

Training a Mixed-Age Workforce: Practical Tips and Guidance

Becci Newton, Jennifer Hurstfield, Linda Miller, Peter Bates
For Extending Working Lives, Department for Work and Pensions

age**partnership**group
Targeting Employers





Prepared by:

INSTITUTE FOR EMPLOYMENT STUDIES
Mantell Building
Falmer, Brighton BN1 9RF, UK
Tel. + 44 (0) 1273 686751
Fax + 44 (0) 1273 690430

<http://www.employment-studies.co.uk>

IES will allow extracts of this report to be reproduced for non-commercial education or training purposes on condition that the source is acknowledged.

The Age Partnership Group (APG) and the Department for Work and Pensions (DWP) have commissioned this report to provide information towards ongoing development work. Responsibility for the views expressed in this report rests solely with the authors. The members of the APG and the DWP do not accept responsibility for the views of the authors.

The Institute for Employment Studies

The Institute for Employment Studies is an independent, apolitical, international centre of research and consultancy in human resource issues. It works closely with employers in the manufacturing, service and public sectors, government departments, agencies, and professional and employee bodies. For over 35 years the Institute has been a focus of knowledge and practical experience in employment and training policy, the operation of labour markets and human resource planning and development. IES is a not-for-profit organisation, which has over 60 multidisciplinary staff and international associates. IES expertise is available to all organisations through research, consultancy, publications and the Internet.

IES aims to help bring about sustainable improvements in employment policy and human resource management. IES achieves this by increasing the understanding and improving the practice of key decision makers in policy bodies and employing organisations.

Age Partnership Group

The Age Partnership Group (APG) was formed in November 2002 and managed by the DWP. It consists of 19 national organisations which represent different aspects of employers' needs, for example, small business representatives, trade unions, HR and personnel managers, local government, other government departments, accountancy, insurance and training organisations.

This research has been commissioned by the DWP on behalf of the APG as part of a National Guidance Campaign (NGC). The NGC aims to raise employers' awareness of, and ability to adopt, flexible employment and retirement opportunities in order to increase the recruitment, retention and training of older workers prior to the implementation of age legislation towards the end of 2006.

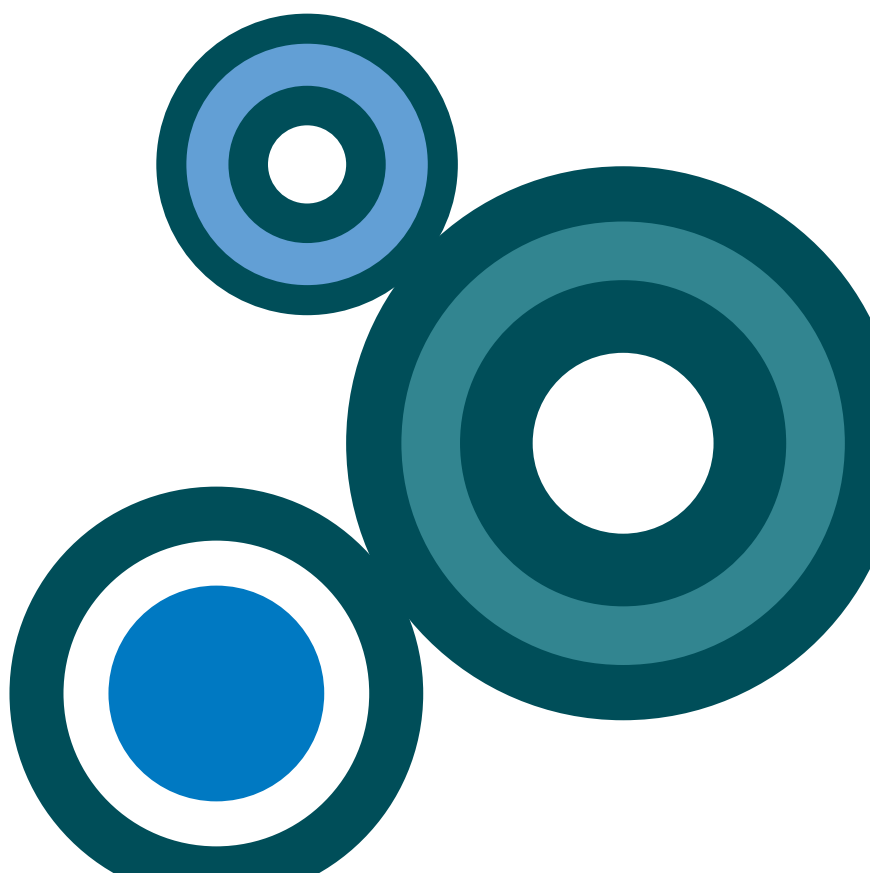
Age Legislation

The Government has supported the European Employment Directive on Equal Treatment and made a commitment to introduce age legislation, covering employment and vocational training, before the end of 2006. The implementation period has given time to consult widely with employers, individuals and expert groups, towards the development of clear and workable legislation. It is intended that employers be given sufficient time to familiarise themselves, and adapt their practices, before legislation is implemented.

Views have already been sought on a number of issues including: retirement age, recruitment, selection and promotion, pay and non-pay benefits, unfair dismissal, employment-related insurance and statutory redundancy payments and the latest consultation closed on 20 October 2003. There will be a further consultation on the draft age regulations when they are published in 2005.

Disclaimer

The Age Partnership Group and the Department for Work and Pensions (DWP) have commissioned this report to provide information towards ongoing development work. Responsibility for the views expressed in this report rests solely with the authors. The members of the APG and the DWP do not accept responsibility for the views of the authors.

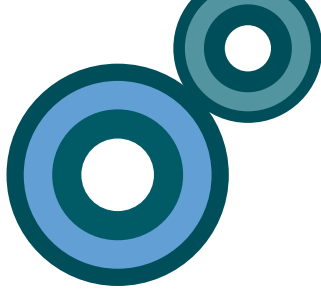


Contents

	Page		Page
Acknowledgements	iv	3. Findings from the Policy and Academic Literatures	10
1. Executive Summary		3.1 The ageing workforce	10
1.1 Aims of the research	1	3.1.1 Why train employees? The perceived benefits	10
1.2 Context	1	3.2 Who gets trained?	12
1.3 Who gets trained?	2	3.3 Barriers to participation in training	14
1.4 The myths about older and younger workers	3	3.3.1 The myths about older workers	14
1.5 Trends in training	4	3.3.2 Productivity and capacity	17
1.6 Good practice in organisations	5	3.3.3 Employer attitudes to training older workers	18
1.7 Key contacts and training programmes	6	3.3.4 Attainment, attrition and return on investment	20
2. Training a Mixed-Age Workforce: About the Project	8	3.3.5 Policy and practice in facilitating access to training	20
2.1 Introduction	8	3.3.6 Older workers' self perceptions	21
2.1.1 Limitations	8	3.3.7 Impact of older workers' employment patterns	23
2.1.2 Methodology	9	3.3.8 The business case	24
2.2 Structure of this report	9	3.3.9 Conclusions from the literature review	25
2.3 Definitions	9		



	Page		Page
4. Trends in Training	26	4.5 Likelihood of undertaking job-related training	34
4.1 Data sets and structure	26	4.6 Employer Training Pilots and Modern Apprenticeships	35
4.2 Overview of employment	26	4.6.1 Employer Training Pilots	35
4.3 Participation in training and offers of training	27	4.6.2 Modern Apprenticeships (MAs)	36
4.3.1 Education or training in the last three months	27	4.7 Summary	37
4.3.2 Take up of work-related education and training	27	5. Practical Tips and Guidance from Organisations with Age Positive Training Practices	39
4.3.3 About the training workers receive	28	5.1 Case studies of organisations training a mixed-age workforce	39
4.3.4 Training in the last four weeks	28	5.2 Emerging themes from the case studies	40
4.3.5 On-the-job and off-the-job training	29	5.2.1 Learning preferences, adapting the training experience and the growth of e-learning	40
4.3.6 Duration of training	29	5.2.2 Training policy and practice	40
4.4 Factors affecting training by age group	30	5.2.3 Perspectives on the costs of training	40
4.4.1 Gender differences	30	5.2.4 Developing staff to train others and training programmes	42
4.4.2 Highest qualification	31	5.2.5 Staff engagement and careers	43
4.4.3 Occupation	31	5.3 The Small Business Case	44
4.4.4 Conditions of employment	32	5.3.1 Beacon Foods	44
4.4.5 Length of time with current employer	33	5.3.2 Stanair Industrial Door Services	44
4.4.6 Industrial sector	33		
4.4.7 Establishment size	34		



	Page		Page
5.3.3		7. References	68
Wrap Film Systems	45		
5.3.4		8. Supplementary tables from the	
What other small employers have		secondary data analysis	71
said to the DWP	45		
5.4 The company case studies	45		
5.4.1			
B&Q	45		
5.4.2			
Clinphone	48		
5.4.3			
Lyreco	51		
5.4.4			
Macphie	55		
5.4.5			
Royal Bank of Scotland	59		
6. Training your Workforce:			
Who to Contact	64		
6.1 Learning and Skills Council	64		
6.2 Education and Learning Wales	64		
6.3 Scottish Enterprise	64		
6.4 Sector Skills Councils and Sector Skills			
Development Agency	64		
6.5 Employer Training Pilots	65		
6.6 Modern Apprenticeships	65		
6.7 Union Learning Fund	66		
6.8 learndirect	66		
6.9 University for Industry	66		
6.10 Scottish University for Industry	67		
6.11 UFI Cymru	67		

Acknowledgements

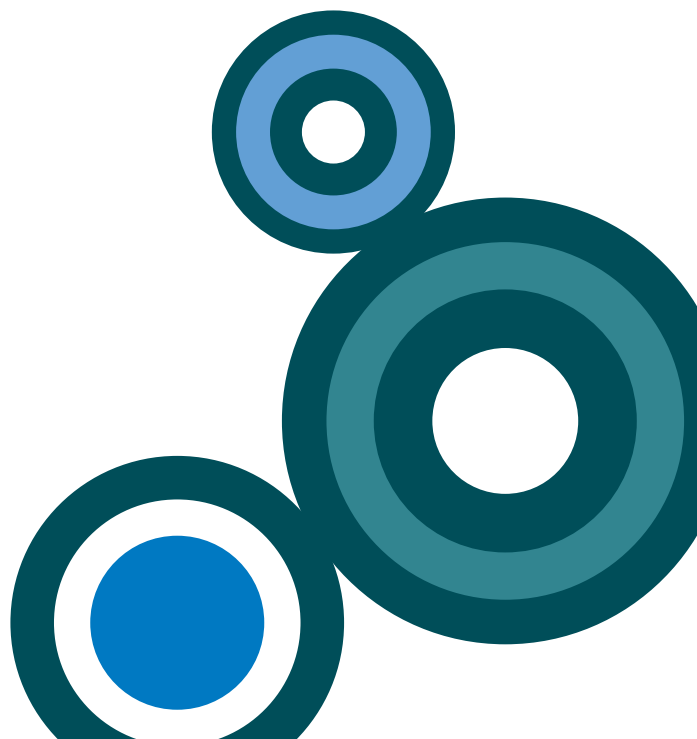
The authors wish to thank Susan Stones and Richenda Solon at the Department for Work and Pensions, for their assistance, and for providing the key contacts that enabled us to carry out this research. Our thanks also go to Louise Paul and Polly Green at IES for their assistance in preparing this report.

We would like to acknowledge the national stakeholders who contributed to our understanding of the context and perceived drivers for this project, specifically:

Lucy Anderson, Trade Union Congress; Graham Cheetham, Department for Education and Skills; Petra Cook, Chartered Management Institute; Keith Frost, Third Age Employment Network; Lesley Giles, Sector Skills Development Agency; Andy Howells, Department for Work and Pensions; Jessica Jarvis and Dianah Worman, Chartered Institute of Personnel and Development; Sam Mercer, Employers' Forum on Age; John Moore, Exponential Training (CMI); Ian Morrey, Trade Union Congress (Union Learning Representatives); Maggie Slinger, Department for Trade and Industry; Steve Smith, Small Business Service; Jim Soulsby, NIACE; Alice Teague, Federation of Small Business

We would also like to thank the organisations who agreed to take part in the case study stage of this research and particularly: B&Q, Clinphone, Lyreco, Macphie and Royal Bank of Scotland.

Finally, we wish to thank the research team at IES: Jonny Gifford, Penny Tamkin, and Rebecca Willison.



1. Executive Summary

1.1 Aims of the research

This research aims to address the myths and age-related barriers that currently deter employers from training workers of different ages. There is a focus on older workers, who are less likely to have access to, or participate in, training than younger workers. However, younger workers also experience discrimination in access to training, so we review the evidence relating to the different age groups. This summary provides the evidence and practical guidance on the variety of training support channels and on age diverse training practices. Throughout the study, references to 'older workers' mean people aged fifty and over and for 'young workers', people aged up to 25. Both of these definitions align to UK government approaches.

Research approach

This study is the culmination of four strands of research activity:

- Qualitative interviews with a range of national experts to inform the context for the research and the key issues to be explored. The interviews also helped to identify the training channels available to employers and their workers.
- Review of the current policy and academic literature.
- Secondary data analysis of the Labour Force Survey, 2004 and National Adult Learning Survey, 2002. We also include LSC data from the Employer Training Pilots and Modern Apprenticeships.
- Case studies of five organisations who demonstrate good practice in training a mixed-age workforce.

1.2 Context

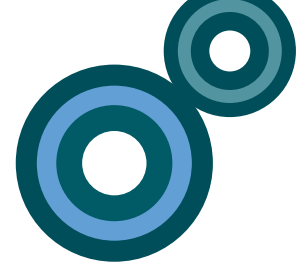
By 2030, 19 million people in the UK will be aged over 60 (Urwin, 2004, based on Labour Force Survey 2002) however, the trend that indicated that there has been a decline in the proportion of older workers who are economically active (Taylor and Walker 1997) appears to be changing (DWP, 2004). The Labour Force Survey, 2004 reveals that older workers' employment rates are 70.2 per cent compared with 63.3 per cent in both Spring 1992 and Spring 1999.

While the trend found by Taylor and Walker may have been caused by the concentration of older workers in declining sectors, and their increased likelihood of redundancy and retirement, the issue of skills and training (to equip individuals to move to new jobs or sectors) is now a key factor, given their increasing retention in the workforce. It is worth noting that, while the employment rate for men aged 50 to State Pension Age has been declining since the early to mid 1970s, the current employment rate for men in this age group is the highest it has been since the early to mid 1980s.

Despite the changing context of employment amongst older workers, Urwin finds that they are at a disadvantage for four reasons:

- They are less likely to possess formal qualifications than younger workers.
- They are less likely to be studying while at work.
- They are less likely to be offered training.
- Large proportions of older workers do not take up the opportunity to train.

Urwin, 2004



So, why is training so important in a mixed-age workforce?

The benefits lie in improved performance and in less tangible changes such as improved motivation. A recent piece of research that reports such outcomes is the 2004 CIPD Training and Development Survey which found benefits of training to include:

- higher competence
- improved quality of service
- increased motivation and retention
- raised commitment
- reduced absenteeism.

CIPD Training and Development Survey 2004

In contrast to the identification of the benefits of training are recent findings about UK skills shortages and the damage it is causing to productivity. The National Employers Skills Survey 2003, commissioned by the LSC in partnership with the Sector Skills Development Agency and the Department for Education and Skills, found that one-fifth of employers reported that the skills of their workforce are not currently sufficient, and that for 30 per cent this lead to higher operating costs. In addition, one-fifth of the total respondent base, also reported that vacancies remained

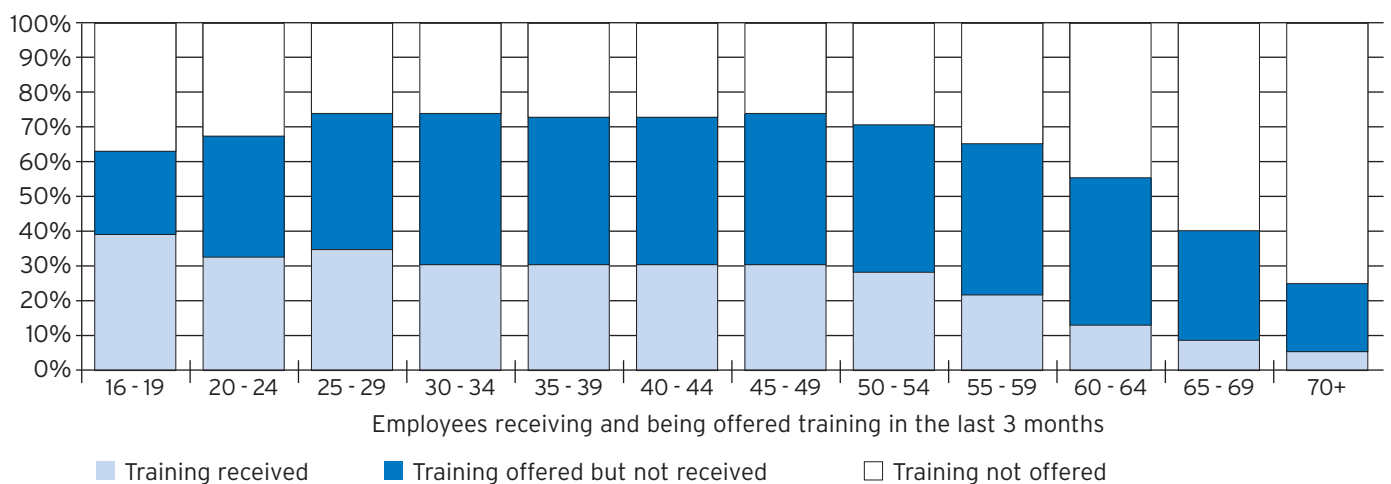
unfilled due to skills shortage. These two findings combined demonstrate that developing the current workforce rather than recruiting in new skills may be the most viable approach for organisations. However, the skills shortages in the current workforce also indicate that continued development may not be a feature of every working life. So, what is the current situation for workers of different ages?

1.3 Who gets trained?

Evidence that older workers are less likely to receive training emerges from major national datasets such as the Labour Force Survey. Figure 1, based on our analysis of the Labour Force Survey, 2004, shows that between the ages of 20 and 49 there is a relatively constant likelihood of training. However there is a sharp decline in training participation for workers aged 50 and over. Alongside this, for older workers, there is a greater likelihood of their not being offered training in the first place.

Why is it that older workers are excluded from training? We next explore the barriers to participation, starting with the myths and commonly held stereotypes about workers of different ages.

Figure 1: Employees offered and/or receiving education or training in the last 13 weeks



Source: Labour Force Survey Spring 2004

1.4 The myths about older and younger workers

We found an array of myths surrounding workers of different ages in our review of the policy and academic literature. These included views that older workers have lower career aspirations and expectations; that they are more resistant to change; they are less able to cope with change; more difficult to train and less able to learn new skills, particularly new technology (Itzin and Philipson, 1994; Withnall et al, 2004).

Younger workers face negative assumptions about their maturity and reliability, their emphasis on their social life and a reduced likelihood to stay with a company, because they are at an early point in their careers. This is an under-developed area of the literature, however, recent evidence is pointing to age discrimination now being felt more acutely by this group (CIPD, 2003d; Eversheds, 2004).

The Employers Forum on Age (2004) warns against applying positive or negative stereotypes to any worker: *'When you attach... stereotypes to one group it is inevitably implied that the converse is true of another group.'*

Attributes and competencies are not tied fundamentally to age. However, evidence from the literature suggests that the current reality for older workers in particular is that they face a set of assumptions that act to disbar their access to training. What are these and how can they be overcome?

Performance and capacity

Meadows (2003) concluded that there is no discernible deterioration in performance in the majority of different types of work, at least up until the age of 70. Critically, she found that the factor that impacted on level of performance was training - precisely what older workers are likely to be excluded from.

'Only where older workers do not receive the same level of training as younger workers doing the same work does their performance show differences. Older workers who receive job-related training reach the same skill standards as younger workers.'

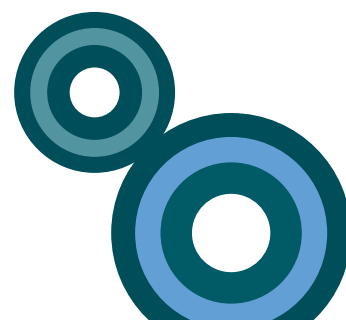
This not only provides an evidence base for training older workers, it should stimulate training throughout the workforce to ensure that workers of all ages have the opportunity to perform at the highest level throughout their careers.

Employers' attitudes to training older workers

Assumptions about older workers include that they are less adaptable and less able to grasp new ideas or technologies. Evidence demonstrates that these assumptions cannot be supported. Martin (1994), whose findings are reinforced by other researchers' work, puts the case succinctly. He argues that: *'There is a rumour circulating that "old dogs"...cannot learn "new tricks". Nothing could be further from the truth'*. His work focused on providing training for system development programmers. He found that by providing training, first to help employees understand the concepts involved, followed by training to understand how a shift to the new systems would affect work, and in the specific tools and technologies that would be used, all employees coped with the planned changes, regardless of age.

Return on investment

A key fear amongst employers is that they will not get a sufficient return on their investment in training an older worker, since the costs of training have to be recouped and offset against the likely gains to be had from new or improved





skills over time. Similar concerns may surround offering training to younger workers, who may be perceived as being early on in their career and so more likely to change jobs in the near future.

Again, the evidence suggests that there is little to support this assumption. A recent National Audit Office Report (2004) notes that since most skills have a three to five year shelf-life, which Meadows (2003) identifies has decreased from seven to eight years, it is worth investing in training anyone who will stay with the organisation for at least that long. Given that a worker aged 50 may work for a further 15 years or more, and is less likely to change employer in that time (Meadows, 2003), the argument of lowered return on training investment must be discounted. Similarly if a younger worker can see progression pathways in their organisation they may wish to develop their career with the company rather than move on.

Policy and the gatekeepers to training access

Implementing a policy framework that includes training is a facilitator of good training practice. It is important, however, to engage managers throughout the organisation with the policy and not solely the HR Department. Hirsch (2003) notes that line managers are often the gatekeepers to training, and their negative assumptions about older workers must be addressed to ensure full and equal access to training.

Older workers' self-perceptions

Older workers erect their own barriers to training, which can be broadly categorised as either fear or over-confidence. Their fears surround their own beliefs about their ability to learn new concepts and tasks; the over-confidence stems from their experience in their job and their identification of a lack of need of training. Given the importance of training to performance and thus organisational efficiency, it is important for employers to convince older workers of the benefits of training. Guthrie and Shroeder (1996) recommend

'communicating the relevance of training and development to individual career progress and emphasising that growth is a lifetime process'. Over-confidence may also be a factor for younger workers and similar considerations of encouraging lifelong learning may help to keep this group engaged in training.

Impact of employment patterns

There is some evidence in the literature that employment patterns affect whether training is offered. Our own analysis clarified the extent of this influence for part-time workers, although not for those on temporary contracts, however other studies have suggested that those on part-time, temporary or fixed term contracts are less likely to receive training (Arulampalam and Booth, 1998; Chan and Auster, 2003). This is a problem that must be addressed since our analysis of the Labour Force Survey 2004 found a greater prevalence of part-time working amongst the youngest and oldest workers. Addressing access to training for workers on non-standard contracts is an important consideration for employers.

Much of the literature focuses on assumptions about older, rather than younger, workers that affect their access to training. However, many of the myths that act as barriers to older workers often contain implicit, rather than explicit, assumptions about the capabilities of younger workers. These commonly held perceptions about younger workers are also likely to be based on stereotypes rather than evidence. We now turn to the data on trends in training from a statistical analysis of two major data sets.

1.5 Trends in training

Our complex statistical analysis is based on the Labour Force Survey, 2004, and the National Adult Learner Survey, 2002. We demonstrated that there is a clear association between age and the amount of training offered to and received by workers. Employees aged over 55, were less likely

than other workers, to participate in training, or to have been offered it. Older employees were also less likely than younger or mid-life workers to take up any opportunities for training that were made available.

Amongst the employees who had received training in the last 13 weeks, older workers were also less likely to have been recent recipients of training than their colleagues from young or mid-life age groups. Furthermore, older workers were more likely only to have received on-the-job training, and those who received off-the-job training were more likely than their colleagues to have received training of short duration (less than a week).

The analysis of the influence of factors affecting recent training by age revealed that:

- women are more likely than men to have recently participated in training, and this difference is more pronounced with age.
- more highly qualified workers are more likely to have recently trained.
- there is a decline in training with age within all occupational groups. Older workers in low-skilled occupations were the least likely to receive any training.
- part-time workers receive less training than their full-time counterparts which is of concern given older workers' greater likelihood to work part-time.
- there is no clear relationship between length of job tenure and the reporting of participation in training. The only exception is that employees between the ages of 16 and 34 who have been with their employer for five years or more, were less likely to receive training than those within the same age cohort who joined more recently.
- industrial sector has a strong influence on training participation, with the highest likelihood of recent training found in public administration, education, and health, across age groups.

