

NEWS

Older Workers (1981 folder)

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EARLY RETIREMENT EXPECTED TO SLOW;
SYMPOSIUM SEES EXTENDED WORK LIFE
AS OPTION FOR MANY OLDER PEOPLE //

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Scarsdale, N.Y., April 8, 1981 -- As more and more Americans turn to second and third careers as a means of coping with inflation, early retirement is likely to become the impossible dream—or, certainly, the deferred dream—of the 1980s, some sixty leaders in business, labor, government, and public-interest groups agreed today.

The increasing likelihood that extended working life will become a reality for hundreds of thousands of older Americans was both the theme and the conclusion of a symposium on the future of older workers sponsored by the Work in America Institute at Arden House, Harriman, New York, April 6-8. The efforts of participants were largely directed toward finding ways to make the experience more satisfying for both employer and employee.

After three days of intense discussion, the symposium participants produced a series of 28 comprehensive recommendations that, in conjunction with the Institute's 1980 policy report "The Future of Older Workers in America," forms a national agenda for extending the working life of Americans.

Some of the recommendations focused on ways to encourage employers to recognize the hidden potential of their older workers—in skills, loyalty, commitment to the job, and business and company know-how—and to put that untapped talent to use.

"Let's recognize," said Jerome M. Rosow, president of Work in America Institute, "that older workers represent a tremendous reservoir of talent. At a time of lagging productivity, we cannot afford to waste the skills, the ability, and the experience they offer."

Other recommendations were aimed at assisting older workers in finding fulfilling and productive work beyond the conventional retirement age. Over and over again during the conference, the value of extending the working life of Americans was underscored by the

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fact that, for many older workers, rampant inflation has made a longer working life not just a choice but a necessity.

The symposium was sponsored by Work in America Institute, Scarsdale, New York, in cooperation with the Business Institute in Gerontology and the National Policy Center on Employment and Retirement of the University of Southern California, and the Florence V. Burden Foundation. The Work in America Institute is a nonprofit organization established in 1975 to provide organized and continuing support to all sectors of the work community with an interest in improving productivity and the quality of working life.

Career Counseling and Preretirement Programs

In a series of three workshops, the participants outlined a number of preliminary programs that are essential if the nation is to fully realize the potential of older workers in the economy. Among them were career counseling for workers of all ages; preretirement counseling, beginning at least five to ten years before retirement; and training programs designed to enable older workers to find new work, move on to new and more challenging jobs, or acquire skills in skill-short areas to enhance their productivity value to their employers and to the nation.

The responsibility for instituting counseling and training programs should be shared by business, labor, government, community organizations, and the educational system, the participants concluded. Another of the featured speakers, L. Joseph Clevenger, Jr., corporate director of training and staff development at Arthur D. Little, Inc., explained the value of investing in such programs: "If we can spend millions of dollars on the construction of a new building or for buying new equipment and technology, certainly we can spend just a part of that investing in people."

Other speakers were Pauline R. Robinson, director, National Policy Center on Employment and Retirement of the University of Southern California; Donald R. Fronzaglia,

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director of human resource development at the Polaroid Corporation; John Zalusky, economist in the research department of the AFL-CIO; and Marc J. Rosenblum, chief economist of the U.S. Equal Employment Opportunity Commission. Workshop leaders were Harold Sheppard, associate director of the National Council on Aging; Pauline R. Robinson; and Robert Zager, vice-president, technical assistance and policy studies, Work in America Institute.

Options to Extend the Working Life of Older Employees

The challenge to work organizations to effectively engage the talents of employees of all ages was further highlighted by participants in a series of options designed to allow older workers to explore new careers and skills more fully. These programs included new work concepts as well as more conventional approaches, such as increased opportunity for part-time work and phased-retirement programs.

The symposium's recommendations for business, labor, government, and education in regard to each of these challenges follow:

Age-Neutral Practices and Policies

1. Organizations should adopt age-neutral personnel policies and communicate these policies throughout the organization.
2. Employers should make a concerted effort to identify and eliminate any existing biases regarding older workers and to ensure that personnel decisions and performance appraisals are based on demonstrated ability to meet job requirements, without regard to age.

Career Counseling

3. Organizations should provide for career counseling for all employees throughout their careers.

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4. Employers should encourage employees to prepare for changing personal preferences and changing organizational needs long before employees reach retirement eligibility.

Preretirement Programs

5. Organizations should provide for preretirement counseling programs at least five to ten years before normal retirement age.
6. When organizations do not provide preretirement programs, employers should refer their employees to public or community organizations equipped to provide such counseling. In communities without such services, employers, unions, schools, social agencies, and local government should work together to develop programs to meet these needs.
7. In light of extended working-life developments, organizations should develop appropriate programs responsive to the needs of both the organization and its employees and should periodically provide employees with information that allows them to reevaluate their plans regarding retirement.

Options to Extend Working Life

8. Employers should introduce and continue programs, where practicable, to provide new options for employees, such as job sharing, part-time jobs, job redesign, new work schedules, and phased retirement.
9. The reemployment of retired workers offers an opportunity that may benefit both workers and the organization. Therefore, management and unions should try to resolve the problems that presently prevent retired employees from returning to work on a full-time, part-time, or temporary basis, where practicable. Areas in which these retirees can benefit the company include (1) contributing to the needs of the organization, (2)

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filling in for employees on vacation or leave, (3) assisting the organization during peak work loads, and (4) assisting in training present employees.

