



How To Make Work Part of Retirement:

A BABY BOOMER PERSPECTIVE ON WORKING

An Express Employment Professionals White Paper



Seven out of 10 pre-retirees say they would like to include some form of work in their retirement years.¹

If you're one of them, how are you preparing to work later in life?

Retirement isn't what it used to be.

Today, people are living longer than any preceding generation, increasing both life span and career longevity. In fact, for the past 10 years, the average age of retirement has consistently hovered around 60.² Now, that number sits at 62 for women and 64 for men.³

A Look at Today's Workforce

This delay in retirement means that, for the first time ever, five generations are working together. From Traditionalists to Centennials, there's a wide range of age, experience and characteristics making up today's workforce, and each generation measures job satisfaction in very different ways.

Traditionalists, those born before 1946, favor top-down management and stability. They are loyal and honor the chain of command. Generation Xers, born between 1965 and 1979, value work-life balance and autonomy. Those born between 1980 and 1995, or Millennials, thrive on change and social interaction. They expect performance rewards and opportunities, and are driven by self-confidence. The youngest generation, Centennials, or those born after 1996, are just now entering the workforce. They crave feedback and teamwork, and seem intolerant of prejudice.⁴

Then, there's the roughly 75 million American Baby Boomers⁵ and 9.6 million Canadian Baby Boomers,⁶ or those born between 1946 and 1964. Previously recognized as the largest generation in the workforce, Baby Boomers excel in their jobs because they desire advancement and opportunity. They are hardworking, self-sacrificing and ambitious. They value experience and achievements, and seek financial security and job satisfaction. They are the generation that is delaying retirement, and often redefining traditional retirement.

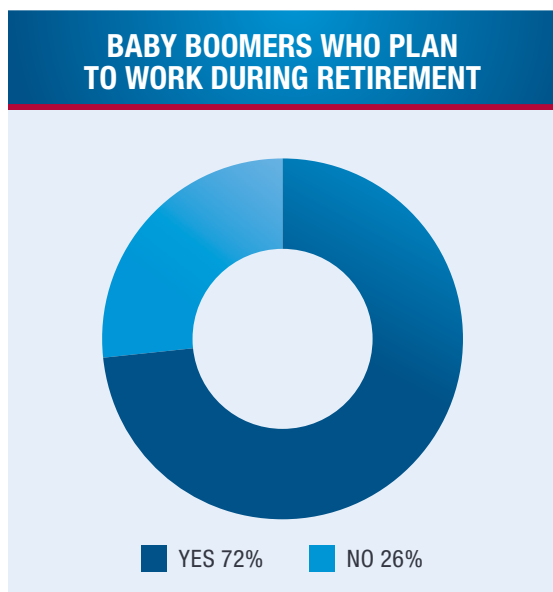
In 2004, 21 percent of workers over the age of 45 expected to retire at age 66 or older. A decade later, that number increased to 36 percent.⁷

For some older workers, retirement isn't even on the radar. In fact, an independent research organization at the University of Chicago (NORC) recently found that one in four older workers says they never plan to retire.⁸

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Redefining Retirement

In a 2013 study from AARP, 72 percent of workers age 45 to 74 reported viewing work as part of their retirement plans.⁹ Additionally, most seek work arrangements that allow them to balance their lives with their jobs. Thirty-nine percent of pre-retirees seek flexible work arrangements, and 24 percent desire to go back and forth between periods of work and leisure after retirement.¹⁰



Source: Aon Hewitt

This trend proves that Baby Boomers aren't taking the traditional path to retirement that businesses have grown accustomed to. Instead of retiring, older workers often move on with their careers in order to make changes, discover new options or pursue old dreams. According to the wealth management firm, Merrill Lynch, half of pre-retirees report a desire to change careers, rather than continue in their same line of work.¹¹ For those workers, happiness is suddenly defined in terms of purpose rather than dollars.

The Generational Shift

In today's workforce, a generational shift is already occurring that may benefit Baby Boomers who want to continue working. Recently, Millennials became the largest generation in the workforce, surpassing Baby Boomers. According to a Deloitte study, 10,000 Millennials turn 21 every day.¹² This means their presence in the workforce is only going to grow, signaling a change many employers need to be aware of. As Millennials enter the workforce and Baby Boomers exit, there will be a loss in experience, skills and insight.

