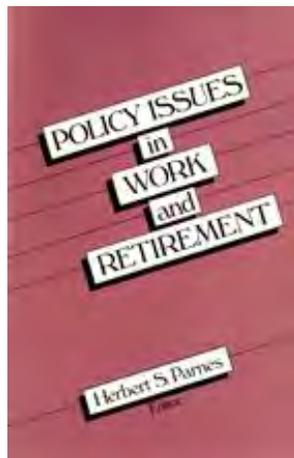

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Maximizing Post- Retirement Labor Market Opportunities

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Chapter 6 Maximizing Post-Retirement Labor Market Opportunities

Anna Marie Buchmann

Although it is a privilege to participate in this conference, I hope we can stop meeting like this. Let me explain. I share the view that “Society’s goal must be to eliminate the need for special issues or conferences on the ‘older worker’. . . . The *individual* will be the basic unit of future society, not groups grasping to find a false basis of commonality like age.”¹

As we approach the twenty-first century, we need to assure that public policy is based on age-neutral or age-irrelevant factors, that one’s access to a job is not limited by the years he or she has lived but rather by ability to perform. Indeed, we need to entertain the idea of making the concept of retirement obsolete.

As the foregoing makes clear, I have become increasingly uncomfortable with the title that has been assigned to this paper, since I believe that we must stop thinking of “post-retirement” opportunities and recognize that work fits into the continuous growth process of persons of all ages. We can no longer compartmentalize play, school, leisure, and work but must recognize that each of these enriches our lives and should not be limited to prescribed years. Life is a continuous process of growth and enrichment.²

In the 1980s and 1990s demographic changes will necessitate changes in public policies. We must make certain that policies affecting the work place as well as other sectors

of our society are based on sound principles and on facts that are already available to us. We know, for example, that older persons are becoming a larger part of the population, and that younger workers will be in shorter supply. It should be equally clear that the decreasing proportion of active workers to retirees will place a heavy, if not unsupportable, strain on current retirement and benefit practices. Under these circumstances, encouraging older people to work utilizes this willing, available and experienced national resource and is surely sound social policy.

Managers in corporations that make a practice of hiring older workers point to their reliability and experience, the pride they take in their work, the high value they place in their jobs, their devotion to corporate goals, and the paucity of "convenient" absences. They speak of cost savings and efficiency resulting from low turnover, and of the absence of significant additional expenses compared to the employment of all other workers taken as a group. A concise summary of data concerning performance abilities of older workers published by the Andrus Gerontology Center helps to refute common myths concerning this group. Specifically, it cautions against facile generalizations about the relationship between age and productivity, decisionmaking ability, intellectual functioning, memory, learning ability, general health status, and accident experience, and points out that along some of these dimensions older workers appear to have a better record than their younger counterparts.³

Louis Harris,⁴ as well as others, has found that fear of inflation, uncertainty about the future and lack of knowledge concerning options are key factors affecting retirement decisions. As employers and as a society we need to pay more attention to providing adequate information concerning later adulthood—not only as it affects work options, but all factors of an individual's life. To a considerable extent this can

be accomplished through company sponsored pre-retirement education programs.

Pre-Retirement Programs

The 1981 White House Conference on Aging urged “businesses and other organizations comprising the private sector to offer a full range of pre-retirement services to their employees.”⁵ A sound pre-retirement counseling program assures that the prospective retiree will be well-equipped to make an informed choice at that critical, often traumatic point.

A 1981 American Management Association survey, conducted by Robert Jud, examined how managers felt about retirement and their companies’ retirement practices and the manner in which they personally were preparing for retirement. The study indicated that retirement policies and retirement education programs fall short of expectations and concluded that individuals must do more personal planning.⁶

We at Bankers Life and Casualty Company maintain that retirement planning is life-long and that it should begin early in one’s career. Our program, “Planning For Your Future,” is open to employees of all ages. We also believe that whether sessions are conducted in small groups or one-on-one, there is merit in including a spouse or “significant other” in discussions, since retirement involves the family unit as well as the retiree.

There is wide agreement on the elements of good pre-retirement counseling. There should be discussions of:

- 1) company benefits, such as pension plans and health and life insurance coverage;
- 2) other income sources, such as Social Security and personal savings;
- 3) complete financial planning and budgeting;

- 4) housing and living arrangements;
- 5) personal and property safety;
- 6) physical and mental health aspects of aging;
- 7) social relations and use of leisure time;
- 8) post-retirement options.

The AMA study admonishes pre-retirement educators to place greater emphasis on job retraining, outplacement services and guidance in part-time employment. Most of the respondents fully expected to continue working after retirement, but on a part-time basis or at a "reduced level of intensity." More than 40 percent of those respondents age 50 indicated an intention to work past 65, and 18 percent said they would like to keep working until 70 or older. The author of the study concluded that ". . . American managers are becoming open to new, more flexible ways of retiring. Often this means drawing a less rigid line between working years and retirement years."

Pre-retirement planning programs are a relatively low cost benefit and provide an immediate intangible payoff in employee good will. More importantly, a well founded program will equip older workers to gain control over their future, which may include paid work, volunteer work, or education. For many, it is a combination of all three. While many corporations prefer to develop their own pre-retirement counseling programs, packaged programs are available through a number of reputable organizations including AIM and NCOA.

Alternate Work Patterns

Alternate work patterns open new and creative possibilities in scheduling work and job duties. Many of these lend themselves well to the expressed desire of retirees for less than full-time employment. The Work in America Institute predicts that by the end of this decade over half the

workforce will be on alternate work schedules. San Francisco's New Ways to Work, an advocate of work options, has selected four industries as especially appropriate for innovations of this kind: banking, data processing, health care, and telecommunications.⁸ Testimony before the House Select Committee on Aging provided case studies of alternative work patterns in the fast food, high technology and banking/financial/insurance industries.⁹

The experience of my own organization has been well documented. From its founding, Bankers Life and Casualty has never had a mandatory retirement age. We have traditionally hired persons over the age of 65 who have been mandatorily retired from other organizations, and have more recently instituted a part-time pool of employees from our own retiree group. In addition to my own company, the insurance industry in general has tended to respond positively. Connecticut General, Mutual of Omaha and Travelers Insurance are among those exploring pre- and post-retirement options. In testimonies presented to the U.S. House of Representatives in October of 1981, a number of industry representatives presented their own corporation's view concerning the value of retaining and rehiring older workers. Programs specifically geared to retired workers include full- or part-time options, temporary work and semi-retirement. For some, these are aids in adjustment to final complete retirement.

