Creating Quality Jobs: A FRAMEWORK FOR THE MULTIGENERATIONAL WORKFORCE
ABOUT AARP
AARP is the nation’s largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. With nearly 38 million members and offices in every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP works to strengthen communities and advocate for what matters most to families, with a focus on health security, financial stability, and personal fulfillment. AARP also works for individuals in the marketplace, by sparking new solutions and allowing carefully chosen, high-quality products and services to carry the AARP name. As a trusted source for news and information, AARP produces the nation's largest circulation publications, AARP The Magazine and AARP Bulletin. To learn more, visit www.aarp.org or follow @AARP and @AARPadvocates on social media.

ABOUT THE CENTER ON AGING & WORK AT BOSTON COLLEGE
Our Vision
To make longer life a better life.

Our Mission
To promote quality and choice of paid and unpaid work across the lifespan, with a particular focus on older adults. Through research studies, collaborations with organizations and business leaders, and engagement with an interdisciplinary network of scholars and practitioners, we bridge the worlds of research and practice.

Authors
Tay K. McNamara, Boston College Center on Aging & Work
Heather Tinsley-Fix, AARP

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For additional information, please contact Tay K. McNamara, mcnamatd@bc.edu or Heather Tinsley-Fix, htinsley-fix@aarp.org.
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EXECUTIVE SUMMARY
EXECUTIVE SUMMARY

Attracting and retaining the right mix of people, equipped with the right skills, high levels of productivity, and emotional IQ, can sometimes feel like a Herculean task. Though some might argue that organizational theory has been slow to arrive at this realization, companies are increasingly aware that people are the most important resource they have. Yet a tight labor market—at the time of this writing, unemployment has fallen to 3.9%, a 17-year low—the aging workforce, and the rapid shifting of the skill landscape pose challenges to building and nurturing this key resource. Now, more than ever, human resources professionals are in a position to serve as strategic partners in the creation of organizational success. Attracting, retaining, and nurturing a productive and engaged workforce is key to that success. And to find and keep the right people, you need to create high-quality employment opportunities—in short, you need to create high-quality jobs. There are many elements besides just the list of tasks a job entails that contribute to high-quality work—an inclusive environment, attractive benefits, and opportunities to learn new skills to name a few. But the multidimensional nature of high-quality employment can complicate the successful implementation of HR policies and programs designed to support it.

STRUCTURED THINKING ABOUT THE QUALITY OF EMPLOYMENT

As a way to illustrate the elements that contribute to job quality, we have structured this guide to follow the analogy of a house, comprised of three parts: the foundation, the frame and the fabric (or, finishing touches). Within each section we explore the elements of high-quality employment that relate directly to common HR disciplines (such as recruiting, training and development, etc.).

THE FOUNDATION: The groundwork on which the quality of employment rests
- **Meaningful Work.** Among the ways in which organizations can promote meaningful work to workers of all ages are an emphasis on an employee’s orientation toward craftsmanship, or doing the work well; kinship, or working with people one cares about; and serving, or making a difference in the world.
- **Culture of Respect, Inclusion, and Equity.** Two common types of programs to build a culture of respect, inclusion, and equity are those that address a specific vulnerable group (e.g., older workers), and those that build bridges between groups (e.g., between older and younger workers).
- **Employment Security and Predictability.** Training and development programs, programs building predictability and stability, and programs building trust and transparency all have the potential to help employees feel a greater sense of employment security and predictability, no matter their age, generation, or career stage.

THE FRAME: The elements that provide structure to support an engaged and competent workforce
- **Recruitment Practices.** Recruitment practices, to be successful, benefit from other aspects of the quality of employment, such as general training (for internal recruitment) and corporate social responsibility (for external recruitment).
• **Compensation and Benefits.** Workers of all ages care about compensation and benefits, but there are some differences in the precise mix of benefits that each age group emphasizes. Baby Boomers (the generation born between 1946 and 1964) tend to value health care a bit more than other benefits, while Millennials (the generation born between the early 1980s and the early 2000s) tend to focus more on tuition reimbursement and flexible schedules.

• **Training and Development.** It can be difficult to create training and development programs that adapt easily to a changing workforce, but on-the-job training, job transfers and rotations, and coaching and mentoring can help.

• **Assessment Practices.** Both age-neutral assessment practices (such as assessment of the skills the company will need in the next few years) and age-specific assessment practices (such as assessment of the concentration of those skills in workers close to retirement) are necessary for accurate planning.

THE FABRIC The components that put the finishing touch on a high-quality workplace and make it attractive

• **Flexible Work Options.** Employees of all ages value flexible work options, but ensuring that they feel free to use those options can be a challenge.

• **Health and Wellness.** Many of the benefits of health and wellness policies are attributable to reductions in indirect costs, such as productivity, rather than direct costs, such as hospital stays.

• **Options for Continued Work or Retirement.** Options for continued work or retirement mean that employers should provide options both for employees who want to continue working (e.g., through transitioning to a new job) or who want to retire (e.g., through financial and nonfinancial retirement planning).

PRINCIPLES FOR BUILDING THE QUALITY OF EMPLOYMENT

We suggest two guiding principles for building the quality of employment in changing demographic circumstances:

**PRINCIPLE #1**
**Think About The Multigenerational Workforce, Not Just One Cohort.**

Focusing primarily on older workers, or on Millennials, or on the newest generation now entering the workforce may not be the best strategy for most employers. An alternative strategy is to focus on policies that span the multigenerational workforce. These policies and programs, when well-designed and monitored, have the potential to address the needs of older workers, middle-aged workers, and younger workers, particularly if you fine-tune the way you communicate and iterate them.
Understanding that the shorter tenure of Millennials relative to Baby Boomers probably has more to do with their career stage than the generation they belong to can keep your programs or internal communications from falling flat.

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PRINCIPLE #2
View The Concept Of Age Through Multiple Lenses.
As tempting as it is to think of age in purely chronological terms, not everyone ages in the same way or at the same pace. In seeking to understand and best serve a multigenerational workforce, we need to expand our notion of age to include aspects such as physical-cognitive age (i.e., the changes that affect one’s ability to continue working the way they used to); career stage, or age in the context of work life; generational age, or birth cohort; and life events age, or age relative to transitional events, such as marriage and having children. Understanding that the shorter tenure of Millennials relative to Baby Boomers probably has more to do with their career stage than the generation they belong to can keep your programs or internal communications from falling flat.

THIS GUIDE
Each section of this guide covers a different dimension of the quality of employment—these ten dimensions are described briefly above and categorized according to our house analogy as part of the foundation, fabric, or frame. In addition, each section contains practical, pull-out resources such as worksheets and checklists that can help you tackle the implementation of new or updated policies and programs. Finally, all ten sections follow a set outline that includes the following components:

• A brief overview of data or evidence from recent research on a given dimension
• Examples of how companies have addressed that dimension
• Information on why we should care, including both a general business case and a generational check-in
• A quick guide on how to move forward to address each dimension: building, assessing, and troubleshooting
• Case studies that show how companies went from inspiration to implementation, starting with a general idea and then customizing it
• Tools and guides designed to help you take concrete steps in addressing the dimension
INTRODUCTION
INTRODUCTION

Increasingly, employers know that the workforce—like the global population overall—is aging. While it is true that people are working longer, much of the increase in the proportion of the workforce above the typical retirement age stems from sheer numbers. The percentage of Americans ages 65 and older has tripled since 1900 and workforce demographics reflect these increases.

If large numbers of workers continue to retire in their early to mid-60s, employers will compete for smaller and smaller pools of experienced talent. This issue becomes less visible (though never actually disappears) when unemployment is high, but in tight labor markets, the ability to attract, engage, and retain talent is critical to business success. And even though many employers recognize that older workers possess valuable applied skills, such as professionalism, a strong work ethic, critical thinking, and problem-solving abilities, age discrimination, whether real or perceived, is an all-too-common issue that can prevent employers from building the best workforce possible.

Recognizing these shifts in the landscape as opportunities both to leverage impending demographic realities and prepare for them will help forward-thinking organizations compete and prosper.

BUILDING A HIGH-QUALITY WORKPLACE

In order to compete for top talent, companies must adopt a vision for cultivating a high-quality workplace and organizational culture. Providing good-quality jobs requires a strong framework within which you can experiment and iterate as the composition of your workforce changes. The framework used in this toolkit adapts the Boston College Center on Aging & Work’s original nine-dimension Quality of Employment Framework (shown in Figure I.1), to identify and understand ways in which organizations might become employers-of-choice for the multigenerational workforce.

FIGURE I.1 QUALITY OF EMPLOYMENT FOR THE MULTIGENERATIONAL WORKFORCE

Though many employers recognize that older workers possess valuable applied skills, age discrimination, whether real or perceived, is an all-too-common issue that can prevent employers from building the best workforce possible.
It is helpful to think of the nine dimensions in terms of a house, with foundational elements, a structure or frame, and the building fabric, incorporating both necessary and nice-to-have components.

• **The Foundation:** Employers sometimes think of meaningful work, a culture of respect, inclusion, equity, and employment security and predictability as nice to have but largely outside of their control. Yet these are the dimensions on which the entire structure of quality employment rests. While investing in them may seem unfeasible, this toolkit provides practical advice on how HR practices can build and strengthen them.

• **The Frame:** Like the framework of a house, recruitment practices, compensation and benefits, training and development, and assessment practices provide many of the basic elements that support a well-functioning workforce. Many employers view these as the core aspects of HR, yet unless they rest on a strong foundation, even the best developed “frame” policies can fail. However, given their undisputed centrality to the creation of high-quality jobs, it pays to invest energy as well as other resources in keeping these elements strong.

• **The Fabric:** The fabric, like the walls and design elements of a house, consists of components that both complete a high-quality workplace and make it attractive to workers. These include flexible work options, health and wellness offerings, and options for continued work and retirement. These are often the elements that not only attract but also retain valuable workers.

It is helpful for employers to keep two guiding principles in mind when thinking about how to operationalize the different elements of the workplace.

• Principle #1. Think about the multigenerational workforce—not just older workers.

• Principle #2. View the concept of age through multiple lenses—not just a chronological one.

**PRINCIPLE #1. THINK ABOUT THE MULTIGENERATIONAL WORKFORCE—NOT JUST OLDER WORKERS.**

Even though the population is aging, today’s workforce is more generationally diverse than it has ever been. For instance, in 1995, almost half of the workforce was concentrated in a single generation (the Boomers). Today, Millennials (34%), Generation Xers (34%), and Boomers (29%) make up the majority of the workforce (Figure I.2).
Thinking holistically about the multigenerational workforce can help managers and HR practitioners fine-tune their approach to the underlying basics that everyone values. For instance:

- **Leadership strategies**: The rising proportion of younger generations in the workplace means that effective leadership practices will likely need to adapt, such as by tailoring the amount and frequency of feedback, or by adjusting motivational language.7

- **Generational conflict**: Conflict between younger supervisors and older workers, and between coworkers of different generations, is a potential problem, but one that—if properly understood—is less of a threat to work group functioning than we might otherwise fear.8

- **Career planning**: Positive intergenerational relations involve a better understanding that not all older workers plan to leave the labor force, and that traditional thinking about career stages may be outdated.9 Likewise, not every younger or middle-aged worker will follow a simple career plan, in which they move up in the same organization or profession. Career prospects are less predictable and more fluid now than they used to be.
### TABLE I.1. THE PRISM OF AGE

<table>
<thead>
<tr>
<th>LENSES</th>
<th>AS A COMPONENT OF INDIVIDUAL SUBJECTIVE AGE</th>
<th>ELEMENTS TO CONSIDER FOR WORKFORCE AGE DIVERSITY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chronological age:</strong> Number of years lived since birth</td>
<td>Chronological age is decreasingly important in determining workplace outcomes, owing to variation in other aspects of age (physical-cognitive, life events, etc.).</td>
<td>Chronological age distributions can be useful for planning, because greater proportions of workers tend to retire at specific ages (e.g., 62). However, as the number of workers who plan to work in retirement increases, this approach will likely diminish in importance.</td>
</tr>
<tr>
<td><strong>Physical-cognitive age:</strong> Physiological changes that affect the ability to work</td>
<td>Different aspects of physical-cognitive age can be dispersed across the age spectrum, particularly within the context of wider disability accommodation.</td>
<td>While workers develop strategies to deal with physical-cognitive changes, a diverse multigenerational workforce may require ergonomic changes, as well.</td>
</tr>
<tr>
<td><strong>Career stage:</strong> A person’s stage in the context of their career or line of work</td>
<td>While career development theory suggests that early-career, mid-career, and late-career workers have different needs and preferences, workers today are more likely to re-career in middle and later life, turning this paradigm on its head.</td>
<td>Workers may no longer be interested in moving through career stages in a lock-step manner, requiring a nimble approach to training, development, and advancement programs in multigenerational contexts.</td>
</tr>
<tr>
<td><strong>Generational age:</strong> Birth cohort, including the worldviews and values attributable to macro-level factors, such as economic circumstances and historical events</td>
<td>Cohorts currently in the workforce are Millennials/Generation Y (1981–1999), Generation X (1965–1980), Baby Boomers (1946–1964), and Traditionalists/Silent Generation (1900–1945).</td>
<td>Perceived diversity in generational values, such as the use of technology versus face-to-face meetings, can be a potential source of conflict in the workforce; dispelling generational stereotypes and myths will help mitigate potential conflict.</td>
</tr>
<tr>
<td><strong>Life-events age:</strong> Age relative to transitional events, such as getting married, having children, and retiring</td>
<td>Life-events age does not necessarily correspond to other aspects of age. For instance, a “middle-aged” worker who adopts a child might feel “younger” than her chronological age would suggest.</td>
<td>Like normative age, life-events age relates more to people’s unique path in life. Recognizing that life events do not follow a neat, chronological trajectory will help you adopt work-life policies that benefit everyone.</td>
</tr>
</tbody>
</table>

Note: Dimensions and individual interpretations adapted from Pitt-Catsouphes, Matz-Costa, and James, 2012.10
PRINCIPLE #2. VIEW THE CONCEPT OF AGE THROUGH DIFFERENT LENSES—NOT JUST A CHRONOLOGICAL ONE.

If someone asks you how old you are, the answer that comes to mind is your chronological age: the number of years you have lived. But our subjective age—how we think about ourselves—consists of a lot more, such as our life events, our generation, and so on. The same thing applies to the workforce. If someone asks how age-diverse your workforce is, you might think of the chronological age of your workers. But age is a lot more; career stage and organizational tenure also come into play.

The remainder of this toolkit looks at three “cuts” or levels of policies and programs for the multigenerational workforce, considering not only chronological age diversity but also diversity in career stage, life stage, and generation. In addition to making the business case for why we should care about each dimension of high-quality employment, each section provides practical tools, worksheets, and discussion guides for taking the first steps to address each issue.

ENDNOTES

THE FOUNDATION

Meaningful Work

Culture of Respect, Inclusion, and Equity

Employment Security and Predictability
CHAPTER 1: MEANINGFUL WORK

Meaningful work is among the most powerful motivators for adults of all ages. Consider this 2014 survey by AARP, which asked adults ages 40–59 to rank the changes in their lives that they wanted most in the next five to ten years. As Figure 1.1 shows, the majority of middle-aged and older adults most want to make changes related to the meaningfulness of their lives (make life more meaningful, pursue a passion, give back more). However, a substantial minority place a change in their professional lives at the top of the list.1

FIGURE 1.1. WHAT CHANGES DO YOU WANT MOST IN LIFE?

<table>
<thead>
<tr>
<th>Change in Your Professional Life</th>
<th>Change in Your Personal Life</th>
<th>To Pursue a New Hobby</th>
<th>To Travel More</th>
<th>To Make Your Life More Meaningful</th>
<th>To Pursue One or More of Your Passions</th>
<th>To Give Back More</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related to Work</td>
<td>Related to Meaningfulness</td>
<td>Others</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>48</td>
<td>53</td>
<td>74</td>
<td>75</td>
<td>80</td>
<td>82</td>
</tr>
</tbody>
</table>

Source: Life Reimagined and USA Today, 2014

Given the importance people place on cultivating a meaningful life, pursuing a passion, and giving back more, coupled with the financial need most of us have to work, finding ways to bring these priorities together may put employers at a distinct competitive advantage in terms of the recruitment, engagement, and retention of valuable employees. But, depending on the industry and occupational makeup of an organization, the ways in which the organization can make work meaningful differs. For instance, consider the three orientations toward meaningful work shown in Figure 1.2:2; craftsmanship, in which employees’ sense of the meaningfulness of work comes from the work itself; serving, in which the meaningfulness of work comes from doing good in the world; and kinship, in which the meaningfulness of work comes from colleagues in the workplace. Table 1.1 provides examples of each of these orientations. These orientations can overlap, but for some jobs, one or more aspects of meaningful work may make less sense. For instance, for solitary jobs such as night security, meaning provided through serving and craftsmanship may be easier to develop than meaning built on kinship.
Craftsmanship orientation | Doing well | Reverse Mentoring  
Organization: The Hartford  
Industry: Insurance  
Size: Large (500+ employees)  
The Hartford used a change management model to build its reverse mentoring program. Mentees were top leaders in the organization, and mentors were employees early in their careers, with technical skills to share. The mentees developed a better understanding of the tools and trends in social media. The reverse mentoring program helped top leaders in the domain of craftsmanship (i.e., by helping them understand their work better). It also built kinship between younger and older employees.

