through increased job satisfaction, promotion or increased pay (both rarer for older people), or reduced risk of unemployment;
- employers would benefit through increased productivity, motivation and employee retention (reducing the costs of recruiting replacement staff); and
- the State would benefit through reduced pension and welfare costs, increased overall production and increased tax revenues.

However, the case for particular kinds of investment is more complex. Issues here include the following:

- How rapid is the return, in improved performance, against the length of the payback period? The payback period reduces with the approach of retirement, but as the 'half-life' of knowledge reduces, the relevant time interval shortens.



- Who should bear the costs: particularly since some benefits, like reduced pension/welfare costs, may accrue to the State rather than the individual or employer.
- Which employees to support, and why: the benefits may not apply equally to all kinds of employee. Some commentators have suggested that training in later life delivers only marginal economic gains for the low skilled, but there are social equity arguments for including them.
- Are there other more productive uses of the investment of resource and time, by individual, employer or the State?

This report explores these issues through: a review of existing literature; analysis of existing major datasets and evidence; a reanalysis of data gathered through relevant recent projects; and through a large population survey.

## Three perspectives on learning and older workers

### The individual perspective

For the individual, training is valuable if it satisfies some intrinsic or extrinsic motivation. Improved productivity is of only indirect concern to the employee, but it matters if it increases performance and leads to promotion, greater job security, or personal satisfaction with a job well done. It may also offer a way out of an unrewarding job or to another employer, or help develop an interest which may be pursued outside work. The chances of achieving these benefits through training may well diminish as people approach retirement.

Conversely, one might expect employees to resist training if it is not perceived as offering any personal benefit, or is even seen as threatening the individual. This can arise when the offer of training is seen as a criticism of competence, or threatening personal identity or membership of a particular work group.

Some older people enjoy learning and will pursue it when offered, but many (perhaps most) will assess the costs in time, effort and money against the likely benefits when retirement is in sight.

### Employer perspective

For the employer, the ultimate test of training of any kind is whether it will improve productivity and profitability, and whether it will do so in a cost-effective way. Whether the assessment is done formally or on 'gut instinct', some sort of assessment of this cost benefit balance is likely.

Training may improve productivity in a variety of ways. It may do so directly, by increasing skills and knowledge, so that the work is done better or faster, or by making it possible to do new things. It may also do it indirectly, by increasing motivation, so that individuals work harder or longer, or are inspired to develop creative solutions to problems, even if the training does not in itself develop skills, knowledge or understanding. Some 'training' events are designed in this way as motivational activity: perhaps as a reward for good performance (Metcalf and Meadows, 2006).

However, training has costs for the employer that have to be weighed against the potential benefits. The most obvious elements of this are time off and the cost of fees. They also include the costs of finding appropriate training opportunities, the administrative costs of arranging it, selecting people to take part, and (at least in an ideal world) evaluating it afterwards. Sometimes an employer may decide that these outweigh

the potential benefits, even when in principle they might feel the training is useful.

Furthermore, training is only one way of improving a firm's performance. Alternatives include replacing people by machines, offshoring work to low cost countries, or reorganising work practices. In the short-term perspectives which many firms have to operate in, these may seem (and indeed be) wiser investments than training staff.

In relation to older workers, the employer is likely at some point to judge that continuing to invest in an employee who is near to retirement is a poor investment, although there is evidence (discussed later in this report) that this rarely is the case until the last year or two.

## National perspective

For the economy as a whole, training is valuable if it raises the skills level of the workforce, provided that the skills can be deployed appropriately. Government can afford to take a wider and longer-term view of training needs than individual employers, in the expectation that training will raise the capacity of the economy, regardless of the survival of a particular firm or industry. However, the Government is always under political pressure to demonstrate immediate success in solving problems which may have very long histories.

Since the 1980s, UK Governments have argued that the UK cannot compete on price in global markets, and that it must therefore compete on value added, especially in knowledge-intensive products and services (Department for Business, Innovation and Skills, 2009). The aim (shared by most other European nations) has been to create a 'knowledge economy', driven by very high skills and knowledge, allowing the automation and offshoring of much low skilled and manual work.

However, even in the most highly skilled economy, the 'knowledge workers' will still need people to cook, clean, build, care for children and the elderly, and there is an irreducible proportion of low skilled or geographically specific work. Furthermore, it is not self evident that the rest of the world will accept the notion of a small group of western nations monopolising the knowledge work, and it is already evident that in many fields such work can, and is, being exported to China, India and Brazil.

For Government, training older workers is important if it encourages, or enables, them to stay longer in work. Every additional year in employment is another year of economic output and tax revenue, and potentially a year less of pension or welfare expenditure.

## The problem of defining 'training'

'Training' and 'learning' are also complex concepts. The words are used in different ways by different people, covering a spectrum of activity from long formal qualification-bearing courses to informal conversations between colleagues in the workplace. Individuals will vary in what they define as learning. This will reflect their previous experience of education and training, but also whether they see learning as a distinct activity or as a means to an end.

Some kinds of learning are more easily identified and measured, and some are more easily promoted and supported. There is strong evidence that informal learning, which is the product of supportive workplace cultures that motivate workers to learn and teach each other, is more important in increasing both productivity and satisfaction, but such learning is much more difficult to measure and systematically promote than formal courses. As a result, Government tends to emphasise and measure participation in formal courses leading to qualifications, rather than the less tangible forms of learning.

## The problem of defining skill

'Skill' is also a complex concept. In recent years, Government has tended to use it to embrace the full range of capabilities which people use in work, including skills, knowledge and understanding. However, this is not how it is used by many people in everyday speech. As a result, employees' views on whether their 'skills' are adequate may not give a complete picture, and individual reporting is, of course, not a precise indication of 'real' skill. Some factors at work include:

- understanding of knowledge and skill requirements – in more complex job roles there is room for debate about whether the employee, line manager or employer is most likely to understand what the job requires and what skills are being deployed;
- inaccurate perception of employers' expectations – employees may not have an accurate perception of what their employer expects from the job, and an underskilled individual may believe that they are adequately skilled because the employer has chosen to overlook poor performance;
- lack of self confidence – this may lead individuals to underestimate their real skills;
- lack of comparators – this may make it difficult for individuals to produce a realistic estimate of their real skill level. This is particularly likely to affect people in small firms, and in occupations where they are not frequently exposed to contact with people in similar work;
- personal emotions – where people feel that they have been passed over for promotion, discriminated against by their employer, or forced to accept a lower-level job following redundancy, it is possible that they will express stronger views about over qualification. Certainly qualitative research with older people does identify a degree of anger at these issues among older people;
- measurement issues – as soon as one moves beyond the most elementary of occupations, the competence to carry out a job involves a complex mix of qualities, some of which are more readily measurable than others. Formal qualifications, which are often used as a proxy for skill, provide a very approximate measure of the skills required for any given job; and
- understanding of the term 'skill' – it is not clear that people in general share an understanding of the term 'skill'. Historically, it has sometimes been seen as a matter of physical 'craft' skills, and set in opposition to higher status intellectual qualities like knowledge and understanding. Thus, some people may take a narrow view of what is being investigated.

The question is also limited to the match between current skill and current job. In a changing economy one might expect that required skill levels would rise over time. One might also expect that as people progress in their careers, they will require higher, and different, levels of skill.

However, with these reservations, the question can be expected to provide a broad indication of how well skilled people in the workforce as a whole feel.

## 2. How the workforce changes with age

### Historical background

Over the last 50 years, patterns of retirement have changed markedly. Until the late 1970s, it was generally regarded as normal for men to work to State Pension Age, but this then became much less common, as early retirement came to be seen as a 'painless' way of managing industrial change and responding to recession, helped in some cases by the existence of relatively generous pension schemes.

However, since the late 1990s this pattern has changed. Real ages have started to rise; policymakers, anticipating demographic shifts, have begun to ask whether the best use is being made of older people in the workforce, while employers have been less willing and able to offer generous pay-offs to early retirees. As a result, labour market participation rates have risen much more rapidly among people over 50 than other age groups, and particularly rapidly among people over State Pension Age (or SPA, see Table 1).

**Table 1 Labour market participation rates by age (%), 1994–2009**

	<b>25–34</b>	<b>35 –49</b>	<b>50–SPA</b>	<b>SPA+</b>	<b>Total</b>
Feb–Apr 1994	82.8	85.2	68.5	8.0	62.3
Feb–Apr 1999	84.1	84.9	69.5	8.0	62.6
Feb–Apr 2004	83.5	84.9	72.2	9.5	62.9
Feb–Apr 2009	84.9	86.1	75.3	12.0	63.4

*Source: Labour Force Survey*<sup>3</sup>

The effect of this can be seen in employment rates during the first year of the recession which began in 2008. Whereas in previous recessions the participation rates of older workers fell faster than other groups, this time they continued to rise, as employers sought to retain experience and skills.

There are three main reasons why the shape of the workforce changes with age; because:

- people's capabilities, circumstances and preferences (including expectations of career and retirement) change;
  - of cohort effects, resulting from the different life experiences of people born at particular times;
  - employer preferences and discrimination lead some people to leave earlier than others.
- In some cases the changes are sharply marked at particular ages, while others are long-term patterns, spread across the age range. Significant factors for individuals include: the

---

<sup>3</sup> All Labour Force Survey data is taken from the third quarter of 2008 unless otherwise specified.

relaxation of the pressures of mid-life (with children leaving home and mortgages paid off); the onset of caring responsibilities for elderly relatives; the impact of age discrimination in the workplace; declining health (for some); and the sense of impending retirement offering new opportunities. These factors, and others, affect different people differently.

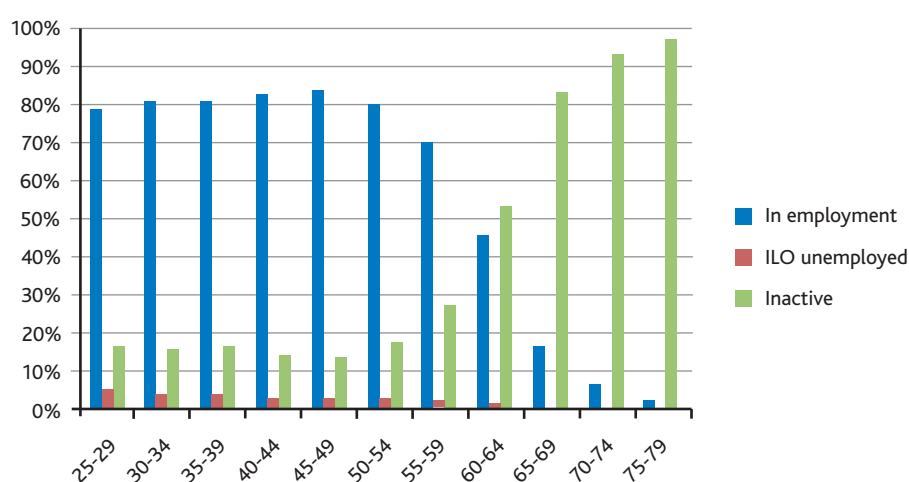
The following account is based on data from the Labour Force Survey, and on the Learning and Work in Later Life (LWLL) Survey, carried out for the current project.<sup>4</sup>

## Employment, unemployment and inactivity

Employment rates vary with age across the population as a whole. Figure 1 shows the proportion of respondents defining themselves as 'employed', 'unemployed' or 'inactive' by age.<sup>5</sup>

It is clear (and unsurprising) that during the peak years from 25 to 54, the large majority of people are in paid employment, and that above 65 the large majority are economically inactive ('retired' in all senses).

**Figure 1 Employment status by age<sup>6</sup>**



Source: Labour Force Survey

However, these broad patterns mask very great differences between particular groups. The following section outlines the distinctive features of some of these

## Gender

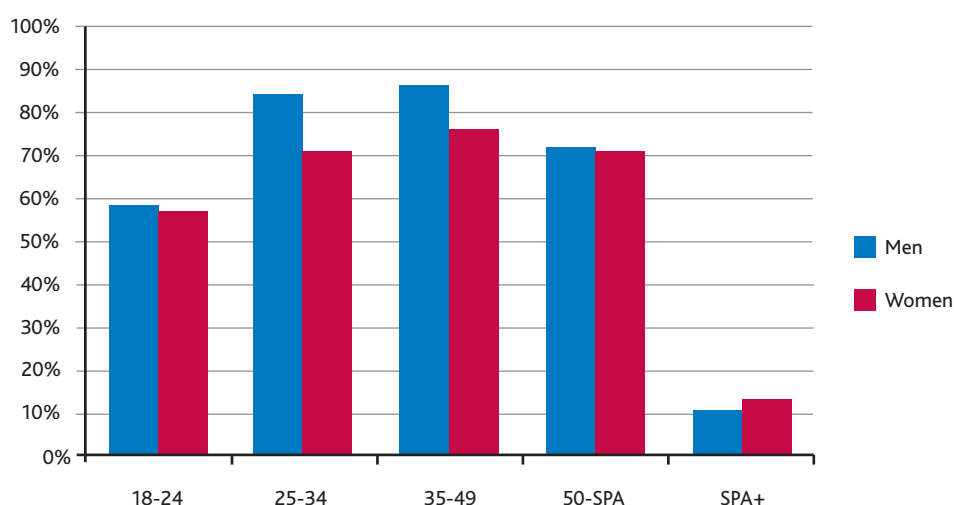
Although women constitute 46 per cent of the overall workforce, their employment rates vary substantially across the life course, falling well below men's between 25 and 49, but rising again with age, to exceed men's after State Pension Age (SPA), when they constitute two-thirds of the workforce.

<sup>4</sup> All data is taken from the Labour Force Survey in the third quarter of 2008. The 'unemployed' are actively seeking work, the 'inactive' are not doing so.

<sup>5</sup> The difficulty in defining 'retirement' clearly among people aged 50–70 is discussed in Chapter 4.

<sup>6</sup> All Labour Force Survey data is taken from the third quarter of 2008 unless otherwise specified.

**Figure 2 Employment rates by gender**



Source: Labour Force Survey

At all ages, the majority of unemployed people are men, and the majority of economically inactive people are women. These patterns are as one might expect, given the historic gender distribution of caring responsibilities, for both children and elders.

This pattern of earlier labour market exit for women may well not continue in the future (or at least not to the same extent), since women currently under 60 are much more likely to have been employed, and to have been employed in a wider range of, and more highly skilled, jobs than earlier cohorts. Over time, legislation to raise women's State Pension Age is also likely to raise women's average retirement age.

## Ethnicity

For historical reasons, most black and minority ethnic (BME) groups are younger than the white population. While people from BME groups constitute only 3 per cent of the workforce between 55 and 64, the proportion rises steadily to 15 per cent of the workforce between 20 and 34. The largest minority ethnic group is of Asian origin, which forms 3.6 per cent of all employed people, but less than 2 per cent of those over 50.

Despite the large sample size of national surveys (including the LWLL one), the numbers in any given minority ethnic community are too small for detailed analysis, and it would be inappropriate to assume any common features of older BME people, since each group has a distinct cultural inheritance, and a different history of residence and employment in the UK.

Overall, people of Asian origin are less likely than the white population to take part in training, but most other minority ethnic groups are more so (McGivney, 2006).

## Health

Health is a major factor influencing labour market exit, and health problems which limit employability become more common with age. The proportion of people reporting a health condition which limits employment in some way is at its highest between 50 and 65, after which it falls again, presumably because those with health problems are then able to retire.

However, employment status is correlated with good health, and Black's major review of health and work has shown, not only that people in better health are more able to stay in work, but that work, for most people, leads to improved health (Black, 2008).

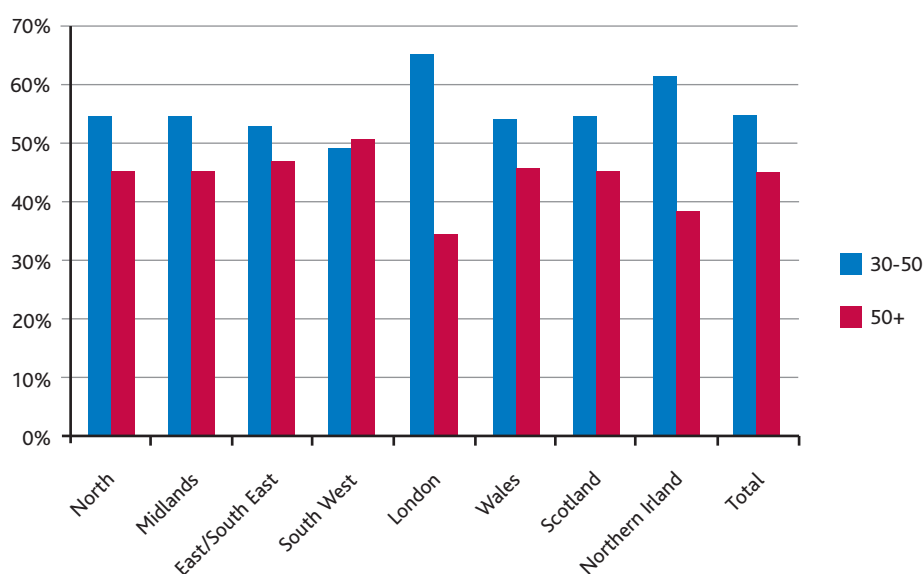
Among those in employment the proportion reporting being in good or very good health is never lower than 70 per cent, and declines relatively slowly with age. By contrast, the unemployed are less likely to be in good or very good health, especially after 45, and the economically inactive are much more likely to be in poor health. For this last group, levels of reported health drop rapidly with age, to a trough around 50, after which they appear to improve, presumably because significant numbers then see themselves as retired.

This pattern is consistent with the hypothesis that, while work is good for the health of most people, there is a group or people (or a kind of work) where the reverse is true, and whose individual well-being improves significantly when they can escape from it.

## Region

The age profile of the workforce varies by region. Figure 3 shows how dramatically young the London workforce is, with two-thirds of the workforce under 50 (a feature it shares with Northern Ireland). At the other extreme, in the South West, half of the workforce is over 50.

**Figure 3 Workforce age by region**



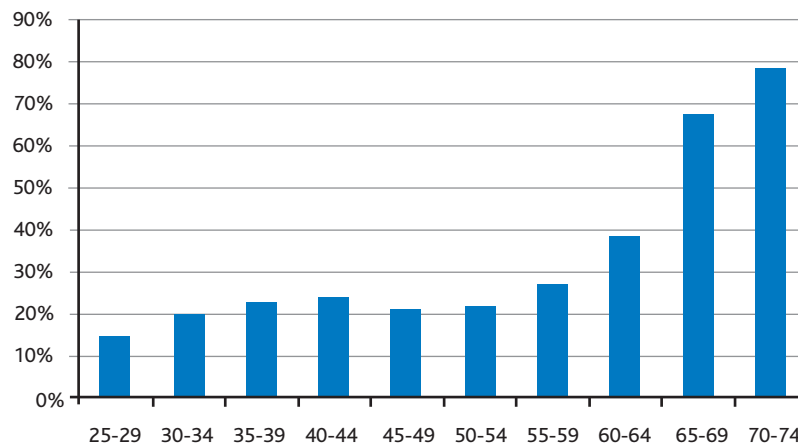
Source: Labour Force Survey

There are also variations within the 50+ group. The North East has the highest proportion of people working in their 50s, but the lowest in England working in their 70s (Northern Ireland is similar). The Midlands region, East and South West all have high proportions working in their 60s, but this does not continue into the 70s in the Midlands. The South East has the highest proportion working in their 70s.

## Full and part-time work

The balance of full-time and part-time employment is clearly correlated with age. Until the age of 60, less than a quarter of employees are part time: by 70 the ratio is reversed. This will have a depressing effect on training, since part-timers are much less likely to be offered training.

**Figure 4 Percentage of workforce employed part time by age**

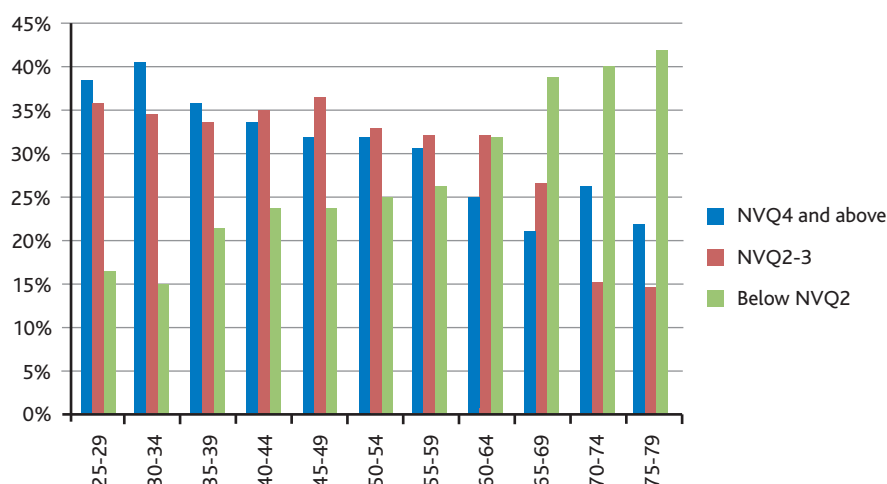


Source: Labour Force Survey

## Qualifications

There is a clear relationship between age and formal qualification levels. Overall, the proportion of people holding any qualification, and a high-level one, declines with age, reflecting the historical pattern of qualification development and educational reforms over half a century. Figure 5 shows that, up to the age of 60, two-thirds of the workforce has a qualification at or above Level 2.<sup>7</sup> However, after the mid-60s those with qualifications below degree level are most likely to retire, leaving a divided workforce, with 40 per cent having low or no qualifications, and a quarter with degrees.

**Figure 5 Percentage of workforce holding qualifications by age**



Source: Labour Force Survey

<sup>7</sup> Comparisons for people over 70 are difficult, because they finished formal education before the mid 1950s, and were very much less likely to have been offered qualifications. The equivalence of old qualifications with current ones is also more difficult to establish.



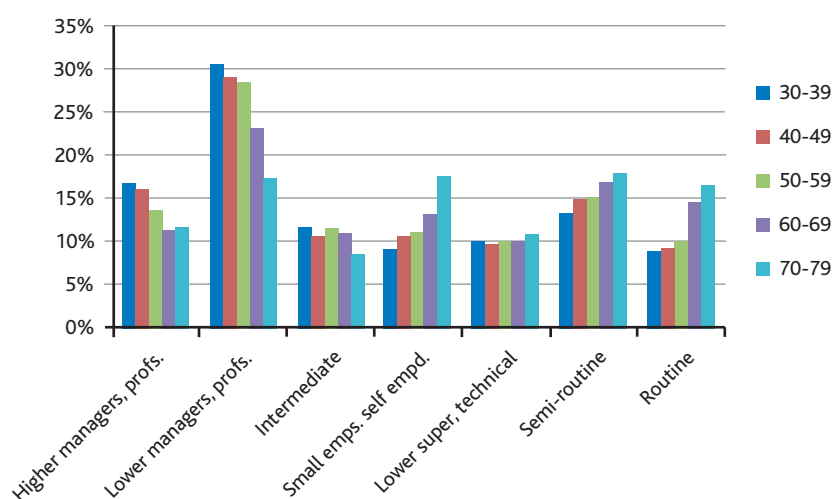
Measurements based on qualifications are, however, an unreliable guide to real workforce skills, especially for older workers. On one hand, they may understate real skills acquired on the job, but never certified. On the other, they include qualifications acquired in long age, which may be irrelevant to the current job, or may now be obsolete.

## Occupation

As the workforce ages, its occupational mix changes. While almost a third of all employees are in lower managerial and professional occupations from 30 to 60, the proportion falls dramatically thereafter. Figure 6 shows the breakdown by occupation.<sup>8</sup> Notable features include:

- the steep fall in the proportion employed as lower managers and lower professionals from a peak in the 30s. They form 28 per cent of the workforce, but only 17 per cent after 70;
- the progressive rise in the proportion in routine and semi-routine work. They form only 26 per cent of the overall workforce, but 35 per cent after 70;
- the steep rise in self employment. The proportion of people in self employment nearly doubles between the 30s and the 70s, to form the second largest group of people in work after 65. However, 'self employment' includes a very wide range of activities, from full-time professional work to occasional taxi driving; and
- although higher managerial and professional groups form a shrinking proportion of the workforce from age 30 to 60, the decline stops after 60, and they still represent more than a quarter of the workforce in each age group after 60. There will also be significant numbers of them among the self employed.

**Figure 6 Age profile by occupation**



Source: Labour Force Survey

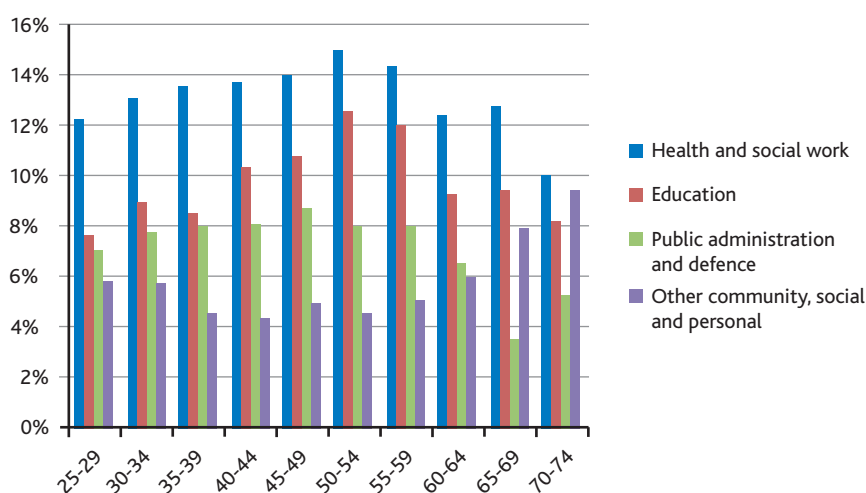
8 National Statistics Socio-Economic Classification (NS-SEC).

## Sectoral variation

The age profile of individual employment sectors also varies considerably.<sup>9</sup> Previous work has suggested that public and private sector employers respond differently to an ageing workforce (McNair and Flynn, 2005), and it is clear that the distribution of the workforce between public and private sectors also changes with age. While a third of the employed workforce is predominantly in the public sector, there is a notable peak at around 40 per cent in the 50s, after which it falls back again to about a third<sup>10</sup>

Figure 7 shows the percentage of the total workforce in each age group employed in the broadly public sectors. Here it is clear that employment peaks in health, social work and education in the 50s, and then drops rapidly in the early 60s, and again in the early 70s. Conversely, employment in the 'other community' sector, which includes the voluntary sector and has a high concentration of workers in professional and personal services roles, grows steadily from the early 50s.

**Figure 7 Percentage of age groups in 'public' sectors**



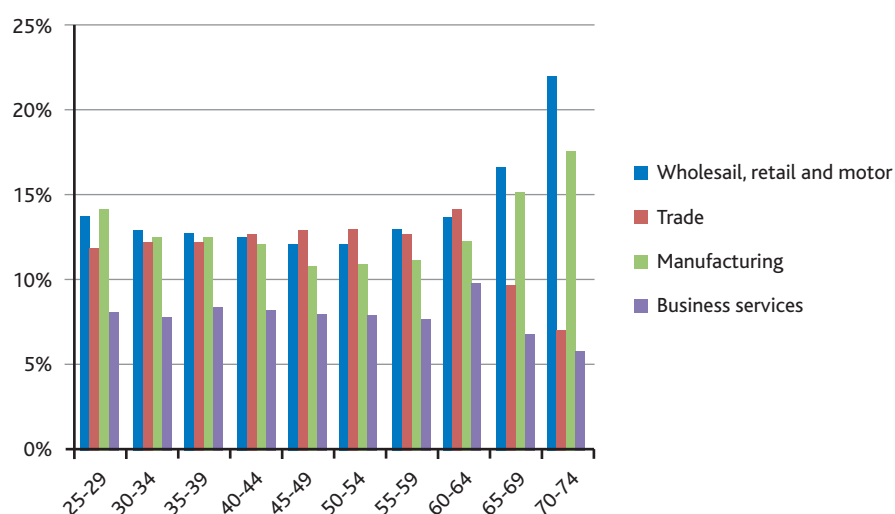
Source: Labour Force Survey

By contrast, the age profile of the predominantly private sectors is flatter, showing little variation until 60, at which point employment in wholesale/retail, and in business services rises rapidly, while employment in manufacturing and construction (which currently both peak in the early 60s) falls rapidly.

<sup>9</sup> The sectors shown in Figures 7 and 8 account for 97 per cent of all employment, but after 65 some other sectors, notably agriculture, become more prominent, hence the gap in figures.

<sup>10</sup> The majority of employment in some sectors is in the public sector, or in private sector organisations that were formerly public, and where organisational cultures are still heavily influenced by public sector models and practices, these include health, social care, education and public administration. The 'other community' sector includes private sector organisations in media and sport, but also museums and libraries, and the voluntary sector.

**Figure 8 Percentage of age groups in 'private' sectors**



Source: Labour Force Survey

As a result of these changes, three-quarters of the post-65 workforce is employed in five sectors, each of which accounts for about 15 per cent of workers in this age group:

- wholesale/retail;
- business services;
- health and social work;
- education; and
- other community.

# 3. What the research literature tells us

## The nature of the literature

Because policy and academic interest in the older workforce is relatively recent, the research literature on it is limited. This is especially true of literature on the relationship between training and employability in later life.

### The literature is recent and limited

Until recently, the older workforce has been of little interest to either policymakers or academics. Interest in the relationship between age and work has been concentrated on younger people entering the labour market, and sometimes on the work-life pressures of mid career. The exception to this is Government programmes explicitly designed to help unemployed people to return to the labour market, where there are a number of evaluative studies, some of which comment on age (Newton, 2008b) .

The literature which does consider older people, training and work is mainly discursive, and offers a plausible, but unproven, hypothesis that training will increase productivity and hence workforce retention. Despite assertions from many commentators, there has been little attempt to test this empirically. As a result, there is little hard evidence for or against this (McNair and Maltby, 2007).

The literature on the economic or personal impact of training and qualifications is not very helpful on this issue. It tends to focus on long, formal qualification-bearing training, mainly undertaken in early career. It is certainly possible that people who see themselves, or whose employers see them, as approaching the end of their working lives, may be resistant to investing large amounts of time and effort in formal courses and qualifications. However, the literature pays relatively little attention to informal and short interventions, which may appeal more, and may be important both in themselves and as a gateway to longer ones. It also pays less attention to forms of learning embedded in the workplace and the processes of work itself.

### Cohort effects

Some of the characteristics of today's older workers reflect, not their age, but the particular historical period through which they have lived. Those now in their early 60s, for example, were the first generation to benefit from post-war welfare state, and entered the labour market in a period of rapid economic growth, when work was relatively easy to find. By contrast, the cohort ten years younger, who shared many of these benefits, were adversely affected by the major economic restructuring of the 1980s, which took place when they were in their late 20s and 30s, when people typically are establishing their

long-term occupational identities.

There are three particularly significant cohort effects at work:

- the decline of large-scale manufacturing industry;
- the extension of initial education and expansion of formal qualifications; and
- the 'feminisation' of the workforce.

Industrial restructuring was a major feature of the UK economy in the last quarter of the 20th century, involving the loss of many traditionally male jobs, and of much manufacturing employment. This had a significant impact on older men, many of whom took early retirement or redundancy and never found employment thereafter. This was a factor in the fall in participation rates among men over 50 until around 2000, when a new cohort of better educated people moved into their 50s, and economic growth drove up labour demand. The higher-skill demands of the new workforce are likely to increase demand for, and take up of, training among the workforce generally.

Initial education has changed dramatically since the second world war. The length of initial education has grown progressively, as has the proportion of people acquiring formal qualifications in adolescence (McNair *et al.*, 2004; OECD, 2005; Eurostat, 2005). Since participation in work and training correlates strongly with the level of formal qualification (Dixon, 2003), one might expect this greater educational experience to be reflected in rising participation in learning, regardless of policy intervention, although the evidence of this to date is slim (Hotopp, 2005).

The 'feminisation' of the workforce has two dimensions. The first is simply numerical: the proportion of women in paid work has risen progressively since the 1950s, as has the number of years they spend in employment. In 1971, 56 per cent of 'working age' women<sup>11</sup> were employed, but by 2008 this had risen to 70 per cent. The cohort born after 1945, who led this change, is now at traditional retirement age. Secondly, the nature of work has itself changed. As a result of technological change, a much smaller proportion of work now requires the physical strength historically associated with men's work.<sup>12</sup> Furthermore, women's career patterns have changed. They are now much more likely to spend most of the years from 20 to 60 in the paid workforce than was the case a generation ago, and the nature of the work they do has changed. Since women generally are more likely to train than men, 'feminisation' is likely to lead to rising levels of training.

As a result of these three factors, the older labour market of 2005 was significantly different, in skills, employment patterns and gender, from that of 1995. It is possible that attitudes and aspirations have also changed, but since much of the serious academic study of the older workforce dates from this period, its relevance to the changed conditions of the late 2000s (the 'boom' period of 2004–2008) or the recession period which began in 2008, is not always clear. The effect is to further weaken the relatively small body of reliable research evidence on the overall topic.

## Specialised evaluative studies

The largest body of relevant literature is evaluations of Government programmes designed to return unemployed people to the labour market. Such evaluations provide important evidence on training, but by definition they are examining an atypical, albeit important, group. Examples can be found in Humphrey *et al.*, 2003; Lindley *et al.*, 2007; Tikkanen *et al.*, 2002 and Newton, 2008b. Furthermore, Government policy has tended to focus more on the young unemployed (under 50, and especially under 25), and its impact on older people has only recently been of interest.

It is notable that, despite the evident influence of age on employability, some of these

<sup>11</sup> 'Working age' is normally defined as between minimum school leaving age and State Pension Age.

<sup>12</sup> Reflected in the shift of the balance of people claiming benefits on grounds of ill health from musculo-skeletal conditions to mental health ones.

sources make no direct comment on age (Cubie and Baker, 2007), although there are notable exceptions, including Newton's evaluation of Train to Gain (Newton, 2008b) and Atkinson's evaluation of the pilots of the New Deal 50+ Intensive Activity Period (Atkinson and *et al.*, 2007), which explicitly examines the motivation and employability of a sample of older people seeking to re-enter the labour market.

## Research and the economic cycle

The economic cycle inevitably has an impact on the attitudes and behaviour of employers and employees to training, and the employment of older workers. Since the bulk of the research literature is relatively recent, it is particularly difficult to know how far it reflects long-term patterns or short-term effects which will be reversed as the cycle moves on.

The cycle has two effects: on labour demand and on skills requirements. Older workers have historically been used as a contingent workforce, to be drawn in when labour is in short supply, and removed when organisations are shedding labour. As a result, demand for their labour will rise in the growth phase and contract in the recession phase, regardless of individual aspirations or policy intervention. Similarly, the growth phase generates demand for more skilled labour, and creates additional resources to pay for such training (although it can also create work pressures that preclude releasing workers for off-the-job training). Thus a rise in the volume of training may be more a reflection of the economic cycle than individual or employer motivation to train.

As a result, both rates of employment and training among older people may be more a product of the economic cycle than of age per se.

## Types of evidence

Evidence on participation in work and learning and on attitudes to both is of two kinds. Statistical evidence, collected via quantitative surveys, can demonstrate correlations, and tell us what kinds of people are more or less likely to behave in particular ways. This is important, but cannot tell us directly about causation, or what would be likely to change or reinforce particular patterns of activity. There is also a danger that, by concentrating on 'averages' the distinctive needs of particular 'minority groups' will be overlooked. On the other hand, qualitative evidence, typically gathered through interviews, tells us much more about what people think, and what might produce change. However, this kind of evidence is vulnerable to a different kind of distortion: that interviewees are not representative of the whole population; that people do not provide honest answers; or that answers given in good faith in the context of a research interview do not reflect what people actually do when faced with real choices.

The present study examines both kinds of evidence, and seeks, where possible, to triangulate them, to try to produce a more rounded picture.

## The policy context

The primary context for this work is set by Government age policy, historical trends in older people's employment and training, and future labour demand.

Government's principal policy response to the ageing population and workforce (in the UK as in most developed countries) is to encourage people to work longer. This aims both to address the deteriorating dependency ratio and to improve the health and well-being of individuals across an extended lifespan (DWP, 2005b; DWP, 2009b; Turner, 2009). Extending working life may also help to address skills and labour shortages, although explicitly age-related policy rarely mentions this, while age is rarely mentioned in skills and training policy.

Government's main strategy is voluntary: to encourage older people to stay longer by removing regulatory, practical and psychological barriers to working longer, and creating incentives to stay, like enhancing the pensions of those who defer retirement. In 2006 the *Employment Equality (Age) Regulations 2006* outlawed age discrimination in employment and training below the age of 65 (2005), and the Equality Bill, due to be enacted in 2010, will extend the law on age discrimination. In 2010, Government will review the default retirement age (which still allows employers to dismiss employees on grounds of age at 65; DWP, 2009). Government has also mounted awareness-raising campaigns with employers and the general public. As a result, the OECD have commented that the UK is among the countries with the smallest number of incentives to early retirement among developed countries (OECD, 2005). There are also more direct interventions, including particularly, plans to raise State Pension Age<sup>13</sup> (although this will only have an impact if employers choose to employ people up to that age).

However, Government policy is not always well coordinated. McGivney comments on the disjunction between education and employment policy evident in three major cross-Government initiatives: in 2003 the Skills Strategy made only one reference to older people (as 'pensioners'); in 2004 the Opportunity Age strategy stressed the need to encourage 1 million more people to remain in the active workforce (DWP, 2005); and in the same year the Government's overarching Public Sector Agreements included no mention of older workers or of extending working life (McGivney, 2006).

## Older people and the labour market

Until 1970, most economically active men remained in work until they reached State Pension Age. In 1971, 83 per cent of men aged 60–64 were in employment, but by 2000 the figure had fallen to less than 50 per cent (Hotopp, 2005).

Phillipson identifies five factors driving this fall in real retirement ages (Phillipson and Smith, 2006):

- concentration of older workers in declining 'sunset' industries like mining and heavy manufacturing;
- Government schemes to promote redeployment;
- high unemployment and assumptions that early retirement would make space for the younger unemployed;
- growing use of Incapacity Benefit as an exit route; and
- changing attitudes to employment and retirement.

In the light of these factors, Government, employers and trades unions (and many individuals) saw early retirement (often with relatively generous severance payments) as the most acceptable way of managing restructuring the economy (Loretto *et al.*, 2000).

As a result, two groups were particularly likely to leave the labour market early: those with low skills, or skills no longer in demand, many of whom were recorded as unable to work on health grounds (and who might be almost as well off financially on Incapacity Benefit as in low paid work), and those with managerial and professional backgrounds with access to occupational final salary pensions and (Phillipson and Smith, 2006) (Whiting, 2005).

However, since 1993, the trend has reversed, and older peoples' labour market participation has been rising steadily (DWP, 2009). In the decade from 1994 to 2003 the employment rate of people between 50 and the State Pension Age rose from 64 per cent to 70 per cent, bringing 1.3 million more people over 50 into the active workforce (Grattan, 2003). The reasons for this rise are complex. Some commentators argue that it reflects the structural shift from manufacturing to a service economy, and rising

---

13 By first harmonising male and female State Pension Age at 65, and then raising both progressively to 68 by 2046.



educational levels of the older workforce (Disney and Hawkes, 2003; Bridges and Disney, 2005). However, Hotopp's econometric analysis (2005) did not find evidence for either of these hypotheses, and she argues that the primary driver is the state of the broader economy which has been driving up wages, and the changing ethnic profile of the workforce. However, this is contradicted by the Labour Force Survey evidence that, in the first year of the 2008 recession, when labour demand was declining and overall employment rates fell by 1.7 per cent, the employment rate of people aged 50 to State Pension Age rose by 0.3 per cent, and the rate for people over State Pension Age rose by 6 per cent (ONS, 2009).