Phased Retirement

Through this option, employees nearing retirement gradually decrease their hours and responsibilities over a period as long as several years. It is an aid to retaining skilled executives and professionals who might otherwise elect to retire early. It is also perceived as a means of providing promotional opportunities by freeing up positions held by these persons. The study by Jud referred to earlier found that

higher-paid managers (those earning \$60,000 or more per year) were the most likely to choose to continue to work on a reduced schedule and at less intensity.¹⁰

Gail Rosenberg, President of the National Council for Alternative Work Patterns, maintains that phased retirement is a key issue of the 1980s. She notes that the apparent interest of older persons in reduced work hours, as well as the favorable experience of companies which have initiated phased retirement programs, may result in increased use of such programs.¹¹

Variations on the phased retirement theme include rehearsal retirement, tapering off, sabbaticals and job reassignments. Each of these will be described briefly in turn.

Rehearsal Retirement

At Polaroid Corporation, employees may take an unpaid leave of absence to "test the waters" of retirement without losing their jobs. At the end of this time, the employee may either return to the job or retire. Average length of "rehearsal retirement" is three months. About 50 percent of employees who have tried this return to full-time work. When an employee returns, seniority date credit for frozen benefits is resumed.¹²

Sabbatical

This concept is fairly new to industry, but a tradition of the academic world. It permits time away from the job and usual responsibilities to pursue education, public service, avocational and other interests. The Executive-on-Loan program sponsored by many companies is a variation.

Job Reassignment

Employees are reassigned to different jobs with similar responsibilities and compensation as in lateral transfers or job rotation or to positions of less responsibility, stress, pay and status. Xerox Corporation's "strategic repositioning" is an example of the latter. Through this program, employees who are at least 55 with 15 years of company service or 50 with 20 years of service have special rights to "bid downward" on jobs they are capable of performing.¹³

Contrary to popular belief, there is evidence that sizable groups of older workers prefer demotions to early or forced retirement. Jud found this to be true of a "slight majority" of his respondents, and sees this as eventually a common retirement alternative.¹⁴ A 1978 Danish study of 150 largest corporations also found that a significant number of older managers preferred to step down to jobs of less responsibility and status. However, informal conversations with labor market experts in this country have suggested that it may be easier for an older employee to accept a position of less status with a company other than the one in which he or she has spent most of a career.

Additional Alternatives to Conventional Work Pattern

In addition to phased retirement and its variants, there are other alternative work patterns which may appeal to workers of all ages and that thus provide new options for older workers and retirees:

Flextime. Employees may choose their starting and stopping times, but must be present during a core period of the day and work a previously agreed on number of hours.

Part-time Work. Employees have a reduced work schedule on either a permanent or temporary basis. Options may in-

clude: part-day, part-week, part-year or alternating days, weeks or months.

Job Sharing. An agreement in which two people have responsibilities for one full-time position. A detailed study of the appeal of this program is found in the January 1982 issue of *Stakeholder Issues and Strategies* published by the Human Resources Network. In the Jud study, this type of program appealed to 70 percent of his respondents.¹⁵

Job Redesign. Component tasks of the job may be redistributed or the work environment may be adjusted to meet worker needs.

Compressed Work Week. Work is compressed to less than the traditional 5-day week.

Skills/Job Banks. Retirees fill in for permanent workers who are on leave of absence or vacation or are called in for temporary assignments as needed. One recent study indicated that of 30,000 employees surveyed nationally, 55 percent had employers who have established retiree skills banks. In general, only a small fraction of retirees participate.¹⁶

Cottage Industry. Job assignments can be completed at one's home rather than at a traditional work site. While this appeals to some, we have found that most of our retirees prefer to come into the office, since it gives them an opportunity to socialize with old friends and former co-workers.

Regardless of the format, each of these alternative work patterns aids the individual in a gradual rather than abrupt transition to full-time leisure. We are all aware of the index of psychological stresses which places loss of a job almost as high as loss of a spouse. If the older worker is provided support through this period, the adjustment will be physically and psychologically healthier and may open new avenues of growth.

Second Careers

Some persons approaching retirement age prefer to move on to another full-time career. There are many well known examples of individuals who have continued to make their mark well beyond the "normal" retirement age. For instance on April 28, 1982, the National Council on the Aging announced that Dr. Arthur Flemming, 77, had been elected its President. Flemming's career, the announcement says, "spans several disciplines and service on numerous commissions and advisory councils." He served as HEW Secretary from 1958 through 1961. He chaired the White House Conference on Aging in 1971, was U.S. Commissioner of Aging from 1973 to 1978, and was chairman of the U.S. Commission on Civil Rights from 1974 to 1982. He is an excellent example of an individual with multiple careers during one very productive lifetime.

Gerald Maguire, one of my company's former executives, provides another example of a successful second career option. At age 55 he took the company's liberal retirement program and began a second career with another organization, which, like ours, has never had mandatory retirement. The U.S. Chamber of Commerce, in a recent news release, announced that the Chamber's regional manager, Bob Van Ausdall would take early retirement to become chairman of the Chicago Institute for Management Studies. His seventeen years at the Chamber was not Van Ausdall's only executive position. The position of vice president of the Council on Financial Aid to Higher Education is a second career for Robert Jordan, who had retired after a successful career as executive vice president of Bankers Trust Company in New York. Harry Johns, a Sears executive, now provides outplacement counseling to others as a key staff member of Jannotta & Bray Associates.

Testifying before the House Select Committee on Aging, Max Ulrich, president and chief executive officer of Ward Howell International, an executive search firm, stated that

Some companies bring in older executives to help prepare the next generation of management. One of our client companies sought a leader who could develop its young managers, none of whom was ready to succeed the retiring chief executive. The winning candidate—a 58 year old former chief executive of a much larger company, who had taken early retirement.¹⁷

These people have done it on their own, but others need more assistance. For them, a growing number of resources are available to aid in identifying job opportunities.

Older Worker Job Agencies

An example of such a resource is Operation ABLE, a Chicago based advocacy group that offers training, consultation, technical assistance, direction, and coordination in all aspects of senior adult employment. The agency was founded in 1977 with the goal of creating employment opportunities for adults 55 and older. ABLE (Ability Based on Long Experience), attempts to convince business people that a maturing American workforce is a growing resource for business. One of ABLE's arms, APT (The Older Experienced Temporary APT to Fit Your Needs), appeals to employees who want to work on a temporary basis. Recently the organization filled its largest job order, 100 part-time clerical positions with the Continental Bank of Chicago.¹⁸ The success of ABLE has enabled it to enlist the support of numerous agencies in the Chicago area as well as the media. Because of its track record, ABLE has become a model that is available for implementation elsewhere. One adaptation of the model has begun in Los Angeles.