Serving orientation | Doing good | Pulse Volunteer Partnership  
Organization: GlaxoSmithKline (GSK)  
Industry: Health care  
Size: Large (500+ employees)  
GSK’s PULSE Volunteer Partnership is part of a growing trend of supporting opportunities to work pro bono for nonprofits as a way to enhance employees’ sense that their work is meaningful. The partnership allows employees to do 3- to 6-month projects with nonprofit organizations. Managed through GSK’s HR Department, the PULSE partnership matches volunteers to nonprofits based on skill sets and other criteria. Managers reallocate work tasks to coworkers of participating employees. These coworkers report increased workloads but also experience increased morale, because they receive information and updates about the pro bono work being completed.

Kinship orientation | Doing with | Caregiver Recruitment and Retention Strategies  
Organization: Renewal Care Partners  
Industry: Health care and social assistance  
Size: Medium (100+ employees)  
Renewal Care Partners combats turnover by creating “care partnerships” that pair the company’s employees with the clients of such community-based organizations as SAGE (Services and Advocacy for GLBT Elders) and local senior centers. Matching caregivers and clients with similar backgrounds and interests helped to give each pair a feeling of connection. Caregiving is often a physically demanding activity, and encouraging a sense of kinship between the caregiver and client can make the task more meaningful.
One big challenge for organizations looking to create opportunities for meaningful work is that linking meaningful work to the specific competencies of your workforce can be difficult.
Nielsen Cares, an employee volunteer program established in 2010, is an example of “skills-based volunteering,” in which employees use existing skill sets and processes to help nonprofits.

The company encourages employees to lead and contribute to a number of pro bono projects around the world. In 2015, 22,000 associates worked on projects for some 800 nonprofits, including the Special Olympics and the World Food Program.

1. To launch the program. Nielsen started by formalizing the volunteer work that many of its employees were already doing, using work processes that the company had already developed. For example, in a volunteer project for Feeding America—the Map the Meal Gap program—Nielsen began by developing a scope of work and learning the language of the client organization, just as the company would have done with a paying client. Employees then used their skills in data analytics to help create a process for mapping hunger at the county level.

2. To support the program. Nielsen top executives encourage employees to focus on projects involving data, analysis, and other skill sets within which the organization has deep expertise. The company also allows each employee up to 24 hours of dedicated volunteer-time per year.

Nielsen’s program is an example of how a company can make work more meaningful, both through a craftsmanship orientation (i.e., how well the work has been done with existing skill sets) and through a serving orientation.

Source: Corporate Institute: A Points of Light Enterprise, 2015
Assess Your Program
There are a number of existing scales and indices you can use as inspiration. For instance, the “Work as Meaning Inventory” (see Figure 1.3) posits three facets of meaningful work: “positive meaning,” “meaning making through work,” and “greater-good.” Each facet includes statements that provide detail for each meaning type.

FIGURE 1.3. THE WORK AS MEANING INVENTORY (WAMI)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• I have found a meaningful career.</td>
<td>• I view my work as contributing to my personal growth</td>
<td>• My work really makes no difference to the world. (Reversed)</td>
</tr>
<tr>
<td>• I understand how my work contributes to my life’s meaning.</td>
<td>• My work helps me better understand myself.</td>
<td>• I know my work makes a positive difference in the world.</td>
</tr>
<tr>
<td>• I have a good sense of what makes my job meaningful.</td>
<td>• My work helps me make sense of the world around me.</td>
<td>• The work I do serves a greater purpose.</td>
</tr>
</tbody>
</table>

Source: Adapted from Steger, Dik, and Buffy, 2012

You can adapt data from existing inventories to create before and after surveys that will help you measure employee perspectives with regard to their current jobs or new initiatives you’ve launched. Alternatively, you can model questions in your existing annual employee surveys on elements of the inventory.

Troubleshoot Your Program
If current efforts to foster opportunities for meaningful work appear to be falling flat, you may need to dig a bit deeper into whether the focus of a particular initiative is appropriate to the group or occupation. Consider your survey results (or other assessment information) relative to the importance of each type of meaningful work and the possibility of each type across occupations.
WORKSHEET
EVALUATE MEANINGFUL WORK FOR YOUR EMPLOYEES

Use this flowchart (Figure 1.4) to integrate meaningful work analyses in career development plans. Keep aggregate records about the possible outcomes for employees, by job type and age. This flowchart provides four possible outcomes or next steps at the conclusion of the evaluation:

(a) Consider focusing on a different aspect of meaningful work (e.g., greater-good motivations) as ways to continue to engage and retain the group you are serving.
(b) Consider focusing on other dimensions of quality of employment.
(c) Consider adjustments to the current job that help employees find meaning in work.
(d) Consider a different, parallel occupation.

High rates of (c) and (d) might indicate systemic problems within certain occupations or departments.

While the chart uses “positive meaning” in demonstrating the steps, it can be adapted to other aspects of meaningful work, such as greater-good motivation. You can also incorporate a stripped-down version of these questions in your periodic employee review processes.

FIGURE 1.4. TROUBLESHOOTING: THREE ASPECTS OF MEANINGFULNESS
ENDNOTES


Companies around the world say that providing programs for a multigenerational workforce is the weakest point in their efforts to create an inclusive workplace.

Chapter 2: Culture of Respect, Inclusion, and Equity

The landscape of diversity theory is continuously evolving. At times, it may seem like the thought leaders keep moving the goal posts. However, it is now common belief that creating a culture of diversity requires more than simply the collection of a diverse workforce; it requires a deeper overall cultivation of respect, inclusion, and equity in the workplace. It also means paying attention to the inclusion and equitable treatment of workers, regardless of their ethnicity and race, global culture, and—increasingly—age. Companies around the world say that providing programs for a multigenerational workforce is the weakest point in their efforts to create an inclusive workplace (Figure 2.1), lagging behind their inclusion efforts focusing on gender, sexual orientation, and global diversity.

Figure 2.1. Diversity and Inclusion Challenges

| Create a culture of inclusiveness and respect for individuals | 58 | 34 | 9 |
| Clearly defining what diversity and inclusion means to our organization | 56 | 39 | 9 |
| Focusing on gender and sexual orientation | 47 | 36 | 17 |
| Providing formal programs to build inclusive environment | 46 | 44 | 10 |
| Focusing on global cultural diversity | 41 | 46 | 13 |
| Supporting new family models in workforce | 37 | 38 | 24 |
| Providing programs for your, old, and multigenerational workforce | 31 | 46 | 23 |

Source: Adapted from Deloitte Consulting LLP and Bersin by Deloitte, 2014

Diversity and inclusion (D&I) programs designed to address age diversity fall into two general categories: those that address specific age groups that are vulnerable in a particular area of quality of employment, and those that help build connections between and across employees of different age groups, career stages, and generations. Table 2.1 provides examples of each of these.
TABLE 2.1. EXAMPLES OF AGE-RELATED D&I

<table>
<thead>
<tr>
<th>Builds Inclusion By...</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs specific to one age group</td>
<td>Leadership Perspectives</td>
</tr>
<tr>
<td>Addressing specific age groups with vulnerability in a certain area</td>
<td>Company: Wells Fargo</td>
</tr>
<tr>
<td></td>
<td>Industry: Financial services</td>
</tr>
<tr>
<td></td>
<td>Workforce: Large (500+ employees)</td>
</tr>
<tr>
<td></td>
<td>Wells Fargo partnered with St. Catherine University to offer Leadership Perspectives, a course that was part of Wells Fargo’s efforts to increase the professional growth of mid-career team members specifically. Through the course, participants examined different components of leadership, practiced and enhanced leadership skills, and explored effective leadership models, in relation to the skills that Wells Fargo most values. They received academic credit from St. Catherine University and reimbursement through Wells Fargo’s tuition reimbursement program. Participants reported high satisfaction and much learning from the program, although formal evaluations were not conducted.</td>
</tr>
<tr>
<td>Cross-generational programs</td>
<td>Cross-generational networking</td>
</tr>
<tr>
<td>Growing connections between age groups</td>
<td>Company: Mitre</td>
</tr>
<tr>
<td></td>
<td>Industry: Professional, scientific, and technical services</td>
</tr>
<tr>
<td></td>
<td>Workforce: Large (500+ employees)</td>
</tr>
<tr>
<td></td>
<td>Mitre’s cross-generational networking circles involved monthly lunch meetings of 8–10 employees. In these meetings, employees discussed topics of cross-generational interest. The branding of the program around the concept of networking ensured that members knew they were on equal footing, regardless of generation. The outcomes of the networking circle were tangible; in one case, for example, an employee received advice from a fellow networking circle member that helped him obtain funding for a new project.</td>
</tr>
</tbody>
</table>

Source: Center on Aging and Work at Boston College, Innovative Practices Database

WHY SHOULD WE CARE?

The Business Case

For years, organizations have acknowledged the business case for diversity. Having a more inclusive workplace makes sense, because it stimulates innovative thinking and allows employers to tap into a bigger pool of potential talent. But employers are increasingly aware that diversity is not a “set it and forget it” strategy, particularly when the work is:

- **Uncertain.** People with a preference for working with others of the same age are more likely to see their day-to-day work as uncertain, and those who see their work as uncertain are more likely to perceive conflict with and among their colleagues.¹

- **Socially complex.** Team building in socially complex situations, including situations in which people of different generations work together, should center on building trust, through activities such as psychological safety and perspective taking.²

- **Functionally complex.** Turnover is higher in teams handling complex tasks when the...
Turnover is higher in teams handling complex tasks when the age composition is relatively homogenous. A better distribution of ages helps reduce turnover in these cases, but doesn’t significantly impact teams handling simple or routine jobs.\(^5\)

**GENERATIONAL CHECK-IN**

Inclusion and diversity can be difficult to nurture and measure when it comes to age, because disadvantage—both in terms of stereotypes and of practices—runs both ways (Figure 2.2). Combatting age-related stereotypes often requires a nuanced approach. For instance, employers might find themselves attempting to make hiring practices for younger workers equitable while also addressing issues with training practices for older workers.

**FIGURE 2.2. DISADVANTAGE: YOUNGER VERSUS OLDER WORKERS.**

Sources: McNamara, Pitt-Catsouphes, Sarkisian, Besen, and Kidahashi, 2016\(^6\); Abel, Deitz, and Su, 2016\(^7\); McNamara, Parry-Lea, and Pitt-Catsouphes, 2012\(^8\).

- Younger workers are often viewed as less reliable than older workers.\(^6\)
- Older workers are often viewed as less willing to change.\(^6\)
- Younger workers can find it hard to get good jobs and many new college graduates work in jobs far beneath their educational credentials.\(^7\)
- Older workers are often less likely to receive training, because employers often think there is less pay-off to training older workers.\(^8\)
MOVING FORWARD
A culture of respect, inclusion, and equity can be difficult to build, because the most effective strategies bring together both types of programs shown in Table 2.1.

Build Your Program
Inclusion strategies that focus on equitable treatment of demographic groups (e.g., older workers and training) are difficult for many employers to manage, because of the large number of programs this entails. To tailor programs to specific generations, consider partnering with other organizations (see “From Inspiration to Implementation: Fidelity’s Staffing Model” for a good example of how to do this).

Assess Your Program
Even though it is now accepted wisdom that organizations should be diverse and inclusive, how do you know your programs are working as intended? A good way to assess the effects of your D&I efforts is to evaluate them through the lenses of the following three elements, as proposed by Boehm and Dwertmann:

• Leadership (including leader-member exchange) and transformational leadership
• Organizational climate, including diversity climate, climate for inclusion, and age-diversity climate
• HR practices, including diversity-related HR practices and age-specific/age-inclusive HR practices

See the assessment worksheet in this chapter for a template that will help you get started.
FROM INSPIRATION TO IMPLEMENTATION: 
FIDELITY’S STAFFING MODEL—INCLUSION WITHOUT AN INCLUSION PROGRAM

A culture of respect, inclusion, and equity is best understood as a part of the foundation for developing policies and practices, rather than a specific set of policies and practices in and of themselves.

For instance, consider Fidelity’s call-center staffing approach. As a large financial services firm, Fidelity offers a wide range of products that appeal to different customer segments. As their customer base aged, the company realized that the nerve center of its customer service operations—the call center—was staffed almost entirely by college hires. Additionally, the company struggled with higher-than-usual call volumes during peak hours, making predictable staffing a problem. So it created a new staffing model, hiring part-time workers to better cover peak hours in the retirement services call center. Key features of this program were:

• **A response to fluctuations in demand:** The call centers had experienced increasing demand for advice about financial and retirement planning, because Fidelity’s customer base was aging. Most of these customers called in during peak hours that did not correspond well to typical working hours. Hiring part-time workers to cover four-hour shifts during peak hours made business sense from the perspective of payroll costs.

• **A response to age inclusion issues:** Fidelity’s call center had previously hired new college graduates almost exclusively. With the new staffing model, only 25% of the new part-time hires were college hires. The remaining 75% were people across generations (e.g., students, caregivers), which made sense from a customer service perspective. However, the initiative also created an age-inclusive environment that allowed for knowledge sharing across generations.

The policy itself is a recruitment and staffing policy, but the frame of reference relates directly to issues of age inclusion. Fidelity’s program is an example of how to build inclusion without having specific “inclusion” programs.

Source: Center on Aging & Work Innovative Practices Database
**WORKSHEET**

**COMPARE FACETS OF A CULTURE OF RESPECT, INCLUSION, AND EQUITY**

Use this worksheet to evaluate the strengths and weaknesses in different facets of your age-specific diversity and inclusion initiatives. A maximum score of 3 is possible for each facet. The lowest scores represent areas of potential weakness in your programs.

In addition to administering this survey to your employees, consider asking several members of your HR staff to fill out this worksheet separately, and then use the worksheet answers as a jumping-off point for discussion. Do your HR staff members agree on each of the facets? If not, why?

<table>
<thead>
<tr>
<th>LEADERSHIP</th>
<th>CHECK IF YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the past two years, has your company’s/organization’s top leader (CEO or president) strongly communicated the importance of age diversity, inclusion, and equity to members of your organization?</td>
<td></td>
</tr>
<tr>
<td>Does your company provide supervisor training for managing a multigenerational work team?</td>
<td></td>
</tr>
<tr>
<td>Does your company provide supervisor training for providing career advice to employees at different stages of their careers?</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL LEADERSHIP SCORE. AWARD 1 POINT PER “YES”**

<table>
<thead>
<tr>
<th>ORGANIZATIONAL CLIMATE</th>
<th>CHECK IF YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the culture of your organization emphasize equity between and inclusion of employees of different age groups?</td>
<td></td>
</tr>
<tr>
<td>Does the culture of your organization emphasize equity between and inclusion of employees of different career stages?</td>
<td></td>
</tr>
<tr>
<td>Does the culture of your organization emphasize equity between and inclusion of employees of different generations?</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL ORGANIZATIONAL CLIMATE SCORE. AWARD 1 POINT PER “YES”**

<table>
<thead>
<tr>
<th>HR PRACTICES</th>
<th>CHECK IF YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does your organization make job assignments fairly, based on competencies, regardless of employees’ career stage?</td>
<td></td>
</tr>
<tr>
<td>Does your organization provide opportunities for development in an evenhanded manner, regardless of employees’ career stage?</td>
<td></td>
</tr>
<tr>
<td>Does your organization make decisions about layoffs in an evenhanded manner, regardless of employees’ career stage?</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL HR PRACTICES SCORE. AWARD 1 POINT PER “YES”**
Troubleshoot Your Program

To troubleshoot your strategy for a culture of respect, inclusion, and equity, ensure that:

• **Your organization both “talks the talk” and “walks the walk”:** Research shows that stated age-diversity practices encourage potential applicants to expect less age discrimination, but “talking the talk” of age diversity is not the only factor. The actual age diversity of the organization has separate positive effects. Potential applicants who see more actual age diversity in an organization are not only less likely to expect age discrimination but also less likely to perceive it in the workplace.¹⁰

• **Your organization has a two-part strategy.** A successful strategy takes a two-pronged approach: equitable treatment of all age groups across multiple dimensions of quality of employment; and programs to help build cohesiveness, trust, and connection across employees of different ages. This approach of addressing age-specific inequities while building connections across age groups fosters a culture in which the benefits of your (already) multigenerational workforce can be best unleashed.

