

# THE MIDCAREER OPPORTUNITY

MEETING THE CHALLENGES  
OF AN AGEING WORKFORCE



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## FOREWORD & ACKNOWLEDGEMENTS

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# CONTENTS

<b>EXECUTIVE SUMMARY</b>	<b>4</b>
<b>METHODOLOGY &amp; DEFINITIONS</b>	<b>7</b>
<b>THE WORLD IS STRUGGLING TO ADAPT TO AN AGEING SOCIETY</b>	<b>8</b>
<b>THE AGE-PERFORMANCE PARADOX: WHEN GIVEN THE CHANCE, OLDER WORKERS DEFY AGEIST EXPECTATIONS</b>	<b>18</b>
<b>RECOMMENDED INTERVENTIONS</b>	<b>37</b>
<b>NOTES</b>	<b>42</b>

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# EXECUTIVE SUMMARY

The world of work is getting older in advanced economies and increasingly in many emerging ones. Today, people between the ages of 45 and 64 account for some 40 percent of the working-age population in OECD countries, up from 28 percent in 1990. Two powerful and persistent trends – longer lifespans and lower birth rates – all but guarantee that the average age of the workforce will continue to rise. The implications are profound for the labour market, government finances, healthcare and welfare systems – and the billions of individuals whose hard work underpins these societal essentials.

Are business executives, policymakers, and citizens adapting quickly enough to cope with ageing on a scale never before seen in human history? What are the structural barriers, the embedded attitudes and behaviours, that stand in the way of helping more midcareer and older workers stay employed longer? As the world transitions to a more digital and sustainable labour market, what achievable steps could stakeholders take now to support midcareer and older workers looking to progress their careers or switch jobs when wanted or necessitated?

In search of answers, the OECD and Generation, a global employment nonprofit organisation that trains and places learners of all ages into careers previously beyond their reach, teamed up to undertake new research – which is presented in this report. It focuses primarily on Europe that, along with parts of East Asia, sits squarely at the epicentre of ageing’s economic impact. In early 2023, a detailed survey was conducted of 6,029 employed and unemployed people (aged 18–65) and 1,510 hiring managers in eight countries: the Czech Republic, France, Germany, Romania, Spain, Sweden, the United Kingdom, and the United States.

The results of the research are presented in three sections. The first section analyses existing data to set out the context; the second section highlights the critical findings from the survey; and the third proposes an action plan that key stakeholders may wish to consider. The focus throughout is on what companies and workers could do voluntarily, with helpful nudges, where appropriate, from government, to ensure business success, employee well-being, and continued prosperity in times of rapid population ageing.

The message is clear. “Business as usual” is not an option. Across countries, the employment age profile follows an inverted-U shape; employment rises and peaks around age 45 and then declines sharply after age 50. This is more accentuated for women, but being male and highly educated pushes the inevitable downturn out only by a few years. Already, workers aged over 45 account for an outsized share of the long-term unemployed – 44 percent on average in the countries surveyed. With more ageing in store everywhere, until societies begin to bend this curve, a bad situation will only get worse.

The study, however, found strong grounds for optimism. On the one hand, the stereotype against older workers is still very present: hiring managers cling to a deeply held perception bias against job candidates over the age of 45 – they believe members of this age cohort are less able to adapt to new technologies or learn new skills. On the other hand, those very same managers also acknowledge that when they do hire people over 45, those workers perform on the job just as well as or even better than their younger counterparts. As prior OECD research has suggested, companies with thriving intergenerational workforces tend to see higher productivity than those skewed too heavily toward just one end of the age spectrum. Moreover, midcareer and older workers who switched jobs declared themselves significantly more satisfied with all dimensions of their work compared to same-age peers who have yet to land on a new career track.

Despite the clear links to improved job performance and satisfaction, however, opportunities for midcareer job switches remain limited. Age is of course the greatest barrier, but it is not the only one. Location and physical wellness, among other things, constrain midcareer and older workers seeking new opportunities for career progression. These barriers do not inhibit younger age cohorts to the same extent, thus reinforcing biases against midcareer workers that persist despite contradicting evidence. Removing such barriers widens the talent pool employers can draw from and unlocks the undervalued benefits of an inter-generational workforce.

How can these barriers be removed, and how can the powerful “age-performance paradox” – the gap between negative perceptions about the performance of older workers and their actual performance – be reconciled? Empowering workers to extend their workspan alongside their lifespan demands a host of smart micro-interventions. Older workers will need to reassess their own biases. For example, many older workers overvalue experience, whereas employers put a premium on candidates

who have engaged in relevant training and upskilling. Since engagement with training tends to decrease with age for multiple reasons, employers and policymakers should consider more targeted interventions, aimed at making training more engaging – and in some cases more affordable – for workers around that critical midcareer moment of age 45 and older. Governments will need to rethink support for increasingly outmoded early-retirement incentive schemes that harm both sides of the labour market. Finally, employers should consider altering their recruiting processes to remove the pervasive biases that currently exist against midcareer and older job candidates.

Lasting change happens fast and slow. The steady shifts in demography at the core of this report have been visible and predictable for decades. Their consequences are now upon us. By contrast, the sudden acceleration in technology, especially the capability of artificial intelligence (AI), which promises to change almost every aspect of the workplace, caught much of the world off guard. How AI will play out is still unclear, but two things are certain. First, midcareer and older workers will need to keep building their skills, particularly digital ones, and be included as employers embrace AI. Second, leaders and citizens need not – and should not – wait a moment longer to start seizing the opportunities that an ageing workforce presents in tandem with other megatrends. As the pace of change increases, our response must be similarly swift.

What both the AI and ageing revolutions have in common is this: the extent to which they alter our societies for good or for ill will very much depend on how we choose to respond.

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# METHODOLOGY & DEFINITIONS

The findings presented in the latter part of this report are drawn from a survey commissioned by Generation between 24 February and 7 March 2023. The study included employed respondents (aged 35–65), unemployed people (aged 18 and over), and hiring managers. This report adopts specific terms for people of particular cohorts: Potential Midcareer Switchers, Successful Midcareer Switchers, Unemployed/Underemployed, and Hiring Managers.

The survey drew 6,029 responses from employed and unemployed people, and 1,510 responses from hiring managers, across the Czech Republic, France, Germany, Romania, Spain, Sweden, the United Kingdom, and the United States. The research reflects the views and opinions of online populations in these countries, and the surveys of the unemployed and employed are representative of the population by age, gender, household income or socioeconomic level, and region. Responses collected from the United States were also representative of the population's ethnic demographics.

For the portion of the survey administered to hiring managers, respondents were shown two of four possible candidates to evaluate. To capture “likelihood to interview,” candidates were presented in a sequential monadic format; respondents were shown one random candidate, then asked about their likelihood of offering this candidate an interview. Then, they were shown a second candidate and asked the same question. Following this, respondents were asked follow-up questions pertaining to overall appeal, candidate attributes, candidate enhancers (what would make them more appealing), and the ranked importance of candidate details (years of experience, relevance

of experience, behavioural skills, or technical skills).

Figures on underrepresented communities are drawn from survey respondents' self-identification as a member of an underrepresented community in their country.

Confidence intervals were used to assess the statistical significance of the findings. This study uses a 95 percent level of confidence.

Respondents included the following:

**Midcareer and older individuals:** Midcareer individuals are defined as those aged 45–54 and older individuals are defined as those aged 55–64.

**Potential switchers:** These individuals are 35–65 years old, currently employed full-time (must work for 35 hours or more per week for pay), and are looking to transition into a new occupation.

**Successful switchers:** These individuals are 35–65 years old, currently employed full-time (must work for 35 hours or more per week for pay), and have successfully switched occupations in the past three years (into an entry-level or intermediate-level role).

**Unemployed/underemployed:** These individuals are over 18 years old and are either working less than 35 hours a week or are unemployed. If they are unemployed, they must be looking for work that pays.

**Hiring managers:** These individuals are over 18 years old, currently employed full-time (must work 35 hours or more per week for pay), and in positions responsible

for hiring and evaluating midcareer workers for entry-intermediate level positions. They must also have evaluated more than five candidates in the past year and must have evaluated candidates 45–65 years old in the past year. This research included both employers who

hold a position within Human Resources (where hiring is their primary job responsibility) and employers who work in a department separate from Human Resources and who participate in the hiring process (but not as a part of their primary job responsibility).

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## THE WORLD IS STRUGGLING TO ADAPT TO AN AGEING SOCIETY

### Globally, ageing populations are leading to an ever-larger workforce of midcareer and older workers

More people everywhere are living longer. Over the past 70 years, apart from the hiatus caused by the COVID-19 pandemic, life expectancies around the world have been rising steadily (Table 1 and Figure 1). This is, unquestionably, good news. But, for most economies, it presents a challenge: as people enjoy longer post-retirement

lives than ever before, active workers will be forced to carry a heavier and heavier economic load. Declining birth rates compound the problem. Since 1960, the average fertility rate across OECD countries has fallen from 3.34 children per woman of child-bearing age to around 1.6, well below the replacement rate of 2.1 (Figure 2).

**Table 1: Life expectancy is trending upwards in all global regions**

Life expectancy at birth, years, all sexes, 2021 and 2050 projection

UN country grouping	2021	2050 (% change)
Africa	61.7	68.3 (+10.7%)
Asia	72.5	79.5 (+9.7%)
Europe	77.0	83.8 (+8.8%)
Latin America and the Caribbean	72.2	80.6 (+11.0%)
Northern America	77.7	84.0 (+8.1%)
Oceania	79.4	82.1 (+3.4%)

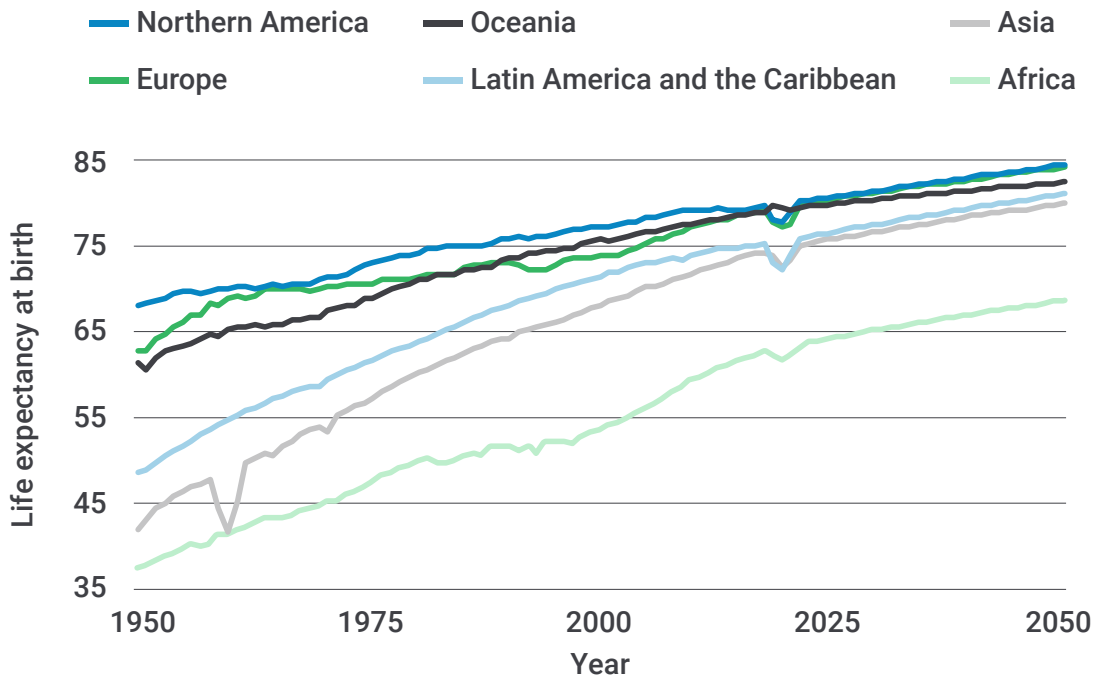
**Note:** Forecasted life expectancies use Median Variant of population projections from the UN Population Division.

**Source:** United Nations (2022), World Population Prospects United Nations, Department of Economic and Social Affairs, Population Division (2022). World Population Prospects: The 2022 Revision, custom data acquired via website, <https://population.un.org/wpp>.



**Figure 1: The anomalous drop caused by COVID-19 barely dented the upward arc of life expectancy around the globe**

Life expectancy at birth, all sexes, 1950–2050 (including projections)

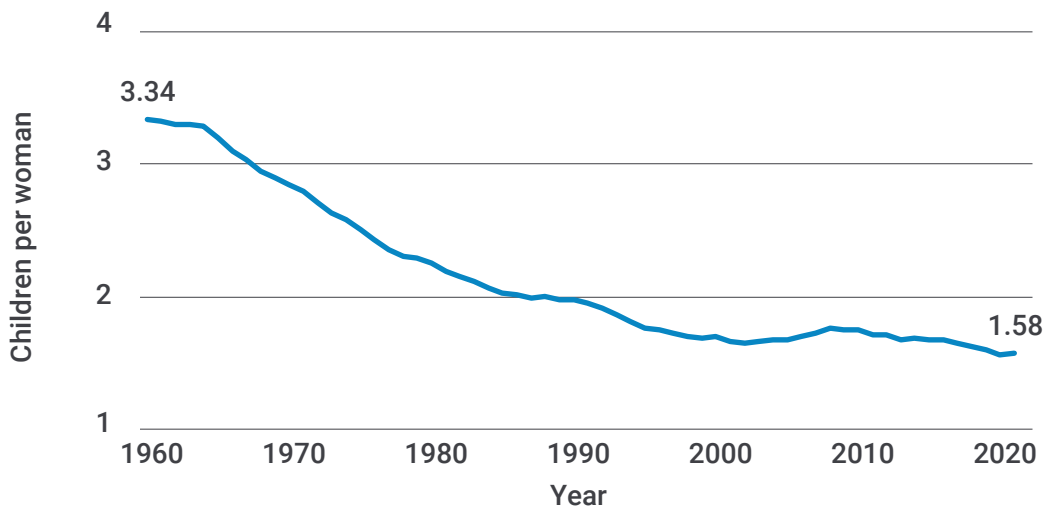


**Note:** Forecasted life expectancies beyond 2021 use Median Variant of population projections by the UN Population Division.

**Source:** United Nations (2022), World Population Prospects United Nations, Department of Economic and Social Affairs, Population Division (2022). World Population Prospects: The 2022 Revision, custom data acquired via website, <https://population.un.org/wpp>.

**Figure 2: Fertility rates have been steadily dropping over the last six decades and are less than 50 percent of their level in 1960**

OECD average fertility rate over time, 1960–2021



**Note:** The total fertility rate in a specific year is defined as the total number of children that would be born to each woman if she were to live to the end of her child-bearing years and give birth to children in alignment with the prevailing age-specific fertility rates. It is calculated by totalling the age-specific fertility rates as defined over five-year intervals.

**Source:** OECD (2023), Fertility rates (indicator). doi: 10.1787/8272fb01-en (Accessed on 28 July 2023).

This longer life expectancy, coupled with fewer younger workers to help finance the retirement system, increases the likelihood that more individuals will continue working past the traditional retirement age.

To manage this transition, employers, employees, and political leaders will need to reset expectations and policies based on the traditional assumption that careers peak around age 45–50 and end by the early-to-mid 60s.

Managing the many implications of an ageing world is challenging. Policymakers will need to figure out how to pay for rising pension and healthcare costs. Business executives

will need new approaches to recruitment, training, and operating systems to capture the full benefit of a more intergenerational workforce. Overall, citizens and leaders will need to redefine what is traditionally considered the period of prime working age.

This report defines midcareer as individuals between the ages of 45–54, and those aged 55–64 as older workers. Already, the two groups combined account for a substantial and growing portion of both the population and labour force. In 2020, this group constituted almost 40 percent of the global workforce, up from 28 percent in 1990, as shown in Figure 3.

