Aging Workforce Research Project—CARP

50+ Employees and Retirees

Prepared by:

Dr. M. Armstrong-Stassen
Management and Labour Studies
Odette School of Business
University of Windsor

November, 2004

http://web2.uwindsor.ca/faculty/busad/AgingWorkforce/Professionals/index.html
Acknowledgements

This research project was funded by a grant from the Social Sciences and Humanities Research Council of Canada. I am grateful for the support given to this project by Mr. Eric Vengroff, Vice-President of Marketing, Canada’s Association for the Fifty-Plus, CARP. I am deeply indebted to those members of CARP who participated in this project. This report was made possible because of their willingness to take the time to participate.
Executive Summary

One of the important issues confronting policymakers and employers is the aging of the workforce and the need to increase the level of labour force participation by mature workers. Questionnaire packets were sent to randomly selected members of CARP in the summer of 2004. There were 624 participants—291 were employed in the workforce and 333 had retired from the workforce.

Objectives

The objectives of this research project are:

- To identify the human resource practices that 50+ workers feel are important in influencing their decision to remain in, or return to, the workforce.

- To determine the extent to which organizations currently are engaging in these practices.

- To identify other work environment and individual factors which also contribute to the decision of people 50 and over to remain in, or return to, the workforce.

The Questionnaire

The questionnaire contained a list of 28 human resource practices representing seven human resource categories. Employed respondents were asked to indicate how important each human resource practice is in their decision to remain in the workforce and then to rate the extent to which their organization is currently engaging in each human resource practice. Retired respondents were asked to indicate how important each human resource practice would be in influencing their decision to return to the workforce and then to rate the extent to which the organization they had retired from engaged in the seven human resource practices.

Findings Highlights

- Over half of the employed respondents and 75% of the retired respondents felt that the aging of the workforce is a moderately to extremely important issue for organizations. Less than 25% of the employed respondents and less than 5% of the retired respondents felt that organizations are effective in recruiting 50+ employees. Employed respondents were more positive about retention efforts with 47% rating their organization as doing a good job of retaining 50+ employees. Less than 10% of the retired respondents felt that organizations in Canada are doing a good job of retaining their 50+ employees.
- **Flexible working options.** Providing flexible work schedules was rated as very important by 58% of the employed respondents and 77% of the retired respondents. Just over a third of the employed respondents reported that their organization is currently highly engaged in doing this. Only 15% of the retired respondents reported that the organization they retired from was highly engaged in providing flexible working options.

- **Training and development activities.** Providing access to new technology was rated as very important by 51% of the employed respondents and 78% of the retired respondents. However, only 21% of the employed respondents reported that their organization is currently highly engaged in doing this. About 70% of the retired respondents indicated that targeting 50+ employees to update their current job skills and to acquire new skills are very important. Only 39% of the retired respondents reported that the organization they retired from was highly engaged in providing training and development opportunities to 50+ employees.

- **Management training.** Educating managers about effective ways to utilize 50+ employees was rated as very important by 77% of the retired respondents compared with 36% of the employed respondents. However, less than 10% of the employed respondents reported that their organization is currently highly engaged in doing this. Similar results were found for providing “age awareness” training programs for people who manage 50+ employees.

- **Job design practices.** Providing challenging and meaningful tasks or assignments to 50+ employees was rated as very important by 61% of the employed respondents and 78% of the retired respondents. A little over a third of the employed respondents reported that their organization is currently highly engaged in doing this. Only 13% of the retired respondents reported that the organization they retired from was highly engaged in job design options.

- **Recognition and respect practices.** Showing appreciation for a job well done, recognizing the experience, knowledge, skill and expertise of 50+ employees, ensuring that 50+ employees are treated with respect by others in the organization, and recognizing the part that 50+ employees can play were rated as very important by over 60% of the employed respondents and over 70% of the retired respondents. Less than a third of the employed respondents reported that their organization is currently highly engaged in these recognition and respect practices. A third of the retired respondents reported that the organization they retired from was highly engaged in these practices.

- **Performance evaluation practices.** Providing 50+ employees with useful feedback on their performance and conducting performance appraisal in a fair manner were rated as very important by 60% of the employed respondents and 77% of the retired respondents. Only a third of the employed respondents reported that their organization is currently highly engaged in these performance
evaluation practices whereas 46% of the retired respondents reported that the organization they retired from was highly engaged in these practices.

❖ **Compensation practices.** Offering incentives for continued employment, increasing financial compensation, improving benefits, and improving the organization’s pension plan were rated as very important by slightly over half of the employed respondents and from 57% to 73% of the retired respondents. Less than 15% of the employed respondents reported that their organization is currently highly engaged in these compensation practices. Only 16% of the retired respondents reported that the organization they retired from was highly engaged in these practices.

