

Business Case for Workers 50+

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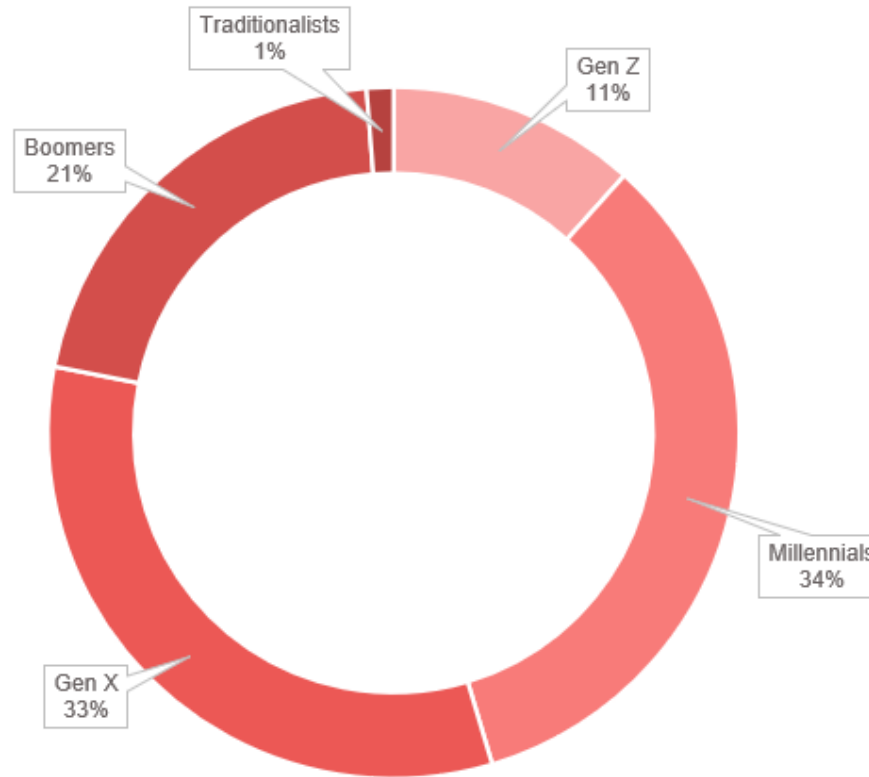
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Longevity and Demographic Trends

Five generations in the workforce

By 2026, workers 50+ will make up **35%** of the labor force.