## **EMPLOYMENT DECLINES WITH AGE**

Despite their increasing presence among the labour force, workers aged 45–64 encounter several challenges. Overall, workers' economic participation rate drops as their years advance, with a turning point at midcareer (age 45–54). Across countries and regardless of gender or level of education, the employment age profile follows an inverted-U shape – it increases until peaking around the age of 45, and then declines

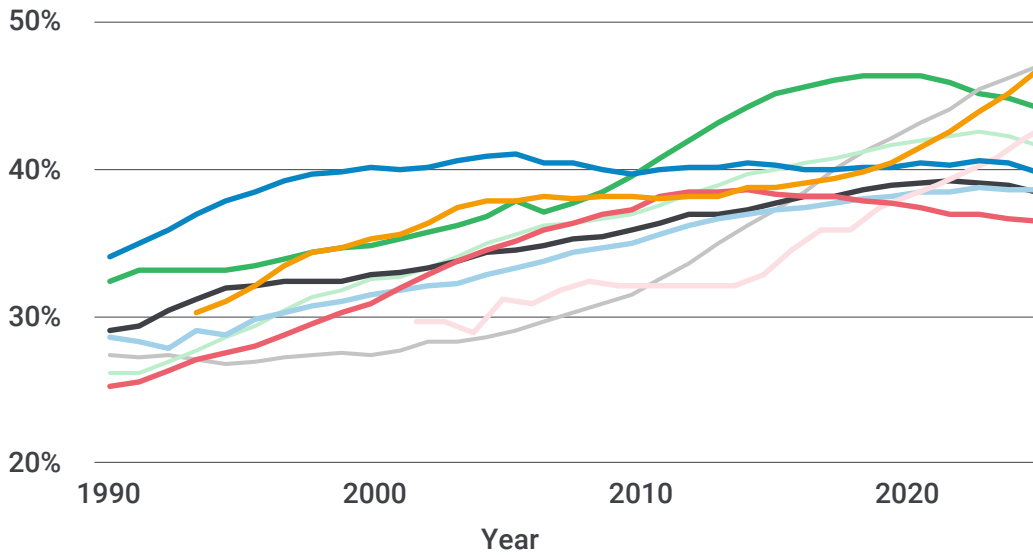
sharply after age 50 (Figures 4A and 4B). Some of that drop-off is voluntary. Older individuals may choose to leave the labour market as they enter later stages of life or, in some cases, if they feel they have achieved their long-term savings goals. But many others who are willing – even eager – to work are being forced out. The result: people aged 45 and older are less likely to be employed than younger cohorts.

**Figure 3: The share of persons aged 45–64 in the labour force and adult population (ages 15 and over) is growing, 1990–2022**

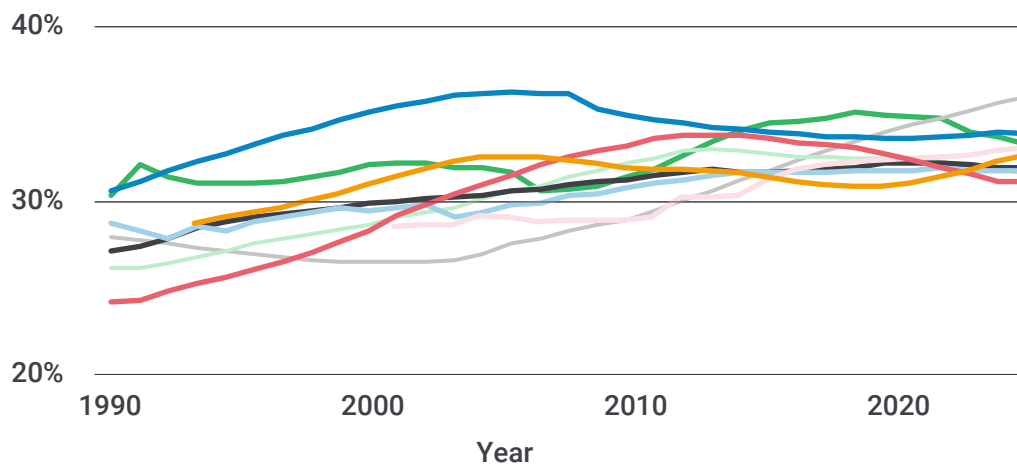
Persons aged 45–64 in the labour force and adult population (ages 15+), 1990–2021

Sweden United Kingdom Spain United States Romania  
 Germany OECD France Czech Republic

**Share of labour force**



**Share of population**

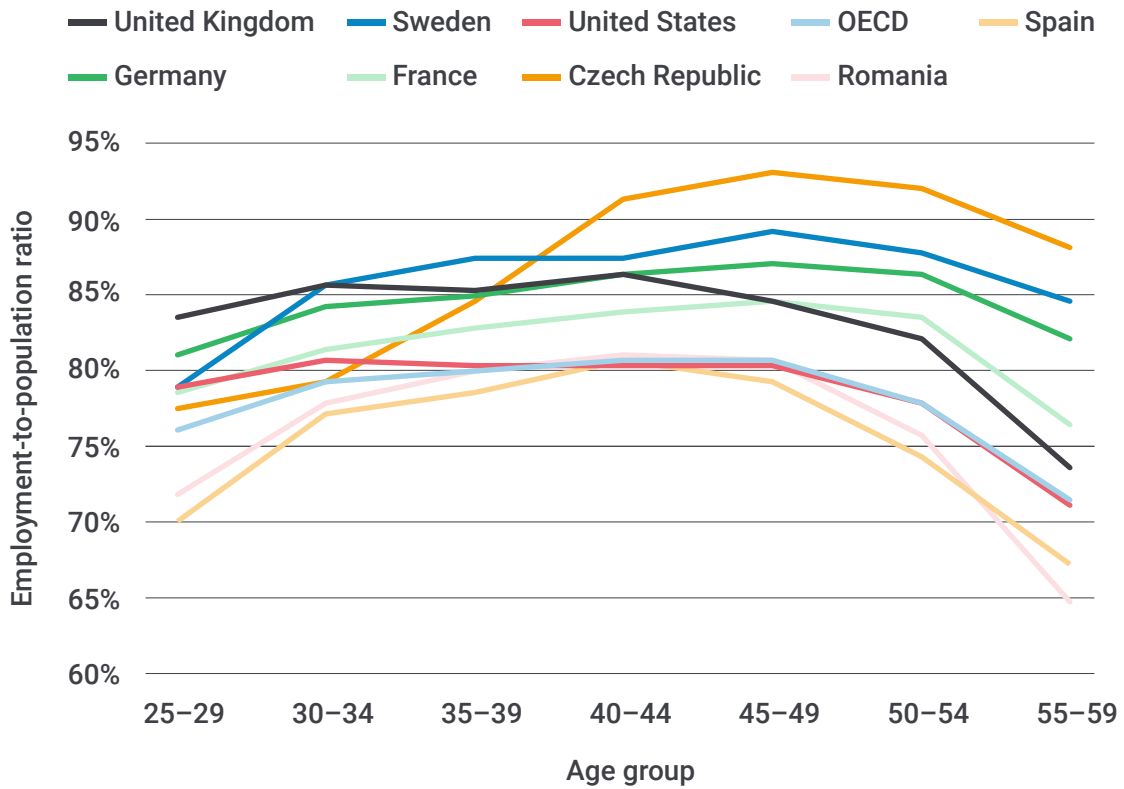


**Note:** OECD is a weighted average.

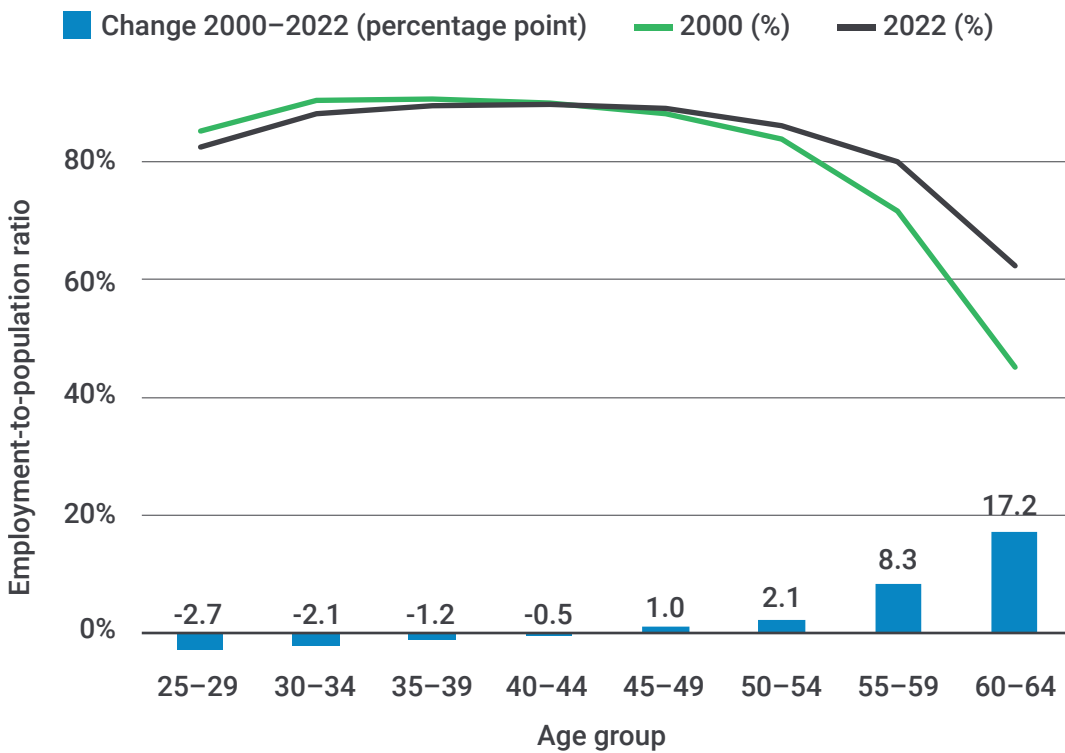
**Source:** OECD dataset LFS by sex and age – composition (<http://stats.oecd.org/Index.aspx?QueryId=118825>) and Eurostat dataset: Population by sex, age, citizenship, and labour status, ([https://ec.europa.eu/eurostat/databrowser/view/LFSA\\_PGAWNS\\_custom\\_4763461/default/table](https://ec.europa.eu/eurostat/databrowser/view/LFSA_PGAWNS_custom_4763461/default/table)) for Romania (1997–1999).

**Figure 4A: The share of population employed declines as men and women age, with a steep drop after age 50**

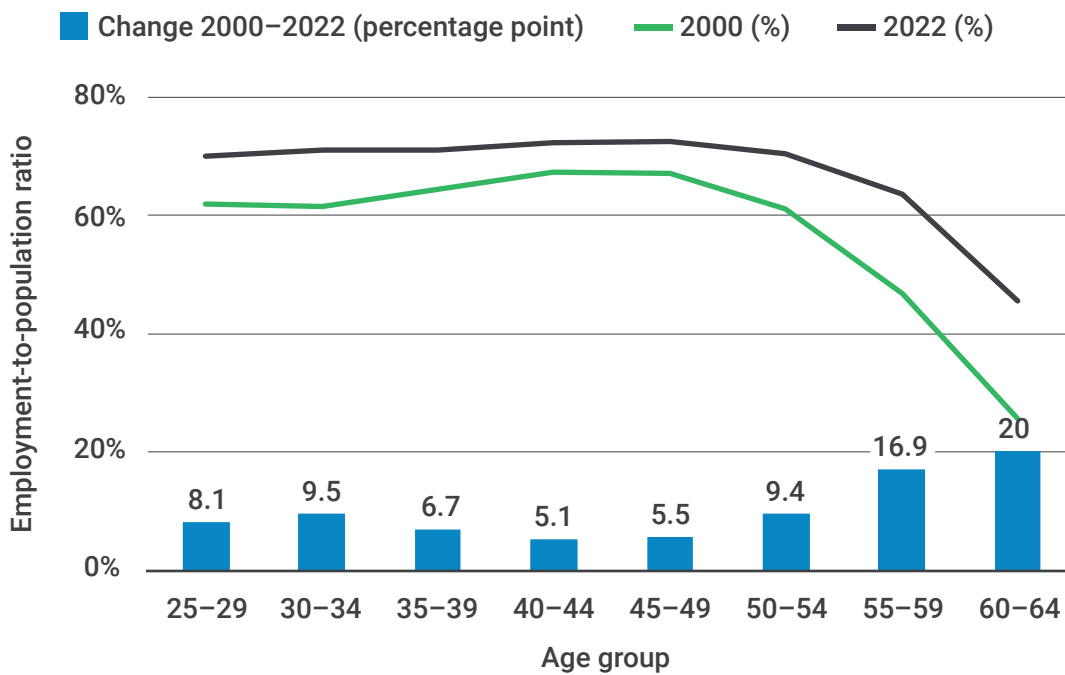
OECD employment-to-population ratio by country, 2022



OECD employment-to-population ratio, men



OECD employment-to-population ratio, women

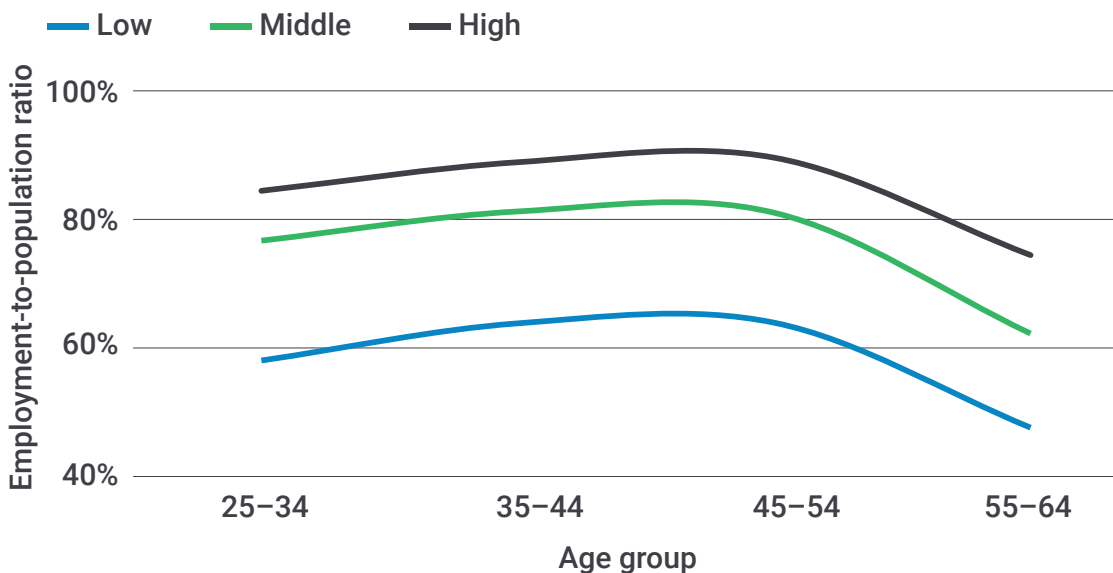


Note: OECD is a weighted average.

Source: OECD calculations based the OECD dataset: LFS by sex and age – indicators (<http://stats.oecd.org//Index.aspx?QueryId=118627>).

**Figure 4B: Regardless of level of educational attainment, older individuals are less likely to be employed than younger cohorts**

OECD employment-to-population ratio by level of educational attainment and age group, 2022



Note: Data based on ISCED 2011 classification. Low education: below upper secondary education (levels 0–2), Middle education: upper secondary and post-secondary non-tertiary education (levels 3 and 4), High education: tertiary education (levels 5–8).

Source: OECD dataset: Educational attainment and labour-force status (<http://stats.oecd.org//Index.aspx?QueryId=93189>).

