

# The ROI of Employing Mature Workers

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## 5 Generations in the Workplace

- 1. Traditionalist/Silent Generation – any workers aged 79+
- 2. Baby Boomers – workers aged 60 – 78
- 3. Generation X – workers aged 44-59
- 4. Millennials: workers aged 28-43
- 5. Generation Z: workers under age 27

## Labor Force Participation Rate by Age

	2001	2011	2021	2031
<b>25 to 54</b>	<b>84%</b>	<b>82%</b>	<b>82%</b>	<b>81%</b>
55 to 64	60%	64%	65%	68%
65 to 74	20%	26%	26%	31%
75 and older	5%	8%	9%	11%

Source: U.S Bureau of Labor Statistics

## Why Matures (Workers over age 50) Matter

- In May 2024, job vacancies totaled 8.1M, up from 7M pre-pandemic
- 2024 predicted retirements based on the number of new social security claimants is between 1.7M and 2.1M, up from 1.6 M in 2023 and almost twice the rate of retirements from 2010-2019: 1-1.3M
- Our follow-on generations are much smaller than the Boomers

## America needs mature workers

*"It's time for a paradigm shift in how the U.S. labor market views older workers. Mature workers have the knowledge as well as the workplace skills accumulated over a lifetime that America needs today and will need even more in the future."*

Richard Wahlquist, CEO of The American Staffing Association  
(March 14, 2024)

## Key advantages of Matures

- Experience & Expertise (Wisdom)
- Reliability/Commitment /Work Ethic
- Adaptability & Learning Agility
- Ability to establish & maintain customer relationships
- Stability and Reduced Turnover
- Resiliency/Humility
- Developed sense of Ethics & Integrity
- Reduced need for initial training – have soft skills
- Diversity of Thought
- Desire to Coach & Mentor
- Historical knowledge & perspective
- Creativity

## Age bias and stereotypes in the workplace. Older workers are.....

- More expensive (salary and health insurance)
- Slow/Unproductive due to mental acuity/physical ability declines
- Not interested in training and slower to learn new skills
- Not tech savvy; inflexible, resistant to change; risk adverse
- Less creative than younger workers
- Not going to remain with the organization
- More accident prone
- Not accepted by customers
- Only here because they have to be
- Keeping others from advancing

Matures are a key component of a multigenerational workforce

*"Automation, artificial intelligence and other groundbreaking technologies might get top billing in conversations about the future of work, but as we live longer and healthier lives, an increasingly multigenerational workforce will be just as transformative"* Forbes.com

## Advantages of Intergenerational Work Teams

- Increased employee engagement and retention
- Diverse Perspectives and Ideas
- Knowledge Sharing and Transfer
- Cross Mentor Opportunities
- Enhanced Collaboration & Team Dynamics
- Enhanced Customer Understanding & Engagement
- Inclusive & Supportive Work environment
- Sustainable and resilient workforce that contributes to long term success
- Improved Problem Solving
- Enhanced Adaptability to Change

## Barriers to Effective Teams

- 1 in 5 Gen Zer's haven't had a single conversation with someone over 50 in their workplace in the last year due to lack of confidence
- Lack of clearly defined roles and responsibilities
- Not aligning team goals with organizational goals
- Lack of transparency around progress toward goals
- Different work & communication styles
- Lack of social norms
- Lack of work-life balance and well-being benefits

## Best Practices for Harnessing the Power of an Intergenerational Workforce

### **Leaders are modeling diversity of thought in word and deed**

- Pair people based on their individual interests; facilitate cross mentoring
- Create relationships based on mutual respect – foster an “all-in” culture around shared values, common goals & shared purpose
- Provide developmental opportunities that support employee retention
- Use assessments to reveal communication preferences that bridge potential generation gaps

### **Managers are supportive and empathetic and work to build trust**

- Collaborate on problem solving to ignite creativity and innovation
- Recognize and accommodate differences in work styles, needs and strengths
- Involve team members from across the generations in decision making
- Address intergenerational conflicts promptly & constructively
- Value all for their contributions
- Provide job shadowing & training opportunities

## Effective Multigenerational Teams want relevant training

### What kind of training organizations provide:

- Compliance
- Harassment Prevention
- DE&I
- Cultural Sensitivity
- AI & Machine Learning