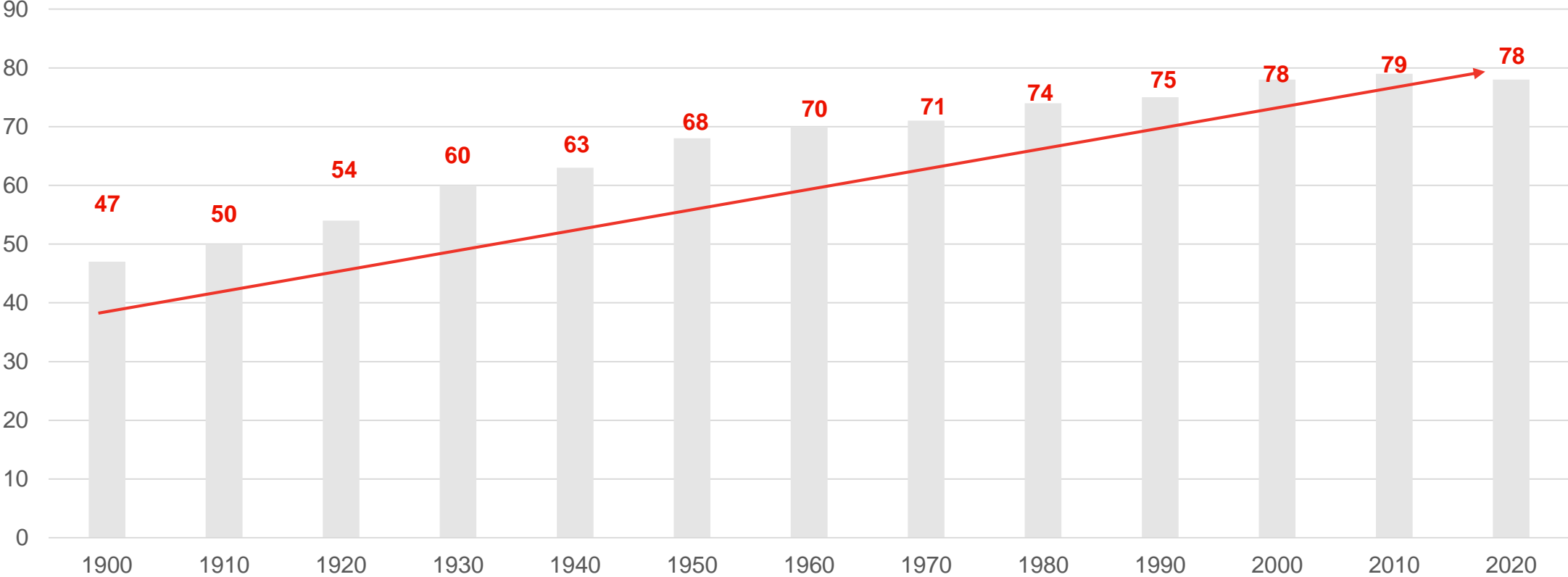
Generations in the Workforce in 2020



Source: Bureau of Labor Statistics

Average life expectancy gains: 1900-2020

Life expectancy

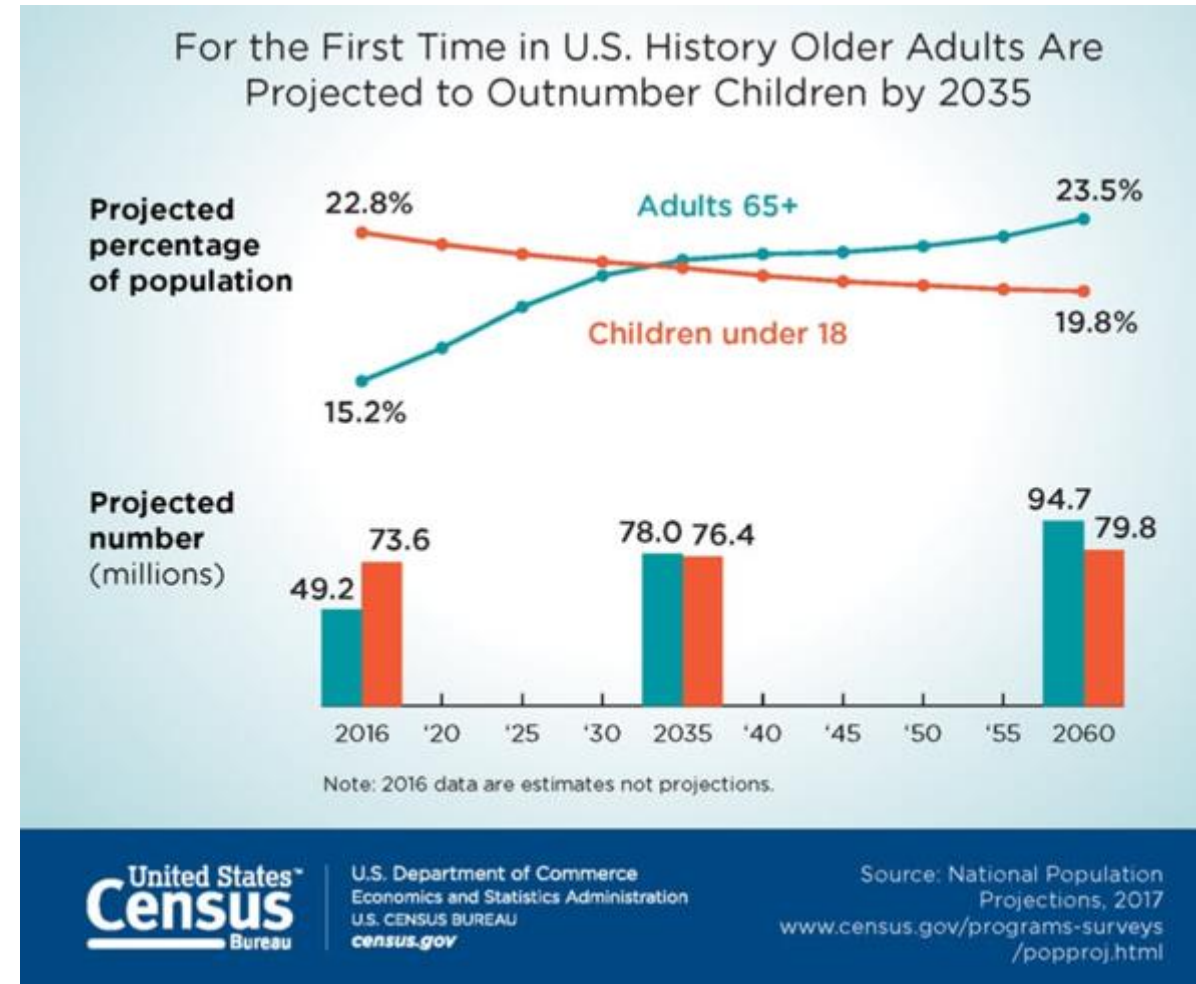


Sources: National Vital Statistics Reports, Vol. 50, No.6. Life Expectancy at Birth, by Race and Sex, Selected Years 1929-98.; National