ENDNOTES


CHAPTER 3: EMPLOYMENT SECURITY AND PREDICTABILITY

Lifetime employment with a single organization is a thing of the past. Most employers are not in a position to offer true job security, and employees cannot realistically expect it in all but a few careers. Although not all or even most workers had true job security in the past, the ideal of lifetime employment was, for a long time, the linchpin of the psychological contract, the unspoken agreement between employers and employees.\(^1\) Employees implicitly agreed to go above and beyond—to dedicate themselves to the organization’s success—while employers implicitly agreed to provide secure employment for the long-term.

As shown in Figure 3.1, going above and beyond—shorthand for employee engagement and commitment—is still among the most critical work-life issues facing employers. But when organizations can no longer offer lifetime employment, what is the employer’s side of the bargain that prompts employees to invest in the company’s long-term success?

**FIGURE 3.1. WORK-LIFE ISSUES FACING ORGANIZATIONS, AS RATED BY EMPLOYERS**

<table>
<thead>
<tr>
<th>Workload</th>
<th>Stress and burnout</th>
<th>Employee engagement/commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>35</td>
<td>33</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: WFD Consulting and Alliance for Work-Life Progress, 2010\(^2\)

Employment security means the ability to stay in the workforce, to continue in or gain employment as best befits a person’s career goals and needs. Employment predictability means that employees know what to expect in the context of their jobs. This new version of the social compact between employers and their employees has at least three facets: a commitment to training and development; the provision of stable, predictable work as far as is possible; and the fostering of trust through appropriate transparency. The provision of stable, predictable work in particular is a foundational element of high-quality employment, as it enables employees to arrange regular childcare or eldercare, or to improve their career options by attending classes to acquire new skills. The number of states and localities enacting predictive scheduling laws is increasing, but that doesn’t mean you have to wait for legislation to be passed to adopt similar policies. Table 3.1 shows examples of these three elements in practice.

Although not all or even most workers had true job security in the past, the ideal of lifetime employment was, for a long time, the linchpin of the psychological contract between employees and employers.
### TABLE 3.1. EXAMPLES OF EMPLOYMENT SECURITY AND PREDICTABILITY

<table>
<thead>
<tr>
<th>TRAINING AND DEVELOPMENT</th>
<th>EXAMPLES</th>
</tr>
</thead>
</table>
| Helping employees build the skills to be successful in current and future positions | **Professionals Engagement**  
Company: Sodexo  
Industry: Business services  
Workforce: Large (500+ employees)  
Sodexo faced a common problem in the business services industry: how to give nonexempt professionals, such as administrators and technical support employees, the opportunity to grow their skill sets and advance in their careers. Major tools in the program were a web-based platform that allowed participants to identify mentoring partners and a virtual community to facilitate peer learning. The program was particularly popular among Boomers, many of whom were interested in exploring a transition to management.3 |

<table>
<thead>
<tr>
<th>PREDICTABILITY AND STABILITY</th>
<th>EXAMPLES</th>
</tr>
</thead>
</table>
| Helping employees know what they can and cannot expect of their jobs and their employers | **Retirement Services Staffing Model**  
Company: Fidelity  
Industry: Finance and insurance  
Size: Large (500+)  
Financial services call centers experience high call volume during peak hours. In worst case scenarios, this often means that employees are subject to volatile or uncertain schedules during these times. Fidelity found a creative way to address this problem, hiring part-time staff to work 4-hour shifts. Most of these new hires wanted to work part-time, because of other commitments, such as caregiving. This allowed the call centers to cover peak hours adequately, without interfering with the stability of full-time employees’ schedules. While both younger and older applicants were hired, Fidelity paid particular attention to sourcing older workers, caregivers, or those looking for supplemental income.3 |

<table>
<thead>
<tr>
<th>TRUST AND TRANSPARENCY</th>
<th>EXAMPLES</th>
</tr>
</thead>
</table>
| Helping employees to trust their employers | **Trust and Transparency**  
Company: Whole Foods Market  
Industry: Retail  
Size: Large (500+)  
Trust and transparency is often viewed as a corporate value or part of a company’s DNA, rather than as a single program or policy. John Mackey, former CEO of Whole Foods Market, has written about the importance of creating a high-trust organization, as well as the elements of the strategy that Whole Foods devised to accomplish this. These elements were (1) using small teams to maximize trust through familiarity, which in turn helped increase collaboration throughout the enterprise; (2) empowering people to do their work in a way that contributed to the Whole Foods mission; (3) being transparent and authentic in communications with employees and shareholders, because authenticity breeds trust; and (4) promoting a culture of “love-and-care,” in part by incorporating those values in promotion decisions, rather than relying simply on job performance.4 |
WHY SHOULD WE CARE?

The Business Case

Employment security and predictability build job satisfaction, engagement, and commitment. For instance, the 2017 SHRM Employee Satisfaction and Engagement survey listed the top five factors contributing to job satisfaction (Figure 3.2). Of these, two relate directly to employability and employment security:

- Trust between employees and senior management, which enables safety and predictability
- Among workers with caregiving responsibilities, employment security and predictability may mean flexible work options and predictable scheduling.

**FIGURE 3.2. TOP FIVE IMPORTANT FACTORS AFFECTING JOB SATISFACTION**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Very Important</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respectful treatment of all employees at all levels</td>
<td>38%</td>
<td>65%</td>
</tr>
<tr>
<td>Compensation/pay, overall</td>
<td>26%</td>
<td>61%</td>
</tr>
<tr>
<td>Trust between employees and senior management</td>
<td>33%</td>
<td>61%</td>
</tr>
<tr>
<td>Job security</td>
<td>36%</td>
<td>58%</td>
</tr>
<tr>
<td>Opportunities to use your skills and abilities in your work</td>
<td>44%</td>
<td>56%</td>
</tr>
</tbody>
</table>

Source: Employee Job Satisfaction and Engagement (SHRM, 2017)^5

The other three components relate indirectly to employment security and predictability (e.g., opportunities to use skills and abilities relate to training and development).

**GENERATIONAL CHECK-IN**

Recent surveys indicate that different generations are approximately equal in how much they believe their employers value them. For instance, one 2016 American Psychological Association survey found that 52% of Boomers and Gen Xers and 56% of Millennials felt valued by their organization. However, the policies that best promote employment security and predictability can change over time, as well as with life stage, career stage, and generation. For instance:

- Among older workers, employment security and predictability may tie in to options for continued work and retirement.
  - Among workers with caregiving responsibilities, employment security and predictability may mean flexible work options.
Employment security and predictability build job satisfaction, engagement, and commitment.

MOVING FORWARD
Employment security and predictability can draw on a wide range of existing programs, such as training and development, options for continued work and retirement, and flexible work options, but include additional elements, such as trust and transparency.

Build Your Program
To build employment security and predictability programs, start by looking for “overlooked” groups of workers in your organization. For example in From Inspiration to Implementation: Sodexo and the Non-Exempt Worker Challenge, Sodexo focused on nonexempt employees, such as non-exempt support staff, for a training and development program that combined informal mentoring and peer learning. Another overlooked group might be, for instance, employees with eldercare responsibilities.
FROM INSPIRATION TO IMPLEMENTATION: SODEXO AND THE NONEXEMPT WORKER CHALLENGE

Sodexo tackled a challenge that is familiar to many employers. Its exempt workers had clear pathways to advance in the company and held educational degrees that could help them land new jobs, if needed. For them, building employability and employment security turned on enhancing predictability and stability and building trust and transparency.

But what about non-exempt employees, such as administrative support personnel? How can organizations address training and development issues for employees for whom career advancement is less clear?

Led by a small task force (12 members), Sodexo created a professional development program for nonexempt workers. It enrolled about 1,200 participants, who chose to build specific skills and competencies. Major elements of the program were:

- **General skills**: Participants focused on general (i.e., transferrable) skills, such as project management and communications, which were related to overall professional development.
- **Mentoring**: Participants selected mentors using a web-based platform that increased the pool of available mentors by negating the need to be located in the same office.
- **Peer learning**: Participants had access to a virtual community to facilitate peer learning, which is particularly helpful when training is conducted online.

Satisfaction with the program was high, with participants citing factors related to the following:

- **The psychological contract**: The program demonstrated that Sodexo cared about the professional development of nonexempt employees. Participants felt they were given a voice for the first time in terms of their career paths.
- **Training and development**: Participants recognized that career advancement was possible for nonexempt employees.
- **Engagement**: Participants reported higher levels of engagement and empowerment.

The program was particularly popular among Boomers, many of whom were interested in exploring a transition to management.

Source: Center on Aging and Work Innovative Practices Database³
Assess Your Program

One challenge implicit in the assessment of employment security and predictability is that each organization needs to select a unique mix of ways to approach this issue (see Figure 3.3).

**FIGURE 3.3. COMPONENTS OF EMPLOYMENT SECURITY AND PREDICTABILITY**

<table>
<thead>
<tr>
<th>TRAINING AND DEVELOPMENT</th>
<th>PREDICTABILITY AND STABILITY</th>
<th>TRUST AND TRANSPARENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Low:</strong> Training in specific skills related to the job and current organization</td>
<td><strong>Low:</strong> Predictability pay or reporting time pay</td>
<td><strong>Low:</strong> Access to basic information on key developments</td>
</tr>
<tr>
<td><strong>High:</strong> Training in general skills that would help employees advance with current or future employers</td>
<td><strong>High:</strong> Incorporating additional predictability through flexible work arrangements or other mechanisms</td>
<td><strong>High:</strong> Complete transparency in decision-making processes</td>
</tr>
</tbody>
</table>

To tackle the goal of providing employment security and predictability, your approach should ideally incorporate each of these elements:

- **Training and development opportunities** that help employees to secure and succeed, either their current jobs (specific skills) or in the future (general skills, as in the Sodexo example, Table 3.1)

- **Predictability and stability measures** that ensure employees have some stability in their current jobs, either through compensation (additional pay when scheduling changes are required on short notice) or through more systemic changes (flexible work arrangements, as in the Fidelity example, Table 3.1)

- **Trust and transparency**, either through access to information on key developments only (intranet announcements, etc.) or through complete transparency of decision-making processes (e.g., decisions on impending layoffs).

All three components should be present, but not all of them must be at “high” levels. For instance, in some large companies, total transparency (blow-by-blow accounts of all decision-making processes) could be less useful than periodic updates, while in others (e.g., retail), predictability pay might be the more pressing issue.
EVALUATING EMPLOYMENT SECURITY AND PREDICTABILITY, BY CAREER STAGE, LIFE STAGE, AND GENERATION

Use this worksheet with your HR staff or employee focus groups to evaluate whether your measures for employment security and predictability work equally well across career stages, life stages, and generations. You can use Table 3.2 to generate discussion topics. For instance, for trust and transparency, Table 3.2 indicates that “Mid- and late-career workers may feel that they have greater input and information about their workplace than early-career workers do.” Ask the following questions:

- Is this true of our company? If not, what is the vulnerable career stage?
- How can we build trust and transparency for all career stages, while paying attention to specific career stages?

<table>
<thead>
<tr>
<th></th>
<th>BY CAREER STAGE</th>
<th>BY LIFE STAGE</th>
<th>BY GENERATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security and predictability</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust and transparency</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Troubleshoot Your Program

To troubleshoot your program, consider the role of career stage, life stage, and generation in the area of employment security and predictability. Table 3.2 shows key considerations.

### Table 3.2. Considerations in Troubleshooting Your Programs

<table>
<thead>
<tr>
<th>BY CAREER STAGE</th>
<th>BY LIFE STAGE</th>
<th>BY GENERATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Training and development</strong></td>
<td>Late-career workers have already learned the basic skills needed for their careers and may need to focus on learning specific or new skills, to expand their repertoire.</td>
<td>Training in areas such as time management or access to employee assistance programs can also help to address work-life balance issues, particularly for employees with high family demands (young children, eldercare).</td>
</tr>
<tr>
<td><strong>Security and predictability</strong></td>
<td>For early-career workers, this can mean helping them develop the skills and competencies to launch their careers.</td>
<td>For late-career workers, options for continued work and retirement are an important component of predictability of future income streams.</td>
</tr>
<tr>
<td><strong>Trust and transparency</strong></td>
<td>Mid- and late-career workers may feel that they have greater input and information about their workplace than early-career workers do, because of their positions in the organizational hierarchy. Make sure that whatever transparency you provide is available to all, or that there are ways for the information to flow through the organization.</td>
<td>A culture of trust is particularly important for workers with family responsibilities, who may feel there is a stigma attached to using work-life options provided by the company.</td>
</tr>
</tbody>
</table>
ENDNOTES


THE FRAME

Recruitment Practices
Compensation and Benefits
Training and Development
Assessment Practices
Both internal and external recruiting strategies have strengths and weaknesses, and depend on other HR functions to work well.

Because of skill and competency shortages, HR managers often find themselves trying to balance internal and external recruiting strategies. Both have strengths and weaknesses, and depend on other HR functions to work well (see Table 4.1 and Table 4.2 for examples).

**TABLE 4.1. INTERNAL VERSUS EXTERNAL RECRUITMENT**

<table>
<thead>
<tr>
<th>INTERNAL</th>
<th>EXTERNAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td>Candidates tend to perform better at the outset.²</td>
</tr>
<tr>
<td><strong>Associated HR enablers</strong></td>
<td>General training: To compensate for lack of specific experience in the new job, organizations may need to provide additional training.³</td>
</tr>
</tbody>
</table>
### TABLE 4.2. EXAMPLES OF RECRUITMENT PRACTICES

<table>
<thead>
<tr>
<th>TYPE OF PRACTICES</th>
<th>HIRING...</th>
<th>SOME EXAMPLES OF RECRUITMENT PRACTICES</th>
</tr>
</thead>
</table>
| Internal practices | From within the organization | GenNext  
Organization: Dell  
Industry: Professional, scientific, and technical  
Size: Large (500+ employees)  
Internal recruitment sometimes starts with an emphasis on professional development among employees who might later move into leadership roles. For instance, Dell’s resource group GenNext aims to ensure that young professionals have a voice in business planning and a supportive workplace culture. This resource group includes speed networking and professional development activities aimed at professionals under the age of 30. Additionally, top management takes particular interest in the employee resource group as a business resource, using it as a testing ground for new products and social media tools.5 |
| External practices | From outside the organization | Caregiver recruitment and retention strategies  
Organization: Renewal Care Partners  
Industry: Health care and social assistance  
Size: Medium (100+ employees)  
To stem turnover within caregiving, occupational fit is key. In an attempt to source new populations of caregivers, Renewal Care Partners relies on community partnerships with organizations that serve older adults (e.g., senior centers). These community organizations, by increasing the available pool of older workers, allow Renewal Care to better match caregivers with care partners in terms of interests and background.6 For more information, see “From Inspiration to Implementation: Two Programs, Two Generations, One Strategy.”6 |
WHY SHOULD WE CARE?
The Business Case
Recruitment is critical to maintaining an effective workforce, and employers devote a lot of time and resources to recruitment strategies. For instance, in the 2015 Talent Management Study by the Boston College Center on Aging & Work, the estimated extent of effort spent on recruitment practices by employer respondents was greater than the scope for any other dimension in the creation of high-quality jobs (Figure 4.2).

FIGURE 4.2. SCOPE OF EFFORT SPENT ON RECRUITMENT PRACTICES

![Graph showing the scope of effort spent on recruitment practices](source: Center on Aging & Work at Boston College)

GENERATIONAL CHECK-IN
Building a multigenerational workforce can help address some of the existing pain points both in sourcing and hiring the right candidates.

- **Recruitment**: Changing technology and the evolving expectations of an organization’s customer base are among the biggest reasons for the continuing gap between applicant skills or characteristics and recruiter expectations. One tactic for addressing this is to balance hires across multiple generations, when possible. This alone won’t address the skills shortage, but it can create opportunities for cross-pollination of skills among younger and older workers. For example, a younger worker may have ideas for a new product or process, but could benefit from a veteran who knows how to bring ideas to fruition.

