



THE  
NEW RULES  
♀ LIVING  
LONGER

ADVANCE PRAISE FOR  
*The New Rules of Living Longer*

'The author of this excellent book [was] part of the Business Task Force which I established during my time as the Government's Business Champion for Older Workers. This achieved success in highlighting the importance of working longer and the benefits to individuals, business and the economy, but there is much more to do as this book suggests.'

*Baroness Ros Altmann, Minister of State for Pensions  
Department for Work and Pensions*

'Fantastic and stuffed full of useful information.'

*Dr Lesley Trenner, Change Coach*

'Brilliant how you have caught the reader's attention right from the start. It's honest and your intelligence and sense of humour shine throughout. I shall certainly be buying one for my Mum's Christmas present...very much a must-have read for all! Your legacy shines on – a very now topic.'

*Lisa Price, Secrets Nail and Beauty Salon*

'I think your non-threatening guide to taking control of your life, in later life, is a valid *cri de cœur*. It is instructive, informative and - pause for effect - it has a heart! Rare achievement and I hope it catches fire. Your message taps into the prevailing *Zeitgeist* and timing is everything. I have enjoyed your book in its entirety.'

*Deborah Gale, Ageing Aficionados*



THE  
NEW RULES  
OF LIVING  
LONGER

HOW TO SURVIVE YOUR LONGER LIFE

YVONNE  
SONSINO



**MSL Publishing**

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## DEDICATION

This book is dedicated to Phoebe and Arthur,  
my grandchildren

*'Wheresoever you go, go with all your heart'*  
Confucius



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*Foreword*

**BARONESS ROS ALTMANN**

*Rethinking Retirement*

Rethinking retirement is a fundamental essential of today's society. As we celebrate the achievements of modern medicine, longer life expectancy and technical advances that make most types of work less physically demanding than ever before, we can seize the opportunity for a better later life.

We are in the middle of a fundamental demographic shift that has significant implications for businesses across the UK.

By 2022 there will be 700,000 fewer people aged between 16 and 49, yet 3.7 million more people aged between 50 and State Pension Age.

Meanwhile, the employment rate starts to fall dramatically as people reach their 50s and continue through to their early 60s. At the time of writing just 69 per cent of 50 to 64-year-olds are in paid work compared with 83 per cent of their younger counterparts.

This raises serious questions about how we are going to continue to grow our economy with a diminishing pool of younger workers to call upon.

For me the answer is clear: we must change the concept of retirement and reconsider the way we think about recruiting, retaining and retraining older workers.

There is a large pool of talent currently sitting un-tapped, and reinventing 'retirement' as a period of part-time work for those

who want it, before stopping altogether, has many benefits.

We cannot possibly achieve that if hundreds of thousands of working people are just written off in their 50s, or indeed may write themselves off after losing confidence.

We are working hard to change attitudes among employers – we abolished the default retirement age for precisely this reason.

And there are enormous benefits to doing so. Older workers bring with them valuable knowledge and experience, and research shows that employers believe they are usually at least as productive as younger workers.

What's more, a mixture of older and younger staff may appeal to a business's older customers or clients, who can bring a better understanding of their needs.

And facilitating more flexible working can make the most of people's skills while also improving their work/life balance in later life.

Mercer and the author of this excellent book were part of the Business Task Force which I established during my time as the Government's Business Champion for Older Workers. This achieved success in highlighting the importance of working longer and the benefits to individuals, business and the economy.

It is encouraging that the message appears to be getting through, and many businesses are taking the lead when it comes to changing retention, retraining and recruitment practices across a number of sectors. However there is still more we can all be doing as this book suggests.

*Baroness Ros Altmann*  
*Minister for Pensions*  
*London 2015*

*Author's Preface***THE METHUSALEH MANIFESTO***or 'Whose problem is it anyway?'*

It's 5:30 AM on Saturday. I'm up early because I'm on a tight deadline. Today is the first day I put pen to paper and start this book. Well, actually, I'm not putting pen to paper, I'm using Siri to transcribe my voice.

I only found out about Siri quite recently, because I bought my Mum and Dad an iPad for Christmas. My son-in-law, Tom, told me about it. He uses it to phone my daughter Holly and tell her when he is on his way home – so that she can get the dinner on in time. (No comment here, I'm just relaying the facts.) But he thought my Mum and Dad would find it equally useful to be able to shout instructions into. Tom and my Dad are of one mind where dinner on the table is concerned.

My Mum and Dad are in their 80s now and have never used a computer before in their lives. Although I have been suggesting they get one for a while now, they were adamant that they would never use it. 'We will never use one of those things, so don't bother buying it for us,' they both chorused every time I mentioned it. Six months later, they are now buying Chinese rugs on Amazon, texting photographs of each other to me, and doing Facetime calls with my husband, albeit mostly by accident.

This is one of the most shining examples of reverse mentoring and multigenerational collaboration that I have seen to date. And I do some of this for a living.

To me, my Siri experience paints a great picture of the best way to tackle the question at hand – how to survive a longer life. In our family now three generations are coaching and mentoring one another, with a great outcome. And it was only me that winced when I heard that it was all about ‘get the dinner on’.

Actually, there are now four generations in this mentoring arrangement, because my granddaughter Phoebe is also using an iPad. She starts school in September and is already using an iPad to draw and to learn to write. Phoebe is four and confidently tells me, when I’m on the iPad, that I am doing it all wrong again.

You will meet all these people again later in the book because they have something to teach us about what surviving longer life actually means for real people.

If you are still wondering whether Siri is something to do with the iPad or the name of my personal assistant, or what I mean by multigenerational collaboration – or maybe you’re just unfamiliar with the concept of reverse mentoring – then you need to check the glossary at the end of this book.

In fact, scratch that. I’m not going to put a glossary in the book after all. I think it’s down to you to find out what these things all mean.

However, I am going to do you the biggest favour I can, by helping you – right from the start of this reinvention guide – to take your own learning seriously. Wherever you are in your career or life. It is your problem, after all.

What do I mean? Well, you might well live for a significantly longer time than your family before you. You might also have to work for a significantly longer time than them, too. And how you tackle this problem will mean the difference between success and failure. The Government may provide you with a backstop, but don’t count on it. When a Government tries too hard to prop up individuals, it affects the entire economy. It’s not pretty. Remember recent events in Greece?

And if you’re employed, you might also be thinking that part of this is your employers’ problem. Don’t rest too easily on your laurels on this point. They have a business to run. They have deadlines and targets to meet. And they have taxes to pay. (Mostly.) Gone are

the days of paternalism and apple pie.

The single, striking message I hear more and more from employers is that they want you to take up more responsibility for your own life planning. After all, they say, 'We have been providing great employee benefit programmes for years and people like you have ignored them and demanded more salary. People like you would rather spend your pension contributions on something else. "More money now, please," you say, "I can't even afford a deposit for a house or two holidays a year on this!"' Well, people like you need to get a grip.

It may be a bitter pill, but you are going to have to swallow it. Make no mistake: how to survive your longer life is your problem. But don't worry. This book will help show you the way. And anyway autonomy is good for you. You'll see why soon.

I hope by now you're coming to terms with the fact that longer life might mean longer at work. Got that? Because things have changed since your parents' day. As a taster of things to come, this forms the basis for the first New Rule of Living Longer. Of which, more later.

In the 1950s, people generally worked for around 50 years and then drew their pension whilst they lived on for another 10 years. By the 2000s, the working and retirement pattern had changed significantly. People worked on average for 45 years and then retired for 23 years. Now it's getting longer.

We'll meet Deborah Gale later and she says it will soon be work for 50 years, retire for 40.

Shorter working lives and a longer time in retirement? Sounds good, I hear some people say. Well, if you have a good enough nest egg set aside, it sounds ideal for some. And the reality is that *some* people retiring now are likely to belong to one of the luckiest generations of pensioners ever to have made it. There were good pensions in place at many of their employers for much of their working lives, and financially they will benefit from this.

The generation behind, however – the Toms and Hollys of the world – and the generation behind that – the little Phobes with their iPads – are likely to see a much leaner picture emerge. We'll look at this later, but don't panic. This book is not about pensions.

This is the Methusaleh Manifesto.

Why do I describe this as the Methusaleh Manifesto? Because I probably won't make it to 969 years old, which is the age that the biblical figure Methusaleh is reported to have achieved in the Book of Genesis. But the fact is I have an almost one in five chance of living to see my *hundredth* birthday. Then there's my daughter who has a one in four chance of seeing age 100 and her daughter who has a one in three chance. Did you know that Whitehall had to take on extra staff to send birthday cards from the Queen, because the office couldn't cope with the ageing population? It's true. Today there's a 70 per cent rise in the number of people over 100 – that happened in just a decade.

What's more there are more than 104,000 First World War babies still living. So it's people like you and me that are creating employment in that Whitehall department.

There's another challenge for some of us. Because I'm a woman I have a much longer life expectancy than the men of my age. There'll be much more on this later. It's a catastrophic cocktail for many women.

If you're not already convinced there's a challenge facing you, we'll look at lots more data later. But one thing is for sure. You can't avoid the revolution in work and life that is coming as sure as the sun will rise tomorrow.

My sense is that that there will be a new period, in between full-time work and full-time retirement. This transition period could be reasonably long and it's likely to occur sometime between the ages of 50 and 75, or even later for those who want to. It will be a period where we will be working more flexibly, for limited hours, and I hope doing something we choose. The income will supplement or even fully finance our longer lives.

We live in thought-provoking times, don't we? We are all living longer and will all need to be working longer. Want proof? Well, the state retirement age has already increased for me three times so far. As soon as I get close, it seems to slip away like the end of a rainbow. In my darker moments I begin to wonder if retirement is just a trick of the light.

Timeout.

Although I will talk about business a lot – where else will you get the money to survive your longer life? – this book is not a business book. It's a reinvention guide for people who have realised that longer life means filling an awful lot more of your time.

If you're like me, and you can't sit still long enough even to watch a film, this is a really daunting prospect. I expect when I'm older I will quite happily sit still and catch up on the films I'm currently missing. But to fund that future lifetime of home cinema, the decisions I make now are much more serious.

The situation for you is also much more serious, because for me at least, having spent around 30 years in the pensions industry, I have had access to plenty of good advice about where to squirrel my nuts.

But maybe for you, if you're only coming to this realization now, the choices you make now, today, about your career are the most important choices you will ever make. Forget the advice you get about pensions! If you don't produce a significant income for a significantly longer period than you were expecting, not much else is going to fall into place is it? Not to mention health. Yet.

So let's be brutally clear. Your career choices ahead, and your engagement level in your future career, affect not only your ability to accumulate the money you need to live, they also affect your ongoing health and mental stability.

What do I mean? Well, if you are happy as a clam at work, and I have often wondered how you can tell if a clam is actually smiling, then many things do start to fall into place. Research tells us that happiness and work are good for your health. And if you are healthy and happy you can carry on working for longer, and then you can carry on with funding that longer life. It's a virtuous circle.

In addition, your effort will benefit your country's economy and so actually everyone thrives. This is why these decisions are so serious. Your country needs you. Your family needs you. You need you.

Another timeout.

Whilst this book was written for individuals like you, people who want to take charge of their own careers and lives, it will also prove useful to company leaders who care about the future of their

business. Any employer or HR manager or finance officer reading this book should recognise themselves and their own employees in these stories. What's more, the data I'll be sharing should spur you into positive action.

But mainly this book is written for individuals. And once you realise how to put together the component parts of an ongoing career and a worthwhile life, you can build your own recipe for how to survive your longer life whilst having fun.

With this book, this Methusaleh Manifesto, I am recommending a model where you can happily engage in new types of work and try new things. I believe that this new-found happiness will actually have a profound impact on your engagement levels, too. And employers will soon understand that they have to provide an environment to enable you to work longer. Because as you get older, the working environment will need to become more flexible.

You may know or perhaps can guess some of the reasons workplaces need to become more flexible for us. But you will see why with extra clarity as we go through this book. And again it works both ways. A flexible workplace will increase your engagement and productivity. It will ensure you are not daunted by all that longer life and can manage what lies ahead. And it will bring forward an altogether more profitable country. In the Methusaleh Manifesto, everyone wins.

So each chapter has the occasional 'PS' dotted throughout for corporate officials. Because after all, let's go back to the question at the top of the preface: whose problem is it anyway? Well, if you're an employer it is partly yours, even if you want to wash your hands of it. We hear that the days of paternalism and apple pie are over, but think on this: can you as an employer really afford to have disengaged and demotivated employees in the workforce – and on the payroll – until they can actually afford to retire?

Remember that in this brave new world, retirement may be a very long time away for some of your people. And the nature of the work they do may not naturally engage them or make them productive. So the nature of your employees' work will have to change – and that will be down to you. Believe it.

In fact, as an employer, you can't forcibly retire people from

work any more – the default retirement age was abolished several years ago, in the UK at least. So people have a legal right to stay on in employment as long as they want to. Your employment.

Actually, there are huge advantages for your country if you as a company leader grasp this particular nettle. In the UK, for example, if all people aged over 50 worked for just one more year than they currently do, the UK would add one percent (about £18bn) to its gross domestic product (GDP). In the pockets of your employees, that's a lot of money to be spent on the high street. Maybe I should write the odd PS for politicians and policy makers, too?

Anyway, each chapter will set the scene for you – whether you're an employee or an employer – and I'll explain how you can commit to surviving your longer life. So each chapter will provide a very direct call to action and there'll be some more subtle calls to action, too. A little like Tom's call to Holly to get the dinner on.

Above all, I hope this book serves as a stark message – to you and everyone – to examine the consequences of living longer. To take as much responsibility as you can. The demographic crisis we are facing will change our economic history. You can't afford to be an ostrich and stick your head in the sand. And I mean that quite literally – you cannot afford it.

## **ACKNOWLEDGEMENTS**

A book is not a solitary effort and so I need to offer many thanks. First, I want to celebrate getting older and start by thanking those around me who are enjoying ageing, too. Finding it to be an unusually pleasant experience compared with growing up, it has been the kick-start I needed to write a first book. It makes me smile that this is about age and work – two things you wouldn't necessarily have on your list of 'first book' ideas, but to combine them into an epic seems rather fitting.

If it wasn't for my brother-in-law, Steven Sonsino, however, I would never have found the courage or the right process to start, so the first thanks go to him and the patience of his family whilst he got me through it. For writing the afterword, also.

For writing the foreword, a particular thank you goes to Baroness Ros Altmann, who is an active and fervent campaigner on the

same topic. We share a passion for getting this right and have our own spheres of influence to work in. It has been a real privilege to work as part of her Business Task Force for Older Workers during 2014-2015 and I am delighted that she has been able to provide such a compelling foreword.

I send a warm acknowledgement to all my colleagues, past and present, both on this side of consulting and while I was on the receiving end of it. I have learnt so much from all of you over the years and enjoyed every step. A particular thanks and respect goes to Mercer – evidenced by the fact that I am a returning boomerang. The environment is stimulating and professional and I can honestly say that I work with some of the best people in the world. I feel very privileged in this respect.

To all the specialists I have consulted within the chapters, thank you. Special thanks to Mike Minnett at the Positive Ageing Company, Dr Lesley Trenner, Elizabeth Isele and Deborah Gale, who are independent coaches and age specialists, and Mercer's Dr Wolfgang Seidl. Also, to Mercer's Dr Deborah Cooper, Charlotte Harding and her work with WEF, Sue Filmer and Mark Rowlands, Simon McGee and Ben Carter, and Jane Warwick at the TUC. I am also eternally grateful for an injection of youth and actuarial skills from Mercer's Briony Hunter and Jonathan Repp, for the financial modelling in Chapter 8, and to Mark Hoble and Sophie Black for an unencumbered view on top executive pay. Lisa Price at Secrets Nail and Beauty Salon gave me some unexpected insights. My two daughters, Gemma and Holly, have also made extremely valuable contributions to this book through their insights into the minds of their children and the people around them.

My thanks also to Nigel Mitchell and the team at our printer, Biddles in King's Lynn. It's been a rollercoaster of a schedule, so thanks for seeing us through.

Hearty thanks have to go to my own family, because without them I wouldn't have such a good story to tell. They have provided endless happiness, sadness, warmth, the occasional cold shoulder, pleasure and pain, fun and misery, yawns and rolling eyeballs. Just like any normal family should. This book is written with you all in my heart and in my mind, so that you can survive and enjoy your

own longer lives.

A final thanks goes to you, dear reader, for taking the first step on sorting out the rest of your longer life. I sincerely hope it is as healthy, happy, prosperous and long as you can make it. ■

“ *Jenny was made redundant at 55 and got into debt. She will never be able to pay back what she owes. She didn't take up a new job because she didn't believe she could do anything else. 'I'm past it now, it's my time to slow down.'* Jenny is 70 now and the social worker is able to lift her from the bath without assistance. She weighs just five stone. ”

*Chapter 1***THE WORK-LIFE REVOLUTION***Who Wants to Live Forever?*

What do you want from life? The bit of it you've got left anyway. It's worth thinking about.

I want what most people want. Quality not quantity. Just enough to get my bucket list out of the way and then shuffle off this mortal coil. If I'm honest with you, I'd like to go with some dignity (with a small d). And I don't want to be a burden to my children. It's a cliché, I know, but it's true.

As my mother-in-law recently said, 'By the time I go, there will be a nice quick pill.' Sadly, there wasn't a pill that could cure the advanced and inoperable bile duct cancer that took her from us too soon. But it has made my work on ageing and living with old age more real somehow.

As part of my mission to share the lessons I've learned, I've spoken on the subject of living and working longer to over 500 companies across Europe and in Australia. And that's just in just the six months before publishing this book. I was surprised it was that many, when I totted it all up. But it confirmed what I was thinking. Now, all around the world, people are waking up to a new truth: that living longer affects us all and it affects every aspect of how we live, not just our twilight years.

You probably don't need a book to understand that. But I think you might be surprised at the speed and scale of the changes affecting our societies and our families. It's an evolution that's been

coming for so long it will feel like a revolution when we wake up to it. Even the actuaries – notoriously conservative and pessimistic – can't quite believe the rate of change.

When actuaries are surprised, you can be sure that we are entering into completely new territory. I'll talk more about this in Chapter 3.

It's worth bearing in mind, however, that we need to be careful how we interpret these data.

'My father's life expectancy was about 15 years, before he died aged 64,' says Dr Deborah Cooper, Actuary of the Year in 2015. 'Knowing your life expectancy does not help you know how long you will actually live.'

For a combination of reasons, Cooper has grown pragmatic. 'What was helpful was that [my parents] had diversified savings — a house, cash, liquid investments and my father's Defined Benefit Pension — so that mother's retirement has been secure and comfortable.'

It's clear some countries are more heavily affected than others by the ageing of its population. And that's another warning sign isn't it? When the issue starts to affect your country's economy, it's definitely a call to action. Because then the dominoes start toppling. When one country's economy is affected, it's only a matter of time before it affects someone else's economy.

Just briefly, in this respect, the most heavily affected countries in the world are the developed nations. It's true: this is a challenge facing developed countries above all others. And there are only a limited number of fixes, because the damage is already done. In addition to enjoying those longer lives, we also stopped having babies, thanks to birth control. (For all the right reasons.) But in its wake this is bringing a massive skills crunch. More about that in Chapter 4.

So what does the impact of living longer look like for you? Well, to bring this story to life for you, I've chosen to write this in what I hope is a more conversational style than the usual books on this topic. Also, I've dropped a ton of statistics and numbers in favour of using real people with real jobs as far as I can. You are even going to meet more of my family. I want you to get a picture of what

living longer means for you and to imagine the impact of society's changes on your family.

Before I get to that, I want you to imagine for a minute the challenge facing your country's employers and politicians. For them, as they think of the impact of living longer on all the families they deal with, the social changes facing them will be exponential. So I believe this Methusaleh Manifesto will also apply to them, albeit on a grander scale.

By the way, I thought that calling this chapter 'The Work-Life Revolution' and using the phrase 'the Methusaleh Manifesto' might have been an exaggeration when I started writing the preface. But by the time I started writing this chapter, and when I saw the latest research on wearable technologies (on which, more later), I became totally convinced. I have to be blunt with you. In fact, I am even more concerned now than I was when I had the urge to write the book. Let me explain why.

Over the years, I've learned a great deal from colleagues, academics, ageing specialists, Governments, companies and families on the subject of our ageing populations. What's interesting, though, is that today when you have a discussion with a group about whose problem it is, it's the same conclusion every time.

Here's how the conversation usually goes.

First, someone sets the scene with demographic projections showing rising life expectancy rates, falling birth rates and economic doom and gloom scenarios that I'm sure you've seen. Then a question to the audience: 'So whose problem is this anyway? Is it the Government's problem? Is it the employer's problem? Or is it your problem as an individual?'

We tend to start the discussion with a few people claiming that it's the Government's problem. Because it's a population issue, because it's societal. A few heads nod, but a few faces pinch.

The ensuing conversation, around societal issues, is then interrupted. 'Why is it the Government's problem? It's an employer issue just as much as it is the Government's issue.'

Then someone else chips in. 'Yes, because as an employer, we have to carry these older workers when they can't do their jobs anymore and they stay on our payroll.' Across the table there's a

third speaker. 'So they need to move over and make way for younger talent.' At this point it's usually my face that's pinched.

Luckily, there are other pinched faces around the room, too. But before the pinched faces can articulate the challenges they foresee, there's an eruption of abuse about lazy and arrogant millennials, as compared with the experienced but tired baby boomers. Then someone will ask, 'What's the difference between a Gen X, Y and Z and what will happen to the next generation now we've run out of alphabet?'

Actually it's a good and forthright conversation and everyone begins to appreciate that we have suddenly become rather tribal. People recognize that they have been taking a stand in their own generational camp initially, and then they seem genuinely embarrassed. They've been displaying what appear to be discriminatory views, if not deep-seated prejudices.

There's a quiet moment before most people in the room realise what the situation facing us all really is. Some speak their thoughts aloud. 'If anyone has to do anything about this, surely it's me. It's my responsibility. It's my life.'

We then reach some overall judgments, reasonably quickly, about longer life expectancy creating a shared responsibility between the Government, our employers and ourselves. The conclusions revolve around a matrix of responsibilities and a call to action for each group.

## **1. THE GOVERNMENT'S RESPONSIBILITY**

The Government needs to set minimum standards and create a framework for everyone to understand what good practice for companies looks like, and how they can follow that blueprint.

## **2. THE RESPONSIBILITY OF EMPLOYERS**

The employers' share of the responsibility is usually to provide a solid and safe environment in which their employees can work and a good range of rewards and employee benefit programmes. They need to make sure employees are protected through various important life events, such as illness, long-term disability, retirement and death. They also need reminding, sometimes, that these life

events don't always come neatly stacked in that order. And that as their employees work longer, work itself and what they expect from work will change dramatically.

### **3. THE INDIVIDUAL'S RESPONSIBILITY**

The rest of the buck stops with us as individuals.

Usually when a group gets on to the important question of 'what does the rest of the buck look like?', they are full of great advice. But they also raise important questions for themselves, including these two:

- *'What can I do more of to ensure I make the right decisions?'*
- *and 'What happens if I am self-employed?'*

Working for yourself is, after all, the fastest growing sector of employment in many countries, including the UK.

The groups I talk with agree that they can do lots of things to help themselves. And usually the debate becomes a groundswell of positive feedback and good advice. People start to think about themselves and their futures in a positive light and on the whole they like it!

People invariably make great plans in that room, from career planning and coaching, to re-training and how to reinvent themselves. Better nutrition and healthy living become obvious planks in building their personal strategy. They realize how important on-going financial education is and they think about their personal legacy – what they will leave behind that isn't money. They think about their legacy in terms of how they've made a mark in their lives, how they made a difference.

The talk goes on – actually, it's difficult to stop – and people begin to think very positively about resilience, flexible working hours and work-life balance. The list of action points – a kind of fix-your-bucket list, if you like – gets longer.

It's surprising how many great things are already on your list when you have a discussion like this with someone. And it's surprising how easy some of the items on your fix-your-bucket list are to fix when you sit down and think about it.

But some people get to later life and they haven't thought about these things yet. Other people have the discussion, but they leave the room – and their good intentions – behind them. (How many of this year's New Year Resolutions can you even remember?) Well, for everyone who has or hasn't thought about this before, there is hope. And we'll talk about some of the fixes for the work-life revolution later in Part 3 of the book.

Right now I want to explore the subtitle for this chapter. Because you might be wondering – does anyone really want to live forever? Maybe not, but we certainly are living longer. How will we deal with that in the future? What visions can we imagine?

In the more familial community nations in Asia and the Far East, the extended family care for each other. There are large homes with many grown-up children and their families also living in. The families support each other, and childcare and caring for the elderly is normal practice.

We don't see much of this model in Western Europe or in North America. But if you think about the issues our generations are facing at the moment, this could be a good solution.

Why? Well, one reason is that younger people can't buy property – they can't get on the housing ladder in some countries. But interest rates are lower than ever following the world recession of 2008-2009, so mortgage rates are generally affordable. In the UK the Government is doing what it can to help first-time buyers make a step into home ownership. But it isn't certain yet if this is enough.

When I bought my first house in the 1980s, the mortgage interest rate was 15%. The mortgage repayment took my entire month's salary. We couldn't afford a car, so we walked everywhere. I was really fit and really thin. I used public transport to get to work and I knew the bus routes and timetables off by heart. I was 'green' before we knew what green would become in subsequent decades.

There is another reason why the familial model of society might help the West, look at the older generation. Our parents and grandparents in the West are each spending on average from £27,500 to £39,000 a year on residential care and nursing. But the care industry is facing a crisis. It is suffering one of the most severe skills shortages it's ever seen. The problems are exacerbated by the fact

that the industry – in the UK at least – has seen much adverse publicity because of mistreatment, neglect and abuse in recent years.

At the other end of the family spectrum is childcare. The cost of childcare can be anywhere between £5,700 a year for a part-time nursery place and up to £40,000 for a fully-time nanny in the South-East of England.

Put all these challenges together – housing pressures, caring for the elderly and childcare – and you can see how the familial Asian support network begins to look a really good idea. The picture of one big family living together and supporting each other makes huge sense financially.

But is it a step too far for Western families? Brought up on a diet of the entrepreneurial spirit, leaving home and gaining your freedom at 16, 18 or 21 may make the concept of ‘one big happy family’ too difficult a reality, and too stressful to embrace.

Which brings us to the sandwich generation.

The sandwich generation includes those people who are sandwiched between caring and supporting a young family, who can’t get on the housing ladder yet, and an older generation, who can’t afford care facilities.

Carers UK, a charity membership group for carers, estimates there are over 2 million people in the sandwich generation in the UK. And a recent survey by the Care Quality Commission, the independent regulator of health and social care in the UK, found that 8 out of 10 sandwich generation carers had found choosing care to be one of life’s most stressful experiences.<sup>1</sup> So it’s people in my generation, in their 40s and 50s, who are the meat in the sandwich. The sausage in the dog. We are squeezed financially, physically and mentally, under immense stress and pressure to support both of the generations around us. Not so much in a sandwich, as being between a rock and a hard place – with no disrespect intended to our children and our parents. But sometimes it feels that way.

Many people in the sandwich generation don’t stop to think about their own situation or their mental wellbeing. They just get on with looking after their family. And for some people with huge reserves of strength and the drive to carry on that may be fine. But many people don’t even realise they are the sausage in the dog.

Until it's too late and their physical or mental health gives out. Or their own funds.

Not surprisingly, given how long everyone is now living, we also have a club sandwich generation. This involves four generations of the same family with you as a grandparent. Imagine your own children, who can't afford to move out, having childcare issues of their own. You or your partner, now as grandparents, need to take one or two days a week to care for your young grandchild while your son or daughter goes out to work. Meanwhile the caring still continues for your older parent. It's complicated, isn't it?

My husband has no idea he is a club sandwich. It may not dawn on him until he reads this chapter. I'm looking forward to the reaction. (He's not a fan of club sandwiches.)

In addition to the family community of the Middle East, there are some other great nations in Asia grappling with how to live longer. Japan, for example, has one of the oldest societies in the world. And for a growing number of people in Japan, receiving a pension no longer means the end of their employment.

Japanese employers are hiring or rehiring pensioners, because it keeps valuable and knowledgeable employees in the workforce and it saves them money on recruiting new employees and training them.

For the Government, this means it can reduce public pension payouts – perhaps by as much as 1% in Japan, for instance.

And what's the benefit for the person who has retired? Well, this new income can supplement your remaining pension significantly. And it can help you to maintain the rhythm and sociability of a working environment.

This, additional income, of course, can have a major impact on spending power. Research by the Japanese Economy Ministry shows that a worker in Japan over the age of 60, for instance, can afford to spend 90% of his or her new total income in the High Street<sup>2</sup>. So imagine a couple with that kind of spending power? What will that do for the High Street and for the economy as a whole?

When I think back to the time of my first mortgage – when, believe me, 0% was spent on the High Street – you get the picture.

Times have changed. And they're going to keep on changing. Especially if more corporations work together to tackle ageing – like Apple and IBM, which would be strange playfellows in the normal course of events.

Japan is home to the fastest ageing society in the world, with a quarter of its population – around 33 million people – aged 65 or older.<sup>3</sup> And this number isn't static. The 25% will become 40% in the coming decades. So Apple and IBM have partnered with the Japan Post Group to supply iPads with special features and settings especially aimed at this growing, older segment of the population.

'The potential we see here,' says Ginni Rometty, President, Chairman and CEO of IBM, 'is one example of the potential of mobile-led transformation anywhere in the world where issues of an ageing population exist... [It is] as broad as national economics and as specific as the quality of life of individuals and their families.'<sup>4</sup>

People with impaired vision or hearing, for example, will benefit from a dictation facility that creates documents in large type. There are also enhanced audio functions. Reminders about taking medication at the right moment, for instance, as well as reminders that encourage folks to take good levels of exercise or to adopt the right diet. The tablets are also programmed to organize the grocery shopping.

