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EMBRACING “THE SILVER TSUNAMI” – FUTURE OF MATURE WORKING ADULTS

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The government, employers and employees must work together to maximise the skills and experience that older workers can offer beyond retirement age

By Jonathan Tan

In a 2013 study commissioned by Singapore’s Tripartite Alliance for Fair Employment Practices (TAFEP) titled “[The value of mature workers to organisations in Singapore](#)”, companies reported some advantages to having an older workforce: lower turnover and absenteeism costs; less supervision required; source for history and institutional knowledge. Mature employees, the study found, were:

“...intrinsically motivated to work for their living. They have been through several economic cycles, thus are less inclined to quit when they face obstacles in their way. They are also willing to go an extra mile to perform well and take it as part of their job. Mature workers tend to value their jobs.”

Despite these qualities, there are prevalent and persistent concerns regarding hiring mature (40 to 55 years old) or older employees (above 55 years old). In an earlier TAFEP report “[Leading Practices for Managing Mature Employees](#)”, companies raised three main issues: rising health and insurance costs; concern about physical abilities; and willingness/adaptability to change.

Moreover, organisations tend to offer renewable annual contracts instead of permanent positions when re-employing older workers after the minimum retirement age of 62. This creates insecurity and contributes to the psychological stress of the employees, making them feel like second class citizens and diminishing their self-esteem.

How can employees, employers and the government address this issue?

EMPLOYERS: YOU HAVE THE POWER

By 2050, 38 percent of Singapore's population will be more than 60 years old. The island state will also have the world's third highest life expectancy of just under 85 years (men: 82 years, women 87.5 years) compared to the global average of 68 years. Rising costs of living and a relative lack of social welfare translates into the need to work well beyond the official retirement age, and likely past 70.

That might not be a bad thing. In a survey by the Institute of Policy Studies (IPS), 91.1 percent of 3,000 randomly selected households with at least one Singaporean resident aged 50 to 74 years agreed that one of the motivators to working after retirement is the ability to stay socially connected with society and not become isolated. Staying active in the workforce is a good avenue to make more friends and share experiences. Leading an active and productive life helps improve cognitive abilities and could reduce the chances of developing ageing-related diseases such as dementia.

That said, older workers have specific needs and preferences. Many of the older workers prefer jobs that offer flexible work arrangements or on a part-time basis, allowing them to have more time to pursue their personal interests. Others wish to preserve time with family, especially women who have family commitments such as taking care of the grandchildren. After years of working, many prefer to take a step back and have a slower pace of life. Hence, jobs with lower stress levels and are less labour intensive are important considerations.

Employers' practices and behaviour towards the elderly play an important role in determining their continued engagement. Organisations should look into overhauling workplace culture to make older workers feel more appreciated and accepted. Fair chances of training and promotion should be applied to all employees regardless of age.

Companies can also re-design jobs to make them more flexible and manageable. Three- or four-day weeks are worth exploring. For functional jobs in the front office, or those in the finance and service sectors, employers can consider hiring elderly on flexible work hours. For industries such as retail and F&B which generally require part-timers or people to fill up shift or seasonal positions, senior workers provide them with ease of hiring.

In addition, employers can redesign workspaces to accommodate seniors. On Cheong Jewellery, a 78-year-old company with two stores in Singapore's Chinatown, [built ground floor storerooms](#) so that its older workers would not have to climb up the stairs.

GETTING OLDER EMPLOYEES AND THE GOVERNMENT INVOLVED

That said, older workers have an obligation to adapt to new demands to stay relevant. Mature working adults must embrace changes and make efforts to learn new technologies and skills. Thomas Menkhoff, Professor of Organisational Behaviour and Human Resources at SMU, wrote in a [Business Times opinion piece](#) promoting a "reverse mentoring" arrangement of having younger employees teach older ones about technology. Each generation should recognise the other's strengths and weaknesses, and share ideas, skills and experiences.

Clear training and support should be given to line managers to not only enhance their skills of managing the elderly, but also to keep themselves up-to-date of the latest re-employment options and intergenerational issues. Organisations should look into overhauling workplace culture to make older workers feel more appreciated and accepted. Fair chances of training and promotion should be applied to all employees regardless of age.

In conjunction, the government should emphasise the importance of lifelong learning and skills upgrading, and urge seniors to fully make use of SkillsFuture funds and the Institute for Adult

Learning as a venue to learn new skills for the future. The PA (People's Association), WDA (Workforce Development Authority) and IAL (Institute for Adult Learning) are crucial to amalgamate the different working generations into a team.

The public and education sectors could take the lead in creating jobs for skilled mature adults so that the many years of training and education will not go to waste. This creates a good example for companies to follow suit to tap into their wealth of knowledge and skill. A quota for workers above the official retirement age of 62 years old can also be created, with built-in flexibility to review organisations on a case by case basis.

CPF contributions, [which start decreasing when employees go beyond 50 years of age](#), could be restored to pre-50 years old levels although it represents a heavier outlay by employers. This is to ensure that the elderly will not feel short-changed. Elderly who are fit and able should be employed under the same terms as before instead of lower pay and on yearly contract basis.

CONCLUSION

As Singapore moves towards a knowledge-based economy, the experience and knowledge that older workers have to offer are extremely important for the vitality of the economy. The forty- to fifty-year-old of today will be the sixty- to 70-year-old in twenty years' time. With proper management and intervention, our society can benefit greatly as senior workers can contribute to solving the issue of manpower shortage.

The government should raise public awareness to dispel the myth that age is a barrier to productivity and reshape values and attitudes towards seniors. It should educate employers and employees on ageist practices and set up workshops to reinforce positive attitudes towards the elderly. We should be mindful that older workers offer a tremendous amount of wisdom, expertise and experience that companies across all industries should capitalise on.

As for individuals, workers have to be prepared to work longer to stay financially secure in their old age. As the Chinese saying goes: "Live till old, learn till old" – senior workers should stay healthy and upgrade themselves to remain employable. They have to recognise and optimise their own strengths, as well as taking advantage of schemes and courses the government has put in place to improve their knowledge and skills.