

Our vision

We have a vision of a world in which older people flourish. This means a world in which older people will:

- be equal citizens with equal rights
- have enough money for a secure and decent life, and have access as consumers to the products and services they need at a price they can afford
- have access to the healthcare and social care they need
- have the opportunity to live healthier, longer lives and to enjoy a sense of wellbeing
- live in homes and neighbourhoods that are safe and comfortable and which enable them to lead fulfilling lives
- have opportunities to participate and contribute as volunteers, active citizens, good neighbours, family members and workers
- enjoy the benefits of longer life, wherever they are in the world.

Age UK's role

- deliver trusted information and advice to more than 6 million people each year
- enable many more people to benefit from new technologies
- provide practical support to help people stay independent at home
- create local opportunities for people to enjoy life, stay well and beat isolation
- address market failures with age-friendly services, products and business partnerships
- commission research to tackle ill-health and boost quality of life
- work globally to help over a million people and their dependants in developing countries.

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A means to many ends

Older workers' experiences of flexible working



‘Continuing to work has given me structure and it’s given me friends. It’s given me purpose, variety and the feeling of being valued as well so that’s really important.’

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Acknowledgements

This report was written by Christopher Brooks, Employment and Skills Policy Adviser at Age UK, with analysis of labour market data by Jose Iparraguirre, Chief Economist.

This report draws on the findings of important new research by Age UK's first Social Policy Post-Doctoral Fellow, Dr Elaine Alden. Her full research report has been published by Age UK and is available from our website.¹

Many organisations in the UK report having flexibility policies in place to support their workers as they attempt to balance work and home life. Dr Alden's research explored how these policies actually exist in practice from the viewpoint of employees aged 50+.

Through an extensive series of 50 in-depth interviews with a diverse sample, she presented a detailed account of the realities of accessing flexible work for older employees from a range of backgrounds, including those working for large and small employers and those seeking work. She contrasted these new insights with the official view, gleaned from a literature and data review, which provides the overall background on implementation of flexible working policies. Her report goes on to outline the significant employment and social policy implications, not just for older employees but more widely for the economy.

We gratefully acknowledge her expertise and diligence in providing important new knowledge, which we share in this report.

The report also includes new analysis of the *Labour Force Survey*, conducted by Age UK. This provides more information on patterns of flexible working experienced by older workers.

In addition, the findings from other relevant research are also included where appropriate, to give a more complete picture of flexible working in the UK.

Foreword

In today's global marketplace, organisations need to be agile and responsive to changes, challenges and opportunities in order to remain competitive.

This will demand a skilled and diverse workforce. To achieve this, flexible working will be pivotal. In meeting increasingly different employee needs and preferences, tackling discrimination in employment and training, and matching evolving customer and client expectations, flexible working will have a crucial role. Being adept at managing a flexible and engaged workforce will give UK organisations a leading edge on competitors with little or no experience of doing this.

More employers appear to be recognising that letting valuable knowledge, skill and experience go will have significant replacement costs in the economic upturn. They are safeguarding themselves against the prevailing war for talent, which employers themselves say they continue to experience, despite rising numbers of unemployed.

The Chartered Institute of Personnel and Development (CIPD) has always supported an inclusive approach to flexible working. One that is designed to meet the needs of the business as well as those of employees offers the potential to boost competitiveness and productivity. It makes good business sense all round.

From the employees' perspective, flexible working arrangements, if jointly negotiated, can allow a better work-life balance. This enables higher levels of employee engagement, greater job satisfaction, lower levels of stress and absence, and reduced staff turnover, all of which are important factors in improving productivity and business performance.

This is borne out by our research evidence. For example, the CIPD's *Employee Outlook: Spring 2011* showed that one in five (21 per cent) of employees cited a desire for more flexible working hours as a reason for changing their job.

Flexible working practices can help to increase productivity among older workers as many want to work longer if they can continue to do so on a flexible basis. The CIPD's *Employee Outlook: Summer 2010* shows:

- 41 per cent of older workers plan to continue working past retirement in some capacity
- a further 28 per cent said they would work longer if allowed to work flexibly.

Those employers who have so far failed to address the beneficial scope of flexible working should catch up quickly to make sure they don't fall behind competitors as a good place to work.

However, the CIPD report *Employee Outlook: Focus on older people* showed that:

- 76 per cent of employers had not made reasonable adjustments to enable older employees to carry on working.

Against the background of dramatic demographic changes, extending working life makes good sense for people, business and society. Now that compulsory retirement is no longer legal and the legal framework related to the right to request flexible working is set to be extended to cover all older workers, we are hopeful that more inclusive and imaginative approaches to flexible working will be stimulated.

This will help the growing number of unpaid carers to look after their dependants better, reduce high levels of unemployment and allow older workers generally to balance their personal needs with work commitments.

This report provides a valuable resource about flexible working, common practices, and employers' and employees' experiences. It drills down into the detail that can help employers climb a steep learning curve quickly and become successful in connection with the fast-growing flexible working agenda. It shares the learning so far and encourages further developments.

Flexible working is an all-embracing term that should be considered from three key perspectives – hours of work, how and where work is done, and how jobs are structured. From the point of view of potential advantages, employers should see the world of flexible working as their tool for successful change, develop curiosity about it and seek to promote it. Flexible working should become the cultural norm.

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Introduction

The UK has an ageing workforce, with greater numbers of older workers wanting – or needing – to remain active in the labour market than ever before. There is therefore an increasing need to give people real opportunities to remain in paid employment.²

At present, there are factors ‘pushing’ older workers towards the labour market, such as the rising State Pension age and decline in private pension provision; and other ‘pull’ factors that encourage people to remain economically active, for example, the social, health and financial benefits of working.

There are nearly 900,000 people in the UK currently working past the age of 64. Nearly 8 million people aged 50–64 are economically active³ and a further 735,000 aged 50+ want to work but are economically inactive.⁴ The number of people aged 50+ who are trying to remain in paid employment is huge. With an ageing workforce, this figure will increase in the future. Age UK is concerned that not enough is being done to help and support older workers enter – and remain in – employment.

Flexible working is one positive policy, with benefits for all, which can be utilised in order to achieve this end.

The business case for flexible working is already well recognised, and there are several pieces of research and reports from business groups and government that showcase this. Employers can make a number of gains through embracing flexibility.

However, there is little information on employees’ experiences – and even less that relates directly to older workers.

This report aims to fill the gap, providing evidence on the views of older workers and, by proxy, what the benefits for employers are too. It is interspersed with case studies of good employer practice, demonstrating how flexibility can be a force for mutual good.

Policy context

The Government has recently legislated to raise the State Pension age to 66 for both men and women by 2020, and has put forward proposals to further increase the age to 67 between 2024 and 2026.

The policy of extending working lives is therefore essential to support this aim. However, merely scrapping the mandatory retirement age is not enough. In order to deliver a fair deal for older workers, the Government has to go much further and create an environment that facilitates older workers to stay active in the labour market.

Extending the right to request flexible working is just one aspect of this. Other measures should include the following.

- Improving the training provision for people aged 50+ to maintain and develop new skills necessary to stay in work. This is likely to require both increasing government funding for older workers who need to re-train and persuading employers to invest more.
- Campaigning to reduce age discrimination and improve employer attitudes to older workers.
- Improving the welfare-to-work provision for 50+ jobseekers.
- Meeting the health needs of older workers. This could, for instance, be done by developing an occupational health service to provide advice, helping employers of individuals with health conditions to meet the costs of making reasonable adjustments to their workplace, and ensuring a seamless link with other skills and welfare-to-work services.

Right to request

In August 2011 the Department for Business, Innovation and Skills published its *Modern Workplaces* consultation, which stated the Government’s intention to extend the right to request flexible working to all employees.

The ‘right to request’ was first introduced in 2003 to parents of children aged under six and parents of disabled children aged under 18, and subsequently extended in 2007 to all parents of children aged under 16 and employees with caring responsibilities. It gave all qualifying employees the right to formally ask their employer to alter their working pattern. The employer is obliged to seriously consider the request and can only turn it down for one of eight prescribed business reasons, including cost, staff performance and availability of work.⁵

Age UK supports the extension of the right to request flexible working, but we believe its role should be to underpin the system, not to drive it. Informal arrangements and formal organisational policies can, if administered properly, be less cumbersome for employers and more beneficial for employees. We believe these methods are more likely to lead to an atmosphere of trust in organisations.

However, the right to request has a valuable role – giving some clarity for line managers and providing a means of recourse to those employees who do not feel able to raise issues about flexibility informally.

This report covers workers’ experience of the right to request in section 1.3, ‘Using the right to request’, pages 21–22.

Recommendations

Recommendations for Government

- The Government should implement its proposal to extend the right to request to all employees without delay.
- The Government should set a longer-term objective for all jobs to be ‘flexible by default’ by 2020. Under this system, the onus would be on the employer to justify why a role cannot be done flexibly. This would precipitate a cultural change in favour of flexible working, while addressing many of the barriers faced by older workers.
- The Government should establish a fund to help employers meet the costs of any adjustments made because of introducing flexible working. Employers could then bid for support if they have to bear significant costs.
- The Government should promote flexible working and disseminate good practice guidance as widely as possible. The extension of the right to request is a golden opportunity for the Government and the public sector to be in the vanguard of a cultural change towards greater acceptance of flexible working.
- The Government should remove the 26-week in-work qualifying period before the right to request becomes available to new employees.

- Jobcentre Plus should help employers to ensure that, where possible, all jobs are designed with flexibility in mind, and advertised accordingly.
- All providers of back-to-work services – for example, Jobcentre Plus and Work Programme contractors – should make their clients aware of when requests for flexibility are welcomed by the prospective employer.
- Micro-businesses should not be exempt from the legislation. Older workers in all forms of employment – and working for all sizes of employer – find embracing flexibility is beneficial for both parties. Many older workers would not be able to – or want to – work for small employers if they were prevented from working flexibly.
- Good practice guidance on flexible working should be a core part of other Government employment schemes for people of all ages – for example, Access to Work represents an ideal opportunity to engage employers in the flexibility agenda.
- People in non-professional roles are less likely to work flexibly than those in higher managerial and professional occupations. Therefore, efforts must be made to make flexible working and the right to request available to those in non-professional roles in particular.