- **Selection**: A focus on lifestyle factors in interviews can prove to be a hiring problem in the multigenerational workforce. As one study of elite firm recruitment practices put it, “In essence, firms [seek] surface-level (i.e., demographic) diversity in applicant pools but deep-level (i.e., cultural) homogeneity in new hires.” Using lifestyle characteristics (such as what leisure activities a person enjoys) to identify candidates can lead to unintentional discrimination, because certain groups of applicants (e.g., age groups) are more or less likely to have certain lifestyle characteristics. Provide a clear set of guidelines for one-on-one interviews that minimize the role of lifestyle factors in determining cultural fit.
MOVING FORWARD
Below, we offer some tips on building, assessing, and troubleshooting your recruitment programs.

Build Your Program
One recruitment strategy is to leverage partnerships with local organizations. This can work at all points on the age spectrum, as shown in “From Inspiration to Implementation: Two Programs, Two Generations, One Strategy.” The advantage of working with external organizations to recruit candidates is that you can leverage their expertise to fill the gaps in your existing recruitment efforts. Also, working with local organizations strengthens community ties and increases your organization’s visibility in the region. Be sure to find out how strong their expressed affiliation is with the group you’re trying to recruit, and how deep their expertise actually is, in order to increase the likelihood of attracting viable candidates.

Assess Your Program
What happens if you want to recruit workers of diverse ages, but most of the applicants you are seeing come from one age group? This can occur in certain industries, particularly those which, by their nature, attract younger or older applicants, but it can also happen if your recruitment methods are geared to a particular demographic. An evaluation of which recruitment methods are best for attracting early-career, mid-career, and late-career workers to your applicant pools can help you determine whether you need to diversify your recruitment methods (e.g., greater emphasis on diversity job boards or social media) to achieve a better balance.

The following worksheet provides a simple way to assess the efficacy of your current recruiting practices at attracting candidates across the age and career spectrum.
### WORKSHEET

**COMPARE YOUR RECRUITMENT PRACTICES BY CAREER STAGE**

First, check off the methods that your company uses for recruitment. Second, for those methods that your company uses, check the career stages of the workers most often recruited in applicant pools using this method. For instance, for internal advertisements, you may find yourself mostly recruiting mid-career workers. If the method draws two or more career stages fairly equally, check all relevant boxes.* Finally, calculate your totals (one point per checkmark) to find out whether you have career stage gaps in your recruitment practices.

#### EXTERNAL RECRUITMENT

<table>
<thead>
<tr>
<th>Method used?</th>
<th>Career stage</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee referral</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Employment, temporary, search agencies</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Government programs</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Networking</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Newspaper or internet advertisements</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>On-site recruitment at job fairs, etc.</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Social media</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
</tbody>
</table>

Total (external scores—award 1 point per checkmark) __ __ __

Award 1 point per checkmark

#### INTERNAL RECRUITMENT

<table>
<thead>
<tr>
<th>Method used?</th>
<th>Career stage</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal advertisements of positions</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Promotions to higher/different positions</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
<tr>
<td>Redeploying older staff to new positions</td>
<td>Yes/No</td>
<td>Early</td>
<td>Mid</td>
<td>Late</td>
</tr>
</tbody>
</table>

Total (internal scores—award 1 point per checkmark) __ __ __

Total scores (Sum of external + internal):*

Early-career stage ____  Mid-career stage ____  Late-career stage ____

*Note: You can also use percentages and average them, but these might not be easily obtainable.
FROM INSPIRATION TO IMPLEMENTATION:
TWO PROGRAMS, TWO GENERATIONS, ONE STRATEGY

One recruitment strategy is to work with local organizations to find talent, using their memberships and infrastructure to jumpstart your recruitment efforts.

Local organizations such as workforce development boards, educational institutions, and community organizations are often willing to partner on initiatives, especially when the common goal is to get people working. Connecting at a local level is helpful, because the unique elements or challenges inherent in your industry or location are usually common knowledge (and therefore common ground). Start by identifying stakeholders in the area that have access to populations of potential workers and an interest in helping them succeed.

These organizations typically have infrastructure available to help with recruitment, either directly, as in Program 1, or indirectly through training, as in Program 2 (see below).

PROGRAM 1: OLDER ADULTS
Renewal Care Partners, a which provides home health services, faced a common problem in that industry: high turnover. Thinking about the problem creatively, it decided to test an approach that older care workers would be better at forming relationships with their clients than would younger workers. It then partnered with multiple older adult-focused organizations, such as SAGE, the Actors Fund, and others, in order to source such candidates. The company's approach turned out to be effective: this deliberate strategy resulted in the lowest turnover rates in the sector, as well as a highly invested workforce.

PROGRAM 2: YOUNGER ADULTS
Grove Medical, a logistics and distribution company for medical supplies, worked with a regional career center advisory board and the Greenville county school system to build models of their logistics, transportation, and distribution sites in three of the four career centers in the school district. This increased opportunities for new workforce entrants to gain the exact skills that Grove Medical was looking for in job candidates. Rather than seeking to solve the recruiting challenge solely at a national scale, Grove Medical stayed close to home to build a tailored solution that was a win-win for all members of the partnership.

Source: Center on Aging and Work Innovative Practices Database
To troubleshoot recruitment practices, you may need to look beyond recruitment, paying particular attention to flexible work arrangements, compensation, and training.

TABLE 4.3. HIRING PRACTICES, BY USE AND BY EFFECTIVENESS

<table>
<thead>
<tr>
<th>Low use (&lt;35%)</th>
<th>High use (35%+)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High effectiveness (35%+)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Hiring-specific</strong></td>
<td><strong>Hiring-specific</strong></td>
</tr>
<tr>
<td>Using/enhancing employee referral programs</td>
<td>Targeting passive job seekers</td>
</tr>
<tr>
<td>Expanding advertising efforts</td>
<td>Using a recruitment agency</td>
</tr>
<tr>
<td>Leveraging social media</td>
<td></td>
</tr>
<tr>
<td>Not hiring-specific</td>
<td>Not hiring-specific</td>
</tr>
<tr>
<td>Offering more flexible work arrangements</td>
<td>Improving compensation</td>
</tr>
<tr>
<td></td>
<td>Training existing employees to take on hard-to-fill positions</td>
</tr>
<tr>
<td><strong>Low effectiveness (35%+)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Hiring-specific</strong></td>
<td><strong>Hiring-specific</strong></td>
</tr>
<tr>
<td>Seeking talent from nontraditional sources</td>
<td>Collaborating with educational institutions</td>
</tr>
<tr>
<td>Providing monetary incentives to candidates</td>
<td></td>
</tr>
<tr>
<td>Expanding the geographic search region</td>
<td></td>
</tr>
<tr>
<td>Not hiring-specific</td>
<td>Not-hiring-specific</td>
</tr>
<tr>
<td>Improving the benefits package</td>
<td>Expanding training programs to help improve skills of new hires</td>
</tr>
<tr>
<td></td>
<td>Increasing retention efforts</td>
</tr>
</tbody>
</table>

Source: Based on SHRM, 2016


Most human resource managers know that compensation and benefits are a key part not only of recruiting, but also of engaging and retaining top talent. It is not unusual for larger companies to have explicit compensation philosophies, and even small organizations have implicit guidelines on fair compensation. Despite this, organizations are less likely to recognize and accurately predict the shifts in compensation and benefits preferences attributable to the multigenerational workforce. Older workers place slightly more emphasis on benefits, and younger workers care slightly more about direct monetary compensation. However, the real differences tend to lie in the precise mix of benefits desired. As Figure 5.1 shows, when asked about health care (expanded health care, no premiums), Boomers placed more emphasis on this than do Millennials, whereas Millennials ranked tuition reimbursement far higher than other generations did. Many of these preferences reflect life-cycle changes combined with market conditions (such as the rising cost of higher education) rather than generational changes, but employers need to keep them in mind.

**FIGURE 5.1. PREFERRED BENEFIT, BY AGE (%)**

Older workers place slightly more emphasis on benefits, and younger workers care slightly more about direct monetary compensation.
Table 5.1 shows case studies in three benefit areas: financial benefits, nonmonetary resources for dependents, and leave and time off. Keep in mind that many other aspects of high-quality jobs depend on benefits such as pension plans and health insurance, but in this table we focus on benefits less commonly offered.

### Table 5.1. Examples of Types of Benefits

<table>
<thead>
<tr>
<th>TYPE OF BENEFITS</th>
<th>BENEFIT TYPE</th>
<th>EXAMPLES</th>
</tr>
</thead>
</table>
| **Financial benefits** | Direct financial benefits, bonuses, and accounts, excluding retirement accounts | Education assistance program  
Company: PepsiCo  
Industry: Beverages/food processing  
Workforce: Large (500+ employees)  
Since 2013, PepsiCo has moved from a traditional model of tuition reimbursement to a tuition assistance program, with help from EdAssist (a Bright Horizons work solution). Key differentiators of the program are harmonizing the program across divisions, increasing coverage of tuition, and—perhaps most important—providing well-developed program elements that give employees more navigational help than before. Employees in this program not only have the financial benefit (tuition reimbursement) but also help from advisors to determine the kind of degree and type of educational institution that make the most sense for their goals.² |

| **Supportive resources for dependents** | Benefits related to dependent care and other family issues | Eldercare benefits  
Company: Fannie Mae  
Industry: Financial services  
Workforce: Large (500+ employees)  
Fannie Mae partners with a nonprofit social service agency to provide eldercare benefits. The agency hires and oversees a social worker who provides on-site consultations for Fannie Mae employees. Because the agency already has deep expertise in eldercare, Fannie Mae does not need to build its own program from scratch. See “From Inspiration to Implementation: Corporate Partnership for Eldercare Benefits” for details.³ |

| **Leave and time off** | Leave and time off, typically paid, for family responsibilities, volunteering, etc. | Corporate social responsibility fellows program  
Company: Ernst and Young  
Industry: Professional services  
Workforce: Large (500+ employees)  
Partly modeled on a similar program at Pfizer, this program at Ernst & Young provides time off for skills-based volunteering. It sponsors fellows whose skills in accounting, auditing, and project management mirror the organizations’ core competencies. Ernst & Young deploys these fellows to work with small-to medium-sized entrepreneurial companies. Focusing on private-sector businesses in underserved areas of the Americas, the program promotes the idea that entrepreneurship can bolster regional economic development. To apply to be a fellow, an employee must be at the manager level or higher and have sufficient tenure at the company (averaging 5–7 years). To date, fellows have provided a wide range of services to such companies as a vegetable seed company (Chile), a dairy company (Nicaragua), and a software development company (Argentina).⁴ |
WHY SHOULD WE CARE?

The Business Case

There’s no question that benefits matter in recruitment, but they matter even more in the engagement and retention of employees. Often this is because employees, once hired, need time to experience the full impact of the benefits available, whether positive or negative. For example, Figure 5.2 shows that between 45% and 46% of employees consider health care and retiree medical benefits important to their decision to start working for their employer (recruitment), but even greater percentages say that benefits are important reasons to stay with their employer (retention). Note the additional number of employees who say this impacts retention: 16% more for retiree medical benefits, 9% more for health care benefits, and 12% more for retirement benefits.

**FIGURE 5.2. IMPORTANCE OF BENEFITS TO RECRUITMENT AND RETENTION (%)**

<table>
<thead>
<tr>
<th>Benefit Type</th>
<th>Recruitment</th>
<th>Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retiree medical</td>
<td>45</td>
<td>16</td>
</tr>
<tr>
<td>Health care</td>
<td>46</td>
<td>9</td>
</tr>
<tr>
<td>Retirement</td>
<td>35</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: Towers Watson, 2012

**GENERATIONAL CHECK-IN**

The types of benefits that workers want can differ by generation, as can their tendency to pay attention to the full range of options available.

- **Knowledge gaps.** In comparison with older generations, Millennials and Generation Xers are less likely to know what benefits their employers offer. For instance, according to the 2015 Health and Voluntary Workplace Benefits Survey, 29% of Millennials and 31% of Generation Xers did not know whether their employers offered critical illness insurance, whereas only 23% of Boomers were unaware.

- **Benefit types.** As the MassMutual data in Figure 5.1 show, younger workers tend to care most about benefits related to education, whereas older workers shift attention to benefits such as health care. This is likely to remain true as generations age, because these preferences relate to the life cycle (i.e., education expenses early in life) rather than to generational differences. However, these preferences can change; for instance, as the focus on up-skilling and lifelong learning increases, older and younger workers may come more into alignment on this benefit type.
From an operational standpoint, employers often are not in a position to offer employees exactly the benefits they want at a given life stage.

- **Choice and control.** As Figure 5.3 shows, younger workers are more likely to want employers to give them choice and control over their benefits. Keep in mind that, from an operational standpoint, employers often are not in a position to offer employees exactly the benefits they want at a given life stage. In addition, this approach may not always benefit the employees themselves. For example, substantial minorities of Millennials would rather just receive the part of their pay currently spent on benefits as cash. However, this could greatly weaken their participation in needed benefits such as pension programs.

**FIGURE 5.3. CHOICE AND CONTROL (%)**

Source: Fronstin & Helman, 2015

- Employer gives money to employee that is currently spent on benefits
  - Milenials: 19%
  - Generation X: 19%
  - Baby Boomers: 15%

- Employee chooses benefits and employer pays toward chosen benefits
  - Milenials: 42%
  - Generation X: 39%
  - Baby Boomers: 34%

- Employer chooses and pays for benefits
  - Milenials: 39%
  - Generation X: 42%
  - Baby Boomers: 51%

- Employer gives money to employee that is currently spent on benefits
  - Milenials: 24%
  - Generation X: 18%
  - Baby Boomers: 15%

- Employee chooses benefits and employer pays toward chosen benefits
  - Milenials: 45%
  - Generation X: 39%
  - Baby Boomers: 40%

- Employer chooses and pays for benefits
  - Milenials: 30%
  - Generation X: 43%
  - Baby Boomers: 45%

Preferences for non-health benefits
- Milenials
- Generation X
- Baby Boomers

Preferences for health insurance
- Milenials
- Generation X
- Baby Boomers

Source: Fronstin & Helman, 2015
**MOVING FORWARD**

Below, we offer advice on building, assessing, and troubleshooting compensation and benefits programs.

**Build Your Program**

Almost all organizations have some type of compensation or benefits plan in place. When building or enhancing your foundation, look for external expertise to boost programs you want to introduce but are unsure how to start. For instance, imagine a company that wants to introduce benefits to support working caregivers but that has no in-house experts on the topic. Although a home-grown program has appeal, turning to an external source of expertise to ramp up quickly and provide instant value can make sense. Fannie Mae’s eldercare benefits (Table 5.1) are a practical example of how a business partnership helped one company establish new benefits without building a program itself. For details, see “From Inspiration to Implementation: Corporate Partnership for Eldercare Benefits.”

When building or enhancing your foundation, look for external expertise to boost programs you want to introduce but are unsure how to start.
FROM INSPIRATION TO IMPLEMENTATION:  
CORPORATE PARTNERSHIP FOR ELDERCARE BENEFITS

Many organizations may want to provide eldercare benefits but are unsure how to start to educate their human resource management team and create home-grown resources.

Fannie Mae took an unusual approach to this problem, taking advantage of a corporate partnership with Iona Senior Services. A nonprofit service agency, Iona Senior Services, employed a licensed social worker to oversee a consultation service. Some advantages of this model were:

- **Professional independence**: The social worker was housed at Fannie Mae but reported to Iona, an independent organization, resulting in greater professional independence.
- **Confidentiality**: The senior services company owned all the files, providing an extra source of confidentiality.
- **Expertise**: The social worker and senior services firm had deep, existing expertise in eldercare.

Fannie Mae’s model is relatively unique in that they are large enough to employ a social worker who stays on-site. Smaller organizations can leverage connections with local offices on aging to get some of the same benefits. In particular, local experts may be willing to provide informational seminars or consultations.

*Source: ReAct, 2012*
Assess Your Program
Fairness and gap analysis are among the biggest considerations when assessing compensation and benefits. Make it fair. Policies involving compensation and benefits need to be fair and applied consistently across age groups. Unfair policies can even lead to charges under federal and state law.

• **Consider compression.** The longer people work at your company, the more likely it is that salary compression will be a problem. If raises have been low for several years, you may find that older workers with long tenures are not being paid much more than new hires.

