

Recruiting and Retaining the Most Talented and Engaged Older Workers by Improving their Work Ability

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Overview

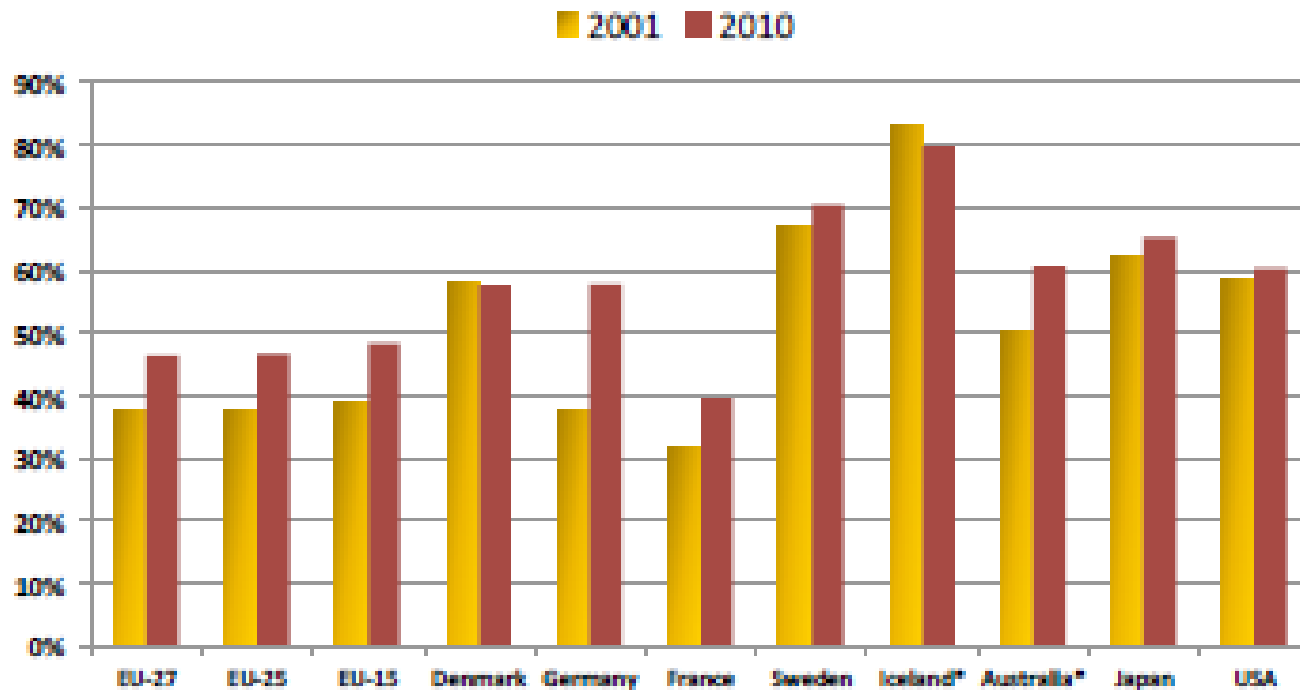
- Key forces are converging to make recruiting and retaining older workers a necessity
 - Recruiting and retaining top talent are major priorities
 - The workforce is aging with the baby boomers approaching traditional retirement ages
 - Many of the job candidates entering the labor force are not fully prepared

An Older Workforce

- By 2015, it is predicted that 55 million employees in the US will be age 45 and older
- Between 2004 and 2012, labor economists expect a 48% increase of employees ages 55-65 and a 40% increase of those ages 65 and older