The valuable knowledge and experience Baby Boomers brought to leadership will suddenly vanish, paving the way for younger generations who haven't yet been groomed to take on the challenges left behind.

Express Employment Professionals, a leading international staffing company, recently polled 263 employers and business leaders across the United States and Canada to study how they are preparing for this generational shift in the workplace. The overwhelming majority of respondents reported that they haven't prepared, in any way, for the changing workforce. In fact, almost half of business leaders said they aren't prepared. Only 14 percent of respondents claimed to have developed a succession plan to assist with the leadership shift, while 10 percent have implemented employee development plans that help groom younger workers for more advanced roles. An additional 8 percent of businesses have adopted a flexible work environment.¹³

For Baby Boomers who have chosen to either delay retirement, re-enter the workforce after retirement or change career paths as they reach retirement, this lack of employer preparedness is something they can use to their advantage.

HOW HAS YOUR COMPANY PREPARED FOR A GENERATIONAL SHIFT IN THE WORKFORCE?



Source: Express Employment Professionals

Marketing the Boomer Benefit

For all job seekers, regardless of age or career path, it's essential to set expectations before meeting with an interviewer or accepting a job. Before they can explain to a potential employer what they are looking for in a position, job-seeking Baby Boomers first need to assess what's driving their decision to continue working. They must decide if their choice to re-enter the workforce or switch career paths is due to a financial need, a desire to find fulfillment or a way to stay mentally and physically active. Then, they need to consider whether they are now more career-oriented or family-oriented, and make an assessment of their values. Do they enjoy helping others, being creative, staying active or making money? Do they want to work afternoons, mornings, every other day or only on weekends?

Baby Boomers can find meaningful work both before and during retirement by marketing themselves correctly through:

1. Explaining the benefits of flexible work arrangements.
2. Understanding the skills gap.
3. Placing value on their skills.
4. Recognizing transferrable skills.
5. Using experience to bridge the generational gap.



1. The Benefit of Flexible Work

Baby Boomers are idealistic, competitive and driven. They desire positions with high degrees of responsibility and seniority, and often find a sense of identity and personal value through their career. As a result, they are a highly engaged workforce. In fact, 81 percent of older workers are motivated to exert extra effort and contribute more than is normally required in their job because they desire to grow in their careers and find personal satisfaction from their work.¹⁴

Due to their devotion to work and family, 80 percent of Baby Boomers report moderate to high levels of stress.¹⁵ As a result, post-retirement and even some pre-retirement workers are beginning to seek jobs that allow them to find personal satisfaction rather than stress.

To maintain the engagement and satisfaction of Baby Boomers, flexibility is key. A 2012 survey from AARP and the Society for Human Resource Management (SHRM) revealed that more than half of workers age 50 and older agree that flexible work arrangements are at least somewhat important when it comes to their work preferences.¹⁶ Furthermore, 72 percent of workers age 45 to 74 reported that a flexible schedule is an essential part of their ideal job.¹⁸

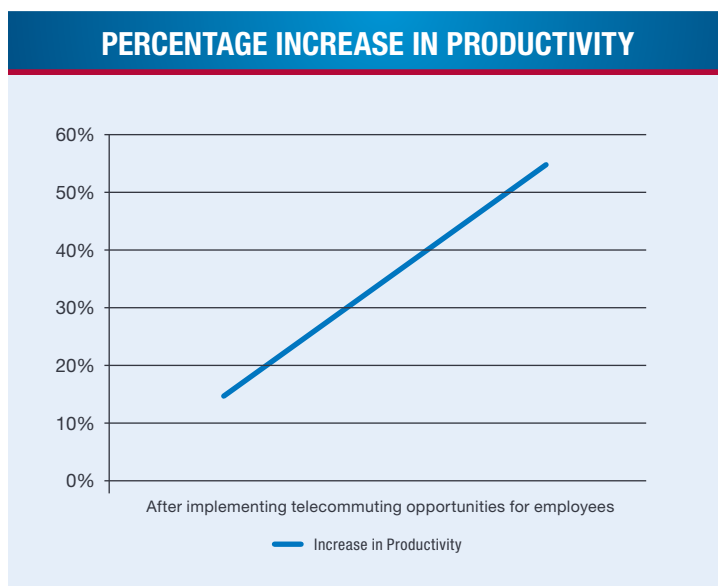
Thus, employers who offer part-time or flexible work options may have a better chance of attracting and retaining this valuable workforce. And luckily for employers, providing flexible work arrangements comes with multiple benefits for the bottom line.

