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Tim Driver

Amanda Henshon

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Keywords

Longevity, older workers, employment, social engagement, healthcare, health, retirement income

Disciplines

Economics

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Tim Driver and Amanda Henshon

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The Wharton School, University of Pennsylvania

3620 Locust Walk, 3302 SH-DH

Philadelphia, PA 19104-6302

Tel.: 215.573.3414 Fax: 215.573.3418

Email: prc@wharton.upenn.edu

<http://www.pensionresearchcouncil.org>

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Tim Driver

President
The Age Friendly Foundation
204 2nd Avenue
Waltham, MA 02451, USA
tdriver@agefriendly.com

Amanda Henshon

Executive Director
The Age Friendly Foundation
204 2nd Avenue
Waltham, MA, 02451 USA
ahenshon@agefriendlyfoundation.org

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For more than a century, the United States and the world have been aging steadily¹, and though the increase in the proportion of older adults differs throughout the world, between 2015-2050, the number of adults over 65 will nearly double as a percentage of population overall (Figure 1).² Data from the United States Census Bureau indicate that more than 10,000 people in the US will turn 65 each day for the next 20 years (US Census Bureau 2017).

Figure 1 here

According to the latest Bureau of Labor Statistics data, based on 2016 figures, ‘older households’ - defined as those headed by someone 65 and older - spend an average of \$45,756 per year, or roughly \$3,800 a month. That’s about \$1,000 less than the monthly average spent by all US households combined (US Bureau of Labor Statistics 2017). Assuming retirement at 65, an average person would have to earn nearly 1.5 times his yearly expenditures over the course of a 40-year career in order to save enough to support his 25-year retirement.³

Additionally, early retirement and early initiation of social security benefits results in a failure to maximize those benefits. It has been estimated that 90 percent of Americans begin collecting social security retirement benefits at or before their full retirement age, with the most popular age 62, the earliest eligible age, and the average age to begin receiving benefits 64 (Munnell and Chen 2015). This choice of earlier benefits has a lasting impact, reducing the monthly benefits received by as much as 25 percent when compared to waiting until age 66 and an additional 32 percent for those who wait until age 70 (Social Security Administration 2020).

The very concept of retirement is no more than a social construct with an arbitrarily selected age. Age 70 was designated as the appropriate age for mandatory retirement in the first

state-sponsored age-based social insurance program adopted by Otto Von Bismarck in late 19th-century Germany as a means of staving off calls for radical socialist responses to political unrest caused, in part, by high youth unemployment rates. The age of 70 had nothing to do with ability or anything else relevant to competence, and likely had more to do with the fact that most workers did not live to this advanced age. Germany later lowered the retirement age to 65 in 1916, an age still well beyond the life expectancy of most workers. Likewise, social security eligibility ages in the United States were determined based more on life expectancy in the early 20th century and the need to open up jobs for younger workers as the US was struggling to emerge from the Great Depression than on any carefully constructed policy determination about when employees should no longer work (Laskow 2014).

Working longer provides additional lifetime earnings and the opportunity for incremental saving, augments the size of eventual pension and social security benefits (especially if receipt of social security benefits, which rise by about eight percent per year of delay, is postponed while one continues to work), and also reduces the number of years of retirement during which these augmented assets will be consumed. Even without considering any health benefit, deferred retirement results in greater resources amassed to support fewer years of retirement.

The Business Case for Older Workers

Retaining older adults in the workforce benefits employers. Employers always are in need of experienced, well-trained, and productive workers. As the overall population ages, the perception of what constitutes ‘working age’ is evolving to include older adults in their late 60s and beyond. And that population is growing as a proportion of the total population faster than any other age group (Figure 2).

Figure 2 here.