❖ **Pre-retirement and post-retirement options.** Providing retirement with callback arrangements was rated as very important by 69% of the retired respondents compared with 43% of the employed respondents. Providing phased-in retirement was rated as very important by 59% of the retired respondents compared with 39% of the employed respondents. About 13% of the employed respondents reported that their organization is currently highly engaged in providing callback arrangements and only 6% reported that their organization is currently highly engaged in providing phased-in retirement options. Only 12% of the retired respondents reported that the organization they retired from was highly engaged in providing the pre- and post-retirement options.

❖ The five most important human resource practices in retaining employed respondents were:

- Showing appreciation for a job well done.
- Recognizing the experience, knowledge, skill and expertise of 50+ employees.
- Providing 50+ employees with useful feedback on their performance.
- Ensuring that 50+ employees are treated with respect by others in the organization.
- Recognizing the part that 50+ employees can play

❖ The five most important human resource practices in encouraging retired respondents to return to the workforce were:

- Recognizing the experience, knowledge, skill and expertise of 50+ employees.
- Showing appreciation for a job well done.
- Recognizing the part that 50+ employees can play [e.g., serving as mentors].
- Ensuring that 50+ employees are treated with respect by others in the organization.
- Educating managers about effective ways to utilize 50+ employees.
The human resources practices that were of least importance to both employed and retired respondents were offering job sharing, encouraging later, rather than early, retirement, offering unpaid leave for such things as education and elder or parental care, and providing trial retirement options which would allow employees who have retired the opportunity to change their minds and return to work after a 6-month or 1-year period.

There were significant differences for 26 of the 28 human resource practices between what the employed respondents felt is important in their decision to remain in the workforce and the extent to which their organization is currently engaging in these practices. There were also significant differences between employed and retired respondents in how important each of the human resource practices are in influencing their decision to remain in, or return to, the workforce. In all cases, retired respondents rated the human resource practices as more important in influencing their decision to return to the workforce than employed respondents rated the same practice in influencing their decision to remain in the workforce.

**Recommendations**

To increase the retention of 50+ employees and encourage retirees to return to the workforce, employers need to

- Ensure that recognition and respect practices are in place throughout the organization. Showing appreciation, recognizing accomplishments, knowledge and expertise, and providing useful and meaningful roles are extremely important to the retention of 50+ employees as well as to the decision of retirees to return to the workforce.

- Address those areas where the greatest gaps exist between what 50+ employees and retirees consider important in their decision to remain in, or return to, the workforce and the extent the organization is currently engaging in these practices. One of these areas is compensation practices. Organizations will need to consider offering incentives for continued employment, increasing financial compensation, improving benefits by providing more vacation time and additional time off, and improving their pension plan if they wish to recruit and retain 50+ employees.

- Ensure that the following human resource practices are in place: flexible work schedules, access to new technology, challenging and meaningful tasks or assignments, useful performance feedback, and fair and accurate performance appraisals that are free from age bias.
Although there were some similarities between the employed and the retired respondents, there were also significant differences between these two groups. Organizations will need to develop policies and practices specifically intended to encourage retired people to return to the workforce.

To encourage retirees to return to the workforce, in addition to the above recommendations employers will need to

- Provide more part-time work arrangements.
- Be more proactive in providing training to upgrade current skills and to acquire new skills and ensure that 50+ employees have the same opportunity to be promoted or transferred as younger employees.
- Offer workshops to provide people who manage 50+ employees with information about effective ways to utilize and manage these employees. These should also include how to conduct performance appraisals so that they are free from age bias.
- Create new roles for 50+ employees such as mentoring or being put in charge of special projects.
- Provide phased-in retirement arrangements by offering 50+ employees the opportunity to reduce their work time.
- Give retirees the opportunity to be reemployed, on a full-time, part-time, temporary or consultant basis, by putting in place retirement with callback options.
Aging Workforce Research Project—CARP

50+ Employees and Retirees

Canada has the largest baby boom generation in the world making the aging of its workforce not only a certainty but also a major challenge for policymakers and employers. One of the most important issues confronting policymakers and employers in the next few years will be the need to increase the level of labour force participation by mature workers. Given that two-thirds of Canadians retire well before the age of 65, the key question is how to make the workplace attractive enough to keep 50+ workers in it for longer periods.

The goal of the Aging Workforce Research Project is to identify those factors that are most important in influencing the decision of people aged 50 and over to continue their employment. In the first phase of this project, Human Resource managers were asked about the types of human resource activities their organization had in place targeting managerial and professional employees 50 and over, and 50+ managerial and professional employees were asked the extent to which their organization was currently engaging in these activities. In the most recent phase of the project, randomly selected members of CARP were sent two questionnaires in the summer of 2004. One questionnaire was to be completed by people who were employed in the workforce and the other questionnaire was to be completed by people who had retired from the workforce. This report provides a summary of the findings from this phase of the project.