Older people are rather more likely to be unemployed, and unemployed for longer periods than younger ones. Despite the commonly expressed preference of older people for part-time and flexible working, Capellari's 2005 longitudinal study of men and women between 50 and State Pension Age over the decade from 1993 to 2003 found that most remain in full-time employment, especially if they had dependent children or a partner in work (Capellari *et al.*, 2005). Unemployment was concentrated among people from manual and manufacturing jobs, but was a relatively short experience for most, and especially for women. When seeking a return to work, two-thirds of men, but only a third of women, sought full-time work. Interestingly, those who had returned to work after redundancy or unemployment were less likely than before to be in low skilled work, confirming the view of rising skill requirements of the workforce. It was rare for anyone who remained inactive for three years to return. However, he did find that part-time work acted as a 'bridge' for men, both from unemployment into full-time work, and from full-time work to retirement. For women, on the other hand, part-time work was usually a stable state. The people least likely to be 'economically active and not seeking work' were highly qualified and with a history of managerial work.

Historically it has been assumed that one of the main reasons for early retirement is declining physical and mental capacity (Black, 2008). However, there is little evidence either that declining capacity is predictably related to age, nor that this is a significant factor in employability in all but a small proportion of jobs, for two reasons (Meadows, 2004). On one hand, individual variation in physical and mental capacity increases with age, so some 75 year olds are able to do things which are beyond some 50 year olds. Furthermore, the apparent decline in 'average' performance tends to reflect the marked deterioration in a small number of people, and the use of tests which tend to disadvantage older people, like high performance at speed, rather than solving complex and unfamiliar problems, which older people do better at. At the same time, the changing nature of much work, and new technologies, reduce the significance of physical strength, and increase the value of experience, interpersonal skills and motivation, where older people appear to have an advantage.

### Underlying labour market demand remains strong

People only get work if there is demand for their labour. In understanding current and future labour demand, and how it might impact on older workers, there are two particularly important documents: the National Employer Skills Survey (NESS), which documents the current views on skills supply and demand of a very large sample of employers; and the *Working Futures* reports from the UK Commission on Employment Skills (UKCES), which collate and analyse data on future skills demand sector by sector. Both reports assess: the overall demand for labour; the scale of 'skills shortages', where there is a lack of qualified applicants for particular jobs; and the extent of 'skills gaps', where current staff are not fully competent to do their current jobs.



NESS reports annually on the current situation. The 2007 Survey (Learning and Skills Council, 2008a) found that one in five firms had vacant posts, with 7 per cent of these classified as 'hard to fill', but both the proportion of vacancies which were hard to fill, and the proportion of firms with skills gaps have fallen in recent years. About a fifth of the vacant posts (amounting to 130,000 posts) were defined as 'skills shortage posts', where suitable recruits could not be found. At the same time, 15 per cent of firms reported 'skills gaps', where some staff were not fully proficient, representing 6 per cent of all staff, although these figures had improved since they were first collected in 2004. Skills gaps were more common in 'lower-level' occupations (elementary, sales and customer service staff) where older workers tend to cluster. Skills shortage vacancies were greatest among skilled trades (37 per cent of vacancies), professionals (28 per cent), and machine operatives (24 per cent). The missing skills were most often technical, practical and job specific, and generally in the most strongly gender-segregated sectors like transport and manufacturing (McGivney, 2006). The proportion of shortages for 'soft skills' had declined from previous years, as had problems with literacy and numeracy.

To complement the current picture provided by NESS, the *Working Futures 2007–2017* (UKCES, 2009b) reports on an exhaustive study, sector by sector, of future labour demand in the light of anticipated economic and technological change. This suggests that the pattern of occupational change seen in recent decades will slow, but there will be a net expansion in demand for senior managers, professionals and associate professionals, and personal services workers, alongside a net decline in administrative/clerical, skilled trades, and machine and transport workers. By sector, there will be growth in business and financial services and other non-marketed services (especially health, social care and education). Construction will grow, but unevenly (reflecting economic fluctuations), and there will be net decline in employment in primary industries, manufacturing, and retailing. The recent decline in elementary work will slow.

*Working Futures 2007–2017* suggests that these trends will result in net employment growth over the next decade of around 0.5 per cent a year. However, it also argues that, on current patterns of retirement, the demand to replace people retiring will be closer to 3 per cent per year. This 'replacement demand' effect will be significant, even in sectors and occupations where the overall workforce is shrinking, while in the growth areas it will add to existing demand, to create significant shortages.

These figures provide a key context for any discussion of the older labour market. The net effect of projections in *Working Futures* is the creation of 13.5 million job vacancies over a decade. However, there are no more than 7 million young people in the relevant cohorts available to enter the labour market from initial education during this period,<sup>14</sup> leaving a shortfall of 6–7 million jobs. Unless it is possible to persuade people to defer retirement, the result will be a severe constraint on economic growth. As yet, most employers have not understood the implications of this, partly because the significant downturn in numbers of school leavers is only just beginning (McNair *et al.*, 2007b).

A further and rather different report is *Skills at Work 1986–2006*, which examines the changing nature of skills demanded in work over a decade, based on a series of national skills surveys mounted by the Economic and Social Research Council, with Government support. Felstead and colleagues analysed data from five national surveys on skills and experience of work conducted between 1986 and 2006 with a large sample base (22,000 employees aged 16 to State Pension Age) (Felstead *et al.*, 2007b). These surveys attempt to measure skills more directly, by asking individuals about the qualifications required now to get their current job; the length of initial training required; the time it took after taking up the job to be able to do it well, and the need for ongoing training. This provides a

14 All young people who will reach school leaving age before 2007 have been born already. Data from the 2001 Census (ONS).

much more rounded view of skills than the conventional measures of qualifications currently held by post holders.

This provides a more precise guide to skills demand and use grounded in the detailed knowledge of post holders, rather than qualifications held (which are a limited proxy for real skills, and become out of date), or employer perceptions (which are often assembled at some distance from the real job). This work finds that over a decade, skills requirements have risen in all fields except physical skills, and the proportion requiring no qualifications has declined sharply. The proportions reporting that 'my job requires that I keep learning new things' has risen from 26 per cent in 1992 to 35 per cent in 2006. The value of influencing skills and computing skills has risen markedly. Men and women's skills have converged, but the skills and ongoing training requirements of part-time women's work have not kept pace with other workers.

Although the rationale for expanding training and raising qualification levels in the workforce as a whole rests on the existence (at least in the future) of serious skill gaps and shortages, this is not universally agreed. Keep argues that current Government policy makes unrealistic assumptions about the economic and social benefits of expanding training. He points out that there are a substantial number of very low skilled jobs which will need doing, however strongly the 'knowledge economy' develops. He argues that these jobs, which have low training requirements, form a stable 22 per cent of the workforce, and that providing more training to these people will not significantly alter the nature of work or the economy unless employers adopt different business strategies (Keep, 2007; Fuller *et al.*, 2003).

## Attitudes to age

### 'Older' is not a simple concept

Definitions of 'old' vary according to context and the person using the term. In the absence of any generally agreed definition of 'old' in relation to work, we use it in this report to include all people over 50, since this is widely used in policy and research literature. This is when age discrimination begins to be noticeable in the labour market, and people begin to report 'retiring' on ill health grounds (Labour Force Survey).

However, it is important to note that this age boundary is not widely recognised by people in this age group, nor necessarily by employers. Abrams has recently found a very wide variation in notions of 'older' in the general population, with the age of the respondent having a major influence on when they thought 'older' began (Abrams *et al.*, 2009).<sup>15</sup> More seriously, McNair, Flynn and Dutton found that employers talking about 'older workers' were sometimes using the term to distinguish young entrants from the rest of the workforce (effectively setting the boundary in the mid 20s) (McNair *et al.*, 2007).

### Public attitudes to older people are positive but restricting

Where attitudes to older people are negative, or limiting, it is likely, not only that employers will discriminate unfairly against older workers, but that many older workers will internalise these perceptions, and come to conform to these stereotypes. Abrams' review of the data from five nationally representative surveys of attitudes, carried out between 2004 and 2008, found that people generally viewed older people positively, but that the features associated with older age do not readily translate into employability. He summarised his survey evidence as, 'younger people are less moral, and older people less capable' (Abrams *et al.*, 2009).

---

<sup>15</sup> In general, the older the respondent, the later he or she would set the boundary of 'older'.

Abrams' detailed findings paint a fairly negative picture of attitudes to age. Half of his respondents thought that people over 50 are 'written off as old', and that age discrimination was a serious issue. Discrimination was believed to be more widespread in relation to age than sex or ethnicity and, unlike the latter, reported age discrimination rose between 2004 and 2008. Discriminatory attitudes were more widely held among the young, white people and higher social classes. Most critically, one in ten people thought that it was important not to express prejudice on grounds of age, and a similar proportion thought that there should be less equality for older people.

Abrams also found that discriminatory attitudes affected people differently according to social class or occupation: older people in senior roles were more likely to be respected for their power and expertise, while people in lower status occupations were more vulnerable to perceptions of declining competence. The economically inactive were more likely to report age discrimination and isolation, linked to their isolation from the labour market, which provides those in work with a ready made set of social relationships. This makes it particularly important for the well-being of older people that they should have the opportunity to remain engaged with the labour market.

### Employers share the public stereotypes of age

The Survey of Employer's Practices and Preferences (SEPP) relating to age, which included both quantitative survey and qualitative interview work, found that employers generally claimed to be positive about older workers, seeing them typically as more loyal, hard working, reliable and customer focused, than their younger peers and bringing valuable experience to their work (Metcalf and Meadows, 2006; McNair *et al.*, 2007).

Most recently, Barnes, Smeaton and Taylor's study of employer responses to age, two years after the implementation of the Employment Equality (Age) Regulations (Barnes *et al.*, 2009), found similar attitudes, including a view that older people are more loyal and reliable, more numerate, customer focused and with stronger managerial skills. However, there was also a degree of age stereotyping which could restrict opportunities. They confirmed the earlier findings of McNair and Flynn: that formal age-positive policies were much more common in large, public sector and unionised workplaces; and that equal age policies were much less common in industries dominated by men (transport and manufacturing). They also confirmed a high degree of internal, and word of mouth, recruitment practice, which limits access for people outside the organisation, and advantages those with good social and professional networks.

However, older people continue to report age discrimination, especially in recruitment, and the low re-employment rates of those made redundant after 50 suggest that a systemic effect is at work (McNair, 2005; McNair and Flynn, 2005; McNair *et al.*, 2007; Macnicol, 2006). McNair and Flynn suggest that the positive views reported in employer studies may reflect the particular sample of managers interviewed (who were generally senior managers rather than line managers) (McNair *et al.*, 2007b). When asked about 'older employees', the senior managers interviewed tended to tell stories about exceptional individuals in their 60s and beyond, and were not generally commenting on the bulk of older workers, who were in their 50s.

It is possible that line managers (who have to manage day-to-day problems) and underperforming workers would take a different view. Hutchinson's study of line managers in large organisations (Hutchinson, 2007) appears to support this. In the seven large organisations she studied, she found that line managers were 'critical conduits of learning', and often significant providers of learning through coaching and demonstration, as well as formal instructors. However, they could also limit and stifle development. Many were not convinced of the relevance of training, and not all were equally competent at facilitating

it. They were always the focus of competing work pressures, and often did not understand the potential benefits of training, and saw training as 'optional'. The benefits of training were often not measured.

General reports of 'employer views' on the ageing workforce should be treated with a little caution, since many employers have no experience of employing older workers, and for them the issue is entirely theoretical (McNair *et al.*, 2007). This is because the whole workforce is young in some occupations and sectors, because people tend to retire early (as in the armed forces) or move into other sectors (as in hospitality). Furthermore, since the average lifecycle of smaller firms is also relatively short, and typically new firms recruit younger people, even after 20 years such firms may not yet have anyone approaching retirement age. However, separating out employers with older workers from those without for research purposes is problematic, because the age profile of the workforce is not something which most employers have readily to hand.

## Labour market exit

The defining feature of the 'older labour market' is the approach of retirement. Whether it comes at 50 or 90, at some point awareness of final exit from the labour market begins to colour the attitudes and behaviour of both employee and employer.

Most people hold two conflicting views of retirement. On one hand it is seen as a fulfilling, active phase of life, offering freedom and flexibility; and on the other as a time of decline, privation and poor health (Hedges *et al.*, 2009). These perceptions are sometimes coloured by the experience of previous generations, when retirement was for most people a welcome relief from physically demanding work, reflecting declining physical capacity and deteriorating health. They may also be influenced by social class, with manual workers more likely to have been in work which made high physical demands. However, far fewer jobs are now of this kind, and in recent years the notion that work is bad for health and well-being has been challenged. Most notably, Black's systematic review of the literature on work and health (Black, 2008) has shown clearly that, for most people, employment improves well-being as well as wealth: those in work are healthier and report higher levels of well-being than those out of work or retired.

The point of actual 'retirement' is difficult to identify reliably because different individuals use the term differently and many definitions in common use are compatible with continuing in paid or unpaid employment. Some people retire and then return; others leave, through illness or other reasons, expecting to return but do not do so. For some unemployed people (particularly those who have had no previous experience of unemployment) who still aspire to work, 'retired' is a more acceptable term than 'unemployed'. Furthermore, many of those who enter the labour market after 50 have not previously been treated as unemployed (Banks and Tetlow, 2008).

As a result, it is entirely possible for one person to describe themselves as 'retired', when someone in identical circumstances describes themselves as 'employed' (Walker and Maltby, 1997; Barham, 2003; Metcalf and Meadows, 2006; Banks and Smith, 2006).

Five of the most common notions of 'retirement' are as follows:

- **State Pension Age (SPA).** It is common for people to refer to SPA as 'retirement age', but although national datasets define 'working age' as below SPA,<sup>16</sup> real retirement ages of men and women have been converging over the last decade, with most working women staying in work after 60 and most working men retiring before 65 (ONS, 2008). The 2006 Age Regulations gave all men and women the right to remain in work until 65, and the right to request to stay on beyond that, and there are financial incentives in

---

<sup>16</sup> SPA is currently 60 for women and 65 for men, but Government plans to harmonise men's and women's retirement ages and then raise them to 68 by 2046.

the State Pension scheme to encourage people to stay past SPA (DWP, 2005c). This makes notions of 'dependency ratio' based on SPA increasingly unhelpful.

- **Contractual retirement age.** Only one third of employers have a fixed retirement age for their employees (Metcalf and Meadows, 2006), but since these tend to be larger firms, a majority of employees are contractually required to retire, usually at 65, although employers do not always enforce this. Perversely, some firms responded to the introduction of age discrimination legislation by introducing compulsory retirement ages in order to reduce the risk of disputes. (McNair *et al.*, 2007; Barnes *et al.*, 2009).
- **Actual retirement age.** The age at which people actually leave employment permanently has been rising in recent years: in mid-2008 it was 64.6 for men and 61.9 for women (the highest for men since 1984 when data was first collected in this form (ONS, 2008)).
- **Retirement from the 'career job'.** Some individuals think of 'retirement', not as permanent withdrawal from the labour market, but the point of leaving their 'main' job, which may mean full-time work, or full-time employment, or their main lifetime occupation, before moving into part-time work, self employment or work in a new field.
- **Ill-health 'retirement'.** After 55, a significant number of people leave work through ill health or disability and begin to draw Employment Support Allowance<sup>17</sup> (in this age group more people are defined in this way than as unemployed). A large proportion of these do not regard themselves as 'retiring', and expect to return to work of some kind, although far fewer do so (Sainsbury *et al.*, 2004; Humphrey *et al.*, 2003; DWP, 2005b; DWP, 2006b; DWP, 2005a).
- **Beginning to draw an occupational pension.** Recent legislation, aimed at extending working life and smoothing the transition into retirement, has made it possible for people to begin to draw an occupational pension while continuing to work for the same employer.

Other factors affecting understanding of retirement include gender, ill health and self perceptions.

Retirement has different meanings for men and women, since women's career patterns are different from men's (especially for the generation currently in their late 50s), and since caring responsibilities fall much more heavily on women (Humphrey *et al.*, 2003; Mooney and Stratham, 2002; Owen and Flynn, 2004; Owen-Hussey, 2006). Walby argues that the equalisation of the State Pension Age at 65 by 2020 will result in a changing gender composition of the workforce between 2010 and 2020, increasing the supply of labour: a fact rarely noted in many analyses (Walby, 2007). She also argues that studies of retirement behaviour have concentrated on men, and may not represent the behaviour of women in the future, and this is supported by Felstead's study of the skills content of older people's work (Felstead, 2009).

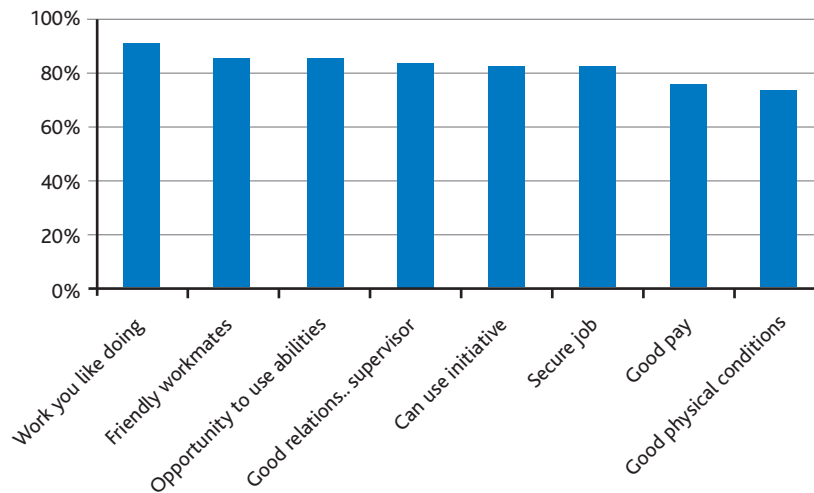
Together, these factors make it extremely difficult to define precisely who is in and out of the labour market after 50, and attempts to compare the 'active' with the 'inactive' are prone to substantial margins of error. The position is not helped by the common use of the term 'working age' to refer to men up to 65 and women up to 60, although both now have a statutory right to work until 65.

17 Formerly Incapacity Benefit.

## Why people stay longer in work

The Skills at Work 1986–2006 report examines individual motivation to work across the whole workforce in some detail (Felstead *et al.*, 2007b). Figure 9 shows that most frequently cited motives for working reported in 2006 were intrinsic to the work itself and the individual role, or concerned personal relationships in the workplace. Only after that does money figure as an important, but not the most important, factor.

**Figure 9 Motivation to work**



Source: Felstead *et al.* (2007b) *Skills at Work 1986–2006*.

The importance of these factors varies by occupation and sector:

- 'use of abilities' is most important to managers and professionals, and to workers in finance and business services, health, education and personal services;
- 'use of initiative' is ranked highest among managers and professionals, and in education, health and personal services; and
- 'access to training' is ranked highest among female full-time workers, people in associate professional, skilled trades, personal services, and sales occupations; and in public administration, health and personal services.

Attitudes have changed in a number of ways over the 20 years covered by the surveys:

- 'work you like doing', 'friendly people to work with', and working hours (both choice and convenience) have all risen in importance;
- women have become much more interested in promotion prospects, use of initiative, opportunity to use abilities and good pay, reflecting women's changing place in the workforce; and
- men have become more interested in hours of work.

These findings are broadly mirrored in studies of older workers. Contrary to popular belief, survey evidence suggests that most older people who are still in work in their 50s like work and are willing to consider working longer (for a variety of reasons, including financial). Many become more attached to work in principle, although not necessarily more attached to their particular job (HSBC, 2005; Felstead, 2009; McNair *et al.*, 2004)

While older people do not, in general, seek different things from work from their younger colleagues, after the mid 50s a growing proportion become aware of the option to leave work if it fails to meet these needs (and sometimes become resentful when it fails to do so). McNair and Flynn's findings on motivation to work confirm those of Felstead (McNair, 2006). Older people were likely to stay in work if it offered them:



- **respect** – feeling valued by employers and colleagues, a common issue in age discrimination;
- **social networks** – social networks around the workplace and work role are important;
- **the chance to satisfy a personal mission** – a sense that one is contributing to some cause, profession or craft, or simple pride in doing a good job (which is sometimes reported in very routine jobs);
- **control** – the extent of perceived control over what is done and how, expressed at very varying levels by different individuals, and undermined by more prescriptive target-driven management regimes;
- **flexibility** – a degree of flexibility in working hours and arrangements, to accommodate caring responsibilities (especially for women), and to allow progressive phasing out from full-time work;
- **good health** – poor health is the most common reason for premature withdrawal before the mid 50s. This includes both personal ill health and that of parents or spouse. Early identification of potential problems and adjustments to the work environment can make a significant difference; and
- **finance** – financial security in retirement is important for all older workers, but they rarely cite this as the most important reason for staying in work (despite Banks's findings about financial commitments above). A consequence of the complexity of retirement finance, combined with low levels of financial literacy, and underlying economic change, is that a majority cannot accurately predict their likely financial situation after retirement (Bardasi *et al.*, 2002; Meadows, 2002).

## Who stays longer in work?

Phillipson and Smith's literature review examined the factors which distinguish those who stay longer from those who leave work (Phillipson and Smith, 2006). People who stayed longer in work tended to:

- have a high perceived degree of control over decisions at work;
- be married: partners tend to coordinate retirement;
- be female: women are more likely to work beyond their (lower) State Pension Age;
- have higher socio-economic status;
- have continuing financial commitments: paying off mortgages, supporting children etc., or poor pension prospects; and
- be self employed or working in smaller firms.

They also found that work is more attractive for some if it can be flexible and part time. None of these has an immediate link to training or skills.

Banks' analysis of the ELSA data on those working above State Pension Age found that working life history has an important influence on retirement timing. People were significantly more likely to remain in employment if they had changed their job and/or their employer a number of times during their working life, and if they had little or no experience of unemployment. Length of time in a single job increased the chance of leaving early, and reduced the chance of moving to part time work. This is confirmed by Owen-Hussey, who points to the fact that women's careers, which tend to be more disjointed, involving more exits and entrances, provide them with better skills at re-entering after a (voluntary or involuntary) break (Owen-Hussey, 2006). Banks also confirmed the influence of high qualifications (which tend to correlate with social class and income) and the employment status of partners, with partners tending to coordinate retirement. Perhaps surprisingly, he found that being involved in physically active work did

not predict earlier exit (Banks and Tetlow, 2008).

Employment at older ages has been increasing in recent years, and younger cohorts have higher employment rates at each age than their predecessors. Banks found that:

- despite the fact that older workers frequently express a preference for part-time and flexible work, most of this increase is in full-time, rather than part-time work;<sup>18</sup>
- later cohorts are more likely to be in work in their 50s and early 60s than previous cohorts were, and also expect to continue to work at older ages; and
- self-reported chances of remaining in work are strongly correlated with subsequent outcomes. This suggests that higher expectations of remaining in work among the later cohorts could well translate into higher employment rates at older ages in the future (Banks and Tetlow, 2008).

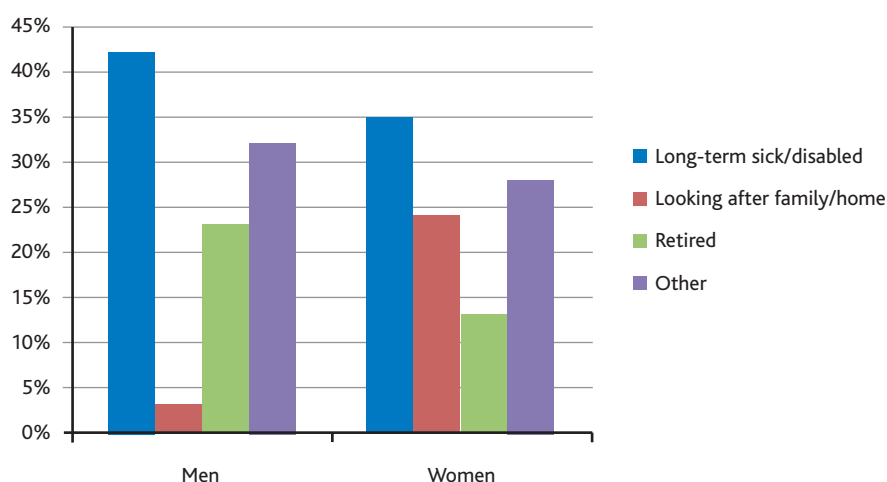
## Why people leave early

If 'premature' is defined as 'earlier than the individual would like', premature exit from the labour market is relatively common, since most economically active people over 50 would consider working longer than they expect to be allowed to do (HSBC, 2005), and many of those who have retired before 65 wish that they could have stayed longer, usually on a part-time basis (McNair, 2006).

The main drivers for early labour market exit are poor health (especially in the early and mid 50s, and especially the onset of new health conditions), redundancy (coupled with age discrimination in employers' recruitment practices) and dissatisfaction with the particular job. With growing age, the availability of a pension makes retirement attractive if work offers few rewards. People also retire early because an older partner has reached retirement age.

Figure 10 shows the principal reasons for economic inactivity among people aged 50 to SPA, showing very clearly the strong difference in men's and women's situations (Barham, 2003). Of the inactive 50–SPA who want a job but are not actively seeking work, 44 per cent are 'temporarily sick', 29 per cent are long-term sick or disabled, and 14 per cent 'looking after home' (Smeaton and Vegeris, 2009).

**Figure 10 Reasons for economic inactivity, 50–SPA**



Source: Labour Force Survey

18 Confirmed by Capellari *et al.* (2005).



Phillipson and Smith (2006) identify a range of 'push' factors which lead into premature exit. The most important concern health and disability (the main reason for retirement before the mid 50s). By the age of 50 one-third of workers are managing a chronic illness (Munir *et al.*, 2005). Health problems are most likely to affect people in middle and lower status occupations, and although musculo-skeletal conditions still dominate, mental stress is growing as a concern (Black, 2008). However, while Felstead's analysis of the Skills Surveys suggests that stress levels at work have been rising over two decades, he finds that this has affected people of all ages equally (Felstead *et al.*, 2007b), and that older people are less likely to report stress, suggesting that older people are, in general, in less stressful jobs, perhaps because they have learned to manage it, have found jobs which keep it under control, or have left the more stressful jobs. Furthermore, Banks' longitudinal analysis of the ELSA evidence finds that poor health is not a fixed state – a quarter of older people with health-related work disability return in two years.

Griffiths points out that men and women respond differently to stress at work (Griffiths *et al.*, 2009), and that caring responsibilities for parents and partners, which peak in the 50s and bear particularly on women, are a significant cause of stress, and premature exit from work, especially when the care recipient is experiencing behavioural problems. She also notes that the consequences of stress are often delayed, manifesting themselves years after the original onset, and that this carries over into retirement, diminishing the quality of life of people years after they have left work.

Banks found that a major 'pull' factor into retirement is financial security, including access to occupational pensions. Men are more likely to retire early if they are members of final salary schemes, but less likely to do so if they are in defined contribution schemes (which encourage people to stay in work longer to earn increased pensions). Others are pulled from work by the competing attractions of alternative life projects, which may be impossible to manage if left too late. Linked to the common tendency for people to underestimate their life expectancy, this will encourage people to retire 'before it is too late'.

Low levels of formal qualifications are a predictor of early exit (possibly because they are signals of social class and income, rather than a reflection of skill level). Banks found that those with least education are least likely to work after SPA (after controlling for health and other circumstances). However, there appears to be no evidence on whether acquiring qualifications later in life produces the same benefits.

Phillipson and Griffiths both comment that work design and management practices can have a major impact on people's willingness to stay in work, and Griffiths suggests that this is under-researched in relation to older people (Griffiths, 2007).

A number of particular groups are at risk of exit earlier than they would wish and than is economically desirable. These include those:

- **with experience but lacking formal qualifications** – who remain employable while they stay with their current employer, but cannot easily demonstrate their competence to a new employer in the event of redundancy;
- **with low basic skills** – who may be able to survive in a familiar role and environment, but lack the skills to become productive in a new one;
- **with low-level health problems** – who may find themselves increasingly vulnerable if their attendance or performance declines, and no appropriate adjustments to the workplace or practices are made or possible;
- **with low self confidence** – who will have difficulty presenting themselves to a new employer, or negotiating a change of role or hours with a current one;
- **seeking to change job/employer** – who will encounter age discrimination in

recruitment practices, and risk discrimination from a current employer if they draw attention to themselves; and

- **who want to work more flexibly**, because of caring responsibilities or to phase into retirement. Such individuals typically do not raise the issue with their employer for fear of appearing uncommitted, and exposing the vulnerability of their labour market position (McNair, 2006).

Internationally, some of the most important work on extending working life has been done in Finland, where long-term work by the Finnish Institute of Occupational Health has developed instruments for measuring attachment to work, predicting and remedying workplace problems (psychological as well as physical) which lead to premature retirement (Ilmarinen, 2006). To date, this 'workability' approach, which has been piloted in several countries, including Australia, has not been systematically explored in the UK.

## Returning to work is more difficult

Returning to the labour market in later life after a break is much more problematic than remaining in it, for two reasons. Firstly, individuals face a series of practical and psychological barriers to return; secondly, age discrimination of various kinds makes it less likely that job applications will be successful.

This is not surprising. For the employer, a new recruit represents a higher risk at any age, but employers may feel this is particularly an issue with older people who are generally less mobile (and therefore less likely to move on if they do not fit in successfully), and who may bear the scars of unhappy exit from a previous role. This is particularly likely among people in professional and managerial roles, where competitive work cultures mean that being out of work can be perceived as evidence of incompetence or failure.

As a result, most career moves after 50 are downwards, and while some of these reflect conscious decisions to downscale, reduce stress or make space for other interests, many reflect a failure to find an appropriate job to match one's skills and aspirations (Smeaton and Vegeris, 2009; Capellari *et al.*, 2005). Some people report moving into self employment to overcome discrimination in recruitment.

While the number of older people in employment has risen in the last decade, and formal unemployment has halved, inactivity levels among older people have remained constant since the early 2000s. Barham examined flows from inactivity to employment and found that expressed views about future work were unpredictable and inconsistent – 30 per cent of older people moving into employment had previously been classified as 'inactive, not seeking or wanting a job' (Barham, 2003). She also found that survey questions about work aspirations produced unreliable and inconsistent results, perhaps reflecting perceptions of labour market position, health and other circumstances. She proposed a division between 'realists' (who were likely to accept downward career moves), and 'idealists' (who would continue searching for higher-level jobs despite continuing failure), and suggested that the latter were likely to underestimate the barriers to return to work.

Banks shows that for those not in employment, barriers to return include long-term illness and caring responsibilities (especially for women). He also found that older people are more likely to return to work if the break has been short. Most importantly for the present study, he found no evidence of a relationship between participation in training and staying in work.

DWP data shows that most people who move from work onto Employment Support

Allowance<sup>19</sup> expect this to be a temporary status, and aim to return to work relatively quickly (DWP, 2006a; Black, 2008). However JobcentrePlus data shows that this is rare, and the longer people remain on Incapacity Benefit the less likely they are to ever return to work. Government has tried a range of strategies to overcome this, but with only modest success. One effect of this is that significant numbers of people in their 50s choose to describe themselves as 'retired', though they would, at least in an ideal world, like to be in work.

Capellari (Capellari *et al.*, 2005) found that, despite commonly expressed preferences for part-time and flexible work, older men unemployed and actively looking for work were mostly looking for full-time work (62 per cent), though this only true of 34 per cent of women. Where they had previously been unemployed their current jobs were likely to be less skilled than their previous ones.

He found that, for men, part-time work acts as a bridge between paid work and inactivity, both as a means back to full-time work and a phasing into retirement, but that this was not true for women, for whom part-time work is a stable state (which may reflect caring responsibilities, or the nature of 'women's work' for women of this generation).

He found that transitions are concentrated in a three-year period, and that anyone over 50 who had been either unemployed or employed for a three-year period was likely to remain in that state. The speed with which the inactive job seekers moved back into work was directly related to:

- age;
- qualification level;
- disability;
- accommodation tenure;
- partnership status (and especially the economic status of partner);
- industry;
- occupation; and
- region.

## **Eight ways of extending working life**

Most older people would consider working, and many would like to work, longer than they do (Lissenburgh and Smeaton, 2003; McNair *et al.*, 2004), although a majority of them would only consider this on a part-time or flexible basis. However, 'extending working life' is not a simple concept. There are at least six distinct ways in which working life can be extended, each with different implications for public policy and for training needs.

### **1. Remaining longer in the same job**

This is the cheapest and simplest option to support, since employers are much more likely to retain a known competent older worker than to recruit a new one over 50. It is also probably the commonest pattern, but is not necessarily the most positive for individual or employer. There is evidence that many people would like change, especially to move to more flexible work, but were unwilling to ask for this because they feared that drawing attention to their age would expose them to discrimination and perhaps redundancy (Owen and Flynn, 2004). Ironically, increasing awareness of their vulnerability in the labour market means that older workers who might like a new challenge at work – to change role, seek promotion or move to less stressful roles – are increasingly likely to find themselves in unrewarding work, performing below their capacity, and reinforcing negative stereotypes of older workers.

---

<sup>19</sup> Formerly Incapacity Benefit.

## 2. Changing hours with the same employer

This is the most commonly sought change among older people, repeatedly identified in the literature (McNair *et al.*, 2004; Lissenburgh and Smeaton, 2003). It is also the commonest pattern of work after SPA, where most employed people are working part time (Labour Force Survey). Humphrey argues that significant numbers of older people would stay longer in the workforce if more flexible and part-time options were available (Humphrey *et al.*, 2003). Conversely, a high proportion of employers say that they would be willing to offer it, but that they are rarely asked (McNair *et al.*, 2007). The issue here is clearly a management and communication one and, by giving the right to request staying longer, and forcing employers to consider their position formally, the Age Regulations may make flexible working easier (2005).

## 3. Changing employer or job within the same sector

This is a high-risk option for the employee, since work-related age discrimination is commonest, and probably most difficult to challenge, in recruitment practice (McNair, 2005; Barnes *et al.*, 2009). A key issue for many experienced employees is the ability to demonstrate capability acquired through years of experience but not documented through formal qualifications. Those with strong social capital are much more likely to be able to make such transitions successfully (McNair and Maltby, 2007). The policy implications of this route are addressed through the Age Regulations, which aim to make it more difficult for employers to discriminate against an individual on grounds of age, and encourage them to look at the actual skills and competence of the individual. However, the effectiveness of the Regulations in achieving this is still unproven (Mountfield, 2009).

## 4. Moving into self employment or consultancy

This is adopted by a wide range of individuals, usually within the same sector and sometimes with the active support for a former employer, since employers may find it more convenient to have the expertise available on demand without the responsibilities of permanent employment, while the individual benefits from the chance to control workloads and organisation, and to extend into new contexts. This option applies particularly to those who have a scarce skill to sell – including professionals, experienced managers, and skilled trades people. However, it is also possible that some people find that self employment is the only option available in the light of age discrimination in recruitment. The policy issues here include ensuring that tax and pensions systems do not discourage individuals from taking up such options.

## 5. Returning to the labour market after a break

This is a difficult option, especially for those seeking to return at the same level as they previously occupied. Such moves are more common among women, who carry the major responsibility for caring, which is a major cause of career breaks (Mooney and Stratham, 2002). Owen-Hussey argues (Owen-Hussey, 2006) that 'men climb higher and fall further' in careers, and since women's experience is typically (especially for the generation currently into their 50s and 60s) of interrupted careers, with a high proportion of part-time and relatively low skilled work, they have more experience of finding work, and lower expectations of it. However, Felstead suggests that this pattern is now changing (Felstead, 2009).

Banks and Tetlow examined the ELSA data on people over 50 who had returned to employment after a break of some kind (Banks and Tetlow, 2008). He examined a range of variables, including income and wealth, gender and health, and found that the only factor that predicted which kinds of people were most likely to return was the length of time

since they had last worked. For men, every year out of work increased the chances of being unemployed by 25 per cent, and for women the figure was 9 per cent.

## 6. Moving to an entirely different kind of employment

Significant numbers of people consciously set out to start a new career of some kind after the age of 40, for one of three broad reasons:

- a lifelong ambition, not previously possible because of other commitments or financial constraints. For some people the financial pressures can be removed by early retirement accompanied by a pension or substantial redundancy payment (Arthur, 2003);
- 'retirement' from traditional 'short contract' occupations where early retirement has traditionally been the norm (armed services, police, fire-fighters, airline pilots, etc). Here most people seek new kinds of employment in their 40s and 50s. It is not yet clear how far, and how rapidly, the Age Regulations will change this pattern (McNair and Flynn, 2005); and
- economic necessity in the face of age discrimination in recruitment. Significant numbers of older people made redundant fail to return to the workforce at a comparable level, and take up relatively low status or unskilled jobs, or enter self employment (Phillipson and Smith, 2006).

There are some occupations which appeal in particular to people as second careers. Two examples are the clergy and coach drivers (McNair *et al.*, 2007). Policy issues here include the active promotion of the idea of the second career, addressing age discrimination for the second group, and the development of new short career patterns.

## 7. Taking up a bridging or transitional job

One form of extension is to move from a job which is full time and highly demanding, into a less stressful one, as part of the transition to retirement. For some this involves continuing in the same kind of role but on a part-time or flexible basis. For others this is a matter of taking on a less demanding and perhaps less skilled job following redundancy or early retirement. For some this decision is a matter of choice; for others a financial one (Phillipson and Smith, 2006; Mooney and Stratham, 2002).

## 8. Phasing retirement

Phasing of retirement has often been advocated as a way of enabling people to stay longer, while reducing stress, although in some countries, such schemes have been found to advance rather than delay retirement (Eurofound, 2004). Hedges, Sykes and Groom found that most people had not considered phasing retirement, but liked the idea when it was suggested (Hedges *et al.*, 2009). Phasing has become easier since changes in legislation made it possible for people to continue working for an employer who was paying them a pension. Banks and Tetlow examined the ELSA evidence on this, and found that although women are more likely to do this, this reflects other factors than gender, including minor health conditions. Self-employed people were also more likely to phase their retirement. No other factors were significant predictors of phasing.

Training has the potential to contribute to each of these ways of extending working life, but in every case it is very much subsidiary to other activities.

## The role of qualifications

It is often suggested that employability declines with age because older people lack relevant skills, and that training could counteract this. This is consistent with the focus of Government policy on improving the skills base of the workforce as a whole, in the light of the UK's poor performance in qualifications by comparison with other developed countries (Leitch, 2006).

As a result, Government training policy has focused increasingly on raising the level of formal qualifications in the workforce, and there is good evidence that many (though not all) qualifications acquired in early working life (when most people do acquire them) produce a real economic return to the individual (Keep *et al.*, 2002; Keep, 2007; Machin *et al.*, 2003; Vignoles *et al.*, 2008). However, there is no evidence to indicate whether there are similar returns to qualifications obtained later in working life. Furthermore, the value of particular qualifications to employer and employee varies greatly, especially in relation to older workers (De Coulon and Vignoles, 2008), and it has also often been suggested that employers actively discourage employees from pursuing qualifications precisely because they are 'tradeable' and make it more likely that those employees will leave.

The value of qualifications is probably greater for those seeking work, who need validated evidence of their competence to show to a potential employer, than for those already part of the workforce. In a stable workforce, people may not feel the need for qualifications to demonstrate their capability to people who already know them. Unstable circumstances make qualifications more relevant and perhaps more attractive to employees. However, qualifications act only as a proxy for real and relevant skills, which can be more complex and subtle, some of which are more difficult to measure in any generic way. It would also be unwise to assume that qualifications have the same impact for older people as they do for young ones, and although there is little empirical evidence on the economic return to qualifications acquired in later life, there is evidence that qualifications acquired after the 'normal' age do not produce the same returns in measured well-being (Matrix Knowledge Group, 2009).