Demographic Reality

More Middle-Aged Are at Work Percent Employed Aged 55-64

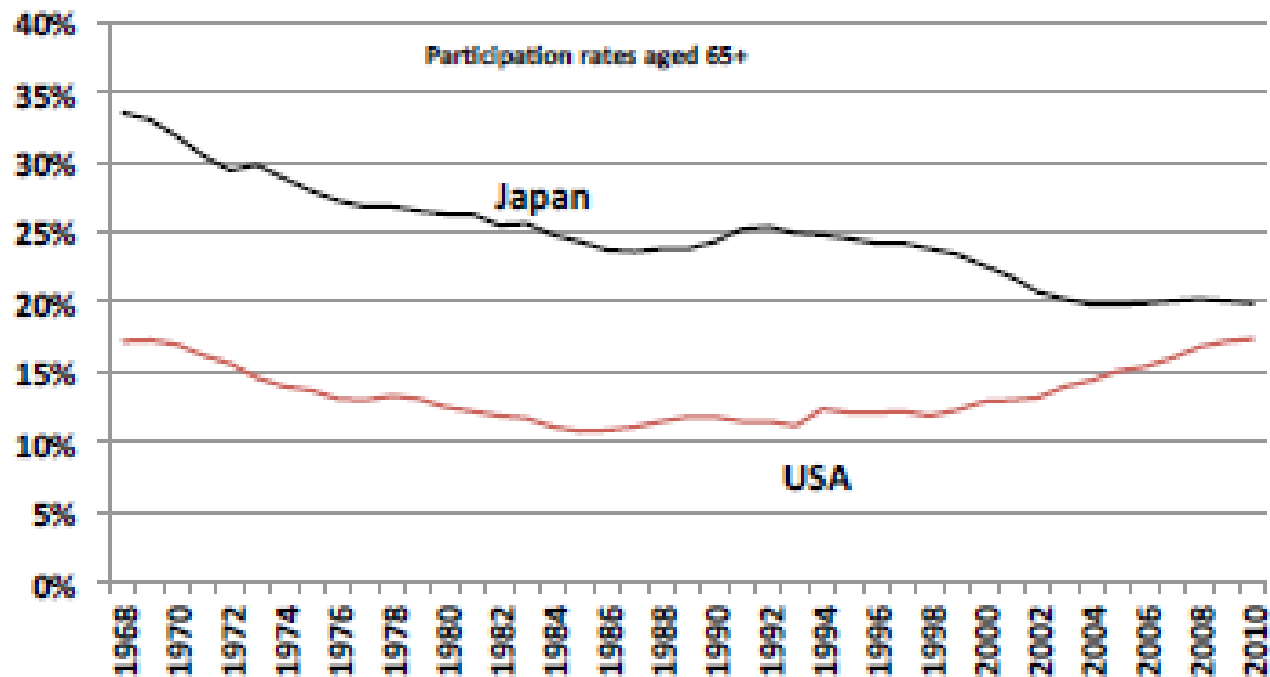


*2003 rather than 2001. Iceland's figures are from Eurostat. OECD reports an employment rate of 80.5% rather than 79.0% for Iceland in 2010.

Source: Eurostat, updated 16 November 2011 and OECD 31 August 2011.

