

Not the retiring types

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A recent CIOB survey touches on a human resources timebomb: an ageing population is changing the dynamics of construction workforces and employers' HR policies

By Elaine Knutt

The most noticeable change in the workforce these days might be the number of empty desks where redundancies have been made. But there are other, longer term trends that employers should be aware of: the shrinking pool of younger people coming into the workforce, and the fact that we are living longer, healthier lives, for example.

Add to this the declining value of pension pots, 2006 legislation that outlaws discrimination on the grounds of age, and survey evidence from the CBI that shows as many as one in three workers asking to work beyond 65 and you have a considerable shift in attitudes to extending working lives.

These trends are clear to see in the results of a CIOB online survey on the ageing population, conducted during February. Of the 2,096 respondents, 64.9% agreed that the collective face of construction was getting older, while 52% thought an ageing workforce represented serious challenges for the industry in the future.

The underlying reasons included people living longer (12.6%), a reduction in young people entering the industry (31.9%), the exodus of young migrant workers (0.9%), people not being able to afford retirement (12.5%), and inadequate pension provision (34.4%).

Dianah Worman, diversity adviser at the Chartered Institute of Personnel and Development, says companies need to get their strategies right to compensate for the limited supply of young labour in the future. 'It's a challenge for everyone to rethink how we recruit and retire people. Think about what's in your interests, especially if you have had difficulty recruiting skilled staff in the past,' says Worman.

Where companies do need to make cuts in the recession, Worman says flexible retirement policies – with staff perhaps working two or three days a week – could be an effective solution for both sides. 'If older workers don't want to leave, why not listen, especially when they have something to offer?' she says. 'And they often have an appetite to share their knowledge and mentor younger people.'

Dr Vanessa Beck, a senior lecturer in employment studies at the University of Leicester who recently undertook research for the Learning and Skills Council, also argues that older workers can be recruited as training assessors or mentors for younger staff.

'There's a danger of losing a huge amount of skills and expertise for good – it's a huge danger in a lot of sectors, not just construction,' says Beck. 'But if older workers can be involved in the learning that goes on in the company, that ties them in further. And that message holds true in the recession.'

Her research discovered many examples of good practice. Jelson Homes runs a 'Quarter of a Century Club', a social network for current and retired staff who have worked at the company for 25 years. The last annual dinner was attended by 203 members: 124 retired employees and 79 currently at the firm.

'The dinners are very popular – employees have requested that their retirement dates be delayed in order that they could qualify to join the club and be a "25-year man",' says Anne de Vere Hunt, Jelson Homes' HR director.

Clerk of works practice Hickton also values its older workers: around 15% of the 55-strong workforce is over 65, and the eldest is in his 70s.

'We find that our older clerks of works have a strong work ethic and are extremely reliable with excellent team-building abilities,' says a company spokesman. 'And people rarely like to take advice from somebody younger than themselves, so being a mature person can be a definite advantage.'

In addition, recent evidence challenges the perception that people become physically and cognitively less able in old age: current thinking is that we can generally continue to do what we've always done, whether on site or at a desk.

So the 48% of respondents to the CIOB survey who said their company would give equal consideration to potential employees who were nearing retirement age clearly have the right idea.