

Older workers' preferences for work and employment

Author: Betty Cohen

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OLDER WORKERS' PREFERENCES FOR WORK AND EMPLOYMENT

Labor force participation by older workers will continue to increase, due to demographic changes, the economic recession, and worker preferences. However, many older workers seek opportunities for increased flexibility and better work-life balance. Some have been successful in finding such opportunities by delaying retirement, changing jobs, or seeking alternative work arrangements.

To what extent are workers 50 years of age and older staying in the workforce and why?

According to a 2009 report from the Sloan Center on Aging & Work, "older adults will experience the most significant increases in labor force participation rates over a 30-year period (projected to 2016)," compared to other age groups.¹ See Figure 1.

"Just over half of all working adults ages 50 - 64 say they may delay their retirement—and another 16% say they never expect to stop working," according to a 2009 telephone survey of almost 3,000 adults.²

According to a 2009 survey of employees and retirees, "among the reasons for postponing retirement, 76% of workers aged 50–64 say the decline in the value of their 401(k) plans is a key reason. Other reasons include: the high cost of health care (63%), higher prices for basic necessities (62%), need to keep health care coverage (56%), and desire to work as long as physically able (40%)."³

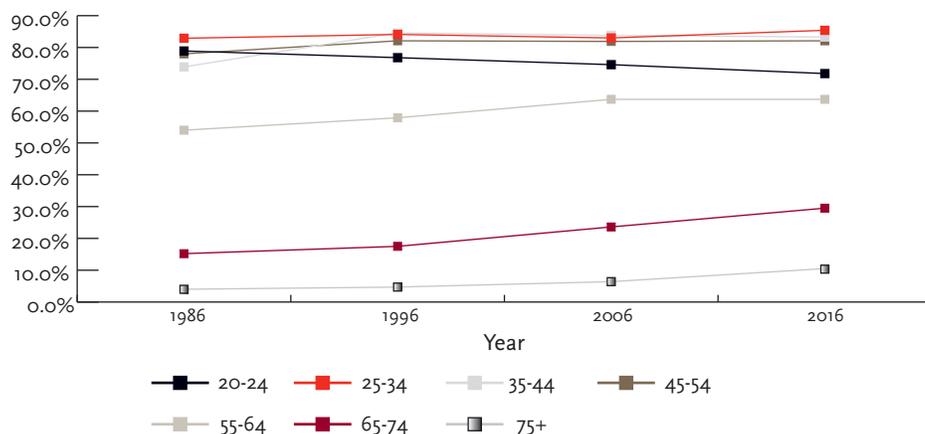
What types of work arrangements are viewed as "desirable" by older workers?

"Nearly two-thirds (65%) of older workers say they are 'looking for ways to better balance work with my personal life.' This desire is expressed by a slightly larger proportion of boomers (67%) than workers ages 62 - 74 (56%)," according to a 2008 AARP survey of older workers.⁴

"Most [older adults] in encore careers (59%) work 40 hours per week or more, with three-quarters (73%) saying that they have the flexibility they need and want, and more (85%) saying they have the time to do the things outside of work that are important to them," according to a 2008 Metlife survey.⁵

"Just under two in five (38%) view the 'opportunity for part-time work' as essential in their ideal job, and one in three (34%) identify the 'ability to work from home' as essential," according to a 2008 AARP survey of older workers. In comparison, 74% rated having a flexible schedule as an absolutely essential part of their ideal job.⁶

Figure 1. Labor Force Participation Rates of Workers by Age Group, 1986-2016 (projected)



Source: Toossi, 2007

To what extent have older workers found work or retirement situations that match their preferences?

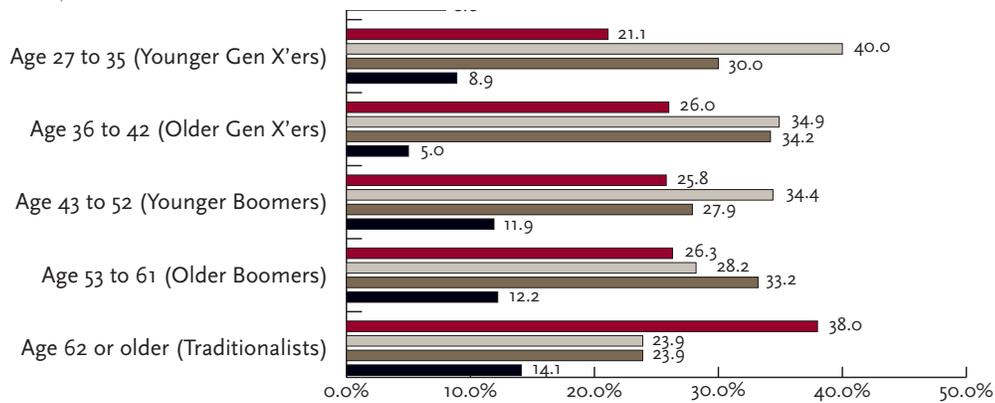
In a 2009 study of access to flexible work options, “employees 26 years of age and younger were on average less likely to report that they have access to the flexible work options they need ‘to a great extent’ when compared to the other age/generational groups.”⁷ See Figure 2.

According to a 2008 survey of recent retirees, “38% report that being able to work seasonally or on a contract basis would have been effective in encouraging them to delay retirement. Among those rating this as one of the top two incentives, more than three-quarters (77%) say it might have prompted them to stay two years or more with the company.”⁸

“Nearly one in four (24%) respondents ages 55 - 75 went back to work after their retirement. Three-fourths (76%) stayed retired and did not re-enter the workforce. A third of those who started working again after retirement have stayed in the workforce, while the majority (65%) have now stopped working,” according to the results of a 2007 survey on retirement.⁹

“One in four adults ages 51 - 55 who left their 1992 jobs said they were retiring. More than 3 in 10 retirees took new jobs and nearly two-thirds of these job changers moved into new occupations,” according to a 2009 analysis of HRS data.¹¹

Figure 2. Access to the Flexible Work Options Needed to Fulfill Work and Personal Needs by Generation
% of respondents



Source: Item Developed by the Sloan Center on Aging & Work, 2007

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