UNLOCKING THE OPPORTUNITY IN A LONGEVITY ECONOMY

People - the ultimate cost, the ultimate *ROI*.

A boardroom wake-up call on demographic risk, knowledge churn and the assets your governance framework cannot currently see.

BY SONYA LENNON, FOUNDER OF FUTURYTHM
From a presentation to Global CEOs & Boards

THE ORCHID

Frans, an orchidologist, spent decades perfecting a rare, breathtaking orchid. It was his life's work. On the morning of 1 July 2026, without ceremony, he threw it in the bin. Not because it had lost beauty or value, but because the calendar said so. A life's work, discarded at the precise moment of its greatest value.

This is what organisations currently do with their most experienced employees. Just as the orchid's value peaks after years of nurturing, so does the wisdom and institutional memory of master professionals. Yet arbitrary retirement norms push them out at the very moment their value is highest.

You know that famous image of 1,500 sheep following each other off the edge of a cliff? That is happening inside our organisations. Except it isn't sheep. It is the most engaged, loyal, experienced, productive, wise and undervalued segment of our workforce. At the same time, many people who should be letting go are hanging on by their fingernails, out of fear of identity grief, disconnection and lack of purpose.

In our roles as leaders, guardians and navigators of the future, the weight of our responsibility is profound. While protecting the present, we must also see around the corner. I once met a woman who introduced herself as a specialist consultant for strategising the uncontrollable. I think we could all do with a coffee with her.

I created Futurythm as a framework and transformational change programme to help employers unlock the value in an ageing population, turning that cohort from a burden into an opportunity. The framework creates conditions for intentionality and holistic planning that extend beyond finance to purpose, identity, belonging and personhood. It asks: who are you without the job title, the team and the trappings?

Change starts with the individual. So let's look around the corner together.

IN THIS PAPER

NAMING THE INVISIBLE

01 The Experience Dividend

Despite a recent ideological hammering, we have proof that a triple bottom line is non-negotiable and good for business. Eighty per cent of the 100 largest companies across 52 countries now practise TBL reporting, and HBR found that companies adopting it achieve an average annual ROI of 13.5%, against 9.1% for traditional businesses.

But not all TBL lines are equal. Of planet, profit and people, people are the slipperiest to catch and the hardest to quantify. The People line is the most loosely delegated, vaguely measured and poorly governed dimension of the three. Despite a smattering of board-level Workforce Champions, the issue is frequently pushed down to HR as a “culture and welfare” matter. From there, a retiree gets a couple of coaching sessions, a handshake, and is sent on their way somewhere between 55 and 67, depending on territory and sector.

> Are you happy to let your company systematically liquidate that material asset, quarter by quarter, without board oversight?

The prevailing corporate narrative tells us that an ageing population is a balance sheet risk: ballooning pension liabilities, actuarial deficits, workforce contractions. That story is real, but it is incomplete. It looks exclusively at the liability ledger and ignores the asset side: institutional memory, client relationships built over decades, and crisis-tested judgment under extreme pressure.

We are treating mid-to-late-career talent as a managed departure schedule rather than a strategic succession infrastructure. AARP research shows L&D investment for over-45s falls off a cliff: a clear signal of perceived diminishment in usefulness and relevance.

A 50-year-old professional today is physiologically, cognitively and professionally closer to what 40 looked like a generation ago. Human biology has adapted. The workforce has somewhat adapted. Corporate governance has not.

02

CUSTOMER STRATEGY

The Risk of Stakeholder Blind Spots

This is not a conversation about diversity in marketing, doing the right thing, or ticking the reporting box. It is a conversation about market share, revenue resilience and the fiduciary duty to future-proof your business model.

When your product design, brand voice or digital experience quietly signals “not for you” to a 58-year-old, what is the governance mechanism that flags that lost opportunity before it hits your P&L? Right now, it doesn’t exist. Your dashboards track NPS and churn by age bracket.

They don’t track the opportunity cost of age exclusion or lifetime value leakage through demographic neglect.

✳ THE AGE DIVIDEND DEFICIT

What percentage of your annual growth target is left on the table because your products, services or communications are not designed for, or even visible to, the fastest-growing, most affluent cohort in the market?

When teams default to youth-centric assumptions, you are not just missing a segment; you are eroding your future revenue base and exposing the business to reputational and regulatory risk. You are shorting your own customer capital. Actions by omission are visible to everyone: not only the excluded cohort, but everyone who sees their loved ones disrespected and ignored. That doesn’t read well.

> Where in your organisation’s core customer strategy documents does the word “age” appear, and what unchallenged assumptions does it carry about who your most valuable customers really are?

03

THE MATERIALITY OF KNOWLEDGE CHURN

Workforce Transition

Let’s strip away the sentimentality. This is not about compliance, inclusion or being nice to older workers. This is a cold, hard conversation about strategic asset management and fiduciary duty.

Under progressive regulatory standards, boards must demonstrate that their workforce is governed as a strategic asset, not a line-item cost. Yet when a senior account manager, division head or technical specialist leaves at 52 because they stopped feeling invested in, what governance mechanism flags that loss before it hits revenue? Your dashboards track headcount turnover as a flat percentage. They do not track knowledge churn, or years of institutional memory extinguished per quarter.

