



The Aging Workforce



Tools & Strategies for Your Organization

The SHRM Foundation

- Charity affiliate of SHRM
- Empowers HR professionals to build inclusive organizations where all employees thrive and organizations achieve success
- Works with SHRM & the Sloan Foundation to produce detailed resources on the aging workforce
- Learn more at shrmfoundation.org

The Reality: Why this Matters

- 35% of U.S. labor force participants will be age 50+ in 2022 (Up from 25% in 2002)
- 45% of unemployed people age 55 to 64 report being unemployed long-term, 27+ weeks (vs. 33% of unemployed 25-34 year-olds)
- 10,000 Baby Boomers turn 65 every day
- Some industries hit hard by Boomer retirements/skills gap:
 - Educational institutions
 - Government
 - Health care
 - Oil and gas
 - Manufacturing

How will this affect your workplace?

Does your organization have a strategy to recruit, retain and engage these workers?

Survey Results

Chapter Survey Results

- [if you have conducted the survey for your chapter or state, add your Aging Workforce survey results here, otherwise, just present the SHRM results]

SHRM Survey Results

- 58% have identified future workforce needs
- 52% have identified potential skills gaps in the next 1-2 years
- 35% have analyzed the impact of workers aged 55+ leaving their organization in the next 1-2 years

Dispelling the Myths

Mature workers (age 50+)...

- **Do not cost significantly more**
 - Fewer organizations base salary on seniority/years of service than in the past
- **Are more engaged**
 - 65% for workers 55+
 - 58% to 60% for younger workers
- **Are more loyal & less likely to leave after training**
 - Unplanned turnover is often greater among Millennials than Boomers

Top 5 Advantages of Older Workers

- 77% -- More work experience/knowledge
- 71% -- More maturity/professionalism
- 70% -- Stronger work ethic
- 63% -- Ability to serve as mentors to younger workers
- 59% -- More reliability

Source: *SHRM Preparing for an Aging Workforce Survey*

Goals of a Mature Worker Strategy

- Retain and engage older workers as long as possible
- Transfer their knowledge to younger employees
- Leverage their skills after they retire
- Recruit older talent from outside

Source: *SHRM Preparing for an Aging Workforce Survey*

Take Action

1. Build the business case

Business Case Checklist: Convincing Organizational Leaders of the Need to Prepare for an Aging Workforce

Scope/Statement of Need

- ✓ The demographic shifts in the workforce are/ will be significant and unprecedented.
- ✓ The workforce and the population as a whole are aging.
- ✓ Labor and skills shortages are projected in a growing number of sectors of the economy.
- ✓ Many workers intend to continue to work beyond the traditional retirement age.

Recommended Solutions

- ✓ Recruiting mature workers
- ✓ Retaining mature workers
- ✓ Skills, training and career development
- ✓ Health care benefits
- ✓ Wellness programs
- ✓ Planning and redefining retirement
- ✓ Retirement benefits
- ✓ Senior care program
- ✓ Employee assistance program
- ✓ Paid leave
- ✓ Employee services
- ✓ Leveraging a more generationally diverse workforce

Risks/Costs of Inaction

- ✓ Higher turnover costs
- ✓ Skills shortages
- ✓ Potential litigation involving age discrimination

Opportunities

- ✓ Use all available talent
- ✓ Source untapped talent
- ✓ Access deep stores of institutional and tacit knowledge

