

IN THIS ISSUE:

How Old Are Today's Older Workers?

by Marcie Pitt-Catsouphes, Ph.D. & Michael A. Smyer, Ph.D.

Introduction

The aging of America is front and center.

Older people are a larger proportion of the U.S. population than ever before. 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 2020.¹

But, the meaning of aging has changed. For instance, a substantial percentage of today's seniors are healthy and active. This increased vitality of older Americans has altered the responsibilities, ambitions, daily activities, and lifestyles of people in their 60s, 70s, and 80s.

In the coming decade, a greater number of healthy older adults will be able to work past the traditional retirement age. Some of the baby boomers will find that they need to work for sustained financial security; others will continue to work because they enjoy it. In fact, the trend toward extended employment of older adults has already begun. (See Figures 1a and 1b.)

The topic of aging and work has become a defining issue of our time. However, our conversations about aging and work are often stymied because it has been difficult to define what we mean when we refer to "older workers," "mature workers," "senior workers," and "experienced workers."

At present, there is no consensus about the terms that we should use when referring to individuals who have moved from mid-career into the later years of working for pay. Equally important, the threshold for becoming an older worker is not consistently demarcated.

In earlier decades, mid-career workers seemed to become an older worker once they started to plan for retirement. The status of being an older worker signaled the end of a career.

Today, many adults are working later into their 60s and 70s, and many make a gradual transition from full-time employment to full-time retirement by having a bridge job.² It is no longer clear when adults move from a mid-career status into an older worker status.

Labor Force Participation of Men and Women

Figure 1a
Males, Aged 60–64

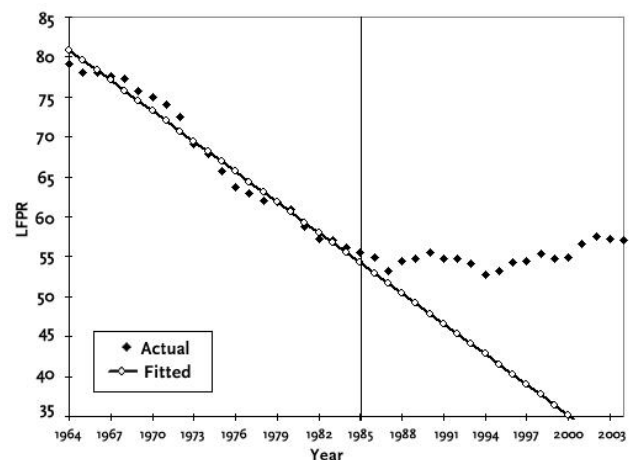
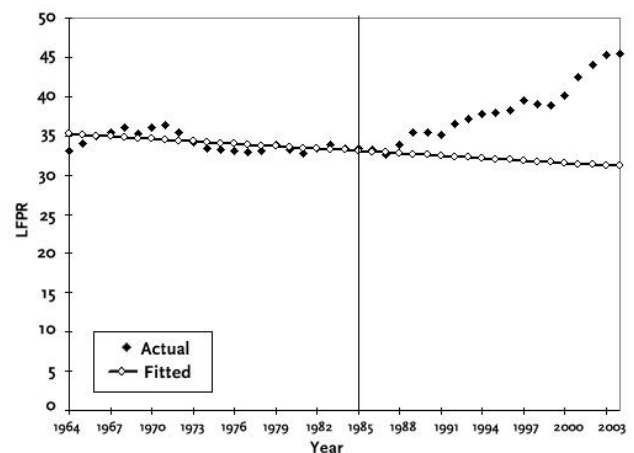


Figure 1b
Females, Aged 60–64



Source:² Quinn (2005)

Discussions about “how old today’s older workers are” will help us replace our old ideas about aging with more accurate perceptions of the value and potential of older workers. This Issue Brief presents experts’ perspectives of older workers. Several members of the Center’s Research Advisory Committee have shared their expertise on aging and work. Please visit our website for a complete list of our Research Advisory Committee members.

How old are older workers?