- there is some association between establishment size and training, with small employers offering the least training.

The above sections have provided an overview of the reality of training participation for workers of different ages - and the barriers that they face. However, there are organisations that already provide training to their workforce, in a way that is age neutral. As part of this project we identified five good practice organisations, and interviewed training/personnel managers as well as supervisory and non-supervisory staff within those organisations. The next section of this summary looks at the common themes that emerged from the case studies.

1.6 Good practice in organisations

Our investigations into the practice and experience of training within the five case study organisations revealed some shared approaches that we discuss here. Some of the themes are strongly linked with the literature and data analysis.

Influence of training policy

The case study organisations all have a policy regarding training in which all of them linked training to job competencies and role matrices. This ensures that access to training is driven by job requirements rather than other factors such as age. Frameworks clarify the training that must be undertaken for each job within the company, and enable managers to monitor required certified training. Each company had a system of staff appraisal linked with performance management - with training programmes tied in. Three of the five businesses required that employees develop personal development plans to address the skills training they needed for their current job and their future career aspirations. The existence of the role matrices enabled employees to identify what training was required to progress through the grades.



Work pattern, and career progression, flexibility

As might be expected in employing organisations with positive attitudes towards age, these companies offered flexible working options – and flexible career paths, which were attractive to their mixed-age workforces. Aligned to the competency/ training matrix, the flexible career development options could be managed by workers in negotiation with line managers, so that the companies gained the benefits of having highly motivated workers because of the extent of their engagement with, and enjoyment of, their work roles.

It's not the cost of training, it's getting performance standards right

A feature of all the company case studies was how the costs and benefits of training were perceived. In three of the case studies, training could be considered 'mission critical' ie essential to meet regulatory, or health and safety standards. In the other two case studies, high performance standards related directly to customer satisfaction and repeat business. All of the companies considered that the costs of having untrained workers performing tasks, in terms of lost business or customer confidence, were untenable.

Developing staff to train others

Some organisations had a policy of drawing on staff from operational areas to deliver training. Benefits from the companies' perspective included that training would relate directly to job function and that current workers were able to ensure the high performance and quality standards required in particular roles. It also offered mentoring and knowledge sharing between workers of different ages or from different sections of the company. From the workers' perspective, the opportunity to train others was rewarding and added to their job satisfaction and engagement with the company.

Training preferences

The trainers, amongst the employees interviewed for the study, recognised that within any group a range of learning needs and preferences would be present. Several identified the benefits of a mixed-age and experience group as enabling the more experienced workers to help the less experienced workers in training exercises. Aligned to this perspective is the use of e-learning in each of the companies, which offers consistency as well as opportunities for learners to self-pace their study and re-visit topics that they have found difficult, which can suit the learning preferences of older workers.

1.7 Key contacts and training programmes

Our final section identifies the agencies and programmes which can help employers to deliver training that is relevant to their sector and the needs of their workers, no matter what their age.

Learning and Skills Council

<http://www.lsc.gov.uk/National/default.htm>
tel: 0845 019 4170

Education and Learning Wales

<http://www.elwa.org.uk>
tel: 08456 088 066

Scottish Enterprise

<http://www.scottish-enterprise.com>
tel: 0141 248 2700

Sector Skills Councils

<http://www.ssda.org.uk>
tel: 01709 765444

Employer Training Pilots

<http://etp.lsc.gov.uk/> or Contact your local Learning and Skills Council

Modern Apprenticeships

<http://realworkrealpay.info/Employer/default.htm>
tel: 08000 150 600

Union Learning Fund

<http://www.learningservices.org.uk/unionlearningreps/>
tel: 0151 236 7678

learndirect

<http://www.learndirect-advice.co.uk>
tel: 0800 100 900

Ufi

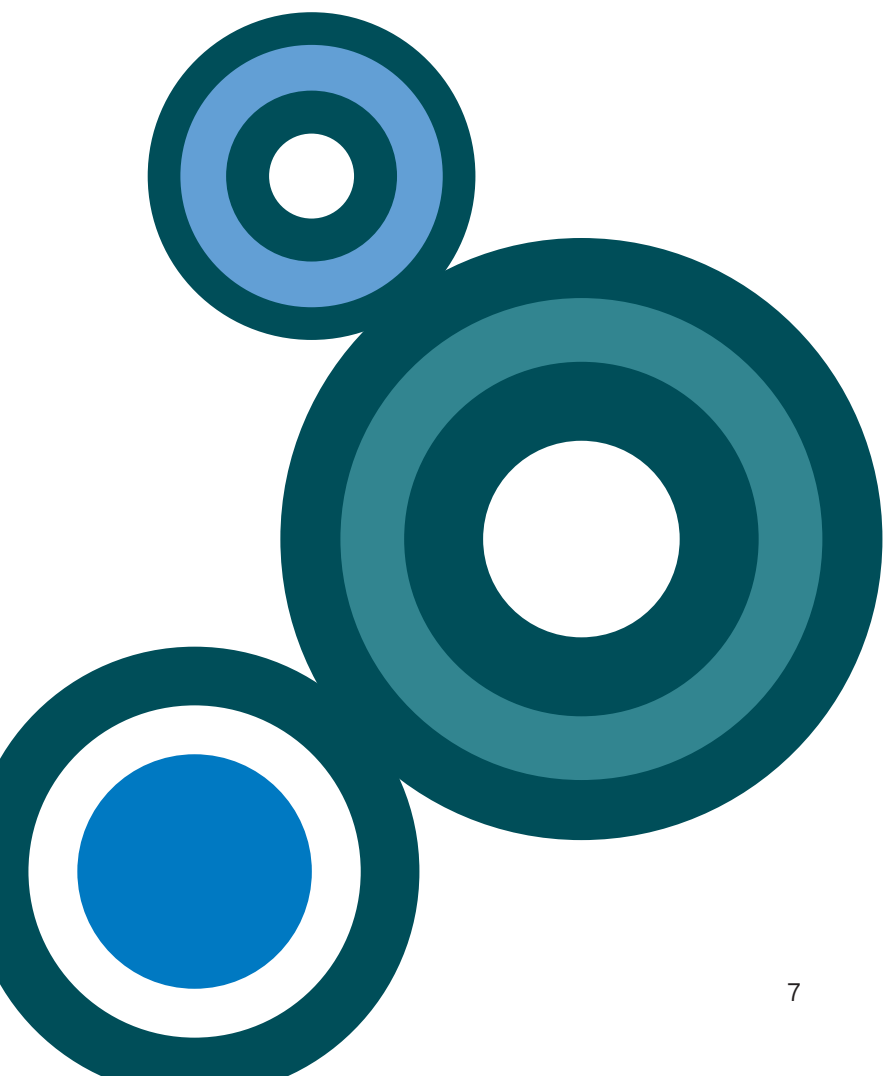
http://www.ufi.com/home/section1/2_employers.asp
tel: 0114 291 5000

Ufi Cymru

[http:// www.ufi.com](http://www.ufi.com)
tel: 029 2049 4540

Scottish Ufi

<http://www.scottishufi.co.uk>
tel: 0141 285 6000



2. Training a Mixed-Age Workforce: About the Project

2.1 Introduction

By 2030, 19 million people in the UK are expected to be aged over 60 (Urwin, 2004, based on Labour Force Survey 2002). Data reveals that there has been a decline in the proportion of older workers who are economically active, between the 1950s and the present day (Taylor and Walker 1997; Urwin, 2004), with a particularly dramatic fall in the participation rates of males aged between 60 and 64 between 1975 and 1985.

While in the main such changes in patterns of economic participation may be caused by the concentration of older workers in sectors that are themselves in decline, and the greater likelihood that older workers will be offered redundancy and retirement when companies hit troubled times, the issue of relevant skills and training (to equip individuals to move to new jobs or sectors) is a key factor. Urwin has concluded, on the basis of his analyses of the Labour Force Survey, that older workers are at a disadvantage where skills are concerned for four reasons:

- They are less likely to possess formal qualifications than younger workers.
- They are less likely to be studying while at work.
- They are less likely to be offered training.
- Large proportions of older workers do not take up the opportunity to train.

Urwin, 2004

Such concerns form the context for this research commissioned by the DWP. The wider context for the work is the forthcoming age discrimination legislation due to be implemented before the end of 2006. The DWP has responsibility for providing practical help and guidance for employers on realising the benefits of employing and training an age diverse workforce. A key objective of the current project is to address some of the myths

and age-related stereotypes that may currently deter employers from training workers.

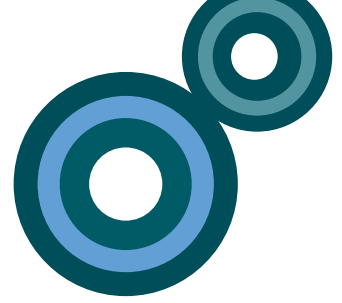
There is a strong focus within the project on the experiences of older workers, who, studies have shown (Urwin, 2004; Stoney and Roberts, 2003), have experienced discrimination in access to personal and professional development. However, given the changing demographic of the UK workforce, there are particular issues of concern around the assumptions held about these workers, since they will undoubtedly form a more significant proportion of the workforce in the future.

As part of the adaptation to this significant change in the UK population, the biases and constraints placed on workers because of their age must be addressed. There is evidence that seeking an age mix in recruitment is beneficial in terms of, for instance, managing the long-term knowledge and memory of the business, and the debate is now turning to the retention of a mixed-age workforce.

This project aims to provide practical tips and guidance to employers about training a mixed-age workforce. It is based on evidence derived from the academic and policy literatures, and findings from our own analysis of the Labour Force Survey and National Adult Learning Survey. We then provide findings from a set of case studies of companies who have made age positive training a strategic objective. Finally, we provide information about the training channels available to employers and their workers.

2.1.1 Limitations

This report is aimed at UK employers and policymakers. It provides information that relates to those currently in the UK workforce. A subsequent project is planned to address the issues for a wider group of individuals such as those planning to return to work. This will begin in early 2005.



2.1.2 Methodology

This report is the culmination of four main strands of research. These were:

- Qualitative interviews with a range of national experts to inform the context for the research and the key issues to be explored. The interviews also helped to identify the training channels documented in section five.
- Review of the current policy and academic literature.
- Secondary analysis of the Labour Force Survey, 2004 and National Adult Learning Survey, 2002. We also report findings from the Employer Training Pilots and Modern Apprenticeships.
- Case studies of five organisations who train a mixed-age workforce.

2.2 Structure of this report

- The second chapter introduces the study and the methodology
- The third chapter reviews the academic and policy literature to identify the issues as they apply to younger or older workers;
- The fourth chapter provides a statistical analysis of the current levels of training within the UK workforce, including factors that predicate participation in training and development;
- The fifth chapter provides advice and guidance for employers who are seeking to move forward with age positive training strategies.
- The sixth chapter focuses on the training channels and sources that employers and workers can approach for training and development advice.

2.3 Definitions

When statisticians and researchers refer to 'older workers' or 'the third age', there appears to be a consensus regarding what constitutes these categories of individuals; however, it is difficult to find any formal definition of these groups. One exception may be found in the Republic of Ireland, where the Employment Equality Acts of 1977 and 1998 have enabled positive action measures to be taken to promote the integration into employment, and access to training, of those aged over fifty. While Ireland is outside the scope of this review, the focus of which is confined to the UK, this indicates that our near neighbours have effectively enshrined a definition of 'older worker' in law with these two acts.

In general, then, it may be assumed throughout the literature review that references to 'older workers' or 'third agers' refer to people aged over fifty. In the analyses reported in section 3, the statistics presented are for workers over 50, since there appeared to be a consensus around this age in the literature. Where reports and studies cited in the evidence review have assumed something different from this, it is noted in the text. In our own analysis, reported in section 4, we have provided a more detailed breakdown by age group where possible to demonstrate change in levels of training participation, and the factors behind it.

The definition of 'young' people tends to be people aged up to 25 and this is a definition with which most policymakers and authors agree. For the Learning and Skills Council, for example, 25 was the original age at which funding was no longer awarded for young people wishing to start an apprenticeship. Recently this age criterion has been extended to people of 26 however for most authors, a definition of young as between 18 and 25 holds true. Where authors vary from this definition, we note the difference in the text.

3. Findings from the Policy and Academic Literatures

The age profile of UK workers is changing: by 2024, it is predicted that older workers (those aged 50 to 64) will form almost a third of the working age population (those aged 16 to 64) (Urwin, 2004). In this literature review we explore the implications of this shift and provide findings and evidence that encourage employers to think positively about the age mix in their labour force.

In the following sections of this literature review, we explore:

- Section 3.1: The ageing workforce. In this section we outline some key trends in demographics and statistics to profile the changing age profile of the workforce.

Section 3.2: Provision and participation in training. In this section, we gather together the evidence from studies of participation of workers of different ages in different types of training, and summarise what such studies reveal about patterns of provision and participation.
- Section 3.3: Barriers to participation. In this section we review the nature of the barriers to participation in training. The section is divided into five sections: stereotypes about older and younger workers; managers' attitudes towards training the different age groups; the absence of formal policies to support older workers' access to training; older workers' self-perceptions; and changing work patterns.
- Section 3.4: In this last section, we summarise the findings and set out the business case for training workers of all ages.
- Section 3.5: provides a summary of our conclusions from the review and identifies where we feel further work is required.

First, we consider some facts and figures about the workforce and current levels of training.

3.1 The ageing workforce

At present, people aged 50 to 64 constitute 28% of the working age population (those aged 16 to 64) of Great Britain. In twenty years' time, this figure is predicted to have risen to 32%. (Government Actuaries Department 2003-based predictions). In Scotland, the forecast is that by 2025 the workforce will be smaller than it is today, and by then the majority of workers will be aged over 45 (Future Skills Scotland (FSS), 2002; cited in Sector Skills Development Agency Strategic Plan).

The Sector Skills Development Agency has profiled the skills issues affecting the various sectors (SSDA, 2003 strategic plan). In their table setting out sector profiles and issues, for six of the then 14 (now 20) broad sectors, an ageing workforce was identified as one of the issues affecting sector development.

However, provided that appropriate training is made available, an ageing workforce need not constrain sector development. Indeed, many writers (see, for example, Stoney and Roberts, 2003; Tempest et al., 2002; section 3.3.8) would argue that, if managed and developed positively, an older workforce can be perceived as being beneficial. The key question is to design the training to engage the older workers in these sectors.

Our own analysis of the Labour Force Survey 2004 (reported in depth in chapter 4) found that in 2004, nearly 28 million people were employed in the UK. Of these, three quarters were engaged in full-time work, although at each end of the age spectrum there was variance from this (Table 3.1), partly reflecting the fact that a large proportion of younger workers are also engaged in full-time education. The proportion of full-time employees remains high among those between the ages of 20 and 54 but declines steadily among those who are 55 years old or over. This is likely to reflect organisational restructuring and downsizing



Table 3.1: Full and part-time employment by age

	16 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 plus	Total
Full-time	42	77	85	80	75	76	79	77	71	60	29	22	74
Part-time	58	23	15	20	25	24	21	23	29	40	71	78	26
Total	1,475	2,493	2,784	3,358	3,710	3,617	3,207	2,897	2,583	1,219	349	170	27,863

Source: Labour Force Survey Spring 2004, Based on all employees

aligned with voluntary redundancy or early retirement through choice. However, it is worth noting that, while the employment rate for men aged 50 to state pension age has been declining since the early to mid 1970s, the current employment rate for men in this age group is the highest it has been since the early to mid 1980s.

Humphrey *et al.* (2003) estimated that 60 per cent of people aged 50 to state pension age who were not in work could be defined as 'involuntarily out of work'. This category is made up of: those seeking work, those not looking for work because of ill-health, and those who could not find work or have stopped trying. A higher proportion of men than women were not looking for work for health reasons.

Tempest *et al.* (2002) have reviewed the implications of this shift in population demographics for UK employers. They argue that organisations have failed so far to realise the business implications of an ageing population on their workforce and on their consumer/market base. Trends for early retirement have been driven, to some extent, by labour restructuring across organisations (see also Hirsch 2003); however it is likely that such strategies will need reconsideration in light of the changing profile of the working population. They also argue that polarised concepts of work and retirement will become less viable as older workers seek more flexible employment options.

However the major barrier to older workers' participation is the assumptions that are made about them by employers. Tempest *et al.* (2002) identify three myths about 'third agers' that need to be challenged in light of the issues identified above:

- That 'third agers' should not be part of the workforce
- That older people are physically incapable of sustained work performance
- That older workers are unlikely to keep up with the rate of change in a modern business.

Tempest et al, 2002

They also suggest that such myths about older workers in society, if left unchallenged, will present a major problem for future business:

'The need is now acute... to dispel the myth that human beings undergo a step change in terms of their labour force participation, physiological condition and mental agility as they progress from their second to their third age'

Tempest *et al.*, 2002, p. 478

3.1.1 Why train employees?

The perceived benefits

The obvious benefits of training lie in improved performance levels and in less tangible changes such as improved motivation. One of the most

recent pieces of research to report such outcomes is the 2004 CIPD Training and Development Survey. This report, based on the responses of 531 CIPD members, found that the 'top-ranking organisational benefits of training' were perceived as:

- higher competence
- improved behavioural skills
- improved technical skills
- improved quality of service
- staff motivation
- increased staff satisfaction
- staff retention
- raised commitment
- reduced absenteeism.

The important finding here is that, in addition to improving levels of competence and performance, practitioners believed that training helped their organisations to retain experienced individuals within the workforce by enabling employees to continue to develop their skills, up-date their knowledge and undertake courses or programmes that may lead to progression in the organisation. A key issue is that, even without the additional pressures brought about by the changing workforce demographic, developing the current workforce rather than recruiting in new skills may be the most economically viable approach.

In contrast to the identification of the benefits of training are recent findings of skills shortages and the damage these are causing to UK productivity. The National Employers Skills Survey 2003, commissioned by the LSC in partnership with the Sector Skills Development Agency and the Department for Education and Skills, found that one-fifth of employers reported that the skills of their workforce are not currently sufficient, and that for 30 per cent this led to higher operating costs. However, one-fifth of the respondent base

also reported that vacancies remained unfilled due to skills shortage. These two findings combined suggest that developing the current workforce rather than recruiting in new skills may be the most viable approach for organisations. However, the skills shortages in the current workforce indicates that continued development may not be a feature of every working life.

A key question though is whether there are differences in the likelihood of receiving training depending on age. Our attention now turns to the question of who actually receives training and what the barriers to training workers of different ages might be.

3.2 Who gets trained?

Urwin's analysis of the Labour Force Survey indicates that older workers are less likely than younger workers to have access to, and participate in, employer-provided training. Similarly, Stoney and Roberts' (2003) analysis of the 2002 Labour Force Survey indicated that workers aged 50 and over were 50 per cent less likely than their younger colleagues to receive on- or off-the-job training.

Evidence that older workers are less likely to receive training emerges from major national datasets such as the Labour Force Survey and Workplace Employee Relations Survey. Figure 3.1, based on our own analysis of the Labour Force Survey, 2004, shows that between the ages of 20 and 49 there is a relatively constant likelihood of participation in training. However workers aged 50 years and over, experience a marked decline in their training participation (we expand on this analysis in chapter 4).

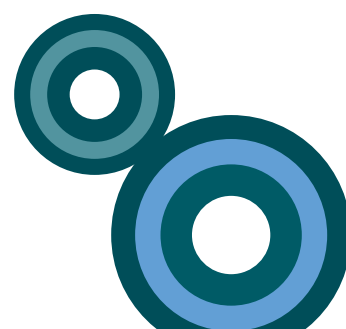
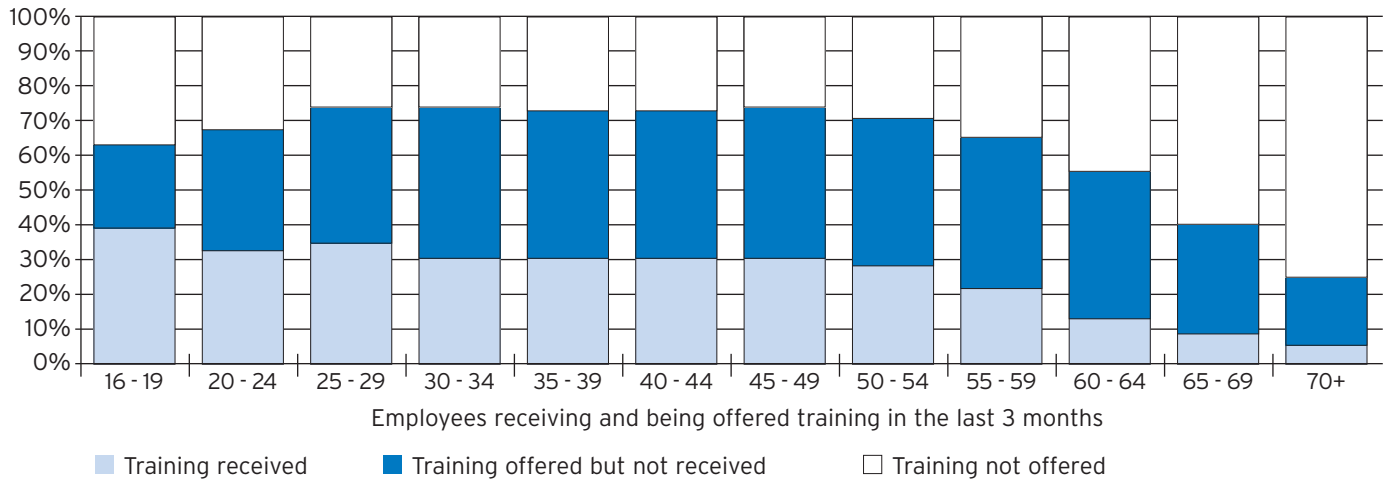




Figure 3.1: Employees offered and/or receiving education or training in the last 13 weeks



Source: Labour Force Survey Spring 2004

Similar findings are often reported by groups such as the Chartered Management Institute (CMI) and the Chartered Institute of Personnel and Development on the basis of periodic surveys conducted amongst their members. These surveys have the benefit of adding some qualitative detail to the statistics reported. However they must be used advisedly since the samples in the survey reflect institute membership, which may be skewed or biased to certain types of organisation or manager *eg* in the case of CIPD, skewed towards personnel managers in large organisations.

For example, a survey of senior and middle managers' attitudes conducted for the CMI in 1995 (involving 1,700 respondents, representative of the CMI membership of 5,000) found that, age discrimination can be experienced by both younger and older workers (Arrowsmith and McGoldrick, 1996). Although respondents to the survey believed that age discrimination was more likely to be found in recruitment and redundancy processes, some 40 per cent of managers indicated that it was also a factor in terms of access to training and/or promotion. Asked about the extent to which they themselves had received training over the past year, far fewer of the older

respondents reported that they had taken part in any training. The findings from the CMI study are shown in Table 3.2. Even after controlling statistically for the effect of occupational level, the authors found there was a significant correlation between age and the amount of training received.

Table 3.2: Employees who had not trained in the last twelve months

Age	Had not engaged in training in past 12 months (%)
under 35	18
35-44	22
45-54	32
55 and over	40

Base: respondents who had not received training in last 12 months

Source: Arrowsmith and McGoldrick (1996)

More recently, McNair *et al.* (2004) surveyed over 5,000 respondents of working age, just under a third of whom were aged between 50 and 69. The survey focused on their experience of job transitions in later life and explored the support received when changing jobs by the different age groups of workers. They used a broad definition

of support including employer assistance (eg if the transition was in the same organisation), attendance at courses, guidance, advice from work-mates and self-directed support such as use of the internet and reference to books. Even with this broad definition of where support might come from, two-thirds of all respondents reported that they had received no training or support, but the proportion receiving support declined even further with age:

'Older workers are less likely than younger ones to receive any help during a job transition (37 per cent of older workers, against 47 per cent of those under 50). They are less likely to receive training from their employers, help from their work-mates and colleagues; or support from a government agency.'

McNair et al., 2004

These findings are confirmed by our analysis conducted on the Labour Force Survey and National Adult Learners Survey, (see chapter 4). Using the 2004 data set, the analysis revealed that participation in training diminishes by age, and further, there is a sharp decline in the likelihood of being offered training the older a worker gets.

Why is it that older people are excluded from training in this way? In the next section we explore the barriers to participation, starting with the myths and stereotypes that surround workers of different ages.