Recommendations for employers

- All jobs should be designed with flexibility in mind, and employers should adopt the ‘flexible by default’ mindset. This should apply unless evidence shows there is a good business reason for not doing so.
- Employers should ensure that requests for flexible working from applicants are welcome. This could include a statement on job adverts stating that they will be considered, and that line managers recognise the benefits and embrace flexibility.
- Employers should recognise that flexibility is a tool to get the most out of older workers, for example, by allowing them to manage their personal needs. In return, the evidence shows that older workers are likely to be appreciative and more loyal, and to work harder. The evidence suggests that fears about people abusing the offer are unfounded.
- Home working is particularly prevalent among older workers. Measures by employers to help people work in this way are likely to have the widest reach. This could often be most beneficial in conjunction with other initiatives, for example, flexitime.
- Employers should work with their employees to ensure that performance can be properly measured regardless of working pattern.

- Managers’ skills should be developed to improve performance management in view of differentiated working patterns. They are key facilitators in ensuring that flexibility has a positive outcome for both parties.
- Awareness of caring needs should be raised among employers, coupled with good practice guidance about how to be responsive as situations arise. Employers should adapt their flexible working policies accordingly.
- Whether using a formal or informal approach, flexible working arrangements must be genuinely responsive to employees’ requirements – not a mechanism for forcing people to work extra hours or unwillingly change patterns.
- Employers and trade bodies should share good practice about flexibility.
- Employers should examine how flexible working can interact with other services and benefits, for example, their occupational health policy or pension scheme.

Executive summary

Flexible working has a key role to play in meeting the Government's policy objective of extending working lives. This report aims to showcase the benefits that older workers find from working flexibly, and by association the benefits for employers.

This report examines the following.

- What flexible working actually is and why older workers use it.
- Older workers' experiences of accessing flexible working options.
- Issues for employers, in particular, the pros and cons of having formal or informal policies.
- Flexible working as a labour market tool, in particular, whether it can help reduce unemployment.

The following provides a summary of the key points in each chapter.

1 What is flexible working?

There is no consensus definition of flexible working. We consider it to be a concept and a tool with which to manage operational and workforce need. In addition, we argue that to be truly flexible, arrangements should be negotiated and implemented with the willing agreement of the employee (rather than imposed by the employer).

There is wide diversity among older workers, who want to work flexibly for a variety of reasons. Some of the main ones include:

- meeting caring responsibilities
- managing health
- making a transition to retirement
- improving work-life balance
- accommodating personal and professional aspirations.

Although an increasing proportion of 50+ workers are using flexible working options, it is still not widely accepted as an option across the labour market. There are particular barriers to flexibility at the recruitment phase, especially for those who are unemployed and need a flexible working option from the outset of their employment.

2 Older workers' experiences of accessing flexibility

Constructive flexible working arrangements can significantly improve work-life balance for older workers. When flexibility is offered, most older workers value their employer more and are keen to be seen as productive employees.

There is an important distinction between flexibility that is negotiated and implemented with the willing agreement of individuals, and 'flexibility' that is imposed by employers. Negotiated flexible working has a strong emphasis on individuals and good age-friendly management practice, and is usually beneficial for employees and employers alike. Imposed flexibility was found to be demotivating.

Employers need to be more aware that their older employees may have caring responsibilities and should adapt their policies on flexible working accordingly. Line managers should be trained to recognise this need and to manage flexibility effectively.

The research suggests that arrangements made informally or through existing employer policy can be more effective than relying on the right to request. However, the right to request underpins the notion of flexible working and is important for engendering a cultural change towards greater acceptance of flexible working. It is an essential part of the system.

3 Issues for employers

Trust between employer and employee is very helpful in coming to mutually beneficial arrangements. However, employers also need to ensure that managers have the necessary skills to manage the performance of employees with atypical working arrangements.

There are pros and cons of informal policies.

Pros – they are less resource-intensive and can operate more quickly and effectively as they can be more responsive to an individual's personal needs.

Cons – they are heavily reliant on line managers, giving them ultimate authority and placing the burden of responsibility on them. Personal opinions about employees may affect the outcome. Also, a lack of consistency could cause resentment among the workforce.

Similarly, there are pros and cons of formal policies.

Pros – formal policies ensure consistency across the organisation, and can foster a flexible working culture and empower employees to speak to managers. They can also raise awareness among line managers of flexibility and age-management issues, and remove some of the responsibility for decision-making.

Cons – they can be restrictive and slow to respond to changing employees' needs. They can be resource intensive to develop and implement, meaning not all employers can afford to use them.



There are multiple benefits to employers from permitting flexible working. Alden's research drew several conclusions, pages 21–22.

- Older employees are highly likely to value flexible working as a major benefit and respond positively to their employers.
- The employer is likely to be viewed as offering a good place to work, helping to retain key employees and increase the talent pool for recruitment.
- Efficiency savings can be made by the employer.
- Management practices and productivity may improve across the board as a result of increased trust.

4 Flexible working as a labour market tool

There is a clear distinction between being a known and trusted employee and an unknown jobseeker. Dr Alden's research shows that jobseekers will not request flexibility at the recruitment phase unless it is made clear that the employer would welcome this, meaning that without a wider cultural acceptance, there is limited scope for flexible working to be part of the solution to unemployment.

The Government should extend help to businesses, in particular small and medium-sized employers (SMEs), to ensure that jobs are designed with flexibility in mind. For example, Jobcentre Plus should focus on ensuring that it can advise business on designing jobs that can be done flexibly.

Self-employment can be an effective means of working flexibly. However, it is not suitable for everyone.

5 Conclusions: where next for flexible working?

Because there are increasing numbers of older workers active in the labour market, there is a greater need for flexible working. In order for older workers to meet caring responsibilities, manage health conditions or make a transition to retirement, there needs to be a change in attitudes, particularly among employers, to recognise the wider benefits of such an approach.

Age UK believes that the best way to achieve this over the longer term is to move to a situation where all jobs are 'flexible by default'. Employers would have to show that a role could not be done on a flexible basis.

Mainstreaming flexible working within the labour market is an important part of the move to extend working lives. Coupled with other policies to support individuals to stay actively engaged in the labour market, flexible working is essential if the Government is to achieve its objectives in this increasingly significant area of policy and practice.



1 What is flexible working?

'My definition would be to be able to allow people that are working to live their life sort of reasonably from the employee's point of view, subject to their business needs as well. But that's not the reality in a lot of organisations... they're very rigid as far as flexibility is concerned.'

Flexible working is a broad term that covers a wide range of working patterns. Perception of what constitutes flexibility may vary – for example, employers may have a different view of flexibility to their employees.

Alden's research shows that flexibility is characterised by helping individuals to improve their work-life balance through allowing them to manage personal and work commitments alongside one another. This has a direct benefit for employers: workers who are permitted to do this are typically happier, more loyal and ultimately more productive than if they weren't able to work flexibly.⁶

In her research, Alden defines flexible working as 'a concept and a tool with which to manage operational and workforce need', which places both employers and employees at its heart.

To maximise the associated benefits for individuals and employers, flexibility should be delivered with the agreement of the employee. Otherwise, as we show on page 29, it can lead to discontent in the workplace, undermining the employer-employee relationship.

The prevailing view of the older workers in the research was that flexibility should allow people to balance work and personal commitments, but with due consideration for business needs. Participants were unanimously mindful of their employers' needs and said they would not make unreasonable demands for flexibility.

Typical options for flexible work include:

- home working/teleworking
- working a four-day week or nine-day fortnight
- some, but not all, part-time working (see Appendix)
- flexible hours (flexitime)

- annualised hours
- term-time working
- job-sharing.

There are, of course, other variations that could be said to constitute flexibility.

In short, any working pattern that is differentiated from the norm for the particular job, with the willing agreement of the individual worker, could be considered flexible.

In this report, this will be the guiding principle, although it also examines employer-enforced 'flexibility'.

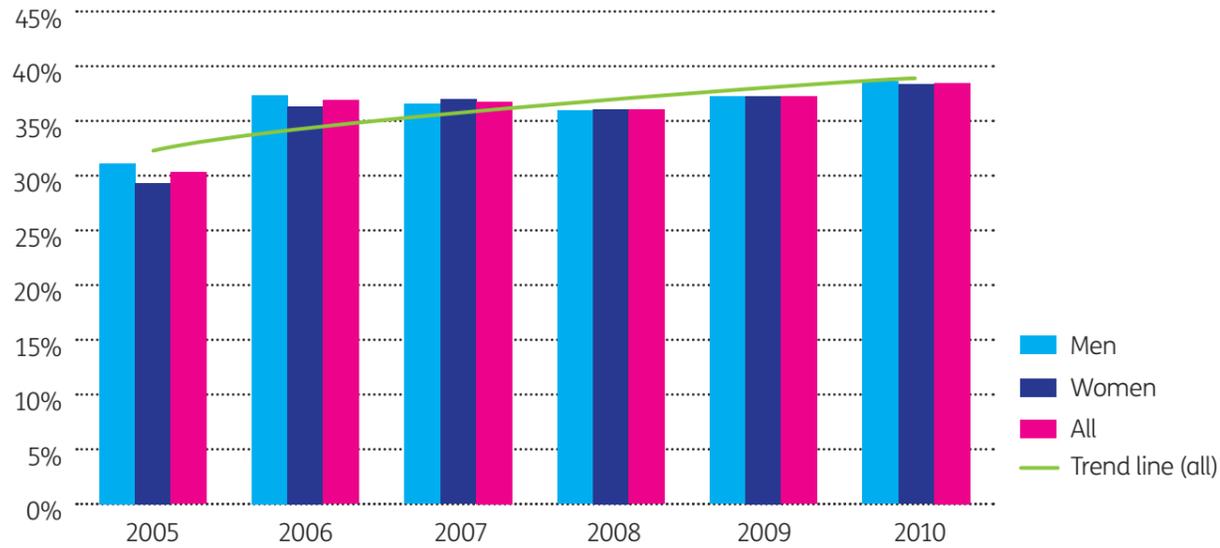
1.1 Trends in flexible working

There is already an increasing trend for workers of all ages to work flexibly. Figure 1 shows a rise in the proportion of older workers using flexible options from 2005 to 2010, based on the *Labour Force Survey* (see Appendix for more details).

The trend shows that approximately 38 per cent of all those in employment aged 50+ worked flexibly in 2010 – a rise from about 30 per cent in 2005. Interestingly, in several of the years included in our analysis, more men than women used these options. This difference is because of a greater proportion of men working from home (see Figures 2 and 3). With home working excluded, more women than men work flexibly (see section 1.4, 'Gender differences among older workers', pages 23–24, for further explanation).

In spite of the upward trend, there are still many issues for older workers in accessing flexibility, not least the inconsistency between, and often within, organisations. Quantity and quality of flexible working are not the same thing. These are explored in subsequent chapters.

Figure 1: Proportion of people aged 50+ in employment working flexibly, including home work



Source: Labour Force Survey, average of all years 2005–10, Age UK analysis

The inclusion of home working in a definition of flexible working makes a significant difference to the results. Figure 2 shows that the proportion of people in employment who work flexibly increases with age when home working is included.

