

# Older Workers

## *A Key to Bridging the Workforce Gap*



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with Hennepin County

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# Executive Summary

The generation born between 1946 and 1964 is large in relation to successive generations (Pew Research, 2016). A continuing trend of lower birth rates, combined with large numbers of expected retirements, has left Minnesota's economy facing a shortage of employment-ready workers. State and federal programs to expand the workforce and develop workers' skills among younger generations will be insufficient to meet the state's need for workers between 2020 and 2030. Could older workers be a potential solution to help bridge the workforce gap?

This study, conducted in partnership with Hennepin County, sought to answer the following questions for the Minnesota Board on Aging:

1. How prevalent are older workers in Hennepin County, and what are their characteristics compared to younger workers?
2. What skills do older workers provide, and how are they viewed by Hennepin County leaders?
3. What are the benefits and challenges of employing older workers in Hennepin County?
4. What does Hennepin County need from its future workforce, and does the County view older workers as potentially filling that need?
5. What is Hennepin County doing now to recruit and retain older workers, and do County leaders believe those efforts are effective?

Both primary and secondary data sources were used in this research. The study utilized a literature review; Hennepin County 2016 workforce data; an online survey distributed to 1,491 County administrators, directors, supervisors, and managers and completed by 20% (297); and in-depth, qualitative interviews with 10 County leaders. The study was conducted between May and August 2017. The study revealed the following:

**Older workers are strongly represented in Hennepin County leadership positions.** At the end of 2016, older workers represented about 34% of the 8,022 total permanent employees in Hennepin County. By comparison, in 2015 19% of the total workforce in Minnesota was 55 years old or older (Minnesota DEED, 2016). Because many older workers in the County hold leadership positions, the County's leadership ranks will be greatly affected by retirements in the coming decade.

**Older workers are respected, particularly for their knowledge, loyalty, and professionalism.** Employers value the skills and characteristics of older workers (Schramm & Wessels, 2014; Feinsod & Illiano, 2015), and Hennepin County is no different. County leaders pointed to an ability to work independently and a commitment to quality work as additional skills common among older workers.

Meanwhile, leaders viewed other skills such as possessing a strong work ethic and demonstrating reliability as common across generations. While County leaders view older workers as being able to learn and apply new technology, they acknowledge the need for continued training.

**The benefits of older workers are many: experience, resilience, mentorship, customer service, and communications.** County leaders also view older workers as providing an ability to build relationships, be productive, and take a mature approach to their work.

**The challenges of employing older workers include their occasional inability to adapt to workplace changes, such as mastering new technology, as well as physical limitations and taking time off for elder parent care.** However, respondents suggest these challenges depend on the individual, and in some cases, affect younger generations as well (i.e., a need to take time off for child care).

**Communication, ability to build relationships, leadership skills, and management expertise are needed in the future workforce.** Most (98%) survey respondents said it is important for employees to have the skills required for a position upon hiring, but respondents are open to training to further build employee skills.

**Older workers are key to the County's future.** Nearly 64% of survey respondents said it is important to encourage older employees to stay in the workplace past traditional retirement age to meet future department needs. About 82% said they are likely to consider hiring an employee who has previously retired.

**The County actively works to utilize and attract older workers.** Approaches that encourage older workers to consider Hennepin County as an employer of choice include flexible work places, ability to work remotely, phased retirement, and limited duration contracts. The County has also worked to improve communication around non-salary benefits to highlight the attractive nature of County employment.

**The good news is that most successful retention and recruitment efforts benefit younger workers as well as older workers.** Flexible work time and place, increased communication through the “Total Rewards” benefit program, mentorship, and training are among the efforts that provide benefits across all current and potential employee age groups.

## Recommendations

Recommendations were developed and trade-offs were considered by the research team, which sought additional feedback from the Minnesota Board on Aging and Hennepin County. The criteria of efficiency, mission relevance, cultural fit, and feasibility were applied to recommendations for each organization, as follows:

## **The Minnesota Board on Aging**

1. Support policies that benefit older workers — particularly provisions that will help workers who lack sufficient retirement savings, and who therefore will benefit most from staying in the workforce past retirement age.
2. Advise and educate Minnesotans on the workplace shortage and opportunities for employers to utilize older workers through thought leadership activities and an effort to create common language about the value of older workers.
3. Continue research on this issue, such as involving Minnesota nonprofit, for-profit, and other public-sector employees.

## **Hennepin County**

1. Continue to celebrate the value of older workers.
2. Develop conversation guidelines for returning older workers and their managers as a way to clarify roles and new work expectations.
3. Encourage two-way mentoring to promote greater understanding and respect among all employees.
4. Continue communication regarding the worker shortage *and* solutions.