In early 2020, prior to the COVID-19 pandemic, we saw historically low unemployment rates, with many jobs unfilled due to labor shortages. This labor scarcity was heightened by restrictions on immigration. The only increasing pool of workers from which employers could fill their needs was those aged 55 and over. But with the recession brought on by the pandemic, early indicators suggest that older workers will struggle to find work. During the Great Recession, it took unemployed older workers twice as long to find work as their younger counterparts (Johnson 2012). And like 2009, there is a surge in consumers seeking jobs on sites like RetirementJobs.com. But COVID-19 complicates the situation, not only in the lack of predictability of any economic recovery, but also in the categorization of older employees as ‘at risk.’ More than ever, older workers are seeking jobs they can perform from home, which may further limit employment options. But no matter the economic situation, overcoming misconceptions about older workers is crucial to expanding their access to employment.

More experienced. Employers benefit from both the work experience and life experience that older workers provide. Job-specific abilities may require years to acquire and develop. This is true not only of the skills required by specialists like architects, musicians, and craftspeople, but also of skills obtained through accumulated knowledge by salespeople, drivers, factory workers, and others. Experiential familiarity allows salespeople to communicate vast arrays of information to customers, and manufacturing workers to anticipate and avoid mistakes. Institutional knowledge accumulated by older employees as well as time-earned interpersonal skills can add value to mentoring relationships and assist in training younger workers. Additionally, older workers have established professional networks that expedite access to partners, funders, and others who can facilitate job execution.⁴

The assumption that performance declines with age as employees burn-out or slow-down is not supported by data. In fact, long-recognized meta-studies of employee productivity by age using objective measures of production output show a small, but statistically significant, positive correlation between age and performance (Waldman and Avolio 1986). A study of a Mercedes Benz assembly facility suggests that older workers made fewer severe errors on the assembly line. Though this study was conducted at a single German plant, the authors believe the results are generalizable to other similar large-scale manufacturing facilities worldwide (Borsch-Supan and Weiss 2016).

Lower turnover rate and increased workforce flexibility. Lower turnover among employees benefits employers in several distinct ways. First, unanticipated turnover forces an employer to absorb the unforeseen costs of recruiting and training replacement workers. Studies have shown typical turnover cost to equal approximately twenty percent of a worker's annual salary (Boushey and Glynn 2012).⁵ Unanticipated departures also may result in unfinished tasks, increased workloads, and overtime costs. Lowering turnover also has been shown to improve customer satisfaction and increase profitability (John Larson and Company, 2018).

Lowering turnover equates to longer tenured employees. It is well known that older workers, on average, have a longer tenure than their younger counterparts. Figure 3 shows that the average 30-35 year old remains at a job for 4.4 years, while a comparable 55-60 year old remains at a job for 12.7 years.

Figure 3 here.

Older workers also are a valued resource when employers need a more flexible workforce or in situations when people are needed for short-term assignments. For example, following a

natural disaster, an insurance company might have an urgent need for on-call, trained, insurance adjusters who can relocate with little notice for a short-term assignment (Johnson 2017).

Improve customer satisfaction. Longer tenure produces not only a significant economic benefit to employers in terms of the cost savings related to acquiring and training replacement workers, but also through increased customer satisfaction. Workers improve performance over time as they gain knowledge, comfort, and develop personal relationships. A longer tenured staff often works better as a team, develops a better understanding of customers, and is more cognizant of the resources available to serve customers' needs. Additionally, customers are more willing to seek assistance from employees with whom they are familiar. Recent proprietary data from a large office supply retailer confirm the value of employee tenure. Stores with more long-tenured employees have more satisfied customers, and stores with more satisfied customers have higher rates of profit growth. This makes sense, as a longer-tenured employee is better able to show a customer where an item is located because he or she has more store experience. A more satisfied customer is more likely to make a return visit and may even develop a rapport with store staff. Even slight increases in customer satisfaction dramatically impact store profitability (Figure 4).

Figure 4 here.