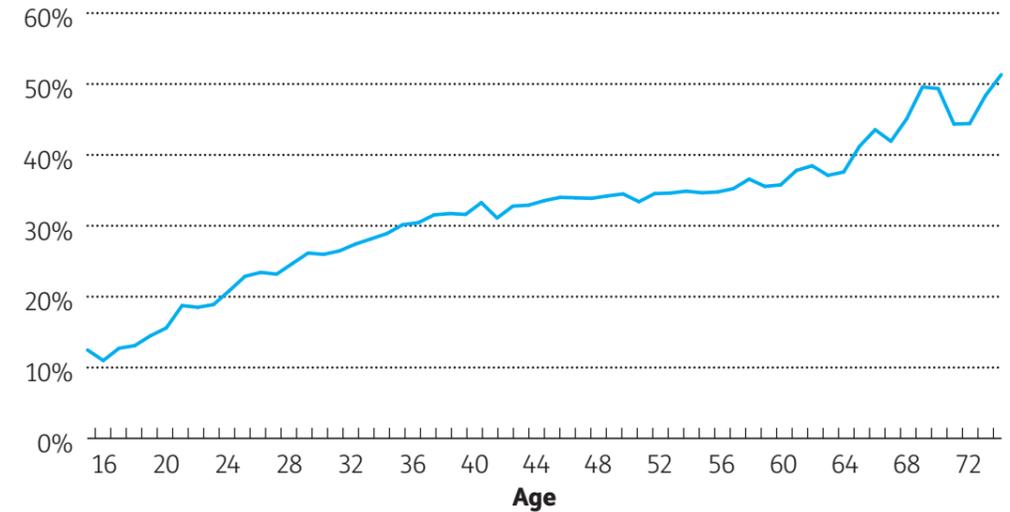
However, when home work is not included, rates of flexible working peak among people in their mid-40s and early 50s, before decreasing steadily with age, as shown by Figure 3.

This clearly demonstrates that a large part of the increase in flexible working among older workers is because of home working, which has

significant implications for employers. For example, in order to become more age-friendly, a greater recognition of the value of working from home may be needed, while perhaps more emphasis needs to be placed on promoting other flexible options to the 50+ age group.

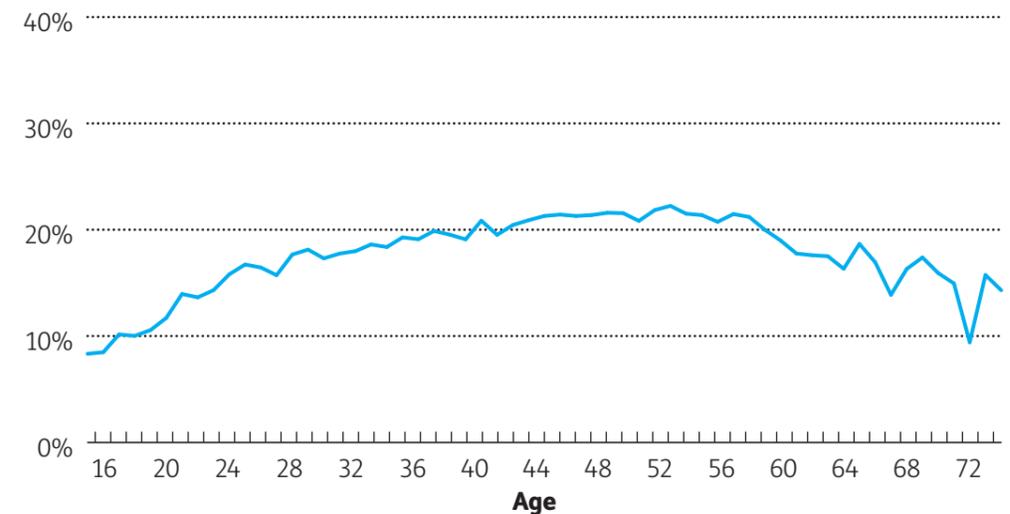
We believe that the most effective policy mechanism for normalising flexible working is to make all jobs ‘flexible by default’. This measure would compel employers to consider how they could implement flexible working for all members of staff, and instigate a cultural change across the labour market.

Figure 2: Proportion of people aged 16+ in employment working flexibly, including home work



Source: Labour Force Survey, average of all years 2005–10, Age UK analysis

Figure 3: Proportion of people aged 16+ in employment working flexibly, excluding home work



Source: Labour Force Survey, average of all years 2005–10, Age UK analysis

1.2 Why older workers want flexibility

Each individual will have their own reasons why a particular type of flexibility suits their needs. Alden's research showed that older workers who had obtained flexibility in their work arrangements were very keen to ensure that they were seen as productive and appreciative employees.

She also explored and illuminated some of the main reasons why older workers want flexibility.

Caring

Recent real-term cuts in funding for social care have resulted in councils cutting back on care and support services, tightening eligibility criteria and restricting access to services so that they are increasingly only available to people with the highest levels of need. This means that older people who can't access formal services must either buy support privately, if they can afford it, or rely on family or friends.

The effect of the recent cuts on family carers has not yet been fully evidenced. However, we know that 46 per cent of carers work, both full- and part-time, and that when asked, 25 per cent of carers under the age of 70 reported that caring responsibilities had an impact on their work. For the people affected, 39 per cent left employment altogether.⁷ If the crisis in social care funding intensifies, it could result in even more carers being forced out of work.

Carers' experiences of accessing flexible working will be explored in section 2.2, 'Carers' experiences of flexible working', pages 31–32.

Health

In his 2010 review *Fair Society, Healthy Lives*, Professor Sir Michael Marmot projected that three-quarters of people will have a health impairment or disability by the time they reach 68. Yet, under current legislation the State Pension age is likely to rise to this age from 2044, making it important that people are physically and mentally capable of working until this point.

People must have the ability to adjust their work commitments to manage their health needs in order to remain in the workforce.

Schemes that encourage the employment of people with health impairments, with Access to Work being the most prominent example, are likely to need expansion. This provides subsidies for individuals and for employers to make reasonable adjustments to the workplace. An emphasis on complementary measures that employers can take to support such workers, for example, guidance on flexible working, would be useful.

From March 2010 to April 2011, Access to Work helped over 35,000 people with employment-related issues,⁸ representing an excellent opportunity to promote flexible working to a number of individuals and employers.

Employer case study: Guernsey Post

Flexible working and managing health

Guernsey Post Limited is a commercial organisation operating a global mails operation and providing retail counter and financial services across the Bailiwick of Guernsey.

There are 278 employees, of whom 74 per cent are male and 26 per cent female, with an age range from 18 to 68, many with long service. Over 32 per cent of the workforce is over 50 years old.

The focus at Guernsey Post is to keep employees working as long as possible. Ensuring the effective integration of occupational health and flexible working policies is an important means of meeting the workforce's health needs.

To do this, Guernsey Post works with the trade unions and health professionals to identify possible health problems early on and provide the necessary help and support. Employees with chronic conditions are referred to an occupational health specialist for assessment and recommendations on the best way to

facilitate their return to work are provided. The employee's duties or hours are then adjusted as required.

Wider policies connected to occupational health also operate alongside flexible working. Guernsey Post organises its own in-house physiotherapy service, where employees can receive treatment for musculoskeletal problems. This particularly helps older workers who are more likely to suffer back and joint problems. The physiotherapist has been able to identify some conditions that, if left untreated, would have resulted in long periods of sickness absence and potentially the need for individuals to retire on ill-health grounds. Flexible working helps employees balance treatment with work responsibilities, and manage their condition effectively.

Employees' mental health is also important. To help Guernsey Post as a business, a mental wellbeing policy has been recently developed, which again can be combined with flexible working where appropriate.

Improving work–life balance

Work–life balance was a key theme in Alden’s research, with many interviewees wanting to spend more time on other aspects of their lives than their paid employment.

The Government’s *Third Work–Life Balance Employee Survey* also showed that 94 per cent of employees of all ages agree that having flexibility can improve work–life balance.⁹

Further research by Brigham Young University in the US,¹⁰ conducted across four countries, looked at working from home and found that it can bring significant benefits to productivity as a result of improved work–life balance. The authors state:

‘Employees with workplace flexibility are able to work longer hours (often equivalent to one or two eight-hour days more per week) before reporting work–life conflict. The benefit of work-at-home is increased when combined with scheduled flexibility.’

Especially when combined with flexitime, this can reap staggering rewards. The Brigham Young research also analysed nearly 25,000 IBM employees and found that an individual working from home on flexitime can spend up to 57 hours per week on their paid work before feeling a work–life conflict, compared to someone working a schedule of 38 hours based on-site. This clearly has a potentially huge benefit for employers too.

Transition to retirement

Over recent years there has been a trend away from ‘cliff-edge’ retirements, with increasing numbers of people gradually reducing their hours, taking a ‘bridge’ job to buffer their main career and retirement, or becoming self-employed as they approach the end of their working life – so much so, that the concept of a working life is now hard to define.

While many individuals may seek a flexible transition to retirement, this does not mean the jobs themselves are flexible. The employer may only be requiring a part-time worker and failing to offer flexibility about how the defined role is undertaken.

Alden’s research uncovered mixed views of retirement among older workers – for example, some wanted to wind down as and when they could afford to; others wanted to stop working completely to focus on other activities; and a minority did not wish to consider retiring at all.

Continuing to work in some form can be beneficial to many:

‘It’s given me structure and it’s given me friends. It’s given me purpose, variety and the feeling of being valued as well so that’s really important. So that reflects on my physical health.’

Many respondents were keen to engage in volunteering, either in retirement or between jobs:

‘I’ll do voluntary work at the same place I did voluntary work before. This company is dealing with people with immigration [issues], so they needed [an] advocate and mentoring. I said I’m not quite expert with this kind of field so I was sent to do some short course. Well, now I think I’ll go back to them until I find a job.’

‘I wouldn’t mind working in a charity shop... or even if it’s something like helping people do their shopping perhaps or little DIY jobs – they want a shelf put up... there are so many people out there who need help.’

Recent research demonstrates that being able to make the transition gradually can lead to increased wellbeing, as does perceived control over the process.¹¹ There is further evidence showing that retirement has negative effects on physical and mental health, but that this can be mitigated by continuing to do paid work.¹²

An employee of a local authority, interviewed as part of Alden’s research, explained one aspect of the link between flexible working and pension provision within his organisation:

‘We have lots of options of flexible working and flexible retirement and people reducing their hours. Flexible retirement is specific to the pensions, which are linked to local authorities as well, because you can go on a specific retirement thing, work over two or three years and phase your hours down in line with your pension.’