Los Angeles also has its Second Careers Program, through which a retiree is offered:

- 1) choice of full-time or part-time, temporary or permanent, paid positions geared to the individual's skill level and experience.
- 2) placement and counseling tailored to the individual's needs.
- 3) access to a variety of volunteer opportunities.
- 4) informational resources.

In Milwaukee, Retiree Work Search helps retirees find part-time employment. Yet another example of this type of service is provided by NAOWES NEWS (The National Association of Older Worker Employment Service), operated by the National Council on the Aging.

Educational Opportunities

Whether the goal is to prepare for labor market access or to pursue knowledge for the individual's current job, or to open other new vistas, "returning students" are becoming very much at home on the college campus. Educational opportunities have become increasingly available for older adults. Some corporations, like IBM, will pay educational costs for older employees who want to prepare for second careers.

On a recent college tour of New England, I was pleased to find that most of the colleges and universities my teenage daughters and I visited were participants in the Elder Hostel Program. Combining the best tradition of education and hosteling, the program is designed to satisfy older citizens' needs for intellectual stimulation and physical adventure. Elder Hostel, which celebrated its seventh anniversary in 1982, includes 500 colleges and universities, independent schools, folk schools and other institutions in all of the 50

states, Canada, Great Britain, Denmark, Sweden, Finland and Norway.¹⁹

The Academy of Life Long Learning was established at the University of Delaware in 1980. Open to anyone over age 50, the Academy is modeled in part on the Institute for Retired Professionals at the New School in New York City. An "intellectual cooperative," the Academy draws on the expertise of its members, many of whom are retired executives. The leading force in this program, Edwin C. Busbaun, 79, retired after 35 years with DuPont to devote time to his interest in anthropology. An emeritus professor at Delaware, he sees the Academy as the first in a national organization of such institutions. To its credit, the Academy was one of the eight winners of the Innovative Awards in Continuing Education Program sponsored by the American College Testing and the National University Continuing Education Association.²⁰

In Chicago, The Education Network for Older Adults, established in 1977, is flourishing. The Network acts as a resource center and a clearinghouse with 48 colleges, universities and human resource communities. With its thrust toward helping retirees reenter the labor market, the staff attempts to learn about successful programs in older adult education. Bernard Schwartz, Executive Director, believes that both age-segregated and intergenerational educational experiences are useful. The Network serves as Education Information Center for the State of Illinois for older adults and is an official center of the Illinois State Scholarship Commission, with information on state scholarships, grants and loans for older persons.

Many of the vocationally based education programs for older persons build on the students' previously acquired knowledge of the liberal arts. This approach to education is based on the premise that we can no longer plan for one

career, but must rather prepare for many careers during the course of a lifetime. Schwartz points out that 80 percent of the jobs that exist today did not exist ten years ago. Older persons, if they have time to enroll in training programs of 3 to 6 months, can be on the cutting edge of such emerging new fields as computer technology, electronics and biogenetics.

Though not limited to older adults, one California program is anticipating the need for qualified persons in electronics. The American Electronics Association projects a need for 113,000 technical professionals and 140,000 technical paraprofessionals by 1985. Local institutions and colleges are working together to develop technicians for the Silicon Valley. The California Worksite Education and Training Act (CWETA), is a model that enlisted the participants of 14 companies including Hewlett-Packard, Litton Industries, Apple, Watkins-Johnson, Siltec and Savin.²¹

A further example of an ideal match between human resources and job needs is provided by the WAVE III Corporation. This systems software development company has trained retirees as programmers. Retirees who successfully completed the short training program were hired on a contractual basis at prevailing market rates for work on systems designed by the parent company.

The WAVE III program, developed in response to a severe shortage of computer programmers in the U.S. is a prototype for such programs. Unfortunately, ACS America is bankrupt. In a recent conversation, John Jacobsen, vice president for corporate planning of WAVE III, told me that a feasibility study has been completed for a possible reorganization or restructuring of the program through Travelers Insurance.²²

Volunteerism

For some older adults, the opportunity exists to pass on their knowledge through volunteerism. The Volunteer Development Corps (VDC) is a nonprofit organization that assigns retired executives to function as “corporate ambassadors” abroad. Expenses are split between the U.S. State Department, which sponsors the program, and the host country. Each year approximately 50 executives are assigned to advise overseas companies.²³

The International Executive Service Corp (IESC) is a second group of American executives whose “post-retirement” activities include volunteering their services to foreign governments and enterprises. Initiated by David Rockefeller seventeen years ago while he was chairman and chief executive of Chase Manhattan, its goal was to offer an “old-hand” instead of a “hand-out.”

Since Rockefeller’s proposal in 1963 and the first assignment for volunteers to Panama and Taiwan in 1965, the International Service Corporation has sent more than 8,000 retired or on-leave executives to 70 countries. Collectively, these volunteers have spent more than 25,000 months transferring their knowledge to struggling businesses in Latin America, the Middle East, Southeastern Europe, Africa, South and East Asia, and the Iberian Peninsula.²⁴

The nonprofit organization, based in New York, is a partnership between the U.S. government and business. It is run entirely by business executives, most of whom are retired. The government provides half the budget; business people who are involved raise the rest. A cadre of volunteer recruiters has developed a “skills bank” containing a file of more than 7,500 names of executives and their specific areas of expertise. Recruiters are retired executives. About a third

of the assignments are in agriculture and food, construction and housing, textiles and clothing. Although the volunteers are paid no salary, the IESC provides travel and living expenses.

The IESC is headed by Frank Pace, Jr., who has formerly served as Secretary of the Army, director of the Bureau of the Budget, and chairman of General Dynamics Corporation. This group, like many others, demonstrates that age does not determine usefulness. The average age of executive volunteers is 65, with an average of 40 to 50 years of experience.

The success of IESC's overseas activities has fostered analogous domestic programs. One of these, the National Executive Service Corps (NESC), was initiated four years ago to serve as consultants to nonprofit organizations.²⁵ Two other volunteer organizations that capitalize on the highly prized skills of retired executives are SCORE (Service Corp of Retired Executives) and RSVP (Retired Senior Volunteer Program).