Augment diversity programs. The analyses that drove diversity initiatives around race and ethnicity also apply to age. Studies have identified a statistically significant correlation between the diversity (including age) of management teams, and overall innovation (Bersin and Chamorro-Premuzic 2019). Those companies that reported above-average diversity in their management teams also reported 19 percent higher innovation revenue, versus companies with below-average leadership diversity. More diverse companies also reported better overall financial performance (Rocio et al. 2017). Wall Street Journal researchers ranked companies based on diversity

(including age) and determined that the 20 most diverse companies not only had better operating results on average than the least diverse firms, but also their stocks generally outperformed those of the less diverse companies (Holger 2019). Companies that establish and maintain more diverse workplaces, including gender, nationality, race, and age, perform better.

Additionally, employers benefit from having a workforce that mirrors the customer base. Not only will diverse employees promote innovations that serve diverse populations, but they will also mirror increasingly diverse clientele. Building a diverse team that reflects the customer base supports a deeper understanding of their needs and increases opportunities to form personal connections. Promoting personal connections with older consumers is especially significant, as their purchasing power far outweighs their numbers. In 2017, the total economic activity of Americans over age 50 totaled \$7.6 trillion. While these older consumers represented approximately 35 percent of the 2017 population, they controlled more than half of the investable assets in the US. If this were a separate economy, it would have ranked third in the world, behind only the United States and China (Oxford Economics 2016).

Finally, considerable evidence suggests that firm productivity is enhanced by using mixed-age teams. Analysis of German data found that intergenerational collaboration blended the distinct talents of older and younger workers (Zwick and Gobel 2013). The Wall Street Journal has highlighted how teaming older and younger workers helps drive innovation by pairing new ideas with the experience to bring the idea to fruition. An example can be seen in the software industry, which though long known for glorifying the young genius inventor, relies on more experienced employees to nurture an innovation into a viable and profitable product (Wadhwa 2013).

Do older workers' strengths offset possible increased costs? Despite the benefits of employing older adults, some of which are discussed above, there are perceived costs, as well. The size of

these costs, however, may not be as large as generally thought. The theory that older workers remaining in the workforce longer reduces job opportunities for younger workers has been used to provide economic justification for early and mandatory retirement. But research at the Boston College Center for Retirement Research based on data from the Current Population Survey, which includes detailed questions about labor force participation, wages, and income from various sources, suggests that ‘greater employment of older persons leads to better outcomes for the young – reduced unemployment, increased employment, and a higher wage’ (Munnell and Wu 2012). Not only did this analysis disprove the notion that higher employment rates for older workers adversely impacted employment and wage rates for their younger counterparts, but it suggested that the opposite is true. Whether the economy is strong or in recession, increased employment of older workers does not negatively impact younger workers.

Older workers also are perceived to be significantly more costly in terms of wages when compared to younger workers. But as more employers shift to performance-based rather than tenure-based compensation, this cost differential has narrowed. In 1992, 61 percent of large employers offered performance-based pay, increasing to 80 percent in 2002. The trend continued over the next decade, with 90 percent of large employers reporting compensation structures based on performance by 2012. Additionally, Mercer pay research based on more than a million observations revealed that, across all job levels, pay increased during the earlier years, plateaued mid-career, then decreased as employees aged. This data showed that for less skilled and administrative jobs, 25-year-olds and 55-year-olds earned comparable amounts, as did 35-year-old and 60-year-old professionals and middle managers (Mercer 2019). Given that cash compensation comprises 74% of total employee cost, it is no longer true that older workers are significantly more costly based on their wages (Aon Hewitt 2015).

The link between age and retirement costs also has diminished as employers have shifted away from defined benefit (DB) pensions toward defined contribution (DC) plans. This shift has been dramatic: large employers offering DB plans decreased from 68 percent in 2004 to 22 percent in 2015 (Aon Hewitt 2015). Conversely, the availability of DC plans has increased from 32 percent to 78 percent over the same period (Aon Hewitt 2015). This trend toward DC plans with no age-related employer contributions further neutralizes the cost differential to employers of older versus younger workers.