Vital Statistics Reports, Vol. 49, No.12.Deaths, Preliminary Data for 2000.;U.S. Census Bureau. P23-190 Current Population Reports: Special Studies. 65+ in the United States.

Birthrates are declining

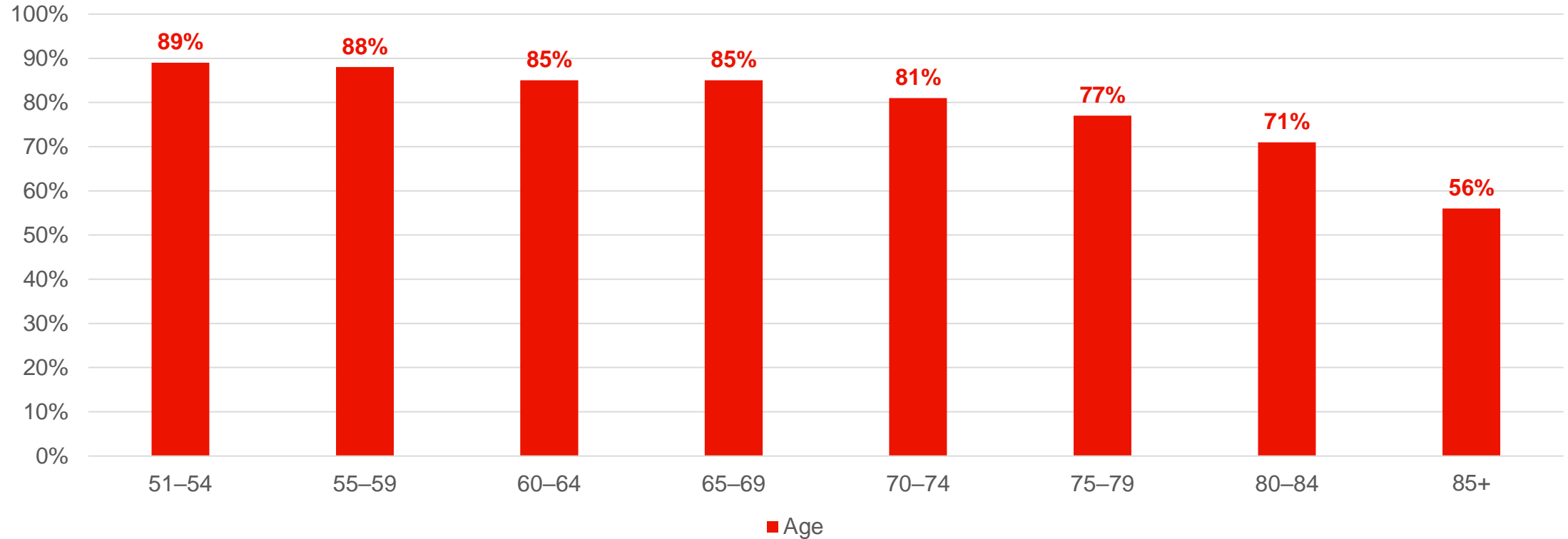
“The median age of the U.S. population is expected to grow from **age 38 today** to **age 43 by 2060.**”