Objectives

The objectives of the research project are:

- To identify the human resource practices that 50+ workers feel are important in influencing their decision to remain in, or return to, the workforce.
- To determine the extent to which organizations currently are engaging in these practices.
- To identify other work environment factors and individual characteristics which contribute to the decision of people 50 and over to remain in, or return to, the workforce.

Participants

There were 624 participants. Of these, 291 were employed in the workforce and 333 were retired. The major characteristics of these two groups of participants are shown in Table 1.
Table 1: Characteristics of Participants

<table>
<thead>
<tr>
<th></th>
<th>Employed Participants</th>
<th>Retired Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industry Sector</strong>¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>High Tech</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Finance/Insurance</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Retail</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>Health Care</td>
<td>15%</td>
<td>11%</td>
</tr>
<tr>
<td>Social Services</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>14%</td>
<td>28%</td>
</tr>
<tr>
<td>Other</td>
<td>32%</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Organization Size</strong>¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 100 employees</td>
<td>35%</td>
<td>24%</td>
</tr>
<tr>
<td>100 to 499 employees</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>500 to 999 employees</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>1,000 or more employees</td>
<td>36%</td>
<td>47%</td>
</tr>
<tr>
<td><strong>Location</strong>¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large city or metropolitan area</td>
<td>74%</td>
<td>75%</td>
</tr>
<tr>
<td>Small community or rural area</td>
<td>26%</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Age Composition of Organization</strong>¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primarily younger (18-34) workforce</td>
<td>16%</td>
<td>50%</td>
</tr>
<tr>
<td>Primarily middle-aged (35-49)</td>
<td>50%</td>
<td>21%</td>
</tr>
<tr>
<td>Primarily older (50 and over)</td>
<td>15%</td>
<td>1%</td>
</tr>
<tr>
<td>Evenly distributed across age groups</td>
<td>19%</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Job Position</strong>¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>24%</td>
<td>33%</td>
</tr>
<tr>
<td>Professional</td>
<td>38%</td>
<td>39%</td>
</tr>
<tr>
<td>Skilled trades</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Sales</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Support staff</td>
<td>12%</td>
<td>9%</td>
</tr>
<tr>
<td>Administrative</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-54 years of age</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>55-59 years of age</td>
<td>44%</td>
<td>26%</td>
</tr>
<tr>
<td>60-65 years of age</td>
<td>38%</td>
<td>70%</td>
</tr>
<tr>
<td>Gender</td>
<td>Men</td>
<td>53%</td>
</tr>
<tr>
<td>--------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td></td>
<td>Women</td>
<td>47%</td>
</tr>
</tbody>
</table>

1 For retired respondents, this referred to the organization from which they had retired.

**Importance of the Aging Workforce**

Employed respondents were asked “In your opinion, how important is the issue of an aging workforce for your organization?”

- Over 50% of the employed respondents indicated that the aging of the workforce is a moderately to extremely important issue for their organization.

- Only 16% of the employed respondents felt that the aging of the workforce is not an important issue for their organization.

Respondents who were retired were asked “In your opinion, how important is the issue of the aging workforce for organizations in Canada?”

- Close to 75% of the retired respondents indicated that the aging of the workforce is a moderately to extremely important issue for organizations in Canada.

- Only 1% of these respondents indicated that the aging of the workforce is not an important issue for Canadian organizations.

**Recruitment and Retention Efforts**

Employed respondents were asked to rate how effective they felt their organization is in recruiting employees 50 and over and how well their organization is doing in retaining these employees.

- Less than 25% of the employed respondents felt that their organization is doing an effective job of recruiting 50+ employees whereas close to 60% felt that their organization is ineffective in recruiting people from this age group.

- 47% of the employed respondents felt that their organization is doing a good job of retaining 50+ employees. Close to 25% felt that their organization is doing a poor job of retaining 50+ employees.
Retired respondents were asked to rate how effective they feel organizations in Canada are in recruiting employees 50 and over and how well organizations in Canada are doing in retaining these employees.

- Less than 5% of the retired respondents felt that organizations in Canada are doing an effective job of recruiting 50+ employees. Close to 80% felt that organizations in Canada are ineffective in recruiting 50+ employees.

- Less than 10% of the retired respondents felt that organizations in Canada are doing a good job of retaining their 50+ employees. Over 60% indicated that organizations in Canada are doing a poor job of retaining employees from this age group.

**Human Resource Practices**

The questionnaire covered seven Human Resource categories: flexible working options, training and development, job design, recognition and respect, performance evaluation, compensation, and pre- and post-retirement options. Employed respondents were asked to rate how important each of the 28 human resource practices is in their decision to remain in the workforce. They were then asked to rate the extent to which their organization is currently engaging in each of the human resource practices. Retired respondents were asked to indicate how important each of the 28 human resource practices would be in influencing their decision to return to the workforce. They were then asked to rate the extent to which the organization they had retired from engaged in the seven human resource practices.

