

# BOSTON COLLEGE

CENTER FOR WORK



The older worker has been broadly defined from those as young as 40 to those aged 65 and older.

- The Age Discrimination in Employment Act (ADEA) protects workers aged 40 and older.
- Eligibility for AARP membership starts at the age of 50. Nearly half of AARP members are in the workforce.
- Although laws regarding eligibility may shift, the age of 65 has long been recognized as the official start of the retirement years.

## A CLOSER LOOK AT DEMOGRAPHICS

The U.S. population and labor force are getting older.

- ***Aging population.*** 76 million people were born in the U.S. between 1946 and 1964. Immigration has increased the number of boomers to nearly 84 million. Today, a baby boomer turns 50 every 7.5 seconds. The percentage of the population aged 50 and older was 13 percent in 1900, 27 percent in 2000, and is expected to surpass 35 percent in 2020 (U.S. Census Bureau).
- ***Aging workforce.*** From 2002 to 2012, the highest growth rate in the labor force will be among those aged 55 and older, increasing from 14.3 to 19.1 percent of the labor force. The lowest growth rate will be among those aged 35 to 44, decreasing from 25.5 to 21.2 percent (U.S. Department of Labor, Bureau of Labor Statistics, 2004).
- ***Retirement and filling jobs.*** labor Sta theexecutiv68.ad0 T6 1The ve0 0 Oman4)r9998o

Although most executives acknowledge the aging workforce statistics, few have focused on strategies to recruit and retain older workers. Research indicates that older workers bring significant value to the workplace in experience, knowledge, skills and commitment.

- A study of nearly 400 human resource professionals found that more than half of their organizations do not actively recruit or retain mature workers (SHRM/AARP, 1998).
- According to 71 percent of human resource professionals surveyed, an aging workforce is an important business issue due to the impending shortage of talent and rising health care costs (The Conference Board, 2003).
- Human resource managers rate older workers as having the top qualities considered most desirable in any employee including:
  - Loyalty and dedication to the company.



# REDEFINING RETIREMENT



## BEST PRACTICE BUSINESS STRATEGIES TO RETAIN OLDER WORKERS

RETENTION STRATEGIES	ACTION ITEMS
<p><b>Analyze employee demographics</b></p>	<p>Determine the age of your workforce by generation and analyze retirement trends. Project the results over the next 5 years. Are there particular divisions or locations that may be significantly impacted? Do you have succession plans in place for key talent who may retire? Have you considered options to encourage employees to continue working?</p>
<p><b>Assess older workers' needs</b></p>	<p>Conduct needs assessment surveys and/or focus groups. Ask older workers about their plans for retirement. What types of support do they need to continue working? What benefits are most important to them? What challenges do they face or foresee? How many have elder care responsibilities?</p>
<p><b>Develop short- and long-term retention strategies</b></p>	<p>Use the data from your analyses of demographics and older workers' needs to develop formal retention strategies. Align these strategies with overall corporate and division goals. Continually seek ways to retain older workers and their skills, knowledge and experience. What core competencies do employees need to support business success?</p>
<p><b>Offer ongoing training</b></p>	<p>Help older workers remain mentally agile, sharpen their technology skills and advance their careers as desired. Design training to include more hands-on opportunities as opposed to classroom settings to facilitate learning. Encourage older workers to learn new skills and adapt to new work environments.</p>
<p><b>Address older worker stereotypes</b></p>	<p>Learn about generational issues and consider how older workers are perceived in your corporate culture. Examine your own perceptions. Include information on the multi-generational workforce in diversity and supervisor training. Encourage leaders to mix generations on project teams to promote learning and knowledge-transfer.</p>
<p><b>Provide career options and skills building opportunities</b></p>	<p>Create a continuous learning environment. Provide alternative career paths that include job rotations and short-term special projects. Facilitate expertise sharing through formal and informal mentoring programs.</p>
<p><b>Create a flexible workplace</b></p>	<p>Encourage flexibility, including leaves of absence, flexible work options (e.g., earlier hours, 4-day workweeks, telecommuting) and work redesign.</p>
<p><b>Consider phased retirement and rehiring programs</b></p>	<p>Benchmark with companies who have successful phased retirement or rehiring programs. Find ways for workers to reduce hours while maintaining benefits. Pension and compensation systems issues can be challenging and will require careful consideration.</p>
<p><b>Offer support for caregiving</b></p>	<p>Provide long-term care insurance, elder care management services, on-site geriatric counselors, elder care seminars, resource and referral services, and reimbursement for back-up and respite care.</p>
<p><b>Offer retirement and financial planning assistance</b></p>	<p>Assist employees as they make decisions about retirement. Provide financial information through resource and referral services, seminars, one-on-one counseling, support groups, employee newsletters, intranet content with helpful links, or other targeted communications.</p>
<p><b>Encourage company-sponsored support groups</b></p>	<p>Create an older worker affinity group within your diversity program. Allow employees to organize older worker or elder care support groups and hold meetings at company locations.</p>
<p><b>Promote health and wellness</b></p>	<p>Offer seminars about health issues important to older workers. Conduct health fairs and on-site medical screenings. Provide health assistance within the scope of your work-life resource and referral services; educate employees about preventive health care; provide coverage under the company medical plan for preventive screenings; and include health information on your intranet and in employee newsletters.</p>