Nevertheless, healthcare continues to be more costly for older workers versus younger workers (Burtless 2017). On the other hand, increases in life expectancy have been accompanied by gains in overall health: not only are people living longer, they also are staying healthier longer. In fact, older workers report good health in comparable numbers to their younger counterparts (Irving et al. 2018). As a result, the health insurance cost age differential is shrinking. Healthcare costs for both employers and employees have increased steadily across all age groups over the past decade. Figure 5 indicates that, despite the continued increase, the rate of increase is slower for workers over age 50 than for younger workers (Tejada et al. 2017).⁶ The overall increase in health care costs result in employer-provided health insurance becoming a larger component of total employee compensation, but the narrowing gap between the costs of healthcare for older and younger workers make the relative cost of employing older workers closer to that of younger employees.

Figure 5 here.

There is an important exception to this rule: the cost to small employers for providing healthcare to older workers can actually be less than the cost of healthcare for younger employees. Employers with more than 20 employees are prohibited from creating more than one employee

healthcare plan, even if one is a Medicare supplement plan. Nevertheless, federal law permits smaller employers to establish a separate group Medicare supplement plan for employees age 65+. Thus, while younger workers will continue to be covered by the employer's basic health care plan, older workers may choose to file for Medicare parts A and B, and the employer is permitted to provide a supplemental plan (Cooney 2020).

Older workers may choose to switch to Medicare for lower deductibles, copayments, and premiums. Employers may provide their employees with information about Medicare and other healthcare options, but they may not *entice* an employee to switch to Medicare with a bonus or other incentive. Yet the provision of a Medicare supplement plan by a small employer likely would reduce the necessary employee contribution to below that required under the employer's basic healthcare plan. The financial benefit to the employee may incentivize employees age 65+ to switch to Medicare. Of course, the savings to the employee are mirrored by savings to the employer. Medicare supplement plans, even ones with low deductibles and copayments, can be purchased less expensively than all-inclusive health insurance.

This exception is noteworthy as about 20 million people in the US (18 percent of all US employees) work for businesses with fewer than 20 employees (US Bureau of Labor Statistics 2017). The Affordable Care Act requires only businesses with 50 or more employees to provide healthcare benefits to employees, yet more than 60% of businesses with 20 or fewer employees provide such a benefit (National Small Business Association 2015). Less expensive healthcare benefits for older workers therefore nullifies an important objection to employing older workers; in fact, it may even incentivize small businesses to seek out older workers.

The business case for employing older workers is strong. Their experience, longevity of employment, and diversity of opinion benefit employers, perhaps even increasing revenue. And

the presumed cost to employers of hiring or retaining such workers is either declining or non-existent.

The Societal Health Case for People Working Longer

Working longer is also beneficial to the economy as a whole, increasing gross domestic product (GDP), providing skilled and less skilled labor, reducing the cost and burden of caring for older adults, and helping to shore up the federal social security system as workers continue to make contributions through payroll taxes.

Social security could use the help. By 2033, 77 million Americans will be eligible for retirement benefits, a substantial increase from 47 million in 2015 (US Census Bureau 2017). Some experts project the Social Security Trust Fund will be depleted by 2034, after which the program can pay out only 75 percent of benefits (Goss 2010). Americans have favored the federal safety net since its creation in 1935. Surveys have consistently shown the popularity of social security and desire for the government to increase benefits (Williams 2015). However, there has also been widespread doubt and uncertainty about its future solvency. Gallup polling historically has found that Americans ‘would rather raise social security taxes than reduce benefits.’ (Newport 2019) Since its creation, Americans have strongly believed in the preservation of social security for future generations, even if they have to pay more. For many, preventing cuts to social security benefits is not just a desire; they believe it is a necessity. According to an April 2019 Gallup survey, 57 percent of retirees indicate social security is a ‘major source of income in their retirement’ (Newport 2019).