3.3 Barriers to participation in training

Despite this broad tendency for older workers to be less likely than younger workers to be offered and receive training, it is important to recognise that younger workers can also experience discrimination in access to training, and so it is important to review the evidence relating to all of different age groups. In this section we examine the barriers that prevent workers in some age groups gaining access to training. We then turn to

the evidence relating to developing good practice with regard to age. First, we examine the myths and beliefs about older workers, and those about younger workers where these are available. We propose that these myths make them less likely to be considered for training opportunities. We then consider research on manager and employer attitudes towards workers of different ages. In the third section we look at the impact that the presence - or more importantly, the absence - of formal policies can have; after that, we consider the beliefs and attitudes of older workers themselves. Lastly, we consider the impact of atypical employment patterns.

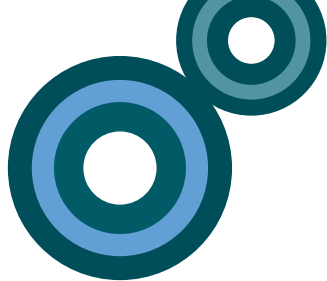
3.3.1 The myths about older workers

Several studies have revealed the existence of fairly consistent stereotypes about older workers and about older people in general. For example, Warr and Pennington (1993) surveyed 1,140 personnel managers to explore their stereotypes of older workers and the extent to which they held discriminatory attitudes towards them. The survey revealed both positive and negative components of the older worker stereotype, including positively: more loyal and reliable; and negatively: less adaptable to change and less interested in training.

Similarly, the study by Itzin and Philipson (1994), based on a survey of English and Welsh local authorities and a case study of 11 of these, also concluded as part of a study of age barriers at work, that:

'Negative attitudes and perceptions included the views that older workers' expectations were not as high as those of younger workers, they were less interested in developing their careers; more resistant to and less able to cope with change; more difficult to train and less able to learn new skills, particularly in the area of new technology'.

Itzin and Philipson, 1994



Both those studies are now more than ten years old. More recent research reveals that there has been little change to people's opinions in the intervening period. A recent study by Withnall *et al.* (2004) has also identified clusters of negative stereotypes associated with older people. While

the focus of their research is on older people in general, rather than purely older workers, there are clear overlaps between the components of these stereotypes and those found earlier by Warr and Pennington concerning older workers (Table 3.3):

Table 3.3: Stereotype clusters about older people

Cognitive factors	<ul style="list-style-type: none"> Less brain capacity Diminished brain power Too slow to learn Forget things
Physical factors	<ul style="list-style-type: none"> Mobility problems Poor eyesight Deaf
Dispositional and attitudinal factors	<ul style="list-style-type: none"> Live in the past and don't like change Not interested in today's world Frightened to go out Do not travel
Attitudes to learning	<ul style="list-style-type: none"> Not interested in learning Not interested in learning anything new Not interested in ICT Not interested in environmental issues Only want to learn with other older people

Source: Withnall *et al.*, 2004

In 2001, an evaluation of the Code of Practice on Age Diversity in Employment was published by the DWP, based on three waves of research conducted by NOP Consumer between March 1999 and December 2000. Each wave included 800 interviews with UK businesses, and 500 interviews with a representative sample of older people (defined as those aged 50 to 69). In addition 30 qualitative case studies were carried out involving a total of 75 interviews with employers and both older and younger (defined as aged under 30) employees. The report

concluded that age discrimination is caused by a mix of '*stereotypical perceptions, prejudices and assumptions about older workers.*'

A mix of positive and negative attributes was found to be associated with older and younger employees. For example, employers perceived the strengths of older workers to lie in their years of experience, followed by their reliability and dependability. Younger workers were perceived as enthusiastic, flexible, energetic and willing to learn. Negative perceptions of older workers

included views that they were resistant to change, lacked ambition and were more interested in job security than their work performance. In contrast, the perceived weaknesses of younger workers mirrored the strengths of older workers. Younger workers were seen as inexperienced and unreliable, lacking a work ethic and poor timekeepers.

The case studies provided examples of how these perceptions were translated into attitudes in the workplace that could negatively affect opportunities for different age groups. A key example was that of information technology. Because young workers had been brought up with computers, they were seen as being not only more computer literate than older people, but also able to adapt to information technology developments faster than their older colleagues.

One of the problems with stereotypes is their enduring nature, and their resilience to change given contradictory evidence. Stoney and Roberts (2003) have noted, in particular, the persistent nature of negative stereotypes about older workers despite evidence to the contrary:

'Just as many of the purported strengths of older workers appear to be supported by our research, it is also fair to say that many of the stereotypical weaknesses attributed to older

workers appear false or at least exaggerated... but the prevailing assumptions about [older workers] appear slow to change.'

Stoney and Roberts, 2003

Another problem with stereotypes, either positive or negative, is the implied counterweight for the opposite group from that being stereotyped. The Employers Forum on Age (EFA) identifies common stereotypes about younger and older workers, see Table 3.4, but warns against applying any stereotypes to any age group.

'When you attach positive stereotypes to one group it is inevitably implied that the converse is true of another group. The consequence of older people being "better" is that younger people are "worse" - thereby creating a whole new set of negative stereotypes'

EFA, 2004

They identify that attributes and competencies are not 'tied fundamentally' to age. For instance, they argue that older workers may have less opportunity to change jobs because of the prejudices employers hold about them, and that this could underpin the perception of greater loyalty attached to older workers.

Table 3.4 Common stereotypes held about younger and older workers

Younger Workers		Older Workers	
Positive stereotypes	Negative stereotypes	Positive stereotypes	Negative stereotypes
Innovative	Immature and unreliable	Loyal	Little return on training
Up to date on technology	Social life more important	Reliable	Unable to grasp new ideas
Energetic	Not likely to stay	Good customer service skills	Lacking creativity

Source: EFA Newsletter, 2004, derived from correspondence and other studies



As might be expected, the nature of stereotypes about different age groups varies with the age of the individual. Lyon and Pollard (1997) found in a study of 221 MBA students that *'[those] aged 40 and over [held] more positive views about older workers than young respondents'*. The small sample means caution must be exercised in generalising from the study, however the finding may have implications since it may reflect the views of the next generation of managers. Similarly, in a study of attitudes held by part-time management students, Chui *et al.* (2001) found that older respondents had more favourable attitudes to the training and re-training of older workers. The respondents' stereotypical beliefs about older workers were associated with discriminatory attitudes, with stereotyped notions about the lack of adaptability of older workers proving to be the greatest barrier. Their findings are consistent with other, much earlier studies, (see, for example, Rosen and Jerdee, 1976, 1977), and again serve to demonstrate the resilience of such beliefs across the decades. Conversely:

'The more respondents perceived older workers as being adaptable to change, the more favourable their views on training, promoting, retaining, and working with older workers - and on exercising positive discrimination in their favour.'

Chiu *et al.*, 2001

In addition, however, the authors also found that supervisory status can interfere with the relationship between age and perception of work effectiveness. Consistent with other studies (eg Hassell and Perrew, 1995) the positive impact on beliefs about other workers in the individual's own age group is weakened in the case of supervisors because they see themselves as separate and different from, subordinate colleagues:

'While [supervisors] tend to be older than many of their subordinates, they see themselves as valued members of the organisation and wish to distance themselves from older colleagues,

in effect opting out of the older in-group, even to the extent of adopting negative stereotypes [of other, older, workers]'.

Chiu *et al.*, 2001

It can therefore be seen that workers face a number of assumptions associated with age, about their abilities and capacities in the workplace.

In the next sections we explore these commonly perceived myths in more depth, and present the evidence which challenges them.

3.3.2 Productivity and capacity

One of the frequently-cited 'problems' of older workers is their reduced productivity and capacity. In fact, the majority of research that has compared the performance of older and younger workers tends to contradict this view. A recent review by Meadows (2003) examined the evidence available regarding the performance of older workers, and in particular the findings from comparative studies of older and younger workers' performance in the workplace and in laboratory-based tasks. Meadows concluded that there was no discernible deterioration in performance in the majority of different types of work, at least up until the age of 70. Critically, though, she found that one key factor that impacted on level of performance was training - precisely what older workers are likely to be excluded from.

'Only where older workers do not receive the same level of training as younger workers doing the same work does their performance show differences. Older workers who receive job-related training reach the same skill standards as younger workers.'

Meadows' review is the most recent of this area, and she reports that earlier reviews - by Warr in the UK in 1994, and in the USA by Levine, in 1988 and Jablonski *et al.*, in 1990 - all reached one key conclusion: that there is little or no difference in the performance of older and 'prime age' workers who are performing the same job. There was

however one group amongst whom consistently lower productivity rates were found: workers aged under 25 (Meadows, 2003, p. 18). While we include this finding in our review, we remind readers of the EFA warning about using any stereotypes, and their suggestion of assessing personnel on merit rather than by assumption.

It is worth noting that, where any relative detriment in the performance of older people was found, typically it was found in laboratory-based, rather than workplace-based, performance. Meadows suggested several reasons why this may be the case: it may be due to sampling bias. Respondents in workplace studies may draw on *'the more capable end of their age groups'* since those with any infirmity may already have left the job. The differences may arise from a cohort effect related to educational experience, since people with better levels of education of all ages tend to perform better on cognitive tests. People from older age groups typically had poorer basic education when they were young, than younger people today, hence their relative disadvantage when undertaking such tests. If this is the case, then it would be expected that even these slight differences will disappear over time as educational levels improve in the workforce.

In addition to these explanations, it should also be borne in mind that laboratory tests are typically designed precisely to reveal the types of deficit that may not be revealed under normal circumstances. Meadows comments that the laboratory tasks used in such studies often require rapid responses to complex and unfamiliar tasks, and since most activities performed in the workplace require only intermittent periods of maximum effort, she concludes that any impacts of ageing on performance, whether physical or cognitive, are unlikely to lead to poorer work performance.

The evidence then shows us that there is little to support the view that older workers are less productive workers, so why is their training participation lower than that of younger and

mid-life workers? We now explore the barriers to training that exist for older workers.

3.3.3 Employer attitudes to training older workers

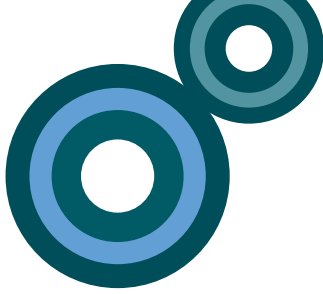
'There are not any new principles of perception, learning motivation or thinking which have unique relevance to people past 45, or 65... The nub of the problem is not the change in the [older] worker but change in the way he is perceived by employers, foremen and fellow employees'.

Davies and Shackleton, 1975

In her review, Meadows provides an overview of the reasons commonly given by employers for not training older workers. Again, drawing on a range of earlier studies from other countries as well as the UK (Warr, 1994; Tillesley et al., 2001; Hayward et al., 1997; Hjort, 1997; Taylor and Walker, 1998 and Walker and Taylor, 1998), Meadows summarises employer attitudes and beliefs as falling into six broad areas. These 'reasons' overlap to a great extent with the types of stereotypes about older workers identified by researchers such as Warr and Pennington and Itzin and Phillipson and outlined in the previous section:

- Older workers are less willing to train.
- They are less adaptable.
- They are less able to grasp new ideas.
- They are less willing to accept the introduction of new technology.
- They learn more slowly.
- The rate of return on the investment will be too low because older workers will retire.

Issues to do with the attitudes and self-perceptions of older workers themselves are returned to in section 3.3.6. Regarding the assumptions about older workers' being slow to learn, less adaptable and less able to grasp new ideas, Meadows acknowledges that the evidence indicates that



older workers may sometimes learn more slowly. However, this is not an insuperable difficulty, and she reports that the research indicates that:

'[Older workers] can be helped [to learn] by [using] training methods which use small steps, build on existing experience and allow plenty of opportunity for practice.'

Meadows also draws on evidence that suggests that older learners prefer:

- group learning opportunities in the work environment
- training that is broken down into small chunks
- approaches that draw on their work experience and knowledge
- opportunities to practice and apply training.

This may mean that training takes longer with older people; nonetheless, older trainees are equally likely to reach the same level of performance and attain qualifications in the same proportions as younger workers (DfEE, 2001; Warr, 1994; Mitchell, 1990). Similarly, evidence from Lackzo and Phillipson, 1991 indicated that older workers were *'almost as capable of learning'* as other groups, and although this may sound less than complimentary, they noted that this was despite often having had less formal education.

It was noted in the earlier section that, where differences between the generations are seen in learning performance, this is often due to differences in education levels.

As Martin argued in 1994, *'There is a rumour circulating that "old dogs"...cannot learn "new tricks". Nothing could be further from the truth.'*

His work focused on providing training for programmers in system development. He found that by providing training first to help employees understand the concepts involved, followed by training to understand how a shift to the new systems (and the associated technologies) would affect his or her particular job, and lastly, in the specific tools and technologies that had been selected for use, employees coped with the planned changes.

The findings of Humphrey *et al.*, (2003) were similar in challenging conventional stereotypes about older workers, particularly that older workers have greater difficulty with learning new technologies. The study was based on a survey of 4,647 people all of whom were aged between 50 to 69, and who were sub-divided into workers, retired people and those on benefits. Of the workers, over half had been required to learn to use new technology for their work in the previous three years. Of these, nearly half had had to learn more than one aspect of technology (*eg* new software and a new technique). Of those employees involved in learning to use the new technologies, most reported that they had found it 'very easy' or 'fairly easy.' Just ten per cent and three per cent respectively found it either fairly difficult or very difficult. The study found that 94 per cent of the workers who were required to learn new skills were given training, however it is unclear whether there was a difference between the perception of difficulty and the receipt of training support.

It can be seen then that, where training is provided, it is usually in specific situations only (such as where there are pre-existing significant differences in prior education levels) that older people are likely to be less able to benefit. Stoney and Roberts (2003) have explored how far any barriers in access to training come from the organisational side, *ie.*, arise from employers' beliefs that it is harder to train older workers and stereotypes such as being less dynamic, energetic, flexible and willing to learn (Lackzo and Phillipson, 1994). The findings from their case study within Tesco suggest that employees' attitudes and expectations differed with age but this did not lead to any discernible difference in access to training amongst this mixed-age workforce. After the training was conducted, the managers commented that their older workers' performance in training was *'better than expected, particularly with IT/technology'*. Therefore, where initial attitudinal barriers can be overcome, managers can be won round to seeing the positive effects of training for all ages of worker.

So, if managers and organisations can be helped to overcome the barriers presented by their attitudes, what else is standing in the way of greater engagement in training for the older worker?

3.3.4 Attainment, attrition and return on investment

To return to the question of attainment rates, and in particular attainment of formal qualifications as a result of training, Carnell puts forward SEMTA's¹ findings of a pilot of adult apprenticeships in England, based on an analysis of the Learning Skills Council data set. These data indicate that older workers are less likely to drop out of, and more likely to complete, apprenticeships than are trainees in the 16 to 25 age range (Carnell, 2004). Data available from the LSC confirms this view.² In addition, in the adult apprenticeship trial the older workers completed the awards in just two years, compared with three years for the average younger apprentice.

The fear that older employees will leave before employers gain full benefit from the costs of training them is a further reason cited for employers' reticence in offering training to older employees. The costs of training need to be recouped and offset against the likely gains to be had from any new or improved skills over time. Employers reason that with training provided to younger workers there is potentially a longer timescale over which the outlay on training may be recovered.

However, what research there is tends to contradict such beliefs. Evidence indicates that the typical 50-year-old is likely to remain with their current employer until retirement, while the average length of stay in a job for workers aged 20 is around two to three years. As a recent National Audit Office Report (2004) has noted, since most skills have a three to five year shelf-life, *'It is worthwhile investing in anyone who is likely to*

stay with an employer for at least that long'. Also, research in the USA by Guthrie and Schwoerer (1996), based on a sample of 380 managerial and supervisory employees in a public organisation in America, found that training older workers in advanced technology skills not only made them more productive, but also *'encouraged them to stay [in work for] longer and retire later, thus increasing the payback period for the investment'* (Guthrie and Schwoerer, 1996).

The data therefore show that in many cases employers' beliefs do not reflect the reality of the situation for older workers. Stoney and Roberts (2003) develop this theme further. They identify a 'Catch 22' situation for older workers: employers are unwilling to invest in training this group but then highlight older workers' lack of skill as a reason why they are not recruited. Can organisations be persuaded to give access to training to all age groups to ensure that skills needs are met, and skills are updated? In the next section we explore the training policy in organisations and the role that personnel and line managers can play in helping older workers to receive training, or preventing them from receiving it.

3.3.5 Policy and practice in facilitating access to training

The existence of a training policy, and specifically a training policy that sets out individuals' rights to training, appears to be a key factor influencing access. Without a policy to guide decisions, access to training can be somewhat haphazard. The absence of formal policies to guide training initiatives can therefore impede efforts to implement equality of access. In this section we largely focus on training and development policies, but it should also be noted that where organisations have a formal policy on age discrimination, this has often been found to be associated with more positive beliefs regarding

1. SEMTA is the Sector Skills Council: Science, Engineering, and Manufacture Technologies Association

2. http://maframeworks.lsc.gov.uk/public/downloads/Report3_0304AugusttoJanuary_quarterlycumulativeleaversandsuccess.xls



the adaptability of older workers (Chui *et al.*, 2001).

The existence of a policy can help ensure that resources are made available to back up intentions. Sullivan and Dulaga (1997) in their study about older workers' career changes, found that even where companies believed that older workers should be retrained, few actually offered such programs, indicating that something stronger (and arguably more formal) than just beliefs is needed in order to ensure that provision is made available.

Existence of a formal training policy can help join up intentions and actions, but only if the organisations acknowledge age as an issue within the policy, and thus specify equality of access. There is some limited evidence that in organisations with formal policies to guide career development for their employees, the needs of older employees may still be overlooked:

'Overall results indicate that career development for older workers is currently not a priority issue for organisations... Organisations seem to be taking a very passive approach to managing this segment of the workforce, and therefore, are not reaping the many benefits of retaining valuable experience, knowledge and skills within the organisation.'

CIPD (2003c)³

However, in light of the changing demographic profile of the workforce and forthcoming legislation, this is an area that employers need to address to ensure both older and younger workers are supported to make the highest contribution to the workplace, through engagement with their career.

Line managers are key intermediaries in facilitating access to training within organisations and there is some evidence of a tension between policy, potentially led by those in human resources and personnel, and practice, led by

line managers and supervisors. Hirsch (2003) has observed that managers are gate-keepers to training and suggests that their negative perceptions are barriers that must be overcome if older workers are to be enabled to remain skilled and in employment.

Itzin and Phillipson (1994) considered the role of line managers as part of their research consisting of a survey of local authorities, and case studies in both the public and private sector. They found that line managers had a significant influence on the training and development of workers, and in particular a negative influence on the training of older workers. Over a third of those who responded to the survey of local authorities believed that line managers' attitudes were an obstacle to older workers' training and promotion. They also reported that, while there were no formal age criteria in selection for training, older workers '*generally felt overlooked and excluded from career development opportunities*' (Itzin and Phillipson, 1994).

A final issue arising from the Itzin and Phillipson study is that managers believed that older workers were less interested in developing their careers than younger workers. This suggests that older workers' self-perceptions may act as a barrier to their training. In the next section we explore the evidence relating to this view.

3.3.6 Older workers' self perceptions

Itzin and Phillipson define the problem: '*There is evidence that older workers, and women in particular, may limit their own horizons with respect to further training due to low expectations and low self esteem*'. Meadows reviews the evidence relating to the impact of older workers' perceptions of themselves on their access to, and take-up of, training. She cites findings from the National Adult Learner Survey (Beinart and Smith, 1997) that indicate reluctance among older workers to engage with training because of

3. Based on a postal survey of 5,000 HR practitioner members of the CIPD to which 732 responses were received (15 per cent return rate) enhanced by qualitative telephone interviews with a small number of respondents to produce mini-case studies

emotional factors such as fear of looking foolish, concerns over their ability to learn and anxiety about their abilities.

Guthrie and Schwoerer (1996) have suggested a link between age and/or career stage and beliefs about self-efficacy regarding training, with older workers having less faith in their ability to cope with training. They may then be less likely to ask for training as a consequence. A problem which arises from older workers' self-exclusion from training is the self-fulfilling cycle it creates. If people are not used to learning and have not been involved in any learning for some time, they then tend to find it harder to learn, which in turn makes them more fearful about future learning activities (Meadows, 2003). Guthrie and Schwoerer also have pointed to the potential for this situation to develop into a cycle of exclusion:

'[This can] translate into dysfunctional coping styles and anxiety in training which in turn further constrain learning and success.'

Guthrie and Schwoerer, 1996

Guthrie and Schwoerer go on to suggest that breaking into this cycle requires training techniques that are adapted to the needs of older learners, such as use of self-paced training, information summaries, and demonstrating the applicability of the training being undertaken. Although Guthrie and Schwoerer suggest this approach as suited to the needs of older learners, it can be seen that, in fact, the approach constitutes general good practice in training, and as is usually the case with good practice, is likely therefore to benefit all learners, irrespective of age.

While fear is one factor that prevents older workers from signing up for training, over-confidence may be another. There is evidence that advanced training can be beneficial to 'experienced' (normally older) employees, but it may be difficult to motivate experienced employees to undertake training unless they can be convinced that it will have real value (Landale, 2004). A survey by Guthrie and Schwoerer in 1996

of managers and supervisors in the USA found that individuals in the later stages of their career often viewed themselves as needing less training for career development than other managers, despite (as the authors point out), '*the burgeoning literature emphasising the need for continuous training for workers of all ages*' (Guthrie and Schwoerer, 1996). If older workers view themselves as needing less training and fail to request or register for training then they are indeed likely to receive less training, making it more likely that they will start to lag behind their colleagues in terms of skill development.

Therefore, both fear and over-confidence can lead to the same end result: skill obsolescence.

It is important to convince older workers of both the accessibility *and* usefulness of training in order to challenge such beliefs. Guthrie and Schwoerer conclude by pointing to the importance of '*communicating the relevance of training and development to individual career progress and emphasising that growth is a lifetime process*', in order to foster more positive attitudes towards training.

This point is important for younger workers also: as the older workers of the future they should be afforded training and development opportunities at the start and throughout their career.

It is important to note that other researchers have reported no difference in the take up of training between older and younger workers.

It may be conjectured that this identifies the influence of organisational culture ie the way in which training is perceived within the organisation. Two studies in particular report finding no significant differences in take-up of training opportunities by older or younger workers. Casey *et al.* is one of these cases in point:

'Nor... did we find a greater reluctance on the part of older workers to take advantage of the opportunities available to them, or a greater incidence of older workers failing



to benefit from these opportunities.'

Casey et al.. (1993)

Similarly, the 2002 CIPD survey *'Who Learns at Work?'* explored the training experiences of people over the previous year. Based on 753 respondents in employment, the survey found that 72 per cent of respondents had received training in the past 12 months. The survey found no significant differences between age groups in take-up of offers of training.

In general though, there is no consistent evidence to support the idea that older workers as a group are not interested in training. It is important to remember that individuals will differ in terms of the value they place on training for skills updating or career development and in this respect older workers are no different from any other age group. What is important is that ways are found to encourage older workers to see the value of training and to support those who have any anxieties about development opportunities.

In this section we have explored the barriers that older workers may themselves erect to participating in training. However, we now turn to whether there are barriers that are less associated with age that predicate the extent of training offered to an employee.

3.3.7 Impact of older workers' employment patterns

The rise in non-standard employment among older workers may help explain the decrease in training. Research conducted by Arulampalam and Booth (1998) looked at the amount of training received by employees employed on non-standard contracts. The authors analysed British Household Panel Survey data to look at the extent of training received by employees that is aimed at increasing or improving skills in their current job (*ie* excluding induction training, generic skills training and training for possible future jobs). Their analysis showed that both part-time employees and employees on short-term contracts are less likely

to receive such training than full-time and permanent staff.

'A man on a temporary or fixed-term contract is 16 per cent less likely to receive training in his current job than a man on a permanent contract, while a comparable woman is nearly 12 per cent less likely... In addition, we find that part-time male workers are 7 per cent less likely to receive training than full-time men, while women in part-time work are 9 per cent less likely to receive training than their full-time counterparts.'

Arulampalam and Booth, 1998

Similar work by Chan and Auster (2003), the methodology of which was detailed above, found a link between part-time work and access to training, and particularly access to formal training (scheduled courses). Those who work 'on-call' can find it particularly difficult to get to scheduled courses. Although part-time workers are not necessarily older workers, it should be remembered that the likelihood of working part-time increases with age. Chan and Auster found that part-time working patterns also have a negative effect on opportunities to 'informally' update skills since workers have less chance to learn from colleagues through on-the-job training.

Wider life issues, such as caring responsibilities and health concerns are identified by Hirsch (2003) as reasons why older workers may want more flexible employment options such as part-time work or seasonal work. However, the shift from full-time to part-time work may lead to further disadvantage in terms of reduced employer investment in, and reduced opportunities to access, training.