This demonstrates how flexible working can interact with other organisational policies to aid the transition to retirement and deliver a positive outcome for all parties.

Meeting work-related aspirations

Some older workers may choose to embark on a second career, for example, pursuing a different vocation or becoming self-employed. As the State Pension age rises, extending careers is likely to become increasingly common.

Crucially, at a time when living standards are being squeezed, flexible working can be a means of attaining sufficient income:

‘I don’t like to sit down doing nothing. I get really bored. I like to be on the go all the time and, plus with the present economic climate, I do need the money.’

As average retirement ages continue to increase, and many older workers experience difficulties in finding a new job, more employees are likely to stay within their existing organisation.

Research by the Equality and Human Rights Commission shows that 11 per cent of workers aged 50+ would like higher levels of responsibility – nearly three times as many as those who wish to downshift.¹³ This demonstrates the diversity of motivations of older workers for continuing in employment.

1.3 Using the right to request

The right to request flexible working needs to be extended to all employees – a move that would be fully supported by Age UK. This should help destigmatise flexible working, allow older workers to balance work with their personal commitments, and act as a ‘nudge’ to employers, playing a crucial role in changing behaviour.

It is an essential part of the Government’s ‘extending working lives’ agenda.

Notwithstanding the benefits of having a right to request, informal arrangements are the most common way of reaching an agreement on flexibility, and are often the preferred option for both employer and employee. However, confidence in exercising this right does depend on a range of factors within each organisation and the circumstances of the individual employee.

Informal arrangements do not work for everyone, and so a legal right to make such a request without fear of reprisals is necessary to underpin the system.

Reluctance to request

Research shows that many 50+ employees want, and would benefit from, increased flexible working.¹⁴ However, without a right to request, many find it hard to approach their employer. In a study conducted by the Centre for Research into the Older Workforce, only one of the 38 participants had negotiated flexible working patterns. In this case, the employer was a local authority. Most of the remainder said they would not consider approaching their employer about flexible working, in spite of it being something they would like. This was most commonly because they did not think their request would be well received.¹⁵

Alden's research shows that there is often a degree of self-restraint on the part of older workers who make their own judgements as to whether a request will be honoured. Some may convince themselves it will not work in their current situation and so find alternative ways of working flexibly. Others may worry that making a request would reflect badly on them or that their employer would not be sympathetic to their personal issues – or are simply unwilling to discuss these.

This reiterates the importance of employers offering a supportive workplace culture, and making employees and job applicants aware of alternative arrangements.

Making all jobs 'flexible by default' would facilitate this.

Evidence about the existing legislation

Much of the evidence gathered on the impact of the current right to request has shown a positive response from employers and individuals. Legislation supporting flexible working enjoys a high level of public support, with 60 per cent of people thinking this legislation should be extended to include everyone,¹⁶ while 90 per cent think that all employees should be treated equally by their employer when considering requests.¹⁷ There is also support among employers,¹⁸ with 38 per cent believing the right to request has had a positive impact on their business and 52 per cent neutral. Only 10 per cent thought it was negative.¹⁹

However, one possible downside of the current limited right to request is that it encourages a 'concession culture', where flexible working is only available for those specified in the right to request legislation. In 2007 the Equal Opportunities Commission concluded that:

*'Regulation supporting flexibility is working well but is reinforcing a concession culture way of thinking about flexibility rather than positioning flexibility as available to everyone and able to deliver business benefits. Confusion over what flexible working means and what options are genuinely available is also limiting use.'*²⁰

Extending the right to request flexible working to all employees would clearly solve this problem.

However, there is currently a 26-week minimum employment period before there is a right to request. Unless this is removed too, the legislation will fail to help those who are unemployed or at the recruitment phase.

1.4 Gender differences among older workers

A commonly held stereotype is that flexible working is predominantly an issue for women. In order to ensure that flexible working becomes widely accepted, it is necessary to break down this view. By raising awareness of flexible options among men of all ages, negative perceptions of flexibility will be reduced. This will help tackle wider gender inequalities in the workplace.²¹

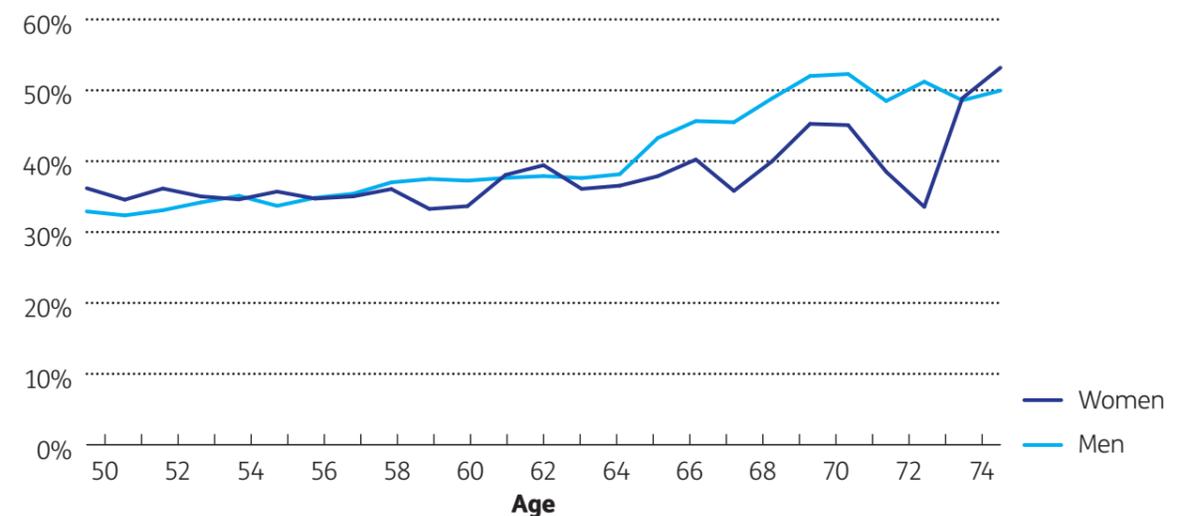
Men often only become aware of the existence of flexible working when they have a direct need.²² However, the take-up rates dispel the myth that they are less likely to use it.

Our analysis of the *Labour Force Survey* bears this out. Much depends, however, on how flexibility is defined. More men aged in their mid-50s and beyond actually use flexible options than women of a similar age.

This is because of the number of older male workers who use home working, significantly outweighing the number of older women who do so. Further research would be needed to examine the reasons in more detail, but they are likely to include differences in the relative numbers of men and women working in different sectors and occupations, as is discussed further below.

Figure 4 shows the gender breakdown for all types of flexible working, demonstrating that from their late 50s to their mid-70s, male employees are more likely to use flexibility.

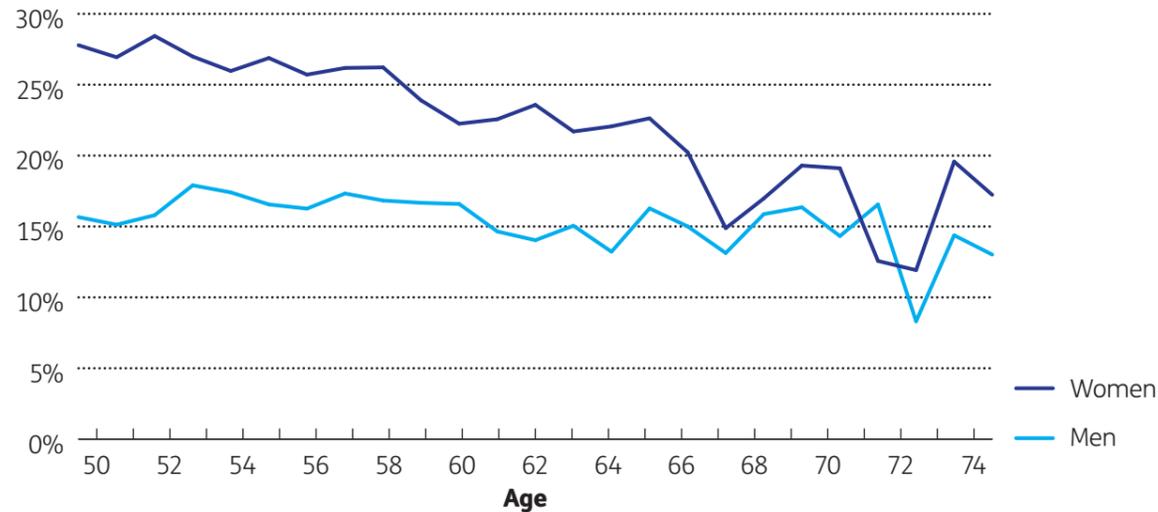
Figure 4: Proportion of people in employment working flexibly, including home work, by age and gender



Source: *Labour Force Survey*, average of all years 2005–10, Age UK analysis

Figure 5 excludes home working, illustrating that other flexible options are used by significantly more women than men. Here the stereotype holds true.

Figure 5: Proportion of people in employment working flexibly, excluding home work, by age and gender



Source: Labour Force Survey, average of all years 2005–10, Age UK analysis

1.5 Differences between sectors and job types

There is a marked difference between flexible working among older workers across different sectors.

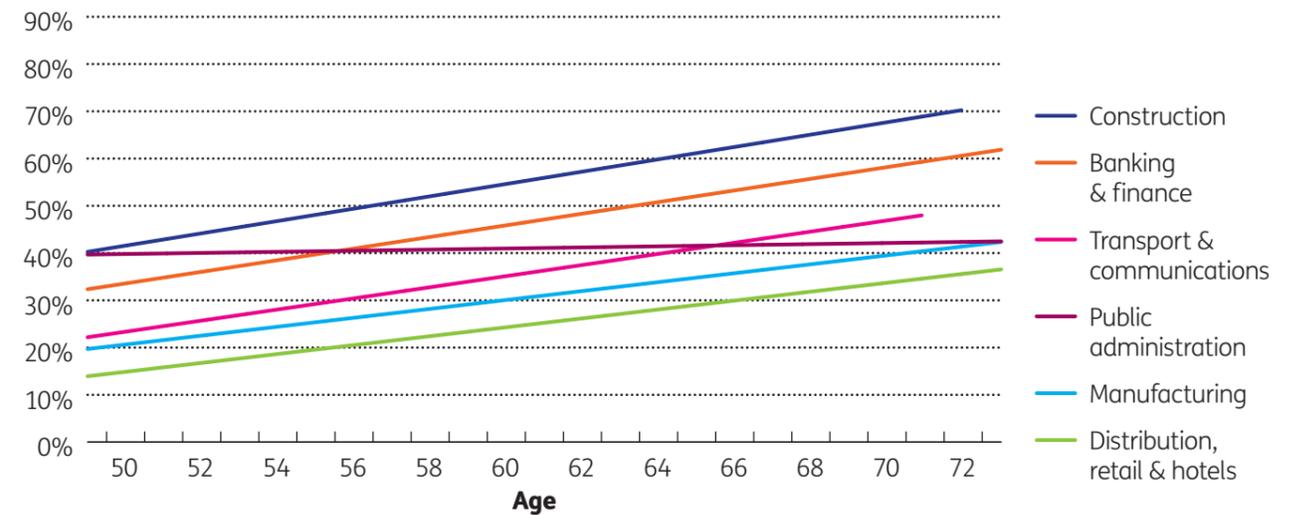
Figures 6 and 7 show the proportion of people employed in each of six sectors working flexibly, including and excluding home working respectively. Again, home working is shown to be a crucial variable, with a large proportion of older workers reporting that at least some work is done from their home.