Making it easier for people to work longer has been a topic attracting attention from employers, non-profit advocates, and policymakers at the federal, state, and local level. In the US

Senate, bills such as the Older Worker Opportunity Act have been introduced. The bill's sponsor, former US Senator Herb Kohl, then-Chair of the Senate Special Committee on Aging, specifically called out the importance of programs recognizing the employers who welcome older workers, such as the Certified Age Friendly Employer program, an initiative since 2005 of the Age Friendly Foundation. Non-profit organizations such as Changing The Narrative and The Frameworks Institute have partnered with the Age Friendly Foundation in promoting certification of Age Friendly Employers, and they also work to change the way we think and talk about ageism to promote more productive policies and practices that leverage the strengths and talents of older people.

In Massachusetts, Governor Charlie Baker established a Council to Address Aging with bipartisan support. A top recommendation of that Council was the broadening of an age friendly employer designation to propel employers to be more willing to recruit and retain older employees.

Policy makers, non-profits and employers themselves will need to build on these efforts to accelerate the participation rate of older adults in the labor force and volunteer ranks. They can accomplish this through more prominent awareness initiatives and convenings of senior leaders who can then educate each other about the business and health case for employing older adults. The benefits of working longer far outweigh the costs, and public policy is likely to evolve to facilitate working longer (Rappaport and Driver 2018).

Benefits to Older Workers

Older workers also benefit from continued participation in the workforce; work provides a means for older adults to remain engaged in their communities. In addition to reaping economic benefits from employment, they will be healthier for it, less isolated, and happier. Objective social

isolation has repeatedly been found to be a risk factor for poor mental and physical health, including higher prevalence of disease and increased risk of mortality (Streeter, et al. 2020).

Work provides opportunities for learning, reasoning, and social engagement, all of which help stave off the adverse effects aging can have on the brain.⁷ After retirement, there is often a decline in older adults' cognitive abilities (Xue et al. 2018). A long-term study in England assessed memory in more than 3,000 civil servants over a 30-year period covering the final part of their careers, as well as the early years of their retirement. Results showed that verbal memory, which declines naturally with age, deteriorated 38 percent faster after retirement (Xue et al. 2018). Other analyses have suggested that cognitive declines nearly double post-retirement (Sap and Denier 2017). Underscoring the impact extended work has on longevity, mortality rates decreased among those who worked past age 65 (Wu et al. 2016). These deteriorations stemmed not from the absence of work, but from smaller social networks and increased isolation. Study participants who continued to work into their older years had a 25 percent increase in the size of their social networks, while people who retired saw their social networks shrink. Given that social isolation has been identified as a health determinant equal to smoking 15 cigarettes per day (Holt-Lunstad et al. 2010), the reduced social networks resulting from retirement are cause for significant concern.

Employment among older workers may lead to as much as four times as much social interaction. A survey conducted by RetirementJobs.com and the Age Friendly Foundation in January 2020 compared the difference in interpersonal interactions among working older adults versus those who were unemployed (RetirementJobs.com and Age Friendly Foundation 2020). The survey, which was sent to more than 300,000 older adults (age 55 and over), asked respondents how many different people they spoke to *in person* during an average day.⁸ Overall, more than one

third of the 1438 respondents reported speaking to ten or more different people each day. Those respondents who identified themselves as unemployed reported significantly fewer social interactions than those who self-identified as employed. While only approximately 15 percent of the unemployed respondents spoke to at least ten different people each day, more than 60 percent of employed respondents reported that they interacted with at least ten people each day. Even those who worked remotely reported significantly higher in-person interactions, with more than 40 percent speaking to at least ten people each day (Figure 6). These data lend further weight to the theory that continued employment helps stave off social isolation and its resulting ill health effects among older adults.

Figure 6 here

Older adults who have a ‘retirement job’ also often volunteer. It is quite possible then that social interaction can be maintained if older adults choose to volunteer rather than work. Research on the benefits of volunteering by older adults is more extensive and has been going on for longer than for older employees. Although not conclusive, there is a correlation between volunteering and improved health outcomes, including larger social networks (Chambré 1987).

