BUSINESS NEWS LESSONS

Forever Young: when is it time to step down?

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1 Warmer

a. **Discuss the questions below. Then, share your answers with the rest of the class.**

1. Do you think there is a link between someone's age and how well they do their job? Why (not)?

2. Should retirement be compulsory? For which jobs? Why?

3. What is the ideal age to retire? Why?

2 Key words

a. **Write the words from the box next to the definitions below. Check your answers and your understanding of the words by using them to complete the example sentence after each definition. Then, read the complete article to see how each key word is used in context.**

| bottleneck | breach | bridge | demographic | dominate | succession |

1. an act of breaking an agreement _____

   They accused their supplier of _____ the contract.

2. make the difference between two things less severe _____

   This article tells you how to _____ the cultural gap in your first year abroad.

3. relating to the study of populations and the different groups they consist of _____

   The _____ shift towards a larger older population means there will be a rise

   in demand for jobs in healthcare.

4. the process when someone takes a job or position after someone else _____

   Millions of people watched the royal _____ as a new king was crowned.

5. a problem that slows down progress _____

   We can bypass the training _____ if we hire people with more experience.

6. be the most noticeable or largest part of something; have control over someone or something

   _____

   While women still _____ the teaching profession, they are under-represented

   in leadership roles in education.

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| inept | octogenarian | oust | pensionable | risk-averse | tenure |

7. someone between the ages of 80 and 89 _____

_____ *account for 10% of Japan's population.*

8. the period in which you are the legal owner of an official position or job

_____

During her _____ as CEO, the company launched two very

successful products.

9. eligible to receive money when you don't work anymore because they are too old

_____

Many people prefer to continue working, even when they reach a _____ age.

10. not wanting to take risks _____

Investors can't be completely _____, but they have to take calculated risks.

11. not skilled, not effective _____

The mistakes of _____ managers can cost a company thousands of pounds.

12. force someone to leave a job or position of power _____

They have tried to _____ the CFO, amid accusations of fraud.

③ Key words – pronunciation

a. **How many syllables are in these words from the article? Identify the stressed syllable in each word.**

1. candidacy
2. discrimination
3. demographic
4. intergenerational
5. proportionate

6. pensionable
7. octogenarian
8. continuity
9. competence

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In search of chief executives who never grow 'old'

COMPETENCE AND CAPABILITY ARE THE BEST WAYS TO ASSESS LEADERS WHATEVER THEIR AGE

ANDREW HILL
18 November, 2023

1 By naming 53-year-old Janet Truncale as its next global chief executive, EY will hope it can put behind it a nasty bushfire ignited by one rival candidate over the final leadership taboo: old age.

2 During his campaign for the top job, Andy Baldwin, 57, warned executives discussing his candidacy that they risked breaching age discrimination laws if they made too much of the fact that a four-year term heading the professional services firm would push him beyond 60. That is when EY usually requires its partners to step down.

3 Sixty seems an absurdly and arbitrarily early age at which to ask executives to hand in their lanyards and badges. Except in the case of a few physically demanding jobs, mandatory retirement also seems an anachronistic throwback. Most countries are obliging workers to toil for longer before they can claim a state pension. Companies are also falling over themselves to become more inclusive.

4 Tension is only likely to increase as companies and staff try to reimagine work for 50-year careers. Speaking at the recent Anthropy conference on the UK's future, Jeremy Hughes, who is helping to develop a new charity aimed at bridging the demographic divide, Intergenerational England, described the workplace as the "key forum where generations come together". But the workplace is also where generations could come to blows.

5 The career that Baldwin and his EY peers have had is already hard to imagine for 20-somethings. On the same panel, youth ambassador Ladajah Wilson made clear she did not want to follow the 9-to-5, four-weeks-annual-holiday path of her elders. She preferred a career that was varied and flexible (even if she lamented it would be hard to afford, given what she was set to inherit from the older generation, financially and environmentally). Such "squiggly careers" are ill-served by traditional leadership selection processes.

The average age at hire for new CEOs

FINANCIAL TIMES   Source: Crist|Kolder Associates

6 Age is just a number, they say. But succession planning is dominated by another number: usually, there is only one job at the top. That tempts companies to force change to ease leadership bottlenecks.

7 Mandatory retirement ages are legal in the UK if they represent a proportionate means of achieving a business aim. That could include freeing up senior jobs or, in EY UK's case, partnerships for younger colleagues. At a level where men still dominate, it might also serve to meet a corporate goal of greater ethnic and gender diversity.

8 In the US, mandatory retirement for CEOs is an exception under age discrimination legislation. But an increasing number of big companies have started to abandon or waive their mandates. This year, Chevron dropped its age cap of 65 for chief executive Mike Wirth, now 63, to ensure continuity at the oil and gas company.

9 Meanwhile, the average age of US chief executives continues to creep upwards. According to headhunter Crist Kolder, in 2013, the age of CEOs when hired averaged 51.3. It now stands at 55.6.

