

Oh No, Not the Aging Workforce Again!



Nancy L. Falk
Patra Frame

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Workshop Objectives

- Enhance understanding of aging workforce and mature worker challenges
- Examine the future of mature workers
- Small group exercise to enhance knowledge transfer



A Changing Workforce: *Societal Challenges*

- Demographic changes that impact workforce
 - Increase in:
 - Length of life
 - Proportion of women in workforce
 - Employee age
 - Diversity of workforce
 - Ethic
 - Age
 - Gender
 - Variety of lifestyles/life-stages
 - Decrease in:
 - Birth rate
 - Proportion of younger workers

Dychtwald, K., Erickson, R., & Morison, T. (2006). *The workforce crisis: How to beat the coming shortage of skills and talent*. Boston: Harvard Business School Press.



Labor Force Participation Rates

Civilian Labor Force Participation Rates and Projected Rates						
	Men			Women		
Year	55-64	65-74	75+	55-64	65-74	75+
1996	67%	22.9%	7.3%	49.6%	13.1%	3.1%
2006	69.6%	28.8%	9.5%	58.2%	19.2%	4.4%
2016	70.1%	34.6%	14.7%	63.5%	25.1%	7.6%

Source: U.S. Bureau of Labor Statistics. (2007).
<http://data.bls.gov/cgi-bin/print.pl/emp/emplab05.htm>



Employer Perspective: Demographics as a Driver

- More workers 55+years of age or older in workforce
 - 11.9% of workers (1996)
 - 22.7% (projection for 2016)
 - 55-64 yrs of age - fastest growing
- Fewer younger workers entering labor force
- Critical labor shortages in dominant, skill-specific service sectors:
 - Aerospace, Energy, Nursing, and Healthcare

Adapted from: McIntosh, B. (2008). *Workforce Planning: Aging and Employment*. Washington, DC: Society for Human Resource Management.

Statistical Source: U.S. Bureau of Labor Statistics . (2007).
<http://www.bls.gov/opub/mlr/2007/11/art3full.pdf>



Defining “Older Worker”

- Not simple!
- Inconsistency in terminology:
 - Older, mature, elder, aging worker?



Defining the Older Worker

One Size Does Not Fit All

- Middle-aged
 - Working, saving, accumulating
 - Looking forward to healthy, active retirement
 - Not working due to disability/health challenges.
 - Facing health and economic challenges
- Elderly — 65+ years of age
 - Healthy, retired
 - Large differences in income/functional levels
 - Some considering workforce re-entry
 - Unhealthy, more frail
 - Less able to sustain employment or find new job



Major Reasons for Working

45-74 years of age

- Need the money: 76 %
- Enjoy the job/enjoy working: 76 %
- Being productive is a way I can help others: 68 %
- To save for retirement: 67 %
- It makes me feel useful: 66 %
- Need to maintain health insurance coverage: 65 %
- People have an obligation to work if they can: 59 %
- Need to pay for health costs for self and family: 56 %
- To fulfill pension requirements: 49 %
- To qualify for Social Security: 48 %
- Need to support other family members: 46 %

Source: AARP. (2002). *Staying Ahead of the Curve*. Washington DC: AARP



Forces Restraining Extension of Working Life

- Slow-growth economy
- Youth culture
- Intergenerational conflict
- Negative stereotypes about mature workers
- Human resource policy (employer)
- Hiring and retention practices
- Mismatch between employer needs and employee skills

Adapted from: McIntosh, B. (2008). *Workforce Planning: Aging and Employment*. Washington, DC: Society for Human Resource Management



Forces to Extend Working Life

- Public policy (federal, state, local government)
- Human resource policy (employer)
 - Responding to labor shortages, e.g. CVS, Fed Gov.
 - No mandatory retirement
 - More aggressive retention policies
 - Workplace flexibility
- Less physically demanding jobs-knowledge workers
- Economic necessity-healthier, living longer
- Psychosocial needs
- Technological advances

Adapted From: McIntosh, B. (2008). *Workforce Planning: Aging and Employment*. Washington, DC: Society for Human Resource Management



Guidelines for Small Group Exercise

Break into groups

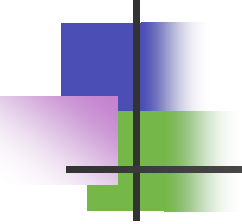
Introductions: 1 minute/person, 10 minutes/group —Max!

- **Name**
- **Organization**
- **Experience with aging workforce issues**

Review scenario: 30 minutes

- **Discuss assessment process and issues of concern**
- **Summarize key points**
- **Choose presenter**

Summarize for all attendees: 5 minutes/group



Wrap-Up