Demographic Reality

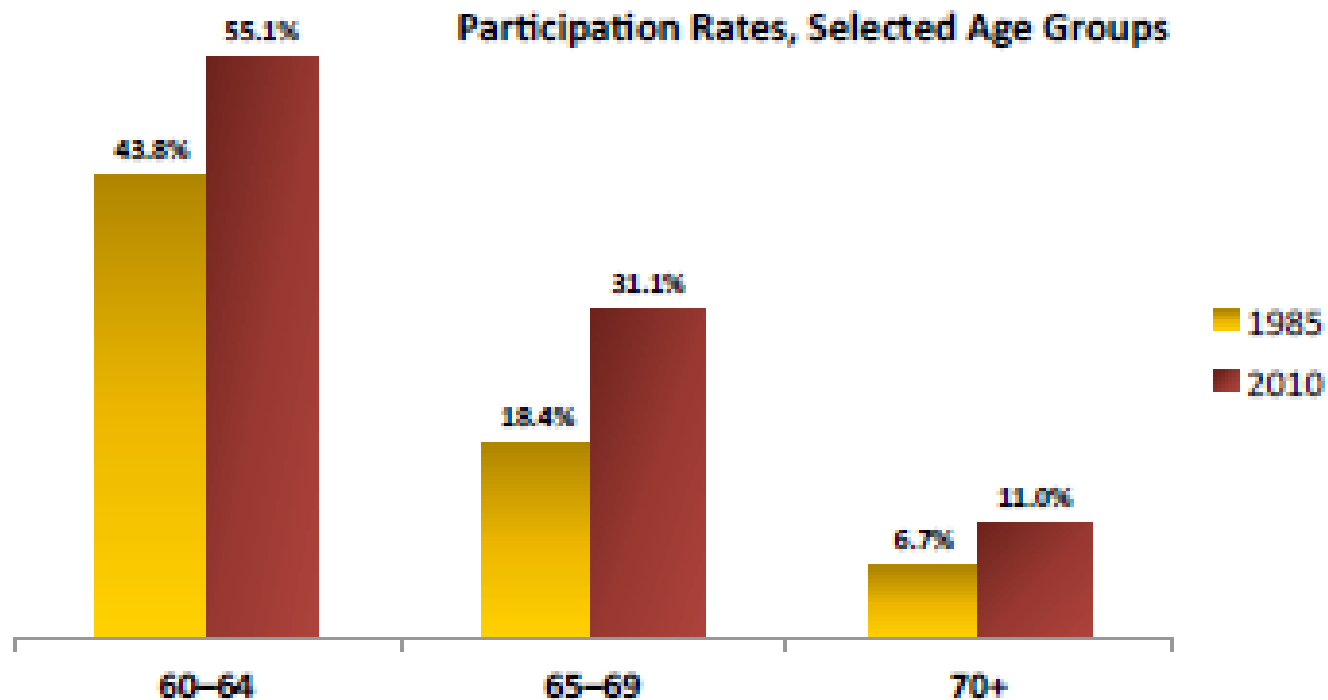
Even Japan Sees Drop in Participation at Older Ages



Source: Japan Ministry of Internal Affairs and Communications, Labor Force and Labor Force Participation Rates by Age (Historical data 3, annual averaged) at <http://www.stat.go.jp/english/data/roudou/engindex.htm>, accessed 27 November 2011; U.S. Department of Labor, Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey at <http://data.bls.gov/index.html?mainc=1000000&maind=1000000&maine=1000000>, accessed 27 November 2011.

Demographic Reality

More Older Americans Are At or Looking for Work



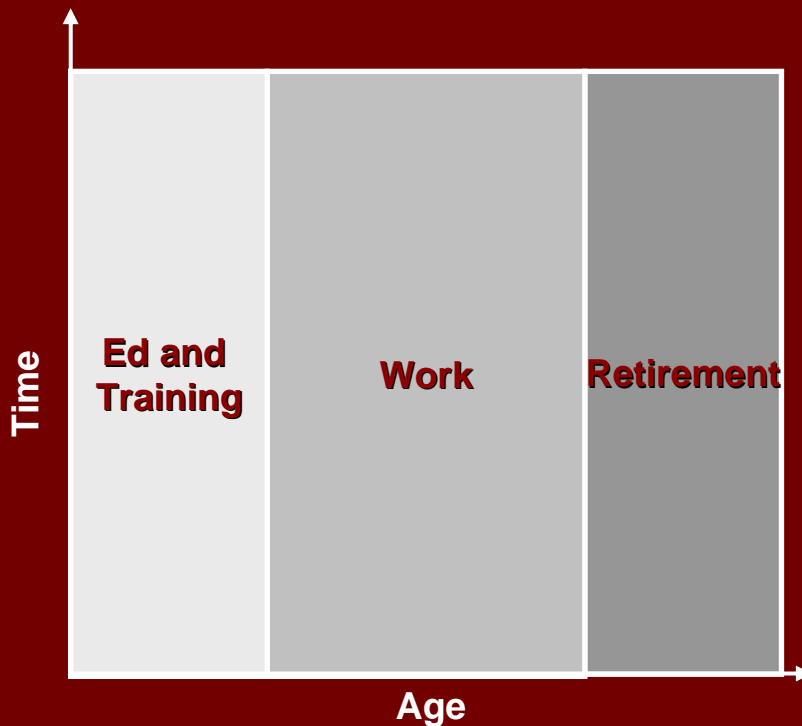
Source: U.S. Bureau of Labor Statistics, <http://data.bls.gov/pdq/querytool.jsp?survey=ln> and *Employment and Earnings*, January 2006 and January 2011.

