

# The New Recruits: Older Workers

*Managers Fear Shortfall As Baby Boomers Retire; Flexible Hours, Training*

By ERIN WHITE

An expected wave of baby-boomer retirements has some managers fretting about worker shortages. But experts say many firms are overlooking a big supply of potential employees -- older workers who can be wooed to continue working.

Schneider National Inc., a Green Bay, Wis., transportation and logistics firm, started studying its work-force demographics in 2005, says Rob Reich, vice president of driver recruiting. The number of Schneider drivers ages 35 to 44 -- the traditional core group -- was shrinking as the boomers grew older.

Schneider wasn't facing an immediate crisis; the average age of its 15,000 drivers in the U.S. and Canada was 39 at the time. But retirement concerns were starting to hit some of its competitors, and Schneider began to see new recruiting competition as rivals sought to replenish their ranks.

As a result, Schneider decided to try tapping the robustly growing pool of workers over 50, Mr. Reich says.

But Schneider is among a small portion of U.S. firms going this route. Only 18% of U.S. employers reported having a strategy to recruit older workers, and only 28% cited a plan to retain older employees at their own firms, according to a survey of 1,000 U.S. companies in late 2006 by Manpower Inc., a staffing and employment-services firm.

Companies' top-two concerns about older workers were high salary expectations and health-care costs, the survey showed. They also worried about having to teach older workers new skills, and handling potential tensions with younger employees.

Employers who ignore older workers now will suffer as boomers near retirement age, says Melanie Cosgrove Holmes, a vice president at Manpower. By 2012, nearly one in three U.S. workers will be over 50, according to AARP, a group for people age 50 and older. "Progressive companies that are looking ahead...are the ones that are going to be most successful," Ms. Holmes says.

About three years ago, [Home Depot Inc.](#) sought to tap older workers as it opened new stores. The firm contacted AARP, and the talks led to the creation of the association's "National Employer Team" -- companies that it endorses as friendly to older workers. Thirty employers now belong to the group, including [Principal Financial Group Inc.](#), [Borders Group Inc.](#), and [MetLife Inc.](#) AARP members can search for jobs at the companies through the association's Web site.

Companies say certain policies help draw older workers. Mature employees, for instance, may want more flexibility; some may have elderly parents to care for, while others simply want more leisure time.

Another tactic: offering ample training. Deborah Russell, director of work-force issues for AARP, says many older workers are eager to learn new skills. In addition, she says, employers must offer competitive health-care benefits.

Principal Financial has a program for its retirees called "Happy Returns." Retirees sign on as employees of Manpower, and come back to work for Principal, mostly on a part-time or project basis. Retiree MaryLu Baumbach enrolled in

2004, after nearly 13 years at Principal. "I like it here so well," she says. Plus, she says she can't afford to retire fully. "We still have house payments."

She has averaged between eight and 40 hours per week over the past few years, now working as a receptionist. She says she earns about 50 cents more per hour than before she retired.

For its effort, the trucking company Schneider created newspaper and radio recruitment ads featuring older workers. The company also increased its efforts to retain workers, for instance offering to let drivers work reduced hours and still get full-time benefits.

Mr. Reich says it has been successful in wooing and keeping older workers. At the end of 2005, 15.7% of drivers were over 50; today it's about 18.2%. The average age is now 42, up from 39.

The reduced hours appeal to Joey and Terri Lynch, a couple, both 59 years old, who have driven for Schneider for 15 years. A few years ago, "we were getting kind of burned out," Mr. Lynch says. "We wanted to cut back a little."

Schneider let them switch to a three-weeks-on, three-weeks-off program. They're making about 25% less money than before, but they love having more free time and say the accommodation will likely keep them in the work force longer. Before, they had been thinking about quitting at 62; now they're aiming for at least 66. "It's just been great," Mr. Lynch says.

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