## **Conclusions**

Based on findings from this study, Hennepin County clearly recognizes the opportunity and value that older workers provide toward meeting its mission and goals. As more employers similar to Hennepin County face worker shortages, they will need to creatively apply productivity improvements and other accommodations to attract and retain employees of *all* ages. This means greater focus on remote work possibilities, as well as on other workplace offerings. We recommend further study on employer attitudes toward older workers, including data-gathering from non-government sectors, and from employers whose management levels are not dominated by older workers. We also recommend specific research on employer attitudes toward older workers from minority populations and contrasting attitudes within urban and rural settings.

# Introduction to the Study

The Baby Boomer generation is generally defined as those born between 1946 and 1964. This population is large relative to other generations (Pew Research, 2016). Demographers and others studying labor trends began in the early 2000s to anticipate the impact on employers of retiring Boomers, particularly on programs such as Social Security and overall policy areas including healthcare spending.

The picture clouded, however, during the economic uncertainty of the 2008–2009 financial crisis, and in years that followed. Unemployment remained high. Continued globalization of the world’s economy created further uncertainty, especially for certain market sectors (e.g. manufacturing and agriculture). Technology helped foster structural societal and market changes. Meanwhile, low or “underwater” housing values combined with these other factors to leave many Americans concerned about their long-term financial stability. During this period, policy and legislative attention focused on preventing a similar financial calamity in the future, as well as on health care, immigration policies, and a myriad of other policy areas.

What didn’t receive as much media attention and general awareness was the possibility of a rapidly approaching worker shortage. However, as the U.S. economy improved in the aftermath of the recession, a continued demographic trend of lower birth rates and the inevitable increase in Boomer retirements has left the American economy facing a shortage of employment-ready workers. A potential reduction in work-ready immigrants will further exacerbate the situation.

## Minnesota’s Picture

Minnesota faces the same demographic trends as the rest of the country, with a worker shortage threatening the overall vitality of the state’s economy (Governor’s Workforce Development Council, 2017). Indeed, we remain “above average” in this area, as Minnesota is among the top 10 states in number of residents born between 1946 and 1964, comprising the same group of workers who have been or are currently retiring in large numbers, thus contributing to the looming worker shortage (Moen, Kojola, & Schaefers, 2015).

Recently, the need to improve worker readiness and training has become more widely recognized, both in the workplace and in media reports. Many Minnesota and federal programs have been developed to expand the workforce and develop workers’ skills (Lindsley/Governor’s Workforce Development Council, 2013). However, these programs will be insufficient to fill the state’s need for workers. In addition, programs have generally focused on improving prospects for youth and underrepresented minority populations who lack opportunities for skilled employment, either due to social and economic structural inequalities (e.g. resulting from impoverished backgrounds and/or lack of educational opportunities), or barriers arising from their status as relatively recent immigrants.

## Improved Health and Increased Life Expectancy

Since 1960, the average life expectancy for U.S. males has increased from 67 years to 76 years, and, for U.S. females, from 73 years to 82 years (Data360.org). Importantly, Americans not only are living longer, but improvements in health care, particularly in cardiovascular health (e.g., fewer heart attacks and strokes) and vision care (e.g., fewer falls), have contributed to longer lives with less disability during old age (Moeller, 2016). Americans have remained healthier as they age, but employment practices and regulatory requirements continue to expect people to retire between the ages of 62 and 67. This means U.S. workers may have 20 to 30 additional years of productive life remaining after typical retirement age. The popular press, as well as financial service companies, have worked to publicize awareness of this expanded retirement timeframe and educate potential retirees about why retirement savings must last longer.

## Is There a Solution to the Worker Shortage?

The following questions were explored on behalf of the Minnesota Board on Aging as part of the Master of Public Affairs Summer Capstone Workshop at the Humphrey School of Public Affairs. Recognizing research time constraints for this study, additional investigation into these areas may be needed in the future. Regardless, this study aims to increase the existing body of knowledge from a Minnesota employer's point of view on the issue of a future worker gap, and identify recommendations and areas of research that could form the basis for future efforts by the Minnesota Board on Aging and Hennepin County.

### Research Focus: Demographics

1. How prevalent are older workers (ages 55+) in Hennepin County government, and what are their demographic characteristics compared to younger workers?

### Research Focus: Current Workplace

2. What skills do older workers provide, and how are those skills viewed by leaders across Hennepin County government?
3. What are the benefits and challenges of employing older workers in Hennepin County government?