—US Census News Release, March 2018



We are staying healthier for longer

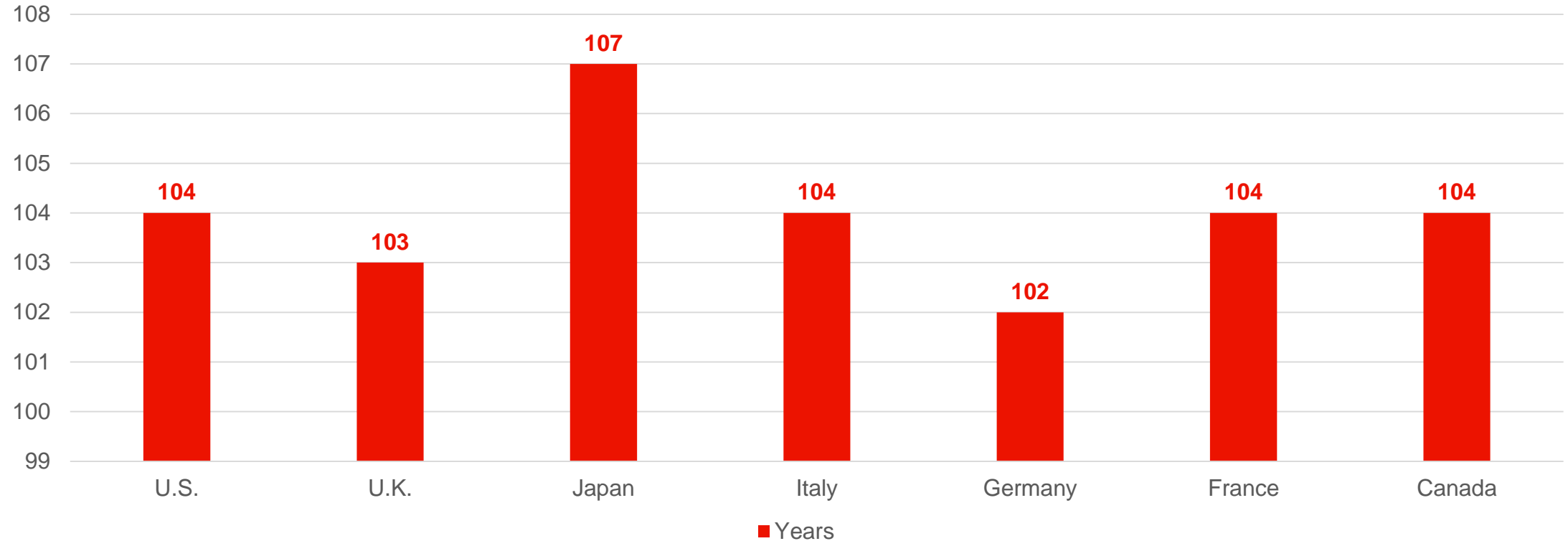
Proportion of U.S. population with no health-related limitations on work or housework



Source: Lowsky, Olshansky, Bhattacharya, & Goldman (2014). Copyright © The Gerontological Society of America.