About 1,000 free iPads for seniors started the ball rolling in late 2015, but if the programme is successful that number could be increased to 5 million free iPads by 2020. All of a sudden, technological support for a better quality of life is looking good.

When you add remote healthcare services – the exchange of data between a patient at home and their clinician, to assist in diagnosis and monitoring – can you imagine how much this will improve the quality of life and, potentially, life expectancy for the people in Japan?

Then there's the robot. Toyota's Human Support Robot, or HSR for short, can stretch to 4 feet 4 inches tall – that's 1.32m – when helping its elderly humans with basic tasks such as picking things up.<sup>5</sup> And after a Hackathon later in the year, when engineers will grapple with the robot over a long weekend, it is likely to become a

lot more delicate in its actions. ('Do you want ice with that?')

You might remember I bought my Mum and Dad an iPad for Christmas. They were fiercely opposed to the idea. They had never used computers and were embarrassed about not knowing what to do – at first.

Eventually it was my Mum who saw sense and said, 'Well I don't care what your Dad says, I would like to get connected. I'll go to the library. I'll take some lessons. I would like to get the hang of this technology once and for all.'

It's probably worth saying at this point that my Mum is 83 this year. She and Dad now fight for time online. Not only have they discovered the joys of online shopping, but my Mum has Googled and self-diagnosed a persistent back condition from which she has been suffering for many years. Once she had the information to hand, she took herself along to the new doctor's surgery close to home, where they have a minor surgery unit, and had a successful operation to cure the condition within the week.

Now she says, 'I wish I'd known about this years ago, as it could have improved my life no end.' For me, having lived with the guilt of forcing an iPad on to my unwilling parents, and buying them a manual to go with it, iPad for Dummies for Seniors, which was not a well appreciated title in any way, that outburst from my Mum was priceless. But for you reading this now, the important words in that sentence are 'it could have improved my life no end'.

As I was choosing the iPad, by the way, one of the TV channels was advertising for willing elderly computer owners to be interviewed and filmed for a programme about getting online in your 80s. I thought this was perfect. It offered free equipment and training in return for half a dozen film sessions. I thought the training would be so useful for Mum and Dad. But that really was a step too far. They were horrified that anyone would watch them in case they made mistakes. There are lessons in there for all of us about pride and sensitivity.

There has, however, been a rapid change in Mum and Dad's attitudes to technology. They're now 'connected' and they cannot believe they left it so long. In fact they seem quite tech-savvy and it didn't take much time at all. They worked out Wi-Fi for themselves,

in a remote location on holiday in the West of England, when they couldn't get a solid cellphone signal.

They have also now cut out the middle-man. Or woman. They realised quite early on that my son-in-law, James, is far more knowledgeable about iPad issues than me, so they go straight to him by text, email or Facetime instead. It's a whole new world.

So what does my vision for living happily ever after look like? Will we all be building annexes on to our homes and moving in with three or four other generations and communicating on our iPads?

They believe so in the far West of the UK. The county of Cornwall, at the southernmost tip of England, is the granny flat capital of the UK now, and hundreds of households are benefiting from council tax cuts for annexed properties.<sup>6</sup> Interestingly, though, there is also a trend for older people to buy flats in many town centres.

The increasingly old are decreasingly mobile, of course, so in the towns they can be nearer to the shops and the social life generally. If you take a look at what your High Street has now become, you might find that it's a collection of franchised eateries. The High Street is the new place to graze and socialise, not to shop. We all have our iPads for that.

I have to say, living together in one annexed property would solve the childcare issues that my daughters are facing as they struggle to maintain part-time work while their little ones grow up and simultaneously come down with every bug under the sun. My husband, club sandwich grandpa, currently helps out with this, but he's luckier than most. Being self-employed, he can more or less fit this into his life.

There's a big 'but' here, though. Not everybody wants to care for somebody else's children. Even if they are their grandchildren. You might also say that not everyone could care for their parents either.

It all comes back to the question of what you want from your longer life. What do you want for you? Do you envisage being supported by your family and living happily ever after in one big house, maybe with chickens and a vegetable garden? Or do you see yourself living independently, in a comfy town-centre flat? Maybe

with some mobility assistance so you can still do your own shopping, get to the doctors quickly or socialise?

Most of us have given some thought to these questions, but like New Year resolutions, they usually drift out of our consciousness all too soon.

So ask the questions again now: what do you want from your longer life? And here's the crunch: what are you going to commit to doing to make that happen? Well, that depends on you.

Now here's a bigger crunch: what if something happens to you to change that plan?

A while back I invented a game called *What If?* It's intended to highlight the challenge of how key events in life can thwart almost all of our rational plans. A key event such as suddenly having to give up work to care for an elderly relative. And we played the game at work.

What happens during the game is this: while you are trying to plan your future, real life randomly deals you a few cards – life events – when you weren't expecting anything out of the ordinary. Now you have to deal with it. Fun, don't you think?

After just a few rounds, a colleague stood up and said, 'I love this game! I want everyone in Mercer to play this game.'

What was it that sparked his interest? Well, in what is really only a game, most people seem to have a profound light bulb moment. They reach the conclusion that life events are *their* problem. They can't work out what life is going to deal to them, and they don't know if or when it will get dealt. It's a helpless feeling, but it is real life. The important thing is they know they have to prepare for what's to come as best they can.

Some people start to think they can beat 'life' by more rigorous planning, more data and a good calculator. Others take it all in good spirits and use the opportunity to have fun. They invent rollercoaster adventures for themselves – there's little pretence that this is a game any more. But it is these life events that create enough emotional reaction to spur action. Rational planning goes out of the window when something impacts your health, or your family.

What's my message here? Well, although the exact cards you get in the game of life are dealt half by chance, if you don't sort your life

out as best you can, no one else will. There will need to be elements of rational planning and there will also be emotional rollercoasters to ride. And that's why I've written this book.

So in the three sections of the book to come I'll first go into the reasons why you'll be living a longer life, with the data to back up my argument. I'll explain why you'll be working longer, and how best to rebalance the new work-life challenge facing you. And in the final part I'll offer some new ideas and strategies for how to survive your longer life. Problem, proof, solutions.

Because ultimately the buck stops with you, the individual. And how you play the game of your life is, largely, in your hands.

On the other hand, if you're a senior individual in the corporation, then you do have a degree of responsibility for others. Because your workplace is full of real people, just like the ones in this chapter. So here's your first PS.

Your people don't know what life event cards they will be dealt. Take your share of the responsibility and help them out with the ones they get. Can I be blunt for a moment? Some of these problems – such as work-related stress – are ones you have created after all. Let me tell you what I mean. ■



THE  
NEW RULES  
OF LIVING  
LONGER



**Part I**  
**Living Longer**

“ *The financial strain has taken its toll on Jenny. She has been sectioned twice under the Mental Health Act and today when the social worker visits she is trying to take her own life.* ”

*Chapter 2*

## YOUR RUDE HEALTH

*Getting Ruder as You Get Older*

‘We can rebuild him. We have the technology. We have the capability to make the world’s first bionic man... Better than he was before. Better... stronger... faster...’

*The Six Million Dollar Man* (1974-1978) opening credits

So does your vision of the future include technology? Wearable technology? I realise as I’m sitting here dictating that I haven’t done my 6000 steps yet today. I need to get moving, so a 30-minute walk to the village market and back will probably get me up to 4000 or 5000 steps.

I haven’t bought a Fitbit or a Jawbone yet, but who needs to? I downloaded a step-counting app on my phone. Mum and Dad have probably found something more advanced on the iPad already.

At first I thought wearable technology was a bit of a joke, but I’ve changed my mind. It will help me prolong my life. It will reveal for us all just what is going on in our bodies – things that in the past we might have wanted to hide from. But it’s easy to see what’s going on now and that’s got to be good.

There are already over 120,000 health apps out there on the various app stores. You can diagnose your own health at your desktop, like my Mum. You can test yourself for almost anything.

In fact there's a challenge here for our politicians and for the managers of our healthcare providers. Thanks to the internet, once again we can cut out the middlemen and women entirely. With accurate self-diagnosis and online shopping we can buy cures for most of our ailments online.

So what does this mean for the future of our health systems? Seriously. What does this actually mean for the medical profession if some of us don't feel we need to visit the doctor any more? What does it mean for our children's health and, for that matter, what does this mean for our parents' health? (We're looking after them for longer, in the community, remember.) Well, that's for the politicians to explore. I just hope they don't bury their heads in the sand and hope this will all go away. Because it won't.

And what about you and me? Well for me there are smart bras that can detect small changes in the tissue of my breasts and alert me to the early possibility of cancer. There are wearable glasses – optical devices that can correct your vision and focus remotely. There are asthma management apps, 'stop smoking' apps and sleep masks that coach wearers into a perfect nights rest. Then there are lower back pain sensors that can detect stresses and strains. These will tell you to get up and do certain exercises, and they'll monitor your progress. Frankly, I'm going to get one of these right now.

As I think about this tech that keeps us aware of our ageing bodies it prompts a series of questions. First, how old are you? And how healthy are you now? (Being honest helps.) OK, now think about this: how old will you be in 2030? And in 2060? And how healthy will you be?

I'll come back to why this is relevant to you and your family in a while, but for now I want to put your family's life and work in context, on the larger stage of your country.

The reason I'm asking about how old you'll be in the future is that the number of people over 65, in the UK at least, will increase by 50% by 2032. The number of 85-year-olds will double by 2035. Double! By 2035!

It's true. The European Commission says Europe will turn 'increasingly grey in the coming decades'.<sup>7</sup> But decades seem to describe an era so far away from us. Why should any of this matter

right now?

Well, first it's a challenge for our politicians who have to think about the country-scale and continent-wide issues. Secondly, if you're thinking about you personally, and if you're thinking 'So what? 2030 is ages away and 2060 is almost next century...' well, I put it to you that you need to think again.

Let me put it this way; how recently does the end of the 20th century seem to you? What were you doing when the fireworks went up to celebrate the arrival of the year 2000? Can you remember further back? What were you doing in the 1970s? Do you remember the Apollo moon landings between 1969 and 1972? You can? OK, well 2030 and 2060 are just as close, but in the other direction.

Make no mistake, the population in the developed nations of the west is ageing dramatically. And our future is racing towards us.

Now the good thing is that many of the older people in developed societies have more cash to spend than young parents, say, or even middle-aged couples. European citizens over the age of 65, for example, have a reported €3 trillion to spend between them.

Now this is a good thing as far as health goes. Because they already seem to be spending it on things that can rebuild their health. This may not be on the scale of the bionic Steve Austin, the Six Million Dollar Man, but there are a number of sticks for the blind, for example, with sensors at head, waist and foot height. They detect obstructions and create a pulse in the handle to nudge blind people in a safe direction. There are also GPS walking sticks with voice messages to guide dementia sufferers home. Ford had been working on seatbelts that detect whether a driver was having a heart attack – the car would then be slowed to a smooth standstill.<sup>8</sup> And while Ford has mothballed the project for the time being – because existing wearable tech is cheaper and better – lifestyle tech for the elderly and the infirm will only get better and cheaper as time goes by.

In addition to increasing life expectancy, there is another health-related dynamic at play, which arguably will have a stronger impact on the shape of the population. And that's the decreasing

birth rate in the west. The ‘baby strike’ as they call it in Turkey.

Frankly, we are just not having as many babies as we did after World War II. Remember what they called the entire generation born during that peak production period? ‘Baby boomers’. But the baby boom is a distant memory, and shrinking birth rates continue to shrink the populations of most of the world’s developed economies.

Which means there is a massive shortage of young people coming into the workforce.

While the statistics I quoted earlier are decades away, we will *soon* see an important cross-over point, according to published data for the 34 member countries of the Organisation for Economic Co-operation and Development (OECD).<sup>9</sup> Because of the decreasing birth rate, we will be seeing more people leaving the workforce than joining it. And that cross-over point occurs in 2015, the year I sat down to write this book. Very soon then. So if you think there’s been a war for talent till now, you’re about to witness a talent Armageddon.

One of the companies I was talking with recently on the topic of its ageing workforce told a story that was close to home for me. She took her young daughter along to her first pre-school meeting, to meet the teachers and to see the classroom and equipment. The teacher said to the parent that this year was one of the smallest classes she had ever had. ‘Class size seems to be shrinking year-on-year’ she explained. And while that’s a good thing in terms of class size and dedicated attention from the teacher, in terms of the survival of her class and indeed of some schools it’s a problem.

For my client, though, the problem translated into ‘no new workers joining the workforce’. ‘So why aren’t parents having lots of children any more?’ she asked. One of the observations I shared is that for some families the cost of childcare just puts them off having more children.

It’s always been a financial challenge to bring up children, but young Mums - and I have two daughters who are young mothers - can spend most of their salary on childcare. If you add to that the cost of good shoes for growing children, every six weeks or so, and a family holiday in the premium-priced half term break (or face a

fine for taking them out of school), then I think we can answer that question for ourselves.

One of my daughters suggests there's a different challenge. 'There's much more pressure on women to forge a career these days,' she says, 'so some women believe they should just have one baby and then get back to work.' And I can see that. 'But there's another complication,' she adds. 'People often have multiple longer-term relationships these days, before settling down to marriage. Marriage and babies go more naturally together, and if women wait then there's just not enough biological time to have many children.'

So is this a call to action for governments to make child care more affordable – simply so we can rebuild our population? Well, yes it is. And they have heard the call – some countries are subsidizing places and offering tax rebates to parents of young children.

Even assuming, though that we can kickstart breeding again in the west, we're still left with the slightly trickier problem of how to deal with the 45-year gap of shrunken birth rates that we now need to fill. Is there a gap? Yes there is. Let's take a look at the position for the UK in Figure 1.<sup>11</sup>

Figure 1: UK population showing proportion in each age bracket (WEF)

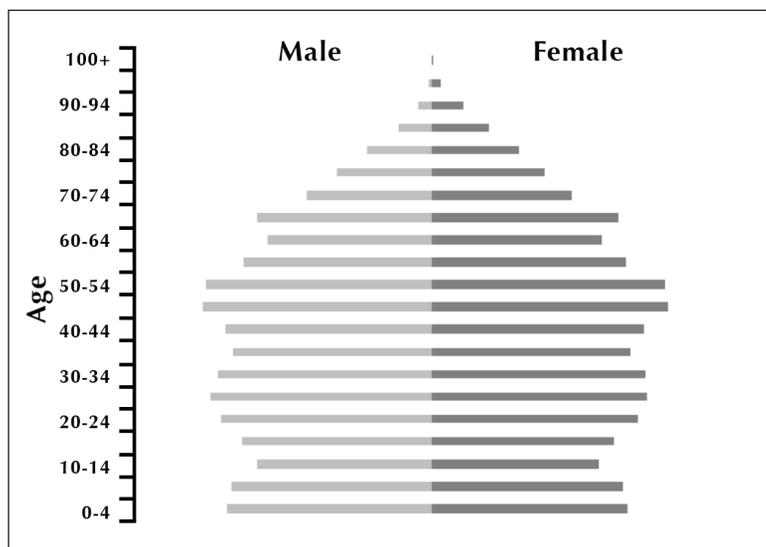


Figure 1 shows a graphical summary of the UK population and you can see from the shape of the graph the younger age ranges represent a smaller percentage of the population than some of the older age bands. The Baby Boomers represent the larger bulge, in their late 40s and 50s.

Now, over time things will change – the height of the diagram will get taller as people start to live longer. (Actually it will get a lot taller, and with skinny ankles, like my son-in-law, James.)

But from the shape of the chart you can see that birth rates have been reducing. In fact, birth rates in this scenario are no longer sufficient to replace people who grow old and die. And the pattern is volatile, so planning is not simple.

From an employment perspective, this means that for the present the UK has a shrinking workforce. Now, the UK can't simply replace the workers by hiring migrant workers, because at present the migrant quotas are lower than the gap itself.

To be honest, immigration has never been one of the more popular political options for solving anything, anyway. However, the conflict ravaging the Middle East and North Africa and the human tragedy at Europe's borders in the current decade may change the continent's outlook on immigration. So maybe from a humanitarian standpoint initially, and as long as there is effective training and support, immigration may become one strategy to help the continent address this shortfall in the medium-term.

Anyhow, based on the present statistics we have, the **TOTAL** labour supply in the EU is projected to stabilise in the short term, but by 2060, we expect to see 19m fewer people in the labourforce in Europe.

Is this a real problem? Yes. The gap in the workforce is painful for Europe. It will reduce the productivity of the continent as a whole and that will reduce the taxes in the coffers of the Union. That's a huge problem for politicians, because if people are not economically active, they can't contribute to the public purse. I will just say one word: Greece.

This financial gap will become particularly noticeable in the next decade or so, between 2015 and 2025, and yet it seems to me that the European governments are keeping some of these issues

rather quiet. I don't know why. But I did hear one off-the-cuff anecdote that might signal the sentiment among some politicians and civil servants. As soon as governments start calling to get older people back into work, I was told, more abuse than usual gets hurled about. 'You're only after our taxes!'

So what is the impact of Europe's changing demographics on the individual worker? Well, as the supply of younger workers diminishes, employers will be faced with drawing on pools of labour that are more readily available. And that will include older people, as well as mums and dads returning to work, even while caring for children, and it will inevitably include immigrants who make their way into Europe. It could also include carers, by the way, who might have the capacity for part-time or flexible working.

Accommodating these different labour pools, however, is likely to mean changes to our workplaces, and in some cases to working patterns – there'll be a lot more flexible hours, for sure. There will also be certain professions where jobs, career paths and promotion and progression will need to be rebuilt in a totally different way. Recruitment methods are almost certainly in need of reconstructive surgery, too. We're not all hanging out on LinkedIn, for instance. And not everyone reads the local paper to find local vacancies.

Let's put a couple of these industries under the microscope for a moment. A number of studies have been conducted, for instance, which examine the age profile of certain professions and job types. In the UK, for example, the International Longevity Centre and the Chartered Institute of Personnel and Development found that over 40% of workers in the real estate sector are already over 50.<sup>12</sup> In the agricultural sector more than half the workforce is already over 50. At the other end of the age scale are the hotel and food industries, as well as financial services and insurance – only about 20% of workers are 50 or above.

Having tried both of these sectors during my own career 're-inventions', I can honestly say that, in my experience, restaurant work and full-on financial services are definitely jobs where you soon need a personal rebuild. Parts of you can easily start to fall off when you undertake either of those professions on a long-term basis. Trust me I am a statistic with mental and physical scars to

prove it.

But in absolute numbers, the skills crunch is likely to hit hardest in health and social work, in education and in retail. In the UK alone these professions support almost 3m workers over 50 already. And frankly it's going to be impossible to replace people in anything like these numbers when these workers retire over the next decade.

To be honest, many industries have a poor record of retaining older workers and a greater drop out from the workforce is experienced as people reach their late 40s and 50s. As well as hotels and catering, IT, telecoms and public administration have a poor track record of retaining older workers. In fact the percentage in employment at age 60-64 in these sectors is 70% less than those in the 45 to 49 age bracket.

Note to employers: what are you doing to these people? You need them.

Note, more importantly, to former employees: what are you doing now? Something constructive, I hope.

As far as politicians and companies in the west are concerned these changing demographics are dangerous and expensive, for reasons we've already outlined. So if you can make even tiny changes you can make a massive difference to your survival and productivity.

Here's a small example I quoted earlier. It was Baroness Altmann who said to the British Government in 2015 'If all over-50s worked just one year longer, this would increase GDP by 1% per year.'<sup>13</sup> That's staggering. It's equivalent to around £18 bn. That's an awful lot of spending on the High Street.

I have to declare a small interest here. I was fortunate enough to be part of the Business Task Force that Baroness Altmann set up in her role as Business Champion for Older Workers. The amount of positive activity and change during that short period was remarkable. For instance, both Barclays Bank and the British coach service National Express launched apprenticeship schemes to include older workers while the task force was running. For both employers, this represented the start of a major culture change, where all generations would come to be respected and to play a part in their

companies' and ultimately the UK's economic recovery. Frankly, for many companies – and surely for all the banks, post-crisis – building respect in the workforce, whether you look from the inside out or the outside in, is an essential prerequisite.

But that's enough of national and geographical statistics. Let's take a look at a real family and see what the next few decades hold.

This particular family is my family, so they're used to being under a microscope. That doesn't mean we've got everything right when it comes to health, ageing and work, though, oh no. But we are doing our best and they are all getting a copy of this book for Christmas.

First, let's meet Phoebe. Phoebe is my four year-old granddaughter and she has a 38% chance of living to 100, according to actuarial statistics. She then has a 1-in-10 chance of living to 109, but she could well achieve the ripe old age of 120.

Next, meet Gemma, Phoebe's Mum. I saw a Facebook post recently of Gemma holding a tarantula. I'm not quite sure why she is holding a tarantula. Some questions between mother and daughter are best left unasked. Interesting fact from my psychology study days: my research told me that the mother-daughter relationship was 12 times more likely to encounter conflict than any other combination of family members. Happily not the case for Gemma and me, but still not the greatest piece of information to glean from the psychology degree you are doing to help you understand two teenage daughters, I have to say.

Serious point: Gemma has only about half as much chance of living to 100 as Phoebe. In just one generation, Phoebe has doubled the chance of getting a telegram from the Queen.

Also Gemma has a one-in-10 chance of living to age 106, three years fewer than Phoebe. So let's keep it simple and just think about Phoebe's extra three years for a moment.

In 2015, the year I'm writing this book, the average day-to-day costs for a pensioner to live for another three years are around £33,000 for the three years. For me personally, I expect to need closer to £45,000, however, as I plan to spend a few extra pounds on the grandchildren. So for simplicity's sake let's say the costs of those three extra years for a pensioner are somewhere between

	Basic cost of living for three years	'Have a few extras' cost of living
Day-to-day costs	£33,000	£45,000
Basic UK pension	£23,000	£23,000
Phoebe's shortfall	-£10,000	-£22,000

*Table 1: Potential shortfall in Pheobe's income if she were retiring 'now'*

£33,000 and £45,000.

Now from the current basic state pension in the UK, you can expect to receive around £23,000 over those three extra years. So if Phoebe were retiring this year and if she needed to cover the costs of those three years today there would be a shortfall in her income of somewhere between £10,000 and £22,000, assuming she had no other source of income. (See Table 1.) In other words something around £3,000-7,000 short a year.

And, Phoebe, if you plan to spend the last three years of your extra life being nursed in a care home, you will need to add a further £112,500 to the shortfall. Sorry.

By the way, I know that any of my actuary colleagues who read this paragraph will have a field day with the over-simplicity of my workings. Forgive me, I just want to highlight the issue facing Phoebe.

But keep calm, Phoebe, you won't be working forever. In fact, I have some suggestions for you in the final part of this book.

Next in the family generation line-up is me. I've worked almost all my life and been in a good pension scheme, except when I took a career break to have children. I also spent some time working abroad without a pension – they're not common in the Middle East, but you do get sunshine and tax breaks instead.

Anyway, having missed 13 years from the pension earning cycle, I need to make up that gap with extra savings. But, you know, I feel aggrieved because part of my pension gap was not my fault. I missed out simply because the rules changed.

In my first job, the right to keep your pension if you leave your job – they call it pension vesting – changed. It used to be that your pension was yours to keep after five years service. But I left my job after 4 years and 11 months to have Gemma.

When the rules changed shortly afterwards to two years I was gutted. I lost the first five years of my company pension before I had even started on the pension ladder.

Now, trying to catch up with pension saving in later life is an option and I have pursued it vigorously, but the rules keep changing. The short story here is that I have a 13-year gap to bridge and I'm not going to make it! Maybe you're in a similar boat.

There are many savings options that will (or might) generate additional income for me, but it's complicated.

Anyhow – and this might apply to you, too – planning my future retirement income is rather more difficult than I hoped.

The simplest thing by far is to expect to be working for longer than I thought I would. Hold that thought. We'll come back to it in Part 2, Working Longer, and again in the final part, The New Rules.

You now need to meet the matriarch, Doreen, my mum. Now just to give you some context, let me tell you that Doreen's first flight on a plane was only very recently, when she came to visit me in Abu Dhabi, in the United Arab Emirates. She is now 83 and has an 11% chance of living to 100, though the statistics suggest she could live to be 108.

In terms of how that compares with me, well, I am 1.6 times more likely to reach 100 than Doreen.

At the other end of the spectrum, Phoebe is almost 3.5 times more likely to live to 100 than Doreen, her great grandmother.

To complete the picture, let me tell you that Doreen worked part-time in her older years, as she was at home with me and my brother for the most part. But she didn't qualify for any company pension at all.

So in Table 2 on the next page there's a summary of the data for the female side of the family, from Doreen at age 83 to Phoebe at age 4. I must just tell you, I showed the table to my daughter Gemma and she had a fit. Why? I'd only gone and rounded her age UP to 33.

'But I'm only 32 years and 9 months!' she said. 'I've lost a whole quarter of my life there!' I thought she'd be far more interested in the life expectancy data!

I suppose it just goes to show. You can't be too careful making

	Age	Average life expectancy	Chances of reaching 100	1-in-10 chance of living to age...	Oldest likely age
Doreen	83	92	11.2%	100	108
Yvonne	54	89	17.5%	103	112
Gemma	32.y 9m	91	25.4%	106	115
Phoebe	4	94	38%	109	120

*Table 2: The female side of the family showing the generation gap in action*

assumptions. Anyway, in Table 3 you can see the gentlemen and we'll discuss comparisons between the generations in a moment.

Arthur, my grandson, is two. He often goes shopping with Grandpa (my sandwich-generation husband) and it's become a bit of a joke between the two of them to try on different hats in the ladies department at every visit to the supermarket.

The shop assistants know Grandpa well, so much so that if Arthur goes in without Grandpa they ask his Mum where 'Daddy' is today. No one wants to explain to the shop assistant that 'Daddy' is not really Daddy, he is Grandpa. Which I take as proof, if proof were needed, that multi-generational collaborations are complicated these days.

If it's any consolation, club-sandwiches are even more difficult to explain, believe me.

From vital statistics, kind of, to statistics.

Surprisingly, Arthur's statistics are very much like Gemma's, in the generation above him. But then he is a boy and has a lower life expectancy. They are both estimated to live to 91 on average. The actuarial figures show that Arthur has almost skipped a generation in the living longer stakes. He has only a 30% chance of reaching 100 and a 10% chance of living to age 108. With luck he could, however, live to the ripe old age of 118, but (please!) not in THAT hat.

Arthur's Dad Tom is 28, and he never goes to the supermarket to try on ladies' hats. It may be something to do with the fact that Tom was in the British Army for seven years and now works in the construction industry.

Tom has an almost 20% chance of living to 100 and a 10%

chance of living to 104. His statistics have also skipped a generation, again because he's a man. Tom's oldest likely age is around 114, giving him similar expectations to me, even though I'm in the generation above.

Interestingly, Tom's army pension for his 7 service years will give him about the same as he can expect to receive in an average civilian pension for the rest of his working life. We'll talk about public sector pensions later.

Next is Arthur's Grandpa, Simon, who is 51. Simon has a 12% chance of reaching the age of 100 and a 10% chance of creeping up to 101, but certainly not if he gives in to his 'late-life' mid-life crisis and buys a Honda CBF 600 motorcycle. (Not after the last one, please.)

Simon is a self-employed artist, and so doesn't have a rich programme of employee benefits or pensions at his disposal. It's somewhat true to use the expression 'starving artist' in Simon's case.

Prior to embracing the artistic profession, however, Simon was a chef. At least he didn't starve in those days. But he didn't get a pension either. Hospitality is not one of those professions that caters well for the 'life events' of its staff, especially in smaller restaurants or cafes. Actually there is very little of anything there, other than hourly pay and a few tips.

And finally meet the patriarch on my side of the family. Peter, my Dad, was mostly self-employed until he retired in his 60s. He is now 81 (going on 20), and you will often find him up a ladder, cutting down a tree, or mending a roof tile. Peter has a 7% chance of reaching 100 and his likely oldest age is 107, but he needs to be

Table 3: The male side of the family also shows a widening generation gap

	Age	Average life expectancy	Chances of reaching 100	1-in-10 chance of living to age...	Oldest likely age
Peter	81	91	6.9%	99	107
Simon	51	86	12%	101	110
Tom	28	88	19.5%	104	114
Arthur	2	91	30.2%	108	118

careful on that ladder. He has a private personal pension, paid into weekly, in cash, to the man from the insurance company, at the door, for most of his life.

What is so interesting about these tables of statistics for a real family is the stark differences between generations and between genders. And in Table 4 there's a summary of the combined data, for a close-up look at the differences.

For instance, you'll see that my daughter Gemma has the same average life expectancy as her nephew Arthur. According to these data they can both expect to live to 91 years of age.

I have similar expectations as my son-in-law Tom and I hope we can both see 88 or 89 without too many quarrels. We also have a similar chance of living to age 100.

My Mum, compared with my Dad, has twice the chance of living to 100, but they both have quite a good expectation of long life now. The actuaries tell me that the oldest likely age starts to go back up as you get older, because of the fact that you have already survived so long. (That's statistics for you, I guess.)

The most obvious difference between the generations has come out in telling this story and it's almost a cliché. Nevertheless it's worth examining the data to assure ourselves that we've got this right. But in the case of our family it appears to hold true: women on the whole live longer than men.

*Table 4: The gender divide is obvious*

	Age	Average life expectancy	Chances of reaching 100	1-in-10 chance of living to age...	Oldest-likely age
Phoebe	4	94	38%	109	120
Arthur	2	91	30.2%	108	118
Gemma	32y 9m	91	25.4%	106	115
Tom	28	88	19.5%	104	114
Yvonne	54	89	17.5%	103	112
Simon	51	86	12%	101	110
Doreen	83	92	11.2%	100	108
Peter	81	91	6.9%	99	107

The gap is shrinking though. Do you want to know why? Smoking. Yes, our changing smoking habits are responsible for most of this change. More men are giving up smoking and more women are taking it up – and we are dying younger as a result. Ladies don't do this. Smoking kills.