### Research Focus: Future Workplace

4. What does Hennepin County government need from its future workforce, and does the County view older workers as potentially filling that need?
5. What is Hennepin County government doing now to recruit and retain older workers, and do County leaders believe those efforts are effective?

































































































## Appendix I. Coding Sample—Combined Survey/Interview Comments

Question/Answer	Comments	Quote	Coding
1. What skills do older workers provide, how viewed by supervisors	<b>KEY</b> Blue=Participant 1 Green=Participant 2 Red=Participant 3 <i>Etc.</i>		
Experience		"We've hired quite a few people who have taken pay cuts to come in, to get the stability of the government, they are of the older generation, not millennials. We've loved them because they were perfect candidates..."	Attracting new workers: stability of gov't;  Older workers skills valued
Stability			Older workers skills valued
Balance, Leadership			Older workers skills valued
Absolutely open to older workers			Solution to shortage
Calmer about things			Older workers skills valued
Draw on previous experience to help judge effectiveness of new initiative, see pattern			Older workers skills valued
mentoring, knowledge, a lot of insights, a lot of encouragement		"Supervisors do value the older worker and what they can offer. I think it's more how employees view the older worker – that's the challenge."	Mentoring: old to young, encouragement; skills thru experience: provide insight

## Appendix J: Literature Review Sources and Annotated Bibliography

The literature review was informed by the following primary and secondary sources:

### Peer-Reviewed Journals

- *Population and Development Review*
- *Journals of Gerontology*
- *The Gerontologist*
- *Academy of Management Journal*

### Advocacy White Papers

- Gerontological Society of America
- American Association of Retired Persons (AARP)
- Federal Reserve Banks of Minneapolis and San Francisco
- The Urban Institute
- Pew Research

### U.S. and State Government Reports

- Minnesota State Demographic Center
- Minnesota Department of Employment and Economic Development (DEED)
- U.S. General Accounting Office (GAO)
- U.S. Bureau of Labor Statistics (BLS)
- Minnesota Governor's Workforce Development Council (GWDC)

### University Reports

- University of Minnesota Center for Urban and Regional Affairs
- University of Minnesota Office of University Economic Development
- University of St. Thomas
- Boston College Center for Retirement Research and Sloan Center on Aging and Work
- Cornell University School of Industrial and Labor Relations

### U.S. Media and Consulting Organizations

- Gallup Organization
- *Next Avenue* digital platform (PBS/TPT Minnesota collaboration)
- *StarTribune*
- *Time*
- *Data360.org*

## Annotated Bibliography

This annotated bibliography provides references and summaries of selected resources related to the research topic, some cited within the body of the paper, and others which offer additional background.

**Allen, R.** (2017). *Immigrants and Minnesota's Workforce*. The Committee on Minnesota Workforce and Immigrants, University of Minnesota Office of the Vice President for Research. Available at <https://goo.gl/P8TC96>

**Summary.** While not directly related to employer attitudes toward Boomer employees, this report sheds light on demographic considerations for employers related to their foreign-born, older workers. The report looks at six main issues associated with workforce changes in Minnesota due to demographic shifts in the state's population: slower population growth and greater diversity by age, race, and ethnicity; diverging situations in urban and rural parts of Minnesota; the state's increasing dependence on immigrants to grow the population base; the disparity between highly educated and under-educated immigrants in the workforce; and the state's overall dependence on immigration/immigration to fuel growth.

**Relevance.** Provides context for the crucial role of immigrants in the present and future Minnesota workforce. While not overtly focused on older workers, other sources have pointed to the key role of older workers in the Minnesota workforce, and the fact that many are under-educated service sector workers from immigrant communities.

**Eisenberg, R.** (2017, May 9). "Why isn't business preparing more for the future of aging?" PBS/Next Avenue. Available at <https://goo.gl/NtDbhb>

**Summary.** This essay mentions research from the MIT AgeLab and discusses unconscious biases in the workplace—that older workers are less productive than younger workers, less able to learn new processes, and cost employers too much. Thoughtful discussion.

**Eschtruth, A., Sass, S., Aubry, J-P.** (2007). *Employers Lukewarm About Retaining Older Workers*. Center for Retirement Research at Boston College.

**Summary.** This research discusses two surveys of 400 nationally representative employers. Findings include that employers are only *slightly* more likely to accommodate even half of their employees who will want to stay on. Companies are more likely to accommodate older workers if they expect employment growth, value older workers' institutional knowledge, and/or have older workforces. Employers that view older workers as costly and/or as operating in an environment where the pace of technical change is slow were less likely to say that they would accommodate older workers. Employers that expect strong growth in the coming decade are more likely to create opportunities for employees to stay on past the traditional retirement age. Contributions to the knowledge base also raise the likelihood that an employer will retain older workers.

**Relevance.** This research provides a nice baseline of information against which we might measure our own original research. It also provides guidance on potential question framing for our research. However, it has limitations in that it included only organizations where at least 10 percent of the entire workforce was over age 50. All survey respondents faced the prospect of losing at least 10 percent of their total workforce when the Boomer generation retires. In addition, this survey was conducted pre-recession—a potentially different work environment than employers face today.

