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Graying Population Employment: Attraction and Retention of Future Older Knowledge Workers

Roseann Becker
Augsburg College

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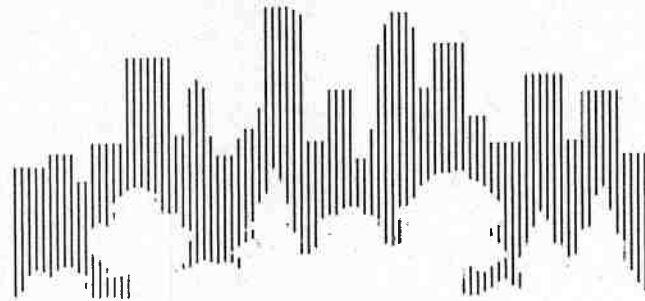
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**MASTER OF ARTS IN LEADERSHIP
THESIS**

Roseann Becker

**Graying Population Employment:
Attraction and Retention of Future
Older Knowledge Workers**

2004

**MAL
Thesis**

Thesis
Becker

**GRAYING POPULATION EMPLOYMENT:
ATTRACTION AND RETENTION OF
FUTURE OLDER KNOWLEDGE WORKERS**

Roseann Becker

Submitted in partial fulfillment of the
requirement for the degree of
Masters in Leadership, Plan B.

AUGSBURG COLLEGE
MINNEAPOLIS, MINNESOTA

2004

MASTER OF ARTS IN LEADERSHIP
AUGSBURG COLLEGE
MINNEAPOLIS, MINNESOTA


Certificate of Approval

This is to certify that the Master's Non-thesis Project of

Roseann Becker

has been approved by the Review Committee for the Non-thesis Project requirement for the Masters of Arts in Leadership degree.

Date Non-thesis completed: 30 June 2004

Committee:  Ph.D.
Advisor
Rosemary Link.
Reader

Dedication

This is dedicated to my husband, Russ, and my sons, Phil and Chris. Their support, encouragement, and patience will always be remembered.

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I would like to thank my advisor, Sharon K. Patten, Ph.D. and my reader, Rosemary Link, Ph.D., for their guidance, support and insightful comments that helped me complete this final project. Also, I owe a debt of gratitude to Norma Noonan for her continual encouragement throughout my masters program at Augsburg.

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Abstract

Graying Population Employment:

Attraction and Retention of Future Older knowledge Workers

Roseann Becker

June 30, 2004

X Non-thesis (ML597) Project

In the next ten years, the so-called Baby Boomer generation will be entering traditional retirement age and could potentially leave the work force in large numbers. Implications are clear that by 2010, many Boomers will need to be replaced by middle-aged and younger workers. Indications point to a significant projected labor shortage.

Previous research reveals that few CEO's recognize future labor issues as a pending management challenge. The objective of this research was to survey the human resources personnel at some of the best companies to work for and see if they are ramping up for potential labor shortages and if they are looking to the older knowledge worker skills. Older knowledge workers are those workers that are educated and/or know things through experience and association and usually know more about the work that needs to be done than their bosses or anyone else in the organization, to fill the gap.

Fifty randomly selected companies were surveyed and only 4 percent of the surveyed companies responded to the survey. The response rate leads this researcher to believe that few human resource personnel recognize a potential future older knowledge worker shortage labor shortage as a current priority management challenge.

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Graying Population Employment: Attraction and Retention of Future Older Knowledge Workers

Introduction

In the next ten years, the so-called Baby Boom generation will be entering traditional retirement age and could potentially leave the work force in large numbers. Implications are clear that by 2010, the Boomers, individuals born between 1946 and 1964, will need to be replaced by middle-aged and younger workers, some just entering the job market. However, indications point to a significant projected labor shortage since 11 percent fewer Americans were born between 1966 and 1985 than the twenty years following WWII (Van Yoder, 2002). McEvoy and Blahna (2001) surveyed 773 CEO's, 392 Human Resource Management professionals and revealed that only one in ten CEO's recognized future labor issues as a pending management challenge. 28 percent of employers have started to take steps to resolve the pending issue.

A general perception of many managers is that older workers, individuals aged approximately fifty-five years old and above, are expensive to keep around, are inflexible, less energetic, and not interested in learning new skills (McEvoy, 2001). This negative stigma is perceived by many of the older workers as manifesting itself into discrimination in the area of promotion and wage growth which encourages them into leaving their jobs or retiring early (Adams, 2002). Motivation of the older employee is seen as an issue today and is expected to be one of the major challenges facing the management leadership of the 21st Century. Today, many older employees are tired of stressed or unpleasant jobs (Van Yoder, 2002), or they get bored and do not enjoy their jobs and start "retiring on the job" (Drucker, 1999, p. 188). In an aging society, a

potentially continuing trend of early retirement could be disastrous, especially with life expectancies growing. Employers must invest in more quality of life benefits if they are to retain older knowledge workers who will impact and improve productivity into the future. Older knowledge workers are those workers that are educated and/or know things through experience and association and usually know more about the work that needs to be done than their bosses or anyone else in the organization.

Mass exodus from the work force of new retirees could negatively affect politics, social behaviors, and put the overall business economy into a tailspin if corrective measures are not taken by employers to attract and retain the best older knowledge workers. Many “disgruntled workers” feel that they have not been treated fairly, but employers feel that older workers should be happy in this, the “reward phase of their contract” (Adams, 2002, p. 1). It seems that shortsighted personnel management policies tend to make unfair hiring and promotional assumptions about older worker’s capabilities and are not recognizing that older applicants could become valuable untapped resources, if given minimal training in specific needed areas.

