



Breaking the age barrier

Unlocking the experience of older Australians in the workplace

Every person. Every chance.

MAX SOLUTIONS
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Executive summary

Australia's older workers are a large and growing group amongst the nation's unemployed.

Between 2018 and 2021, MAX Solutions' cohort of mature age people seeking work increased by 33.8% to over 30,000 people.

According to the Australian Bureau of Statistics, Australians aged 50-64 made up approximately 17.8% of our population as of December 2020, and yet they represent around 26%-30% of MAX's customer base of unemployed Australians in recent years.

This trend is set to continue as Australia's population ages. According to the Australian Government's 2021 Intergenerational Report, released by Treasurer Josh Frydenberg, 23% of the population is projected to be over 65 by 2060-61 – a rise of approximately 7% from 2021. Australia's ageing population will reduce our national labour force, contributing to projections for slower growth of our GDP at 2.6% p.a. for the next 40 years, compared with 3% for the past four decades.

“This important report makes great recommendations that both employers and employees can take to improve the employment outcomes for mature age workers. The 62% of employers surveyed who have or are considering changes to accommodate older workers show that small actions can make a vast improvement in finding and retaining the right workforce.”

Ian Yates | Chief Executive,
Council on the Ageing (COTA) Australia

These figures illustrate a critical need to ensure that any older Australian who is willing to work and has skills valuable to our society and economy must be supported in finding work. Our nation cannot afford to have older generations' skills wasted, or their participation minimised – often due to employer

concerns about older workers' skills and contribution at work.

The urgency of the need to help older people find work does not stem from national economic projections alone; it is also vital to the personal and financial wellbeing of older Australians. Contributing to a workplace endows many people with a sense of purpose and productivity, adding to their sense of dignity and self-worth.

85% of MAX's mature age customers believe employers often have some reluctance or uncertainty when hiring older people. Sadly, 30% of employers surveyed for this report say there is in fact some reluctance in their organisation to hire older job candidates. This must change.

Older people seeking work also face longer periods of unemployment. According to MAX's data, it takes older Australians in Employment services an average of 119 weeks to find work after a period of unemployment – three and a half months (or 15 weeks) longer than younger Australians.

In this report, 'mature age' or 'older' workers is based on the working definition set by the Australian Government and used by employment services funded by the Australian Government, which is Australians over 50 years of age.

“Every older Australian who wants to work should be given the chance to find a job that improves their personal wellbeing and financial security, as well as contributing their valuable skills to our national economy.”

Fiona Lamb | MAX Solutions
Executive General Manager
Employment Services

MAX Solutions is Australia's largest employment services provider. As of July 2021, it is supporting approximately 130,000 people looking for work and supporting more than 30,000 employer partners.

Concluding in July 2021, MAX Solutions surveyed 500 Australian business managers and HR professionals through independent research company DeciBel Research, and conducted an in-house survey of 735 mature age job seekers (referred to as MAX's customers in the report) registered with an employment service at MAX. We would like to thank all employers and MAX customers who took part in the respective surveys.

Key themes and findings

Obstacles remain, despite older workers' experience

Employers and MAX's customers agreed that older generations in the workforce still face different challenges to their younger counterparts, with 82% of MAX's customers saying older workers face different obstacles due to their age.

A move from policy to practice with Diversity and Inclusion initiatives is a likely solution; while 65% of surveyed employers have a Diversity and Inclusion policy in place, only 40% are taking specific steps to attract older workers.

A troubling 30% of employers admit there is reluctance to hire older workers within their organisation. There is an urgent need to address employers' concerns over hiring mature age workers and dispel myths about older people in the workforce.

In good news, the resounding majority (77%) of employers recognise that their company benefits from having mature age employees as part of its workforce, with 60% of employers noting 'wealth of experience' as a key drawcard in hiring mature age workers.

77%

of employers recognise the company benefits of having mature age employees.



A clear understanding of priorities will help mature age employees thrive

Employers have a good understanding of some key priorities for mature age employees, such as flexible working options and job security, but may not be aware of other critical priorities for older workers, such as a good level of autonomy in their role or ongoing training and development.

There's work to be done in getting recruitment for older job candidates right, and in tailoring roles for mature age prospective employees. While 61% of employers said candidates were brought on to fit a pre-determined role, a relatively strong cohort of 27% said they would tailor roles to suit the strengths of older job candidates, which benefits both employee and employer.

Unlocking skills and value for better outcomes for employers and employees

Everyone in the workforce stands to gain something from intergenerational workplaces. Employers should be looking to maximise 'silver skills' – areas in which older workers naturally tend to excel, such as dispute resolution, mediation and managing others.

Maturity, stability, reliability and dependability are the next most highly-valued skills of older workers, demonstrating how highly some of the trustworthy traits of mature age employees are esteemed by employers.

Future-proofing Australia's workforce means making it more age-diverse; it is in Australia's best interests to pursue greater engagement with mature age job candidates and retain older employees, on top of the broader moral prerogative to ensure the personal and financial wellbeing of older Australians.