We have examined the barriers to training from both an organisation's and older worker's perspective so we now turn to the qualitative evidence from studies that may finally convince businesses of the benefits of training their employees all of ages.

3.3.8 The business case

'Age diversity... can attract and retain good people, form part of a healthy psychological contract between organisation and employee, and retain corporate memory and experience in an economy increasingly driven by knowledge. It is a major aspect of knowledge management. Failure to address age diversity can add to the problems of the war for talent so many employers experience.'

CIPD, 2003d

The previous sections have explored the evidence relating to the stereotypical assumptions made about older workers by their employers and managers, particularly regarding their abilities and capacity to learn. We have demonstrated that there are strong grounds to value the contribution that workers of different ages can make and debate must turn to the retention of this mixed-age workforce. A factor in this, identified by this project, is training and development. We have discussed the benefits of training the workforce per se. Here we explore the benefits and organisational drivers for the maintenance of a mixed-age approach in training.

Meadows (2003) identifies the imperatives for organisations to train their workers, no matter what their age. She suggests that two forms of training are often confused: that which serves to fill immediate skills gaps essential for productivity, and more general developmental training aimed at career progression. In an environment where *'skills needs are changing rapidly, failure to train results in an immediate loss, so that training becomes an imperative.'* It is thus more difficult to find reasons not to train older workers if an organisation wants to maintain knowledge and productivity.

Furthermore, Meadows suggests that the skills shelf-life has reduced from around eight years to between three and five years. Thus, she argues *'it is worthwhile investing in anyone who is likely to stay for at least this long'*. There is little evidence to support (or otherwise) the issues of offering

training to older workers for career development purposes. However, organisations must consider that a 50 year old worker may have over 15 years of service prior to retirement. The question is whether organisations who only offer this kind of training to younger workers can expect any greater length of service from them than older workers?

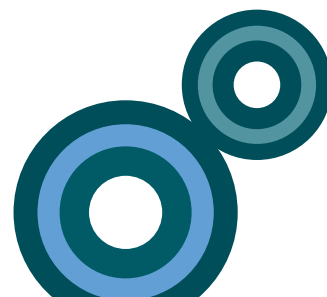
Tempest, et al. (2002) illustrate the positive outcomes of operating age positive employment practice through two case studies of the retail sector: ASDA and Sainsbury's. ASDA believes that older workers bring maturity, commitment and knowledge to their stores, which customers value. Sainsbury's has found that older workers *bring 'improved customer satisfaction, a more flexible human resource, a more motivated workforce, and reduced business costs through increased productivity'*.

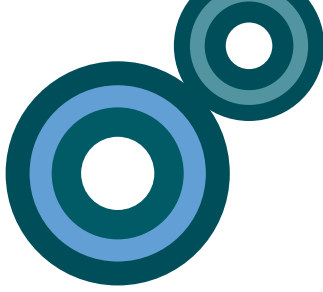
Also in the Tempest paper, is MacDonald's reflections on 'Mac Seniors' who are employed at operational as well as management levels. They believe that the Mac Seniors are *'sensational role models'* for the younger people in the organisation.

Stoney and Roberts (2003) present a case study of Tesco, an employer with age positive practices. A perceived benefit of the mixed-age workforce are the opportunities for peer to peer learning with older workers 'feeling younger' when working amongst younger workers. However it is the attitudes of the younger staff that they find most interesting:

'[Younger workers] looked to older colleagues for advice and even counselling. ...The relationship between older and younger workers appears to be healthy and mutually beneficial.'

Stoney and Roberts, 2003





3.3.9 Conclusions from the literature review

This chapter has reviewed the literature relating to the costs and benefits of employing and training workers of different ages. There has been an emphasis on the experience of older workers, as this reflects the data available in the literature.

We have examined the commonly held pre-conceptions about older workers and have presented the evidence that confronts these assumptions. Particularly we showed that:

- there is no diminishment in productivity and capacity with age for most job functions. We reported Meadows (2003) finding that: *'Only where older workers do not receive the same level of training as younger workers... does their performance show differences.'* Training for all workers, no matter what their age, can thus be seen as an imperative to effective business operation.
- employers' perceptions of older workers act as a barrier, for instance the belief that older workers are less able to grasp new ideas. We showed that training practices that focus on small steps in learning, and opportunities to apply learning, can help ensure that older workers attain high levels of training outcomes.
- employers' perceptions of the return on training investment need to change. The National Audit Office report (2004) found that a worker aged over 50 is likely to stay with their employer until retirement providing up to 15 years of labour. The authors suggest that, since most skills have a three to five year shelf-life, *'it is worthwhile investing in anyone who is likely to stay... at least that long'*.
- having a training strategy helps to ensure good practice. However, when implementing a training policy, it is important to engage line managers, since they may be the gatekeepers to training. It is also important to manage performance, through line managers, as well as access to training.

- older workers erect their own barriers to training, which can be broadly categorised as either fear or over-confidence. Guthrie and Shwoerer, 1996, conclude that *'communicating the relevance of training and development to individual career progress and emphasising that growth is a lifetime process'* can help breakdown these barriers.
- employment patterns impact on access to training, with workers on part-time, temporary or casual contracts disadvantaged. Given the greater likelihood of non-standard employment patterns for the youngest and oldest workers reported in section 3.1, this is an issue for employers and government to address.

The case for addressing the range of barriers to training faced by older workers is clear, and by implication, the case for ensuring training and development throughout an employee's time with a company. However, although we have demonstrated that employing a mixed-age workforce is becoming an organisational imperative, there are few studies that discuss the issues for a mixed-age workforce, rather than focusing on the issues for a particular group such as older or younger workers. In addition to this, the literature relating to younger workers is limited, although this perhaps reflects the greater priority of the current workforce situation.

When reviewing training practice this problem becomes more pronounced. Further work is required to identify the benefits of training the mixed-age workforce, for instance, more specific information on managing the long-term knowledge and memory of the business. In addition to this, further work is required to understand how best to motivate employees to train, to break down their self-erected barriers. Research investigating how breaking down organisational barriers can lead to business benefit, and particularly how to assess investment and calculate return-on-investment would be of benefit.

4. Trends in Training

In this chapter we explore the current evidence base for the uptake of training amongst employees of different ages, and analyse training participation by different age groups within the workforce.

Our findings are based on a secondary data analysis using two major sources: Labour Force Survey (Spring 2004) and the National Adult Learners Survey (2002) and use descriptive and bivariate techniques, enhanced with an analysis of the relationship between age, training and factors including work pattern, gender and job tenure.

4.1 Data sets and structure

The Labour Force Survey is a UK-wide quarterly survey of 60,000 households (130,000 individuals). As well as offering a general demographic overview of the population, the survey also collects information on economic activity and the conditions of employment. For the purposes of this study, the LFS is able to provide us with some insight into the prevalence of training, whether training is offered, and the types of training received. This section considers the above and also reviews to what extent the receipt of training is determined by age and, within age groups, by other employment characteristics.

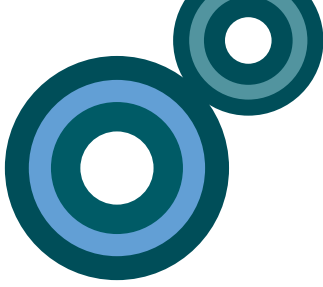
The final part of this section uses the National Adult Learners Survey (2002) to look at future intentions for work-based learning. National Adult Learners Survey (2002) interviewed a representative sample of working age adults in England and Wales *ie* from age 16 but with no upper age limit. The survey collected information about respondents' involvement in both taught learning and self-directed learning. They were also asked if they had undertaken either type of learning in the past three years, or since leaving continuous full-time education.

We begin our analysis with an overview of employment and working patterns in the UK, by age. In section 4.3, we explore participation in training by age in the current workforce using a

bivariate analysis of the Labour Force Survey. This includes participation in both on-the-job and off-the-job training, and training duration. Section 4.4 focuses on the factors that predict participation or non-participation in training and how these vary with age. This is based upon both descriptive and multivariate approaches to review whether there are differences in the relationship between training activity and age, once other individual and employment factors have been taken into account. Section 4.5 covers the likelihood of undertaking job-related training. In Section 4.6, we review findings from two government programmes, the Employer Training Pilots and Modern Apprenticeships, which aim to promote work-based training. Section 4.7, presents a summary of our key findings from the data.

4.2 Overview of employment

In 2004, nearly 28 million people were working as employees in the UK. Overall, three quarters of these employees were engaged in full-time work, but there were some variations at either end of the age spectrum (Table 3.1, chapter 3). Only two-fifths of younger employees (16 to 19 year olds) were employed full-time, partly reflecting the fact that a large proportion of younger workers are also engaged in full-time education. The proportion of full-time employees remains high among those between the ages of 20 and 54 but declines steadily among those who are 65 years old or over. Employees over 65 were the least likely to be engaged in full-time work, and fewer than a quarter of those who were 70 years old or over worked full-time. The overall decline in working from the age of 60, illustrated by the numbers involved in the survey for each age group, must be noted at this point.



4.3 Participation in training and offers of training

4.3.1 Education or training in the last three months

Figure 4.1 highlights the relationship between age and being offered or undertaking work-related education and training. Younger workers, aged between 16 and 19, were the most likely to report engagement in work-related education or training, with 40 per cent having taken some training in the last three months. Between the ages of 20 and 49 there is a relatively constant likelihood of participation in work-related education and training (with around between 31 and 35 per cent of workers reporting some engagement), while those who were 50 years old and over experience a marked decline in their engagement in work-related education or training.

As we can see from the graph, three factors appear to explain the fact that participation in training declines with age:

- Older workers are less likely to be offered work-related education and training opportunities.
- Older workers are less likely to take up the work-related education and training activities that are offered.
- There is a greater likelihood of training being offered but not received, at either end of the age spectrum.

Findings from the literature review, in chapter 3, demonstrated similar results, and related these to organisational barriers and employee barriers particularly for older workers. We now consider these factors in greater depth and explore the impacts by age.

4.3.2 Take up of work-related education and training

The first factor that explains the decline in work-related education and training participation among older workers is the extent to which training is

offered. The offer of education or training rises steadily from 63 per cent of the age cohort of 16 to 19 year olds to around three quarters among those between the ages of 25 to 49. However, beyond the age of 49, there is a rapid decline in the offer of work-related education or training. Around 70 per cent of workers aged between 50 and 55 were offered training, however for the group aged between 55 and 59, the rate was nearer 65 per cent.

It appears therefore that younger workers are less likely to be offered training than older workers, and that part-time working may be a contributory factor in this. However their likelihood to take up training offers is higher than for older groups of workers (see figure 3.1). It should be noted though that younger workers are a more heterogeneous group than older workers: school leavers at 16 may take a variety of career routes for instance, full-time education either until 18 or 19 years of age, or beyond into higher education when they can work part-time as well as study, modern apprenticeship or other work-based training scheme, or full-time work. The kind of training offered to the younger worker is most likely to be induction training, and it is likely that there is less variance in take-up of induction training than training focused for longer term job or career enhancement.

For workers aged between 60 and 64, *ie* nearing state pension age, there is a drop of 10 per cent which equates to only 55 per cent being offered training. Again, there is a sharp drop for those over 65 but younger than 70, to around a 40 per cent likelihood of being offered any training. Fewer than three out of ten (29 per cent) of employees over the age of 70 were offered work-related training in the previous three months of employment. All of the above factors contribute to the declining rate of training as employees age.

As employees get older, their likelihood of receiving - *ie* taking-up - the training offered by their employers declines, see figure 4.1. Nearly

two thirds of those between the ages of 16 and 19 who were offered training took up that offer. The proportion of take up, relative to offer, falls to just over a half among 20 to 24 year olds, and continues to decline gradually among those between the age of 50 to 54. Among those 55 years old or over the decline in the take up of education and training becomes more acute. Approximately one in every five employees who is 70 years old or over, and is offered training, takes up that training.

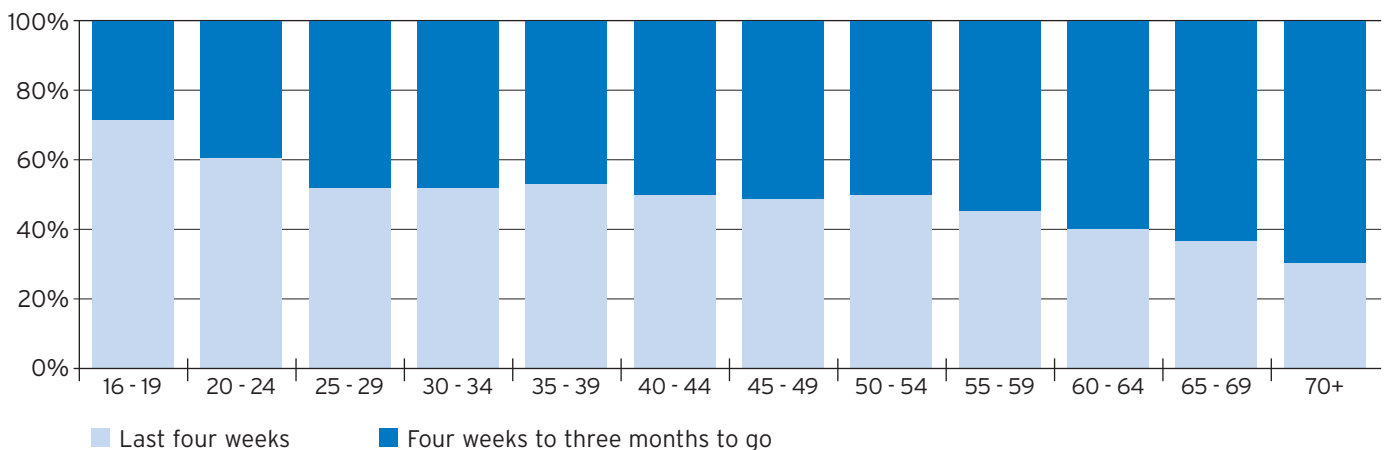
4.3.3 About the training workers receive

As well as asking about work-related education and training received in the last three weeks, the Labour Force Survey also focuses on the period in the previous four weeks. Those who report receiving work-related education or training in that period are asked a further set of questions related to the type of work-related education or training received (*ie* whether it is on-the-job training, off-the-job training or both) and the length of that training.

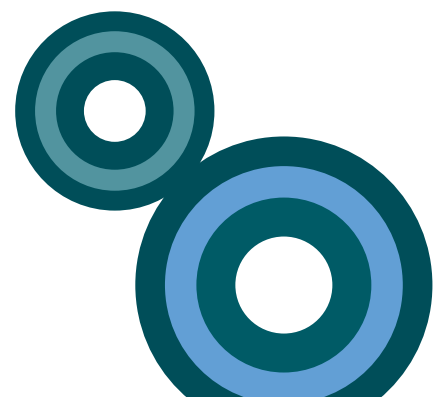
4.3.4 Training in the last four weeks

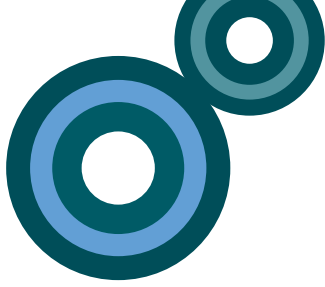
Figure 4.1 highlights the extent to which training in the last three months took place in the recent period of the last four weeks, or whether it took place prior to that. As can be seen from the graph, the younger the age group the more likely workers are to have reported recent training, relative to longer term training. Over seven out of ten (71 per cent) 16 to 19 year olds who reported training in the last three months also suggested that training took place in the last four weeks. Among 20 to 24 year olds, six in ten (61 per cent) said that the training was recent. Among those aged between 25 to 49, the proportion who report recent training, rather than training three months ago, falls to about a half, while among those over the age of 50 there is a steady decline in the reporting of such activity. Only 30 per cent of those 70 years old or over who report training in the last three months suggest that it took place in the last four weeks.

Figure 4.1 When training was received (last four weeks work against four weeks to 13 weeks)



Source: Labour Force Survey Spring 2004





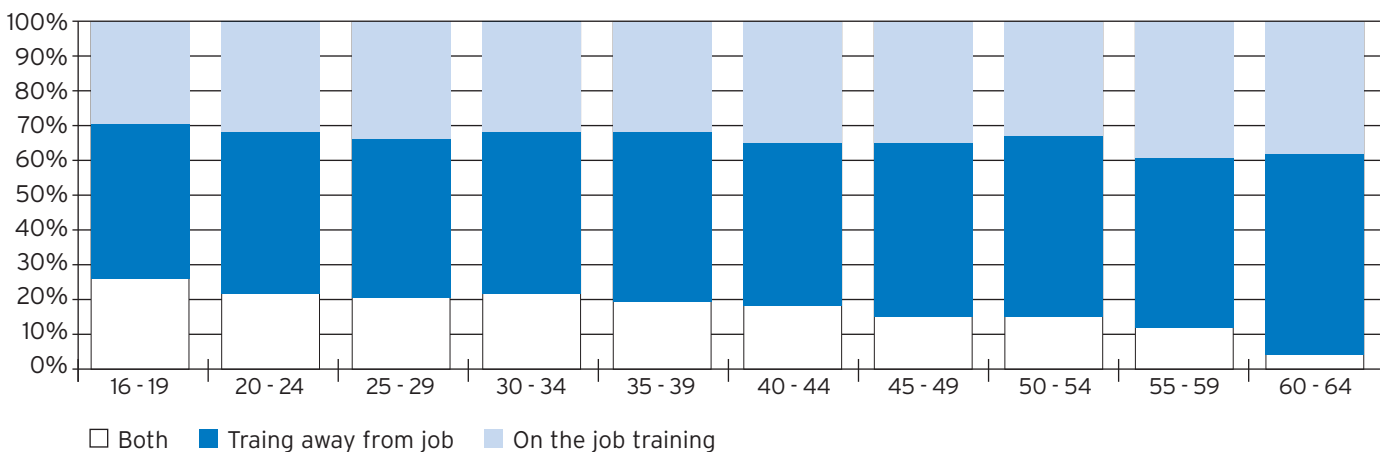
4.3.5 On-the-job and off-the-job training

The relationship between on-the-job, off-the-job training and age is reported in Figure 4.2. Overall, employees were more likely to report off-the-job training than on-the-job training. It is possible that this partly reflects the fact that off-the-job training represents a more easily defined *and* *recognisable* activity than training that is performed on-the-job.

Although the pattern is less clear than in previous graphs, there is a general tendency for younger employees to engage in both off-the-job

and on-the-job training, while older employees are more likely to focus purely on on-the-job training. Over a quarter (27 per cent) of the youngest age group (16 to 19 year olds), who recently engaged in training, report that the training was both on-the-job and off-the-job training, compared to five per cent among 60 to 64 year olds. In contrast, 38 per cent of trainees between the ages of 60 and 64 years report that the training was purely on-the-job, relative to 29 per cent of trainees between the ages 16 and 19.

Figure 4.2 Whether training was on-the-job or away-from-the-job



Source: Labour Force Survey Spring 2004

4.3.6 Duration of training

Finally, those in receipt of training over the last four weeks were asked about the length of that training, see Table 4.1. On the whole, younger employees will experience training of longer duration than their older counterparts. Nearly half (49 per cent) of those in the 16 to 19 years age cohort suggest that the training has a duration of two years or more, while only 15 per cent suggest

that their training will last less than six months. This contrasts to approximately seven out of ten trainees over the age of 55 who suggest that their training has a duration of less than six months. Interestingly, with the exception of the younger age cohorts (between 16 and 24), a similar proportion of trainees, around one in five, report that their training is ongoing, *ie* without a definite time limit.

Table 4.1 Duration of training period (those engaged in training in the last 4 weeks only)

	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
Less than 6 months	14.7	32.2	48.4	55.4	56.5	59.5	61.5	66.1	68.9	71.8
6 months, less than 1 year	6.8	6.2	4.5	6.0	6.0	6.3	5.2	5.0	-	-
1 year, less than 2 years	16.8	10.7	9.2	6.9	7.5	6.7	6.1	4.3	5.1	-
Ongoing / no definite limit	12.4	17.4	19.9	17.7	19.5	18.9	18.7	19.2	18.3	21.4

Source: Labour Force Survey Spring 2004

4.4 Factors affecting training by age group

The analysis of the secondary data evidence from the Labour Force Survey suggests that older workers were less likely to participate in work-related education or training. It is important, however, to understand the extent to which this lower rate of participation is the result of age or other factors that are associated with age.

For example, if older workers had longer job tenures and it was found that work-related training was inversely associated with job tenure, then it may be possible that the relationship that we have observed between age and training reflects other secondary factors. Similarly, although we have observed that older workers generally get less

training, we have treated all these workers as being homogenous. For this section, we have conducted multivariate analysis, see Tables 4.2 through 4.8, to review whether there are differences in the relationship between training activity and age, once other individual and employment factors have been taken into account.

4.4.1 Gender differences

Within each age cohort, female employees were more likely to have reported the receipt of training in the last 13 weeks than their male counterparts (see Table 4.2). The relative divide between males and females is at its narrowest among the 16 to 24 year olds but widens gradually with age, with females over the age of 60 nearly twice as likely as their male counterparts to receive training.

Table 4.2: Percentage of workers receiving training, by gender and age

Sex	16-24	25-34	35-44	45-54	55-59	60-64	65+
Male	34.6	31.1	27.5	26.8	20.7	11.9	6.9
Female	37.3	35.9	34.6	32.6	25.3	18.3	11.5
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004



4.4.2 Highest qualification

In general, within each age group the more highly qualified an employee the more likely it is that they will have received work-related education or training (Table 4.3). Those with higher education but below degree level qualifications (such as HNDs) were the most likely to receive training

and reported a similar pattern of training across the age groups between 16 and 59, *ie* between 42 and 46 per cent within these bands said they had undertaken some training, compared to 30 per cent of those aged 60 to 64 who had similar qualifications.

Table 4.3: Percentage of workers receiving training by highest qualification and age

	16-24	25-34	35-44	45-54	55-59	60-64	65+
Highest qualification							
Degree or equivalent		42.4	43.0	42.1	44.8	39.0	27.8 *
Higher education	45.6	42.1	46.2	45.6	42.0	29.9	*
GCE A Level or equiv	37.6	30.8	29.6	27.5	19.0	10.4	*
GCSE grades A-C or equiv	34.5	26.7	25.6	26.1	22.9	15.2	*
Other qualifications		30.0	26.6	22.9	21.4	18.6	14.2 *
No qualification	21.0	11.0	11.7	11.5	9.4	6.0	*
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004

4.4.3 Occupation

Training within each occupational group is associated with the level of skills required to perform the work and within all occupational groups the incidence of training declined with age (Table 4.4). Between the ages of 16 and 59 employees within 'highly skilled' professional occupations were the most likely to receive training, with training rates standing at 55 per cent for 16 to 24 year olds and between 46 and 49 per cent among 25 to 54 year olds. The

proportion of professional older employees (60 to 64 year olds) who receive training fell to 29 per cent, a rate that still compares favourably with that of most employees within lower skilled occupations (*eg* sales, machine operatives, elementary occupations). Older employees working within 'unskilled occupations' were the least likely to receive any training, and as few as seven per cent of 60 to 64 year olds engaged in elementary occupations engaged in any training.

Table 4.4: Percentage of workers receiving training by occupation and age

	16-24	25-34	35-44	45-54	55-59	60-64	65+
Major occupation group (main job)							
Managers and Senior Officials	33.3	33.7	32.4	31.7	26.6	14.2	*
Professional occupations	54.6	45.7	45.8	48.6	40.1	29.3	*
Associate Professional and Technical	44.3	43.9	44.3	44.3	37.7	30.5	*
Administrative and Secretarial	34.6	27.3	25.4	24.1	19.2	12.9	*
Skilled Trades Occupations	37.9	20.1	18.7	18.2	11.2	*	*
Personal Service Occupations	47.0	43.3	43.1	38.5	35.2	23.6	*
Sales and Customer Service Occupations	32.3	25.6	20.7	15.5	14.8	*	*
Process, Plant and Machine Operatives	20.5	20.7	16.7	14.8	12.2	*	*
Elementary Occupations	30.6	16.6	15.9	12.5	9.1	6.9	*
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004

4.4.4 Conditions of employment

Training may also depend on the terms and conditions of employment, *eg* whether the work is of a permanent or temporary basis, or whether the employee is contracted to work full-time or part time (Table 4.5). With the exception of the 16 to 24 year old age cohort, within each age group part-time workers received less training than their full-time counterparts. The pattern of

training activity between temporary and permanent workers is less clear cut, conflicting with findings in the literature review. Although temporary employees between the ages of 25 and 44, and between the ages of 55 and 64, were more likely to receive training than permanent employees this was not true of 16 to 24 and 45 to 54 year olds.