This paper investigates what some United States, various sized, companies are practicing today that works or doesn’t work, to attract, retain, and retool older knowledge workers to meet projected labor shortage issues. Included is a brief literature review of some important research that is applicable to this area. A survey was designed to gather current practices from some of the best companies to work for. The survey results are summarized together with other related research, articles, and books related to the subject matter in addition to the researcher’s comments. An abbreviated data analysis section is included plus a discussion about the research and why the subject is important and an

impending leadership issue. This paper concludes with recommendations about what corporations could do to combat potential future issues surrounding the older knowledge worker population.

The average age of the United States population is growing rapidly. Population is declining in the United States, as well as other developed and rich countries; however, population is growing in the poorer less developed countries, which could put pressure on government stability and immigration issues. Peter Drucker (1999), in his recommendation for bridging businesses into the 21st Century, communicates that the productivity of all workers must continue to increase, or organizations will become poorer and jobs will decrease. This growing issue could potentially lead to setting off a demographic time bomb. Scott Adams (2002) writes that older knowledge workers must feel valued and be rewarded for their achievements. Adams' article concludes that lack of older worker promotions negatively affects wage growth and promotes early retirement.

Management theorist, Peter Drucker, predicts that the most successful companies of the future will be those companies that will have the work relationships in place to attract and keep older knowledge workers employed and fully productive "past traditional retirement age" (Drucker, 1999, p. 48). Keeping the older knowledge workers in the workforce will require creative changes in management techniques and leadership styles to give opportunities to and influence the older workers so they will feel respected as valued employees. The late Servant Leadership theorist, Robert Greenleaf, promoted the management philosophy and value of building a high trust culture and empowerment of employees through institutionalized servant leadership. Utilizing this theory, future

managers will have to be a servant first and clearly understand and utilize the strengths of all employees to continue to effectively facilitate higher productivity by producing more with less people and at a greater speed than before (Greenleaf, 2002).

The older knowledge worker of the future is expected to work longer than most organizations will be in business. Today's fifty-five year old could increasingly work for another fifteen or twenty years (Van Yoder, 2002). This lengthy working career could potentially continue to be very productive if the older knowledge worker feels satisfaction and pride in his/her job and work relationships, feels and is acknowledged and respected for his/her experience and expertise, and is given the opportunity to give input to his/her continued development and employment based on his/her strengths and potential, not on age. Many articles have been published regarding related issues about a potential shortage of older knowledge workers, but little actual research has been done because the potential issue is six to seven years into the future and it seems that most companies are not planning that far ahead.

Literature Review

Listed below is a summary and critical analysis of the main relevant literature and how it is applicable to the proposed research subject. The summaries have been broken into two areas, that of promotion and retention issues and of management labor/leadership challenges that are on the horizon.

Promotion and Retention

Adams (2002) gathered his research data from a Health and Retirement Study (HRS). He sampled fifty-year old persons to investigate whether younger individuals

were given promotional preference over older workers and if the overlooked older workers felt that promotions early in their career allowed them to accumulate greater salaries so they could cash in on early retirement and pension plans. This researcher used a national longitudinal survey based on employment and demographic information. In 1992, he questioned those born between 1931 and 1941, used an interval level of measurement, and constructed his variables using his second wave based on the answers to the first. In 1994 he restricted the sample to men earning hourly wages between one dollar and one hundred dollars outside of 1931 and 1941. The self-assessment sample size survey was 2,206. It showed that negative wage growth affects early retirement, especially if pensions were available. The study could be improved if Adams had varied the dollar amount in comparison with the size of the pension and self-assessment could be considered biased.

Hill (2002) used data from the Mature Women's Cohort of the National Longitudinal Study of Labor Market Experience, sponsored by the Bureau of Labor Statistics. The study began in 1967 with 5,083 woman ages thirty to forty-four and continued to 1997 when the women were sixty to seventy-four. The study asked, "Why do older women participate in the labor force?" Hill did a variety of analyses based on factors such as education, type of jobs, how long in workforce, personal characteristics, income level, and marital status. Women over age fifty-five, more often than men, seek more flexibility in their work schedules. If a woman worked all of her life, she is more apt to be willing to continue working longer into retirement age. Education and poverty play a large role in how many hours older women will work versus older men. Hill concluded that the more-educated women continue to work till older, that is, unless there

are income needs or other circumstances that leads one to work longer. This research seems valid based on Hill's analysis that leads one to believe that the older knowledge women workers, if treated properly, will work past traditional retirement age.

Management Labor/Leadership Challenge

McEvoy and Blahna's (2001) survey of 773 CEO's and 392 Human Resource Management professionals revealed that only one in ten CEO's recognized future labor issues as a pending management challenge. 28 percent of employers have started to take steps to resolve the pending issue. Since this research is two years old, it leaves room for continuing research to see whether current organizational leaders and human resource personnel see this as a management challenge.