• **Mind the gaps.** Among the most important gaps, eldercare benefits will become increasingly important. Joint research by AARP and the Northeast Business Group on Health (NEBGH) shows that eldercare and other caregiving benefits are increasingly important to employees—and not only for experienced workers. Nearly half of caregivers are under the age of 50. In general, you can identify gaps in your offerings worth focusing on through employee surveys and focus groups that help you pinpoint the most desired benefits. Figure 5.4 presents a comprehensive list of potential benefits to consider. (Note: This list does not encompass programs or resource groups that may count as benefits to your workforce.)

**FIGURE 5.4. COMPENSATION AND BENEFITS**

<table>
<thead>
<tr>
<th>Compensation</th>
<th>Health and wellness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merit-based pay reflecting individual accomplishments</td>
<td>Health insurance</td>
</tr>
<tr>
<td>Merit-based pay reflecting accomplishments of work group/team</td>
<td>Dental insurance</td>
</tr>
<tr>
<td>Annual bonuses</td>
<td>Insurance for eye care</td>
</tr>
<tr>
<td>Incentives, such as gifts</td>
<td>Long-term care insurance for employee</td>
</tr>
<tr>
<td>Profit-sharing schemes</td>
<td>Long-term care insurance for family members</td>
</tr>
<tr>
<td>Stock options</td>
<td>Exercise facilities on or near the work site</td>
</tr>
<tr>
<td>Time off</td>
<td>Health/medical care on or near site</td>
</tr>
<tr>
<td>Paid time off</td>
<td>Wellness programs</td>
</tr>
<tr>
<td>Paid sick days</td>
<td>Other</td>
</tr>
<tr>
<td>Paid sick days when a member of employee’s family is sick (caring leave)</td>
<td>Financial assistance or support for dependent care</td>
</tr>
<tr>
<td>Paid medical leave when employee needs extensive care</td>
<td>Financial assistance for education, including tuition assistance and student loan repayment</td>
</tr>
<tr>
<td>Paid medical leave when a member of employee’s family is sick and needs extensive care</td>
<td>Housing benefits</td>
</tr>
<tr>
<td>Paid parental leave</td>
<td>Plans for private retirement investments and savings (401K, etc.)</td>
</tr>
<tr>
<td>Paid federal or state holidays</td>
<td>Pensions</td>
</tr>
<tr>
<td>Short-term disability</td>
<td>Life insurance</td>
</tr>
<tr>
<td>Long-term disability</td>
<td>Employee assistance programs</td>
</tr>
<tr>
<td>Caregiving benefits</td>
<td>Caregiving benefits</td>
</tr>
</tbody>
</table>

Policies involving compensation and benefits need to be fair and applied consistently across age groups.
**CHECKLIST:** COMPARE YOUR COMPENSATION AND BENEFITS TO THOSE OF YOUR DIRECT COMPETITORS

*Choose 2 direct competitors for talent to evaluate your strengths and weaknesses. Award 1 point per checkmark.*

<table>
<thead>
<tr>
<th></th>
<th>Your organization</th>
<th>Your competitor #1</th>
<th>Your competitor #2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Compensation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Merit-based pay reflecting individual accomplishments</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Merit-based pay reflecting accomplishments of work group/team</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Annual bonuses</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Incentives such as gifts</td>
<td>☐</td>
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<td>☐</td>
</tr>
<tr>
<td>Profit-sharing schemes</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Stock options</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Total (compensation score)</strong></td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Time off</strong></td>
<td></td>
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<tr>
<td>Paid time off</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Paid sick days</td>
<td>☐</td>
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</tr>
<tr>
<td>Paid sick days when a member of employee’s family is sick (caregiving leave)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Paid medical leave when employee needs extensive care</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Paid medical leave when a member of employee’s family is sick and needs extensive care</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
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<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
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<td>☐</td>
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<tr>
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<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Long-term disability</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Total (time off score)</strong></td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td></td>
<td>Your organization</td>
<td>Your competitor #1</td>
<td>Your competitor #2</td>
</tr>
<tr>
<td>--------------------------------</td>
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</tr>
<tr>
<td><strong>Health and wellness</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health insurance</td>
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<td>☐</td>
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<td>Dental insurance</td>
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<td>Long-term care insurance for employee</td>
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<td>Long-term care insurance for family members</td>
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<td>Health/medical care on or near site</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Wellness programs</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Total (health/wellness score)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assistance or support for dependent care</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Financial assistance for education, including tuition assistance and student loan repayment</td>
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<tr>
<td>Housing benefits</td>
<td>☐</td>
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<td>☐</td>
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<tr>
<td>Plans for private retirement investments and savings (401 K, etc.)</td>
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<td>☐</td>
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</tr>
<tr>
<td>Pensions</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
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<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Caregiving benefits</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Life Insurance</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Total (other score)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total score</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sum of compensation, time off, health/wellness, and other scores</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Troubleshoot Your Program

The low utilization rates of many benefits can stem from multiple sources. If your surveys or data reveal low use on some benefits, you may want to do some analysis to determine root causes, rather than simply cancelling them outright.

- **Low demand.** One of the main causes of low utilization is that demand for a particular benefit is low. For instance, only employees with pets will use pet insurance, limiting the demand. When utilization rates are low because of low demand, tailor your metrics to reflect this. Consider employing a relative scale for less popular benefits. Some benefits, such as a caregiving concierge service, may not be used steadily throughout the year. But when employees do use it, satisfaction rates may be high.

- **Low awareness.** If utilization rates are low owing to lack of awareness of a plan (e.g., housing benefits), ramp up your advertising efforts, using an integrated approach that leverages all the organization’s communication channels, including daily email alerts, staff meetings, dedicated email announcements, flyer distribution, or benefit-themed events.

- **Low utilization.** If key benefits have low utilization rates despite adequate awareness, consider switching to an opt-out system (i.e., a system in which the organization automatically enrolls employees, but then allows them to opt out). Pension research has shown consistently that automatic enrollment leads to higher participation.
ENDNOTES


CHAPTER 6: TRAINING AND DEVELOPMENT

From the media and HR managers, we often hear that employers can’t find job applicants with the right skills to fill vacancies—even when there seem to be many more applicants than open positions, such as during the 2008 recession. Popular explanations point to failures in education, such as a lack of basic skills among high school graduates or a lack of practical majors among college graduates. But the view that employees should arrive already equipped with the bulk of required skills and competencies represents a profound change from HR practices in the 1980s and 1990s, in which employers took it for granted that many employees would need extensive training to work productively.

From an employer’s perspective, hiring people who can hit the ground running appears to make real business sense, and training employees who may leave the company might seem to be a poor investment. The result of employers’ resistance to training has been a decline in the amount of training that employees receive. As Figure 6.1 shows, traditionally the youngest and oldest workers have been the least likely to receive training from their employers, while workers toward the middle of the age range received substantially more. Over the past two decades, though, the percentages of workers receiving training—even in the middle age groups—has dropped precipitously, as employers have de-invested in these programs overall.

FIGURE 6.1. PERCENTAGES OF WORKERS RECEIVING EMPLOYER-PAID JOB TRAINING, BY AGE, 2001 AND 2009

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2001</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 to &lt;24</td>
<td>8.3%</td>
<td>13.6%</td>
</tr>
<tr>
<td>24 to &lt;30</td>
<td>15.1%</td>
<td>21.4%</td>
</tr>
<tr>
<td>30 to &lt;35</td>
<td>16.2%</td>
<td>24.1%</td>
</tr>
<tr>
<td>35 to &lt;40</td>
<td>16.7%</td>
<td>22.8%</td>
</tr>
<tr>
<td>40 to &lt;45</td>
<td>15.8%</td>
<td>23.5%</td>
</tr>
<tr>
<td>45 to &lt;50</td>
<td>15.7%</td>
<td>23.3%</td>
</tr>
<tr>
<td>50 to &lt;55</td>
<td>16.1%</td>
<td>21.8%</td>
</tr>
<tr>
<td>55 to &lt;60</td>
<td>15.2%</td>
<td>22.0%</td>
</tr>
<tr>
<td>60 to &lt;65</td>
<td>13.2%</td>
<td>27.8%</td>
</tr>
</tbody>
</table>

Note: Bars for 2001 represent the additional percentage of workers receiving employer-paid job training in 2001 relative to 2009.
Source: Waddoups, 2016

The idea that employees do not need training is out of step with the reality of the labor market, because the skills involved in many types of work are specific and employees learn and hone these skills on the job. Additionally, the skill landscape—particularly in digital and tech fields—is changing so rapidly that expecting educational institutions (or employees themselves) to shoulder the full burden of staying current is unrealistic.
CHAPTER SIX

TYPE OF TRAINING & DEVELOPMENT | TRAINING AND DEVELOPMENT THAT OCCURS... | EXAMPLES
--- | --- | ---
On-the-job training | During the regular workday | **Structured on-the-job training**
Company: Kuwait National Petroleum Company
Industry: Oil refining
Workforce: Large (500+ employees)
Kuwait National Petroleum Company used structured on-the-job training for newly-hired engineers, who typically arrived with a general understanding of the theory and principles of engineering, but lacked knowledge of engineering’s application to oil refining. This program differed from most structured on-the-job training in that it focused on all the tasks performed in a particular position (e.g., refinery engineer) rather than the general tasks performed by engineers across the industry. With the input of subject-matter experts, a consultant and the HR staff produced modules detailing the tasks involved in each process. Established employees acted as mentors and checkers who trained new employees, reducing overall learning time from 53 to 36 months.3

Job transfers and rotations | By working in other roles | **Cross-training and job rotations**
Company: Marriott International
Industry: Hospitality
Workforce: Large (500+ employees)
Marriott, with a rapidly aging workforce, combined training and development opportunities, workplace flexibility, and health and wellness management for hourly workers. Notably, the company used cross-training to help workers develop new skills that would help them manage the physically demanding aspects of their jobs, then instituted job rotations once workers had been trained on several positions. For example, a laundry worker (very physically demanding) might rotate into the lobby attendant position (less physically demanding) two days a week. Additionally, this allowed greater flexibility when a worker needed time off, because more workers were able to perform the same tasks.4

Coaching and mentoring | As part of coaching and mentoring teams | **Reverse mentoring**
Company: The Hartford
Industry: Financial services
Workforce: Large (500+ employees)
Using a change management model to build its reverse mentoring program, the Hartford brought together meaningful work and training concerns. The younger mentors were early-career and had technical skills, while the older mentors were leaders in the organization. The Hartford used a variety of internal resources to spread the word about reverse mentoring, such as internal social media and other internal websites.4

Other | ... in other contexts | **Business writing massive open online course (MOOC)**
Company: AT&T
Industry: Telecommunications
Workforce: Large (500+ employees)
AT&T, which had worked with Udacity to sponsor or develop external MOOCs, piloted an internal MOOC to teach business writing to 1,200 employees. Using an existing in-person course as a starting point, AT&T University staff leveraged Udacity’s online courses as templates for organizing the content, adding quizzes, exercises, and discussion boards. Existing instructional designers built out the course, which constituted a total of four to six hours spread out over as long as six weeks. The pilot had positive results: the completion rate was around 80% and learning retention (as measured by a post-class assessment) was high and comparable to that of in-person courses. The transition to an online environment also made the course scalable across multiple sites.5
digital and tech fields—is changing so rapidly that expecting educational institutions
(or employees themselves) to shoulder the full burden of staying current is unrealistic.
That said, it is not always simple for employers to develop cost-effective training
programs that are nimble enough for the changing workforce. Table 6.1 provides examples
of specific training programs geared to “difficult-to-train” jobs.

WHY SHOULD WE CARE?

The Business Case

Employers sometimes fear that if they offer training, workers will leave them for competitors.
While there is a grain of truth to these concerns—at least under some conditions and for
general skills that are not specific to one firm—there are important reasons to believe
that the need for training is almost inescapable for a high-performing organization:

- **Essential part of work lives:** To recruit, engage, and retain a qualified workforce,
  employers need to keep training a priority. According to the Pew Research Center,
  61% of adults ages 18 to 29 and 56% of adults ages 30 to 49 call ongoing training
  “essential” for them. And more than 8 in 10 workers aged 45–64 say that the oppor-
tunity to learn something new is an essential element of their ideal job.

- **Method to address the skills gap:** According to the Society for Human Resource
  Management, increased training and cross-training efforts are the top method that
  organizations are using to address potential skills gaps as older workers retire, as
  well as one of the most effective methods for recruiting internal candidates for hard-
to-fill positions.

- **Retention tool:** In the past, a large share of the American workforce accepted an
  implicit contract: at least in theory, employers provided lifetime employment and took
  care of employees after retirement through pensions, and employees committed to
  be as engaged and productive as possible. Now that lifetime employment is uncom-
  mon, investment in individual employees through training and development oppor-
tunities—while not a substitute for trust and long-term relationships—may be one
  piece of the puzzle to help ensure that employees remain engaged and committed.

- **Organizational performance:** Evidence suggests that training—especially training
  that transfers to day-to-day work—positively impacts organizational performance.

GENERATIONAL CHECK-IN

Career development experts until the 1990s frequently suggested that older workers
would be less interested than others in training and development opportunities. Accord-
ing to this logic, workers in their 60s and older were primarily concerned with disengag-
ing from the labor force. Since then, there has been increasing recognition that training
matters to workers at all ages, career stages, and generations. For instance:

- AARP research shows that older and younger workers alike are interested in keeping
  their skills and competencies up to date.

- Older workers are a valuable training resource because of their institutional
knowledge. Mixed-age teams allow younger workers to observe the wealth of soft skills and industry knowledge that older workers have spent years developing.

MOVING FORWARD
Creating training and development programs—or, more accurately, knowing which programs to invest in—can be difficult, particularly in the context of diverse workforces.

Build Your Program
Most organizations that provide training use well-established training and development methods, but may be unsure how to leverage new and innovative ones. AT&T’s business writing MOOC (Table 6.1) is a practical example of how one organization found sources of inspiration both internally, in the form of existing in-person classes, and externally, in the form of successful external MOOCs. This approach dramatically decreased the complexity of the development process, because the base content, structure, and staff were already largely in place.

You can also partner with external institutions to provide training without having to bring it in-house. When Wells Fargo wanted to develop a generationally-tailored course, it worked with a local university to create one. For details, see “From Inspiration to Implementation: How One Company Piloted a Generation-Tailored Course.”

Assess Your Program
One of the most well-known models for assessing training programs is the Kirkpatrick-Phillips model. This model evaluates training outcomes at five levels, which are aligned along a chain of impact. Starting at the bottom, the outcomes of each level enable or influence the outcomes for the level above it.
FROM INSPIRATION TO IMPLEMENTATION:
HOW ONE COMPANY PILOTED A GENERATION-TAILORED COURSE

One of the main challenges for training and development initiatives is to provide equal opportunities for workers of all ages, career stages, generations, and life stages. Resentments can grow in the face of real or perceived unfairness with regard to who has access to training or even for whom the training programs are intended.

Most organizations, even large ones, may lack the resources to adequately customize development opportunities to suit career stage (or any other aspect of diversity). Faced with this same challenge, Wells Fargo looked outside its own programs. By pairing external academic offerings with existing models of tuition reimbursement, Wells Fargo was able to provide customization by outsourcing. The company worked with St. Catherine University to develop Leadership Perspectives, a course customized to Boomers, using the following steps.

1. Find the right academic partnership: Wells Fargo found an academic partner willing to work with it to develop a curriculum that matched the needs of the target demographic (Boomers) and topic area (leadership competencies).

2. Develop a reimbursement strategy: Rather than paying to bring training in house, Wells Fargo used its existing tuition program to reimburse the participants.

3. Publicize the program: The company used its existing Boomers Connection network to advertise the program, ensuring that the target audience knew that the training opportunity was designed with them in mind. Participants reported high levels of satisfaction with the experience, as well as with what they learned.

Source: Center on Aging & Work Innovative Practices Database
You can evaluate the outcomes of Levels 1–4 using common data collection techniques, such as follow-up surveys, on-the-job observations, interviews, focus groups, and business performance modeling. For help converting data from these evaluations to numerical values that can be used in ROI calculations, see endnote 14. To gain insight into how training impacts workers across the age span, consider each level of evaluation separately, by career stage. Use the following worksheet to pinpoint areas that require further analysis.
WORKSHEET
EVALUATING TRAINING BY CAREER STAGE

Use this discussion guide with your HR staff or employee focus groups to evaluate possible gaps in training using the Kirkpatrick-Phillips model.