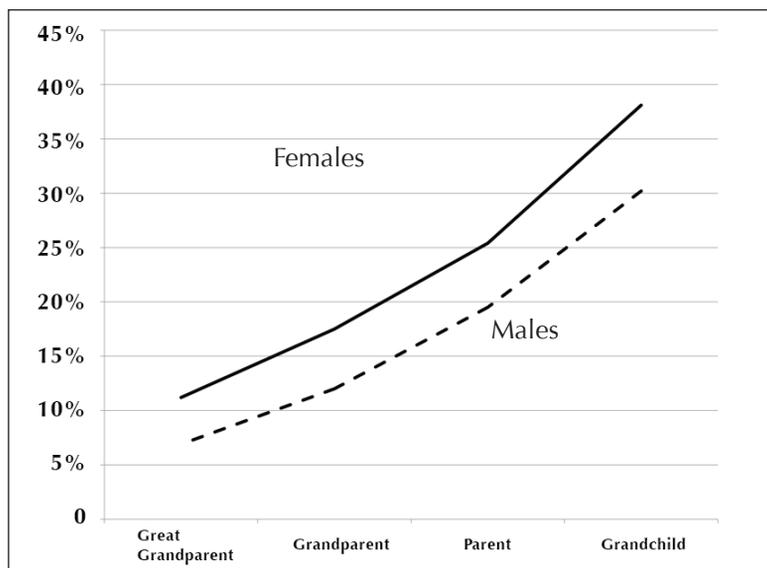
Putting the tobacco trend to one side, there are serious knock-on implications when we consider women living longer than men – including how much more cash than men women will need to support themselves in later life. We'll look at this more closely in Chapter 5.

From the summary of the life expectancy data, you can also take a stab at your own general expectations, as you read off your likely targets against these statistics.

The other striking fact I see when I look at these data is how fast life expectancy has changed across the generations – look at Phoebe's life expectancy compared with Doreen's, and Arthur's compared with Peter's. The difference is marked - take a look.

What you'll see in Figure 2 is that the probability of living to

Figure 2: Your generation more than your sex affects your chances of reaching 100



100 increases for every new generation dramatically. Everyone is living longer. And living longer in the future will be ... well... MUCH longer.

So your mission is not impossible, and you should choose to accept it, however old you are now. Because you need to survive your longer life. And although we've been exploring the challenges of supporting yourself, and your family, while you live longer, living longer is generally a good thing, right? This isn't a bad news story at all. So how do you do it?

Well, let's start with some planning. As well as trying to figure out how you will survive this longer life, we will also explore what is it you want to do with all the time you've got?

And your first hurdle is who will you put these questions to? Where will you get your advice? As always, there are options.

<i>A psychic</i>	<i>A financial planner</i>
<i>Gransnet / Mumsnet</i>	<i>Dadsnet</i>
<i>Life coach</i>	<i>Health coach</i>
<i>Personal trainer</i>	<i>Family therapist</i>
<i>Your church</i>	<i>Another spiritual guide</i>
<i>Your mother</i>	<i>Your father</i>
<i>The internet</i>	<i>The lottery</i>
<i>Self-assessment tests</i>	<i>Career counsellor</i>
<i>Spouse/partner</i>	<i>You don't want any advice as you have cracked it</i>

Dadsnet, for some reason, wasn't popular enough and has closed down. So PS to men: you need to use the social networks more, and then you will live longer. (OK that's not particularly scientific, I will give you that.)

On the subject of not being scientific, I haven't been to a psychic yet, but I have tried all the others on this list of advisers, with mixed results. I am currently favouring Gransnet. Today's words of wisdom, for example, include a lovely intergenerational story about a 12-year-old who was heard to shriek at Grandma: 'Old people don't take selfies! They're for young people.'

Grandma pointed out that her own iPhone 6 produced a much

better quality selfie than the grandchild's old iPhone 4 and she – the 12-year-old – needed to get over herself. A heartwarming interaction, I thought. I also drew some conclusions about exactly where some of that €3 trillion in the silver economy is being spent.

When you go along to meet a financial planner, on the other hand, they will more often than not ask you about your lifestyle expectations. They will ask you what you aspire to and help you to visualize your aspirations. They will then set these out as expectations that are achievable... IF you follow the plan they will help you draw up. They will help you to get it into your head that your dream cottage in the country, or the small boat on the canal, are perfectly possible. They will talk to you about your investment strategy and how much risk you're prepared to take.

Historically, a minority of financial planners did give the industry a bad name, but I do believe things are improving.

A brief mental health warning. I have always had access to a lot of good advice about pensions. Nevertheless, it still took me almost six months and a complicated Excel spreadsheet to work out the value of my pension pot. And I have only had four jobs.

PS to you: sort your paperwork out. Put it all into one file box to start with, and then graduate to adding all the numbers up. Once you've done this there are still a few more steps, so don't get smug.

Whatever the financial planners talk to you about, however, you are unlikely to be able to afford ANYTHING unless you get a grip on your finances. I would recommend this sooner rather than later.

Which raises a question: can you rebuild your life and yourself quickly? And if so will you be able to afford your aspirations? Because your longer life may sound long and daunting, but it's actually flying by, so get a shimmy on. That cottage in the country has my name on it and I want roses around the door. I for one am not working this hard for this long without realizing an aspiration or two.

The main question you should be asking at this point is exactly how long will I live? And that question depends in large measure on what country you live in. ■

“ *Jenny has tried to commit suicide before. She screams that she will drug the dog this time so that he dies with her. It’s complicated. Part of Jenny’s family are there for her, but they can’t be there every moment. The social worker calls Jenny’s daughter after she calls for the ambulance* ”

*Chapter 3*

**HOW LONG WILL YOU LIVE?**

*And Where Do You Come From?*

‘It’s not how old you are. It’s how you are old.’

*Attributed to Jules Renard (1864-1910)*

Reality check. According to the World Health Organisation (WHO), the average global life expectancy is 71 years.<sup>14</sup> But the amount of that average life you’ll be in good health for is only 62 years. So here’s a warning: life events ahead.

Assuming you are having an average life, then according to WHO you are going to have almost a decade of an *unhealthy* life at some point. Yes, life events are going to hit you or your family for real at some point in the future. Count on it. This is not a game.

But what I’m hoping is that this finding from WHO will increase your shimmy levels significantly – you need to get a move on and put in place methods of surviving your longer life. Because even though you may well live much longer than your parents will (or did), you might be in poor health for a good chunk of it. And your healthcare – I’m sorry to say – could be expensive.

Think about this. If you’re going to live longer isn’t it likely that you’ll be spending more on healthcare? Well, yes, you are, but here’s the thing: it’s not exclusively what you spend on healthcare that keeps you healthy – it’s a combination of living standards, lifestyle, education and your overall environment that makes the difference.

So let's look at this: where do you live? And – perhaps more importantly – where do you come from?

We'll go global in a moment, but bear with me as I'd like to start with Britain. According to the Better Life Index of the OECD, 74% of people in the UK regard themselves as in good health. And actually that's higher than the OECD average of 68%.<sup>15</sup> So there's a small but significant difference across the world regarding those who appear to be healthy and those who aren't. (The OECD includes Australia, Japan, many European countries, and the USA among its 34 members. So this is a pretty big deal.)

What is becoming frighteningly more apparent, however, is the health inequality between the haves and the have-nots – the OECD members and the non-members, if you like. But this isn't just a geographical divide – north-south, east-west. We're talking about people from broken careers, broken families and from increasingly difficult working conditions – all of whom appear to be becoming less and less healthy.

And maybe it's this that's triggering a renewed call to employers, in developed countries at least, to improve the health and well-being of their employees.

This is no altruistic crusade. Absenteeism costs businesses in the UK alone around £15 billion every year. So improving employee health and well-being has a positive double whammy impact on business and economic performance. First, by reducing the costs associated with absenteeism – the cost of lost days work and the costs of replacement staff drafted in, among other things. And secondly by increasing productivity and profits.

There is some evidence that encouraging employees to take up healthy lifestyles by offering perks and incentives is proving effective. I won't go into how they encourage employees too much here – this isn't an HR manual – but I will say that those incentives can be in the form of some kind of a reward, or they can be in the form of some kind of competition.

The psychology is interesting and I've got a simple example from my own experience where the idea of a competition seems to be working very well as an incentive.

You've probably guessed by now that I don't go anywhere with-

out the phone app that counts my steps. Partly because I know it's good for me to get in at least 6000 to 8000 steps a day. But partly – it has to be said – because I am trying to beat the woman on the 3rd floor in the leader board walking competition. And, of course, the whole company can see who is in the lead. So there's even more of an incentive, right there. (Pride, honour, call it what you will. Sadly I'm not joking.) So yes competitive incentives can be surprisingly effective, although not for everyone.

So I want to explore absenteeism for a moment, because there has been much done in the UK, over the last two decades, to bring absentee levels down. The Office for National Statistics reports a reduction from 174 million days sickness absence to 132 million days lost since 1993, which is a great result for business. And in part it's healthy competition, like introducing the steps leader board, that is bringing about this reduction.

So the message to employers is to spend more time, if not money, on proactive and preventive techniques. These are much less expensive in the long run than reactive support for problems once a problem or situation takes hold. The message to employees is to take every opportunity to take up the offers from employers. Your healthier body and surviving your longer life in better shape are the rewards.

Some people seem to shy away from participating in health and well-being programmes, arguing that a heart attack or cancer 'can strike you down anytime'. But what we do know is that many if not most conditions that become chronic are largely preventable. Including some cancers, heart disease, chronic respiratory conditions and diabetes. These are the main causes of death or disability in developed countries and yet these conditions are all linked with lifestyles that can be modified. People who don't smoke or drink, people who are physically active, people who eat well and are not overweight – they do have a much lower risk of ill-health and are less susceptible to developing chronic conditions than their counterparts with a less healthy lifestyle.

I suppose what I'm saying is that there are ways to reduce that unhealthy decade at the end of the average life. Because you don't have to be average.

If you maintain even a modestly healthy lifestyle and you continue to be physically fit and able, that means you can carry on with your career for a little longer. And it's through your longer career that you will make the money you need to help you survive your longer life. It's by making a little more money that you will tick off some more of your aspirations.

Because health and wealth are joined at the hip. When the balance is upset it's a downward spiral, on both counts.

So you have to look after you. Because you are your best asset.

Now, we've already said that where you live and your personal background makes a difference to how long you'll live. It's true globally – and we'll look at that next. But it is even true within a single country.

According to the UK's Office for National Statistics, in 2012 the average life expectancy of a healthy person in England was 63.4 years for men and 64.1 years for women.<sup>16</sup> However, if you are a man living in the southern town of Richmond-upon-Thames, you can expect to live to the ripe age of 70 years, and if you are a woman living in nearby Wokingham, your life expectancy increases to 71 years.

At the other end of the spectrum, if you are a healthy man living in the Tower Hamlets district in the city of London you can expect to live only to 52.5 years, almost two decades less than a healthy man in Richmond-upon-Thames. And if you are a woman living in the northern city of Manchester your life expectancy is 55.5 years, 15 years less than a healthy woman in Wokingham.

So it's clear there's a gender difference across a country, but there are even significant gender differences in a single town. The largest gender difference in the UK is in the southern town of Fulham. Here women can expect to live more than 5 years longer than men in good general health. What is happening in Fulham?

Now this is all very interesting, but it doesn't mean you can suddenly up sticks, go live in Richmond-upon-Thames and you'll live longer. But it does mean we need to look at what's happening in Richmond-upon-Thames and apply those lessons – if we can – in other places. This is a message I suppose for politicians, health-care providers and town planners. Certainly a 20 year variation in

life expectancy seems to me to be an issue of national importance. We need to explore what's working socially and economically, and transfer as much as we can to other towns and cities.

Looking further afield, it's a sad fact that in some countries of the world looking after your health, in the way we've been talking about in this book, is not an option. To me, as far as the global scene is concerned, there's a lesson here for premiers and prime ministers. Can your government departments look beyond their borders, see what's working elsewhere and transfer it to your nation state? I hope so.

At this point I have to hold my hands up. I know that just copying what's happening in the developed countries won't necessarily work anywhere else. That's because the demographics of the developing world are so very different.

Remember from Chapter 2 – typically – those affected most severely by the ageing bulge are the developed nations, where birth control and good health care systems are part of the infrastructure of everyday life. An older age bulge, however, is not a global phenomenon. In the developing countries of the world many countries are faced with a youth bulge. And having a youth bulge brings with it very different challenges for the social, political and working environments.

Regions experiencing a youth-bulge include India, where the average age is in the 20s, and the developing countries of Africa. The average age of the population in Africa is 17 or maybe 18 years old.

There are additional challenges in Africa, too, because poor standards of health care mean that life expectancy is much shorter than in the developed economies. Exacerbating the problem, the population in Sub-Saharan Africa is expected to grow faster than anywhere else in the world, from now until at least 2050.<sup>17</sup> Partly it's because there's little or no birth control, and education on the topic is next to non-existent. Women typically have between five and seven children here, and unless more family planning centres have an effect, the continued growth is likely to undermine any efforts to reduce poverty or to create jobs. In South Africa, for example, youth unemployment is running at over 50%. Not good when

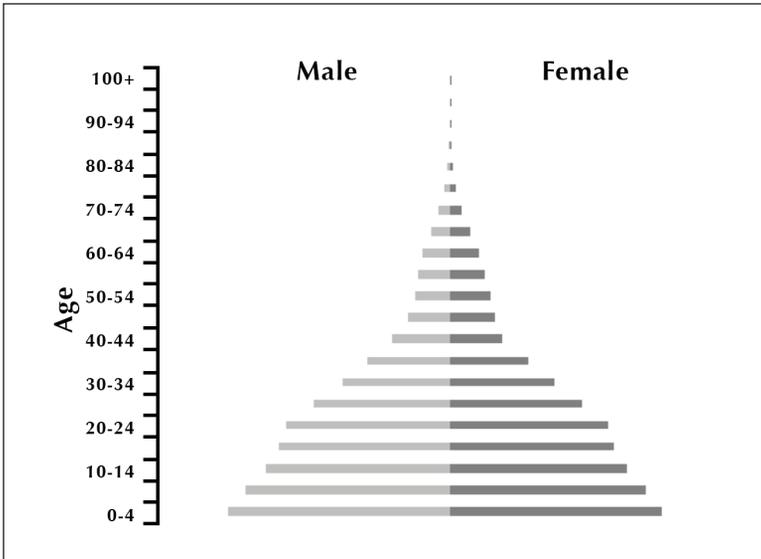


Figure 3: Nigeria is one of many African states with high birth rates

most people in the country are youths.

The graph in Figure 3 for Nigeria, based on WEF<sup>19</sup> and United Nations data<sup>20</sup>, shows the typical shape of a population with a youth bulge. The pattern is like a pyramid, and sometimes it's much flatter even than this, showing there's a low life expectancy. Sometimes the pyramid can be even wider than Nigeria's, showing there's an even higher birth rate.

Why am I sharing these global data here, when you as an individual may not be planning to live or work in any of these countries? Why do I want you to understand these demographics, and to assess the global population and healthcare trends? Well, I think it matters. Let me explain why.

If I'm successful, I hope that you'll be better able to understand what the world of work facing you in the decades ahead will look like. You may also better understand how the changing world of healthcare globally will affect the companies you work for and the people working with you.

And, if I'm right, this should help you wherever you are in the world. Wherever you call home.

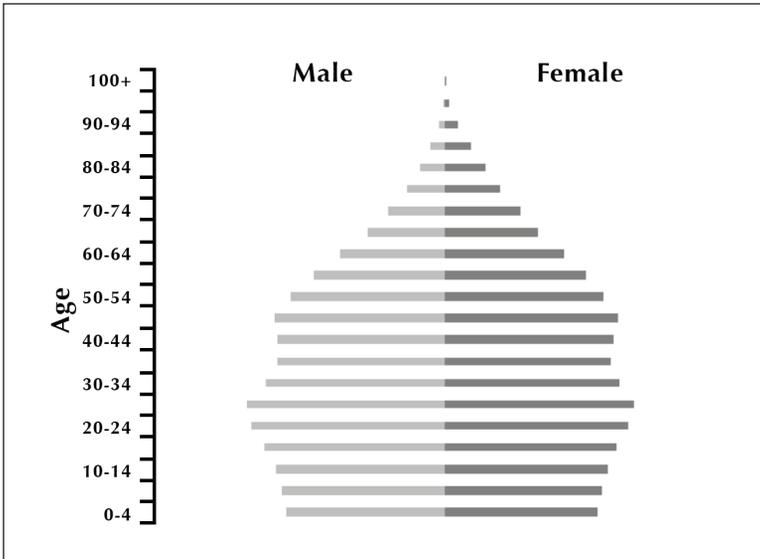


Figure 4: The volatile population growth of Chile has its own challenges

So let me share some more of these bulge graphs, to expand your understanding still further, starting with Figure 4 from the data on Chile, in South America.

The graph for Chile in Figure 4 illustrates a more volatile pattern of population growth than in the African regions. High youth numbers in the region are blamed by some commentators for youth driven political unrest.

Parts of the Middle East, in comparison, have been described by some demographers as ‘a population that is exploding both in metaphorical terms, as well as in reality’.

In many ways, it’s the countries with high numbers of young people that are grappling with quite the opposite problem from what we’ve been discussing in this book. Instead of ‘how to survive your longer life’, they are grappling with the issue of how to survive a shorter life.

In many Middle and Far Eastern countries it’s this feature, says the US/Middle East Project, an independent think tank, that can hold societies back from developing the sustainable economy and the jobs they need to move forward. ‘This deserves the urgent at

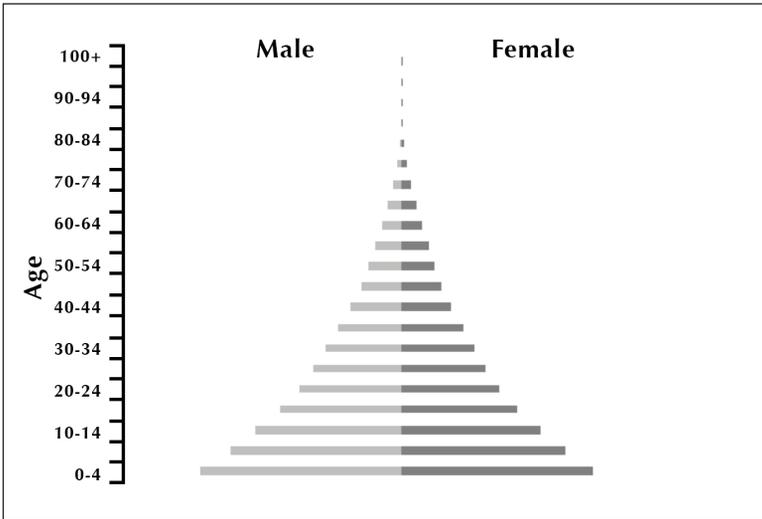
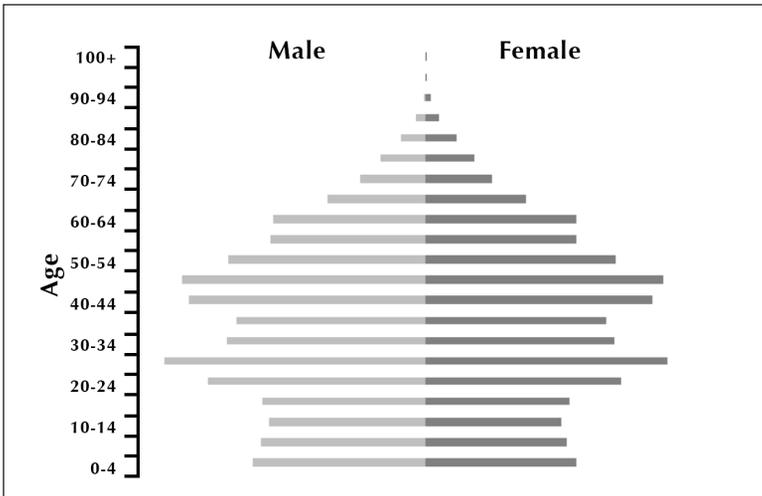


Figure 5: The wide-based pyramid characterises the young population of Yemen

tention of policymakers and non-governmental actors in every Middle Eastern country,' says Leslie Gelb, president of the Council on Foreign Relations.<sup>18</sup> Take a look at Figure 5 – Yemen – for

Figure 6: Can the demographic challenge facing China be overturned?



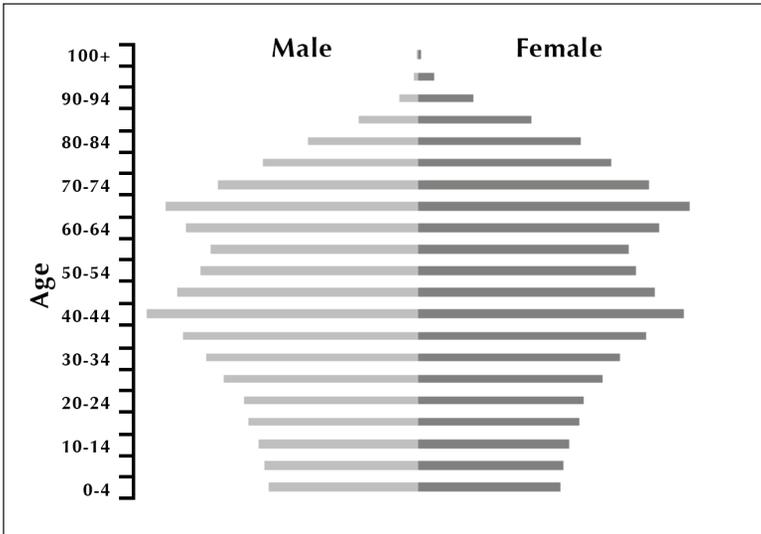


Figure 7: Japan's age bulge contrasts with the youth bulge facing Yemen

example. What does it tell you about life expectancy?

Now take a look at Figure 6, for China. What impact is birth control having on the birth rate? How long do you think this situation can be sustained?

Let's turn to some of the developed economies, because it's these that are grappling with the core challenge of this book – an increasing population, in general good health and, inevitably, ageing.

In Japan (Figure 7) we can see a country severely and dramatically affected by an ageing population. Some would describe the plight facing Japan as a crisis. But Japan is taking action and could act as a benchmark for other nations with an age bulge. The country has already adopted a series of innovative employment practices to counteract the economic effects. We'll share some of these later in the book.

Other key geographies to mention are the USA, which shows a more even and stable population growth, although it's still in decline since Baby Boomer days (in Figure 8 over the page). And also look at Canada (in Figure 9).

When I first saw the Canadian data many years ago I was surprised. Somehow I expected the Canadian population to 'feel'

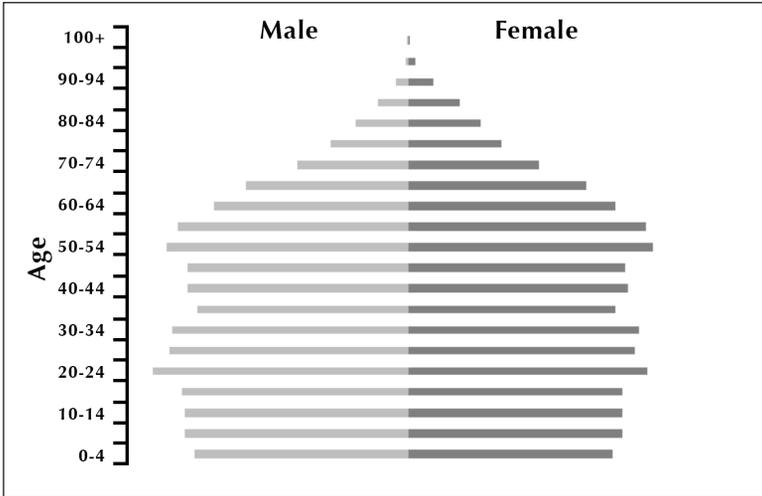
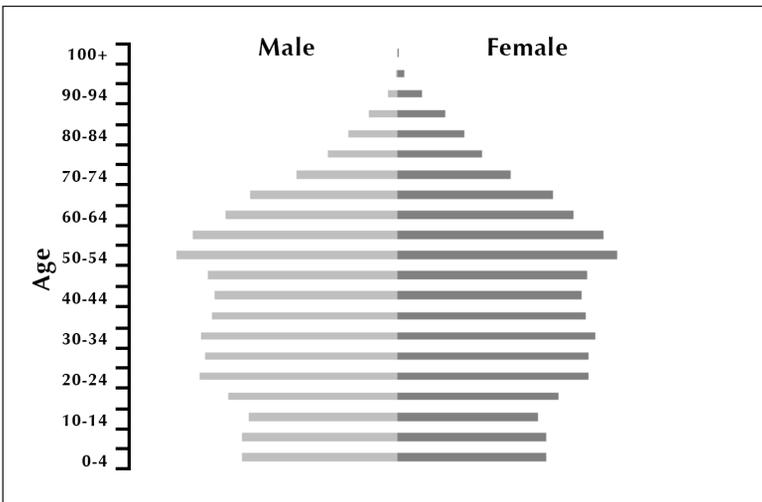


Figure 8: The USA has a stable and even population, but it also is ageing

much like its North American cousin. But it isn't. Canada's population is much more similar to the UK population (in Figure 1, back in Chapter 1).

Timeout.

Figure 9: Canada's population is more like the UK's than the US's



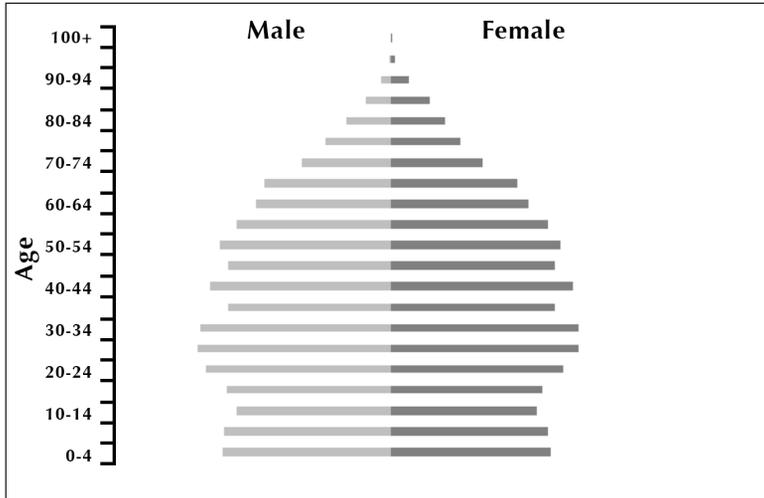


Figure 10: Australia, a young population, still faces an ageing challenge

I hope you can bear with me here. I love these demographic data. The shapes and charts in this part of the chapter address the crux of the challenge. The challenge of living longer. And these countries certainly do all face the ageing challenge, even though some – such as Australia – also support many young people.

Perhaps they each face the situation to a different extent and scale, though. Nevertheless, policy makers in all these developed economies have their work cut out. They have to enable their people to grow old and to work, if they wish, for longer than ever before. Without bankrupting their states.

In continental Europe, it's Greece, Spain, Italy and Germany that have significantly worse ageing challenges than other countries. (Germany's data are over the page in Figure 11.)

Perhaps, knowing this, we can see why Germany has been so welcoming of refugees from the Middle East – taking 800,000 in 2015 alone, from the civil war in Syria. The country needs a young workforce to support its economic position in the decades ahead.

Full demographic data – including the labour force participation ratios for over 120 countries – can be found at the World Economic Forum's website.<sup>19</sup> Similar data is hosted and available for personal use at both the United Nations<sup>20</sup> and UNESCO<sup>21</sup>. I

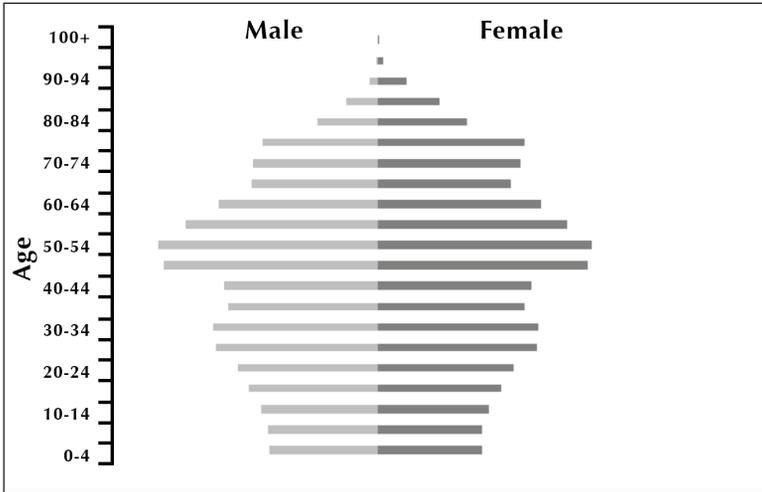


Figure 11: A clear age bulge is something Germany needs to address

strongly recommend checking the profile of your country, or of any country of interest to you, and trying to understand the challenges facing policy makers and employers there.

So if it's the developed nations that are by far the most affected by the challenges of an ageing population and by longer life expectancy, why and how is this going to affect working patterns facing you, wherever you're based?

Well, the most significant ramification of this worldwide trend is that the developed nations are also responsible – currently – for the vast majority of the world's trade, manufacturing and production. So the shortage of labour and skills in the developed nations will fast become a major and chronic problem. If the world isn't to hit a major economic crisis that will make the 2008 financial crisis look like a blip, then our politicians and our corporations need to address this immediately.

If you can see this, as you read this book, then please make your voice heard in whatever way you can. Share these data. The visual aspect of these charts can sometimes get through when pure numbers can't.