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10 Listed companies do seem more reluctant to keep chief executives well into their seventies or eighties. When I drew up a ranking of global leaders of listed businesses by age in 2011, Warren Buffett, then 80, was only the 16th oldest corporate chief. At 93, he now tops a global league table, prepared by BoardEx for the FT, that contains only two octogenarians. Among US bosses, he is 11 years older than the next oldest in the Fortune 500, Robert Mehrabian of Teledyne Technologies.

11 Buffett might seem an exception. But he is living proof that some older chief executives amply justify extending their tenure beyond what used to be considered pensionable age. Capable younger executives ought to be able to rise sooner, too. Only 31 of Fortune Global 500 companies are headed by chief executives aged under 50.

12 Research has shown that shareholder wealth drops for each year a chief executive ages. Plenty of leaders overstay their welcome because of too tolerant boards or poor succession planning. Another study suggests leaders become more risk averse as they age, with negative consequences for stock performance. Researchers found that was particularly true when the two most influential executives were older. The best outcome might be to pair younger and older colleagues.

13 I prefer an age-blind approach that does away with age-related stereotypes. It could also help assess the capabilities and potential of younger people like Wilson, if she ever wants to run a multinational.

14 This is another area where technology could level the playing field. At an FT conference on artificial intelligence last week, Tomas Chamorro-Premuzic, author of Why Do So Many Incompetent Men Become Leaders?, said AI could help humans "focus on the qualities that make people better leaders, while ignoring the noisy signals that make them more toxic and inept".

15 The solution to "bed-blocking" by bosses, in other words, is not automatic ousting, based on age, but more rigorous appraisal, based on competence.

FT

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4 Understanding the article

a. **Decide if the statements are True (T) or False (F) according to the article. Correct any statements that are false.**

1. Abdy Baldwin became the global chief executive of EY.

2. EY normally asks its partners to retire when they turn 65.

3. Intergenerational England is a charity that tries to get jobs for older people.

4. Ladajah Wilson is not looking for a 9-to-5 career with paid holidays.

5. Companies are allowed to set mandatory retirement ages in the UK if it helps them with a business goal.

6. Currently, in the US, CEOs are, on average, 51 when they are hired.

7. At 93, Warren Buffet is the oldest chief executive of a Fortune 500 company.

8. Only 31 Fortune Global 500 CEOs are under 50.

9. Leaders are usually more willing to take bigger risks as they age.

10. The writer believes a more rigorous approach should be used to appoint competent leaders, regardless of age.

5 Business language – idiomatic language

a. **Match the phrases from the article with their meanings.**

1. nasty bushfire
2. step down / hand in their lanyards and badges
3. fall over yourself
4. come to blows
5. creep upwards
6. be living proof
7. level the playing field
8. bed-blocking

a. prove that something is true by behaving in a certain way or simply by existing

b. when an older person uses a bed in a hospital even when they don't need to be there because they have nowhere else to go

c. be very eager to do something

d. quit or retire

e. create a situation in which everyone has the same chance of succeeding

f. something that is difficult to control and spreads very quickly, usually causing a lot of damage

g. increase slowly

h. have a serious argument or physical fight with someone

b. **Now, write sentences of your own using at least five of the phrases.**

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6 Discussion

a. Discuss these questions.

A **generation gap** is when people from different generations do not understand each other because of their different experiences, opinions and values.

• What is a good age to retire? Should there be a limit?

• What are the pros and cons of getting older and younger colleagues to work together?

• How can you bridge a generation gap?

• How can a workplace make sure there is "a rigorous appraisal, based on competence" when hiring leaders?

7 Wider business theme – bridging the age gap

a. Do further research on the information in the chart below. Identify your generation. How well do the words describe you? Do you agree or disagree with the traits? What generation gaps have you experienced in your professional and private life?

Generation	Typical values and traits
Silent generation / Traditionalists	• loyalty • work ethic • formal/traditional environment • security
Baby boomers	• hard-working • more risk-taking • hierarchy of authority • don't need constant feedback
Generation X	• friendly, flexible, laid-back • efficiency • autonomy • work-life balance • monetary rewards
Millennials / Generation Y	• seek meaningful work • tech-savvy • challenge authority • relaxed work environment • seek feedback

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Generation Z	• global mindset
	• adapt to technological shifts
	• authenticity and connection
	• flexible work hours
	• job security
	• social responsibility

b. **Look at these suggestions for bridging the age gap. What could one do to follow each piece of advice?**

1. Focus on what you have in common

2. Improve communication

3. Value experience/age

4. Implement mentoring programmes

5. Have clearly defined roles

c. **Think about the generation gaps in your organisation. Make notes about the following points:**

   • Introduction to the generation gaps in your organisation

   • Recommendations

d. **Now, write a summary suggesting how to bridge the age gap.**

   Useful language

   I will outline … and present …

   Let us start with …

   Furthermore, / In addition to this, …

   One / Another example of this is …

   Whereas / While …

   I would like to make (X) recommendations …

   I believe that … / I suggest that …

   In summary, …

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