**Eyster, L., Johnson, R., Toder, E.** (2008, March 7). “Current Strategies to Employ and Retain Older Workers.” The Urban Institute. Available at <https://goo.gl/Rn4weK>

**Summary.** This advocacy piece discusses the aging U.S. population and points out the need for employers to redouble their efforts to hire and retain older workers as the number of people reaching traditional retirement ages increases. Mentions the value of knowledge transfer and the value of flexible work arrangements.

**Farrell, C.** (2016, July 8). “Employers are rethinking older worker stereotypes.” PBS/Next Avenue. Available at <https://goo.gl/x4txep>

**Summary.** This essay discusses the worker shortage and its effect on employers: they will be pushed to be increasingly creative in using of older workers to staunch the workforce gap. Cites the situation that more than half of employees at the Brooks Bros. factory are over 55, and mentions older workers make fewer mistakes, mentor younger workers, and look for flexible scheduling. Suggested resource: Columbia Aging Center at Columbia University, NYC, Age Boom Academy. Mentions Social Venture Partners, Seattle: “We’re trying to get society to understand that people over 50 are an asset, not a liability,” says Jim McGinley. *The New Talent Landscape: Recruiting Difficulty and Skills Shortages*, a June 2016 report from the Society for Human Resource Management, asserts that “replacing retiring Baby Boomers will continue to be a key staffing challenge in the years ahead. Organizations that can continue to engage their mature workforce and even retain them beyond retirement age will have an advantage.”

**Relevance.** The potential benefits to employers from efforts to retain older workers is being recognized, but the academic and applied work in this area is relatively new.

**Federal Reserve Bank of Minneapolis.** (2004). *Welcome to Retirement. Now Back to Work.* Available at <https://goo.gl/AG8dwp>

**Summary and Relevance.** Discusses effects on the labor market of impending retirements and hits to labor supply. “Other things equal, lower growth in labor supply means less economic growth and lower standards of living. Because of our advanced demographics, this phenomenon may hit the Ninth District [Minnesota and surrounding environs] sooner than it will other parts of the nation. But other factors suggest that work and retirement could well be different for baby boomers than it was for their parents. And the aging of the population may influence economic growth in ways that could mitigate the impact of lower labor supply growth.”

**Feinsod, R., Illiano, E., et al.** (2015). *A Business Case Report for Workers Age 50+: A Look at the Value of Experience 2015*, AARP, Washington DC, pp. 1-101.

**Summary.** The old view is that older workers are more expensive relative to younger workers, because more experience equals higher wages plus higher benefit costs. The new view/conclusion of report is that compensation and benefits are no longer significant factors in the costs of hiring and retaining older workers (p. viii). In a Society for Human Resource Management survey, 40% of HR professionals said loss of talent through retirement or departures of 55+ workers is a problem or crisis. Employee engagement is key to results, and 55+ workers are the most engaged and have highest motivation (p. 16). Per Aon Hewitt, for every 5% increase in employee engagement results in 3% increase in revenue (p. 19). Move toward performance-based vs. tenure-based compensation has decreased the rate of increases of employee costs due to older workers (p. 2) All healthcare costs are increasing, but the rate of increase for 50+ slower than others in large part due to reduced prevalence of big expense diseases such as cardiac disease (p. 36). Shifting away from defined benefits (DB) to defined costs (DC) reduces retirement spending by employers and thus makes costs more age neutral e.g. 26% retirement benefit cost now 20%. Value considerations for older workers: most highly engaged, more predictable turnover patterns, complex jobs increase importance of experience & knowledge, importance of mentoring/transferring knowledge. Top 5 drivers of engagement are same for older and younger workers (p. 60). Strategies cited by HR professionals to retain/recruit 50+: reduced hours/part-time, hire as consultants/temp/project based, flexible scheduling, bridge employment, phased/gradual retirement.

**Relevance.** As one of the primary trade associations focused on older American issues, AARP has begun to study employer attitudes toward, and opportunities given, older workers. There is evidence that managers have not fully recognized that their long-held beliefs in the relatively higher expense of older workers no longer applies, that trends toward productivity-based compensation and the overall improved health of older Americans has meant the relative expense of older workers as a group is no longer significantly different than younger employees.

**Lindsley, B.** (2013, January). *Most Competitive Workforce in the World*, Governor's Workforce Development Council (GWDC), St. Paul, MN. pp. 1-20.

**Summary.** The focus of the GWDC is on career pathways, so it's mostly aimed at younger workers. The federal Workforce Investment Act focuses on short-term job search and training. 85% of all new jobs created in the last 10 years will require post-secondary education. Training has the biggest impact on employment and earnings.

**Relevance.** Although there are state and federal programs aimed at increasing the availability of trained and work-ready employees for Minnesota employers, most are focused on younger workers or those diverse populations underrepresented in the workforce.