1. The job search:

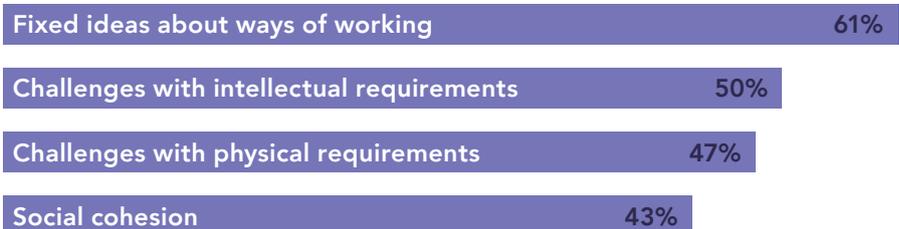
Challenges and goals for older workers in finding employment

Overcoming obstacles

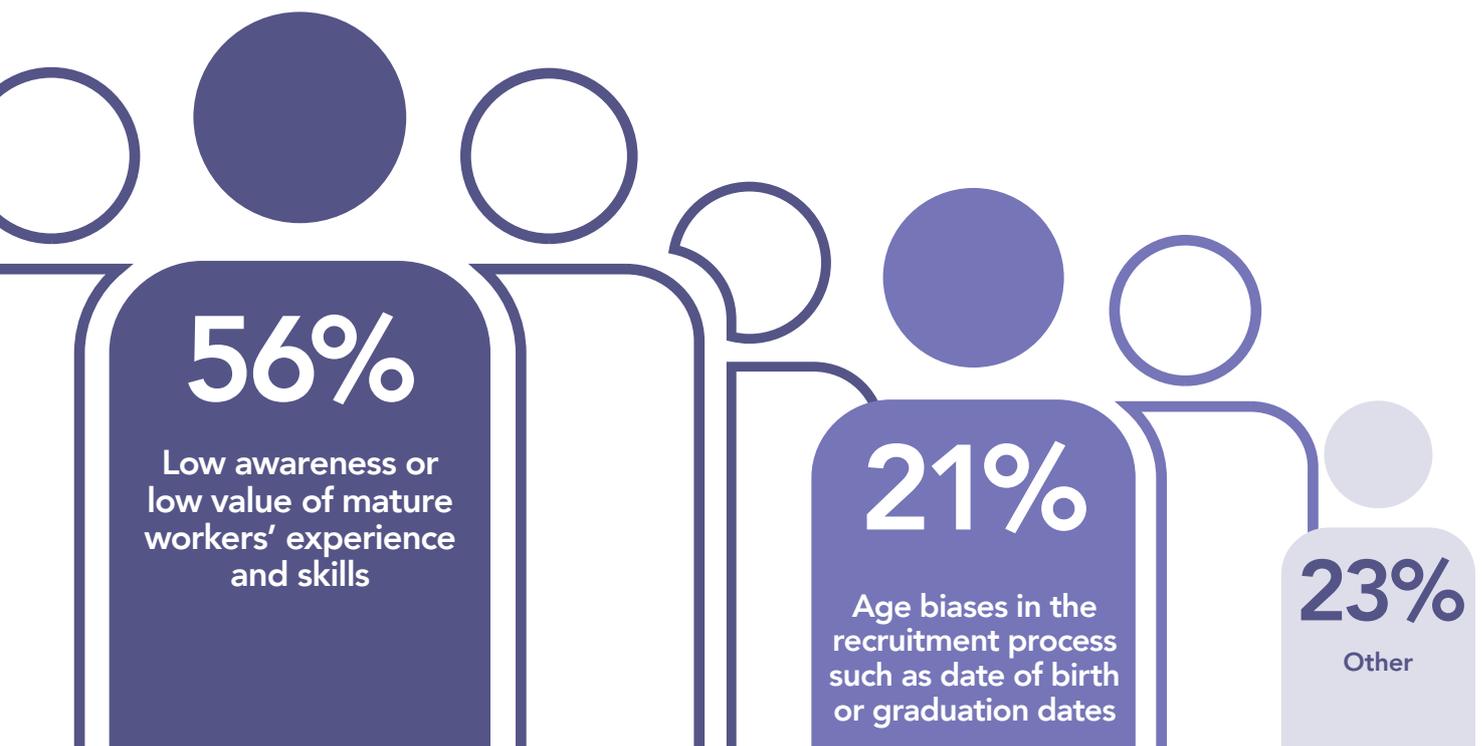
The first step towards ensuring mature age Australians are well-placed to succeed in the workforce, is bringing together employers and workers to jointly identify, recognise and overcome the challenges older workers face in their job search and at work.

Currently, employers and mature age employees largely agree that older generations still face different challenges to their younger counterparts in the modern workplace. 68% of surveyed employers believe that older workers face different challenges to their younger peers, compared with 82% of MAX's mature age customers. However, employers and older workers have different perceptions of what those challenges are.

According to employers, the biggest challenges older people have to overcome at work include:



According to MAX's customers, the top two reasons why mature age workers aren't being hired are:



Addressing employers' concerns

While most employers believe their company is willing to hire mature age employees, a significant 30% of employers admit there is reluctance to hire older workers within their organisation.

Sadly, this sentiment is stronger amongst mature age job seekers, with 85% of MAX's customers stating employers often have some reluctance or uncertainty when hiring older people.