In addition to the benefits derived from increased social interactions, for many people, life derives some meaning, purpose, affiliation, and structure from the fact that they are working. Maintaining a satisfying career can help older people sustain their sense of worth and contribute to their happiness (Koenig 2018). David Weir’s research with the University of Michigan Health and Retirement Study supports this, also suggesting that people who retire early report lower rates of satisfaction in retirement than those who wait. (Koenig 2018)

It is noteworthy that nearly half of older adults seeking work after an initial retirement prefer a job that is new to them. The RetirementJobs.com/Age Friendly Foundation survey asked

respondents who had previously considered themselves retired whether they were pursuing an opportunity in a new field or were employed doing something similar to what they had done in the past (Figure 7). While 55.9 percent continued to perform a job similar to what they had done in the past, interestingly, 44.1 percent of respondents found something in a new field (RetirementJobs.com and Age Friendly Foundation 2020).

Figure 7 here.

This switch to a new type of work can be attributed to a variety of factors. Some people chose work that could be performed part-time; others sought less intensive work conditions; and some simply wanted to try something new. In fact, it is not uncommon for older workers to express a willingness to trade a pay cut for a more desirable job. At the age 50+ life stage, people tend to value their time somewhat differently, which can lead them down a different path (Table 1). Post-COVID-19, jobs that allow an employee to work from home are likely to become more desirable. Financial considerations also play an important role. As the retirement job often is a buttress to standard forms of retirement income such as the 401k, pension, and social security, the amount that a job pays may be important, but it may not need to be as high as earlier in their working life. Work also can be seen primarily as a source of reliable health insurance, rather than primarily as a source of income. Additionally, there are age-dependent implications with respect to how much one can earn without impacting social security payout, thus making a *lower* income preferable in some situations.

Table 1 here.

There is a trend underway toward working longer, suggesting people are willing and feeling the need to convert their sustained health into more years of work. Realizing this change, however, does not necessarily come easily for all older adults. Today, nearly one in three people

age 65-69 is working, and one in five age 70-74 is working (Mislinski 2020). These labor force participation rates are up about 50% in the last 20 years. For context, it is noteworthy that these rates are well below historical figures: at the turn of the twentieth century, four out of five men age 55 to 64 were working; and early two-thirds of men who survived to age 65 continued to work. In 1900, life expectancy at birth for a white male was just 47 versus 79 in 2020.

Working longer addresses economic pressure on older adults and adds health benefits. Yet it remains a substantial challenge for these older adults to find jobs in later years. Historically, older workers have remained unemployed longer than younger workers — about 37 weeks for people 55+ compared with 25 weeks for workers ages 35 to 44 (US Bureau of Labor Statistics 2017). Many employers still need to be convinced of the value of employing older workers.

Conclusion

There is a strong positive correlation between employment, social engagement, and longevity. Facilitating continued or new employment of older workers not only adds more years to those individuals' lives, but also adds more 'life' to their later years. When looking at increases in longevity, we need to characterize these additional years as added to the *middle* of one's life rather than the *end*. Moreover, though age discrimination in the workplace remains widespread, it is declining: a 2009 survey by RetirementJobs.com found that virtually all (96 percent) older job seekers believed age bias was 'fact of life in the workplace.' Ten years later, in 2019, four of five (83 percent) said this was the case, a decline of 13 percentage points (RetirementJobs.com 2019). This represents the beginning of a shift in cultural acceptance. In tight job markets, employers have little choice but to tap this 'alternative' candidate pool, but even in times of recession, employment opportunities for older workers benefit all.

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Endnotes

¹ By 2035, more people in the United States will be over age 65 than under 17. According to data from the United Nations, one in six people in the world will be over age 65 (16 percent), up from one in 11 in 2019 (9 percent). By 2050, one in four persons living in Europe and North America could be age 65+. In 2018, for the first time in history, persons age 65+ outnumbered children under five years of age globally. The number of persons age 80+ is projected to triple, from 143 million in 2019 to 426 million in 2050. (United Nations Department of Economic and Social Affairs 2019).