**Flexible Working Options**

1. Providing flexible work schedules [days worked, hours worked]
2. Providing a reduced work week [part-time].
3. Offering job sharing [two people sharing a full-time position].
4. Offering unpaid leave [for example, for education, elder or parental care].

Figure 1 shows the frequencies for the importance of these flexible working options to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.
58% of the employed respondents indicated that providing flexible work schedules, such as days worked and hours worked, is very important in their decision to remain in the workforce.

37% of the employed respondents reported that their organization is currently highly engaged in providing flexible work schedules, with another 24% indicating that their organization is currently somewhat engaged in doing this.

Figure 2 shows the frequencies for the importance of these flexible working options to the decision of those respondents who are retired to return to the workforce and the extent the organization they retired from provided flexible working options.
Figure 2: Flexible Working Options

- 77% of the retired respondents indicated that providing flexible work schedules, such as days worked and hours worked, is very important in influencing their decision to return to the workforce.

- 74% of the retired respondents indicated that providing a reduced work week (part time) is very important in influencing their decision to return to the workforce.

- 53% of the retired respondents indicated that offering unpaid leave, such as educational leaves and leaves for elder or parental care, is very important in influencing their decision to return to the workforce.

- Only 15% of the retired respondents reported that the organization they retired from was highly engaged in providing these flexible working options, with another 24% indicating that their former organization was somewhat engaged in providing these.

Training and Development Activities

1. Targeting 50+ employees for training to update current job skills.
2. Targeting 50+ employees for training so they can learn new skills and expertise.

3. Providing access to new technology that will assist 50+ employees in performing their job.

4. Providing the same opportunities as younger employees to be promoted or transferred.

Figure 3 shows the frequencies for the importance of these training and development activities to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.

**Figure 3: Training & Development Activities**

- 51% of the employed respondents indicated that access to new technology to assist 50+ employees in performing their job is very important to their decision to remain in the workforce.
• Only 21% of the employed respondents reported that their organization is currently highly engaged in providing 50+ employees with access to new technology, with another 22% indicating their organization is currently somewhat engaged in doing this.

• 48% of the employed respondents indicated that having the same opportunities as younger employees to be promoted or transferred is very important to their decision to remain in the workforce.

• Only 33% of the employed respondents indicated that their organization is currently highly engaged in providing promotion and transfer opportunities to 50+ employees with another 29% indicating their organization is currently somewhat engaged in doing this.

Figure 4 shows the frequencies for the importance of these training and development activities to the decision of those respondents who are retired to return to the workforce and the extent the organization they retired from provided these activities.

**Figure 4: Training & Development Activities**

![Figure 4: Training & Development Activities](chart.png)
From 68% to 78% of the retired respondents indicated that training targeting 50+ employees to update their current skills, acquire new skills, and providing access to new technology are very important in influencing their decision to return to the workforce.

Only 39% of the retired respondents indicated that the organization they retired from was highly engaged in providing these training and development opportunities, with another 30% indicating their organization was somewhat engaged in these activities.

Management Training

1. Providing “age awareness” training programs for managers [how to manage 50+ employees and how to avoid bias in appraising the performance of these employees].

2. Educating managers about effective ways to utilize 50+ employees.

Figure 5 shows the frequencies for the importance of these management training activities to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.

Figure 5: Management Training

![Management Training Chart]

Employed Respondents

- Age Awareness Importance
- Age Awareness Engaged In
- Educating Managers Importance
- Educating Managers Engaged In

Percent

- Highly
- Somewhat
- Not at All

- Highly
- Somewhat
- Not at All
• Only about a third of the employed respondents indicated that “age awareness” training programs for managers and educating managers about effective ways to utilize 50+ employees is very important to their decision to remain in the workforce.

• Less than 10% of the employed respondents reported that their organization is highly engaged in providing age awareness training and educating managers on the effective utilization of 50+ employees, with another 10% indicating their organization is currently somewhat engaged in doing this.

Figure 6 shows the frequencies for the importance of these management training activities to the decision of those respondents who are retired to return to the workforce.

**Figure 6: Management Training**

![Management Training Chart]

• 77% of the retired respondents indicated that educating managers about effective ways to utilize 50+ employees is very important in influencing their decision to return to the workforce.

• 71% of the retired respondents indicated that providing “age awareness” training programs for managers is very important in influencing their decision to return to the workforce.

**Job Design Practices**

1. Providing challenging and meaningful tasks or assignments to 50+ employees.
2. Creating new roles 50+ employees [mentoring, put in charge of special projects].