Get ready for the 100-year life

Oldest age at which 50% of babies born in 2007 are predicted to still be alive



Source: Human Mortality Database, University of California, Berkeley (USA) and Max Planck Institute for Demographic Research (Germany). Available at mortality.org.

Reversing the (Horvath) clock

“This man is one of 9 people who for the first time in history pushed back his biological clock. **Is reversing aging possible, or desirable?**”

—Paul Hynek 57, *Radical Life Extension*, weareagist.com

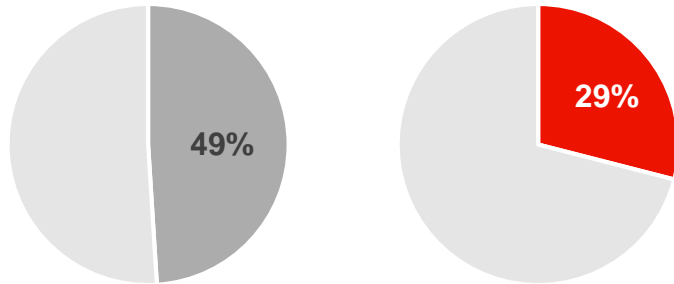


Why are older workers **valuable**?

Older workers = big value

A business case for workers age 50+: A look at the value of experience

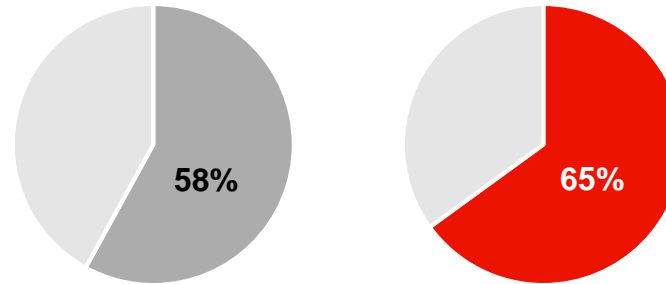
Unexpected turnover rates



■ Workers Under 50

■ Workers Over 50

Employee engagement by age

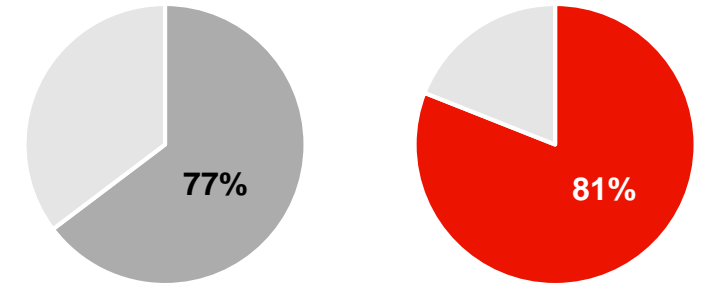


■ Under 55

■ 55+

Employees over 55 were 7% more engaged.

Employee motivation by age



■ Under 55

■ 55+

Employees over 55 were 4% more motivated.