- Approximately one-third of 50+ employees (2.5 million) in this period worked in the public sector, making it by far the largest employer of older workers. When home working is excluded, rates of flexible working decline with age, implying that as working lives are extended more innovative measures will need to be

taken to help people remain in employment. There is a clear opportunity for the public sector to lead the way in implementing good flexible working practice.

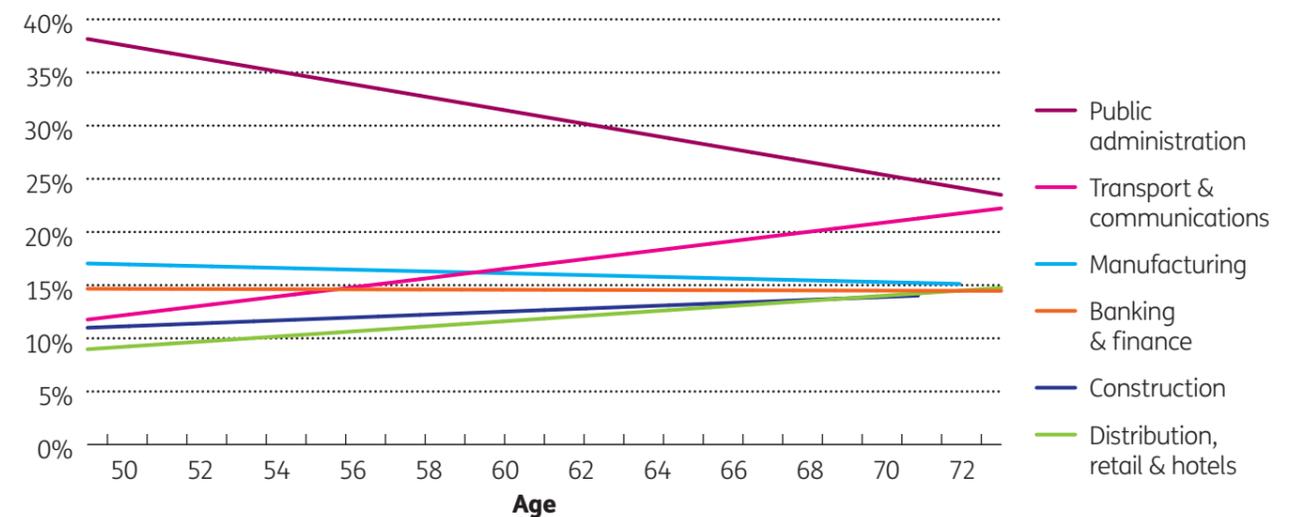
- The distribution, retail and hotels sector is the second-largest employer of 50+ workers (approximately 1.2 million) and appears less flexible than others, even when home working is included. This demonstrates challenges facing employers in this sector to find methods of working that can help older workers remain in the workforce.
- Banking and finance, and manufacturing are the other major employers of 50+ workers, with about 1 million in each sector. While there may be fewer opportunities for home working, in particular in manufacturing, there are other options that may be applicable in organisations – for example, flexible shift work or winding down to retirement, as demonstrated by Dr Alden’s research (see Chapter 2, pages 28 onwards).

Figure 6: Proportion of people in employment working flexibly, including home work, by age and industrial sector, linear trend line



Source: Labour Force Survey, average of the first quarter in all years 2005–10, Age UK analysis

Figure 7: Proportion of people in employment working flexibly, excluding home work, by age and industrial sector, linear trend line



Source: Labour Force Survey, 2005–10 Q1 average, Age UK analysis

Job type

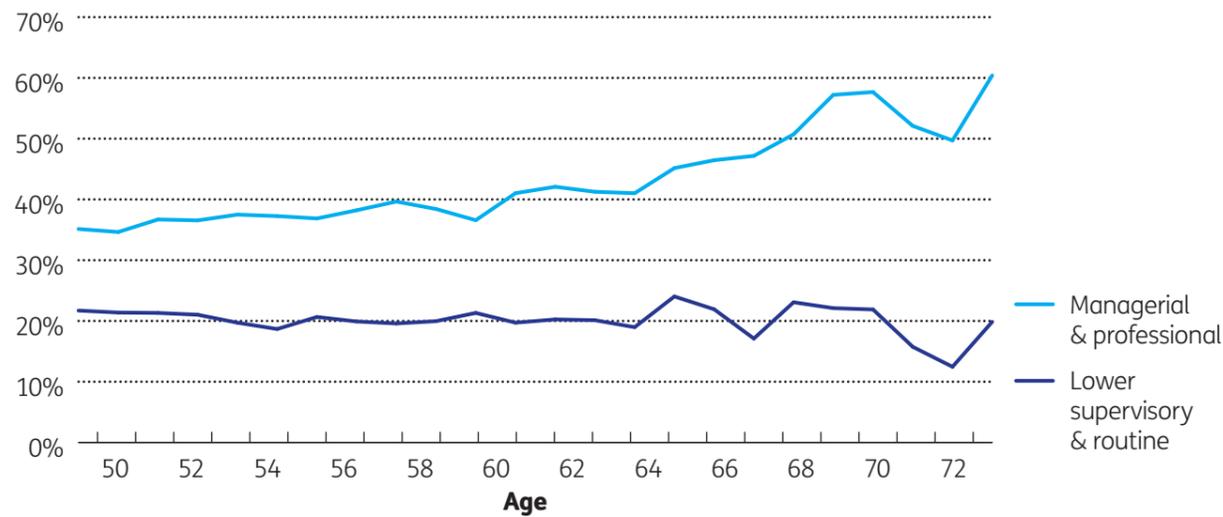
Age UK's analysis of the *Labour Force Survey* shows that people working in managerial and professional occupations are more likely to work flexibly than those in lower supervisory and routine jobs.²³

Figures 8 and 9 show the difference, and again highlight the importance of home-working patterns. Initially, for people in their early 50s, the gap between the two groups is fairly similar, regardless of home working. However, for those people in their mid-50s and beyond, the

proportion of managerial and professional workers who work flexibly then increases because of home working; while for lower supervisory and routine workers, flexibility decreases both with and without home working.

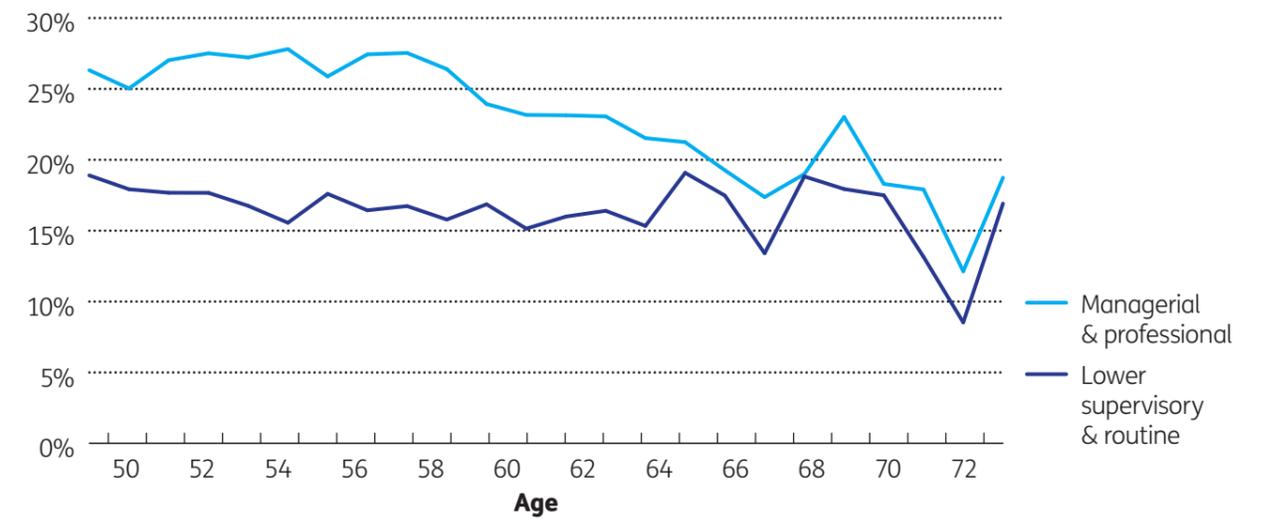
It is therefore important to make flexible working more widely available to those in this second classification of jobs in particular, and efforts to promote flexibility should have this focus. As the Government takes steps to extend working lives, it is essential that a cultural change among employers in favour of allowing flexibility occurs.

Figure 8: Proportion of people in employment working flexibly, including home work, by age and job type



Source: *Labour Force Survey*, 2005–10 Q1 average, Age UK analysis

Figure 9: Proportion of people in employment working flexibly, excluding home work, by age and job type



Source: *Labour Force Survey*, 2005–10 Q1 average, Age UK analysis



2 Older workers' experiences of accessing flexibility

'Officially I'm supposed to get it authorised, but the way the system works is actually if someone like myself has been in the job a long time and I know my line manager, they trust me enough to let us [work flexitime]... because they're not always around to authorise it.'

Experiences of how flexibility works in practice are mixed. The most significant factor affecting the success of flexible working policies in organisations is trust between managers and their staff. This applies regardless of size of the organisation or the industrial sector in which they operate. There is a marked difference between being a known and trusted employee and an unknown newcomer in being given access to flexibility.

This chapter will look at the general experience of access to flexible working options among older workers, in particular, the distinct group of people who act as carers, who already have the right to request flexible working (see 1.3, 'Using the right to request', pages 21–22).

2.1 Access to flexibility

Alden's research showed that access to flexible working is patchy, with a wide range of attitudes and policies among employers. Outcomes are often highly dependent on personal relationships at work.

The majority of agreements for flexibility were reached on an informal basis, with official organisational policies being scarce outside large employers.