There are also problems about the nature of qualifications themselves. A qualification is a codified measure of a set of personal qualities. Its validity as a measure of skill depends on the appropriateness of its design to the current employment context, and on the testing process. Different qualifications offer different combinations of task specific skills, transferable generic capabilities and underlying knowledge and understanding, and these affect the relevance and transferability of the learning. Furthermore, it only relates to a particular moment in time. Knowledge and technologies change over time, and skills which were necessary to competent practice at one time may be seen as dangerous or irrelevant a decade later. Where an individual acquires a qualification but does not use the skills and knowledge acquired (because they are not relevant to that individual's working situation), they will decay: knowledge will be forgotten and skills lost. Where an individual changes job, occupation or sector, the former qualifications may, or may not, become redundant, depending on the nature of the qualification and the transferability of its components. Policymakers may therefore be seriously misled if they treat them as a reliable measure of the stock of skills and knowledge available.

This is, of course, particularly important in relation to older workers, whose qualifications are particularly likely to be old, and who may well have moved into a different occupation or sector since the qualification was acquired.



## The changing skills of the older labour market

The employability of older people depends to some extent on the relationship between their skills and the changing requirements of the labour market. Felstead's longitudinal analysis shows that over 20 years the position of older workers has changed on all three key measures (qualifications now required to get the job, length of initial training and time to do the job well). Whereas in 1986 older workers held less skilled jobs than young ones, by 2006 the gap had reversed: older workers in 2006 were generally in more skilled jobs than the youngest workers, although they were still in less skilled jobs than workers in mid career (Felstead *et al.*, 2007b; Jarvis *et al.*, 1999).

It has often been argued that 'generic', 'key' or 'soft' skills are becoming more important in the workplace, and the surveys included questions on this from 1997 onwards. They show a strong gender divide, as well as an age effect. For men, the level of these skills required rose for young and middle aged men, but remained unchanged for older men (with the exception of computing skills). For older women, on the other hand, they have risen in all the ten skills examined, while they have risen less evenly for younger women. This suggests a major change in the nature of older women's work, and a significant equalising of women's position in the older labour market.

## Information and advice about 'careers' may help

Traditionally, 'careers services' have tended to focus on young people preparing for entry to the labour market and, to a lesser extent, on mid-life returners. However, the decisions which older people have to make, involving a complex mix of financial, health, education, and lifestyle decisions, are no less complex, and the consequences of mistakes can be very serious and long lasting.

Ford's studies of the nature of services to advise older people on employment and learning (Ford, 2005) found a high level of demand, and high levels of satisfaction with the services which exist, but extremely patchy provision. The level of demand, and appreciation of services when provided is confirmed in McNair's evaluation of the ReGrow programme, which piloted face-to-face career guidance for older people in employment in the South East region, and found very positive support from employees and employers, in terms of improved productivity and commitment to the employer (McNair, 2008). Newton found that such advice and guidance was patchy, and particularly strong in personal service occupations (Newton, 2008b).

## Learning and older people

### The decline in training with age

On all available measures, participation in training declines with age. Until very recently, policymakers, employers and educators have treated this as inevitable and acceptable, and there has been little attempt to look for the causes of the decline.

However, the nature and speed of decline has changed. Where it used to be progressive across the life course, participation does not now begin to happen until the early 50s (Aldridge and Tuckett, 2006; Dixon, 2003; Newton, 2008b; Metcalf and Meadows, 2005). Some evidence suggests that this is a result of cohort change, with a better educated population moving into later life, bringing higher motivation to learn. Some qualitative evidence from the present study suggests that it may have been influenced by the arrival of information technology in the workplace which generated a very obvious need for training.

The scale of training across the workforce as a whole is substantial, but the measures of volume and quality are limited. They suggest that levels of employer-supported training have remained broadly stable for over a decade, with women and young people more likely to be supported, and training activity highest in the North East and Yorkshire, and lowest in the East of England (ONS, cited in McGivney, 2006). Two-thirds of employers claim to provide training – half of it provided on the job, half of it leading to formal qualification and of an average length of six days (Learning and Skills Council, 2008a). However, the majority of this training was induction or Health and Safety (McGivney, 2006).

The decline affects some groups disproportionately (Labour Force Surveys, Dixon, 2003; Newton *et al.* 2005a; Metcalf and Meadows, 2006). Women and people from minority ethnic backgrounds<sup>20</sup> are more likely to train than men and white people (McGivney, 2006). Participation rates are higher among those with more years of initial education and the higher social classes. However, Aldridge and Tuckett also note that between 1997 and 2004 participation in learning rose steadily for the lower social classes, albeit from a much lower base. The occupational groups which participate least are in intermediate, routine and manual work.

There are also features of the workplace itself which affect the likelihood of older people training. Metcalf and Meadows note that, as the proportion of employees aged over 50 within a workplace increases, the likelihood that they will be offered training by their employer declines (Metcalf and Meadows, 2006), although this may reflect the fact that the firms which employ large numbers of older people are in sectors with low training levels generally.

## Older workers' learning

The evidence that older people learn differently or require teaching differently from younger ones is thin. In 2004, NIACE carried out a review of the literature on age and learning, considering cognitive, physical, attitudinal and dispositional factors (Withnall *et al.*, 2004). This found that, as people age, individual difference in learning styles, preferences and attitudes is likely to outweigh any purely age-related factors. Gender, life events (like retirement and bereavement), personality and life history were all likely to make an impact. Importantly, manageable health problems are often mistaken for irrecoverable age-related decline. Despite popular opinion, most people experience few, if any, cognitive changes which would impede their ability to learn or work, before their late 60s. There is also evidence that adjusting the pace of learning is important for some people, especially when tackling very unfamiliar tasks, and that some older people will find different strategies for carrying out tasks, to make use of the changing cognitive strengths. There is evidence, for example, that while younger people are typically faster at carrying out demanding repetitive tasks, older people are often faster at carrying out complex tasks which depend on contextual knowledge and experience.

One of the most substantial studies to specifically consider learning and older workers was undertaken by Newton (Newton, 2008a). Her evaluation of the Train to Gain programme found evidence that participation was likely to lead older trainees to further learning, with more than two-thirds saying that they would like to go on to more training, and three-quarters thought training had benefited them and their employer, and that most wanted a qualification. More generally, she found that:

- older learners' motivations to learn were not different from younger people's;
- low-skilled older workers were less likely to be involved in informal, on the job training;

---

<sup>20</sup> This is true for people with black and minority ethnic backgrounds generally, but the pattern is very different for different ethnic groups.



- pre-entry assessment and advice was more common in personal service occupations, which are predominantly female;
- older learners needed more support from friends and family to continue in learning;
- older learners were more likely to complete qualifications, but not to progress beyond Level 2;
- many older learners felt that they were too old or too close to retirement to progress beyond the first qualification;
- older workers erect their own barriers to training – fear or overconfidence;
- employers often needed to persuade older workers of the need to train; and
- change in training behaviour was most likely to be driven by desire to work longer (Learning and Skills Council, 2008b).

## The quality of learning

Learning is not all equally valuable. The quality of the experience and its outcomes can affect the willingness of individuals to return for more, and of employers to support it. The variety of ways of measuring quality, including measures of process and outcome, may not coincide, and may have differing relevance to learning for work. Most measures of training activity do not distinguish simple instruction in procedures and processes from the development of complex interpersonal skills, of theoretical knowledge or the transformation of organisational culture. It would be surprising if these kinds of training did not produce different results, and have different kinds of appeal to employers and employees.

In recent years there has been a concerted attempt to gather together evidence on the effectiveness of different approaches to learning and training. These include the work of the EPPI Centre at the Institute of Education,<sup>21</sup> and the ESRC's Teaching and Learning Research Programme,<sup>22</sup> which carried out a large number of major research projects. The ESRC Programme distilled a series of ten key principles of effective learning from an analysis of its own research and of the wider research literature (ESRC, 2009). Of these, five are particularly relevant to the current study. They are that learning is more effective if it:

- recognises experience – so that individuals can build on what they already know – a critical issue for older workers who have many years of experience of the world of work, and of particular occupations;
- provides 'scaffolding' – to support learners, in terms of advice and guidance, a network of encouraging friends, family and colleagues, and access to time to learn;
- promotes active engagement – enabling people to practice, try things out, and debate them with fellow learners;
- values the informal – does not presume that only learning undertaken in formal settings is important. Again, this is important for people whose identity has been developed over many years of work life; and
- provides a consistent policy framework – where learning is valued and recognised consistently.

These findings are paralleled in the work on employability skills by the UKCES, which identifies three key features of learning for employability (UKCES, 2009a):

- action learning – linking learning closely to practice, with immediate feedback and emphasising trial and error (which builds the skills to learn independently in the future);
- work experience – to enable learners to practise skills and apply knowledge in real contexts (particularly critical for older unemployed workers who need to build

---

<sup>21</sup> [www.eppi.ioe.ac.uk](http://www.eppi.ioe.ac.uk)

<sup>22</sup> One of the largest programmes of research into adult learning ever undertaken: [www.tlrp.org](http://www.tlrp.org)

- confidence in a new environment, and demonstrate competence to an employer); and
- reflection and integration – to enable learners to build their learning into a body of personal knowledge, rather than holding it as something separate from their working lives.

## Individuals differ in motivation to learn

People choose to learn for many reasons; for some, learning is more conscious and planned than others; and motivation may change during the process. For those who do participate the experience is generally positive, and those who learn are more likely to return again (McGivney, 2006). Dench and Regan examined the impact of learning<sup>23</sup> on the adult population as a whole in a survey commissioned by the DfEE (Dench and Regan, 2000). Asking respondents to identify distinct 'learning episodes', they found that only one in four episodes was leading towards a recognised qualification. They also found that the most significant motivation was intellectual, expressed as the desire to increase knowledge and 'keep their brain active', followed by 'personal' reasons. Interestingly, they found that older people were more likely to choose qualification-bearing courses to provide them with a challenge, rather than for employment purposes. However, they did report very positive employment-related impacts on those engaged in a learning activity of any kind, including increased self-confidence, increased ability to cope, and willingness to take responsibility. They also examined reasons for not learning, of which the most commonly reported reasons were 'lack of time' and 'lack of interest'.<sup>24</sup>

Generic approaches to increasing participation in learning are liable to miss the particular incentives and barriers facing particular groups. Furthermore, it is not necessarily the case that the benefits which are identified by those who do participate would also be felt by non-participants if they chose to join in. This has led commentators to try to develop typologies of learners and 'non-learners'. One of the more sophisticated was done by Chilvers (Chilvers, 2008), whose cluster analysis of the 2005 National Adult Learning Survey resulted in a ten-part model of the adult population as a whole, outlined in Table 2.

---

23 We employ the term 'learning' here to imply all forms of learning activity and 'training' to signify any taught or non-taught employment-related learning.

24 Although a large body of literature (McGivney) suggests that these terms are often loosely used to cover more specific anxieties.

Table 2 Segmentation of adult attitudes to learning

Segment	Percentage of population	Orientation to learning	Happiness	Characteristics
Enthusiastic and Enlightened	29	Positive	Above average	Few barriers, employed and high qualified. Will invest themselves if they think it necessary.
Fulfilled and family focused	14	Positive	Very happy	Busy with caring. Mainly women, younger and well qualified.
Hampered hard workers	7	Positive	Above average	Find it difficult to justify the time off work. Employed and well qualified.
Looking for learning	5	Positive	Below average	Not sure what training to do. Employed, well qualified under 45.
Trapped on a treadmill	6	Slightly negative	Very unhappy	Strong financial barriers. Employed with average qualifications. Lower incomes and not happy with lives. Under 45.
Older and into other things	11	Slightly negative	Very happy	Not interested in learning. Over 45 male, two-thirds employed, and slightly below average qualifications.
Too late to learn	11	Slightly negative	Average	Mainly older women with few barriers. Half working. Most lack Level 2 qualifications. Low incomes.
Unfulfilled and unhappy	9	Slightly negative	Very unhappy	Many barriers. Less than half employed. Don't think learning would change their situation.
Sceptical but scraping by	5	Very negative	Average	Few barriers. Employed, though half lack Level 2 qualifications. Low income, mainly men.
Disaffected and discouraged	3	Negative	Very unhappy	Many barriers half employed, and half have basic skills problems. Two-thirds on low income.

This analysis suggests that attitudes to learning are independent of other life factors, such as happiness and life satisfaction, income or employment status. The bulk of older people appear to fall into two groups: 'Older and into other things', and 'Too late to learn', both of which are slightly negative about learning, but broadly happy with their lives, and feeling no particular need to engage in learning. However, significant numbers of older people are distributed across the other categories, albeit in relatively small numbers.

Withnall's work on retired learners, building on Jarvis, confirms the notion of a divide between 'sages', who feel that there is still much to learn and are eager to engage in learning, and 'doers', who are engaged in a wider range of activities including sport and travel, and learning associated with this (Withnall, 2007; Jarvis, 1994). The first are lifelong learners, the people who traditionally talk about 'learning for its own sake', and probably include most of Chilvers' 'enthusiastic and enlightened' group. For them learning is itself a part of their identity, and training will be attractive if it is interesting and challenging, regardless of subject. The second group are committed to learning, but as a means to some other end. Here motivation depends on the end, and the extent of the learning is likely to be underreported because the learning is more likely to be embedded in the activity itself: becoming better at a job by talking to workmates may not be reported as 'learning'. She also identified two other groups: one that has distinct psychological barriers to overcome, often rooted in earlier life experiences, and a second, 'harmony seekers', who will only be propelled into learning by clear evidence of need.

However, Withnall emphasises the complexity of the mix of social, cultural, situational and personal factors over the life course in influencing motivation, and notes the importance of the length of initial education on later life participation.

## Measuring learning is difficult

Any systematic analysis of the relationship between learning, age and work requires some measure of learning. However, this is very difficult, since learning takes many forms, and is undertaken for many reasons. Some key variables include the following:

- **Formality:** learning varies along a formal-informal spectrum, ranging from formal courses, conducted by specialist teachers and instructors in places set aside for learning, to informal learning, through conversation with workmates, reading manuals, and trial and error on the job.
- **Purpose:** learning may address a range of purposes. It may aim to: provide the specific skills required for a particular task or job; provide underpinning conceptual frameworks and theory (applicable in a range of contexts); prepare people for future roles; or be undertaken for pure interest and curiosity.
- **Learner motivation:** some individuals pursue qualifications because they are required for a particular job, others because they think it will improve their general employability (by demonstrating commitment and ability to learn), and others because the qualification offers a personal challenge, and some guarantee of seriousness.
- **Employer motivation:** employers sometimes require particular qualifications (and sometimes these are a condition of employment or licence to practice), but sometimes they use them as a proxy for general ability or commitment.

Individuals, and those who pay for the learning, may be motivated by one or more of these, and motivation may vary over time.

Because of these problems of measurement, policymakers have tended to use registration on formal courses, and numbers of taught hours, as a measure of 'learning', and formal qualifications as a proxy for skills and knowledge. However, both are very approximate indicators of activity and outcome, and it may well be that, as people age,

the accuracy of these estimates changes in a systematic way. Certainly, the fact that older people are less likely to hold formal qualifications than younger ones does not necessarily mean that they are less skilled or productive, it may simply mean that people had fewer opportunities to have their skills certified in the past.

## The distinctiveness of work-related learning

A very large proportion of work-related learning is informal and embedded in the processes of the workplace: learning from and with colleagues, from manuals and trial and error. This makes it particularly difficult to identify and measure, and apply the kind of quality assurance tests that are used in more formal learning. It also means that the accessibility and quality of the learning, and its impact on productivity, will depend greatly on the workplace context, on the attitudes and behaviours of managers and workmates, and on broader cultural expectations.

Fuller and Unwin (2005) identified the key dimensions of workplace context to employee learning as:

- organisational culture and history,
- job design;
- how work is organised;
- the way people are managed; and
- how their performance is judged.

While these are vital to the effectiveness of the learning, and its impact on productivity, they are difficult to observe, and difficult for policymakers to influence. As a result, they are liable to be underreported.

Felstead and Unwin have sought to describe the environments where such learning is likely to take place, distinguishing 'expansive' and 'restrictive' working environments. These are based on two distinct models of learning: 'learning as participation' and 'learning as acquisition' (Felstead *et al.*, 2005a, 2005b). In a study of data from the Communities of Practice Survey, Felstead and Fuller found that a sense of community is critical to effective learning in the workplace, claiming that 'for all forms of learning and development ... the social bonds between employees are crucial determinants of individual and group performance' (Felstead *et al.*, 2007a). They found that 80 per cent of workers agreed that 'most of the time my colleagues and I figure out together how to get things done'. Such learning was more common among managers and professionals and, importantly for the present study, they found that younger workers were more likely than older ones to feel part of a 'community of practice' which supported learning. Women were more likely than men to feel part of a community, but men were more likely to believe that 'you can only learn the tricks of your trade from colleagues'.

However, it is likely that a high proportion of what is described as 'training' focuses narrowly on compliance and conformity in a 'restrictive' working environment, including: basic induction into the organisation and procedures; health and safety training; and compliance with specific regulatory requirements (like Food Hygiene certification) (Unwin and Fuller, 2003; Fuller and Unwin, 2004; McGivney, 2006). Tikkanen argues that such 'Tayloristic' forms of work organisation diminish the learning capacities of the worker and offer few or limited learning opportunities. (Tikkanen *et al.*, 2002). Furthermore, employers may not believe that 'expansive' learning is in their interests, and may actively seek to discourage it.

The Worktow project (Tikkanen *et al.*, 2002) which carried out 27 case studies in small

and medium-sized enterprises (SMEs) in Finland, Norway and England, found that acknowledging workplaces as learning environments facilitated successful work-based learning and training for older workers. This in turn, he argued, has the potential for improving their motivation for learning, strengthening their self-confidence and organisational commitment, and providing overall benefits to the workplace. Similar results were found among older workers in McNair's evaluation of the ReGrow project, which provided careers advice and intensive training to workers over 50 in the South East of England (McNair, 2008).

Perhaps the most substantial contribution to this debate in relation to older workers is the international study led by the Institute for Employment Research and commissioned by the EU to investigate good practice in extending working life. It includes a detailed review of lifelong learning and the consequences of engagement in lifelong learning for the employability of 'older workers' (Lindley *et al.*, 2007). A consortium of researchers from across the EU reviewed national institutional frameworks, and carried out a series of 41 organisational case studies of firms in 11 EU countries (five of them in the UK). The resulting report presents a thorough account of the issues to date. However, the report is an international one, and although it draws attention to some of the peculiar features of the UK labour market and economy, it is not always easy to disentangle the UK-specific evidence.

Lindley argues that embedding training in management approaches through work-based and work-related training is the best way of retaining and developing staff and providing opportunities for internal mobility. By contrast, strategies that attempt to promote lifelong learning after the employment relationship is broken (for example, through redundancy) are much less effective. He also suggests that good age management can have positive societal outcomes as well as meeting the objectives of individual enterprises. The case studies found that the quality of the learning experience was crucial, and that they needed to ensure that:

- the learning needs and styles of older workers were paramount; and
  - training of older workers was integrated with the enterprise's learning strategy.
- Examples of how these might be achieved include modular design of packages; certification of skills and competencies in the workplace; individual training plans for older workers; intergenerational knowledge transfer through mixed teams; and 'mentoring' (p.8). The report also includes a valuable review of the Finnish notion of workability, which offers a holistic approach to age management, and which is perhaps the most systematically evaluated attempt at a coherent age management strategy.

## What promotes learning?

The UKCES reviewed evidence on factors that influence individual participation in learning in 2009 (Johnson *et al.*, 2009). They found:

- that participation is lowest among the least qualified, low skilled, older, and part-time workers;
- a range of specific barriers include finance, lack of advice and information, negative experiences of initial education and negative attitudes among peers, and lack of evidence of the benefits;
- employers can play a key role in promoting learning;
- a culture of learning in the workplace can have a major impact;
- clear progression routes are important, particularly for people over 40;
- returns to accredited learning are low at the lowest levels of qualification; and
- trades unions play an important role in promoting and supporting learning in unionised

workplaces (which tend to be large and public sector organisations, which have a higher proportion of older workers).

They found a substantial body of evidence on policy interventions to promote learning, but these were difficult to evaluate and compare. Personalised support provided in the workplace was particularly important for the lower skilled.

## The benefits of learning

### Does learning improve the employability of older people?

Although it is often suggested that learning will extend the working lives of older people by increasing their employability, there appears to have been very little direct investigation of the issue (Smeaton and Vegeris, 2009). Dixon (2003) suggests that, in the UK, where unemployment is low (by comparison with most EU member states) the loss of potentially competent workers through 'early' retirement is becoming an economic handicap. However, it is not clear that the current skills of older people match the needs of the future economy, and it is clear that older people in general have lower levels of formal qualification than younger people, though this does not necessarily mean that they are less capable.

Most of those researching retirement decisions appear not to have considered training as a factor. Some do not ask about training, while others ask the question, but do not report findings. Humphrey, for example, asks the questions but does not comment on possible links between participation in training and length of working life (Humphrey *et al.*, 2003). Barham makes no comment on the issue (Barham, 2002). Vickerstaff's qualitative study of ways of encouraging labour market participation among older people did not include training as an explicit question, although it is mentioned several times in prompts, but the report makes no mention of training as a significant factor in retirement decisions (Vickerstaff *et al.*, 2008). It would appear either that the issue has not been investigated, that it does not figure in researchers' hypotheses, or that training is not a significant factor in continuing employability and extending working lives.

Hedges and Groom's work, one of the few to actually address the issue, supports the last of these: they found that training and skills were rarely a direct factor in the decision on whether or not to leave the labour market. Phillipson and Smith's literature review identifies a range of groups particularly unlikely to train (including those in part-time work and on temporary contracts, both of which are more common among older people), and identifies problems of self-confidence and motivation which feature regularly in the literature on adult learning generally. However, they do not identify literature which shows that the lack of training has a negative impact on employability.

### Is training older workers a good investment?

The relationship between training levels and company profitability is not well established. In 2002, Keep found only two relevant documents: one found a positive relationship between Investors in People status and company profits, while the other indicated no clear relationship between training levels and SME profits (Keep *et al.*, 2002). More radically, Ashton and Green have challenged the assumption that training generally results in increased productivity (Ashton and Green, 1996). More positively, the work of Felstead and colleagues suggests that, while training courses and acquiring qualifications may have little impact on productivity, learning embedded in the workplace can be, and is more



highly valued by workers (Felstead *et al.*, 2005a, 2005b). The UKCES has noted the difficulties in making links between skills because of the difficulty of measuring skills reliably, and of accounting for indirect impacts on productivity. However, they did find evidence of a correlation between labour productivity and human capital levels, and that growth in human capital contributes to productivity growth, but only over a fairly long timescale: suggesting that expecting quick returns to training is unrealistic. They suggest that higher levels of skills increase the ability of organisations to adopt new technologies, and to make use of new ideas (Mason *et al.*, 2007).

Assessment of cost effectiveness also needs to take into account the opportunity cost of alternative investments forgone. While attempts to return older people who are sick or unemployed to the labour market are clearly desirable on social grounds (and may be on economic ones), it can be argued that a better return would be obtained from investment in those already in the workforce, even if this means higher welfare and pension costs to support those older people who are inactive.

However, there is evidence that older people, and their employers, think that training is good for both employee and employer. McNair's evaluation of work-based learning for older people in the ReGrow project in the South East (McNair, 2008) confirmed that training was particularly highly valued by older employees and their employers, provided that it was relatively short, and resulted in visible and rapid improvement in performance. The benefits included increased motivation and loyalty to the employer. Similarly, the LSC's study of unemployed students in Further Education found clear subjective benefits even for those who had not found employment after completing their course (Casebourne *et al.*, 2008).

Thus we have powerful subjective evidence for the benefits. Learners and their employers generally think training of older workers is a good investment, and they also report positive outcomes in terms of well-being, health and employability. However, we lack any quantitative economic analysis. To date we lack a systematic examination of how far engaging in training leads to career progression, increased productivity, job satisfaction, job change, change of employer, or has made any contribution to retirement decisions (positive or negative) for people over 50.

## Are there indirect or social benefits?

Most people who take part in adult learning view it positively (Dench and Regan, 2000). Dench and Regan identified a range of positive outcomes from learning by older people, including enhanced self-esteem and confidence, enjoyment of life and 'ability to cope with everyday life'. Similar findings are reported by Carlton and Soulsby (1999), who provide the personal 'testimonies' from those who had been, or were, engaged in learning and training.

Conversely, the social implications of premature labour market exit include social isolation, poor health and reduced life expectancy, especially for men (Arthur, 2003). From a social point of view, this is clearly a cost to society as a whole in reduced well-being, and possibly in increased health and welfare expenditure. From an macroeconomic perspective, training is evidently justifiable if it leads to an individual remaining economically productive for longer, since virtually no training costs more than the combined benefit to the employer and the state of an additional year of output, plus reduced pension and welfare payments (Hirsch, 2003). However, this may well not be the case at the level of the individual firm, where one less productive older worker may represent a reduction in profitability by comparison with a younger replacement.



## Does training return older people to the active labour market?

The unemployed are a small minority of the older workforce, but important in policy terms, because they represent both an underused resource, and a cost in welfare benefits.

There are two large-scale studies of the impact of learning on unemployed people. The first was a large study of unemployed students in FE commissioned by the LSC from the Centre for Social and Economic Inclusion (Casebourne *et al.*, 2008). This interviewed 10,000 people aged 20–55<sup>25</sup> who had enrolled on LSC-funded learning programmes while unemployed.<sup>26</sup> Of these, 38 per cent had been employed since completing their programmes, and a majority felt positively about the impact of the learning on their employability. However, it also confirmed that some groups, including older workers, were systematically disadvantaged in finding work despite attending courses. Older learners were less likely to have found work, especially if their age was compounded by a range of other disadvantages.

Casebourne found that age was one of a series of factors which had a negative impact on the likelihood of improving an individual's labour market position as a result of training. The other factors included minority ethnic origin, caring responsibilities (especially for women), financially dependent children and poor health. Returning to work was also more difficult for people furthest from the labour market, those who had been unemployed for a longer period, and those enrolling on basic skills and low-level courses.

Older learners were less likely than younger ones: to start work after completing their course (31 per cent of older workers compared to 37 per cent of younger ones found work); to feel positive about their employment prospects; to be motivated to move into work; and to be clearer about their career aims (especially for men). They were also more likely to be out of work due to ill health. If they had found work, older workers were less likely than younger ones to be better paid or to have a more responsible job than before they became unemployed.

However, those who had not found work after learning still reported 'softer' personal or social outcomes from learning, including being more involved in their local community, having improved social skills and confidence, and also seeing improvements in the communication, literacy and numeracy skills that employers value.

Overall, this study suggests that training can improve employability, but that age is a substantial handicap, especially if combined with other disadvantages, some of which are also more common among older people.

The second study was carried out by Newton for DWP, specifically to examine the relationship between training and economic inactivity among adults from 16 to 60/65 (Newton, 2006). She reviewed the literature; analysed the Labour Force Survey 2004 and the National Adult Learning Survey of 2002; and carried out qualitative interviews with 'experts' from 16 organisations. The literature reviewed mirrors much of that reviewed here, although the focus is upon the whole workforce and not specific to those over 50. She confirms that participation in training by unemployed and inactive people is low and declines with age. Importantly, those with health difficulties associated with their ability to work were also more likely to engage in training than those who did not face such limitations.

In the expert interviews respondents identified many barriers to participation in training, including access to appropriate information and resistance to formal training, which was believed to grow with age. They also identified attitudinal barriers among

---

<sup>25</sup> Respondents were under 56 at the point of enrolment, but were older at the time of the survey.

<sup>26</sup> This study considered only those who had engaged in a substantial formal learning programme, and cannot therefore compare these effects with people who have not trained.

workless individuals, such as lack of confidence in their ability to learn, and the negative effects of long-term illness and disability. They commented on the qualifying periods required for eligibility for state-funded training, since willingness to train was inversely related to the duration of unemployment. Flexibility of training and access (including the frequency and availability of public transport) were seen as key factors promoting uptake of training.

There was a broad consensus that training was most attractive when it was work based, linked to work experience, and closely tailored to local labour markets.

### **The importance of occupational and sectoral diversity**

Public labour market policy sometimes seems to imply that training needs are uniform across all occupations and sectors. This is self evidently untrue. The time required to learn to do some routine manual jobs is clearly less than that required for most technical and professional ones. The average time required to learn the skills of retailing, even at the highest levels, is substantially less than for most roles in the health sector. Furthermore, the speed of industrial and technological change varies greatly by sector. In some knowledge-intensive sectors and roles learning has to be continuous, whereas in less intensive ones it may be necessary only to refresh skills or knowledge every few years. The volume of training will also reflect the pace of staff turnover, which varies by sector, and it is likely to be less relevant to those employees (by definition 'older') who have been in the same organisation and job for some years. As a consequence, one might expect attitudes to training and habits of mind to vary, and for people in occupations with relatively infrequent training requirements to be less prepared to train when the need arises.

Labour Force Survey data shows clearly that training levels do vary by sector, and that in general training is more widespread in larger and public sector organisations. These are also the organisations most likely to employ older people.

# 4. What the national datasets tell us

Five large national datasets contain relevant information about participation in training, skills and age. All have the advantage of having been repeated over long time periods, giving the data greater reliability, and making it possible to track long-term changes in behaviour. They are:

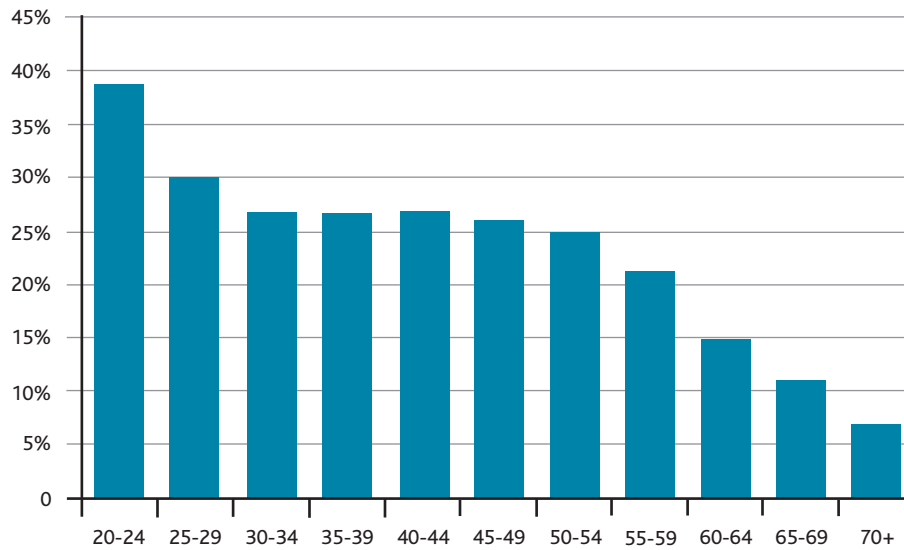
- Labour Force Survey (LFS);
- Workplace Employee Relations Survey (WERS);
- English Longitudinal Study of Ageing (ELSA);
- National Adult Learning Survey (NALS); and
- NIACE Adult Learning Survey (NIACE).

This chapter summarises what these tell us about the nature of the decline in learning with age – whether there is a shift from formal to informal learning; how far the decline relates to perceived levels of skill; and how far the decline may be caused by employee reluctance to train or employer unwillingness to support it. Finally, we comment on the strengths and limitations of these datasets as sources of evidence on the relationship between learning, work and age.

## Training participation does decline with age

The LFS contains several questions about engagement in education and training activities, and those in employment were asked whether they had received any training at all in the last 13 weeks. As Figure 11 shows, participation is relatively stable from the late 20s to the early 50s, at around one worker in four, but then falls at an accelerating rate with age from that point on.

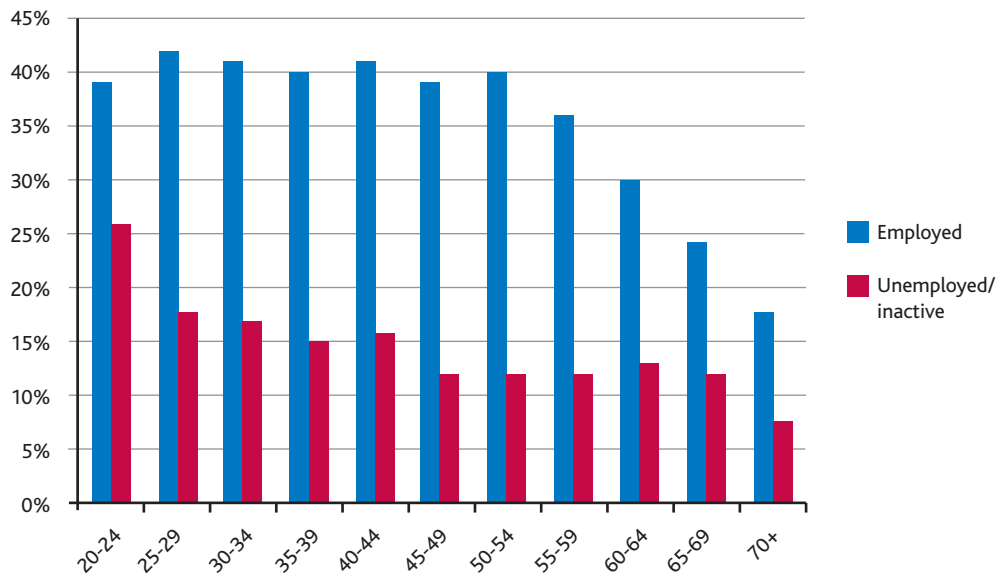
**Figure 11 Training in the last 13 weeks by age**



Source: Labour Force Survey

Using a broader definition of learning – any activity designed to improve knowledge and skills – the LFS shows a similar pattern, of relatively stable participation for those in employment until the mid 50s, followed by a decline. The overall levels are higher (since this question includes informal activities excluded from the previous question), and the decline begins a little later, which suggests that informal learning may continue a few years longer than formal learning. The figures for the unemployed and economically inactive are notably lower at all ages. It is notable that, while the proportion of employed people taking part in activities declines from the early 50s onwards, the decline for the inactive and unemployed does not take place until some 15 years later.

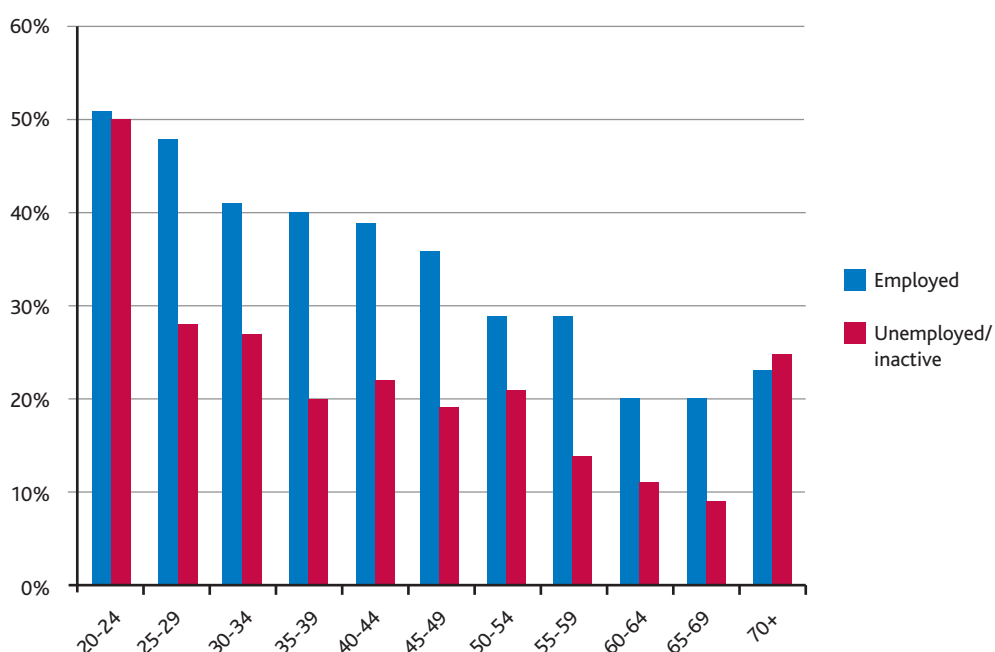
**Figure 12 Any activities to improve knowledge or skills**



Source: Labour Force Survey

Participation in courses leading to qualifications presents a rather different picture. As Figure 13 shows, the decline for economically inactive people (both seeking and not seeking work) is similar to that for all learning activities (i.e. flat until 55 and then falling), but for those in employment it is more progressive across the age range.

**Figure 13 Any course leading to qualifications in the last 12 months**

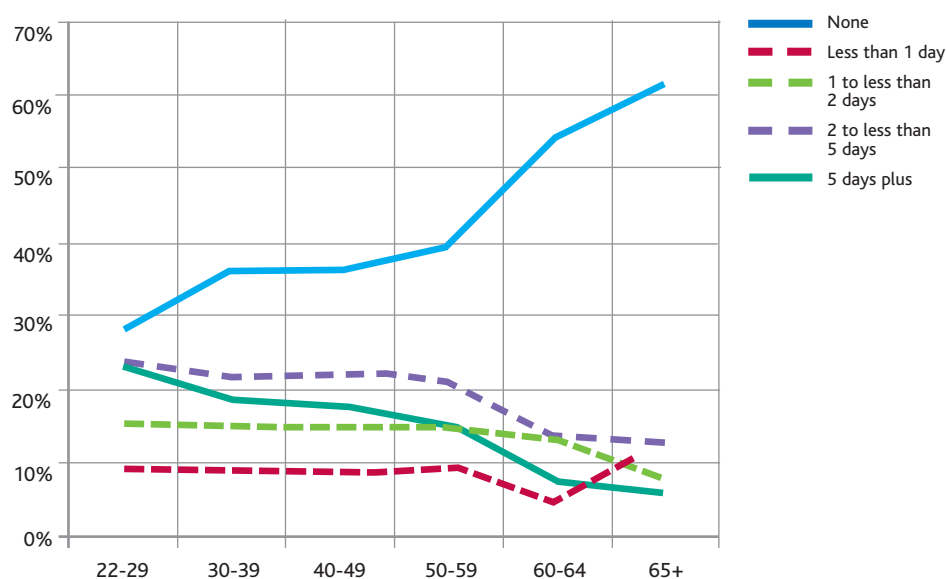


Source: Labour Force Survey

WERS, asking about training received in the last 12 months,<sup>27</sup> confirms that people over 50 are less likely to have trained (57 per cent) than those under 50 (65 per cent). It also asks about the amount of training, and Figure 14 shows clearly that the average length of training courses undertaken shortens progressively with age. However, the decline is steepest for the longest courses, while participation in very short courses (under one day) remains broadly constant.

<sup>27</sup> All the estimates from WERS were weighted to allow for the complex sample design of the survey.

Figure 14 Amount of training by age



Source: Workplace Employee Relations Survey

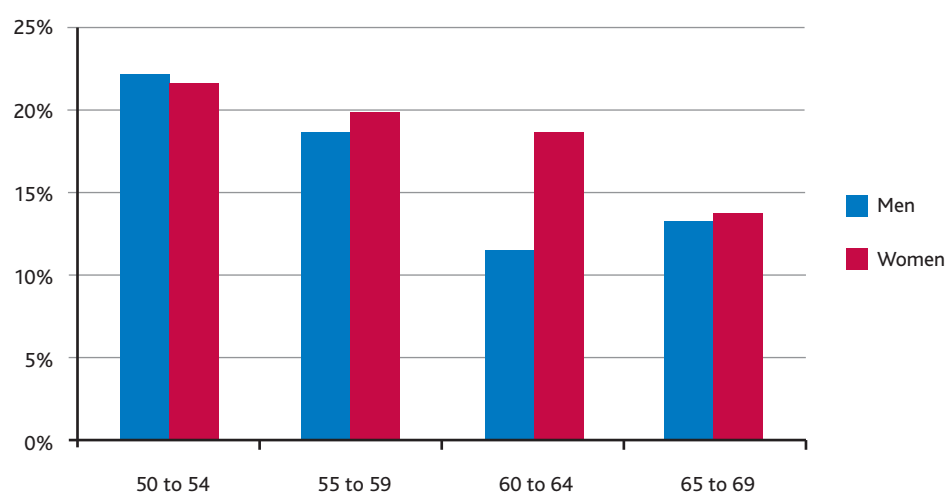
The picture is again confirmed by ELSA, which asks a representative sample of people over 50 about formal education and training in the last 12 months. For those in work, participation declines from 22 per cent of those aged 50–54, to 19 per cent of those aged 55–59, and then falls steeply to 13–14 per cent among those in their 60s. For the economically inactive the proportion participating was much lower, declining from around 9 per cent in the early 50s to under 5 per cent in the late 60s.