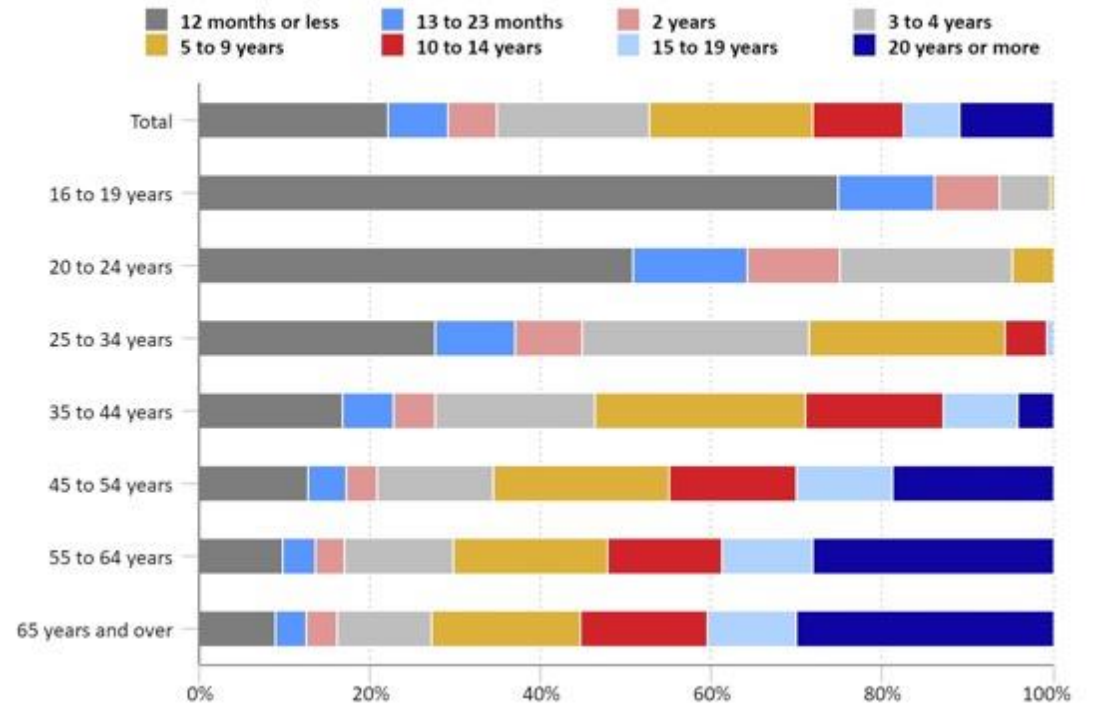
Older workers help stabilize turnover

In a longitudinal survey conducted by the Bureau of Labor Statistics, younger Baby Boomers held an average of **12.3 jobs** between the ages of 18 and 54.

In a January 2020 report, the median number of years that wage and salary workers had been with their current employer was 4.1 years.

50 year career ÷ 4.1 = **12.2 jobs**

Percent distribution of employed wage and salary workers by tenure with their current employer, by age, January 2020



Source: U.S. Bureau of Labor Statistics.

Age-diversity improves team performance

Research has shown that **mixed-age teams perform better** than homogenous aged teams:

- In companies that utilized mixed-age work teams, the relative productivity of both older and younger workers was higher than in companies that did not use mixed-age teams.
- Age diversity has a positive effect on teams performing creative tasks as well as complex decision-making tasks.

Sources: Human Resource Management Journal, vol. 23, Issue 3, (2013); Personnel Psychology, 67, (2014); Labour Economics, 22, (2013); Journal of Applied Psychology, 93, (2008).

Greater consistency, steadiness

Cogito Study (2010)

This study compared the performance of workers 65-80 against that of workers 20-31 on 12 different tasks across 100 days; they found that the older group was:

- More stable, less variable from day to day
- More motivated
- More consistent, with fewer errors

“[Our] analyses indicate that the older adults’ higher consistency is due to **learnt strategies to solve the task.**”