10. The Bureau of Labor Statistics, other federal agencies, and the states should improve and expand studies to assess the future occupational needs of the nation and major labor markets. Employers should introduce or continue work-force planning systems which forecast occupational needs. The unmet occupational needs may be satisfied in part by retraining mid-career and older workers.

Outside Support Programs

11. In the 1980s employers will increasingly seek the services of older workers. Intermediary or secondary organizations which serve the needs of older workers should develop job banks. These job banks will improve the match between the skills of the older worker and the needs of the employer.

In addition, appropriate community-based organizations should consider serving as employment agencies for those seeking temporary jobs.
12. Appropriate community-based organizations should develop and offer job-search training programs for older persons which will equip them with the skills necessary to locate and secure employment on their own.

Pension Portability

13. In order for the organization and older workers to have broader options, pension portability should be studied to determine whether it would permit middle-aged employees who wish to consider alternative careers to do so more readily. Therefore, the federal government should undertake a national study of pension portability. The study should

include cost analysis, productivity implications, the effects on labor mobility, and the appropriate mechanism for administration.

Career Development and Opportunities

14. Training for new work opportunities must begin long before retirement age. Employers should educate employees to expect to adapt their work careers to meet changing personal and organizational needs. Employees bear the primary responsibility for their career development, but organizations share the responsibility to facilitate the continuing career development of their employees. In this connection, managers should be sensitized to employees' aspirations and should participate with the organization's professional career developers in counseling.

An essential step is the training of management to understand the potential of older workers. Such employee development would serve the organization by (1) enlarging the pool of workers available, and (2) enhancing the attractiveness of the organization for existing employees in whom the organization already has a considerable investment.

15. Organizations should develop policies and effective training courses to encourage greater mobility within the organization.
16. The performance of managers should be appraised, in part, on the basis of the degree to which they promote the career development of their employees. This practice depends on top management's demonstrated commitment to, and direction of, career planning as a primary organizational goal.
17. Career opportunities within a company should be made known to all employees in an age-neutral manner, through job posting and other means, such as career resource cen-

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ters. These centers should disseminate information on jobs—and also on training programs, careers, tuition assistance, financial aid, and other programs.

Training, Education, and Employment Opportunities

18. Organizations should consider the following opportunities to encourage workers approaching retirement eligibility to train for new jobs in the organization or to make career changes outside the organization:
 - a. Sabbaticals
 - b. Leaves of absence without pay
 - c. In-house, on-the-job training
 - d. On-the-clock training (a program in which employees attend classes or training sessions outside the company on company time).
 - e. Tuition assistance, financial aid, and other programs
 - f. Leaves, with or without pay, which provide opportunities for a range of community-service activities.
19. Training programs should be structured to meet the needs of employees approaching retirement eligibility, including those with limited formal education. Nontraditional techniques should be developed to take into account adult learning patterns and resistance to new situations.

Training programs should be:

 - a. Developed for specific occupations, for upgrading skills, and for assisting employees to tie in with second careers.
 - b. Planned for all occupational classes, including blue collar, white collar, technical, and professional.

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20. Closer ties are needed between business and education to improve the effectiveness of training and development programs.

Preparation for Extended Working Life

21. Preparation for extended working life should include training programs that are:
- a. Designed to assist workers to move from the secondary labor market to the primary labor market.
 - b. Organized to meet the special needs of displaced homemakers and older women, especially those in minority groups.
 - c. Open to all age groups and not labeled as "older worker programs."

Incentives to Work

22. Where practicable, management and unions should work together to develop alternative work arrangements, such as part-time schedules to meet the needs of all workers.
23. Some employees who are willing and able to continue in employment retire due to financial factors that make retirement more attractive than work. The elimination of the Social Security earnings test would help meet the needs of employers, employees, and society for continued use of valuable skills vital to the success of the economy. The increased cost to the Social Security system would be partially offset by continued Social Security payments by these employees and by economic growth.

Gathering and Sharing Information on Older Workers

24. Changing attitudes, values, and needs of middle-aged and older workers require broader fact-gathering programs to provide a more intelligent basis for decision making. Em-

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ployers, unions, and government should share information that would be useful in evaluating the effect of employment of older workers.

25. Management should periodically collect data from employees regarding the types of work and work arrangements that they prefer, including their attitudes toward early retirement.
26. Unions should regularly survey the preferences of their members regarding such issues as early retirement and extended work life in order to formulate policies that are representative of the membership.
27. Public-service and research organizations should conduct national opinion surveys regarding employment and retirement preferences and disseminate their findings. In all such inquiries, it is important that the survey questions be specific and include concrete alternatives for work, retirement, and various combinations of both.

Improving Productivity through Employment Practices

28. To meet the individual needs of older workers and the nation's need to improve productivity growth, a broad study should be undertaken of the practices of business, government, and unions which have impeded the retention and hiring of older workers. The goal of this study should be to identify, and recommend action to reduce, barriers to the employment of older workers who wish to remain in or return to the labor force.

Complimentary copies of the conference recommendations on older workers in America are available from Work in America Institute, 700 White Plains Road, Scarsdale, New York 10583. Copies of the policy study The Future of Older Workers in America are also available, at \$9.95.