Van Yoder and Goldberg's (2002) data and statistics research define effects of the Baby Boomer generation. These researchers include aging workforce challenges that are projected to change the twenty-first century workforce demographics. Von Yoder and Goldberg identified statistics from various types of businesses. Companies such as Aerospace Corp, Bonnie Bell, and Roulac Group Inc., use phased retirement to maintain older knowledgeable talent by reducing their work hours and using the older workers as consultants whereby saving up to 50 percent of their payrolls as they transfer knowledge to younger workers. Oracle Corp. and CVC Corp. offer updated training to older workers and found that by using a phased retirement approach they maintain institutional memory and technical knowledge. While accommodating for older workers needs, Lockheed Martin Tactical Aircraft Systems improved performance and lowered medical cost by implementing ergonomic improvements. Lost workdays dropped by 25 percent and three million dollars was saved from projected injury costs. Some of the interesting results of

Van Yoder and Goldberg's research is that employers have experienced improved productivity, loyalty, and retention when implementing quality of life benefits such as long term care insurance, family leave, supplemental in-home or day care costs, flexible hours, and physical and mental stress relief opportunities.

Hecker (2001) used data from the 2001 U.S. Bureau of Labor Statistics where he performed analyses based on major occupation groups by using a percentage of change perspective. Projected total employment is expected to increase by 22.2 million from 2001 to 2010. Occupations generally requiring a vocational, post secondary education, or work experience will account for the major increases in growth—2 percent of jobs in 2000 in contrast to a projected 42 percent in 2010. Of the fastest growing occupations, seventeen are in health and ten are in the computer related fields. All the numbers are projected, the research is not empirical, and the trends are based on history. However, the data supports Drucker's (1999) theory about the pending older knowledge worker shortage. The article supplied a lot of demographic data, but was short on descriptions of its impact on society and how the research was performed.

Berman (2001) also used data from the 2001 U.S. Bureau of Labor Statistics for his analyses of the thousands of jobs that are projected to be available in major industries. Many of the projected growth or decline were in areas attributed to the aging population. 60 percent of the growth will be in the service producing industries. Growth is expected to be similar to the previous decade and should reach 13.1 trillion dollars by 2010. This article included many detailed charts and a summary of the data up front. The projected jobs that will be available could also be used to support Drucker's (1999) older

knowledge worker shortage theory. More explanations could have been added to the actual charted sections of the report.

Employment and occupational projections show a significant labor shortage in the next six to seven years for jobs that will require knowledge and skill in various white collar and professional areas, especially in such areas as the health and computer related industries. There seem to be few empirical research articles that focus on the impending issues related to attraction and retention of older workers in today's market, as well as the near future. Many articles have been written about the impending issue, but little actual research is available relating to leadership style changes that will help retain older knowledge workers that will help maintain a high level of productivity into the future. The research methodology used in this research project was specifically planned to identify specific leadership hiring and retention philosophies.

Methodology

This paper investigates what some U.S. various sized companies are practicing today that works or doesn't work to attract, retain, and retool older knowledge workers to meet projected labor shortage issues. A survey was used that included four open-ended questions and two closed-ended questions in an effort to gather information for hiring and retention of older knowledge workers. The survey is portrayed in Appendix A and the consent and background letter is presented in Appendix B of this paper.

Variables

The first independent variable is the older knowledge worker population age and its percentage of the workforce. For the sake of this research, it is assumed that the

research-associated companies know who their older knowledge workers are. Also for this research, the older worker is known as a Baby Boomer, born between 1946 and 1964. The second independent variable is the planned growth of the company's older knowledge worker population. For the sake of this research, it is assumed that the research-associated company's growth plans are not dependant on other variables. The first dependant variable is the retention of older current knowledge workers. The second dependent variable is the attraction of future older knowledge workers to meet the company's planned growth. Qualitative research procedures were used to identify, sort, and interpret the types of leadership policies that are working and/or not working to maintain a knowledge-based older work force to combat a projected future labor shortage.

Sampling

For gathering the sample selection this researcher choose to use the one-hundred companies from Fortune magazine's 2003 published list of "100 Best Companies to Work For". The Microsoft Excel Rand Rounding tool was used to facilitate a random sample list of fifty of the one hundred companies. One of the reasons why the Fortune magazine list was specifically chosen was because of its convience, in that it was readily available on the Internet. Another reason for choosing this list was that this group of companies potentially may have implemented, or plan to implement, some the most positive and creative human resource policies in their respective industries since they are considered to be some of the best companies to work for in the U.S. The Great Place to Work Institute in San Francisco gathered the one hundred companies for Fortune magazine's list (Tkaczyk, 2003). Understandably, the 100 Best Companies to Work For

list was biased since this group of companies may potentially have some of the most positive and creative human resource policies. Also, perhaps these companies may have tested leadership styles catering toward diversity and inclusion policies for employees of all ages. The list is diverse in company size, has a variety of ages of employees, and contains a generous cross section of business types and functions. Most of the listed companies have been in business for many years, so this researcher calculated that there was a likely probability that there would be a high percentage of older knowledge workers within the sample company work forces.

Recruitment

A survey was mailed to a random sample of fifty of the companies on the Fortune magazine list. The survey package was sent to the attention of the human resources departments for each of the fifty companies. In an effort to get the survey request noticed, a professional, attention getting survey package was created. The package contained an introduction/consent statement letter, the survey, and a self-addressed, pre-stamped return envelope. It also contained the researcher's return address with the researcher's work number and email address of the advisor and researcher for questions and/or for requesting a copy of the final paper. The introduction letter identified the survey procedure, risks, benefits, confidentiality provisions, and contacts. A seven-day response request was stated in the survey. The researchers ground rules determined ahead of time were that if there was no response back in two weeks, no response was expected. No more responses were received after the initial two-week period. A copy of the final report will be forwarded to those that request a copy using the researcher's Augsburg email after the paper is finalized.

