

Institution: University of Edinburgh		
Unit of Assessment: 17 Business and Management Studies		
Title of case study: Addressing the challenges associated with Scotland's ageing workforce through the development of Scottish Government policy and employer practices		
Period when the underpinning research was undertaken: 2003-2019		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s):	Role(s) (e.g. job title):	Period(s) employed by submitting HEI:
Wendy Loretto	Professor of Organisational Behaviour	1994-present
Laura Airey	Post-doctoral Research Fellow	2016-present
Phil White	Senior Lecturer, then Teaching Assistant	1971-2006, 2008-2014
Emily Yarrow	Teaching Fellow	2016-2019
Period when the claimed impact occurred: 2017-2020		
Is this case study continued from a case study submitted in 2014? No		
1. Summary of the impact		
<p>Older workers are encouraged to extend their working lives beyond traditional retirement ages, yet they experience labour market disadvantage in recruitment, retention and retraining. Loretto and colleagues have generated novel research insights into employment barriers faced by older workers. These insights have:</p> <ul style="list-style-type: none"> • Directly informed the development of Scottish Government policies to improve older workers' labour market position (Workplace Equality Fund, Older People's Framework, Gender Pay Gap Action Plan). • Underpinned development of Age Scotland's Age Inclusive Matrix (AIM), an innovative 'age-inclusion' HR consultancy service. Through participation in AIM, organisations across Scotland have implemented policies and practices to support older workers. • Raised the profile of age inclusion in the diversity agenda of Scottish employers, via the Age@Work Employers' Network, and through influencing the agenda of Chartered Institute for Personnel and Development Scotland (CIPD) and Business in the Community Scotland (BITC), two strategically significant professional organisations. 		
2. Underpinning research		
<p>Concern about the economic implications of the UK's ageing population has prompted successive governments to encourage the extension of working life beyond traditional retirement ages (EWL policies). Legislation has raised State Pension age, abolished mandatory retirement age, and outlawed age-related workplace discrimination. However, older workers still face age-related barriers to labour market participation, particularly in terms of recruitment, retention, and retraining. In Scotland, 1 in 3 workers are aged 50+, yet in 2019 the Scottish employment rate for 50-64 year olds was only 69.6%, compared to 80% for adults aged 25-49. Most Scottish employers lack policies and practices to support older workers. The demographic reality of Scotland's ageing workforce, alongside older workers' continued labour market disadvantage, stimulated the development of Professor Wendy Loretto's research agenda in this area.</p> <p>Between 2003 and 2019, Professor Loretto and colleagues conducted a series of landmark studies that explored the implications of EWL policies for employers and for older workers.</p>		

This influential research has generated nuanced insights into the challenges and opportunities associated with an ageing workforce.

Four grant-funded studies underpin impact; two Scottish projects, and two UK-wide:

- i. 2003-2004: 'Older workers in the Scottish labour market' (Loretto, W & White, P; Scottish Enterprise; GBP35,805)
- ii. 2006-2007: 'Encouraging labour market activity among 60-64 year olds' (Vickerstaff, S. University of Kent, and Loretto, W; Department for Work & Pensions; GBP106,610)
- iii. 2014-2016: 'Extending working lives'(Vickerstaff, S. Loretto, W. & 7 other Co-Is; ESRC/MRC; GBP571,960)
- iv. 2016: 'Older People & Employment in Scotland' Loretto, W. & Airey, L.; Scottish Government; GBP26,460)

A key contribution of the research has been to reveal how older workers' employment experiences are shaped by complex interactions between individual domestic circumstances, employer policies and practices, cultural perceptions of older workers, and wider structural conditions such as the welfare state (3.1- 3.6). Barriers to employment arising in one of these domains may be mitigated or reinforced by conditions in the other domains (3.6). Many older workers face multiple intersecting barriers to employment: health problems (3.2, 3.4, 3.6), unpaid caring responsibilities (which disproportionately impact women due to gendered social roles) (3.2, 3.3); lack of job flexibility (3.3, 3.4, 3.5); reduced opportunities for training and skills development (3.1, 3.5); employers' ageist attitudes regarding recruitment (3.1, 3.4), and a lack of tailored support for older job-seekers (3.4).

The research also demonstrates that EWL policies pose challenges for employers. Employers have retreated from the management of older workers, fearing accusations of ageism (3.4, 3.5). This 'silencing' of conversation around later life employment means that there is often inadequate communication between employers and employees about:

- **Later-life career progression:** older workers may miss out on opportunities for skills development and training (3.4, 3.5).
- **Flexible work arrangements:** although employers often report that they offer flexible work options to all staff, many older workers are unaware of their right to request such arrangements (3.4).
- **Retirement planning:** employers rarely initiate conversations about retirement timing, undermining their ability to undertake effective workforce planning (3.5). Few employers provide workplace support for retirement planning. Consequently, employees may be unprepared for crucial aspects of retirement, such as pension income (3.2, 3.4, 3.6).