In fact, Global Workforce Analytics reports that companies offering telecommuting opportunities have realized anywhere from 10 to 55 percent increases in productivity.¹⁹

Additionally, 45 percent of Millennials will choose workplace flexibility over pay. With nearly nine in 10 companies reporting a cost of between \$15,000 and \$25,000 to replace each Millennial employee they lose, the cost associated with failing to provide flexible arrangements across all generations can be detrimental for business.²⁰

Finding a balance that gives Baby Boomers and Millennials the opportunity to work part time may help both generations find the work-life balance they desire, resulting in another selling point for Boomers to use when marketing themselves to potential employers.

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Source: Global Workplace Analytics

2. Understanding the Skills Gap

Another shift in the American workforce that Baby Boomers can benefit from when looking for work is the skills gap, or the disconnect between available jobs and available candidates. While millions of people are looking for jobs, so too are millions of jobs looking for people. The problem is the available candidates lack the skills employers need.

PricewaterhouseCoopers found that 78 percent of U.S. CEOs expressed concern about the shrinking availability of key skills. In 2013, that number was 70 percent.²¹

According to AARP, employers in the United States cite the lack of necessary skills as a key driver in the difficulty to fill jobs. More specifically, 47 percent of employers cite a lack of candidates with the technical competencies and hard skills they need. Further, 39 percent report a lack of workplace competencies and soft skills as the primary reason for the talent gap.²²

The loss of workers age 50 and older due to retirement may be one reason for the skills gap. With experience, education and skills younger generations may not yet possess, older workers bring tremendous value to employers who are willing to negotiate mutually-beneficial work arrangements that maintain both engagement and productivity. By marketing this value effectively, older workers may be able to stand out from the job search competition.

3. Placing Value on Skills

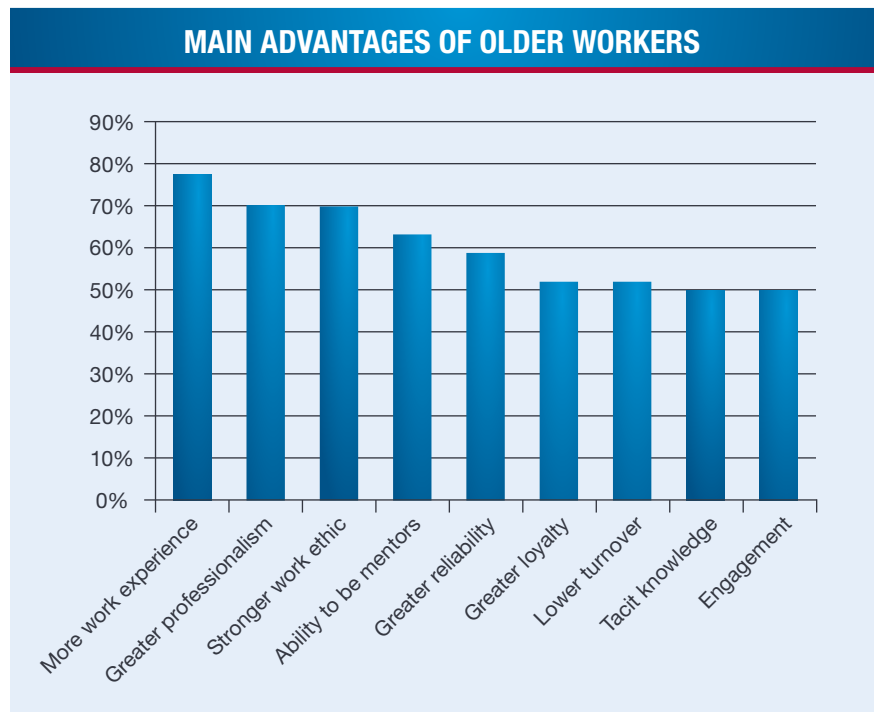
In a survey from Society for Human Resource Management (SHRM), the majority of human resource professionals indicated the main advantages of older workers include experience, maturity, loyalty, engagement and work ethic.

