

## Working Longer: New Strategies and Opportunities for Older Workers

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- Life today different than when the book was published.
- What will this mean for middle-aged older workers?
- Number of resumes in all positions are increasing



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- Unemployment is high except in employment or career centers
- Highly educated applying for lower level positions
- AARP Employer Assessment Tool - reference it



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➤ Set up Older Worker Advisory Council in organizations

➤ Training discussion of model for framework and background from 1<sup>st</sup> chapter.



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➤ Layoffs, downsizing – we do not yet know the impact of what will happen because of the economy



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➤ Issue of older workers at ALL levels in the job seeking game

➤ Executive levels were used to coaches to help them, but many now can't afford it.



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Organizations

- need to be able to probe older workers for the hidden skills that people bring to the job.



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- How can employers design jobs to fit the individual skills
- Writing job descriptions really never covers all the aspects of the job
- Figure ways to tap into skills the older worker may have
- Example: woman who is a homemaker and a volunteer for 30 years but has never worked. Her project management
- Skills are priceless.



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- Title 5 program in Ohio
- Job Club Coaching individuals and helps with resume preparation.
- Older Workers are not good at selling themselves.
- OW haven't practiced interviewing for a long time.
- Value Point
  - Create a chart showing the Medicare spending compared to the bailout monies
  - Medicare is small amount compared to the bailout given to GM and the banks



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## Small Business Initiatives

### 1. Assess your organization's situation

- Assess older worker friendliness
- Stimulate thinking
- Wisconsin State website:
  - [www.wisconsin.gov/olderworker/pdf/OW\\_Assess\\_Tool2.pdf](http://www.wisconsin.gov/olderworker/pdf/OW_Assess_Tool2.pdf)
- AARP
  - [www.aarp.org/money/careers/findingajob/readytosearch/a2004-04-08-careers-clues.html](http://www.aarp.org/money/careers/findingajob/readytosearch/a2004-04-08-careers-clues.html)



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## 1. Small Business Initiatives

### Attract and Recruit Older Workers

- Myths about OW
  - Neil Charness of FSU (2004) *Maximizing Your Workforce Conference*
    1. *Productivity – productivity is the same*
    2. *Absenteeism – younger workers have more avoidable and involuntary absenteeism than OW*



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### People over the age of 65

- make up about 12 percent of the population,
- will make up almost 20 percent in the next 25 years
- one out of every five Americans will be a senior by the year 2030.

Senator Herb Kohl, Chair of the U.S. Senate Special Committee on Aging opened the Committee's February 28, 2007 hearing on *The Aging Workforce: What Does It Mean For Businesses And The Economy?*



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– Experts are talking about what this demographic wave will mean for Social Security, Medicare and long-term care.

– Must address another piece of the puzzle, namely, how the retirement of the baby-boomers will impact the strength of our Nations businesses and our economy.



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– According to one estimate, as the baby-boomers reach retirement age, businesses will face a severe shortage of 6 million workers by 2012, and that will grow to 35 million workers by 2030.



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- Slower growth in the labor force means slower economic growth
- Lower living standards for everybody in our country.



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• Turnover – job change rates generally much lower for older than younger workers

• Job-related injury – trend is for fewer injuries with age, though more costly ones that keep older workers off the job longer



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• Speed – There is slowing with age...despite slowing in reaction time, older typists type at the same rate as younger ones. Train themselves to look ahead.



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• Days Inn study

- OW sales reps handled calls more slowly, but had higher booking rates for rooms.



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• Technology –  
– contrary to belief, many older internet users taught themselves



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## 2. Retain and Sustain Older Workers

- Barbara McIntosh's Employer's Guide to OW: How to Win Them Back and Convince Them to Stay
  - [www.doleta.gov/Seniors/other\\_docs/EmployGuide.doc](http://www.doleta.gov/Seniors/other_docs/EmployGuide.doc)



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AARP's Staying Ahead of the Curve 2004 identified retention practices

- Providing 401 (k) "catch-up" contributions {AARP's Fall 2006 survey}
- Ensuring employees are aware of their options for caring for family members under the Family Medical Leave Act (FMLA)



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– Establish leave banks to allow employees to donate some of their leave to others who need it.