In 2016, on the basis of Loretto's highly-regarded work and expertise in this area, the Scottish Government commissioned Loretto and Airey to undertake an in-depth qualitative investigation of older people and employment in Scotland (3.4), with a particular focus on devising specific policy and practice recommendations to the Scottish Government and to employers. Research evidence from this study confirmed Loretto and colleagues' previous research findings regarding the multiple barriers to older people's employment.

3. References to the research

- 3.1. Loretto, W. and White, P. (2006) 'Employers' Attitudes, Practices and Policies Towards Older Workers', *Human Resource Management Journal*, 16: 3, pp313-330.
<https://doi.org/10.1111/j.1748-8583.2006.00013.x>
- 3.2. Loretto, W. and Vickerstaff, S. (2013) 'The Domestic and Gendered Context for Retirement', *Human Relations*, 66: 1, pp65-86.
<https://doi.org/10.1177/0018726712455832>

- 3.3. Loretto, W. and Vickerstaff, S. (2015) 'Gender, age and flexible working in later life', *Work, Employment and Society*, 29: 2, pp233-249. <https://doi.org/10.1177/0950017014545267>
- 3.4. Loretto, W., Airey, L., Yarrow, E. (2017) *Older People and Employment in Scotland*. Scottish Government Research report. ISBN: 9781788511643. <https://www2.gov.scot/Resource/0052/00523780.pdf>
- 3.5. Wainwright, D., Crawford, J., Loretto, W., Phillipson, C., Robinson, M., Shepherd, S., Vickerstaff, S. and Weyman, A. (2019) 'Extending working life and the management of change. Is the workplace ready for the ageing worker?', *Ageing & Society*, 39: 11, pp2397–2419. <https://doi.org/10.1017/S0144686X18000569>
- 3.6. Lain, D., Airey, L., Loretto, W. & Vickerstaff, S. (2019) 'Understanding older worker precarity: the intersecting domains of jobs, households and the welfare state', *Ageing & Society*, 39: 10, pp2219–2241. <https://doi.org/10.1017/S0144686X18001253>

4. Details of the impact

In August 2017, Loretto & Airey launched the Scottish Government-funded research (3.4), disseminating findings to a wide range of stakeholders in the public, private and third sectors. Uptake and use of the findings and recommendations has led to new Scottish Government policy initiatives and improved employer policies and practices to support older workers. This research has:

Informed the development of Scottish Government policies to support older workers

Research evidence from 'Older People and Employment in Scotland' (3.4) has been widely used within Scottish Government to inform policy development across multiple overlapping policy arenas such as labour market diversity and inclusion, transport and care [5.1, 5.11]. It has served as a reference source for Ministerial briefings and prepared answers to Parliamentary Questions, and has been cited in Ministerial speeches and correspondence [5.1, 5.11]. The research directly underpinned the development of the following Scottish Government initiatives designed to tackle the labour market challenges faced by older workers [5.1]:

- a) **Workplace Equality Fund (WEF)** [5.2]. WEF funds business-led projects to improve labour market participation of marginalised groups. Research findings highlighting employment barriers faced by older workers led to their inclusion as one of the 4 target groups for support [5.1; 5.3 p50]. Worth GBP800,000 in 2019, WEF has supported eight 'older worker' projects, undertaken by employers in a diverse range of sectors, including construction, STEM, finance, law, hospitality, furnishings, and charitable organisations.
- b) **A Fairer Scotland for Older People: A Framework for Action (2019)** [5.3]. This document defines the Scottish Government's key policy priorities for multi-stakeholder action to deliver better outcomes for older people. It incorporates Loretto & Airey's recommendations, e.g. "increasing older people's awareness of flexible working opportunities and the right to request flexible working" (p50) and "improving recognition that women still carry out most caring responsibilities" (p50), in order to 'promote age-inclusive working practices amongst Scottish employers' [5.1].
- c) **A Fairer Scotland for Women: Gender Pay Gap Action Plan (2019)** [5.4]. Scottish Government introduced a GBP5,000,000, 3-year 'Women Returners Programme' to support older women to stay in or return to work after a career break [5.1; 5.4, p25]. This was a direct consequence of the research finding that older women face multiple challenges in the labour market, such as combined ageism and sexism, and the negative impact of lifecourse caring responsibilities upon employment opportunities [5.1].

Improved Scottish employers' policies and practices via Age Scotland's 'Age Inclusive Matrix'

Age Scotland is Scotland's leading charity representing older people. A core programme of its work is to improve older workers' employment experiences through promoting age-inclusive workplaces. The research underpinned the development of its *Age Inclusive Matrix* (AIM) [5.5, 5.11]. This pioneering specialist HR consultancy service, launched in 2018, assists employers to evaluate existing management policies and practices, and implement age-inclusive strategies. The following 'best practice' recommendations from the research were integrated into AIM:

- provision of and effective communication of flexible work opportunities,
- unconscious bias training on age,
- age-related workforce planning,
- career development strategies for older workers,
- regular reviews with employees regarding later-life working [5.5].