Five Key Questions I Would Like to Address Today

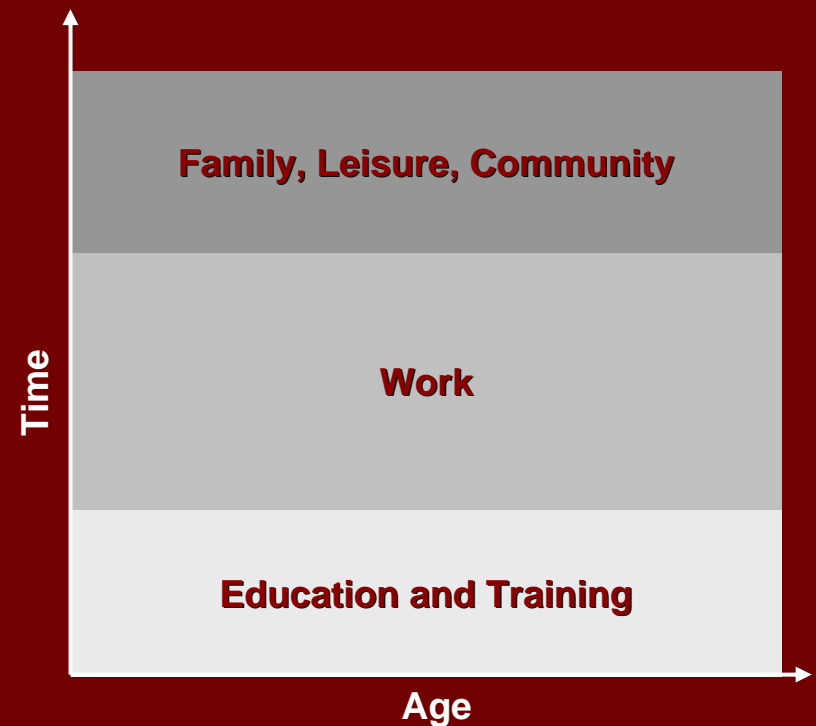
- Is the traditional life cycle model of education and training first, then full-time work, followed by total retirement obsolete?
- What would motivate older workers to continue working past traditional retirement age?
- Can improving the work ability of older individuals help extend working lives?
- Should working lives be extended to older ages? If so, how could we best do that?
- Assuming all this, how do we recruit and retain the most qualified and engaged older workers?

The Changing Life Cycle: New Distribution of Activities

Traditional Distribution of Activities



Modern Distribution of Activities



The Influences on Why People Work at Older Ages

- **Macro level**: Labor market and social policy (e.g., ADEA)
- **Meso level**: Employers' attitudes and policies (e.g., pension schemes and career options)
- **Micro level**: Workers' health, wealth, quality of work life, attitudes, motivations, competencies