Table 4.5: Percentage of workers receiving training by conditions of employment and age

	16-24	25-34	35-44	45-54	55-59	60-64	65+
Full-time or part-time in main job							
Full-time	35.2	34.1	31.7	30.8	24.1	13.5	*
Part-time	37.5	30.5	28.8	26.1	20.4	16.1	8.8
Permanent or temporary job							
Permanent	36.0	33.1	30.7	29.8	22.9	13.9	8.5
Not permanent in some way	35.1	39.3	38.1	29.7	25.8	21.0	*
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004



4.4.5 Length of time with current employer

There is no clear relationship between the reporting of work-related education or training and employment duration (Table 4.6). The only exception is that employees between the ages

of 16 and 34 who have been with their employer for five years or more were less likely to receive training than those within the same age cohort who joined more recently. But the age of the employee appears to be a more decisive factor than employment length.

Table 4.6: Percentage of workers receiving training by job tenure and age

	16-24	25-34	35-44	45-54	55-59	60-64	65+
Length of time with present employer							
less than 6 months	37.6	34.9	30.5	25.3	20.2	*	*
6 months but less than 12 months	38.4	36.8	31.6	27.0	20.3	*	*
1 year but less than 5 years	35.8	35.2	31.8	28.3	22.0	14.9	*
5 years or more	22.3	29.6	30.5	31.0	23.8	13.7	8.6
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004

4.4.6 Industrial sector

The likelihood of participating in training is heavily dependent on the sector in which a person is employed (Table 4.7). Within each age cohort the public administration, education and health sector has a higher rate of training than

any other sector. Construction, however, only has a high rate of training among 16 to 24 year olds (41 per cent) but declines to around a quarter for 25 to 54 year olds. The pattern of training within the construction industry is likely to be a reflection of the apprenticeship traditions that exist within that sector.

Table 4.7: Percentage of workers receiving training by industrial sector and age

	16-24	25-34	35-44	45-54	55-59	60-64	65+
Industry sectors in main job							
A-B: Agriculture & fishing	*	*	27.8	*	*	*	*
C,E: Energy & water		*	44.5	35.2	29.5	*	* *
D: Manufacturing	23.9	24.3	20.2	15.7	12.8	6.6	*
F: Construction	40.9	24.0	22.0	24.8	19.9	*	*
G-H: Distribution, hotels & restaurants	31.3	23.3	17.9	16.6	10.3	6.3	*
I: Transport & communication	35.0	26.5	26.7	21.2	13.8	*	*
J-K: Banking, finance & insurance etc	39.1	32.6	28.8	27.0	21.8	15.0	*
L-N: Public admin, education & health	47.8	49.0	46.4	44.6	36.8	26.5	18.2
O-Q: Other services	41.6	29.4	27.5	25.5	17.2	14.0	*
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004

4.4.7 Establishment size

The data shows some association between establishment size and training activity (see Table 4.8). Within each of the age cohorts, those who were employed in the smallest establishments (fewer than 25 employees) were the least likely to receive training. To some extent this may be

predictable as the financial costs of training including the time off required by staff to train, may appear greater to these businesses. The government's Employer Training Pilots have been configured to meet the needs of these employers by providing work-based, on-the-job training accompanied by wage compensation for the time spent training.

Table 4.8: Percentage of workers receiving training by establishment size and age

	16-24	25-34	35-44	45-54	55-59	60-64	65+
Number of employees at workplace							
<25	33.5	27.8	25.5	23.5	18.1	12.2	8.3
25-49	35.8	33.2	33.6	34.2	28.7	18.2	*
50+	38.3	36.5	33.5	32.2	24.7	15.7	11.1
All cases	35.9	33.4	31.0	29.8	23.0	14.6	9.0

Source: Labour Force Survey Spring 2004

4.5 Likelihood of undertaking job-related training

The National Adult Learners Survey asks individuals whether they are likely to participate in work-related training in the next three years. Confirming the evidence from the Labour Force Survey, the extent to which individuals considered it likely that they would participate

in such training also declines with age (Table 4.9). In the overall population more than a half of those interviewed thought it very likely that they would undertake job-related training (and a further quarter thought it fairly likely). Amongst those who were 55 to 59 years old, only a third thought it very likely. The proportion of people who think they are very likely to participate in job-related training falls further to 14 per cent among 60 to 64 year olds.

Table 4.9: Job-related learning

	16-24	25-34	35-44	45-54	55-59	60-64	65+	Total
Very likely	60.4	59.3	52.9	48.0	33.2	14.0	10.1	51.0
Fairly likely	26.7	24.4	25.6	22.9	17.9	10.3	7.1	23.4
Not very likely	7.2	10.2	12.1	14.3	23.1	29.8	33.9	13.3
Not at all likely	5.7	6.0	9.5	14.8	25.9	45.9	48.9	12.3
<i>N</i>	349	924	909	806	260	107	44	3398

IES, 2004



4.6 Employer Training Pilots and Modern Apprenticeships

At this point, it is interesting to examine participation in two government programmes that aim to promote work-based training: firstly, the Employer Training Pilots and secondly, Modern Apprenticeships and Advanced Modern Apprenticeships.

4.6.1 Employer Training Pilots

The Employer Training Pilots are specifically aimed to help employees attain a level 2 qualification, providing basic skills learning in parallel. As established in the literature review, there is a high likelihood that older workers will hold fewer formal academic qualifications than younger workers - and this may lead to disadvantage. The ETPs aim to up skill the lowest qualified workers and have been effective in reaching older workers, see Table 4.10.

Table 4.10: Gender and age spread of ETP Learners

AREA	GENDER				AGE									
	Female		Male		18-25		26-35		36-45		46-55		56+	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%
Berkshire	2,210	63	1,313	37	754	21	1,039	30	942	27	583	17	204	6
Birmingham & Solihull	2,850	51	2,737	49	1,051	19	1,580	28	1,568	28	967	17	420	8
Derbyshire	2,953	46	3,513	54	999	16	1,725	27	2,026	31	1,241	19	471	7
Essex	6,805	52	6,414	49	1,910	15	3,470	26	3,932	30	2,736	21	1,162	9
Greater Manchester	5,992	49	6,210	51	1,136	9	3,806	31	4,220	35	2,367	19	664	5
Kent and Medway	3,384	77	1,039	24	635	14	1,192	27	1,376	31	875	20	343	8
Leicestershire	2,528	54	2,196	47	638	14	1,214	26	1,526	32	1,019	22	327	7
London - East	2,729	56	2,121	44	774	16	1,437	30	1,462	30	902	19	275	6
Shropshire	2,677	57	2,057	44	674	14	1,217	26	1,523	32	997	21	322	7
South Yorkshire	2,649	46	3,057	54	836	15	1,610	28	1,857	33	1,066	19	337	6
Tyne & Wear	4,187	56	3,289	44	953	13	1,884	25	2,506	34	1,615	22	517	7
Wiltshire & Swindon	3,652	55	3,004	45	1,183	18	1,859	28	1,911	29	1,235	19	467	7
All Areas	42,616	54	36,950	46	11,543	15	22,033	28	24,849	31	15,603	20	5,509	7

Source: ETP MI data 31 August 2004

The most recent ETP report (Hillage *et al.*, 2004) found ETP learners 'tended to be female, aged between 26 and 45 and working full-time in personal service or elementary occupations. Ten per cent are from minority ethnic backgrounds, rising to a quarter in some pilots (higher than amongst the general population)'. Most learners had left school at or before 16 without a positive view of their education. One-fifth had not had any training before the introduction of ETPs, however these learners now held positive views of training and development. Completion rates depend on three meta factors: those which were learner-related, those which were course-related and those which were geographic area-related. Of the learner-related factors, older males, without a disability, who work flexibly (part-time or night shift), with lower prior attainment levels and who are non-unionised, are, statistically, more likely to complete.

Participation by age in the Employer Training Pilots shows that workers between 18 and 25 have engaged less than their older counterparts. This may be explained by the aim of the ETPs to offer training to low qualified and unqualified workers who, we have shown, are likely to be older. Additionally, other funding routes have been available for younger workers for instance, modern apprenticeships. It is also the case that some sectors, which have been most active in the pilots eg care, have an older workforce profile.

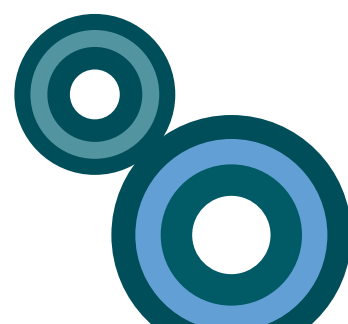
The July 2004 interim evaluation report (Hillage *et al.*, 2004), found that older workers were less keen than younger workers to take part in training. Overall around ten per cent of all those with the potential to benefit from ETP provision expressed some reluctance to do so, with more older workers being reluctant. While the report has not explored

whether there are age-related reasons for this reluctance to participate, the literature review indicates that older workers are less comfortable in admitting the need for eg basic skills, training or that they feel competent and perceive no need for training.

4.6.2 Modern Apprenticeships (MAs)

Modern Apprenticeships (MAs) are a combination of youth training schemes, at foundation level, and more traditional approaches to apprenticeship at advanced level. They aim to train young workers in the skills and knowledge necessary to perform in the relevant sectors. There are over 160 subjects available for apprenticeships and the apprenticeships combine government and employer funding. Table 4.11 shows the numbers entering the apprenticeships and their age spread. The funded MAs operate age restrictions but have recently widened their age limit to allow people of up to 26 to register for the programme (previously the qualification had to be completed by this age). It is also worth noting that in Scotland and Wales, pilots are taking place to open funded MAs to a wider section of the workforce.

While the LSC provides the detail of entry by subject, here we have limited the analysis to include only the broad ages of people entering Foundation Modern Apprenticeships (FMAs) and Advanced Modern Apprenticeships (AMAs). It can be seen that overall, there are more people in the older age groups currently entering these routes. This may have implications for future provision and thinking regarding MAs. In addition, their potential to provide to an older market, by giving opportunities for re-training for career change, is currently being piloted in Scotland and Wales.



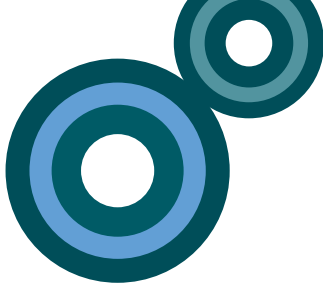


Table 4.11: Age spread of those starting Modern Apprenticeships

	Total Starts	Aged 16 at Start (%)	Aged 17 at Start (%)	Aged 18 at Start (%)	Aged 19-24 at Start (%)
Foundation Modern Apprenticeship total	129,006	23.2	21.7	15.7	38.7
Advanced Modern Apprenticeship total	51,661	16.1	14.8	15.3	53.5
All total	180,667	19.65	18.25	15.5	46.10

Source: LSC data, 2002-03

4.7 Summary

In this section we have seen that there is a clear association between age and the amount of training offered to, and received by, workers. Employees, who were over the age of 55, were proportionally less likely, relative to their younger counterparts, to participate in work-related education or training, or to have been offered it. Older employees were also proportionally less likely than their younger counterparts to take up any opportunities for work-related education and training that were made available.

Among the employees who received training in the last 13 weeks, older workers were also less likely to have been recent recipients of training (last four weeks) than their younger counterparts. Furthermore, older workers were also more likely only to have received on-the-job training, and those who received off-the-job training were more likely than younger workers to have received training of short duration (less than a week).

The analysis of the influence of factors affecting recent training by age revealed that:

- Women were more likely than men to have recently participated in training, and this difference became more pronounced with age.
- More highly qualified workers were more likely to have recently trained, supporting discussions

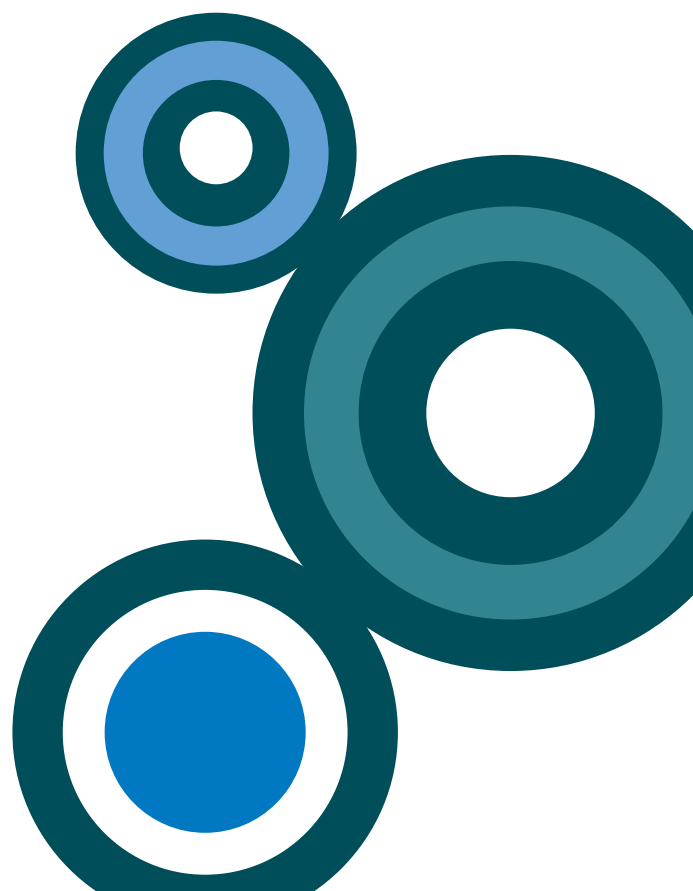
in the literature about current involvement in learning predicating future involvement in learning. Those with higher qualifications, but not degrees, were the most likely to have recently trained across the age groups.

- There is a decline in training with age within occupational groups, with those in highly skilled occupations having greater likelihood of recent training. Older workers in low-skilled occupations were the least likely to receive any training.
- Part-time workers receive less training than their full-time counterparts, as discussed in the literature review. This is of concern given the change in older workers' employment patterns towards greater likelihood of part-time work.
- The relationship between job tenure and reporting of training is unclear. Employees between the ages of 16 and 34 experience less training than their age cohort if they have been with their employer for five years or more. Our findings suggest that age is a more decisive factor than length of tenure.
- Industrial sector has a strong influence on training participation, with the highest likelihood of recent training found in public administration, education, and health, across age groups. Construction is distinctive for the high rate of training amongst younger workers, possibly reflecting sector-specific vocational education traditions.

- There is some association between establishment size and training, with small employers offering the least training. While evidence has not been presented in this report to support this finding, it is likely that cost of training compared with perception of return on investment are factors which act as barriers for small employers. The Employer Training Pilots, discussed in the final section of this report, have been designed to reach into this market.

Confirming the findings around in the literature about older workers' self-perceived barriers to training, our analysis found that workers of over 55 were considerably less likely than their younger counterparts to believe that they were *likely* to participate in job-related learning in the near future. This finding suggests a strong link with the findings in the literature review about older workers' self-perceived barriers, which may surround lack of confidence to train or lack of training need.

Finally, we reported the analysis of two government programmes that have some focus on older or younger workers: the Employer Training Pilots and Modern Apprenticeships. We found that, in the ETPs, there was a decline in participation by age, although older males in non-standard employment patterns were more likely to complete their qualification. Funded MAs are currently open only to the younger end of the workforce, however the data here show that there are now more people in the older permitted age groups entering these routes.



5. Practical Tips and Guidance from Organisations with Age Positive Training Practices

5.1 Case studies of organisations training a mixed-age workforce

This section draws together the experience of employers who have recruited and have taken positive steps towards the retention of a mixed-age workforce. Five case studies were undertaken: Table 5.1 provides an overview of the case study participants. To identify organisations suitable for inclusion in this study, we used a range of criteria to identify organisations with ‘good’ training practices. As a starting point, we looked for companies with age positive recruitment strategies or mixed age profiles. The main approaches used follow:

- We contacted companies in two of IES’s Research Networks⁴, ‘Motivation, Well-being and Retention’ and ‘Employee and Management Development’. A briefing about the project together with detail of the commitment required was circulated by email to 40 companies. This resulted in contact from eight companies to follow up.
- We approached Investors in People award winners. On the recommendation of the CIPD, we used liP as a benchmark of good practice in recruitment and training. The liP was a ‘point of entry’ criteria.
- We received advice from Third Age Employment Network who put us in touch with six companies.
- The Employers Forum on Age (EFA) advised us to contact their members, whose names are published on their website. EFA did not provide specific support to this aspect of the project, but recommended their website membership list as a way to identify employers with age positive practices.
- We used DWP Age Positive Employers list and Age Positive Case Studies, taken from the DWP Age Positive website.

- These sources provided a rich list to select from and there were overlaps of companies appearing in two or three of the listings. This overlap may indicate good practice or, simply that there are relatively few companies whose practice is already well established. A typology of organisations by sector and size was created on the basis of this list and 27 companies were then selected to be interviewed about their training practice, age profile of the workforce and willingness to participate as a case study. Following these interviews, we selected five companies as case studies.

The companies were: B&Q, Clinphone, Lyreco, Macphie of Glenbervie, and Royal Bank of Scotland (RBS).

In each of the case study organisations, senior training personnel, and employees who had recently participated in training, were interviewed about their company’s training policy and practices. Reflecting company structure, further personnel were involved such as the diversity manager or less senior members of the training or personnel team. A range of employees were involved, selected from different areas of the organisation and from different levels, and importantly, drawn from different age groups. An overview of the participants in each case study is given in Table 5.1.

Table 5.1: Case study participation: companies and personnel

Company	Training and Policy Managers		Supervisory and Non-supervisory employees	
	T	P	S	N
B&Q	✓	✓		
Clinphone	✓		✓	✓
Lyreco	✓ + training team		✓	✓
Macphie	✓	✓	✓	✓
RBS	✓ + training team		✓	✓

4. IES Research Networks are a partnership of leading-edge employers and leading-edge research in people management issues. The networks enable direct interaction and knowledge-sharing between experienced practitioners and expert researchers.



5.2 Emerging themes from the case studies

We provide a stand-alone case study for each organisation in section 5.3. However, first we examine the emergent themes from our analysis.

5.2.1 Learning preferences, adapting the training experience and the growth of e-learning

It is important to note at the outset of this section, that none of the employees involved in the case studies reported having experienced any discrimination in their access to training or in their experiences during training. This may be attributable to the age-neutral stance of the case study companies: age is not considered as a barrier in any aspect of company operation, and so is not a barrier in training.

The range of employees involved in the interviews, from operational as well as training divisions, meant that learning preferences and whether there were any differences in the training needs of older and younger workers could be discussed.

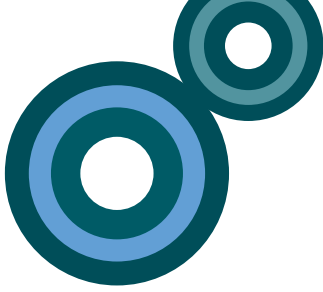
The trainers in the study did identify that there were different needs present in different groups of learners and many took advantage of having a mixed age group in a training session. A trainer drawn from the sales division of Lyreco, created opportunities for less experienced staff to work with staff with more in-company experience in workshop exercises which she felt enhanced the training from both workers' perspectives. Other trainers noted that older workers might need more one-to-one work or greater support to achieve the training outcomes, but that training could be adapted to suit these needs. Thereby, it was felt that there was no difference in the outcomes of training by age. On-the-job training mechanisms such as coaching and mentoring were popular in all of the case study companies.

In terms of younger workers, the trainers felt that this group could sometimes lack discipline and had a more *ad-hoc* approach to the training offer. The advantage of training in a mixed group was that the older workers amongst a mixed training group would model the discipline standard expected by the trainer and thus encourage younger workers to adhere to this standard.

In all of the companies participating in this study, use was being made of e-learning technologies, either as 'off the peg' solutions or specifically designed. Benefits were felt to include the opportunities for self-paced learning and revisiting subjects, approaches that can suit older workers. For the large companies, *eg* RBS and B&Q, e-learning ensured consistency in the training provision. B&Q provides all of its store-based product training via this method. Both companies made this link with e-learning to product knowledge training, as well as, at RBS, softer-skills training. In the RBS case, the e-learning system is used particularly for the self-elected and optional training for workers. This provides efficiency of scale alongside the chance to offer staff a wide programme of development. In the smaller companies such as Macphie, e-learning offers self-paced learning in a range of subjects which, for this small-to-medium company, it would be difficult to offer in traditional classroom mode. None of the companies reported any difference between age groups in their ability to engage with e-learning.

5.2.2 Training policy and practice

As might be expected in employing organisations who have a positive attitude towards age, these companies offered flexible working patterns and career paths. In each of the companies visited for this research, training was a strategic issue closely linked to effective business performance. Not one of the companies made any link between access to training and age. While the maturity of the training policy in each company varied (for instance, Macphie's training policy had been in operation for a number of years whereas



Clinphone's was relatively new) having a policy was reflective of a strategic engagement with training. For most of the companies the question was not whether to train, but what would be the business impact if they did not train their staff.

Each of the companies had developed competency frameworks aligned to job roles or 'role matrices'. There was some variability in the formality of the frameworks and in the length of time they had been implemented. The companies identified that the benefits of the frameworks included the identification of the compulsory aspects of a worker's training as well as enabling the worker to see what further personal development would be required if they were to progress in their career in the company. Having the systematic approach to job competency and performance also facilitated staff appraisal and management, enabling clear and focused discussion between line manager and worker. Importantly, the frameworks ensured that decisions about training need were made on business merit and not other factors such as age.

The case study organisations were orientated towards worker retention. While they viewed training as a factor in this, wider life considerations were also important. These employers offered flexible and adaptable working patterns, as well as flexible career paths. This approach was seen as one that allowed the companies to meet the needs of employees with different personal circumstances as well as different age groups.

For instance, RBS operates a number of HR policies that allow some tailoring to worker requirements *eg* 'Your Time' package for flexible working patterns, and 'Your Reward' package for flexible non-financial reward systems. The company had adapted the 'Your Reward' package to include discounted mobile telephones and bicycles, since prior to this, younger workers were less enthusiastic about the non-financial benefits. As a large employer, it is important that RBS finds an effective means for staff to

manage these flexible processes and this is why the corporate intranet has been introduced.

Of the companies involved in the case studies, RBS, Macphie and Lyreco, spoke of their policy regarding successful completion of mandatory training programmes. Each offered employees 'three strikes' to successfully complete the test following training. If a worker had not passed the training test then they were not allowed to undertake certain aspects of their role. If an employee did not pass the training by the third attempt, remedial action was taken to provide additional support through alternative mechanisms such as on-the-job coaching. These companies also, at this point, would consider whether the employee was matched well with their current job. If this was felt not to be the case, the employee would be invited to a discussion with their line manager, to see if there was a job role that might be more appropriate to their skills and interests.

5.2.3 Perspectives on the costs of training

A feature of all the company case studies was how the costs and benefits of training were perceived. As noted above, there was, in each of these businesses, a strong linkage between business performance and training. All the companies saw training as an investment to ensure that employees could meet the business's quality standards. They were concerned about the potential cost to the business of not training all their employees, regardless of age. The risk to the business was in the loss of goodwill and business from its client base.

Training to ensure standards are met is 'mission critical' to all the case study companies, despite their diverse sectors because of the regulations that surround the businesses. For Lyreco and B&Q, in business-to-business distribution and retail respectively, high standards of performance relate strongly to customer satisfaction and repeat business. For all the companies, high standards of performance equated with

customer satisfaction, which itself promoted repeat business.

'Training is not a benevolent activity in RBS, it is an essential factor of effective business operation... Investing in training means that the company sells better quality products, better, to more customers'

Head of Employee Measurement and Research, RBS

'The benefits of training throughout the workforce can be measured in our confidence to deliver to our market. We know our products are produced to the highest standards and quality assured. There's pride and professionalism throughout the workforce.'

HR Director, Macphie

'If we grow the people then we grow the business – it's as simple as that. If we can improve people's competence levels, their skills levels, their ability to perform, to be effective, to help customers, then all that is value which will help to improve the organisation.'

Director of Training and Development, Lyreco

The Director of Training and Development at Lyreco identified that when assessing the costs of training, the costs of recruiting personnel with the relevant skills must be considered. A practical piece of advice offered by Macphie is to plan-in the cost of training as part of the cost of labour, which they view as a much more realistic basis for costing staff.

5.2.4 Developing staff to train others and training programmes

A feature identified in three of the companies interviewed for this study, was their policy of developing workers from operational areas to become trainers. The organisational benefits of this were perceived as:

Employees are able ensure that the training is related directly to the experience of working in the company.

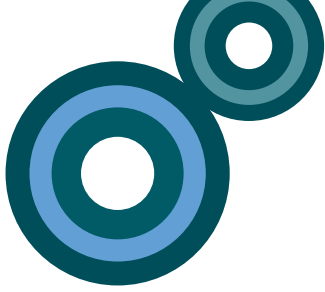
Current workers understand the quality and performance criteria, and have the ability to communicate the importance of these effectively to other workers.

