

balance



sheets

A series of information sheets for employers interested in helping employees balance their work, family, and personal responsibilities

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“Employers must remember not to stereotype mature workers in terms of whether they will retire or continue to work. Employers shouldn’t assume that the mature employee’s goal is to retire in 3 years. Communicating with these employees to understand their goals is critical.”

Marian Stoltz-Loike,
SeniorThinking LLC

“[In the next decade] employers could be so strapped for help that they find themselves radically redesigning American work habits to lure people into their ranks. For one thing, older workers could suddenly take on value as a brimming pool of labor.”

Business Week,
May 20, 2002

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* The age bracket that defines mature workers varies; sometimes it may include employees age 65 and above, other times it may include workers age 45 and above, or 50 and above. The language and terms used to describe mature workers also varies. Mature workers are also referred to as seasoned workers or older workers.

The Mature Workforce: Changing The Workplace As We Know It

The *mature workforce* represents a diverse group of employees over the age of 50* who have a wide variety of experience and skills. As they reach retirement age, many will seek opportunities to stay employed, which may redefine the nature of retirement. The *mature workforce* will become increasingly important as the younger labor pool shrinks.

The challenge is upon us. By 2015, workers 55 and older will comprise nearly 20% of the American workforce, a 7% increase from the year 2000 (Bureau of Labor Statistics). The convergence of several trends – the “graying” of the U.S. workforce (76 million aging baby boomers), increased life expectancy and a shrinking labor pool- will result in a higher proportion of older workers in the workplace. The American Association of Retired Persons (AARP) reports that about 70% of workers ages 45 and older plan to work in some capacity in their “retirement years.” In the near future, it is anticipated that mature workers will be a thriving and integral part of the workforce. Addressing the needs of this employee population will be critical for companies nationwide. The earliest and perhaps the most severely hit industries will include manufacturing, utilities, government, health-related fields, and services. These industries have a higher percentage of aging workers than other industries.

By The Numbers

- By 2008, 1 out of 6 workers will be over age 55; this ratio is expected to reach 1 out of 5 by 2025 (U.S. General Accounting Office).
- Between 2000 and 2008, the percentage of executives and managers over age 55 is expected to grow from 15% to 23% (U.S. General Accounting Office).
- The median age of the labor force will rise from 38.7 in 1998 to 40.7 in 2008 (The Bureau of Labor Statistics).
- The number of people in the labor force age 55 and older is expected to grow 32 percent by the year 2010, while those between the ages of 35 and 44 will shrink by 10.2 percent (The Bureau of Labor Statistics).
- One-third of people over age 55 in the United States were employed in the year 2000. The number is expected to increase to at least 38% in the next ten to fifteen years. (The Bureau of Labor Statistics).

“STAYING AHEAD OF THE CURVE”

In September 2002, AARP published a study of 2,500 workers ages 45-74, **“Staying Ahead of the Curve: The AARP Work and Career Study.”** The study illustrates the age 45-plus workers’ motives for working and their attitudes and perceptions about today’s workplace. Key findings include:

- 84% of age 45-plus workers say they would work even if they were financially set for life and 69% say they plan to work into their so-called retirement years. However, they want to work on different terms, with more flexibility and autonomy, and for a wide range of motivations including money and health care coverage but also enjoyment and a sense of purpose.
- 70% of the survey’s employed respondents say they are looking for ways to better balance their work with their personal lives, and a significant proportion of age 45-plus workers are dealing with major life challenges.
- Age 45-plus workers want respect, training, benefits and flexibility in their jobs. Employers, particularly those who will feel the effects of shrinking workforce, will be increasingly challenged to address these needs.
- More than two-thirds of age 45-plus workers have concerns that age discrimination is a major barrier to their advancement and well-being in the workplace.
- The issue of work life balance is of even more concern for minority workers than for age 45-plus workers on the whole, perhaps because of a higher incidence of caregiving.

In summary, research indicates that the majority of mature workers are

planning to continue to work as they grow older. Therefore, adaptations to the current state of work will be demanded.

