

The Aging Workforce: Exploring the Impact on Business Strategy

This presentation is a companion to the Boston College Center for Work & Family Executive Briefing Series. It is designed to be customized by your organization. Please feel free to cut and paste these slides into your own format, and to use the questions provided as a guide to develop your own presentation. If you do not have a copy of the full Briefing, please email: cwf@bc.edu.

Business Drivers of Aging Workforce Strategies

- Retaining knowledge, skills and experience
- Meeting multi-generational needs
- Rethinking retirement policies
- Supporting employee caregivers

“We need to develop a management style that treats older workers as resources, as wisdom-keepers of a company. If we start to broaden our mindset of what the aging workforce brings back as the intellectual capital, we’ll get the best of the best!”

– Peter Drucker, management consultant

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Business Drivers in Your Organization

- What is important to your senior leaders related to:
 - Organizational mission, values, goals?
 - Business drivers of retention, multi-generational needs, retirement, caregiving? Others?

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Aging Workforce Demographics

- If baby boomers retire at traditional ages, there will not be enough younger workers to replace them.
 - Boomers (born 1946 to 1964) represent 46% of the workforce.
 - Gen Xers that follow (born 1965 to 1983) represent only 29%.
- The highest labor force growth rate is among those aged 55 and older; the lowest is among those aged 35 to 44.
- By 2012, the median age of the labor force is projected to surpass 41 years.

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Aging Workforce Demographics in Your Organization

- What is the average age of your workforce overall?
By division? By location or workgroup?
- Review your age demographics by generation:
 - Matures (born 1927-1945)
 - Baby Boomers (born 1946-1964)
 - Gen Xers (born 1965-1983)
 - Gen Ys (born 1984-2002)

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Retirement Trends

- At retirement age, 80% of baby boomers plan to continue to work in some capacity:
 - Work part-time for interest and enjoyment (35%)
 - Work part-time to augment income (23%)
 - Start their own business (17%)
 - Seek full-time work at a new job or career (5%)

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Retirement Trends in Your Organization

- What are your current retirement trends overall? By division? By location or workgroup?
- Project these trends over the next 5 years.
- Ask your older employees what their plans are for retirement.
- Review age demographics data and identify any potential skills gaps due to pending retirements.

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Older Workers on the Job

- Loyal and dedicated to company
- Committed to doing quality work
- More satisfied with their jobs
- Solid performance records
- Ability to get along well with others

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Older Workers on the Job in Your Organization

- Ask managers how they characterize older workers on the job.
- Gather available employee data by age related to:
 - Absenteeism
 - Career advancement
 - Health care costs
 - Productivity

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Caregiving Impact on the Job

- Businesses lose \$11.4 to \$29 billion annually in productivity due to elder caregiving.
- Employees make a variety of work schedule adjustments to accommodate caregiving:
 - Take time off
 - Decrease hours
 - Pass up promotions
 - Retire early
 - Quit

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Caregiving Impact on the Job in Your Organization

- Do you have employee survey data that identifies how many are elder caregivers? If so, conduct cross-tabulations to research impacts on the job.
- Do you have data from a resource and referral vendor on issues related to your older employees and elder care?
- Share anecdotal stories from employees and managers about the impact of caregiving on employees' work and home lives.

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Best Practice Older Worker Retention Strategies

- Analyze demographics and retirement trends
- Assess older workers' needs
- Create alternate career paths and offer skills-building opportunities
- Address stereotypes and multi-generational issues
- Allow flexible work and phased retirement options
- Support employee caregivers:
 - Resource and referral
 - Geriatric counseling
 - Support groups
 - Seminars
- Provide retirement and financial planning
- Offer long term care insurance
- Implement health and wellness programs

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Recommended Strategies for Your Organization

- Propose short- and long-term older worker strategies.
- Recommend specific initiatives (new or enhanced) that:
 - Respond to older worker and retirement trends
 - Address older workers' needs
 - Meet the short- and long-term needs of business
 - Are aligned with business goals

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Action Steps

- ✓ **Define the Plan:**
What are the next steps for your organization?
- ✓ **Define the Timeline:**
What needs to happen, and when, so your organization can move forward?
- ✓ **Define the Responsibility:**
Who are the key players in moving your organization toward its goals?