What Older Worker Want—Their Ideal Job

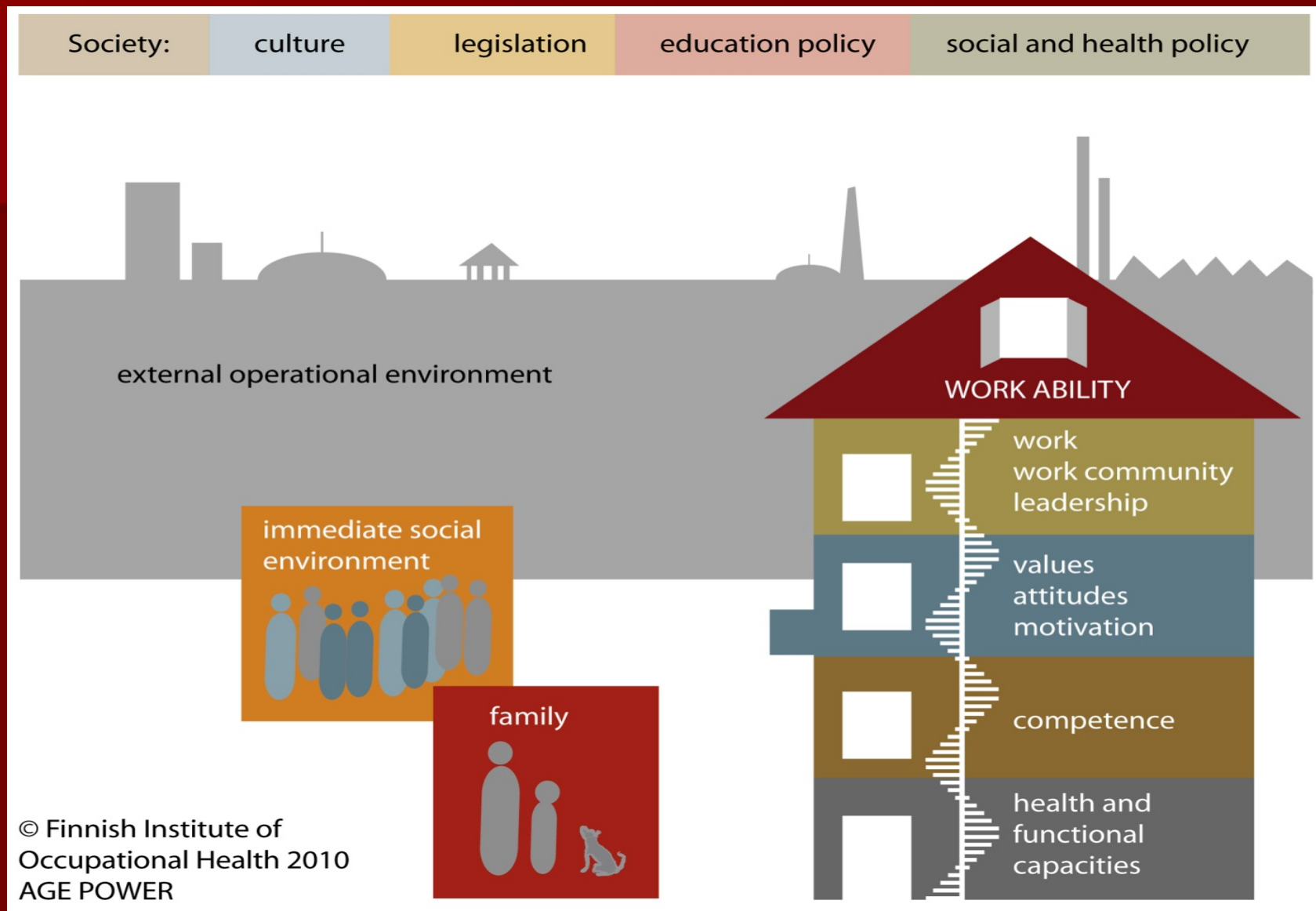


Source: AARP, *Staying Ahead of the Curve: The AARP Work and Career Study* (Washington, DC: AARP, 2002). Workers aged 45-74, "essential parts of your ideal job."