## The effects of gender

Both LFS and WERS show that training participation is higher for women than men at all ages. However, further investigation of the WERS data shows that one important reason for this gender imbalance is that women are more likely to work in the public sector, where training tends to be higher. WERS shows that 39 per cent of women, compared to just 23 per cent of men, are employed in the public sector. Although fewer women than men are in occupations with the highest incidence of training, such as managerial and professional posts, training rates are also high in personal services, and quite high in administrative and secretarial occupations, both of which have a high proportion of women. Moreover, there are few women in occupational groups where training incidence was low, especially skilled craft trades, routine occupations, and process, plant and machine operators.

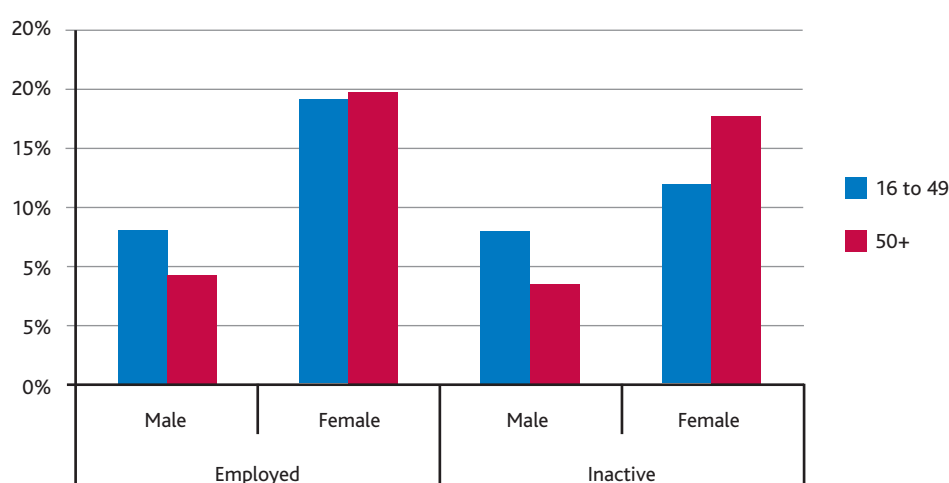
ELSA helps refine this picture. It confirms the decline in participation after 50, but shows that, while men's participation rate is slightly higher than women's in the early 50s, it falls far below in the early 60s, when women have reached State Pension Age, but men have yet to do so (Figure 15). This may reflect the different profile of women who remain in work beyond State Pension Age.<sup>28</sup>

<sup>28</sup> See Felstead's evidence on the rising skill levels of older women's work.

**Figure 15 Participation in formal education after 50 by gender**

Source: English Longitudinal Study of Ageing

A notable gender difference is in participation in 'leisure courses', where women over 50 are more likely to participate than their younger peers, while the reverse is true for men.

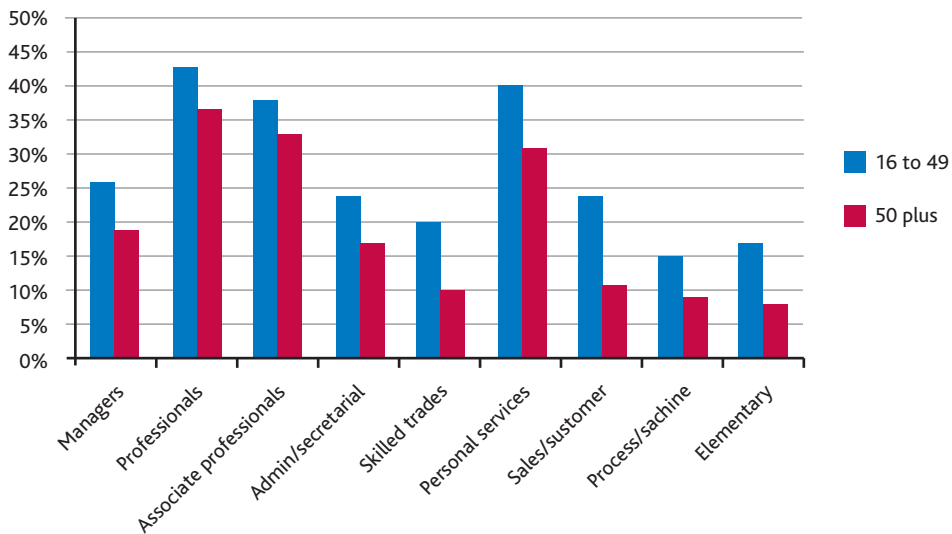
**Figure 16 Participation in other leisure courses in the last four weeks**

Source: Labour Force Survey

## The effects of occupation

The decline in training with age applies to all occupational groups, but the age gap is much wider for some occupational groups than others. Both WERS and LFS show that the participation gap between younger and older workers was largest for sales staff, skilled workers and those in elementary/routine occupations. In all these groups participation among people over 50 was less than half that for people under 50. By contrast, the gap was less than 15 per cent for professionals and associate professionals, and only 25 per cent for managers and workers in personal services.

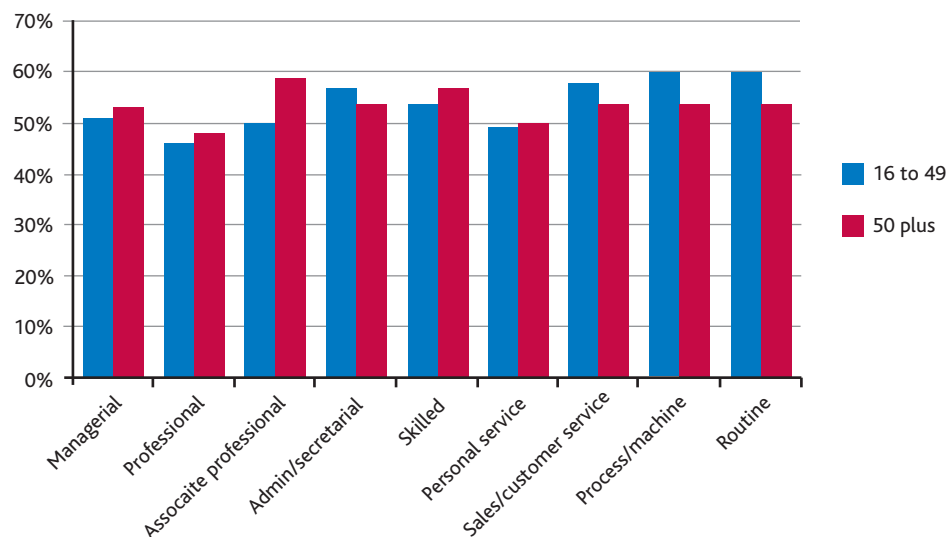
**Figure 17 Training participation by occupation**



Source: Labour Force Survey

One possible explanation for age-related decline is that older workers do not need training because they already have adequate skills for their jobs. However, as Figure 18 shows, the occupational groups where the age gap is widest are also the groups (the lowest status ones) where older workers are least likely to report being overskilled.

**Figure 18 Percentage overskilled by occupation**



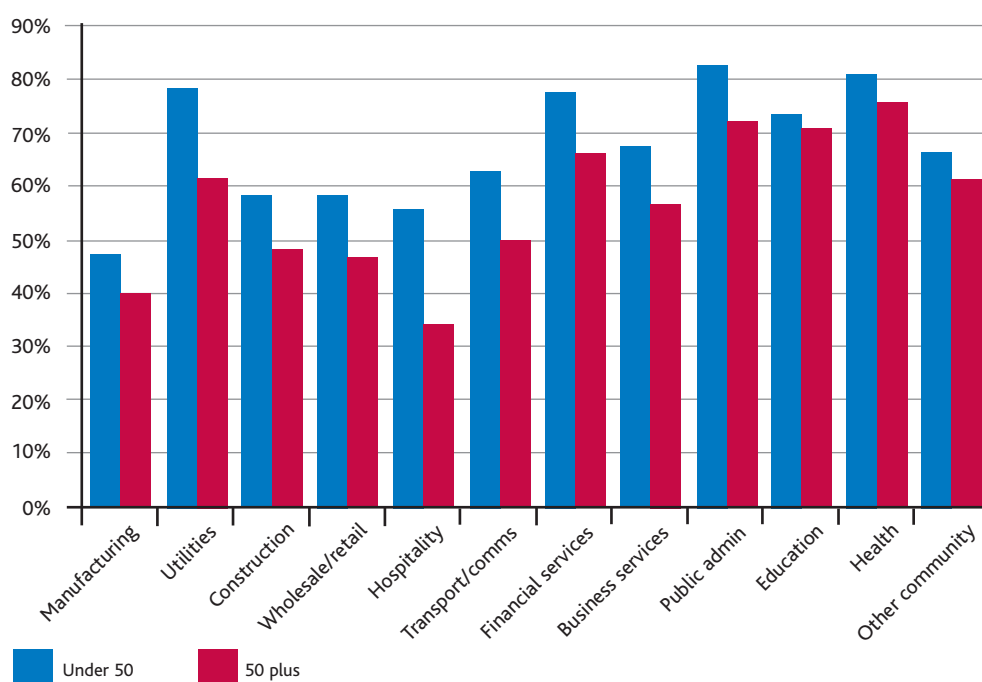
Source: Workplace Employee Relations Survey

## Variation by industrial sector

Both WERS and LFS show that levels of training are generally higher in industries that are wholly or predominantly in the public sector, such as education and health.



Figure 19 Percentage training by sector

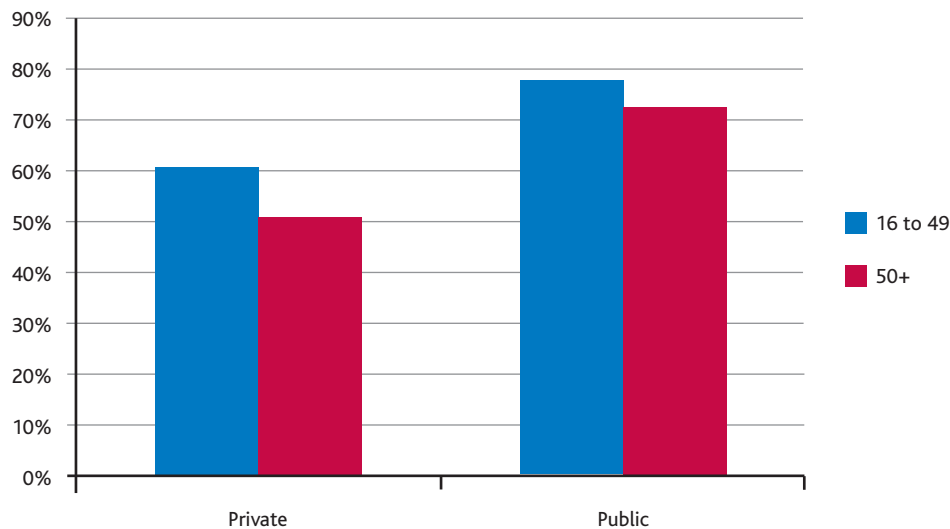


Source: Workplace Employee Relations Survey

WERS shows that the gap in training participation was especially large in hospitality, and utilities (Figure 19). Further investigation suggests that the scale of the training gap in hospitality reflects the fact that older workers are less likely to be in managerial, professional or personal service positions where levels of training participation are high, and more likely to be in routine occupations where training participation was low. Similarly, in the utilities sector a high proportion of older workers are skilled tradespeople, and process, plant and machine operators: both groups with a notably low incidence of training. In general, then, differences in the occupational composition of the workforce go some way towards explaining sectoral differences in training participation between younger and older workers.

However, there is a discrepancy between LFS and WERS in financial services where WERS finds a large difference between younger and older workers, which is not evident in LFS. There is no obvious explanation for this, although differences in the precise questions asked and sample composition may be relevant.

The public/private divide is very significant in the decline in training participation by age. WERS shows that the participation gap between older and younger workers is twice as large in the private sector as in the public (Figure 20).

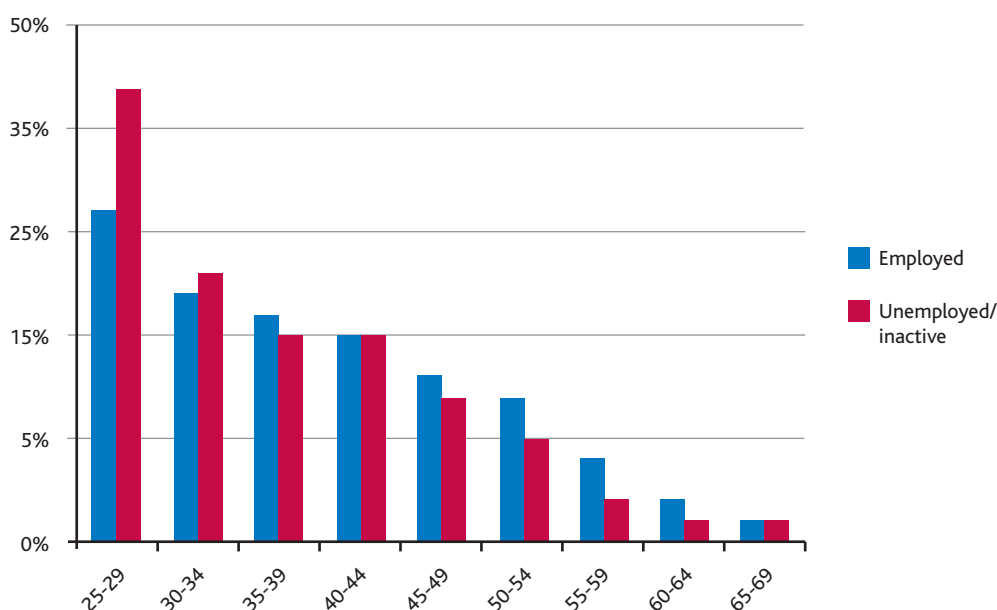
**Figure 20 Percentage of employed people training by public/private sector**

Source: Workplace Employee Relations Survey

The occupational composition of the public sector may be favourable to higher training participation in that the public sector has far more people in professional positions, which constitute almost 20 per cent of public sector jobs, compared to 8 per cent in the private sector. The public sector also has a relatively high proportion in personal service occupations. However, this cannot entirely explain the pattern, since in almost all occupations (except routine occupations) training was higher in the public sector. While occupational composition and firm size may both contribute to the relatively high training rates in the public sector, the major factors highlighted in the research literature have been firstly the history and culture of exemplary HR provision in the public sector and, secondly, that 'bottom line' pressures to ensure that training pays for itself in the short term may be less immediate in the public sector.

### The economically active and inactive

It has already been established that participation in learning generally declines with age. A different question is how participation varies at a given age between those in work and those not in work. Here the general picture is unsurprising: that those in employment are more likely to be involved in the more work-based forms of learning (for example, training courses and courses associated with qualifications), while the unemployed/inactive are more likely to participate in other forms of learning. Participation in 'lessons and courses' is higher for those in work, as is attendance at seminars and workshops. One striking difference is that, among people over 50, working towards a qualification is more likely among the employed than the inactive, while the reverse is true for those under 40, which suggests that some older workers at least study for qualifications for reasons other than long-term employability (see Figure 21).

**Figure 21 Percentage of employees working towards a qualification**

Source: Labour Force Survey

## Formal modes of learning are not replaced by informal ones

It has been suggested that the decline in measured participation overstates the true position, because as people age they are more likely to engage in forms of learning which are more difficult to measure (informal, embedded in the work processes, etc.). Both LFS and NALS can shed some light on this.

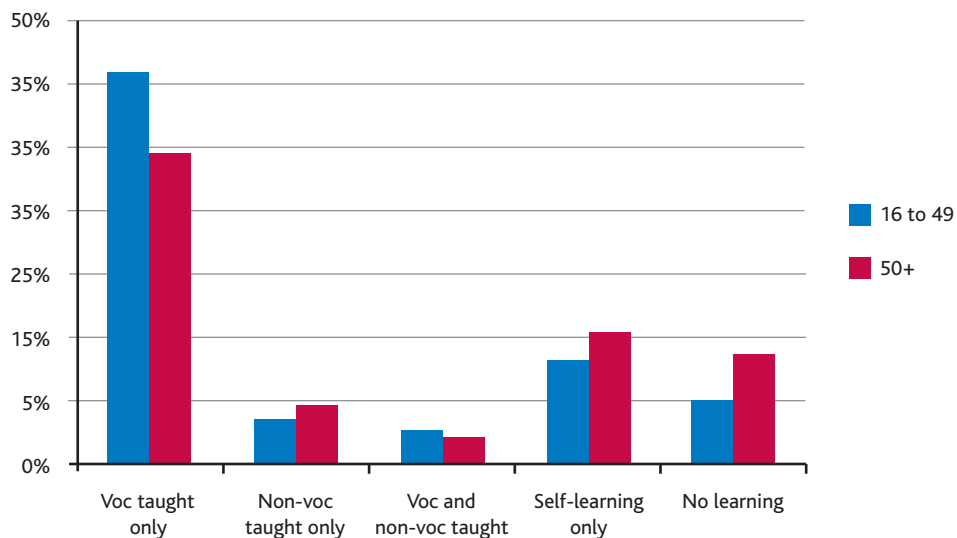
LFS asks about four distinct types of learning activities: lessons/courses, open/distance education, seminars/workshops, and guided on-the-job training.<sup>29</sup>

- **Lessons and courses.** Participation patterns are broadly similar to those for learning generally, with participation at around 20 per cent until the mid 50s, followed by a decline. Among the unemployed/inactive the decline takes place rather later.
- **Open and distance learning.** Reported participation is very low but also falls with age, from 3–4 per cent for employed people in their 20s and 30s to 1 per cent by the early 60s. The decline in open/distance learning was similar for the unemployed and inactive.
- **Attendance at seminars or workshops.** Around 20 per cent of employed people report taking part in these from age 30 to 60, after which numbers fall. Unsurprisingly, the proportion of economically inactive people here is much smaller (around 4 per cent), again falling in the 60s.
- **Guided on-the-job learning.** This is where one might expect to find the clearest evidence on a shift from formal to informal learning with age. However, the LFS data contradicts the hypothesis. Participation in this form of learning actually declines more steadily across the life course, from a quarter of adults in their 20s, to a fifth of those in their 40s and early 50s, and only 12 per cent of adults in their early 60s. (Unsurprisingly, less than 1 per cent of the inactive/unemployed reported this form of learning).
- **Leisure courses.** Here participation is steady at around 7 per cent for employed people from the 20s to 60s, but rising slightly among the inactive after 50 (presumably reflecting a growing proportion of retired people in this category).

<sup>29</sup> Although the LFS asks about 'taught courses outside the formal education system', the question is only asked to those who have already recorded some form of learning, so it cannot help to understand any shift from formal to informal.

NALS offers a different way of examining this question by asking separately about 'taught learning' and 'self-learning', with the taught learning split further into vocational ('voc') and non-vocational ('non-voc') learning. This shows that the proportion of people engaging in self learning only is 16.5 per cent for those under 50, and 21 per cent of those 50+. This suggests that there is some shift with age from formal to informal modes of learning but, as Figure 22 shows, the effect is far smaller than the overall decline in learning.

**Figure 22 Participation by type of learning**

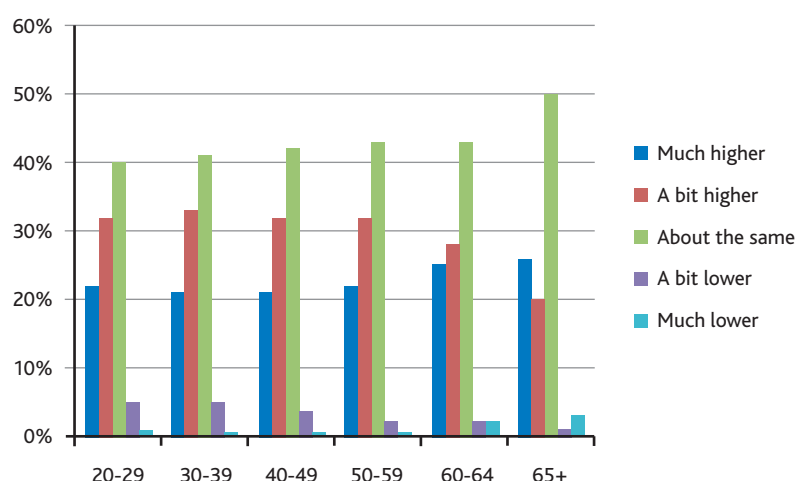


Source: National Adult Learning Survey

## The decline is not related to level of skills and experience

One explanation for a decline in training would be that older people need less training because they already have the relevant skills, and WERS asks employees how well the skills they possess match those they need in their current post. Figure 23 shows that the proportion who see their skills as 'about right' rises slowly with age from 40 per cent of employed people in the 20s to 50 per cent after 65. While the proportion who report skills much higher than required for their current job rises from the mid 50s onwards. This is counterbalanced by a larger fall in the proportion reporting skills 'a bit higher' than needed. This suggests that the 'very overskilled' may be a distinct group. Since, overall, older people are less likely to feel overskilled than younger ones this cannot explain the decline in training participation by age.

Figure 23 Skills match by age



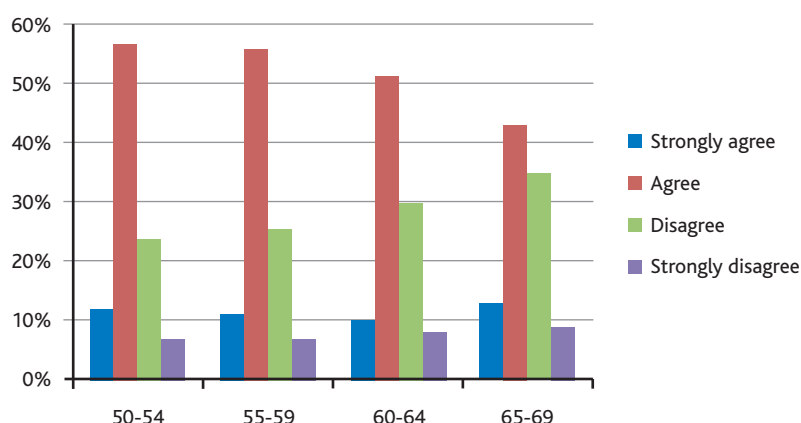
Source: Workplace Employee Relations Survey

### Is the decline caused by employee or employer decision?

For policy purposes it is important to understand whether the decline in participation results from employee reluctance to train, or employers' unwillingness to support them. Several questions in the datasets shed some light on this issue. They concern: whether training is offered; whether employees perceive opportunities to develop their skills; whether employers pay fees and other costs or provide time off for training.

LFS asks those who have not taken part in training in the last 13 weeks whether their employer has ever offered them any training. This helps address the risk that training levels are understated by the use of the 13-week measure. However, the pattern remains broadly similar: a modest decline in the offer with age, from 60 per cent of employed people in their 30s and 40s, to 52 per cent among those aged 60 to 64, with a much more rapid drop thereafter to 36 per cent for workers in their late 60s.

ELSA asks whether employees are encouraged to develop new skills at work. Figure 24 shows clearly that, overall, employees are less likely to feel encouraged to develop skills as they age, although there is again an interesting upturn in the numbers strongly agreeing after 65, suggesting that there may be a distinctive group of people who stay later and whose experience is distinct.

**Figure 24 Opportunity to develop new skills at work by age**

Source: English Longitudinal Study of Ageing

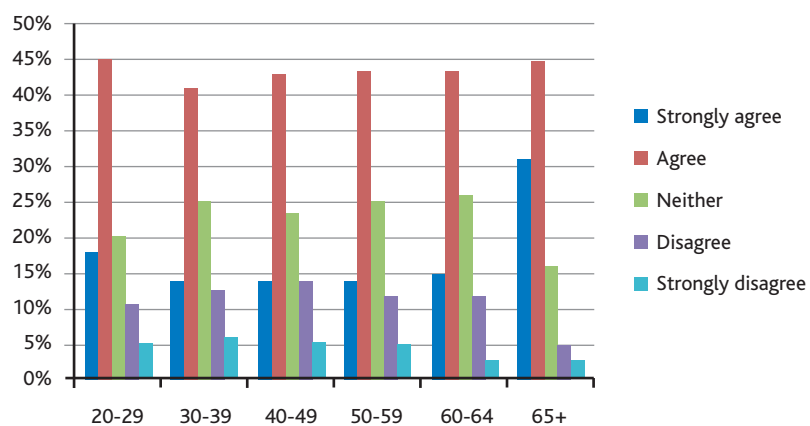
There are a number of other ways of testing employer willingness to support training. NALS asks about the employer's willingness to cover the costs of course fees and materials.<sup>30</sup> Contrary to popular expectations, the NALS data suggests that employers are more likely to pay all of the fees of the course for older employees than younger ones. Employers cover all of the fees in 59 per cent of cases for older adults but only 52 per cent for younger adults. NALS also shows that older workers are more likely to be allowed to train in working hours, with 57 per cent doing so, compared to only 49 per cent of younger workers.

There is no age difference in the proportions reporting costs paid by the individual, partner or family (about 18 per cent for both older and younger people), or in employer willingness to pay for books and equipment (with the employer paying all these costs in 29 per cent of cases). Older adults are somewhat more likely to have participated in courses where there were no costs to pay, with 44 per cent of their responses in this category compared to 35 per cent of younger adults.

The NALS data suggests that employers are, in practice, more likely to support older workers than younger ones, both with the payment of fees and materials costs and with time off for training. However, the small sample size for older adults and the fact that the courses were ones chosen for discussion by the respondent mean that we need to be cautious in generalising from these results. The findings may not be representative, and the comparisons across age groups might not be comparing like with like. If older workers were receiving substantially less training than they wished, this might be revealed in response to the WERS question asking workers to what extent they agree or disagree that in their workplace employees are encouraged to develop their skills. However, Figure 25 shows that a clear majority of employees agree, and that the proportion remains constant across the age range. Indeed, the proportion strongly agreeing rises steeply after 65.

30 This data must be read with some caution, since respondents are asked to respond in relation only to a single learning activity, which they identify as the most useful, enjoyable or which had helped them to develop new skills. The sample size for older adults (300) is also rather small.

**Figure 25 'Managers at this workplace encourage people to develop their skills' by age**



Source: Workplace Employee Relations Survey

# 5. The LWLL evidence: the employee perspective

## Quantitative evidence on employees

The Learning and Work in Later Life (LWLL) survey was commissioned for this project. It aimed to explore the relationship between individuals' perceptions of their own skills and their training participation by using two questions not previously asked together in the same survey. The question on skills was taken from WERS and the one on training participation from LFS. The questions were added to three large national Omnibus surveys, over an 18-month period, generating a total sample of 15,157 people over the age of 18. The use of the Omnibus surveys guaranteed a broadly representative sample of the adult population.<sup>31</sup>

## Perceptions of skill

Since one might expect to find a relationship between participation in training and perceived skill levels, the LWLL survey asked all respondents the following:

*How well do the work skills you personally have match the skills you need to do your present job or, if not currently employed, your last job? '*

Five options were offered:

*My skills are much higher than I need for my present job.*

*My skills are a bit higher than I need for my present job.*

*My skills are about right for my present job.*

*My skills are a bit lower than I need for my present job.*

*My skills are much lower than need for my present job.*

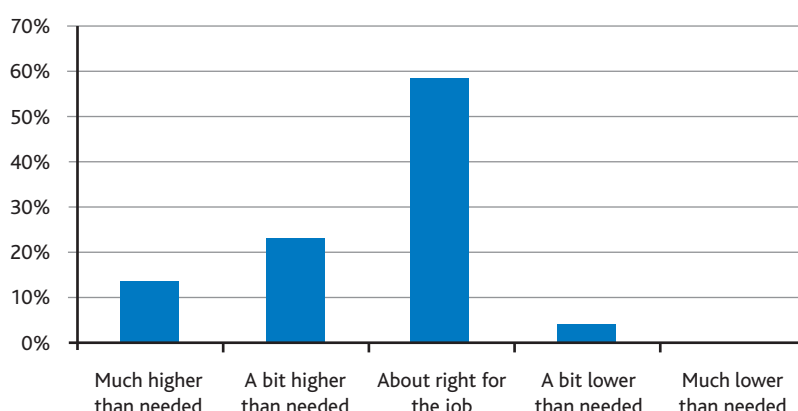
Overall, nearly two-thirds of all employed respondents said that their skills were 'about right' for their current jobs, and most of the remainder thought that they were overskilled for their present role. Fewer than 5 per cent believed that they were underskilled for their present job (see Figure 26).<sup>32</sup>

---

<sup>31</sup> For details of the methodology see Annexe 1.

<sup>32</sup> In the following commentary 'overskilled' includes 'a bit higher than I need' and 'much higher...'



**Figure 26 How well do your skills match your job?****All employed**

Source: LWLL survey

**Who thinks they are over/underskilled?**

The following factors have an impact on employees' self assessment of skill: <sup>33</sup>

- **Gender:** women were more likely to report that their skill levels were 'about right' for their present job than men, who were more likely to report being over or underskilled. Fifty two percent of those reporting 'much higher' and 57 per cent of those reporting 'much lower' are men, while 51 per cent of those reporting their skills as being 'a bit higher/lower' or 'about right' are women.
- **Qualifications:** the groups most likely to report being overskilled were those with A-levels (54 per cent), and degrees (44 per cent), compared to 31 per cent of those with no qualifications.
- **Full-time/part-time employment:** there was a significant difference in self-assessed skill levels between part-timers and full-timers. Full timers were more likely to report that their skills were 'about right' for their jobs, while part timers were more likely to report being either over or underqualified, which suggests that their talents are being much less well deployed by their employers.
- **Socioeconomic group (NS-SEC):** the association between occupation and skills is weak, but managers and professionals were slightly more likely to say that their skills were 'about right', while people in lower supervisory and semi-routine occupations and the self employed were more likely to report being overskilled.
- **Social class:** there was a relationship between social class and skills. Broadly those in higher social classes were more likely to report being overskilled, but C1s were most likely and DEs least likely to report being overskilled.
- **Occupation:** <sup>34</sup> the groups most likely to report being overqualified were in administrative/secretarial roles, in sales and customer services, and plant, process and machine operatives.
- **Self employment:** of all occupational groups, the self employed were most likely to report being overskilled for their current roles (45 per cent). This suggests that self employment, which is heavily concentrated among older workers, may often involve underuse of skill. This might be expected if self employment is an important way of escaping age discrimination in the mainstream labour market.

<sup>33</sup> Data for the whole workforce age 18 and over.

<sup>34</sup> Based on SOC code. This finding can only be indicative, since the question was only asked to 1,195 of the sample.

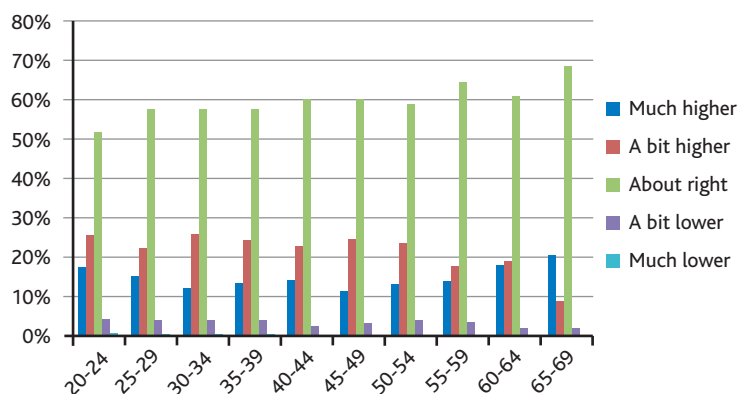
Three factors were found to have little or no impact on skill self assessment. These are ethnicity, health and region, although the region where people were most likely to report being overskilled is the south west, which also has the highest proportion of people working after SPA.

### Does age affect perceptions of skill?

Figure 27 shows how reported skills change with age across the employed population.

**Figure 27 Skills match by age**

**All employed – 20–69**



Source: LWLL survey – 6,956 responses

Two things are evident from this Figure. Firstly, that until the mid 50s the pattern of self-assessed skills is relatively stable. The fact that the main changes happen after that age would be consistent with the hypothesis that the approach of retirement and the onset of age discrimination have an effect on individuals' perceptions of their skills. It will also partly reflect the selective withdrawal from the labour market of those who feel their skills do not match the demands of their work.

The second feature is that a large majority of people think that their skills are 'about right', and this proportion rises gradually with age, from half of all people in their early 20s (52 per cent) to over two-thirds of employees aged 70 (69 per cent). This seems plausible: as people's careers progress, most find jobs which suit them, and where they feel they are competent. For the same reason, it is unsurprising that the proportion reporting being overskilled for their jobs falls, and that these trends accelerate after the early 60s, when most have the chance to leave jobs where they feel they do not fit. The reversal of the general upwards trend in the early 50s and the early 60s is commented on below.

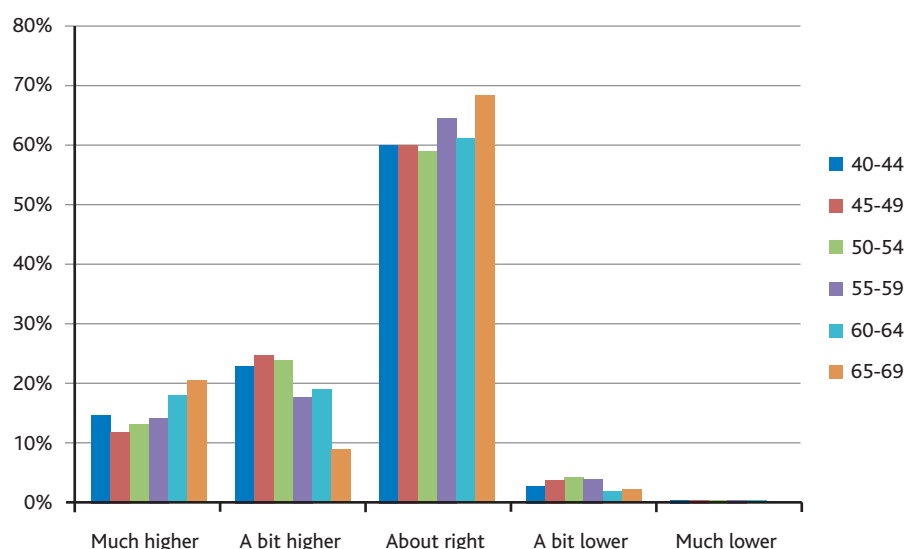
### The overskilled and the very overskilled diverge after 50

A striking feature of the data concerns those who feel very overskilled. Overall, levels of 'overskill' decline steadily with age from 42 per cent in their early 20s to around 30 per cent at 70, as the proportion reporting skills as 'about right' rises. However, the trend for those reporting skills 'much higher' moves upwards in later life, doubling between the late 40s and the late 60s (see Figure 28).

One might hypothesise that, after the late 40s, those who feel themselves overqualified either accept their fate, and settle into a niche where they can cope without too much effort (joining the 'about right' group), or they become increasingly aware, or indeed angry,<sup>35</sup> that their skills are not being well deployed. This suggests that after the age of 50 there is a significant, and growing, group of people who are underemployed.

**Figure 28 Skills match – age 40–69**

**All employed – 40–69**



Source: LWLL survey – 6,956 responses

If true, this is clearly a loss to employers and the economy, but not necessarily to the individual, who may have chosen a less stressful, and hence lower status, job as they approach retirement. On the other hand, it may equally reflect poor management or age discrimination barring people from jobs which they believe themselves to be capable of. Whatever the explanation, it is possible that better management would make it possible for individuals to reduce stress and still deploy their underused skills.

## Training

The second question for the LWLL survey asked whether individuals had been offered training by their employer in the last three months and, if so, whether the training had been taken up.<sup>36</sup> The question was as follows:

*In the last three months at work or, if you are not currently in work, your last job, has or had your employer offered you any training or education?*

Three options were offered:<sup>37</sup>

*Yes and I took the training.*

*Yes and I did not take the training.*

*No, my employer did not offer me any training or education.*

35 Qualitative evidence finds significant numbers of people reporting frustration and anger at the lack of opportunity to make use of their skills and knowledge.

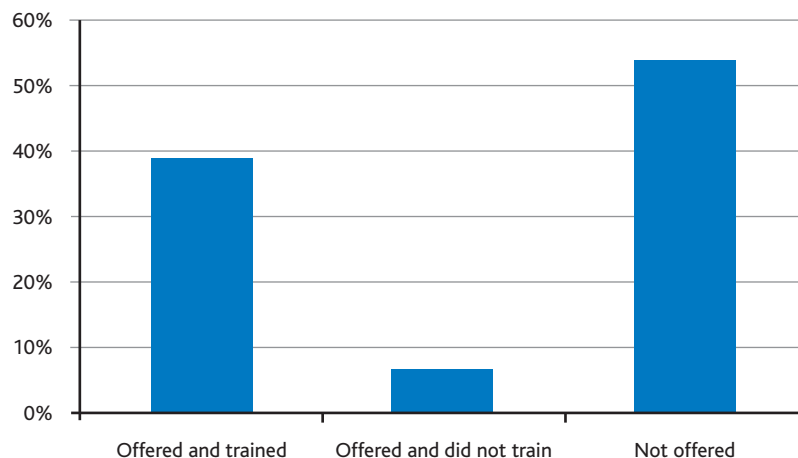
36 The question is used in the Labour Force Survey, but without the options to identify whether the training was or was not taken up.

37 A 'don't know' option was included in both questions, and 5.4 per cent of respondents chose this for one or both questions. These responses have been excluded from the following analysis.

The most striking finding is that more than half of all respondents (54 per cent) were not offered training in a three-month period. This compares with the NESS figure (which uses a 12-month period) showing two-thirds of firms providing training, and that training was provided to two-thirds of employees. The discrepancy can be explained partly by the different time periods used, and there are other reasons why employee reporting might be inaccurate. Nevertheless, it is clear that a large proportion of employees believe that they have not recently been offered training.

**Figure 29 Training offers – 20–69**

**All employed – 20–69**



Source: LWLL survey – 6,956 responses

Although this is probably the most accurate picture which can be obtained from a questionnaire survey, it should not be treated as an absolute indication of reality. Some people will have forgotten the offer; some may not have seen an 'offer' (e.g. posted on staff notice boards or in newsletters or circulars); some may not have understood a conversation which their employers would have described as an 'offer'.<sup>38</sup>

It should be remembered that the requirement to keep up to date with changing technology and needs is higher in some occupations than others. While preparation for future work in a rapidly changing world may make it important for all workers to undertake training to improve their personal employability, from an economic perspective, there is no reason to expect all occupations or sectors to train at the same level.

### Who is offered training, and who participates?

The data shows that, for the workforce as a whole, patterns of training vary according to a range of demographic factors. Broadly, the people most likely to be offered training and to take it were as follows:

- **Women:** were significantly more likely to be offered training than men (50.5 per cent/41.5 per cent), but men and women were equally likely to take up training if offered.

<sup>38</sup> It is unlikely that the data is skewed by the timing of surveys, because participation in training is in some way seasonal, since it was gathered from five separate surveys spread over an 18-month period.