A corporate model of retiree volunteerism is exemplified by the Veterans' Club of Pacific Power and Light Company. Founded in 1979, the organization has 3 objectives:

- . . .to promote the physical, economic and social well-being of its members;
- . . .to assist the company in the pursuit of its corporate responsibilities and in the maintenance of its economic well-being; and
- . . .to encourage its members in civic action and community service in the many fields in which their experience and expert knowledge can be of significant value.²⁶

Outlook for the Future

Although I am optimistic about the long term future opportunities for older workers and retirees, the short term prospects sometimes appear to be bleak. Title V of the Older Americans Act, with its Senior Community Service Employment Program, has been vetoed. Many poor and near-poor unemployed elderly relied on this program for jobs, training, and liaison with their communities. Its demise will also seriously affect such organizations as the National Council on the Aging, a long time advocate of senior adult needs. The prestigious Institute of Gerontology at Michigan State University recently cancelled a series of scheduled seminars. High unemployment rates in the state led the planners to believe that the problems of older workers and retirees would not be a high priority when so many others were out of work. Undoubtedly they were correct.²⁷

On the other hand, there are also some encouraging signs. For example, when workforce reductions were recently required at the Polaroid Corporation, all employees with 10 years or more of service were eligible for benefits under a voluntary severance plan. Employees over 55 were granted one month pay for each year of service, while those under 45 were given one month for every two years. "A smooth incline plane" was used to graduate benefits for those between 45 and 55. Severance packages were granted to over 1,000 persons, of whom 584 were 55 or older. Most of this group were over 65 with service ranging between 20 and 30 years.

The company has written into its pension plan that part-time pay will be annualized when computing final retirement benefits. This was done after negotiations with the Social Security Administration and the Labor Department assured that these moneys would be considered "retirement income" rather than wages, and therefore not subject to FICA. Furthermore, a company spokesman stated that the climate is

better than it ever was for the rehearsal retirement and tapering off programs.²⁸

Elsewhere there are reports of needs for older workers to fill labor shortages. For example, the Federal Aviation Administration has recently asked the government to drop the entry age limit (30 years of age) for certain control tower specialists who want to become air traffic controllers, in order to rebuild the system faster.²⁹ It is also reported that the Texas Refinery Corporation began a serious effort to recruit older employees when 1981 data showed that three of their top sales people were over 65. As one 73 year old salesman said, "It seems the grayer the hair, the more they'll take your recommendations."³⁰

As another example, the Lawrence Livermore National Laboratory has recently undertaken a survey to assess the desirability of establishing a skills/job bank for retirees. Among its highly skilled retirees are Ph.D. physicists, chemists, and engineers as well as technicians and craft workers. The Laboratory has needs for temporary employees to fill peak workload demands and vacation needs and also for consultant services of persons with technical expertise. I am convinced that the Laboratory's current survey of companies that have successfully rehired their own employees will demonstrate the wisdom of this approach.³¹

Another call for data on retiree/older worker programs comes from a joint effort of the Institute of Gerontology at the University of Michigan and the Administration on Aging. The planned computerized information system, the National Older Worker Information System (NOWIS) is designed to provide employers with examples of corporate practice that maximizes productive use of older workers both inside and outside companies.³²

While developments of these kinds are encouraging, the important question is "Where do we go from here?" As

keynote speaker to the Committee on Implications for the Economy of an Aging Population at the 1981 White House Conference on Aging, James Schulz recommended that there be more research and demonstration to help employers understand the feasibility and profitability of flexibility in work environments; that mandatory retirement be completely abolished; and that the Social Security retirement test be significantly liberalized.³³ A research thrust recently announced by the National Commission for Employment Policy and the Labor Department will address these issues.³⁴

In their comprehensive paper on "The Future of the ADEA," Edwards and McConnell speak to a number of the issues under consideration at this conference. They remind us that maintaining and attracting older workers is not only good politics, but economically sound. They recommend that tax credits be provided to employers who hire older workers, pointing out that a feasible increase in labor market participation among older workers would add ten billion dollars annually to the Social Security fund. They believe that enlightened treatment of older workers is a nonpartisan issue. There should be no disagreement about the desirability of increasing national productivity and lessening the strain on the Social Security and private pension systems.³⁵

While our focus has been on the American older worker, we must remember that the integration of aging workers is an issue of increasing concern universally. The International Federation on Aging outlines a number of actions which can be taken to integrate the aging into their various societies. Not surprisingly, their recommendations parallel those that have been discussed here.

Our goal of partnership among older persons, other age groups, and the private and public sectors should result in a climate, nationally and internationally, in which the aging person can enjoy a sense of acceptance, renewal, and integri-

ty. Life's final years have the potential for being most personally fulfilling; living life to its fullest is the finest way to prepare for its end.

NOTES

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Chapters 5 & 6 Discussion

E. Douglas Kuhns

Dan Knowles' suggestion that retirement is moving in two directions at the same time is an appropriate point of departure for me. Union efforts to improve collectively bargained pension plans since the ADEA amendments of 1978 have been characterized by apparently contradictory efforts: simultaneously, to obtain pension credit for work after age 65—which current regulations do not require—so that people will be induced to work after age 65; and to secure earlier retirement rights so that workers may retire earlier. The resolution of this apparent contradiction is simple when it is recognized that people have different needs and desires and that both choices should therefore be available.

Both of these improvements in pension coverage would have the effect of increasing costs. However, lifting the mandatory retirement age under a pension plan *reduces* its cost; indeed, if the average age of retirement under a plan were to become 68 instead of a previous compulsory age of 65, the saving could be sufficient to cover the cost of both improvements described above.

While I agree fully with Knowles' assertion that many instances of age discrimination go undetected, and with his view that the Labor Department should do a great deal more than it is currently doing about it, what I face across the bargaining table on these issues is an industry ambivalence that Knowles does not explain. It is, of course, true that industry resists both of the pension improvements I have refer-

red to because they would cost more money; but companies frequently resist them even in circumstances in which they might not cost very much at all.

Many companies insist that they resist earlier retirement (generally regarded as taking place between ages 55 and 65), because of a number of hidden costs that have nothing to do with pensions: the cost of losing highly productive workers in their most productive years, and the cost of training replacements. In these discussions it appears that most companies badly want their employees between ages 50 and 65; but then, paradoxically, at age 65 they want them gone! And this pattern seems to persist, except that I have noticed that some companies *do* like to keep their *executives* on after age 65, despite the exemption allowed by ADEA, which Knowles laments.

I agree with Knowles that industry will do what it considers to be good business; but regarding older workers in general, it wants its freedom to pick and choose. Industry wants a *laissez faire* attitude towards the workforce in general. The right to pick and choose at the predilection of the one doing the choosing is the essence of discrimination. We know all about this in the trade union movement; we have been fighting it for years by establishing seniority rules and contract provisions regulating hiring, promotions and layoffs. The discrimination we worry about most these days is discrimination against union workers of any age.

Actually, our seniority systems probably are the best protection we now have against discrimination against older workers—where there is a union. But, we are constantly told that these rules impede productivity and reduce management's flexibility. As long as this is the case, while I can easily subscribe to the minimum agenda for industry that Knowles suggests, I must be forgiven if I remain a little skeptical. Also, it is hard for me to believe that, under present

conditions, comparing the age composition of a company workforce to that of the national labor force can offer much of a guide for action. With current levels of unemployment, enforcement of seniority rules in union shops has so effectively denuded them of younger workers that such an analysis would suggest that there has been discrimination against the young. What we really need most, of course, is a vigorous policy of promoting *full* employment of all workers, now.

