



ARE YOU OLD ENOUGH?

Old-age gaming and leisure employees' future prospects and challenges

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MUCH has been talked and written about how senior citizens will have an impact upon international gaming and other leisure operations and their related labour markets in the future.

There seems to be evidence emerging in the form of worldwide statistical research which clearly indicates a substantial change in the international labour market population. A recent United Nations research analysis states that in 1950 about 200 million people were in the over-60 age group.

By 2000 the number had risen to 600 million and in 2010 to more than 800 million. By 2050 the number is estimated to reach two billion. Worldwide, this population is increasing at a rate of 2.6 per cent per annum, considerably faster than the current 1.2 per cent annual growth in the population as a whole. Further, the 80 years and older groups are increasing at four per cent per annum.

By 2030, 36 per cent of Germans, 30 per cent of French, 30 per cent of Chinese and 22 per cent of Americans will be older than 60. Life expectancy has increased steadily over the years, from 74 years in 1982, increasing to 76.5 in 2000 and is forecast to reach 82 and beyond by 2100.

Hence, many European countries have already cut pension benefits and/or moved the entitlement age upwards. The most common reasons for the historic rise in life expectancy

levels worldwide could be divided into two basic groups.

Firstly, Europe and the US have not been involved in a major military outbreak like the first and second world wars, both of which created this shifting age gap to a great extent.

The best example is the Vietnam war and thereafter the Iran/Iraq war, which robbed both nations of their youth. Among the dead, the 18-28 age group account for over 86 per cent, a factor which will affect the population mix of those countries well into the future, particularly if considered in the light of a lower birth rate, also evident during the war years.

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The same has repeated itself with the continuing war in Iraq and now extended to Yemen and Syria. However, the deaths recorded over those years and in the current war against "so-called ISIS" are too insignificant in numbers to affect population calculations.

Secondly, lifestyles in the western hemisphere have changed dramatically since the end of the second world war and have produced a number of social changes in light of increased industrial and economic developments which have taken place.

The major factors indicating the development of a strong future old age gaming and leisure employee market are: greater longevity; the growth of customers with adequate retirement and medical plans; government legislation enforcing provision of a pension "for everyone" and automatic, periodic pension increases; improved healthcare combined with improved medical knowledge; better available education and general information, encouraging interest and travel; shorter working weeks and increased leisure time available; availability of improved medical care and related technologies; substantial growth of international gaming operations and casinos as well as other types of leisure operations.

In light of greater upward physical immobility, caused by age-related ill health, the elderly create certain constraints for gaming and leisure operations, all of which could give an indication of future demands, such as:

- The elderly will face transportation and mobility problems if they are to be attracted in multiple numbers to work in gaming facilities, unless casinos are established in major cities with well-connected public transportation systems or hubs.

- More time must be allowed for their physical movements, since there are perceived physical risks in this age group. Many continue to live from and by prescribed medication.

- Demand for first aid and emergency medical facilities will be expected to increase and casino and leisure operations' payroll costs (social security contributions) will also rise.

- The elderly, particularly those over 65, will have fewer friends with whom to associate and will seek community-type leisure activities rather than single ones.

This will necessitate casino and leisure operators establishing in-house leisure facilities (not unlike children's crèches serving employed mothers); these are directed towards physical activities and maintenance of general living standards.

Despite any constraints, the elderly will have an impact upon gaming operations not only as consumers, but will also open up an ever significant segment for the international labour market.

They like to be involved, particularly in activities which demand teaching and advising. They may well augment the seasonal shortages experienced by gaming operators, since part-time work will emerge as the growth leader in the employment market worldwide.

Moreover, the old-age consumer is more open to new challenges than any other segment of the population, as they are, on the whole, more experienced, educated, travelled and politicised.

Provided the elderly are involved in the creative aspects of recreational plans, rather than as sole operators, this section of the population may end up stabilising an already erratic labour market structure.

Academics speak of a growth in the so-called "new old" or "young old," a generation whose past activities cannot be compared with their future activities in pure generational terms. That is to say that a distribution within the old-age market exists.

The "old" as known to the population aged 60 plus will develop into the new old or young old as a result of the social and economic changes that have taken place in western society within the past 40-plus years. The "old" represents today's typical old-age pensioner, before the onset of the internet revolution.

The changes have been dramatic and if one was to choose one in particular, it must be in the field of communication in general. Information conveyance and exchange, increases in educational information and the multitude of means of conveyance, ie internet, television and satellite programmes, have had an impact upon the elderly worldwide to an astonishing extent.

The new old have fewer children than previous old-age groups, they have most likely worked throughout most of their productive lifetime and they are better off financially, economically speaking. Other important changes are that the new old provide a more specialised labour force than the elderly of the years before 1980. They are also accustomed to a smaller family, having experienced the drop in birth rates over the last few decades.

All the foregoing really brings us to reflect on how little we know about the elderly, be it as a future consumer or provider of labour. The global increase of divorce patterns contributed to the increase of single family households, in particular within the 60-plus age group.