Specifying who is (and who is not) an older worker remains elusive. The answer to the question depends on the context. Not surprisingly, policy makers, business leaders, academics, and older adults tend to calibrate the age of older workers in different ways. “...the age at which one becomes an older worker seems *not* to be related to biological age but instead to concerns faced by workers at various points in their lifespans.”³

1. Older Workers as a Protected Group: The 1967 Age Discrimination in Employment Act (ADEA) protects workers who are 40 years of age or older from discrimination based on age. This age is also a threshold when employees might feel that opportunities for training and development at the workplace seem less available to them. The U.S. Equal Employment Opportunity Commission states:

- “The ADEA’s protections apply to both employees and job applicants. Under the ADEA, it is unlawful to discriminate against a person because of his/her age with respect to any term, condition, or privilege of employment — including, but not limited to, hiring, firing, promotion, layoff, compensation, benefits, job assignments, and training.
- It is also unlawful to retaliate against an individual for opposing employment practices that discriminate based on age or for filing an age discrimination charge, testifying, or participating in any way in an investigation, proceeding, or litigation under the ADEA.
- The ADEA applies to employers with 20 or more employees, including state and local governments. It also applies to employment

agencies and to labor organizations, as well as to the federal government.”⁴

Some might think that 40 years of age is too young to be an older worker; however, in terms of discriminatory attitudes or behaviors that limit employment opportunities, the practices at some workplaces might put 40-year-old employees in situations where they are treated like older workers.

How old are older workers? It depends. When considering retirement regulations, one would say 60 or so. However, when considering corporate policies concerning investing in human capital, the age bracket starts much earlier — around 45 years.

Ursula Staudinger, Ph.D., International University Bremen

2. Public Perceptions of Getting Old: In 2005, MetLife commissioned a telephone survey (n=1,000) that gathered information about Americans’ perceptions of “how old is old.” A majority (60.3 percent) indicated that they felt that a person begins to be “old” at the age of 70 years or older. Less than one of every 10 respondents (8.7 percent) felt that people under the age of 50 years would be considered to be old.⁵

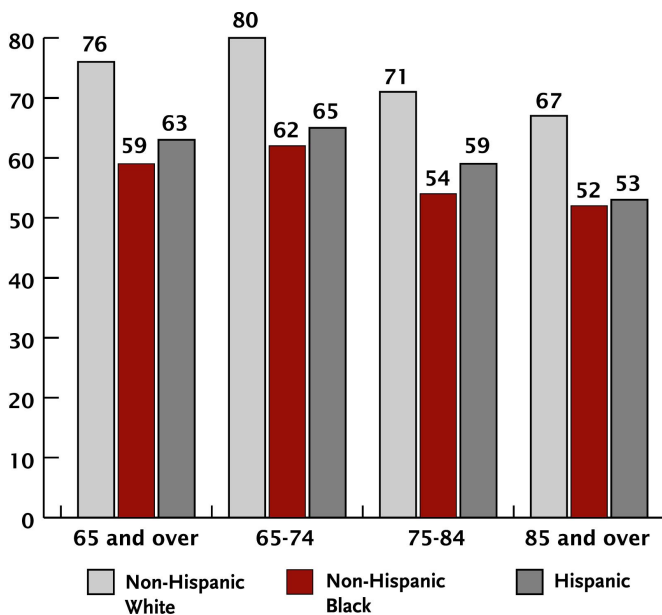
Similarly, respondents to the 2000 American Perceptions of Aging in the 21st Century Survey felt that men are considered to be “old” at a median age of 70 years, compared to 75 years for women. However, only 14 percent of the respondents felt that chronological age was the primary indicator of old age; rather 41 percent felt that declining physical activity and 32 percent that declining mental functioning were the single most important markers of old age.⁶

3. You Are as Young or Old as You Feel: Alan Greenspan recently observed: “Increasing labor force participation seems a natural response to population aging, as Americans not only are living longer, but also generally living healthier. Rates of disability for the elderly have been declining, reflecting both improvements in health and changes in technology that accommodate the physical impairments that are associated with aging. In addition, work is becoming less physically strenuous and more demanding intellectually, continuing a century long trend toward a more conceptual and less physical economic output.”⁷

There have been two important transformations over the past 50 years with regard to the health of older workers and the decisions that they make about employment. First, larger proportions of those in their late-midlife and senior years will be healthier and more active compared to those in earlier generations. Even today, a majority of older Americans, 65 and over, report that they have “excellent” health, and it is widely expected that tomorrow’s older Americans will be healthier in comparison to previous generations. (See Figure 2.)

Figure 2

Percentage of people age 65 and over who reported having good to excellent health, by age group and race and Hispanic origin, 2000–2002



Note: Data are based on a 3-year average from 2000–2002. People of Hispanic origin may be of any race.

Reference population: These data refer to the civilian noninstitutionalized population.

Source:⁸ Federal Interagency Forum on Aging Related Statistics (2004).