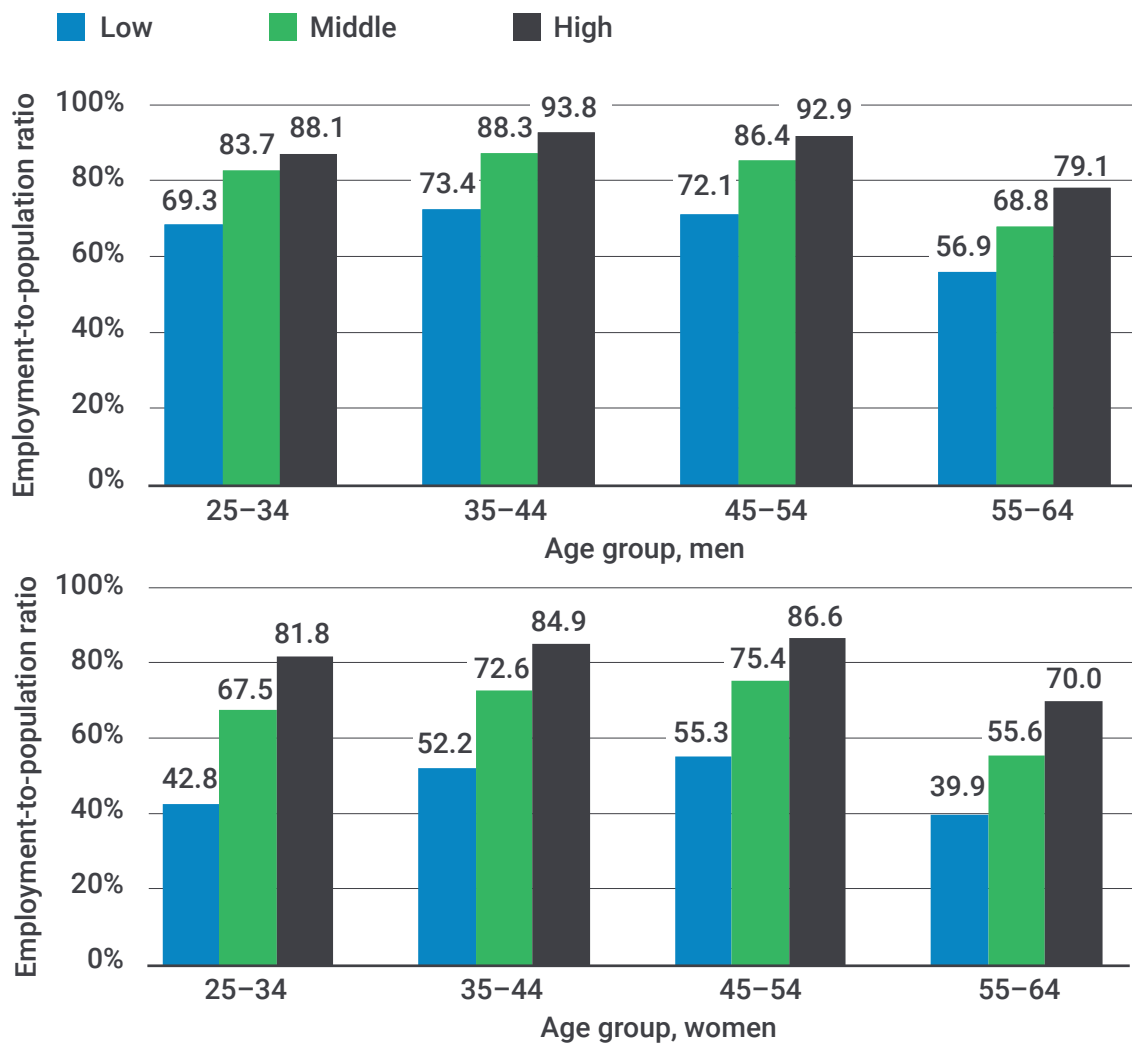
## PRE-EXISTING DISPARITIES PERSIST AS WORKERS AGE

Within the overall drop-off in employment that occurs as people get older, groups that are already disadvantaged face special challenges. On average, men enjoy higher employment rates than women and work longer (see Figure 4A and 4B above). But what Figure 5 below reveals is that this disparity persists within every age bracket and not just in the last phase. Differences in education levels show a similar pattern:

higher-educated workers are more likely to be employed than those with lower levels of education at every age after 25. The gap can be stark. Women over the age of 55 with lower levels of education, for example, have the lowest rate of employment of any group (40 percent). In contrast, almost 80 percent of highly educated men over the age of 55 are employed.

**Figure 5: For both men and women, lower education correlates with lower employment at any age after 25**

OECD employment-to-population ratio by age group and level of educational attainment, 2022



**Note:** Data based on ISCED 2011 classification. Low education: below upper secondary education (levels 0–2), Middle education: upper secondary and post-secondary non-tertiary education (levels 3 and 4), High education: tertiary education (levels 5–8).  
**Source:** OECD dataset: Educational attainment and labour-force status (<http://stats.oecd.org/Index.aspx?QueryId=93189>).

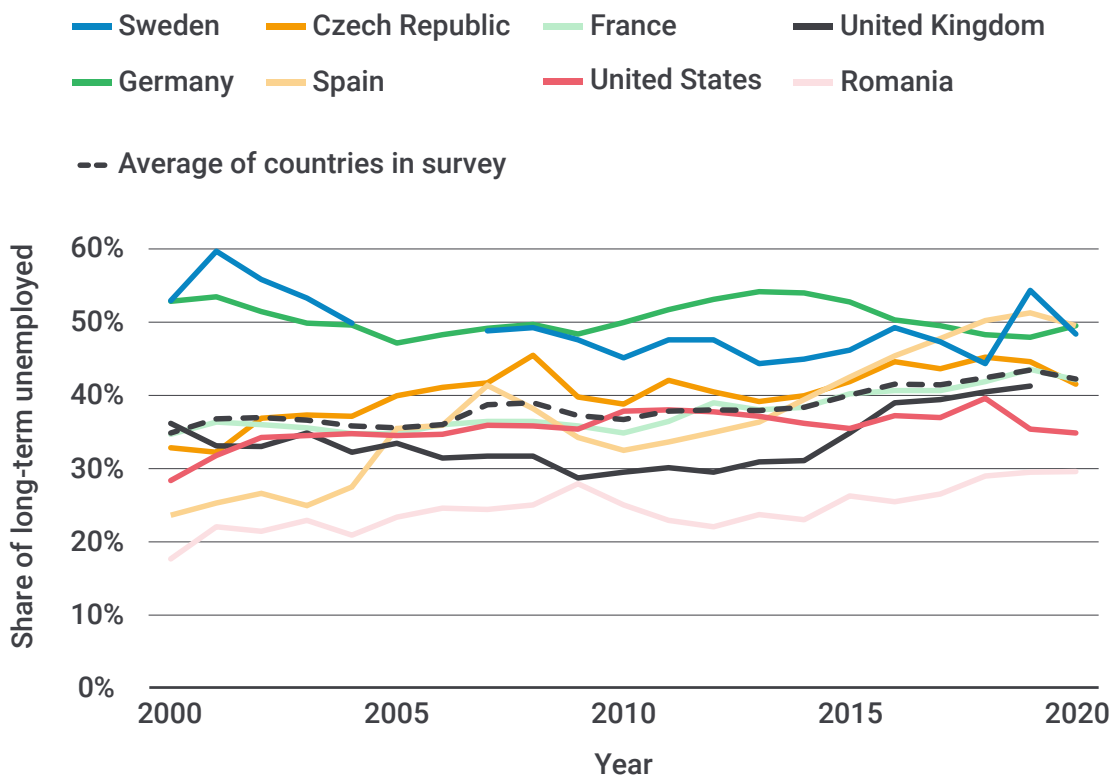
## ONCE UNEMPLOYED, MIDCAREER AND OLDER WORKERS STRUGGLE TO GAIN A SOLID FOOTHOLD IN THE LABOUR MARKET

In every country surveyed, individuals aged over 45 account for a significant share of the long-term unemployed (i.e., those who are unemployed for one year or longer), according to data from the International Labour Organisation (ILO) (Figure 6). Across the eight countries covered in the survey, midcareer and older individuals make up a weighted average of 44 percent of the long-term unemployed

population in 2020, up from 36 percent in 2000. The consequences of long-term unemployment are particularly grave for older workers aged 55–64 as they experience greater earning losses and longer time out of work compared to younger peers.<sup>1</sup> Overall, persistent unemployment, not only hurts individuals' well-being but also represents a large cost to society.

### Figure 6: Individuals aged 45–64 years are also a sizable and growing share of the long-term unemployed

45–64 year-old individuals as a share of the long-term unemployed by country, 2000–2020



**Note:** Data is omitted for Sweden (2005–2006) and United Kingdom (2020). Values for “average of countries in survey” are calculated using data for available countries and omit countries from average calculation in years in which a country's data are not available.

**Source:** International Labour Organisation, “Unemployment by sex, age and duration (thousands),” 2000–2020.

## KEEPING MORE MIDCAREER AND OLDER INDIVIDUALS IN WORK WILL DELIVER LARGE SOCIETAL PAY-OFFS

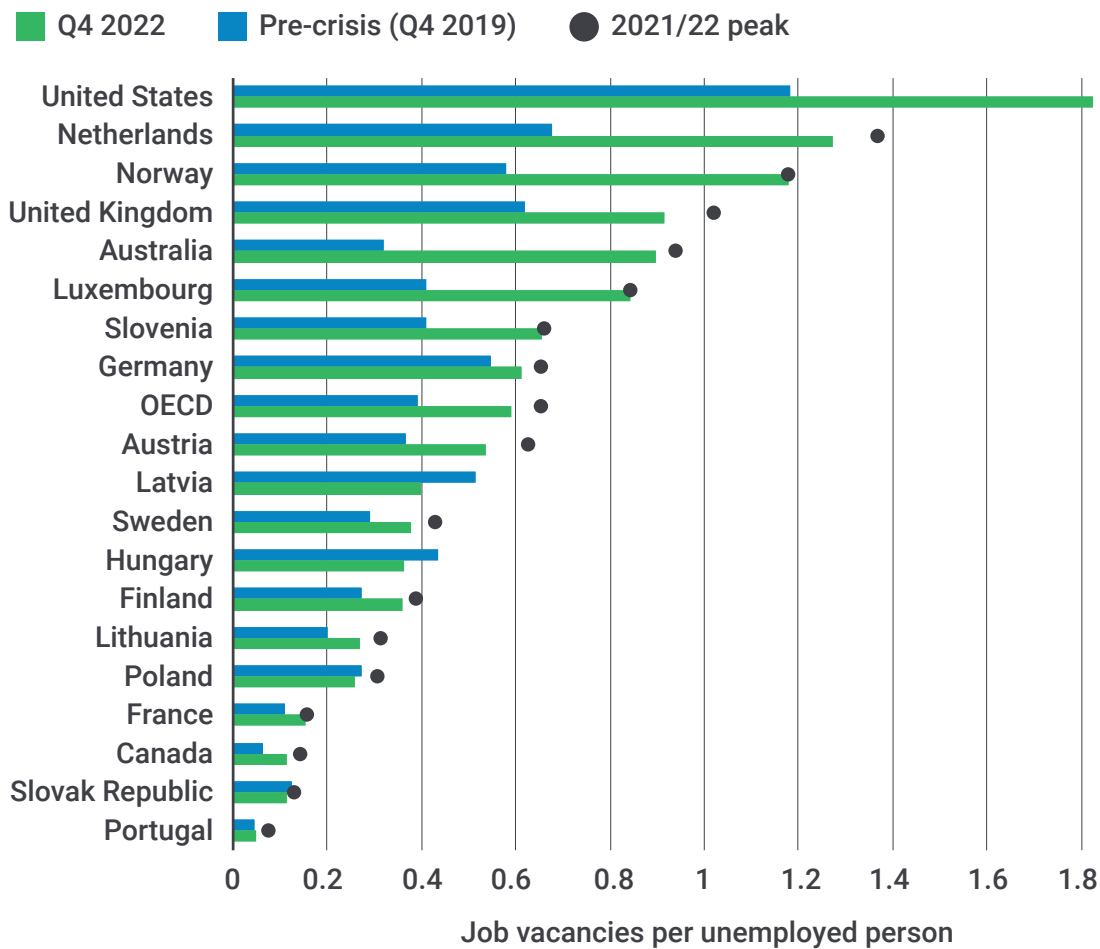
Society can reap widespread benefits by addressing midcareer unemployment and inactivity. These include a more stable labour market, improved workforce productivity, and overall improved fiscal spending.

First, it could help restore balance to labour markets that are still recovering from the COVID-19 pandemic. The pandemic significantly tightened the labour market in many countries, requiring employers

to draw on all available talent to fill vacancies. In 2022, OECD countries had, on average, 0.6 vacancies per unemployed person (Figure 7). This is a 50 percent increase in vacancies per unemployed person since 2019. Redeploying midcareer workers who are seeking new options, hiring currently unemployed older workers, and keeping all older workers employed for longer would help reduce existing labour bottlenecks. In the long term, it would also stabilise or improve the supply of talent.

### Figure 7: Job vacancies remain high across OECD countries

Number of vacancies per unemployed person, national definitions, seasonally adjusted, by country



**Note:** OECD is an unweighted average of the countries shown above. The definition of vacancies is not harmonised across countries.<sup>2</sup>

**Source:** OECD (2023), Indicators on job vacancies and registered unemployment, available at [https://stats.oecd.org/Index.aspx?DataSetCode=LAB\\_REG\\_VAC](https://stats.oecd.org/Index.aspx?DataSetCode=LAB_REG_VAC) (collected August 2023).



Second, midcareer and older workers offer value beyond the sheer size of their labour pool. A recent OECD report suggests that workforce productivity improves when companies have a mix of workers with diverse age and experience.<sup>3</sup> As is underscored later in this report, employers who do hire older workers say that they consistently match or exceed the performance of younger hires. What's most important, though, is that teams of differently aged workers collaborate in complementary ways. Together, younger and older workers are more productive than when a company's ranks skew too heavily towards one age cohort over others.<sup>4</sup>

Last, and most important, are the benefits societies will gain by providing access to better labour market opportunities for midcareer and older workers. Rising economic dependency ratios – where ever-fewer workers are forced to support ever-larger numbers of pensioners – guarantee greater fiscal pressure and make it increasingly hard to maintain current levels of public welfare and retirement spending. Doing a better job of keeping workers in work longer will help mitigate both of these potential fiscal and human costs.

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# THE AGE-PERFORMANCE PARADOX: WHEN GIVEN THE CHANCE, OLDER WORKERS DEFY AGEIST EXPECTATIONS

The workplace is changing constantly, driven by rapid, unending technological changes including the surge in artificial intelligence. Many employers point to such creative destruction to support their lack of interest in hiring or retaining more midcareer and older workers. As the OECD–Generation survey found, employers often express the belief that such workers are less willing than younger peers to learn new technologies and processes. And yet, despite such

negative perceptions, the survey also found that when older workers do gain a chance to show what they can do, employers say that they consistently match or exceed the performance of younger colleagues. The testimony of the subgroup of employers with experience in hiring older workers confirms the reality of this “age-performance paradox.” They say they are far more likely to hire older workers again, unlike employers who have yet to do so.

## AGEISM REMAINS DEEPLY ROOTED

One foundational challenge, which the research from OECD and Generation confirms, is that hiring practices across sectors continue to be shaped by ageism.

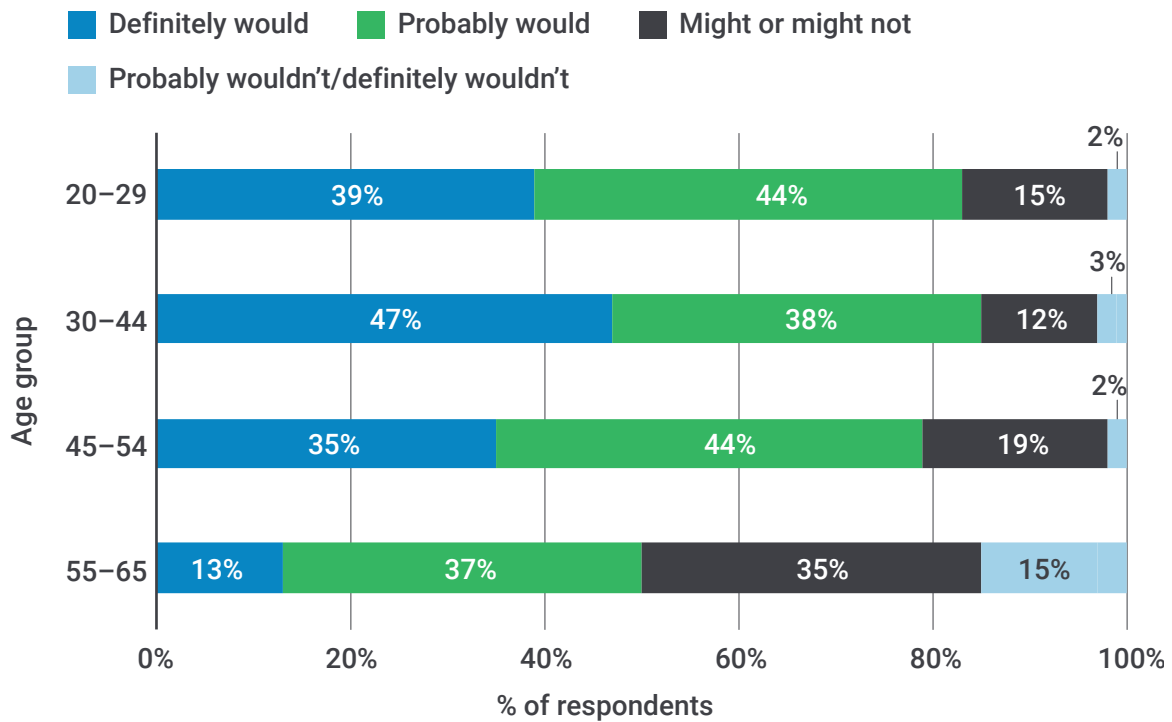
Employers perceive professionals who have passed the midcareer threshold (of age 45) to lack both the drive and the openness to innovation possessed by their younger counterparts. Compared to younger candidates, midcareer jobseekers are finding the search for employment more difficult across the board, lowering their confidence. The survey data shows that midcareer candidates typically request lower salaries than their younger peers and that difficulty in the job search is pushing them to lower their salary aspirations.

These results echo the findings of [Generation’s 2021 midcareer research](#), which revealed that broadly, employers were biased against hiring older workers. Despite the research suggesting older employees perform as well or better than younger counterparts, companies overwhelmingly prefer job candidates aged 30–44, while candidates aged 45–64 are favoured least of all.