Confidentiality and Ethical Concerns

To protect the subject's rights and privacy, the raw data was kept in a locked file cabinet at the researcher's office and was not shared by anyone except the research advisor. The names of the companies were masked from the presentation of this final research paper. There were no anticipated measurable risks for participation in the research. The survey was strictly anonymous. No direct or indirect information was used that could identify any of companies in neither the paper's presentation nor the final research paper.

Participants were given the opportunity to request a copy of the final paper using a separate Augsburg email address. An indirect benefit for the participant companies is that they may learn of new ways of hiring and retaining future older knowledge workers from the information provided by other companies taking the survey. This benefit could potentially lead toward improved productivity, loyalty, and higher retention rates of future older knowledge workers.

A negative aspect of participation in the survey could be that the subject companies may be cautious about sharing policies that they have tried in their organizations that did not work. Since this is an anonymous survey, there is limited or no measurable risk that the respondent companies could be singled out. On the other hand, some companies may not want to share competitive proprietary policies that they are using that are working well for them. If less than 20 percent of the companies choose not to participate, this researcher believes that the validity of the research results would be in question. The Augsburg College Institutional Review Board approved the research

survey package before the survey packages were sent out to the subject companies. The IRB approval number is 2004-20-2.

Data Analysis

Since only 4 percent of the surveys were returned, objective sorting was very one-dimensional. Those surveyed were asked to share their retention policies for knowledge workers that are working or if it was not a priority to retain older knowledge workers. The researcher expected that the relationships of the collected data elements would fall into category headings of productivity capacity, diversity, and training. The researcher did not receive any contradictory or unusual data and the low response rate limited the use of statistical tests. All the survey results are summarized and reported along with related research and commentary in the following section.

Survey Questions, Survey Result, Related Research, and Researcher's Commentary

The survey response rate was disappointing. Only 4 percent or two of the fifty surveyed companies responded to the questionnaire. The survey included four open-ended questions and two closed-ended questions. Rea and Parker (1992), in their Designing and Conducting Survey Research guide, recommend that open-ended questions should be used sparingly because it inconveniences the respondent as well as the researcher. Since the survey was intended to identify new and innovative ideas, open-ended questions appeared to be worth the risk, but using open ended questions may have also been one of the main reasons why there were so few responses returned. The

answers to the open-ended questions were very different between the two companies, but there were a lot of similarities when they answered the closed-ended questions, which is a lesson learned for future research projects.

For sorting and analysis, the Survey Question, a Summarized Survey Result, Related Research, and Researcher Commentary are listed below for each question:

Survey Question:

- 1) What, if anything, is your company doing to ready your organization for a potential older knowledge worker shortage? (Older knowledge workers are those Baby Boomers born between 1946 and 1964 who are educated and/or know things through experience and association).

Survey Result: One respondent did not answer and the other said they are doing continuous training and providing benefits for part-time workers that have been working on the job for three or more years.

Related Research: Researchers predict that employers of choice for the older workers will be the most successful companies of the 21st Century. Experts say that older worker knowledge can be transferred. Researches predict that there is room for a knowledgeable, reliable, trained, and educated older workforce in the 21st century. Robert Samuelson (2002) quotes the results of a 2002 report from Conference Board, a research group. The results show that 25 percent of fifty year-old and older respondents want to retire early because they feel overlooked, under appreciated, and not respected. In this report, experience is perceived as expendable and expensive.

Other data states that some of the hardest tasks that business leaders have is the job of mobilizing people in their organizations to do adaptive work as published by Heifetz and Donald (1997) within an article published by the Harvard Business Review.

This article reports that if adaptive changes are not recognized and brought into balance quickly, the associated business organizations will not make it through the 21st Century.

Researcher's Commentary: Many shortsighted personnel management policies tend to under estimate the possibilities that older employees can bring to the job. Many times the applicants could be trained in a few specific skills and become valuable employees. As the working population becomes older, companies will need to rethink and perhaps get creative in using the older worker. A good example is the older IT candidate that could work on legacy systems that the younger workers see as boring and don't want to bother learning.

Survey Question:

- 2) What type of skills do you see as most important for older worker employability?

Survey Result: One respondent pointed to the importance of years of experience working in the applicable field, and secondly the ability to work with others. The other respondent reported that flexibility was the main skill for employability.

Related Research: By 2010, knowledge-based occupations such as sales, management, business/financial, business services, medical services, and teaching are predicted to have a shortage of skilled labor to fill positions. Skill enhancement is recommended in Internet, Microsoft Word, and PowerPoint applications. Also excellent interpersonal skills in such areas as communications and flexibility along with a positive attitude will be required (Mackay, 2001).

Researcher's Commentary: There seems to be a controversy about exactly what skills will be most important for future employability and if the older knowledge workers will be trained to meet the need. In retrospect, management has not done a

great job, in the past, with the development of future core competencies in the technocratic sense throughout many of the older worker's career spans. It is becoming clear that relationships will play an important role and as Eleanor Roosevelt was quoted as saying "No one can make you feel inferior without your consent" (McGraw, 1999, p.184). Dr. Phil McGraw (1999) agrees with her in his book, called Life Strategies: Doing What Works and Doing What Matters. It appears that ultimately, the older worker will need to predetermine his/her own value in the work place and not depend on the employer to direct all activity toward skill development and maintenance of such.

Survey Question:

- 3) What are some of the issues that make you reluctant to hire older workers?