**Mermin, G., Johnson, R., Murphy, D.** (2007). "Why do boomers plan to work longer?" *Journal of Gerontology*, vol. 62B, no. 5.

**Summary.** Provides an analysis of data from "The Health and Retirement Study," a longitudinal study from the University of Michigan's Institute for Social research. "Boomers (born between 1946 and 1964) will remain at work longer than the previous generation. The recent uptick (between 1992 and 2004) appears to be the leading edge of a new long-term trend. Several reasons: Erosion of employer retiree health benefits (explaining as much as half of the increase in longer work expectations for older employees); a trend away from defined benefit pensions (explaining as much as 23% of the increase in work expectations), which encourages longer work tenure to fund retirement; and demographic trends (i.e., higher education attainment in this age group, declining marriage rates, and movement of more women into the labor force). As a result, "some analysts have suggested that slow labor force growth could result in worker shortages or skill gaps that impede economic progress."

**Relevance.** This research is useful because it asked respondents working for pay: "Thinking about work generally and not just your present job, what do you think are the chances that you will be working full-time after you reach age 62/65?" It then modeled retirement expectations for both generations (Boomers and the previous generation). The research is limited, however, to identifying potential correlations between longer work periods and work conditions such as insurance availability, and falls short in identifying the nuanced or multiple factors that may work together to influence an employee's decision to continue working. For our purposes, this national perspective may not easily translate to Minnesotans.

**Minnesota Department of Economic and Employment Development.** (2015, May 19). *DEED Deputy Commissioner Jeremy Hanson Willis Discusses DEED's Role in Developing, Retaining Older Workforce at U of MN Think Tank*. Available at <https://goo.gl/IDE3dB>

**Summary.** "More U.S. workers ages 55 and over are employed than ever before. And we know we're riding the baby boomer retirement wave, ready or not. There were almost 33 million workers aged 55 years and over in the U.S. in 2013, accounting for just over one-fifth of the total labor force, according to data from the U.S. Census Bureau's American Community Survey. Here's the Minnesota picture: 636,500 workers aged 55 years and over accounted for 21.2 percent of the total labor force." Employers that seek out older workers: AARP lists employers recognized for exceptional practices regarding older workers and national employers that abide by age-neutral policies. Securian Financial Group in St. Paul recognized as an AARP best employer for several years. Its foundation also sponsors a

work search information network to help older workers manage their job search. The Wells Fargo 'Boomer Connection' is a model for a development and support group for boomers within the workplace. The group has sponsored forums and provided information to boomers at Wells Fargo about opportunities, benefits, and retirement planning. Social media: Employers often search for candidates using social media; urges establishing or updating social networking accounts on Facebook and LinkedIn, identifying key employers, using social media to network.

**Relevance.** Detailed demographic information and descriptions of job search mechanics for and by older workers offer valuable insights into older worker position in the workforce.

**Moen, P., Kojola, E., & Schaefers, K.** (2017). "Boomers at work and in transition," University of Minnesota Center for Urban and Regional Affairs, *CURA Reporter*, 47:1, pp. 3-9.

**Summary.** This article presents results of in-depth interviews with 23 employers of Boomers and 27 Boomers in the workforce. According to the research, there is "a fundamental mismatch between what many Boomers want or need in this new 'encore' adult stage [before full retirement outside the workplace] and the outdated policies and practices shaping the conventional life course" (Moen). Among workers, "most do not envision the sharp divide between paid work and retirement experienced by previous generations. Instead, many want to scale back or seek second acts, rather than opt out of the workforce altogether.... They express a desire to remain active and engaged either through paid work, often in encore jobs, or unpaid activities." Boomers want more control over their time, schedules, and the type of work they do, according to the study. "People with inflexible employers and highly demanding jobs report wanting to retire or leave their jobs for more flexible work. The stress of highly demanding and inflexible work pushes Minnesota Boomers toward retirement."

Among employers, "most surprising is that the innovative policies reported for older workers are in fact designed for opening up options for workers of *all* ages, not just older workers." The study notes that managers are often reluctant to raise the topic of retirement for fear of age discrimination, etc. This can limit the ability of both workgroups and older employees to proactively plan for the future. At 19 of the surveyed organizations (80%), retirees are eligible to be rehired and are often brought back on a contract or project basis. 80% engage workers of all ages, including older workers, in training and professional development. Professional development and education reimbursement programs allow older workers to continue building their skills and even move up within the organization. The study findings suggest most employers "get it"—that they must understand the preferences and circumstances of their Boomer workers and retirees; the potential implications of an aging workforce for their work processes and work environments; the shifting technological and social aspects of contemporary work together with outdated age-graded policies and practices that limit Boomers' options for working more flexibility, moving into and out of employment, or taking on encore careers (Freedman, M.) that promote the greater good. The types of responses tended to vary by size of the organization. Some policies are not formalized, which can be problematic, the research found.