### What kind of training Employees want:

- Conflict resolution
- Communication skills
- Emotional Intelligence
- Confidence Training
- Change Management

# Valued Benefits

- Health Insurance (even if over age 65)
- Dental & Vision Insurance
- Telehealth & Teledentristy
- 401k/403b/457
- Flexibility including remote or hybrid work
- PTO
- Continuing Education & Training
- Longevity Pay\*
- FMLA (50 EEs)
- Wellness Initiatives
- Financial/Legal Planning Services\*
- LTC Insurance\*
- Life, Short and Long Term Disability Insurance
- EAP
- Recognition and Rewards
- Professional skill development
- FSA, HSA & Dependent Care Accounts

\* Indicates those most valued by matures

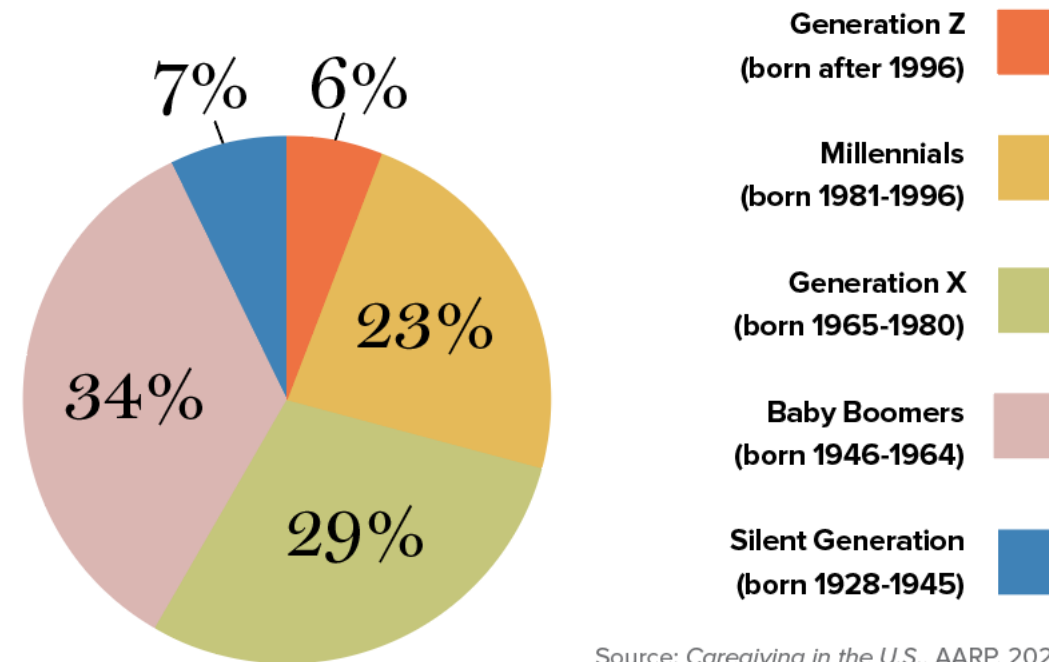
## Emerging benefits and trends

- Grandternity Leave
- Menopause Support including sick leave
- Retirement Preparedness (beyond financial planning) – Vision for “the rest of life”
- Reskilling/Upskilling/Workplace Accommodations
- Processes to ensure transfer of Institutional knowledge – knowledge management systems
- Culture of support for caregivers

## Profile of Adult Caregivers

### CAREGIVING CUTS ACROSS GENERATIONS

Percentage of caregivers of adults, by generation.



Source: *Caregiving in the U.S.*, AARP, 2020.

# Supporting Caregivers in the Workplace

## Issues

- Mental, Physical and Financial Strain
- Stress, Anxiety & Isolation
- Reduced Productivity sometimes resulting in discipline
- Reduced hours
- Quit, retire early

## Solutions

- Train managers to be aware and verbalize the value of caregiving responsibilities
- Open & regular communication & inclusive policies
- Paid caregiver leave & Flexible work hours
- Backup care assistance
- EAP and other online resources
- Ability to work from home
- Referrals to local elder care supports
- Offer Employee Caregiver support groups

# Calculating ROI of Mature Workers

## Quantitative Factors

- Output, efficiency and quality of work
- Cost savings associated with lower turnover rate
- Cost of Training & Development compared to increased productivity
- Cost of absenteeism and healthcare