Survey Result: One respondent said that an issue with the older workers is that they are not up to date with new technology and question how much technology training should be the responsibility of the hiring company because of the potential longevity of the worker. The second respondent has similar issues such as the older worker being stuck in the "old way".

Related Research: Neither of the responders talked about the status of aging workers according to their functional condition, as does Laville and Volkoff (1998) in their international ergonomics documentation about elderly workers. In this international article, Laville and Volkoff make reference to how the older knowledge worker is valued in times of economic expansion and shortage of labor periods. But in periods of recession and unemployment, there is greater emphasis on the older worker's lack of ability to adapt to changes in work techniques and organizations in order to perform as

well as the younger worker. Recommendations from the article were for organizations to consider age only as one criterion and look at inclusiveness of all active workers as they train for future technology; therefore, building desired skills throughout the employee's career.

Researcher's Commentary: Ergonomics and negative myths of elderly workers could be reason enough why one would not hire older workers as Hugh Downs (1994) writes in his book, Fifty to Forever. Some of the myths of aging are that thinking slows down, intelligence declines, old people are all wise, older people need less of everything, and they die because they are old. Downs discusses four actual kinds of aging: chronological, normal physical deterioration, post trauma deterioration, and social aging. None of the kinds of aging characteristics discussed would inhibit older workers from learning new ways of doing things, if given the opportunity. Quoting from The Futures of Leadership: Riding the Corporate Rapids in the 21st Century, Crainer and Hogson write "In a true learning organization, everyone can and should be a learner" (1996, p. 116). They make no mention that the older employee is not trainable either. What they do discuss is that if an organization wants to become a learning organization, the organization needs leaders who can and will act as coaches and stewards to support the concept.

Survey Question:

- 4) What programs do you have in place to encourage older workers to work longer on their career jobs?

Survey Result: One respondent's company has implemented benefit programs for part-time workers that have three years of service and work at least twenty hours a week.

The other respondent said that their company offers continuous education and training for the job, as well as mentoring and award programs, some specifically for the older worker.

Related Research: A 1998 study by the American Association of Retired Persons (AARP) concluded that only 13 percent of sixty-five year old people continued to work today; however, 80 percent of baby boomers interviewed expect to work at least part time at that same age (Yoder, 2002). Transitional stages (bridge jobs between career and retirement) of retiring workers such as part time, a new job, and self-employment are common among those in ages fifty-five to seventy and above. Many older workers bring reliability, loyalty, experience, and wisdom. Mandatory retirement has been eliminated in the U.S. and other public policy initiatives are planned by the federal government to stop discouraging pay for work by older workers (Quinn, 1996). On the other hand, reality shows that corporations continue to build in incentives for early retirement. However, almost half of the retirees are moving from their career jobs and moving to bridge jobs rather than leaving the workforce completely (Quinn, 1996).

The Australian Financial Review (Murphy, 2002) reports that Australian companies are already feeling aging population shortages and are looking toward older workers to refuel their labor market (Ghilarducci, 2002). They are starting to value maturity and experience. Canada also has legislation in place to lift its mandatory retirement ages (Canadian, 2004). Sweden, with its welfare state model, has great options in place for seniors to integrate work and leisure by setting a deliberate policy for making part time work available to seniors (McEvoy, 2002).

Researcher's Commentary: As Peter Senge says, "Only through choices, does an individual come to the practice of the learning disciplines" (1990, p. 360). It is up to the

organization to set the stage, but it is up to the worker to add life spirit into tasks. Senge and Margaret Wheatley (1996 & 1999) have been leaders moving toward the theoretical approach of defining leadership in a growing and changing environment. Neither writes specifically about the older worker and the potential for a labor shortage, but both talk about how the business labor leadership is in constant change and about building relationships between people is paramount in a growing and living society. We also cannot underestimate talking, hearing, and listening to one another as we are all constantly changing individuals, no matter what age.

Survey Question:

5) Have you implemented any of the listed below in your company workplace?
Please check all those that apply:

- XX a) Flextime
- X b) Job Reassignment—less demanding assignment, same money
- X___ c) Job Reassignment—less demanding assignment, less money
- d) Job Redesign, specify _____
- XX e) Part time work
- f) Job Sharing, specify _____
- X g) Phased Retirement, specify: _____
- X h) Telecommuting
- i) Independent Contractor Model-retain retired workers as consultants or contractors
- j) Other, specify: _____

Survey Results: Both respondents checked flextime and part time work. Also both respondents checked job reassignment, but one company offers less demanding work assignments with the same money and the other offered less money for less demanding work assignments. The respondents differ with their other work policies. One allows telecommuting and the other has instituted phased retirement policies such as getting an assistant and the responsibility for training new employees.

Related Research: Listed are definitions of work assignment approaches:

Flexitime/Part time Work/Phased Retirement—A 2002 HR Focus (Institute, 2002) article points out that the current growth in older workers is being prompted by losses in stock portfolios and companies changing private pension from defined-benefits which usually means that lifetime benefits are reduced for those that retire early to defined-benefits that are retirement age neutral. This group, aged fifty-five to sixty-four formerly wanted to retire early, is now considering working flexitime, part time, or using phased employment as suggested solutions to keep in touch with the work place. There is no one perfect resolution for implementing a reduced schedule/workload, but its benefits for the employee are flexibility, additional time toward retirement benefits, and not starting to spend retirement savings. The main benefits for the employer is that the experienced productive worker is retained, training of new employees is saved, and reduced salaries can be negotiated. Suggestions for a part time work approach: offer reduced or flexible work days, twenty to thirty hours a week; investigate legality issues, the program may have to be offered to other classes of workers; employers should consider enhancing rules for employee withdrawals from retirement plans because employees may want to withdraw early to supplement income because of reduced salaries.