More seriously, I do have some reservations about the emphasis on the age composition of a company in relation to the total labor force as a measure of age discrimination. This approach exemplifies what I would call "the fallacy of symmetry." I doubt that one should expect that all jobs should be proportionately staffed by older workers. Should any older workers at all, for example, be employed in mining (although, of course, they are)? I am called upon to help in negotiations over the Durez Plastics Pension Plan (Hooker Chemical, of Love Canal fame, for the uninitiated). I am appalled by the disaster list they refer to as the pension roll. Perhaps even younger workers should not be employed in that enterprise.

But, I do applaud Knowles' recognition that older workers should have options available, and his plug for phased retirement. It is to be expected that eventually some sanity will return to government policy in matters of these kinds, and when it does, these problems should be given careful review.

Dr. Buchmann's paper is directed at a review of policies, governmental and otherwise, looking toward promotion of post-retirement job opportunities. Of course, if they materialize, retirement is really put off. While I might agree that retirement at age 65 as a concept may be outmoded, I am reminded that the concept emerged with the passage of the Social Security Act during the Great Depression—in

part, at least, as a means of inducing older workers to leave the labor force in order to increase opportunities for younger persons. It is true that younger workers will be in shorter supply in the future, but whether or not that portends overall labor shortages depends upon the total level of demand for labor services; it is not at all clear at this point that the economic policies that are likely to be followed in the near future will generate an increased demand for any workers, let alone older workers. Indeed, assuming a continuation of our present course, I can envision an economy that leaves 20 to 25 percent of the potential participants “out in the cold.” That, of course, might very well lead to a certain amount of social disorganization; historically, when comparable economic malfunctions have injured substantial portions of the middle class—particularly the equivalent of the “hard hat” components of our society—it has sometimes precipitated a move to the barricades. (Following the serious recession of 1974-1975, a very conservative executive of a very conservative company was quoted in probably our most conservative business magazine as saying that had it not been for SUB plans, unemployment insurance and welfare, we would most assuredly have had people “in the streets”—and he was not talking about the “street people.”)

Ultimately, the success of the various forms of alternate work patterns that Buchmann has described will depend upon the pursuit of full employment policies that are antithetical to the philosophy of the Reagan administration—and even, I hasten to add, to the political proclivities of their disloyal opposition. It is to be noted that the most extensive experimentation with phased retirement currently takes place in socialist-democratic Sweden.

I will admit that a resurgence of cottage industry is a much more likely, albeit less desirable, alternative. There was a regression to this mode of production that was forced upon us during the course of the Great Depression, but I doubt

that this is an example we should want to emulate. Of course, it can be objected that I am giving the idea a prejudicial historic context; I do recognize that the computer age is making such arrangements more possible. However, I rather doubt that the current managerial mentality would contemplate their development with equanimity. In fact, the disposition of managers to "manage" seems to me to militate against acceptance of a wide range of these potential alternative work patterns.

I am all in favor of second careers—I'm a prime example—but I would advise people not to wait until retirement. There is something about formal retirement that is antithetical to further employment. Indeed, until ERISA made such denials illegal, many pension plans attempted to deny benefits to individuals who continued employment of any sort. But the principal impediment of retirement to the successful pursuit of a second career is the mentality and approach of the "professional manager," i.e., the business school type of manager who is not expert in any particular industrial technology, but who has been trained simply to "manage." I have observed that managers with this "broad" background, appear to become disoriented when they discover that some of their subordinates have alternative sources of income, presumably because such individuals can less readily be brought "under the thumb." How can a manager "own" such a person? Most retired people are assumed to have some source of independent income and, therefore, to be more difficult to be brought to "heel."

It is generally true that the best jobs are best in all ways, and it is therefore no accident that second or part-time careers for retirees have largely been restricted to the executive class as Buchmann's examples suggest. Admittedly there are numerous examples, and Buchmann has noted some of the more successful ones. But, while there appear to be labor shortages that provide opportunities for retirees in a

number of relatively technical fields, there is certainly no general labor shortage, and pressures to use older workers or part-time workers cannot be expected in an economy with an unemployment rate of 10 to 15 percent.

Clearly, retraining and re-education opportunities and resources are vitally necessary if second careers are to be a significant option for retirees. Moreover, I certainly agree with Buchmann that education should be regarded as a continuing lifelong process. But in this respect I am outdone by those with a vested interest in the educational process—the professional educators—who, distressed by declining adolescent enrollments, have rediscovered “the worker.”

What re-education for second careers really requires is the design of job-oriented curricula that are not loaded with the trappings of the conventional educational establishment. To be more specific, it may be difficult to re-educate an auto mechanic for work in computer programming if, at the same time, he has to surmount a course in freshman composition.

But again, while appropriate retraining and re-education programs are greatly needed, the required funding in the immediate future does not appear to be likely. The federal administration says it is not necessary, local administrations cannot afford it, and private investment will not undertake it because potential returns are too small and cover too long a period of time.

And, so we come to volunteerism, which probably is limited to those who can afford it! My intention is not to belittle any of the efforts that are described in the Buchmann paper, for they all have good intentions. I merely question their capacity to have a significant impact in the current environment characterized by serious unemployment and an apparent unwillingness of government to pursue policies that have a chance of correcting it.

For my own part, I do not wish to imply that the concept of retirement by age 65 has been cast in stone. It developed at least in part as an historical accident reflecting the economic problems of the thirties and the policy responses to them. But, I believe that the real pressure these days for postponed retirement comes from inflation and not from increased life expectancy, which has not been dramatic at least in the case of men. Over the past 20 years, the remaining life expectancy of men at age 65 has risen by little more than one year. The increase for women has been much more substantial—in the neighborhood of three years. It is this latter statistic and its implications that I find truly appalling—particularly because a disproportionate number of the current group of older women as compared with women who will be retiring in later decades, are on survivors or dependents benefits rather than receiving larger retirement benefits in their own right. For this group, I would accept cottage industry, or almost anything else.

The fact of the matter is that this group of older women contains a larger proportion of individuals than any other age group, male or female, who would be regarded by most employers as unemployable. In addition to the high rates of disability among them—and particularly among those over 75—as representative survivors of an older generation, many never were part of the workforce and therefore lack marketable skills. The medical costs of maintaining this group and their male counterparts will continue to be astronomical and will constitute a major burden for the nation's workforce as time goes on. As a result of their needs, nursing homes will continue to proliferate, which, incidentally, suggests some partial solutions. Nursing homes could be reorganized as communes. They are currently organized “not-for-profit” in many cases, but private administrations simply passively pass on increasing costs to a passive, and helpless clientele. A number of patients in such facilities

could be partially and usefully employed in these enterprises, taking care of each other, so to speak. Many of them would welcome the activity and feel they were continuing to be useful.