1. Identify a stage (represented by each element in the model) for each of the three career-stage groups, and determine the training’s effectiveness based on the relevant impact question. For instance, early-career workers may be learning the content but not using the content. Or mid-career workers might use the content but not exhibit/improve business results.

2. If you notice imbalances by career stage, discuss whether you should (a) equalize outcomes, meaning that all career stages should have the same successes from each program, or (b) diversify your programs, so that some training programs address each career stage.
The degree to which training is expressed in an employee’s performance varies widely. For instance, one study reported an average transfer of 4.6 on a scale of zero to 10.

To increase the prevalence of training transfer, consider the following:

• Be sure to manage expectations: a 25% participation rate may be a good result, depending on the type of training.

• As far as possible, try to make the training immediately applicable to a person’s job. How do basic information technology (IT) security training principles relate to someone who deals with external partnerships in comparison with someone in an internal function? Or how are they applicable when dealing with one kind of data versus another?

• Use stories and examples. For training around things like disaster recovery or workplace violence prevention, use stories and examples to help bring unusual (and often unencountered) situations to light.
ENDNOTES


14. For help converting data from these evaluations to numerical values that can be plugged into ROI calculation models, see: Bailey, Allan. (n.d.). The Kirkpatrick/Phillips model for evaluating human resource development and training. Retrieved from www.roiofcoaching.com/kirkpatrick-philippevaluation-model.pdf
Almost all organizations use assessment practices of one kind or another, including assessing the composition and skill sets of their workforce. Even though such assessments are relevant to the aging workforce, they are rarely conducted in an age-specific way. Instead, the focus of many types of common assessments is on the workforce as a whole rather than the workforce broken down by age, generation, or career stage. Moreover, more than half of companies in a recent SHRM study (see Figure 7.1) said that they conducted assessments identifying their future workforce needs and potential skills gaps for periods of one to two years in the future. Far fewer organizations projected their analyses beyond five years.

While more than half of companies in a recent SHRM survey said that they conducted assessments identifying their future workforce needs for periods of one to two years in the future, far fewer projected their analyses beyond five years.

These assessment practices are a promising first step, but have two major limitations when the multigenerational workforce is considered.

- **Time horizon**: The short time horizon does not provide adequate lead time for substantial demographic shifts, such as a large proportion of workers in certain job categories retiring, or impending changes in job requirements in response to long-term industry shifts.

- **Age-specific**: Age-specific analyses—such as the impact of workers ages 55 and older leaving the organization and documentation of the skills they possess—often receive less attention than age-general analyses, such as identifying potential skills gaps. Once again, organizations are more likely to assess the competency sets of employees as a whole or the skills the organization anticipates needing than they are...
Including age or career stage as one of the elements in your assessments is key to understanding and managing a workforce composed of multiple generations.

Including age or career stage as one of the elements in your assessments is key to understanding and managing a workforce composed of multiple generations.

Below, we provide examples of two types of assessment practice.

**TABLE 7.1. EXAMPLES OF ASSESSMENT PRACTICES**

<table>
<thead>
<tr>
<th><strong>ASSESSMENT OF...</strong></th>
<th><strong>EXAMPLES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age-neutral</strong></td>
<td><strong>Location and flow of workforce knowledge and skills</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Knowledge audits</strong></td>
</tr>
<tr>
<td></td>
<td>Organization: Energy Partnership</td>
</tr>
<tr>
<td></td>
<td>Industry: Energy</td>
</tr>
<tr>
<td></td>
<td>A public-private energy partnership organization conducted a knowledge audit using qualitative interviews. Working with a team of academics, the organization combined a set of practices that are helpful for getting a knowledge audit off the ground: (a) pilot-testing interview protocols; (b) conducting qualitative interviews with employees in different positions and departments; and (c) organizing data by department, to map more precisely how information flows differed among departments. For more information, see “From Inspiration to Implementation: A Baseline Knowledge Audit, Without the Big Numbers.”</td>
</tr>
<tr>
<td><strong>Age-specific</strong></td>
<td><strong>Supply of workforce skills and demographics, by age</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Voluntary transitional policy</strong></td>
</tr>
<tr>
<td></td>
<td>Organization: Premier Brokerage</td>
</tr>
<tr>
<td></td>
<td>Industry: Insurance</td>
</tr>
<tr>
<td></td>
<td>Size: Small (&lt;100 employees)</td>
</tr>
<tr>
<td></td>
<td>Premier Brokerage, a small life insurance company, wanted to create both safety and transparency around the potential wave of retirements in its highly experienced and aging workforce. It also wanted a way to ensure these workers knew they were valued and welcome to work as long as they wished. So it created a voluntary transitional policy with the following components:</td>
</tr>
<tr>
<td></td>
<td>• A discussion with human resources about a given worker’s retirement timeline, ways that the company could support a successful retirement transition for the worker, and ways that the worker could support successful training of replacement employees.</td>
</tr>
<tr>
<td></td>
<td>• Six months of salary on the date of retirement</td>
</tr>
<tr>
<td></td>
<td>• “Step-down” (phased retirement) plan</td>
</tr>
<tr>
<td></td>
<td>The program enabled planning for knowledge transition and human capital costs, while continuing to provide high-quality employment.”</td>
</tr>
</tbody>
</table>
WHY SHOULD WE CARE?
The Business Case
Assessment practices are important for a range of reasons, including the following:

- Anticipating the impact of the aging workforce: National data indicates that labor force participation rates of older men and women are increasing, but the impact of this trend on any given organization depends on how the trend affects the organization's industry as a whole, environment, and goals. Digging into the data at a local or industry level, conducting a strengths, weaknesses, opportunities, and threats (SWOT) analysis or other analyses, and integrating the results in strategic planning can help you prepare for any changes.

- Preparing for skills gaps: Knowing what your future skills gaps will be enables you to develop recruiting, training, and knowledge transfer strategies to stay ahead of the curve. Despite this, SHRM's 2014 older workforce survey found that one-third of organizations had not taken any steps to prepare for skills gaps that might result as older workers retire or leave the organization.

- Creating solutions: Without adequate assessments, it is difficult to implement policies relevant to all the other dimensions of providing high-quality jobs. Every dimension covered in this guide requires assessment information that includes the prism of age (discussed in the introduction) in order to create strategies that leverage the benefits of a multigenerational workforce.

GENERATIONAL CHECK-IN
Establishing ongoing assessment practices is important, because it reveals insights unique to your organizational culture that can help you tailor programs and initiatives accordingly, and develop a foundation of continuous improvement. In the same vein, including age or career stage as one of the elements in those assessments is key to understanding and managing a workforce composed of multiple generations.

Other chapters in this guide offer age-related assessment suggestions pertaining to that chapter’s topic. This chapter focuses on the impact of age diversity as it pertains to skill and knowledge audits. Rather than thinking just about the knowledge, skills, and competencies of the workforce as a whole, consider whether these assets are concentrated among early-, mid-, or late-career workers as well as the critical importance of each skill set to your organization.

Remember that the probability of turnover is not driven only by age. While younger workers have higher turnover, and workers with impending retirements have expected turnover, other factors, such as job satisfaction and the job market, also have an effect.

MOVING FORWARD
Think of assessment as a program: as with other programs, you need to build the components, evaluate your assessment efforts to find gaps, and troubleshoot.
Build Your Program

Risk matrices are a useful way to see the consequences of turnover related to an aging workforce. These matrices compare the probability as well as the consequences of a risk becoming a reality.

Viewed through the lens of skill sets, the consequences of turnover become defined by three things: the importance of each skill set to the organization, the number of employees who possess those skills (and their level of proficiency), and the likelihood of each employee’s departure. One way to assess the consequences of skills-based turnover is to use a system such as the knowledge silo matrix (Figure 7.2), which treats skill sets as “silos” to which individuals contribute. For instance, consider the simplified matrix below for a hypothetical web-design team. The skills of each employee in the team are mapped against these silos and then rated according to degree of proficiency. The color rating system helps organize information at a glance.

**FIGURE 7.2. KNOWLEDGE SILO MATRIX**

<table>
<thead>
<tr>
<th>SILO 1: Back-end Development</th>
<th>SILO 2: Front-end Development</th>
<th>SILO 3: Graphics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee 8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Actively learning
- Expert to be replicated
- Consistent with expert
- Not working in that silo

Source: Steve Trautman Co

Based on this knowledge silo matrix and information about workforce demographics and career plans, you can map turnover risks along both a probability and consequence spectrum to highlight areas of concern (e.g., Employee 5 is an expert in two key silos and has a high likelihood of leaving the organization soon).
Assess Your Program

Armed with this information, you can then devise strategies to mitigate risk, such as setting up mentoring, cross-training, or job-shadowing programs to enable Employees 2, 4, and 6 to ramp up their proficiency in this skill set. If your skill sets are more knowledge- or soft skill-based, consider using qualitative interviews to create knowledge inventories. See “From Inspiration to Implementation: A Baseline Knowledge Audit, Without the Big Numbers.”
FROM INSPIRATION TO IMPLEMENTATION: A BASELINE KNOWLEDGE AUDIT, WITHOUT THE BIG NUMBERS

What if you have never done a knowledge audit, and have no idea where to begin?

The idea of surveying all your employees to identify their knowledge and skills can seem daunting, but a baseline knowledge audit can rely on data from a relatively small subset of employees. Qualitative interviews can help you identify the type of knowledge that exists within your organization, how it is being shared, and how it differs across departments or units. Here is the process one energy company followed to do just that.

1. **Pilot testing.** To start the process, the knowledge audit team drafted an interview protocol, then pilot-tested it, interviewing only four employees. Sample questions were:
   - What methods of communicating knowledge do people within your organization prefer?
   - Once knowledge has been shared and used, how do you incorporate the feedback from this into the [department’s/organization’s] existing knowledge?
   - What knowledge do you need to use to perform your role and how do you acquire it?

2. **Qualitative interviews.** Using an organizational chart, the team then selected 12 participants to interview from within the four main departments of the organization. To select participants, the team considered a diverse range of positions and tenures in the occupation hierarchy.

2. **Data analysis.** Based on these questions, grids of data were developed for each department, and the answers were mapped according to common themes. For instance, a common pattern is that the manager focuses on the intranet and business plans, while lower-level employees rely on technical documents and technical knowledge. The key lesson from this knowledge audit is that a small number of representative cases can yield rich data.

Source: Ragsdell, Probets, Ahmed, and Murray 2014.²
**WORKSHEET**

**KNOWLEDGE PROCESS AUDIT WITH AGE FOCUS ASSESSMENT**

Use this worksheet to complete a preliminary knowledge process audit, taking into account differences in age. Low scores, or large discrepancies in scores between younger and older workers, indicate areas of weakness.

<table>
<thead>
<tr>
<th>ORGANIZATIONAL ENABLERS</th>
<th>Overall</th>
<th>Younger Workers</th>
<th>Older Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Vision</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the organization’s strategic vision communicate the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>importance of knowledge management?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the organization’s information technology allow</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>employees to store, retain, and retrieve knowledge as needed?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational structure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the organization’s structure enable individuals to share</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and manage knowledge?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational culture</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the organization’s culture support openness,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>teamwork, and trust?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total organizational enabler score. Award 1 point per “yes.”**

<table>
<thead>
<tr>
<th>INDIVIDUAL KNOWLEDGE MANAGEMENT PROCESSES</th>
<th>Overall</th>
<th>Younger Workers</th>
<th>Older Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capture/access</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do individuals know how to access the information to do their</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>jobs well?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creation/development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do individuals have specific techniques to create new</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>knowledge?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing/transfer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do individuals volunteer knowledge for their colleagues and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the workplace as a whole?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retention/storage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do individuals store knowledge so that it can be retained and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>accessed by others?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total individual knowledge management processes score. Award 1 point per “yes.”**

Source: Categories are based on Burnett, Williams, and Illingworth, 2013.

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**CHAPTER SEVEN**

73
**Troubleshoot Your Program**

For each type of assessment (demographic and knowledge/skills), ensure that you have both age-neutral and age-specific information, in order to evaluate whether your knowledge audit programs are providing the most insight possible. Employers tend to believe that age-neutral assessments alone are enough, but many types of data have different implications depending on age, career stage, and life stage. For example, turnover among younger workers often means leaving for a new employer. Turnover among older employees can mean retirement, so these employees may be more amenable to long-term knowledge transfer programs.

**TABLE 7.2. TYPES OF ASSESSMENT**

<table>
<thead>
<tr>
<th></th>
<th>DEMOGRAPHICS</th>
<th>KNOWLEDGE/SKILLS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age-neutral</td>
<td>What is the demographic makeup of your company’s/organization’s workforce?</td>
<td>What types of knowledge, skills, and competencies does our workforce have?</td>
</tr>
<tr>
<td>Age-specific</td>
<td>What are the projected retirement rates?</td>
<td>What types of knowledge, skills, and competencies does our early-career/mid-career/late-career workforce have?</td>
</tr>
</tbody>
</table>
ENDNOTES


THE FABRIC
Flexible Work Options
Health and Wellness
Options for Continued Work and Retirement
Flexible work options allow employees to have some choice and control over “when, where, and for how long they engage in work-related tasks.” Policies that promote flexible work options are enacted in various ways. Many companies offer flexible work options to at least some of their employees, but very few offer them to most or all of their employees. As Figure 8.1 shows, for some policies, such as the ability to work regular paid hours at home occasionally, the gap between “some employees” enjoying this benefit and “most” is large. There is a large array of possible policies, and not every employer offers (or needs to offer) every policy.

**FIGURE 8.1. PERCENTAGES OF COMPANIES OFFERING FLEXIBLE WORK OPTIONS TO “AT LEAST SOME” OR “MOST OR ALL” OF THEIR EMPLOYEES**

Table 8.1 lists five general “families” of flexible work options with some examples, past and present, of how specific organizations have enacted them.
### TABLE 8.1 EXAMPLES OF FLEXIBLE WORK OPTIONS

<table>
<thead>
<tr>
<th>Schedule flexibility</th>
<th><strong>Examples</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>..When they work (small blocks of time, such as hours, days, or weeks)</td>
<td>Flexible work options for hourly workers</td>
</tr>
<tr>
<td>Organization: Marriott International</td>
<td></td>
</tr>
<tr>
<td>Industry: Accommodation and food services</td>
<td></td>
</tr>
<tr>
<td>Size: Large (&gt;500 employees)</td>
<td></td>
</tr>
<tr>
<td>Marriott provides a set of policies to encourage and support the use of flexible work options among hourly employees, many of whom work in physically demanding and highly scheduled jobs, such as housekeeping. Notably, the company provides an online system for employees to sign up for “Flex coupons”: requests for time off in increments from one hour to one day. However, the “coupon” system depends on the presence of other programs, such as job rotations and cross-training, that make it possible for other employees to step in for those who want to take hours off during the day.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Career breaks and leaves</th>
<th>Multigenerational workforce development</th>
</tr>
</thead>
<tbody>
<tr>
<td>..When they work (large blocks of time, such as months or years)</td>
<td>Organization: Settepani Ristorante &amp; Bakery</td>
</tr>
<tr>
<td>Industry: Accommodation &amp; food services</td>
<td></td>
</tr>
<tr>
<td>Size: Small (&lt;100 employees)</td>
<td></td>
</tr>
<tr>
<td>Settepani Ristorante &amp; Bakery embodies the solutions that small employers can find when trying to implement workforce flexibility. Despite a small staff (50 employees), Settepani employed the unusual technique of allowing each employee—in partnership with management—to work toward a custom approach to workplace flexibility. In one case related to career leaves, a server who is a musician was allowed to take substantial time off to go on tour.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Flexibility in number of hours worked</th>
<th>Time &amp; Place Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>..How much they work</td>
<td>Organization: Modern Medical</td>
</tr>
<tr>
<td>Industry: Health care</td>
<td></td>
</tr>
<tr>
<td>Size: Large (&gt;500 employees)</td>
<td></td>
</tr>
<tr>
<td>Between 2012 and 2014, Modern Medical (a pseudonym for a large hospital system) collaborated with the Center on Aging &amp; Work at Boston College to develop a workplace intervention to help employees and managers understand how to actively manage and implement flexible work options. The intervention provided consistent ways to make (and respond to) requests to change schedules for a better fit between work and family. These included requests for reductions in hours. The learning module introducing this system was designed with the need to provide high-quality care to patients, the needs of employees, and work group responsibilities in mind.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Place flexibility</th>
<th>e-Working program</th>
</tr>
</thead>
<tbody>
<tr>
<td>..Where they work</td>
<td>Organization: Blue Cross Blue Shield of Massachusetts</td>
</tr>
<tr>
<td>Industry: Finance and insurance</td>
<td></td>
</tr>
<tr>
<td>Size: Large (500+ employees)</td>
<td></td>
</tr>
<tr>
<td>After a devastating storm kept employees from getting into work for many days, BCBS of Massachusetts realized they needed to rethink place flexibility in order to be able to continue operating during natural disasters. Launched in 2013, the e-Working program allowed associates to work from home full-time, providing flexibility to employees and additionally serving four related goals: (1) reducing expenses, estimated at $8.5 million annually in 2013; (2) supporting disaster readiness; (3) reducing adverse environmental impacts related to commuting; and (4) improving the work/life balance of employees.</td>
<td></td>
</tr>
</tbody>
</table>
**EMployees Have More Choice and Control Over:***

<table>
<thead>
<tr>
<th>Global changes</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>How they think about work</td>
<td>Results-only work environment (ROWE)</td>
</tr>
<tr>
<td>Company: Best Buy</td>
<td></td>
</tr>
<tr>
<td>Industry: Retail</td>
<td></td>
</tr>
<tr>
<td>Workforce: Large (500+ employees)</td>
<td></td>
</tr>
<tr>
<td>Best Buy’s corporate office had long equated organizational commitment, productivity, and citizenship with hours spent at work. In its ROWE initiative, it deemphasized time and place, and focused instead on the results of work. As long as the work got done, employees had great latitude about where and when they worked. Now defunct at Best Buy despite impressive results, ROWE has been implemented since then in more than 40 companies.</td>
<td></td>
</tr>
</tbody>
</table>

**WHY SHOULD WE CARE?**

**The Business Case**

Flexible work options benefit an organization in many ways, such as these:

- **Recruitment and retention.** In the 2016 National Study of Employers, retention (39%) of employees was the most frequently cited reason to provide supportive programs, such as flexible work options. Helping employees manage work and family life (21%) and recruitment of employees in general (15%) were also mentioned, albeit less frequently.