According to PayScale, an online salary, benefits and compensation information company, the skills that managers believe are most lacking amongst new graduates entering the workforce include public speaking, data analysis, mathematics, critical thinking, communication, leadership and grit. Forty-four percent of managers surveyed believe writing proficiency is the hard skill new candidates lack most.

PayScale also reports that Baby Boomers' workplace strengths include senior financial management, knowledge management, taking meeting minutes and bereavement counseling, among others.²³

Of course, not all skills are worthy of earning a spot on a résumé. In fact, some skills are considered so basic they actually may cost the applicant a second look from an employer who decides the candidate must not have skills strong enough to list. For example, filing, bookkeeping and data entry shouldn't make the Baby Boomers' lists, according to PayScale.

Instead, Baby Boomers should focus on the skills they possess that younger generations lack. While Millennials are skilled at emerging trends, like social media, they may not be as skilled when it comes to ownership and problem solving. That's where Baby Boomers shine, and where they can market themselves as ideal candidates.



Source: SHRM

4. Recognizing Transferrable Skills

Many of the jobs that employers struggle to fill are ones that require a great deal of physical strength or skill. According to Express Employment Professionals, some of the most difficult jobs to fill include CNC machinists, welders, CDL drivers, forklift operators and mechanics.²⁴ While these jobs may not be best suited for an aging generation, it's important for Baby Boomers to understand how their skillsets can fit the needs of employers in these industries.

Take, for example, a recent shortage of workers in the commercial trucking industry. A 2015 report from the American Trucking Associations showed that the industry was short about 38,000 drivers in 2014. By 2022, that shortage is expected to hit 175,000 if the trend continues.²⁵ The shortage of drivers has caused a ripple effect on the industry, and now, a lack of instructors makes it even more difficult to meet the rising demand.

Baby Boomers who have truck driving experience and licenses may not necessarily be the answer to the shortage of drivers, but they can meet the demand for instructors. Since teaching jobs typically allow instructors to be home every night and offer far more flexibility than driving jobs, retirees may benefit from taking on those roles. And, since driving experience and proper training are transferrable skills in the industry, employers can certainly benefit as well.

5. Using Experience to Bridge the Gap

Baby Boomers are highly skilled and educated. About one-third of the generation has returned to school, compared to 19 percent of those 65 and older.²⁶ One way businesses can help engage this generation, and allow them to use their skills and experience to positively affect the bottom line, is by implementing mentorship programs and networking opportunities in the workplace. These opportunities allow Baby Boomers to help bridge the gap between younger generations and create an open exchange of knowledge that is beneficial for everyone.

Likewise, Baby Boomers can benefit from reverse mentoring. While the older generation has a lot to offer younger generations in the form of experience and leadership lessons, Millennials can also help Baby Boomers get up-to-date with the technology, social media and computer skills they may lack.

Additional Resources for Retirees

Another consideration Baby Boomers can benefit from is outside help. Assessing and marketing oneself can be difficult, especially for older generations who have retired or are looking for a career change. But, there are companies that specialize in just that. For this reason, Baby Boomers may benefit from visiting with staffing companies that can help them assess their skills, improve their résumés, brush up on interview tips and promote their candidacy to potential employers. These firms can also find work for retirees, often temporary or contract jobs, that provide the flexibility they desire.

Additionally, because Baby Boomers have been in the workforce for a long period of time, their network of resources and fellow professionals is bound to be greater than that of the younger competition. Since new graduates and those entering the workforce for the first time generally have a much smaller net to cast when it comes to networking, older workers should not take their connections for granted when making a career change or finding work after retirement. Keeping in touch with all professional contacts and attending industry meetings can help retirees and those planning to retire get their foot in the door.

Remaining in the Workforce can be Easy

Employees age 50 and older add tremendous value to organizations due to their high levels of engagement, stability, productivity and experience. Coupled with a willingness to work and high longevity, Baby Boomers are ideal candidates for employers of all sizes and across all industries that are looking to fill the skills gap.

By explaining the benefits of flexible work arrangements, understanding the skills gap, placing value on their skills, recognizing transferrable skills, and using their experience to bridge the generational gap, Baby Boomers may discover that finding work in retirement doesn't have to be an intimidating task. Instead, it can be a time for career reinvention and a way to bring meaning to the "golden years."



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Resources

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