

Working Longer: New Strategies and Opportunities for Older Workers

Harvey L. Sterns, Ph.D.
Institute for Life-Span Development
and Gerontology and
Department of Psychology
The University of Akron



- 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



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



- Set up Older Worker Advisory Council in organizations
- Training discussion of model for framework and background from 1st chapter.



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



- 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.



Organizations

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



- 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.



- 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



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
- AARP
 - www.aarp.org/money/careers/findingajob/readytosearch/a2004-04-08-careers-clues.html



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*



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 February 28, 2007 hearing on The Aging Workforce: What Does It Mean For Businesses And The Economy?



- 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.



- 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.



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



- 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



- 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.



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



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



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/EmplGuide.doc](http://www.doleta.gov/Seniors/other_docs/EmplGuide.doc)



- 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)



- 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



Retire the Worker & Retain the Knowledge

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



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)



2. Mid-Size Business Initiative

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



- 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?



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



- How does your training department approach the training of older learners?
- What is the opinion of the organization held by your older employees?



- 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?



- What interests does each knowledge-rich older workers have that can be used as an incentive to stay involved with the organization?



Attract and Recruit Older Workers

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



- 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.



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.



- Biases and disincentives need to be eliminated.
- Physical and financial barriers eliminated.



Incentives for Retention

- Flexibility
- Benefits
- Continue to offer defined benefit
- Pare early retirement subsidies



- Adjust health benefits
- Introduce work-life programs
- Institute eldercare
- Phased retirement
 - delays retirement by two years



John Deere

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



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



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



Attract and Recruit Older Workers

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



Retain and Sustain Older Workers

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



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



Retire the Worker Retain the Knowledge

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



• HOW KNOWLEDGE NETWORKS WORK

Figure 7-5 place here



Knowledge Retention

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



Action Steps to Prepare for Future

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



- 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).



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



Barriers

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



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



- 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



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



- 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.



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



Environmental Factors

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

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

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

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

SELF MANAGEMENT OF RETIREMENT