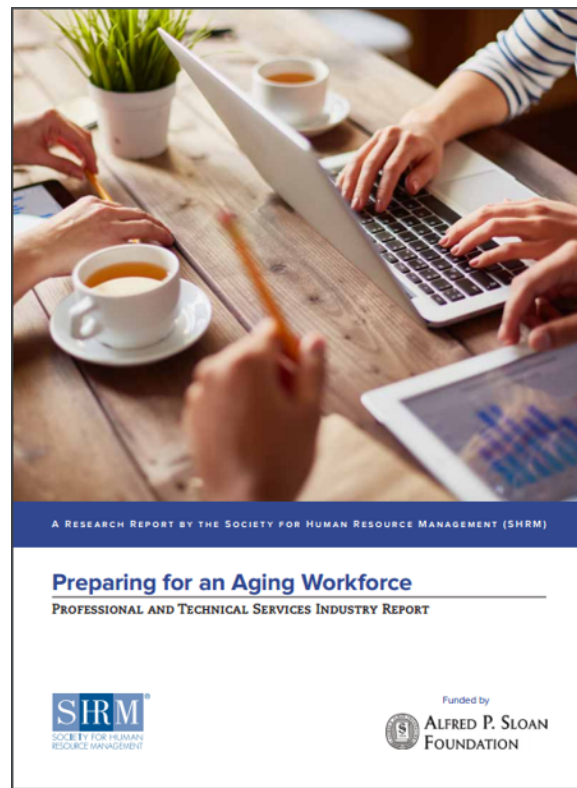
Estimated Costs and Time Frame

- ✓ Recruiting mature workers
- ✓ Skills, training and career development
- ✓ Health care benefits
- ✓ Wellness programs
- ✓ Retirement benefits, planning and redefining retirement
- ✓ Senior care program
- ✓ Employee assistance program
- ✓ Paid leave
- ✓ Employee services

Take Action

2. Assess the state of your aging workforce

- Do you need to expand your workforce to meet business demand?
- How many workers will be retiring in the next few years?
- How will you fill the gaps?



Take Action

3. Recruit & retain mature workers

- Foster an inclusive, age-positive culture
- Offer flexible work arrangements
- Support health & wellness
- Provide caregiver support
- Offer targeted skills training

Templates & Tools



Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals



Diversity Survey	
Please take a few minutes to complete this survey. To ensure your anonymity, [Company Name] has retained an independent consultant to design the survey, receive the completed questionnaires and interpret the findings.	
Please circle one response for each statement.	
I. COMPANY NAME'S ATTITUDE TOWARD DIVERSITY (CIRCLE ONE)	
1. The leadership at this company encourages diversity <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree	7. Employees who are different from most others are treated fairly at this company <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree
2. Management shows that diversity is important through its actions <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree	8. At this company, employees appreciate others whose race/ethnicity is different from their own <input type="checkbox"/> Strongly disagree
3. This company is committed to diversity <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree	
4. This company respects individuals and values their differences <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree	
II. CORPORATE CULTURE	
5. This company is making progress with diversity initiatives <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree	
6. A fair workplace includes people from every race <input type="checkbox"/> Strongly disagree <input type="checkbox"/> Somewhat disagree <input type="checkbox"/> Neutral <input type="checkbox"/> Somewhat agree <input type="checkbox"/> Strongly agree	

Case Study: Assessing Future Workforce Demographic Changes and Preparing Through Mentoring and Gradual Retirement

United States Social Security Administration, Washington, D.C.

Although there is no mandatory age at which one must stop working at the U.S. Social Security Administration (SSA), each year nearly 3,000 employees leave the SSA, and the bulk of those departures are due to retirements.

Of the agency's approximately 64,000 workers, 25% belong to the 55-and-older demographic, said Dr. Reginald Wells, the SSA's deputy commissioner for human resources. Many employees do stick around for decades, but back in the late 1990s, constant churn among the ranks prompted the SSA's leadership to truly emphasize workforce planning for its experienced personnel, he said.

"This is a large demographic for us and we pay close attention to it," Wells said. "It's pretty well spread out over our agency. The Baby Boomers are working a lot longer, but we also do a 'retirement wave' analysis every year. We look at everyone's retirement [benefit] eligibility, and it has led us to building a number of programs devoted to things like knowledge transfer and employee development for those who are early in their careers."

Some of the trickier duties to navigate for newly hired SSA workers include administration of the Title II and Title XVI programs, which provide benefits to disabled dependents of SSA-insured persons and to disabled individuals with limited income, respectively. Knowing that, the agency developed a mentoring program, available for all workers at the agency's 1,400 locations—which include regional offices, field offices, service centers and related operations—around the country. In some instances, group mentoring is provided, and it "has gotten rave reviews" from employees, Wells said. Elsewhere at the agency, when an employee announces an intent to retire, the SSA offers a "gradual retirement" benefit. It allows the employee to use his or her remaining leave time "a little more liberally" while the SSA devises a plan to retain that worker's institutional knowledge, Wells said.