Independent Contractor Model—This approach can be used to retain specialized retired workers. The employee retires and is hired back as a skilled knowledge worker and consultant for specific projects or assignments for peak times or as special projects arise. The employer saves training, payroll tax, fringe benefits, and other overhead, but on the down side, loses control over the worker (Institute, 2002).

Job Reassignment-Less Demanding Assignment For Same Money—If the older knowledge work is feeling burned out, unhappy, or the job has too many physical or

stress related obligations, he/she may be interested in making a lateral move to a less-demanding job (AARP, 2002). If the employee has had a lot of experience in the company's culture, it may be wise for the company to continue paying the same wage even if the job assignment has changed because he or she may need little training depending on the experience and skill set.

Job Reassignment-Less Demanding Assignment, and Less Money—Some valuable older knowledge workers may be pleased with an opportunity to change to a less demanding job and take a salary adjustment or not get raises, but perhaps get awards when they accomplish goals. In this way their pension benefits are not decreased, but their working time may become more flexible (AARP, 2002). Many older workers have raised their families and can live on less, but need the benefits that accompany full time employment and want more flexibility to volunteer or spend more time with their families.

Job Redesign—The specifications of the job requirements may be changed to reduce unwanted physical or psychological stress (AARP, 2002). This has potential to far surpass the costs of training, hiring, and other replacement costs due to a layoff or disability leave.

Job Sharing—This is an option that many companies are testing because there is a variety of job sharing opportunities available such as two part-time employees sharing a job, or two employees working separate jobs that overlap or only working special assignments as they arise (AARP, 2002).

Telecommuting—In today's electronically wired world, many employers embrace an employees desire to work from their home for all or part of the time. There are

limitations depending on the type of job, but the employers can save office space and gain much productivity for people working off site (AARP, 2002).

Researcher's Commentary: It was surprising to see that the companies who replied to the research survey did not check more of the flexible ways of working. This researcher anticipated that all flexible ways of working would be checked by each best to work for company because of the increase in all workers wanting to juggle conflicting employment and family issues without mentioning the older worker caveat for phased employment option. It was surprising that job redesign and job sharing options were not noted as being used by either respondent. In this researcher's familiarity, employers allow parents to share jobs and young mothers and semi-retired persons to share the same job. The companies pay a few more benefits, but the gain in experienced workers and productivity far out weight the extra cost of the benefits. Another notable exclusion in this area was the concept of job rotation for the older worker. This researcher has seen different job rotation procedures used for young college graduates. The young person is rotated around a company to learn about the various work functions and business operations. This same process could be used for older knowledge workers to offset boredom and may positively apply mentorship to the various functions and operations throughout the organization.

Research Question:

6) Which of the following social ideals does your company value most in its' employees? Please number them in order of importance or add NA for not important:

- 2, 2 a) Self respect
- 3, 8 b) Security
- 5, 5 c) Warm relationships
- 6, 4 d) Sense of accomplishment
- 4, 7 e) Self-fulfillment
- 1, 1 f) Being well-respected
- 7, 3 g) Sense of belonging
- 8, 6 h) Fun-enjoyment

Survey Results: Both respondents were in agreement in that they valued social ideals in their employees. Both of them choose being well respected as number one and self respect as number two in order of importance. After selecting the first and second place, the number three and four choices deviated significantly. Again, both chose as number five—warm relationships, which could be seen as sign of future expectations in the work place. The order of the remaining numbers are interesting, but mean little to this research because of the low response rate and what could be biased information based on the type of business.

Related Research: A research article published by The Journal of Advertising Research (1988) said that under the thirty-year old workingwomen are increasingly changing their social work-need from self-fulfillment toward the need for relationships, fun, and enjoyment. Women, ages forty to forty-nine want relationships, sense of belonging, and accomplishment with less emphasis for security. Results of this survey say that women age fifty and over want relationships and accomplishments more than being well respected and or feeling that they belong (Kahle, 1988). This research implies that the treatment of female employees must not be stereo typed but each person must be treated individually based on her personal needs at different stages of life. No similar research was found using the male aging model.

Authors from the Journals of Gerontology, report that older workers want meaningful, but not boring work; want to feel job satisfaction; and want to be acknowledged as competent workers (Mutran, 1997). This research points the older worker's desire to be respected for his or her contributions. If he/she is not treated with respect, he/she will be more inclined to retire early or their productivity may decline.

Researcher's Commentary: It was interesting that both respondents were in agreement in valued social ideals. Interpretation of this area and of other research makes this researcher question if 'feelings of respect for a person' is as important as the respect for the person's accomplishments. Relationship building is a trend that has been seen threaded through much of the research for all ages as well as for older workers, especially female. Comparable male research was not available. Since the number three and four survey choices deviated significantly could be related to the culture of the organization at the time that the survey was presented. Analysis of outside research leads one to believe that there is no one way of managing all employees. Management leaders must be flexible in their treatment of all employees, no matter what their age. The servant leadership model challenges the leader to carefully listen to each individual employee and strive to become aware about how to accept the employee as a person, even when his/her performance or behavior is not acceptable (De Pree, 1989).

