

What can employers learn from the academia about retaining workers aged 55+?

POLICY BRIEF
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BALTIC SEA LABOUR FORUM
FOR SUSTAINABLE WORKING LIFE



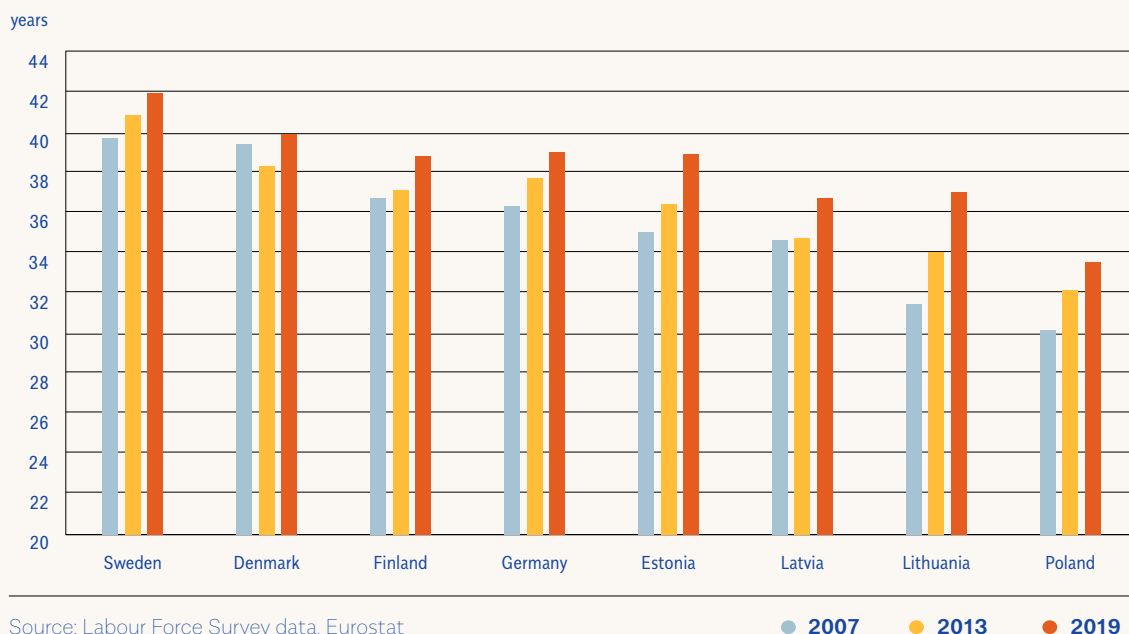
SUMMARY

Academic staff is among the occupation groups with later labour market exits worldwide than most other occupations. It seems that academia creates a favourable working environment for older individuals, convincing them to remain longer in the labour force. Here we analyse features of the job of an academic teacher - its tasks, the position itself, and employer characteristics - to explain this phenomenon. We identify incentives for prolonging working life that may apply to older workers and guide employers also in other occupational groups than academia.

Despite being a policy priority, efforts to increase the duration of working lives have had mixed results in the Baltic Sea Region

In the aftermath of the 2008-09 global financial crisis, European governments increasingly realised that population ageing may threaten the sustainability of public finances, unless older people stay economically active longer (Nerlich & Schroth 2018). The measures undertaken varied between countries, from pension system reforms (incl. an increase in legal retirement ages) through reducing incentives to early withdrawals from the labour market to employment promotion. As shown in figure 1, improvement in increasing the average duration of working life has been recorded in all countries in the Baltic Sea Region (BSR). However, the gap between countries remains significant: while the average duration of working life in Sweden was 42 years in 2019, it was 33,6 years in Poland.

Figure 1. Average duration of working life in the Baltic Sea Region



The positive function of work

It is very tempting to perceive retirement as a reward for professional life and as an opportunity to focus on hitherto neglected spheres of life. However, individuals tend to overestimate retirement - once the initial excitement fades, negative emotions related to loss of autonomy, social convoy or recognition become more severe, and increase the threat to stability of finances and duties (Osbourne 2009, 2012). Delaying retirement has multiple advantages at the individual level - accumulating pension wealth and benefiting from social activity are the most obvious ones. Work, especially occupations with opportunities for career progress, meets a wide range of needs, starting from the basic (making a living), to the most sophisticated ones, such as a sense of community, esteem needs, and ultimately - self-actualisation needs (Buchholtz 2019). These cannot be easily replaced by other social activities.

