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Older employees -- more than one-quarter of the workforce -- bring experience to their jobs. Research proves they are as productive as youth. And by understanding aging, employers can make them even more productive.

When Dan Smith, senior vice president of human resources at Borders Group in Ann Arbor, Mich., joined the company in 1995, the majority of Borders' workforce was under 30. As he looked to the future, he became concerned about unsettling labor forecasts, asking, "What will we do when the under-30 population starts to dry up?" His question led him to study the demographics of Borders' 30,000-strong empire, yielding an unanticipated revelation destined to dramatically alter Borders' employee mix and bottom line.

"Our stores with older workers had much lower turnover, did better financially, [and] all the workers were happier," Smith says. Looking at workers age 50 and over vs. those under 30, the comparison was startling as to loyalty and stability. "Older workers were more satisfied, were staying longer, and customer service seemed to be better in their stores. It became clear that we had to make these guys a bigger segment of our population."

Borders began to target people age 50 and over. Since then, the number of older workers at its stores has tripled. Eighteen percent of Borders' workers are over 50; two-thirds of those are between 50 and 60. The metrics they're delivering make Smith look like a genius: "In the retail book business, turnover is 100 percent to 120 percent," he says. "Ours is half that and trending down." Turnover is six times less for workers over 50 than for those under 30.

Borders' experience is no fluke. For managers concerned that older workers may wear out or falter, evidence proves clear: Blue- or white-collar, these folks remain loyal, reliable and as good as younger counterparts.

"There is no correlation between age and job performance," insists Richard Johnson, principal research associate at the Urban Institute in Washington, D.C., citing a statistically validated report that combines the results of many research studies of worker performance from ages 20 to 65.

One more thing: When many people think of older workers, they don't have 50- to 64-year-olds in mind.

Opinions differ as to when workers cross the bridge from middle age. Professional football players grow old in their 30s; air traffic controllers face mandatory retirement at 56, pilots at 65 and federal law enforcement officers at 57. The Age Discrimination in Employment Act, applicable to employers with payrolls of at least 20, begins protecting workers at age 40.

AARP, seniors' formidable lobbying organization, clusters mature workers in one category: 55-plus. Company officials interviewed for this article—from Borders; Vanguard Group in Valley Forge, Pa.; and Bon Secours Richmond Hospital System in Richmond, Va.—use 50 as the tipping point. Labor economists and gerontologists voice preference for 50 as well.

Yet, when the term "older worker" is used, an image of a 50-year-old is not what comes up. More likely, it's a person in his 70s or older—alert, spry, with an inner drive that keeps him going while most peers play golf or canasta.

Take Hattie Davis, 86, a licensed practical nurse at Bon Secours. Davis has worked for many units at Bon Secours. With age, she found the physical aspects of her job—walking, lifting and standing patients—too demanding. Because Davis is a valued worker, HR officials moved her to the employee wellness program, where today she gives inoculations and performs other less strenuous duties.

But Davis remains an outlier. There's a time warp between our image of older workers and reality. Instead, picture men and women in those Viagra commercials or the L'Oreal ads featuring 50-year-old movie star Andie MacDowell. Or Harrison Ford, 65, still doing his own stunts.

"We've gained almost 30 years of life expectancy in about 100 years—an enormous increase," says Neil Charness, a psychology professor at the Pepper Institute on Aging and Public Policy at Florida State University in Tallahassee. "Yet HR departments, like so many of our institutions, suffer from the fact that they're fairly slow-moving; they tend to follow policies and hold to attitudes driven by the near-distant past. When I was growing up and someone died at 65, it was considered a ripe old age. Today, you'd almost be horrified that someone died so young."

For more misconceptions, see "Mature Workers: Myths and Realities"

Muffled Minority

Numbers tell the story. In 2007, according to the U.S. Bureau of Labor Statistics, of 146 million people working full time and part time in the United States, only 13 percent, or 5.6 million, were age 65 and over (see charts at right). And within that 13 percent, only about 20 percent, or 1.1 million, were still working full time. Undoubtedly, this number will increase in

reasons or as a result of changes in government policy such as reductions in Social Security benefits. In the absence of an economic meltdown, these older workers will still be a small percentage of the workforce.