3. Reducing workload pressures and job demands of 50+ employees.

Figure 7 shows the frequencies for the importance of these job design practices to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.

**Figure 7: Job Design Practices**

- 61% of the employed respondents indicated that providing challenging and meaningful tasks or assignments to 50+ employees is very important in their decision to remain in the workforce.

- 38% of the employed respondents reported that their organization is currently highly engaged in providing challenging and meaningful tasks or assignments to 50+
employees, with another 26% indicating their organization is currently somewhat engaged in doing this.

- Close to half of the employed respondents indicated that creating new roles for 50+ employees such as mentoring or put in charge of special projects is very important in their decision to remain in the workforce.

- Only 15% of the employed respondents reported that their organization is currently highly engaged in creating new roles for 50+ employees, with another 24% indicating their organization is currently somewhat engaged in doing this.

Figure 8 shows the frequencies for the importance of these job design practices to the decision of those respondents who are retired to return to the workforce.

**Figure 8: Job Design Practices**

- 78% of the retired respondents indicated that providing challenging and meaningful tasks or assignments to 50+ employees is very important in influencing their decision to return to the workforce.

- 72% of the retired respondents indicated that creating new roles for 50+ employees is very important in influencing their decision to return to the workforce.
• Only 13% of the retired respondents reported that the organization they retired from was highly engaged in job design options, with another 19% indicating their organization was somewhat engaged in doing this.

Recognition and Respect Practices

1. Recognizing the accomplishments of 50+ employees.
2. Recognizing the experience, knowledge, skill and expertise 50+ employees.
3. Recognizing the part that 50+ employees can play [for example, serving as mentors].
4. Ensuring that 50+ employees are treated with respect by others in the organization.
5. Showing appreciation for a job well done.

Figure 9 shows the frequencies for the importance of these recognition and respect practices to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.
• 68% of the employed respondents indicated that showing appreciation for a job well done is very important in their decision to remain in the workforce.

• 33% of the employed respondents reported that their organization is currently highly engaged in showing appreciation for a job well done, with another 31% indicating their organization is currently somewhat engaged in doing this.

• 67% of the employed respondents indicated that recognizing the experience, knowledge, skill and expertise of 50+ employees is very important in their decision to remain in the workforce.
• 31% of the employed respondents reported that their organization is currently highly engaged in recognizing the experience, knowledge, skill and expertise of 50+ employees, with another 22% indicating their organization is currently somewhat engaged in doing this.

• 63% of the employed respondents indicated that ensuring 50+ employees are treated with respect by others in the organization is very important in their decision to remain in the workforce.

• 31% of the employed respondents reported that their organization is currently highly engaged in ensuring 50+ employees are treated with respect, with another 24% indicating their organization is currently somewhat engaged in doing this.

• 62% of the employed respondents indicated that recognizing the part that 50+ employees can play is very important in their decision to remain in the workforce.

• 22% of the employed respondents indicated that their organization is currently highly engaged in recognizing the part that 50+ employees can play, with another 23% indicating their organization is currently somewhat engaged in doing this.

Figure 10 shows the frequencies for the importance of these recognition and respect practices to the decision of those respondents who are retired to return to the workforce.
Over 70% of the retired respondents indicated that the five recognition and respect options are very important in influencing their decision to return to the workforce. Over 80% indicated that recognizing the experience, knowledge, skill and expertise of 50+ employees is very important in influencing their decision to return to the workforce.

34% of the retired respondents reported that the organization they retired from was highly engaged in these recognition and respect practices, with another 33% indicating their organization was somewhat engaged in these practices.

**Performance Evaluation Practices**

1. Providing 50+ employees with useful feedback on their performance.

2. Conducting performance appraisals so that they fairly and accurately reflect performance [free from age bias].
Figure 11 shows the frequencies for the importance of performance evaluation practices to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.

**Figure 11: Performance Evaluation Practices**

About 60% of the employed respondents indicated that providing 50+ employees with useful feedback on their performance and conducting performance appraisal in a fair manner are very important in their decision to remain in the workforce.

Only a third of the employed respondents reported that their organization is currently highly engaged in these performance evaluation practices, with approximately another 25% indicating their organization is currently somewhat engaged in these practices.

Figure 12 shows the frequencies for the importance of these performance evaluation practices to the decision of those respondents who are retired to return to the workforce.
Figure 12: Performance Evaluation Practices

- 77% of the retired respondents indicated that providing 50+ employees with useful feedback on their performance and conducting performance appraisals fairly are very important in influencing their decision to return to the workforce.

- 46% of the retired respondents reported that the organization they retired from was highly engaged in these performance evaluation practices, with another 24% indicating their organization was somewhat engaged in these practices.