The drop-off in employer preference is steepest for candidates over the age of 55, as shown in Figure 8. Nearly 40 percent of employers said they would definitely hire someone aged 20–29, 47 percent indicated they would definitely hire from the 30–44 cohort, and 35 percent said they would definitely hire someone aged 45–54. However, only 13 percent stated they would definitely hire someone aged 55–65.

## Figure 8: Companies are least likely to hire job candidates who are over the age of 45

Likelihood of hiring candidates for entry-level or intermediate roles, by candidate age



n=1,510 employers

**Note:** Respondents were asked, “How likely would you hire these candidates for an entry-level or intermediate-level role at your organisation?” Respondents then evaluated four age groups on a 1–5 scale (from “definitely would” to “definitely wouldn’t”).

**Source:** Generation and OECD (2023), survey of employers and employed/unemployed individuals.

Employers’ core concern is the perceived inability of midcareer workers to adapt to new technologies and learn new capabilities. Companies tend to favour candidates aged 30–44, believing this cohort to be more tech-savvy. In part, this may be because rapid technological change has devalued the traditional

benefit of deep experience and acquired expertise in a narrow field. Almost 60 percent of employers say the 30–44 age group is more likely to possess relevant job experience.

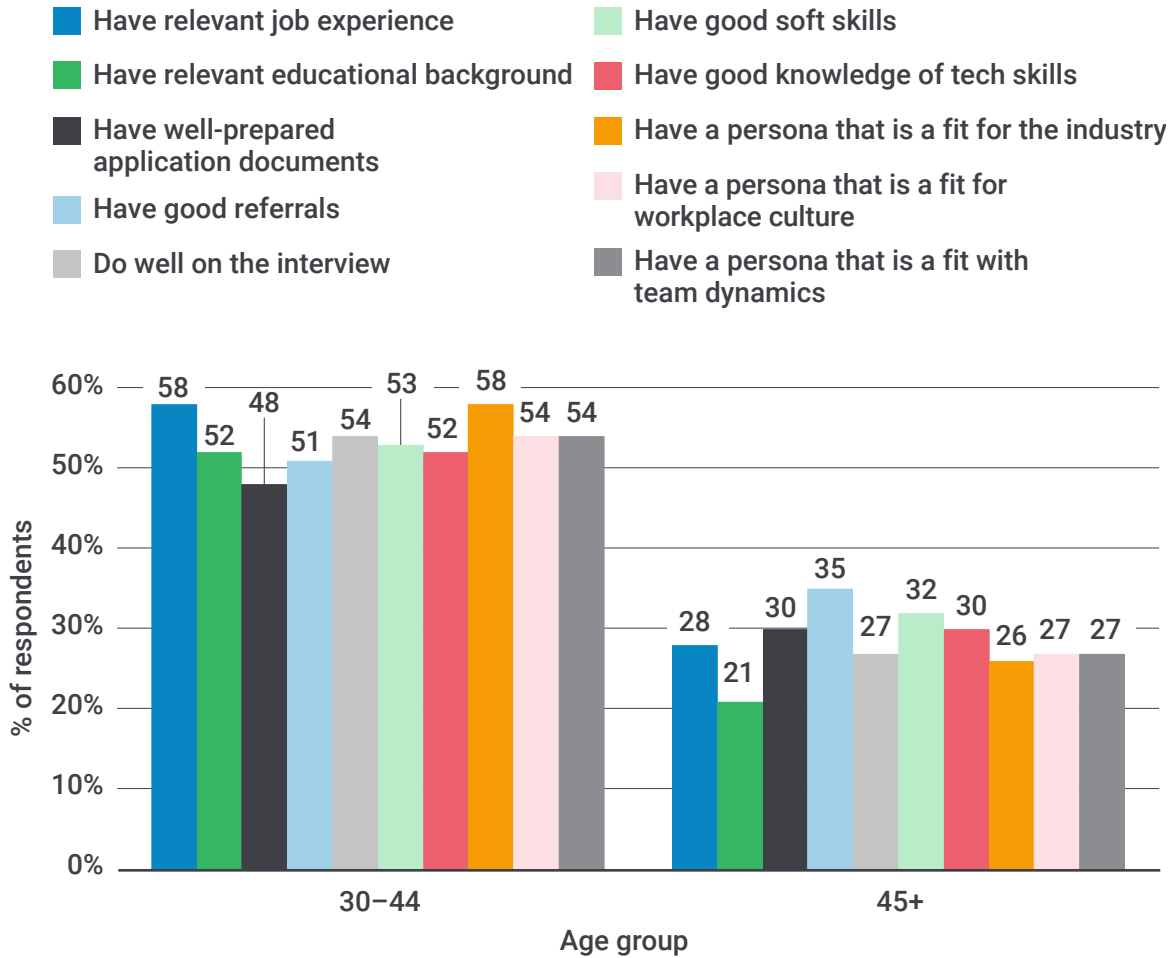
But only 28 percent of employers believe the same of candidates older than 45.

The younger group also has an advantage when assessed on their soft skills. More than half of the employers surveyed believe this cohort is more impressive in interviews and a better fit for the industry, the organisation’s specific workplace

culture, and for the relevant team within the company. Midcareer workers, on the other hand, are about half as likely to be viewed as the strongest cohort in the same categories (Figure 9).

### Figure 9: Employers expect younger workers to be a better fit when hiring than older workers

Employer perceptions of job candidate strengths, by candidate age



n=1,510 employers

**Note:** Respondents were asked, “Think about the applicants you have reviewed for entry- and intermediate-level positions. Which candidates are the most likely to...” followed by ten different potential candidate job strengths. Respondents were able to select only one age group (20–29 year olds, 30–44 year olds, 45–54 year olds, 55–65 year olds) as the response for each portion of the question. Data for 45+ displayed above is the sum of responses from respondents where 45–54 year olds and 55–65 year olds were selected as the most likely group to display the respective traits.

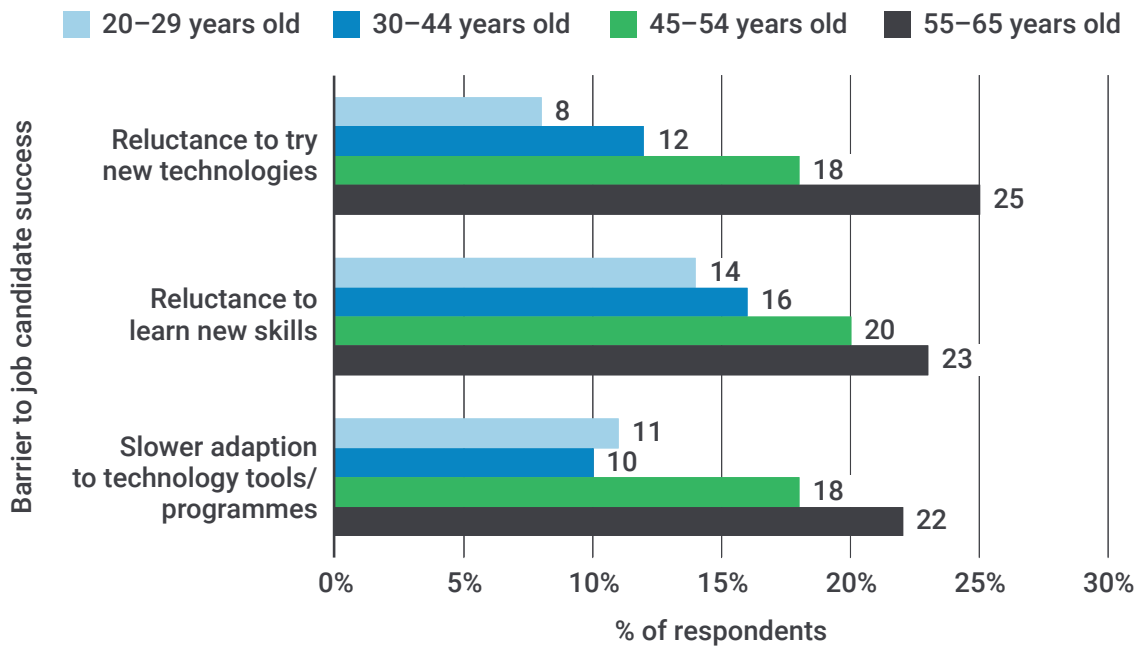
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Employer scepticism about the relative suitability of older talent runs deep. They not only ranked employees aged 45–64 lowest when strengths were evaluated; they also ranked them highest when assessing

weaknesses. Of the surveyed employers, 25 percent believe that workers aged 55–64 are reluctant to try new technologies, tools, and processes, and a quarter say they are slow to adapt (Figure 10).

### Figure 10: Employers believe midcareer job applicants are less adaptable than their younger peers

Employer perceptions of barriers to job candidate success on the job, by candidate age



n=1,510 employers

**Note:** Respondents were asked, “In your own perspective, which of the following characteristics do you think are the most likely to negatively impact the success of the following applicants?” followed by 24 different potential barriers to job candidate success. Respondents were able to select three of the barrier options as the response for age group (20–29 year olds, 30–44 year olds, 45–54 year olds, 55–65 year olds).

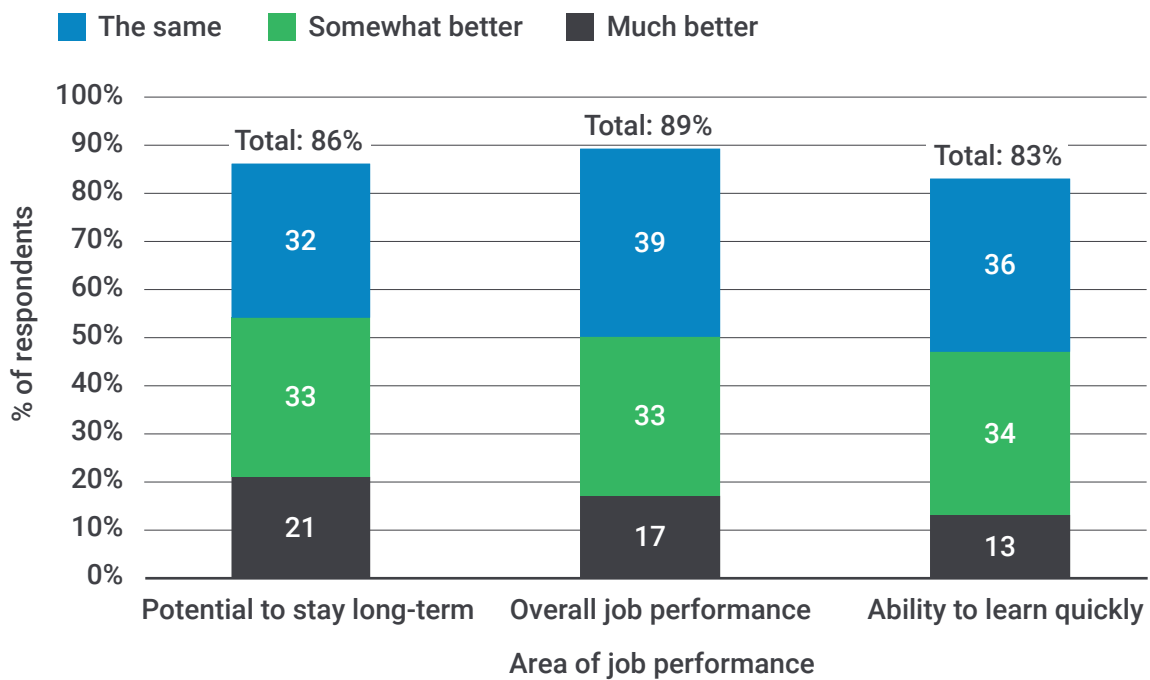
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Midcareer workers’ strong on-the-job performance belies these negative perceptions. A sharp rebuttal to these views is provided by one of the survey’s most important and positive findings: the “age-performance paradox,” or the gap between what employers say about older workers and what they actually experience. Despite industry’s persistent reluctance to give

interviews to candidates over the age of 45, 89 percent of employers reported that the midcareer and older workers they had hired performed as well or better than their younger hires. These current employees aged 45–64 were also perceived to stay as long or longer (86 percent) and to learn as or more quickly (83 percent) than younger employees (Figure 11).

**Figure 11: The job performance of midcareer employees compares favourably to that of other entry-level or intermediate-level hires**

Midcareer and older worker job performance, by area of job performance



n=1,510 employers

**Note:** Respondents were asked, “Once hired, how do midcareer switchers perform on these dimensions compared to other entry-level or intermediate-level hires?” followed by four areas to evaluate (overall job performance, ability to learn quickly, potential to stay with your company long-term, amount of support needed when entering the role).

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

## MIDCAREER AND OLDER WORKERS ARE READY TO SEEK OUT MORE SATISFYING ROLES

Responses from potential switchers indicate that midcareer and older employees are less satisfied in their roles when compared to their younger colleagues (Figure 12).

Older workers with lower educational attainment report the lowest levels of job satisfaction of all. The midcareer moment is the opportune time for a job change.

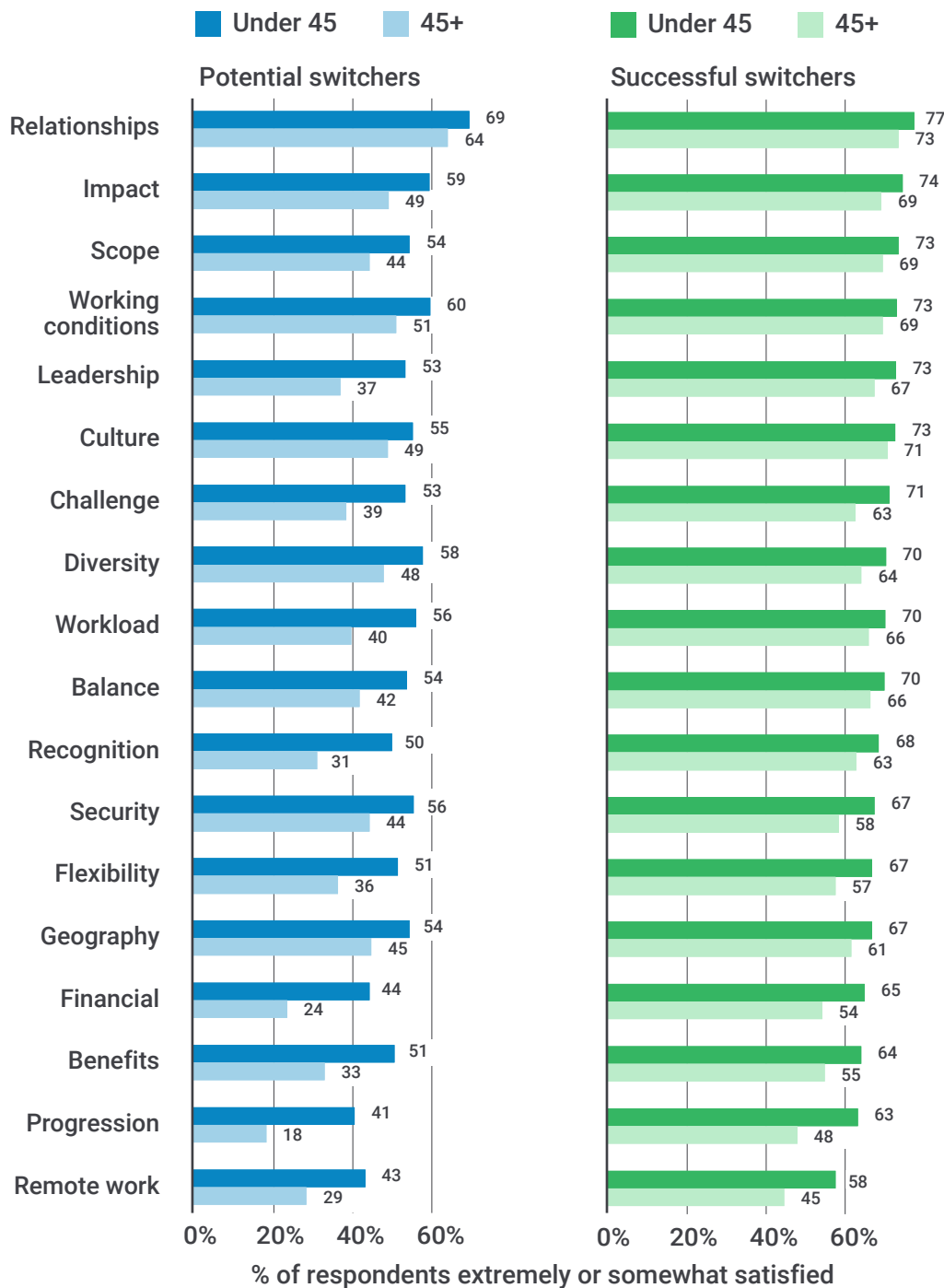
This is demonstrated by successful midcareer and older switchers who report higher rates of job satisfaction than those still searching for a switch: successful switchers are 20 to 30 percent more

satisfied with almost all dimensions of their current job compared to potential switchers, who have yet to find a new role (Figure 12).

