

Age and the Workplace: A New Perspective

Webinar for
Minnesota Gerontological
Society
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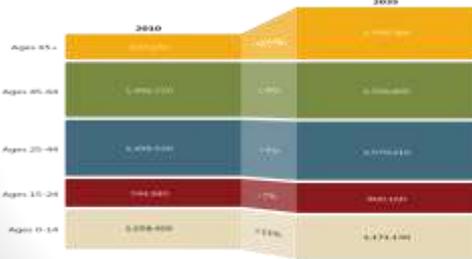
Presentation Outline

- Demographic facts and figures
- What are the implications of an aging workforce?
- Strategies that respond to an aging workforce
- Strategies for you as an aging worker

Population is aging

MINNESOTA'S AGING POPULATION

The number of Minnesotans ages 65 and up will nearly double between now and 2035, while other age groups grow by an average of just six percent.

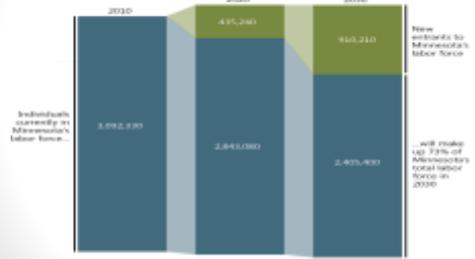


Source: Minnesota Population Projections 2010-2035, Minnesota State Demographic Center

Our Aging Workforce

MINNESOTA'S LABOR FORCE: 2010 to 2030

Two decades from now, Minnesota's labor force will be made up of largely the same individuals as now. Nearly three-quarters of Minnesota's workers in 2030 are currently in the labor force.

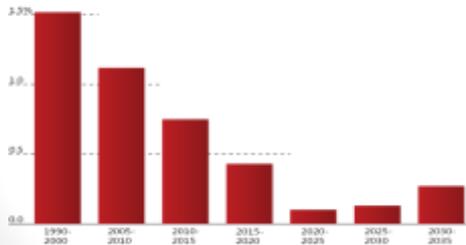


Source: Labor Market Information Office, Minnesota Department of Employment and Economic Development

Slowdown in labor force

DWINDLING LABOR FORCE GROWTH

Slowing labor force growth in Minnesota means that economic growth will rely increasingly on productivity gains. Education and training are key contributors to increased productivity.

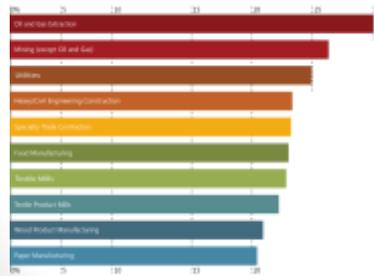


Source: U.S. Census Bureau; Minnesota Department of Employment and Economic Development; Minnesota State Demographic Center projections

What are oldest industries

AGING WORKERS AND MINNESOTA INDUSTRIES

These industries have the highest proportion of workers age 55 and older in Minnesota.



Source: Labor Market Information Office, Minnesota Department of Employment and Economic Development; U.S. Census Bureau

Minnesota's Public Sector Workforce

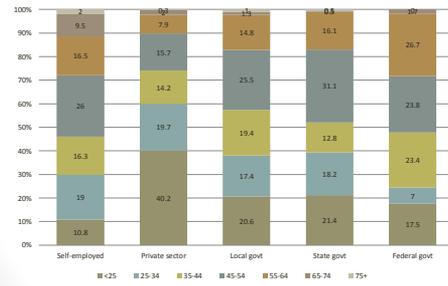
Industry sectors with highest percentage of workers 50 – 59 years old:

- Food manufacturing 28.9%
- Public administration 27.9%
- Transportation and warehousing 24.9%

The number of state employees retiring annually has increased by 32% over the last five years
 Approximately 39% of state workers will reach the age of 61 over the next ten years

Source: Center on Aging and Work, Minnesota Indicators, 2010

Percent of Minnesota's Workforce by Sector and Age – 2008



Source: Center on Aging and Work, Minnesota Indicators, 2008

Replacing the Boomers

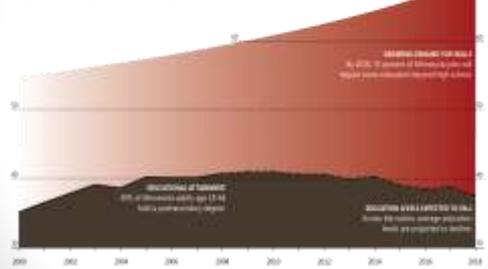
- Minnesota will struggle to replace retiring workers with new workers.
- Boomers were biggest age cohort ever born at that time
- Generation X is smaller, Millennial is larger
- Average education of workers is declining



Less educated for first time in history

MINNESOTA'S GROWING SKILLS GAP

Minnesota needs a highly skilled workforce to stay competitive in the nation. However, the state faces a growing skills gap due to increasing educational demand among employers and stagnant declines in education levels.



Source: American Community Survey (ACS), Census Bureau; High World Skills Gap (Density Index) in Madison and the Whitefish National Center for Higher-Master Management Systems. Timeline based on 2008 enrollment projections in this edition.

Need and want to work

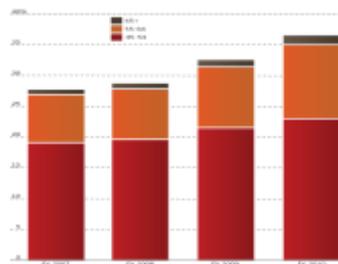
- Aging workers have many reasons to remain employed.
- Building up retirement savings
- Coping better with rising health care costs
- Staying healthier in later years
- Maintain meaningful connections and sense of purpose
- Give back through civic engagement – nonpaid work

Aging workers looking for help

WORKFORCE CENTERS AND OLDER WORKERS

Minnesota's aging workforce is looking for help with skills training. The percentage of workers aged 65 and older who are seeking help is increasing.