Compensation Practices

1. Offering incentives for continued employment.
2. Increasing financial compensation.
3. Improving benefits by providing more vacation time and additional time off.
4. Improving the organization’s pension plan.
Figure 13 shows the frequencies for the importance of compensation practices to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.

**Figure 13: Compensation Practices**

Over half of the employed respondents indicated that offering incentives for continued employment, increasing financial compensation, improving benefits, and improving the organization’s pension plan are very important in their decision to remain in the workforce.

Less than 15% of the employed respondents reported that their organization is currently highly engaged in these compensation practices, with improving the organization’s pension plan being the least likely to be offered.
• 16% or less of the employed respondents reported that their organization is currently somewhat engaged in these compensation practices.

Figure 14 shows the frequencies for the importance of these compensation practices to the decision of those respondents who are retired to return to the workforce.

**Figure 14: Compensation Practices**

- 73% of the retired respondents indicated that improving the organization’s pension plan is very important in influencing their decision to return to the workforce.
- 68% of the retired respondents indicated that improving benefits by providing more vacation time and additional time off is very important in influencing their decision to return to the workforce.
- 63% of the retired respondents indicated that offering incentives for continued employment is very important in influencing their decision to return to the workforce.
58% of the retired respondents indicated that increasing financial compensation is very important in influencing their decision to return to the workforce.

Only 16% of the retired respondents reported that the organization they retired from was highly engaged in providing these compensation practices, with another 22% indicating their organization was somewhat engaged in these practices.

Pre-retirement and Post-retirement Practices

1. Encouraging later, rather than early, retirement.
2. Providing phased in retirement [reduction in work time].
3. Providing trial retirement options [giving employees who have retired the opportunity to change their minds and return to work after a 6-month to 1-year period].
4. Providing retirement with callback arrangements [re-employment of retirees on a part-time, temporary or consultant basis].

Figure 15 shows the frequencies for the importance of pre-retirement and post-retirement practices to the decision of those respondents who are employed to remain in the workforce and the extent their organization is currently engaging in each practice.
43% of the employed respondents indicated that providing retirement with callback arrangements is very important to their decision to remain in the workforce.

Only 13.5% of the employed respondents reported that their organization is currently highly engaged in providing callback arrangements, with another 13.5% indicating their organization is currently somewhat engaged in doing this.

39% of the employed respondents indicated that providing phased-in retirement (reduction in work time) is very important in their decision to remain in the workforce.

Only 6% of the employed respondents reported that their organization is currently highly engaged in providing phased-in retirement options, with another 18% indicating their organization is currently somewhat engaged in doing this.
Figure 16 shows the frequencies for the importance of these pre- and post-retirement practices to the decision of those respondents who are retired to return to the workforce.

**Figure 16: Pre- and Post-retirement Practices**

- 69% of the retired respondents indicated that providing callback arrangements is very important in influencing their decision to return to the workforce.
- 59% of the retired respondents indicated that providing phased-in retirement (reduction in work time) is very important in influencing their decision to return to the workforce.
- Only 12% of the retired respondents reported that the organization they retired from was highly engaged in providing the pre- and post-retirement options, with another 19% indicating their organization was somewhat engaged in providing these options.
The Five Most Important Human Resource Practices—Employed Respondents

1. Showing appreciation for a job well done.

2. Recognizing the experience, knowledge, skill and expertise of 50+ employees.

3. Providing 50+ employees with useful feedback on their performance.

4. Ensuring that 50+ employees are treated with respect by others in the organization.

5. Recognizing the part that 50+ employees can play.

The Five Least Important Human Resource Practices—Employed Respondents

1. Offering job sharing.

2. Encouraging later, rather than early, retirement.

3. Providing “age awareness” training programs for managers.

4. Offering unpaid leave.

5. Providing trial retirement options.

The Five Most Important Human Resource Practices—Retired Respondents

1. Recognizing the experience, knowledge, skill and expertise of 50+ employees.

2. Showing appreciation for a job well done.

3. Recognizing the part that 50+ employees can play [e.g., serving as mentors].

4. Ensuring that 50+ employees are treated with respect by others in the organization.

5. Educating managers about effective ways to utilize 50+ employees.
The Five **Least Important** Human Resource Practices—Retired Respondents

1. Encouraging later, rather than early, retirement

2. Offering job sharing [two people sharing one job].

3. Reducing workload pressures and job demands of 50+ employees.

4. Providing trial retirement options [giving employees who have retired the opportunity to change their minds and return to work after a 6-month to 1-year period].

5. Offering unpaid leave [for education, elder or parental care].

What Is Important Versus What Organizations Are Providing

There are significant differences between what employed respondents feel is important in their decision to remain in the workforce and the extent to which their organization is currently engaging in these practices for 26 of the 28 human resource practices.