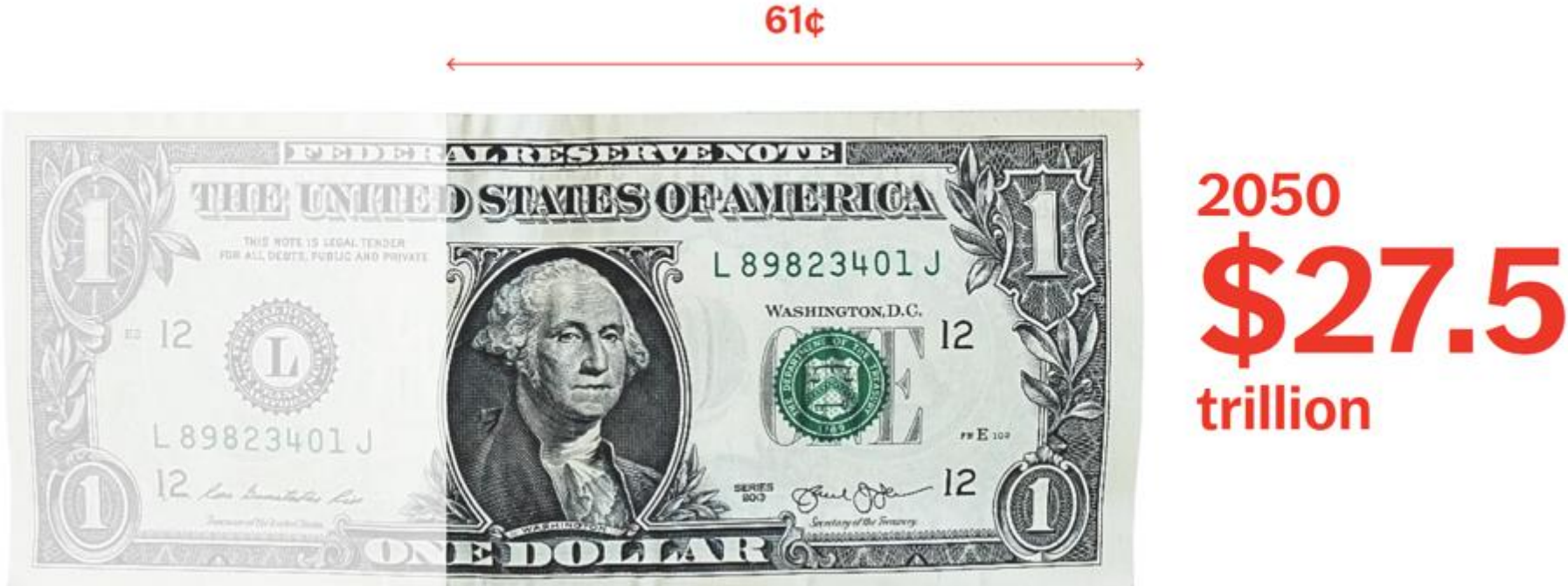
—Florian Schmiedek, Co-Author

Increasing important of uniquely human skills

Top 15 skills for 2025			
1	Analytical thinking and innovation	9	Resilience, stress tolerance and flexibility
2	Active learning and learning strategies	10	Reasoning, problem-solving and ideation
3	Complex problem-solving	11	Emotional intelligence
4	Critical thinking and analysis	12	Troubleshooting and user experience
5	Creativity, originality and initiative	13	Service orientation
6	Leadership and social influence	14	Systems analysis and evaluation
7	Technology use, monitoring and control	15	Persuasion and negotiation
8	Technology design and programming		

Source: Future of Jobs Survey 2020, World Economic Forum.

The Longevity Economy[®] Outlook



Spending by people 50+ amounted to **\$7.6 trillion** in 2018 — accounting for 56 cents (or 56%) of every dollar spent. This cohort is forecast to spend **\$27.5 trillion by 2050** (61% of total spending).

Source: longevityeconomy.aarp.org

Working remotely: older workers adapt better

“Most adults who are teleworking all or most of the time say it has been at least somewhat easy for them to feel motivated to do their work... But **there’s a distinct age gap**: 42% of workers ages 18 to 49 say this has been difficult for them compared with only 20% of workers 50 and older.”