In 2007, Minnesota's workforce centers served 29,078 workers aged 65 and older, a number that increased to 43,000 in 2010.



Source: Minnesota Workforce Center Registration System, Minnesota Department of Employment

Recommendations of Governor's Workforce Development Council (GWDC)

1. DEED should examine the state's workforce system and recommend ways to build capacity to meet needs of aging workers.
2. Public and private leaders should come together to ensure Minnesota thrives during these demographic shifts. Establish a mature worker task force.
3. Establish lifelong learning accounts to help aging workers pay for retraining.
4. Ensure coordination of various resources to help aging individuals become successful entrepreneurs.

Employers Should Think About

- Workforce planning
- Succession planning
- Flexible schedules
- Training and education
- Managing across generations
- Health and safety



Workforce Planning

- When doing workforce planning, **emphasize** the entire workforce and the best use of workers **of all ages**
- Engage in succession planning and knowledge transfer activities

Succession Planning

- A proactive process designed to develop and replace key people now and in the future
- Should be applied throughout an organization, not just senior management
- Is not replacement planning
- Should groom individuals for higher and broader responsibility
- Goal = build capacity (bench strength) through coaching, mentoring and feedback
- How is public sector different? Merit system. Political implications. Unions. Compliance. More public scrutiny.

Source: DHS Human Resource Planning, 2011

Succession Planning Examples

- Mentoring
- Job rotation
- Cross training
- On-the-job training
- Stretch assignments
- Mobility assignments
- Committee assignments
- Use of expertise directory
- External training-seminars, courses, websites



Knowledge Transfer

- *Transferring knowledge* from one individual to another by means of mentoring, training, documentation and other collaboration.
- *Knowledge* management is managing knowledge that is most important to the organization through people, processes and technology.
- Why important? Part of "new normal" – 9/11 type events, millions of jobs eliminated and changing technology .

- There is *explicit* and *tacit* knowledge

Explicit is knowledge that has been or can be articulated , codified and stored.

Tacit involves learning a skill or experience that is difficult to document and may need to be shared personally.



Knowledge Transfer (cont)



• Methods

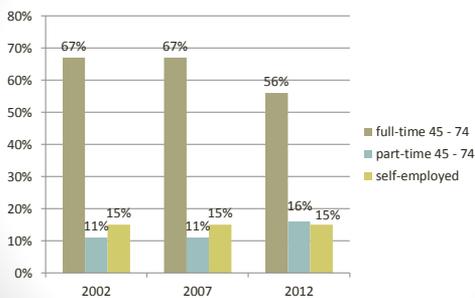
- Documenting procedures and processes
- Internships
- Job rotation
- Mentoring
- Work in teams is very successful way to pass on knowledge from younger to older and older to younger
- Employment involvement
- Exit interviews

"If we only knew what we know, we could conquer the world." – Hewlett Packard manager

The Flexibility Challenge

- **Flexible work arrangements** are the most requested option among workers of **all ages and abilities**
 - Reduces turnover
 - Increases job satisfaction
 - Drives performance and productivity
 - Effective implementation can be challenging

6 in 10 older workers worked full-time in 2012, down 11% from 10 years ago



Source: AARP (2014). *Staying Ahead of the Curve*. Retrieved by Sloan Center on Aging and Work

Managing Across Generations



- Managing across generations is a must for employers
 - Competition for talent is increasing
 - More generations are working in the workplace
 - Productivity and results are linked to work environment
 - A multigenerational team has crucial advantages



Managing Across Generations



• How to manage several generations

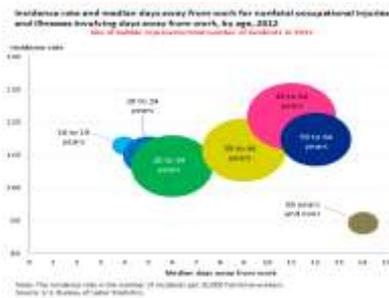
- Initiate conversations about generations - less personal
- Ask people their needs and preferences
- Offer options
- Build on strengths
- Pursue different perspectives to include feedback in projects



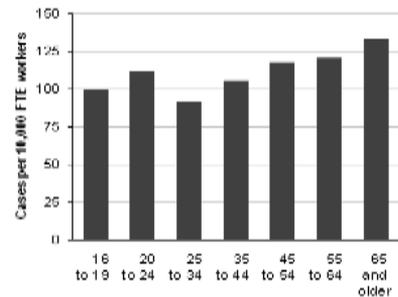
Injuries to Older Workers

- As the number of older workers increase so does the . . .
 - Incidence of injuries
 - Workers compensation claims
- Data shows older workers face . . .
 - Lower risk of non-fatal injury
 - Higher risk of fatal injury

Aging workers less likely to have severe work injuries than younger workers, but miss more days to recover



Incidence of cases with days away from work by age group, Minnesota, 2007 - 2009



Messages for employers

- Develop a more integrated strategy to employ aging workers that includes elements such as:
 - Flexible work arrangements (desired by all workers)
 - Provision of skill-building training opportunities
 - Rethinking safety and ergonomics – make accommodations (many workers need, not just older or disabled workers)
 - Wellness programs that support all workers including caregivers
 - Get serious about succession planning and knowledge transfer
 - Identifying and developing core competencies
 - Customizing compensation and benefits

Messages for aging workers

- In best of times, it takes up to three times as long for a job seeker 55+ to find employment
- Important to continue to learn, acquire new skills and competencies that add value
- Take charge of career and work life
- Have a plan
- Counter myths with realities and be ready with strategies to provide another viewpoint
- Think about your legacy



**Are
You
Ready?**