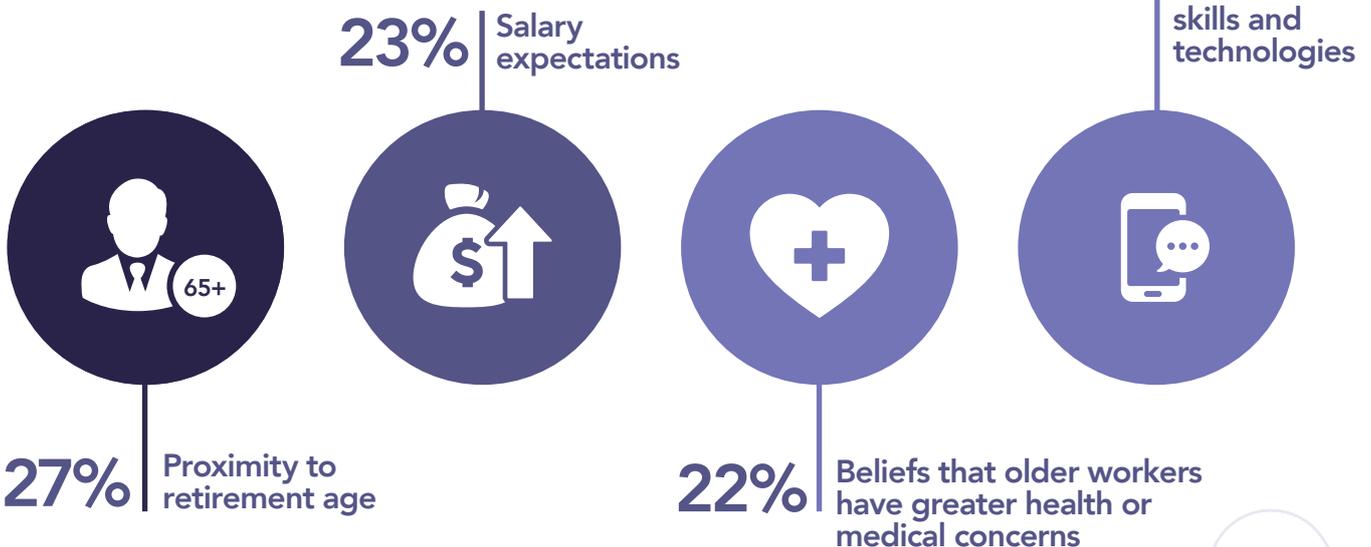
Importantly, only 2% of employers believe that age discrimination or pre-conceptions are the obstacle, indicating they believe there are valid reasons to be wary of hiring and retaining older employees despite MAX's customers believing strongly that negative age biases play a role when it comes to hiring. This is an important point for employers to consider, particularly given that COTA considers choosing not to hire an older worker because of their 'proximity to retirement age' as a form of age discrimination in the workplace.



30%

of employers admit reluctance to hire older workers

The top four reasons employers give for not hiring older workers are:



The broad range of reasons given by employers to explain a reluctance to hire older workers may indicate that employers' assumptions are leading to unconscious bias.

There's also good reason to be optimistic – overall, about 1 in 4 employers (26%) believe there is no specific reason not to employ an older worker.

The age of the hiring manager themselves may be a crucial factor; of the hiring managers aged over forty years old themselves, 40% believed there's no reason *not* to hire older workers. Of those under the age of forty, only 16% chose the same option. Unless hiring managers are educated around the value of mature age workers and actively encouraged by employers seeking to improve age diversity, attitudes towards hiring older workers may not change.

Common experiences amongst older workers

There are patterns to the career challenges that older Australians tend to face.

- › Looking for work after a long period of service with one employer,
- › lower confidence when it comes to digital skills, or
- › self-doubts about successfully returning to work.

In MAX's experience, there is often no real skills gap that an older worker cannot overcome, but many mature age employees struggle to effectively communicate and 'sell' their transferable skills to a new employer – particularly after longstanding experience within one organisation.

Alternatively, some older workers are concerned that their previous experience can be perceived as a threat within a new company.

“
Previous experience brings threats to the status quo. Some employers don't appreciate the benefits of listening to and incorporating this experience into their business.”

Mature age customer

Moving from policy to practice

Initiatives are in place to attract and retain older talent, but employers need to move from policy to practice to help older workers succeed. While 65% of surveyed employers have a Diversity and Inclusion policy in place, only 40% are taking specific steps to attract and retain older workers.

Organisations are including age in policy, but may not be implementing enough targeted, practical initiatives in the workplace such as training against bias or firmer inclusion targets. Employers might also consider adding mature age workers as a defined group within diversity and inclusion strategies, and create supporting initiatives accordingly.