– Providing personal telephone accounts to permit calls for long-distance elder-care

– Flex spending accounts that provide elder care options



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### Retire the Worker & Retain the Knowledge

- William J. Rothwell, PSU
  - Succession Planning is not about finding replacements



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### Succession Planning

– About developing talent & building bench strength & preserving organization's institutional memory

– Examples:

- US Postal Service (self nomination)
- PA Department of Transportation (capture tacit knowledge from best in class)



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## 2. Mid-Size Business Initiative

- Attitudes of Managers & employees regarding lost knowledge.
- What production/product quality issues in organization are you experiencing?



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- Do managers already have a feel for who might be retiring & what special knowledge might be lost when they go?
- How does the human resources staff approach interviews with older applicants?



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- Is there evidence in your organization that there is age bias at work in hiring, training, or promotions?



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<ul style="list-style-type: none"><li>• How does your training department approach the training of older learners?</li><li>• What is the opinion of the organization held by your older employees?</li></ul>


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<ul style="list-style-type: none"><li>• Why are your older workers opting for retirement—to pursue a personal dream, to volunteer or contribute to society, because they do not feel respected by their employer, or because their financial goals have been met?</li></ul>


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<ul style="list-style-type: none"><li>• What interests does each knowledge-rich older workers have that can be used as an incentive to stay involved with the organization?</li></ul>


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## Attract and Recruit Older Workers

- Biases translated into practice in recruitment
- Position Announcement 1
  - Energetic take-charge person with excellent communication skills



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- Position Announcement 2
  - One of the city's best public companies to work for needs an experienced, dependable person. Opportunity to take your payroll experience to the next level and have future career opportunities.



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## Retain and Sustain

- March 30, 2005 Supreme Court decision
  - Smith v. City of Jackson, Mississippi
  - Elevated age discrimination legally to nearer the level of race or gender bias.



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<ul style="list-style-type: none"><li>• Biases and disincentives need to be eliminated.</li><li>• Physical and financial barriers eliminated.</li></ul>


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<h3>Incentives for Retention</h3>
<ul style="list-style-type: none"><li>• Flexibility</li><li>• Benefits</li><li>• Continue to offer defined benefit</li><li>• Pare early retirement subsidies</li></ul>


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<ul style="list-style-type: none"><li>• Adjust health benefits</li><li>• Introduce work-life programs</li><li>• Institute eldercare</li><li>• Phased retirement<ul style="list-style-type: none"><li>▪ delays retirement by two years</li></ul></li></ul>


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## John Deere

- Focus on healthcare not sick care
- Health-oriented programs
  - Health risk assessment
  - RX coverage
  - Weight-loss/weight-management



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## 3. Large Business Initiatives

- Assess your organization's situation
  - Tennessee Valley Authority approach
    - Retirement projections by skill/knowledge
    - Managers' estimates of indispensability
    - Knowledge risk factor



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## Reforms in Social Security

- Employer-provided pension system
- Related social insurance programs
- Labor market policies (e.g. retirement age)
- Health & long term care programs
- Immigration and off-shoring policy



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## Attract and Recruit Older Workers

- Previous tendency to recruit young people to federal workforce while continuing reductions in workforce



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## Retain and Sustain Older Workers

- Redesign work and the work arrangement
- Consulting
- Seasonal work



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- Short leaves of absence with benefits
- Telecommuting
- Job rotation
- Job sharing



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## Retire the Worker Retain the Knowledge

- Create retiree/employee knowledge network
- Ask Me's



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## • HOW KNOWLEDGE NETWORKS WORK

Figure 7-5 place here



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## Knowledge Retention

- Step 1
- Step 2
- Step 3
- Step 4
- Step 5
- Step 6
- Step 7
- Step 8



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## Action Steps to Prepare for Future

- Small Organizations
- Mid-size Organizations
- Large-size Organizations



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- Benefits attained by better capitalizing on the tremendous national resource evidenced by and reflected in older workers
- Working longer will boost their retirement savings
- Help employers deal with the projected labor force shortages

U.S. Comptroller General and head of the U.S. Government Accountability Office (GAO)  
David Walker was a witness at Senator Kohl's hearing and reported on a GAO forum  
(See **Highlights of a GAO Forum: Engaging and Retaining Older Workers**  
[GAO-07-438SP](#), February 28, 2007).



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- Will help us with economic growth
- Will enhance Federal revenues
- Defray entitlement spending
- Live longer and happier lives



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## Barriers

- Legal
- Cultural
- Some of these are reflected in other areas.