As well as the perceived business benefits, workers who had been developed as trainers, also perceived benefits themselves. Employees who had taken on a training role or who had been developed as vocational qualification assessors felt pride in seeing staff achieve the quality and standards required by the company. All were proud to have been developed in this direction and put in a position where they could help other staff. The extent of pride in the work may be attributable to each company's investment in their workers: the investment in training is seen by workers as an indicator of the company's valuing them.

'You kinda get a buzz – when you're doing training and you're explaining to people, you feel entrusted by the company, you're a reliable person to carry this training out.'

'When people do their training and they follow it through and get their certificate, there's like a real sense of pride.' 'I love seeing people succeed in things – my success is theirs and theirs is mine.' 'I get a lot of job satisfaction out of it actually and because I'm an assessor... I see what they've actually learned... and all of them have passed so I think I must be doing this right... and likewise when I'm coaching I get a lot of job satisfaction out of that too.'

'You get a great sense of job satisfaction when you sit people down and you're teaching them things,... and when you know they have benefited from it, and are able to do their job better, you get a great sense of satisfaction.'



'They've come to the course, taken a lot on board and they're going to go out and they're going to use those skills and that knowledge I have given them - it's great to know that you have shared your experience of doing the job with someone.' 'It's great to be able to think that my delivery and my training has been useful to other people and they can take it away and implement it themselves.'

These quotations were taken from interviews with employees from Macphie, Lyreco and RBS. They have not been directly attributed as the researchers promised anonymity to respondents.

Many of the companies were also using 'train the trainer' qualifications, such as the Certificate in Training and Development available through the CIPD, to ensure those staff who became trainers felt they had the skills to perform the role effectively. In addition to the formal training qualifications, coaching and mentoring from senior members in the training teams provided an informal mechanism for supporting staff.

There was a blend of in-house and external training in most of the companies with skills and behaviour training most often delivered in-house. Many of the companies sponsored workers through higher qualifications at Universities and Colleges. Mandatory training focused on work-essential knowledge such as regulations, and product knowledge although most companies offered training programmes aimed at, for instance, new and aspiring managers.

5.2.5 Staff engagement and careers

All the employees in the study were asked about their career aspirations and whether they saw their future with their current company. For a large majority, and with no evidence of difference by age, there was a strong commitment to their company because of the development opportunities they had received.

'Personal satisfaction, yes definitely because... to start with I thought, 'I can't believe I've done this... a lot of help from a lot of different departments, not just personnel but a lot of different departments... so a lot of cross departmental relationships as well...'

'I benefited a lot, problem solving, and probably relationship building as well, and confidence..you prove to yourself that you can do it if you put your mind to it'

Female employee, aged 24

'[I have]more confidence, more ability to do the job and see things differently...a different perspective on things..'

Male employee, aged 44

'You feel more confident in what you're doing, and you feel more knowledgeable in terms of talking to the customers, product-wise etc., then the training does help... it makes you more focused and able to answer every query they ask'

Male employee, aged 45-55

'Personal development, it's motivating to feel that you're developing yourself and your skills... most of the things available are transferable... you could take it with you'

'..and it does increase your loyalty with that company, it makes you want to feel part of that company'

Female employee, in her 30s

'It's quite good that [customers] can come up to you, [even] after the first couple of weeks, you've learnt something already, so you know quite a bit, so you can offer them the best advice that you can... You feel valued and useful.'

'It's all been really positive. I've really enjoyed it. It's got my brain working.'

Female employee, aged 40s

Aligned to the development opportunities had been the chance to apply their learning and move up through the grades. The employees detailed varied careers with their current company - and amongst these employees were some who had been with their company a relatively short time eg one to two years. The opportunity to undertake a variety of roles, or develop a career pathway, was a motivator of engagement, and training was at the core. Employees reported that they felt they had had sufficient support in making these career transitions.

The small number who were less certain whether their future lay with their current company, either felt they did not want to take on supervisory responsibilities (which often align with promotion) or were those in more strategic management positions, where career progression depended more on a job at the higher level becoming vacant.

One of the case study employees who felt this way had been funded by the company to undertake an MSc in Management so was clearly looking to progress his career in more strategic directions. However, this was a long-term view on his career and the company was able to offer project opportunities to make better use of his newly developed skills.

The attitude of the companies to the issue of training for personal development is important to consider. One company considered that offering the employee the opportunity to develop their skills, and to deliver some of their learning into the company, was benefit enough, even if the employee were to move on in the future - the company did not tie the worker to a specified time contract or require repayment of the course fees. Others amongst the companies would require a worker to consent to this kind of agreement.

In many of the discussions with employers, there was a real sense of engagement with the service or the product. Many reported an emphasis on 'getting it right'. They reported that training was

an important factor in the company's and their own performance. Perhaps, the point most relevant to this study, was that there appeared to be no relationship between age and worker engagement.

5.3 The Small Business Case

While the criteria for case study selection did not preclude small businesses, we are aware that the final selections include only companies that can be categorised as medium and large employers. For this reason, we have drawn on evidence publicly available from the DWP Age Positive website that details the case for some small employers.

5.3.1 Beacon Foods

Established ten years ago, Beacon Foods is now one of the leading suppliers of exotic and fresh foods to the UK food manufacturing industry. Today it is one of the fastest growing companies in Mid Wales, having seen its workforce double to 150 in the past two years.

'We recently had a team leader aged 69 train to operate a forklift. She had a four day instruction course with a health and safety officer and then took a practical and written exam, the same as everyone else who takes this training. After passing the exam she has now progressed and been promoted to Shift Co-ordinator. She was nominated for this position by her Manager and put onto an RTITB course. Previous to being taken on she had been unemployed.'

5.3.2 Stanair Industrial Door Services

'We are a company of 64 employees, specialising in industrial and commercial doors, and security products. We employ people aged from 16 to 70.'

'Several of our office staff are of a mature age and were when we employed them. We



particularly try to retain our engineering workforce well into their latter years. We re-train them and move them into a variety of management, technical, training and surveying positions. This allows us to keep and utilise their core skills in their new positions. All staff undergo continuous training throughout their employment. This was one of the reasons we received a National Training Award in 2002.'

5.3.3 Wrap Film Systems

At Wrap Film Systems in Shropshire, warehouseman Derrick Dyas, is setting an example to others that age should not hinder a person or his/ her quest for self-improvement and work satisfaction. Due to retire at 65, Derrick decided that he would change careers. He initially started as a machine operator after Wrap recognised the invaluable contribution he would make due to his commitment and ability. At the age of 66, Derrick completed and passed an NVQ in warehousing management. Derrick says: *'I am pleased to have done the training. It lets you know that even after retirement age, you can carry on working and learning new skills'*.

5.3.4 What other small employers have said to the DWP

'I think the benefits can be seen in the size of the company, turnover and profitability and I really think that is a lot down to training and development of people irrespective of age, sex, whatever.'

Small services organisation, Wales

'Maybe our employees could get better rates of pay elsewhere, but they appreciate what's on offer here regarding training, they get job satisfaction from that.'

Small utilities organisation, England

5.4 The company case studies

The next section provides a detailed stand-alone case study for each of the companies who were involved in the study. Each follows a similar format: there is an overview of the company operation and workforce profile, followed by a section on training policies and practices, we then turn to the guidance and advice from each of these employers and finally look at the training programmes and how they are offered.

5.4.1 B&Q

Workforce profile and company background

B&Q employs approximately 36,000 people across the UK. Of these, around 33,000 are based in its stores. The company is well known for the mixed age profile of its workforce, and for its practice of employing older workers. Workers aged over 50 make up around 22 per cent of B&Q's workforce and there are employees in the company in their 70s and 80s. The employment of these older workers is facilitated by the flexible contracts offered by the company, for instance, in terms of hours per week, permanent contracts range from eight hours to full-time. Seasonal contracts of varying hours are also widely available.

There are three basic categories of staff: customer advisors, a role which attracts all ages of worker, 'Expert' roles which tend to attract ex-tradespeople, who are often older workers, and management roles, which again attract a range of ages. The company feels that worker retention varies, with an average length of tenure at around seven years. There is significant staff turnover in seasonal and check-out roles, however many workers stay and develop with the company. B&Q places great importance on retaining its staff and so invests heavily in training - and ensuring that everyone is reached by the training investment. The company recognises that not everyone aspires to management so has reviewed the customer

advisor role to provide further development opportunities.

There is a strong link between training and career development, for instance, the customer advisor framework is divided into 22 customer advisor roles each with five different levels. Staff can train to progress through the roles and their level will be linked to knowledge and experience. The expert and management roles operate similar frameworks.

Policy

Knowledge and experience are highly valued by customers and so, are viewed as a valuable commodity at B&Q. The company's policies and ethos reflect this. The Diversity Manager does not link knowledge and experience to age, arguing that the diversity of employees meant that there was a broad range of knowledge and experience to draw on. B&Q aims to embed diversity-positive practices in their recruitment, training and retention strategies.

B&Q has an equality and diversity policy, which includes age, for three key strategic staff areas: recruitment, training and promotion. The company's managers feel it is important to do this even though it is not currently a legislative requirement. The aim is to be age-neutral and to ensure that age, in addition to many other characteristics, is not influential in the recruitment, training or progression of an employee.

The age-diverse policies are important because they help reinforce the view that B&Q is an inclusive organisation amongst its employees and potential employees. The Diversity Manager recognises that having a policy does not necessarily translate into action but it is the foundation of promoting an inclusive organisation. There is a strong business case that the policies help to attract and retain the best people, in order to meet customer expectations.

There are, then, no age barriers within B&Q to training. Training is considered to be important in

terms of customer service, in maintaining core standards and staff motivation. The decision that underpins the training offer is what is required to perform the job well. There are no other criteria in the training selection process.

Training at B&Q

The company offers its staff a full range of product knowledge, soft skills and development programmes (see list at the end of the case study). Often, training approaches are blended *eg* self-paced e-learning is mixed with more traditional 'classroom' type activities. The company is tending to move to store-based training, so that training facilitators travel to each store to deliver the training to that store's staff, rather than staff attending a training centre, which can have greater time implications for the business. However, workers involved in training tend to feel more relaxed within their peer group so there is also a benefit to them.

There is a blend of mandatory and optional training. On entry to the company, required training includes health and safety, manual handling, and customer service skills. Once these have been completed, staff have the discretion to decide whether they decide to progress through the levels – and so, what training they would like to undertake. The company ensures that line-managers are engaged with the policy of training all workers, no matter what their age, and this has contributed to the success of training programmes in terms of staff accessing them.

The Training Manager and e-learning Manager, both recognise that different people prefer to learn in different ways – and sometimes that relates to age, but often it does not. The challenge is to make the appeal of the training approach and materials as broad as possible. Particularly, e-learning must be simple so that people who are not greatly experienced with a PC are still able to access it and benefit from it. When they launched e-learning they had a training programme on how to use e-learning in order to engage people who



were unsure about it. There is also the opposite challenge in being able to engage someone who has high computer literacy.

Older people are engaging with computers more and more and the company's experience is that it is not fair to assume that older people would not want to engage with e-learning. However it is important to ensure that the support is there for people who may need help, no matter what age they are.

Costs and benefits

The ultimate purpose of training is to ensure that customers are provided with the information and advice they need to leave the store with the products they require. At B&Q, managers believe that training helps to create confident and knowledgeable staff and so training is seen as investment. Occasionally there is the risk that the company will not get a return on that investment but most of the time they will, in quality of service including product and process knowledge.

The company believes that the cost of not training the workforce would be higher than the cost of training them - the service standard would be compromised resulting in poor business outcomes. B&Q recognises that there are costs associated with training, particularly in providing the infrastructure, however recommends that employers must analyse the benefits and impacts of training to fully interpret the cost basis.

The Training Manager recognises that time is always a barrier to training as there will always be other tasks that seem higher priority. She believes that employers and other central managers have to sell the benefits of training to line-managers, to ensure that training is fully cascaded in the organisation. This can be a culture shift, however it is important to sell the business case to line-managers.

This includes the benefits of having a mixed-age workforce: that people are able to learn from and interact with others of different ages. B&Q

believes this creates a good working environment as it leads to people supporting one another and training means that staff feel valued and confident about their job. Age is a barrier to training for some people but perhaps of greater concern is educational background, literacy skills and motivation. There are a lot of barriers, one of which is age, however each individual's needs and issues should be considered as far as possible individually.

Sharing best practice

- In relation to age, it is important to have equal application of all policies regardless of age. In this respect, success is about being age neutral.
- When using technology it is important to use it only when it is appropriate and not just for its own sake. You need to really understand your learners and what they need. Try to be open, understand that one size does not fit all and be pragmatic.
- Different people learn in different ways and therefore a variety of options need to be incorporated into training plans. Similarly, there needs to be flexibility to adjust the training programme if one method is not working.
- Rewarding people for taking part in training is also important (*i.e.* linking it to pay).

Training programmes at B&Q

- E-learning for customer service and management development training
- In-store group sessions
- Self-directed learning activities *e.g.* on the intranet
- University library
- Self-development materials on the intranet
- Internal workshops at the B&Q University
- Externally hosted workshops
- Online communities

- Online assessment tools before and after training
- Coaching (one to one or in groups).

5.4.2 Clinphone

Company background and workforce profile

ClinPhone was formed in 1993, and provides centralised support services to the clinical trials process. It has developed into an international business that provides electronic solutions to many of the world’s leading pharmaceutical and biotechnology companies. ClinPhone has approximately 430 staff spread over its headquarters, in Nottingham, UK and its offices in the US and Europe.

Table 5.2: Clinphone staff, locations and age spread

Spread of staff across Clinphone locations

Brussels	2
California, US	1
Chicago, US	45
Heidelberg, Germany	1
New Jersey, US	79
Nottingham, UK	304

Age spread of Clinphone staff (%)

Under 25	15.5
25 - 50	78.9
50 and over	5.6
of which are 60 and over	0.7

Source: Clinphone Management Information

ClinPhone provided corporate data for this case study that showed a relatively diverse spread of ages within different job roles and work patterns in the company, however the company can be seen to currently employ higher numbers of young and mid-life workers than older workers (see Table 5.2). The Head of Training and Development confirmed this, saying it is *‘quite a young company’*, in terms of workers’ ages. The data showed that the Operations Department particularly reflected this. The Operations

Department is the largest division made up of production programmers, project managers, project assistants and a service support helpdesk. *‘Many of our employees in this department are new graduates with no prior knowledge of ClinPhone. What we do is train them so that they contribute to the bottom line success of the business.’*

The company also aims to recruit staff with experience in the pharmaceuticals industry, into the Operations Department. It feels there are benefits to be derived from this mix within the recruitment strategy.

The company finds that many employees build a career with ClinPhone. This is reflected in the low staff turnover rate, currently at nine per cent annually in the UK. ClinPhone is proud of the working environment it has created and feels it has formed a solid foundation for the continued success of the company. In addition, the company offers *‘excellent training for all new employees’*, which is continued through a robust staff development programme. Another important factor in staff retention is that the company offers a competitive benefit package including a shares options scheme, private health insurance and a personal pension plan.

Career paths are guided by the competency framework which is a generic tool that ensures different role types with similar levels of responsibility and accountability are graded with equality and fairness across the whole company. The framework establishes two distinct pathways: professional/ technical and managerial. The company does not want to ‘force’ individuals down a managerial route because they see it as their only means of progression advancement. It is normal for staff to change roles within the organisation as part of their career progression, and all job vacancies are advertised internally as well as externally. The company sees this as an important method of retaining staff: *‘We are not losing that individual - we are allowing them to broaden their skills and move departments’*.



Currently, the company's retirement age is 60 but is not seen as a 'step-change' from work to non-work. One of the workers interviewed for this case study was at the company's retirement age, and it had been agreed that he would continue working part-time. This has the advantage, for the organisation of building in time to transfer knowledge and experience to other workers, and for the worker, in terms of a flexible working arrangement which offers choice about the transition to full retirement.

Training at ClinPhone

The company operates a structured training programme. All new employees, no matter what their age, are put through a three-month orientation programme and are assigned to a work mentor.

As the company evolved, key roles were identified that were crucial to the business, and intensive training workshops were also developed where it could train the new recruits in the shortest possible timeframe. Annually, the company spends between 0.5 to one per cent of turnover on training, which equates to £800 per person. It calculates that, on average, an employee will spend a minimum of three days training per year.

For each role in the company there is a mandatory orientation training programme and there are competency requirements. At the end of the orientation programme, a career development plan is devised with each employee's line manager. This documents outstanding training from the orientation, additional skills training required for the job role, as well as any professional development aspirations such as undertaking an MBA or Open University qualification. The career development plan is reviewed with the line manager three times a year to ensure each employee receives the training and development that has been identified. Alongside this, there is an annual appraisal, which reviews an employee's progress against the competency framework and plans for their future development, career trajectory and training needs. For ClinPhone, the

introduction of the competency framework is relatively new, having been implemented in 2002-03. However, the Head of Training and Development feels that it had added a more structured and strategic approach to training in the company.

In some cases, ClinPhone will 'fast-track' employees who shift role, but this normally depends on the skills, knowledge and experience of an individual. The fast-track programme comprises on-the-job training in the form of mentoring and shadowing, all of which will be documented as part of the individual's career development plan. The decision to fast-track is made on an individual basis with the employee's line manager. Typically this approach is limited to experienced ClinPhone staff who move to a new department or division.

There is a training library of courses open to everyone, which tends to be a key resource from which employees identify their training needs and build their development plans. The company also provides training books and CDs within this library. For the first time last year, all staff at the company received a 'state of the nation address' presentation from the two managing directors, where they delivered a strategic overview of the company. Alongside increased communication of the business direction, it was felt that the presentation had helped show staff how their personal objectives fitted with those of the business.

ClinPhone designates certain training as mandatory as it is vital and important for all employees, in order for the company to remain compliant with regulatory authority expectations that are required within the pharmaceutical industry. ClinPhone uses e-learning to deliver this aspect of training. The learning management system, available over the computer network, notifies employees by email that they need to complete training in a specific area. The employees must then spend time with the e-learning resource, at the end of which they

answer a test to demonstrate their competence in the training subject. Most employees will engage in some training in this mode at least once a month. In time, the learning management system will be used to monitor training, and identify skills acquisitions and skills gaps. The sector is highly audited, so the learning management system will streamline the processes to provide data for the audits.

Besides the mandatory training programmes, the company also sponsors employees to undertake externally provided courses to enable personal rather than in-company career development. Examples include two employees doing MBAs, and another doing an undergraduate degree in Child Psychology. The company also considers flexible working patterns to support employees to complete their training. The decision to sponsor employees through externally provided programmes takes into consideration individuals' commitment to the company and attitude to learning and development. Any employee who undertakes this kind of training will be asked to sign a commitment agreement based on a sliding scale of payback should they decided to leave the company.

Giving support to staff's personal development in this way is seen as an important contributor to engagement and organisational commitment. The Head of Training and Development reports that allowing employees the chance to complete courses that fulfil their own personal development increases their motivation, from which the company benefits.

ClinPhone uses external training providers to deliver most of their soft skill training needs. However because of the technical⁵ nature of the business, many of the utilities used at ClinPhone are in-house built therefore they rely heavily on internal resources to deliver this type of training. This has required 'train the trainer' type training for ClinPhone staff, for instance, a number of

employees have completed the City and Guilds in Training Delivery. As well as further contributing to the recognised staff development programme, the acquired knowledge of the 'trained trainers' is pooled so that, as well as being more effective trainers themselves, colleagues can approach them for ad-hoc training advice. A future development will be the introduction of a certified coaching course to recognise, develop and encourage the less formal development of colleagues which already takes place.

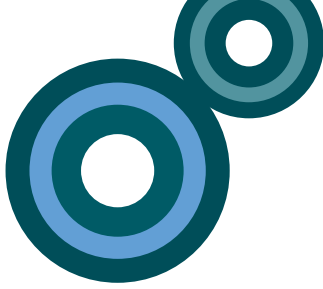
Practical tips

Evident from the employee interviews for this case study, was the flexibility with which ClinPhone was implementing the competency framework. While ensuring that mandatory training requirements are met, the company is able to provide individual career and development tracks to suit the needs of different staff. While there is a tendency for people management to become a large part of the job function as staff move up through the grades, side-steps and different career directions are provided for staff who feel their skills are not located in this area.

Using staff as the trainers ensures a close fit with business direction. The staff who deliver the training know how it must be applied and can thus ensure the accuracy of provision. There is also the additional personal development, and sense of reward, that staff gain from performing such a role.

Seeking qualification routes to verify existing business practices, also delivers benefits to employees as their CV develops. For instance, under the new scheme to validate the coaching practice already existing in the organisation, staff will see tangible outcomes from their career development both inside and outside the organisation. Given the company's previous experience, it is likely that this will further stimulate the motivation and retention of staff.

5. Hi-tech software packages and IT systems which are mostly purpose programmed



Training programmes offered

- Managerial *eg* supervision and management, staff appraisal *etc.*
- Personal skills development *eg* time management, presentation skills
- Functional skills training *eg* under the competency framework for each of the job roles
- Mandatory regulatory refresher training via e-learning.

5.4.3 Lyreco

Company background and workforce profile

Lyreco UK Ltd is a distributor of office supplies, which works business-to-business ie does not have a retail arm. There are approximately 1,650 workers in the UK: 650 at the head office and warehouse site at Telford, with a further 550 in the sales team, who work '*in the field*'. Further to this, there are 450 staff working in distribution, mostly drivers, spread across the 22 distribution centres located throughout the country. World-wide, the Lyreco group is spread across 23 countries. Lyreco is a French-owned company, which took over a loss-making UK business in 1991, and turned it around. Lyreco UK Ltd had sales of £240m in 2004 and is profitable. A large part of this change is attributed to the motivation of staff, through the delivery of training and learning opportunities for personal and professional development.

The main activities of the business are to receive customers' orders then pick, pack and despatch these within 24 hours. The customer services department deals with orders and customer queries, so that, if an item is not delivered, it is re-despatched and delivered within 24 hours. Order turnaround is important and the company sees this, including accuracy, as a measure of performance. The Director of Training and Development reported that if the potential and desire is there, Lyreco develops people and gives them every possible opportunity - it does not matter whether they are 55 or 25.

Within the company, most roles attract a range of ages, and the company does not erect age barriers in terms of recruitment. It has found however, that the more junior arm of the sales team tends to attract younger workers, for whom it is their first entry to sales; the salary and package reflects this which possibly also contributes to the younger profile amongst staff. There are approximately 450 sales staff employed to win and manage accounts which have an annual spend of up to £50,000 annually on office supplies. More experienced, and thus often older, sales representatives, work with larger client accounts *eg* some large FTSE 100 companies as well as large public sector clients such as health, education and councils. Alongside the demands of managing the large accounts, there is a tendency for the stationery ordering system within these larger organisations to be more dispersed and thus more complex.

The company ensures new staff members receive the staff manual at induction, which details the employment terms and conditions, *eg* sickness and absence, flexi-time *etc* but also provides information about training and applying for support for education grants *eg* for college courses. There is no concept or definition at the company of older and younger, particularly when it comes to training decisions. The company focuses training decisions on identified needs, *eg* mandatory regulatory training; role development, in terms performance, knowledge and skills, and the different needs presented by each of the employees as individuals.

Retirement becomes an option for staff at the age of 62, however is not mandatory. Employees do opt to stay beyond age 62.

Training at Lyreco

There is a tight link between training and business needs, a factor that the Training Director considers important. At strategic meetings the directors set the objectives for divisional performance, outlining at the same time what

training is required, and who will be required to train, to ensure the business aims are met. Thus training is integrated throughout the organisation and cascades through the budgeting process.

'If we grow the people then we grow the business - its as simple as that. If we can improve people's competence levels, their skills levels, their ability to perform and instil passion to delight customers, then all that is value which will help to improve the organisation.'

Director of Training and Development, Lyreco

Employees are encouraged to work through the career hierarchy to improve salary or to make more of their skills. For each of the divisions in the company, there is a career ladder to enable employees to see potential career paths, thus employees can map out their future with the company from an early stage. Linked to the grade ladders are competency, functional and soft-skill training programmes. This structuring allows employees to have opportunities to apply their learning through work, and Lyreco believes this contributes to their engagement with the company.

All the employees interviewed for this study, detailed their career trajectory with the company. Most had started in operational areas such as customer services, and had then worked their way through other related areas *eg* in Head Office, to supervisory positions. Two employees had been drawn from operational areas into the Training Department to deliver training over a contract lasting approximately two years. Of these, each had intentions to stay with the company but develop their careers in other areas of the business.