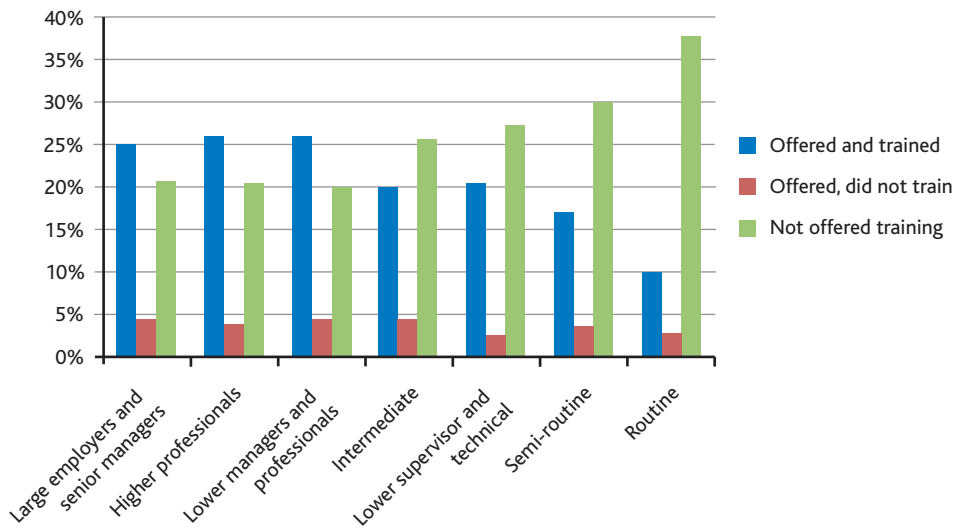
- **More highly qualified:** there is a clear trend in the relationship between formal qualification and the offer of training. Graduates were twice as likely to be offered training as those with no qualifications (62 per cent/29 per cent). However, if training was offered, prior qualification had no influence on whether or not it was taken up.
- **Full-time employees:** were significantly more likely than part-timers to be offered training (48.4 per cent of full-timers and 40.0 per cent of part-timers). Since older workers are much more likely to work part time, and part-timers are less likely to be offered training, this will depress overall training figures for the older workforce.
- **In higher socio-economic groups (NS-SEC code):** the offer of training correlates closely with socio-economic group (Figure 30), with managers and professionals significantly more likely to be offered and to take up training (59 per cent), and those in routine occupations (and small employers/own account workers) least likely (25 per cent). There was no significant relationship between socio-economic group and take-up of training when offered. Again, this will tend to depress training figures for older workers, especially after 60 when they are increasingly concentrated in routine and semi-routine occupations.
- **In higher social classes:** social class shows a similar profile, with a consistent gradient from 48 per cent of ABs being offered training to 23 per cent of DEs. However, strikingly, the proportion of people offered and not taking training is highest among C1s and lowest among DEs. This suggests that there may be some distinctive features of the C1 group which merit further investigation. It also suggests that among those in the lowest social classes there is a willingness to learn if the offer is made.
- **In higher status occupations (SOC code):** the groups most likely to be offered and take training are: associate professionals (56 per cent), professionals (52 per cent), and personal services workers (52 per cent). The groups least likely to be offered training are in elementary occupations (23 per cent) and plant/process/machine operators (31 per cent). The groups most likely to be offered and not take up training are: administrative/secretarial (9.5 per cent), sales/customer services (9.6 per cent). The notably high figure for personal services probably reflects the proportion of public sector workers in health and social services, where strong regulation has been used to upskill workers in recent years.

There was no significant regional or national difference in the frequency of offer of training, but there was a significant difference in the rate of take-up of offers. People in Northern Ireland were the most likely to take up training when offered (95 per cent doing so) and those in Scotland least likely to do so (81 per cent).

Again, health or ethnicity had no effect on either the offer or the take-up of training.

**Figure 30 Training offer by socio-economic group**

**All employed**



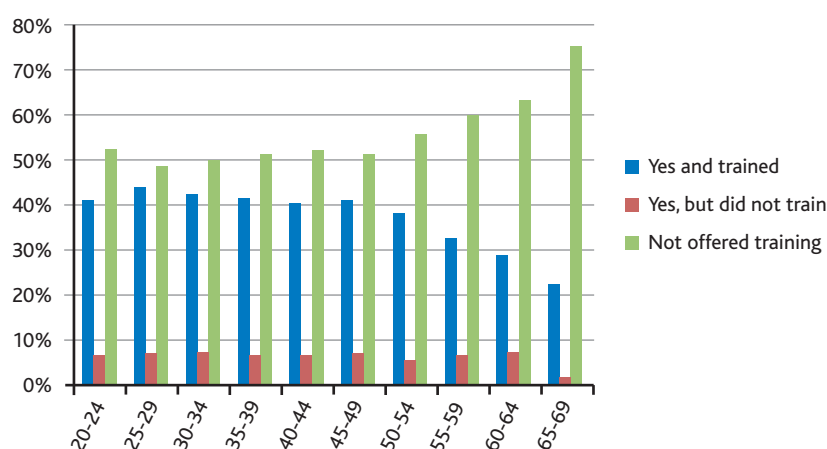
Source: LWLL survey – 3,371 responses

Other factors which may have an effect, but which were not covered by this survey, include the employment sector, which may be important, since the skills mix, the pace of technological change and market needs vary significantly between industries and firm size.

### How does age affect training participation?

Age has some clear effects on training participation, which declines a little with age, but with a step change around the age of 50 (Figure 31):

- the proportion of people offered and undertaking training remains fairly stable at around 40 per cent up to the age of 50, but that it then falls off rapidly (although 20 per cent of those still in work in their 70s do train);
- the proportion not offered training similarly remains stable around 50 per cent until the age of 50, when it rises rapidly; and
- the proportion not taking up training when offered (for whatever reason) remains very small at all ages (at under 7 per cent, numbers are too small for detailed analysis).

**Figure 31 Training offer by age****All employed – 20–69**

Source: LWLL survey – 6,956 responses

It is clear that, by the age of 50, a clear majority say that they have not been offered training in the last three months, and that this proportion rises thereafter. Even allowing for selective memory and poor communication between employees and employers, the scale of the gap between those offered and not taking training on one hand, and those not offered on the other, suggests that low rates of training among older employees are more likely to be the result of employers not offering, than employees refusing.

## The relationship between skills and training

The LWLL survey is unique in asking about perceived skill level, and training participation in the same questionnaire. This makes it possible to explore, with a reasonable degree of reliability, the relationship between the two.<sup>40</sup> However, a high correlation between perceived skills and participation in training might be the product of several, contradictory factors. On the positive side it might mean that:

- training makes people more highly skilled;
- people who are confident in their skills are more confident about developing them further, by doing more training; or
- training makes people feel more valued, and thus more positive about themselves.

Alternatively, a low correlation between the two might indicate that training is being concentrated on those in most need.

Training may itself change individuals' perceptions of their skills. It makes people conscious of the things they cannot do and don't know, and (if delivered in face-to-face form) exposes them to their peers or competitors in the labour market. This different, and perhaps more realistic, view of their own skills, may raise or lower their self assessment.

<sup>40</sup> Given the sample size of over 15,000, and the reasonable match with the results of LFS and WERS from which the two questions were taken.



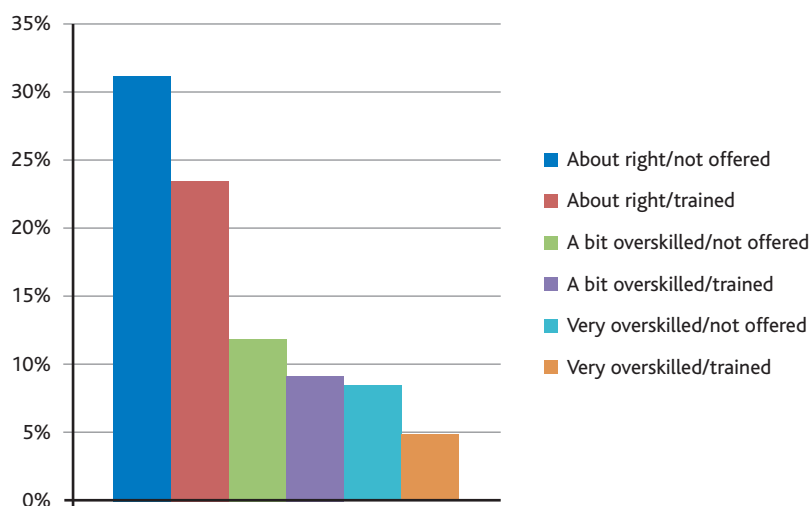
Furthermore, training serves some purposes, for employer and employee, which may have little or no effect on skills or productivity. The Department for Work and Pensions' Survey of Employer's Practices and Preferences (SEPP) relating to age shows that some employers treat training as a reward for good performance, rather than a strategy to improve skills or productivity (Metcalf and Meadows, 2006), while others find that employees perceive investment in training as a sign of confidence, which increases loyalty and commitment, and produces improved productivity independent of any actual skill gain.

## How do training and skills perceptions match?

Mapping the three training options against the five skills levels produces a matrix, in which 88 per cent of all respondents fall into six cells. The figures for these six are shown in Figure 32, in descending order of size, and demonstrate that there is no relationship between perceived skills and training: at each level of skill, the majority do not train.

**Figure 32 Skills and training**

### All employed



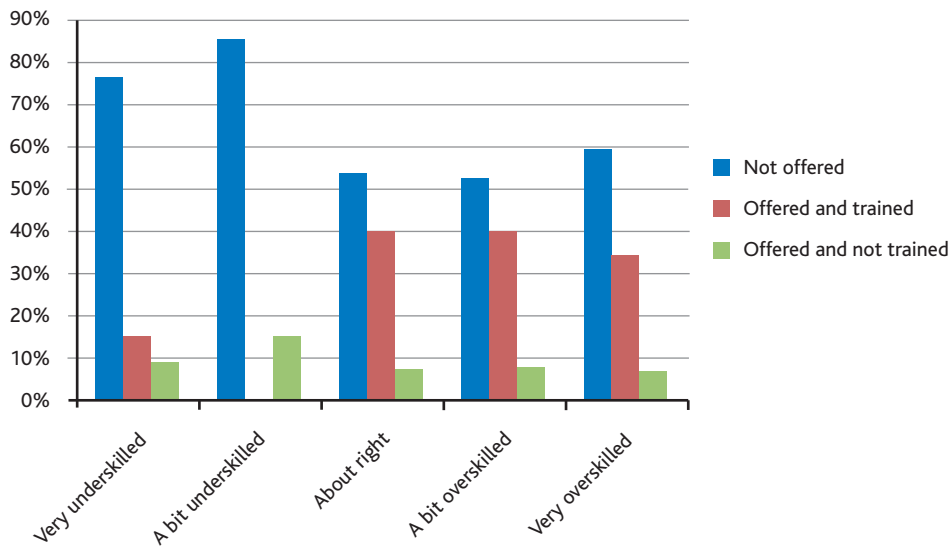
Source: LWLL survey – 7,223 responses

Figure 33 analyses the data in more detail, and shows clearly that those who think their skills are about right, or are overskilled, are more likely to have trained than those who think themselves underskilled. There are two contradictory ways of interpreting this. On one hand, it is possible that training has provided the former group with relevant skills, and the latter are underskilled because they have not trained. Alternatively, it is possible that training is given disproportionately to the better qualified (which is consistent with other data reported above). The balance of probabilities is that the people least likely to be offered training are those who might be most expected to need it – those who think that their skills are a bit, or a lot, lower than required for the job.<sup>41</sup>

<sup>41</sup> The figures should be interpreted with care, since the numbers in the lower and much lower groups are small. Nevertheless, the scale of the discrepancy, even if only indicative, is striking.

**Figure 33 Training offer by skill level**

All employed



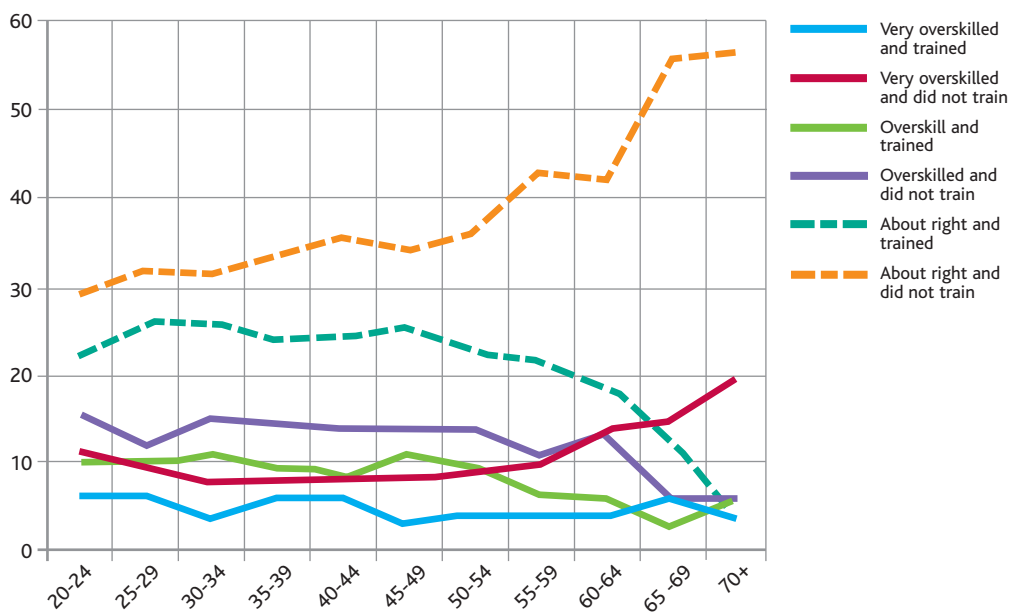
Source: LWLL survey – 7,882 responses

## What is the impact of age on the relationship of training to skill?

Figure 34 shows the effect of age on this pattern, with a relatively stable pattern up to the early 50s, after which a growing proportion describe themselves as having the right skills and no training, and patterns of activity become more turbulent.

**Figure 34 Skill level and training by age**

All employed



Source: LWLL survey – 7,007 responses

The late 50s appears to be a particularly significant age. From that point onwards, one can divide the workforce into four distinct groups in terms of their perception of their skills, as follows:

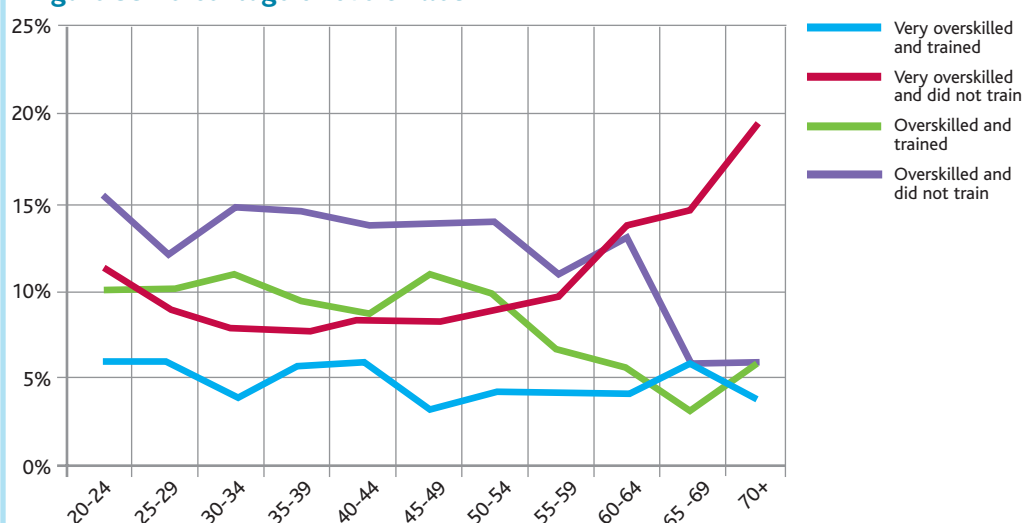
- The **'about right'**. The largest group at all ages. From 55 onwards, their numbers rise and the probability of their doing any training falls. This might suggest that this group are settled in their roles, do not expect to change their work and are 'content' to serve out their time to retirement.
- The **very overskilled non-trainers**. Their numbers rise significantly from the mid 50s onwards. Their work is not making full use of their skills and they see no need to do further training to equip them for jobs they will not get (and may not want). This may include people who have consciously chosen to downscale their work, and those who have been excluded through age discrimination.
- The **very overskilled trainers**. This small group remains stable, with very little change from the early 30s to the 70s. It is likely that this group are lifelong learners, who would continue to learn whatever the requirements of their current job.
- The **overskilled** ('a bit overskilled'). These form a declining proportion of the workforce from the mid 50s onwards, and the trainers and non-trainers' numbers decline at the same rate from then to the 70s (with an unexplained peak of non-trainers in the early 60s).

### The 'overskilled'

While there is a rapid decline in training after 50 among those who say that their skills are about right, the pattern is different for the 37 per cent who think they are overskilled, who divide into two distinct groups after 50. On the one hand are the 'bit overskilled', whose numbers decline with age from 50 onwards. On the other are the 'very overskilled' whose numbers nearly double, from 12 per cent of employees in their late 40s to 20 per cent in the late 60s. At all ages, men are more likely to report being very overskilled than women. For people in social classes A and B the proportion reporting being overskilled rises steadily across working life, while it falls for all other social classes except C2s after 65, where the number of overskilled rises again (perhaps reflecting highly skilled people taking 'C2 jobs' in retirement, through choice or necessity).

In relation to training, the pattern is complex. The proportion of employees who regard themselves as very overskilled and continue to train remains constant until at least 70 (numbers thereafter are too small to be reliable). However, the proportion regarding themselves as very overskilled and not training rises rapidly from 55 onwards. This suggests two very distinct groups within the very overskilled workforce:

- **Committed learners**: who may be 'lifelong learners' that will go on learning whatever their circumstances, or committed professionals, continuing to keep up with their field.
- **Downscalers**: a group who have moved, from choice or necessity, to jobs which do not make full use of their skills, and who do not aspire, or expect, to return to more demanding jobs, and therefore see no reason to train.

**Figure 35 Percentage of overskilled**

Source: LWLL survey – 2,690 responses

## Qualitative evidence on employees

The previous section presented the LWLL survey findings on employee attitudes, whereas this section draws on the qualitative evidence from two previous studies to provide a richer (albeit less representative) view of employee attitudes and motivation. The two studies are the CROW ESF/HE project (2005), which examined the influence of life history and gender on older people's experience of work through 33 long life history interviews with people aged 50 and over in employment. The interviews encouraged people to reflect at length about the course of their careers, including their experience of learning at all ages. The LWLL pilot interviews (2007, for the current project) explored the relationship between age, learning and work for older people through 19 in-depth pilot interviews of people in work aged 50 and over.<sup>42</sup>

## Everyone should participate in training

Some employees felt that training should be encouraged, regardless of age, and saw it as a positive experience for older workers. This was particularly true of the LWLL interviewees, who were particularly well qualified and mainly from fairly high status jobs.

One respondent who had recently become self-employed highlighted, 'you've got to consider [training] as an investment in yourself.' (LH)

Many employees commented that everyone should constantly be engaging in learning, regardless of their age, to keep up to date, to pass knowledge on to others and to keep their minds active.

*I am a strong believer if you keep your mind agile and you keep on top of things and whatever age you are is irrelevant quite frankly. If you are mentally competent and willing, then why should you be restricted because you've become a certain age? (SB)*

Some employees felt that other older workers should receive more encouragement to train.

<sup>42</sup>These were designed as pilots for a more extensive set of interviews. However, the sample proved seriously skewed, and the follow up was abandoned. The results are illuminating about attitudes among a particularly highly qualified and motivated group of older people, but, unlike the other two studies, they are in no sense representative.

*I think it is wonderful that someone trains in their 50s because I have seen the example of it... very often [carers] are the sort of people who are very bright and have missed their chances of a more formal education, and if we can encourage them, even in their 40s to go back, or 50s to go back to university and get a proper degree, I think they can. (HJ)*

## Employers prioritise younger workers

Some employees believed that they had fewer training opportunities than younger workers because of their age. However, a number felt that this was appropriate.

*...somewhere about 18 months before somebody retires ... because people really are, at that point, winding down and learning new skills is kind of pointless. (RB)*

Another argued that his line manager needed to make 'prudent management' decisions about spending the training budget, and if someone was close to retirement then they were unlikely to receive any expensive training. However, the result might well be underemployment for the particular individual.

*...The one I wanted was the hazardous materials officer's course. I was the operations supervisor in this part of the world and I hadn't got the qualification, but all the station commanders had and I said that's not right that. But it is a very expensive course and in reality I was only going to deliver.... that service for a year or two years, and then I'm going to go. You might call that age discrimination, I just call it prudent management really. I think I would do the same if I was my line manager. (SB)*

Some had to struggle to get access to training. John felt he was being left out because of his age.

JL: *... they're pushing everybody into NVQs now... but that's the attitude of the company.*

INT: *So have you done any NVQs?*

JL: *I've finished it yeah, I think they were trying to leave me out... and I just turned round and said, 'I would like to do a NVQ.' And I think it rather shook them.*

INT: *So why do you think you were being left out?*

JL: *Because of my age, it's difficult you see, because...*

INT: *Because technically you've got what, three years, would have three years left then, right, OK.*

Another respondent felt that her employer was failing to distinguish those who remained keen on training from those who want a quiet run up to retirement.

INT: *So, training was allocated to... the favourites?*

BP: *Well, I am afraid so, yes.*

INT: *What was particular about those favourites?*

BP: *I could possibly say that they were younger because when the Head came in... even though nothing was said, you knew he wanted all young staff that were all computer literate and could do everything on computers. So you knew that.*

*So I felt, especially with my age being where it was, I felt he thought he was wasting his time really, but he wasn't wasting his time because I really wanted to do it, whereas there were other older members who really didn't want to move [on]... I think I was grouped into that... You're this age, you're near retirement. So, I think it was mainly the young ones he was pushing...*

Most respondents who did not have training through their employment said that they would have liked the opportunity. Some had undertaken training at their own expense to keep up with younger colleagues.

MP: *...we would endeavour to get it all on computer to teach ourselves, 'cos we were self taught. And later on we got on to automatic joint CAD, which is computer-aided drawing. So I went to night school to learn that, how to do it, you see whereas they were sending the young lads to college to do that.*

INT: *Really? So was that not an option for you then, to go to college?*

MP: *No, I'm too old.*

INT: *Was that because you decided not to go to college or your employers?*

MP: *No, because it's day release and they couldn't afford my time.*

INT: *So did they pay for the night school?*

MP: *No, I did that on my own bat... that was something I had to do to keep abreast of modern times and so at least I could do that.*

## Employers overvalue formal qualifications

Some employees felt that employers pay too much attention to qualifications, and devalue experience and people skills, and argued that employers should give more recognition to experience:

*... And I think... they have got to be more open to the fact that older people can, and will in lots of ways, benefit any company, even if it's just in people skills... [I] a professor on the radio the other day; he really got my back up because he seemed to be saying that ... you were only successful if you've been to university. (JL)*

AK was typical of some respondents, where throughout his life he had tried many jobs, each time developing experience through on-the-job learning and 'picking things up as he went along'. Despite having teaching and coaching experience and running his own shop, he never had any official training or qualifications.

For some, it was simply too late: one respondent recognised the value of gaining qualifications when people were young, but did not see training or gaining qualifications as something he should, or could, possibly do now.

*It might have been different if I'd had qualifications. That's what I'm saying ... if I'd done more at school and got CSEs, or whatever it was at school. ... But I didn't have any qualifications. There are companies what will take older people on, but like I said I should've had the qualifications. (PS)*

## Training enthusiasts

The ESF/HE study involved long life history interviews, which provided space for individuals to reflect on their careers from a variety of perspectives. None of these interviewees was negative about taking up these opportunities, and some were very positive.

*'... But I have always taken something away from anything I've done. So yeah the training was excellent.'* (AB)

*'You name it, if the course appeared and I thought "oh yes, that will come in handy", off I went on the course.'* (SC)

*'The thing was, like all computer systems, they never remain static, and consequently I have been trained, re-trained, updated, upgraded... They [company] are very into education.'* (Eric)

The LWLL interviewees were unusually highly qualified, and mainly in professional and managerial jobs. Most had always been involved in workplace training and continued to do so if they were still in employment. They saw this as an important and natural part of their work.

*Well I might be nearly 60, but inside here I still feel 20 and I still want to learn. If you take that away from me and I have to go and find it from somewhere else, then I will do.* (BP)  
*Looking back on my career I've received in-work training, funded in various ways, right until the very end of my working time and I am glad of it.* (BA)

The training they reported included in-house programmes and conferences, formal courses, self-directed reading and online learning, consultation with colleagues and peers, and on-the-job learning with others. The training was mainly directed at management skills and professional updating.

*'There is a particular area that I want to move into, and I actually have to learn a whole brand new set of skills and it is very good. It's great... It's a brand new technique.... so I am actually having to consult with colleagues and source courses and other things.'* (RB)  
*'In my company it is policy of open door. Every time I can come to my manager and say I need this course or I need this, no problem.'* (GM)  
*'Managers can insist on certain types of training if there are things that they require remedy, but a lot of it usually is self, deciding where you'd like to go in the department.'* (RB)

By contrast, one of the ESF/HE interviewees felt that some training was a formality, required by new legislation, but making little difference to the work she did on a day-to-day basis or to her job prospects.

*'You can do as much education as you want, but nobody's going to employ you at 71.'* (BC)

## Information technology has changed expectations of training

Training related to IT was a major issue for many of the respondents. Because of their age, all had seen IT come into the workplace in their mid or late career. Most, but not all, needed IT skills to do their work, and those who did so regularly had learned their skills through some combination of self tuition, going on courses outside work, or training in the workplace.

Two individuals had not been offered any IT training by their employers despite its being important in their work, and this had affected their self confidence and ability to do their job. One had asked younger colleagues for help rather than ask for training, and the other asked for training but did not receive it.

INT: *Did you ever go to see your boss and say, look I'd like to learn this thing, is it possible to send me on a course or did he ever mention to you -?*

DB: *Not really.*

INT: *Was it never offered?*

DB: *I never really asked. It was one of those things. You know the job and you kind of get on with it... after 31 years if I didn't know what I was doing I need a kick in the pants.*

INT: *...you never felt any need for training at all?*



DB: *Only re a computer.*

INT: *Did you ever ask about that?*

DB: *No.*

INT: *So when using the computer, were these people that you learned, were they the office expert as it were?*

DB: *Of course, from school the younger people, as you know, are much more computer literate than I am, so I would ask them... I think in some ways I would have liked to have had more training from the IT aspect, but that is about the only thing.*

*The Head, without any consultation... just brought them in [interactive white boards], no training. There they are. Your blackboard went and OK there were some new members on the staff and they were very IT literate and I was very IT not literate, but very, very keen because I know how important it is. I learnt to use that and I was really pleased how well I was doing. (BP)*

Respondents who were used to using IT were positive about keeping up their skills and did not see age as an issue when keeping up with modern technology. However, a few did mention other older colleagues who had experienced problems with embracing new technology.

*Well, I mean work has changed because of technology. I mean you have to learn new things as you go along don't you... so obviously you learn to use a computer, you learn how to use Excel and Word and the different computer systems that there are, 'cos they are all different from company to company... I have had training courses... so I mean I'm quite OK with computers and with the other bits and pieces. I'm fairly up to date. (GG)*

## Training to improve career prospects

The majority of ESF/HE respondents did most of their training at the beginning of their career and less towards the end. In contrast, most of those taking part in the LWLL qualitative interviews (a highly qualified group) always had engaged, and still did regularly engage, in work-based training. Most of them clearly fell into the category of 'lifelong learners', whether their motivation was intrinsic or instrumental.

A small number of ESF/HE interviewees had been self-motivated, after turning 50, to undertake training or qualifications not provided by their employer in order to improve their employment prospects, although this strategy was not always successful.

*I went every single day...as I was unemployed and I passed in Excel... And I have never ever put it into practice. (JK)*

Some fell into traps as a result of inadequate information. Joe was given a training budget for completing an NVQ which led to him finding an assessor and doing the course while starting his new job. He completed his NVQ 3, with the ambition of going into nursing. However, a rule change meant he needed to do an access course before the nursing course, so he could not qualify until he was 65. Having been advised that few hospitals would take people over 60 to train he decided not to do this.

Resistance to the training offered is not necessarily resistance to training as such. One respondent pursued his own learning outside the workplace because he felt that the training offered at work was limited and not appropriate to their needs. He also chose to pay for a course himself, rather than be beholden to his employer, who might otherwise take advantage of the new skills without any financial recognition.

## Changing technologies can overwhelm even 'early adopters'

Some kinds of work have undergone radical technological change, and one interviewee, who had demonstrated remarkable ingenuity and enterprise in developing a (largely self-taught) career in building and maintaining medical equipment, opted for retirement rather than retraining to work with computerised systems and equipment.

INT: *Presumably the technologies changed?*

DG: *Well, yeah, I mean one of the problems was because of computers coming in and perhaps that was another reason why I left. Our equipment, our machines... were getting more and more computerised in their various ways, etc, and I just felt that it was going to start to get above my head.*

INT: *So that the company that you were with at the hospital didn't, they offer training?*

DG: *They did offer me in the last two years; I could have gone onto America, but I just didn't want to, I just didn't feel at 60 that it's worth going to America to sit in a classroom and learn about these machines, because I knew that I'd made up my mind by then that I was going at 62.*

## What discourages training

### Irrelevance

The most common reason given for not being interested in training was that it would not be helpful in the current job. These individuals generally felt that they had always built up their skills through experience and on-the-job learning, or they felt their skills were already being used.

*'... Experience I suppose. I've never been to college for that. I've never been to classes for that. It is just something you gain as you go along I think.'* (SA)

*'You learn something everyday, don't you really? I can go and look at a plan and do it. If you have a plan of a garden, where they want the planting, I could do it, but not everyone could. ... But that's the skill, it's common sense really, but a lot of people couldn't do it.'* (PS)

*'I think I must stand back and look at this and say to myself, well, why? I don't feel the need for any formal learning process now at this age. I feel that I know how to tackle the practical day-to-day problems that arise in my life.'* (BA)

Resistance to training was more often a resistance to formal qualification than to training as such. Resistance to formal qualifications was especially strong among those close to retirement, and those who were not expecting career progression.

*'I've actually gone beyond the point at which it is actually going to do me any good.'* (RB)

## What encourages training

### Need to keep up

A few employees commented on the need to learn in order to keep up to date with their field of work.

PR: *It is just ongoing with us all the time; we just have to keep ourselves updated. And there are lots of courses around fortunately, so we just keep going.*

INT: *So, do you find that is easy to do?*

PR: *Yes, it is easy to do and it is good. It keeps your brain working and you feel confident then when you are giving advice, that you are giving the correct advice, which I think is really important.*

However, not all felt this, and one commented that she was no longer enjoying it as much as she had in the past.

*I think at my time of life, I mean I'm 60 next year, it's a case of 'I have to' rather than 'I want to' at my age. To carry on what I want to do, if I want to do what I'm doing, I have to get to that level... If I was 20 years younger I wouldn't have a problem with enjoying getting up to a certain level, but as you get older you think, 'well, I've got to get up to another level now. I've got to keep going.' It's not the enjoyment side of it, it will be a requirement. (LH)*

### Interests beyond work

Some older employees had developed a new interest related to work, but leading beyond it.

*'And as I got older I wanted to do more academia, when I was younger I wasn't that interested. So... that's what happened. I did that course and I carried on working...' (HJ)*  
*'... I didn't go to university, so I decided to take a qualification just to get a qualification and show them I had something. I never actually used it until I applied for that very last job and I'd had it 14 years. I'd never bothered thinking 'now I've got this qualification, I'll go out and find another job'. And it didn't do me any good at the company I was at I don't think. I didn't get any incentive for taking it, and when I passed it I got no more money or promotion or anything like that. It was just something for myself... So I think it was a personal thing.' (KN)*

For another, formal academic study became the route to a major career change. By completing an Open University degree in his 50s, Andrew was able to find work teaching in a new field until he reached retirement age, and he now aspired to a 'post-retirement' academic career through a Masters degree. Here learning was work related, but part of a new bridging identity into post-employment retirement.

*...to give myself additional credibility, and also I thought that I was capable of doing more in my life. If I get a Masters Degree I could then evolve it into a Doctorate, and that is what I intend to do when I finish working. So this is my plan for final retirement, which won't be final. I will work independently, which is what I hope to become – an independent academic. (AA)*

### Learning and training styles

Many employees commented on the benefits of keeping their mind agile and alert through learning. When asked, some thought that particular approaches to learning were more likely to motivate them to participate, but these were not necessarily related to age. One argued for a mix of approaches to learning, with a combination of individual and group learning.

*'... I think I would like both... That you work at your own pace for, say, three weeks and then the fourth week of the month you go where you've got the stimulation of other people and you can discuss ideas and perhaps find that you've all really got the same problem.' (DB)*

*'Modules was the word that I was looking for and people are doing modules and learning at their own level. That will be a good thing if the result is that they feel like learners.'*  
(MC)

The power of the group to motivate learners was also noted, and for some people this was particularly appropriate if the group consisted of people of similar age or employment background.

*No, I think the big attraction is what I said earlier, going to training where you are going to meet other people who do a similar job and appealing to all the senses, and having something official and work shop-y and opportunities to talk. (MC)*

For others, a slower, more relaxed pace, and short sessions were felt particularly important.

*'A group of my own people, my own age group, and perhaps education through the day as opposed to evenings... Also, as you get older with regard to IT... you are nervous that you are going to be among younger people who are going to go "stupid old so and so." So I think that puts you off going...' (DB)*

*'I think the other thing is that I know now that I have got about a 45-minute attention span ... whereas before I could do two hours...' (SL)*

### The role of training in re-entering employment

Although most interviewees were broadly positive about training, many believed that their age would now make it more difficult to get a job, and some had direct experience of age discrimination in recruitment. Most related this to a lack of formal qualifications, which were seen as being more highly valued by employers than in the past, when experience might have carried more weight. However, this perception did not lead most respondents to consider taking up training for qualifications.

*They are going to take a younger person on because obviously they have more qualifications; well, we had the chance, but they have got a better chance now. So they are going to take more of [those] people. If I went for a job and he went for a job, he's gonna get it because he's got the qualifications. I think they could employ you and then you could have a go at it. (PS)*

One expressed resentment at the devaluing of his experience.

*Well I did apply about two years ago for a job and I am certain I was turned down because of my age. I was 59 then, and although nothing was said I definitely got the impression that they were probably looking for a younger person. You have got to be fair and often times a younger person will bring a lot more enthusiasm and new ideas to a job. But it was a job where I thought experience would count more... I feel now that I am always going to be regarded as a pensioner. (SV)*

Several respondents said that their perception of work being difficult to get had led them to stay in their current role, rather than retraining or trying to move on in their careers, even though they would like to or would have done so when they were younger.

*GG: But I'm thinking to myself 'I could just do with a change really', you know, I'm thinking of changing jobs... I'm thinking 'well if I could just, you know, until I'm 60, I don't have to say I'm going to retire at 60.'*

*INT: So, if you changed job, what kind of thing would you go for?*

*GG: I'd like to do more of the work that I'm doing as a volunteer... but there'd be no chance because I'm too near retirement age.*

*'... But because you are getting older and therefore if you decided that you'd had enough of this and just packed [it] in, then it wouldn't be as easy to get another job. So I think that with age it changes, I think if I was a 40 year old I would be thinking about moving.'* (KN)

The difficulty of finding work in later life had led some of those who had experienced redundancy or forced 'early retirement' to move to lower skilled jobs, where they felt that their more positive attitude towards work gave them an advantage over younger workers (or at least an advantage over the younger workers competing for these kinds of jobs). They believed that employers saw older workers as more reliable and less likely to take time off work.

*I think the lower paid the job, the [less] reliable and honest the younger people are, whereas older people are much more reliable.* (ST)

Others had found no difficulty.

*I was over 50 when I got this job; I didn't have any problem at all. All they were really concerned about was how long I intended to work. When they took me on they said, 'well, how long do you intend to work?' And I said, 'well certainly up until I am 60 and probably 65.' So I think they just wanted to know, were they going to get a reasonable amount of time out of you I think; well my firm, I can only go by that. ... I had a couple of interviews and none of them were worried... about age.* (JM)

Due to the difficulty in finding work (believed to be because of their age), a few employees became self-employed and two respondents used their experience in industry to develop new careers training others.

Retraining or gaining qualifications were only rarely seen as viable options to gain or change employment as an older person. Most respondents felt that it was safer where possible to stay in the same job until retirement, and none reported that retraining or holding qualifications had helped.

# 6. The LWLL evidence: the employer perspective

## Quantitative evidence on employers

The decline in training participation with age must be the result of some combination of employer and employee behaviour and attitude. In this chapter we examine evidence on employers' attitudes to age and training.

Three major national data sources provide information on employer attitudes to training: the Labour Force Survey (LFS), the Workplace Employment Relations Survey (WERS) and the National Employer Skills Survey (NESS). Unfortunately, none of the three asks questions about the age of the workforce.

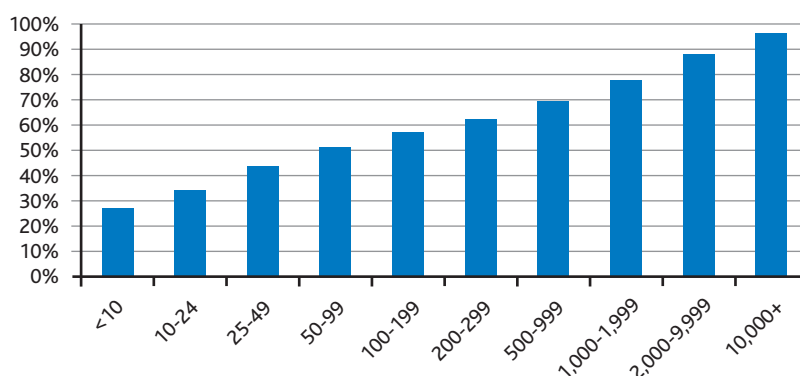
The study which fills this gap (at least in part) is the Department for Work and Pensions' Survey of Employer's Practices and Preferences (SEPP) relating to age. This comprised three interlocking pieces of quantitative and qualitative research, which help to better understand how age impacts on employment practices, and especially to identify those practices which might conflict with the proposed legislation. It was concerned with workers of any age, including young entrants to the labour market, but most of the discriminatory practices identified affected older people. Although the SEPP studies considered questions about training, this was not the primary objective of the research. Here we review the SEPP quantitative data in relation to training.

It is evident that there is a very close relationship between firm size and employment of people over the employer's retirement age (Figure 36), but that there is considerable variation between sectors (Figure 37).<sup>43</sup> It is also evident that employment of older people is lower in sectors where a large proportion of work involves physical effort – manufacturing, construction and hospitality – where one might expect some older people to have more difficulty.

---

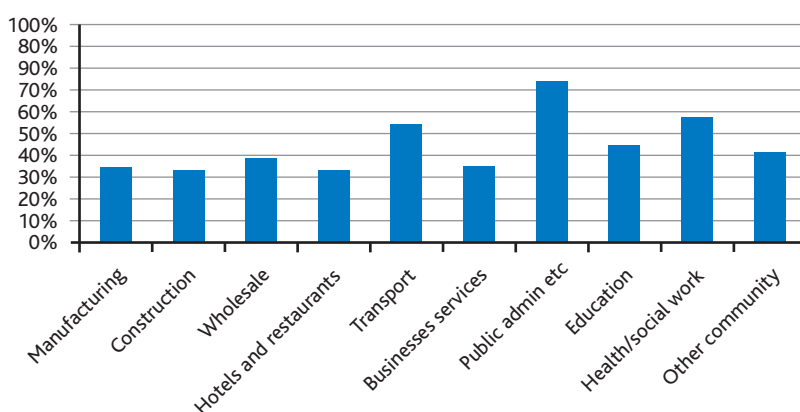
<sup>43</sup> Here we are defining 'older' as over SPA. It does not follow that the same pattern would be evident if the boundary were to be drawn at 50.