The **largest** gaps between what is important to remaining in the workforce and what organizations are currently doing are for the following human resource practices:

1. Improving the organization’s pension plan.

2. Offering incentives for continued employment.

3. Increasing financial compensation.

4. Improving benefits by providing more vacation time and additional time off.

5. Educating managers about effective ways to utilize 50+ employees.

6. Providing trial retirement options.

7. Recognizing the part that 50+ employees can play.

The **smallest** discrepancies between what is important to remaining in the workforce and what organizations are currently doing are for the following human resource practices:
1. Offering unpaid leave [for education, elder or parental care].

2. Offering job sharing.

3. Providing the same opportunities as younger employees to be promoted or transferred.

4. Providing a reduced work week [part-time].

5. Providing flexible work schedules [days worked, hours worked].

6. Providing challenging and meaningful tasks or assignments to 50+ employees.

7. Encouraging later, rather than early, retirement.

For retired respondents, there are also significant differences between how important they feel the set of seven human resource practices is in influencing their decision to return to the workforce and the extent to which the organization they retired from engaged in these practices. The largest discrepancies are for job design, compensation, pre-retirement and post-retirement options, and flexible working options. The smallest discrepancies are for performance evaluation and training and development practices.

**Differences between Employed and Retired Respondents**

There are significant differences between employed and retired respondents in how important each of the human resource practices are in influencing their decision to remain in, or return to, the workforce. In all cases, retired respondents rated the human resource practices as more important in influencing their decision to return to the workforce than employed respondents rated the same practice in influencing their decision to remain in the workforce. The largest differences occurred for the following human resource practices:

1. Educating managers about effective ways to utilize 50+ employees.

2. Providing “age awareness” training programs for managers.

3. Offering job sharing.

4. Targeting 50+ employees for training to update current skills.

5. Targeting 50+ employees for training so they can learn new skills.

6. Providing a reduced work week.

The smallest differences, although still significant, occurred for:

1. Increasing financial compensation.
2. Encouraging later, rather than early, retirement.
3. Showing appreciation for a job well done.
4. Offering incentives for continued employment.
5. Improving benefits by providing more vacation time and additional time off.
6. Recognizing the accomplishments of 50+ employees.
7. Reducing workload pressures and job demands of 50+ employees.

Age Composition of the Organization

Respondents were asked to indicate the age composition of their organization—primarily younger, primarily middle-aged, primarily older, or evenly distributed across age groups. The age composition of the organization has no effect on how important respondents feel each of the human resource practices is in influencing their decision to remain in, or return to, the workforce. Age composition of the organization does have an effect on the extent to which an organization is currently engaging in the human resource practices. Employed respondents in organizations with a primarily older workforce reported their organization was more likely to be engaged in targeting 50+ employees for training to update current job skills and acquire new skills, providing “age awareness” training programs for managers and educating managers about effective ways to utilize 50+ employees, creating new roles for 50+ employees, recognizing the part that 50+ employees can play, offering incentives for continued employment, and encouraging later, rather than early, retirement.

Organization’s Downsizing History

Employed respondents were asked if their organization had downsized its workforce in the last five years. Respondents in organizations that had downsized reported their organization was less likely to be engaging in human resource practices targeting 50+ employees than respondents in organizations that had not reduced their workforce in the past five years. This was especially the case for providing flexible work schedules and reduced work opportunities, providing the same opportunities as younger employees to be
promoted or transferred, providing challenging and meaningful tasks or assignments to 50+ employees, providing recognition and respect, increasing compensation and offering incentives, encouraging later rather than early retirement and providing phased-in retirement options.

**Likelihood of Returning to the Workforce**

Respondents who had retired were asked how likely it is that they will return to the workforce. A large majority (82%) indicated it is unlikely that they will return to the workforce. About 10% of the retired respondents indicated that it was somewhat likely that they will return to the workforce and only 8% indicated that it was very likely that they would return. Employed respondents were asked if they were to retire how likely it is that they would return to the workforce. About a third (34%) indicated they would be unlikely to return to the workforce, 26% indicated it would be somewhat likely, and 40% indicated it would be very likely that they would return to the workforce after they retire.

**Reasons for Retiring**

Retired respondents were provided with a list of 17 reasons why people decide to retire. They were asked to indicate which of these reasons were most important in influencing their decision to retire. These findings are given in Table 2.

