

Missing Link: Executive Summary

An ageing workforce in the digital era: older workers, technology and skills

The UK's ageing population is shifting the age demographics of the workforce; many employers are seeing significant parts of their workforce moving into retirement and struggling to recruit 'young talent'. At the same time, employers are transitioning into the digital era and seeking new skills to fulfil new jobs created by automation and technological advancement. With fewer young people set to enter the workforce, the recruitment, retention, and retraining of older workers is critical to UK business.

The cause of population and workforce ageing is multifaceted: the birth rate has declined year on year since 2012 (Office for National Statistics); the baby boomers are moving towards retirement; and people are living longer than any previous generation.

Meanwhile, technological advancement and automation is reshaping the economy and sectors and leading to new job and skills requirements. Employers are now seeking people with technical and digital skills, as well as the 'human' skills that automation has not yet been able to emulate – the skills which require cognitive and social abilities.

Finding people with the necessary 'future skills' is becoming increasingly difficult. Being able to make the most of workers aged over 50 is essential – but many older workers are being left behind as we transition to the digital era. Through a survey of nearly 2,000 employees, 56% of whom were over 50, our Missing Link report provides a unique insight into older workers' attitudes towards future skills, training and automation in the digital era. This summary outlines the key findings and recommendations for business.

Workers over 50 make up a significant and growing part of the future workforce, but most are not benefitting from the work opportunities that the digital revolution offers

- Older workers are less likely to say they're using future skills than younger people. For example, only 5% of those in their 60s and 10% in their 50s say they use programming language 'often' or 'constantly', compared to 23% aged 18-30 and 28% in their 30s.
- Employers are not training older workers in the skills that they need to succeed in the digital era, especially women and manual workers. Computer skills are the most common skills that older workers have been trained in, yet the numbers are still too low: only 38% in their 50s and 36% in their 60s have received training in this.
- Older workers are less likely to feel their employer encourages them to take up learning and development opportunities. 44% of those aged 18-29 and 30-39 and 32% of those aged 40-49 feel their employer encourages them, but the number drops to only 25% of people aged 50-59 and 22% aged 60-69.
- Older workers find continued on-the-job learning most effective for their personal development and career progression (82% of workers in their 50s, and 81% in their 60s, find this effective). They are less concerned with formal qualifications than their younger counterparts.
- Older workers do not feel they are being informed about the impact of automation on their workplace. They are less likely than younger workers to believe automation will affect their job and were the least likely to believe their role could ever be fully automated, despite being less likely to use future skills.

This is an opportunity for employers to challenge assumptions about older workers' ambition and capability, and upskill them *now*, to prevent skills shortages in the future

Our youth-focussed culture leads us to believe that once over 50, people should be winding down for retirement. Whilst some older workers may be planning for their retirement and may not want to change jobs or be promoted, many are not and would still like the opportunity to progress – either sideways or upwards.

Skills and talent strategies must take into account the needs of older workers. Employers need to tackle the everyday age-bias and stereotypes preventing older workers from thriving. They should open up opportunities for development and progression to people of all ages and stages of their career. Not all older workers are the same - employers must offer tailored approaches to career conversations with their older workers.

Employers will no longer be able to rely on younger workers to fill skills and workforce gaps. A change in organisational culture is absolutely necessary to give older workers greater confidence in the employment market, and for them to flourish in the digital era.

Top line recommendations for business

- Make training, development and work opportunities more accessible to older workers – particularly those in lower skilled and lower paid work who are more vulnerable automation.
- Create a company culture of lifelong learning, making it fun, accessible and inclusive. Design and provide a wider range of training options, including a strong focus on continuous learning.
- Understand your older workers' appetite for learning and development. Seek to understand the personal and cultural barriers that may be preventing them from taking up opportunities.
- Develop targeted training and reskilling support for specific groups of older workers, such as women, older workers with health conditions or disabilities, and those in lower-skilled manual work.
- Using our toolkit, introduce mid-life career reviews to encourage older employees to think through their options and provide space for broader conversations with managers about plans for the future.
- Make recruitment more age-inclusive, for example, open up apprenticeships, internships and development programmes to people of all ages, including those seeking career changes later in life.
- Clearly communicate the impact of automation and technology on the business, and demystify key future skills, particularly technology and digital skills.

A comprehensive list of practical recommendations can be found in the full report.



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