If these prognoses were to become fact, gaming and leisure worldwide will be presented with its single foremost challenge of how to interpret this future market force/labour market.

A number of important questions need, therefore, to be asked if one is to successfully capture this market segment. What are their needs, tastes and desired lifestyles? What are their attitudes towards gaming, technological implementation and gaming and leisure related market segments?

The answers would enable gaming operators and managers to plan effectively, design facilities appropriately and prevent over-development of sectors, which will fail to become profitable because they are directed towards a market which currently lacks adequate research.

Immediate research is recommended into the existing knowledge gaps. Various government agencies, primarily in the US, have carried out partial research into the future senior citizen market, without any specific reference to the

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gaming industry. It is interesting to note the replies given in a large study carried out in the US in 2013/2014. The respondents were a large group of elderly, equally divided into the under-60s and the over-60s, and they were asked about their future lifestyles in general.

Percentage responses were measured as follows: Reasons for not teaching skills to others - we were never asked (84 per cent); Reasons for having ended activities in which they were formerly engaged - health (61 per cent), lack of time (14 per cent), no need to pursue as retirement taken (27 per cent).

When asked about their interests in future activities, ie gaming (activities defined as not having been formerly pursued), over 87 per cent

showed a declared interest in venturing out to try something new.

When asked about their future spending patterns (ie retirement benefits, savings, pensions, etc) the responses were as follows: To continue to cover daily needs (18 per cent); to invest or save (four per cent); to travel (37 per cent); to visit places always dreamt of (54 per cent); to have fun and enjoyment other than travel (89 per cent); to have a change from routine (92 per cent); to take more risks in exchange for enjoyment (94 per cent).

There were some further notable research indications. A 2014 Nielsen survey pointed out that of those asked: 58 per cent were losing self-reliance, 57 per cent losing physical agility, 51 per cent losing mental agility, 49 per cent felt a burden to family members or friends, 44 per cent declared that they have enough money to live comfortably and 41 per cent declared that they have enough money to cover medical costs.

Those researched were asked about any fears. The responses provided confirmed the earliest Nielsen research, conducted in 2014. Clear tendencies emerged about fears caused by lack of money and the ability to cover ongoing medical costs.

Demographics forecast a substantial shift in the ageing population from the 25-35 year old group, dominating the late nineties, and in 2010 and beyond the majority of the workforce would be in the 50-65 age range. This population

shift will invariably create resulting movements within the national as well as international labour markets.

The non-availability of workers and management trainees in the under 30 age group will force a new dawn upon the thinking of human resources specialists and managers in large gaming corporations.

Following a prolonged period during which the proportion of people older than 60 in the workforce declined, that pattern has now reversed and is rising sharply in developing countries, partly in response to changing retirement ages and pension entitlement qualification.

In Latvia, the US, Portugal, the Netherlands,

/// ANALYSIS

New Zealand and Australia, labour force participation rates among men 65 or older declined between 1980 and 1990, but then increased by three per cent to 11 per cent between 1990 and 2010. Today, the fastest growing age groups in the US workforce are people aged 65-74 and those over 75. This trend is set to accelerate and to become globally widespread.

The international gaming industry has reacted swiftly. Many gaming and leisure businesses have adopted and revolved around the concept of open and flexible hours of employment, permitting workers to perform at extremely flexible shift patterns. Gone are the rigid clock-in/clock-out time schedules and minimum set-hours demands. Flexible hours employment has become the norm throughout the gaming industry, calling for an equally flexible workforce.

And there you are, a decade older, a little wiser and more experienced, a few steps slower on the tennis court and most likely grey haired on top of it. Do not try to compete with the

young, but instead adopt a coaching/training/ advisory role and function - that would be sound advice to follow.

Ever-increasing technological innovations combined with demands to reach and maintain profitable performance targets have placed an extra burden on the shoulders of management trainers in all types of corporations, not just the gaming and leisure industries.

/// "THERE WILL BE FEWER YOUNG PEOPLE AVAILABLE AS A GAMING WORKFORCE, OR FOR MANAGEMENT TRAINING" ///

An increase in academically qualified people to be trained and absorbed into management is equally matched by a faster rising group of potential failures, including educationally qualified people who have fallen foul of one of the following: drug abuse (revealed through company tests on new employees); criminal

record (drink driving, drug related charges and fraud are the fastest increasing causes); social opting out (those who decide to leave management programmes and wish to return to single commercial activities in small partnerships or on their own); internet gambling (those who are registered as such with various casinos and gaming authorities).

Evaluation of the above, in conjunction with older age personnel being available, will result in the opening up of management positions in the near future.

Due to the changes described above, there will be fewer young people available as a gaming workforce, or for management training in other leisure operations, and the older generation will take an even greater opportunity to avail themselves of early retirement, whenever possible.