**Figure 36 Percentage of firms with employees over employers retirement age, by firm size<sup>44</sup>**



Source: SEPP survey

**Figure 37 – Percent of firms with employees over SPA, by sector<sup>45</sup>**



Source: SEPP survey

However, a large proportion of employers were unable to answer the question on the numbers of employees over 50, which makes it impossible to provide an accurate picture of the number of firms employing older workers. To arrive at an approximate estimate, one might speculate that a small proportion of the 12 per cent who replied 'less than ten employees over 50' had none, and that a large proportion of the 57 per cent who did not answer this question, or who responded 'don't know', have no employees in this age range. This would suggest that, for at least half of employers, issues of training for older workers are purely theoretical.

<sup>44</sup> From a sample size of 1,697 firms.

<sup>45</sup> From a sample of 2,089 firms.



## Which employers support training?

Training was only one of a range of topics explored in a very long questionnaire for the SEPP survey. In order to focus respondents' attention clearly, they were asked to identify the largest occupational group in their organisation, and relate their responses to that group only. This produced clear answers, but limits their value for the present study, by under-representing the training of groups who are likely to be a minority of the workforce of most organisations (e.g. senior managers and professionals). However, for the purposes of the present study we assume that this gives a reasonably reliable picture of employer behaviour and attitudes to training and age across all occupational groups.

Three-quarters of employers (77 per cent) claimed to offer training to their largest occupational group, and almost none (less than 2 per cent) said that they had a maximum age for training. 'Support' is, of course, a flexible concept, and may include a variety of combinations of time, resources and fees, as well as requirements to train and rewards for success. The proportion of firms providing support rises with firm size, from 63 per cent of firms employing under 10, to 91 per cent of firms employing more than 500. Levels of support were notably higher in Wales (86 per cent of employers) and Scotland (84 per cent). There was also substantial sectoral variation, with the public sector organisations reporting high levels of commitment (between 85–95 per cent of firms in education, and health and social work supporting training. Construction, where license to practice requirements are widespread also figures at 86 per cent. By contrast, figures are much lower in wholesale, retail and transport (all below 70 per cent, and hospitality – 58 per cent).

Comparison between the 'training' and 'non-training' employers shows surprisingly little variation. In general, the non-training employers are more likely to offer 'don't know' responses, than a dramatically different profile.

The most striking differences are in:

- firm size, where over 90 per cent of firms employing over 500 support training, compared to under 85 per cent of firms employing under 50 (and only two thirds of firms employing under 25);
- sector, where 91 per cent of public and voluntary sector firms train, compared to 78 per cent of private sector ones; and
- industrial sector, where over 90 per cent of firms in education, health/social care and construction train, compared to 67 per cent in retail/wholesale and hospitality.

As the subsequent CROW/NIACE qualitative study confirmed, these three factors interlock, since public sector firms tend to be larger, and sectors with high levels of training tend to be in sectors which are predominantly in the public sector.

The analysis which follows is based only on these 'training employers'.

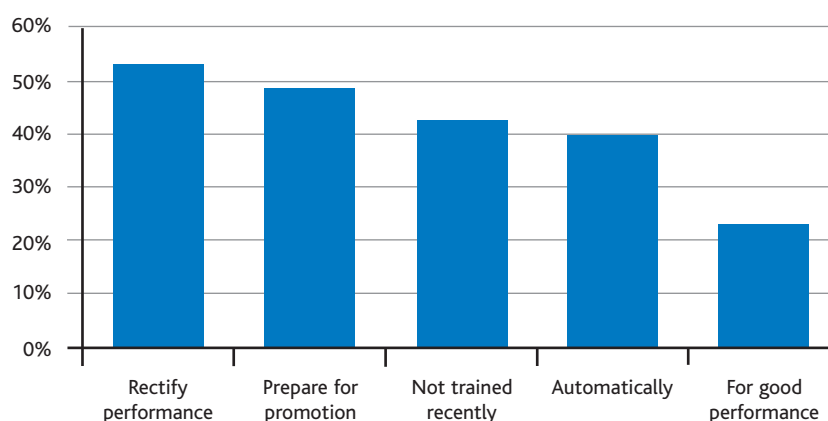
## Why employers support training

Respondents were asked about their motivation for supporting training, and invited to choose from four options.<sup>46</sup> Only two-thirds of employers were able to answer the question and, of these, rectifying poor performance was the only one cited by more than half (Figure 38). All four have potential for indirect, and sometimes for direct, age discrimination.

---

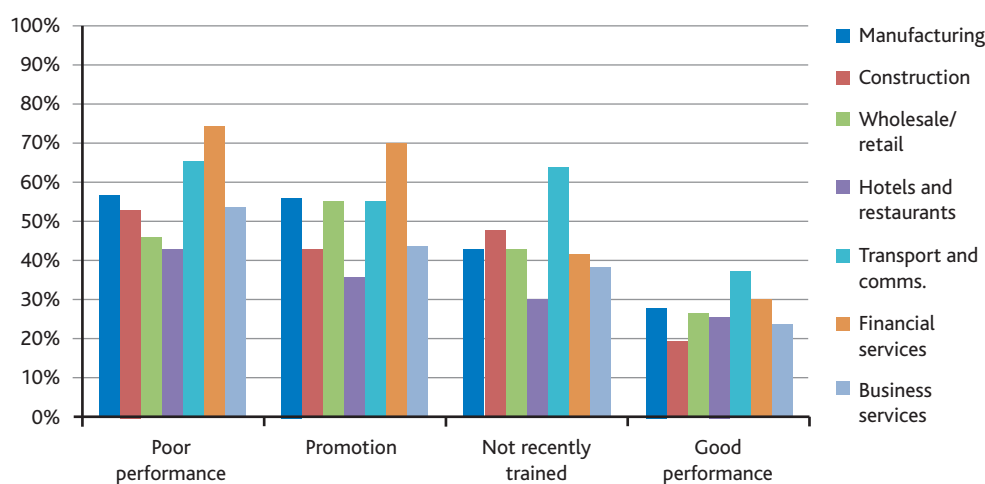
<sup>46</sup> Multiple responses allowed.



**Figure 38 Reasons for supporting training<sup>47</sup>**


Source: SEPP survey

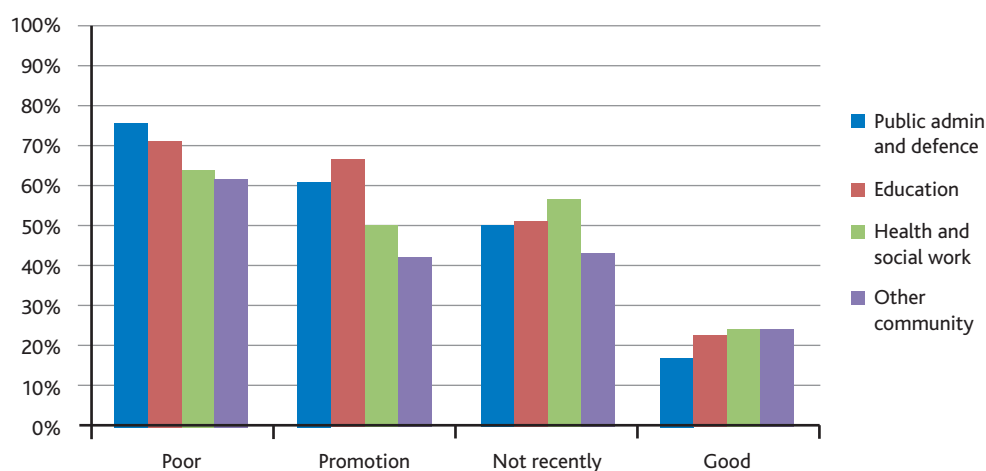
There is no significant difference in the pattern of reasons for training between public, private and third sectors. However, as Figures 39 and 40 show, there are differences between industrial sectors.

**Figure 39 Percentage of employers citing reasons to train – private sector**


Source: SEPP survey

<sup>47</sup> From a sample of 1,260 employers.

**Figure 40 Percentage of employers citing reasons to train – public sector**

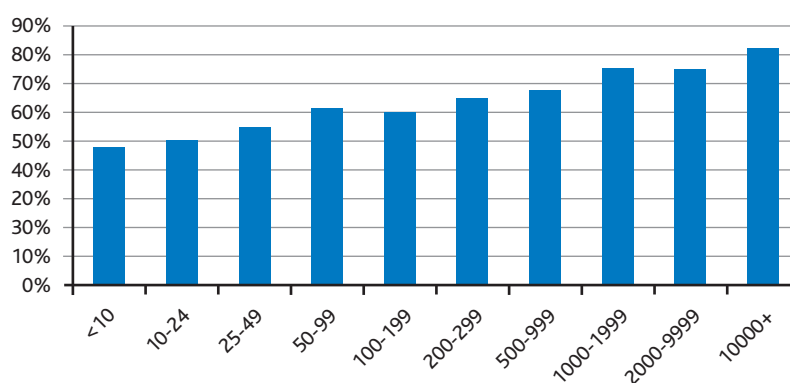


Source: SEPP survey

## Rectifying performance problems

This is given as a reason for training by 55 per cent of training employers. As Figure 41 shows, this is more likely to be cited by large firms. This probably reflects the concentration of large firms in the public sector, since it is most frequently cited in public administration, education and financial services (all over 70 per cent of training employers), and least often in wholesale and retail and hospitality (below 50 per cent).

**Figure 41 Percentage of training employers citing 'rectifying performance' by firm size<sup>48</sup>**



Source: SEPP survey

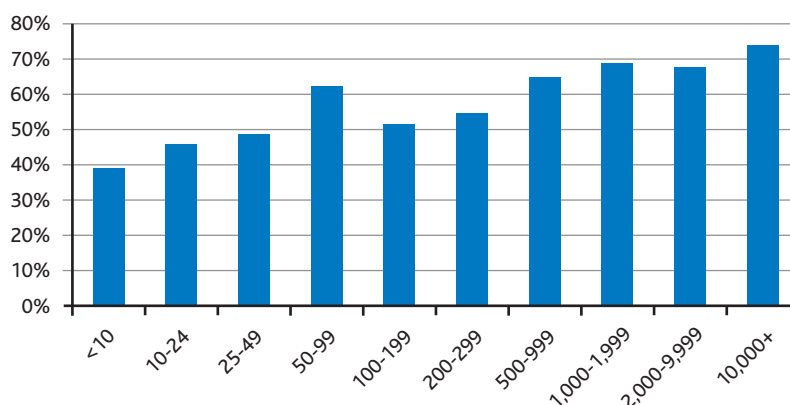
This reason is much less often cited in the qualitative interviews, where employers appear more anxious to demonstrate positive views of employees and of training. In workplaces where training is seen in this way, one might expect some experienced or older employees to resist training, seeing the offer as an implicit criticism of competence, or a sign of failing powers.

<sup>48</sup> From a sample of 1,025 firms.

## Preparing for promotion

This reason is cited by 49 per cent of training employers, and again is more often cited by large firms than small ones, although the relationship is somewhat weaker (Figure 42).

**Figure 42 Percentage of employers citing 'prepare for promotion', by firm size<sup>49</sup>**



Source: SEPP survey

Again, it is most often cited in the public sector (61 per cent), followed by the private sector (51 per cent), and is much less often cited in the voluntary sector (40 per cent).

It is most often cited in financial services, education, and public administration (all over 60 per cent) and least in hospitality, 'other community' and construction (all under 45 per cent).

## The individual has not trained recently

This was less frequently cited than the previous two reasons (44 per cent of training employers).

This is particularly frequently cited in transport (64 per cent) and in health/social care, education and public administration (all over 50 per cent), and in the voluntary sector. It is least cited in hospitality (30 per cent), business services (38 per cent) and in community, manufacturing and wholesale/retail (all below 45 per cent).

The reason why employers should cite this is unclear. It may reflect a view that training is a benefit which should be shared fairly, or alternatively that technological and organisational change requires a constant refreshing of skills and knowledge by all. In either case one might expect it to impact equally on employees of all ages, unless there is some overriding view that some people are too old, or too near retirement.

## Automatic training

This is cited by 30 per cent of training employers. In this case, age should be irrelevant, and the CROW qualitative employer interviews did find that in some firms people of all ages train simply because it is a universal requirement. Viewed positively, this reflects a learning culture within the organisation, but on the other hand it can simply mean that everyone receives induction and training to meet regulatory requirements. Although this is much less often cited than the three previous factors, it remains significant, and unlike the previous reasons it was most likely to be cited in small and private sector establishments, especially by micro-establishments (under 25 employees) and by firms in hospitality (42 per cent). It was least often cited in financial services, transport and public administration.

<sup>49</sup> From a sample of 910 firms.

## For good performance

This is cited by 24 per cent of training employers, rather more often by smaller firms (of less than 200 employees), and especially by those employing under 50. This is the reason least closely linked to productivity, and implies either that training is, in some sense, a reward rather than a tool for improving performance, or that it is a career development function for the best performers. Paradoxically, it contradicts the most popular response that training is about rectifying poor performance. This could be explained by differences in workplace cultures, with some seeing training as a positive reward, and others as something punitive.

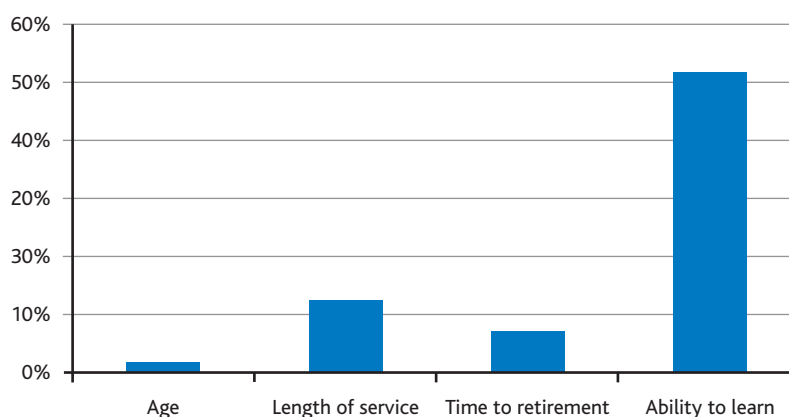
Here the impact of age is likely to be small, provided that employers have consistent mechanisms to identify good performance by any employee.

This is most often cited in transport (37 per cent) and financial services (30 per cent), and least in public administration and construction (both below 20 per cent).

## Factors in the decision to train

A second set of questions asked about four factors which might be taken into account when deciding who to train.<sup>50</sup> Figure 43 shows a smaller overall response to this question (it would appear to be a question which respondents were not accustomed to consider).

**Figure 43 Factors to consider when deciding to train<sup>51</sup>**



Source: SEPP survey

Of the four, only ability to learn was considered by a significant number of employers. The overwhelming majority of respondents thought that the employee's age, time to retirement and potential length of service were not important factors in the decision on who to train. The low score for age is probably an underestimate, reflecting the fact that the interview was about age discrimination in the period before the introduction of legislation, when the issue was relatively prominent in the media. However, the second and third are more surprising, given that these issues were frequently mentioned by employees in the CROW qualitative work with employees as factors affecting access to training.

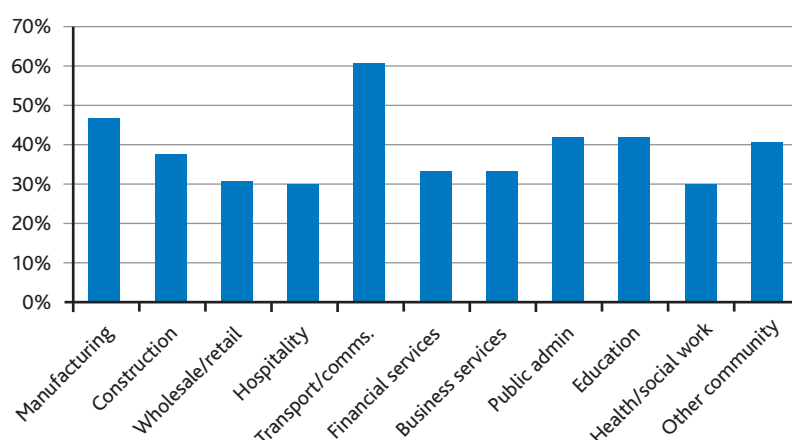
<sup>50</sup> Again, multiple responses were allowed.

<sup>51</sup> From a sample of 1,260 firms.

## Expected ability to learn new tasks

This is cited by 36 per cent of all training employers.

**Figure 44 Percentage of employers considering ability to learn by sector<sup>52</sup>**



Source: SEPP survey

There is a very striking sectoral variation in this factor. It is much more likely to be cited in sectors like transport (61 per cent) and more likely in manufacturing (47 per cent). It is least likely in wholesale/retail, hospitality, and health/social work (all 30 per cent).

## Potential length of service and time left before retirement

Although employees frequently reported that older employees are excluded from training because they are too near to retirement, this did not figure strongly in the employer responses.

The overall pattern, with twice as many employers citing 'length of service' as 'time to retirement' is consistent with the notion that employers are not considering age when selecting for training. Clearly, length of service is a broader notion, which might involve decisions about training ambitious graduate recruits in their 20s as much as people in their late 50s, and training here might be considerably more expensive for the employer. It is also a reason which affects more firms, since many firms do not have any employees approaching retirement.

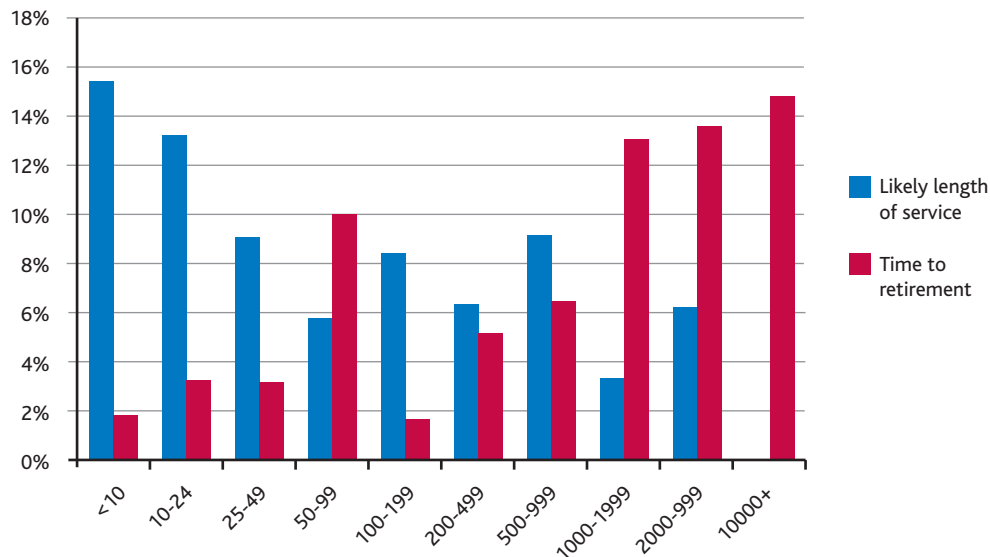
The survey also asked about how long a period of future service might be involved, and in general the timescale was relatively short. No employer said that they would exclude an employee offering more than two years service, and only 1 per cent would consider more than one year. By contrast, 5 per cent of employers would consider more than one year to retirement. However, these numbers remain extremely small, especially bearing in mind that the issue is theoretical for the third of all firms who have no employees over 50.

Figure 45 shows that there is a very clear relationship between these factors and firm size at the ends of the size range, but that the picture for medium-sized firms (of 50–100 employees) is quite unclear. The largest firms (likely to be in the public sector) are much more likely to use time to retirement and much less likely to consider potential length of service and employee's stated intentions when selecting for training. For the smallest firms the reverse is true. Only 8 per cent of employers said they would take the

<sup>52</sup> From a sample of 1,715 firms.

employee's stated intentions into account, and the proportion is much higher among the smallest firms and much lower among the largest. One might speculate here that the distinction between the two concepts is unclear, and that the data may simply be showing two groups interpreting the question differently.

**Figure 45 Percentage of employers considering time to retirement or length of service<sup>53</sup>**



Source: SEPP survey

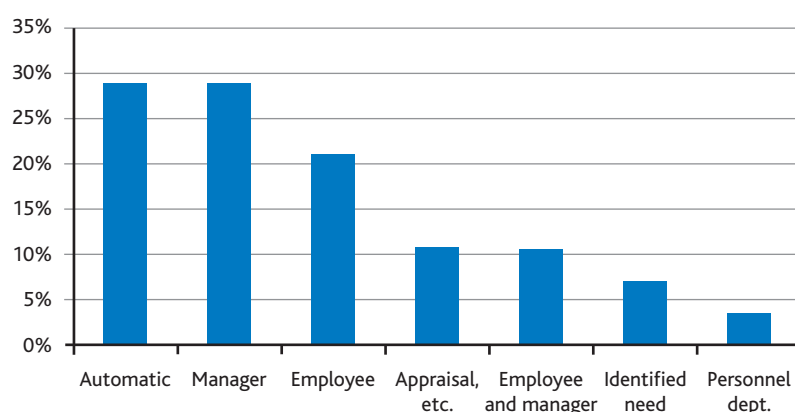
Given the effect of firm size, it is unsurprising that length of service is most often cited in construction, hospitality and transport (all over 18 per cent), and least often in public administration, education, health and social work (all below 8 per cent). The high use of this in financial services is surprising, given the much smaller firm size.

The proportion admitting to considering age when selecting for training (under 2 per cent of training employers) is almost certainly an underestimate, reflecting the explicit subject of the interview, and the high level of public awareness of age discrimination at the time of the survey, when legislation on age discrimination was known to be in preparation.

## Who makes training decisions?

Whatever the organisation's policy, the key factor in the decision on whether or not an employer supports training for an individual is the person who makes the actual decision. Employers were offered a range of options to identify who was responsible for the training decision. Figure 46 shows the result.

<sup>53</sup> From a sample of 1,711 firms.

**Figure 46 Who decides on training?**<sup>54</sup>

Source: SEPP survey

There is clear sectoral variation in the location of decision making on training.

- Manager selection (28 per cent of all training employers) shows little sector variation, but is rather more often cited in community (35 per cent), construction (35 per cent) and manufacturing (31 per cent).
- Self selection (20 per cent) is twice as likely to be cited in financial services (39 per cent). It is also more often cited in business services and public administration (both at 26 per cent). In transport, community and construction the figure is below 15 per cent.
- Joint selection (10 per cent) is more likely in the largest organisations (14 per cent of those employing 500+), financial services (20 per cent) and business services (13 per cent). It is least likely in energy, construction and transport (all below 5 per cent).
- Formal appraisal (10 per cent) relates very directly to firm size, ranging from 4 per cent of firms under five employees to 18 per cent of those over 500. It is predictably much more common in the public sector (public administration, education, health and social work and community all over 14 per cent), and least common in retail/wholesale and transport (all 5 per cent).

### Employer support for training – allowing and supporting?

There is a clear mismatch between employer and employee views on support for training older workers. While employees think that employers will exclude them from training on grounds of age, employers deny that they do this. The reasons employers give for selecting people for training have some potential for age discrimination, but it is limited. Among the small minority of employers who do consider potential length of service when selecting for training, this only bars people with less than two years to serve. This is consistent with the LFS evidence cited earlier that employers are in fact more likely to support training for older employees (financially and in time off) than for their younger colleagues.

In any event, the proportions of firms involved here is far too small to explain the overall decline in training with age, which begins a decade before retirement age.

<sup>54</sup> From a sample of 1,711 firms.

## Qualitative evidence from employers

IN 2006, CROW/NIACE carried out 70 interviews with employers across nine sectors with the aim of exploring in more depth some of the issues emerging from the SEPP quantitative study. For the present project, the interview transcripts have been reanalysed for evidence about training and older workers.

### Employers think that most employees welcome training

Most of the employers interviewed claimed to be positive about training workers regardless of their age. Most said that older workers and younger workers were equally likely to participate, either because the training was compulsory (such as health and safety requirements) or it was something expected across the whole organisation on the basis of need, not age.

*'It is entirely whether or not the individual would benefit and the company would benefit and does the individual want to do it.'* (BD)

*'So age doesn't come into it. I mean one of the people we've put on the course was due to retire within a year and we discussed it with him and he said it was a brilliant programme, and he'd like to give back in his last couple of years again, so around the mentoring and the bringing on of a successor, and he felt that the programme would be useful so he went on it. It is a significant investment per head, thousands of pounds a head. So, again, it is needs of the business, not the age.'* (PS)

Where resistance to training was experienced, it was more often seen as a matter of the employee's personality and motivation, than age as such. One employer commented that some older workers do not apply for training and need to be encouraged, but in general most employers believed that workers of all ages were positive about training.

*'... I think, from my experience again, people do like to be offered training opportunities and people of different ages have undertaken NVQs.'* (EM)

*'...we say 'who wants to do it' and really quite surprised that the older ones took it up which is absolutely fantastic. They know it, they've been here, they know it inside out, but it's actually making them think about what they are doing. They've really enjoyed it. So that's been really good, excellent.'* (KT)

Far from discriminating against older workers, some employers felt that their older workers were more open to training than younger workers because they could see the value of it and were more open to taking up new opportunities, even at the expense of their own time.

*'I have found that certainly here older people have attended probably more training courses because they are very keen to keep up with the skills that we are giving them.'* (JB)

*'People who are an older age... tend to be receptive to training. I think they find it easier to take on board and they are often keen to extend their skills... I think also they are more prepared to put themselves out, and if the training course is on their day off they are more prepared to come in on their time off because they see the benefit. They have the experience to know or identify the benefits of taking training...'* (JS)

However, two employers saw retaining experienced trained older workers (including after retirement age) as a way of reducing the cost of training new recruits. In one case an employer actively employed an older person with the view that their experience would save money in training costs compared to a younger person.



*'We haven't got to train him to do anything. We'd be teaching our grandmother to suck eggs. He's made quite a difference and potentially he will continue to do so.'* (AP)

*'Retaining staff can reduce the training budget overall and, obviously, the more you turn over staff, the more training you have to do because it is going to be [legally required].'* (PK)

## Older workers need encouraging to train

While most employers thought that older people did take up training opportunities, a few thought that they needed to be more proactive in encouraging training by all employees, including older workers. A few respondents felt older workers were less likely to put themselves forward for training because they believe they know everything to do with their job. The appraisal process was often seen as the time when training needs were discussed between managers and employees. One employer commented on the need to encourage training during annual appraisals so that older workers felt valued and were not just thinking, 'why do I need training, I've done it for 20 years.'

*The performance review process allows people to discuss any retraining needs... it is possible that an older employee will be less inclined to push themselves towards more training. They will probably feel that they have been around, done it all, seen it all, know it all.* (AI)

One employer pointed out that both managers and employees can fail to see the value of offering training to older workers.

*I think some of it is ... that may be they don't feel they need it or managers don't feel they need it because they've been around for some time.* (JB)

Some employers felt that older workers (particularly those who had been doing the same job for many years) were less open to training because of resistance to change and failure to recognise the need for continuing development to respond to accelerating change.

*... [older workers] lack ... adaptability and there are exceptions to this, but we are generalising that older people perceive that 'why should I do more training now I have already got this far in life without it'... There is a general lack of appreciation that the work has changed... The demands on industry have changed and the workforce should be part of that change and that is a difficult thing [to get] the idea that change is now normal and it comes harder to older people.* (GM)

One employer saw a direct relationship between training and the retirement decision, although the implications of the link were not straightforward.

*...I am thinking of the older person who does need training. If she is worried about that then you worry that she is going to be unhappy in the job and it might force her out, force her to take retirement before she normally would, but then again if she's not doing the job... It's a difficult one...* (CB)

Some employers felt that older workers needed to be allowed to approach training gradually.

*My approach to it is not to bombard them with it. I've got one woman out there who was so frightened of it and I literally got her to do one bit at a time... She didn't do anything. She hated answering the phone. She was frightened of the phone. She is 50. Gradually, we said you can stay at the back; you don't have to deal with patients. She was terrified of the patients. Gradually, we did it with her. She does scans; she does all the medical stuff on the computer. Do it gradually, instead of bombarding people with information because you forget.* (MK)

This employer said that anyone reluctant to train was looked at on an individual basis to see how they could be helped. He had found that in the end initial resistance to training could usually be overcome.

## Prioritising younger people

While the majority of employers felt older workers were as willing to participate as younger ones, some believed that their training did, or should, favour younger workers (at least in some circumstances).

Some employers weighed up the value of offering training of someone close to retirement age. How close to retirement age was unclear and seemed to depend on the type and cost of training, as well as how close the individual was to retirement, and was a matter of assessing the return on the investment in the training. However, as one employer pointed out, training a younger worker also carries no guarantee of long-term payback, and he had a rule that staff (of any age) must pay back the costs of expensive training if they left within a year.

*I honestly don't know how I would feel about it if it was a 64 year old wanting a three-year course. If it is a 64 year old wanting a two-week course and the value is there then I have no issues, but a three-year course and it costs £5,000 or whatever, I am not clear... Any training over £300 we ask people to repay it if they leave within 12 months of finishing the training, even if it's training for the job. (Peal)*

Other employers were more sceptical. One felt that spending money on training older workers was taking resources away from younger workers, and that many older workers would want to participate in training for self-fulfilment rather than to improve their work knowledge and skills.

*People who are actually returning to education at the end of their careers [do it] presumably more for self fulfilment than out of any desire to pursue a further career. I question the economic value of that... (DW)*

## Restricting particular types of training

Some employers did offer some training to all, but restricted access to particular types of training on age grounds. This was particularly the case with companies who had a regular intake of young people for apprenticeships or graduate schemes. Sometimes older people were either deemed too old for these schemes or the training pay rate was too low to attract them. Construction was a sector where this was often cited, and where employers were relying on government for financial support, whose rules at the time of the research prohibited funding of apprenticeships for people over 25.

*So the modern apprenticeships that we are using at the moment are for younger people. If the government brings out an apprenticeship for an older person and an older person fits our criteria then I wouldn't have any hesitation in using them. (CH)*

However, one employer, who had previously operated a 'fast track' training scheme for young recruits had removed the age restriction, with positive results in attracting people from different backgrounds and experience as well as ages.

Both these examples focus on training for long-term careers, which are less likely to be seen as relevant to older workers. However, one employer had created a 'fast track' training route for experienced older workers, enabling them to finish their training quickly and qualify for a higher salary.

*...when we do get the older people, they will often be coming to us because they've had some previous experience, which is irrelevant and therefore they will be coming in and they won't be practically keen to come in at our basic graduate starting rate of £20,000. We will be keen to utilise their skills. So they will often come into a somewhat truncated training programme, fast tracking towards a more responsible position. It's a 'win, win [situation]'. (DW)*

## Particular kinds of training are more appropriate for older workers

One employer believed that some older employees would only respond to training if it was delivered in a way appropriate to their age. He felt that some had poorer memories, and were slower to acquire than their younger colleagues, but that once the pace of learning was adjusted these problems had been overcome.

*They [older receptionists] are afraid of the computer. The other thing is they forget. They forget what they have been taught... I think that is the one disadvantage of the older workforce... They all know the ... system here now and they know it very well. They are not keen to learn other things like Word, Excel. (MK)*

Some employers found that older employees preferred to take part in short training opportunities rather than longer courses.

*'If you are late 50s, it becomes harder to learn things, to do things a different way.' (CB)*  
*'I think older workers don't do such intense training as they get older. So they are not going to embark on a three-year course or something. I am sure at that point it is not the fact of 'I really don't want to do that', but 'why do I need to do this' when you have got to a certain stage in your career.' (CM)*

## 'Automatic' training

Several employers expanded on the notion of 'automatic' training.

*'On the care side they have got to do the training, they've got to get their certificates and their NVQs, it doesn't matter what age (PS)*

*'We've never had an embargo on training for older people or younger people. If they work on the machines or if they work in the offices and training is required, it doesn't matter whether they are 18 or 80, they get the training...' (CH)*

In most of the qualitative interviews training need was decided mainly by the employer, or by employer and employee together through, for example, the annual appraisal process, rather than by employee initiative.

*There are certain different aspects in training.... I look at the employees I have got and the needs of the company to meet certain criteria in work and the skills. (AB)*

## Experience makes training unnecessary

The most frequent reason cited for resistance to training by older employees was that they did not anticipate any benefit.

*I think sometimes they feel they have done all they want to do and they don't want to go any further, and they will sometimes see training just as a way of improving your career rather than maintaining it. (JKO)*

Some employers felt that older workers were reluctant to try training because they

believe that they already have the experience and skills necessary to do their job, with older people having a 'been there and done that' view, whereas younger people were considered to be more keen to learn.

*'... some of the older employees will probably tend to, some of them will say they don't really want [to], they know the job and they are not so interested... I suppose they feel that they have been here so long that they know it all, which is not right, but it does tend to be that attitude.'* (AS)

*'... sometimes they can say, "I've been doing this job 40 years, why should I do it this way now?" They still get trained; they have to do it, especially if it is health and safety.'* (SE)

The common feature of these comments was that they were all applied to older workers who had been in the same job or type of job for a number of years. One employer added:

*It is not so much age dictated that. Sometimes if they have been in the job a long time... they feel they know it all and can't possibly learn anymore, but that is attitude to job content in itself rather than age related.* (CR)

A particular issue for some employees was felt to be perceived peer pressure. Two employers had a large number of male working class older employees who had worked their way up through experience and had been employed for many years. These employees felt that taking up training would be seen as acknowledging inability to do the job (either through incompetence or declining capacity), and would affect the individual's status among work colleagues. Overcoming these barriers was possible, but required effort.

### Older workers do not have 'career' aspirations

Another employer argued that older people were less likely to have been encouraged to think in terms of career and progression earlier in life, and as a result were less likely to expect (or be offered) training.

*I think by and large the younger folk are drilled into development of their career whereas people, certainly in my generation, were not told about [it] or it wasn't part of our training to think about where we were going next and how we might get there.* (LC)

On the other hand, another believed that the resistance came from a perception by older employees that training was not appropriate, because they no longer expected to progress in their careers.

*...That is not to say that there aren't older people who will resist all training, but generally speaking there is a reluctance on older people, already in the positions, to take on extra training simply from the fact that at the time you put it to them, they see their working life as being short, expectation being short, and therefore they don't see the point in taking on extra qualifications, extra skills. On the other side, they will also say that they've already got those skills. They have achieved them over a lifetime of doing the job which is a fair point.* (AB)

A third thought was that older employees were more likely to 'just see it as a job and want to do it and go home'.

Some employers had stereotypical views that older people do not like change of any kind:

*'older people don't like change do they? That's a fact of life'. (TC).*

He also felt that older employees feared change and anything new, particularly if it involved learning, and especially if they had not been involved in any learning for a long time.

## IT is a distinct issue

This fear of anything new or of learning was mentioned particularly in relation to introducing IT, although one employer suggested that this might be a concern only for a minority of older workers.

*We've got people down there of 40 and 50 who would take up training without any problem. We've maybe got one person who would resist. She has been offered training, IT training particularly, and it is not taken up; she did one small course but hasn't taken it any further. I suspect that is because she's aware that she doesn't understand it at all. So there is no point in pressing her to do it really. (CB)*

Other employers concurred, reporting that most employees did eventually participate in IT training, if they could be helped to overcome initial fears of something new.

*I think some of the older ones have found ... the IT ... very difficult because it wasn't something that we were raised with. I did have that argument with one of my [older managers] at one point. [He said] 'oh well, I am whatever [age] and I turned round and I said, I am the same age as you and if I can do it you can. So it is in their minds sometimes I think frankly. Some of the older members, those who were nearing retirement, did struggle, but to their credit they asked for the training or the training was offered to them and they took it up. If you went to any of my ladies who are at the top of the end level and I say 'can you do me an email to this, do this or do that', they can do it. (DG)*

However, some had to overcome significant psychological barriers.

*I mean a lot of people of my generation, especially women I think haven't kept up with it anyway, so I can understand why they are viewed with – they say well you can do all this on the computer... And I say I am only self taught. It is only because they are frightened, our generation, when you first touch the button, [as] if it is going to explode or something when you touch a computer. I couldn't live without mine. (Sally)*

## Culture and motivation

Although employers had commented on a range of reasons why older people resist training, there were also many positive comments, and one suggested that there has been a change in mood or culture in recent years.

*I would say outside of our company I've come across an ever-increasing number of more mature people who are willing to take on extra training opportunities, to give them extra skills, to give them the opportunity to go on working beyond retirement age. (AB)*

Many employers believed older workers were motivated to learn and participated in training for the same reasons as any other workers.

The creation of a general expectation of training was cited by several employers. Those who had mandatory training in particular said that they did not experience problems related to age and participation, and found the majority positive about it.

*It is in the contract that they must attend all mandatory training and any specialised training to meet the needs of the service or the service users. New staff have to attend for induction. We get all ages and people in the older age group as well. They ask for training and they aren't discriminated against in any way, shape or form. We've just got NVQ Level 4s from 55 to 58 year olds, [and] a couple have just accessed Level 4. (JKO)*

In some cases employers had found older employees to be more open to training and willing to learn than some of their younger employees. This was put down to older employees being able to see the value of the training or wanting to stretch themselves. They were more likely to enjoy trying something new and to take up these opportunities.

*I think also a lot of older people are more enthusiastic about training as well... Probably they appreciate the need for it more and to keep updated. (PH)*

Many employers thought that motivation to train was more closely related to an employee's motivation and personality than to age. Several employers had offered NVQ qualifications, and found older workers were just as likely to do them as other workers.

*I mean, our lady of 62 applied for NVQ 3 last year I think. It was offered to all permanent staff and age didn't come into it. (EM)*

SW: *Yeah, we've put a large number of our staff through an NVQ programme.*

INT: *Was this compulsory for people?*

SW: *No, not at all. It was something that was just encouraged by us. It was felt that it was a good thing to do. It certainly had benefits in terms of morale and achievement of the workforce...*

INT: *Were older people more likely or less likely to take up this training?*

SW: *I think older people, in general, were very encouraged by it. It was, perhaps, something that they hadn't done before; they hadn't come across it before.*

Some employers talked about the importance of creating a 'culture of learning' in creating expectation and motivating older employees.

*'We are a learning organisation, so there are lots of opportunities here for people... it is free for them.'* (DA)

*'...we've also had union learning from across the age range from 63 to 19... So we've got a very strong age range, so they get the message from everybody about learning and that age isn't a barrier.'* (LC)

## Training and returning to the labour market

The employer surveys did explore recruitment practices, but training and qualification were hardly ever touched on. Most employers claimed that they did not discriminate on grounds of age, despite the clear evidence that older people take longer to find work than equally qualified young people.



# 7. Findings

This project set out to investigate the relationship between training and employability for older people, and in particular to examine the case that investment in training would help to extend average working life in response to a set of economic and social priorities in an ageing society. It examined existing research literature and evidence from the major national surveys. It also analysed quantitative and qualitative data from previous research, and conducted a population survey.

All reports are written at a particular time, but timing is particularly significant for the phenomena we are examining. The ageing population and workforce is not static. In the last decade its nature has been significantly changed by industrial restructuring and by changing patterns of women's work, which make the effects of gender, occupation and social class particularly important. These factors, combined with changing patterns of retirement, make all findings uncertain predictors of future behaviour and attitudes.

Nevertheless, with these reservations, we hope that this report will help those formulating policy, or planning future research needs, to clarify what interventions might be expected to be effective, and what questions still need exploring.

## **The context: history, attitudes and policy**

We have explored the relationship between skills, work and age in the UK labour market in the context of two major policy questions:

- how to respond to an ageing society, with a deteriorating dependency ratio, as growing life expectancy and low fertility rates increase the proportion of the population in retirement; and
- how to maintain the UK's labour force and skills base in the face of growing global competition.