OK, this book and my news isn't all desperate. Some countries are already getting greater participation of older people in the

workforce. If we know who they were we could study what they're doing and transplant good ideas elsewhere. And luckily we do know who they are.

The United Nations' Economic Commission for Europe (UNECE), for instance, and the Commission's Directorate General for Employment, Social Affairs and Inclusion (DG EMPL) have produced what they are calling an Active Ageing Index.<sup>22</sup>

The index is basically a list of good performers in four key areas.

- *Employment levels (who's employing older people?)*
- *Continued participation in society (who is using voluntary work and family caring, for example, to 'sustain' older workers?)*
- *Who has most people still healthy and still living independently and securely?*
- *Who has created the best environment for active ageing in society? (For example, by offering access to lifelong learning, ICT and measures to keep older sections of the community mentally as well as physically healthy.)*

These data will help policy makers monitor what's going on across Europe. And although the index is restricted to Europe in the initial phases, the intention is to widen the coverage of the index soon.

The results show fairly consistent winners and losers so far. Table 5 lists the top five 'active ageing' states. And although it's no surprise, it's good that these data confirm it: affluent member states in Northern and Western Europe are having the most success

*Table 5: Watch and learn from Europe's top 5 'active ageing' states (UNECE 2015)*

<b>Top overall in all 4 measures</b>	<b>1: Employment levels</b>	<b>2: Participation in society</b>	<b>3: Independent living</b>	<b>4: Enabling environment</b>
Sweden	Sweden	Ireland	Denmark	Sweden
Denmark	Estonia	Italy	Finland	Denmark
Finland	Denmark	Sweden	Netherlands	Luxembourg
Netherlands	UK	France	Sweden	Netherlands
UK	Germany	Netherlands	France	UK

Lowest rank overall	Employment levels	Participation in society	Independent living	Enabling environment
Poland	Belgium	Germany	Poland	Slovakia
Hungary	Greece	Estonia	Greece	Hungary
Slovenia	Malta	Romania	Bulgaria	Greece
Romania	Hungary	Bulgaria	Romania	Lithuania
Greece	Slovenia	Poland	Latvia	Romania

Table 6: Europe's lowest-ranked states in 'active ageing' (UNECE 2015)

keeping older members of society active and involved in work and in society.

Although not all five of the high scorers are achieving top positions across all four measures, the research does highlight the bright spots and projects that are having a positive effect.

In Sweden for example, the high ranking is due to consistent high scores across all measures, but particularly it's the high rate of employment of older workers pulls up its score. There are still unmet needs in the Swedish healthcare market, however.

The lowest ranked states are shown in Table 6. For Greece, while the country doesn't score the lowest on any single category, overall it is consistently low. The key recommendations for Greece, from this research, would be to raise employment levels for older workers, and to increase lifelong learning and support for the mental wellbeing of employees and citizens.

Of course, to a large extent the uncertainty over the economy and the tough austerity measures mean the state and many companies will just not invest in this. So the country likely will remain trapped in a vicious circle for some time to come.

If you're an employer or a politician it's well worth the small effort required to discover more about these projects.<sup>22</sup> But to help focus your attention let me highlight that it's probably the Employment measure that should get your attention. This issue - increasing the employment of older workers - is likely to be the one that makes progress first, as initiatives and activities to recruit and retain the older age groups ramp up. The UK is beginning to see this reasonably clearly and this should have a knock-on impact on the other measures.

By the way, and though it galls me to report this, there is evidence in these data that older men still get better jobs and get significantly more money than women. Come on! We urgently need to get a grip on this. Not because it's the right thing to do – though it is – but because women are going to live longer than men!

Despite the fact that there is much legislation in place to assure equal opportunities and equal pay the evidence is that we're still not practising what we preach. So it's going to be smart employers who benefit first- the ones who see economic catastrophe looming unless they take the steps they need to survive.

Employers can do this by levelling the playing field. The message is simple: equal pay for women. And what about more education for ageing and older women, to help them understand the financial implications of living longer.

On the whole, though, this work on ageing and employing older workers is good news for developed nations. And as the research underpinning the index matures, companies and governments will be able to identify benchmark projects. Then we should be able to provide an action plan for others to follow.

In fact, it will be essential for countries and employers to identify and share these projects if we are to get older workers to participate more in the economy. The economic recovery of the developed world is at stake here, after all.

The next phase of the 'Active Ageing' study is likely to bring in countries including Canada and the US, which will give us some useful extra data to draw on. And I'm expecting the US to rank high in a couple of places on the index. Can you guess why?

Partly it's because the US has seen an increase of 50% in the number of people aged over 65 in the workforce in the last 20 years. And that is the challenge facing all of us in the developed economies. How do we help people to survive work longer than they ever have before without burning out?

It's a quandary that we haven't really solved yet. But we must. ■



THE  
NEW RULES  
OF LIVING  
LONGER



**Part II**  
**Working Longer**

“ Jenny’s grandson has just arrived. He’s a few minutes behind the paramedics. He’s only 10, but the social worker hopes that he gets a better financial education than Jenny and that he manages to keep out of debt. It could have been so different for Jenny if she had learned about managing money at an early age ”

*Chapter 4*

**YOU WILL BE WORKING LONGER**

*Rethinking Retirement*

So where will the money come from? Because to support this longer life of yours you *are* going to need money. So where will it come from?

Assuming you don't have a wealthy spouse, or a flush trust fund, you have two main options: you will either have to work for longer than you expected, or you'll have to save more to help you get into the home stretch. Don't expect either to come easily. Just see this chapter as another taster to prepare you for what's coming with the first New Rule of Living Longer.

Sadly, companies aren't yet ready for the revolution in work-life balance that we've been talking about. So they won't always make working longer easy for you. But to help you in this chapter I'll share with you what the future of work looks like and what an employer is looking for when they hire someone older – even though they may not realize it. I'll also cover what conditions you can expect to face at work as an older employee.

For your part, in looking for future work, what should you do more of, or less of, and how should you sell yourself?

In short, this chapter highlights the skills, the types of work and the jobs that you might find in the future, and how you might get at them.

Be sure on this point – the prognosis is good. As one example

consider my home base in the UK. Here there will be 13.5 million job vacancies over the next 10 years, but only 7 million young people will leave school in this decade. So even if the British businesses hired everyone who is currently unemployed to take up those jobs, that would still leave a gap of around 4.5 million vacancies to fill.<sup>23</sup>

So there is a real shortage of labour and it's similar in other developed countries. What's more, recruiters are finding skilled candidates are in short supply in every major industry sector. This type of job market means employers need to look at different ways of attracting candidates and they also need to look at more diverse sources, too. In other words, you can be sure that older workers are definitely going to be more in demand, as will returning Mums and carers.

But don't get too complacent. You might be thinking that if there is such a labour shortage, it may not be so difficult to get a job in your later years. The important thing, however, is to make sure you get a role you want and that your employer does their part in supporting you as an older worker.

So there's work for you to do here as well. For example, employers often advertise a vacancy by saying 'Energetic, enthusiastic graduate required. Apply online.' Even though blatant discrimination isn't happening here, indirectly or subliminally this may exclude older people or returning mothers.

The advertisement is not directly saying don't apply for this job if you are 'old', whatever that means, but the language and the implications are that this employer is seeking a young candidate, someone that might be deemed 'future talent' straight out of university and with no baggage. Somehow you need to address these issues tactfully in your application.

I have to harp on again about technology, for a moment. Sometimes 'apply online' might deter or even exclude older applicants who simply don't have access to technology or who choose not to adopt new technology. But what I urge older people to do is to embrace and not to dismiss ads like this. This is time for you to re-write your CV in the right positive language, and rise to the challenge of the application process. The more of us who take the positive approach the more employers will see they have to deal

with the ageing workforce. In a way, we can change the system, from inside – if there are enough of us to grasp the nettle.

By the way, working longer doesn't always mean working for someone else. In recent years more and more people have joined the ranks of the self-employed. Why not us older workers? The Office for National Statistics in the UK says that the rise in the number of people self-employed in 2014 was the highest yet<sup>23</sup> and people are staying self-employed.

So what can you do as a self-employed older worker? Well, while the top three jobs in self-employment continue to be in construction, carpentry and in driving taxis – perhaps demanding a strong physical constitution – the largest recent increases include managers, directors and senior officials. Now, many of these roles will be interim roles or consultancy contracts, where older workers stay on or return to their industries to undertake projects after 'retirement'.

There is also a wave of new roles creeping into the limelight in the self-employed world, including translation services as we get more global, pet care, new franchise opportunities, and care services.

This shouldn't be a surprise. Caring for the elderly is likely to be one of the biggest growth sectors ever in all of the developed economies. There are just not enough family members to support those that will need care in the years to come. Even if we wanted to adopt the Asian extended family model, and care for our parents and grandparents in one large house, the shrinking population means that our extended families just won't be extended enough.

If you're interested in which jobs will be among the most lucrative self-employed roles of the future, then these are forecasted to be in infographic design (surely temporary?), finance writing and (as ever) freelancing in IT.

There are also shortages in finding people who can draft contracts, write good CVs, and work in recruitment (oh, the irony). And there is a desperate shortage of drivers.

A manager in one of the British companies I've talked to recently explained to me how the UK system for building a career in driving is at a severe disadvantage because of the way it is taught.

'You need specialist skills to drive dangerous goods and large

vehicles in the defence sector,' she says. 'But it's expensive to get a licence to drive heavy goods vehicles, so newcomers are being put off and the industry has really suffered.'

Just across the English Channel in France, she points out, driving as a career is an option at University.

So there is a major shortage of skilled drivers in the UK that is badly timed to coincide with the most rapid period of growth that internet sales – and therefore parcel deliveries – have ever recorded. This just doesn't stack up. Frankly, what it alerts me to is that no one – not from the employers, the professional bodies, or from governments anywhere – is yet taking sufficient long-term, strategic action to resolve the employment crisis ahead.

But whatever happens, make no mistake, there is a huge opportunity here for older workers. Especially if you are prepared to work as a contractor – in effect to become self-employed.

New self-employed entrepreneurs are springing up in the most unlikely of places. Many don't always need much capital.

I love the story I read recently about a lady, let's call her Margaret, who collected bits and bobs associated with her hobbies – embroidery and knitting. She would pick up vast collections of unused hobby room equipment from salerooms and at auctions across the country and from her network of fellow hobbyists.

Margaret had spotted that at some point many people become bored with or are just unable to carry on their own knitting and embroidery. Maybe they have to move house and just don't have the space. Maybe they move on to other pastimes. But Margaret also spotted something else. That there are still many new people looking to take up these hobbies and pastimes.

So Margaret became hugely successful as a reseller, posting the equipment and the remaining remnants she had acquired as 'starter' packages on eBay, probably the world's leading online auction site. As a result she has been able to buy a cottage for herself in France.

There must be many other hobbies that people lose interest in that appeal to specialist buyer markets. Having been through flute, clarinet, violin and piano lessons with my children over the years, there must be a gap in the market for some sort of parental instru-

ment exchange platform. I haven't had the time to look for it, so maybe one already exists, but if not there's an idea for someone to pick up and turn into a decent business. And to start you off, I have a clarinet and a violin in the loft that you can have.

Another idea, especially for the warmer climates of southern Europe and the southern USA, would be residential and commercial cleaning businesses with a difference. I'm thinking of all those swimming pools and spas – and that wouldn't require a large capital to start up. In fact, some of the easiest self-employed businesses to set up, in terms of requiring little capital, include cleaning, gardening and childcare. There is a sideline out there for everyone. And if you don't want to do the cleaning, gardening or childcare yourself, you could set up and run the business, organizing lots of part-time, self-employed contractors.

Let me add at this point that if you are going to be serious about childcare you have a fantastic future ahead of you as this is in-demand everywhere. However, if you're going to take this seriously as a business you must ensure that you – and anyone working with you – have the right professional skills. And you must be registered and accredited with the authorities in the country where you live.

You can probably identify two or three possibilities for self-employment – using your existing skills and experience, or from the knowledge that you already have. But I have to tell you that the average earnings from self-employment appear to be slipping. Income for small service businesses appear to have fallen, in the UK at least, by 22% since 2008-2009. According to the UK Family Resource Survey, the average earnings for the small business sector was £207 a week in 2014<sup>24</sup>. This fall is happening in other countries, too, though this may still be fallout from the financial crash of 2008-2009.

Perhaps this slippage in earnings levels reflects the fact that more and more people are becoming self-employed in addition to another role, or to supplement pension payments. And so £207 a week could be a reasonable supplement if you have another job or another income source.

Having what you might call a plural or portfolio career seems to be becoming the norm in Australia, for instance. And it's a good

supplement to pension payments for older workers.

If working for yourself or being a contractor isn't immediately appealing then it is to the employers you're going to have to turn as you get older. And it's worth reiterating a point we touched on earlier when we were discussing the new rules of applying for work online: technology.

One thing is certain: the future and therefore your future is going to involve technology in some shape or form. And as an older person in the future you will provide a key pool of experience and skills, and employers will have to depend on hiring you. However, if you don't stay ahead on technology, then this could be a real barrier. The good news is that if my Mum and Dad, for example, can get to grips with technology so quickly in their 80s, then anyone younger can do the same.

What I'm signalling to you here is that the employment world is changing, as it always has done. You found the world of work very different from your parents, I'm sure. And so you will need to keep up with the trends of today and to change with them, especially when it comes to technology.

The nature of work itself is changing, too. This is a taster to prepare you for the second New Rule of Living Longer.

One of the most significant changes in the world of work – in the developed economies, at least – may actually help you and other older workers. I'm thinking of the regulations that have changed because of the demographic changes we're experiencing. And specifically the fact that in many countries there is no default retirement age anymore.

What this means is that your employer cannot or should not be able to make you leave work at 65. If you want to carry on working, then you should be able to. This is helpful, because if you can't afford to give up work then no one can force you to do so.

In the UK, research by the Government's Department for Work and Pensions shows that almost half of us still want to be working between the ages of 65-70.<sup>25</sup> What's more, the research suggests that over a tenth of those who have actually retired didn't really want to go. They just felt they had to, or were expected to leave. It's no surprise then, but still significant, that almost two-thirds of the

survey population does not believe that a ‘sudden stop’ to work is the right way to retire. That’s supported by 36% of those who have retired recommending a switch to part-time working, instead of a full-stop.

What message are we supposed to take from the changing demographic trends – and the changing world of work – as far as the older worker is concerned?

Well, my advice here is to think about how you can re-use, or re-invent, your existing skills to serve your employer or yourself in a different way. You have to do this anyway, if you want to serve a new part-time employer. Whichever way, extending your current employment, or working part-time for a new employer, may help supplement any pension you have from your employment to date.

As well, it’s worth thinking what new skills you need. I’m thinking especially of technology, but it may be worth re-training or topping up your professional knowledge. And we’ll look at that in more detail in Chapter 7.

Above all, though, if you need to supplement your pension shortfall then you need to make sure you have options and choices.

One of the options – applying for work with new employers – raises a question we touched on earlier. How do you apply for new jobs? I don’t mean to be patronising, but it is a challenge especially if it’s something you haven’t done in a while. Because you must use the right language when applying for these new roles.

Bear with me on this one – even if you consider yourself a good writer and usually competent at persuading people. Sometimes people can trip themselves up here unnecessarily.

By the way, I’m not holding myself out as a CV guru here, or a recruitment adviser to all and sundry. There are many good ones out there. It’s just that these are a couple of the things that continue to crop up – things that cross my desk from time to time. (Call them my personal bugbears, if you like.)

If an employer is looking for somebody who is an enthusiastic, energetic graduate, then why don’t you describe yourself (or reinvent yourself) in that way? It may be a few years since you graduated from your FIRST degree, but perhaps you have a second degree? Or subsequent qualifications.

What I'm suggesting is that you don't just equate the word 'graduate' with being 21 years old. Your most recent graduation may have been as an older, more mature student. My latest graduation was in 2010, for example. Which makes me an energetic, enthusiastic graduate. I am reinvented.

It may seem trivial, but it should give you the confidence to see more vacancies as fair game. Go ahead. Apply.

Another bias we sometimes have – and it's a tough one to let go of – is when we highlight our 'many years of experience'. Sometimes it can help, but you have to judge this one carefully.

If you say 'I have 20 years experience, I'm an expert in my field and I've specialised in this ever since...' well, does that sound energetic to you? How can you inject some energy in just some of the things you've done? Perhaps around some of the recent projects in your path.

Sadly, there is still a bias against older workers in the recruitment process so you have to work hard to stand out in a positive way.

You're lucky if you're based in the UK, as there's guidance for recruiters from the Recruitment and Employment Confederation (REC) and Age UK, the country's largest charity dedicated to helping people make the most of later life. Together they prepared a joint report with key recommendations for recruiters.<sup>26</sup> You should get hold of it to see what they're talking about on the other side of the desk, so to speak.

The important thing is that REC and Age UK encourage employers to look beyond stereotypes. They point out that age is not an indicator of ability. They also point out productivity is not affected by age – and a ton of leading studies back that up. But it's a tough stereotype to quash.

This kind of guidance, from organizations as influential as REC and Age UK, is critical given the ageing population we've been talking about. And proactively reaching out to share this knowledge could usefully be adopted by employers in other countries.

Recruiters and agencies should promote the business case for hiring older workers, and managers responsible for recruitment inside our corporations should do the same.

Everyone looking to hire people should make sure they assess the full pool of candidates with due care. This isn't because of some fluffy, altruistic, 'help older workers' binge by our governments. There is self-interest in this for employers who are going to be dramatically short of workers very soon.

Luckily, REC and Age UK also know this – and they recommend that advice, information and training is given to anyone having to recruit staff. Because they in turn need help.

Not least because many older jobseekers won't have read this book and won't be drafting 'modern' CVs or be applying confidently online.

The point for you, as someone applying for jobs in later life, is not just to speak up, but to shout up. Now, I'm not asking you to brag, only to make your points in a different way. Because your good work and your good character will not speak for themselves.

Remember that you may well be having discussions with someone in the organization who hasn't seen the recommendations or who hasn't been trained to interview well. (This is still annoyingly common, the world over.)

In the meantime, and remembering that this is not my day-job, let me share with you Table 7, which summarises some of the best advice that I've seen for folks applying for work in later life. It might seem simple, but it isn't easy, and while it may not be relevant today, it might be useful in the future. Bookmark it and come back later.

The reason that you, as an individual, need to take more charge of your own career in later life is – as I've said – because only the most enlightened employers are yet seeing the need to encourage older workers.

I was recently in a discussion group with about a dozen European companies who were enlightened, I'm happy to say, and we were talking about the future of work.

We talked about what some researchers seem to regard as the peak of your working life – the age of 53. At 53 years old you appear to combine the twin gods of intelligence and experience. You have reached what the researchers euphemistically define as the 'optimum age'.

*Table 7a: Do's when it comes to applying for work with all your experience*

ISSUE	DO MORE OF THESE THINGS...
Letters and Interviews	Use positive language in letters and interviews and describe a positive attitude to work with examples
Jobs you target	Be realistic in the jobs you apply for – especially where physical health and stamina are needed. But don't be under-ambitious either
Recent achievements	Talk about your achievements in recent years – your achievements weren't all from the century before last
Current voluntary work	Explain any current or recent voluntary work you do for the community or for any professional group or industry - if you don't do any, start
Current hobbies	Explain any current outside hobbies you have
CV or resume	Produce a targeted CV - it should be different for every job you apply for and it should reflect the needs of that specific job
Honest self assessment	Examine your skills honestly and fill the gaps with training. If you're with a forward thinking company your HR department should be able to help
Update your skills	Update your main skills and experience – or at least get the latest thinking by reading widely
Applying online	Apply for jobs through online channels and get help to do this if you need to.
Flexible working	Examine flexible working options and consider a plural or portfolio career
Assessment tests	Take some assessment tests to understand your strengths
Study	Graduate in something new
Technology	Show off your digital skills - use technology (could be photography or music)
Advice	Get advice from professionals when it comes to moving on in your career

*Table 7b: Don'ts when it comes to applying for work with all your experience*

ISSUE	DO LESS OF THESE THINGS...
Qualifications	A long list of O-levels – is a giveaway that you came out of the dark ages. (No offence intended, but GCSEs were introduced in 1988, almost three decades ago)
CV	A standard CV, not tailored for the role you're applying for, is a complete no-no (Actually, I think it always was)
Long lists of jobs	Listing years of experience is pointless unless you can introduce some recent highlights and innovations
Onwards means upwards?	Believing that your career trajectory will always be upwards is foolish. Those days are gone. You may need to move sideways to get different professional or sector experience. You may have to take a step back to get on a different track
You may need help	Relying on your own experience to move jobs... get advice and help from independent professionals. If you have a supportive HR department they can also be a good place to start

Putting that to one side, it does focus the mind wonderfully. Because instead of retiring in a few years, employees at 53 could be working for a company for another 17-20 years or so.

So we debated how jobs will have to change – first, to reflect the need for more flexible forms of working, and secondly as the pressure to fill skills gaps from a shrinking pool of workers increases.

It may seem common sense, but jobs will need to be redesigned because people are living longer. There are physical aspects to some jobs that will need to be reconsidered. Take a heavy engineering role, for example. What's to stop an employer changing the job content of this in later life to a training role for the next generation? It benefits everyone. The older generation can ease off the heavier work. The next generation will get trained by experienced professionals. The employer gets the benefits of experienced personnel who know the business providing both in-house training and a smooth transition between the generations, at no extra cost.

This type of planning – it used to be called manpower planning – could help redefine many roles in many different companies. Sadly, however, not enough companies do effective manpower planning of this kind any more, but this is changing. It will have to. And this doesn't just mean rearranging the headcount numbers, it means rearranging the jobs.

What's clear is that people will need to get used to making moves that are not necessarily upwards, and where pay doesn't necessarily move upwards, either.

One thing that will become an increasingly complex challenge for employers is managing the chronic conditions of some employees – heart disease and obesity were just two, for example. It will happen. Companies will become more involved. It's inevitable given the limitations of the early retirement options for ill health and the increasing cost of disability insurance – for employees and employers.

This is going to be a tough ask, because on the face of it what the data show is that absences from sickness increase for employees in their later years. In the UK employment statistics you are likely to see a spike around ages 50 to 64. Surprisingly, after age 65, sickness absences decrease. Perhaps this is just the survival of the

fittest – and only the healthiest people carry on working into their later years. So the spike between 50 and 64 reflects more chronic conditions, which become a feature for older workers.

By the way, the sickness absences of older workers seem to be of a different quality from other age bands. There is a bigger spike, for instance, in the number of absences taken by the 25 to 30-year-old group, according to UK government statistics and that seems to be mirrored much round the world. In their late 20s people tend to take off shorter periods than the older age group, but they tend to have more of them.

Anyhow, it seems that at both ends of the age spectrum, there are sickness absence peaks. Now from the perspective of an employer, the cost of health care and insurance coverage will increase as your workforce ages. But the question I have is will older workers still need the same benefits? I'll come back to this later.

More recently I was with some old colleagues from the financial services sector and we got round to talking about the future of the work.

'How likely is your job to be replaced by robots in the future?' It was my opening sentence and after a quick pause I said: 'If you're a bank cashier, you've already been replaced.' There was laughter, but also some grim smiles. Some of them had obviously been cashiers at some point in the past.

I don't mean to make light of this, but so many other roles can and will be automated that you yourself need to think about where your role might end up. Don't be short-sighted about this.

When half of all jobs in the USA are at high risk of being computerized<sup>27</sup> you can be sure that half of all jobs everywhere are at high risk of being computerized. Roles more likely to become extinct and replaced by a robot include many jobs in the financial sector, across the gamut of insurance, banking and bookkeeping. A bookkeeper, for instance, has a 97.6% chance of being automated in future. I call that a dead cert.

And if you're a politician or civil servant reading this, add up what that will do to the economy. (While you still can and a robot hasn't replaced you.)

Other roles under threat? Office and admin support, and – sur-

prisingly, perhaps – sales staff for many low-level products and services. Although I can see how much basic sales service can be switched online. The words ‘Add to Cart’ spring to mind. Of course, more and more production and transportation roles – especially in our increasingly high-tech factories – will fall into the high-risk-of-replacement-by-a-robot category.

On the other hand, jobs less likely to be taken over by machine include the personal professional lines, such as recreational therapists, mental health professionals, social workers and occupational therapists. And while personal trainers score only an 8.6% chance of being replaced, I have to confess that I’ve replaced mine with a yoga app.

For now, senior management roles, including our CEOs, score low. And those in education and teaching are also in the lower risk categories. From a personal point of view I was very glad to see there will still be some human interaction in the development of my grandchildren at least.

Least likely professions to be replaced by a robot? Orthodontists score 2.3%, but it’s substance abuse specialists and occupational therapists who rank the least likely to be replaced, with a score of 0.3%. Though who knows what could happen in a science-fiction future.

So it’s literally the hands-on people roles that seem to be more sustainable in the long-term, as do jobs needing a fair degree of mental agility, such as ‘cleverness, negotiation and helping others’.

Low-skilled and low-wage jobs, however, are all likely to be automated or changed in dramatic ways by technology in the very near future. We have already seen many assembly-line jobs completely replaced in the last couple of decades, so this is a real threat. Be warned.

We shouldn’t forget that technology can also be an aid in the workplace. As the working population ages this is inevitable. And I’m not just thinking of ramps and lifts for those of us using wheelchairs.

Designers of smart buildings and ‘intelligent’ office furniture – the infrastructure of the workplace, if you like – should by now always consider special solutions for older workers.<sup>28</sup> For the time

being, while companies are still looking for the impact of spending money on this, there should be a realistic ways to measure the success of these investments. At least until the value of catering for a company's older workers is – finally – taken for granted.

Measuring the impact of investing in 'furniture for older workers' won't be easy, given the complex nature of measuring productivity, but I'm not really sure that we fully understand what it is we're measuring when we try to measure productivity in this situation. Are we trying to measure ease of access and mobility when we consider the physical space in our offices and workplaces? Or how we manage the psychological demands that work may put on our older workers?

One thing I do know is that more and constant risk assessment is needed in the immediate short-term... if we're not to allow the stress of working to affect older workers. We just don't have the data from employing such a workforce to make a realistic assessment of what we're asking of our people. Not yet anyway.

For instance, we will need more training to maximise the potential and the contribution of older workers. In part so they remain motivated to stay in work. In part so we can help them to learn the new skills they (and we all) will need.

In my darker moments I worry that some managers may say things like 'But they've been working here 20 years already... why do we need to offer them training now?' Which misses the point, don't you think?

One obvious if forgotten issue is that we will need to offer much greater flexibility around job hours and job location. Now, some employers are already using this as a successful tactic. It definitely can be a good motivator – to allow people to choose where and when they work. And to be fair many employers around the world have already adopted flexible working policies.

When I come to think about this, it's surprising how well these ideas are being embraced. And how well they work. I'm reminded that motivation is not all about money. Choosing your hours and where you work suits young parents just as much as it suits older workers. It suits those caring for elderly relatives particularly well. In this situation you may often need to move your hours around

to get a parent to the doctors, or to pick up their shopping. These basic tasks can become very difficult if elderly relatives live even a small distance away.

Employers need to explore how well they can support their workers. And again I'll say that this isn't about altruism or being 'nice' to your workers. It's a purely selfish notion. Without this flexibility you just won't have a workforce.

In Mercer's Age Friendly Employer Survey 2015, run in conjunction with the TUC and De Poel community<sup>29</sup>, we wanted to answer the question what does it mean to be an age-friendly employer? The research revealed that while there has been early progress by some employers, most organizations are slow to adopt some of the things you might expect to see as a minimum standard.

What would help? Well, according to what we've discovered, the top five things that are already making a significant difference are:

- *Flexible working*
- *Programmes to help employees prepare for retirement*
- *Advice and support for those caring for elderly relatives*
- *Health and wellness programmes for employees at different ages*
- *And, to help the company identify potential problems early, an ongoing analysis of your employees health reporting and your absence data*

Bottom of the list (that is, not yet in place), but could make a significant difference are:

- *Training for managers who have to manage older workers*
- *And, as we've already discussed, training for older workers themselves*

For most companies there is ground to make up and while employers will improve significantly the pace of change has definitely sped up, so they should. Things must change and I'm in no doubt that they will. Because I fully expect there to be consequences – not least, employees voting with their feet as they head off to work for the competition.

I want to concentrate for a moment on something in the research that strikes close to home for me. When we asked employers what kind of support and what kind of programmes would motivate older workers we got a range of answers.

Employers felt that what would most motivate older workers included, at the top of the list:

- *being treated with respect*
- *flexible work arrangements*
- *greater understanding of or flexibility towards work-life balance*
- *the type of work that employees are expected to do*

It was rather surprising and disappointing to find these items at the bottom of the list:

- *training and development*
- *long-term career potential*
- *promotion opportunities*
- *bonuses*

Although I'm a sample of one, and I may be shooting myself in the foot here with my boss, I can't stay quiet on this. As an older worker myself, frankly I would rather have most of this list the other way up. I, for one, am still very interested in long-term career potential, for example. Why wouldn't I be? I'm going to live to 102, after all.

Anyway, this is the working environment as it stands in 2015. It's what you as an individual are facing right now. I believe it will get better in the future. But in the meantime you need to consider ways of dealing with this. Like maybe asking your employer for what other companies seem to be providing as a matter of course and your company isn't. But please do it tactfully. Just saying.

It's important to think about what generates value for businesses when you start to think about the items on these lists. Take flexibility, for example. I would start by thinking about the roles that generate maximum value. Break these roles down into their constituent parts. Is there any reason why they can't be done from

home or remotely? Is there any reason why they can't be done on a part-time basis? Is there any reason why they can't be done in shifts?

You as an individual can ask the question as it relates to your role as an individual. But if you're an employer just think about the pools of people you could get access to if the answers to these questions were all positive.