MANAGING A MATURE WORKFORCE

By implementing new workplace policies or adapting current policies for mature workers, organizations can create an environment sensitive to the needs and desires of mature workers. Management training –both up and down the organization–will be one of the most effective ways to educate all employees about generational diversity and to combat negative stereotypes about older workers. As a result, the workplace may be less vulnerable to age discrimination and the negative consequences of generational diversity. Many organizations offer unique options geared towards the mature worker:

- **Phased retirement**, now offered by somewhere between 16% and 19% of companies, is one way to discourage “all or nothing” retirement. Phased retirement involves a gradual tapering off of work hours and responsibilities until eventually, the employee retires.
- **Flexible Work Arrangements** encourage mature workers to alter their work schedules to accommodate less than full time work. Although flexible policies may already exist at organizations, mature workers can leverage these policies to create a schedule which allows them to address other life priorities.
- **Training**, created specifically for mature workers, includes technology training. Companies that provide training experience increased productivity, improved quality of work and lower turnover for all employee groups. However, for mature workers, training materials

should be user friendly – larger fonts and graphics – and should be matched with learning styles.

- **Elder Care Resources** assist mature workers with major life changes, including caring for an aging parent or spouse. By providing resources on elder care options, employees will most likely spend less time consumed by these issues at work. The mature worker can greatly benefit from seminars and support groups concerned with aging and elder care issues.

MODEL PROGRAMS

Baptist Healthcare South Florida (Miami, FL)

Twenty-two percent of Baptist Healthcare South Florida’s workforce is over age 50. Baptist Health offers flextime, job sharing, compressed work schedules and telecommuting. In emergencies, workers can tap into a paid time off bank, donated by their co-workers.

Employees can ease into retirement by moving to a part-time or per diem (fewer than 20 hours per week) schedule. Retirement benefits begin at age 55 for those who have worked at least 10 years. Baptist contributes to both part- and full-time employees’ retirement plans. Retirement financial planners work on-site and are available for consultations. Group health insurance is also available to retirees.

Source: www.mygeneration.org. AARP publication

ChevronTexaco Corporation (San Ramon, CA)

ChevronTexaco’s average age is around 47 years. Because of the company’s demographics, services are being chosen to assist the workforce with elder care issues. Most recently, ChevronTexaco piloted an enhanced elder care program to

address the needs of employees taking care of an older family member. With this program, employees could arrange to have a trained elder care specialist conduct an "Elder Assessment and Care Planning Program" which included a house call to assess the older relative's situation and help them plan for current and future needs. The program also offered an "Elder Care Facility Review" which included a visit by an elder care specialist. Based on a site visit, the specialist provided a comprehensive, objective evaluation of a nursing home or other elder care facility. Due to the positive feedback and the utilization rate from employees who used the program in the pilot phase, ChevronTexaco has decided to continue to offer this program to help employees address their elder care needs.

Prudential Financial (Newark, NJ)

Because of Prudential Financial's commitment to workplace diversity, they are dedicated to recruiting workers from every background and life situation, including mature workers. In fact, 20% of Prudential Financial's workforce is over age 50; 38% of over age 50 employees are in management. In addition, the company recruits on a website targeted at mature workers, ThirdAge.com. Recently, the company was named one of AARP's Best Companies for Workers over 50.

Prudential Financial conducts employee opinion surveys twice a year to determine employees' perceptions about the work climate and to identify areas where additional focus may be needed. Throughout the year utilization is tracked and feedback is encouraged on their programs and policies to ensure that they reflect the needs of all of their employees, including their older workers. The benefit program as well as work/life

offerings emphasizes choice and flexibility. Related to responding to employees' needs as they move through various life stages, Prudential pays close attention to the utilization of Prudential LifeSolutions, the Company's combined program for Employee Assistance and Work/Life Resource and Referral services. The goal is to provide need-driven and highly useful information and assistance to employees and be able to "turn on a dime" to enhance those services based on a need or trend. At Prudential Financial, diversity concepts are integrated into all aspects of the business from customer outreach to community involvement to the design of work/life and benefit programs. That means that communications about programs and offerings consider and represent a diverse group; all age groups are pictured in the material. Prudential Financial recognizes the value of having an employee population that reflects the diversity of its markets.

The Aerospace Corporation (El Segundo, CA)

When Aerospace Corporation's engineers begin to consider retirement, the company encourages them to try phased retirement first by taking a leave of absence, going part-time or becoming a seasonal or project-based employee. The company offers phased retirement to several engineers in their 80s who are working less than full-time.