**Relevance.** Overall, this study offers probably some of the best comparison data for our work — especially because it occurred in Minnesota. It also provides additional data that compares well with some of the national data found on various methods of encouraging the retention of older workers.

**Moen, P.** (2016). *Encore adulthood: Boomers on the edge of risk, renewal, and purpose*. New York, NY: University Press Scholarship Online/Oxford University Press.

**Summary.** Moen explains that gender and age influence when/how men and women exit the workforce and/or what they choose to do outside of their careers. "Because age is a key way of categorizing people, it contributes to age stereotypes (assumptions about abilities and behavior) and age discrimination (ageism), which, like gender and race discrimination, cut people off...." Discusses influences on worker norms/institutional norms and essential workplace mismatches between worker needs and what they find.

**Steps to solve this problem: (Ch. 8)**



1. Fixing the work-time mismatch—schedule flexibility and control, leading by example (e.g. federal, state and local governments)
2. Addressing the life-course mismatch—the need to change language, the need to change customs, rules and laws, rewriting life-course scripts, postponing retirement solutions,
3. Recognizing the risk-safety net mismatch—job and economic insecurity risks (large-scale policy shifts are necessary to shore up insurance against employment and economic insecurity), health risks

“Government policy innovations are fundamental to redesigning a twenty-first-century life course, since state rules and regulations constitute the constraining and enabling environments in which businesses, community service organizations, families, and individuals operate (Ch. 7).” For example, policies and practices encouraging early and “total” retirement, Social Security payouts, and policies in other countries. Some examples from higher education include lifelong learning, IT and Encore Education.

**Relevance.** There appears to be limited information in the literature about the impacts on women, people of color, and other minorities. This source comes closest to examining the traditional life/career cycle being structured by/for white men who are in white-collar or blue-collar unionized jobs in the early half of the 20th century. As Moen indicates, this history provides important context around the retirement expectations of Boomers and their employers. More importantly, Moen suggests that Boomers have very different histories than other generations that follow them. As a result, the client’s desire to avoid making our research about Boomers -- but instead about older workers (i.e. so that it has application to future generations) -- may be impossible. In fact, there may even be differences within the Boomer generation when comparing the historical influences and life experiences of young vs. old Boomers.

**Moen, P., Kojola, E., & Schaefer, K.** (2015). *Organizational Change Around an Older Workforce*. University of Minnesota and University of St. Thomas.

**Summary.** This study focuses on the Minneapolis-St. Paul metro region and involved interviews with 23 organizations (11 private-sector, 4 government agencies, and 8 nonprofits). The study finds that “organizations are leading change by developing universal policies and practices, not ones intentionally geared to older workers. Both their narratives and strategies — opportunities for greater employee flexibility, training, and scaling back time commitments — suggest deliberate disruption of age-graded logics, replacing them with new logics valuing older workers and age-neutral approaches.” The study also finds that “organizations in the different sectors studied are fashioning uniform policies regardless of age.” In other words, the organizations appear reluctant to create policies that cater only to older workers.

**Relevance.** This study contains good background information about the mismatch between workforce policies and practices, and “the changing demographics and desires of the workforce.” Even more importantly, it is one of the few studies found that focuses on Minnesota employers. The study acknowledges that “Minnesota is among the top 20 states in the proportion of its population who are Boomers (26%), and its proportion of older residents is expected to grow over the next 15 years—a challenge employers and policymakers are beginning to address.” Unfortunately, among the study’s limits are its small sample size — particularly related to government, which is of particular importance for our research.

**Mulders, J.O., Henkens, K., Schippers, J.** (2015). “Organizations’ ways of employing early retirees: The role of age-based HR policies.” *The Gerontologist*, Vol. 55, No. 3, 374-383. doi:10.1093/geront/gnt114

**Summary.** This study is based on a 2009 survey of 4,700 Dutch employers. “One in seven organizations that employ early retirees do not pay them or only reimburse their expenses. Organization size is most strongly related to the employment of early retirees. Small organizations (with up to 25 employees), on the other hand, are less likely to employ early retirees. Retirement is considered as a transitional phase from full-time work to full-time non-work. “Bridge employment” describes the phase between full-time work and retirement. Four work plans were examined:

flexible hours, “demotion” or scaling down responsibilities, namely demotion, offering training opportunities to older workers, offering early retirement, and allowing flexible working hours.”

**Relevance.** This study offers helpful potential guidance on framing our survey and offering an international comparison point against which to compare the use of early retirement workers and the potential effects of age-based HR policies. However, it has a significant number of limitations. First, it utilizes “crude measures for organizations’ employment of early retirees,” and provides only four classes of HR rules: (1) demotion, (2) offering training opportunities to older workers, (3) early retirement offers, and (4) allowing flexible work hours. Second, the study took place in the Netherlands, where there are very specific work rules and public policies that may vary greatly from those in the United States. Third, it focuses on a small sliver of the age groups in our study. Finally, the study itself cautions that care be taken in additional research to disentangle causal effects of HR policies and employment practices.