It could even be possible to create flexible jobs that are more cost-effective for the business overall than the current staffing model. Compressed hours, temporary contracts and seasonal work are useful tools. Even unpaid leave and zero hours contracts have their fans.

But there are also entire industries that will benefit from an older workforce. These are the industries gain competitive advantage from age, long service and experience.

Let's compare two companies – Long Service Limited and High Turnover Inc – from the point of view of competitive advantage and see where that gets us. This is a relevant exercise for you as an individual employee, too. It should help you assess what kind of organization will suit you best in the future.

Let's take Long Service Limited to start with.

Long Service Limited places a high value on the long service of its employees, and on low turnover. This, it believes, creates a competitive advantage in the market. Why? Well, the experience of its people and good client relationships create value for the company.

One expression I've heard many times is that losing this type of experience is like burning down a library. So companies in the mould of Long Service Inc believe that losing a cohort of valuable experience from their businesses creates a serious business continuity risk. Look a little closer and you'll see that a number of FTSE100 companies have already added the risk of losing these key staff to their risk registers. This risk is real and they believe that they simply cannot afford to lose clusters of key skills in this way.

It's ironic, but losing these key skills can be a by-product of changes to a company pension plan.

'How did we lose that entire department of 55-year-olds overnight?' asks the CEO, somewhat irked. 'They've taken with them

decades of experience and our long-standing customer relationships!’

The director for the pensions department explains: ‘The rich Defined Benefit pension plan we closed a few years ago gives great benefits for that age group – they can afford to retire. It won’t be the same under the new plan, though. That’s much less generous.’

‘Yes,’ the CEO growls. ‘But that doesn’t help us now.’

I may have trivialized the situation a bit, but affordability of retirement is a big issue for employers. Or it should be. If key employees can afford to retire early, please check when. Because if they do, and you are bereft of key skills, it will severely impair your competitive advantage as a business. If it doesn’t kill you.

But companies should also look at this from another angle. If employees can’t afford to retire, then they will most likely stay in the workplace, but perhaps disengaged and less productive.

I like to describe these as the ‘quit and go’ and the ‘quit and stay’ scenarios. Both scenarios make succession planning – which is tricky at the best of times – a bit of a nightmare. And although succession planning isn’t a perfect science – as a rule of thumb only 1 in 5 of people on a succession plan will ever make it to the role the company has in mind for them – companies should at least be thinking about it.

PS to employers: You should probably remember to look again at succession planning. AND when your key people are likely to retire. AND whether they can afford it.

How does the experience of Long Service Limited compare with that of High Turnover Inc?

You’ll remember that High Turnover Inc values short service and high turnover. It believes that these create competitive advantage in its business. ‘We rely on a contingent workforce to meet our short-term needs,’ says the CEO, ‘and we can easily source the skills we need to deliver our business goals.’

High Turnover Inc believes the advancing age of a workforce with long service could be a profit drain. ‘First,’ says the CEO, ‘because of the added salary costs, but then we’d get career blocks starting to occur – we don’t want dead wood round here.’

He expresses it poorly, but several high-tech and digital compa-

nies have already reported that the age bulge will not bring them a natural competitive advantage.

‘Young people are just smarter’, Zuckerberg said on a conference stage in 2007.

But there is also plenty of evidence that supports the effectiveness of older entrepreneurs.

‘We have a silver tsunami’, says Elizabeth Isele, Founder and President of Senior Entrepreneurship Works in the US. ‘Changing the negative paradigm of aging and amplifying the economic vitality of people 50+ is not just a social/cultural/human rights issue; it’s an unprecedented global economic opportunity’.

So it’s to companies like High Turnover Inc that I would offer a friendly but stark message. The natural skills you look for in new and often younger employees will be in short supply in the developed markets very soon. There simply may not be enough people of that age to fill your pipeline.

For these companies it’s time to figure out a plan B. ‘What about moving the business to a new location – perhaps even overseas where there are younger employees? Or what about changing our business model?’ But both of these are drastic measures and CEOs know this.

But let’s just take stock for a minute. A new approach to flexible working – in the way we’ve been discussing, for both Long Service Limited and High Turnover Inc could just solve their problems. If these companies are prepared to be flexible they could both access significantly larger labour pools.

Maybe they should see what the labour market forecasts are for the skills that they need to fill those critical roles. And maybe they could be a little more open minded about the kind of people that could undertake those roles. (Age is no predictor of ability. It works both ways.)

For both companies there is a degree of urgency – the skills shortage has no favourites and things will be desperate in some industries.

There’s something else that we can predict from comparing Long Services Limited and High Turnover Inc, by the way. That it’s not just the job role that needs companies need to keep flexible.

Flexibility is also needed around what we mean by retirement, too.

We know that drop-dead, cliff-edge retirement at age 65 is no more. We also know that it will be only a lucky few who draw a full pension at retirement. Fewer and fewer people can truly 'afford to retire'. This is true even though we are seeing some of the most wealthy pensioners of any generation currently reaching retirement age.

In Australia, however, where they changed to a more frugal pension system many years ago, it's quite normal not to retire fully at a fixed age. A transition to retirement will become the norm for many more of us, as pensions begin to provide a smaller proportion of replacement income in later life. We will look in detail at this in Chapter 8.

I'm not saying the pension is dead – far from it – but I am saying that programmes offering flexible benefits and savings opportunities will become more typical in the 'living longer' environment.

If you think about the type of benefit needs you will have in later life, they are likely to be quite different from your needs as a younger family member. Insurance cover for your death, for example, is often tied to covering a large mortgage debt. But increasingly this type of cover is becoming less relevant as people are paying off their mortgages – from their earnings or with a bequest from the death of another family member.

Healthcare and disability cover, however, are likely to be much higher on the priority list and it's here that costs will increase. A retired friend was telling me yesterday that for a recent holiday in the US his insurance cost him more than his flight. That is shocking.

Forward-thinking employers are already designing age-friendly benefit programmes. In these programmes, financial advice and financial education are becoming increasingly popular, especially as older workers are considering remortgaging their property to help their own children get on the property ladder.

Support to help us care for our elderly relatives, diet advice and even supplements, yoga and mindfulness training are also on the agenda.

I for one am a fan of the idea for a later-life sabbatical. A gap year! Can you imagine how much more fun it might be to take a

gap year in your 50s, when you can afford to stay in good hotels, rather than carry a rucksack around for six months?

Another powerful idea that's taking hold is reverse mentoring, though it's probably better described as mutual mentoring. Here, younger and older generations work together and share ideas and skills. Both parties usually learn a huge amount from each other.

I recently tried this at a leadership offsite and I was surprised at what emerged. I was talking with someone who I consider to be at least a generation younger than me and his concerns surprised me. His concerns were less about my generation and what we knew and could pass on. Instead, he was concerned – I won't say fearful – he was concerned about the generation coming up behind him.

These newcomers – many of whom weren't even on the radar of my generation – were just five years younger than my youthful mentor. You'd think they would be close. And yet he was convinced that they brought a whole new raft of technology and attitude with them that he would not be able to pick up quickly enough. The gap seems to be shrinking between generations, doesn't it? It's like Moore's law, the doubling up of processor speeds every two years or so, but applied to people.

What I take away from exercises like reverse mentoring is that people's needs and fears and aspirations are tightly wrapped up in this generational mindset thinking. I worry that it creates barriers – even between people just five years behind or ahead of you.

I'm not saying I'm unique in this, but I do make a point of having conversations with all generations on a regular basis. I need to stay connected with their needs and fears and aspirations. I urge you to do the same. After all, you and I share these hopes and uncertainties too.

One thing I hope is crystal clear. There are many changes that we're all going to have to deal with. The new reality of living longer is becoming more concrete for us as workers and for employers and for politicians.

But before we can move forward and introduce the New Rules of Living Longer, there are some age-old myths we have to debunk. And for some of us it won't be easy to let go. ■

“ Jenny is still a heavy smoker, despite her money problems and a chronic lung condition. Smoking is a killer and the social worker could see the effects so readily from the outside. Jenny, though, gave up caring about her health long ago. She gave up caring about everything ”

*Chapter 5*

## **YOUR BRILLIANT CAREER**

### *Killing the Myths Facing the Older Worker*

I just read on Gransnet, the online forum I occasionally take a look at, that the new Bond girl, Monica Bellucci, is 50. The oldest Bond girl until now had been Honor Blackman, who was Pussy Galore at the age of 39. This must mean that 50 is the new 39! I like it.

But how times have changed in a generation. Apart from the age thing, I mean. First, I'm not sure that naming a character Pussy Galore would pass muster these days. Secondly, even though I'm on a deadline to finish this book, I take two hours out this morning to go for an anti-ageing facial. Ironic don't you think? But it is relevant to the conversation.

So here's the question. Do I just want to survive longer life or do I want to enjoy it? Well... both please.

As Lisa, the therapist doing my facial, settles me into the chair, a few thoughts from the latest report I'd read flit through my mind.

The hair and beauty industry in the UK is worth about £6.2bn – or it was in 2012 when the last statistics were compiled.<sup>30</sup> And it employs around 250,000 people, mostly women. The largest group of employees is aged 16-24, with the next largest group aged 35-44. Presumably the gap in between these two peaks represents those having children, but you can never tell.

It's a good industry to examine, I thought to myself, if you want to understand population and employment trends. Around half of

those in the industry are self-employed, for instance, and probably most have never done any pension planning.

This probably isn't so unusual, as the industry and its clients are trying their hardest to defy ageing. Which is strange in a way – doesn't that mean that all of us occupying these salon chairs are ageists? Before I can think much more about this Lisa starts on a scrub.

Now, while I'm only a part-time salon fiend, many of Lisa's clients take this whole thing very seriously indeed. 'Some clients are obsessed with age,' she says. They fight against age as if it were something really bad. And do you know I feel like a traitor this morning when I realise I'm one of them. I am, after all, just lying here, enjoying the aromatherapy mask and the six layers of lotions. Then it hits me – I AM ageist, as I try to fight against the tide! I should be at home writing a book about how to survive longer life. For the longest time I believed that I was a fair person... now I discover that's a myth!

To reconcile this dilemma, I seize the opportunity to interview Lisa – who definitely has some hard-core ageists among her clients. I want to know her thoughts about ageing, and if there are differences between men's and women's attitudes. But after a few moments I relax back into the rhythm of the Tibetan Bells and it gets a bit hazy. This is definitely one of the ways to survive longer life I think to myself.

Over the next hour or two Lisa's view on ageing products and treatments emerges and it's very interesting. She is 30 and beautiful, but confesses that Botox has already featured in her own regime. She draws the line at too much surgery, however.

'Some clients have really overdone it,' she says.

But Botox, which involves a needle not a knife, seems a regular and popular option, along with facials, laser and liposuction.

'It's about feeling good, because you look good,' says Lisa. 'That's why people will pay for treatment. If you look after the body and you feel good, then your mind feels good too.'

I started to wonder if this might be an industry sector to watch, as society ages. Will it be a sector that grows stronger because there will be more of us who want to feel good as well as look good?

I've enjoyed my facial, but I just can't shake the feeling that there is something ageist about the whole thing. Why are we so obsessed with youth?

It's been interesting to explore ageism and ageing professionally over many years of my research, including academically. I wrote a dissertation on the effects of ageing on a region of the brain called the hippocampus.

And there's one odd moment that stands out. I was looking for an image to use to represent an 'age-friendly' employer. I was struck by how much of the library of images was confined to people on sticks, in wheelchairs or in care homes.

Be honest, how would you depict old age? What would you do? My guess is that this will probably be the first type of image that would enter your head. Even the international sign for old people crossing a road involves a man with a walking stick leading a woman, both having bent backs.<sup>31</sup>

I have just tested this again by Googling 'the ageing workforce' and a cartoon popped up of a seesaw with two elderly people at one end, in rocking chairs, weighing down a young and upright person at the other end, high in the air.

The image is posted by a university looking to help companies and businesses deal with the world's ageing workforce problem. Older people are seen as a burden weighing down society in this image. OK, it's a joke, but does everyone believe the ageing population is a burden? Am I somehow missing the point? Or am I getting the point only too well?

Another cartoon shows a candidate and a job specification. 'You know we can't use emotive words like energetic' says the interviewer, 'but we can use very small print so that old codgers can't read it.'

In case you're not convinced that ageism is rife by now, there's another interview cartoon that pops up. An interviewer explains the situation to the interviewee. 'We are looking for someone with the wisdom of a 50-year-old, the experience of a 40-year-old, the drive of a 30 year old, and the pay scale of a 20-year-old'.

Now we are getting down to it, aren't we? So that's how older workers are classified in the minds of employers, is it? Wise and experienced, but with no drive and we don't want to pay for you.

Where is the positive spin on the experience and the skills that come with age? Actually forget 'positive spin', where is the acknowledgement of the experience and skills that come with age?

Judging by the many ageist practices we still see in companies today we have a long way to go yet. What's worse is that so much of the ageism is in areas of business that are supposed to be scrupulously fair. I'm thinking of recruitment, pay, performance awards, training, promotion and progression. I thought we had laws against this kind of discrimination?

'If people are over 45 in my team,' one manager told me, 'that excludes them from a high-performance score at year end.'

'Why's that then?' I said politely.

'Well, they can do their job, but they're not stars any more. They're not young rising talent.'

I didn't say anything. Because I was dumbfounded by this myth. But I must have looked interested because he carried on.

'Well, I have limits on how many high performers I can score, so I have to give them out sparingly.'

I was as bewildered by this as I have been by the gender myths of the past. We'll talk more about that later.

Why on earth should anything but performance come into a performance award? This attitude staggers me.

I suppose I could understand this if it were only the younger managers awarding the big performance bonuses to equally young rising stars. It's human nature to feel drawn to like-minded people and even to hire people in our own image. But even older, supposedly more experienced managers fall into this trap. And blaming the system is often what happens by the way.

If this is the attitude of any of the managers in our companies, then we need to ask every employer to publish age equity checks, just as they do with gender in a number of countries.

And we need companies to clamp down hard on managers who... sorry, to *educate* all the managers who have responsibility for awarding pay and promotion.

Quick reminder: it is illegal to discriminate on the basis of age in a modern economy. Unless companies want to face an increasing number of legal cases brought against them, then sorting this

out should be near the top of their agenda.

OK, I appreciate that it's difficult to crush this myth once and for all. But we must. Well-trained managers and smart businesses recognise that it's diversity that is the winning formula for business growth and success.

No matter how difficult ageism is to monitor we must start somewhere. And if we get the culture right, the culture will monitor itself. We won't need to police this.

So how do you change the culture? In my view companies should start with recording a few basic metrics. As they say, what gets measured gets done.

It is easy to measure the age of new hires compared with the age of hiring managers for example. But eight out of 10 companies don't measure this. Why not? It doesn't take an artificial intelligence program. It just takes a summer intern doing a week-long audit of a selected sample of the most recent hires in the company. Make sure you sample different business areas and check out the results from different hiring managers. If the two ages correlate you may have a problem.

And here's a simple check box list to tell you whether or not you have ageism at the heart of your recruitment practices.

- Read your job advertisements as if you are 65 years old and applying for the role. Does anything put you off?*
- Check the age groups implicitly requested for in the advertisement. (Yes, I know it's illegal, but check it anyway.) Is there a hint you're looking for a specific age range?*
- Check the age groups selected for interview. Is it always the same?*
- Look at who you've hired in the past. Does it cluster into a certain age and type category?*
- Check the age of the person you actually hire and compare it with the age of the hiring manager. Is the hiring manager only selecting from a single category of people?*

Five ticks and you have a major problem. Come to think of it, one tick and you have a major problem.

The next place to run a few checks is the results of last year's pay and bonus review.

It's quite simple to check these data and assess whether all of the age bands were awarded a fair share of the pay and bonus pool. As an employee, ask your HR department for these results and find out how things are in your company? After all, the government is now insisting on gender pay transparency so why not extend this to age as well? Ask for performance grades *across* the age bands, too. A quick check wouldn't hurt.

Employers are you ready for more openness? Because it's coming.

A subtle aspect of the ageism myth is related to innovation, which is as much a part of my work as ageing and demographics. Now, every company wants innovation – it's where our new products and processes come from, but sorry... goes the myth... older workers can't give it to you.

Let's take half a step backwards because there are many definitions of innovation. One I particularly like comes from Greg Satell, a US media consultant and Forbes columnist: 'Innovation is a messy business that creates novel solutions to important problems,' he says.<sup>32</sup> I like it because I agree – it can get messy. Perhaps a simple one to adopt for this purpose comes from an online source, [businessdictionary.com](http://businessdictionary.com): 'Innovation identifies new ideas that create value when we implement them.'

In the past all our innovation and new product development took place behind closed doors. And much of it still does, especially when patents are involved, to protect our intellectual property.

But increasingly, the concept of open innovation is being used more widely. What does this mean for the future of work and for older workers in particular?

It means companies could get their ideas for new products and services from anyone and everyone inside the company, as well as externally. Not just ideas, but product improvements too. And anyone can contribute. If your idea is picked then there'll be some kind of payment, or maybe even the opportunity to work on your innovation.

It may mean in future that anyone, anywhere in the organiza-

tion can contribute to developing a new idea at anytime. This opens up a whole new world of employment models and will change the world of work forever. For those on a career break such as a new mother, this could be a line into work in the middle of the night in those sleepless moments. For older workers, it could be an opportunity to reinvent yourself.

You can see this a good deal in the companies like High Turnover Inc who we discussed in the last chapter.

I suppose my message to the ageing workforce is don't be excluded by the managers and younger colleagues who try to keep innovation for themselves. Use all the channels open to you to get your new innovations and ideas across.

You're going to have to do this, too, when it comes to getting training and development. It's odd, but training programmes are another area that is mostly directed at the younger rising talent. Partly because the perceived return on investment is less from an older worker. (Let's forget about that innovation from the older worker that could save the company, or the legal case that the older worker prevented because she was on her toes at just the right moment.)

From the point of view of the older worker it is demotivating to feel there is nothing left for you in the training catalogue. It can feel as if you are already on the scrapheap. And yet you are expected to work for a few decades more, for a few dollars fewer, and still to be as engaged and enthused as if you were a newbie.

On the other hand, some older workers do the rest of us no favours, by not wanting to learn new skills, even if they have a chance to. But this is foolish.

More than foolish, this is a travesty. Madonna is the most famous re-inventor of self of all, and already in her 50s, has managed to change direction and learn new skills to stay successful.

It is more important now than ever for older workers to get a fair share of the company training budget. We saw the economic evidence of the need for this in the earlier chapters of this book. Partly because training, lifelong learning and reinvention are the key things you will have to do, to survive your longer life.

But also because firms need all of their employees to be pro-

ductive. Which raises another myth we need to address. That older workers aren't as productive as their younger colleagues.

I have a particular interest in this myth. In a previous life I was engaged in a great conversation with a manager about the emerging themes of this book: the changing global demographics and our increasing life expectancy, and some of the challenges these issues will bring for employers and employees.

'But we don't need older workers here,' the manager said. 'They cost us more and they are less productive.'

I was shocked by the statement. In part because we just had a long and intelligent conversation about how the population is changing and the workforce will become older. But also because of such a sweeping statement about productivity and older workers. Which simply isn't true. It's a myth.

But let's hold that thought for a minute. If this assumption – that older workers are not productive – is true what does it mean?

Logically it means that businesses in the developed world don't stand a chance of surviving. Game over. Because the demographics are inevitable. You'll be faced with ever-increasing costs and ever-decreasing productivity. That sounds like a total dead-end to me as far as economic recovery is concerned.

So I set out to investigate – what does the existing research actually say about the productivity of employees of different ages? Now, it took me some time to reach a conclusion, because there is a lot of confusion in the research literature. (But what area of research doesn't have its grey areas?) However, I'm glad to report that as far as I can see there is no definite proof that productivity declines as we get older.

There seem to be many assumptions made about productivity of older workers – by people of every age and at every rung of the corporate hierarchy. Probably based on personal experience. But the bias against older workers is just not backed up by the evidence.

So if you as an older worker and come across comments about performance and productivity you need to rebut and challenge them. I'm sure you'll do it in a friendly way, with evidence to back up your challenge.

These points are also useful to bear in mind if you're in HR,

Myth	Anti-myth Counterargument
Older workers are less productive (sweeping statement)	In what way less productive? Quality, quantity, speed, relations with others, dragging others performance down? You've got to be specific
Older workers are less productive pro-rata because they are more expensive	Pay is not always related to productivity, according to research. You can be very productive without being paid well and you can be paid well without being productive. Pay peaks appear at various ages, too, so how does that work?
Older workers are less physically able therefore less productive	<p>a) Simple logic tells us that not all older workers are less able and not all jobs are physical</p> <p>b) In some industries where heavy physical labour is required, eg utilities, engineering companies some employees (but not all) ARE less able. But some younger employees are also less physically able.</p> <p>b) Age UK research and literature review has not found any reported difference<sup>31</sup></p> <p>c) HSE found older workers usually have same ability as younger workers (and they should be very aware of strain and stress!) Perhaps because it's a self-selected sample? Those who are able, stay</p>
Older workers are less productive than others in the team or company	<p>How to measure? Difficult to extract individual performance data for teams. (I've tried)</p> <p>In fact there are data that show mixed teams are more productive (eg in McDonalds study): older workers and diversity helps in a team environment; team productivity can be measured. Not necessarily them as individuals, but overall the output can be measured. Team performance is the ultimate gold standard, not individual performance</p>
Older workers create less tangible value or profit because only a small contribution	Government figures state older workers add 1% to GDP; so doesn't that mean older = productive? Or that it's a piece of productivity worth having?
Older workers are less productive because they are coasting (or have tenure)	Actually there is evidence they feel they have to work harder to keep their jobs. There is evidence of performance grading bias to younger
Older workers are just less productive (sweeping statement)	<p>a) We don't know what productivity is anyway</p> <p>b) We don't measure it</p> <p>c) We can't measure it – and I've tried.</p> <p>It's difficult to tease apart who does what in a team environment, especially when you depend on interaction with others</p>

Table 8: Older workers – productivity myths and counterarguments

or if you're a senior manager, and you come across these biases as you go about the day job. Changing culture starts in conversations exactly like this.

The first thing to say, of course, is that general and sweeping statements about ANY group of people ought to be challenged. Simple logic tells us that. If someone claims that ALL older workers, ALL women or ALL men are lazy or not as productive or don't perform as well then the first response is 'Really? All of them? What about Jane or that 25 year old Mike?'

The second thing logic tells us is to ask about performance and productivity. 'What do you mean by productivity? In what way less productive? Are you talking about quantity, quality or speed?'

And then you ask the killer question: 'Have you measured that in the department then? If so, it would be interesting to see the data.'

Anyway, let's look beyond simple logic. In my own journey to find evidence that older workers were less productive I looked at a huge body of research evidence. I also assessed what other people made of the research evidence – I didn't just rely on my own assessments.

By the way, I haven't listed all the references here, but I'm happy to share them with you. And the data isn't secret. It's easy to find.

A recurring theme across industries where there is manual labour is that older workers are just not as able-bodied. They are not as fit as younger workers.

There's a good deal of research on this and it cuts across multiple industries. Well, first our old friend simple logic tells us that not all our older workers are less able. And the opposite is also true. That not all younger workers are able. But Age UK in its extensive research has found that there is no discernible difference between the physical ability of older workers and younger workers in any particular role.<sup>33</sup> Go take a look at their published resources. It's all there.

Perhaps the most decisive pointer for me came from the UK's Health and Safety Executive, which has always been rigorous and vocal on the topic of workers being put at risk by employers.

Research by Liz Yeomans at the HSE's Health and Safety Lab-

oratory found that older workers – people over 50 – have much the same physical ability as younger workers, in terms of physical strength and stamina. And she is very specific about it.<sup>34</sup>

‘Muscle strength declines between 30 and 65 years of age,’ says Yeomans, ‘but this decline is unlikely to be noticeable until after the age of 65.’ So strength is not an issue for most older workers as far as the usually conservative HSE is concerned.

What about lung capacity and stamina? What does the research have to say about that?

‘Aerobic capacity appears to decline progressively after the age of 30,’ says Yeomans. Which is a surprise... suggesting anyone over 30 might be less able, then? Well, not really, says Yeomans.

‘There are accelerated declines [in aerobic capacity] after the age of 70.’ Fair enough. No 70 year olds down the mine then – not without a clean bill of health.

Hang on though - those declines you’re talking about? Don’t they affect the productivity of anyone over 30, let alone older workers?

Yeomans for the HSE is categorical.

‘Age-related declines in physical capacity do not normally adversely affect job performance... [First,] physical capacity varies greatly between individuals. [Secondly,] declines in physical capacity can be delayed and minimised with regular exercise in leisure time.’

So the HSE has laid to rest the myth that older workers are less productive and don’t perform at the same level as everyone else.

It occurs to me that if there were absolute proof that older workers were less productive then no one would hire them, would they? Let’s be honest. It would be ‘case closed’. But there *isn’t* any firm evidence, frankly. And partly that’s because we just don’t measure performance and productivity.

In Mercer’s Age Friendly Employer research, just two of the 69 companies measure productivity as a function of age. And yet between them these companies manage over 3.4m employees.

As an aside, and just to show it can be done when the production process is streamlined, let me point out that manufacturing companies measure productivity well. In manufacturing it’s rela-

tively straightforward to measure time spent, units produced and the costs of production. These are the basic functions on which the business runs.

The consulting world and service industries also measure productivity and they do it reasonably accurately, tracking the time and hours spent on projects every day.

But the profit-making chains of many other businesses are just too complex to measure performance accurately. Or at least to track it back to a specific individual. The performance and productivity of any single individual is just too tightly wound in with everyone else's to untangle.

And if you don't have the right supportive and enabling environment, even the most efficient and productive people can fail to make headway. Organisations can tie themselves so tightly into convoluted processes that they negate the differences bright people can make.

That doesn't explain why we don't measure team performance though. Or the performance of remote and virtual workers. But this isn't just an issue that relates to older workers. It relates to job design and to new ways of working.

The message is that we need to measure performance and productivity anyway, to make fairer awards of performance related pay and to make good decisions for promotion.

All obvious and common sense, I'm sure you agree.

But in discussing workers who are not paid or promoted fairly, I need to remind you that there is one group of workers who constantly struggle for recognition as far as pay and promotion are concerned and have done for many years.

Women.

Now before you think I'm going off on a feminist tangent here, I'm not. I raise the issue of women because the issue of older women is not at all understood.

Frankly, I'm concerned that this profound challenge could get lost in the important but general noise that still surround the issue of women in the workplace.

In a nutshell, and summarising decades of evidence in 30 seconds, take a look at Table 9.

**ON LIVING**

- *women live longer than men (4.6 years globally according to the World Health Organisation, but up to a decade or more in the developed economies);*
- *women are more likely to be the carers for older family members, which may cost them some of their own savings, it may mean they are out of paid employment for extended periods, so reducing their income and savings still further;*
- *if they have a male partner (who is likely to be earning or have earned more) he will die younger, leaving women alone for longer, and not cared for by their partner*

**ON MONEY**

- *women are paid 10-30% less than men (according to the International Labour Organisation), which means they have less income and less to save for the future;*
- *women tend to be more risk averse in their investment strategies than men, which means they tend to make less from their investments, and they tend to use the money they accrue for others, rather than to save for their own future;*
- *women tend to have smaller pensions because they often take career breaks to have children and/or to look after elderly parents;*
- *women's overall pension savings are lower (women saved around 38% less than men in the UK in 2015, says one insurance provider, Scottish Widows)<sup>35</sup>;*

**ON CAREERS**

- *women are typically promoted less often than men, affecting their income and their ability to save;*
- *women generally occupy less senior roles than men which affects their pay and any final pension provision.*

*Table 9: A catastrophic cocktail for women – the gender gap has major impact*

With the demographic changes ahead can you see how this is a catastrophic cocktail for women?

Be clear: more women will get towards the end of their lives with even less money, having to live for even longer, with less income of their own and without a partner (or a partner's income)

to support them. So there's another New Rule of Living Longer coming here – look out for it later.

By the way, this catastrophic cocktail doesn't just affect women though. The knock-on effects will hit society like row upon row of dominoes falling simultaneously.

What do I see happening?

- *More families will have to support elderly parents for longer.*
- *Health insurance providers will inevitably raise premiums rapidly...*
- *...which will cause more financial pressure among women and their families.*
- *Businesses may well feel the impact as staff need even greater flexibility to tackle the social crisis.*

The list of falling dominoes goes on.

And although there is a great deal of catch-up still to play, to even out the imbalance, much of the challenge I describe could be wiped off the planet if a handful of things changed:

- *if more men were open to promoting more women*
- *if more men actually promoted more women*
- *if more men were open to paying women exactly what we pay men for the same roles*
- *if more men brought more women into more senior roles in our organizations*

I have said 'more men should...' here as opposed to the more neutral 'companies should...' deliberately. Because there are more men in companies in senior roles making these kinds of decisions.

Carrying on as we are today will not move the needle sufficiently, nor quickly enough, to avoid the catastrophic cocktail hitting us – when? In the next decade? Sooner? In my view it has already hit, and it's just getting worse with current health and demographic trends.

The first and most insidious of the challenges facing women in the workplace is that they are not paid the same as men for the

same work. Surely by now there have been enough class actions to make this common practice? It's already law in most developed countries of the world. Sadly not.

If your company doesn't know what the pay gap is between men and women, then the chances are your bosses are probably one of the reasons why there is a pay gap. In Europe women regularly receive 20 to 25% less pay than men. In fact there is a day marked on the calendar called Equal Pay day. In 2016, Equal Pay day falls on Tuesday 12 April. It's in April because this symbolises how far into the new calendar year that women have to work to earn what men earned in the previous calendar year. In other words, women have to work for 16 months to earn what men earn in 12.