Negative experiences

Unfortunately, too many older workers have suffered negative experiences of flexible working and Alden's research uncovered some cases showing disconnection between the views of the employer and those seeking it.

The participants highlighted many existing flexible working arrangements that were the result of employer-driven 'flexibility' and that did not align with the expectations and needs of the individual. This can undermine workplace relationships between managers and employees.

Negative experiences can stem from various factors, including lack of planning, unsupportive line managers or an unfounded fear of poor outcomes if staff are allowed flexibility.

Illustrative quotes from employees include:

'[In this industry] flexibility tends to be governed by the workforce [requirements] rather than by the needs of the individuals. So it tends to be very one-sided. In other words they want the flexibility to move people around departments and change their work hours if it suits them.'

'It would take more planning and organisation on the part of the management. It's achievable, but I suspect there's not the incentive there to think about how it needs to be done. Basically they need to use more forward planning. That's where it falls down.'

Restricting opportunities to work flexibly can go even further, with one employee commenting that:

'Calling in sick is one thing. They don't seem so worried. Refusing to work a shift would be the wrong thing to do – absolutely wrong. Refuse a shift and they take you off the rota for two months to teach you. Flexibility is for them, only.'

Clearly there is a long way to go before flexible working is mainstreamed across the labour market.

Positive experiences

Many employees have very positive experiences of flexibility, which appears to have great value to them personally and to their employer.

'Everything is give and take. If you create something which is positive, then the outcome of what you... receive is also positive because that's what you created.'

Outlined in this report and contained in many other surveys and research documents from the Government, business groups and equalities organisations, are the wide-ranging benefits to employers of embracing flexibility.

For individuals, being able to work flexibly is usually viewed positively:

'The company knows you are reliable and trusty. You never let them down, and you are sincere about your work and they appreciate these sorts of people. And if they need any help or anything they are willing to help you, you know?'

'For the whole staff he likes them to have this workload that they can deal with and it's the way we look at it in our company that if you have problems... he will review it and he will talk to us about it. He is a good guy like that. He knows that to get the best out of the workforce they've got to be happy where they are.'

Often, the employee's requirements cannot be met by the employer for business-related reasons, and in such cases compromises are often possible. All participants in Alden's research to whom this applied appreciated efforts made by their employer to accommodate their needs.

For example, a 62-year-old employee of a school who wanted to reduce her hours to spend more time caring for her husband had her request turned down. However, her employer negotiated with her and they reached a mutually acceptable compromise by which she continued working three hours for three mornings each week.

The participants were unanimously sympathetic to the business needs of the employer. All had recognised that not all jobs can be done flexibly.

Perhaps the group for whom flexibility can make the largest difference is carers. People aged 50+ are more likely to have caring responsibilities than younger age groups, and so will need to be able to balance these commitments with their work.²⁴ One study found that nearly a quarter of people with a caring responsibility found this had had some level of impact on their work.²⁵

Alden found that many carers in her study who were seeking flexible working arrangements found that their employers had simply not considered the issue. Older workers who are carers of children appeared to have a much more open communication channel with their employer than carers of adults.

'I think the trouble with a lot of management is it tends to be done on a kind of fire-fighting basis. Wait until the problem comes along and then we'll try and muddle through and deal with it. And of course in caring situations what often happens is suddenly... the carer will go to the employer and say: "Look, can you sort something out?" And it's at that point the manager panics because there's nothing laid down to allow for that. The easiest thing is to say: "No".'

Alden's research makes it clear that many employers do not, in reality, provide sufficient flexibility to cover many caring needs. Awareness of informal caring needs should be raised among employers, coupled with good practice guidance that helps employers to be more responsive at short notice to deal with situations as they arise.

Employer case study: Office for National Statistics

The ONS is the Executive Office of the UK Statistics Authority. It employs 3,700 people across the UK, of whom 47 per cent are aged 50 and above. Partly to meet the needs of its older workforce and partly to meet its requirement for efficiency, quality and cost-effective working, it strives to create a flexible working environment for all employees. Forty-four per cent of ONS staff work part-time, many of whom do so flexibly.

For example, Jim Drysdale works at the Office for National Statistics International Passenger Survey. He joined ONS in 2008 as a team leader responsible for five to six interviewers, carrying out surveys at Scotland's airports.

Working previously with IBM for 30 years, from where he took early retirement, Jim decided to look for a part-time job that would give him the flexibility to support his father in the later years of his life and to care for his son who has mental health issues. He also wanted the opportunity to use the skills and abilities he had built up during his working life.

He now works on average two days a week in the winter months and three days a week in the summer months to reflect the ebb and flow of air travel. This benefits both him and the ONS.

There is a great deal of trust in the relationship between Jim and his manager. Jim has two to three months' notice of his working pattern, which allows time to organise his life around his work and the autonomy to make decisions on shifts to reflect the flow of passengers and the cost-effective allocation of people. There is also opportunity to swap shifts with colleagues in case of any unexpected personal commitments.

In return, Jim is happy to be flexible about his shifts wherever he can in order to cover colleagues' absence. He feels positive about the fact that he is given the basic ground rules to do the job and is then trusted to get on with things.

2.2 Carers' experiences of flexible working

'It would be easier to inform them that I was pregnant than I was a carer because there is a well-trying formula for that. The laws are clear and well established and therefore employers know without thinking what they have to do in those situations. But caring, I just don't think [is] something they're comfortable talking about and therefore it's uncomfortable for employees to talk about it.'

This perceived lack of legitimacy for flexibility to meet caring responsibilities has particular impact on women, who are about 50 per cent more likely than men to have a caring responsibility.²⁶ Women aged 50+ returning to the labour market often already face many challenges, such as having had a long period out of work, and the absence of flexibility is an additional one.

There is no doubt that access to flexible employment will need to be increased at the recruitment phase if 50+ carers are to have extended working lives.

However, there are examples of good practice. Some older carers who participated in Alden's research said that their employer was willing to help them meet their caring commitments. More employers are recognising that doing so enables them to keep skilled workers, increasing productivity and reducing recruitment costs.

The case study below of Centrica demonstrates arrangements that can be put in place to support carers in the workplace.

Employer case study: Centrica

Caring for carers

Centrica, the parent company of British Gas and a FTSE 100 member, employs about 34,000 people in the UK.

Centrica has a special scheme for employees with caring responsibilities for a relative or close friend. It offers 'matched' time off – for every half-day of leave used for this purpose, the company offers an additional half-day to be used for caring reasons. This lasts for a defined period as agreed with their manager.

In addition, extra time off can be granted in the form of 'dependants leave' or unpaid holiday, and for leave longer than one month a career break can be arranged.

This has helped retain experienced staff and keep their knowledge and skills within the business. For example, Geoff Kitchener, who

is chair of the Centrica Carers' Network, has been able to work full-time while caring for his wife for the last ten years. He said: 'I am able to work hours that suit my caring responsibilities. As well as flexible working, the carer's leave has been an enormous help to me.'

Twenty-four per cent of employees with a caring responsibility had made a formal request to work flexibly over the two years to 2009,²⁷ suggesting that the right to request has impacted upon flexible working practices. More employers are indeed willing to arrange flexible options, as shown by Figure 2 on page 17, but there are still barriers facing many older workers who are also carers.



3 Issues for employers

‘Job-sharing is encouraged. The only thing is it’s difficult to fill sometimes, and then you’ve got to get two people agreeing what part of the week they want to work... It seems to be the policy is set up here as to be fair to individuals.’

Manager, public sector

3.1 Differences between organisations

Different approaches to flexible working allow a wide interpretation of what can be considered flexible. This does, of course, raise some issues for employers.

Organisations of varying sizes face different challenges when using flexible working. For example, a small employer may operate an informal policy but may be accused of treating employees inconsistently, whereas a larger employer may face a rigidity in the process that makes it hard to respond to individuals’ needs.

Alden’s research shows that regardless of any other attributes, the organisations that are most effective at making flexibility a success among

their older workers are those that make a conscious effort to encourage it, whether through formal or informal means.

Her research also addresses a significant concern of many employers – that employees will abuse the system and become less productive as a result. Alden shows that employers have little to fear from embracing flexibility. All the interviewees recognised that there were legitimate business reasons for rejecting flexibility, and that it is not appropriate in all situations. This suggests that unworkable demands from employees will be rare. The following quote demonstrates a typical attitude.

‘[Flexible working should] be able to allow people that are working to live their life reasonably from the employee’s point of view, subject to their business needs as well.’

	Pros	Cons
Informal arrangements	<ul style="list-style-type: none"> Less resource-intensive to introduce. Require less ongoing resource to monitor. Operate more quickly and effectively in some cases, being able to adjust for individuals’ circumstances. Avoid assuming everyone wishes to follow the same process. 	<ul style="list-style-type: none"> Often unobtainable for new or prospective employees. A lack of consistency across the organisation could create problems. Relies heavily on employees’ relationship with line manager. The latter’s personal judgement is paramount. Line manager takes the burden of responsibility for decision-making on behalf of the business.
Formal policy	<ul style="list-style-type: none"> Ensures consistent application across the organisation. Can help foster a culture generally supportive to flexibility. Employees are empowered to speak to managers about their needs. Greater accessibility for prospective employees. Helps build a reputation as a good place to work. Line managers are supported in their negotiation with employees and the final decision-making. 	<ul style="list-style-type: none"> Time and human resources required to develop and introduce it. Can be too restrictive to meet all employee circumstances – careful planning needed to avoid this.

Small and medium-sized employers

In small and medium-sized enterprises (SMEs), flexible working arrangements are often agreed informally between employer and employee.²⁸ Few SMEs have formal policies in place.

Informal arrangements can often work very well, in particular, where there is a lack of resources to develop formal policies and procedures. They can be less cumbersome for the employer to introduce.

Anecdotal evidence suggests that many small businesses do actually offer flexible working to their staff without actually realising they are doing so. There is often no need to write a formal policy or to follow procedure.

Alden's research shows that informal arrangements do, however, rely heavily on trust, which, while being effective for workers who have a good relationship with their manager, can mean that others, in particular new employees or jobseekers, can lose out. One employee of a medium-sized employer said:

'It's just an arrangement I have with my line manager. It's on trust. I'm an adult. He expects me to behave in a responsible manner, do the job, reach my targets and objectives.'

While trust is a factor in common with larger organisations, a lack of official 'fallbacks' – through organisational policy or a legal right to request flexible working if arrangements do not work out – potentially creates a problem for smaller employers and their employees.