**Table 2: Main Reasons for Retiring**

<table>
<thead>
<tr>
<th>Reason</th>
<th>% Responding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wanted to spend more time in leisure activities</td>
<td>56%</td>
</tr>
<tr>
<td>General pressures (stressfulness) of the job</td>
<td>41%</td>
</tr>
<tr>
<td>Wanted to spend more time with family/friends</td>
<td>29%</td>
</tr>
<tr>
<td>Urged to retire due to organizational downsizing</td>
<td>25%</td>
</tr>
<tr>
<td>Tired of working</td>
<td>23%</td>
</tr>
<tr>
<td>Had accomplished all wanted to accomplish in working life</td>
<td>23%</td>
</tr>
<tr>
<td>Spouse retired</td>
<td>22%</td>
</tr>
<tr>
<td>Health issues</td>
<td>21%</td>
</tr>
<tr>
<td>Dissatisfaction with job</td>
<td>21%</td>
</tr>
</tbody>
</table>
Those retired respondents who indicated that they retired because they wanted to spend more time in leisure activities were less likely to consider returning to the workforce. Those who retired because of a lack of flexibility in work hours or work schedule, an unfriendly atmosphere within their work group or unit, or who were urged to retire due to organizational downsizing were more likely to consider returning to the workforce.

**Recommendations**

Organizations that engage in those human resource practices that 50+ employees view as important in their decision to remain in the workforce will be successful in retaining these employees. Organizations that engage in those human resource practices that retirees view as important in influencing their decision to return to the workforce will be successful in encouraging retirees to re-enter the workforce. Conversely, organizations that fail to engage in these human resource practices will encounter difficulties in retaining their 50+ employees and in convincing retirees to come back to work. These organizations may face labour shortages in the future. Based on the findings of this research project, the following recommendations provide some guidance in what employers and policymakers need to do.

- It is important to survey 50+ people, both those who remain employed and those who are retired, to determine what human resource practices are important in influencing their decision to remain in, or return to, the workforce. We found several instances where large differences existed between what the respondents felt are important in influencing their decision to remain in, or return to, the workforce and what organizations are currently doing.

- Employers need to conduct an audit of their human resource practices, comparing what they are currently doing with those practices viewed as important by 50+ employees and retirees. Employers then need to take steps to implement those human resource practices regarded as highly important in influencing the retention of 50+ employees and encouraging those who have retired to return to the workforce.

- The largest discrepancies between what 50+ employed respondents viewed as important and what their organization is currently doing were for the compensation practices. Employers will need to consider taking steps to improve their pension plan, offer incentives for continued employment, increase financial compensation, and improve benefits by providing 50+ employees with more vacation time and additional time off.

- The top ranked human resource practices pertained to recognition and respect. Both 50+ employees and retirees want to be shown appreciation for doing a good job, to be given recognition for their experience, knowledge, skills, and expertise,
and to be treated with respect. These are human resource practices that can be implemented with minimal financial costs. There are various ways that recognition can be shown: praise for doing a good job, publicly acknowledging the accomplishments of a 50+ employee, a letter of commendation, a certificate of appreciation, and providing opportunities to take on new roles such as serving as a mentor.

Although there are some similarities between the employed and the retired respondents, there are also some significant differences between these two groups. Employers will need to develop policies and practices expressly designed to promote the retention of their 50+ employees and other policies and practices specifically intended to encourage retired people to return to the workforce.

To increase the retention of 50+ employees, employers need to

- Provide flexible work schedules including the days worked and the hours worked.
- Ensure that 50+ employees have access to new technology that will assist them in performing their job.
- Provide 50+ employees with challenging and meaningful tasks and assignments that utilize their experience, knowledge, skill and expertise. Employers also need to make sure that the performance of their 50+ employees is evaluated in a fair and unbiased manner and they are provided with useful feedback on their performance.

To encourage retirees to return to the workforce, employers need to

- Provide flexible work schedules, including days worked and hours worked, along with more part-time work arrangements.
- Be more proactive in ensuring that 50+ employees have access to new technology and in providing and promoting training for upgrading current skills and acquiring new skills.
- Offer workshops to provide people who manage 50+ employees with information about effective ways to utilize and manage these employees. These should also include how to conduct performance appraisals so that they are free from age bias.
- Provide 50+ employees with challenging and meaningful tasks and assignments and create new roles for them such as mentoring or being put in charge of special projects. Make sure that 50+ employees are given useful feedback on their performance and that the evaluation of their performance is conducted in a way that fairly and accurately reflects their performance.
• Provide phased-in retirement arrangements by offering 50+ employees the opportunity to reduce their work time.

• Give retirees the opportunity to be reemployed, on a full-time, part-time, temporary or consultant basis, by putting in place retirement with callback options.

Conclusions

Employed and retired respondents view the aging of the workforce as a very important issue for organizations but feel that organizations are not doing a good job of recruiting and retaining 50+ employees. The challenge for employers will be to close the gap that currently exists between the human resource practices that are important in influencing the decision of 50+ employees to remain in the workforce and retired people to return to the workforce and the extent to which organizations are engaging in these practices. Employers will find it especially difficult to convince people who have retired to return to the workforce if their organization does not take a proactive approach to its human resource practices.