By the way you can get your 'equal pay kit' from the National Committee on Pay Equity in Washington DC, USA, if you want one.<sup>36</sup> It provides all manner of helpful material on the legislative background for equal pay, draft letters to the press, where you can explain your own pay gap, proclamations to the local Mayor, advice for activists and wage club guidelines. If I live to be 120, I will be sure to let you know in which month Equal Pay Day falls. Which way will it go, I wonder?

Given that the UK saw the first ever equal pay strike in 1918 (yes, almost a century ago), my prediction would be that Equal Pay Day might fall somewhere around April. All Fools Day perhaps.

Remember please that I'm not calling this out just because it's the right thing to do, though clearly achieving equal pay is a logical and moral imperative, but specifically because pay is such a vital part of the catastrophic cocktail for women.

There's one more component, though, that has an equally dire impact on the outlook for older women workers. The distinct lack of women at higher levels in our organizations.

Mercer's *When Women Thrive Businesses Thrive* research<sup>37</sup>, which is publicly available on the Mercer website and worthy of close study, illustrates the current levels of women in senior roles in an average global organization. The data show how the inclusion of women as part of the workforce should grow over time.

If firms allow business as usual with no changes in recruitment, retention or promotion, then their participation rate will climb,

	No change in working practices	Proactive intervention (recruitment, retention and promotion)
2015	19% of workforce is female	
2024	36% of workforce is female	45% of workforce is female
Difference	17%	26%
Improvement over baseline	0	9% over baseline

Table 10: 9% more women could be in senior roles by 2024 (Mercer 2014)

but it will only climb from 19% in 2014 to 36% by 2024. (See Table 10.)

On the other hand, if employers proactively intervene in redesigning hiring practices, and in improving retention and promotion rates to the same levels as men – then this could influence the levels of women in leadership significantly, up to 45%.

So this simple fact to some extent quantifies the impact of bias and discrimination in hiring and promotion practices today. If I'm reading these figures right, and I'd like to think I am, then unless anything changes 9% of women in work will be held back, paid less and eventually will struggle for longer because our biases and prejudices stop women even from being considered for higher roles.

That's got to be wrong. Wake up, everyone. There's a chill wind coming.

I want to end this section on the career challenges for older workers with a thought about engagement and older workers. Because we know that engagement affects productivity. And we know the older workers are going to be working for longer for firms. The implication is that managers will need to work harder to keep older workers engaged and motivated.

While the jury is still out on long-term engagement – we just haven't got enough data – we can show that employee engagement does lead to income growth, productivity and performance, client and customer satisfaction, innovation levels, absence and employee well-being.

Engagement can also keep people working for firms for longer, which is a big win for firms with older workers.

A team at the retailer Marks & Spencer, in collaboration with the University of Bath School of Management, set out to nail the evidence that engagement pays and they did a good job.<sup>38</sup> Though it's bad news for the UK. The team showed the UK to have an 'engagement deficit' – it was ranked ninth for engagement out of the world's 12 largest economies by GDP.

The reason I raise engagement in the context of productivity is because if you are going to live a lot longer, and if you're going to be working a lot longer, that means you *might* be doing the same thing for many more years to come.

Now this I don't understand, forgive me. Why would you be doing the same thing? Would you be keeping your head down? Afraid to rock the boat? Ask for a different role? Actually, are you bored?

The prospect of getting bored with my job fills me with dread. I need to be fully engaged. I like to be busy and making progress. And I particularly like to be challenged. Otherwise I *will* get bored and you know what they say about an idle mind.

So please talk to the powers that be in your organization – challenge them to keep you challenged. They will LOVE this. Your call will not fall on deaf ears. I'll explain why.

What's clear from all the research is that the world's leading businesses are now looking at how the challenge of the ageing population can be a differentiator for them. A few years back it was the environmental challenge, wasn't it? That gave companies a cause to champion. A way to make a difference to the world. Now it's the ageing population.

The Age of No Retirement (AONR) campaign, actively promoted by Dr Jonathan Collie, advocates huge change in this area.<sup>39</sup> The campaign has established a series of examples – they call them prototypes – that all of us can take into our everyday lives.

One in particular that plays to the heart of ageism is to have an Age Champion in the workplace. The Age Champion is an employee who volunteers to be the company's go-to person for opportunities and issues relating to getting older in that workplace.

What a simple idea. It occurs to me that you could do this. You could be the Age Champion. You could make a positive change

and be proud of the role.

Don't be under-ambitious, by the way. There is space yet for a Global Network of Age Champions, or GNACs. Why not?

How would we know if the Age Champion thing was working? Well, says Jonathan, you'd see better engagement and retention, together with better use of older workers.

There would also be better respect for older workers and an appreciation of the issues associated with ageing. Because these issues don't just affect older workers, but the younger generations, too. We all need to feel respected and included. And we will all – one day – be older.

Another campaign by AONR is called 'Wiser'. It's an anti-ageist campaign that takes place over the course of the week that coincides with International Older Persons day on 1 October.

Activities in Wiser will include synchronized flash-mobbing by older people who will assemble to buy clothes and other goodies in what set out to be young and trendy High Street shops. Wiser also recommends just a touch of civil disobedience – such as defacing ageist posters with stickers showing everyday ageism. The aim is to symbolise the start of what they call an age positive manifesto.

I'm up for a flashmob. Will there be dancing, though? There must be dancing.

And while it's hard to condone civil disobedience, I might condone the odd bit of stickering. Why? Well, looking around on the New York Metro or the London Underground you can see the cultural icons of the developed world, you can see our language and fashion... and ageism abounds.

Who can change this? You can. Your employer can. The media can. And the new Bond girl can. She will probably do more good in the campaign to improve positive images of older folks than all of us put together. I hope.

Putting aside the impact of Monica Bellucci and the fictional woman she plays, what can you personally do to address the myths and the different forms of ageism that I've posed here? That's the real challenge ahead. How will you personally survive your longer life? Because this isn't a fiction or a game. It's your real life. And the rules have changed. ■

**PS FOR POLICY MAKERS**

*Thought for the day*

If 0.6m more older women worked full-time that could add up to £20bn to GDP.

If 0.6m more older women worked part-time that could add up to £9bn to GDP.

**PS FOR EMPLOYERS**

*Thought for the day*

Check out your employment practices, especially regarding ageism and older women as priorities. There are laws about getting these things right. Just saying.



THE  
NEW RULES  
OF LIVING  
LONGER



**Part III**  
**The New Rules**

“ *Jenny and her husband were divorced after their son died some years back. She has no job related pension of her own. She worked in retail, in small local shops that didn't provide for that. Her problems have compounded – but she never thought it would turn out like this* ”

*Chapter 6*

## **YOUR CAMEL-HUMP CAREER**

*New Rules for Managing Your Working Life*

When I worked in Abu Dhabi, camping in the desert was a regular weekend pastime and I can recommend it. The dunes are amazing places, and the colour and shape of the sand is so intriguing. We saw plenty of camels on those camping trips. They could wander blissfully through the dunes for months without drinking water. They blended into the sand and moved with grace and rhythm.

Camp fires were like small beacons, and my friends and family would sit around in awe at the warmth and the surroundings. My husband couldn't join me immediately when I moved out there (he had chef and restaurant duties back home), but I sent him stories of this natural, beautiful landscape. When he was able to move out eventually, he was delighted to see a camel on his first day – just not where he expected it.

He was sitting at the traffic lights on Hamdan Street in the centre of the capital, and the camel was running the wrong way in four lanes of crazy traffic, chased by a worried owner. Ten seconds later it came back, the right way at least, through the red lights and being chased by seven more worried locals. Now every time he looks at a camel he starts humming the Benny Hill theme music, with that comedy chase in his head.

I still have my rose-tinted desert dune spectacles on, where camels are concerned. They are great survivors of a tough, long

life, usually living around 40 or 50 years. They are the inspiration for my alternative career model in this chapter.

Your career is the single most important choice you will ever make regarding future wealth accumulation. Like a camel it has to keep going. Sometimes even when the wadi is a bit dry. And once you are on a particular career path, staying on is challenging – sometimes you feel you haven't got a proper grip. If you let go or fall off, especially if you're travelling at speed, then you might be in for a big bump or even have to start all over again.

If it is financial progression you are after, staying on the same career path through the challenging times can often pay off. This might mean you need to find a way to stay motivated for a very long time. Especially now you are living and working longer than people before you.

If it's more than financial progression you are seeking, or if you have reached your 'pay peak' then you may need to think differently. Of course, we all hope we haven't reached our pay peak yet and we'll look at that later.

In this chapter you will rewrite your career pathway. Because the traditional model of a gradual climb and a sudden stop at the end with retirement is gone forever.

I believe you are more likely to go into a 'camel hump' model of career progression from here on in and I will explain how this works.

But first I want to share with you some possible future employment scenarios. What will the jobs market look like in 2030? Because before we can talk about you and your career over the next decade, we need to know what kind of jobs could be around, and which industries will be the winners and losers about 15 years from now?

The scenarios were devised by the UK's Commission for Employment and Skills because – as it says – you can't predict the future.<sup>40</sup> You can however prepare for it by thinking about what the future might look like.

Now, although these were created from a UK perspective, these high-level models could in my view apply to most developed countries. And the first scenario is a 'Business As Usual' model.

Imagine only moderate growth in the economy and more flexibility needed around skills. Employers will still offer a premium for skills that are highly valued. There will also be a need to match volatile demand. In the Commission's view this is likely to mean that the use of temporary or zero-hours contracts will be extended.

The second scenario sketches out a situation where strong high-tech and digital growth creates a two-tiered economy and society. This scenario they call 'The Great Divide' and here there will be a period of strong economic growth and employers will compete for skilled talent using their brand, their company values and flexibility. Low-skilled people everywhere will find very limited opportunities.

In the third scenario, 'Skills Activism', technological innovation drives the automation of white-collar work, creating large-scale job losses. Here smart software programs, what they call 'behavioural algorithms', will replace human decision-making, judgment and experience.

Accountancy and insurance will feel this change first, followed by legal work. This could create higher unemployment all round, which would threaten economic stability. There will be a mismatch of jobs and skills – lots of people all qualified for the wrong jobs – and so employers will have to create more internal training and development programmes to grow the kind of skills they need in-house.

The final scenario is what the commission calls 'Innovation Adaptation'. IT and communications technology allows employers to make a host of efficiencies in production techniques. So a country such as the UK will be able to compete internationally with organizations from the emerging economies.

But workforces will be pared to the bone and salaries will be slashed. Virtual and zero-hours contracts will become the norm. Because of the intense pressure on employees the commission imagines a return to localised co-operatives to increase bargaining power – it hesitates to say trades unions, but the overall environment is one of insecurity for employees.

Now let's get this straight – these are not predictions of what will happen, in an either/or sense. To make any actual prediction

for what the world will look like in 2030 is just too far fetched. But using these scenarios you can begin to think how your company might operate, or how you personally will deal with any particular situation. It's a kind of thought experiment, and it can help you to make decisions to prepare for these or related situations that we can't even begin to conceive yet.

Personally, these scenarios are plausible in their own way and I expect a blend of elements from the above scenarios to emerge and co-exist in some shape or form. It depends on your industry sector as to exactly what will happen.

A couple of thoughts occur to me as I review the scenarios.

Politically, in Europe at least, it's unlikely that a Great Divide would go unchecked. But you can see how - from an employment perspective - there would be strong competition for skills. And companies with flexibility would win here, without a doubt.

Now what's interesting to me is how the demographic changes we've been discussing affect these scenarios, especially the issue of the ageing population. For example, in all four scenarios, you've got to expect significant growth in the health and social care sectors. Far more people are going to be needed to look after the ageing population. This growth is likely to include migrant workers and those entering the workplace for the first time. Opportunities here for some, I think.

It's clear isn't it, looking at these, that the professional and business service sector is unlikely to be impacted heavily by automation, although there will be some job losses. Those algorithms are going to replace certain low-level roles and smart robots are going to replace bookkeepers. There will, though, be growth in global and international services because their projects will be easier to deliver using the new technologies.

In the retail and logistics sector, the impact of increased technology and processes is likely to change the shape of trading platforms. That will create more growth in demand and both low and high-skilled jobs will be created as a result.

In education, the need for much more focused and personalised training, delivered through different channels, will mean demand for workplace learning will grow. Employers will need to create

flexibility – in working hours at the very least – to enable this.

For manufacturing industries, there is huge uncertainty. We've seen manufacturing leave the developed world, on the whole, and shift to the emerging economies. The labour costs are far cheaper across the border and overseas. But the onset of 3D printing if it kicks up a notch may revolutionise production and supply chains.

Partly as a result of this continued innovation, the creative and digital sectors are likely to grow significantly. We are going to see a huge demand for digital tools and services that engage customers. However, for every swing there is a roundabout and for every ladder a snake. This tech should also improve productivity and performance. New things to measure.

As for the construction industry, the growing population globally will continue to create huge demand, but construction techniques will change. There will be far more off-site rather than on-site construction.

By 2030, therefore, to survive these major developments and scenarios, we are likely to need an entire range of new skills. The Commission suggests that in general you will need the following:

- *a greater capacity to collaborate and be interconnected;*
- *a willingness to embrace ambiguity and change, as innovation shakes boundaries and blurs silos;*
- *a much broader viewpoint about what constitutes your sector, for instance, or even your job;*
- *increased discipline and self-management – you will be expected to take more responsibility for your actions, your skills and your future;*
- *which means you'll need to be able to manage discrete projects even better than you do now;*
- *and you will need the ability to promote your own personal brand. How will you as an individual share your reputation around and outside your industry?*

What should be absolutely clear to you is that there's not much call for the traditional career model and university degree here. With the exception of project management, this wishlist is more

about behaviours than skills. And behaviours are not so easy to 'teach'.

So here's a key point to be thinking about: you will have to take charge of your career and make sure you have the skills and experience that new and emerging employers want. Because the nature of work itself is changing. It's not even a simple case of there will be more of this and less of that. The game changes. You *will* need to adapt your skills, behaviour and attitude to new and emerging job needs.

Compare this with the traditional career path. In the past – and maybe even now – you expected something like this sequence of events:

- *A steady increase in pay throughout your career.*
- *To rise up company grades through 20s, 30s and 40s.*
- *Your career path would start to level out in your 50s.*
- *Then you would plateau until you retired.*
- *When you retired, you would see a steep cliff.*
- *Work would stop, you would hang up suits or overalls.*
- *Your retirement and your pension would begin.*
- *Au revoir. That's it.*

In some cases, companies did and still may allow some flexibility in the final 6 months, to allow you to wind down to 3 or 4 days a week, to get used to a life of leisure and to hand over those important contacts to your replacement. The so-called handover period.

Succession planning, in the past, was relatively simple. Employers had some certainty over people's leaving dates and could plan to fill the sequence of roles they had to fulfill, sometimes for years ahead.

Pension planning was relatively easy, too. The 'final salary pension plans' were called final pension salary pension plans because they were based on your final salary when you retired. There was some averaging of your salary in those final 5 or 10 years before retirement, to ensure that any earnings peaks were included in the calculation. But that was about it.

I remember pre-retirement counselling sessions, from my early

days in the pensions industry, where I would explain this to individuals and work out which final salaries would be used to calculate their pension. Sometimes overtime pay declined in those later years to reflect a wind-down to retirement, so I would go back through their history to find and use the highest three salaries out of the last 10. Sometimes the last three years were the best because of bonuses and these would go into the pension calculation. People could always remember their boom and bust years.

Once you retired, the routine of everyday life would change significantly. Not everybody enjoys retirement as much as they expect and, in some cases, there are immediate and severe declines in health. In my own family, Peter, my Dad, rarely took a day off sick in his working life. He was self-employed. (It's the best cure for the common cold, as they say.) But the sudden shock of retirement brought about a series of health concerns. He is not alone.

Retirement increases the chance you'll suffer from clinical depression by around 40%, says the Institute for Economic Affairs, a well-regarded think tank, and that you'll have at least one diagnosed physical illness by 60%.<sup>41</sup> Retirement also increases the probability of taking medication for such conditions by 60%. The reasons suggested for this include loneliness, immobility, inactivity and obviously increasing age.

All of this could change for the better as the traditional career path and retirement pattern become obsolete.

So if we're going to be working longer, staying in our jobs for 40 or 50 years (or more), how will we remain engaged in our work? It could be tough unless our pay continues to rise and we can see some form of progression.

Even on a traditional career path, pay doesn't tend to rise steadily until retirement. I have analysed a huge amount of pay data over the years. Mostly, pay rises with age, peaks somewhere in the late 40s to 50s, then slides back in later years to a full stop at retirement.

In some jobs the peak comes even earlier. Workers in the care sector tend to see earnings peak when they're around age 30 to 35, and then plateau through to retirement. That's a long time without any real progression – and this could be the biggest growing employment sector in the next 20 years.

In some types of job, people's earnings peak when they're closer to their 40s than their 50s. This is the case for plant and machine operatives, associate-level technical and professional occupations, administrative roles, and leisure and travel executives. In this kind of job, people reach their natural ceiling earlier than people in more highly skilled jobs, where pay continues to rise as they are promoted to more senior roles in which age and experience are more valued.

Every job has a natural ceiling – although you can't get further than the CEO on the career ladder, no matter where you look. And mostly the same goes for pay. Banks, trading houses, insurance brokers and the like often pay big hitters, such as regional sales directors, more than the CEO on the basis of the revenue generated. But in most organisations the CEO's pay is the ultimate ceiling. And we can't all be CEO.

The story gets worse. For younger generations, the pay peaks are getting earlier. The *Daily Telegraph*, a British newspaper, ran a study in 2014 using data from the Office for National Statistics to examine earnings peaks for different generations.<sup>42</sup> The results give even more cause for concern.

Career wages for people aged 21 in 1975 (in other words for a Baby Boomer aged 60 when these results were prepared in 2014) reached their peak when they were 53. This is in line with expectations and therefore, so far, so good. For people aged 21 in 1985 (aged 50 in 2014 and just squeezing into the Baby Boomer definition, depending on which definition you like), earnings reached their peak when they were 45.

Arguably this too is in line with traditional expectations, and is not too much of a concern.

The next result is the most worrying, however. For people aged 21 in 1995 (40 years old in 2014, affectionately known as Generation X), earnings reached their peak when they were 35. That's another 10 years earlier.

Wherever people reported their salary peak, by the way, the peaks in earnings were followed by a tail off in all cases. This sets the scene for a whole lot more disengagement and potentially lasting quite a time.

So if you're a member of the younger generations, then according to these data you face a daunting prospect.

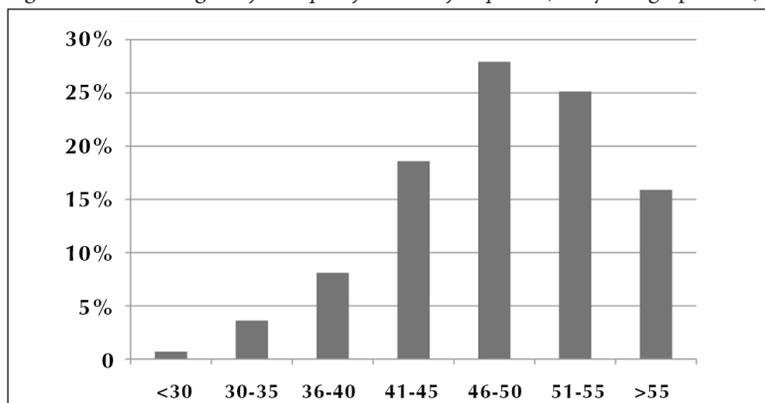
- *A decline in earnings after age 35 and potentially no real pay rises (other than inflationary reviews) for 40 or even 50 years.*
- *Little scope for saving for retirement, if you stay in the same job.*

So how do you avoid this future? Well, the first two areas you need to address are:

- *Career motivation – what are you going to do that you can enjoy? You might have to move around to get this. What new learning can you undertake to give yourself options?*
- *Financing your longer life – you are back on that slippery pole. Be warned.*

In the same *Daily Telegraph* article there was a survey which I could not resist completing. The question was this: at what age do you expect your pay rate to peak? Of the 3,000+ responses to the survey, I expect most of us were all blindly hoping that it is still to come in our late 40s and 50s. Given the average age of the *Telegraph* reader is 61 (the oldest of any UK newspaper readership), the data in Figure 12 must really reflect actual experience, however. It looks remarkably like a full career earnings curve from

Figure 12: At what age do you expect your salary to peak? (Daily Telegraph 2015)



a pay data table to me. I hope the respondents squirrelled away a good deal of their earnings between 45 and 55 given what we've discussed so far.

To save the day, it's time to set up your personal career strategy. Let me introduce the 'camel hump' career model to you in its simplest form.

I suggest this is a more sustainable and realistic model for the future. It involves more than one peak or hump and introduces the concept of a career review around the age of 50.

A career review involves assessing your skills compared with other potential occupations, considering your broader interests and making recommendations. Career reviews have been in operation in a number of UK public sector organisations during 2014 and 2015 and have been received with a great deal of success. They are a grown-up version of school career counselling.

Jane Warwick is a Supporting Learners Development Officer for Unionlearn, the learning and skills organisation of the UK's Trades Union Congress (TUC). Having worked at the TUC since 1996 in a number of roles within TUC Education, Learning Services and now Unionlearn, she says, 'I am often asked about the benefits of holding mid-life career reviews and why I feel it is important. I'm a champion for older workers and ensuring the support they need is available so they can continue to play a productive and active role within the workplace.

'The working population of the UK is ageing. It is estimated that the next 10 years will see around 13.5 million job vacancies, but only 7 million school and college leavers. Changes in retirement age and legislation have meant that many of us will be working longer, whether that is through choice or necessity.

In order to bridge this gap, the UK is seeing an extension to working lives with older workers helping to bridge the gap.

'Unionlearn was a partner in the Niace [National Institute of Adult Continuing Education] Mid-life Career Reviews pilot project in 2013. Union members told us how valuable they found having a review was to have a reflective space to discuss their situation and make plans for the future. A review is a positive intervention for workers as it helps them consider their situation and plan for

the future?’

In other words, mid-life career reviews get a better write-up than the career counselling most of us had at school. Or maybe we know what questions to ask now.

A career review can be done face to face or, thinking ahead, with a robot. There are already plenty of online assessment tools, including Nesta’s career-modelling tool which is well worth a look.<sup>43</sup> Although it’s aimed at school-age children making their subject choices, this type of career modelling using behavioural algorithms could work very easily for people in their 40s and 50s, or at any other age for that matter.

On reflection, there is no need to stop at one career review. Or wait until you’re 50. Career reviews could become part of your regular healthcheck.

Unfortunately, seeing how your current skills overlap with other potential careers is not something you usually encounter unless you work in HR. Career frameworks, pathways, ladders, climbing frames, pools and grading structures are second nature to this group. But it wasn’t until I built and implemented a couple of these that I looked in detail at the intersections between job types or families. Adjacent job families are a rich playground of fascinating new friends.

Can you imagine how interesting it would be to understand the world of opportunities available to you, given your experience and education? The results might be even more surprising if assessed by an unbiased robot that doesn’t judge you. A report in 2015 by Anglia Ruskin University’s Lord Ashcroft International Business School showed that an older woman is up to 25 times less likely to get a job interview than younger candidates, despite having identical qualifications and more experience.

PS to recruiters – this is illegal, immoral and really bad for the economy. And your future tax bills.

A robot can be programmed to ignore age and gender bias.

Given a level playing field, the results of such an assessment might provide the motivation you need to explore an alternative career. But be warned, this is not a level playing field. Recruiters and employers need to wise up to just how precious you are.

Lucy Kellaway, a columnist on the *Financial Times*, and I both spoke at a conference in London in 2014 on the subject of the ageing population and the challenges ahead for employers and employees. I talked about the camel-hump career model and she talked about her career going pear-shaped. Interesting that we both picked nice curvy shapes to describe our careers. It wasn't planned.

Lucy had been in the same job for 27 years and was fully expecting to be in it for another 27. While the prospect of 54 years in the same job was daunting, she explained how much she loved her job and was looking forward to the years ahead. But she also talked with passion and regret about all her friends who 'made' things and wished she was able to do something worthwhile like they did.

Lucy, if you're reading this book, I would encourage you to take up art. I will talk more about that in the next chapter.

For now I want to explore the concept of the camel-hump career, which captures the idea of your first career peak, followed by a second career peak, usually with a career review – informal or formal – between the two.

Instead of a second single peak you can even follow a plural career and have multiple part-time roles. That might include peaks for being self-employed or having a trusteeship or a non-executive directorship, or for volunteering. There could in reality be three or four humps, but then I would need a different curvy-shaped name.

Working in the Middle East is relevant to this model. Moving to Abu Dhabi was a new career direction for me. I had always wanted to work abroad and had also wanted to spend time working within an HR department rather than in the consulting industry. It was important to me to understand the challenges facing the companies I worked with. I wanted to see what it was like from the other side so to speak. And it was a job family adjacent to my previous job, so it wasn't too much of a shock to the system.

Considering an international move as part of your career is easier nowadays because of the opportunities to explore places online and to understand the environment in detail before you commit. Before moving your entire family, you need to do as much research as you can to make sure everyone will settle. When expat assignments fail, and many do, it is usually because the family can't fit in.

Glass Door and other career websites offer you a window to being an employee in these organisations, both at home and abroad. Employers have a lot more to live up to as they need to live their brand. And employers have a lot to do in this respect because ex-employees are not always kind.

So your career may have two or more camel humps. The next question is, in what unit do you measure a peak?

Many people assume it is salary related and can be measured in pounds or dollars or yen. Others measure it in pure experience, doing things they love and working with people they respect. Some will measure it by a particular achievement, such as one of the artists I met at a recent art festival. He worked on the St John’s Bible, which took a team of modern calligraphers 11 years to transcribe by hand onto vellum. It is a masterpiece – and an experience, he said, that was unlikely to be topped during his lifetime. Who knows, though?

There’s another New Rule of Living Longer forming here: new units of currency will define your success and motivation. So build a few into your plan. Think long term. You may have time for more than you think.

Table 11: How could you measure your career peaks? (Tick all that apply)

<i>Unit:</i>	<i>Please tick</i>
St John’s Bibles or some other inspirational project	<input type="checkbox"/>
Cars and money	<input type="checkbox"/>
Giving something back	<input type="checkbox"/>
Fun	<input type="checkbox"/>
Employer brand	<input type="checkbox"/>
People	<input type="checkbox"/>
Learning environment	<input type="checkbox"/>
Work-life balance	<input type="checkbox"/>
Status	<input type="checkbox"/>
‘Smugs’*	<input type="checkbox"/>
Eastern and Oriental Express gap years	<input type="checkbox"/>

\*Smugs are an invented currency representing a blend of all the above.

A more complex version of the camel-hump model involves building in a pattern of spending habits and income needs at the same time. In that model you would include debts and savings patterns, usually higher debt in the first two or three decades of working life, followed by a potential savings opportunity, as your debts are paid off and any children leave home. In this version of the model, you might also take on debt later in life to fund the need for care, which may be a borrowing against property.

The truth is, however, that the life events that will affect you won't come neatly stacked in a line like I'm describing here. However, neither are career patterns likely to stay traditional for much longer. You need to draw some curvy lines for yourself.

It will take you five minutes to draw out your own rough trajectory now. You know what's gone before in your life already, so that bit will be easy. It's planning the future that gets tricky.

So where on your lifeline and when will your income peak? Because after that comes the point at which you need to start financing your later life.

In drawing your own diagram, you can exclude what is not relevant to you and include your own real patterns to date. With this book you have some real data - use them to illustrate your own picture so far and to make some informed guesses about the future.

In terms of career planning, what this model shows to me is that there is scope for a 'gap year' for you somewhere. And as I've said, it doesn't have to be on a shoestring with a backpack right at the beginning of the journey. It could be during your glorious 50s when you can afford the Eastern and Oriental Express. As an experience, this may feature as a peak in your career journey. Unless you have already ticked this box, in which case think of something else. And if your employer enables it to happen that might be just worth more than a salary rise and keep you going through 30 more years at work. More people like you are doing this and it is already paying dividends.

The camel-hump model also shows there is scope to take a break to learn or relearn something somewhere in here. Perhaps this is how you incur your debt instead of a mortgage? We'll come back to the importance of lifelong learning in the next chapter.

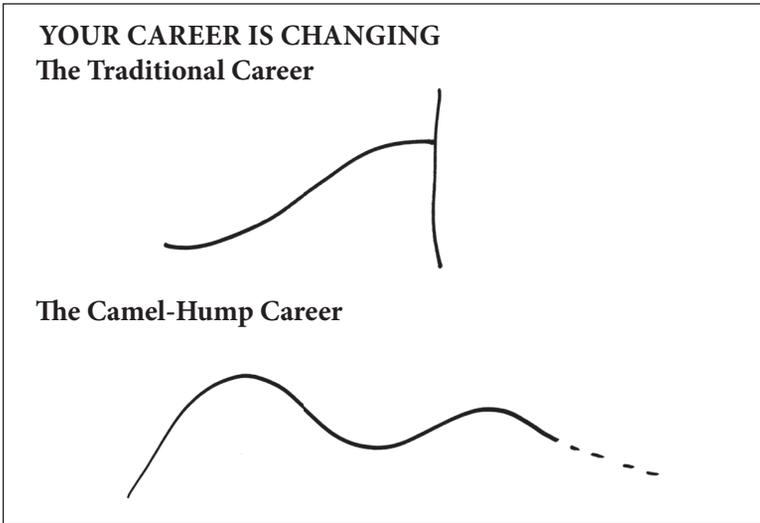


Figure 13: The Traditional compared with the Camel-Hump Career Model

<p><b>THE EMERGING NEW RULES OF LIVING LONGER</b></p> <p><b>1) The nature of work is changing</b></p> <p>Technology + Demographic change = Life as we don't know it yet.</p> <p>So explore what's happening to jobs and skill up.</p> <p>Plural careers will become the norm, including making money from your side-lines and hobbies.</p> <p><b>2) New units of currency will define success and motivation</b></p> <p>In your longer work and life, traditional motivators may not be enough to keep you going in future.</p> <p>Engaging work = productivity</p>
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Table 12: New Rules 1 and 2 emerge

The future certainly holds less paternalism (or maternalism) and promises more ownership by you. The advantage is that you have the right to choose where your career leads and you have the right to change. Do it now. Before something changes you. ■

**THE PAGES HERE LEFT BLANK ON PURPOSE**

**Now draw your Camel-Hump Career**

Possible things to include:

- a) life expectancy from Chapter 2
- b) earnings pattern and peaks from your experience to date
- c) preferred units of motivation from Chapter 6



“ If Jenny could have had some help with later-life career planning, she may have had the confidence to get back into work. She might have known how and where to learn new skills, too. Work also provides a social environment – Jenny is desperately lonely ”

*Chapter 7***LIFELONG LEARNING***New Rules for Staying Ahead*

Until recently, my four-year old granddaughter Phoebe has only had access to her Mum's iPad for strictly educational purposes. Desperate not to be accused of using it as an electronic babysitter, the only apps her Mum Gemma downloaded were those focused on building literacy and numeracy skills. After all, Gemma said, 'We didn't want to rot her brain or impede her development, did we?'