* THE CONSULTANT CLAWBACK COST

What percentage of your external advisory and consulting spend goes to retired executives offboarded by your own internal HR policies? We are outsourcing corporate memory at a 300% premium to keep headcount looking young and agile.

> If your board ran a rigorous skills gap analysis tomorrow, would "experienced succession depth" appear as an unmitigated risk, or would it be completely invisible? And where in your core governance documents does the word "retirement" appear, carrying archaic assumptions no one in the room has ever actively voted on?

04

AI TRANSITION

The Premium on Human Judgment

This asset destruction is accelerating right now because of a profound misunderstanding of technology. The dominant executive mindset views generative AI purely as a cost-reduction play. But as algorithmic systems absorb execution-heavy tasks, competitive advantage shifts away from execution and toward contextual wisdom (earned, learned and discerned), lived experience, and high-level relationship capital. Those assets concentrate in professionals over 45.

They have the scars. They know stuff.

Hollowing out this tier doesn't optimise your company; it destroys the exact leadership pipeline required to challenge, audit and oversee autonomous decision systems. If AI is trained entirely on historical data, and your most experienced leaders exit before tacit knowledge is codified, what exactly is being transferred, and to whom? Undocumented wisdom cannot be captured by an algorithm, nor audited by a compliance committee.

We must also talk about AI as a risk shield. When an autonomous system inevitably makes a multi-million-dollar error or hallucinates, who in your executive suite has the institutional memory of past macroeconomic cycles to catch it before it hits the balance sheet? If you have already offered those professionals voluntary redundancy, you haven't lean-mapped your business. You have removed your insurance policy.

What is easier for a competitor to steal: your AI infrastructure, which anyone can buy SaaS licences for, or twenty years of client trust held by your senior directors? If it's the trust, why is the software capital-backed while the human asset is guided toward the door? And in the hollowed-out lower echelons of your business, who will craft and mould new leaders? In a world where digital natives are hard-wired to search for information but don't know how to seek guidance, mentorship structures matter more than ever.

> You are replacing human judgment with algorithmic decision-making at scale. Who on your board has the lived experience to challenge those systems, and how old are they?

05

THE INCONVENIENT TRUTH

The Boardroom Paradox

Many board positions globally are held by individuals who fall squarely within the demographic being structurally written off, underinvested in and undervalued in the operations they supervise. The irony is stark: boards that skew older routinely sign off on talent strategies and succession matrices that assume productivity collapses after 50.

This is a fundamental culture-strategy misalignment. If a board cannot see, measure and protect the strategic value of that cohort from its own position, it cannot claim to be exercising active governance. If your reporting boasts about workforce diversity, does that data explicitly isolate age alongside gender and ethnicity? And if rating agencies began scoring workforce age equity with the rigour they apply to carbon or gender parity tomorrow, how exposed would you be?

> If your board considers a 58-year-old CEO too old to lead a new five-year international strategy, but a 68-year-old Non-Executive Director perfectly fit to oversee it, what is the explicit governance rationale for that distinction?

06

WHY BOARDS MUST ACT

The Business Case

The cost of losing experienced workers is not sentimental; it is measurable. Knowledge loss, disrupted succession and missed mentorship erode competitive advantage and inflate onboarding costs.

The upside is just as real. Companies that embrace age diversity see improved resilience, richer and more connected cultures, and stronger employer brands. Our research shows that structured knowledge transfer and phased transitions deliver tangible ROI. BNY Mellon, BMW, Home Depot, Lidl, Kuwait Oil and ISS have all strategically embedded this thinking. The question for those that haven't is simple: what are you waiting for?

WHERE DO YOU SIT?

In your organisation, workforce age demographics as a reporting risk is:

A Actively governed at board level as a material strategic asset.

B Discussed occasionally in the boardroom, but not actively owned by anyone.

C Delegated entirely to HR as a routine talent or compliance matter.

D Not on the board's agenda or risk dashboard in any form.

Be brutally honest. No one is taking minutes yet.

TAKE THESE BACK TO THE TABLE

Nine questions for your boardroom.

01 How are we scanning for demographic trends and scenario-planning for their business impact?

02 What is our exposure to knowledge loss as experienced employees retire?

03 Are our products and services truly inclusive for an ageing population, or are we missing growth?

04 Does our board reflect the realities of five generations at work in a longevity economy?

05 How do we challenge age-related bias in our own decision-making and boardroom culture?

06 How are we engaging older customers, employees and communities to inform strategy?

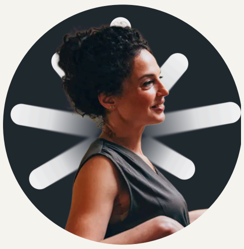
07 Are we prepared for regulatory shifts around age discrimination and workforce participation?

08 Where are we investing in R&D or partnerships to capture longevity-economy value?

09 Are we endowing our younger workforce by transferring knowledge, purpose and wellbeing across generations?

These are not compliance questions. They are strategic imperatives. The longevity economy is here. The question is whether your organisation will lead or lag.

Move beyond risk mitigation. Reframe retirement as reinvention, and see the experienced workforce as a strategic asset that drives growth, culture and competitive advantage for years to come.



Sonya Lennon

Founder of Futurythm. People are her specialist subject.

YOUR FUTURYTHM PULSE

Designing the intentional *second half* of working life.

Pension Pot
People
Place
Purpose
Pathfinding
Perception of Ageing
Performance
Passion
Personhood
Pleasure