The Training Department is structured so that there is a Training Manager for each of the operational and administrative divisions. Training Managers meet with the Divisional Heads to discuss training needs and negotiate the training programme that will be delivered. The training is then designed or updated as appropriate and

rolled out to the workforce. Line managers have the responsibility for scheduling to ensure best fit and staff provision within each division. The Training Managers have responsibility for monitoring training participation and outcomes.

In terms of understanding the return on training investment, the Director of Training and Development identified two important factors that should be considered in calculations:

- The cost of not training a worker must be considered *eg* the cost of them not performing to the quality standards of the company.
- When considering the costs of training *eg* external facilitation, materials, time away from the job, the cost of running the training team, organisations should compare these with the costs of bringing in new people with these skills.

For a sense of the investment in training at Lyreco, as a percentage of staff salaries, the company spends approximately 3.6 per cent on training, which includes the cost of the training department. The Training Director identified that using in-house expertise to deliver training, has a cost-reducing impact and ensures that the company's internal customers *eg* Heads of Operational Sections, get the learning they want.

The company offers a variety of formats for its training provision including classroom-based and e-learning. The format largely depends on the subject for the training and how that is best delivered. Trainers within the company are aware of the needs of different learners, only some of which relate to age. There was a perception that, depending on the subject, sometimes older or younger workers will require more coaching. It is important thus to ensure there is a range of workshop activities so that you can engage on a small group or one-to-one level as well as provide training to the whole group. A number of employees interviewed discussed the benefits of training as part of a mixed age group. Value was placed on the opportunity to network,



which it was recognised would contribute to their future role in the company, and also, the ability to work with someone older or younger who brought a different perspective to the problems they were addressing.

Sharing best practice

- Get the positioning right - Training and Development must be high profile and integral to the company's operation. If a Training Director is established, they should report to the Managing Director and if possible work alongside the Human Resources Directorate so that there are two people battling for the people issues within the business.
- Operational line managers, and other business managers, must also be convinced of the value of training to ensure it is integrated throughout the organisation.

- Commit to develop everybody, maintain a consistent approach. Training and development is for everyone in the organisation from board level managers to operational staff.
- Make sure people have the chance to use the skills in which they have trained. Progression and role development must be aligned with training to meet employees' expectations and help them find their best position with the company.
- Find out about the programmes that can support your organisation in delivering training. Lyreco has signed up to 'skills for growth', the government's Employer Training Pilot in the area which means staff can achieve their first level two qualification, funded no matter what their age.

Table 5.3: Training provision at Lyreco

In house training	Externally provided training
Supervisory and management training (including Senior Leadership and Executive Leadership programmes)	Higher degrees
Functional/ job-role training programmes	Conferences & seminars
Customer service skills	NVQs – externally assessed and verified
Advanced sales techniques	
Health and safety	
Product awareness	
Personal development (soft skills for non-managerial staff)	
Mentoring	
Institute for Sales and Marketing Management (ISMM) - internally assessed and verified	
Some NVQs – internally assessed and verified	

Source: Lyreco, management information

5.4.4 Macphie

Company background and workforce profile

Macphie is a food manufacturer, with a range of production strands including powder products, UHT, chilled & frozen products (mainly soups and sauces), and recipe development. It is based over two sites in Scotland, the initial site in Glenbervie, near Aberdeen and, following expansion to chilled and frozen products, a site it recently took over in Tannochside, near Glasgow. There are approximately 200 people working on, or reporting to, Glenbervie, including commercial staff, based 'in the field'. The operation at Tannochside is smaller, with approximately 90 workers. Macphie sees itself as an innovative, forward-thinking company, which seeks to work in partnership with its customers to develop new products to meet their needs. A recent innovation at the company was the introduction of strategic account partnerships to manage the client relationship.

The two locations differ in economic environment. Glenbervie is in a rural setting but in an economic region with high employment figures. In Tannochside, there is no shortage of jobs available given the proximity to Glasgow, however this can lead to greater worker mobility as better pay, conditions or opportunities are sought by a potential workforce with a limited skills base. The step-change in the staff turnover rate, reported in Table 5.4, at Tannochside is partly attributed to the staff training and development policy, and the implementation of the performance management system. Workers interviewed for this case study from the Tannochside site reported the change positively, and the majority saw their future now lying with Macphie.

Table 5.4: Macphie employees by age and staff turnover rate (per cent)

Macphie employees by age	Glenbervie	Tannochside	All
Under 25	8.3	12.5	9.4
25 - 49	74.1	69.4	72.8
50 and over	17.6	18.1	17.7
<i>Of which 60 +</i>	<i>4.7</i>	<i>1.4</i>	<i>3.8</i>
<i>Total employees</i>	<i>193</i>	<i>72</i>	<i>265</i>

Staff turnover rate (2004)

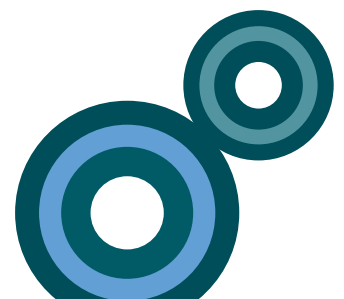
	3-4	2	2.5 approx
--	-----	---	------------

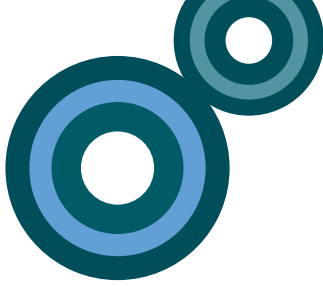
Down from 95% in 2000

Source: Macphie Management Information

There is a range of age groups on both Macphie's sites, shown in Table 5.4. An international benchmarking study undertaken by the National Training Organisation (now Sector Skills Council) for the foods and drinks sector found that Macphie had the '*best educated, best trained workforce*', and also the lowest staff turnover of the industry worldwide. With this high rate of staff retention, the company has an ageing profile among its staff.

Retirement is not considered mandatory by the company. Should staff wish to continue working beyond the company's normal retirement age, the company explores ways of retaining their knowledge and experience, which has included part-time working, and project-focused work. Staff over the company's normal retirement age are at present involved in a European project on knowledge management and dissemination called 'industry experts' using older members of the workforce to impart valuable knowledge which can be turned into training.





A difficulty for the food and drinks sector more widely, and which Macphie experiences, is in the attraction of young people into the workforce. To partly address this, the company is involved in community initiatives with schools and colleges to give young people a taste of the industry. There are fewer 'young workers' in the company than 'older workers' (see Table 5.4) however the company aims to keep them engaged through training and career development, as it does with all its workers. Macphie looks to promote from within, in part because of the extensive staff training programme. It does however recognise the value of new talent from outside. There are a number of examples of how careers have progressed in the company, for instance, one worker joined the company as a cleaner, and moved up to become a scientist in the quality assurance department

The workers interviewed for this case study, drawn from both sites and a range of levels, were all enthusiastic about the training opportunities they had received. Many had progressed in their career with the company, either by being trained to work in a different area of the production or administration, or being trained to make a transition between operational areas, or to a supervisory or management position.

Training at Macphie

Training is embedded throughout Macphie, linked to job competencies and the company's own performance management system. There is an expectation that every worker will be involved in training throughout their career with the company, as this maintains their engagement and ensures high quality product output.

'Our people know that we will invest in their future'.

HR Director, Macphie

The policy is such that no worker, whether permanent, full or part-time, seasonal or temporary, will be asked to undertake any task for which they have not been trained. The company also delivers soft skills development for supervision and management roles, and is an accredited vocational education centre for a number of Scottish vocational qualifications (SVQs)⁶ for the food and drinks sector and across generic disciplines such as customer service, procurement and management. Experienced staff from around the organisation have been trained to train and assess other staff, and Macphie also has accreditation to verify the qualifications, which range across food and drinks manufacturing management, customer services, procurement as well as more functional areas such as forklift driving and production (see Table 5.5). Managers who had been trained to become assessors, and who were involved in this study, had enjoyed the challenge of developing their own skills for this role, enjoyed developing other staff, and were convinced that, in terms of quality and performance, this provided an excellent solution to ensuring best practice diffused through the company. One manager talked about the benefits of learning together as a department, he felt good working relationships were promoted through the experience.

Performance underpins the Macphie training strategy and staff are involved in a rolling programme of performance review, which gives feedback on current and past performance, and plans for the staff members' future with the company. Training is offered to help staff develop in areas where gaps have been identified and both the staff member and line manager make recommendations for training requirements. Staff reported the benefits of the training in wider aspects of the organisation than just their job, as it enabled them to understand the whole process and work together across departments.

6. Equivalent to English national vocational qualifications (NVQs)

The company has skills charts and a competency framework to help focus both managers' and workers' thinking about training and development needs. At the core of the business, are its own quality management standards. When the decision to implement vocational qualifications was made, the linkages between the competencies required by the qualification and the quality standards were made. This ensured best value in terms of staff develop and quality management from the SVQs.

The performance review follows a guided process, identification of training needs playing a key part in it. The personnel function at Macphie monitors and records the uptake of training, so 'skills gain' can be assessed, and skills gaps identified. When it has trained staff, Macphie makes efforts to capitalise on this, so recently following project management training, a number of the trained staff were given the opportunity to work as a group to find a solution to a pressing business issue and an ultimate capital expenditure of £2 million. One of the contributors to this project was interviewed as part of this case study, and reported how challenging but enjoyable being involved at this level had been.

The company has a learning centre where a lot of the training takes place. It is also used to provide learning opportunities for the workers' families *eg* ICT classes in the evening, or health education forums. This perception of the workers' wider lives, and using every opportunity to promote a learning culture, is contributing to worker engagement. While as yet, not financially able to offer 'wider-life' learning opportunities, this is not something the company discounts for the future. Some of the workers reported having used the learning centre outside work for learning ICT, and said that they had found it less challenging to work in this environment, with trainers and staff they knew, rather than join a college class.

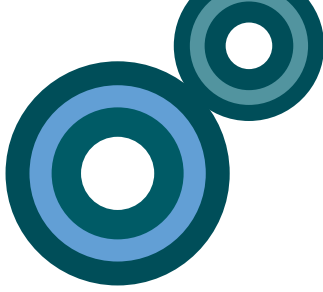
The over-arching emphasis of the company's training policy is on efficient and effective business

operation. It is critical that health, safety and hygiene procedures are followed. All staff, whether full or part time, seasonal or temporary will be regularly trained in these areas as well as the skills and competencies necessary to perform their job. In addition permanent staff are encouraged to train to develop their role with the company. In the company's view, the quality of the product and, thus, customer satisfaction, lies with the high standards of performance amongst its workforce, and training key to the maintenance of that position.

A practical tip for using performance review that the company recommends is to keep the process of review, itself continually reviewed and updated to ensure best value is being achieved. Recently, Macphie introduced personality profiling⁷ in the review and found it had staff with a range of skills and abilities which were not being used. The personality profiling enabled the company to discuss career development and progression based on the findings with staff, and encourage them to consider new directions. The personality profiling not only revealed opportunities for the reconsideration of staff role in the company, but also uncovered learning motivations and preferences, enabling a better match between the individual and the training provision. Following the performance review and a discussion between HR and line managers, the training programme is drawn up, and individual training plans are established with timescales. Where individuals' training requests vary from training provision, the reason not to progress with training is discussed and future timescales often implemented at that point.

Where possible the company aims to allow employees access to training that is additional to the needs of the company. A member of the management team has extended his skills by completing an MSc in Management. He feels he has gained a more evidence-based approach,

7. The personality profiling was undertaken by an external expert academic, and was used in conjunction with in-depth interviewing to provide information on aspirations and motivations.



and is now conducting more in-depth research in planning and strategy. The company identified through the personality profiling that he would be motivated by the academic content. While, in terms of career progression, Macphie may not be able offer opportunities since it is a small company with a fairly flat structure, the company feels it is benefiting from his extended knowledge and management development.

Return on training investment

The company sees 'return on training investment' as a subjective measure. In terms of the staff turnover rates and the quality of performance, the investment in training is currently less than it was when the strategy had not been in place, because the training has been made more cost effective. The per capita spend on training, is not escalating so the return is viewed as high. The company suggests that return can be measured by the staff working together to innovate and provide high-quality solutions to the customer. Motivating workers to perform well, through training, the HR Director feels, has a strong impact on the effectiveness of the business.

The company keeps a database of training and experiential development *eg* conference attendance. It also keeps records of employees' evaluation of their training which explores what they get out of training, as well as how it will improve their job performance. The Performance Review document also contains a summary of all the training undertaken during the previous year for each individual.

Take up of training programmes

As Macphie has not considered age as a barrier or deterrent, it has not explored whether take-up of training amongst one age group is any different from another. It feels it is important, however, to encourage employees of all ages, to undertake some form of learning and development each year. In the case of older workers, Macphie encourages

them to train, to build their confidence, as some older workers believe that learning is not for them.

One of the employees interviewed for this research, talked about how she had to be gently cajoled into training, however the confidence and skills gained from participating in learning had reawakened her interest in work and in her personal life, through the community work she undertakes.

An example of the level of investment in training can be taken from the Tannochside site, where one-quarter of the workforce attended an awards ceremony for SVQ qualifications.

The company feels that it has achieved high returns on the training investment by encouraging workers to train and re-train, and sometimes refocus their skills and careers. Allowing people to work at their own pace is also helpful and has been a benefit of the SVQ portfolio the company has aligned to its core competencies. The company also finds e-learning methodologies are useful in providing self-paced training; and in parallel to this, experiences no marked difference between older and younger workers when using e-learning.

Macphie is genuinely proud of the achievements of its workers, and managers involved in this case study reported their pride in their workers' achievements. The company holds a conference twice yearly and an awards ceremony to celebrate the learning and training achievements of the workforce has been initiated.

Costs and benefits of training programmes

'The benefits of training throughout the workforce can be measured in our confidence to deliver to our market. We know our products are produced to the highest standards and quality assured. There's pride and professionalism throughout the workforce.'

HR Director, Macphie

The benefits of training in this organisation are viewed as the degree of engagement and motivation of staff, and this leads to their contributing towards the highest quality production. Macphie believes that retaining staff within the organisation, through enabling career development and change, leads to greater knowledge capital throughout the organisation. Whether staff remain with or move on from the organisation, it is important that they perform to the highest standards throughout their service - and regular training ensures this.

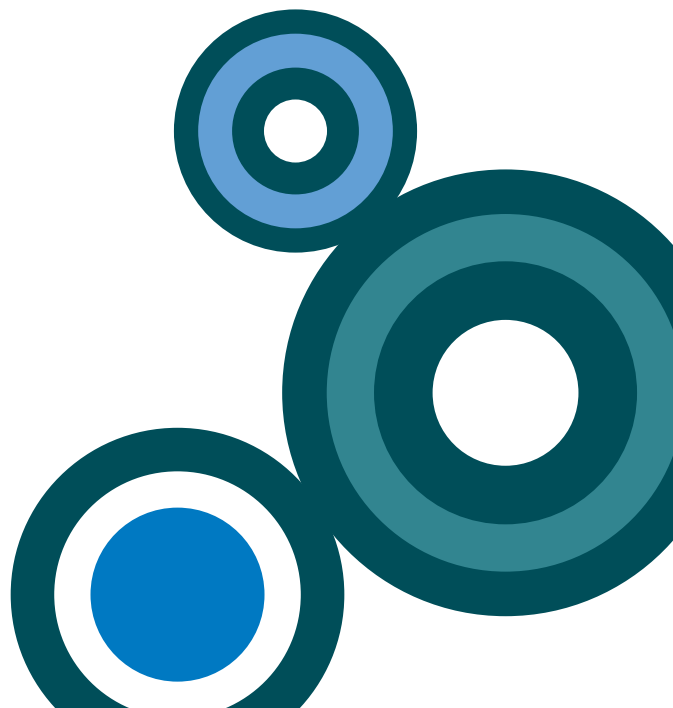
The company believes the costs associated with training can be minimised through the careful selection of the training programme and training provider to ensure value for money, and organisational fit. An example is the ECDL⁸, for which the company 'buys in' a training package. The CD-rom with the programme is £20 per person. However, other quotes were received in excess of £1,000 per person for equivalent products. Advice to other companies seeking to 'buy in' external training is to get evaluations, take up references and compare a range of sources. Macphie also suggests working with providers on the content of training to make activities based on the company's activities. Following training, they advise others to take up evaluations from the participants, as this can help assess the value of the training and whether to use a training source in the future.

Macphie believes that when planning its business, it is important to plan-in the cost of the training and development of the people hired, as well as labour costs. It is this view of planning that enables the company to see the return on its investment.

Good practice advice

- Training need has to be identified, and a large part related to commercial development, from a broad perspective. It is good to learn incidentally and informally from colleagues; however, embedding a strategic approach to training leads to more strategic company and product development. Be clear about the objectives for training participation.
- The company must promote the benefits of training so that workers of all ages are receptive to developing their skills and knowledge. This can lead to greater empowerment and ownership amongst workers who can make decisions about where they want to be with the company and how training will help them get there.
- Link training with business need - it allows everyone to understand why they are involved in training, and what the outcomes of training will be.
- Training will benefit the organisation if performance is managed in parallel to its provision. Performance management can help identify training needs, and also allows workers to identify for themselves their own training needs and how training helps to achieve work and personal goals.

8. European computer driving license



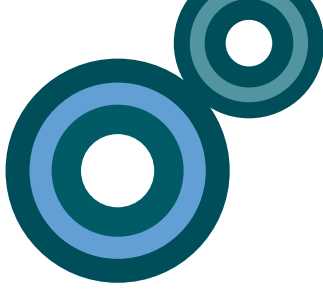


Table 5.5: Training provision at Macphie

In house training	Externally provided training
Supervisory and management training	ECDL
Customer service skills	SVQs in Management
HASSOP	Higher degrees
Health and safety	Conferences and seminars
Product awareness, ingredient awareness, ingredient function awareness	
Procurement skills and knowledge	
Time management (and other soft skills)	
Mentoring	
SVQ assessor training	
SVQ levels 3 and 4	

Source: Macphie

5.4.5 Royal Bank of Scotland

Company background and workforce profile

The Royal Bank of Scotland Group (RBS) is the largest employer in this study, employing over 135,000 staff across 3,780 locations in 28 countries. Founded in 1727, it is one of Europe's leading financial services groups. By market capitalisation it is the second largest bank in the UK and in Europe and ranks sixth in the world.

In addition to the provision of a full range of banking services under the Royal Bank of Scotland and NatWest brands, the group also includes other leading brands:

- Ulster Bank in Northern Ireland, which also has a very strong presence in the Republic of Ireland.
- Coutts Group, the international operator in the private banking sector, managing the portfolios of 70,000 wealthy customers via its 38 offices throughout the world.
- Direct Line, one of the foremost providers of general insurance and financial services by telephone.

- Citizens Financial Group, based in Rhode Island (USA), the second largest bank in New England.
- Churchill, one of the UK's leading providers of general insurance products.
- Lombard, one of the world's leading asset finance companies.

The company believes in its people, as the key to their performance in the market. There are no age barriers in recruitment, access to training and promotion.

'Our people deliver our success and our ability to produce outstanding individual customer service. To do this, we rely throughout the group on each person's individual skills and commitment in their particular job. So we need to attract, motivate and retain the best available talent at every level.'

Source: RBS Human Capital Summary, 2003

RBS believes that it is important to understand its workforce and gain their commitment and so undertakes annual staff surveys. In 2004, 109,000 staff responded to the survey – 84 per cent of the global workforce (the bank reports that this response rate is 20 per cent higher than the industry norm). RBS conducts research to ensure it remains an employer of choice. This includes surveys of all new employees and those exiting the organisation to identify gaps and gains in its staff base.

The company analyses corporate information to assess the age spread, among a range of factors, in business division or job-role analysis. This helps to ensure that the ‘employee proposition’ is attractive to all its workers. For instance, the flexible reward system allows employees to select from a range of rewards designed to appeal across the spectrum of ages. Table 5.6 below provides a summary of RBS group’s employee demographics.

Table 5.6: RBS Employee Demographics

Full and Part-time Working pattern	%
Full-time	78
Part-time	22
Years of service	%
Less than 1 year	16
1 - 5 years	37
5 - 15 years	22
15 - 25 years	18
25 years and over	8
Age profile	%
Under 30	33
30 - 40	33
40 - 50	24
50 - 60	9
Over 60	3

Source: RBS Annual Report, 2003

The company operates an open job market, using a corporate intranet to advertise vacancies. The Head of Employee Research and Measurement identifies that this resource enables staff to have flexibility in their own careers - enabling them to apply for a role anywhere in the group. This approach helps employee retention.

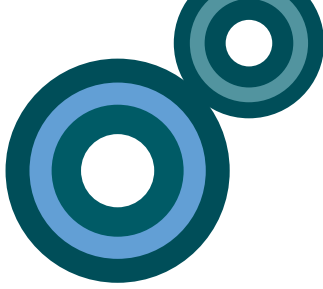
Training at RBS

‘Our business depends on our maximising each individual’s talents and skills, and inspiring our people to pursue their own personal development plans. Continuous learning promotes job satisfaction and ensures that we realise the full potential of the many talented people we have working for us.’

Source: RBS Human Capital Summary, 2003

RBS believes that providing the right training at the right time so the correct product is sold to the customer is imperative. Apart from the regulatory issues associated with a mis-sold product, the bank identifies the cost of lost future business. Thus the link between training and performance is made. Training is not a benevolent activity in RBS, it is an essential factor of effective business operation.

As part of a programme of personal and professional development, staff have a performance contract with RBS which identifies expected performance outcomes and how these will be achieved. Embedded within this contract, is a personal development plan (PDP) with medium and long-term development and growth activities for each individual. The PDP is developed by the individual employee identifying their professional and personal development requirements, and then discussing this with the line manager for final agreement. The line manager is able to add development activities to the PDP and manages the balance between development that is job critical and that which contributes to the employee’s personal



development. In practice there are few blocks to personal training choices, particularly as Access2Learning, (a learning management system) and distance learning materials mean that staff can undertake personal development in their own time.

Training provision in the RBS retail branch network is 'role-based': in essence training is offered in developing the skills and knowledge that a worker needs to perform their job. This is the only criteria in access to training. The company implemented the job-related training programme in 1996.

The training also links to career pathways, so that employees that have decided on their career direction, can see what they need to achieve to be able to make the transition. This training model, *ie* structured training linked to role matrices, ensures consistent working practices across the branches and divisions.

Generally within roles, training is split over three stages with pre- and post- training materials available through the learning management system. In addition, the core topics *ie* workshop element, can be studied in a variety of modes including fully online, distance or workshop-based approaches. This ensures that RBS meets the requirements about equality of access defined by the Disability Discrimination Act as well as allowing employees to select their preferred mode of learning.

RBS policy dictates that unless an employee has received the mandatory training for their job role, and demonstrated competence within the set timeframe for that training, they will not be allowed to perform certain elements of their job function tasks. For instance, in a retail position, if an employee has not satisfactorily completed the customer-assistance training they will not be involved directly with customers. Training is viewed as critical to company performance because of the regulatory frameworks that affect business operation. RBS must work in line with

the regulations and the job-related training programmes ensure this. RBS operates a 'three-strike' policy for the satisfactory completion of training and any associated tests. Should an employee not complete the training within these three-strikes different support mechanisms are applied *eg* coaching, or there is the potential to explore alternative career routes in the company.

The group-wide learning management system, Access2Learning, is the vehicle through which training is managed, monitored and delivered. There are currently 35,000 users. This will rise to 70,000 over the next few months as more employees are activated on the system across UK and into Europe. The learning management system tracks, administers, launches and manages each employee's training. It has the capability to alert employees that training is due to be undertaken. Employees can then access the training through the system or book the training over the system (depending on the delivery mode).

The learning management system records the results (including test results) and this is available for analysis by the HR Department and line manager. It allows employees to interrupt their training at any time. This means employees can train at a pace that suits them and their job, as long as they complete within the specified time period.

To comply with the Disability Discrimination Act, to enable choice and to ensure all employees can train without requiring specific technologies, training is delivered in a range of formats. The company broadcasts on its own television network so that groups can receive training delivered by this mode across the country at the exact time it is needed. Alongside the broadcast, a PC will be connected to the RBS network to enable learners to phone in questions for immediate response. This system allows the consistent training of specialist but geographically dispersed staff.

The company tends to prefer blended approaches to the delivery of training. Different ages of employees may sometimes express different learning approach preferences, *eg* e-learning does not suit everyone. At RBS, the e-learning Manager has found that both younger and older employees are more comfortable with e-learning however those in the mid-range are less so. The reasons for this may be increased use of e-learning methods throughout schooling and the rise of 'silver surfers' *ie* the extent of engagement with computers and the internet amongst older people. Alongside the requirements of the Disability Discrimination Act, this is why blended approaches are provided. RBS believes that by analysing the demographic characteristics of workers in particular job roles and being aware of different learning preferences, training can be designed in the optimum blend for each employment segment.

