



Workplace Retention & Recruitment: Strategies for Older Workers



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Agenda

- **Welcome & introductions**
- **Background**
- **Narratives**
- **Methods**
- **Some results**
- **Discussion & Implications**

Background

- **Introduction**
- **Narratives (4) & process**
- **Methods**
- **Some results**
- **Discussion & Implications**

Introduction

- **National & international trends of aging workforce & low participation rate of OA**
- **Continuous learning for OA & changes in recruitment practices & job re-design**
- **In Canada, between 2005 & 2036, OA pop will almost double (13.2% to 24.5%)**

Introduction continued

- **MB is 2nd youngest province in CN, yet!!!**
- **25% of pop is over 55**
- **55-64 greatest % increase since 2001
(25.3% of any age group)**
- **2008 & 2018, those 65+ will increase by
21.7% (3x for 0 to 14—6.5% & 2x for 15 to
64—9.5%)**

Introduction continued

- **Employment & productivity will depend on their role**
- **How prepared are older workers?**
- **How prepared are employers?**
- **How prepared are sectors/business?**
- **OA participation in lifelong learning is critical to individual & societal success.**

The Narratives (4)

- 1. Changing retirement landscape**
- 2. Participation in education & training**
- 3. Benefits & challenges to engage OA workers**
- 4. Strategies to retain & recruit OA workers**

Changing retirement landscape

- **How would you describe the current retirement landscape? Are OWs retiring? If not, why not?**

Retirement landscape (1)

- **Canada, trend towards early retirement**
- **Participation rate for men (60-64) declined by 17% between 1976 & 1982; and 1997 & 2003 &**
- **Increased by 2.8% for women for same period**
- **Men & women (65 &+) declined over past 25 years**

Retirement landscape

- **US, older workers work longer than 20 yrs ago**
- **Boomers intend to work in retirement, work full-time past 65 (increase from 27% in 1992 to 33% in 2004)**
- **Want to phase into retirement**
- **Concerned about ability to afford early retirement**

Retirement landscape

- **Subjective lifespan approach to aging based on individual capabilities & organization needs**
- **Not chronological/legal or socially determined based on values & attitudes to older workers**

Retirement landscape

- **What are implications for HR practices?**
- **OWs employment decisions are mediated by:**
 - **organizational policies in response to demographics & org's factors,**
 - **social norms, health status, finances, conditions at work, work-life balance, & family responsibilities**

Retirement landscape

- **Employers' policy decisions are influenced by:**
- **experienced, skilled workforce, labor market demands, & retirement policies & benefits**
- **Future outcomes depend on dynamics of employers/ees' decisions,**
- **Systemic issues &**
- **OWs ability to participate in E&T**

Participation in education & training (E&T) (2)

- **Are OWs participating in E & T? If not, why not?**

Participation in education & training (E&T) (2)

- **Links between E&T & labor market outcomes**
- **E& T remove inequities in employment & income levels (Aboriginal, Older workers)**
- **Regardless of age, holding a certificate, diploma, or degree has an equalizing effect on opportunities to participate in labor market**

Participation in education & training (E&T)

- **Human capital/socialization theory explains participation & access to E&T of OW in the workplace**
- **University graduates, certain fields, certificate, & diplomas holders earn more & have advantages than those with HS &/ or less b/c they have KSA employers value**

Participation in education & training (E&T)

- E&T by employer & employee is an investment (ROI—Cost/benefit analysis)
- Training is provided when there is a net positive benefit to both
- Employers' benefits (productivity & profitability) & costs (tuition, loss output)

Participation in education & training (E&T)

- **Employees' benefits (promotion, salary) & costs (loss leisure & family time)**
- **Employers support E&T when costs are lower than long-term benefits**
- **Employees participate when they perceive benefits to them**

Participation in education & training (E&T)

- Investment decisions are seen as rational & linear
- Many factors impact decisions & choices (learning ability, org culture, education, technology, retirement landscape, attitudes)
- Relationship between age & training varies

Participation in education & training (E&T)

- Learning org concept may be important
- E & T of OW requires access to training
- Adapting training methods & learning environment to meet needs, &
- Manager awareness training to reap benefits & avoid pitfalls of engaging OWs

Benefits & challenges (3)

- **What are the benefits & challenges to recruiting & engaging OWs in the workplace?**

Benefits & challenges (3)

- **Age diversity, responsive to diverse ageing population, multigenerational workforce, mutual learning, understanding across age groups**
- **Contribute to innovation, productivity, strong work ethic & change**
- **High retention rates, lower absenteeism, reliability, commitment, dedication, flexibility**
- **People oriented & development skills**

Benefits & challenges (3)

- **Age-based discrimination**
- **Objects to be managed**
- **Myths re productivity, rigidity, inability to adjust to technology & learn**
- **Organizational culture & norms**
- **Effects of age, race &/or gender**
- **Lack access & opportunity for career advancement, & development**

Benefits & challenges (3)

- **Shortages of right skills, leadership abilities**
- **Loss of corporate & technical knowledge**
- **Difficulty in succession planning**
- **Decline growth & productivity & rise in benefits**
- **Attitudes (discriminatory, stereotypical, negative)**

Strategies to retain & recruit (4)

- **Describe the strategies that you are aware of that organizations use to retain & recruit OWs?**

Strategies to retain & recruit

- **Flexible work arrangements**
- **Formal & informal phased retirement**
- **Other options**

Strategies to retain & recruit:

Flexible options

- P/T employment, flexible work schedules (flextime, compressed work schedules, job sharing, sabbaticals, lateral moves, telework, snowbird programs)
- Job redesign or modified work
- Training, reframed position descriptions

Strategies to retain & recruit:

Flexible options

- **Neutral hiring & promotion processes & materials**
- **Mentoring options**
- **Incentives for short-term work**
- **Relocation options**
- **Respectful workplace culture**
- **Health care benefits**

Strategies to retain & recruit: In/formal phased retirement

- **Deferred retirement**
- **Transition to P/T work**
- **Rehire as independent contractors**
- **Phase into retirement with employer**
- **Defined benefits to defined contribution & hybrid plans (US)**
- **Redesign jobs & benefit plans**
- **Permanent P/T, special projects**

Strategies to retain & recruit: In/formal options

- **Mentoring opportunities**
- **Tailor total rewards package, pension benefits, & extended health-care benefits**
- **Formal recognition programs**
- **Post-retirement employment options**
- **Secondments, leaves of absence**
- **Volunteer opportunities**

Strategies to retain & recruit:

Other options

- **Help them find employment**
- **Develop employment web sites**
- **Hold job fairs**
- **Offer job counseling & training**
- **Provide education on valuing OWs**
- **Collaborate with community partners**
- **Recruit from volunteer pool**
- **Tap into retiree associations**

Strategies to retain & recruit:

Other options

- **Become age-friendly organization (diversity training, lower stress work, open lines of communication)**
- **Reorganize benefit programs & job structure (health insurance & pension plans, eldercare benefits, flexible jobs)**
- **Retrain older workers (use adult learning principles)**

The Study

- **Mixed methodology**
- **Focus groups, surveys & telephone interviews**
- **Who participates in workplace educational activities? & Why?**
- **What are benefits & challenges to participation & engagement of OWs?**
- **What strategies are used to retain & recruit?**

How would you describe the current retirement landscape?

- **Demographic profile skewed to OW – overall average age 42.5 – senior mgmt 50s**
- **Not retiring early because of: mindset, lifestyle, remain active**
- **Within 10 yrs, 68% will retire; within 5 yrs, 49% will retire**
- **Recognize importance & expertise of OW – age is not a factor in recruitment**

How would you describe the current retirement landscape?

- *I truly believe 50 is the new 30; there is a whole different view of work...we have a lifestyle that does not enable us to leave... do not want to just stop working...people want to be active...the economic impact of the past couple years has had an effect ...they want to keep working.*

Describe strategies your organization uses to retain & recruit OWs?

- **Renewal & succession planning strategies**
- **Provide 2nd career opportunities without concern for financial implications**
- ***Learning Policy* encourages development of OW & knowledge transfer from OW**
- **Recruitment strategy to ensure employer of choice – accessible & representative**
- **Focus on skills & abilities versus credentials**
- **Term versus guaranteed life-time careers**
- **Rehire OW to retain knowledge**

Describe strategies your organization uses to retain & recruit OWs?

- ***We have come up with a learning policy as part of our renewal strategy where each department is responsible for succession planning... recruit to target groups ... start with an internship programs, create networks of new professionals, our touch stone group (Aboriginal network), develop learning plans to fit career plans. . .***

What are the benefits & challenges to recruiting & engaging OWs ?

■ Benefits:

- Knowledge – specific to job – broadly to organization
- Maturity – ability to deal with others - political acumen
- “Hit the ground running” - come into a job & do it
- Strong work ethic, dedication & ability to do job
- More time & energy to devote to job – often not dealing with dependent children or ageing parents

■ Challenges:

- Costs to accommodate health & related issues
- Knowledge transfer - capturing organizational knowledge

What are the benefits & challenges to recruiting & engaging OWs ?

- *We have been blessed, or has great good fortune of having people with spectacular talents, skills & abilities ...they are committed to the organization ...people like me (younger) are just learning ... they know every job within the organization...you cannot undermine that corporate knowledge. . .*
- *“Achilles Heel” of the organization is OW who leave with knowledge & corporate history . . . need to capture the knowledge . . . when OW leave there is both a loss of people to sustain work & loss of knowledge . . . there is a reliance on OW . . .*

Are there barriers that prevent OWs from fully participating/engaging ?

- **Pension & income tax rules create systemic barriers (e.g., rehired OW will have their severance payment fully taxed)**
- **Pension/tax rules are based on 60s & 70s notion of retirement**
- **Need to make changes to recognize today's environment with people working longer &/or returning to work in varied ways**

Are there opportunities for OWs to change jobs--to flex employment ?

- **Not formally but on a special projects**
- **Problems of resources & opportunities**
- **Problems of systems flexibility to allow doing parts of a job, including compensation issues**
- **Supportive employment & accommodation, reassignment is a problem – when not physically able to do the job**

Are there opportunities for OWs to change jobs--to flex employment ?

- ***The notion of retiring & returning in a consulting role appeals to people because you come back without those management responsibilities...you do have to navigate carefully around the rules to do it...our policies & procedures have not adjusted to the realities of the workforce . . .***

Are there distinct types of learning opportunities for OWs?

- Not defined by age
- Emphasis in *Learning Policy* on OW
- OW may take on a role of *Learning Champion*
- Retraining opportunities if people can no longer physically or mentally do job
- Pre-retirement preparation - technical about pensions – post-retirement lifestyle issues

Questions about policy, practice & research

- **Does early retirement pose public policy challenges (reduced labor supply & productivity, & skill shortages)?**
- **Should policy be directed at increasing OW's labor force participation?**
- **Are there flexible options to encourage OW to increase participation?**

Questions--continued

- **Should strategy be aimed at accommodating an aging workforce?**
- **Should governments, employers, & educational institutions support education & training for an aging workforce?**
- **Should policies be developed to address age discrimination, mandatory retirement, & benefits disincentives?**

Further Discussion & Comments

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