- **Building employee engagement:** In a recent study of a Fortune 500 company, researchers found that employees who were given flexible work options were less prone to burnout and did not suffer as much psychological distress in comparison with a control group of workers who were not allowed to work flexibly.

- **Addressing the skills gaps:** In one SHRM survey, about half of HR professionals said that flexible work arrangements were very effective in helping organizations respond to potential skills gaps related to the retirement of older employees.

- **Helping employees manage work and family responsibilities.** Flexible work options can help people to manage their work and family responsibilities better. For instance, one study found that mothers reported more adequate time with children in a results-only work environment than they had had in a traditional one.

**Generational Check-in**

As shown in Figure 8.2, employees of all generations believe that flexibility contributes to their success. The focus is often on working parents, but employees of all ages value flexible work options.
When implementing workplace flexibility, avoid thinking of it as an accommodation you make to individual employees. Instead, think of it as a broader systemic organizational change.

**FIGURE 8.2. PERCENTAGES OF WORKERS WHO BELIEVE FLEXIBILITY CONTRIBUTES TO SUCCESS TO A MODERATE OR GREAT EXTENT, BY GENERATION**

Source: Pitt-Catsouphes, Matz-Costa, & Besen, 2009

**MOVING FORWARD**

When implementing workplace flexibility, avoid thinking of it as an accommodation you make to individual employees. Instead, think of it as a broader systemic organizational change. Flexible work options need to benefit both the employee and the organization. Understanding at a strategic level how flexibility can achieve both outcomes, and extending this mindset across the organization, will provide employees and line managers alike with the philosophical grounding needed to avoid unintended consequences, such as perceptions of injustice, resentment, working too much or too little, etc.

**Build Your Program**

To choose the right program for your organization, get your inspiration from what works for other, similar organizations, but keep in mind that the most effective workplace flexibility policies are built from the ground up. For a practical starting point, see “From Inspiration to Implementation: How One Organization Designed a Workforce Flexibility Initiative that Worked.”

**Assess Your Program**

Employee focus groups and surveys can provide a window into the importance of flexible work options. For larger organizations, assessments of flexible work options can be folded into the employee questionnaires that are usually fielded, such as those on employee engagement. For smaller organizations, free online tools, such as SurveyMonkey, can be a way for employees to give quick, confidential feedback.
But what happens when you want to quantify return on investment (ROI)? Human resource managers believe the effects are positive, but as shown in Figure 8.3, very few try to quantify these benefits. The complex effects of flexible work options—which previous research has shown to affect a wide range of outcomes, from individual-level (such as recruitment, productivity, absenteeism, and retention) to company-level (such as stock prices and public perceptions)—may make a complete ROI analysis seem impossible.

**FIGURE 8.3. PERCENTAGE OF ORGANIZATIONS THAT ATTEMPT TO QUANTIFY THE ROI OF WORKPLACE FLEXIBILITY**

One strategy is to test the impact on a few organizational priorities, such as absenteeism or turnover, but remain aware that your estimates are the minimum expected ROI, because they are unlikely to encompass all factors that flexible work options affect. AARP and ReACT provide a useful example, based on turnover. Imagine an HR manager of a medium-sized company (120 employees, with an average salary of $50,000). They identify turnover as the most problematic issue they have, because 20% of their employees leave each year. When an employee leaves, the replacement cost is about $15,000. This means that turnover costs about $360,000 per year (i.e., 120 employees x 20% turnover = 24 employees, at a replacement cost of 30% x $50,000 = $15,000 per employee). Flexible work options reduce turnover by about 10%, saving the company $36,000 per year. They cost about $20,000 per year in administrative and maintenance costs. The ROI ratio in this example is 1.8 ($36,000 saved; $20,000 spent).
FROM INSPIRATION TO IMPLEMENTATION:  
HOW ONE ORGANIZATION DESIGNED  
A WORKPLACE FLEXIBILITY INITIATIVE THAT WORKED

Because the use of flexibility depends on the rules, norms, and work of an organization, successful programs—though inspired by case studies and academic literature—should be implemented with careful attention to the organization’s DNA.

For one example, consider the Time & Place Management (TPM) Study conducted for the pseudonymous organization Modern Medical, described in Table 8.1. The Center on Aging & Work at Boston College, in collaboration with senior personnel at the organization (e.g., the senior vice-president of HR and the chief executive officer), carried out a four-strand discovery process:

1. **What others were doing:** A review of academic literature and white papers (such as this one) related to workplace flexibility at similar organizations

2. **What the organization was doing:** A review of existing survey data from within the organization

3. **What managers were doing:** Interviews with managers in different job categories; sample question: “Is there anything about the process of creating schedules with your staff that doesn’t work well?”

4. **What employees were doing:** Focus groups with employees randomly selected from various job categories; sample question: “What is working well for you right now, in terms of how your work hours are scheduled?”

The creation of the TPM program began with insights from the literature of flexibility, but modified those insights to fit the organization’s priorities and the needs and strategies of employees and managers. For example, managers revealed that they already had unofficial strategies allowing some workplace flexibility. These served as a jumping-off point for bridging the gap between what other organizations were doing and the specific needs of this organization.

Source: Morelock, McNamara, and James, 2016
Troubleshoot Your Program

Both informal and formal assessments can help you to identify potential problems in your flexible work options. For example, flexible schedules are well-known for reducing absenteeism; if ROI analysis does not reveal an effect on absenteeism, consider troubleshooting. Perhaps few employees are using the policy, which could be due to the type of flexible benefit you are offering. Figure 8.4 shows the percentage of employees who have access to a flex policy and use it, with utilization varying widely across flexible options. This study shows that work week compression is a far more popular option than transferring to a job for reduced responsibility and reduced pay. If low utilization rates are not getting the results you want, consider surveying your workforce to see what flexibility policies would be the most popular.

**Figure 8.4. Percentage of Employees Who Have Access to a Flex Policy Who Used It**

- Transfer to a job with reduced pay and responsibilities, if you want to: 8
- Reduce your work hours and work on a part-time basis while remaining in the same position or at the same level: 11.3
- Phase into retirement by working reduced hours over a period of time prior to full retirement: 12.2
- Take sabbaticals or career breaks – that is, take leaves, paid or unpaid, of one or more months and return to a comparable job: 16.8
- Take extra “unpaid” vacation days: 27.1
- Take paid time off to volunteer in the community: 31.9
- Frequently request changes in starting and quitting times, such as on a daily basis: 35.7
- Compress the work week by working longer hours on fewer days for at least part of the year: 46.3


Other reasons you may not be seeing the ROI effect you were expecting could be these:

- **Lack of supervisor buy-in:** This is perhaps the biggest factor that keeps employees from using the flexible work options to which they have access. Supervisors often
feel ambivalent about flexible work options or apply those policies inconsistently.16

- **Organizational culture:** A company’s culture also plays a role. Company practices sometimes reflect the assumption that employees should make work their top priority.17

- **Lack of technical and structural support:** Poor operational support can lead to botched implementation and poor bottom-line outcomes. For instance, if the resources and structures (such as off-site access to a computer network) are inadequate or unreliable, telework may be unrealistic.

**ENDNOTES**


CHAPTER 9: HEALTH AND WELLNESS

The policies and practices that fall under the category of health and wellness vary from one organization to another, in part because employers tend to view well-being broadly. As Figure 9.1 shows, most employers view well-being as physical, but many also incorporate emotional, social, or financial well-being in their definition and practices.¹

Why do employers value employee well-being? Most employers want to reduce health care costs; however, some also see the link between health and productivity. Healthier workers are more productive. For instance, Figure 9.2 illustrates one study’s estimates that the indirect (or, productivity) cost of lower back pain (e.g., absenteeism and disability) is similar to the direct costs (e.g., hospital stays and medication).² And productivity declines in one employee can lead to declines in their colleagues’ productivity, as they are asked to “fill in the gaps” and compensate. Employers can utilize the human-capital method to estimate costs (factoring in direct and indirect costs only for the injured employee) or the friction-cost method (which adds the indirect “loss of productivity” costs of additional colleagues who have to pitch in and help). Regardless of the method used, the indirect costs of illness or injury add up to roughly the same if not more than the direct costs, effectively doubling the total amount. It’s not difficult to see, then, why organizations tend to invest a lot in wellness programs.

For some examples of business’s activities to promote health and wellness, see Table 9.1.

FIGURE 9.1. HOW DO EMPLOYERS DEFINE WELL-BEING?

Source: Willis Towers Watson, 2016¹
It is important to note that significant debate remains on whether or not wellness programs actually deliver on the outcomes they tout.

However, it is important to note that significant debate remains on whether or not wellness programs actually deliver on the outcomes they tout. Many scientific studies indicate that wellness programs neither improve health outcome nor generate health cost savings. Additionally, the reliance of these programs on financial penalties for nonparticipation, and gathering, analyzing, and sharing sensitive personal health data can violate health privacy and pave the way for benefits or even hiring decisions that discriminate against workers with specific diseases, chronic conditions, or disabilities. The provision of high-quality jobs should include an investment in health care coverage for employees, with wellness programs as an attractive add-on. When implementing these programs, ensure that the collection of medical and genetic information is voluntary, and that you employ scientifically valid methods to measure impact.

*Presenteeism: When people show up at work but are not working at their full capacity

Source: Wieser, et al., 2011

FIGURE 9.2. ESTIMATES OF DIRECT AND INDIRECT COSTS OF LOWER BACK PAIN

| Human capital | 38.6% | 10.4% | 27.1% | 23.9% |
| Friction cost | 54% | 8.2% | 37.9% |

- Direct costs
- Presenteeism
- Absenteeism
- Permanent disability

Source: Wieser, et al., 2011
TABLE 9.1. EXAMPLES OF HEALTH AND WELLNESS PROGRAMS

<table>
<thead>
<tr>
<th>AIMS TO...</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Screening activities</td>
<td>Identify health risks</td>
</tr>
<tr>
<td>Lifestyle management activities</td>
<td>Minimize health risks</td>
</tr>
<tr>
<td>On-the-job information sharing</td>
<td>Promote healthful lifestyles</td>
</tr>
</tbody>
</table>
WHY SHOULD WE CARE?
The Business Case
There are at least two ways to measure whether an organization’s health and wellness programs are paying off.

- **A return-on-investment (ROI) approach** relies on effects that are measurable in dollars, such as reductions in the rates of high-risk claimants or overall health care costs.

- **A value-on-investment (VOI) approach** includes “softer” returns that are difficult (though not impossible) to translate into dollars, such as improved morale, enhanced productivity, and a culture of health.

These approaches have some common aims, such as reducing absenteeism/presentee-ism, but the VOI approach is much broader. Incorporating both a VOI and ROI approach to measuring program success can help bolster the business case for continued support or investment. An exclusive ROI focus is more likely to conclude that programs are “failing,” because it narrows the potential benefits that can be quantified or considered. Figure 9.3 shows a range of reasons for implementing health and wellness programs, ranked in importance by organizations following an ROI-focus versus organizations following a VOI focus. The difference in emphasis between organizations that focus more on one evaluative approach over the other is readily apparent.

**FIGURE 9.3. AIMS OF HEALTH/WELLNESS PROGRAMS**
Top Goals of ROI-Focused Organizations

<table>
<thead>
<tr>
<th>Top Goals of ROI-Focused Organizations</th>
<th>VOI – focused</th>
<th>ROI – focused</th>
</tr>
</thead>
<tbody>
<tr>
<td>To impact high risk or high cost claimants with targeted programs</td>
<td>41</td>
<td>57</td>
</tr>
<tr>
<td>To reduce/contain health care cost</td>
<td>79</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: Willis, 2015
An exclusive ROI focus is more likely to conclude that programs are “failing,” because it narrows the potential benefits that can be quantified or considered.

### FIGURE 9.3. AIMS OF HEALTH/WELLNESS PROGRAMS (CONTINUED)

#### Top Goals of VOI-Focused Organizations

<table>
<thead>
<tr>
<th>Goal</th>
<th>VOI-focused</th>
<th>ROI-focused</th>
</tr>
</thead>
<tbody>
<tr>
<td>To improve teamwork/morale</td>
<td>48</td>
<td>25</td>
</tr>
<tr>
<td>To enhance workforce productivity</td>
<td>51</td>
<td>40</td>
</tr>
<tr>
<td>To create a culture of health</td>
<td>66</td>
<td>51</td>
</tr>
<tr>
<td>To improve the health and well-being of employees</td>
<td>90</td>
<td>79</td>
</tr>
</tbody>
</table>

#### Additional Goals Ranked Approximately Equal by Both

<table>
<thead>
<tr>
<th>Goal</th>
<th>VOI-focused</th>
<th>ROI-focused</th>
</tr>
</thead>
<tbody>
<tr>
<td>To meet employees’ request for wellness programs</td>
<td>23</td>
<td>19</td>
</tr>
<tr>
<td>To fulfill an objective of having a health management strategy</td>
<td>25</td>
<td>27</td>
</tr>
<tr>
<td>To improve recruitment/retention</td>
<td>32</td>
<td>31</td>
</tr>
<tr>
<td>To reduce absenteeism/presenteeism</td>
<td>40</td>
<td>37</td>
</tr>
<tr>
<td>To motivate behavior change in your employees</td>
<td>54</td>
<td>57</td>
</tr>
<tr>
<td>To empower employees to be better informed health care consumers</td>
<td>68</td>
<td>66</td>
</tr>
</tbody>
</table>

Source: Willis, 2015
Everyone ages differently, and there is no uniform health profile for employees in a particular life stage. The most successful health and wellness programs offer something for everyone, in terms of communication, activities, and time frames. This is a good way to ensure that employees of all ages have a range of options.

- **Multiple communication streams.** One HR representative noted that, in their organization, younger and older workers tended to communicate differently, so the department made an effort to use multiple methods of communication. For example, it released its health-related newsletter both online and in print.

- **Range of activities.** Most successful wellness programs have multiple components. Organizations choose an overall emphasis (such as wellness awareness or stress) but provide a wide variety of activities so that everyone, regardless of age or fitness level, can participate. For workers engaged in physical labor, healthy food choices may be more important than fitness classes.

- **Timing that works.** Providing convenient and easily accessible options can help spur program participation. Consider staggering the timing of fitness programs to accommodate different schedules and work-life balance issues. Employees, depending on their career (and life) stage, may find programs offered during work hours more attractive than those after hours, or vice versa.