Discussion

This researcher interprets the lack of response to the survey to mean that few employers seem to consider the older knowledge worker shortage a pending leadership issue priority. Non-interest in the subject matter could be a reason why few human resources personnel representatives responded to the survey. A generalization sighted by Floyd Fowler, Jr.'s Survey Research Methods lends inferential credence to this thought. He infers that those who have an interest in the research subject matter may be more apt to respond to a mailed survey, and those that do not feel it impacts them personally, or have related issues could be why the research subjects do not respond. (1993). Clearly all

research reference materials that were used in this research agree that a response rate of less than twenty percent lends no reliability and validity to the subject research quality itself.

In this research, the case subject samples were drawn from the best companies to work for. Perhaps most of the subject human resources departments feel that they will continue to have access to the cream-of-the-crop workers well into the future because they are advertised as the best of the best companies to work for. This may be deemed true today because most may not have yet faced labor shortages or financial forces lurking in the shadows of tomorrow especially in specialized fields and for hard-to-replace workers. Labor economists, policy analysts, and other older worker advocates warn about a looming labor shortage, but currently most employers are not yet plagued by labor economic forces that generally require accommodation focus on older workers (Rix, 2002). Shifts in offshore jobs, liberalization in immigration laws, longer working hours for men and women, and substituting technology for human labor may mitigate the pending issue for now. (Goldberg, 2002). A potential labor shortage issue of tomorrow seems to be lurking out there and may only become important for business leaders when it begins.

Why This Subject is Important and an Impending Leadership Issue

The older worker, also known as the mature worker or Baby Boomer, is starting to flood the labor market and is becoming an up-and-coming social dilemma. As the Baby Boomers are moving toward old age, companies have been pressuring them to consider early retirement in an attempt to cut costs by substituting younger cheaper

workers in their place without appreciation of society's need to keep older people working longer (Samuelson, 2002). The conclusion drawn from much of the current research is that experience is considered dispensable, older workers are not respected, and today it seems that corporations are doing little to keep older workers in the workplace. On the other hand, many of America's older workers associate personal achievement when they get paid for work. This available research leads one to believe that there will truly be additional older workers in the work force as the Baby Boomers age (Collins, 2003). Seeing that the lines between work and retirement are becoming more blurred, organizational leaders will need to rethink what success, achievement, and productivity means in terms of paid work versus volunteer work. The Baby Boomer society is identified with a growing number of two-worker and single parent families. This demographic institutional change is pushing toward a shortage of family members being available for family needs. The nature of work itself and the concept of career must be adjusted to include family and societal obligations. One way that has helped retired or partially retired employees continue to feel a sense of accomplishment is when corporations started retiree volunteer programs in the nineteen-seventies. Corporations encouraged retired employees to come back and work together with the employers in volunteer activities. This type of activity facilitates relationship building and feelings of accomplishment as these retired employees receive accolades from their former employers. They are given respect and a chance to be included with other employee's corporate activities, even if they are not being paid.

Many sixty-somethings want to make a difference to those around them by working part time or depending upon their monetary status, volunteer in their

communities. Other sixty-somethings want to act as mentors to others. Many employers feel that as people become older, growing and improving skills is over. This myth of aging robs many of the opportunities from an enormous number of people that they are capable of accomplishing in their midlife as they become older (Hudson, 1991).

Research by Haider and Loughran (2001) observed that sixty-five year old and older workers tend to be healthier, better educated, and have more money than “elder” non-workers. Andrea Wooten (2002), who works for Experience Works, shares examples about how much older workers contribute to our society. Experience Works provides training and employment to older workers. In her experience, as seen in her business, she sees that “people who continue to work are healthier and happier” (Wooten, 2002, p. 5). Wooten also writes about how older workers can learn new skills and how they apply them to their jobs in innovative ways. She has also seen that older people can and do act as role models and that knowledge can be acquired, but “wisdom requires experience” (p. 5). In her experience, older workers have been “reliable, loyal, and dedicated” (p. 5) more so than younger workers. Older workers like to be asked to do things and want to be treated with respect. If they are treated in this way, there is no limit to what they can do. Although Wooten has not done scientific research, her experience with Experience Works has shown her many successful examples of how older workers have positively impacted the work places where they work.

Even though older workers may work for fewer wages, hiring these workers at lower wages could put them at potential risk for exploitation and in unfair competition with younger workers. With a larger amount of older workers coming to traditional retirement age in the work force, in the near future, organizational leaders will need to

mesh the training of the needed workers with the right skill sets. It is important to recognize that in 2002, one in five people in the U.S. is fifty-five years old or older (Goldberg, 2002). By 2012, one in four will be fifty-five years and older and guess what, by 2025, one in three will be fifty-five years and older. This demographic trend could potentially open great opportunities to use the talents, skills, and knowledge of today's untapped older knowledge worker resource that has potential to augment our nations global productivity and competitiveness. A Providence Business News article written by Harvey Mackay touted that experts say early retirement peaked over 16 years ago, but he did not present any facts to verify the reference (2001). This type of inference leaves questions for future research subjects

Conclusion

Employment and occupational projections show a significant labor shortage in the next six to seven years for jobs that will require knowledge and skill in various white collar and professional areas, especially in such areas as the health and computer related industries for men as well as women. Unfortunately the low survey response rate of 4 percent for this research did not net all of the intended results. However, it attests to the point why there are seemly few empirical research articles that focus on the impending issues related to attraction and retention of older knowledge workers in today's cross-occupational market today, as well as in the near future. Many articles have been written about the impending labor shortage issue, and what needs to be done, but little actual research is available relating to leadership style changes that are in place and need to be in place to help retain older women and men knowledge workers that will help maintain a

high level of productivity into the future. It may be that corporations refuse to acknowledge that there could be labor shortage issues on the horizon.