² In this model, work includes both full and part-time work, ongoing or periodic. Additionally, volunteering can be understood as a form of working. Even for those who do not require the economic assistance of working longer, volunteering not only benefits communities, but it can also provide the volunteer with the same physical, social, and emotional benefits as paid employment (Chambré 1987).

³ This is a rough estimate based on figures from the 2016 US Bureau of Labor Statistics Consumer Expenditure Surveys. It is not adjusted for inflation, investment income, possible social security income or other benefits.

⁴ One very simplistic example might be that of an experienced salesperson in a large box store who will not only be familiar with the location of products within the store, but also will have acquired knowledge about the products themselves, as well as the necessary frequency of restocking or returns.

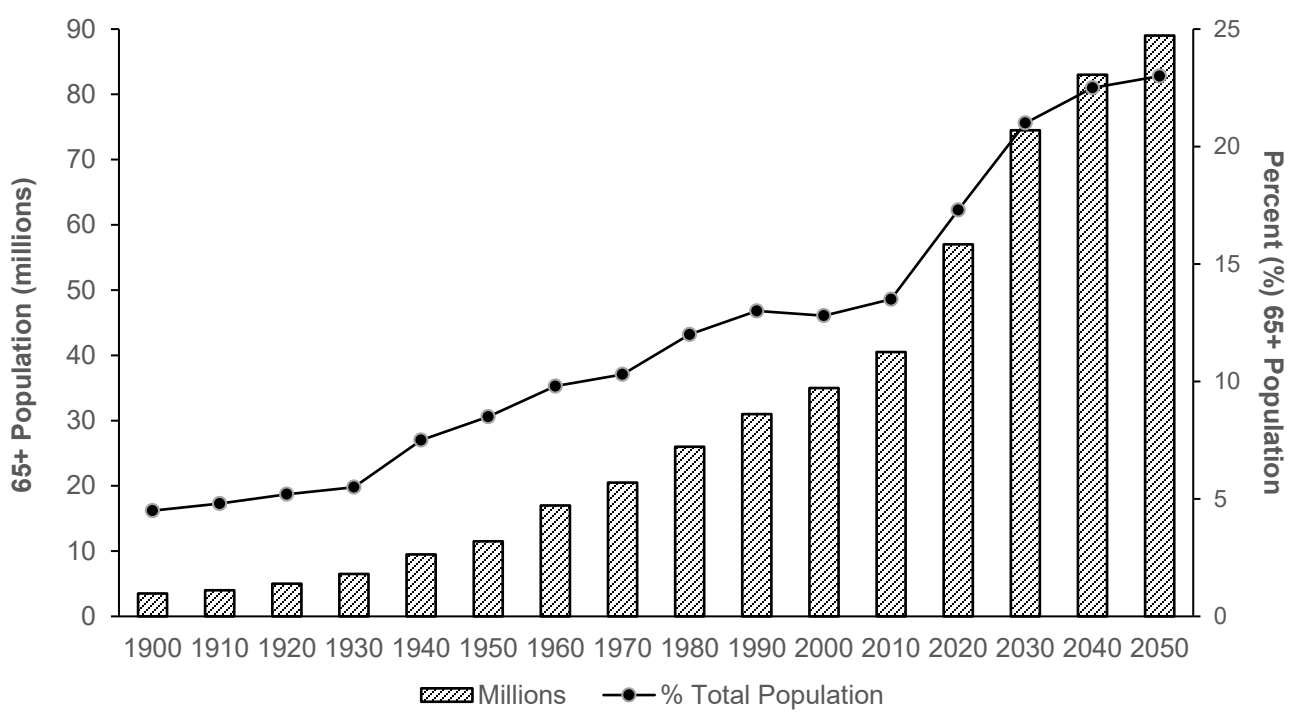
⁵ For the 90 percent of US workers who earn \$75,000 or less, typical turnover costs amount to one-fifth of the worker's annual salary (Boushey and Glynn 2012).