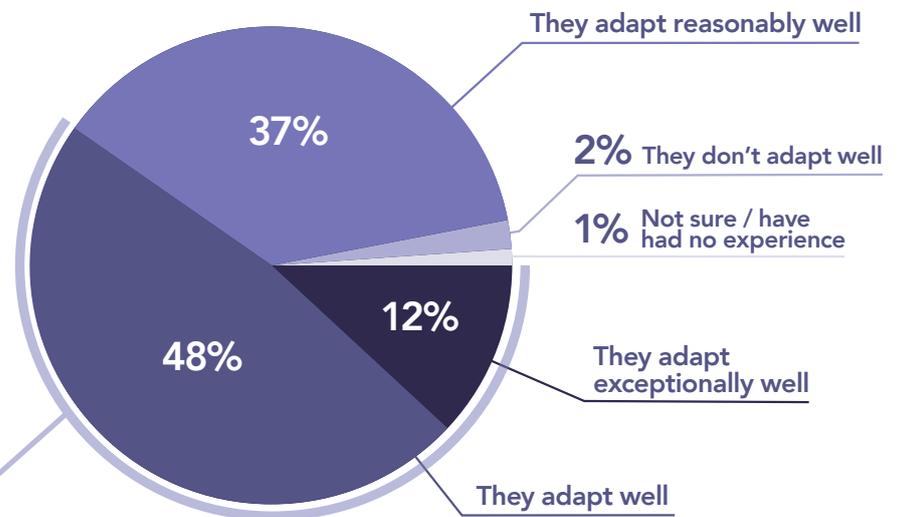
“ They want an 18-year old with 20 years of experience. ”

Mature age customer

Transferable skills for new workplaces

Older workers are open to the idea of career change – 83% are happy to consider a change to a completely different career, or to a job where they could transfer their skills from previous experience.

Happily, employers agreed that older workers adapt well to new workplaces; 60% of employers surveyed believe they adapt well or exceptionally well, while a slim minority of only 2% think older workers do not adapt well.



2. Thriving at work:

Attracting older talent and maximising 'silver skills'

Good talent attraction relies on employers and job candidates understanding each other's needs and priorities from the start.

MAX's customers indicated they are seeking flexible work, with 44% ranking it as their top priority. They are also seeking support with skills development, whether in the form of personalised assistance to identify and match their existing skills to the right jobs, or the opportunity to learn new skills or retrain within a new role. In particular, older Indigenous workers also sought support with digital skills, boosting self-esteem or confidence, and resume or interview advice.

Meanwhile, employers believe mature age employees are seeking job security (58%), the opportunity to work (55%) and flexible working arrangements (47%).

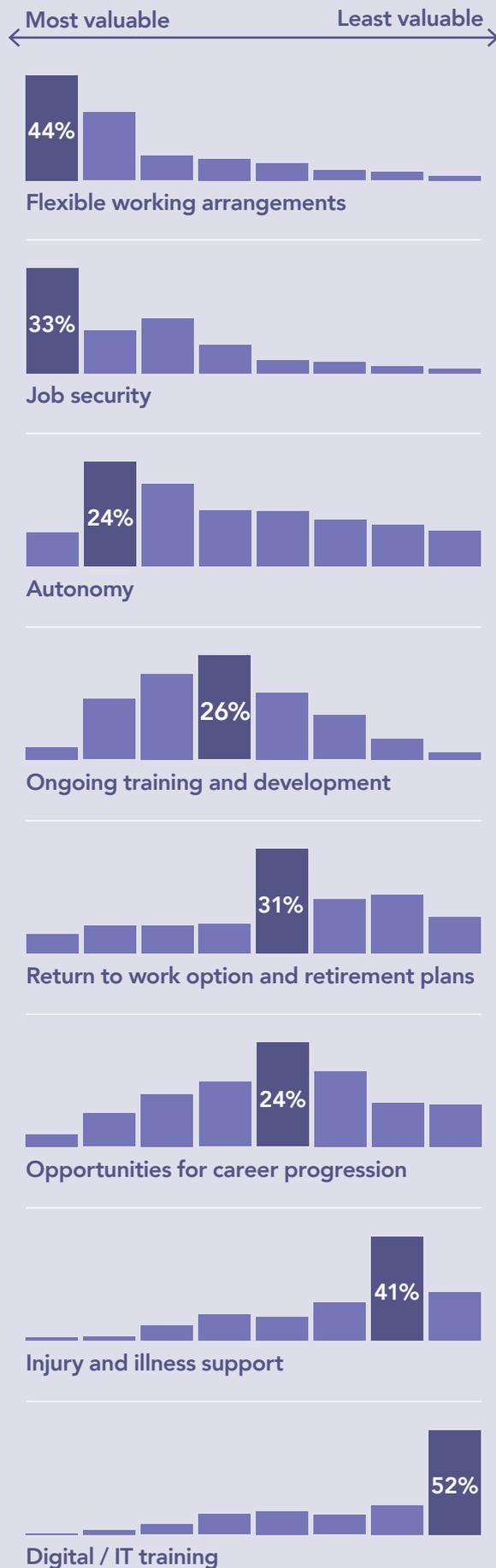
Employers should highlight their flexible working arrangements in recruitment materials to match the priorities of older job candidates, as well as the other priorities ranked highly by mature age job candidates in the graph (right).

Getting recruitment right

Employers are seeking to attract mature age job candidates with flexible working (52%), by including older workers in their recruitment marketing (36%) or by intentionally leaving out age-related questions, such as date of birth or graduation year in application processes (34%).

Amongst MAX's customers, there is little awareness of employers taking specific steps to ensure mature age workers were either recruited or retained in the workforce; 43% said they hadn't experienced employers taking any specific action to remove age bias and make an effort to attract and retain older workers.