**Munnell, A., Sass, S., & Soto, M.** (2006) *Employer Attitudes Towards Older Workers: Survey Results*. Center for Retirement Research at Boston College.

**Summary.** This study includes results from a survey of 400 private sector employers. *Productivity:* Employers view older workers as more productive. Age was a significant advantage in white-collar jobs. A clear majority said older managers and professionals were “more productive,” whereas about 40% of employers said the same about older rank-and-file workers. Perceptions about productivity varied with familiarity, either based on percent of workers in this age group or respondents who were part of this age group. Views were also less enthusiastic among small and very large firms, and employers with defined benefit pension plans. *Advantageous Characteristics:* Two characteristics of older workers most frequently cited as advantageous were “knowledge of procedures and other aspects of the job” and “the ability to interact with customers.” Mid-range were “ability to learn new tasks quickly” and “physical health and stamina.” Least advantageous was “expectations for how much longer workers will be working.” *Cost:* More than 40% said older workers are more expensive than someone younger, twice as many as said they cost less. *Attractiveness:* Two-thirds of employers said an older employee or prospect is neither more nor less attractive than someone younger. This is true for both white-collar and rank-and-file workers. Nevertheless, the survey suggests that white-collar workers have better prospects than rank-and-file workers for extending their careers. The overwhelming majority of employers said older workers were “as attractive” or “more attractive” than a younger employee or prospect.

**Relevance:** This research further informs the development of our survey by highlighting characteristics of older workers and descriptions about how employers view older workers. However, it has the following limitations for our work: These data are specific to private sector employers, which may differ significantly from the large public-sector employer we are surveying (i.e., Hennepin County). Like many of the other employer surveys in the literature, it also preceded the Recession, which could affect employer attitudes.

**Schramm, J. & Wessels, K.** (2014, December). *Preparing for an Aging Workforce: Executive Summary*, Society for Human Resource Management. Available at <https://goo.gl/MF6JuF>

**Summary.** 3-year study on value of older workers as identified by HR professionals, with Alfred Sloan Institute, 20,000 surveys sent to HR professionals, 10% response rate. 2014 percentage of older workers by industry: Healthcare 30%, Gov’t 29.3%. 50% of companies track retirements out 1-2 years, few go further. Barriers identified to retaining older workers: flexible work location, career flexibility, work hour flexibility, scheduling flexibility. 61% say try to capitalize on older worker experience, 54% have cross training or other programs to capitalize on knowledge/transfer knowledge from older workers, 1/3 had mentoring programs  
Top 5 advantages: more work experience, mentors, more reliable, more professional. Strongest applied skills: professionalism, critical thinking, self-direction, leadership, ethics/social responsibility

**Relevance.** Human resource professionals have recognized there is a looming bulge of workers who will be aging out

of the workforce, but few recognize the urgency of addressing the issue, nor have considered alternative approaches to retain those workers past the traditional retirement age.

**Swift, A.** “Most U.S. employed adults plan to work past retirement age.” Gallup. Retrieved May 16, 2017. <https://goo.gl/ApPmr1>

**Summary.** Gallup conducted a telephone survey April 5-9, 2017 with a random sample of 1,019 adults, ages 18+, living in all 50 U.S. states and the District of Columbia. Results showed that two in three employed U.S. adults (63%) say they plan to work past retirement age, but on a part-time basis. This rate is constant compared to 2011 and 2013. An additional 11% say they will work full time once they hit retirement age. A quarter of employed Americans say they will stop working altogether.

**Relevance.** While this poll does not serve to inform the development of our research — because the respondents to Gallup were current or eventual retirees as opposed to employers — this research does provide very current national data on employee intent. In that regard, it may provide content for the introduction/context setting of our paper and presentation and/or may inform our recommendations.

**Tishman, F., Van Looy, S., Bruyere, S.** (2012). *Employer Strategies for Responding to An Aging Workforce*. Cornell University School of Industrial and Labor Relations, Employment and Disability Institute.

**Summary.** This study was multi-faceted and included a literature review, interviews with national experts and thought leaders in the field of employer strategies for addressing an aging workforce, and interviews with public- and private-sector employers recommended by the national experts. The study looked at “promising employer strategies to recruit, retain, train, and promote and enable bridges to retirement for older workers with disabilities.” It offers examples of retention efforts that have succeeded and recommends investigating public policy changes for “increasing the minimum retirement age, providing incentives to older workers to remain employed longer, and offering employers payroll incentives to hire and retain older workers.” The study examines age-related issues in the workplace and successful employer accommodations. The researchers found that job retention could be achieved by providing interventions that prevent early retirement. Study results also highlight both positive and negative perceptions of older workers, as well as a focus on flexible arrangements, including “job sharing, shifting to a different job, schedule flexibility, flexibility of place, snowbird programs, deferred or phased retirement,” and so on.