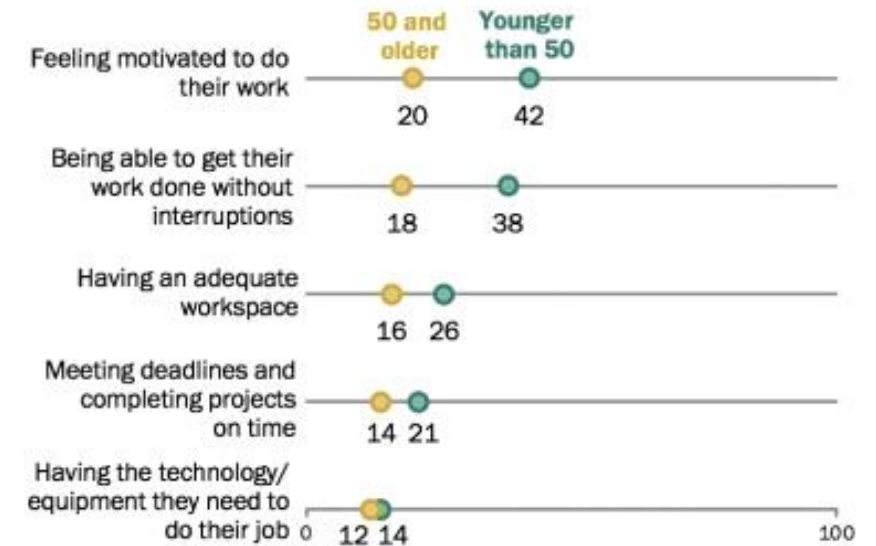
—Pew Research Center

“New surveys over the last year show that **the ability to cope improves with age.**”

—*Why Older People Managed to Stay Happier Through the Pandemic*,
The New York Times, March 12, 2021

Among those working from home, younger workers more likely to say they face barriers to productivity

Among employed adults currently working from home all or most of the time, % saying, since the beginning of the coronavirus outbreak, each has been **very or somewhat difficult** for them



Source: Survey of U.S. adults conducted Oct. 13-19, 2020.

“How the Coronavirus Outbreak Has – and Hasn’t – Changed the Way Americans Work”

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Age discrimination increased during the pandemic

2018

61% of workers 45+ witnessed or experienced age discrimination

76% reported age discrimination was the **top limitation** for finding a new job

2020

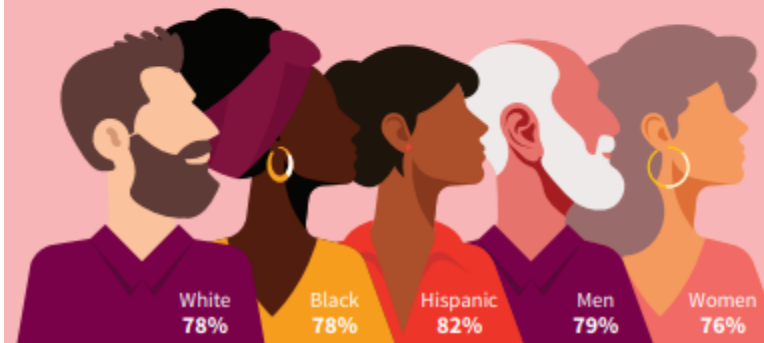
78% of workers 45+ witnessed or experienced age discrimination

Over half of job seekers 55+ were **long-term unemployed**

Perceptions of Age Discrimination Grew During the Pandemic

In 2020, **78% of older workers** reported having seen or experienced **age discrimination in the workplace**—up markedly from 61% in 2018.¹

Rates are similarly high across gender and race/ethnicity:



Older Workers Are at Greater Risk of Being Left Out of Recovery

In April, **over half of job seekers ages 55 and older were long-term unemployed (53.3%)**, compared with 42.3% of job seekers ages 16 to 54.²

After the Great Recession:

- It took older workers who were displaced about **twice as long to find a new job** as younger workers.³
- Older workers who were unemployed for six months or more had far worse outcomes in reemployment, including 59% who made less money than in their previous job, compared to 41% of the short-term unemployed.⁴



Source: https://www.aarp.org/content/dam/aarp/research/surveys_statistics/econ/2021/older-workers-age-discrimination-covid-19-pandemic-infographic.doi.10.26419-2Fres.00445.003.pdf.

AARP Employer Pledge Program

The AARP Employer Pledge Program is a nationwide group of employers that stand with AARP in affirming **the value of experienced workers and are committed to developing diverse organizations.**

1000+ PLEDGE SIGNERS TO DATE



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Thank you.