This is to be viewed alongside a rising unemployment market and continuous redundancies made throughout the tourism and amusement industry in general. Sudden and unexpected company closures in the tourism and leisure industry have added to the dilemma and contributed to greater unemployment.

Such closures have also created disenchantment within managerial circles in as much as those managers made redundant are reluctant to seek new employment, either to avoid another redundancy or because those



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wishing to actively work again are competing with much younger and academically more modern competitors.

It has been proven that the older generation is adapting well to technology changes and inventions. Over 87 per cent use or share a mobile phone in the 60-65 age group. Over 72 per cent use or share a tablet in the 65-80 age group and over 48 per cent use the internet regularly in the 60-80 age group.

Demographic changes begin to create a case for the older employee, provided the gaming and leisure industries can come to terms with many of the already outdated attitudes as regards the performance of older employees. There are a number of clichés that older people have been branded with over the years, none of which have ever really been substantiated by statistical evidence.

It is interesting to note that such perceptions as regards attitude and performance are always negative and most were formed during the 1960s. This decade experienced a major demographic change in rising age groups, replacing an older, less daring workforce and management with a physically fitter, younger group which, most importantly, had obtained the modern academic training required to meet a vast array of changing technologies.

The change from managing to performing was so affected, leaving large casualties among older employees, resulting in the formation of different social views and opinions about age-related matters in general. It took until the 1980s to make unemployment socially acceptable and not a stigma. High international unemployment rates affecting all types of industries starting in the mid 1990s did not help much either.

Older employees score high in training and are often rated above average in comparison with younger employees. They seem more able to identify with the needs, desires and aspirations of employers. When they find jobs to be trained in, their commitment to the employer increases, unless the eventual tasks turn out to be meaningless, non-caring activities or lack a daily challenge.

Many older employees prefer to delay retirement when they are satisfied with their work and seek a continuation in part-time

work rather than totally discontinuing to work. Older employees' job satisfaction is rated high because of their high levels of organisational commitment - they are prepared to go that extra mile for achievement.

Promotion to a higher position (and related stress level), the search for increased financial rewards and targeting better social status within an organisation do not matter as much as they do to younger employees.

Older employees' job satisfaction derives from respectability and a feeling of being wanted. They do particularly well in small amusement organisations which are family-owned and managed less on organisational patterns and philosophies than large conglomerates.

Yet large conglomerates, such as the McDonalds and Kentucky Fried Chicken chains, maintain that older workers are "reliable, experienced, setting standards for their younger counterparts." After all, the founder of the Kentucky Fried Chicken recipe, Harland Sanders (better known as The Colonel), began franchising at the age of 66.

/// "THERE ARE STILL A NUMBER OF STEPS TO BE UNDERTAKEN BY EMPLOYERS TO ATTRACT AND RETAIN AN OLDER WORKFORCE" ///

The future staffing plans of gaming and leisure operators worldwide will have to concentrate upon, and enlist, older employees, simply because after the year 2030 the availability of a young workforce will have dried up. Demographics have changed market conditions and supply has changed demand patterns.

There are still a number of steps to be undertaken by employers to attract and retain an older workforce, as most older employees have stated that they would prefer to remain in the labour force rather than retire early.

Research undertaken in the US in 2011/2012 has confirmed that employers' shortcomings in identifying what attracts older employees has contributed to creating a sudden age gap in the labour market. The reason is simply that employers did not have to be concerned about

new recruits while the youth market provided ample supplies. This is now changing drastically.

Older employees have listed a number of concerns to point employers in the right direction so as to attract their attention, the major ones being: employers do not inform their workforce about any alternatives to retirement, neither do they indicate whether any alternatives are offered at all; employers' lack of communication with older employees and opportunities for growth and advancement are concentrated exclusively upon, and applicable only to, the younger workforce; employers take it for granted that older employees will retire when due to do so and do not research their aspirations and general availability at, or after, retirement age; employers terminate human resource planning for those over the age of 40. Most managerial advertisements indicate as "suitable" an age range up to 35 years old, sometimes up to 45 years old, but extremely rarely beyond that; and a lack of information hides the enormous variety and accumulation of skills possessed by retirees.

The above clearly points to a redirection of focus within the human resource region, as less growth will have to be matched with older employees. A future thought would be to consider establishing education centres, which would specifically concern themselves with the retraining of retirees, thus creating a specialised and much-needed recruitment market.

Generally speaking, in future years there will be a more educated society (with an ever-decreasing youth employment market) than in the past. Old-fashioned values are forecast to return. They include judgement and selection of employees, as well as management, on a wider age basis than at present.

If one takes into consideration the current trend of retirees wanting to be educated, who knows what other strengths older employees may develop so as to create a separate and specialised labour market?

Governments around the world will face severe fiscal stress as the number of over 65s and older will nearly double by 2025 and increase tenfold by 2050. Without fundamental reforms in the pension sector, healthcare costs will rise dramatically and reach as much as 25 per cent of national GDP. □