**Relevance.** This study provides a variety of potential options to consider in our survey and interview questions, as well as recommendations (including examples of companies/organizations that have taken the various recruitment, engagement and retention steps mentioned).

**University of Minnesota.** (2015, May 15). *Convergence Colloquia: Cultivating Serendipity for Action—Aging*. [http://www.research.umn.edu/convergence/documents/Report\\_Aging.pdf](http://www.research.umn.edu/convergence/documents/Report_Aging.pdf)

**Summary.** The Minnesota Governor’s Workforce Development Council is made up of leaders from business, education, labor, community organizations, state agencies and local governments. The Council’s 2012 policy advisory report, “All Hands on Deck,” outlines four recommendations focused on aging workers. (1) The report emphasizes the importance of capacity building in Minnesota’s workforce development system to address demographic and economic changes, including through the state’s WorkForce Centers. (2) The report calls for developing a state plan to extend the work life of aging workers by addressing issues such as training for older workers, post-retirement work, paid volunteer opportunities and pension and retirement policies. (3) Recommends establishing Lifelong Learning Accounts to help aging workers finance continuous learning opportunities. (4) The report calls for support for entrepreneurship and small business development among aging workers by better coordinating federal, state and local business development resources.

**Relevance.** Minnesota as a state has begun to consider the impact of its aging workforce, although the impact on policy seems limited.

**The Urban Institute.** (2007). “Fact sheet on population aging: Are employers willing to hire and retain older workers?” Available at <https://goo.gl/7WsBQF>

**Summary.** “Employer attitudes toward older workers are mixed.” Employers value older workers’ loyalty, work ethic, reliability, and experience. Reviews older but still relevant research. Munnell, Sass, and Soto (2006): They view older white-collar workers as more productive than younger white-collar workers. Yet, employers express concern that older workers may be less creative, less willing to take initiative, less willing to learn new things, and less able to perform physically demanding jobs. Employers are also concerned that older workers are more expensive. Older workers are paid more. In some cases, age–wage rate relationships reflect historical seniority arrangements instead of relationship of age and experience to productivity. Health insurance costs to employers increase with age. Traditional defined benefit pension plans have very high accrual rates just before retirement age. Most employers report that older workers’ high productivity offsets their higher costs. Employers are less likely to train older workers because there is less time for employers to recoup costs. Some employers continue to discriminate based on age. Some older adults report in surveys that employers treat older workers less fairly than younger workers and that older workers are more likely to be laid off (Reynolds, Ridley, and Van Horn 2005). In one study, employers were less likely to call back older job applicants for interviews than otherwise identical younger ones (Lahey 2005). Employers may be more hesitant to hire than retain older workers. There is less time to recoup recruiting, hiring, and training costs from older new hires. Older new hires rapidly accumulate defined benefit (DB) pension benefits. “Older new hires may be more difficult to terminate because of the Age Discrimination in Employment Act.”

**Relevance.** Summarizes pros and cons described by employers of older worker characteristics. Also provides insight into employer biases, attitudes, and cost concerns.

**U.S. Bureau of Labor Statistics.** (2016, September). “Employee Tenure in 2016.” Available at <https://www.bls.gov/news.release/pdf/tenure.pdf>

**Summary.** Provides demographic trends of the older worker group with data from the Current Population Survey—median tenure, age, race, education, fields of employment. Other documents available: “Institutional Barriers to Employment of Older Workers” (1989)—many interesting topics, although all 15 or more years old.

**U.S. General Accounting Office.** (2005, April). “Redefining retirement: Options for older Americans” Available at <http://www.gao.gov/products/GAO-05-620T>

**Summary.** An early look at demographic trends related to the aging of the population and its financial consequences for economic activity and productivity. Also discusses the effects on national policy and entitlement planning.

**U.S. General Accounting Office.** (2003, Feb. 13). “Policies of Other Nations to Increase Labor Force Participation” Available at <http://www.gao.gov/products/GAO-03-307>

**Summary.** Looked at the responses of Japan, Sweden, and the UK to demographic shifts caused by the aging population, a problem faced internationally somewhat earlier than in the US. “The experiences of these nations suggest that the nature of the reforms, the public availability and transparency of information on the reforms, and the strength of the national economy play key roles in extending older worker labor force participation.”

**Relevance.** Reforming national and employer pension plans “provide incentives to work longer, but must also be paired with labor market reforms and economic growth to provide job opportunities to older workers if they are to be effective.”