Source: Trend Report. Work & Family Connection. October 2002

MITRE Corporation (Bedford, MA)

MITRE Corporation established the "Reserves at the Ready" program to utilize the valuable skills and talents of retirees. Reserves at the Ready are MITRE technical, administrative, and other support staff with the skills and

corporate memory needed to provide dynamic, short-term support to MITRE projects. The program is comprised of a group of part-time-on-call retirees who assist on short-term projects. Retirees may work on an intermittent basis not to exceed 1,000 hours per calendar year. Reserves at the Ready taps into valuable resources in order to address staffing needs and also provides a sense of continuity at the workplace.

Bonne Bell Cosmetics (Lakewood, OH)

Ohio-based cosmetics manufacturer Bonne Bell has a "Seniors Only" production facility where 100 older workers ages 55 to 92 (average age of 72) work in their own separate group. This seniors-only production department was launched in 1997 as a practical business move: the company needed workers and seniors were available. In 1991, retirees accounted for close to 20% of Bonne Bell's workforce of 500. By offering half shifts and a collegial work environment, Bonne Bell has built a highly productive and stable operation. These mature employees are paid \$8.50 per hour for working five four-hour shifts per week. Workers are supervised by other seniors. Bonne Bell now has a long waiting list of seniors who would like to be part of this team. Turnover is almost non-existent.

Sources:
<http://www.clevelandseniors.com/forever/bbell.htm>. "2001;
http://www.seniorlifeusa.com/senior_skills.htm; Brotherton, Phaedra "Tapping into an Older Workforce" Mosaics. SHRM Focuses on Workplace Diversity. March/April 2000.; WorkFamily Trend Report. May 2002.

In the not too distant future, the mature workforce will be the lifeblood of the shrinking labor market. Traditionally, older workers have been dismissed as too slow and costly or as misfits in a world most concerned with the latest technology. However, mature workers will be a valuable

assets that allow companies to grow and respond to market opportunities. In the advent of these demographic shifts, this employee population may prove to be loyal, productive, and knowledgeable. We are on the verge of redefining the workplace.

Getting Started

For companies that are seeking to address the needs of mature workers, Maureen Corcoran, Vice President of Diversity at Prudential Financial, recommends the following tips:

- (1) Know your workforce demographics (inside of the company and outside) and stay connected to the opinions and thinking of sub-groups within the company. Tap into the data and information that already exists, such as information from the company's employee opinion surveys, and trends reflecting use of work/life programs, as well as topics of interest most often addressed by your resource and referral provider;
- (2) Create strategies and action plans to address the needs that are revealed in the data. Test those strategies with management and staff to ensure they are on-target and will be supported. Revisit your strategy regularly and measure its on-going utility against new data as it is revealed;
- (3) Create, keep fresh and communicate the business case for your strategies. Ensure that management understands the reasons for the strategic focus and is well versed in translating that into actionable items in their own areas of responsibility. Keep stakeholders apprised of progress and challenges;
- (4) Stay connected to external groups such as research organizations and the media to understand best practices and trends affecting the workforce.

General Information

This series is a joint project of the Boston College Center for Work & Family, in Boston, MA, One Small Step, in San Francisco, CA, and the Midwestern Work-Family Association, in West Lafayette, IN, with participation by Work/Life Balance of Philadelphia, PA.

The Boston College Center for Work & Family (Center) is home to the national Work & Family Roundtable and the regional New England Work & Family Association, which together represent over 165 employers. These corporate partnerships provide a sounding board to ensure the Center's research responds to the needs of the workplace, and create a valuable opportunity for corporate leaders to convene to shape corporate and public responses to the demands of the workplace, family, and community in order to enhance employee effectiveness.

One Small Step (OSS) The Bay Area Employer Work & Family Association promotes the development of employee and family supportive initiatives in San Francisco Bay Area workplaces. Through conferences, publications and other services, OSS assists its nearly 100 members and other employers in taking at least "one small step" to respond to employee, family and business needs. OSS was founded by The United Way of the Bay Area in 1986 and currently operates under the auspices of the Northern California Council for the Community.

The Midwestern Work-Family Association (MWFA) advocates for quality work environments that are consistent with business objectives. MWFA was created through a partnership of The Center for Families at Purdue University and leading midwestern employers. With research, education, and outreach, the Center for Families at Purdue University strengthens services to families provided by employers, legislators, and others.



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