Government's response to these is to encourage people to stay longer in the active labour market, while ensuring that they maintain, and probably raise, their skills levels in response to changing labour market needs. However, although it is widely assumed that more or better training for older people would help achieve this, participation in training still declines with age.

## **Government wants to extend working life**

Life expectancy has been rising for a century, and shows no sign of slowing, although it varies greatly by social class, locality and occupational history. At the same time, fertility rates have been below replacement level for more than a generation. The result is a growing population, but a decline in the proportion of traditional 'working age'. The decline is just beginning, and will accelerate in the coming decade. In response, Government's 'Extending Working Life' policy has focused on reducing the dependency

ratio, by increasing incentives and removing barriers to staying longer in work, but has not paid very much attention to the nature of labour demand, nor to the training needs of older people.

During the late 20th century, real retirement ages fell, accelerated by structural change in the economy, but since the mid 1990s they have been rising again. During the economic growth period from the mid 1990s labour market participation rates rose for all age groups, but most rapidly for those over 50, and this rise has continued, especially for women, despite the economic downturn which began in 2008.

### **Labour market demand for older people is continuing to rise**

Among the factors limiting the competitiveness of the UK economy, Government has identified a lack of appropriate workforce skills, and a succession of skills strategies have sought to address this. Policy here has tended to be 'age blind', seeking to raise the level of skills, often interpreted in terms of formal qualifications across the whole workforce. Sometimes it is argued that this approach will particularly benefit older workers, since they are less likely to hold qualifications, but, in general, employment and training policy has paid little attention to whether the older labour market is distinctive, and to how it might be managed to help meet the skills needs of the economy and make staying in work more attractive.

In the medium term, labour demand is likely to continue to grow. Since the numbers of young people entering the labour market are shrinking, this is likely to increase opportunities for older workers. Even in recession, employers identify skills gaps and shortages, and future projections suggest a total labour shortfall of several million within a decade. Furthermore, technological and industrial change, and general improvements in health, mean that a much larger proportion of work is within the capabilities of most people in their 50s and 60s than in previous generations.

### **Older people do not dislike work**

A large proportion of people in work after the age of 50 say that they would consider working longer, although they are often less attached to their present jobs, and to the limited range of opportunities currently available. For many, work would be more attractive if it could be more flexible, and if it offered new challenges.

### **Age discrimination persists**

Public attitudes toward older people are positive in general terms, but not always supportive of their employment, and particularly of their employment in challenging and rewarding work, and on a flexible basis. Common stereotypes see older people as conscientious, honest and hardworking, but less capable than their younger colleagues. Although employers generally share these preconceptions, and claim not to discriminate against older people, age is the most widely reported form of discrimination in the labour market, especially in recruitment, and significant numbers of people think it is acceptable to discriminate on grounds of age.

Age discrimination is a cause of considerable anger among a group of older people who find themselves forced out of the labour market, or into jobs below their capacity and aspiration. Older workers also believe that employers place too much emphasis on formal qualifications at the expense of experience.



## How the shape of the workforce changes with age

### 'Retirement' defines the older workforce

The profile of the workforce changes with age: because of the different historical experiences of each cohort; because of selective exit, which removes particular kinds of people earlier than others; and because of moves between different kinds of employment (including voluntary and involuntary moves to less demanding jobs). After the age of 50, older workers become much more vulnerable to age discrimination, especially in applying for jobs or seeking promotion. Contrary to popular belief, the main reasons why people leave work before 55 are ill health and caring responsibilities (the latter especially for women).

The defining feature of the 'older' labour market is the approach of retirement. At some point most people become aware of the possibility or the expectation of leaving paid employment for the last time, and this affects their aspirations and motivation to work, and to train.

However, people retire in a range of ways, including the traditional 'cliff edge' move from full-time work to full-time retirement; through unemployment or ill health merging into permanent withdrawal; and through phased and flexible retirement and 'bridge jobs'. Extending working life (the objective of Government policy) also takes a variety of forms, including partial retirement, returning to part or full-time work, phasing out and voluntary work.

### The older workforce is different

As a result of these factors, the over 50 workforce is different from the younger workforce. The people most likely to leave early are those who can afford it, either because they have high occupational pensions or because they are in poor health and on low incomes (where the loss of income involved in life on benefits is not large). After 50 workers are more likely to be:

- working part time;
- self employed;
- in routine and elementary occupations;
- working in the public sector; and
- living in the south (outside London, where the labour market remains very young).

After 60, workers are more likely to be female, and the proportion in part-time work and in routine or semi-routine work rises rapidly. After this age, the active workforce is more sharply divided in terms of qualification between the high qualified (graduates) and low qualified (below Level 2). The proportion in public sector work falls, while in the private sector manufacturing and construction, and with them skilled tradesmen, are prominent in the early 60s, but very few of them stay beyond 65. After 60, the workforce becomes increasingly concentrated in five sectors – education, health and social care, public administration, wholesale/retail and business services.

Although the proportion of people in routine and semi-routine jobs rises rapidly after 60, a quarter of the workforce in this age group is still in managerial and professional roles.

Two factors are likely to change the older labour market significantly in the near future. The first is the change in women's work. As a result of changes in women's education and labour market participation over the life course, older women now share the characteristics of those men who have traditionally stayed longer. The second factor is the 'maturing' of the black and minority ethnic communities, which are currently younger than the white population.

## Why people stay longer

People stay longer in work for a variety of reasons, including:

- interest in the job;
- status and respect from colleagues, employers and the wider community;
- social engagement;
- finance; and
- a sense of purpose and structure to life.

Most people cite a mixture of these reasons and, despite popular belief, finance is not generally given as the principal motivation. People are more likely to stay if they feel they have a degree of control over what they do and how, can work flexibly (and perhaps part time) and remain in good health.

## Why people leave early

During the 50s, ill health and caring responsibilities are the most common reasons for early exit from the labour market. Voluntary exit is most likely among those on the highest and lowest incomes. Other factors associated with early exit include low basic skills and qualifications, low-level health problems and low self confidence, but there has been little research to investigate whether improving qualifications in the 50s reduces these risks.

## Returning to work is more difficult

Returning to work is more difficult than staying in it. During the 50s there are substantial numbers of economically inactive people seeking employment, or aspiring to it. They include older people who have been made redundant, sometimes after a long time in a single firm or job, and people (mainly women) who are returning to work after being a full-time carer (for children or for elderly relatives) sometimes for many years. Age discrimination and difficulty in demonstrating skills acquired through past experience put both groups at a disadvantage in applying for jobs, and most people returning to the labour market after a break in their 50s and 60s do so in lower status jobs than they left (in responsibility, status and earnings).

There is evidence of a substantial untapped pool of potential workers among the inactive 50 plus population. Recorded unemployment figures can be misleading as an indication of this, since some do not register, and a significant proportion of those who enter employment after 50 were not previously formally registered as unemployed and seeking work.

For men over 50, part-time work acts as a bridge into full-time work, whereas for women it is a stable ongoing state. Although most older people say they would like to work flexibly or part time, most of those seeking to return are looking for full-time work. Those least likely to successfully return to work after 50:

- are older;
- have lower qualifications;<sup>55</sup>
- have a health problem or disability;
- have a partner/spouse not in employment; and
- are those who have worked in a declining industry or sector.

---

<sup>55</sup> High qualifications increase employability, but the main benefit comes from qualifications gained in early career. It is not clear that acquiring formal qualifications in later life produces similar returns.

## Is there a skills problem?

Since the economic rationale for investing in training is that it will improve skills, and hence productivity, the first question to address is whether there is a skills problem among older people and, if so, for which older people, and in which circumstances. Both employers and employees provide a partial picture, since other factors intervene and neither has perfect knowledge. However, by combining evidence from both, we hope to provide a better picture.

## Government believes that poor skills are limiting growth and prosperity

The history of policy concern about low skills levels in the British workforce goes back more than a century. Government believes that it is a serious constraint on growth, and that it is progressively damaging our competitive position in the global economy. The Leitch report of 2006 cited OECD international evidence on levels of qualifications in support of a need for more training of the workforce generally, and this has driven the development of the Train to Gain programme, which seeks to make training more responsive to employer needs and to raise qualifications levels.<sup>56</sup>

## Employers do not report major skills gaps and shortages

Employers do not, in general, report major skills problems. The National Employer Skills Survey shows that 7 per cent of firms have one or more vacant posts classified as 'skills shortage', and 5 per cent have skills gaps (where current staff are underqualified). Both figures have fallen since 2001. The level of skills gaps is particularly high in elementary occupations and in sales and customer services, both of which have high concentrations of older workers, which points to a potential training need.

## Most employees think their skills are all right

Very few workers, of any age, think that they have skills problems. Over half of all employees believe that their skills are 'about right' for their current jobs, and over a third believe that they are overskilled. Hardly anyone admits to being underskilled. In view of this, it is not very surprising that participation in training is low.

## But there are two exceptions

Two groups are less likely to report skills as 'about right'. The first is part-time employees who are significantly more likely than full-timers to report being overskilled or underskilled. The second group is people in social classes D and E. While perceptions of skills do not vary systematically by social class, people in these social classes are much less likely to report being overskilled than other workers. Older workers are heavily represented in both groups.

## Perceptions of skill change after the mid 50s

Employees' perceptions of skills are broadly stable up to the mid 50s. After 55 a growing proportion report their skills as 'about right', and the proportion reporting being 'a bit' overskilled falls. The proportion reporting being underskilled (already small at all ages) falls still further after 60, presumably as those who are aware of serious skill problems leave the workforce. However, the proportion reporting being very overskilled grows after 50.

---

<sup>56</sup> Other strategies, like changing management practices, might be more effective, but are less amenable to Government intervention.

The Skills at Work surveys show that older workers are no longer so heavily concentrated in low skilled work as in the past, and this is particularly true of older women whose work is now much more skilled than in previous generations.

### After 50 the very overskilled are a distinct group

After the age of 50, the proportion of employed people claiming to be very overskilled rises steadily from 12 per cent at 50 to 20 per cent at 70, which suggests that there is a distinct group of people whose skills are underutilised. This probably reflects two distinct trends: firstly of people choosing to move into less stressful and demanding jobs as they approach retirement; and secondly, people being forced into less skilled jobs by age discrimination (typically following redundancy). There is little evidence on what proportion of the very overskilled fall into each group, but in both cases it is possible that better management could make better use of these skills.

Perceptions of being very overskilled appear to rise progressively across the life course for people in social classes A and B, while they fall for all other social classes.<sup>57</sup> However, after 65, the proportion overskilled in class C2s rises, which would be compatible with significant numbers of people taking lower-level semi-skilled jobs after retirement, and thus moving social class downwards.

### Why older workers do not share the Government view

There is a striking mismatch between the pattern described above and the Government view that the workforce generally is underskilled. There are several possible reasons for this discrepancy:

- **employees underestimate future need:** national policy views may reflect perceptions of future need, and there may be a mismatch in perception of future needs (either because employees underestimate the likely pace of future change, or because Government or employers overestimate it);
- **the impact of skills problems for individuals is low:** it may be that individual older workers recognise the skills needs, but have decided that they are too near to retirement for it to be relevant to them. They may or may not be right in this assessment. Failure to train may make older workers vulnerable in the case of unexpected redundancy;
- **employees and supervisors may 'conspire to underperform':** employees and employers (especially line managers) may both find it more convenient to tolerate suboptimal performance because the costs of moving from 'good enough' to maximum performance are not justified by the potential gains.<sup>58</sup> If this were the case, one might expect employers to respond to surveys in terms of what they would like (but do not expect to get), while employees report what their managers are perceived to tolerate, rather than aspire to; and
- **employers make poor use of employees' skills.** Employees may be right that they are overskilled, and employers make poor use of those skills in their existing organisations. Management commentators have in the past suggested that this is the case, and have highlighted the negative impact which this has on overall workforce morale and performance.

---

<sup>57</sup> Though this data is only indicative, given the small numbers involved.

<sup>58</sup> This parallels the 'low skills equilibrium' argument that British firms tend to adopt low-quality product strategies in response to low levels of workforce skills, rather than attempting to raise skills and seek higher value-added markets.

## Is there a training problem?

If there is a skills problem, part of the solution must be to increase learning in some form. Employers and employees both say that they support training in principle, but participation declines with age; attitudes are complex and sometimes contradictory and there are issues of management. Furthermore, there are problems in defining and measuring real learning, as distinct from attendance at courses, or formal qualifications.

## Training participation declines with age

All the national data sources confirm that participation in learning generally, and work related training in particular, declines with age, but that the decline happens principally after 50. Up to the age of 50 about 40 per cent of employees report training in the last three months; after 50, the proportion falls steadily to under 20 per cent of workers in their early 70s. However, there is some evidence of change taking place. In recent years, the NIACE annual survey has been showing that people now in their 40s are more likely to train than their predecessors in this age group. If this is true, one might expect training participation in the 50s to rise as this cohort moves into later life.

The fact that age (after 50) directly affects the likelihood of an employee being offered training, but does not affect the likelihood of their taking up training if it is offered, suggests that at least part of the blame for low training levels must rest with employers.

## Some people get more opportunities to train

Despite overall effects of age, some groups are more likely to be offered training. They include people who are:

- female;
- more highly qualified;
- in managerial and professional roles;
- in higher social classes;
- in better health; and
- in full-time work (as distinct from part-time).

Gender is a significant, and probably changing, factor in patterns of training. At all ages, women are more likely to participate than men, but this appears to be mainly because of their concentration in public sector employment. Women are also particularly affected by cohort effects. By comparison with their mothers, women now in their 50s and 60s have experienced rising educational levels, and higher labour market participation across the life course. In the last decade the level of skills used by older women at work has risen significantly faster than men's.

Generally people in higher social classes are more likely to be offered training (which also reflects their occupations, income and qualifications), but social class has little overall influence on perceptions of skill. However, this is not true for classes D and E, who are significantly more likely to report being underqualified for their present jobs, and are more likely to take up training if offered. This might suggest a group who are unusually aware of their vulnerability in the labour market, and of the potential role of training to remedy this.

Past job mobility appears to be an important factor in determining attitudes to training. Employers suggest that those who had spent a long time in the same job (whatever their age) are particularly likely to resist training. They suggest: that such workers often feel that they do not need training; that the suggestion that they train is a criticism of their capability (which might be thought to be declining with age, especially in manual roles); or that agreeing to training will diminish their standing with peers.

There is no evidence that the decline in training with age correlates with perceived skill levels. Participation and the offer of training decline at the same age and the same rate for those who think themselves adequately skilled or overskilled.

### The underskilled are less likely to be offered training

Although it might appear self evident that those with the lowest skills should be offered the most training, the reverse appears to be the case. However, although the numbers admitting to being underskilled are too small to draw definitive conclusions, those who admit to being underskilled are much less likely to be offered training, although they are at least as likely to take it up if offered.

Training is more likely in large firms and public sector organisations

In general, training levels are higher in firms which:

- are larger;
- are in the public sector;
- have a high proportion of professional/managerial work;
- have a high proportion of female employees; and
- have a culture where learning is treated as the norm.

In practice these factors are not independent: most large organisations are in the public sector and public sector organisations tend to employ more women and more professional/managerial staff. Furthermore, for a variety of reasons, public sector organisations may also be more likely to adopt exemplary HR practices, and may be under less short-term 'bottom line' pressures to divert time and resources from training.

By sector, the largest age gap is in hospitality, which has a very young workforce, and where older workers are much less likely to be offered training. This appears to reflect a concentration of older workers in routine occupations where training is low. In hospitality training is much more likely to be 'automatic', probably induction and health and safety (which the few established older workers will already have done).

Public service dominated sectors (education, public administration and health and social care) are more likely to cite poor performance and lack of recent training as reasons to train. Construction was particularly unlikely to base decisions on performance, or to use training as a reward.

### There is no shift from formal to informal modes of learning

It has been suggested that decline in formal learning may mask a shift to less formal modes of learning, but survey evidence suggests that, of anything, the reverse is true, since the LFS shows that 'guided on-the-job training' declines more steadily across the life course. There is also no evidence that employed older people move from vocational to non-vocational learning, since the LFS finds the same pattern and timing of decline in 'leisure courses' among employed people.

## Attitudes to training

### Older workers say that they welcome training

Most older workers interviewed in the qualitative work were positive, in principle, about training. Some had chosen to train at their own expense when employers refused or failed to offer it, and some had developed learning interests from their work which they planned to carry over into retirement. Some talked about the satisfaction of a challenge and of 'stretching oneself' (and for some this was the reason for enrolling on qualification-bearing courses).

The quantitative evidence is clear that, where training is offered, it is almost always taken up, and by all groups. In the LWLL survey only 7 per cent reported being offered training which they did not take (and even within this small group, refusal is not the only possible explanation).

### Employers are in favour of training older workers

Most employers, especially large and public sector ones, claim to support or encourage training. Almost none say that they consider age when deciding who to train, and the small proportion who consider potential length of service rarely bar anyone with more than a year left to retirement.

Most employers interviewed believed that older workers are willing to train, although some employees may need persuasion or encouragement to do so, and some employees had had to press their employers to make offers open to all ages. Some employers thought that, despite positive policies, line managers might also need encouragement to release workers. Most firms claimed not to discriminate directly on age grounds, except in some specific areas like apprenticeships and graduate traineeships, though one reported positive results from opening up the latter to older workers.

Far from discriminating against older workers when supporting training, the LFS suggests that they are more likely to support training for older workers than for younger ones (in both fees and time off).

### Personal motivation is more important than age

Across the whole adult population more than half of all adults view learning positively, and fewer than one in ten view it negatively. However, NALS data suggests that half of the positive group have other things in their lives which they see as more important (mainly caring roles or work itself). Among older people, one adult in five is not interested in learning, either because they are more interested in other things, or because they don't think it is relevant to them.

Both employers and employees agree that age is not the dominant factor in willingness to train: whether or not people trained is seen as a function of individual motivation and attitude, and perceptions of the cost-benefit balance, not of age itself. Several employees commented that different individuals of the same age in similar jobs in the same organisation would respond quite differently to the offer of training.

Key factors affecting individual motivation positively are:

- successful experience. Those who train tend to be positive about it and repeat it;
- perceived need to keep up with change;
- workplace culture: a training culture within the firm, mandatory training and peer expectations are all powerful positive influencers. Where people train with their peers they are more likely to see it positively; and
- the development of interests beyond work.



Individuals are discouraged from training when they think it irrelevant to their current job or future prospects, or see it as a criticism of their competence. Although employees in general are in favour of training for all, some felt that it was reasonable for employers to limit training for those approaching retirement.

There is no clear evidence that older people prefer, or benefit from, distinctive modes of learning. Although some older workers, and some employers, suggest that there are differences, it seems more likely that these reflect the preferences of individuals than any direct impact of age. Some people prefer age mixed groups and some prefer to learn with people of a similar age or background; some prefer individual and some prefer group modes; some feel they need a slower pace, but others feel that there are no distinctive needs associated with age itself. All these can vary for the same individual in different circumstances.

### **Short focused training is more highly valued than qualifications**

There is widespread resistance, by employers and employees, to training for qualifications for older people. Qualifications were often seen as a means by which potential employees can demonstrate their value to a potential employer, but of relatively little use to those already in secure employment (unless they are seeking a move, or are at risk of redundancy). Even for the former group it is not clear that training will work, and older workers are very widely critical of what they perceived as employers' overvaluing of formal qualification as against experience (and the effect of this is to discriminate indirectly on age grounds).

The LFS evidence shows that among young people, learning for a qualification is more common among the unemployed than the employed; but that for older ones the reverse is true. Some qualitative evidence suggests that some older workers embark on a qualification course as a personal challenge, rather than a route to new or better employment.

### **Information technology has had a major impact on attitudes**

The most dramatic change in the working lives of the generation now in their 50s and 60s has been the arrival of IT in the workplace during their mid and later working lives. This faced most workers with stark evidence of a training need, to which most appear to have responded positively. Employees reported that this had affected both their own attitudes and those of colleagues, stimulating a greater interest in training generally, and this view was endorsed by employers. It might also be significant that the technologies which are required in the workplace are also widely relevant outside work, providing a dual motivation to learn.



## Managing training

### Assessing returns on training for older workers is difficult

Decisions on whether or not to train depend on some assessment of costs and benefits. Sometimes this is a matter of formal calculation, but more often of something much less formal, which may well reflect preconceptions and untested assumptions about both benefit and cost.

For employers, training is a cost, in fees and equipment, in working time forgone, and in organisational time to manage the process (including selecting who to train and organising cover). For hard-pressed line managers training can be yet one more unwelcome problem in a complex life.

For employees, there are costs in time, possibly money, and sometimes in standing with workmates and others (who may see training as an admission of incompetence). Technological change has made many employees conscious of the need for training, but some are aware of the costs to the employer, and think it unfair to expect support when they are approaching retirement, though others continue up their retirement date. On the other hand, others see training as a formality, meeting an arbitrary imposed target or external requirement with little relevance to the real job.

A proper assessment of the value of training, to employee, employer or the state, requires some measure of learning itself, and of its outcomes, but it is difficult to measure the outcomes of learning consistently. The use of formal qualifications in current policy can be especially misleading for older people, since this will tend to undervalue experiential learning across the life course, and qualifications already held may be outdated. Much of the most effective work-related learning is informal and takes place in the workplace, where it is difficult to measure, and where it may not be recognised as learning.

The outcomes of learning are also uncertain, especially for older people, who may find themselves barred from career options despite having high-level qualifications.

A critical but unpredictable factor is the role of learning as an insurance against the risk of unemployment. Change in technology, organisation or working practices can render an individual less employable, and provoke redundancy, and this can happen unexpectedly. Appropriate training can increase the individual's personal resilience and adaptability, and reduce these risks, but it is difficult for both individual and employer to assess the likelihood and timing of such changes. Qualitative evidence from older workers makes it very clear that such change does happen unexpectedly, is distressing for individuals, and can have serious financial implications, as well as loss of status and self confidence which can affect the rest of one's life. On the other hand, money and time spent preparing for an event which does not happen before retirement is reached is, at least to some extent, money wasted.

### Why employers might be more or less likely to train older workers

Three-quarters of employers claim to provide off-the-job training for older workers, and the few who do discriminate do so only for very specific programmes like graduate entry schemes. In general, they claim to select on the basis of motivation and attitude, rather than age or time to retirement. However, interview evidence revealed a number of reasons why they might treat older workers differently. Reasons for investing less included the following:

- older workers have already acquired the experience and skills required, even if they lack formal qualifications;

- older workers will retire soon, and therefore do not justify the investment of time or effort to rectify poor performance; and
- it would be 'unkind' to challenge older people over performance at the end of their careers.

Conversely, reasons for investing more included:

- older workers have deteriorating skills, and need to keep up with technological or organisational change; and
- training is required by some external agency (customer, Government, quality accreditation scheme) regardless of expected impact on performance.

The principal reasons which employers gave in the SEPP survey for investing in training were as follows:

- to rectify poor performance (55 per cent of training firms);
- to prepare for promotion (49 per cent);
- not trained recently (44 per cent);
- training is automatic (30 per cent); and
- to recognise good performance (24 per cent).

While none of these relates directly to age, all may affect the likelihood of individuals being offered training. Rectifying poor performance is most common in large and public sector organisations,

### Who makes training decisions in firms?

In a third of firms, the initiative to train rests with the employee. This happens mainly in sectors with a high proportion of professional occupations like financial services, business services, and public administration. Here the effect of age will depend on the attitudes and aspirations (and negotiating power) of the individual employee, rather than the employer, and the same will be true, to a lesser extent, where the decision is 'joint', or happens through an appraisal process.

Where training decisions rest more firmly with the manager, more commonly in the private sector, and especially in construction and transport, the responsibility for whether or not it happens clearly rests with the firm, and probably with the line manager, whose influence may be significant. It has been suggested that line managers, who are under constant pressure of competing priorities, may be less sympathetic to training than senior managers (who tend to be interviewed by researchers), and this may tend to depress participation.

### Few believe that training will get older people back to work

There is little belief among employers or employees that training will improve the employability of those seeking to return to employment after redundancy, forced retirement or ill health. The LSC's survey shows clearly that among unemployed people who complete further education courses in order to return to work, age remains a significant barrier, although many older people report benefits from learning in well-being and self confidence despite not succeeding in finding work.

For those forced, through redundancy or 'early retirement' out of work, 'return to work' usually means taking up lower skilled work, where recruitment barriers are lower, the value of generic qualities like loyalty and hard work are higher, and training needs low. For a luckier few, personal and professional networks enable them to return, either to similar work, or to self-employment of some kind. No one cited taking further training or (especially) qualification as a successful way of returning to work in later life.

## Promoting change: segmenting the workforce

A clear majority of older workers think that their skills are adequate for their present jobs, and most do not expect to move to something more demanding. This group grows with age, and a majority of them are not offered training. Almost no one thinks they are underskilled.

Using the two key dimensions of the LWLL survey, one can divide most of the older workforce into three distinct groups:

- **The content** – about three-quarters of older workers fall into this group, comprising 54 per cent who believe that they have adequate skills, and 25 per cent who are 'a bit' overskilled for their jobs. As they age, the proportion 'about right' rises and the proportion 'a bit overskilled' declines. Most people in both these groups are not offered training, and the timing of their labour market exit will probably be unrelated to issues of skill or training, unless they are forced out prematurely by industrial or economic change (in which case they may find that their lack of documented skills is a barrier to return). The numbers in this group rise with age, slowly up to 50, and then much more rapidly, as people begin to adjust to their new 'retired' identity. If this group needs to be trained, they will need persuasion that it is relevant, not only to their present employment but to their future, which may include unexpected redundancy or learning which can carry over into retired life.
- **The very overskilled** – this is a relatively small group until the early 50s, after which their numbers rise rapidly (rising from 12 per cent of all employees at 50 to 20 per cent at 70, mainly in social classes A and B). They are strongly represented among the self employed, but the majority are in employment. They are unlikely to be offered training by their employer, and are unlikely to seek it out, unless they are planning a career move. They may include people who have chosen to move to less stressful work in the run up to retirement, but they clearly represent an underused resource to the economy as a whole. Where they have experienced downward career moves or age discrimination, they may well be sceptical about the value of training in restoring their former position. For the self employed there may be particular issues about learning how to make better use of their skills.
- **The lifelong learners** – there is a small group of people (under 10 per cent) who train, despite being overskilled for their present job. It may be that they are simply attached to learning as an activity, and will continue to learn into their retirement.

## The training behaviour of older workers

Five factors appear to be particularly important in understanding the training behaviour of older workers.

### Perceptions of career stage

A sense of a positive future has a major influence on the work and training decisions of employers and employees. The qualitative interviews show clearly that for some older people work continues to meet the needs in terms of meaning, role, status and social engagement, as well as finance, which motivate people to stay in employment. For others, however, it has failed to do this, offering none of these rewards. For them, training will only be relevant if it offers a new start in work, or an exit route from it.

Some individuals feel tired and reluctant to train because they are ready to retire. Although others are still keen to progress, most feel that opportunities are severely restricted by their age, and that attempting to change job, employer or role is too risky (and might endanger their continued employment by drawing attention to their age). For some this means that training is seen as unnecessary. Ironically, this fear of losing a job in

later life contributes to spending a long time in the same job, a factor associated with low training and reduced employability.

### **Evident need**

It is not self evident to most people that training is, in itself, a good thing, and most need to see evidence of a purpose. A significant factor, cited by employers and employees in increasing motivation to train is the arrival of IT in the workplace, while the current generation of 50–70 year olds are in mid career. The very evident need to learn new skills in response has led many people into training, and for some this has carried over into a broader general commitment to training.

### **Workplace culture**

People's willingness to train is powerfully driven by expectations. Employers confirm the wider evidence that a training culture within the firm, mandatory training and peer expectations are all powerful influencers. Where people train with their peers they are more likely to see it positively.

### **Career mobility**

Past job mobility is an important factor in determining attitudes to training. Employers suggested that long-serving older workers often felt that they did not need training, and that the suggestion that they train was a criticism of their capability (which might be thought to be declining with age, especially in manual roles) which would diminish their standing with peers. This group is much more vulnerable to long-term unemployment in the event of redundancy, when they are unlikely to be able to adapt readily to new circumstances, or to demonstrate their abilities to a new employer.

### **Cost effectiveness**

The cost-benefit equation for training is complex, for employers and employees, though the former appear surprisingly relaxed about financial costs. Some are concerned about the practical issues of finding appropriate courses, reorganising schedules, and managing priorities among workmates. Some employees are very conscious of the costs to the employer, and think it unfair to expect support when they are approaching retirement, though others continue up to their retirement date. On the other hand, some employees see training as a formality, meeting an arbitrary imposed target or external requirement with little relevance to the real job.

# 8. Conclusions

## Policy implications

The defining feature of the older workforce is the approach of retirement, which faces older workers, at some point with the question 'why work?' – something most have not had to consider at any previous stage of their careers.

The things which make work attractive, by comparison with the alternatives, include: the intrinsic interest of the work; social engagement with others; social status (as a contributor rather than a dependent); and money. Different people value these in different mixes, and it is dangerous to make assumptions about which kinds of work will deliver them to particular people (money is often not the first consideration, even for people with poor pension prospects, and intrinsic rewards can be obtained from very 'low status' jobs). It would also appear that motivation to train and motivation to work are closely related: people who see their work positively, and particularly those who see their careers as progressing in some sense, are likely to view training positively, while those who feel they are 'serving out their time' or coming to an end, are very unlikely to do so. The chance of training in itself changing this is probably slim, unless it provides some bridge into a future identity or role in retirement.

## Training is not independent of work and life

If Government wants to encourage people to stay longer in work, and thinks that they need to train to make this possible, it is important to create a sense of future, and to demonstrate the relevance of training to this. Once past the point where employment offers no further progression or reward, there is a clear risk that they will become demotivated, and stay in work through inertia, or for reasons unrelated to the work itself (e.g. social networks or money alone). Where this happens, they will become less productive, and reinforce negative stereotypes of older workers among employers and colleagues.

## General policy implications

There are a number of conclusions for future policy to be drawn from this study:

- participation in training declines with age for a variety of reasons, but principally because individuals do not see the need;
- neither employees nor employers generally think that acquiring further qualifications in later life is a useful investment of time and energy. The training which they welcome is usually short and focused on producing immediate improvements;
- most employees do not refuse training when it is offered: it is more likely that it is not being offered;

- the rationale for training older workers is not self evident to most older workers, who believe that they do not need to train. If more training is to be encouraged, Government and employers will need to convince most workers of the need;
- training is more likely, and easier to expand, in public sector and large organisations, which are more likely to be employing older people, and where training is more widespread generally;
- the role of training in helping older people to return to active employment after a break is limited, and most likely to be effective when linked to specific job opportunities (through work placement, targeted entry schemes, etc.). However, there are other significant benefits in well-being even for older people who do not succeed in returning to work after training while unemployed,
- there is a significant group of people who see themselves as seriously overqualified for their work in later life. Whether they have deliberately chosen to downscale, or have been forced down by age discrimination, this represents an underused resource and a challenge to policy and management; and
- changing statistical analysis and reporting to reflect the change in the behaviour of the older labour market, and the emerging policy priorities. Key issues are the use of 'working age' and State Pension Age as categories for analysis, which are decreasingly likely to reflect real retirement patterns, and especially the changing experience of women. A further issue is the occupational classification system, especially the 'other community' class, which bundles together employment in the media with the third sector, and includes a rapidly growing proportion of people after 50.

### Promoting a change of attitude

The evidence on older workers' perceptions of skills suggests three priorities for employers, if skills are a serious limitation on the firm's current or future performance:

- to convince older workers that they need to train, and that it will benefit them, since most do not currently believe there is any necessity;
- to discourage people from prematurely 'giving up' the notion of progression and new opportunities in work. This requires active steps by employers to offer opportunities for career development beyond the point where such opportunities typically close down;
- providing opportunities for flexible and part-time working will also increase the attraction of work for many older people as a bridge into retirement. However, it is important to ensure that access to training continues for such part-time workers, who are often excluded at present; and
- to improve management practice to make more effective use of the underused skills of older people. At present many older people find their jobs unrewarding, and are therefore less motivated and productive than they might be. Others are in jobs below their capability (and sometimes below their aspirations).

### Training needs to support people's broad motivations in life

If policy seeks to encourage people to stay longer, it needs to respond to the features which older people say make work attractive. For most people, training is a means to an end, and it is likely to be welcomed if it is a response to a recognisable need and supports the broader motivations to work. One therefore might expect training to be particularly welcome if it:

- is intrinsically interesting, and makes the job more so;
- strengthens the status of the individual with his or her workmates of the wider community;
- increases the sense of control over one's life;

- builds social networks among learners, especially if there is some prospect of these relationships continuing beyond retirement; and
  - builds bridges between the world of work and post-retirement life.
- Conversely, one might expect resistance to training if it is perceived as:
- imposed by the employer (who features less in the individual's long-term plans as retirement approaches);
  - imposed by some external body on a worker who has been doing the job for a long time (especially if that body is seen as uninformed by real practice over many years);
  - a criticism of the individual's competence (especially for long serving employees who have not trained much in the past, or who have problems with basic skills); and
  - likely to lead to isolation or lack of status in the workplace or the wider community.

## Implications for research

The evidence on training, work and older people is not large, nor robust, even in the two academic fields where one might expect to find it. Because the issue has only recently surfaced on the policy agenda, most researchers studying age and learning neglect work, while most of those studying age and work neglect learning. Although it seems self evident to many observers, current evidence is inadequate to test whether training improves the productivity and/or employability of older people, and whether it makes them more or less likely to stay longer in work or return to it.<sup>59</sup> Nor can it tell us what kind of training, in what circumstances, might have these effects, nor how training interacts with other factors such as work experience to increase employability.

The relevance of the research to policy decisions is limited by its timing in the economic cycle, and cohort effects, and much of it focuses on the important but atypical population of unemployed older people.

The current study suggests that the following are issues which would merit further research:

- more detailed empirical work to establish the costs and benefits, to individuals and firms, of employing and training older people, including the role of formal qualifications;
- the extent to which the older workforce can be segmented in terms of motivation to work and learn, and the implications for promotional strategies to extend working life, and for employment practice;
- how older people understand and manage the balance between work (paid and unpaid), caring and other activities (including leisure, life projects etc.), during the later years of employment and the early years of retirement;
- how training can best combine with other strategies like work placements to improve the employability of unemployed older people;
- how communication about career happens between older workers and employers, including the role of formal organisational policy and of line managers;
- the experience and aspirations of older workers from the various black and ethnic minority communities;
- what influences individual retirement decisions; and
- what kinds of flexible working arrangements appeal to what kinds of older workers, and how these can be adopted by employers.

Other useful lists of research issues can be found in Phillipson and Smith's review of literature on Extending Working Life (Phillipson and Smith, 2006), and Smeaton and Vegeris, 2009.

---

59 With the exception of those joining specific programmes for the unemployed.



## The existing national datasets

Underlying the issues explored in this report is a long-term change in the nature of the life course. People are likely to be spending more of their lives in retirement, but are also likely to be working longer. It is likely that, in time, more flexible combinations of paid and unpaid work and leisure will emerge. However, the current data collection systems are built around a fairly rigid distinction between work and leisure, and a fairly clearly defined point of retirement. They have the considerable merit of providing a body of data extending back many years and making it possible to reliably track major change. However, they are not always sensitive to the kinds of change which are taking place, and do not always enable researchers to answer the most important policy questions.

One general problem with the national datasets is the lack of information to link the employer and employee perspectives. The National Employer Skills Survey collects no information at all about the age distribution of the workforce, while the Learning and Training at Work survey includes some questions about young workers (those aged under 24), especially about participation in Government-funded initiatives, but nothing at all about older adults. WERS is the only survey which examines both employer and employee perspectives in the same organisations. However, it does not contain questions about employer attitudes towards older workers and certainly nothing that is useful for providing information on the approaches adopted towards training of the older workforce.

One further dataset exists which aims to fill this gap. The Survey of Employer's Practices and Preferences (SEPP) relating to age was commissioned by the Department for Work and Pensions (DWP) to examine this issue, and its findings are discussed in Chapter 3 of this report.

We have looked separately at the employed and the inactive (mainly retired), but longitudinal data tracking of individuals as they make the transition between these states would be extremely helpful. However, this would require data at the point of transition and information about whether or not skills/training had been at all an issue in the transition out of employment for older adults. This is a very demanding requirement and not well met in existing data sources. Although the results in this chapter have looked only at a single wave of each dataset, it seems unlikely that any of the data sources under review could meet these requirements. NALS is cross-sectional, rather than longitudinal; WERS does not have longitudinal data at the level of the individual. The longitudinal component of LFS only follows people for a very short period of time (a year and a quarter) and does not contain information on the role of skills and training in job loss. ELSA does contain some information about why people moved out of jobs, such as health factors, but again not on skills or training.

To summarise, the data sources considered here all provide relevant information relevant to the current research topic, but none provides a full picture, nor a comprehensive answer to the question of why participation in learning declines with age. This is the topic which the remainder of this report seeks to address.



# 9. The future

Current trends suggest that real retirement ages will continue to rise for the foreseeable future. It may also be that employers will offer more attractive forms of work (including greater flexibility) as labour supply fails to keep pace with demand.

Furthermore, the older labour market is changing, in response to economic and social change, and the changing cohorts of people moving through this phase of life. Some likely changes in patterns of work and training in the future include the following:

- **Rising propensity to train:** some of the groups with a greater propensity to train are likely to grow in size. These include women, high skilled workers, and members of some ethnic minorities.
- **Technological change:** the pace of change is likely to increase the frequency and scale of technical updating required to remain employable, especially in the high skilled occupations which form a growing proportion of the economy.
- **Overall attitudes to training:** some employers reported a change in attitudes to training in the recent past, with more positive attitudes among those now in their 50s, especially in non-manual occupations. The arrival of IT in the workplace during the mid and later working lives of the current older workforce has clearly had a major impact on the need for and willingness to train, and it appears to have stimulated a greater interest in training generally.
- **Women's participation in work and training:** the skill level of older women's work has risen significantly in the last 20 years as a new generation of women approach retirement. It is likely that the concentration of older women in part-time and low-skilled work will change as more skilled, and highly qualified women with more continuous working careers approach 50.
- **Ethnic minority participation:** as the major migrant communities mature, a growing proportion of the older workforce will be non-white. The impact of this may be mixed, since some BME groups are much more likely to train than others.<sup>60</sup>
- **Labour market demand:** current projections of demand suggest significant labour shortages within a decade. These will be too large to be filled by immigration, and extension of working life by one or two years is unlikely to be adequate. The resulting rise in wages for older people is likely to draw more people into extending working life, especially if they already have relevant skills and knowledge. Where they lack these, the pressures to train are likely to increase, and attitudes to training may change.

---

<sup>60</sup> Accurate data on training among minority ethnic groups is difficult because the numbers within any given group are small, and different groups have very different histories and attitudes.

# Annexe 1

## Methodology

The LWLL project comprised the following elements:

- a review of relevant literature;
- a review of the major relevant national datasets;
- an examination of employee perspectives through:
  - a specially commissioned survey of the adult population;
  - a series of pilot interviews with older workers;
  - a secondary analysis of interview transcripts from a previous CROW project (ESF/HE);
- an examination of employer perspectives through:
  - a secondary analysis of data collected in the Survey of Employer's Practices and Preferences (SEPP) relating to age; and
  - a secondary analysis of employer interview transcripts collected during the qualitative element of the SEPP project.

### Literature review

A search of the major academic literature databases had been carried out for a previous study undertaken by NIACE/CROW for the Department for Education and Skills. A search of 20 three academic databases for 'age and training', 'later life and learning', 'older workers and learning', 'older workers and training', '50+ and retirement' and '50+ and work', had produced 4,700 relevant references, which were then reduced to 75 unique references through a scan of titles and abstracts.