In the future, it will be important for employers to learn more about the three basic functional conditions associated with an older knowledge worker: the experience and time dimension of the age/work relationships, the processes of organic aging relationship to work, and cognitive aging—slowing down, but still able to learn. Most Americans equate productivity with work that they get paid for (Moen, 1998). This points to possible future issues related to shortages of volunteers. No one can know what the future will hold, but one can anticipate that despite improvements in longevity and health, many older workers who are inclined to work and need continued employment will not be those who have the training and skills that are needed and recognized to be valuable older knowledge workers.

It is clear that future business managers of the 21st Century should expect to have issues relating to employment of the current and future aging workforce. Along with aging issues, the younger managers will face managing difficult performance issues as they make hiring and retention decisions based on the world's demographic changes. Savvy older workers will anticipate and are very capable of learning and adapting themselves to keep technologically up-to-date and provide the flexibility that will be needed to mitigate the projected labor and skills shortages of the future. On the other hand, management will have to be “open to the influence of others” (De Pree, 1989, p. 34) and understand and value the gifts that the older knowledge worker has to offer to the organization.

Will the older knowledge workers be one of the most sought out valuable labor resources of the future? It is comprehensible that the older knowledge workers, currently an untapped resource, will help solve demographic woes for our communities and businesses for the enhancement of global productivity into the 21st Century? However, it is uncertain whether older knowledge workers and volunteers will be regarded and treated as valuable contributors if they work and volunteer beyond traditional retirement age as they become gray on the outside and wiser on the inside. Ultimately, the corporate world, whether they are the best companies to work for or not, will have to make important decisions about the importance of hiring and retaining the older knowledge workers in their current and future workforce.

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Appendix A—Survey

Graying Population Employment: Attraction and Retention of Future Older Knowledge Workers

*Please Complete this Survey and Return Within Seven Days of Receipt
(The Augsburg College IRB has approved this survey proposal)*

1) What, if anything, is your company doing to ready your organization for a potential older knowledge worker shortage? (Older Knowledge workers are those Baby Boomers born between 1946 and 1964 who are educated and/or know things through experience and association).

2) What type of skills do you see as most important for older worker employability?

3) What are some of the issues that make you reluctant to hire older workers?

4) What programs do you have in place to encourage older workers to work longer on their career jobs?

5) Have you implemented any of the listed below in your company workplace?

Please check all those that apply:

- a) Flextime
- b) Job Reassignment—less demanding assignment, same money
- c) Job Reassignment—less demanding assignment, less money
- d) Job Redesign, specify _____
- e) Part time work
- f) Job Sharing, specify _____
- g) Phased Retirement, specify: _____
- h) Telecommuting
- i) Independent Contractor Model—retain retired workers as consultants or contractors
- j) Other, specify: _____

6) Which of the following social ideals does your company value most in its' employees? Please number them in order of importance or add NA for not important:

- a) Self respect
- b) Security
- c) Warm relationships
- d) Sense of accomplishment
- e) Self-fulfillment
- f) Being well respected
- g) Sense of belonging
- h) Fun-enjoyment

Questions, please contact:

Student and principal investigator conducting this research is:
Roseann Becker, phone: 763-514-8664, email: beckerr@augsborg.edu
Research project advisor: Sharon K. Patten, Ph.D., phone: 612-330-1723

Thank you for completing this survey. Please return survey to:
Roseann Becker, 1250 Sycamore Lane, Plymouth, MN 55441

Appendix B—Consent Statement

Graying Population Employment: Attraction and Retention of Future Older Knowledge Workers

Consent Statement

You are invited to participate in an anonymous research survey about your company's perceptions concerning implications of a potential labor shortage in the next six or seven years, as the Baby Boomer Generation nears traditional retirement age. You were chosen as one of fifty randomly selected companies from the list of "100 Best Companies to Work For", published by Fortune magazine, dated January 20, 2003.

Roseann Becker, a graduate student, at Augsburg College in Minneapolis, MN, is conducting this research.

Procedures:

If you agree to participate in this research, please complete the survey and send it back to Roseann in the pre-addressed, stamped envelope within seven days of receipt.

The completion and return of the included survey implies your consent.

Risks and Benefits:

Risks: There are no anticipated risks for participation in this research. The survey is strictly anonymous. No identifying information is requested.

Benefits: You are invited to request an electronic copy of the final research paper using Roseann's email address: beckerr@augsborg.edu whether you participate in the survey or not. You may learn of new, creative ways of hiring and retaining future older knowledge workers that could potentially enhance productivity within your work place.

Confidentiality Provisions:

Raw data collected will be kept completely confidential in a locked cabinet. The data will be stripped of any information that may link it back to your company. Composite data will be used only for Roseann's final paper. The paper will be published and archived at Augsburg College's Lindell Library as part of the Masters of Leadership Plan B collection. The raw data will be destroyed before September 1, 2004.

Contacts and/or Questions:

Student and principal survey investigator conducting this research is:

Roseann Becker, Phone: 763-514-8664, email: beckerr@augsborg.edu

Research Project advisor:

Sharon K. Patten, Ph.D., Phone: 612-330-1723