After making the transition, midcareer and older job candidates also report fitting in well at their new organisations. Of this group, 71 percent reported they are “somewhat satisfied” or “extremely satisfied” that they are able to fit into their employers’ company’s culture, and 73 percent said they are “somewhat satisfied” or “extremely satisfied” that they are able to get along with their coworkers.

**Figure 12: Job satisfaction is higher for successful switchers compared to potential switchers and for younger employees compared to their older colleagues**

Dimensions of job satisfaction among currently employed respondents, by age group and respondent profile



Profile A under 45 n=538; Profile A 45+ n=1,238; Profile B under 45 n=700; Profile B 45+ n=1,408

**Note:** Currently employed respondents were asked, "How satisfied are you with the following aspects of your current job?" Respondents were then asked to rate their level of satisfaction across 18 job dimensions on a 1–5 scale (from "extremely unsatisfied" to "extremely satisfied").

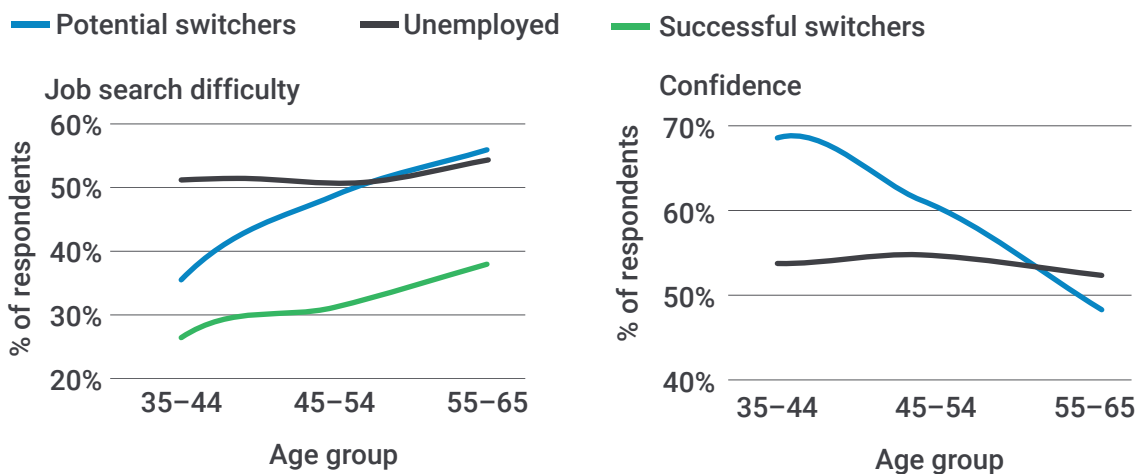
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

## LACK OF CONFIDENCE AND DIFFICULTY IN THE JOB SEARCH CONSTRAIN THE BENEFITS OF MIDCAREER JOB SWITCHES

Job dissatisfaction is a strong predictor of job quitting, labour market exit, and, for those old enough, of early retirement.<sup>5</sup> Though the data suggests that a midcareer switch could be a remedy to this danger, the path to change is strewn with barriers. Many midcareer workers express low levels of confidence in their prospects of transitioning to a new career and

report greater difficulty in the job search than younger cohorts (Figure 13). Respondents' perceptions of their job searches are influenced by employment status, with more than 50 percent of unemployed respondents across all cohorts reporting difficulty and lack of confidence – though the age-based trend still holds true.

**Figure 13: Across all respondent profiles, perceived job search difficulty increases with age and job search confidence decreases with age**



Potential switchers 35-44 n=538; Potential switchers 45-54 n=781; Potential switchers 55-65 n=457; Successful switchers 35-44 n=700; Successful switchers 45-54 n=959; Successful switchers 55-65 n=449; Unemployed 18-34 n=664; Unemployed 35-44 n=338; Unemployed 45-54 n=497; Unemployed 55-65 n=596

**Note:** Graph for "The job search is difficult" shows the percentage of midcareer job seekers who responded that the job search is "very difficult" or "somewhat difficult." Graph for "I am confident I will get a new job" shows the percentage of midcareer job seekers who responded they "strongly agree" or "somewhat agree" with the statement "I am confident I will get a new job."

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

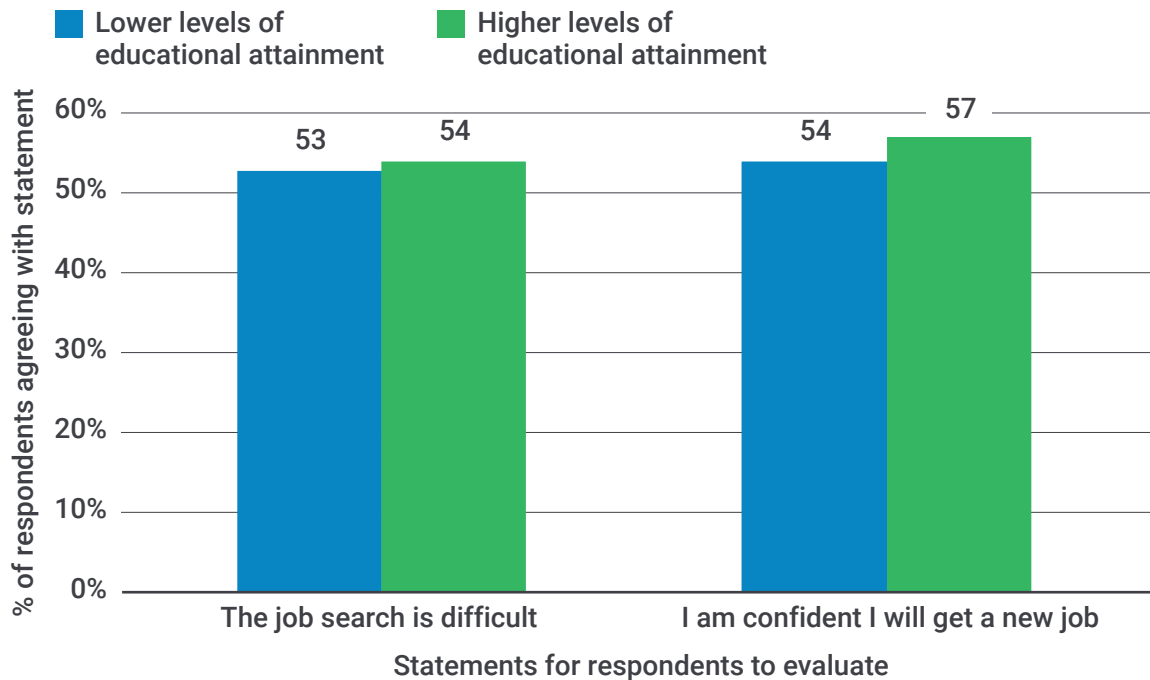
Education is no guarantee of an easier job search process. Among the highly educated group of midcareer and older respondents holding at least a tertiary qualification, 54 percent described their job searches as "somewhat difficult" or "very difficult." A near-identical 53 percent of their less-educated counterparts said the same. In addition, the widespread lack of confidence

reported by midcareer and older job applicants does not vary according to education level. Among those with lower levels of education, 54 percent "strongly agree" or "somewhat agree" that they are confident that they will get a job, versus a barely higher 57 percent for those with higher levels of educational attainment (Figure 14).



**Figure 14: Regardless of education, midcareer and older professionals perceive similar difficulty and experience lower confidence levels during their job search**

Midcareer and older job seeker perceptions of job search by level of educational attainment



Lower levels of educational attainment n=1,433; Higher levels of educational attainment n=898

**Note:** “Lower levels of educational attainment” corresponds with “less than high school,” “high school but no tertiary,” and “vocational education/certification” responses for the respondent’s level of educational attainment, and “Higher levels of educational attainment” corresponds with “bachelors/undergraduate” and “masters/graduate” responses. Survey data shown is for midcareer respondents who are currently seeking employment (either employed, underemployed, or unemployed). Graph for “The job search is difficult” shows the percentage of midcareer job seekers who responded that the job search is “very difficult” or “somewhat difficult.” Graph for “I am confident I will get a new job” shows the percentage of midcareer job seekers who responded they “strongly agree” or “somewhat agree” with the statement “I am confident I will get a new job.”

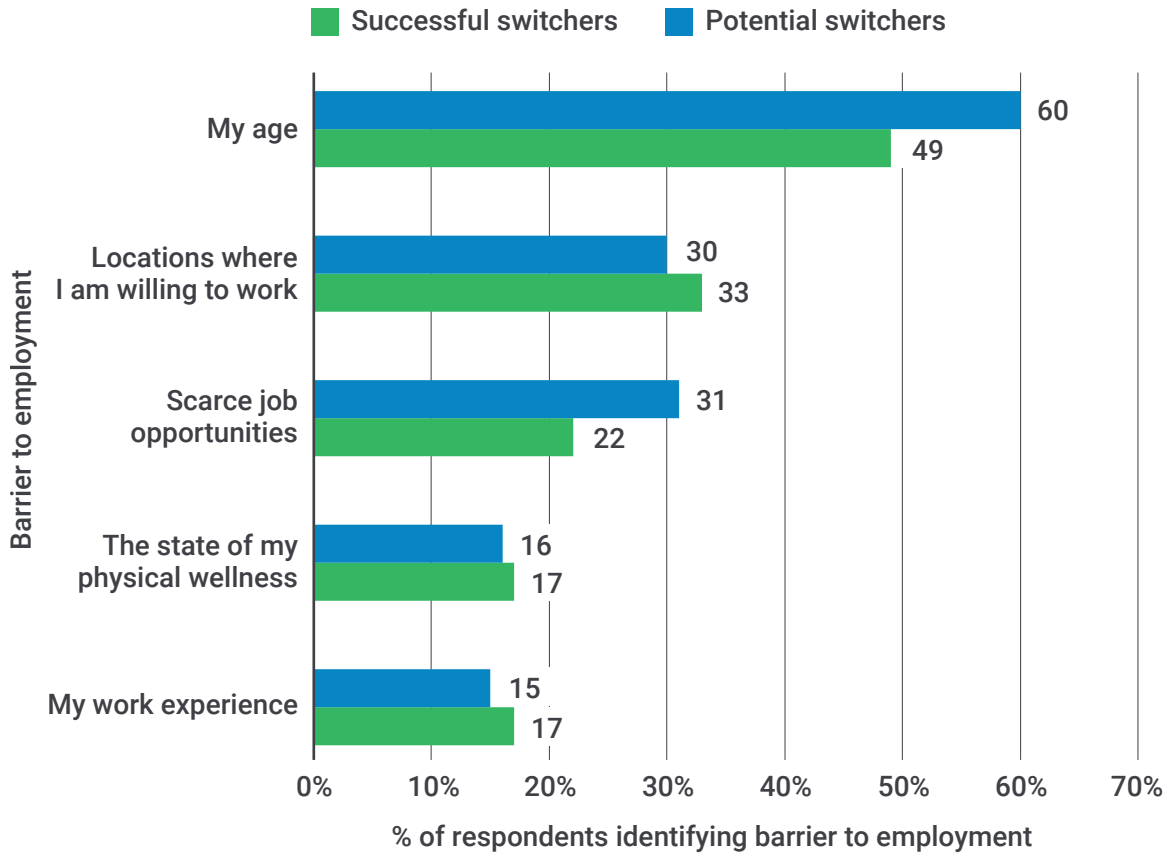
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Midcareer and older workers who are trying to change jobs are more likely to perceive age as a barrier than those who already managed to find a new one. Sixty percent of potential switchers said they perceived age as a barrier, compared to only 49 percent of successful switchers (Figure 15). This suggests that workers that are currently trying to switch roles are fully perceiving much more the

extent to which ageism influences hiring practices. Biases are so deeply embedded that even successful job switchers feel their effects. Beyond ageism, midcareer and older workers reported a number of other constraints when looking for new professional opportunities, including location of work, scarcity of job opportunities, and physical health.

### Figure 15: Potential switchers commonly cite age as a barrier to a successful job search

Perceptions of structural barriers to employment among midcareer and older individuals, by respondent profile



Successful switchers n=1,408; Potential switchers n=1,238

**Note:** Respondents who were in the process of searching for a new job were asked, “Which of the following, if any, do you strongly agree limit your ability to find a job?” Respondents who had recently switched jobs were asked, “If you would be looking for a job, which of the following, if any, do you strongly agree limit your ability to find a job?” Respondents were then provided with a list of 18 potential barriers to employment. Respondents were allowed to select all options that apply. Responses shown are for midcareer and older individuals (ages 45+). Barriers selected are the top five most commonly selected barriers for this age group.

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

### MISMATCHES IN PREFERENCES AND EXPECTATIONS BETWEEN EMPLOYERS AND JOB SEEKERS HAMPER CAREER PROGRESSION

The survey results also highlight that misaligned preferences and expectations of job seekers aged 45–64 and their prospective employers can undermine career growth and progression. For instance, employers place great importance on continuous training and upskilling, yet midcareer workers undervalue training in favour of work experience.

In the context of rapid advancements in technology and work processes, employees have a huge incentive to continually upskill and reskill to remain competitive in the job market. The incentive is especially strong for midcareer and older talent, as they must negotiate misperceptions about their suitability for the job in addition to any real gaps in their skillset.

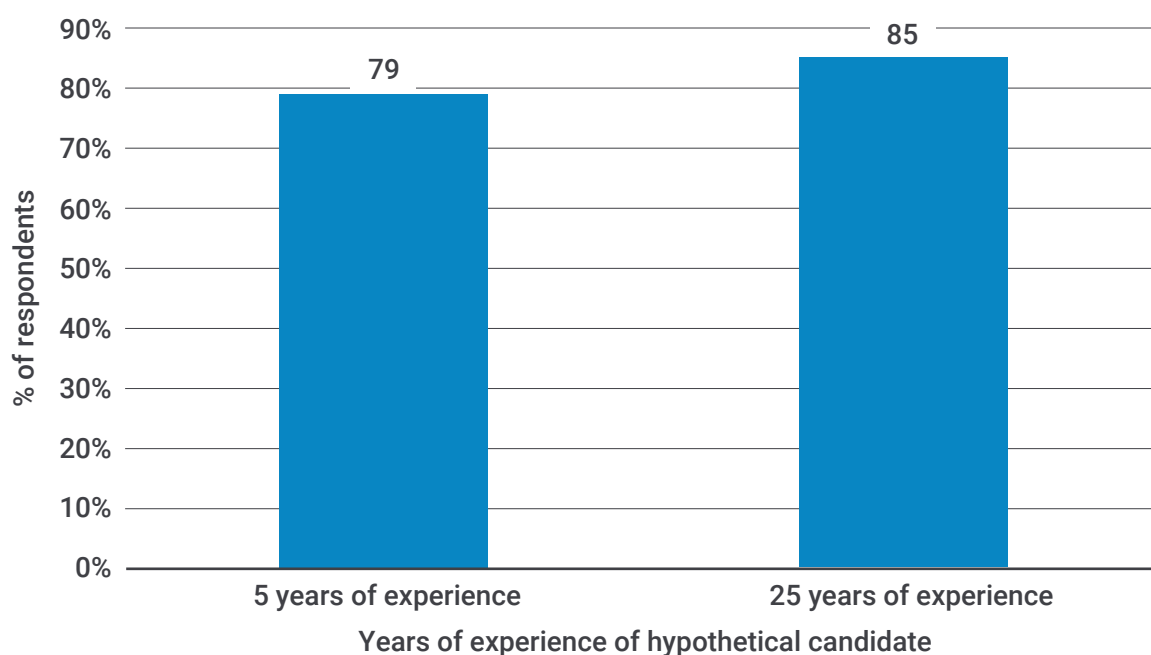
One might reasonably assume that the deep well of experience that workers aged over 45 possess helps offset their perceived lack of technological savvy and adaptability, but the survey results show that this is not the case. Employers do value experience, but its competitive advantage seems to decline when experience exceeds five years. When presented with the profiles of two potential job candidates, nearly identical apart from their respective ages and the extent of their work experience, employers reported that they were almost equally likely to interview a candidate with five years of work experience as they were

to interview someone with 25 years of experience.

Among employers, 85 percent definitely or probably would interview a candidate with 25 years of experience, compared to 79 percent who definitely or probably would interview a candidate with 5 years of experience (Figure 16). While employers did say they were more likely to believe more experienced candidates would stay loyal for a longer time (40 percent for individuals with 25 years under their belts, versus 26 percent for individuals with 5 years of work), this did little to offset the negatives they perceived.

**Figure 16: Employers do not place much value on the additional experience of workers with 25 years of experience when compared with workers with 5 years of experience**

Likelihood to interview nearly identical candidates with only differing levels of work experience



n=1,510 employers

**Note:** Respondents reacted to the following prompt: "Imagine that you are reviewing candidates for an open entry-level role at your company. You are the decision-maker who will decide whether to offer interviews to potential candidates. As you review applications, you encounter the following candidate." A description of a candidate is given, and the respondent is asked to evaluate their likelihood of interviewing the candidate. After that, the same respondent is prompted again with a new profile and is again asked to evaluate their likelihood of interviewing the candidate. Respondents included in this question were given candidates who were identical except in the years of experience included in their background. Candidate order was randomised for respondents to eliminate any first-exposure candidate bias.