**MOVING FORWARD**

Below, we offer some tips on building, assessing, and troubleshooting your health and wellness programs. Keep in mind that almost all successful programs include screening activities, lifestyle management activities, and on-the-job information sharing (see Table 9.1), but typically emphasize or excel at one or two of these elements.

**Build Your Program**

When building a program of options for health and wellness, remember that the most successful ones often experience a spike in costs near their inception. Because the effects of behavior change and preventive measures take time to develop and are cumulative, payoff from these programs is realized gradually.

**Assess Your Program**

“Health and wellness” is probably the area of job quality with the widest variety of free assessment tools and scorecards available. Below, we describe two scorecards that allow you to assess specific dimensions of your programs.

If your organization needs a quick check on an issue such as stress management or lactation support, choose the worksite scorecard of the United States Centers for Disease Control and Prevention (CDC). The CDC Worksite Health ScoreCard assesses how well evidence-based health promotion strategies are implemented at your workplace. There are 125 questions, but you can pull out specific sections and use them as needed. The tool is a self-scoring assessment covering the following areas:
FROM INSPIRATION TO IMPLEMENTATION: 
THE LONG ROAD TO LOWER HEALTH CARE COSTS

In 2007, the top leadership at a global financial firm noticed that health care costs were increasing substantially. The organization started a wellness team, made up primarily of HR employees, to study the issue of wellness, not only to contain costs but also to help employees pursue healthier lifestyles.

The team decided to focus first on driving awareness of preventive care. When the organization started the pilot program, claims costs spiked. The team realized that this was because the number of people having screenings, such as colonoscopies, had increased. Thus, these initial costs were driven by the program’s success. Over time, the program has expanded considerably, with leadership taking the view that creating a culture of health is “an evolution, not a revolution.” The current suite of health activities still emphasizes screening, but also involves lifestyle management and information sharing. It has the following components:

TABLE 9.2. COMPONENTS OF A GLOBAL CORPORATION’S HEALTH AND WELLNESS PROGRAM

<table>
<thead>
<tr>
<th>Health plan programs</th>
<th>Third-party programs</th>
<th>Employer programs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Screening activities</strong></td>
<td>Biometric screening</td>
<td>Weight Watchers meetings during lunch hours</td>
</tr>
<tr>
<td></td>
<td>Health risk questionnaire</td>
<td></td>
</tr>
<tr>
<td><strong>Prevention activities</strong></td>
<td>Reimbursement program (e.g., for gym membership)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Exercise activities, including a walking challenge, marathon training program, a take-the-stairs campaign, and access to gym facilities and a bike room</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nutrition management, including increasing the number of healthful food options and labeling the caloric content of food offered in the cafeteria</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Smoking cessation programs</td>
</tr>
<tr>
<td><strong>Health promotion activities</strong></td>
<td></td>
<td>Wellness program newsletters, seminars, and webinars</td>
</tr>
</tbody>
</table>

Source: RAND Corporation, 2013®
Many participants have found that one of the key benefits of completing the HERO inventory comes from bringing together health and wellness stakeholders from different departments.

- Organizational supports
- Tobacco control
- Nutrition
- Lactation support
- Physical activity
- Weight management
- Stress management
- Depression
- High blood pressure
- High cholesterol
- Diabetes
- Heart attack or stroke, signs and symptoms and emergency response
- Occupational health and safety
- Vaccine-preventable diseases
- Community resources


If your organization is interested in program integration (how health and wellness programs work with one another and with other HR programs), consider the scorecard of the Health Enhancement Research Organization (HERO). The HERO Scorecard asks detailed questions about employers’ program design, administration, and experience, and then provides an overall score and report. Many participants have found that one of the key benefits of completing the inventory comes from bringing together health and wellness stakeholders from different departments to discuss how best to respond to the questions.

The HERO Health and Well-being Best Practices Scorecard is a web-based tool—though you can also download a PDF version—that covers the following topics:

- Strategic planning
- Organizational and cultural support
- Programs
- Program integration
- Participation strategies
- Measurement and evaluation
- Outcomes (optional)

This assessment is available here: http://hero-health.org/scorecard.

Troubleshoot Your Program

Before you start troubleshooting, ensure that your expectations for program success make sense. As one RAND Corporation survey found, employers—who often report utilization rates of 20% or lower for health and wellness programs—can feel that the programs are underused. For instance, one study found that 30% of employees participated in a personal wellness profile (PWP), a worksite wellness program (WP), or both.

If your program falls far short of this rate, consider the following:

- **Integrate self-monitoring.** Research shows that people who monitor their own participation and performance in behavior change programs such as weight loss are more likely to meet objectives. Make sure your programs include some tools for self-monitoring, whether integrated in your digital platform or not.
• **Refine your incentives.** Studies show that incentives do have a moderate impact on employee participation in wellness programs. However, the area for which incentives provide the biggest boost is in screening activities, as opposed to wellness interventions. A small number of employers tie incentives to good health outcomes that result from participation in wellness programs, but the potential for this approach to disadvantage vulnerable populations keeps it at the center of an ongoing ethical and legal debate.⁸

• **Make sure they’re available.** All too often, employers forget to make their health programs easily accessible by employees.⁷ For instance, if a self-monitoring weight station is available in only one location for a multilocation employer, people from other locations are unlikely to use it.

### ENDNOTES
The concept of retirement has evolved considerably over the past decade. Many workers today don’t want to adhere to an outdated hard line between working and stopping work. Creating options for continued work or retirement is one of the most difficult aspects of high-quality jobs for organizations to negotiate.

On the one hand, employers need to keep valued older employees on the job past the typical age of retirement to preserve and improve institutional knowledge. One AARP survey indicates that keeping older employees either as full-time or part-time employees is among the most widely used methods to address knowledge and experience gaps (Figure 10.1).

**FIGURE 10.1. EMPLOYER PLANS TO ADDRESS KNOWLEDGE AND EXPERIENCE GAPS**

Source: Perron, 2011

On the other hand, employers need to help employees understand what is needed to make a successful transition to retirement. As Figure 10.2 shows, replacement rates (the percentage of pre-retirement income replaced by a pension) have fallen steadily since 1998. Many employees will need to continue working past traditional retirement age, or retire even though they cannot afford to do so.
New roles, such as caregiving and volunteering, can bolster psychological security in retirement, but most workers do not have the opportunity to explore these options fully while still in the labor force. Table 10.1 provides examples of ways to stay active in the labor force while easing into retirement.
### TABLE 10.1. EXAMPLES OF OPTIONS FOR CONTINUED WORK OR RETIREMENT

<table>
<thead>
<tr>
<th>TYPE OF POLICY</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Flexible work options</strong></td>
<td>Certain flexible work options can help employees transition from full-time to part-time work or retirement.</td>
</tr>
<tr>
<td><strong>Snowbird Program</strong></td>
<td>Organization: CVS</td>
</tr>
<tr>
<td></td>
<td>Size: Large (500+)</td>
</tr>
<tr>
<td></td>
<td>Industry: Retail sales</td>
</tr>
<tr>
<td></td>
<td>CVS, like many other organizations, expects surges in demand—either everywhere or in specific regions—depending on the aging of the population. The older customer base in many areas, particularly in warmer climates such as Florida, increases dramatically during the winter months. The &quot;Snowbird Program&quot; allows older employees to transfer between CVS pharmacies/stores on a seasonal basis. Many of the CVS Snowbird participants live and work in the Northeast in the summer and transfer to Florida stores in the winter. The Snowbird Program has enabled CVS to manage increased business in warmer-climate stores in the winter and increased loyalty of older customers, some of whom are snowbirds, too.</td>
</tr>
<tr>
<td><strong>Planning seminars and consultations</strong></td>
<td>Seminars and consultations can support both employee planning and organizational knowledge management.</td>
</tr>
<tr>
<td><strong>Career coaching</strong></td>
<td>Organization: Central Baptist Hospital</td>
</tr>
<tr>
<td></td>
<td>Size: Large (500+)</td>
</tr>
<tr>
<td></td>
<td>Industry: Health care</td>
</tr>
<tr>
<td></td>
<td>Central Baptist Hospital introduced a career coaching program in 2008 that was particularly helpful to older nurses. Previously, frontline managers were responsible for coaching employees on career development, but often they did not feel qualified to make recommendations, especially when it came to options for phasing into retirement. The introduction of a dedicated career coach helped to ensure that employees received advice from an impartial and trained source (see “From Inspiration to Implementation: A Lesson in Building on What You Have” for details).</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>Other options focus benefits either on new retirees or current employees.</td>
</tr>
<tr>
<td><strong>Encore Cornell</strong></td>
<td>Organization: Cornell University</td>
</tr>
<tr>
<td></td>
<td>Size: Large (500+)</td>
</tr>
<tr>
<td></td>
<td>Industry: Education</td>
</tr>
<tr>
<td></td>
<td>Cornell University launched its Encore program in 2009, integrating four elements: (1) Encore Hire, which rehired retirees for short-term positions that could often be done remotely. (2) Encore On-Call, which offered retirees the opportunity to volunteer their expertise. (3) Encore Volunteer, which connected retirees to volunteer opportunities; and (4) Encore and More, which provided retirees with web-based information and resources. The benefit of this program was that it gave those approaching retirement (or already retired employees) a range of options for remaining connected to meaningful work, rather than just one option—such as phased retirement.</td>
</tr>
</tbody>
</table>
WHY SHOULD WE CARE?

The Business Case
As discussed above, institutional knowledge is one of the clearest reasons for organizations to shore up opportunities for employees to continue working as they transition into retirement. Many organizations offer at least some of these benefits (such as flexible work options), but may not be aware of how they could increase options for older employees when considering whether, how, and when to retire.

Additionally, organizations that provide this flexibility for their employees (and become known for doing so) can enhance their corporate reputation. Programs aimed specifically at helping employees at each stage of their lives can be part of a corporate social responsibility agenda (McNamara, et al., forthcoming). They can also build a company’s reputation for innovation and forward-thinking. The future of work and working lives is predicted to be increasingly flexible and cyclical. Adopting new ways to reflect that coming reality can help organizations position themselves as ahead of the curve.

GENERATIONAL CHECK-IN
Options for continued work in retirement might seem to apply only to older employees, but consider the following:

- Good workplaces matter to everyone. For example, the CVS snowbird program helped employees of all ages to have the most consistent schedules possible. For stores in the Northeast and Florida, seasonal surges in demand were difficult to staff properly. Rather than requiring unreasonable schedules (e.g., too few hours available in the summer and too much overtime needed in the winter), the Snowbird Program allowed stores to mimic demographic shifts in a way that benefited the workforce as a whole.

- Options for continued work in retirement often mean more opportunities for knowledge transfer to younger workers. Done correctly, allowing retirement-age employees to continue working either full-time (in related positions) or part-time helps organizations to retain institutional knowledge. However, if knowledge transfer is not built into these initiatives (e.g., through training programs), problems will arise later.
Central Baptist Hospital had a long history of promoting flexible work options that could be relevant to older nurses. These options were:

- **Part-time positions**, such as seasonal positions with health care benefits; transfers from full-time to part-time positions; the creation of positions with shorter shifts (e.g., nurses who covered lunch breaks); and job sharing
- **Positions with different or fewer demands**, including transfers to less physically demanding positions, such as those with less-direct patient care
- **Online scheduling**, where employees could request specific schedules to accommodate their needs

These options were already available as part of a broader flexible workplace culture that supported late-career nurses, but most employees did not have effective strategies for using them to reset their careers. Most employees received their career counseling directly from frontline managers, who felt ill-equipped to address specific issues, and uneasy about potential conflicts of interest. For instance, when experienced older nurses asked their managers about transferring to less-demanding positions or to other departments, the managers often found it difficult to separate the interests of these nurses from the interests of the work group.

To address this problem, Central Baptist Hospital hired a retired nurse with 40 years of coaching experience and a flexible schedule to serve as a dedicated career counselor for nurses considering re-careering. The coach met with nurses to (1) complete competency assessments; (2) discuss career directions; and (3) develop an action plan. Action plans might include making use of existing flexible work options in order to acquire new skills and credentials, or transferring to positions with different demands in different departments.

Source: Center on Aging & Work Innovative Practices Database®
Almost all organizations offer some options that could support continued work, but comparatively few think about their options in these terms. Below, we offer some tips on identifying and building on what you have in place.

Build Your Program
To build a program of options for continued work in retirement, consider the three categories in Table 10.1: (a) flexible work options, (b) planning seminars and consultations, and (c) other (such as rehiring company alumni for short-term gigs). You will probably find that you have many of the needed programs, but have not presented them as a package for retirement-age employees.

Assess Your Program
Planning seminars or counseling (particularly on such topics as financial readiness for retirement) might seem like one of the easiest ways to support continued work in retirement. But how do you assess whether these programs are working? One way to do this is by gauging employee participation; another is to assess how well the programs are preparing participants to make the best choices. A recent study by Allen, Clark, Maki, and Morrill evaluated the outcomes of retirement planning seminars for employees in their early fifties through mid-sixties. Their method provides some guidance for assessing retirement planning programs. They asked about (a) the degree to which employees learned about retirement and (b) the degree to which employees altered retirement plans as a result. Ideally, data would also be available on (c) actual retirement behavior. Although these researchers asked about financial retirement preparedness, it also makes sense to consider nonfinancial retirement preparedness and continued work options (see Figure 10.3).² You could adapt the “what did you learn” and “will you change” questions from this inventory to cover the social and emotional aspects of retirement planning (if you offer those programs).
FIGURE 10.3. ASSESSING EFFECTIVENESS OF PLANNING SEMINARS: SAMPLE QUESTIONS

Sessions on Retirement Options

What Did You Learn About Financial Planning?*

- General financial planning, e.g., “True or false? Buying a single-company stock usually provides a safer return than a diversified portfolio.”*
- Public programs, e.g., “What is the earliest age you will be eligible for Medicare?”*
- Company-specific questions: e.g., “Does your company offer you the opportunity to stay in the company health plan after you retire?”*

Will You Change Your Retirement Plans as a Result?*

- “At what age do you plan to claim Social Security benefits?”*
- “Do you plan to work after retirement?”*
- “Do you plan to annuitize your pension or take it as a lump sum?”*

What Will Your Future Retirement Look Like?

- “When do you plan to retire?”
- “Are you financially prepared for retirement?”
- “Are you socially and emotionally prepared for retirement? If so, how?”
- “What activities (e.g., volunteering, caregiving) do you plan to do in retirement?”

Sessions on Continued Work Options

What Did You Learn About Options for Continued Work?

- “Can you phase into retirement in your current job, with your current employer?”
- “If you reduce your hours at work by half or more, will your pay be reduced in proportion, less, or more?”
- “If you reduce your hours at work by half or more, will your access to employer health insurance remain the same, be eliminated, or be reduced?”

Will What You Learned Change Your Retirement Plans?

- “Would you consider working past retirement age based on what you learned in this session?”
- “Do you plan to investigate further the options outlined in this session?”

*Retirement knowledge and planning questions adapted from Allen, Clark, Maki, & Morrill, 2013*

Troubleshoot Your Program

Because options for continued work or retirement tend to build on other, more general programs, the success or failure of any given program is only part of the picture. Organizations also need to create cultures that understand and value the choices workers make either to phase into retirement or retire altogether, rather than viewing these choices as attempts to “hang around” or block younger workers from advancing. This kind of culture begins with top leadership commitment.
As shown in Figure 10.4, even if the individual programs are effective, top leadership needs to buy in to the idea of using them as options for continued work or retirement. Otherwise, employees are unlikely to see the big picture of how existing programs can be used together (e.g., flexible work options and career counseling). While the executives of most organizations have strong commitment to compensation and benefits, training and development, and even intergenerational relations, commitment to options for continued work or retirement tends to lag behind (see Figure 10.5).
FIGURE 10.5. PERCENTAGE OF ORGANIZATIONS THAT INDICATED TOP LEADERSHIP COMMITMENT

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation and benefits</td>
<td>62%</td>
</tr>
<tr>
<td>Training and development</td>
<td>58%</td>
</tr>
<tr>
<td>Intergenerational relations</td>
<td>57%</td>
</tr>
<tr>
<td>Recruitment practices</td>
<td>56%</td>
</tr>
<tr>
<td>Employment security and predictability</td>
<td>55%</td>
</tr>
<tr>
<td>Assessment practices</td>
<td>54%</td>
</tr>
<tr>
<td>Options for continued work or retirement</td>
<td>46%</td>
</tr>
<tr>
<td>Flexible work options</td>
<td>45%</td>
</tr>
</tbody>
</table>

Source: Center on Aging and Work, 2015

ENDNOTES