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Certain employer perceptions regarding older workers are outdated and need to be effectively addressed through best practices in order to attract and retain more seasoned workers, including:

- More flexible work arrangements
- Adapting their job design to better suit the needs & interests of seasoned workers



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- Modifying their benefit programs and other policies to try to help achieve this objective
- Enhancing financial literacy
- Reviewing existing pension laws, social insurance programs
- Reviewing age discrimination laws, and employment and training practices



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• NRCS, USDA, and all Federal agencies are facing unprecedented numbers of retirements over the next decade.



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• Agencies implementing a variety of programs to incent their pre-retirement workers to extend their service,  
• Have their retirees return to part-time or even full-time service  
• Attract other older workers to join their ranks.



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### Individual Factors

- Career adaptability
  - Savickas, 1997; Sterns & Subich, 2002; Super, Savickas, & Super, 1996
- Selection Optimization and Compensation (Baltes & Baltes, 1990; Baltes, 1993)
  - Four parts of planful approach
    - (Hansson, DeKoekkoek, Neece, & Patterson, 1997)
    - Psychological Accommodation
    - Prevention/deferral of future declines
    - Interventions for lost abilities
    - Compensation strategies
- Self-knowledge, insight
- Occupational knowledge



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**Environmental Factors**

- Organizational climate
- Policies, rules, & guidelines
- Access to career counseling
- Supervisor support
- Freedom to experiment, learn from mistakes



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**Career Self-Management (CSM)**

- "Protean Career"
  - Hall & Mirvis, 1995
- Increased involvement
- Personal responsibility for training and development
  - Learning
  - Skill mastery
  - Updating
- Career: combination and sequence of roles across the life-span
  - Super, 1980



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**Future Directions**

- How do perceptions affect self-management behaviors
- What contributes to successful aging at work
- Who is updating and why
- Cohort effects v. actual change in nature of employment
- Integration across fields
- Study of proposed interventions
- New interventions



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## Issues for New Models of Career Development

### III. Issues for New Models

#### A. Organizational Issues

1. Who is available to work
2. Health and disability issues
3. Technology changes
4. Factors causing obsolescence

#### B. Maintenance and Updating of Skills



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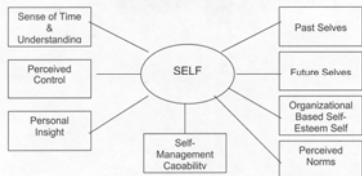
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### SELF MANAGEMENT OF RETIREMENT



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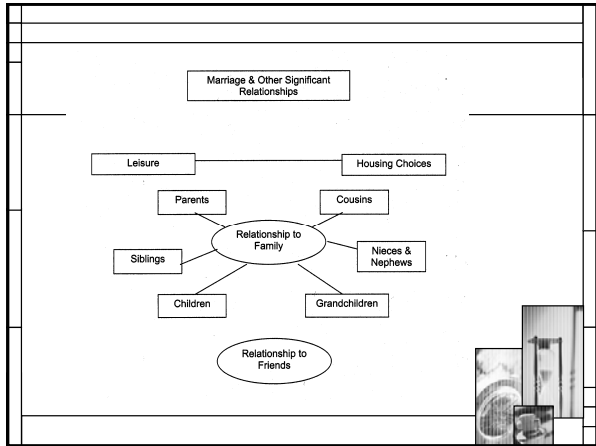
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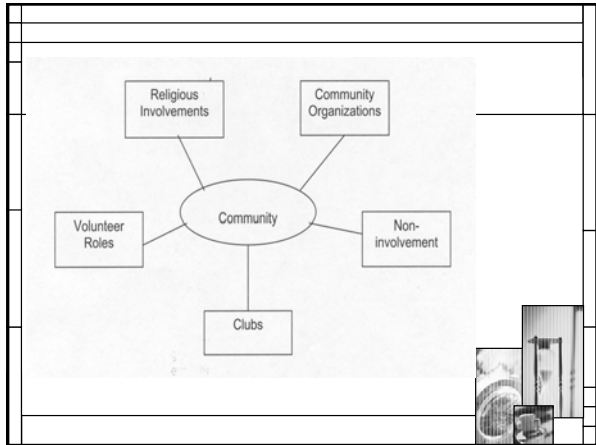
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