Work's function of fulfilling both basic and advanced needs underlies the so-called *stay* strategy, i.e. older people choosing to remain in the work force longer for other than economic reasons (Andersen, Jensen, Sundstrup 2019). This contrasts with a *stuck* strategy in which older people remain in the workforce after reaching the age of retirement eligibility solely due to economic rationality. Studies show that factors that encourage adopting a stay strategy include access to flexible working hours, longer vacations, additional senior days and less strenuous physical work. Due to its occupational characteristics, a stay strategy is often adopted by academic staff. Research confirms that barriers to and opportunities for prolonging working life differ between occupational groups, most markedly between occupations that involve seated and physical work (Andersen, Jensen, Sundstrup 2019). However, lending some of the features of academic work to other workplaces and jobs may become beneficial for employees, employers, and public budgets.

Workers aged 55+ are significantly overrepresented in academia

The age distribution of academic staff differs significantly from that of the total working population in the BSR (Figure 2). Among academic staff, older employees are overrepresented, and except for Germany, the share of academic staff aged 55+ falls between 27 and 36% in the BSR (Figure 3). Since these tendencies are stable across time, academia seems to be an attractive career option for older workers.

Figure 2. Age distribution of working population and academic staff in BSR-7, 2018

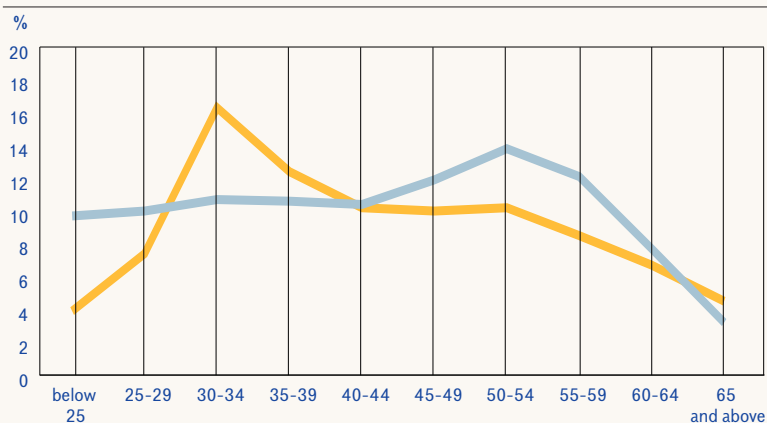
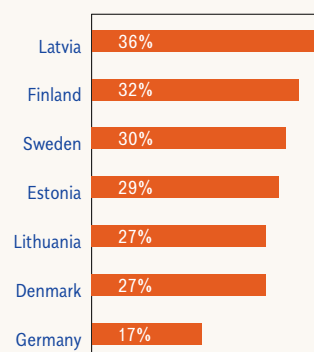


Figure 3. Share of 55+ among academic staff in BSR-7, 2018



Source: Author's elaboration based on Eurostat data.

Note: BSR-7 refers to Denmark, Estonia, Finland, Germany, Latvia, Lithuania and Sweden. Data for Poland not available.

— Total working population
— Academic staff

The tasks of academic staff are highly adjustable to personal disposition to work

Occupations can be classified in socio-economic terms by looking at the degree of creativeness involved in work, for example through the concept of the creative class.¹ The main task of the creative class is to identify and solve problems, which is why academic staff fits the definition very well. Creativity is highly appreciated and can be introduced in many areas when you work as an academic teacher. The work of an academic teacher offers variation and low repetitiveness of tasks, flexibility in working hours and working time – all of which are elements of good working conditions. More specifically, the position of an academic teacher usually combines teaching and research, both of which are tasks that are based on expertise but that are significantly different in terms of how the work is performed. Shuffling the activities between

¹ The term *creative class* was proposed by Richard Florida in 2002 to distinguish a class of occupations significantly engaged in creative processes (incl. scientists, artists, education professionals, media workers) and also - to lesser extent - knowledge-based workers, living mainly in large cities. Florida forecast that this category of occupations would become the main driver of the future economic growth in the US. This concept was further developed and revised while it also encountered heavy criticism. In this policy brief it is used as an intuition rather than definition.

teaching and research prevents from boredom and the repetitiveness of tasks is low, while the opportunity for interaction with a diverse population decreases the monotony of the job further.