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Overall, the prevailing employer bias against midcareer and older talent is contradicted

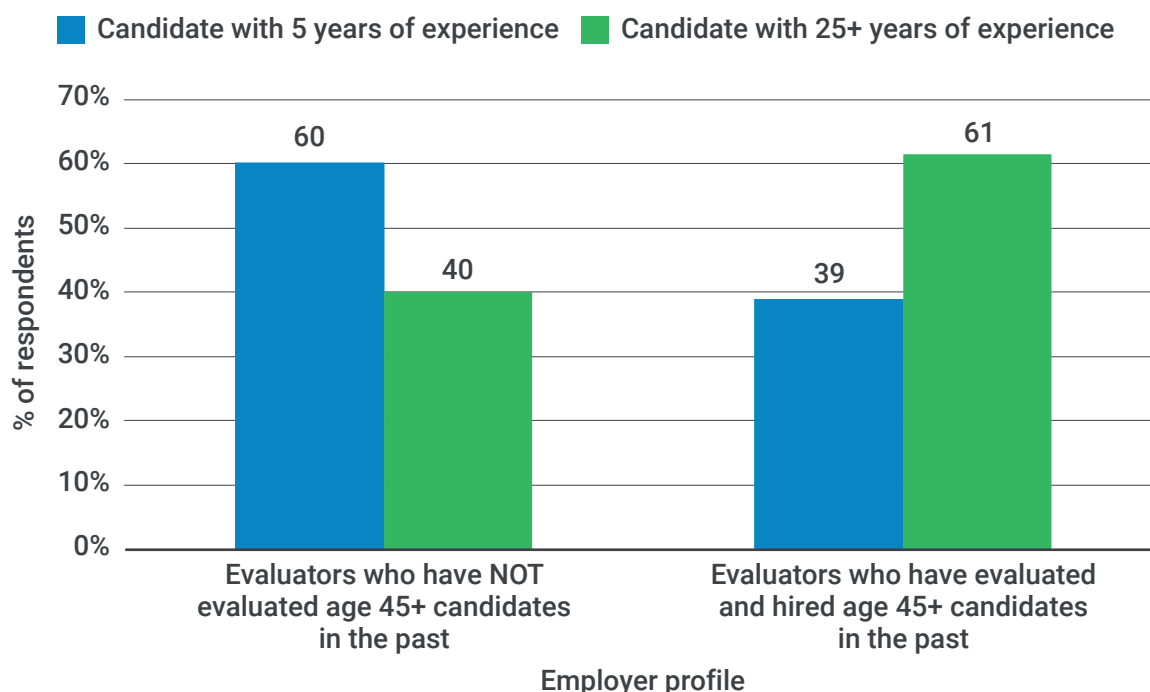
by the experiences of employers who hire older workers. Survey responses revealed

that employers who previously evaluated midcareer candidates are more likely to interview midcareer workers again. Evaluators who had previously assessed and hired midcareer switchers clearly preferred a candidate with over 25 years of experience to one with only five years – over 60 percent chose the more experienced candidate and fewer than 40 percent chose the

less-experienced candidate. By contrast, employers with no previous exposure to midcareer job candidates were more likely to choose the less-experienced candidate (60 percent versus 40 percent) (Figure 17). Ensuring a more age-diverse panel of candidates to interview could have a beneficial knock-on effect in a workplace, counteracting ageist beliefs through exposure.

**Figure 17: Employers’ perception of midcareer job applicants is influenced by whether they have previously evaluated and hired from this group**

Employer preference to interview candidates with differing levels of work experience, by whether respondents have previously evaluated midcareer or older candidates



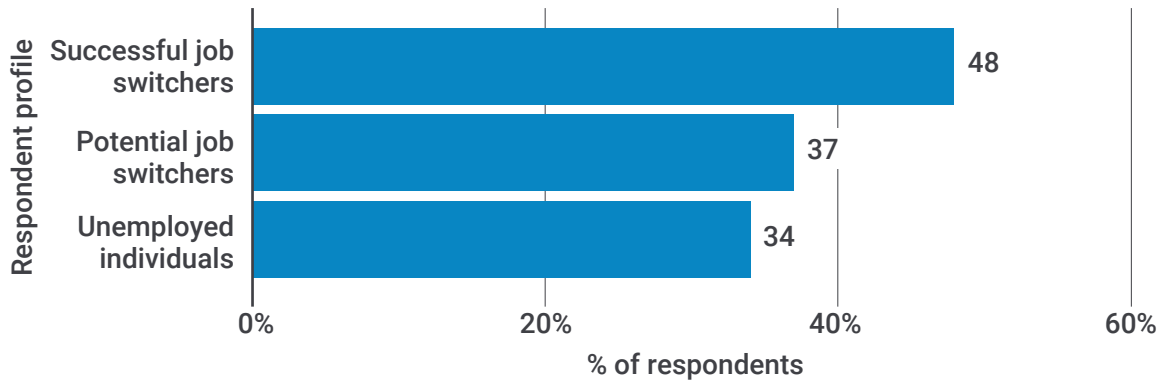
n employers who have NOT evaluated candidates in the past= 648; n employers who have evaluated candidates in the past= 862  
**Note:** Respondents reviewed profiles of two identical candidates with the only difference being the candidates' years of relevant work experience. Respondents were then asked, "If you had to move forward with one candidate, which candidate would you most likely choose?" During the initial candidate review, order was randomised for respondents to eliminate any first-exposure candidate bias.  
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Midcareer workers looking to change jobs can expect to encounter employers who believe that relevant training is more important than work experience. Among employers, 55 percent reported that they are more likely to hire a worker of 45 years or older switching from a different background if that person

has a well-known industry certification. Indeed, 48 percent of successful job switchers had taken a training or professional development course within the past three years, compared to only 37 percent of potential switchers and 34 percent of unemployed individuals (Figure 18).

**Figure 18: Midcareer and older individuals who successfully switched careers were most likely to have recently completed training courses**

Midcareer respondents taking training or professional development courses within past 3 years, by respondent profile



Successful job switchers n=1,238; Potential job switchers n=1,408; Unemployed individuals n=1,093

**Note:** Respondents were asked, "Have you taken or followed any professional training course(s) in the past 3 years?"

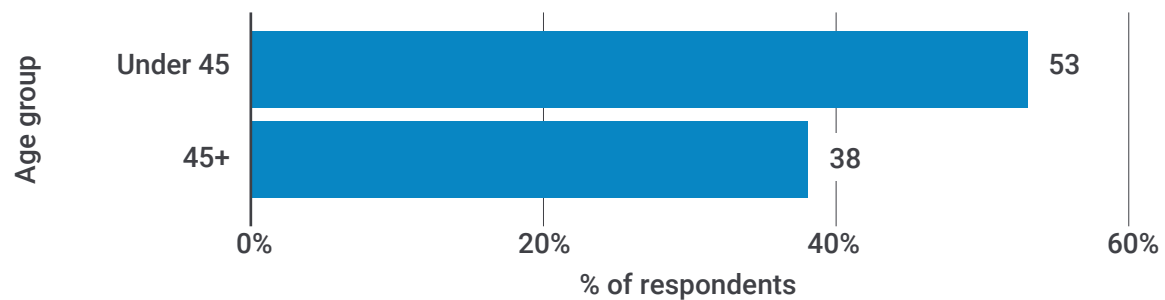
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Despite this clear employer preference for training, too few midcareer and older workers prioritise it. While 53 percent of younger respondents had received training in the previous three years, only 38 percent of those

over 45 indicated the same (Figure 19). Of the 38 percent who had participated in training in the previous 3 years, most had done so recently, with 69 percent having participated within the previous 12 months.

**Figure 19: Percentage of respondents who underwent training in the past three years**

Midcareer respondents taking training or professional development courses within past 3 years, by age group



Under 45 years old n=2,290; 45+ years old n=3,739

**Note:** Respondents were asked, "Have you taken or followed any professional training course(s) in the past 3 years?"

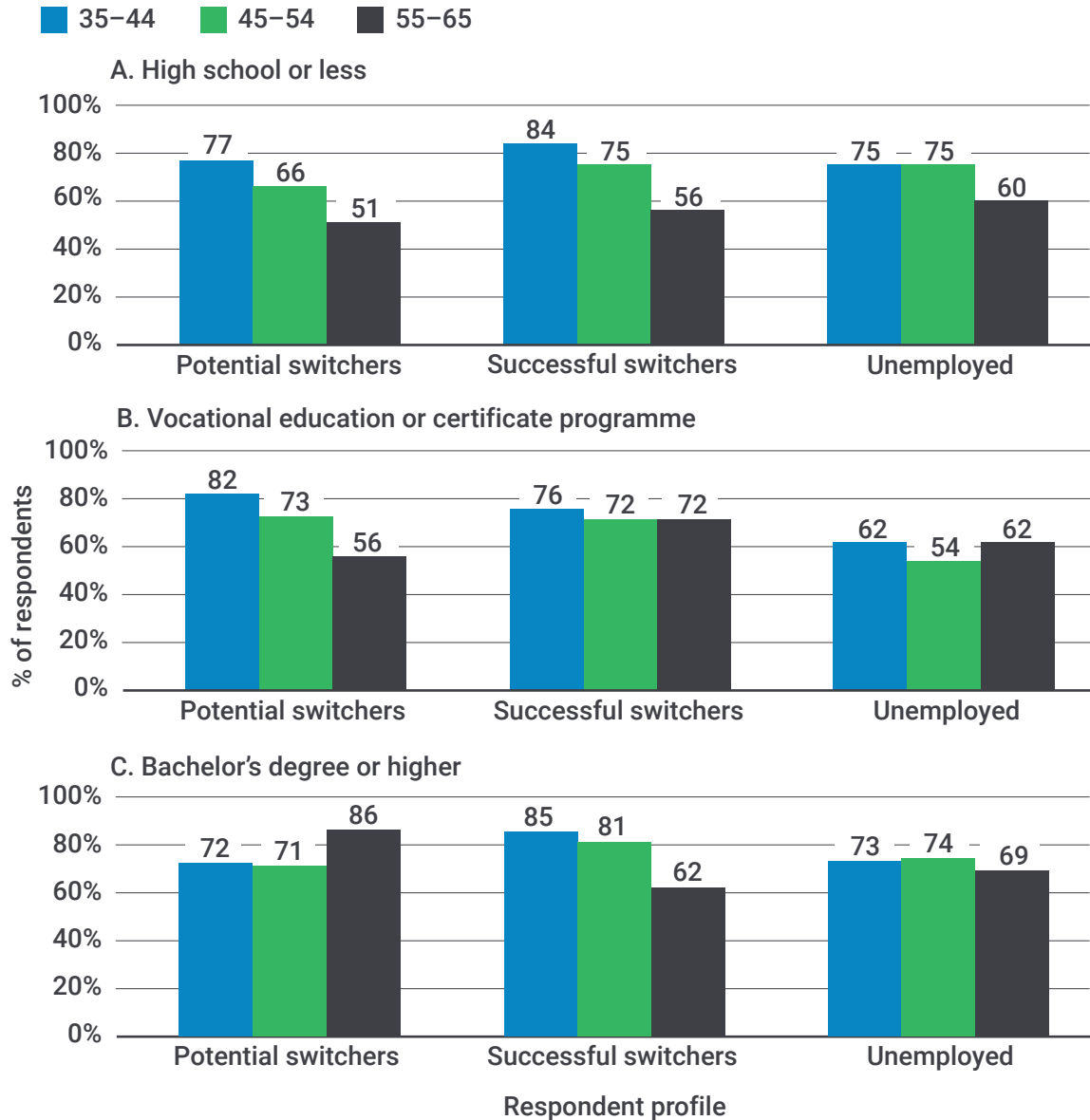
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

This broad trend applies even when responses are grouped by level of educational attainment and by respondent type: potential switchers,

successful switchers, and unemployed individuals are all less likely to undergo further training after the age of 45 (Figure 20).

## Figure 20: Worker engagement with training tends to decrease with age across various respondent types

Training take-up in the past 12 months by level of educational attainment, respondent profile, and age group



High school or less 35-44: Potential switchers n=57; Successful switchers n=96; Unemployed n=41. High school or less 44-54: Potential switchers n=81; Successful switchers n=132; Unemployed n=48. High school or less 55-65: Potential switchers n=34; Successful switchers n=46; Unemployed n=48. Vocational 35-44: Potential switchers n=93; Successful switchers n=95; Unemployed n=56. Vocational 45-54: Potential switchers n=77; Successful switchers n=116; Unemployed n=59. Vocational 55-65: Potential switchers n=26; Successful switchers n=63; Unemployed n=6. College or beyond 35-44: Potential switchers n=127; Successful switchers n=253; Unemployed n=70. College or beyond 45-54: Potential switchers n=153; Successful switchers n=243; Unemployed n=78. College or beyond 55-65: Potential switchers n=76; Successful switchers n=97; Unemployed n=66

**Note:** Responses were gathered for respondents who answered 'Yes' to "Have you taken or followed any professional training course(s) in the past 3 years?", then respondents were asked, "Have you taken or followed any professional training course(s) in the past 12 months?" Respondents were asked to provide 'Yes' or 'No' answers.

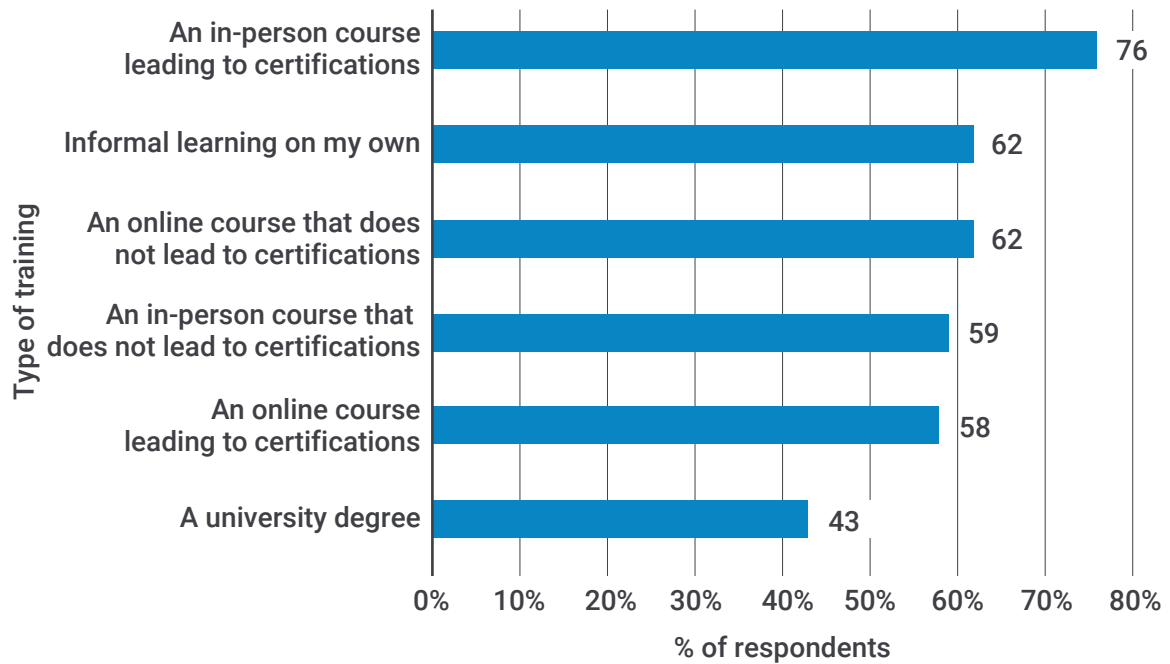
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Those who participated in training did so through several avenues. In-person courses leading to certifications,

online programmes, and informal learning were the most popular training types (Figure 21).

**Figure 21: Among midcareer and older individuals who have taken training in recent years, in-person training leading to certifications is the most common type of training**

Most common types of training taken by midcareer and older respondents



n=1,514

**Note:** Respondents were asked, "Below is a list of potential training or certifications that you may or may not have. When, if ever, did you complete these programs?" A list of seven options was then provided and respondents were asked to provide "Yes" or "No" answers. Percentages are calculated among respondents who previously answered that they had completed that they had participated in training or a certification programme over the previous three years.