Employer case study: Guernsey Post

Flexible working in Guernsey Post is demonstrated by the arrangements within the postal departments, which allow employees to work at their own pace. Older postal workers sometimes find delivery rounds physically demanding. Initially they may choose to move from a cycle round to a van round, which can be less physically demanding. Alternatively, it is arranged for them to move to an indoor duty, which can be part-time, rather than lose such valuable experience from the business. Furthermore, staff are offered a phased retirement process where they may gradually reduce their hours over a number of months or weeks leading up to retirement, in order to become accustomed to working less.

One further set of flexible working arrangements applies to employees returning to work from illness. Reduced hours and light duties are offered to help make the transition back to work. This is particularly useful for older employees who may be returning from long periods of absence – and who would previously have been retired on ill-health grounds.

Employer case study: Centrica

In 2005, Centrica began a major relocation project by closing three of its London offices. This was used as a prompt to strengthen the existing flexible working arrangements. There was a cost-saving rationale behind this, but it was also an opportunity to attract, retain and improve the working environment for all the employees.

The project, called Work:wise, was designed to embed flexible working in Centrica's culture. The benefits to the business of this were:

- £10 million annual benefit from better use of its offices
- 75 per cent of employees felt flexibility was embedded in Centrica's culture
- 60 per cent of employees worked flexibly, with 41 per cent having formal arrangements in place
- flexible workers scored significantly higher on indirect performance-related aspects, for example, commitment, job satisfaction and work-life balance.

The implementation programme placed an emphasis on encouraging managers and individuals to embrace flexibility, while equipping them with the tools to do so. The programme included:

- team-based exercises to see how flexibility can improve the overall performance of each team
- personal surveys to find out how each employee works now and what requirements they may have for flexibility
- one-to-ones between individuals and managers to discuss how flexibility could help them in their role
- technical training on how to use new personal equipment, for example, new technology
- the introduction of a special helpdesk to resolve issues with technology for staff who aren't office-based.

Furthermore, the programme addressed the concerns of managers, by training them to deal with any difficulties that arose and how to manage a remote workforce. The senior management made sure that Work:wise would not simply be a way of increasing employee hours, but would also give teams the freedom to set their own expectations of how and when they would work together.

Flexible working is now enshrined in the policies, practices and culture of Centrica.

Larger employers

Compared to SMEs, there is a greater tendency to have formal policies and practices in place among larger employers.

This has benefits in terms of ensuring that flexibility reaches all corners of the organisation and that employees receive a degree of consistency, even among line managers who may not be personally receptive to flexibility.

Employers often pursue such arrangements in order to achieve cost reductions. Alden's research alone found two examples of local authorities that were able to reduce office space by introducing a system of hot-desking, and free up managers' time by allowing employees to manage their own flexitime. Clear guidance was available from the HR department, which made the decision-making process much easier for managers. One public sector manager said:

'We have a flexible working policy... It gives you a lot of background information of what flexible working arrangements there are available and what you can ask for, and we've had lots of people ask for flexible working at home... They've got their various reasons for doing that: sometimes it's health, and travel. They just want to cut down the amount of travelling they're doing.'

The case study on page 37 shows how Centrica simultaneously used an office move and the introduction of a comprehensive system of flexible working to significantly reduce its own costs.

3.2 Employer gains

'As a manager, I think nurturing is good for business and so offering flexibility... shows that you value your employees... and that employers understand you have a life outside.'

Flexible working will be one of the principal means of establishing age-friendly employment policies, helping employers build a reputation as a good place to work.

- 89 per cent of employees agree or strongly agree that having the opportunity to work flexibly improves workplace morale, compared to just 6 per cent who disagree or strongly disagree.
- 62 per cent of employees agree that employers who use flexible working value their staff more, with only 22 per cent disagreeing.
- 94 per cent agree that people work best when they can balance their work and personal life.²⁹

The business case for flexible working is already well recognised, and there are several pieces of research and reports from business groups and Government that showcase this.³⁰ There are a number of gains that can be made for employers through embracing flexibility.

Alden's research finds the following.

- Flexible working is valued as a major benefit by older employees, who are likely to respond positively.
- In addition, the employer is likely to be valued as offering a desirable place to work by older jobseekers who may seek similar requirements. This will increase the talent pool for recruitment and help meet future skills needs.
- Management processes will improve – an emphasis on flexibility for older workers can lead to improvements in other areas, making the organisation more age-friendly across the board. For example, discussing needs for flexibility can improve retirement transition planning.
- Operational resource allocation – among staff, flexibility can encourage employers to deploy skills more effectively across the organisation. In addition, in difficult economic times, flexibility can help avoid redundancy.
- Increased efficiencies – for example, through reduced work site costs such as office space or electricity usage.
- Improved in-work relationships between managements and staff.

Negative factors emerge from inconsistencies of application rather than directly from the actual flexible working; for example, differences between line managers in the same organisation.

3.3 Mutual benefits

There is clearly mutual benefit from flexible working. One example in Alden's research of a management-employer arrangement demonstrates this.

In a small social services provider, the management set out clear expectations that shifts would be covered and established via a rota. Beyond this, however, it was up to the employees to swap shifts according to their own personal needs.

Managers rarely had to intervene, and this approach had the additional benefit of improving teamwork as people helped each other out where possible.

The case study below of The Pensions Trust gives another example of the shared gains from introducing flexible working.

Employer case study: The Pensions Trust Background

The Pensions Trust is a not-for-profit organisation employing 160 people, who are mainly pensions administrators and professionals. Such people are relatively scarce, so the Trust has to continually look at ways to differentiate itself from the competition.

It can be hard to attract and retain people with the knowledge and skills needed to create an environment where people of all ages will feel comfortable. Flexible working is one way of addressing these problems.

Continued overleaf...

... Employer case study continued

Enhancing flexibility

The Trust has recognised that people of different ages have different flexible working needs. To meet these, a full flexitime system was introduced for all employees. Employees also have the opportunity to accrue hours to take flexidays, which could provide them with up to 12 days extra leave during the course of a year.

There is a range of enhanced flexible working on offer. For instance, people can opt to work a nine-day fortnight, where they fit their hours for ten days into nine. To avoid losing the services, skills and knowledge of an individual, the Trust agrees that they can work from home on a temporary or permanent basis.

For all bank holidays outside the Christmas period, employees can work and take the time off at some other time to fit in with other commitments. This also helps the business to remain open on traditional bank holidays.

The Trust has greatly benefited from a phased approach to retirement, where employees wish to prepare for this important time of life. An older worker's significant skills and experience in complex roles can be used, for example, to support and train a replacement.

Enforced flexibility is usually unwelcome to older workers. There may be exceptional circumstances, however, where enforced flexibility can also be for the employees' benefit – for example, when there is a real choice between a reduction in hours or pay and redundancy.

This was the case in Germany during the recent recession, when the policy of *Kurzarbeit* – short working time – was extended to reduce costs in the short term while protecting jobs in the longer term. Hours could be reduced to cut costs to employers.

The German Federal Government provided a public subsidy to partially compensate employers for the lost hours and 50 per cent of social security contributions paid by employers in 2009 and 2010 were reimbursed. The extension of the duration of the subsidy payments to 24 months led to an increase between September 2008 and June 2009 from 27,000 to 1.4 million people working *Kurzarbeit*.³¹

3.4 The importance of line managers

'About five years ago I started a degree. I had a manager who approved to pay for it but wasn't particularly flexible with allowing me time off for assignments, lectures and that. It was extremely frustrating for me... HR spoke to my supervisor for me. She was better for a while, but then she lapsed into being awkward... Then everything changed. My new supervisor was completely unsupportive. I wondered if it was my age but I could never be certain... About six months ago I got a new supervisor. She showed she was a different mould to the others. I have very good discussions with this new manager and she seems very proactive. I think that now may be the time [to re-start my degree].'

Line managers can have a significant influence over their workers' experiences of flexibility, especially in organisations that operate an informal policy.

Flexible working emphasises particular managerial skills, so employers need to ensure that managers are trained appropriately. For example, if an employee is home-based, some traditional work skills may become less relevant, such as timekeeping. Instead it makes sense for there to be more emphasis on outcome measures as key performance indicators; for example, reaching targets or completing particular tasks.

The following quote shows an employee's view on working from home.

'If I'm falling short of my targets and objectives and I keep turning up in fishing gear with a fishing rod under my arm, he's going to suspect. But providing I'm at the end of a phone or answering people's emails, if they've got any requirements for support, they know I'm not letting them down.'

Research by the London School of Economics suggests that many managers have unrealistic expectations of employees' working patterns and that this reduces productivity. Managers need to acknowledge the importance of work-life balance – this could be supported by assessing within their own performance appraisals how they have helped their staff to meet personal needs.³²



4 Flexible working as a labour market tool

‘Once I was in the job, yes. I don’t think I’d be happy to bring it up beforehand unless the job advertised flexibility... then that’s a different matter.’

With unemployment rising and economic growth slower than hoped, finding new ways to stimulate the labour market has never been more important.

Alden found that many older jobseekers need flexibility to move back into the labour market, but that it is rarely possible to find it. There is a clear implication for public policy here as the Government must develop the means to help employers create jobs that can be done flexibly; for example, through Jobcentre Plus or a bespoke employment service.

4.1 Flexible working and the unemployed

For many 50+ unemployed, the ability to work flexibly could help them move back into the labour force. However, there are simply too few job adverts that welcome flexible applications to make this a reality.

In addition, Alden’s research found that most older jobseekers are unwilling to ask for a change to the proposed working arrangements, or even imply it may be required, in the early stages of the recruitment process. This is because they believe the request will simply be denied, or they will immediately be seen as a ‘problem’ employee and not offered the job:

‘It is very difficult to get the kind of flexible working I need as a new employee. Maybe you can wait and then ask, but I don’t have the luxury of time to wait.’

It is therefore a matter of urgency that more jobs are advertised as ‘welcoming requests for flexible working arrangements’ or similar.

All jobs being ‘flexible by default’ is the obvious solution to this problem.

There is a clear role for Jobcentre Plus to help businesses design suitable roles and accommodate flexible working arrangements, in particular, small businesses that may not otherwise be in a position to consider such options.

However, participants in the research had mixed experiences of Jobcentre Plus, with many finding it failed to accommodate for their needs. There was often a feeling that older jobseekers were viewed negatively by advisers, at least until the adviser became aware of their work history. Some found that advisers were unable to offer them suitable help:

‘Jobcentre Plus? All negative. I sit at a table with some person. I’ve got a folder that thick of job applications and things I’ve done and people I’ve signed up with... I’ve got these websites I check regularly. And the comment is: “Oh, there’s not much more we can tell you to do then, is there? We’ll see you in three months’ time.” They are pushed. You don’t get much time.’

It should, however, be stressed that not everyone has a negative experience of Jobcentre Plus.