Despite being a white-collar job, the job of an academic teacher is not completely sedentary. Moreover, in most cases choosing one's preferred breaks does not affect final work outcomes while freedom in choosing the method of work and its pace also reinforces adjustment to personal needs. This means that even a temporary lower disposition to work does not affect the overall work performance of an academic teacher. Furthermore, in most research fields physical working conditions are stable and non-extreme and overall threats to job safety seem to be relatively low.

A position where skills depreciate slowly and that fulfils higher needs

In general, skills are depreciating as individuals age. However, some skills depreciate to a larger extent and faster than others. The pattern of skills depreciation is favourable for academic staff: managerial ability (direction control, planning of activities) stabilises at middle age and clerical perception (setting standards) depreciates at a slower pace than e.g. finger dexterity. On top of that, there is experience gained in time, which is highly valued in both lecturing and researching, as it improves efficiency. Moreover, since modern research is conducted in networks, the role of managerial competences is increasing. This is even more important in cases when a relevant degree is necessary to hold an administrative position. Both managerial abilities and experience are useful not only in academia, but also in business projects within one's field.

Academic staff may not necessarily be competitively remunerated (this varies across BSR) but many additions are seniority-based or correlated with degree, which itself is correlated with age. There is also the possibility to earn extra money within the main job.

The academic profession is traditionally assessed highly in terms of prestige, respect, and international recognition. From this perspective, retiring means losing ties with this professional circle and no longer benefiting from previous investment in one's own expertise. Moreover, being a lecturer or a scientist fulfils the need of generativity, i.e. contributing to the next generations by performing meaningful work (Slater 2003), which is among the most ultimate human needs.

Flexible time management, trust and low competition on the labour market

Finally, characteristics of the employers also contribute to the attractiveness of the profession of an academic teacher. First, universities usually have a stable financial position, especially public ones. The job market of academia is quite shallow: the job is homogeneous, the number of employers is limited and the competition between them is low, as well.

Due to the characteristics of the job of an academic teacher, the employer may furthermore easily provide flexible time organisation, including starting and finishing hours and taking the time off to take care of personal matters, such as health related ones. Part-time work is manageable if the workload is too high, but also overtime may be easily avoided. Extra holidays and sabbaticals are not without precedent. From the management's perspective, the characteristics of the job make it possible to switch tasks with colleagues, if necessary.

There is also a large component of trust in the academic workplace - the supervisor is not directly controlling the employee; the job requirement is clear and the performance assessment is focused on competences. This is a feature that creates internal motivation, and at the same time prevents older workers from being subject to age discrimination.

POLICY IMPLICATIONS

- It may be argued that the working conditions of academic staff are among the most favourable of all occupational groups in terms of encouraging prolonging working life. Several best practices can be distilled from academic life to be introduced by employers in other occupational groups, especially in white-collar occupations.

- First, ergonomics is important, and this conclusion is not limited to older workers. If an employee is assessed via work outcomes and there are several ways to produce them, flexibility in working space should thus be allowed. Flexibility regarding worktime organisation plays a similarly important role. While flexibility regarding both working space and working hours require upfront investment that should be discussed in the social dialogue, potential benefits from these are large.
- Second, for a wide range of jobs much can be improved by letting employees decide on how to perform tasks. This attitude promotes utilisation of the skills the employees have, while it also proves trust and allows for bottom-up optimisation processes.
- Lastly, it is necessary to remember the distinction between occupational groups that involve physical tasks, and those which do not. Lessons learned from academia apply mostly to other white-collar jobs. For occupations that involve physical work, however, efforts to promote longer working lives also include easing the workload in terms of physical tasks for older workers, as well as providing greater options for transition to tasks or occupations that are less physically demanding.

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