30 years of Work Ability

- **Work Ability** (Finnish Institute of Occupational Safety and Health – FIOSH)
 - 1980-89 Evolution, longitudinal research
 - 1990-99 Conceptualization and Implementation
 - 2000-09 Internationalization
 - 2010 - New Applications

New model - Work ability and environment

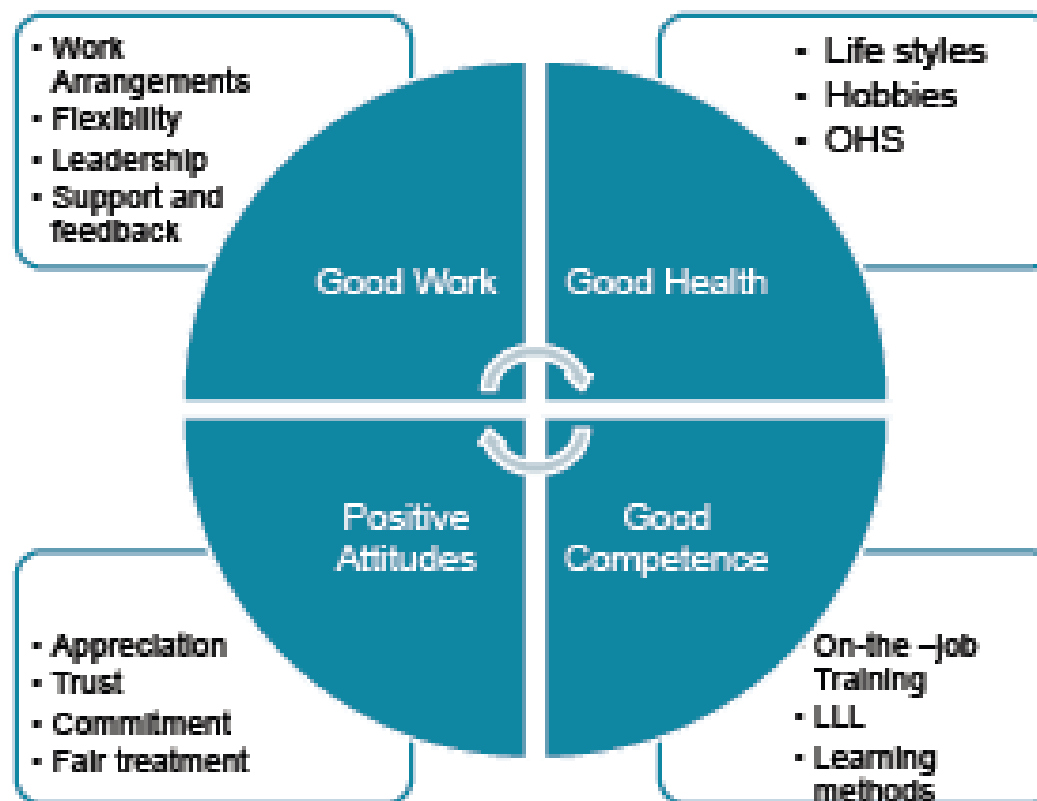


Measures to Promote Work Ability of Older Workers



Promotion of Work Ability

Promotion of Work Ability: Targets and Measures



Promotion of Work Ability

Lessons learned: How to prolong the work careers?