Secondly, the percentage of jobs that are physically demanding has decreased. As a consequence, today’s older Americans may be able to pursue a wider range of life activities, including remaining in the labor force for extended periods of time. Certainly, not “...everyone will want to work longer. But, the key point is that a larger older cohort in good health has the potential for a revolutionary redefinition of aging — both with a respect to employment and social involvement generally.”⁹

The notion of what constitutes “old” is not as tightly coupled with chronology as it was in the early and mid-twentieth centuries. Advances in health have set the clocks back, enabling people to live longer and contribute more to society. But there are both cultural and structural lags in understanding the role of “older” individuals, who are neither frail nor ready to sit passively on a porch and watch the world go by. Understanding the needs and potential contributions of older Americans involves consideration of the heterogeneity of the population, which varies remarkably in terms of economic resources, human capital, family responsibilities, and desires.

Stephen Sweet, Ph.D., Ithaca College

Having the option to continue to participate in the labor force can have important positive health consequences for older workers. “Quality” jobs may benefit employees’ physical and mental health, making it less likely that they will experience certain conditions that can accelerate the aging process. The Committee for Economic Development Studies (1999) found a positive relationship between employment and physical and mental well-being.¹⁰ A recent study has reported that the mental health status of employed older workers is better than it is for those in full-time retirement.¹¹ Another study found that nearly half of their respondents said that their desire to keep active was also an important factor in the decisions they made with regard to work and retirement.¹²

4. Access to Retirement Benefits: Eligibility for partial Social Security benefits is currently set at 62, and the “normal” (or normative) retirement age for receipt of these benefits (at a maximum level) is currently 65. This age will be raised to 67 by 2022. The eligibility age for Social Security has an impact on our perspectives about older workers. First, this age of eligibility is a key driver in Americans’ decisions about when they start the process of retiring. Secondly, private pension plans are typically linked to the traditional retirement age, which reinforces notions about the “appropriate age” to retire.^{13;14} As a consequence, the impending rise in the age of eligibility for Social Security benefits will likely increase the labor force participation rates of older Americans.

It is important to recognize that the criterion of having access to retirement benefits is a marker of the beginning of *retirement* but not the beginning of a phase of life and career as an *older worker*.

Sterns and Doverspike (1989, Goldstein, Ed., Training and Development in Organizations) offered five general approaches to the classification and definition of the older worker. They are chronological/legal, functional, psychosocial, organizational, and life span orientation. We prefer to view the question of defining the older worker in a multidimensional manner.

Harvey Sterns, Ph.D., University of Akron

5. Life Experience and Context Matter: Workers' perceptions of relationships among their age, individual life histories, family "stage" — as well as their career and work experiences — may affect their self-perception. For example, some women who have focused significant time and energy on raising children before returning to or entering the labor force may feel that they are just starting to "hit their stride" when they reach 50 or 55. In contrast, men of the same age who have been working full-time since they were 18 or 21 years old may begin to feel that it is time to start "winding down." A life course perspective on defining older workers takes a person's life events and their contexts into account.¹⁵

It is interesting to note that older workers who have responsibilities for dependent family members or kin are *less* likely to retire and withdraw from the labor force.¹⁶ For example, those with children often face dramatically increased family expenses when their children reach the college years. The Employee Benefits Research Institute reports that 21 percent of workers who expect to work during their "retirement" years anticipate making this decision so that they can help to support children or other family members.¹⁷ In contrast to the preference of some younger workers who either reduce their work hours or take a caregiver leave of absence, older workers with caregiving responsibilities indicate that they plan to stay in the workforce so that they can manage the financial obligations of their dependents (e.g. pay for medical assistance for an elderly parent or pay tuition for a child in college). Only 2 percent of the respondents to The Conference Board

Survey listed their caregiving responsibilities as a reason for retiring.¹⁸

6. Academic and Professional Perspectives:

Researchers, policy analysts, and advocates for older workers often use different ages to designate the group of older workers. AARP, for example, gives its awards to "Best Employers for Workers over 50."¹⁹ Reports of the Conference Board as well as other research organizations have framed aging issues according to birth cohorts — such as Generation X, Generation Y, Baby Boomer Generation, and the Mature/Silent Generation — usually implying that baby boomers and members of the Mature/Silent Generation are older workers. Some authors avoid using language labels altogether when reporting findings relevant to the experiences of older workers and, instead, present their research results by age groups, such as 25–39 year olds, 40–54 year olds, and 55 plus.

There are very good reasons why different researchers may adopt different strategies for analyzing data. Sometimes different research questions suggest that it is important to focus on particular age groups. For instance, researchers interested in different types of attitudes about aging at the workplace might want to consider including employees who are at the younger end of the older workers' continuum in their studies. Other studies that consider the impact of the onset of specific types of physical conditions or limitations might decide to focus on those older workers who are at the older end of the continuum.