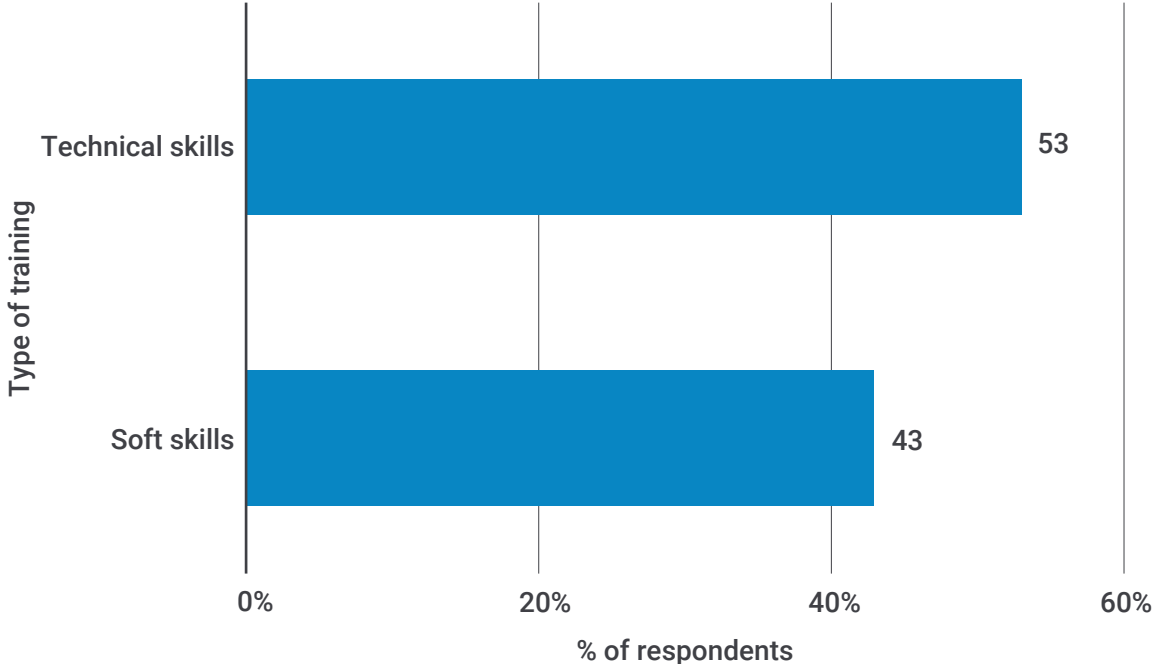
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

The assurance of a job offer after training, financial support, receiving a recognised certificate or credential, and the option of online participation would all encourage midcareer and older workers to participate in training. The incentive to invest in this kind of training is clear, but employers can still do more to help. Only around

half of employers offer support for midcareer and older workers to complete training (Figure 22). Employer support for these employees is important because it coincides precisely with the age at which workers' commitment to continuous learning declines most steeply – and the point at which they risk long-term unemployment if they lose a job.

**Figure 22: Approximately half of employers offer on-the-job skills training for midcareer and older employees**

Types of training offered to new hires in entry-level or intermediate roles



n=1,510 employers

**Note:** Respondents were asked, "Which, if any, of the following does your company offer for new hires in an entry-level or intermediate-level role?" A list of options was then provided and respondents were asked to provide "Yes" or "No" answers. Among these options were "Technical trainings" and "Soft-skills trainings."

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

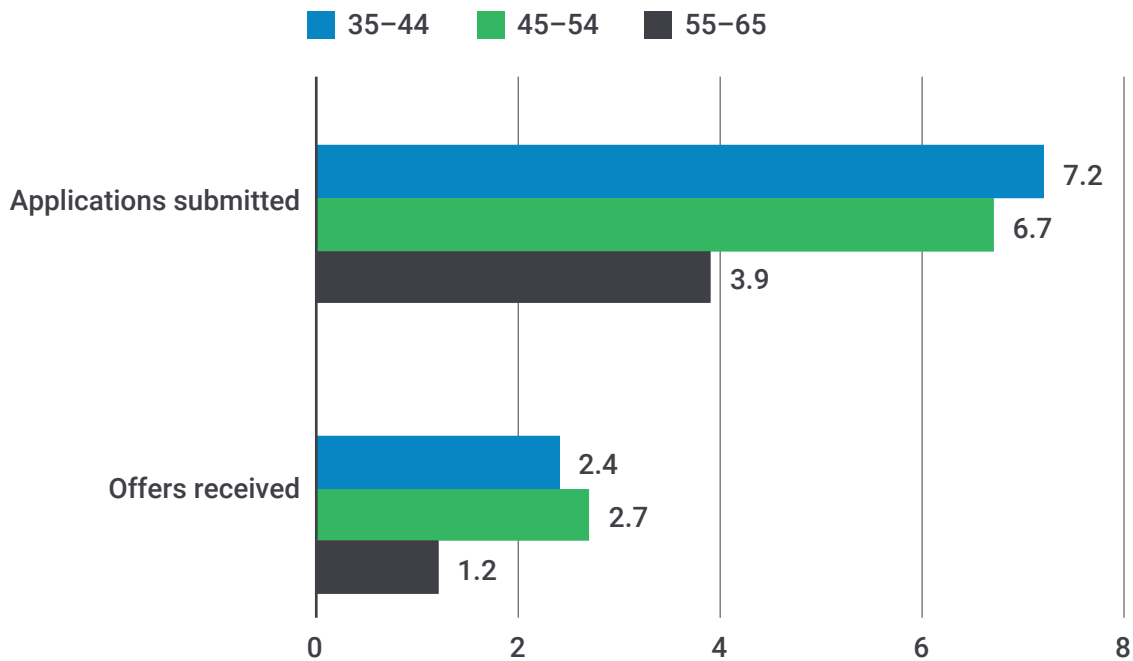


As an added challenge, midcareer and older workers seek new jobs differently to younger workers. Their general misalignment with employer preferences also shows in their approach to the job search. This is evident in the number of job applications, the avenues through which they apply, as well as their success rate.

Job application rates go down as workers age. Unemployed individuals aged 55–65 apply to fewer jobs per week (3.9 on average) compared to their counterparts aged 18–34, who applied to more than five jobs on average per week; those aged 35–44, who applied to over seven jobs per week; and those aged 45–54, who applied to more than six jobs per week (Figure 23). Probably as a result, older workers also receive significantly fewer offers.

**Figure 23: Job seekers aged 55–65 submit significantly fewer applications and receive significantly fewer offers than younger counterparts**

Applications submitted per week and job offers received in last month, by age group



Age 35–44 n=145; 45–54 n=208; 55–65 n=271

**Note:** Respondents were asked, “In the past month, how many jobs have you applied to per week on average?” and, “In the past month, how many job offers have you gotten?”

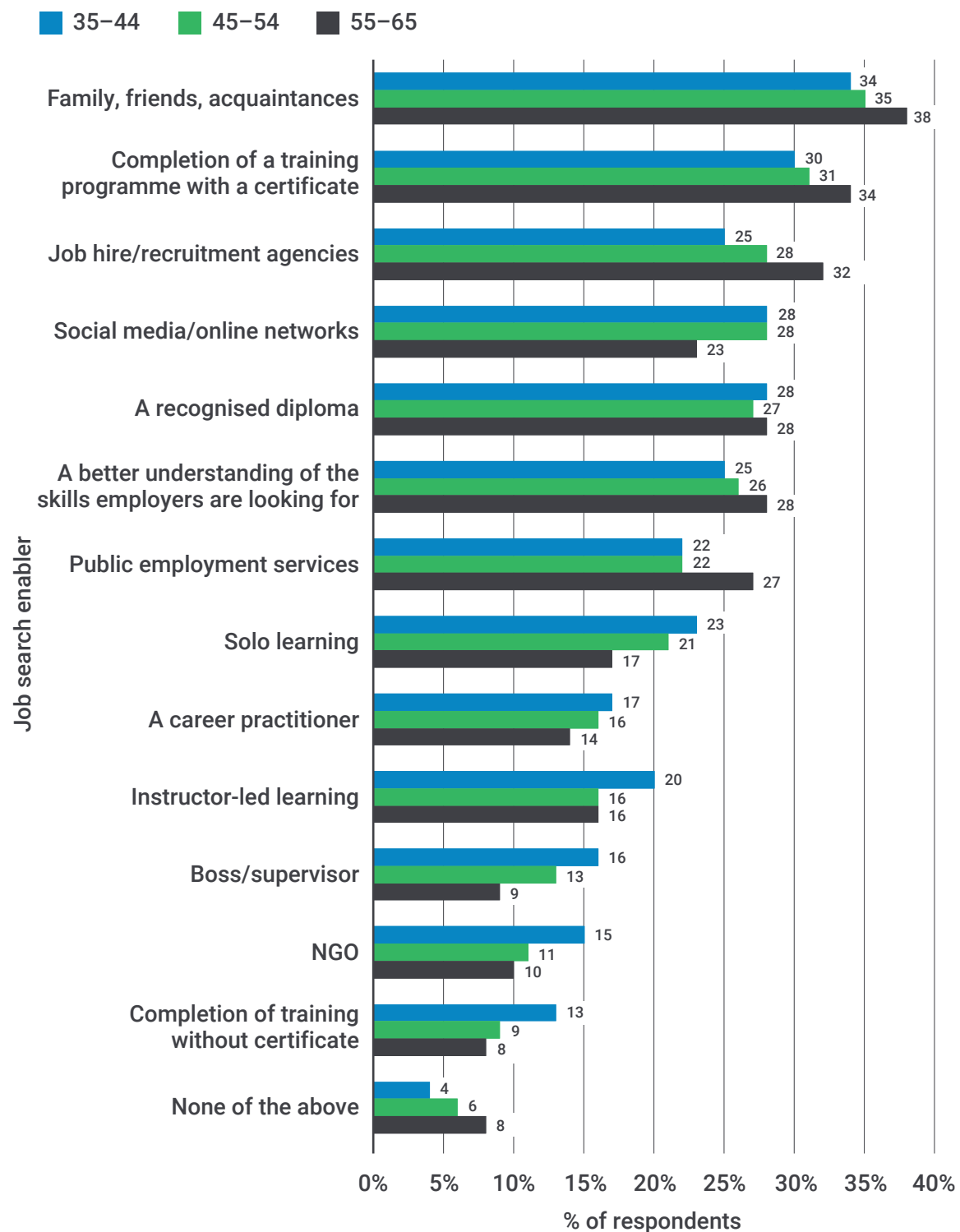
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

Older talent report greater confidence in traditional job search methods, such as leveraging personal relationships and networks (Figure 24). Specifically, 38 percent of those aged 55–64 value this method,

compared to 34 percent of those aged 35–44. Older workers also rely more on public employment services – 27 percent of midcareerers compared to 22 percent of the younger demographic.

**Figure 24: Older individuals rely more on recruiting agencies and public employment services and less on social media/online networking and solo learning**

Perceived job search enablers, by age group



Age 35-44 n=1,626; 45-54 n=2,237; 55-65 n=1,502

**Note:** Respondents were asked, "Which of the following, if any, do you strongly agree can enable you to find a job?" Respondents were able to select as many enablers as they agreed with out of a list of 14 possible options.

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

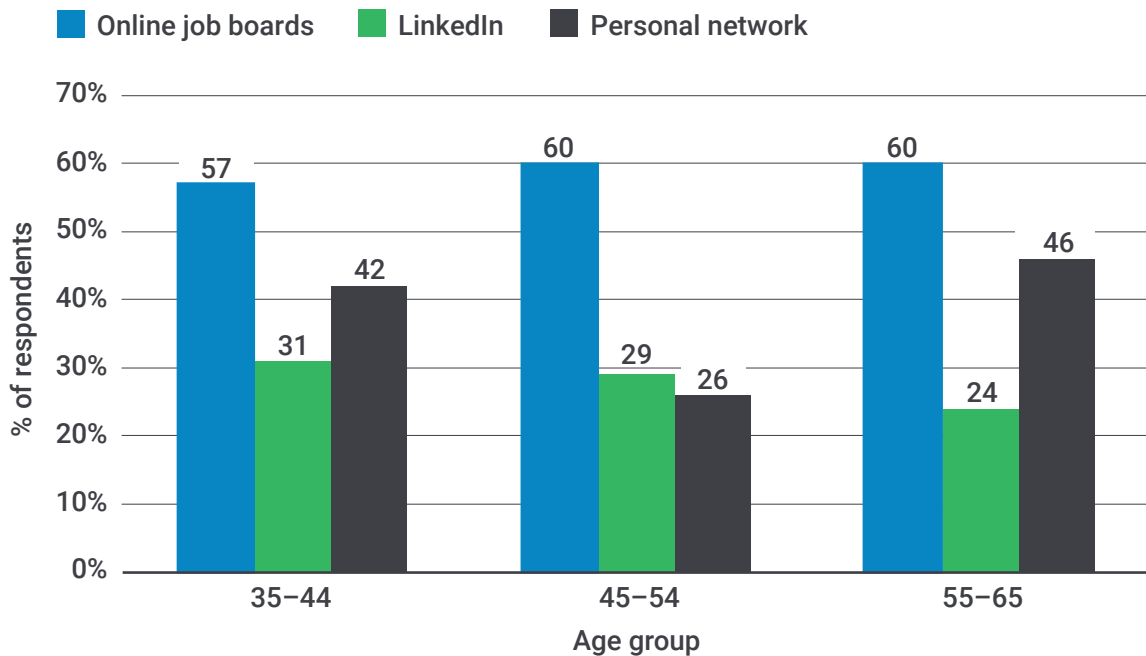
Their misplaced confidence in traditional recruitment methods leads midcareer job seekers to look for opportunities in channels that employers are less likely to use. They often miss out on opportunities for which they are suitably qualified because they do not see job listings when they are advertised.

Employers targeting talent older than 45 generally use recruiting firms (64 percent), referrals from current employees (57 percent), and LinkedIn (50 percent) to find suitable

individuals. However, less than 30 percent of midcareer workers, and 24 percent of those aged 55–65, use LinkedIn as a channel to find out about job postings (Figure 25). Meanwhile, a quarter use their own networks and would therefore benefit from direct referrals. Online job boards remain the most popular method for midcareer seekers to find job postings: among both employed and unemployed job seekers aged 45 and over, 60 percent reported using online job boards as part of their search.

**Figure 25: Individuals of different ages prefer different job search channels**

Preferred job search channels, by age group



Age 35–44 n=1,626; 45–54 n=2,237; 55–65 n=1,502

**Note:** Respondents were asked, “Which of the following, if any, do you strongly agree can enable you to find a job?” Respondents were able to select as many enablers as they agreed with out of a list of 14 possible options.

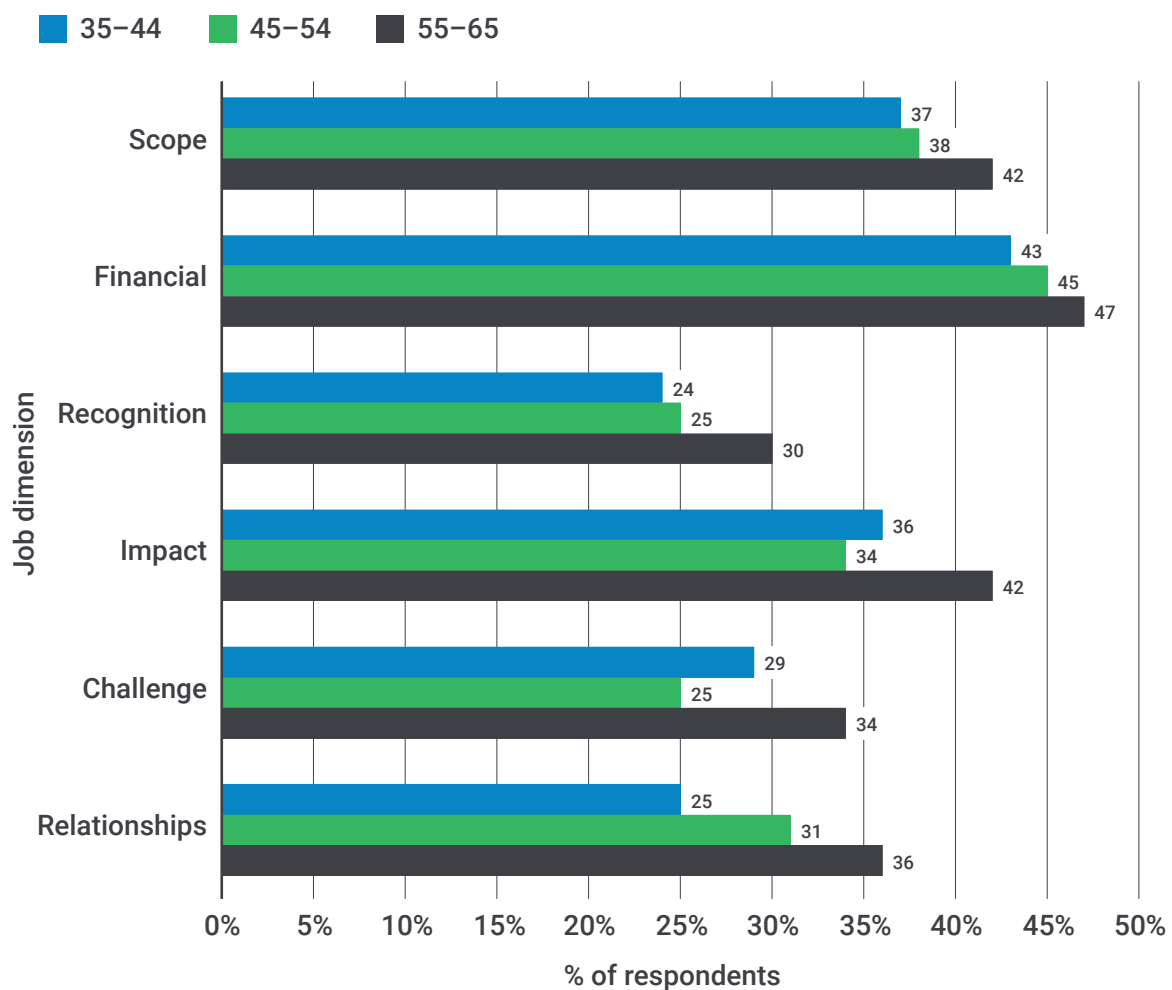
**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

This misalignment with prevailing recruitment practices – and employer expectations broadly – can be explained in part by the fact that midcareer and older workers usually have different career goals and job expectations than younger counterparts (Figure 26). Financial compensation

is preeminently valued by all workers, but older workers stand apart from the field in several categories. More than any other demographic, they value the job characteristics of scope (42 percent), recognition (30 percent), impact (42 percent), challenge (34 percent), and relationships (36 percent).