This was used as a starting point, and updated and extended to provide a more thorough coverage of material on the workforce, and employer practices. Particular attention was paid to Government sources and to major research programmes focusing on work, age and learning. However, the scope of the study inevitably made coverage far from comprehensive.

### Review of national datasets

Five national datasets were examined to establish what evidence could be gleaned about the relationships between age, employability and labour market exit.

The datasets were:

- the Labour Force Survey (LFS);
- the Workplace Employee Relations Survey (WERS);
- the National Adult Learners Survey (NALS);
- the English Longitudinal Survey of Ageing (ELSA); and
- the NIACE Annual Survey of Adult Learning (ALS).

Each was examined for questions relevant to age and training and learning more generally.

## The SEPP study

The largest source of data on employers' views of the ageing workforce is the DWP funded Survey of Employer's Practices and Preferences (SEPP) relating to age carried out 2005–6 (Metcalf and Meadows, 2006). This aimed to fill the gap in understanding of employer's approaches to age management, which is not covered in detail in the major national surveys.

The study comprised three interlocking pieces of research:

- **a quantitative survey** of 2,087 employers, selected to be representative of the UK and of the full range of sectors, carried out by NIESR and BMRB with fieldwork in 2004–05 and publication in 2006 (Metcalf and Meadows, 2006);
- **a secondary analysis** of the NIESR/BMRB data by occupational sector, carried out by CROW, producing a set of nine booklets on sectoral issues in age management, published in support of the DWP's Age Positive campaign (McNair and Flynn, 2006); and
- **a qualitative study** of 70 employers across nine sectors, carried out by CROW/NIACE in mid 2006, immediately before the implementation of the legislation (McNair *et al.*, 2007b).

The aim of the three studies was to better understand how age impacts on employment practices, and especially to identify those practices which might conflict with the proposed legislation. It was concerned with workers of any age, including young entrants to the labour market, but most of the discriminatory practices identified affected older people. Although the SEPP studies considered questions about training, this was not the primary objective of the research. The present study has re-examined both the NIESR/BMRB dataset and the CROW/NIACE qualitative interview transcripts for evidence.

The SEPP evidence should be viewed with a little caution, since there is reason to expect an element of bias in responses, given the timing of the research. When the main survey was in the field, legislation on age discrimination at work was passing through Parliament, and the Government's Age Positive campaign was seeking to raise awareness of age and employment issues. However, the implementation date for the legislation was still some way in the future. When the third piece was completed, implementation of the legislation was imminent, and public awareness was high. This will probably have made respondents particularly sensitive to the issue, and likely to wish to give positive answers, since people in general do not like being seen to discriminate unfairly, and, among the various areas of discrimination, age is one where there is a stronger public consensus.

A further complicating factor is that only one-third of firms surveyed routinely monitored the age profile of their workforce, and fewer than half of respondents could estimate how many staff were over 50. Monitoring was more common in larger firms, so these account for nearly half of all employees. In so far as it is possible to estimate from this partial data it would appear that about half of all firms employ someone over State Pension Age, but a significant proportion of firms employ no one over 50, making their views on an ageing workforce of less relevance.

## The LWLL omnibus surveys

The literature review, and the review of major data sources, were intended to explore what is already known about the relationship between age, learning and work. To examine these issues in more depth an extensive population survey (the Learning and Work in Later Life Survey – LWLL) was commissioned for the current project.

This was carried out by adding three questions to existing national omnibus surveys. Data was gathered through six iterations of the ONS Omnibus Survey, the annual Adult Learners Survey carried out for NIACE by RSGb, and an 'older learners survey' especially

commissioned from RSGB. Between October 2006 and April 2008, this generated a total sample of 15,157 respondents aged 18 and over. Of these, 11,900 were aged 25–69.<sup>61</sup> Of these, 7,526 (63 per cent) were in employment, 3,879 (33 per cent) were economically inactive, and 495 (4 per cent) unemployed.

The LWLL survey examined two questions:

- whether individuals had been offered training in the last three months, and if so whether they had taken the training (10,760 responses); and
- whether they thought that they were over or under skilled for their current jobs (10,800 responses).

A third recall question was also added to create a sample for follow-up, but this proved impractical for a number of technical reasons.

The data was examined in two ways:

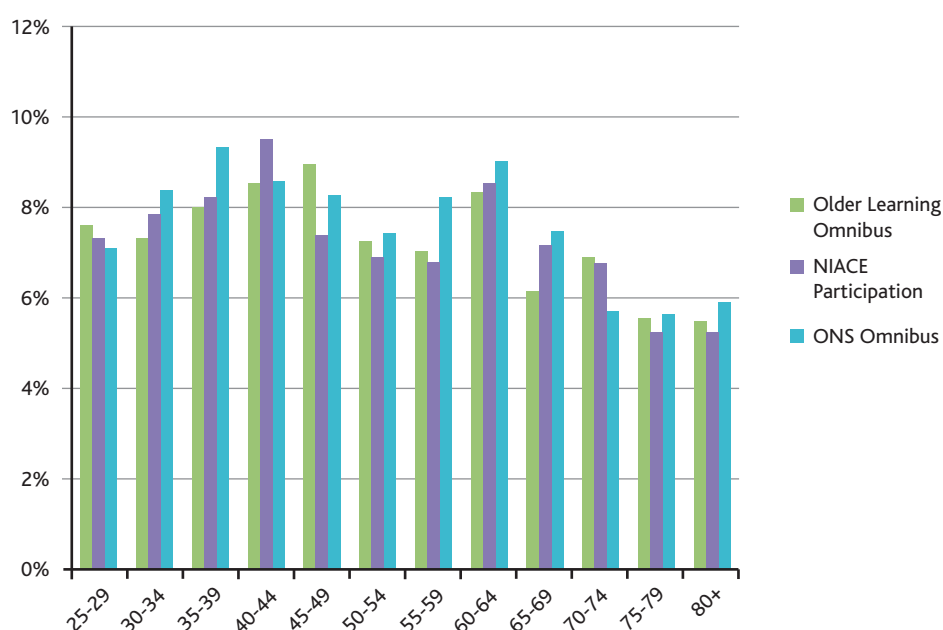
- a rigorous analysis carried out by Zeal Solutions, tested for statistical significance of differences in the LWLL data. Where the text refers to 'significant' difference this reflects such testing. In almost all cases the effect size of such differences is small in statistical terms (although the difference between 49 per cent and 51 per cent of the national workforce is still half a million people); and
- a cruder, possibly indicative, analysis based on simple evidence that numbers in some groups are much larger or smaller than others. These may be the result of chance, but nevertheless, for policy purposes they indicate a possible direction of bias or a trend which may be important. In any case, they suggest issues worth further study with different data. These are not described as 'significant' in the main test of this report.

The representativeness of our survey sample derives from the standard methodologies adopted by ONS and RSGB who carried out the surveys for us.

Figures A and B show that the three survey sources produced broadly similar age profile, both for the full sample and for the employed section.

**Figure A Survey samples by age**

**All respondents – 15,157**



<sup>61</sup> For analytical purposes those under 24 have been excluded, because the proportion of full-time students confuses the data, and those over 69 excluded because the numbers not retired are too small for analysis.

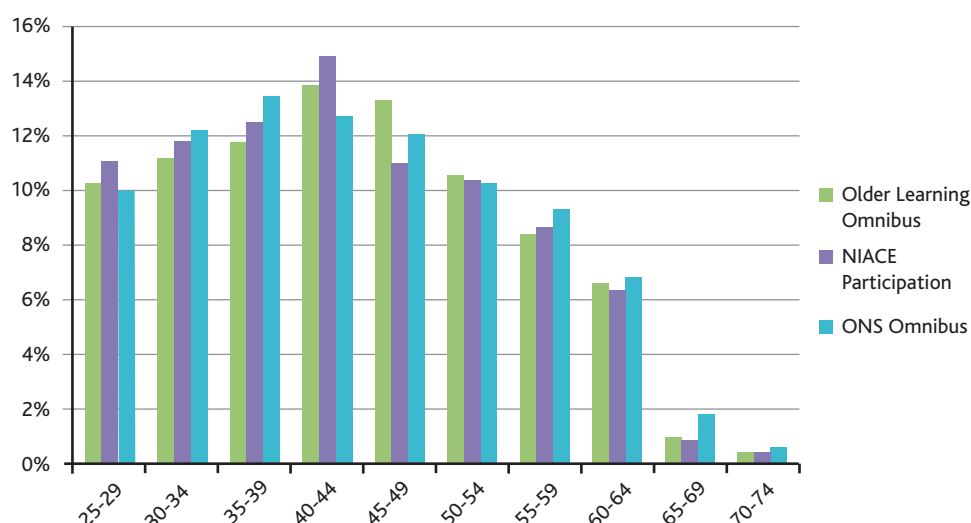
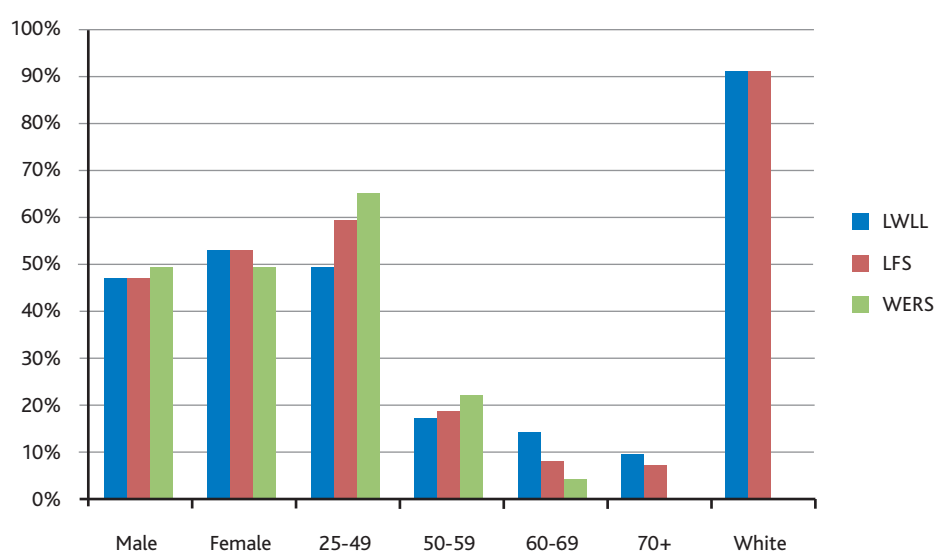
**Figure B Survey profiles – employed respondents by age****Employed respondents 19+ – 7,223**

Figure C shows that the LWLL survey sample broadly matches that of LFS and WERS, although older people are slightly overrepresented.

**Figure C Comparison of LWLL sample with LFS and WERS**

For all respondents we have data on age, gender and region/nation (these were all UK surveys). This means that data is certainly adequate to analyse patterns of the individual variables across the whole workforce and population.

The 'core sample' – of employed people who answered both our key questions and provided the above demographics – is 7,223.

Occupational data is more limited, because of the numbers of older people retired or unemployed, and because the three survey sources ask different questions. As a result, the combined database includes:

- social class – 8,198 people;
- social class – SEC classification for 6,864 people;

- sector of employment – SIC codes for 3,290; and
- occupational group – SOC codes for 1,298.

Analysis of the differences between employed, retired and inactive is possible, but there are some constraints, particularly because 'retirement' is not a simple concept (people may prefer 'retired' to 'unemployed', some older unemployed people will in fact never return to work, others will retire and then return, some define 'retirement' as leaving their main job, or full-time work, although they go on working).

By comparison with LFS and WERS the LWLL sample includes a higher proportion of people participating in training than the LFS,<sup>62</sup> and a higher proportion of people who believe they are overskilled for their current jobs than WERS. The reason for this is unclear.

## The LWLL pilot interviews

It had originally been planned to carry out a face-to-face survey of a representative sample of those survey respondents who had agreed to follow up, and 19 pilot interviews were carried out to explore issues and develop interview instruments. However, positive responses to the follow-up survey question were fewer than hoped, and proved to be heavily skewed towards the highly qualified and people in professional and managerial occupations, and they were very much more likely to have engaged in training than the survey population as a whole. Although the pilot interviews yielded useful information about how a particular group of older workers view work and learning, which has been incorporated into this report, they cannot be regarded as in any way representative.

## The CROW ESF/HE interviews

This project, financed through the European Social Fund's HE project fund (2005), examined the influence of life history and gender on older people's experience of work. It comprised 33 long (typically two hours plus) in-depth life history interviews with people aged 50+ in employment. The interviews encouraged people to reflect at length about the course of their careers, including their experience of learning at all ages.

The main purpose of the project was to explore the impact of gender on the life course and career patterns for those now in their 50s. Training was not a major focus, but most interviews touched on it as an issue. The interview transcripts were re-read in detail for evidence on attitudes to, and experience of, training. The strength of this evidence base is that it sets training issues in the broader context of the life course, and is not biased by any explicit focus on training.

## The SEPP qualitative interviews

In the summer of 2006 (immediately before the implementation of the Employment Equality (Age) Regulations, CROW carried out a follow up to the SEPP quantitative survey on behalf of DWP. This comprised 70 in-depth interviews carried out with employers and senior managers across nine occupational sectors. The interviews were semi-structured, typically an hour long, and covered a range of issues including training.

Although the interviews were carried out before the implementation of Age Discrimination regulations, public and employer awareness of the issue was high.

Again, the interview transcripts were re-read for evidence on attitudes and practices relating to training of older workers. As with the employee interviews, the fact that the interviews were not mainly concerned with training removes the risk of bias in responses, and sets training in the broader context of employer concerns.

---

<sup>62</sup> There may be a seasonal effect here, since the LWLL surveys took place over a year, while the LFS quarter examined, which was latest available at the time of analysis, was the third (summer) quarter, when holidays might tend to depress training activity.

# Annexe 2

## The national datasets

Five major national datasets hold particularly relevant information on age, work and learning. The evidence they contain has been summarised in Chapter 4. Here we describe each and offer a critical review of their adequacy to address the key research questions of this report.

### **Labour Force Survey: understanding the labour market**

The Labour Force Survey (LFS) is a quarterly sample survey of households living at private addresses in Great Britain. It is conducted by the Office for National Statistics (ONS) and its principal purpose is to provide information on the UK labour market for use in the development and evaluation of labour market policy. Its systematic random sample design makes it representative of the whole of Great Britain. Each quarter's LFS sample of 60,000 private households is made up of five 'waves'. Each wave is interviewed in five successive quarters, so that in any one quarter, one wave will be receiving their first interview, one wave their second, and so on, with one wave receiving their fifth and final interview. In any single quarter the total sample size is approximately 120,000 individuals. This very large sample size is one of the strengths of LFS. Other strengths are that it covers a wide range of different ages, including substantial information about the background of the individual, like their highest educational qualification and their economic status and occupation, if employed. In the quarterly data from 2008 used in this chapter over 7,000 adults were aged 60-64, around 6,000 between 65 and 69 and over 14,000 were aged 70 plus.

The LFS asks about several different forms of participation in education and training activity, including whether interviewees have received any training in the last 13 weeks, whether they have taken any courses leading to a qualification in the last 12 months, and whether they are currently working towards a qualification. There are also questions about enrolment on 'educational courses', as well as 'taught courses outside the formal education system' and other 'leisure courses', in the last four weeks. Interviewees are asked about activities undertaken to improve skills and knowledge in the last 12 months and whether those activities were lessons or courses, open/distance education, seminars/workshops and guided on-the-job training.<sup>63</sup> Importantly, the survey also includes information on whether the current employer ever offered education or training. One limitation of the LFS data is that it yields little information on the employer, beyond identifying the industrial sector.

---

<sup>63</sup> This question is asked of all those in employment who had done no training in the last 13 weeks.



## WERS: understanding employer-employee relationships

The Workplace Employment Relations Survey (WERS) aims to provide a nationally representative account of the state of employment relations and working life inside British workplaces (Kersley *et al.*, 2006). The most recent survey (WERS, 2004) is the fifth in the series. In contrast to LFS, WERS has limited information about individual training activity, but much more information about the employer.

The WERS sample comprises workplaces with at least five employees in Britain, so it includes all but the smallest workplaces in Britain, and covers private and public sectors and almost all areas of industry. The exception is the primary sector (industries such as agriculture, fishing and mining and quarrying). The principal unit of analysis is the establishment or workplace, defined as the activities of a single employer at a single set of premises, such as a single branch of a bank, a factory or a school.

The 2004 survey contains various components. The components used here were the interview data from the main management questionnaire which provides data on the workplace and data from the short self-completion questionnaire, distributed to a random selection of up to 25 employees at each workplace, and providing information on the training received by individual employees, as well as which age band they were located in. Around 22,500 employees and 2,300 workplaces took part in the 2004 WERS survey. WERS asks about training in the last 12 months (in contrast to LFS, which asks only about the last 13 weeks), and about respondents' satisfaction with the training received. It also asks whether the respondents' managers encourage people to develop their skills. The age data is banded, and is somewhat limited by the small number of cases (around 200) aged 65 or more.

## ELSA: understanding older people

The English Longitudinal Study of Ageing (ELSA) is a continuing, longitudinal survey of adults aged 50 plus and includes a broad range of information about their mental and physical health, well-being, quality of life and economic and social circumstances. The original sample was drawn from three waves – 1998, 1999 and 2001 – of the Health Survey of England (HSE) and included 12,100 participants (Marmot *et al.*, 2002). The fieldwork for this first wave of ELSA itself took place in 2002 to 2003. The sample is representative of people aged 50 years and above living in private households in England. Respondents were followed up in 2004–05 (wave 2) and 2007 (wave 3), and the sample was 'refreshed' at wave 3.<sup>64</sup> The analyses reported in this chapter used data from wave 3 of the survey, the most recent currently available.

The large sample of older adults in ELSA (over 10,000 in each wave), makes it feasible to break the dataset down into age bands among older adults and compare training of, say, 55–60 year olds with those aged 65 to 70 and still have a reasonable number of cases in each category. However, the sample design means that it is not possible to compare older adults with those under 50, and there is only limited information about training. In the main ELSA questionnaire there is a single question about formal education and training undertaken in the preceding 12 months, with a further question about the development of new skills in the ELSA self-completion questionnaire.

---

<sup>64</sup> This question is asked of all those in employment who had done no training in the last 13 weeks.



## **NALS: understanding adult participation in learning**

The National Adult Learning Survey (NALS) has been conducted on a number of occasions in the last decade, most recently in 2005. In previous surveys the sample was drawn from England and Wales, and was extended to include Scotland in the 2005 version (Snape *et al.*, 2005). NALS includes those over the age of 16, and collects information on respondents' involvement in both taught and self-directed learning, and whether they had undertaken any learning activity in the three years prior to the survey (compared to WERS' previous year and LFS's previous 13 weeks). NALS also asks about who pays fees and financial support, the extent of employer involvement and attitudes to learning.

Clearly, since NALS is a specialist survey on adult learning, it has much more coverage of that topic than general-purpose surveys such as ELSA or WERS. One of the key strengths of NALS is that it contains information on funding and support for training activities, so the extent to which the employer is funding or supporting training can be assessed. However, it is somewhat limited by its smaller sample size, which makes analysis of some sub-groups unreliable.

## **NIACE's Adult Participation in Learning Survey**

For over a decade, NIACE has undertaken an annual survey of adult participation in learning. These surveys provide: information on the proportion of adults participating in learning; a detailed breakdown of who participates and who does not; and comparison of results within the series makes it possible to analyse how patterns of participation change over time.

The NIACE surveys are based on a weighted population sample of 5,000 adults aged 17 and over in the UK, through questions included in regular omnibus market research surveys. The question used within the survey series since 1996 has been drafted as broadly as possible to include all types of learning and in any mode. By asking respondents to tell the interviewer what they are learning about without any further prompting, the survey aims to capture the proportion of the population who perceive themselves as learners.

As a specialist survey on adult learning, it includes a wide range of questions on the nature of the learning taking place. One of the key limitations of the survey in relation to this work, however, is that it does not divide participation into work-related and non-work related activities, nor into formal and informal activities, thus restricting its ability to answer the questions under consideration in this study.

# Annexe 3

## The research base

Specialists in education and training have argued that training will extend working life, and return those who have experienced redundancy or unemployment after 50 to the labour market. However, little effort appears to have been made to collect substantial empirical evidence on this. Most of what is available is the result of evaluation of specific Government programmes aimed at unemployed older people. These are relevant, but usually time bound, local, and by definition untypical of older people generally (since most people between 50 and the early 60s are in work, and most have been in stable jobs for a number of years). Furthermore, such evidence as exists about training and unemployment for older people suggests that training is only effective if linked to a work placement of some kind. Thus the 'education' literature, which might be expected to tell us about the fine grain of different kinds of training, learners and context, is thin on the employment impact of training.

On the other hand, those who have studied the older labour market, and retirement decisions, tend to treat 'training' as a relatively simple instrument, and in most cases a very marginal one. Most focus on other issues like health, job design and flexibility, physical demands of jobs, caring responsibilities and partner's retirement). Some accounts of the reasons why people stay, leave or return to the labour market in later life make no mention of training at all.

There is some relevant evidence in the major national datasets, five of which have been examined for this study. The Labour Force Survey (LFS) can tell us a lot about the demography of the workforce, about who has undertaken training, and about the kinds of training involved. The Workplace Employee Relations Survey (WERS) can tell us about participation in training, satisfaction with that training, and about workplace culture, but its sample of people over 65 is very small. While both these surveys are based on large and representative samples, with long-time series data, they can by definition provide only a snapshot of a population at a particular moment, and of change over time in the whole population.

To explore causation and consequences one requires longitudinal evidence, rather than such snapshot data, which can only show correlations (e.g. between training and qualification). The major birth cohort studies, which have been under way since 1946, provide such data, but the first of these cohorts is only now reaching pension age, and the following cohorts, on which more relevant data is available, are some way off it. In the future, these will provide invaluable evidence about the relationships between life course and retirement behaviour in considerable detail, but they cannot do so yet. The English Longitudinal Study of Ageing (ELSA) helps to fill the gap, by following a large sample of people over 50 since 1998. This helps us to understand how people's circumstances and attitudes change with age but, as a relatively new survey, it covers only a short time span, and it includes only a few questions about education and training.

The National Adult Learning Survey (NALS) explores learning issues in much more depth, but its sample is smaller. Furthermore, the most recent iteration of NALS was in 2005, when the economy was in a prolonged and strong upswing, and it may not represent the situation five years later, when older peoples' labour market participation rates have risen, but recession has had a major impact on the labour market. Two other important sources of evidence on the labour market, the Learning and Training at Work Survey (LTW), and the National Employer Skills Survey (NESS) can tell us a great deal about employer attitudes and behaviour, but collect no information about the age profile of their workforces.<sup>65</sup>

The Survey of Employer's Practices and Preferences (SEPP) relating to age was commissioned in 2005 by the DWP in an attempt to fill the gap in understanding of employer attitudes and behaviour.<sup>66</sup> This study, with complementary quantitative and qualitative elements offers a major contribution to information on this topic, and a second iteration, currently being carried out will provide an opportunity for examining change over the last few years. The SEPP data has been re-examined for the present study.

Qualitative research can tell us much more about the fine grain of people's attitudes and behaviour, but this too is relatively thin. Two major bodies of research dominate the field: the DWP's research programme, which has funded research into a range of issues of ageing and work, including, but going well beyond, the evaluation of specific DWP initiatives;<sup>67</sup> and the Joseph Rowntree Foundation's *Transitions after 50* programme (Hirsch *et al.*, 2004), which funded a series of studies, many of which touched on work, but which may now be a little dated (see below). The major *New Dynamics of Ageing Programme* launched in 2006 by the Joint Research Councils (<http://newdynamics.group.shef.ac.uk>), included only one study explicitly concerned with age and work. Other work has been carried out by a range of researchers, including the Centre for Research into the Older Workforce (CROW)<sup>68</sup> with studies of the attitudes of older people to work and of employers to older employees.

---

65 In any event, the SEPP study has shown that many employers would find it difficult to produce accurate information on the age of their workforces.

66 A repeat survey is currently in progress as part of the review of the Default Retirement Age legislation.

67 DWP research reports are all available online at <http://research.dwp.gov.uk/asd/asd5/>

68 CROW was created as a research centre of the University of Surrey in 2003. It moved to the National Institute of Adult Continuing Education (NIACE) in 2006.

# Annexe 3

## The research base

- Abrams, D., et al. (2009) *Attitudes to Age in Britain 2004-2008* (Rep. No. 599). London: HMSO.
- Aldridge, F. and Tuckett, A. (2006) *Better News This Time: the NIACE survey on adult participation in learning 2006*. Leicester: NIACE.
- Arthur, S. (2003) *Money, choice and control: The financial circumstances of early retirement*, Bristol: The Polity Press/Joseph Rowntree Foundation.
- Ashton, D. and Green, F. (1996) *Education, Training and the Global Economy*. Cheltenham: Edward Elgar.
- Atkinson et al. (2007) *Evaluation Of The Intensive Activity Period 50-plus Pilots* (Rep. No. 388). London: HMSO.
- Banks, J. and Smith, S. (2006) 'Retirement in the UK', in *Oxford Review of Economic Policy*, Oxford University Press, Vol. 22, No. 1, pp.40–56, Spring.
- Banks, J. and Tetlow, G. (2008) 'Extending Working Lives', in Banks, J. (Ed.), *Living in the 21st Century*. London: Institute of Fiscal Studies.
- Bardasi, E. et al. (2002) 'Retirement and the Income of Older People: A British perspective' in *Ageing and Society*, Vol. 22, pp.131–159.
- Barham, C. (2002) Patterns of economic activity among older men. *Labour Market Trends*, 301-310.
- Barham, C. (2003) 'Life stages of economic inactivity', in *Labour Market Trends*, October 2003, pp.495–502.
- Barnes, H., et al. (2009) *An Ageing Workforce: The employer's perspective*. Brighton: Institute of Employment Studies.
- Black, C. (2008) *Working for a Healthier Tomorrow*. London: The Stationery Office.
- Bridges, S. and Disney, R. (2005) 'Retirement Incentives and Retirement', in Fornero, E. and Sestito, P. (Eds.), *Pension Systems: Beyond mandatory retirement*. Cheltenham: Edward Elgar.
- Capellari, L., et al. (2005) *Labour Market Transitions Among the Over 50s* (Rep. No. 296). London: DWP.
- Carlton, S. and Soulsby, J. (1999) *Learning to Grow Older and Bolder*. Leicester: NIACE.
- Casebourne, J. et al. (2008) *The Impact of Learning on Employability*. Coventry: Learning and Skills Council.
- Chilvers, D. (2008) *Segmentation of Adults by Attitudes Towards Learning and Barriers to Learning* (Rep. No. 08-01). London: HMSO.

- Cubie, A. and Baker, O. (2007) *European Social Fund Objective 3: The 2005 beneficiary survey for England*. Research Report 376. London: DWP.
- De Coulon, A. and Vignoles, A. (2008) *An Analysis of the Benefit of NVQ2 Qualifications Acquired at Age 26-34*. London: Centre for the Economics of Education, London School of Economics.
- Dench, S. and Regan, J. (2000) *Learning in Later Life: Motivation and impact* (Rep. No. 183). London: DfES.
- Department for Business Innovation and Skills. (2009) *Skills for Growth: the national skills strategy*. London: TSO.
- Disney, R. and Hawkes, D. (2003) 'Why has Employment Recently Risen Among Older Workers in Britain? In Dickens, P., Gregg, P. and Wadsworth, J. (Eds.), *The labour market under new labour*. London: Palgrave Macmillan.
- Dixon, S. (2003) 'Implications of Population Ageing for the Labour Market, in *Labour Market Trends*, Vol. 111, pp.67–76.
- DWP (2005a) *Opportunity and Security Throughout Life: DWP 5 Year Strategy*. London: DWP.
- DWP (2005b) *Opportunity Age: Meeting the challenges of ageing in the 21st century* (Rep. No. CMD6466). London: The Stationery Office.
- DWP (2006a) *A New Deal for Welfare: Empowering people to work* (Rep. No. CMD6730). London: The Stationery Office.
- DWP (2006b) *Security in Retirement: Towards a new pensions system* (Rep. No. CMD6841). London: The Stationery Office.
- DWP (2009) *Building a Society for all Ages*. London: The Stationery Office.
- ESRC (2009) *TLRP's Evidence-Informed Pedagogic Principles*. Swindon: ESRC Teaching and Learning Research Programme.
- Eurofound (2004) *Ageing and Work in Europe*. European Foundation for the Improvement of Living and Working Conditions.
- Eurostat (2005) *Eurostat Yearbook 2004. The statistical guide to Europe. Eurostat. Data 1992–2002*.  
(Available online at: [http://epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-CD-04-001/EN/KS-CD-04-001-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-CD-04-001/EN/KS-CD-04-001-EN.PDF))
- Felstead, A. et al. (2005a) *Better learning, better performance: evidence from the 2004 Learning at Work Survey*. Leicester: NIACE.
- Felstead, A., et al. (2005b) 'Surveying the Scene: Learning metaphors, survey design and the workplace context', in *Journal of Education and Work*, Vol. 18, pp.359–383.
- Felstead, A., et al. (2007a) *Learning, Communities and Performance*. Leicester: NIACE.
- Felstead, A., et al. (2007b) *Skills at Work 1986-2006*. Oxford: SKOPE Research Programme.
- Felstead, A. (2009) *A Disappearing Divide: Age, skills and the experience of work in Britain*. Paper presented to the 30th conference of the International Working Party on Labour Market Segmentation, Tampere.
- Ford, G. (2005) *Am I Still Needed? Guidance and learning for older adults* Derby: Centre for Guidance Studies, University of Derby.
- Fuller, A., et al. (2003) *The Impact of Informal Learning at Work on Business Productivity*. London: DTI.

- Fuller, A. and Unwin, L. (2004) 'Expansive Learning Environments: Integrating personal and organisational development', in Rainbird, H., Fuller, A., and Munro, A. (Eds.), *Workplace Learning in Context*. London: Routledge.
- Grattan, P. (2003) *Work After 60 – Choice or necessity, burden or benefit?* London: Help the Aged.
- Griffiths, A. (2007) 'Healthy Work for Healthy Workers: Work design and management factors', in Loretto, W., Vickerstaff, S. and White, C. (Eds.), *The Future of Older Workers*. Bristol: The Policy Press.
- Griffiths, A., et al. (2009) *Ageing, Work Related Stress and Health: Reviewing the evidence*. London: Age Concern and Help the Aged.
- Hedges, A., et al. (2009) *Extending Working Life: Changing the culture* (Rep. No. 557). London: HMSO.
- Hirsch, D. (2003) *Crossroads After 50: Improving Choices in Work and Retirement*. York: Joseph Rowntree Foundation.
- Hirsch, D., et al. (2004) *Older People in the Workforce – mechanisms for change*.
- Hotopp, U. (2005) 'The Employment Rate of Older Workers', in *Labour Market Trends*, pp.73-88.
- HSBC (2005) *The Future of Retirement in a World of Rising Life Expectancies*. London: HSBC.
- Humphrey, A., et al. (2003) *Factors Affecting the Labour Market Participation of Older Workers*. London: Crown Copyright.
- Hutchinson, S. (2007) *Learning and the Line: The role of line managers in training, learning and development*. London: Chartered Institute of Personnel and Development.
- Ilmarinen, J. (2006) *Towards a Longer Worklife! Ageing and the quality of worklife in the European Union*. Finnish Institute of Occupational Health.
- Jarvis, P. (1994) 'Learning, Education and Ageing in the Risk Society', in *Education and Ageing*, Vol. 9, pp.6–20.
- Jarvis, P., et al. (1999) *Older People at Work. The Elder Mentor*. Guildford: University of Surrey.
- Johnson, S., et al. (2009) *Employee demand for skills: A review of evidence and policy*. London: UKCES.
- Keep, E., et al. (2002) *Review of the Evidence on the Rate of Return to Employers of Investment in Training and Employer Training Measures*. London: Department of Trade and Industry.
- Keep, E. (2007) *Adult learning in the workplace: Explaining current patterns and their outcomes*. Presented at 'The future for lifelong learning: a national strategy', a NIACE expert seminar on adult learning in the workplace in the context of a globalised economy, Congress House, London, 21 November.
- Kersley, B., et al. (2006) *Inside the Workplace: Findings from the 2004 Workplace Employee Relations Survey*. London: Routledge.
- Learning and Skills Council (2008a) *National Employer Skills Survey 2007*. Coventry: Learning and Skills Council.
- Learning and Skills Council (2008b) *Train to Gain employer evaluation: Sweep 1 Research Report*. Coventry: LSC.
- Leitch, A. (2006) *Prosperity for all in the global economy: World class skills*. Final report. London: The Stationery Office.



- Lindley, R., et al. (2007) *Ageing and Employment: Identification of good practice to increase job opportunities and maintain older workers in employment*. European Commission, DG Employment, Social Affairs and Equal Opportunities.
- Lissenburgh, S. and Smeaton, D. (2003) *Employment Transitions of Older Workers: The role of flexible employment in maintaining labour market participation and promoting job quality*. Bristol: The Policy Press.
- Loretto, W., et al. (2000) 'Ageism and Employment: Controversies, Ambiguities and Younger People's Perceptions', in *Ageing and Society*, Vol. 20, pp.279–302.
- Machin, S., Vignoles, A., and Galindo-Rueda, F. (2003) *Sectoral and Area Analysis of the Economic Effects of Qualifications and Basic Skills*. (Rep. No. 465). London: HMSO.
- Macnicol, J. (2006) *Age discrimination: An historical and contemporary analysis*. Cambridge: Cambridge University Press.
- Marmot, M., et al. (2002) *Health, Wealth and Lifestyles of the Older Population in England: The 2002 English Longitudinal Study of Ageing* London: Institute for Fiscal Studies.
- Mason, G., et al. (2007) *Cross-country Analysis of Productivity and Skills at Sector Level* (Rep. No. 23). London: NIESR for UKCES.
- Matrix Knowledge Group (2009) *Lifelong Learning and Well-being: An analysis of the relationship between adult learning and subjective well-being*. IFLL Public Value Paper 3. Leicester: NIACE.
- McGivney, V. (2006) *Adult Learning At a Glance 2006: The UK context, facts and figures*. Leicester: NIACE.
- McNair, S. (2005) 'The Age of Choice', in Tuckett, A. (Ed.), *Demography and Older Learners*. Leicester: NIACE.
- McNair, S. (2006) 'What Do Older Workers Want?' In *Social Policy and Society*, Vol. 5.
- McNair, S. (2008) *Strengthening the Older Workforce: An evaluation of the ReGrow project in the South East Region*. Leicester: NIACE.
- McNair, S. and Flynn, M. (2005) *The Age Dimension of Employment Practice: Employer Case Studies* (Rep. No. 42). London: Department of Trade and Industry.
- McNair, S. and Flynn, M. (2006) *Managing an Ageing Workforce in the Transport and Logistics Sector*. London: Department for Work and Pensions.
- McNair, S. and Maltby, T. (2007) *Does training extend working life?* Leicester: NIACE for DfES.
- McNair, S., et al. (2004) *Changing Work in Later Life: A study of job transitions*. Guildford: CROW, University of Surrey.
- McNair, S., et al. (2007) *Employer Responses to an Ageing Workforce: A qualitative study* (Rep. No. 455). Leeds: Department for Work and Pensions.
- Meadows, P. (2002) *Early Retirement and Income in Later Life*. Bristol: The Policy Press.
- Meadows, P. (2004) *Retirement Ages in the UK: A review of the literature* (Rep. No. 18). London: DTI.
- Metcalfe, H. and Meadows, P. (2005) *Survey of Employers Policies, Practices and Preferences Relating to Age* (Rep. No. 391). Leeds: CDS.
- Metcalfe, H. and Meadows, P. (2006) *Survey of Employers' Policies, Practices and Preferences Relating to Age* (Rep. No. 325). Leeds: Department for Work and Pensions.
- Mooney, A. and Stratham, S. (2002) *The Pivot Generation: Informal care and work after 50*. Bristol: The Policy Press.

- Mountfield, H. (2009) *Age discrimination and education: A legal briefing paper. (Inquiry into the Future for Lifelong Learning)*. Leicester: NIACE.
- Munir, F., et al. (2005) 'Work Limitations and Employer Adjustments for Employees with Chronic Illness' in *International Journal of Rehabilitation Research*, Vol. 28, pp.111–117.
- Newton, B. (2006) 'Training an age diverse workforce', in *Journal of Industrial and Commercial Training*, Vol. 38, pp.93–97.
- Newton, B. (2008a) *Train to Gain and Lower Skilled Adults*. Brighton: Institute of Employment Studies.
- Newton, B. (2008b) *Train to Gain Employer Evaluation*. Coventry: Learning and Skills Council.
- OECD (2005) *Ageing and Employment Policies: Synthesis report*. Brussels: OECD.
- ONS (2008) *Pension Trends*. London: The Stationery Office.
- ONS (2009) *Focus on Older People*. London: The Stationery Office.
- Owen-Hussey, L. (2006) *Age Discrimination: A lived experience and the employer dimension*. (Unpublished CROW report.)
- Owen, L. and Flynn, M. (2004) 'Changing work: Mid to late life transitions in employment', in *Ageing International*, Vol. 29, pp.333–350.
- Phillipson, C. and Smith, A. (2006) *Extending Working Life: A review of the research literature* (Rep. No. 299). London: DWP.
- Sainsbury, R. et al. (2004) *Medical Evidence and Incapacity Benefit: Evaluation of a pilot study*. London: DWP.
- Smeaton, D. and Vegeris, S. (2009) *Older People Inside and Outside the Labour Market* (Rep. No. 22). London: Equality and Human Rights Commission.
- Snape, D., et al. (2005) *National Adult Learning Survey (NALS)* (Rep. No. 815). London: HMSO.
- Tikkanen, T., et al. (2002) *Working Life Changes and Training of Older Workers*. Trondheim: Norwegian Institute for Adult Education – VOX.
- Turner, A. (2006) *A New Pension Settlement for the Twenty First Century: Second report of the Pensions Commission*. London: The Stationery Office.
- Turner, A. (2009) *Pensions, Challenges and Choices*. London: The Stationery Office.
- UKCES (2009a) *The Employability Challenge*. London: UK Commission for Employment and Skills.
- UKCES (2009b) *Working Futures 2007–2017*. London: UK Commission for Employment and Skills.
- Unwin, L. and Fuller, A. (2003) *Expanding Learning in the Workplace: A NIACE Policy Discussion Paper*. Leicester: NIACE.
- Vickerstaff, S. et al. (2008) *Encouraging Labour Market Activity among 60–64 year olds* (Rep. No. 531). London: HMSO.
- Vignoles, A., De Coulon, A., and Marcenaro-Gutierrez, O. (2008) *The Value of Basic Skills in the British Labour Market*. London: NRDC Institute of Education.
- Walby, S. (2007) *Gender (In)equality and the Future of Work. Transforming Work Working Paper No 55*. Manchester: Equal Opportunities Commission.



- Walker, A. and Maltby, T. (1997) *Ageing Europe*. Buckingham: Open University Press.
- Whiting, E. (2005) 'The Labour Market Participation of Older People. in *Labour Market Trends*. Vol. 112, No. 6, pp.285–296.
- Withnall, A. (2007) 'Exploring influences on later life learning' in *International Journal of Lifelong Learning*, Vol. 15, pp.29–49.
- Withnall, A., et al. (2004) *Older People Learning: Myths and realities*. Leicester: NIACE.

## **A sense of a future: a study of learning and work in later life**

This report examines the claim that training might help extend average working life and raise workforce skills levels in response to demographic change. Set against the backdrop of rising life expectancy and a shrinking population of 'working age' the report highlights the need for employers and employees to be aware of the risks demographic change can bring.

Five key recommendations are made which aim to address two key policy concerns: how best to respond to an aging society; and how to ensure an adequate labour force and skills base in the face of growing global competition.