More significant are the 36.4 million predominantly full-time workers between the ages of 50 and 64—one-quarter of the U.S. workforce and growing. They're part of a huge muffled minority. Marilyn B. is an example.

A world-famous editor, Marilyn combines impeccable taste with an uncanny sense of what sells. She has spent more than two decades with the same global company working her way up the ladder. A top revenue producer, her books grace The New York Times' best-seller list.

Yet, like an undocumented worker, Marilyn won't give her real name or age. On the plus side of 60, she's wary about attracting the attention of colleagues and superiors she fears may want to ease her off stage. "It makes me want to pop them in the nose," she says. "If you're productive, creative and making money for your employer, why should age be an issue? It's none of their business. I don't want to be judged by anything other than how competent I am."

Marilyn represents millions of workers critical to U.S. businesses whose fear of losing their jobs keeps them from telling employers the truth—that they're experiencing physical and mental changes that by their very nature influence how they do their work. As the Urban Institute research cited earlier proves, they're adapting, but at what cost? Could they do better? Employers, with some notable exceptions, seem content to let things slide.

"It's shortsighted," says Melissa Hardy, a professor and director of The Gerontology Center at Pennsylvania State University in University Park. Employers could do much to make work environments more hospitable to aging workers, but few organizations address these issues. "Workers won't raise them, and I suppose employers don't see how their failure to address them reflects on the bottom line," Hardy adds.

By understanding aging, employers can make mature workers even more productive. Aging is a gradual process that sneaks up. "It's not like each day you notice a difference," Hardy says. "You think you're the same inside, but then something new comes up and it's a little harder to do." For more on how aging affects physical and mental processes, see "Use It or Lose It".

Increasing the Odds

Yet people gain some, lose some. As physical and mental abilities decline, experience and determination help older workers compensate. For example, in workplaces where hearing or vision issues have not been addressed, older workers, often without realizing it, may concentrate more on compensating for their physical limitations. Workers with

spoken words they're really not hearing. This takes them away from focusing on higher-order decision-making and creativity.

The process "cascades," Charness says. "Hearing and seeing is no longer happening easily; you have to concentrate more at the expense of something else." It's a constant battle, and employers can help tip the scales the right way in several areas.

Adapting to change. If things aren't changing a lot, "crystallized" ability—the facility to access stored information such as verbal skill, vocabulary and knowledge of facts—carries you along. Where younger workers would have to problem-solve situations, mature workers already know what to do from experience.

But in some jobs—especially new ones or those that change—the balance shifts. Without experience to fall back on, older workers may have difficulty adapting.

This finding can present a dilemma for HR professionals because older workers frequently yearn for change and new opportunity. Unless the new job is tied to the worker's experience base, at the very least, more time to train and learn will probably be required. For example, adults in their 60s take roughly 50 percent to 100 percent longer than those in their 20s to learn and perform any new task, Charness says.

Targeting training. Experts say mature and younger workers do not respond the same way to training. They suggest that segmented approaches improve results. "Companies assume all people are the same; they choose to offer one-size-fits-all training, frequently online," says Alan Hedge, a biomedical and chemical engineering professor at Cornell University in Ithaca, N.Y., and Syracuse University in Syracuse, N.Y. "As a result, they see high drop-out rates. Even those who complete the training often don't retain well."

Training "300 workers with a PowerPoint presentation for three hours is not effective," Hardy says. "Hands-on training rather than lectures is better. When they age, people tend to learn visually and experientially at the same time. They also may feel pressure if the pace is too fast, a problem that can occur in mixed groups."

But older workers may not respond well to self-paced online learning because they may have trouble with the technology.

While "Younger workers expect to interact through a computer screen, that's not how older workers interact, at least not as much," Hedge says. "The comfort level is not there. It's harder for older folks to read from the screen. That's why they print everything out; younger people don't do that."