What do you value most from your employer?



Developing tailored roles

Currently, older workers are overwhelmingly hired to fit pre-determined roles. 61% of employers said candidates were brought on to fit a role, though it's important to note that 27% said they would tailor roles to suit the strengths of older job candidates.

If employers are willing to tailor job roles to older workers' strengths, they're likely to see improvement in talent attraction and retention. Employers should look at each worker's experience and consider how it can be used in other ways – for example, candidates with hands-on trades experience (such as plumbers and electricians) who can no longer do the physical work could supervise or mentor apprentices; alternatively, they can reskill and use their practical experience for roles in operations and sales.

Maximising 'silver skills'

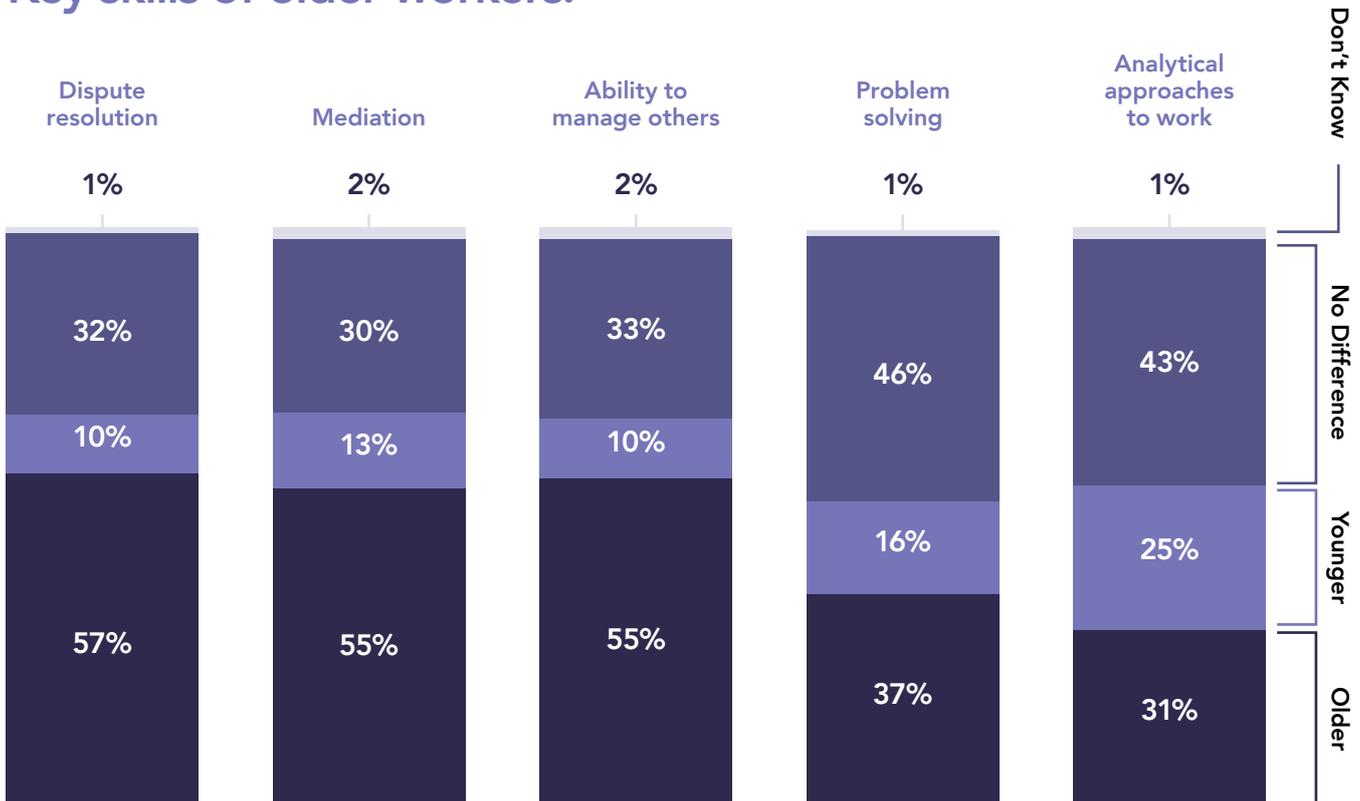
Employers recognise that older Australians bring a range of deeply valuable skills to the workforce, including dispute resolution, mediation and the ability to manage others.

In fact, employers believe that older workers are more likely to be more adept at these essential skills than their younger counterparts at work; most employers believe older workers are better at dispute resolution (57%), mediation (55%) and managing others (55%).

In contrast, few employers believe younger workers outperform their older peers in these areas, with 10% believing younger workers excel at dispute resolution, 10% at management, and 13% at mediation. For service-based employers that value interpersonal skills, there is a significant benefit to hiring older workers.

When it comes to improving skills or learning new ones, MAX's customers said they generally prefer on-the-job training and practical experience (57%). The least-preferred methods for MAX's customers are online training or at-home module learning.

Key skills of older workers:



An Employer's Perspective

Natasha Tomlinson, Tasmanian Childcare Centres

A privately-owned company in Tasmania operating a range of early learning centres.