‘They saw 25 years’ continuous service and “Oh yes, you aren’t the average benefit cheat.” Then it was, “No problem, we’ll do this, we’ll do that.” It all turned around once they saw my work history.’

Recruitment agencies in the private sector could also encourage their clients to adopt a more positive approach to flexibility. Age UK has been working with the Recruitment and Employment Confederation to develop a ‘pledge’ to help agencies to improve their practice.

4.2 Self-employment

For some people, self-employment is the best means of moving off benefits and into employment because it allows the required flexibility. Indeed, for some older workers in Alden's research, self-employment was the only option.

'I think for the most part I was saved by being able to become a carpenter. My wife needs me to be accessible. It definitely allows for that.'

The Government has placed a particular emphasis on self-employment. For example, the introduction of the New Enterprise Allowance is designed to help Jobseekers Allowance claimants to set up their own business while continuing to claim benefits.

However, while flexibility can be achieved through this route, self-employment is not for everyone. There are both costs and benefits from a work-life balance viewpoint. Alden shows that sometimes the insecurity associated with self-employment can be stressful:

'It can be much less stressful, much more beneficial to health to be self-employed. But the other side of that, of course, is the insecurity that comes with being self-employed, which is in itself stressful... And that does impact negatively on health and mental health... It would be difficult, if not impossible, to say exactly where the line is drawn between those two because obviously it's going to change week by week and month by month.'

4.3 Extending working lives

Being able to work flexibly has a key role in meeting the overarching Government policy objective of extending working lives. The ability to wind down to retirement and re-enter work more easily will help individuals remain in employment for longer, thereby contributing to the Exchequer and the economy. This is particularly important with State Pension ages rising.

Demographic changes mean that the UK has an ageing workforce.³³ This will have a significant impact on employers in the future, as they will need to increasingly rely on the skills and experience of older workers.

It is essential that employers are prepared, but at present too few are. Only 14 per cent of managers believe their organisation is ready for the ageing workforce, clearly showing there is a vast amount of work to be done.³⁴



5 *Conclusions: where next for flexible working?*

The current economic climate and demographic changes mean there is an opportunity to promote the benefits of flexible working to employers and older workers alike.

Flexible working needs to be embedded into job design and the culture of work. Making all jobs ‘flexible by default’ would reframe the debate and incentivise employers to proactively examine how flexible working can benefit their organisation, regardless of size or sector.

We believe this would encourage individuals and employers to look more carefully at where flexibility can be delivered and how this can be beneficial for both parties.

It is, however, a longer-term objective that must follow the extension of the right to request.

Regardless of whether flexible working is arranged through formal employer policy or informal arrangements, as long as it is mutually agreed there are substantial benefits for all. While many individuals and employers do recognise the potential gains, some groups of workers are still at particular risk of missing out. They include the following.

- Those with caring responsibilities – older workers who care for friends or relatives do not always feel they are offered sufficient opportunity to balance these responsibilities with their work. Employers need to become more responsive to such requirements.
- The unemployed – older jobseekers are less likely to benefit from flexible working. The Government needs to promote flexibility among recruiters, and help back-to-work services embed it into their provision.

- Those with health impairments – for these older workers, flexibility can be an important tool for managing their condition, as well as staying in work.

Looking forward, the Government needs to capitalise on this opportunity and press home the business case to employers by working with representative bodies to provide guidance and support, and by helping employers – particularly SMEs – to design sustainable flexible employment opportunities.

Older workers need to be empowered to initiate discussions with their employer, using the right to request if necessary. This will hopefully allow people to balance caring responsibilities, health requirements and other personal commitments with work as they are increasingly expected to work for longer than ever before.

Ensuring that flexible working options exist for older people is, however, just one part of the wider issue about increasing age-friendly policies in all organisations. Everyone should have the opportunity to work for as long as they want and need to, which would have huge benefits for the economy as well as for the individuals concerned. Flexible working is a good place to start, and it can hopefully act as an incentive for employers to improve practice in other areas of the employment process too.

Appendix

In order to find out more about flexible working among older workers, Age UK analysed the *Labour Force Survey*.

As noted in the report, precisely defining flexible working is not possible. The *Labour Force Survey* does not offer full details into 'why' people work flexibly, so it is necessary to define flexible working based on the available variables. The analysis in the report includes people who work both full- and part-time, and who use either or several of:

- flexitime (flexible working hours)
- annualised hours contract
- term-time working
- job-sharing
- nine-day fortnight
- four-and-a-half-day week
- zero-hours contract
- on-call working
- home working.

This raises the following two issues.

Part-time working

Part-time working per se does not necessarily constitute flexibility – this would only be the case if it is the result of a reduction in hours agreed between employer and employee. Of course, if the part-time worker also uses one of the other options then they are included.

Home working

We included this variable under our definition because it meets many of the characteristics of flexibility. However, there are more jobs stereotypically undertaken by men that meet the definition. In the report, we included an analysis of flexible working by gender, both with and without home working included.

Figure 1 on page 16 includes home working in order to demonstrate the total usage of flexible work options by older workers.



Notes

- 1 Alden, E. (2012) 'Flexible Employment: How employment and the use of flexibility policies through the life course can affect later life occupation and financial outcomes', Age UK Research Report, Age UK, www.ageuk.org.uk/Documents/EN-GB/For-professionals/Research/Flexible_working_report_Alden.pdf?dtrk=true
- 2 See, for example, Eurostat (2012) *Active Ageing and Solidarity between Generations*, European Commission. This shows that nearly 50 per cent of older workers plan to work beyond 65, well above the EU average of about 40 per cent.
- 3 Office of National Statistics (2012) *Labour Market Statistics for January 2012*
- 4 Age UK Analysis of the *Labour Force Survey*, Q1 2011 (2012)
- 5 The eight business reasons are: burden of additional costs; detrimental effect on ability to meet customer demand; inability to reorganise work among existing staff; inability to recruit additional staff; detrimental impact on quality; detrimental impact on performance; insufficiency of work during the periods the employee proposes to work; planned structural changes (Directgov, 2012).
- 6 See also: Hooker et al. (2007) *Third Work-life Balance Employee Survey*, DTI; and Hayward et al. (2007), *Third Work-life Balance Employer Survey* (2007), BERR
- 7 *Survey of Carers in Households* (2010) NHS Information Centre
- 8 DWP (2011) *Access to Work Official Statistics*. The top four categories for the type of help received were: 1) travel to work; 2) Access to Work assessment; 3) support worker; 4) special aids and equipment.
- 9 Hooker et al. (2007) *Third Work-life Balance Employee Survey*, DTI
- 10 Hill et al. (2010) 'Workplace Flexibility, Work Hours, and Work-life Conflict: Finding an extra day or two', *Journal of Family Psychology*, June
- 11 See, for example: Calvo, E. and Sarkisian, N. (2011) *Retirement and Well-being: Examining the characteristics of life course transitions*
- 12 Or indeed voluntary work or physical activity: Dave, D., Rashad, I. and Spasojevic, J. (2006) *The Effects of Retirement on Physical and Mental Health Outcomes*, National Bureau of Economic Research
- 13 Smeaton D, Vegeris, S. and Sahin-Dikmen, M. (2009) *Older Workers: Employment preferences, barriers and solutions*, Equality and Human Rights Commission Research Report 43
- 14 For example see Alden, E. (2012) *Flexible Employment: How employment and the use of flexibility policies through the life course can affect later life occupation and financial outcomes*, Age UK Research Report; or CIPD/CMI (2010), *Managing an Ageing Workforce*; or Hooker et al. (2007) *Third Work-life Balance Employee Survey*, DTI
- 15 McNair, S. and Flynn, M. and Owen-Hussey, L. (2006) *Older Workers in the South-East*, Centre for Research into the Older Workforce
- 16 Holmes et al. (2007) *The Future of Work: Individuals and work-place transformation*, Working Paper Series, EOC
- 17 Hooker et al. (2007) *Third Work-life Balance Employee Survey*, DTI
- 18 For example, the CIPD/KPMG survey in 2006 found that 35 per cent supported extending the right to request. This is even higher among HR managers, with 73 per cent support. See Woolf, C. (2010) *IRS Employment Review Survey 2010*.
- 19 Only 10 per cent of employers believed the right to request had a negative impact on their business (38 per cent positive, 52 per cent neutral): CBI (2008) *Employment Trends Survey*
- 20 Equal Opportunities Commission (2007) *Enter the Timelords: Transforming work to meet the future*
- 21 European Commission (2010) *Flexible Working Time Arrangements and Gender Equality*
- 22 Atkinson and Hall (2009) 'The Role of Gender in Varying Forms of Flexible Working', *Gender, Work & Organisation*, 16(6), November
- 23 Age UK analysis of the *Labour Force Survey 2005-10* First quarter averages (2012). The LFS divides occupations into seven classes: 1) higher managerial and professional; 2) lower managerial and professional; 3) intermediate occupations; 4) small employers and own account workers; 5) lower supervisory and technical; 6) semi-routine occupations; 7) routine occupations. We consider the first three are 'managerial and professional' and the last three are 'lower supervisory and routine'. Group 4) workers could be assigned to either and the variable is unclear. Therefore this group has been omitted from our analysis.
- 24 Hirsch, D. (2003) 'Crossroads after 50: Improving choice in work and retirement', *Foundations after 50*, Joseph Rowntree Foundation
- 25 Humphrey et al. (2003) *Factors Affecting the Labour Market Participation of Older Workers*, Department for Work and Pensions
- 26 As note 25. The study found that 30 per cent of women and 20 per cent of men aged 50+ have a caring responsibility.
- 27 Elsmore, K. (2009) *Caring and Flexible Working*, DWP Research Summary Series
- 28 See Alden, E. (2012) *Flexible Employment: How employment and the use of flexibility policies through the life course can affect later life occupation and financial outcomes*, Age UK Research Report; or Federation of Small Businesses (2010) *Flexible Working: Small-business solutions*
- 29 Taken from Hooker et al. (2007) *Third Work-life Balance Employee Survey*, DTI
- 30 See, for example: Hayward et al. (2007) *Third work-life balance Employer Survey*, BERR; CBI (2009) *Employment Trends Survey*; Federation of Small Businesses (2010) *Flexible Working: Small-business solutions*
- 31 Social Europe guide (2011) *Employment Policy*, European Commission
- 32 Beauregard, T. A. (2011) 'Direct and Indirect Links between Organizational Work-home Culture and Employee Well-being', *British Journal of Management*, 22(2)
- 33 Age UK (2011) *The Shape of the Older Workforce 2015-25*
- 34 CIPD/CMI (2010) *Managing an Ageing Workforce*



