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Why older talent should be a consideration for today's inclusive leader

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While 'age' has not been historically underrepresented in our workforces, creating longer, fulfilling working lives is now an economic imperative. Like with other forms of diversity, popular myths have seen leaders consistently undervalue the performance benefits of age-diversity. Daniel Jolles and Grace Lordan break down three persistent myths about older talent.

Around **one third** of the US workforce are aged between 18 and 34 years, and another third are aged between 35 and 49. The remaining third are 50+ years. This includes working adults over the 'traditional' retirement age of 65, who have more than **doubled** over the past 20 years to represent 7% of the labour market. This means that most firms now have **five generations** working side by side.

In leading firms, diversity, equity, and inclusion (DEI) strategies are high on the agenda, touted in value statements as central to innovation, decision-making, and talent acquisition. Yet, these strategies are primarily focused on **gender and race**, and ignore generational-diversity altogether. Partly, and rightly, this is due to leaders prioritising steps aimed at correcting historic gender and racial underrepresentation in key roles. Partly, and incorrectly, this is due to leaders undervaluing the benefits of **generationally** diverse perspectives. The complex problems faced by organisations today demand a wide **variety of perspectives**. Despite growth in the participation of older adults in the labour market, indicators show that older workers are still being brushed aside far too early. In the US, **less than half** the population aged in their sixties are currently working. Employment rates drop from a healthy 76% for people 50 to 54 years old to just 31% for those aged 65 to 69. In the UK, data shows workers aged 50+ were up to 50% more likely than their younger counterparts to have been impacted by redundancy in the past **12 months**.

So why are older generations being cast aside too early in the workplace? The root cause is three persistent myths as to why retaining older workers undermines performance. Leaders who recognise these access a wider talent pool and a group of workers with higher retention rates.

Myth 1. Younger talent does the job better

Few jobs require us to run a mile in under seven minutes. Yet, when we think about work and talent, we often treat age like an inevitable decline from an 'athletic peak'. Intelligence does change over the life course, but our minds do not simply decline with age. To some extent, fluid abilities, associated with short-term memory and novel problem-solving skills do **decline**. However, crystallised abilities gained from education and experience remain stable and even grow throughout our **working years**. In practice, very few jobs demand high fluid abilities and those that do also require crystallised abilities. An investment banker or a marketing lead are likely to draw on both problem-solving skills and relevant knowledge from experience to handle challenges and deliver for their clients. It is therefore not surprising that despite the false stereotypes, age and job capability are **largely unrelated**. The area where age matters? Attitude. Despite the tropes of 'grumpy older workers', the reality is that older workers tend to be better with the citizenship behaviours that improve harmony and effectiveness. Putting older generational workers on teams with younger generational workers brings complementarities that are often untapped.

Myth 2. Older generations should 'step aside'

The 'lump of labour fallacy' is the misconception that older workers block the recruitment pipeline because, regardless of growth or opportunity, every new job requires a job to be **vacated**. In reality, there is no evidence that younger workers are **blocked out** of the labour market by older workers having longer careers or even that when older workers retire, younger workers are readily hired to replace **them**. Yet, founded or not, the belief that older workers should '**make way**' for younger generations is popular and widespread, undermining the potential to leverage generational diversity in the workplace.

Myth 3. More generations, more tension

Many leaders imagine that age-diversity will effectively pit an organisation's younger and older workers against each other, disturbing cohesion and increasing dissent. But the reality is no different to the widely accepted 'business case for diversity' for gender or race. Because age is so important to our experiences and perspectives, excluding older talent if they are the customer cannot be good for business. In addition, more generational diversity creates more knowledge and perspectives, which increases creativity, innovation, and performance. This is all backed up by the **data**. What is more, when leaders have set teams up for success by ensuring they are well led, inclusive, capable, and motivated, generational diversity benefits are even stronger.

Overall, if leaders are to create high performing, inclusive, and multigenerational firms, they need to let go of these three myths about older generational workers and recognise that: 1. talent is talent, regardless of age, 2. getting younger talent to 'step in' is not helped by having older talent 'step aside', and 3. age diversity helps deliver the diverse perspectives, knowledge, skills, and social connections firms want in order to gain a competitive advantage and meet today's complex challenges.



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About the author



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Grace Lordan is an Associate Professor in the Department of Psychological and Behavioural Sciences at LSE. She is the founder and director of LSE's The Inclusion Initiative (<http://www.lse.ac.uk/tii>), a new research centre that is demonstrating that inclusive leadership is good for business and creating inclusive leaders. Grace is also the author of "Think Big, Take Small Steps and Build the Future you Want". She has written for Harvard Business Review and the Financial Times and publishes regularly in top peer reviewed journals.

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