

Managing late-career job transitions

This year sees the first of the Baby Boomers turn 65, but how many of them will leave the workforce, and how many will do so willingly? The late-career transition has become a vague and haphazard process that both employees and employers can find difficult to navigate, says Kaye Avery. She outlines the benefits of enabling a gradual exit of older workers through late-career transition planning.



These days we are forging new territory around what 'career' means and also how it ends. People are living longer than ever before, causing most to expect that they will need to continue working for as long as possible to afford a long retirement.

As the population ages amidst ongoing tight job market conditions, mature workers often feel vulnerable. They can fear being marginalised or over-worked, with limited employment prospects if put out of work or offered early retirement. Exiting the workforce is a risk and usually put off for as long as possible for fear of not getting back in.

There are many questions surrounding how to support the growing number of Baby Boomers facing the last five to 10 or more years of their working lives and their exits.

How might we maximise the productivity of our older workers for as long as they need to work? How will they know when it is time to withdraw from workforce participation? How can we support them to make those decisions when there are complex agendas, needs and expectations? How about workforce planning—what is best practice?

Statistics New Zealand's *Household Labour Survey* released on 5 May 2011 noted that as the population ages and older employees withdraw from the workforce, productivity issues are likely to beset us. Not only might there be resourcing issues, but also the increasing proportion of older workers in our workforce means that average hours worked is likely to decline.

As the economy lifts we also need to be thinking about retaining and developing our mature workers, many of whom will be pleased to work longer.

Projections of workforce participation of people over 65 show a different figure to what is understood to be the wishes of most of the population in this demographic. Statistics New Zealand's projections state that by 2029, 25 percent will remain engaged in paid work beyond 65, whereas Sharon Buckland's 2010 *Baby Boomer Dreams Survey* of 1200 workers found that 80 percent of those surveyed wanted to work through to 70 or longer.

I find this difference—between formal projections, based on historical trends, and individual intentions and desires—interesting. The fact is that most people wish to keep contributing and earning and yet the opportunities drop away.

This year the first of the Baby Boomers will be turning 65. Some,

who have been contributing to a superannuation scheme for years, may be looking forward to retiring well. However, many who have not saved for retirement will find the idea appalling.

Women who took some years out of the workforce to bring up their children are often disadvantaged in that they are not able to earn at the same level as men, nor might they had been able to save. Many people, both men and women, have had financial misadventures through loss of investments or asset splits through marital separation and may need to work well into their 60s to catch up.

Once, when retirement was mandatory, life was simple. There was an expectation that you would retire at 65, whether you liked it or not. Retirement was an event and a rite of passage which made the process more welcomed, celebrated and noted as being deserved and duties proudly handed to a successor. However, many didn't prepare for it and maybe felt they didn't need to as the pension would see them through.

Some of these didn't know what to do with themselves when retirement arrived. They (mainly men) had no other activities or interests outside of their working life and with a woman to cook and clean for them, no responsibilities other than to mow the lawns and house maintenance. Some died not long after retirement, having lost their sense of purpose.

Cultural perceptions linger on

It is all different now. The Human Rights Act of 1993 ruled out mandatory retirement, yet the cultural perceptions around retiring at 65 linger on. Tensions between the demographic and economic pushes and pulls have made life tenuous for many people who need to—or want to—work longer.

The late-career transition has become a vague and haphazard process which, for many employees and their employers, has become problematic and often difficult to navigate.

Entrenched and self-protective attitudes don't help. When I was interviewed by Kathryn Ryan on National Radio about ageism recently, a listener emailed during the interview describing a situation that gave a counter argument. She was an HR manager who had hired a mature person into a vacancy and after a few years it became obvious that the employee was becoming inflexible and unprepared to have the retirement conversation. The manager vowed she would never hire a person nearing 60 again.

This story is a sad indictment of the issues that are perpetuated by

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people neglecting to take personal responsibility for their late-career performance and need for change, and organisations not encouraging or supporting them to do so early enough.

Many people would rather keep working until they feel financially and emotionally ready to reduce their workforce participation, engaging a wait-and-see approach which relies on feedback or unplanned change. This comes along when it is least expected in the form of a personal health crisis or a performance change or issue, or restructuring. Then they may find themselves negotiating a retirement scenario whether ready for it or not.

