Sterling Silver: Why you should be recruiting employees aged 50 and over

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Lakewood, Ohio. By noon, the women of Line 2 have packed and boxed 10,800 tubes of Bonne Bell's swirled Lip Shake, a liquid lipstick popular among teenage girls who want their lips to both glisten and taste like whipped vanilla cream. Anything over 10,000 tubes is considered very good, and Ann Schnably, her white hair pulled back smartly in a knot on the top of her head, wonders aloud whether the afternoon shift will be able to top that. They gather their purses and sweaters and say their goodbyes. One woman grabs her cane. The average age of the 86 assembly line workers in this department is 70. The oldest just turned 90.

On February 5, 2001, when this excerpt first appeared in a front-page article in the Wall Street Journal, not many companies in either Canada or the United States had embraced the "silver-collar" worker, people over the age of 50. In fact, even today, many organizations still see the mature worker as being too expensive, technology-phobic, and racking up huge medical bills. But as an increasing number of employers are slowly beginning to recognize the value in older workers, the wave of popular opinion has begun to shift.

A major force behind this wave of change in Canada is at the regulatory level. For many years, 65 has been the mandatory age of retirement, and for all practical purposes, public policy dictated that at the age of 65, you were done: ready to get the gold watch, take up the easy life, and be put out to pasture. Yet, for personal and financial reasons, many Canadians don't want to or are unable to retire. And public policy has begun to follow this reality. Next year, Ontario will be the seventh province/territory in Canada to abolish mandatory retirement, following Alberta, Manitoba, Quebec, Prince Edward Island, Yukon, and the Northwest Territories.

The numbers

The statistics also tell the story. According to the General Social Survey (2000), about 12% of working Canadians aged 45 to 59 did not know when they planned to retire, while another 18% said they did not intend to ever retire – either because of need or desire. These two groups represented about 1.4 million people. It is expected that by 2030, one in four Canadians will be over 65. From a purely practical perspective, this unprecedented aging wave, combined with a predicted lower birth rate, means that there will not be enough younger workers to replace those who retire, even with increased immigration. So, for companies to continue to be successful, they will have no choice but to recruit or entice the older worker to remain on the job. And apparently, if they do the right things, the older worker will want to stay.

More recent research conducted by CARP, the Canadian Association for people aged over 50, supports the findings from the 2000 General Social Survey. It continues to be true that many people don't want to leave the workforce completely, and some simply cannot afford to do so. In November 2004, the Odette School of Business at the University of Windsor released the results from its landmark Aging Workforce Research Project. Two groups of people over 50 years in age were studied – those still employed, and those in that age group who were already retired. Some of the highlights from the study:

- Less than 25% of the employed group felt that organizations were effective in actively recruiting 50+ employees; however 47% of this same group believed that their organizations were doing a good job of retaining those 50+ employees that they already had.
- In contrast, less than 5% of the retired group felt that companies were good at recruiting the older worker, and not that many more (less than 10%) felt that organizations were good at retaining the older workers already in the company.
- For both groups combined, the seven most important practices in either retaining 50+ employees or encouraging retirees to return to the workforce were:
  - 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.
  - Recognizing the part that 50+ employees can play (e.g., serving as mentors).
  - Providing 50+ employees with useful feedback on their performance.
  - Educating managers about effective ways to utilize 50+ employees.
- Collectively, over 60% of the employed group and over 70% of the retired group identified these practices as important.
- Less than one-third of the employed respondents felt that organizations were effectively engaged in the above recognition and respect practices while 33% of the retired group believed this to be true.

The issue

So, in a nutshell, there's a lot of room between what companies *are* doing and what they *could be* doing when it comes to attracting and retaining a demographic that shortly (if not already) will be in high demand. And interestingly enough, the top seven factors that could narrow this gap are ones that aren't really that much different from what a good leader would use to improve employee retention and reduce turnover in employees of any age!

But yet, mature workers are still viewed by many organizations as a liability? Why is the "silver ceiling" a continuing fact of life in the job market? The reasons, mostly false, are many. A commonly held belief is that mature workers are inflexible. In fact, the reality is that they are as equally adaptable as their younger co-workers. More health problems? Records from companies that have actively recruited mature workers show that this group actually reports a lower rate of absenteeism than some younger age groups. How about the fact that many are overqualified for the available jobs? Perhaps, but they often know the history of the organization, and thus what works, and maybe more importantly, what doesn't. Less productive? Not true. In fact, the research shows that their workplace experience makes them better multi-taskers and thus more easily able to deal with stress. Too expensive! Studies conducted by AARP (the American equivalent of CARP) in the United States indicate that mature workers usually seek equity or fairness, rather than money itself. What about that classic problem – an older employee working for a younger boss? While exceptions always exist, the reality is that vast majority of mature employees serve as mentors for younger people in organizations.

The success stories

Some companies have separated the realities from the myths, and are already ahead of the game. In the United States, Troy MI Kelly Services employs 60,000 workers age 50 and older, who make up 14 percent of its national work force. Says the company's Steve Armstrong, "They understand business ethics, the importance of communication, how to deal with the public and work within a team environment." Similarly, major companies including Walgreens, Pitney Bowes, Volkswagen, and MetLife praise the virtues of older workers. Book-retailing giant Borders launched a recruiting initiative aimed at older workers after internal research discovered improved sales in stores staffed with people who reflected the demographics of the local community. Dan Smith, senior vice president of human relations, says, "Older workers have life experience, so their recommendations of books and music ring true with customers. They typically are working because they want to, so turnover rate is less than half of those younger than 50." Seven years ago, six percent of the Border's employees were older than 50. Today, that number has climbed to over 15 percent.

In Canada, RBC Royal Bank, pharmaceutical giant Merck Frosst, Avis Rent a Car, and Home Depot are just a few of the companies that are focusing efforts on recruitment, retention, skill development, compensation, benefits, education and retirement planning for their older workers. In fact, these four companies were honoured by CARP as the Best Employers for 50+ Canadians in 2004. In addition to the factors outlined above, these companies also offered good job and development opportunities, and flexible work schedules for their older workers.

Leading the edge of this change in Canada is Home Depot. In February 2005, Home Depot Canada entered into an exclusive hiring partnership with CARP to help them source new employees. The company's reasoning: in their search for skilled and dedicated workers, they wanted to tap into the growing 50+ age bracket. According to Annette Verschuren, the company's president, "… (50+ employees) hold such a wealth of knowledge, experience and passion. This group excels at customer service and possesses leadership skills that will prove invaluable to our store managers and associates on the floor."

The opportunity

While the success stories are to be celebrated, the unfortunate truth remains that many Canadian (and for that matter, American) organizations have not yet realized that in order to be successful in the next two decades, they need to attract and recruit the mature worker, starting *now*. There are three steps to this process. First, it begins with awareness. The demographics are clear: as the pool of younger workers continues to shrink, recruiting success will come from the ranks of older employees. Next, the myths have to be de-bunked. There is substantial evidence to demonstrate that the mature employee can be both a logical and cost-effective choice. Finally, the recruitment effort needs to be stepped up. "Silver-friendly" work environments and policies need to be consciously developed and implemented. Otherwise, in today's highly competitive world where the prize often goes to the one who gets there first, your organization will get left behind. The ultimate bottom line: if you don't focus on this demographic today, tomorrow may be too little, too late! ■

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