Turns out, they were missing a trick. As they've relaxed a little, they've offered Phoebe the opportunity to choose apps and games that appeal to her – and it's been a revelation. On the whole, she has been drawn to games that build on the skills you use in real life, particularly ones that are simple to master but contain clever ideas. Time after time she chooses those that encourage divergent thinking, those where she can use creative ideas to explore and expose different outcomes.

One of her current favourites entails preparing meals in a restaurant. She has to watch the (non-verbal, anthropomorphic) customers carefully as she offers them choices from the pantry, picking up on their body language to decipher which foods they like and dislike. She then has free reign in the kitchen to prepare a meal for them and the characters will eat whatever they are given. The key is that the customers show huge appreciation for a meal

that contains their favourite ingredients.

Like most four-year-olds, she thrives on praise and, true to form, will squeal with delight if her safari-suited hippo licks its lips and says 'Mmmmm!' She will announce proudly to anyone listening that they 'loved the scrambled egg, aubergine and pineapple' she made and, once the table is cleared, will head back to the kitchen to start all over again.

A few months ago, her parents had to choose a primary school. As they nervously negotiated their way round every option in a five-mile radius, it became apparent that there are stark contrasts in opinion when it comes to the use of technology, especially tablets, in classrooms and for learning. They saw schools that wholeheartedly embraced it, some that wished to but couldn't for budgetary reasons, and some that saw no place for it within a learning environment.

Having not given it much thought until that point, it came as a surprise to realise how strongly Phoebe's Mum and Dad felt about it. Technology is a huge part of everyday life, and they want Phoebe to have every opportunity to experience it and learn about it – both the glories and the dangers. As long as those schools that live and breathe technology make sure the children understand the pitfalls associated with it, then their view is 'bring it on!'

Forward thinkers are looking past the confines of traditional educational apps and seeing the potential of using an iPad as a holistic learning tool. Take creativity, for example. Undoubtedly integral to future success, we live in an age when we worry about the ability of our children to play and use their imagination. But the camera and video functions available on tablets – and so intuitive to use – enable children to capture their adventures, and those of their friends, with startling success. There are apps that offer simple and accessible editing tools, in addition to those umpteen filters and effects available from the standard functions.

Phoebe is the Queen of digital photos – finding joy and magic in every single one. (Even when she's taken 42 pictures of the same thing.) Her life is captured by her, and by everyone around her, on a daily basis and she revels in it. An exciting moment or funny story is always followed by a request to share with family who live

miles away, and this can be done in an instant. Only yesterday she was caught in her Mum's bedroom trying on a dress that belongs to me; not phased at all about being rumbled, the first words out of her mouth were, 'Can you take a picture and send it to Nanny?'

It's not just photos either. Phoebe is immersed in all things technological. She takes great pleasure in recording videos of herself singing 'happy birthday' to send to her friends (well, their Mums) on Facebook. She shares moments opening birthday and Christmas presents with far-flung relatives via Skype and Facetime. If we don't know the answer to one of her many daily questions about the inner workings of the world, she asks us to 'look it up' for her online, or better still, she'll shout it at Siri. While she can still be protected from the more sinister side of the world wide web, she experiences nothing but wonderment and excitement about the possibilities it holds for her.

For Phoebe, the iPad means that her shared learnings are no longer limited to the things we have direct experience of. It isn't bound by how much glue, glitter, mud or noise we can tolerate. The whole world is available, right there in that slimline box, and her Mum and Dad are going to have fun helping her to explore it.

My Mum and Dad, at 83 and 81 respectively, are at the other end of the generational spectrum, but have embraced technology and their iPad much like Phoebe has. Dad has now set up his own Paypal account because it's easier than putting in card details with every purchase. They are fascinated with Google Earth, and used it recently to view Penang in Malaysia, which he visited when he was stationed in Singapore in the army in the 1950s. Mum has never been there, but she was able to walk the streets with my Dad as he pointed out places he knew. He has found replacement parts to mend things around the house, downloaded music to play on the keyboard, learnt how to straighten my Mums' ever crooked photos, and accessed instruction manuals for things he has never really known how to operate. He was ready to Google the instruction manual for our cooker the other day to check what all the buttons were for.

Like Phoebe, they revel in the world of knowledge the iPad has brought into their lives. And the fact they want to do this in their

80s makes me smile so hard my face hurts.

Both ends of the generational spectrum are undergoing some serious self-development, self-help and reinvention. Learning brings immense pleasure. I never want to stop; and if I am a chip off the old block, then it looks like I won't.

For me, I find pleasure in learning. An encyclopedia was my favourite companion as a child. If I wasn't buried in that, then I was studying the intricate insides of a seed head or the underside of a leaf in the garden. These are some of my strongest memories, as strong today as they were 50 years ago, and I hope they are there to stay. I didn't go to university straight from school because I was itching to get out to work, but have since caught up with three degrees – two via the Open University while a working Mum, and one from Durham when I lived in Abu Dhabi. I'm halfway through a doctorate now.

My 'fun' study now is art – learning every technique I can to capture the beauty of the insides of those seed heads and the undersides of those leaves. As I write this chapter, I am getting ready to learn how to capture them in stone next week on a 3-day workshop. I am positively childlike with excitement about the whole thing.

But it is hard being an 'in-betweeny' from a technology perspective. The youngest are growing up with powerful small computer devices, and the oldest have leapfrogged a heap of PCs as big as a washing machine in the middle. I knew where I was with the washing machine version, but things are moving so fast now. I have got to the stage where I just admit to IT support that I don't have a clue what they just said and can they come and show me please. For a while, I tried to muddle on without asking for help, feeling a little ashamed of my ignorance; but now I am happy to explain that the era of my technological knowledge was quite a few years ago. In fact, about 20 years after my era of pop music. It's funny how we have our own decade. I wonder if that will persist if we live to 120, or whether we will have two eras instead? I hope I am around to write *that* book, too.

Learning should be lifelong. It should enable you to have fun and make progress, personally or professionally. It should set you

up for the future, either for your own business venture (remember the knitting entrepreneur and her house in France?), or to help you find that second career hump. Whichever way you look at it, it makes sense to start learning new skills.

*Forbes*, the business magazine, reports that online learning, or e-learning, is booming.<sup>44</sup> The value of the e-learning market has been predicted to reach \$107bn in 2015. It further claims that traditional methods of training or education are not going away just yet, but organisations of all types, from schools to companies, are opting for learning via the web.

PS: Look out HR – given the changing nature of work and the workforce, there is going to be a renewed demand in workplace learning and it looks like big business.

The Institute for the Future in Palo Alto, California, recently published its research on the needs for future skills.<sup>45</sup> Arguably, some of these skills are needed sooner, not just later. *Future Work Skills 2020* lists sense-making and social intelligence, alongside adaptive thinking, as the top new skills of the future. Sense-making has to be one of the skills I would have had on the long overdue list, rather than the future list, but I can see where they are coming from.

Cross-cultural competencies and skills to help with multitasking activities are also on the list, along with a heavy emphasis on technology, computing and design skills. You will need to create new and bigger networks, you will need to become a ‘boundary shaker’ ready to beat down silo walls, you will need to embrace change and difference. Workplaces and workforces are changing and the standard skills you learned at school will need to be reviewed.

I am not sure all of these skills can be taught in school and college, however. Some are behavioural characteristics and personality traits and not so easy to take in by traditional ‘push’ methods of teaching. I am not sure I believe we will all adapt to fit these new models, either. We have not been perfect in the past.

So what is different now? Well, not much where human behaviour is concerned. I had a conversation with someone the other day who said I was sadly mistaken if I expected one department

to collaborate with another on a particular issue. My response was that he was sadly mistaken if he believed they could survive without doing so.

What I would say, however, is that we are all capable of learning new skills. You're never too old to learn something new. And there has never been a better time to learn something new than now, because access to learning is so easy. I have just completed an online course in Botanical Illustration, working with the tutor via Skype and email in the UK. Her students are from all over the world. We learnt so much from each other as we shared our work as a class on a Facebook group. It's just like being in the classroom. You see everything – their rough sketches, their colour mixes; you can read each other's dumb questions and see everyone's beautiful finished works. We encouraged each other, shared tips on kit and painting disasters, and we made friends. I even met up with the Australian Botanical Art group when I was out there working recently, and saw some of their amazing art for real in the Sydney Botanica exhibition.

This is not so different from the way the Impressionists worked in the late 19th century. Though taught in formal art schools, they abandoned formal techniques to go out *en plein air* to paint real life. Small cohorts of artists worked together and inspired each other; they learned techniques from one another and put them into practice. In some cases they painted the same view side-by-side on a small boat, like Renoir and Monet, painting in Argenteuil. They shared tips on kit, they saw each other's rough sketches and colour mixes, they made friends.

We are told we'll need big networks in the future. But it's what we do with those networks that counts. If we share and we learn, we improve and everyone wins.

Actually, technology has already led to an exponential sharing and appreciation of art knowledge, and there is no going back. Thousands of artists come together daily and share work in progress so their personal networks have already grown. Digital images can be expanded and retouched so that close examination and feedback can be provided within moments. David Hockney created pictures to fill an entire gallery in the Royal Academy using an

app on his iPad – and these sketches of a single tree in Yorkshire in different lights and seasons have inspired a new generation of painters. Anyone in the world can learn from David Hockney's techniques by exploring his pictures and downloading the same application.

It takes some courage to post your first painting online. It takes a lot of practice to feel confident to share the work you have agonised over with the world at large. But once you have posted a piece, received constructive feedback and struggled along with others to improve, it is easy to embrace the new environment and relish it. You simply count the likes on your posts and you start to find out the tastes and preferences of the global audience.

In Japan, for example, they have a preference for fine and detailed botanical work. They like to see an uncluttered page with scientific accuracy. The Southern Europeans prefer strong colour and more complicated composition. They are free (blunt) with their feedback and love to paint edible botanicals. The British schools are competitive, but in a reserved way, and whether you have a Chelsea diploma or an Edinburgh diploma determines the likes from certain quarters. Australian artists have an exquisite style, and such a wealth of colour and texture to experiment with. No wishy-washy compositions from them. Market research – done!

So in the process of using social media, I have learned a number of things and some new behaviours. Not only have I improved my art, I have a better understanding of global market preferences and communications styles. I have broken down a number of boundaries and found people with a common passion. Learning the skills is the easy part – changing behaviour is more difficult, but you do have the right to change. It is possible to change even your behaviour patterns if you want to. Put yourself out there, make yourself vulnerable, take some feedback, and you will be surprised how quickly you can change.

There is a very good reason why I have doodled on about art for half a chapter. There is new evidence that those who continue art throughout later life are significantly less prone to dementia. Artistic activity, such as drawing, painting and sculpting, seem to have the most protective effect. 'Painting an apple a day' keeps the

doctor away, says Dr James Galvin.<sup>46</sup> On CBS TV in 2013, Dr Galvin also explained how super-agers (1 in 10 people over 80 who have superior memory skills) have protected their brains from the ‘disorders of a lifetime’, the effects of time, genes and environment.<sup>47</sup> You can’t change your genes or the time factors, but you can change the environment your brain inhabits. Take up painting if you haven’t already – the research shows you don’t have to have been a lifelong painter.

Several research studies also show that art and creativity bypass the language capabilities in the brain. They offer new ways to communicate and access your memories despite cognitive decline and bring a sense of purpose and self-esteem. The first major case study was very recent, and involved Mary Hecht, a sculptor who suffered from vascular dementia. Mary passed away in 2013, and although she had lost many other memory functions, she could sketch portraits of people from memory. There will be more to come on art and this debilitating disease of ageing, I am sure.

PS everyone: paint – start now and don’t ever stop

In France, the concept of a mid-life career review is not just an option; it is mandatory. In the UK, too, the experience of reviews has been very positive. Jane Warwick at Unionlearn told me that participants came away shocked. ‘It’s all about me; it’s the first time anyone has ever sat and listened to my wants and needs from my career.’

‘Every one is unique – you don’t know what is going to come out,’ Jane said. ‘People are thinking about transferable skills learnt from other works of life. People have said, “This is the first time my CV actually represents me.”’

Jane asks people upfront, ‘Can you do the job you are doing now when you are 65? If not, then you need to decide how are you going to carry on.’

Much of this is about training, but health and finances play a big part. Having conversations on the finance piece is usually limited to pre-retirement legal advice about getting their estate in order. On health, it could be their own health or a family member. With selves, it is about physically demanding jobs and how they can carry on; others are concerned about the stress they are under.

If the question comes up about the health of relatives, it can often veer into hereditary conditions and concerns about their own susceptibility.

There are 420,000 people with dementia still trying to work and they may have to continue even longer because of financial needs. There is a big question mark, then, over the employers' liability – where does this leave them?

Data from the National Adult Learner Surveys from 1997 to 2010 show that learning is very good for you.<sup>48</sup> But there has been a steep decline in learning activities for all age groups over the period from 2005 to 2010 – and the fall is steepest for those aged 60–69 years. Projections show that, if this recent decline continues, then rates of lifelong learning for those age 60-69 could reach zero by 2025. It is also apparent that those who have the highest levels of education are more likely to be the ones that continue with some form of lifelong learning processes. Women are also much more likely to participate in some form of lifelong learning programme, with more than double the take-up rate of men in most age groups.

The overall decline has been attributed to three main factors: attitudinal – people do not want to learn and do not expect to be offered training at this stage of life; situational – financial and time constraints; and institutional – employer-related training in some countries has declined significantly in recent years. In the UK workplace, for example, around 2 million fewer days of training were on offer in 2011 to 2013.

From a deeper analysis of the data, it seems there is an upward swing in lifelong learning in the European Union as a whole, but uptake in the UK is significantly down. With the knowledge that learning is indeed very good for you, and that the UK market has some catching up to do in this area, there is an entrepreneurial opportunity for someone out there to sell it better over here in the UK.

In fact, wherever you are, isn't there an opportunity for you to take up teaching as a sideline to survive your own longer life? ■

**THE EMERGING NEW RULES OF LIVING LONGER*****3) Learn from a 4-year-old***

Learn from a 4 year old, or at least look at how they are learning.  
It is like nothing you will have seen before.

Try it.

And never stop learning like a 4 year old

***4) Take up something creative***

There is evidence that it will help preserve your brain.

*Table 13: New Rules 3 and 4 emerge*



“ *The social worker sees 22 people every week, none of whom ever expected things to get as bad as they are. There are five like Jenny, where financial stress and health issues run side by side. And there are other people like Helen, who’s 87 and has dementia. She was scammed by a gardener a few weeks back. He charged her £500 to cut the lawn and stole all the tools from her shed while he was there* ”

*Chapter 8***LIFELONG LIVING***New Rules for Your Later Life Strategy*

You are going to make a life-enriching cocktail in this chapter. Or rather, we are going to make it together. So far in this book I have been throwing a lot of responsibility on your shoulders. It's been hard work and I think it's time to lighten up.

There are a number of basic ingredients in this cocktail, and then some 'trimmings'. It's supposed to be fun, so get yourself in the right frame of mind for this. I had a yoga teacher once, who would carefully talk you through a complex asana – a physical movement in the practice of yoga – and explain exactly where to put your body parts to get the best out of the stretch. She would often say, 'now take the corners of your mouth, and reach them high up the sides of your face into a wide arc, stretching your face and cheeks into a big smile'. Bear with me. And do this now.

If I'm right, there's an instant dropping of the shoulders and a sense of lightness washes over you. A few more of these, and a couple of slow, steady breaths, and you will be ready to make your cocktail.

First, choose your top activity, something that you love doing and that takes you back into a state of childlike excitement – something that that used to mean tears when it had to end. Was it going on holiday? Do you remember packing up your own suitcase, working out which special toy was coming along, and helping your

Mum prepare a picnic for the journey? It was for me, so I am going to mix that into my cocktail first. My first holidays, when it was always warm and sunny. I even remember the smells of those first holidays. The first sniff of the sea gave me butterflies. It still does. In goes the sea-salt into my cocktail.

Now it's your turn to add a trimming or two – something that transports you somewhere blissful.

Because it's a cocktail, we need to shake it up a bit. Add a double measure of another activity, as this is a big glass. Remember you are going to live forever if you get this right. This time, it needs to be something that makes you feel really proud, confident and special. It might be work, or a hobby. Sport, or music. Make it a treble measure if you like, it's your cocktail.

I'm going to add a double measure of art in mine, to leave room for a generous slug (!) of gardening.

Next, choose your mixer. This is a bit more mainstream, something to bind it all together. This is your daily routine – but only add the bits you like. It's only the mixer, but if you get it wrong, you will spoil some very expensive main ingredients. This is sometimes a little more difficult to nail than the main ingredients. It might be easier to start by throwing out the bits of your daily routine you don't like to see what's left.

Here's my list of keepers to get you started:

- ☑ Waking up early in the comfiest bed on the planet
- ☑ Sour dough toast, real butter, homemade marmalade
- ☑ Lashings of tea
- ☑ The dogs – despite the drool on the ceilings when they shake their heads vigorously
- ☑ Knowing I have a packed agenda and several must-dos today
- ☑ Choosing clothes that make me feel good to play the role I will play today (yes, even if this means a bobble hat and very fetching waterproofs to tackle winter hedge trimming)
- ☑ Making something, even if it is only a list for tomorrow. (Today it has to be curtains for the

camper van however, otherwise we will be sharing a little too much with everyone else at the art workshop at the weekend)

I think that's enough of my daily routine in the mix for now. How are you getting on?

There are some big questions here. But stopping to think about these questions is part of developing your later-life living strategy. What do you want from it all? The more exciting and delicious ingredients you have in your sights, *and that you can deliver*, the more you can build up your resilience to the bitter pills that will also come along more frequently in later life.

The next step is planning your approach to delivering, and that includes thinking about who your cocktail-drinking buddies are. Then you are well and truly on the way.

'For me, the most important thing is that there should be a later-life strategy,' says Dr Lesley Trenner, who worked for a global pharmaceutical company for many years before becoming a mid-life coach. She now specialises in midlife transition, career change and eldercare dilemmas. She has a powerful message.

'You need to figure out what the most important things are in your next 20, 30, 40+ years. It could be that the expectations you started out with are not realistic,' she suggests. 'and they may not even be on the radar when you stop to ask yourself these questions.'

Lesley admits she hasn't always had a cunning plan for her career. She started by studying the history of art, and then moved to categorising knowledge in a library. Digitisation of knowledge led to exploring IT, and then to the psychology behind how people use technology. The result was a lifelong interest in people and change management.

Around this time Lesley's mother was diagnosed with dementia and it struck Lesley how different reactions were to this family event. Friends and colleagues are comfortable talking about babies and marriage. But when it comes to discussing the caring of a mother with dementia, it feels like a no-go zone.

Worries and fears started to grow, she says. How long will it last? Will I get the same disease? How will I carry on working?

How much will this cost? Why can't someone else do the caring? Why do I have no one to talk to?

'It was as if you could choose your ingredients for a cocktail,' says Lesley 'and yet you put everything in there that could possibly make life more complicated and difficult.'

You and I aren't going to mix this version of the cocktail today, though some of you may already have tasted it. To be honest it could easily get mixed and served to any one of us tomorrow. (Life event card, anyone?)

When people ask Trenner for advice, she tells them you only live once – you owe it to yourself and to society to fulfil your potential.

'Make the most of your life. People in the baby boom generation typically feel they should save; they should do the right thing.' It can be a surprise, she says, to find out you want more than these norms. Sometimes, the need to stick to 'the right thing' exists only in your head. 'You have options to create what you really want in later life.'

Sounds like a plan to me, and it's something I put to journalist and broadcaster Deborah Gale, who describes herself as an Apple veteran and a serial ex-pat. She's also become an expert on ageing and has some useful points to think about. So I ask her: how do people decide what to do in later life?

'50-year-olds have 20 to 30 years of new longevity,' she says. 'No one is prepared financially for this, regardless of whether they are in the haves or the have-nots brigade. The best advice you can get is that you have to adjust to the longevity expectation and possibly consider changing career – adapting to new technology for one.'

It's a shock to the system, this ageing thing, she adds. 'Our understanding of what it means to reach 50 years of age - with the potential to live another 40 - has not been taken on board. Ageing needs to be repositioned as synonymous with living.'<sup>49</sup>

But it's hard isn't it? Yes, she says. 'This thinking challenges every preconceived notion about ageing that we possess.'

Yet the principles of longer living that Gale espouses are simple.

'Know who you are, and also know what you bring to the table. Be honest about your capabilities. And if you intend to represent

an over-50 – with rich life experience, history and wisdom – then there are other new skills you need. Your tool chest may be lacking.’ This is also relevant for continuing in the workplace, it seems to me.

Then she makes an observation that probably resonates with many of us. That perhaps there is a fear factor involved in ageing.

‘There is a fear factor – a fear of not having enough energy. By the time you reach this age you may already have been kicked too hard and given up on it. If you are tired, do something, summon the energy. Walking does wonders, Fitbits and pace counters [to track your activity] are literally lifesavers.’

She pauses for a moment to reflect and the conversation takes a different direction. ‘Women find this most difficult: they have taken time off – gaps for kids or caring. The fact is career gaps do limit your career options and your finances. You are already at a disadvantage.’

The conversation leaves me thinking for the longest time. About so many things. But it leads me to realise that because we are living longer, there is now a phase in our lives - from about 50 to 75 – where we can be very productive. So you need to think carefully about what you want from that period. Find out what the options are.

‘At 60, for example, you still have 15 years of what we’ll broadly call productivity left,’ she says. ‘That’s 25% of your overall productive life. So if you start playing the violin at 60, you could become a maestro.’

It may be that you’ve worked so hard all your life that you just want to stop and relax for the next 20 or 30 years. It could be that your financial situation leaves you no choice but to continue working. It may be that you are in a sandwich-generation situation, caring for parents and children.

Whatever the case, you need a store of the later-life strategy cocktail on tap.

Sadly the majority of people just keep going, following their day-to-day routines – or rather the day-to-day routines they established years ago. A routine appropriate for a different time in their lives. Until, in some instances, they realise they are not even sure

what direction they're travelling in. They haven't stopped to make their cocktail yet.

In this situation, in Deborah Gale's view, you need to find out what you need to learn.

'One of the best ways to find out what your own gaps really are is to use reverse mentoring. Do it in a non-threatening way: a few good conversations between generations about what you each bring to the table will show you your gaps. Being realistic about what you need to learn is half the battle.'

In both Trenner's and Gale's experience, your physical and your mental health in later life are also key areas you can influence.

Physiologically, you do need to take care of your body if you're living longer. And women do tend to be more concerned with managing their health, through diet and exercise. Men, however, are more likely to have an unhealthy lifestyle and they do suffer as a result.

Your mental health is so much more difficult to manage and remains taboo. But people are becoming more savvy about getting the right work-life balance. Though, as Trenner has found, worries about conditions such as dementia can become overwhelming and depressing. Concerns about financial security only add to the stress. Not knowing how long you'll be well enough to continue can overpower your ability to think clearly.

So it's important to have the right attitude or – to use a vogue word – the right mindset. 'It's as if some people have almost given up,' says Trenner, describing some of the emails she receives. '58, life passed me by, no hope.' Her advice to us all for later life is to take control and to make things happen.

'Owning up to this is a part of understanding who you are, what you want and what will get you out of bed each morning,' she says. 'It could be writing a book or travelling or taking up a new sport. But you have to believe that these things are good for you, and that pushing yourself is good for you. People are so busy; they go through the motions.'

Deborah Gale advises the boomer generation, especially, not to become complacent.

'Accept that you are not prepared financially for the next 30

years. But you have to make a positive change.’

The message of ‘change’ is important message, adds Trenner.

‘Over-50s jobseekers can be told you are past your prime, or you are over-qualified. Don’t believe this. Mid-lifers have skills, experience, wisdom and strong numeracy and literacy skills. Coaching can help you understand where you are now, where you might want to be, and most importantly what stops you getting there. Keep an open mind and look at all options, keep skills up-to-date and don’t blank out new ways of doing things. It’s never too late! Make time to do the things you always wanted to do.’

Dr Wolfgang Seidl, a medical doctor and psychiatrist, agrees about the challenge facing us in our longer lives. And he lays it in part at the door of our abrupt retirements. This cliff edge change in our circumstances has a huge psychological impact on us, not only because of the financial pressures and the sudden loss of career, but also because of the loss of respect.

‘Some people have a talent for happiness; this is part of the “nature” in their make-up. The other part of happiness comes down to “nurture”. And so our environment, the way in which we fill our lives, has an equal part to play. We need hobbies, we need to fill our lives with activities that will enhance and boost our resilience. Life isn’t about avoiding sadness – it is human to be sad – but we can help to manage away depression.’

Men in particular suffer in the transition to retirement, says Seidl. ‘Much of the self-esteem they have comes from work. In psychotherapy, I found men fell to pieces if something went wrong at work. Women take work much more in their stride. Family issues are likely to affect them more severely than work.’

So what do both men and women need for a successful transition into their longer lives?

‘For a successful transition, you need ties with family and friends, meaningful links in with the community around you and you need to challenge yourself,’ he says.

Carrying regret is quite normal and you need to accept that, he adds. Wolfgang talks of a friend who was an architect, a career he had loved all his life. His big regret was not taking up professional sport, however. ‘It is normal to feel some sort of regret, but going

part way to fulfilling these ambitions in later life can give you a new energy.’

And you will need this energy – so, arguably, the more regrets you have to burn off, the better. Perhaps this could mean you even outlive your forecast 120 years of age! Turn all those regrets into positive energy. (I think I’ve just invented a new type of coaching cocktail!)

Then Seidl says something that really captures my attention. ‘You need a bank of emotional resilience to see you through later life... just like your savings and finances. And the earlier you can start building up both, the easier things will be.’

As someone involved in the financial aspects of pensions and retirement funds for many years, but a psychologist at heart, Seidl’s concept of an emotional bank account appeals to me. Because I know how important those financial savings funds can prove to be as part of your later-life strategy. And if the financials are not right, this will destroy your mental wellbeing.

To be honest, pensions have become very complicated and are now more mixed up with other types of saving than ever. First, people are moving around more, so adding up any pensions savings, sometimes from several countries as well as from a range of employers and personal pension plans, can be extremely difficult to do, if not impossible.

There are decisions to make about whether or not you take pension or do you hope to use your pension pot like a bank account and draw out cash when you need it. Some believe cash is a nice option, and if you know how long you are going to live and what you will need the money for, it could be. But in Australia, 1 in 4 people run out of money doing it this way.

There may be your state pension to consider, if you’re lucky enough to live in a country that grants a state pension. Although some of you will dismiss that element. ‘Well, THAT won’t be enough to live on,’ or ‘They keep moving the retirement age, so I’m not sure when I will get that.’ Interestingly the Manx Government has been considering a move to a retirement age of 74 in the Isle of Man, so you might be right on that point.

Whatever the constituents of your future life income are, calcu-

lating what it is likely to be is even more complicated as your life expectancy lengthens.

By the way, pensions are less complicated for the wealthy, whose pensions are less likely to feature as a major part of their income needs.

And for the poor? Well, I can only hope you live in a country where the state pension will do the job.

It has to be said that the world's state pensions systems are under strain, especially so in the developed economies, because of increasing life expectancy. So don't count solely on them, especially in the longer term.

In fact, it's the shrinking population of young people who will be the ones paying the taxes and social fund contributions that will finance your State pension and your ever-lengthening lifespan. They will not have bottomless pockets.

If you do feel that you're in difficulty here and have concerns, then please contact the nearest advice agency or a financial adviser or both.

But for everyone else in the middle, you need to sort out enough ducks to make up a row.

In order to help you with sorting out your ducks, I have included some pensions examples below to highlight a few home truths. There are three things I particularly want to illustrate:

1. It costs a lot to live a long time and most of you will not be able to afford it, let alone factor in a trip to Disney with the grandchildren. (PS there is hope, however – you are reading this book!)
2. It's rubbish being a woman from the perspective of financing your longer life.
3. It makes a big difference when you were born.

I have really simplified these examples to make them as easy as I can to decipher. I have also picked just three job levels as an illustration.

- *a human resources director; I chose this role because if you're one of these AND you're reading this book, then you are the person who can help a lot of people in employment to get their ducks sorted;*
- *a mid-level professional;*
- *and a self-employed person who, in this example, may be on a much lower income. I chose this role because you won't have the help of an HR director. You are likely to have to sort yourself out. And there are likely to be more and more people like you.*

It's not possible to show everyone's situation here, but this should give a broad enough range. You will find your situation in here somewhere, even if it is in between a couple of scenarios. Look at the relative numbers and percentages to get an idea of what sort of income you can expect during your longer life.

The figures are all shown in 2015 money, so you can get a feel for the 'purchasing power'. They include state pension in the UK.