1. Make positive things first – negative later

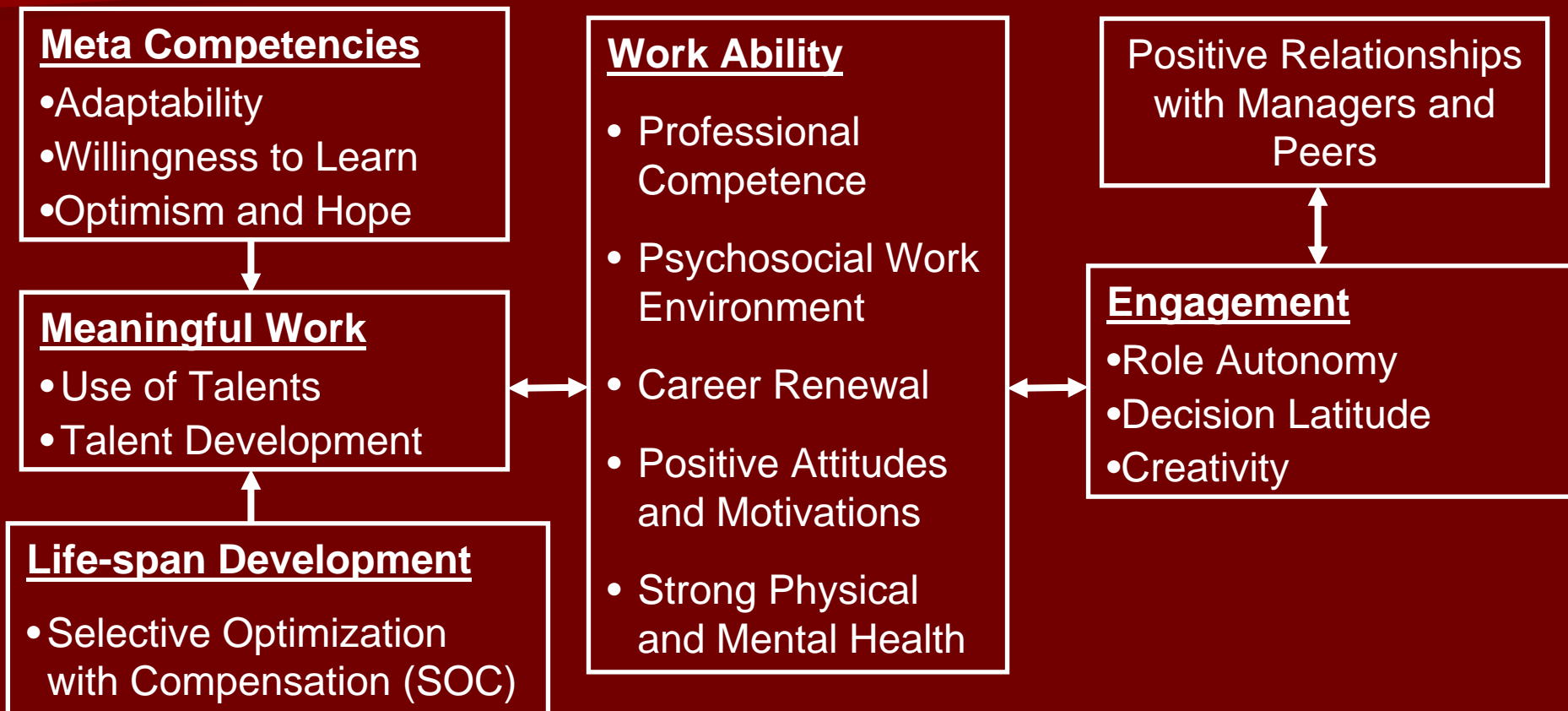
2. Make first the work life better, so that people CAN, WILL and MAY work longer

3. Use the Work Ability House – model, for all generations

Employee Engagement

- Those who employ and express themselves **physically, cognitively, and emotionally** during role performances
 - Three psychological conditions:
 - Meaningfulness
 - Safety
 - Availability

Model of Older Workers' Engagement of Talents and Coping in order to Maintain Work Ability (*Olson & Shultz, 2011*)



Recruiting and Retaining Older Workers

- Identifying and meeting the needs of older applicants key (e.g., providing a flexible work environment)
- Need to engage interest and attract older applicants who are diverse and heterogeneous
- Need to build and maintain relationships
- Recruiting from within a viable retention strategy
 - Permanent part-time, phased retirement, consulting relationships, job-sharing, job redesign, retraining, and sabbaticals all viable options

Summary and Conclusion

- There is more integration of activities across the lifecycle (not as segregated)
- Older workers worldwide are working longer
- Influences on work at older ages span many levels (micro, meso, macro)
- Improving and promoting work ability is key
- Engagement of older workers is a key factors in maintaining or even improving work ability

Thank You for Your Interest and Attention!

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