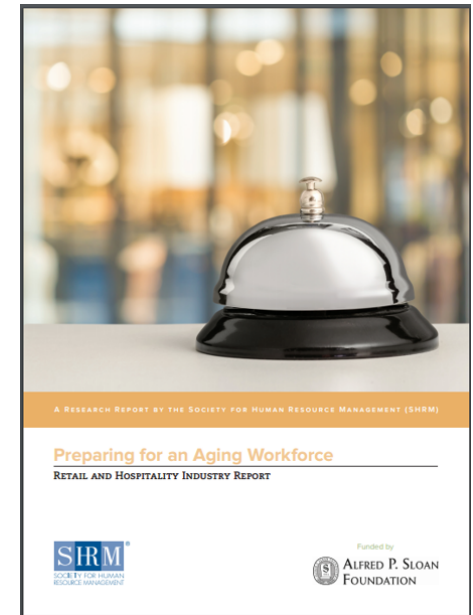
"With these employees, who are winding down their service, their supervisors may allow them a little more time off to slow down," he said. "We identify somebody to come in and start taking their assignments and responsibilities, and it eases the transition." For those who have second thoughts about retiring from the SSA, the agency also offers a "trial retirement program," in which employees can request to return to work within their first year off the SSA's payroll, as long as management can feasibly accommodate the request. Many employees come back in a part-time arrangement, Wells said, because they want to make more contributions after they retire—and some simply feel that they retired too soon.

Returning retirees are also eligible for the government's dual compensation waiver program, which allows them to draw salary with no impact on their retirement savings that they already receive. That particular perk drew the ire of some U.S. lawmakers at one point, but Wells said it helped him illustrate the importance of seasoned workers for the SSA's operations.

"About three or four years into my job, we had some people use this program," he said. "At the time, there was some controversy in Congress, they were questioning why the government would be allowing employees to retire and come back. They were suggesting that the government was doing bad workforce planning."

"I asked to respond to those allegations directly because of a visit I made to an SSA field office. I addressed the staff, and two of the younger, newer staff members stood up and thanked me for the program. I was curious about why, and they said, one of the program's participants in their office was an expert in Title XVI. The intricacies of that program were such that, if this woman was not there to help navigate, it would take twice as much time for these younger workers. So these twentysomethings were talking about how valuable this woman in her sixties was for knowledge transfer."

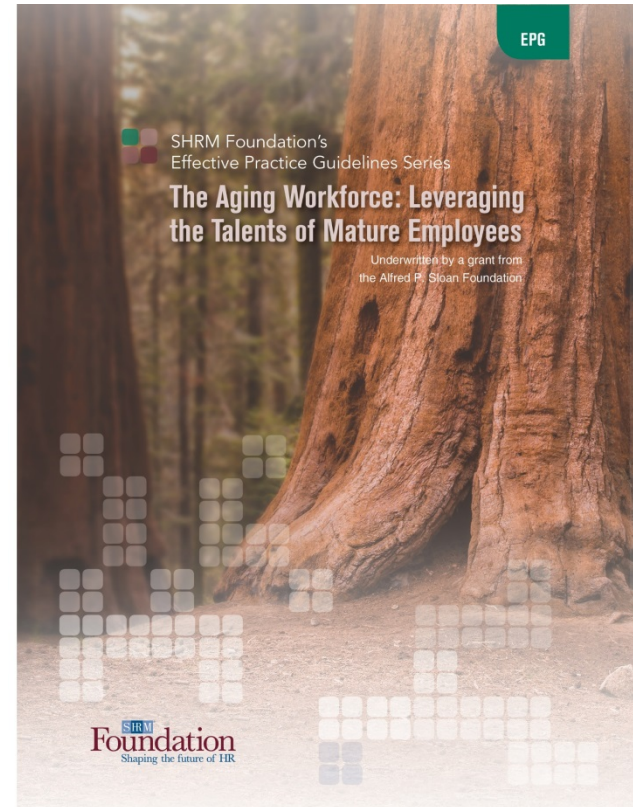
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