"Older workers are often more qualified, have good life skills and experience with children. We also find mature age employees have the skills to pause, think and take action to improve a situation during stressful moments, which is very important in childcare. They often have a strong motivation to grow and learn, and frequently have a strong work ethic and a positive attitude.

In turn, our older workers often learn new skills from younger people at work, picking up fresh ideas and motivation, as well as new approaches to their work.

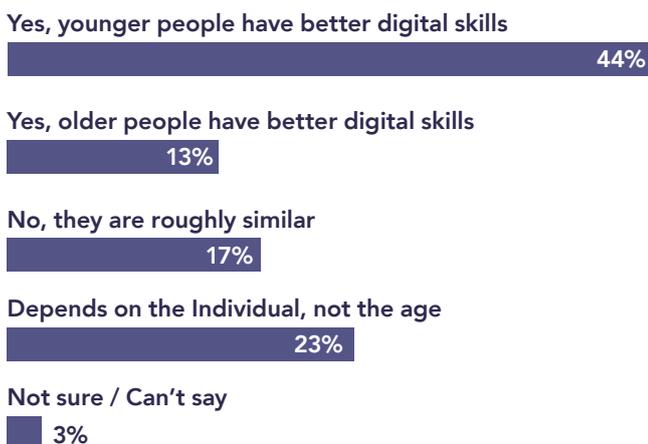
Our older employees value flexible arrangements and the opportunity to grow and learn through further study and professional development, which we provide alongside ongoing support.

Mature age workers can bring benefits to any workplace, if given the opportunity and the right support."

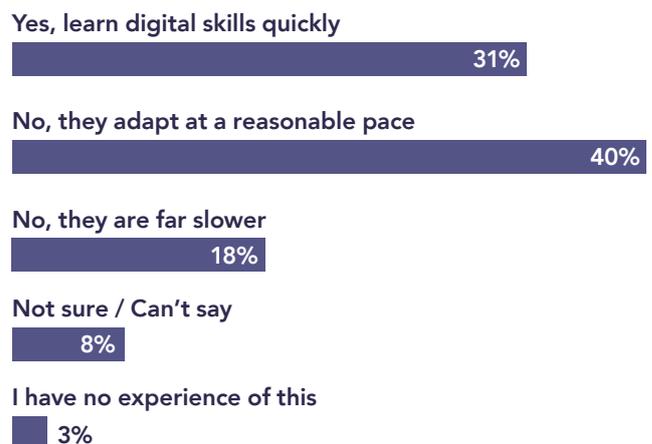
Developing digital skills

More than 7 in 10 employers are of the opinion that older workers learn new digital and IT skills as quickly or more quickly than they would expect. While younger workers are generally seen as more digitally-adept, employers confirmed that mature age workers tend to develop new digital and IT skills at a good pace.

Do you believe there's generally a difference between the digital skills of older and younger workers?



Do older workers generally adapt to digital/IT skills more quickly than you would expect?



Employers should make hiring decisions based on the assumption that older workers will most likely have or be able to develop the necessary digital skills.

Regardless of the skill level of any worker, technology in most workplaces is developing rapidly and employees of all ages will need to continuously develop, improve and update their digital skills in the years to come.

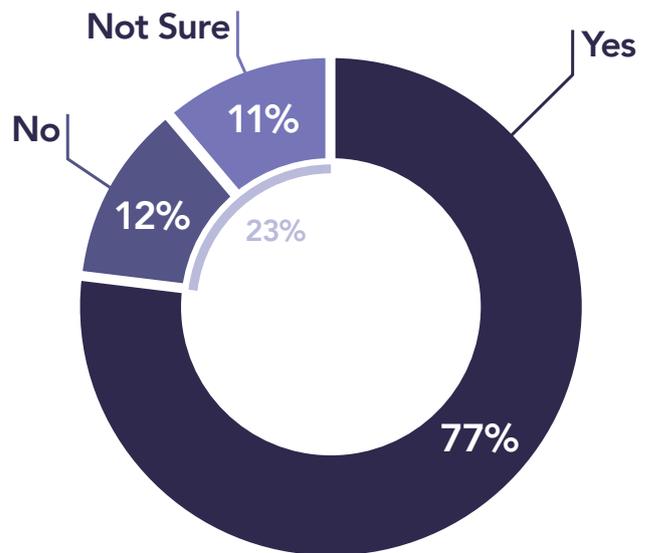
3. Unlocking value through the experience of mature age workers

Employers recognise benefits of older workers

The resounding majority (77%) of employers recognise that their company benefits from having mature age employees as part of its workforce. Just one in ten employers disagreed, saying their company does not benefit from mature age workers (12%).

Employers who appreciate the value offered by older workers are even more common in large companies; those who see the benefit of mature age employees at their company rises to 83% of survey respondents whose organisation has over 100 employees.

Does your company benefit from having mature age workers as part of your workforce?





Commonly recognised benefits of mature employees

According to 60% of employers surveyed, wealth of experience is considered the main benefit of hiring older workers, followed by maturity, stability, reliability and dependability.

“ Employers should look for opportunities where ‘recognition of experience and skills in lieu of certificates and education’ would benefit the process. ”

Mature age customer

What are the main benefits of hiring older workers?