The individual circumstances of our mature workers are so diverse that it is futile to make any assumptions. Retirement is culturally identified as what someone is not doing rather than what they are doing—it is actually a modern construct.

For active and youthful Baby Boomers, the idea of opting out of doing something worthwhile is counterproductive and counter to the new 'active ageing' idea, now mainstream. In fact, we are best not to assume that someone is ready to retire at 65.

Instead, we need to be offering transition planning opportunities years before pension eligibility so that employees can get the long-term perspective they need, take control of their own late-career transitions and plan a gradual transition toward alternative activities.

Insurance policy against redundancy

Planning the late stages of one's career is an insurance policy against sudden redundancy, early retirement, burnout or any of the other changes that might have an impact on someone's confidence and dignity as they get older. Research clearly shows that well-being later in life is enhanced if the person has felt in control of their phased exit from the workforce.

The journey, however, is often paved with difficulties. Mainly these show up in the differing expectations around performance and business or workforce values. Managers are often not equipped to have the career conversations necessary, especially if they happen late in the piece and more especially if performance needs to be addressed.

Transition, we are told, is just another word for change, however with so much change and uncertainty we want to take some degree of control over how change happens. Transition is a process. It's about endings and beginnings and all that flops about in the middle! Managing it—having control over it—is challenging, but with planning and forethought we are more likely to achieve successful transitions that are good for everyone.

Late-career transition planning requires an integrated, whole-of-life approach. It is important that this process is facilitated in confidence with a neutral and experienced practitioner, preferably external to the employing organisation. This is best done as a career planning process

rather than a retirement planning one so that personal responsibility is encouraged early and the years left at work are managed well.

Most people are not ready to contemplate retirement until nearing the age of eligibility and this is often too late to make a positive difference to their transition.

A structured career review process will help bring meaning and closure to outworn aspects of work, and identify others that are worth developing or maintaining.

A renewed sense of what is possible needs to be established in order to bring about an improved alignment between the person's working role, a natural 'age-stage' related inclination to make a contribution, and their lifestyle and well-being needs.

Knowledge and experience are the currency mature workers are trading in. Strategies to enable the utilisation of these need to be identified, and opportunities found where the mature worker can add value. Job redesign or sideways moves need to be considered. Examples could include mentoring and training, or documenting processes and information, and subject matter expert/knowledge sharing.

Enjoyment and contribution are key success criteria for planning job change or downshifting that will counter any self-esteem impacts.

Practical considerations

After the personal review process, a plan incorporating the following practical considerations should happen:

- Clear goals and objectives set and a best-case scenario timeline drawn up;
- How to approach the subject of career transition at work and at home;
- Strategies for negotiating a transition map that suits everyone.

Whatever the plan, critical to its success are three things:

1. Continued engagement socially and intellectually;
2. Physical and emotional health and well-being are maintained;
3. Support and resources are provided.

Both employer and employee need to set in place some steps and conversation points along the agreed timeline so that a phased process is engaged. This works best outside the standard performance review processes so that open dialogue is not hindered. It is important that the individual feels in control of the process and has the collaboration and support of his or her manager or employer.

A late-career transition planning process needs to be engaged when the employee has reached somewhere around or before 60, in my view. This zero year milestone seems to be a watershed for most people as the last years of their career come into view and they want to ensure that they take control of this important life stage.

Before leaving the workforce, employees want to feel they have

achieved their goals—whatever they are. If some unforeseen interruption to achieving this happens, the impact can be devastating. An undignified exit at the end of a working career is a scenario that is good for no one and can take a long time for the employee to overcome emotionally.

For the employee, a sense of control, continued engagement and well-aligned activities are important for overall well-being and transition confidence. Alternative lifestyle arrangements and social involvements are taken up while workplace roles are reduced or phased out.

A planned and gradual exit from the paid workforce keeps intact the dignity and goodwill of all parties. If bridging roles (part-time and downsized responsibilities) can be found internally,

well and good, otherwise support to transition externally will be critical.

For the employer, better succession and workforce planning, the effective passing on of valuable organisational knowledge and business continuity are just some of the many benefits of enabling a gradual exit of older workers through late-career transition planning or transition mapping. Productivity and key relationships are managed well and respect, as an organisational behaviour, is upheld.

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