**Figure 26: While financial compensation is highly valued by all workers, older workers are more likely to value recognition, impact, challenge, and relationships**

Job dimensions valued by job seekers, by age group



Age 35-44 n=1,626; 45-54 n=2,237; 55-65 n=1,502

**Note:** Respondents who were in the process of searching for a new job were asked, "As you consider your next job, which of the following are most important?" Respondents who had recently switched jobs were asked, "When you were job hunting, which of the following were most important?" Respondents were able to select up to five job dimensions they valued most out of a list of 18 possible options. Dimensions included in the figure above are a subset of these options.

**Source:** Generation & OECD (2023), survey of employers and employed/unemployed individuals.

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# RECOMMENDED INTERVENTIONS

The survey research confirms that midcareer and older workers are an asset in the workplace, but their value is consistently underestimated by employers and policymakers – and by midcareer and older workers themselves. To resolve the “age-performance paradox,” reduce structural barriers, and strengthen the competitiveness of midcareer and older individuals in the job market, all stakeholders need to adapt

their job recruitment and application strategies. The following recommendations are not exhaustive, but they offer concrete actions that can mitigate ageist bias in hiring practices, empower job seekers, and promote greater dynamism in careers at any age. Achieving this is only possible with multi-stakeholder action by employers, midcareer and older individuals, and government policymakers.

## EMPLOYERS

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### **Revise recruiting practices to proactively attract qualified midcareer and older applicants for available positions**

Employers who regularly seek out midcareer and older employees report that this cohort is a valuable part of a diverse workforce. For that reason, the global trend of ageing workforces can represent an opportunity on which to capitalise. To do so, employers can revise job search and application processes to better align with the behaviours and interests of midcareer and older workers. For example, methods and channels used by employers

to source talent can be expanded and diversified to include the kind of resources that midcareer and older workers are likely to favour, such as recruitment agencies, public employment services, and online platforms other than LinkedIn. Job listings can also be revised to emphasise the stability and long-term nature of positions, as these are dimensions of employment that are highly valued by midcareer and older job seekers.

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### **Adjust screening and interview processes to account for the strengths of midcareer and older candidates, and equip hiring teams to accurately evaluate candidates**

Employers can make structural changes that reduce ageism in recruitment and hiring processes. This could include prioritising skills-based hiring, which allows workers of any age to demonstrate capabilities and potential, rather than allowing ageism, education, or other unfair biases to drive

recruitment decisions. Ensuring that hiring teams are equipped to evaluate midcareer and older employees would also increase the likelihood of companies identifying and capturing the value that a candidate's experience can bring to the workplace.

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### **Upskill midcareer and older workers to overcome perceived and real barriers to success in the workplace**

The survey shows that midcareer and older workers place work experience at a premium, whereas employers place greater value on training and certifications. Employers can bridge this gap by incentivising participation in on-the-job training; this enables continuous opportunities for career progression and mitigates the risk

of attrition that stems from low satisfaction in the workplace. Encouraging hesitant midcareer and older applicants with the promise of training to bridge perceived skills gaps also broadens the potential talent pool and allows employers to nurture the full set of capabilities needed to succeed in the workplace.

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### **Measure the job performance and retention of midcareer and older employees in comparison to that of younger peers in the same role**

The first step in addressing the “age-performance paradox” is to track the job performance of all employees across age groups. A strong data foundation about job performance, juxtaposed with age-hiring patterns, can help assess whether a company relies heavily on recruiting a younger age

bracket despite evidence that midcareer and older employees demonstrate the same on-the-job performance level. Tracking these metrics will also allow employers to prioritise further interventions that improve employee experience and create value for all stakeholders, regardless of age.

## **MIDCAREER AND OLDER INDIVIDUALS**

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### **Develop and demonstrate in-demand skills by seeking out job-relevant training and industry certifications**

There is a disconnect between what employers value and how midcareer and older individuals position themselves in the workplace. For example, employers most value demonstrated and relevant skills and abilities, whereas midcareer and older job seekers often assume that work experience alone is sufficient proof of their job readiness. Finding opportunities for ongoing training and professional development can be doubly beneficial for job prospects: it equips job

seekers with the skills and knowledge they need to succeed in the job market, and it persuades employers that a job seeker is a quality candidate. Given employer perceptions that midcareer and older individuals have low capabilities in adapting to new technologies and learning new skills, there is value in proactively demonstrating digital skills fluency and a track record of learning.

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## **Search for jobs in priority channels for employers**

While many midcareer and older job seekers rely primarily on online job boards to find opportunities, LinkedIn has emerged as the leading platform for employers seeking talent. As a result, maintaining a professional presence on LinkedIn and similar professional networking platforms as primary job search channels significantly improves prospects. Alongside the strategic

use of tech-enabled job search tools, midcareer and older employees should also secure referrals from reliable sources in their personal and professional networks. Networking remains a relatively underutilised job-search strategy among midcareer and older job seekers, despite the majority of surveyed employers reporting a strong emphasis on employee referrals.

## **POLICYMAKERS**

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### **Provide greater information and career guidance to support job change to midcareer and older workers**

Lack of information on job possibilities and negative attitude towards learning pose significant barriers to changing career tracks in later life. Career guidance can help midcareer and older workers make meaningful educational, training, and occupational choices and manage their careers. In Australia, the programme Skills Checkpoint for Older Workers helps workers aged 40 years and over to access support and guidance in their career through career assessment and one-on-one career guidance with an adviser. The programme also provides recommendations

to further skills training to support workers in a current role, a new role, or those transitioning to a new career. Similarly, in Scotland, the career guidance centres take a lifecycle approach, providing assistance to people regardless of their age and employment status. Such policies and services enable necessary adjustments to shifting employee experiences and learning needs at different ages, including those not covered by full-time, open-ended contracts (for example, part-time, self-employed, and contract employees).

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### **Deliver targeted job-search and placement support to prevent older workers from slipping into long-term unemployment**

The survey has confirmed what has long been observed in Generation's work with individuals of all ages: midcareer and older workers are more likely to trust hiring agencies and public employment services when searching for a job. These organisations can help job seekers adapt to how employers now source talent, improve their job-search skills,

and boost morale. Government agencies can incentivise, fund, and direct the operations of targeted, personalised guidance services. This has the potential to recalibrate job search behaviour, as older workers are applying to fewer positions, taking a longer time to find a job, and then lowering their initial salary expectations. The Impulse programme in Switzerland

and Job Hope Centres in South Korea are instructive examples. The key focus of these interventions is to offer tailored

re-employment services for individuals aged 40 and over, including counselling, CV writing, and job-search support.

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### **Lower barriers to geographic mobility**

The survey indicates that job location and geographic mobility is a barrier, especially for older workers. Governments can remove such barriers primarily through policies that increase the housing supply. These can entail simplifying zoning laws and reducing building restrictions, to increase housing in areas where labour demand is high, and thus facilitate the relocation of midcareer workers to areas

with employment opportunities. Lowering the high transaction costs associated with moving can also facilitate mobility to areas with high employment opportunities (OECD, 2021).<sup>6</sup> Policies to promote remote work via telework can enhance labour mobility by allowing workers to accept a position in a given occupation in the national labour market regardless of where a given employer is located.

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### **Fund training programmes and support skills development at older ages**

Only a minority of midcareer and older workers pursue training, missing out on the opportunities that come with possessing up-to-date skills and industry knowledge. In countries where the private sector and NGOs regularly deliver training and skills development programmes, government agencies can support, amplify, and reduce barriers to midcareer employability through publicly financed training initiatives. Skills-based programmes can be particularly useful when they combine short classroom sessions with on-the-job experience, as in the apprenticeship model. Such training should place strong focus on digital skills for midcareer and older workers to match the rapid evolution and ubiquity of technology in the workplace.

Alternatively, government agencies can establish new financial vehicles such as individual learning accounts (ILAs)

that provide a portable funding mechanism for workers. This facilitates the combination of government, employer, and individual contributions, while also incentivising continuous learning. Pairing ILAs with comprehensive career guidance and counselling services would further increase the impact and efficacy of ILAs. Other sources of government funding can include training subsidies. For instance, in Singapore two schemes are deployed: The Skills Development Fund (SDF) supports a training leave scheme for older workers and on-the-job training consultancy services for accelerating skills development in the knowledge economy. And the MidCareer Enhanced Subsidy is designed to encourage midcareer workers to reskill and upskill by covering up to 90 percent of the cost of training in a range of vocational and university institutions (OECD, 2023).<sup>7</sup>



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## **Revise labour market regulations and tax policies to prevent sidelining of older workers**

As life expectancy rises, both employers and employees stand to benefit from an expanded labour market. Early retirement schemes, especially those that mandate or encourage retirement at a certain age, are unsustainable because they push qualified and productive individuals out

of the labour force while employers struggle to fill vacant roles. These schemes harm both sides of the labour market and should be discouraged, whether through direct legislative or administrative action, or through revising taxation policies to disincentivise early withdrawal from the workforce.

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## **Evaluate training and employment programme effectiveness**

More insight into the most effective and cost-efficient methods of supporting midcareer and older workers to transition to new roles and careers is needed. Policymakers can prioritise evaluating a wide range of training and employment programmes to better understand their

medium- to longer-term impact, to inform future support. These government-sponsored evaluations should maintain the highest standards by focusing on the causal impact of training on employment and income outcomes by using randomised controlled experiments when possible.

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## **Facilitate entrepreneurship for older workers**

For many older workers, ageism and lack of job opportunities serve as key barriers to seeking new jobs. An alternative method to overcome these barriers would be to boost self-employment or entrepreneurial endeavors among this group. Such initiatives can also be effective ways to use their skills and vast experience as well as enhance job satisfaction and extend their working lives. However, in several OECD countries, there

remain limited supportive frameworks for such shifts. Policymakers can address these gaps by i) offering tailored financing tools for entrepreneurs, ii) improving the mentoring and networking with successful entrepreneurs, iii) upskilling and reskilling with continuous learning initiatives that highlight business best practices and methodologies, and iv) simplifying regulatory frameworks for entrepreneurship.<sup>8</sup>

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# NOTES

- 1 OECD (2023), *Retaining Talent at All Ages, Ageing and Employment Policies*, OECD Publishing, Paris, <https://doi.org/10.1787/00dbdd06-en>
- 2 OECD is an unweighted average of the countries shown. The definition of vacancies is not harmonised across countries. For European countries (except Austria, France, Germany, Hungary, Italy, and Portugal – see below), a vacancy is defined as a paid post that is newly created, unoccupied, or about to become vacant for which the employer is taking active steps and is prepared to take further steps to find a suitable candidate from outside the enterprise concerned; and which the employer intends to fill either immediately or within a specific period. For Australia, a vacancy is defined as a job available for immediate filling and for which recruitment action has been taken by the employer. For Austria, a vacancy is defined as a job notified by firms to employment agencies which remain unfilled at the end of the month. For Canada, a vacancy is defined as a job meeting the following conditions: it is vacant on the reference date (first day of the month) or will become vacant during the month; there are tasks to be carried out during the month for the job in question; and the employer is actively seeking a worker outside the organisation to fill the job. The jobs could be full-time, part-time, permanent, temporary, casual, or seasonal. Jobs reserved for subcontractors, external consultants, or other workers who are not considered employees, are excluded. For France, a vacancy is defined as the monthly number of vacancies posted by companies in *Pôle emploi*. For Germany, a vacancy is defined as a job of seven days' duration or more reported by employers to employment agencies to be filled within three months and remaining unfilled at the end of the month. For Hungary, a vacancy is defined as the number of vacancies notified to local labour offices and then to the Ministry of Labour. For Italy, a vacancy is defined as a paid job (new or existing, vacant, or about to become vacant) for which the employer is actively looking for a suitable candidate outside the company and is willing to make additional efforts to find one. For Portugal, a vacancy is defined as the number of vacancies reported by employers to be still vacant at the end of the month. For the United Kingdom, a vacancy is defined as a position for which employers are actively seeking recruits from outside their business or organisation (excluding agriculture, forestry, and fishing) based on the estimates from the Vacancy Survey. For the United States, a vacancy is defined as a job that is not filled on the last business day of the month and a job is considered open if a specific position exists and there is work available for it, the job can be started within 30 days, and there is active recruiting for the position.
- 3 OECD (2020), *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, <https://doi.org/10.1787/59752153-en>. See also Allen, Steven G. *Demand for Older Workers: What Do Economists Think? What Are Firms Doing?*. No. w26597. National Bureau of Economic Research, 2019 notes that the literature suggests that “When the job requirements of old and young workers are fundamentally different, they are more likely to be viewed as complements to each other in the production process than substitutes.”

- 4 See Figure 2.5 of the OECD (2020) Promoting an Age-Inclusive Workforce Living, Learning and Earning Longer. <https://doi.org/10.1787/59752153-en>.
- 5 Clark, A.E., Georgellis, Y. and Sanfey, P. 1998. Job Satisfaction, Wage Changes and Quits: Evidence from Germany. *Research in Labour Economics*, 17: 95–122. Green, Francis. “Well-being, job satisfaction and labour mobility.” *Labour Economics* 17.6 (2010): 897–903. Lévy-Garboua, Louis, Claude Montmarquette, and Véronique Simonnet. “Job satisfaction and quits.” *Labour Economics* 14.2(2007): 251–268. Clark, Andrew E., Kostas Mavromaras, and Zhang Wei. “Happy to stay: job satisfaction and retirement.” In *Scottish Economic Society 2015 Annual Conference*. 2015.
- 6 See OECD (2021), *Brick by Brick: Building Better Housing Policies*, OECD Publishing, Paris, <https://doi.org/10.1787/b453b043-en>.
- 7 OECD (2023), “Learning more with age: Lifelong learning in the future workplace”, in *Retaining Talent at All Ages*, OECD Publishing, Paris, <https://doi.org/10.1787/5a588f9b-en>.
- 8 See OECD/European Commission (2021), *The Missing Entrepreneurs 2021: Policies for Inclusive Entrepreneurship and Self-Employment*, OECD Publishing, Paris, <https://doi.org/10.1787/71b7a9bb-en>.

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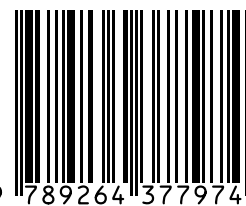
# THE MIDCAREER OPPORTUNITY

## MEETING THE CHALLENGES OF AN AGEING WORKFORCE

The world of work is getting older in advanced and an increasing number of emerging economies. Two powerful and persistent trends, longer lifespans and lower birth rates, all but guarantee that midcareer and older workers will make up an even larger portion of the future workforce, with profound implications for our economies, businesses, and workers. Are societies adapting quickly enough to cope with ageing at an unprecedented scale? What are some of the key structural barriers, the embedded attitudes and behaviours, that stand in the way of helping midcareer and older workers stay employed longer? What steps can we take to support them as we transition to a more digital and sustainable economy, and make sure that age is no longer a barrier to work? In search of answers, the OECD and Generation, a global employment nonprofit network, teamed up to develop new research based on a survey of thousands of employed and unemployed people, and hiring managers in eight countries: the Czech Republic, France, Germany, Romania, Spain, Sweden, the United Kingdom, and the United States. The evidence presented in this report aims to foster a more inclusive and resilient labour market for workers at all stages of their careers.



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