Return on training investment

RBS believes that as a company it has to invest in training to meet the legislative and performance quality targets of the financial sector. Rather than focusing on the cost of training, RBS believes it is important to review the cost of *not* training in terms of company performance and adherence to the legislative requirements. Investing in training also means that the company sells better quality products to more people, and through this, develops repeat business with their customers. This is the return on the training investment.

While it is important that employees are motivated and retained through mandatory and open training programmes, RBS believes that it is also important to get the employee proposition right. The business regularly assesses whether it genuinely attracts, trains and retains the right people for the right jobs. It believes that through getting this right, customer service targets will be met and that better customer service drives better business results.

RBS recommends gaining regular feedback from staff and commissions an annual staff

satisfaction survey through the research company, Independent Survey Research. The results of the 2003 survey showed satisfaction with the training and development opportunities provided by the company is up by three per cent on the global financial services norm and the global high performance norm.

Sixty-eight per cent of staff in the 2004 RBS staff survey reported that they felt that there were sufficient development and learning opportunities to increase their eligibility for a better job.

'Staff genuinely believe that they have the skills to do their job'.

Head of Employee Research and Measurement, RBS

Practical tips and guidance

- Training is only one part of the overall employee proposition. Irrespective of training, the company must ensure it is attracting the right people for the job. Employment strategies must be based on merit, and not age. This may mean calibrating job adverts to appeal to different demographics.
- Think about the core subjects for training, then diagnose/analyse your audience (the employees who will undertake this training) to assess its needs and the delivery mechanisms that will best suit it.
- Have training programmes tailored to the organisation, and use examples from job roles to demonstrate the applicability of the training offer.
- Research is important before and after training delivery. Find out what your employees want from training, and how they want their training delivered. For instance, with peripatetic workers, distance learning can work exceptionally well.
- Use in-house resources and capitalise on organisations' human and material resources



eg RBS have the business television channel so deliver training as well as communication across this format. Multiple mechanisms of training delivery are important and allow you to adapt to an individual's learning preferences.

Training programmes

- Role and function matrix aligned training programmes (mandatory).
- RBS has a partnership with Harvard Business School to deliver its executive leadership programme. It is currently building the RBS Business School where management and leadership development will take place. There is a reliance on case study methods to ensure the fit of training with the business.
- There are a number of other development programmes for management roles including a senior management programme and an emerging leaders programme.
- RBS sponsors staff to undertake masters qualifications through its group learning guarantee policy. Several hundred staff are currently sponsored through this programme.
- Informal learning opportunities: staff at RBS are encouraged to work in the community and the company treats staff volunteer work as a part of their individual career development.

6. Training your Workforce: Who to Contact

The aim of this chapter is to provide a practical overview of the training schemes, advice and guidance available to employers and employees. While there are differences between geographic areas, we aim to provide contextual information that enables both employers and their employees to make contact with relevant agencies in order to take their training needs further.

6.1 Learning and Skills Council

The Learning and Skills Council (LSC) is responsible for funding and planning education and training for adults in England. The LSC operates through 47 local offices and a national office in Coventry. The LSC has brought together the skills of the Training and Enterprise Councils and the Further Education Funding Council to work with partners, employers, learning providers, community groups and individuals to develop and implement strategies that meet the government's aims set out in the 'learning to succeed' white paper. The LSC works alongside Jobcentre Plus, the Small Business Service, Connexions, the SSDA, further education and sixth form colleges, and representatives of community groups, to understand, define and then meet training and education needs. LSC local offices provide advice, information and guidance about the training programmes and providers in their area.

For more information:
<http://www.lsc.gov.uk/National>
or tel: 0845 019 4170

Links to local learning and skills councils are available through this site.

6.2 Education and Learning Wales

Education and Learning Wales (ELWa) is the Welsh Assembly sponsored public body established under the Learning and Skills Act 2000, and is equivalent to the English LSCs.

ELWa also offers the 'Learning Workers' projects which shares some similarities with the English Employer Training Pilots, detailed overleaf.

For more information: <http://www.elwa.org.uk/>
Employers may also wish to contact Basic Skills Wales which promotes literacy and numeracy programmes for low-skilled workers.

For more information:
<http://www.basic-skills-wales.org>
or tel: 08456 088 066

6.3 Scottish Enterprise

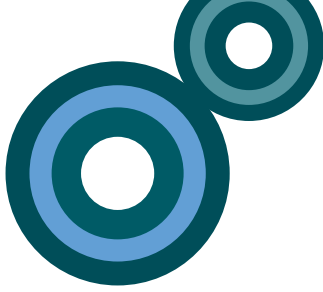
Scottish Enterprise has responsibility for the learning and skills agenda in Scotland and works in partnership with the Highlands and Islands Enterprise Council. Similar to ELWa and the English LSCs it is able to provide advice and guidance for individuals and businesses about the training channels and opportunities available.

For more information:
<http://www.scottish-enterprise.com>
or tel: 0141 248 2700

6.4 Sector Skills Councils and Sector Skills Development Agency

Sector Skills Councils (SSCs) have been charged with leading the skills and productivity drive in industry or business sectors recognised by employers. They bring together employers, trade unions and professional bodies working with government to develop the skills that UK business needs. The SSDA has been established to underpin the SSC network and promote effective working between sectors.

SSCs are independent, UK wide organisations developed by groups of influential employers in industry or business sectors of economic or strategic significance. SSCs are employer-led and actively involve trade unions, professional bodies and other stakeholders in the sector.



Each SSC has agreed sector priorities and targets with its employers and partners to address four key goals: reducing skills gaps and shortages; improving productivity, business and public service performance; and increasing opportunities to boost the skills and productivity of everyone in the sector’s workforce, including action on equal opportunities and improving learning supply, such as apprenticeships, higher education and national occupational standards. The SSCs are able to provide advice on qualifications relevant to your sector.

For more information:
<http://www.ssda.org.uk>
 or tel: 01709 765444

6.5 Employer Training Pilots

The Employer Training Pilots are employer-driven, tackling basic skills and level two shortcomings by working directly with employers. They target the most vulnerable and low-skilled section of the workforce in hard-to-reach small companies, who would otherwise not engage in or be unable to afford training. Employers identify basic and vocational skills gaps which affect their productivity. They make the decision on which type of training they require to improve business performance, and work with their local LSC to make it happen.

The pilots are addressing barriers to training such as cost to employers of giving staff time off work, lack of time for training because of employee’s work and so on.

For more information:
<http://etp.lsc.gov.uk>
 or tel: 0845 019 4170

Employer Training Pilots are currently available in 20 areas in England (see Table 6.1) with their own local branding. For more information you should contact the relevant local LSC. Local LSCs not included in the pilots may currently be providing

similar schemes. It is worth speaking to your local LSC to find out what is available.

Table 6.1: ETP Brand Names, Pilot areas and contact details

Brand Name	Pilot Area
Employer Training Pilot	Greater Manchester
	Lancashire
EQ8	County Durham
	Northumberland
	Tees Valley
Free2Learn	Tyne & Wear
	Berkshire
Profit From Learning	Devon & Cornwall
	Wiltshire & Swindon
	Cambridgeshire
Skills at Work	Essex
	Kent
	London East
Skills4Growth	Leicestershire
Train 2 Gain	Shropshire
	Birmingham & Solihull
	Black Country
Valuable Skills	South Yorkshire
	West Yorkshire
	Derbyshire

6.6 Modern Apprenticeships

Apprentices learn while they work so their knowledge is up to date. The government argues that because their training is on the job, the practical skills they gain are the ones that are right for their employing business.

Apprenticeships offer opportunities to train existing staff and new recruits aged under 25 in a wide range of areas, from business administration and customer service, to specialist skills like engineering. There are over 160 different subjects of apprenticeship.

There are two levels of apprenticeship available:

- Foundation apprenticeships usually last at least a year and apprentices work towards an NVQ at level 2, key skills and, in most cases, a technical certificate.
- Advanced apprenticeships usually last at least two years and apprentices work towards an NVQ at level 3, key skills and a technical certificate.
- There are currently pilots taking place to assess the impact of removing the age limit for funded apprenticeships.

For more information:

<http://www.realworkrealpay.info/Employer>
or tel: 08000 150 600

ELWa is responsible for Modern Apprenticeships in Wales. There are no age restrictions to MA registration in Wales.

For more information:

<http://www.elwa.org.uk/>
or tel: 08456 088 066

Similarly, in Scotland, Modern Apprenticeships are managed by Scottish Enterprise in partnership with Highlands and Islands Enterprise. In Scotland there is no upper age restriction to entry.

For more information:

<http://www.scottish-enterprise.com>
or tel: 0141 248 2700

6.7 Union Learning Fund

The Union Learning Fund (ULF) is a government fund that helps to promote activity by trade unions around lifelong learning. Trade unions can apply for funds in their own right or in union-led partnerships with others such as colleges or employers. Through ULF projects, unions have encouraged many members back into learning. Over 4,500 union learning representatives have been trained through the projects and they are increasingly being used in delivering the projects.

For more information:

The Trade Unions Congress has union learning representatives available in regional and local offices. Their website offers details for getting in touch.

http://www.learningservices.org.uk/unionlearning_reps/contacts.htm
or tel: 0151 236 7678

6.8 learndirect

Learndirect Advice is the free and confidential telephone helpline and website for adults looking for impartial information and advice on courses and careers. Qualified advisors give information on around one million courses, plus advice on funding, planning career progression, apprenticeships or CV writing. Employers may wish to recommend the service to their workers.

Learndirect can advise on: updating skills, choosing a course, childcare options and paying for learning. The advice line can be contacted on 0800 100 900 seven days a week between 8am and 10pm.

For more information:

<http://www.learndirect-advice.co.uk/>
or tel: 0800 100 900

6.9 University for industry

University for industry's (Ufi's) remit is to provide high quality adult learning which: reaches those with few skills and qualifications, equips people with the skills they need for employability and is delivered innovatively through the use of new technologies. Through the network of over 2,000 learndirect centres and 6,000 UK online centres, Ufi provides access to a range of e-learning opportunities. Ufi also runs a national learning advice service, which offers impartial information, advice and guidance, either over the phone or via the website, on more than 700,000 courses from hundreds of providers. learndirect's flexible



learning is available to individuals and to employers looking for an innovative way to develop the skills of their workforce.

Ufi offers specific guidance relevant to size of company. For more information:
http://www.ufi.com/home/section1/2_employers.asp or tel: 0114 291 5000

6.10 Scottish University for Industry

The Scottish University for Industry (SUfi) is an initiative that aims to encourage life-long learning and enhance the skills base of Scotland's workforce. SUfi is an organisation for open and distance learning that uses new technology to try to minimise the barriers to learning, such as time, cost, lack of information, lack of confidence and inconvenience, by offering opportunities when, where and how it best suits the learner. SUfi services are promoted under the learndirect brand.

For more information:
<http://www.scottishufi.co.uk>
or tel: 0141 285 6000

6.11 Ufi Cymru

Ufi Cymru is the Welsh arm of Ufi. There are four regional learning hubs in Wales and a network of 45 Learning Centres which provide guidance and mentoring on a variety of learning packages. The learning packages are tailored to meet the needs of unemployed people, disaffected youth, returnees to the labour market, unwaged youth and those in work who wish to improve their skills.

For more information follow links from the Ufi homepage: [http:// www.ufi.com](http://www.ufi.com)
or tel: 029 2049 4540

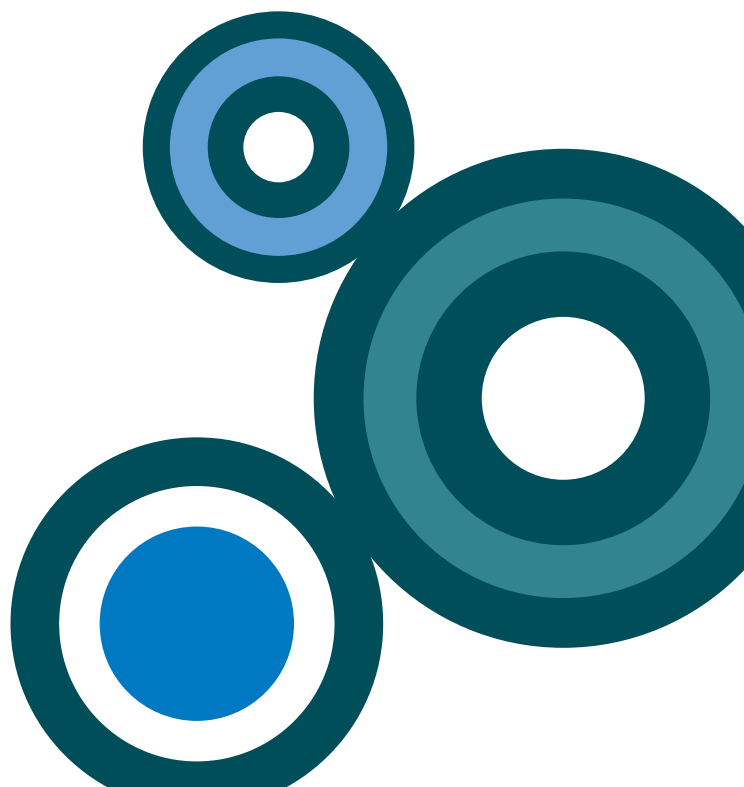
7. References

- Arrowsmith, J., and McGoldrick, A., (1996) *Breaking the Barriers: A survey of managers' attitudes to age and employment*, Chartered Institute of Management Research Report
- Arulampalam, W., and Booth, A. L., (1998) 'Training and labour market flexibility: Is there a trade-off?' *British Journal of Industrial Relations*, 36(4)
- Beinhart, S., and Smith, P., (1997) *The National Adult Learning Survey*, Department for Education and Employment Research Report 49, cited by Meadows, P., (2003)
- Carnell, I., (2004) 'Skills worth paying for', *The Guardian Education*, Tuesday July 20, 2004
- Casey, B., Metcalf, H., and Lakey, J., (1993) *Human Resource strategies and the third age: policies and practices in the UK*, Institute of Personnel Management: London
- Chan, D.C., and Auster, E., (2003) 'Factors contributing to the professional development of reference librarians', *Library and Information Science Research*, 25: 265-286
- Chartered Institute of Personnel and Development (CIPD), (2002) *Who Learns at Work?*, Survey Report, London
- Chartered Institute of Personnel and Development (CIPD), (2003a) 'Age and Employment'
<http://www.cipd.co.uk/subjects/dvsequel/agedisc/ageandemp.htm>
- Chartered Institute of Personnel and Development (CIPD), (2003b) *Training and Development*, Survey Report, London
- Chartered Institute of Personnel and Development (CIPD), (2003c) *Managing Employee Careers: Issues, Trends and Prospects*, Survey Report, London
- Chartered Institute of Personnel and Development (CIPD), (2003d) *The challenge of age: the change agenda*, Survey Report, London
- Chartered Institute of Personnel and Development (CIPD), (2004) *Training and Development*, Survey Report, London
- Chui, C.K., Chan, A.W., Snape, E., and Redman, T., (2001) 'Age stereotypes and discriminatory attitudes towards older workers: an east-west comparison', *Human Relations* Vol 54(5)
- Davies, D., and Shackleton, V.S., (1975) *Psychology and Work*, Methuen: London
- Department for Education and Employment, (2001) *Training older people*, QPID Study 91, Nottingham: DfEE Publications
- Department for Work and Pensions (DWP), (2001), 'Evaluation of the Code of Practice on Age Diversity in Employment', prepared by NOP Social and Political
- Department of Work and Pensions (2004), *Older Workers: Statistical Information Booklet Spring 2004*, (DWP)
- <http://www.dwp.gov.uk/asd/asd5/rports/2003-2004rrep208.asp>
- Employers Forum on Age, (2004), 'The prejudice trap', *Working Age* (EFA Newsletter), Issue 1
- Eversheds, An Age Old Problem, 20 September 2004,
<http://www.eversheds.com/about/newsreleases/newsitem-5915.html>
- Future Skills Scotland (FSS) (2002) *The Scottish Labour Market 2002*, Future Skills Scotland. Cited in Sector Skills Development Agency (2003)
- Guthrie, J.P., and Schwoerer, C.E., (1996) 'Older Dogs and New Tricks: Carer Stage and Self-Assessed Need for Training', *Public Personnel Management*, Vol 25(1)
- Hassell, B.L., and Perrewe, P.L., 1995, 'An examination of beliefs about older workers: Do stereotypes still exist?' *Journal of Organizational Behaviour*, Vol 16



- Hayward, B., Taylor, S., Smith, N., and Davies, G. et al. (1997) Evaluation of the campaign for older workers, London: The Stationery Office, cited in Meadows, P., (2003)
- Hillage, J., Loukas, G., Newton, B., Tamkin, P., (2004) *Employer Training Pilots: Second Year Evaluation Report*, IES/DfES
- Hillage, J., (2004) *Employer Training Pilots: Interim Evaluation Report*, IES/DfES, July 2004
- Hirsch, D., (2003) *Crossroads after 50: Improving choices in work and retirement*, Joseph Rowntree Foundation
- Hjort, PF., (1997) 'Age and work - good or bad for whom?' in Kilbom A., Westerholm, P., Hallsten, L., and Furaker, B., *Work after 45? Arbete och Hals*, 1997(29), cited in Meadows, P., (2003)
- Humphrey et al., (2003) *Factors affecting the Labour Market Participation of Older Workers*, DWP Research Report 200
- Itzin, C. and C. Phillipson (1994). 'Age barriers at work' *Equal Opportunities International* 13(6,7): 64.
- Jablonski, M., Kinze, K., and Rosenblum, L., (1990) 'Productivity, age and labor composition changes in the US work force' in Bluestone, J., Montgomery, RJV., and Owen, JD., (eds) *The Ageing of the American Work Force*, Detroit: Wayne State University Press, cited in Meadows, P., 2003.
- Lackzo, F., and Phillipson, F., (1991) *Changing Work and Retirement*, Open University Press, Buckingham
- Landale, A., (2004) 'Old dogs, new shape: top training for Sage channel delivers results', *Training & Management Development Methods*, 18(2), pp419
- Levine, ML., (1988) *Age Discrimination and the Mandatory Retirement Controversy*, Baltimore: John Hopkins University Press, cited in Meadows, P., 2003.
- Lyon, P., and Pollard, D., (1997) 'Perceptions of the older employee: is anything really changing?' *Personnel Review*, 26(4)
- Martin, RJ., (1994) 'In praise of old dogs', *Journal of Systems Management*, 45(12) pp36
- McNair, S., (2004), *The age of choice: a new agenda for learning and work?*, Working Paper 13: Centre for Research into the Older Worker, University of Surrey
- McNair, S., Flynn, M., Owen, L., Humphreys, c., Woodfield, S., (2004) *Changing work in later life: a study of job transitions*, Centre for Research into the Older Worker for SEEDA
- Meadows, P., (2003) *Retirement Ages in the UK: a review of the literature*, DTi Employment Relations Series 18
- Mitchell, OS., (1990) 'Ageing, job satisfaction and job performance', in Bluestone, J., Montgomery, RJV., and Owen, JD., (eds) *The Ageing of the American Work Force*, Detroit: Wayne State University Press, cited in Meadows, 2003
- National Audit Office, 'Welfare to Work: Tackling the Barriers to the Employment of Older People'. Report by the Controller and Auditor General, HC 1036 2003-2004: 15 September 2004
- National Employers Skills Survey*, 2003, Learning and Skills Council, Sector Skills Development Agency, Department for Education and Skills
- Rosen, B., and Jerdee, T., (1976) 'The influence of age stereotypes on managerial decisions', *Journal of applied psychology*, Vol 61;

- Rosen, B., and Jerdee, T., (1977), 'Too old or not too old?' *Harvard Business Review*, Vol 55
- Sector Skills Development Agency (2003) *The Skills and Productivity Challenge: A summary of the evidence base for the SSDA's Strategic Plan 2003 - 2006*. London, SSDA
- Stoney, C., and Roberts, M., (2003), 'The case for older workers at Tesco: An examination of attitudes, assumptions and attributes', Working Paper 53, School of Public Policy and Administration, Carlton University
- Sullivan, SE., and Duplaga, EA., (1997), 'Recruiting and retaining older workers for the new millennium', *Business Horizons*, 40(6)
- Taylor, P. and Walker, A., (1997). 'Age discrimination and public policy.' *Personnel Review* 26(4): 307
- Taylor, P. and Walker, A., (1998) 'Employers and older workers: attitudes and employment practices', *Ageing and Society*, 18,6:641-658, cited in Meadows, P., (2003)
- Tempest, S., Barnatt, C., and Coupland, C., (2002) 'Grey advantage - New strategies for the old.' *Long Range Planning* 35(5): 475-492
- Tillesley, C., Taylor, P., Beausoleil, J., Wilson, R., and Walker, A., (2001) *Factors affecting retirement behaviour*, Department for Education and Skills Research Report 236, cited in Meadows, P., (2003)
- Urwin, P., (2004), *Age Matters: a review of existing survey evidence*, DTi Employment Relations Research Series 24
- Walker, A., and Taylor, P., (eds) (1998) *Combating Age Barriers in Employment: A European Portfolio of Good Practice*, Dublin: European Foundation for the Improvement of Living and Working Conditions, cited in Meadows, P., (2003)
- Warr, P., and Pennington, J., (1993), 'Views about age discrimination and older workers', in Taylor., *et al* pp75-106
- Warr, P., (1994) *Research into the work performance of older employees*, *The Geneva Papers on Risk and Insurance: Issues and Practice*, cited in Meadows, P., 2003.
- Withnall, A., McGivney, V., and Soulsby, J., (2004) *Older People Learning: - Myths and Realities*, NIACE Research Series



8. Supplementary Table from the Secondary Data Analysis

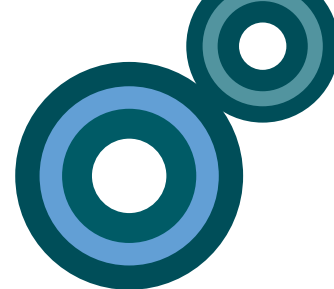


Table 8.1 Type of training received by age (UK)

	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Location of training												
On-the-job training	29.1	31.2	33.5	31.1	31.7	34.6	34.7	33.2	40.0	38.4	45.8	17.6
Training away from job	43.7	46.9	45.2	46.4	49.1	46.7	49.3	50.9	48.0	56.7	42.8	82.4
Both	27.2	21.9	21.3	22.5	19.2	18.8	15.9	15.8	12.1	5.0	11.3	
Length of training course												
Less than 1 week	9.5	21.3	37.1	44.3	45.7	49.2	51.5	56.2	59.2	60.8	64.5	55.9
1 week, less than 1 month	2.5	5.0	5.2	5.6	4.3	3.3	2.9	3.9	2.8	5.7	7.2	
1 month, less than 6 months	2.8	5.9	6.0	5.5	6.5	7.1	7.1	6.0	6.9	7.1	10.0	26.4
6 months, less than 1 year	6.8	6.2	4.5	6.0	6.0	6.3	5.2	5.0	3.8	2.2		
1 year, less than 2 years	16.8	10.7	9.2	6.9	7.5	6.7	6.1	4.3	5.1			
2 years or more	49.3	33.6	18.0	14.0	10.5	8.6	8.5	5.4	3.9	2.3		
On going / no definite limit	12.4	17.4	19.9	17.7	19.5	18.9	18.7	19.2	18.3	22.0	18.3	17.6

Base: All employees receiving training in last four weeks

Source: Labour Force Survey, 2004



Members of the Age Partnership Group are:

ACAS

Association of British Insurers (ABI)

Association of Chartered Certified Accountants (ACCA)

The British Chambers of Commerce (BCC)

Chartered Management Institute (CMI)

Chartered Institute of Personnel and Development (CIPD)

Confederation of British Industry (CBI)

Department of Trade and Industry (DTI)

Department for Work and Pensions (DWP) - Chair

Employers Forum on Age (EFA)

Employers' Organisation for Local Government (EO)

EEF, the manufacturers' organisation

Federation of Small Businesses (FSB)

HM Revenue & Customs (HMRC)

Institute of Directors (IOD)

National Association of Pension Funds (NAPF)

Small Business Service (SBS)

Society of Personnel Officers in Government Services (SOCPO)

Trade Union Congress (TUC)

Copies of this publication can be downloaded from: www.agepositive.gov.uk/agepartnershipgroup

If you require a hard copy, please e-mail: agepositive@dwp.gsi.gov.uk

Series/Issue number APG 5

Please quote ref: ISBN: 1-84388-438-0

© Crown Copyright 2005

Produced for Age Partnership Group by Department for Work and Pensions

Extracts from this document may be reproduced for non-commercial education or training purposes on condition that the source is acknowledged.