For the record, these examples give a brief insight into the possible state of your later-life income potential. You should not rely on these figures, although they use a set of reasonable assumptions.

I must also tell you that this information does not constitute financial advice. It simply lays out a few home truths about what you might expect from the potential membership of various pension plans by typical people.

These tables illustrate the impact of key variables, such as income, gender, age and length of service. Not everyone will have thought about all of these at the same time before.

### ***Example 1 – Senior Director on a Defined Benefit Pension Plan***

The senior HR director is likely to be aged around 55 in this example. These figures show the level of pension you could expect if you had been in a Defined Benefit (DB) pension plan. This type of pension plan is now mostly closed.

This type of plan provides a fraction of your salary (in this case 1/60th of your salary) for every year of work.

The pension itself is guaranteed – there is no investment risk

Defined Benefit plan member	Salary	DB plan (60ths)	Total pension (including state pension at 65)	% of salary
Male HRD	£170,000	40 years service	£121,198	71%
Female HRD	£170,000	30 years service	£92,865	55%
Gender gap female	£127,500	30 years service	£71,615	56%

Table 14: Pension examples for 3 senior directors in Defined Benefit plan (Mercer)

for you, and it will increase each year roughly in line with prices.

Before we discuss the example itself I need to tell you that, for this male HR director, I have assumed a full career in this type of pension plan. In comparison, you may have gaps, unless you are lucky.

For the female HR director, this example assumes a 10-year gap from work (and therefore a 10-year-gap in the pension plan) for career breaks to have children and/or to care for a loved one.

In this example, the gender-gap director is a female HR director with a 25% pay gap. If you're thinking that sounds high, let me tell you that a 25% difference between female and male salaries is the *average* gender pay gap in Europe in 2015.

Now if you're a woman, 'That's not me,' you may be thinking, 'I'm paid fairly.' Think again: 25% lower pay than men is only the average. You might actually be paid even less than a man, either now or you were at some point in your career.

Anyway, the results in Example 1 look pretty good in cash terms, and this is because Defined Benefit plans *were* very good. If you were fortunate to have been working in the era when they were common you are VERY lucky.

I say 'were' common, because most have closed down. They are expensive for employers to run.

However, for women who've had a career break, or who suffer a gender pay gap, or – worse still – have been hit by both bats, it's not so good, in relative terms. To have been born a woman 55 years ago, instead of a man, has knocked about 40% off your later-life income.

### *Example 2 – Senior Director on a Defined Contribution plan*

Now, in Example 2 I've chosen to go with a senior HR Director aged about 55, exactly the same as the first example. Same salaries, same length of service. In this case, however, you have been a member of a Defined Contribution (DC) plan, not Defined Benefit.

Now these types of plan don't provide a guaranteed pension, like the Defined Benefit plan in Example 1. Instead, a percentage of your salary is paid into an investment plan. Traditionally you'd use the proceeds to buy you a pension when you retire.

Big note here: you take all the investment risk in this kind of plan. If the investment goes 'pop', so does your pension income.

These figures assume a contribution of about 8% of your salary each year, across the whole length of your career. However, your employer will put in around 6% or so, in the UK at least, and you might put in an additional 3% of your own money on top of that.

In reality, however, there may be patches from your early days of work when you made no or lower contributions than usual, for various reasons. So 8% overall is the example I have selected for these illustrations.

What's the difference between the Defined Benefit and the Defined Contribution plans? Take a look at Table 15.

As you can see, the differences in later-life income are difficult to believe compared with Example 1. The Defined Contribution plan has about a quarter the rate of return.

So there will definitely be some belt tightening if you want to buy

*Table 15: Pension examples for 3 directors in a Defined Contribution plan (Mercer)*

Defined Contribution plan member	Salary	DC plan (8%)	Total pension (including state pension at 65)	% of salary
Male HRD	£170,000	40 years service	£34,737	20%
Female HRD	£170,000	30 years service	£25,590	15%
Gender gap female	£127,500	30 years service	£21,159	16%

that cocktail we made earlier. In fact, you may need to revisit your recipe altogether.

You may have other means of support, however, such as savings, or you may be comfortable with this reduction in your income. You may not need much to live on. It's your choice.

### ***Example 3 – Mid-level professional on a Defined Benefit plan***

In this example, I have chosen to concentrate on a mid-level career professional aged around 35, with salaries from £40,000-55,000. In this example I want to show what it would look like if the mid-level professional was in a Defined Benefit pension plan for his or her full career. In practice, however, a 35-year-old in 2015 is unlikely ever to have ever heard of a Defined Benefit plan, let alone been given the option to join one.

*Table 16: Examples for mid-level professionals in a Defined Benefit plan (Mercer)*

Defined Benefit plan member	Salary	DB plan (60ths)	Total pension (including state pension at 65)	% of salary
Male professional	£55,000	40 years service	£44,531	81%
Female professional	£55,000	30 years service	£35,365	64%
Gender gap female	£41,250	30 years service	£28,490	69%

Again, if you are a gender gap, child-rearing, caring female, you miss out on about 40% of your later-life income. There ought to be a law against it. (Oh. There is.)

### ***Example 4 – Professional in Defined Contribution plan***

Now the financial pressures really start to bite. This is a Defined Contribution plan for a mid-level professional earning from £40,000-£55,000 a year. A lengthy service, also the same as Example 3. It's a good job that the state pension adds almost £8,000

Defined Contribution plan member	Salary	DC plan (8%)	Total pension (including state pension at 65)	% of salary
Male professional	£55,000	40 years service	£15,904	29%
Female professional	£55,000	30 years service	£13,151	24%
Gender gap female	£41,250	30 years service	£11,830	28%

*Table 17: Pensions for professionals in a Defined Contribution plan (Mercer)*

a year to the later-life income figures here, or if this were you you would be on the breadline.

You remember a few moments ago I said most workers aren't offered Defined Benefits plans anymore, only Defined Contributions plans? That's unless you work in the public sector. In 2011 the British Government tried to change public sector workers from Defined Benefits to Defined Contributions plans. Which led to widespread strikes. Compare the results of Example 3 with the results from Example 4 and see if you can figure out why.

At least the gender gap starts to narrow in this example. But that's only because the state pension makes up such a big proportion of the totals. I'm still not sure you can afford that longer life cocktail. Sorry.

I will never know the real extent of my gender pay gap, and neither will you if you're a woman. I just know that in the 1970s, 1980s, 1990s and 2000s when I was working and earning pension, it was likely to have been a whole lot bigger. This gap is devastating for some women, and I know many whose quality of life has been severely affected as a result of such shortfalls.

### ***Example 5 – Self-employed in a Defined Contribution plan***

The self-employed typically do not enjoy a rich programme of employee benefits and pension plan membership. In fact, you often forgo these luxuries to pay your staff, to pay your rent, to buy equipment and to reinvest capital in your business. Especially if you are a one-person trade.

I remember how important buying good tools was to my Dad; ‘They have to last,’ he said. ‘You can’t afford to have to keep buying these things.’

The self-employed are unlikely to have anything but a Defined Contribution type pension available to them, and so there is only one set of figures shown here.

These figures have been calculated assuming this person is around age 25 today, and that a full career will be around 5 years longer than in the other examples because of the increased life expectancy for a younger person. The age at which you can start drawing your state pension will also have increased to 68. We won’t say anything about the fact that the self-employed may be in that category of people who have to continue working.

*Table 18: Pensions for the self-employed in a Defined Contribution plan (Mercer)*

Defined Contribution plan member	Salary	DC plan (8%)	Total pension (including state pension at 68)	% of salary
Male	£22,000	45 years service	£12,168	55%
Female	£22,000	35 years service	£10,792	49%
Gender gap female	£16,500	35 years service	£10,060	61%

I’m going to say this again: these examples only give you a brief insight into the possible state of your later-life income potential. You should not rely on these figures, although they use a set of reasonable assumptions. This information does not constitute financial advice.

But let’s be blunt. In 2015 terms, the average day-to-day costs for a pensioner to live are around £11,000 a year, in the UK. My estimate is closer to £15,000 a year, however, because – as you will remember – I have an unrealised bucket list of things to get for my grandchildren. If I give up on the bucket list (over my dead body!), I could just about manage on Examples 4 and 5. But only if I were a man. And I’m not. (How will self-employed women manage in

the future?)

Similarly, if I had enjoyed a full career in a Defined Benefit plan, it looks like I could manage pretty well. I didn't, and about 95% of you won't have either. I have about 13 years of gap because of caring for children and living abroad. As I said, being born in a Defined Benefit era was lucky, but those days are over.

If that's the case for you, then Examples 1 and 3 are unrealistic, so most of you will have to focus on the realities of Examples 2, 4 and 5 and the outcomes from a Defined Contribution plan. Do you want to remix your cocktail now, or wait till later?

Let's look on the brightside and start planning. In reality, you are likely to have half a dozen or more different pension pots dotted around. You may already have cashed a few in, in between career moves, or transferred money from one to another. But you have to make a start on your own planning.

As I mentioned in the preface, it took me 6 months to work out what nuts I had squirrelled away and I have been working in the pensions industry for more than 30 years. New rules on freedom and choice, new tax limits, debates about annuities and interest rates, as well as different regimes applying to sections of your pensions depending on when you earned them, will all add to the smog.

I hope that by making some of these figures more transparent to you now, it will enable you to get in early and use someone else's hindsight to your advantage. This is your own history-making expedition unfolding.

PS make history today by collecting up your own financial history and finding your gaps. I can recommend a cocktail or two will help with this process.

I hope after this chapter you will commit to getting some kind of financial reckoning under way. But the journey isn't all about the ticket price. What else is this journey about? ■

**THE EMERGING NEW RULES OF LIVING LONGER**

***5) Building a later life strategy will become the norm***

We all need a later life strategy and it will need to account for the good and the bad life events.

Entrepreneurs out there - app alert!

***6) You will need two bank accounts***

One will need to be full of resilience and one will need to have a lot more money than you might have imagined possible. Living longer costs a fortune so start getting your ducks in a row.

***7) Women will be living longer than ever***

This will impact both bank accounts. Financially you might already be 40% worse off.

It's difficult to put a figure on the resilience deficit but you will know it when you get there.

Try and find the positives in all this!

You will be living longer than ever after all.

*Table 19: New Rules 5, 6 and 7 emerge*

“ *Jenny’s is a true story. So is Helen’s. At the end of a long week, the social worker wonders: why do we all think this will never happen to me?* ”

Chapter 9  
**CONCLUSIONS**

*The New Rules of Living Longer*

'You are only here for a short visit, don't hurry, don't worry, and be sure to smell the flowers along the way.'

*Walter Hagen (1892-1969)*

I have just been outside to do an extreme prune of the wisterias. I needed some energy to write this final chapter, so that was the perfect activity to get me going. They are unruly beasts by August, arms waving everywhere, blocking your path – a bit like kids on school holidays. You need to get fired up to tackle both of these and survive.

My daughter is keeping a log of this six-week summer break; last night's entry made me smile.

*Mummy's Log. Day 26 of 41*

Phoebe had a headache and was feeling a bit under the weather this evening. A smidgen of Calpol will make her feel better I thought. Gave her a dose at 7pm. By 7:20pm she was definitely feeling better.... Positively buzzing even....

Four years, two months and four days in and still making rookie mistakes... Tut tut tut!

Neither Gemma nor I would advocate denying your children medication, of course, but still... There was a great entry about a meltdown over who got the first lick of the ice cream last week, but I need to move on to more rational conclusions.

By now, you will have realised that ticking along without giving any thought to how you will survive your longer life is probably

not the wisest plan. Because you will have realised a few things *en route* to this chapter:

- a) You may live a lot longer than you thought possible;
- b) The generations coming up behind you (your kids and grand-kids) will live even longer;
- c) You probably can't afford life's rich cocktails (sweet or sour) anymore;
- d) You may need to actively seek out and talk to people of a different generation, so you can accurately understand what your knowledge gaps are;
- e) You will need to plug the gaps in (d) to survive;
- f) You may also have picked up that regrets are, oddly, not a bad thing to have lots of: the more you have, the more you have to work with as you dispatch them one by one.

If you have picked up on all of these subtle clues, you are about to take control and work out how to survive your longer life.

There were a few more clues along the way, weren't there? Especially for us women. These were not subtle at all, and I expect you spotted them. In a nutshell, where age and work are concerned, your bike has two flat tyres, wobbly handlebars and the chain's fallen off. But you can rebuild it, because you have all the bits!

On the plus side, you will live longer than the men, so make the most of it. OK, so having children and a gender pay gap left you short-changed by 40% compared with your twin brother in the same job. But Barbara Beskind landed her dream job as an inventor at Ideo in Silicon Valley at 91, so there's hope for you yet. Anyhow, be sure to build a big network of friends, because you are going to live forever and you'll need it. (So that's what Facebook is for!)

A rational conclusion, now you have all these clues, would be that it's time to make a list and tackle these things now, one by one.

However, we don't usually take action in such a rational way. Emotions are the order of the day where your life is concerned. Remember the *What if?* game from Chapter 1? My guess is that the next big action you actually take on your list will be driven by an event that is full of emotion. Let me know if I am wrong.

The happiest people I have spoken to during my life's research have been those that have filled their lives with choices, hobbies and interests. They have a passion for what they do and have managed to find a place, somewhere in their life, to practise autonomy. Not to be governed by anyone or any institution or anything else.

Because real-life cards can get dealt to them at any time, however, they tend to keep the cocktail cabinet well stocked with the energy-giving, later-life strategy mixture. A daily gulp or two of your bespoke tonic will be restorative.

If you had a light bulb moment when examining the pensions outcomes in Chapter 8 and realised that you are seemingly going to have to work a lot longer than you expected, or to start squirrelling fast, you will also have gathered that your career is the single biggest way to create wealth. So maintain a buzz of engagement while you live and work longer. Explore adjacent types, or families, of jobs, where your skills are transferable. I assure you that you will get, literally, a new lease of life from trying something different.

It's not just your work and technical skills that are transferable either; it can be skills you learn from other activities. You saw that even being on the right Facebook art group can teach you about global markets, collaboration and vulnerability. These are transferable skills and behaviours that will serve you well in future years.

Spoilers ahead: employers won't make it easy for you. They are only just starting to get to grips with becoming more 'age friendly'. They will need to do a lot of work to change hearts and minds, given the following evidence:

- *that bias is rife in recruitment practices,*
- *that pay and performance awards are skewed to the young,*
- *that skills crunches are real today,*
- *and that there is a lack of relevant training for older workers.*

This is all now in the headlines on a regular basis. And come to think of it, *society* won't make it easy for you either. Age bias is everywhere and we have to change that. More flashmobbing!

There is evidence of ignorance, too: falling productivity as a function of age is often the narrow-minded perception of some

employers, though the evidence proves that this is purely myth.

In addition, not all employers have yet embraced the concept of flexible working. But accessing deep labour pools will be essential as skills are now even more scarce. So, dear employers, flexibility in working hours, location and job design will have to become the norm. It will become increasingly important to understand where and how value is created in your organisation, and to tackle those areas and the new jobs they require as a matter of urgency.

Dear later-life employee, always remember that they need you, and they will need you for some time. They are starting to get it. There is enough evidence in these pages to convince even the most sceptical consultant (me), so if your employer hasn't got it yet, chip away at them using this evidence as your chisel. Is their birthday coming up? Get them a copy.

You can help them on their way even more quickly by getting involved in the living longer movement. Volunteer to be the Age Champion for your company, wait a few days and then start asking tough questions about pay and performance equity checks. Work with your HR department to establish reverse mentoring programmes, mid-life career reviews and gap years. The new-found productive period from age 50 to 75 could be a whole lot more fun than it used to be with age-friendly practices in place.

Your physical and mental health are also areas where you can do something to improve your chances of survival. Wearable technology, better diet and regular exercise are good places to start. Now, quite honestly, you don't need me to tell you that. But you may not have linked your health with your career in quite the same way before. Your health and your career are symbiotic. As your body changes, so must your work and as your work changes, so in turn must your body.

Are you in a profession that may need changes to be made as you get older? Thinking and talking about this with colleagues, fellow tradespeople or your employer will open doors – and minds – to the possibilities. Because nobody yet knows – not me, not companies and not even governments – how to deal with the pincer combination of the ageing workforce and the shrinking birth rates. This has never happened to any society on the planet before – so

you are making history. No doubt we will have plenty of hindsight soon.

Be sure that jobs will have to change so that lifelong career paths really can be lifelong, as defined by the new body clock. Remember, 50 is the new 39. (James Bond says so.)

Got to say this – building up your savings banks with resilience and financial reserves go hand in hand. If you are financially stable and well prepared, this will make you more mentally resilient. There is a worrying number of lists of the top five causes of stress. Have you noticed how money, health and work feature on most of them? So sort these out. Or that ‘retirement rainbow’ – the closer you get to retirement age, it seems to get moved further out – could be just a trick of the light.

Take a leaf from the knitting lady’s book – she bought a holiday home in France by turning her hobby into a business. You could set up an instrument exchange, or your own art studio for people worrying about dementia. All of these could add to your income, as well as your enjoyment.

We’ve been discussing the New Rules that will help you to survive your longer life. This is no consolation, I know, but the financial situation facing the generations behind you is a perfect storm:

- *Even longer lives to finance,*
- *Even older elderly relatives to look after (that would be us),*
- *Capital growing faster than earnings – so if you haven’t got any capital you will fall even further into the have-nots brigade.*

So for those to come and for you yourself, creative if not radical solutions are now required that transcend the traditional ‘pensions and savings’ approaches. Here’s a thought – *The New Rules of Living Longer* will work even better as a manifesto for the generations ahead. A Methusaleh Manifesto. Working longer, plural or portfolio careers and making money from your hobbies will all feature.

The bunting lady from our village market has just been interviewed for a new TV show on this very subject. She’s fantastic – making celebration bunting on her kitchen table and selling it in the community. She’s already a legend in the village and it has giv-

en her a totally new lease of life (and income). She'll be taking on apprentices next. ('You're hired!')

So. Don't wait for the 'institution' to prop you up, whatever institution you are most connected with. You are the fastest and most capable agent of your own change; no one can do this better than you. Live and learn. Learn and live. But lifelong learning does come with a health warning: you will become an addict, and it can cost you. But it's one of those investments, like a great family holiday, that is totally worth it. However, it will change your life.

You should by now also have concluded that your career will involve more than one peak. And that those peaks aren't always measured in money.

You are working in an age when knowledge has started to command a premium over wisdom, but this has to change. I believe that a blended knowledge-wisdom economy will kick back in. So you need to get the skills to take you into that next peak. Neither wisdom nor knowledge is good enough on its own.

Watch out for the robots, too. If they don't get your job, they may end up caring for you in later life, so don't freak out. There are 3 million people over 50 in key professions in the UK, so there is probably room for a few more robots yet, as those people retire from the workplace. If they can afford to, that is.

One important point to add follows from a conversation I had at work last week with a 30-year-old mum-to-be. 'We need those older workers,' she said. 'Don't just let them go! We need them to stay on with their skills and their labour. We can't manage without them – look at these demographics. The next generations are just not big enough to cope. What can we do to encourage them to stay in the workforce?' Which prompts me to add a PS to Governments and policy makers: Social Insurance reductions for employers of older workers, please. Incentives for older apprentices, Care Bonds for older workers, and grandparents' leave would also be welcome.

So having written this book, the New Rules of Living Longer are now clear in my head. There are more of them than I imagined. I was hoping I could give you a short list of three. They emerged from the evidence, however, and they all make sense. I may have missed a few – but I can come back to you with hindsight as I live longer.

But before I share them with you I want to finish where I started: on the demographics. What strikes me so vividly about the pyramid charts I showed you at the start of this book is the fragility and to some extent the inevitability of what lies ahead. The patterns of age bands and intergenerational diversity – and the resulting implications for countries, economies, employers, families and individuals – are fascinating, daunting and exciting, in equal measure.

These population shapes have taken years to unfold naturally, and it will take many more years before our societies reach a new equilibrium, in labour and skills, in knowledge and wisdom, in youth and in old age.

The fact that by examining the shape of the demographics you can predict so much about what is going on in a country, and what the future holds, is worthy of extrapolation. In countries and regions, though, it's not easy to adjust the balance of a population, though some have tried. But in organisations it is.

Diversity has long had a place on the organisational agenda, but including the right balance of age groups has not. Some industry sectors will naturally benefit from an ageing population, because skills and experience add value to their business. Other sectors will need to restructure or they will die out. It's as simple as that.

More exploration of the potential for intergenerational collaboration is also needed. If what applies to countries could apply to organisations, then by extension it might apply to groups of colleagues and even to families. Will the west see a turn to the extended family model of the east? Who knows, but there are some exciting opportunities here to learn from each other, and a deep need to transfer skills between generations, as we grow old together. We need each other. We need to respect each other.

This reminds me of what ageing expert Deborah Gale says – that ageing needs to be repositioned as synonymous with living. And following that line of thought, an ageing population becomes a living population. An ageing workforce becomes a living workforce. And the New Rules of Living Longer become – simply – the New Rules of Living. ■

# THE NEW RULES OF LIVING LONGER

## HOW TO SURVIVE YOUR LONGER LIFE

### 1. Living longer = Working longer

How much longer? Some are saying work for an extra 10 years. Some are saying 60 year olds have another 15 years of productivity.

Data show that even if all the over-50s did an extra one year, that's 1% on GDP in the UK.

But you will be living and working longer than those before you, you can be sure of that.

### 2. The nature of work is changing

Technology + Demographic change = Life as we don't know it yet.

Explore what's happening to jobs and get skilled up.

Plural careers will become the norm, including making money from your side-lines and hobbies.

### 3. New units of 'currency' will define success and motivation in your longer life

Traditional motivators may not be enough to keep you going in future. Motivation is so important for your continued engagement.

Engagement x Longer Life = Productivity x Longer Life

### 4. Learn from a 4 year old

You need to learn from a 4-year-old, or at least look at how they are learning. It is like nothing you will have seen before.

Try it. And never stop learning like a 4 year old.

**5. Take up something creative**

There is evidence that it will help preserve your brain.

**6. Building a later life strategy will become the norm**

We all need a later life strategy one and it will need to account for both good and bad life events.

Entrepreneurs out there - app alert!

**7. You will need two bank accounts**

One of your bank accounts will need to be full of resilience.

One will need to have a lot more money than you might have imagined possible.

Living longer costs a fortune so start planning.

**8. Women will face a tougher challenge**

Women will be living longer than ever and this will have a dramatic impact on both bank accounts.

Financially you might already be 40% worse off.

It's difficult to put a figure on the resilience deficit but you will know how big it is only when you get there.

Try and find the positives in all this! You will be living longer than ever after all.

**9. Treat yourself to some health technology**

Health tech will improve or extend your life and it may even save it.

**10. Happiness = Autonomy in some shape or form**

Take control of this - you have the right to change!

You now have time, too.

With those extra years, you could become a violin maestro or a skilled painter, or anything you want to be.

**11. Dispatch regrets, Dispatch myths**

Literally, this will give you a new lease of life. Life is no longer too short not to put a few things right.

Table 20: *The New Rules of Living Longer*



*Afterword*

**Steven Sonsino**

*On Longevity and Legacy*

Few of us are comfortable with the idea that we live, we die and that's it. We want to believe there is a purpose in life and that we will make a mark of some kind, perhaps only in the memories of our children and maybe their children. But a mark nevertheless. We were here; we thought; we loved; we created.

Today, not only your belongings, but your memories, your values and even your body can in different ways be passed on to the generations that follow.

This is the fertile ground from which the desire for a legacy emerges. Because creating a legacy, in a very real way, is a stab at immortality. At living forever.

But it's complicated. The very process of leaving something behind is intimately tied up with your life story. And with how you shape the way – to a lesser or greater extent consciously – in which you are to be remembered. What do you stand for? Who or which community of people do you most believe in? Who are you most grateful to?

In short, creating a legacy is a drive to make life meaningful and to continue your existence, on some level, after death – but in part through your life story.

With *The New Rules of Living Longer*, my sister-in-law Yvonne has put her life story in front of us. She's shared her hopes and

dreams for the future. For her husband and children. For her grandchildren and for her parents. For her colleagues and clients. And, in fact, for every woman and man around the world who is exposed to her ideas.

Yes, she's my sister-in-law, let's get that out of the way. But never have I met someone with more knowledge and compassion for people at work, or for the leaders of businesses who genuinely want to improve the workplace for their people. And by crafting the book you hold in your hands, Yvonne has become a case study for me in how to leave a legacy.

And, make no mistake, her legacy affects you deeply.

A legacy used to be a simple thing. It was a bequest to someone. A portion of money, property or some other material possession. Much of the family business research and most of the wealth management research talks about legacy like this. Business owners and entrepreneurs will often say, for instance, that they want to preserve the wealth of the family for future generations. This is a very traditional and simple use of the word legacy.

For my colleagues and me in the Leadership Legacy Institute, legacy has become a wider concept. A legacy is a project created or led by an individual, in an arena of strategic global importance. It's something that has great meaning to the individual, and where a large and sustainable impact can be made at speed.

So let me sketch out how you might think about longevity and living longer. And let me touch on how Yvonne's legacy might affect you personally in the future.

First, I believe that if you as an individual apply the lessons of *The New Rules of Living Longer* it will make a major impact in your life and within your family. To get to the stage of being able to leave a legacy you need to have clearly reached a point when your future, your health and your financial security are not the issues uppermost in your mind. And Yvonne points out very quickly that we are all connected. It's not just *your* health and financial security that matter. The situation of those around you may matter even more to you.

Secondly, if you are a senior executive employing thousands of people, or if you're a policymaker responsible for millions of

others, then through applying the ideas in this book you can have strategic global importance.

How can I say that? Well, let me highlight the key issues in this book as I see them.

- first, we are living longer than ever before in the developed countries of the world
- but we need to fund our longer lives and our retirements, and ageism in the workplace may very well stop us from doing that
- secondly, we know that women live longer than men, and now they're living even longer as well as having to fund longer lives
- but the gender gap means women are earning less AND women tend to bring up our children AND women tend to look after our ageing parents

Frankly if Yvonne had picked any one of these issues and come up with some solutions for us she'd have made a difference. Because each one of them is a huge topic. But she's addressed them all, and lightly, too, with good humour, without in any way minimising the significance of the issues.

There's something else I want to say about legacy.

A legacy isn't really a legacy until someone else takes responsibility for it and carries it on when you're gone. A legacy is enduring and sustainable in that way.

So here's the gauntlet I throw down to you. The responsibility for defining the agenda for living longer is Yvonne's. Here are *The New Rules of Living Longer*. But the responsibility for implementing the new rules can only be yours. Think about this now.

Because, like building a legacy, building a longer life shouldn't be an afterthought.

**Steven Sonsino**  
**Leadership Legacy Institute**  
**London 2015**



THE  
NEW RULES  
OF LIVING  
LONGER



**Appendices  
and Resources**

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*Mercer helped prepare the figures with the exception of Figures 2, 12 and 13*

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- 6: Can the demographic challenge facing China be overturned?
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- 9: Canada's population is more like the UK's than the US's
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- [newrulesoflivinglonger.com](http://newrulesoflivinglonger.com) For links to many of these references
- [lesleytrenner-changecoach.co.uk](http://lesleytrenner-changecoach.co.uk) To learn about the work of Lesley Trenner
- [ageingaficionados.com](http://ageingaficionados.com) To read more of Deborah Gale's work

**LINKEDIN GROUP**

If you use LinkedIn as a source of information and insights, then feel free to reach out to Yvonne's LinkedIn group and join in the conversation:

Ageing Populations and the Future Workplace  
<http://www.linkedin.com/grp/home?gid=8159689>

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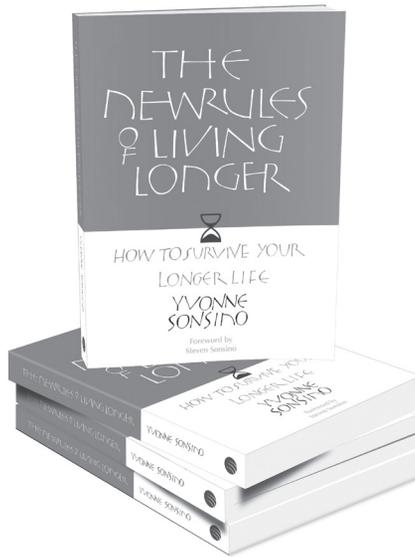
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## ABOUT YVONNE SONSINO

Yvonne Sonsino has worked in the HR consulting and pensions industry for over 30 years. She leads a LinkedIn group called Ageing Populations and the Future Workplace and is a Partner and Innovation Leader at Mercer. She is Co-Chair of the Fuller Working Lives Business Strategy Group for the Department of Work and Pensions.

One of the contributors to this book, Dr Wolfgang Seidl, recently described Yvonne Sonsino and *The New Rules of Living Longer* as a blend of extreme warmth and extreme science. With a BSc Hons in Psychology and an MSc (Psychol) from the Open University, Yvonne wrote her dissertation on dementia – the impact of ageing on the hippocampus. More recently, an MA in Business Research from Durham Business School gave her insights into Organisational Ecology and the most recent applications of Behavioural Psychology applied in a consumer setting. She is in the process of completing a PhD on the nature of collaboration – cross cultural, cross silo, cross category.

Her employment history includes two in-house HR roles – in the Middle East (with the Abu Dhabi Investment Authority) and in Europe (with Visa Europe) – which added to her experience of the difficulties of managing people and change.

Yvonne became a Fellow of the Pensions Management Institute in the early 1990s and has co-authored its International Employee Benefits Diploma courses, specialising in International Mobility.

In her spare time, Yvonne enjoys many forms of art, participating in botanical art, calligraphy, stone and textiles work. She says gardening and yoga keep her fit and sane.

**You can contact Yvonne through Twitter (@yvonnesonsino), her LinkedIn group and her website [newrulesoflivinglonger.com](http://newrulesoflivinglonger.com)**