A Mature Age Worker's Perspective

Martin, 56

With a history of lower-skilled work and periods of unemployment, Martin is now flourishing in a highly-skilled job with Vision Railings in Bateman's Bay, NSW.

On finding work

"To be honest, it was a nightmare. There were a million people going for every single job, it seemed... People didn't really seem to take my application, probably because of my age, or the way I looked."

On what was hardest

"The biggest challenge, I think, was getting over the rejections – applying for 100 jobs and not hearing back from very many of them, but when you do hear back it's normally a negative response.

"Getting up and going back for another go was probably the biggest challenge."

On how finding his current job with MAX has affected him

"It's given me a normality. I have a nice home. I recently bought a car. One thing I found when I didn't have a job was when someone walks up to you on the street and says 'What do you do for a living?' and you say 'Oh, I'm unemployed,' you feel like crap. Just having a job makes you feel about six inches taller. Normality is a big thing. Having food on the table, money in my pocket – that's a big bonus."



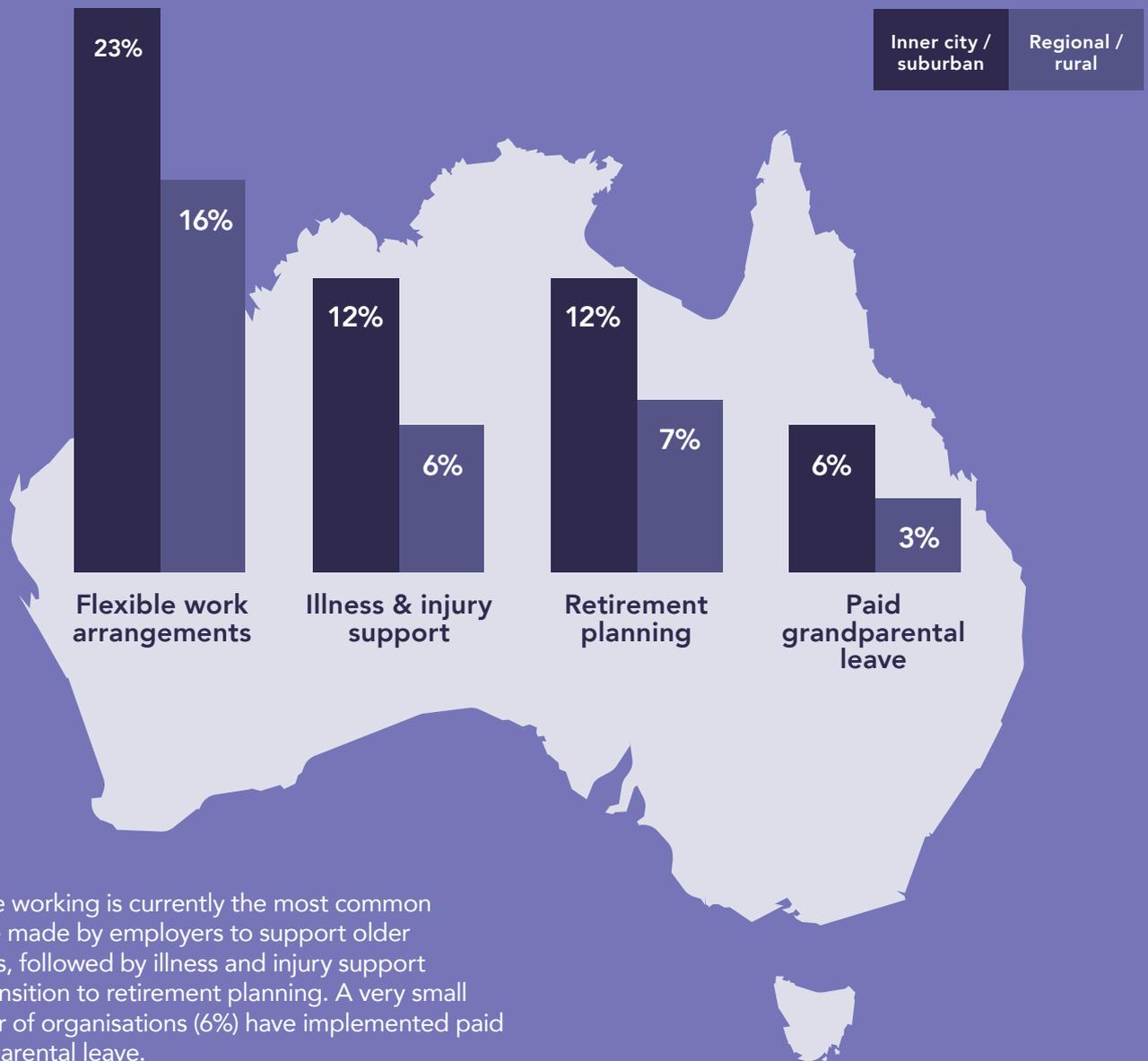
A future-proof Australian workforce is age-diverse

Australia's ageing population means that the nation's future prosperity rests on an age-diverse workforce, in which valuable skills and experience are not wasted and labour shortages are avoided.