## Qualitative Factors

- Evaluate impact of experience and expertise on focus areas
- Determine the value of mentorship in developing less seasoned staff and the transfer of institutional knowledge
- Assess the positive influence on customer relations/satisfaction due to established relationships & industry knowledge

## Steps to Calculate ROI

- 1. Collect data (productivity, turnover, training costs, absenteeism, healthcare expenditures etc.)
- 2. Determine costs associated with employing mature workers (salary, benefits, training expenses etc.)
- 3. Estimate benefits derived from employing mature worker (increased productivity, reduced turnover costs, improved customer relations)
- 4.  $ROI = \text{Net benefits} / \text{Total cost} \times 100$
- Net benefits = revenue generated, cost savings etc. minus training costs
- Total costs = all costs of mature workers including training

## ROI Calculation

- \$150,000 increase in productivity
- \$20,000 reduced turnover costs
- \$100,000 salaries and benefits
- \$5,000 training cost

Net benefits = \$170,000 minus \$5000 = \$165,000

Total costs = \$105,000

ROI =  $\$165,000 / \$105,000 \times 100 = 157\%$

# EncorePBC supports mature workers in PBC and the TC

- Marc Freedman (35) and John Gardner (80) founded Civic Ventures in 1993 with the idea that the growing, older population was less a problem to be solved than an opportunity to be seized. In 2012, they became Encore.org to put a name on the years beyond midlife and imbue them with social purpose. Today, as **CoGenerate**, the organization focuses on what the vast (and still growing) older population can do in collaboration with younger generations to solve our nation's most pressing problems.
- In 2015, Rosemary Nixon of Delray Beach founded EncorePBC based on Encore.org and has served as Founder and Board Chair since that time.
- Rosemary is a visionary leader dedicated to helping people live their best life through career, volunteer or entrepreneurial pursuits.
- Rosemary is a Recipient of the FP&L Quality Senior Living Award for Public Service presented at the 2022 FCOA conference

Ongoing  
Services/Events  
offered by  
EncorePBC  
([www.encorepbc.org](http://www.encorepbc.org))

- Monthly webinars on a wide variety of relevant topics
- Monthly newsletter
- Scholarship for job training
- Volunteer Opportunities
- Employer Job Board
- Career Assistance for those in transition
- Resources for the Entrepreneur
- YouTube channel with over 20 videos- <https://www.encorepbc.org/videos/>
- Advocacy for Mature Workers including the Wisdom & Experience Works for Business Award – 4<sup>th</sup> annual event is on September 26
- Age Friendly Certification for Employers

Vision: offer midlife adults the opportunity to use their life & work experience in new careers, paid & unpaid, to improve their communities.

## Questions, Comments & Contact Info

- Contact info for EncorePBC:
  - [www.EncorePBC.org](http://www.EncorePBC.org)
  - [Encorepbc@gmail.com](mailto:Encorepbc@gmail.com)
- My connection to EncorePBC: Assisted with the creation of the Wisdom & Experience Works for Business Award; a past board member and current Chair of the Advisory Council and liaison with the PBC SHRM chapter.
  - [KarenRobertshrconsultant@gmail.com](mailto:KarenRobertshrconsultant@gmail.com)
  - 561-543-2954

# Resources

- U.S. Bureau of Labor Statistics
- Predictive Index/HR Dive: Report: Success looks different in 2024: 5 critical actions to enable your people leaders to succeed
- HR Dive: Kate Tornone, "HR Leaders well positioned to fight age bias, staffing exec says" March 19, 2024
- HR Dive: Kate Tornone, "Dollar General settles claim it told older workers to keep up with thee millennial team". July 19, 2024
- "A look at the benefits that can keep older workers on board". SHRM February 8, 2024 by Lin Gensing-Pophal.
- How to Manage Generational Differences in the Workplace - Pride Staff
- "How employers can support caregivers coping with increased responsibilities" – GuardianLife.com
- "Generation Z: The Loneliest, Least Resilient Demographic Alive" SHRM November 17, 2023
- "Supporting Employees with Caregiving Responsibilities" SHRM March 10, 2022 by Kathryn Tyler.
- "Supporting Caregivers in the Workplace" American Psychiatric Association Foundation's Center for Workplace Mental Health
- "Employers are turning to a new perk: Menopause Benefits". SHRM November 8, 2023 by Kathryn Mayer.
- ChatGPT AI