In 2019, after piloting AIM in four organisations, Age Scotland was awarded GBP270,000 by the National Lottery Community Fund to expand AIM into a further 29 medium/large organisations across a range of industries. By December 2020, 9 organisations had completed AIM and had implemented various combinations of the following policy and practice changes [5.5, 5.6, 5.10]:

- introduction of new pre-retirement workshops for employees to help them plan for their futures
- re-launch of updated flexible working policy, communicated to employees of all ages
- new health and wellbeing programmes aimed specifically at older workers, to improve their functional fitness, flexibility and to reduce sedentary behaviours
- carer networks established to support older workers with caring responsibilities
- introduction of Unconscious Bias training for senior managers, focusing on age
- age-awareness training for line managers, to develop their skills in managing older workers
- creation of new datasets to capture and monitor age-related staff data, to support workforce planning
- development of online management resource entitled 'Managing an Ageing Workforce'
- launch of menopause awareness programme
- launch of apprentice scheme
- integration of 'age' into anti-bullying policy

Implementation of age-inclusive policies and practices has led to benefits for older workers in participating organisations. For example, TAQA updated its flexible working policy to: i) introduce flexible retirement, which has increased productivity among older employees; and ii) reduce the intensity of offshore shift patterns, which has led to a decrease in reports of tiredness from the older workforce [5.10].

Raised the profile of age inclusion in the diversity agenda of Scottish employers

In 2017, Loretto & Airey identified Age Scotland, Business in the Community Scotland (BITC), and Chartered Institute for Personnel and Development Scotland (CIPD Scotland - approximately 11,000 members) as strategically significant beneficiaries of the research, given the scope of these organisations' remit with employers in Scotland. Relationships established with these organisations have extended the reach of research impact among Scottish employers [5.11], whilst also amplifying the activities of the partners themselves – as evidenced by the following comments:

“The evidence and recommendations presented in the research report have contributed to the development of a much stronger focus on older workers in all areas of CIPD Scotland policy and insight”
(Head of CIPD Scotland and NI [5.7; see also 5.11]).

“The timely research conducted by Professor Loretto and Dr Airey, and the subsequent collaborative relationships they have fostered with BITC Scotland and other partner organisations, have strengthened and stimulated BITC Scotland’s work on age-inclusive workplaces.”

(Operations Manager for Scotland, North East and North West England, BITC [5.8])

With these partners, Loretto and Airey organised ‘Time to Act’, a conference for 60 people (senior business leaders) in September 2018, at which the Scottish Minister for Business, Fair Work and Skills, Jamie Hepburn MSP, endorsed the research findings. Audience polling indicated that, for 85% of voters, the event had increased their knowledge of how to improve age-inclusivity in their organisation [5.9].

In 2020, the partnership evolved into the Age@Work Employers’ Network. This network meets quarterly to provide on-going support to a group of leading employers in Scotland (n=16), helping them implement age-inclusive policies and practices:

“The activities of this network have already served to raise the profile of ‘age’ as an equally important element of diversity and inclusion within Scotland”
(Director of Social Enterprises, Age Scotland [5.5]).

5. Sources to corroborate the impact

- 5.1. Scottish Government testimonial
- 5.2. Scottish Government Equality Impact Assessment for the Workplace Equality Fund (WEF), which states that ‘Older people and employment in Scotland’ (3.4) informed the development of the WEF (p3) <https://www.gov.scot/publications/workplace-equality-fund-equality-impact-assessment/> ISBN: 9781787817302
- 5.3. Scottish Government (2019) ‘A Fairer Scotland for Older People: A Framework for Action’ <https://www.gov.scot/publications/fairer-scotland-older-people-framework-action/> ISBN: 9781787815438. ‘Older people and employment in Scotland’ (3.4) referenced on p49.
- 5.4. Scottish Government (2019) ‘A Fairer Scotland for Women: Gender Pay Gap Action Plan’ <https://www.gov.scot/publications/fairer-scotland-women-gender-pay-gap-action-plan/> ISBN: 9781787816114. ‘Older people and employment in Scotland’ (3.4) referenced on p19
- 5.5. Age Scotland testimonial
- 5.6. Age Scotland/Sodexo video <https://www.youtube.com/watch?v=6qAlf7mFiuQ&feature=youtu.be> Introduction of new pre-retirement workshops mentioned at 2:47
- 5.7. CIPD testimonial
- 5.8. BITC testimonial
- 5.9. Polling data from Time to Act conference
- 5.10. TAQA testimonial
- 5.11. Beyond the Business School: Research in Action film: <https://www.business-school.ed.ac.uk/research/collaboration/video>
Scottish Government: use of research in multiple policy arenas at 04:06; use of research by Scottish Government Ministers at 07:24.
Age Scotland: use of research in development of AIM at 05:12 & 06:24.
CIPD: impact of research among Scottish employers at 08:35; impact upon CIPD’s activities at 08:48.