Australia may not be future-proofing our workforce fast enough, with 41% of employers indicating they think their workforce's age range will stay roughly the same as our overall population ages. Only 29% currently predict they'll hire more older workers in the future. A surprising 19% believe they'll hire fewer older workers.

Most organisations have not yet made changes to facilitate an ageing workforce – 44% of employers report they have not yet made any changes to accommodate older workers. However, more than a third say they have made changes (37%) and a further 25% say they're considering possible changes.

Survey: Which of the following changes have you as an employer made to support older workers?



Flexible working is currently the most common change made by employers to support older workers, followed by illness and injury support and transition to retirement planning. A very small number of organisations (6%) have implemented paid grandparental leave.

Smaller organisations are less likely to have made changes to support older workers at 25%, compared to 45% of larger employers with 100+ employees.

4. Key recommendations for breaking the age barrier in the workforce

For employers

Finding job candidates

- > Review your recruitment processes, channels and rewards to ensure you are attracting mature age talent and actively communicate your willingness to hire older workers.
- > Incorporate strong, clear messages in your job advertisements to ensure older job candidates know your organisation welcomes and values mature age employees, such as 'mature age applicants encouraged to apply'.
- > Showcase your company's ability to upskill and train mature age workers, and your ability to identify their existing skills and match them to the right tasks within your organisation.
- > Directly address any reluctance in your organisation towards hiring and retaining older workers – this can take the form of educating employees about the value older workers offer in the workplace, highlighting good work done by older employees, and tackling negative attitudes towards older employees with direct, positive and productive conversations.
- > Conduct age discrimination training amongst employees with hiring and management responsibilities and educate your employees about the damaging effects of unconscious bias (and how to overcome it).
- > Consider surveying your own mature age employees to understand what they value about your company and ensure it is clearly communicated in your talent recruitment strategy, which should be partly targeted towards older talent.

“

Employers must strive for the 'removal of biases in the recruitment process and employment practices for all, not just mature age workers' ”

Mature age worker

Retaining employees

- > Where possible, tailor roles to suit the skillset of older employees to ensure their job satisfaction and productivity is high, encouraging them to stay in the role longer.
- > Consider how to make the most of common traits amongst older generations in the workforce, including dispute resolution, mediation skills, and management of others.
- > Offer skills development through on-the-job training as much as possible, remembering that older workers overwhelmingly prefer it to online or at-home learning.
- > Consider making changes in your organisation specifically to accommodate and retain older workers, from introducing more professional development options tailored to mature age workers to paid grandparental leave.

For job candidates and employees

Finding work

- > At the start of your job search, take time to think about what types of job you would be best suited for, and how you can help a potential employer understand how a role in your preferred sector, industry or company will build on your previous experience.
- > Before job interviews, reflect on how to discuss your transferable skills to potential employers; remember, your time in the workplace means you have a lot to offer.
- > Remember that the majority of employers recognise the value and benefits of older workers. Be mindful of your preconceptions towards employers and maintain an optimistic and confident mindset toward your job search.
- > Discuss what training and upskilling options each employer offers during your interviews and share what you'd like to prioritise in building your skills.
- > If you're looking for longer-term employment rather than a short-term job, consider what each role can offer you to support your ideal career pathway and share your vision with potential employers.
- > When returning from an absence or changing employer or industry, remember you may need to start at a lower level than the role you previously held and demonstrate your value as an employee.



Not all jobs are appropriate or suit mature aged workers, especially when they are mostly looking for quality long-term employment, not just something to get them off social security. "

Mature age worker

Maintaining work

- > Consider how your job might be further tailored to suit your skillset, interests and career goals and discuss your ideas with your employer; after all, it's in their best interests to ensure you thrive in the role.
- > If your previous career experience (or life experience) means you're well-suited to skills older workers often excel at – such as dispute resolution, mediation or managing others – take the time to identify opportunities where these responsibilities could be added to your role.
- > Ask your employer for reasonable changes that can be made to accommodate your needs and priorities in the workplace – for example, on-the-job training rather than online learning, flexible working options, or paid grandparental leave.



Research notes



The employer survey was scripted and hosted by DeciBel Research, an independent online research company. A sample of Australian business managers and HR professionals were selected by the research panel provider Pureprofile, comprising of 500 respondents, distributed across organisation size, industry and state/region.

Fieldwork commenced in late June and was completed in early July 2021. To qualify for the survey, each respondent was required to be a decision maker in respect to talent acquisition and human resource matters within their organisation.

The customer survey was scripted and hosted by MAX Solutions and surveyed 735 mature age MAX customers. The survey cohort included people who identified as either Indigenous, culturally and linguistically diverse, having a disability, and in some cases more than one of these qualifiers.

Respondents from each state were in parity with population density. The survey commenced in early July and was completed in mid-July 2021.

References

- > Australian Bureau of Statistics 2021, National, state and territory population, December 2020, 31010do002, ABS, Canberra.
- > The Treasury 2021, 2021 Intergenerational Report: Australia over the next 40 years, viewed 21 July 2021, https://treasury.gov.au/sites/default/files/2021-06/p2021_182464.pdf

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MAX Solutions is Australia's largest employment services provider, offering employment, health, training and humanitarian services in more than 250 locations around Australia.