The able-bodied groups over age 65, I fear, will continue to have difficulty with employment in an underemployed economy. Unfortunately, I suspect that if Social Security is emasculated by pushing the normal retirement age back to 68, employment or re-employment opportunities for the elderly might, perversely, improve. Retirement at age 68 rather than at 65 might then simply become the norm.

Chapters 5 & 6 Discussion

Karl Price

The two papers in this session, “Keeping Older Workers on the Job” by Daniel Knowles and “Maximizing Post-Retirement Labor Market Opportunities” by Anna Marie Buchmann, are concerned with two separate but related issues. In commenting on the papers, my focus will be on white-collar and professional employees—in large part, a workforce not covered by union contracts—and the protection of seniority clauses.

In the unionized segment of the workforce, partly as a result of the current state of the economy, age discrimination seems to be working in reverse; the average age of employees is going up, so in some cases 20 years of seniority is needed to avoid layoff.

First, I would like to address the issue of post-retirement employment. Buchmann’s paper gives an excellent overview of the various alternative work patterns, from phased retirement to second careers, and clearly makes the point that a number of approaches to retirement are not only possible, but are currently being successfully employed. Why is this important? Simply because there is not one pattern of work or retirement that is appropriate to all people.

Figure 1 summarizes the findings of a study that Jim Walker, Doug Kimmel, and I undertook to help us understand how post-retirement activities affect retirement satisfaction. In our analysis, we identified four retirement styles: “Reorganized,” “Holding On,” “Rocking Chair,”

Figure 1: Four Retirement Styles

Sample of 1341 Retirees	“Reorganizer” 24%	“Holding On” 19%	“Rocking Chair” 44%	“Dissatisfied” 13%
Retirement style	highly active, but in a newly <i>reorganized</i> lifestyle (voluntary activities, perhaps also working for pay)	highly active, want to continue <i>working</i> indefinitely	reduced life activity, but satisfied with present level of activity	not working and feel it's difficult to keep busy
Preretirement Attitude	just waiting to retire to start a new pattern of activities	most had not thought of retiring; were asked to retire	looked forward to it (relief from work)	many had not thought of it, and were forced to retire; would like to work, but can't
Overall Satisfaction with Retirement	highest satisfaction; view retirement as positive life stage	negative view of retirement; but satisfaction is high since they are working <i>after retirement</i>	moderately high overall; but satisfaction reduced by health problems	least positive attitude toward retired life; lowest on all scales of satisfaction
Health	better health	better health	poorer health	poorest health
Retirement Timing and Choice	tend to be on time (62-65); choice usually voluntary, well-planned, and for positive reasons	tend to be early; perceived as involuntary or for negative reasons; more likely to have been unexpected	tend to be on time (62-65); voluntary	tend to be on time (62-65)

Education and Financial Status	usually more educated; higher occupational status and income before retirement	often technical and professional people; low preretirement income	satisfied with present financial situation; average on other characteristics	lowest education, poorest income and financial situation; many in sales or production jobs before retirement
Other	would probably do retirement planning on their own	youngest group; one-third need income; most like working	would probably attend retirement preparation counseling	oldest group; highly dissatisfied; had been retired longest; depressed and frustrated

SOURCE: Walker, James W., Douglas C. Kimmel, and Karl F. Price, "Retirement Style and Retirement Satisfaction: Retirees Aren't All Alike," *International Journal of Aging and Human Development*, Vol. 12, No. 4 (1980-1981), pp. 267-281.

and “Dissatisfied,” in three of which retirees were satisfied. Almost half of the sample (44 percent) who were in the “Rocking Chair” group were satisfied even though they were not working either for pay or as volunteers. These people had retired, in large part, to get away from work they didn’t like. One-fourth of the retirees (24 percent) had reorganized their lives and were working mainly as volunteers, although some also worked for pay. Another 19 percent continued working for pay, mostly shifting smoothly into second, third, or fourth careers. People in all three of these groups, some working, some not, expressed high levels of retirement satisfaction.

The smallest group, representing 13 percent of the sample, displayed significantly different attitudes toward retirement. Individuals in this group wanted to work, but were unable to find work for any of a number of reasons. As a result, they reported having difficulty keeping busy and were generally dissatisfied with retirement. The message here is that a range of post-retirement employment options, from no work to full-time employment, is needed if we hope to maintain a rich and fulfilling retirement for older Americans.

In his discussion of “Keeping Older Workers on the Job,” Knowles focuses on adding more teeth to ADEA as the way to eliminate problems that keep older workers out of the workforce. If we look back at the data in Figure 1, we find that 44 percent of the retirees in the sample saw retirement as a relief from work. If we add to this the growing phenomenon of early retirement (before 65), even in a poor economy, it becomes clear that what we really want to provide are appropriate options. Figure 2 shows a matrix of management options for managing older workers that considers both the employee’s and management’s attitudes about retirement.

Figure 2: Management Options for Managing Older Employees

Management evaluations	Employee attitudes	
	Inclined to stay on	Inclined to retire
Would like them to stay	Facilitate career planning, accommodate talents, interests (POSITIVE)	Provide special inducements to stay (POSITIVE)
Would like them to leave	Termination or reassign (ADVERSE)	Facilitate “early” retirement (POSITIVE)

The simplest cases are where management’s and the employee’s attitudes are the same. If the employee wants to stay and management wants that employee to stay, the only issue is how to create a setting that is satisfactory for the employee and productive for the organization. At the opposite extreme are cases where both want the employee to leave. Here the issue is usually financial: how the organization will provide sufficient income to make retirement comfortable.

More difficult is the case where the employee is inclined to retire but the organization would like the individual to stay. The issue is what the employee’s leisure—or whatever the individual was going to do in retirement—is worth to the employee. Whether the currency be cash, status, challenge or responsibility, the organization must decide whether it is willing to pay the price to induce the employee to stay.

The most difficult situation, and the one that tends to create ADEA cases, is where the employee is inclined to stay while the organization wants him or her to leave. If performance is not the reason for wishing to move an employee out of the job, the classic discrimination situation is present. If poor performance is the reason, then the issue is one of management doing its job in handling performance problems regardless of age.

Quite simply, an organization's human resource processes should be equitable, nondiscriminatory and flexible enough to respond to a variety of employee needs. Therefore, as Buchmann's paper also makes clear, we see the need for a variety of tools and approaches to deal with different employment and retirement situations. The older American, both in employment and in retirement, is a complex entity, and simplistic monolithic approaches are not appropriate. Our challenge is to find the right tools and the right approaches to improve the quality of life of older Americans.

