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By Laurel Kennedy, President of Age Lessons, LLC

## Older Workers: Betting on a Sure Thing Flexibility Is Key to Recruitment and Retention



he debate rages on. Is there a labor shortage looming, or is it a skills shortage? In truth, it doesn't matter. Regardless of the math or semantics involved, the point remains: Outstanding employees are becoming an increasingly scarce commodity.

Economists agree on the underlying factors:

- There will be more jobs than workers in just a few years.
- The worker shortage will dial up the competition for good employees.
- Younger workers are less educated, prepared, and productive than older ones.
- Outsourcing capacity will likely fall short of the need.
- Institutional knowledge is rapidly exiting organizations.
- Immigration bandwidth will limit the number of incoming workers.
- The shortfall impact will be felt disproportionately across industry sectors.

Fortunately, the solution to this dilemma is readily at hand: Recruit and retain older workers. A known commodity, older workers have already proven their mettle on the job and bring practical experience, academic credentials, and an admirable work ethic to the table.

Many obstacles to keeping older workers engaged have, in part, self-resolved. The average retirement age is beginning to rise, and market forces have conspired to create economic incentives for working longer. According to a 2006 Merrill Lynch retirement study, 71% of respondents expected to "work while retired," and 45% of those intend to work in some capacity as long as they can. Two words capture what older



workers are looking for—"flexibility" and a "challenge."

Flexible work options should accommodate changes in work-life balance as retirement nears. Challenging work will stimulate creativity and open avenues for intellectual growth and exploration. Leveraging the valuable older worker resource involves a two-prong approach: tweaking benefits and presenting creative employment opportunities.

**Benefits.** When crafting options for older employees, consider the relative utility and age-appropriateness of each offering. Elder care benefits such as subsidized adult day care, home care referral services, or

long-term care insurance can be as appealing to older workers as child care benefits are to younger employees. Perhaps less obvious, financial planning, career counseling, and professional education could resonate with employees planning for a working retirement well into their 70s.

Elder employees interested in part-time work solutions might be wooed by a retention bonus or some form of pro-rated access to retirement savings, health care coverage, and prescription drug support.

**Employment.** Flexibility takes many forms—telecommuting, changing work hours by shifting the employee to an Asia-Pacific or European work team, months on/off project schedules, and phased retirement. The list goes on. More innovative employment approaches include offset employee matching, a version of job sharing that pairs an older worker with a younger employee to ensure culture and knowledge transfer. Another model approaches recruitment and retention strategies as a corporate brand marketing exercise, applying the same techniques used in the consumer product sector, from research through promotion.

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