

## Talent war turns grey

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Australia's population is ageing, which means our workforce is ageing. What is clear is that it will be the businesses who view mature age workers as a critical part of their workforce, who understand the value they can provide and realise the need to attract and retain them, that will have a long-term competitive advantage.

While the ageing population is not news, the impacts of this are much closer than many people realise. Australia's labour market is not just ageing, it's contracting - with the baby boomers (born between 1946-1964) starting to retire, existing skills shortages, the current migration policy and lower fertility rates.

Yet there is still a lot of opportunity here. Eighty-five per cent of workforce growth in the next decade is estimated to come from workers aged over 45. And ABS statistics from February this year showed that 264,000 older workers in part-time jobs wanted to work longer hours.

The organisations who manage to find innovative ways to attract and retain these workers will reap significant benefits. Mature age workers hold valuable knowledge and 'corporate memory', experience, technical skill, and often well established relationships and networks. For an organisation, this can produce cost savings through higher retention and lowered recruitment needs. It can reduce risk with regard to knowledge loss and transfer, and foster innovation and stability through intergenerational teams. And importantly, having a workforce that reflects the diversity and age profile of the broader community helps us to build greater empathy and better understand customer needs.

Research tells us that diverse teams lead to greater innovation, adaptability and improved financial and business outcomes. We have been talking about this for some time as it relates to gender - there are clearly not enough women in the senior ranks of Australian organisations. So it is right to focus here, but we need to broaden this diversity discussion to also include age.

The government has recently taken action on the demographic shift. The establishment of a new advisory panel to ensure that older Australians are considered in a range of policy debates, and the expansion of the Experience+ program to provide training and support to mature age workers are welcome and important steps. However this is not an issue government should be expected to solve on its own.

So, how can organisations better support mature age workers?

There is not one, simple answer. Our experience at NAB suggests that it is increasingly about flexibility. People will choose to work longer if they can work differently, whether that is through a new career path or a change of pace or working conditions.

Reduced work hours, compressed working weeks, working from home and job sharing are a few obvious options. But it's not enough to have the policies. These need to be backed up by an environment where flexibility is supported and not frowned upon - where employees are not seen to lack commitment or not be performing because they want to wind back their hours.

At NAB we are rolling out a program that supports and encourages mature age employees, and their managers, to plan their later working lives – whether this means retirement, a change of career, or exploring options for flexibility. Feedback from the pilot of this program showed that 91 per cent of participants would continue working longer at NAB if they could work more flexibly. So getting this right is critical.

We have also learnt it is important to tackle the barriers that are currently in the way for our mature age employees. We have recently incorporated provisions into our Enterprise Agreement that enable mature age workers to retain accrued long service leave entitlements at their higher salary rate to remove some of the financial penalties associated with switching to a role with lower pay if they are seeking a change of pace.

We are also putting senior leaders through an 'unconscious bias' program that is designed to tackle unconscious bias in relation to age, gender, race and so on, that without us even knowing it can influence the decisions we make in things such as in hiring, transferring and promoting employees.

Like many organisations, we don't have all the answers, but we're putting effort behind this to better understand it. One thing is clear – that the change is happening now. It will be the organisations that get ahead of the game on how they attract, support and retain mature age workers that will be able to better maintain the quality and expertise of their workforce into the future. HRm

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