Conceptions of "who is old" vary greatly across cultures, across historical periods, and by industrial sector. We found in the IT sector that workers are considered old if they have children. Ballet dancers and professional athletes may be considered old in their twenties or thirties, airline pilots in their fifties, and Supreme Court Justices in their eighties. It is important to investigate how employers and workers informally designate workers as young or old, and whether such designations are associated with the attribution of positive characteristics (e.g. wisdom and responsibility) or negative characteristics (e.g. unable to learn new technology).

Victor Marshall, Ph.D., University of North Carolina

Is It Important for Decision-Makers at the Workplace to Think About the Age of Older Workers?

There are many reasons why discussions about the age of older workers have real-life relevance.

- Adults continue to change and develop throughout their lives. Since the experiences of younger and older workers tend to be different, it is important that employment policies and programs take the age and development of different older workers into account.
- There is evidence that many workers recalibrate career goals and expectations as they age.³ For example, some older workers might consider beginning a second career, changing jobs, or, perhaps, reducing the amount of time devoted to paid work to become more fully engaged in community service. Employers interested in maximizing the contributions that their older workers can make will readily understand that “one size doesn’t fit all” as they implement strategies for recruiting and retaining their valued older workers.

At the same time, business leaders are often concerned about how to maximize the effectiveness of the transitions made by older workers — for instance, transitions to new positions, to different ways of structuring their jobs such as reducing the hours that they work, or to full-time retirement. Employers also want to develop mechanisms for older workers to share expertise and knowledge with their younger colleagues before they fully retire.

To be the most effective, the employer and employee will need to work together to develop options that meet the concerns of older workers and the workplace.

How Does the Center on Aging & Work Define Older Workers?

Each of the studies being conducted by the Center on Aging & Work will carefully consider the most

appropriate way to focus on specific populations of older workers. Some of the studies may consider 50-year-olds to still be in mid-career (along with some of their younger colleagues), whereas other studies might consider 50-year-olds to be older workers.

The investigators will clarify and explain “how,” “why” and in “what ways” different groups of workers are considered through a lens of aging and work.

“To encourage the continued employment of older adults and to successfully recruit those who have already left the workforce, employers need to initiate changes in their organizational culture. Few corporations are responding to this challenge with innovative programs to retain older workers or to encourage their return to active labor force participation. With an impending shortage of available workers, employers will need to be forward thinking to reap the benefits of employing older workers who are typically more loyal, punctual, and committed.”

**Michalle Mor Barak, Ph.D.,
University of Southern California**

Conclusion

For the past five decades, changes in the proportion of older Americans as part of the U.S. population had little impact on the age composition of the labor force because older Americans comprised relatively small percentages of the overall labor force. As large percentages of older workers moved abruptly from full-time employment to full-time retirement between the ages of 62–65, the labor force exit of older workers became fairly predictable.

There are many indications that we may be witnessing the beginning of dramatic changes in the employment and retirement patterns of older Americans. As a result, business leaders and public policy makers alike will continue to grapple with the profound implications of the “new age of aging.”

How we define older workers will matter for employers, employees, and our aging society.

The Center on Aging & Work/Workplace Flexibility at Boston College, funded by the Alfred P. Sloan Foundation, is a unique research center established in 2005. The Center works in partnership with decision-makers at the workplace to design and implement rigorous investigations that will help the American business community to prepare for the opportunities and challenges associated with the aging workforce. The Center focuses on flexible work options because these are a particularly important element of innovative employer responses to the aging workforce. The studies conducted by the Center are examining employers' adoption of a range of flexible work options, the implementation of them at the workplace, their use by older workers, and their impact on business and older workers.

The Center's multi-disciplinary core research team is comprised of about 20 social scientists from disciplines including economics, social work, psychology, and sociology. The investigators have strong expertise in the field of aging and research. In addition, the Center has a workplace advisory group (SENIOR Advisors) to ensure that the priorities and perspectives of business leaders frame the Center's activities and a Research Advisory Committee that provides advice and consultation on the Center's individual research projects and strategic direction. The Center is directed by Marcie Pitt-Catsouphes, Ph.D., and Michael A. Smyer, Ph.D.

Michael A. Smyer, Ph.D., is Dean of the Graduate School of Arts and Sciences and a Professor in the Department of Psychology at Boston College. A licensed clinical psychologist, he received his Ph.D. in personality and clinical psychology from Duke University and a B.A. in psychology from Yale University. Dr. Smyer was recently awarded the M. Powell Lawton Award for distinguished contributions to clinical geropsychology.