Chapters 5 & 6 Discussion

Harold L. Sheppard

The two presentations by Dan Knowles and Anna Marie Buchmann are concrete evidence of the level of employer concern about, and interest in, the older worker topic. Over the past decade, such concern and interest fortunately has been on the increase. One reason for this increase obviously is related to the role of the Age Discrimination in Employment Act. Litigation, and the potential for litigation, have prompted greater active attention among employers. Furthermore, the number of filed complaints has been rising at a significant rate, much higher than the rate of increase in discrimination charges on the basis of race or sex. With the current recession producing historically high jobless rates among men—including those 40 and older—this should not be surprising. In the current scene, seniority no longer provides the job security protection that it has provided in “normal” economic times.

A second reason has little to do with cyclical economic or employment trends. It is related to long term secular, demographic, and population changes. Sophisticated employers and managers are increasingly coming to recognize the changing age structure of the labor force—especially the changes that are certain to come during the 1980s and 1990s. We are talking here about the need to learn how to manage and cope with an aging workforce. It is aging not only because of an increase in longevity among middle-aged workers, thanks to progress in biomedical

sciences and to changes in personal life habits (e.g., in smoking and nutrition). It is aging also in the sense that the decrease in fertility during the past two decades, and projected to persist in the future, leads to a dramatic decline in the number of young entrants into the labor force. This decline will not be offset sufficiently by a likely increase in labor force participation among women.

From 1969 to 1979, the U.S. labor force increased at an annual average rate of about 2 percent. Since then it has increased at a much lower rate, and during the 1990s the expected rate of increase will be less than 1 percent. This is due primarily to the reduced size of the young working age population. Another factor—and one that, unlike the fertility rate, can be modified—is the early retirement trend. While inflation continued to be of a crisis nature, the rate of increase in retirements generally had been declining. But the current recession has resulted in an increase in “premature” early retirements.

In any event, with a labor force increasing at a rate markedly below the rate of increase in the numbers of non-working older persons, we face the prospect of labor shortages and the need to find the resources to support a fast-growing older, aged population. The more informed managements and corporations appreciate the need to take another look at their older worker policies, and to find new ways of retaining older men and women on their payrolls. Dr. Buchmann’s detailed inventory of what is now being done can serve as a model for other employers to follow and adapt to their own particular requirements. Mr. Knowles’ paper reflects the discovery in recent years that productive, useful employees are not synonymous with youth.

More recently, a study by Data Resources, Inc. has concluded that a restoration of the labor force participation rates of older Americans to those of the early 1970s would

alleviate much of the expected labor shortage and at the same time produce some “fiscal dividends” such as a higher GNP. Equally important, the increased utilization of older workers would also provide greater resources to provide decent, humane levels of living for our very old fellow citizens (most of them women)—those, say, 80 and older. This group will be increasing in numbers at a rate far in excess of any other age group in our society.

A third reason for the growth of employer interest must be traced to the effects of the dissemination of the results of research on working and aging by gerontologists and others—beyond the worlds of the researchers. Once disseminated, these research findings can, and do influence the thinking and decisionmaking of managers. They have helped to weaken negative stereotypes about older workers, to emphasize that year of birth is not a totally reliable predictor of an *individual's* performance and learning capacity, and to caution that the use of statistical averages about a given age *group* serves to obscure differences among individuals. In part, this latter doctrine is the basis for the Age Discrimination in Employment Act, originally enacted in 1967.

This does not mean, however, that discrimination in the workplace on the basis of age has been eradicated. In the 1981 survey for the National Council on the Aging, by Louis Harris (*Aging in the Eighties*), nearly 80 percent of the respondents in a position to hire or fire employees agreed with the statement that most employers discriminate against older workers, even though they themselves had more positive attitudes about older persons than did the total of all sample members in the labor force.

The coming years will see an even greater level of activity and positive programs among employers. The use of part-time work after “retirement” will characterize much of this

development. If the impending “high technology revolution” (including robotics) is going to be as dramatic as some believe, training and continuing training—even among persons 40, 50, and 60—may be necessary. With regard to the popularity and practicality of part-time work, it may be useful here to present some findings from a special analysis I carried out on the data gathered from the 1981 NCOA survey. Among all the workers 55 and older in the sample, I identified those who could be considered as candidates for “post-retirement part-time work” (based on their response to two key questions on this topic). More than two-fifths of this group of older workers told us (1) that they would prefer to continue some kind of part-time work when they “retire,” instead of retiring completely; and (2) that the availability of part-time work would be of help to them if they wanted to work after “retirement.”

The overall average of 43 percent was exceeded, especially among lower-income, less educated workers (including those with no current pension coverage). Hispanics, blacks, and nonmarried women, as might be expected, had the highest rates of candidacy for post-retirement part-time work. But economic necessity, although a major factor, was not the only explanation. For certain types of professional men and women, the psychological desire to continue to be active and useful was also involved.

In connection with the training and retraining issue, the general NCOA study found that the willingness of older workers to learn a new skill for a job different from what they were used to doing is quite high—for example, 58 percent among those 40-54, and 39 percent among those 55-64. It is significant, in my opinion, that in the earlier NCOA survey conducted in 1974, only 47 percent of those 40-54 expressed a similar level of interest in learning new skills. In many ways, this age group (those 40-54) is the most critical target group for employers to be concerned with, since per-

sons in that age range are—comparatively speaking—less definite about retiring at some planned age. In this connection, between 1974 and 1981, the two surveys revealed an increase in the age of planned retirement.

The need for more effective utilization of older workers should now be taken as a given. And so should the degree of interest and willingness to be so utilized be accepted. What is called for now is a more comprehensive and intensive public and private-sector effort and set of programs that will meet both that need and the desires of older workers.

Chapters 5 & 6 Discussion

Barbara L. McIntosh

The dramatic decrease in the labor force participation of older workers is well documented. Over the 25-year period between 1956 and 1980, the labor force participation rate of persons 65 and older dropped by about one-half, from 24.3 percent to 12.6 percent. For males the decline was much more pronounced—from 40.0 percent to 19.3 percent; for women the drop was from 10.6 percent to 8.0 percent.¹

There are reasons for believing that these trends may not continue into the future, however. For one thing, inflation and the consequent erosion of pensions and savings may force continued work activity on the part of many older workers. For another, the decreasing rate of labor force growth—from 2 percent per year in the 1960s and 1970s to a projected 1.1 percent between 1985 and 1990 may create labor shortages for which increased utilization of the “experienced older population” is the most realistic remedy.²

This is the context in which both Knowles and Buchmann have discussed enhancing the opportunities for older workers. The paper by Buchmann in particular focuses on techniques for keeping older workers on the job. It is also critical, however, to look at the older worker in the external labor market. For a variety of reasons some older workers either cannot or do not wish to remain with their current employers, yet they still want or need to be employed. What I should like to emphasize is that in order to maximize the effective utilization of older workers there is a need for a reexamination by employers of their human resource administra-

tion policy in the context of recruiting and selecting older workers. Several aspects of government employment and training policy also warrant reevaluation.