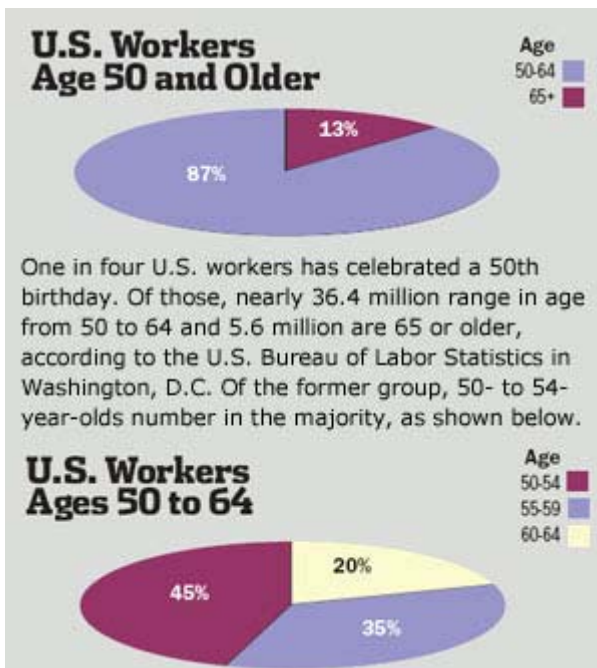
Despite what experts say, most HR professionals show little inclination to single out mature workers for training. Borders offers the same training to all employees and reports no

intergenerational training. Learning goes on between generations, says Kathy Gubanich, managing director of HR at Vanguard. "But our training is delivered in a variety of ways, geared to different learning styles," with e-learning and classroom components.

Older workers may not receive a proportionate allocation of training dollars. Some employers may suspect that it's more difficult to teach older people new skills or that their training funds can be spent more effectively on younger workers. In one survey, reported by AARP, only 51 percent of workers over 55 received formal training from employers during a 12-month period, compared with 79 percent of workers ages 25 to 34. Since studies show older workers' performance remains comparable to their younger counterparts', how, with less training, are they acquiring and maintaining their skills?

"In most organizations, training is informal—like sitting down and reading a manual on a procedure or on a software program," Johnson says. "Or people get together and learn one-on-one. Often, you figure it out yourself."

But research suggests that with appropriate formal training, workers across the board could be more productive. An "intensity index" designed by Hedge to measure how effectively a person performs certain tasks—some as basic as typing—suggests glaring gaps in performance that raise questions about training. "In many organizations, on a scale of one to 10, we're finding intensity scores in the four to five range," he says. "Loss of potential may in part be because companies are not focusing on training older workers." To learn more about the intensity index, visit www.prodyx.com.



Providing feedback. Most mature workers, contrary to common belief, are still interested in self-improvement and advancing their careers. They face disappointment in

especially by younger managers, feedback tends to be fleeting and flimsy, less geared to advice on how they could do their jobs better or extend their careers.

"The signals that are subtly communicated are not encouraging," Hardy concludes, and his observations have been documented by AARP research.

Working at the Puzzle

In a 2006 survey of HR executives from more than 460 organizations, conducted by Buck Consultants of Houston, 88 percent identified integrating multiple generations of workers as the most significant business risk of employing older workers. One reason: They fear equity issues will arise among younger workers should they give older employees privileges such as flextime. Yet, a minority of companies that actively court older workers offers all employees special treatment—flextime, telecommuting, compressed and reduced schedules, and more. Further, companies that successfully integrate older workers into their workforces discover that other generations may have different priorities, but that the changes they put in place for their 55-to-64 cohort resonate with everyone.

One example: Gubanich estimates that almost 30 percent of Vanguard's full-time employees are over 50. Only 2 percent to 3 percent of Vanguard's 12,000 workers are part time. Because of U.S. Securities and Exchange Commission rules, the company doesn't offer telecommuting, but it does offer compressed schedules and other accommodations for all employees who require it.

True, flexibility makes HR's job tougher. For instance, in the Buck survey, 40 percent of the HR respondents identified "accommodating part-time and flexible schedules" as a significant business risk of employing mature workers.

But Bon Secour's Senior Vice President for Human Resources Bonnie Shelor says to attract and retain older workers in their prime, the risk is worth taking. When people have varying needs, "It's not as simple as setting one set of rules for everyone. It's like solving a complicated puzzle. We've proved that taking the time and energy to do it pays huge dividends in terms of morale, engagement and culture. Thirty percent of our 6,600 employees are over 50; they give us great critical thinking and wisdom. We couldn't exist without them."

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