Marcie Pitt-Catsouphes, Ph.D., is an Associate Professor at the Boston College Graduate School of Social Work. She received her B.A. from Tufts University, M.S.P. from Boston College, and Ph.D. from Boston University. She is the Co-Principal Investigator of the Boston College National Study of Business Strategy and Workforce Development and the Study of Aging and Work in Industry Sectors. She is the founder of the Sloan Work and Family Research Network, established in 1997.

Sources Cited in this Brief:

1. Hobbs, F., & Stoops, N. (November 2002). *Demographic trends in the 20th century*. Census 2000 Special Reports. Washington, DC: US Census Bureau, Economics and Statistics Administration. Retrieved December 21, 2005, from www.census.gov/prod/2002pubs/censr-4.pdf.
2. Quinn, J. (2005). Unpublished analysis of Bureau of Labor Statistics Data.
3. Rocco, T., Stein, D., & Lee, C. (June 2003). An exploratory examination of the literature on age and HRD policy development. *Human Resource Development Review*, 2(2), 155-180.
4. U.S. Equal Employment Opportunity Commission. (1997). *Facts about age discrimination*. Retrieved October 21, 2005, from <http://www.eeoc.gov/facts/age.html>.
5. MetLife Mature Market Institute. (July 2005). *How old is old?* MetLife Mature Market Poll on Attitudes about Age. Westport, CT: Metropolitan Life Insurance Company. Retrieved December 21, 2005, from www.MatureMarketInstitute.com.
6. National Council on Aging, Inc. (2002). *American Perceptions of Aging in the 21st Century: The NCOA's Continuing Study of the Myths and Realities of Aging*. Washington, DC: NCOA. Retrieved December 21, 2005, from <http://www.ncoa.org/content.cfm?sectionID=263&detail=938z>.
7. Greenspan, A. (March 15, 2005). *Testimony of Chairman Alan Greenspan: Future of the social security program and economics of retirement*. Before the Special Committee on Aging, U.S. Senate. Retrieved March 22, 2005, from <http://www.federalreserve.gov/boarddocs/testimony/2005/20050315/default.htm>.
8. Federal Interagency Forum on Aging Related Statistics. (2004). *Older Americans 2004: Key indicators of well-being*. Washington, DC: U.S. Government Printing Office. Retrieved December 21, 2005, from <http://www.agingstats.gov/chartbook2004/>.
9. Henretta, J. (2000). The future of age integration in employment. *The Gerontologist*, 40(3), 286-292.
10. Committee for Economic Development, Research and Policy Committee (1999). *New opportunities for older Workers*. New York, New York. Retrieved December 21, 2005, from http://www.ced.org/docs/report/report_older.pdf.
11. James, J., & Spiro, A. (in press). Is continued work in later life good for mental health? To appear in James, J., & Wink, P. (Eds.). *The crown of life: The dynamics of the early post retirement period*. New York: Springer Publishing Co.
12. Moen, P., Erickson, W., Argarwal, M., Fields, V., & Todd, L. (2000). *The Cornell Retirement and Well-Being Study*. Ithaca, NY: Bronfenbrenner Life Course Center at Cornell University.
13. Burtless, G., & Quinn, J. (2002). *Is working longer the answer for an aging workforce?* Issue Brief No.11. Chestnut Hill, MA: The Center for Retirement Research at Boston College.
14. Purcell, P. (2003). Older workers: employment and retirement trends. *Journal of Deferred Compensation*, 8(3), 30-53.
15. Marshall, V., & Mueller, M. (May 2002). *Rethinking social policy for an aging workforce and society: Insights from the life course perspective*. CPRN Discussion Paper, No W/18. Ottawa, ON.
16. Szinovacz, M., DeViney, S., & Davey, A. (2001). Influences of family obligations and relationships on retirement: Variations by gender, race, and marital status. *Journal of Gerontology: Social Sciences*, 56(1), S20-S27.
17. Helman, R., Greenwald & Associates, & Palacino, V. (April 2004). *Will Americans ever become savers?*The 14th Retirement Confidence Survey, 2004. Issue Brief No. 268. Employee Benefits Research Institute. Retrieved December 21, 2005, from <http://www.ebri.org>.
18. Parkinson, D. (2002). *Voices of experience: Mature workers in the future workforce* (Research Report). New York, NY: The Conference Board.
19. Rappaport, A., & Stevenson, M. (2004). *Staying Ahead of the Curve 2004: Employer Best Practices for Mature Workers*. Washington, DC: AARP. Retrieved December 21, 2005, from www.aarp.org.