Before elaborating this theme, however, it is useful to examine the limited evidence on the extent to which older workers do indeed choose to remain employed, but in different jobs from those which they previously held. Available data do not permit a confident estimate of the proportion of workers 65 years of age and over who shifted into a "second career" after retirement from their "regular job." There are several clues, however, that this proportion is by no means negligible. For one thing, Philip Rones has shown that the industrial distribution of employed men 65 and over differs substantially from that of men who are 60 to 64.³ Specifically, only 13 percent of the older as compared with 30 percent of the younger group are in manufacturing; on the other hand, 44 percent of the older and 32 percent of the younger men are employed in retail trade and miscellaneous service industries. These differences, plus the fact that there is little difference in these proportions between the 60-to-64 year group and men 25-to-59 years of age, suggest a considerable amount of movement incident to retirement.

As another piece of evidence, Parnes has found that among a representative national sample of men 55 to 69 who had retired at some time between 1966 and 1975, about one-sixth were employed in 1976, and that a majority of these were in different occupations and industries from those of their pre-retirement jobs.⁴ More specific quantification of the post-retirement labor mobility of men and women would be very useful, but enough information already exists to suggest that it is substantial; moreover, as has been seen, there are reasons for supposing that it will increase. It is therefore important to point out the ways in which both employers and government can and should facilitate the process.

Aspects of Employer Policy

Hiring

In recruiting and selection, employers should consider special training for recruiters⁵ since the biases that tend to exist in this activity are well documented.⁶ Also, selection criteria should be clearly defined and should reflect tradeoffs between educational level and years of experience. Signaling may inappropriately eliminate a disproportionate number of older workers from some jobs. Testing as a general selection technique should also be validated for age within an organization.

As has been noted, older workers tend to seek post-retirement jobs outside of manufacturing, and employers in these industries may need to be particularly sensitive to attracting older workers in the future. Likewise, businesses that employ large numbers of skilled craftsmen, operatives and transport workers—occupations in which older workers are underrepresented—may need to make a critical assessment of the impact of future demographic trends on their businesses.

To facilitate matching the skills of older workers with existing needs some firms are currently attempting to establish data banks. Travelers Insurance has experienced success with the job bank established for its own retirees,⁷ and Santa Fe Federal in California has had a positive response to RESCUE (Return Employable Senior Citizens to Useful Employment) a broader referral service they helped to organize.⁸

Referral services and data banks can be set up not only by individual companies, but also within local labor markets and/or industries. There may be a number of reasons why the older worker cannot remain with his/her original employer even though this might, in the abstract, be

preferable. For example, suitable alternative programs may not exist within the firm or relations with co-workers may not allow for altering authority relationships. Older workers in such situations may nevertheless be excellent employees, and it may therefore, be desirable to establish an exchange pool with other firms in the local labor market or in the industry for sharing these resources. This approach has already proved useful for some industries in controlling labor supply through training.⁹ Within a local labor market, such placement networking for older workers could most logically be accomplished through the local personnel director's association.

Creating Openings Through Training

Hiring and retraining older workers depends to a large extent on the structure of the internal labor market. Ports of entry simply may not exist at appropriate levels to recruit experienced older workers.¹⁰ In such situations the employer should explore the possibility of filling more positions through the external labor market as well as stimulating greater internal mobility for current employees through opportunities for training. Short ladder jobs (intermediate next step positions designed to stretch the incumbent and/or serve as the training position for the next level up), rotation and cross training (switching assignments and helping employees learn each other's positions), and temporary assignments on task forces or problem solving committees can all be used for this purpose.¹¹

Promotion and Development

To attract and retain older workers in the future, employers will need to be more sensitive to the continuing growth needs of this group. There is evidence of management discrimination against the older worker in providing promotion and/or retraining opportunities because of a perceived resistance to change¹² despite the large body of

literature supporting the value of the older worker as an employee.¹³ Succession analysis should no longer preclude the older worker simply on the basis of chronological age and/or assumptions about retirement.

Promoting growth and fulfilling individual needs for development are critical to motivation and continuing productivity. "Continuing opportunity is the motivator most people need to keep them working with a high degree of effort and enthusiasm."¹⁴ In one study on age and job facet satisfaction, work itself was the only facet that older workers were satisfied with; they were dissatisfied with supervision, pay, promotion and co-workers.¹⁵ The stronger attachment to the labor force of the older professional/technical workers who have more control over their work content and growth also supports the argument for providing more promotion and development opportunities for workers in all occupational categories.

In addition to opening up more positions, another mechanism for providing growth opportunities and recruiting older workers may be employer sponsored second career programs. There is a growing awareness "that persons over 45 are not adequately served by American educational institutions and are frequently denied opportunities to embark upon second careers in which they can make significant contributions."¹⁶

One model that has been particularly successful has been the Second Careers program undertaken by the George Washington University School of Medicine and Health Services. The program focused primarily on the exploration of career opportunities and promoting realistic career decisions. This type of program would be particularly important to firms that wish to capture (or recapture) older workers who wish to change occupations and/or industries.

Government Policy

A number of public policies ranging from Social Security to the ADEA, have an impact on retirement/work decisions made by older workers. In terms of improving the utilization of the older worker, increased attention needs to be given to the Employment Service. Older workers make up a larger proportion of all job applicants than of those who are counseled and/or placed. "In 1978, for example, 13.1 percent of all applicants were 45 and older, but only 11.7 percent of all persons counseled and 8.8 percent of all those placed were in this age group. The discrepancy is even greater for those 55 and older."¹⁷ Special training and use of older men and women themselves as older worker placement specialists—programs that already exist in five states—are the types of efforts needed if the Employment Service is going to be able to respond to the employment needs of the older worker. Other types of government programs which might be considered in the future as efforts to place older workers include tax incentives and aid in linkage development. Employment tax credits such as the current Targeted Jobs Tax Credit program may be expanded to include the economically disadvantaged (involuntary) older job seeker. Alternatively, wage subsidies may be provided to offset the higher wages more experienced older workers command.

Finally, the government may be in the best position to facilitate the development of private sector "placement networks" by providing seed money for these efforts. Some state governments have already found this useful in making training and entry level positions for others in the labor market.

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