⁶ This decrease in the healthcare cost for older adults when compared to their younger counterparts is due to reduced incidence of certain high cost diseases such as heart disease among adults ages 50-65. Better diagnostic care, drug solutions and improved overall health also contribute to the cost reduction (Tejada et al. 2017).

⁷ People not only need and want to work longer, increasingly, they can. Unlike a century ago, when 80% of jobs were physically demanding manufacturing jobs unsuited to older workers, 80% of today's economy is service-based. Technology, most notably artificial intelligence and self-driving cars, loom as unpredictable variables in the future equation of work for older adults. Yet these could well be offset by other major shifts in the mass market landscape. For example, cashier positions today may rapidly turn into caregiver positions of the future.

⁸ The survey was distributed to more than 300,000 older adults from among RetirementJobs.com members.

Panel A: US population age 65+



Panel B: World population 65+

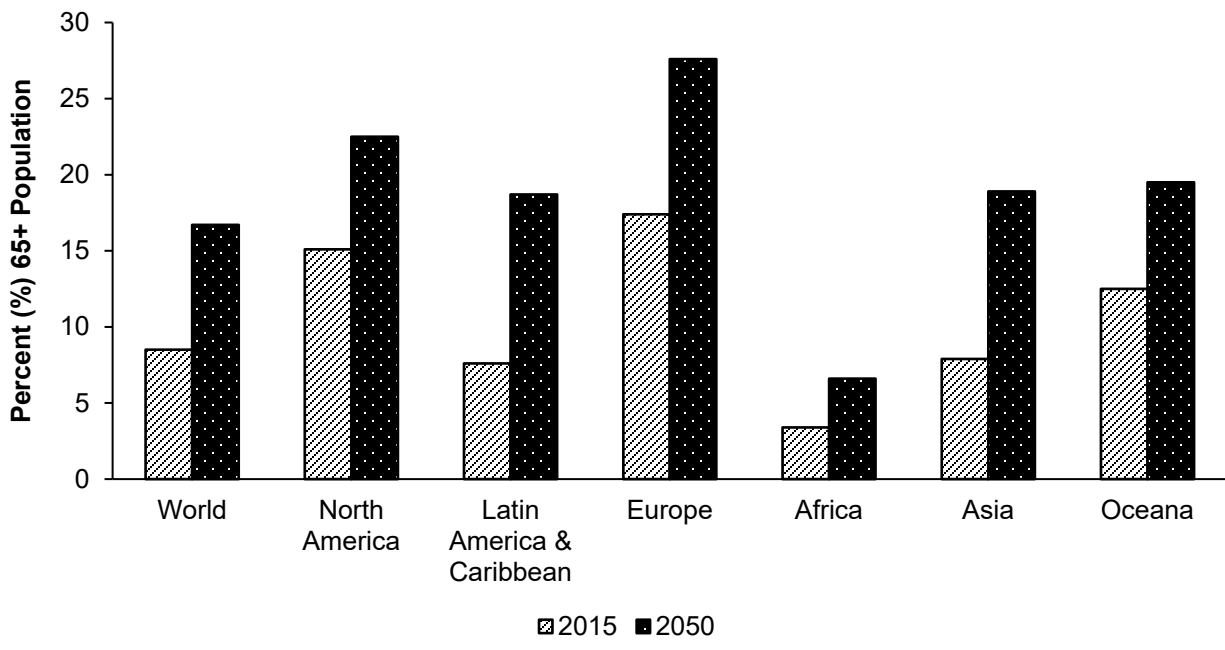


Figure 1. For more than a century, the United States and the world have been aging steadily

Note: Though the world population is aging, the pace of that aging is not the same around the world. Regions vary in the size and projected growth of their populations aged 65 and over. Many of the oldest countries are in Europe, a trend that will continue through 2050. The older population in Asia and Latin America will more than double between 2015 and 2050.

Source: Federal Interagency Forum on Aging Statistics (2019).

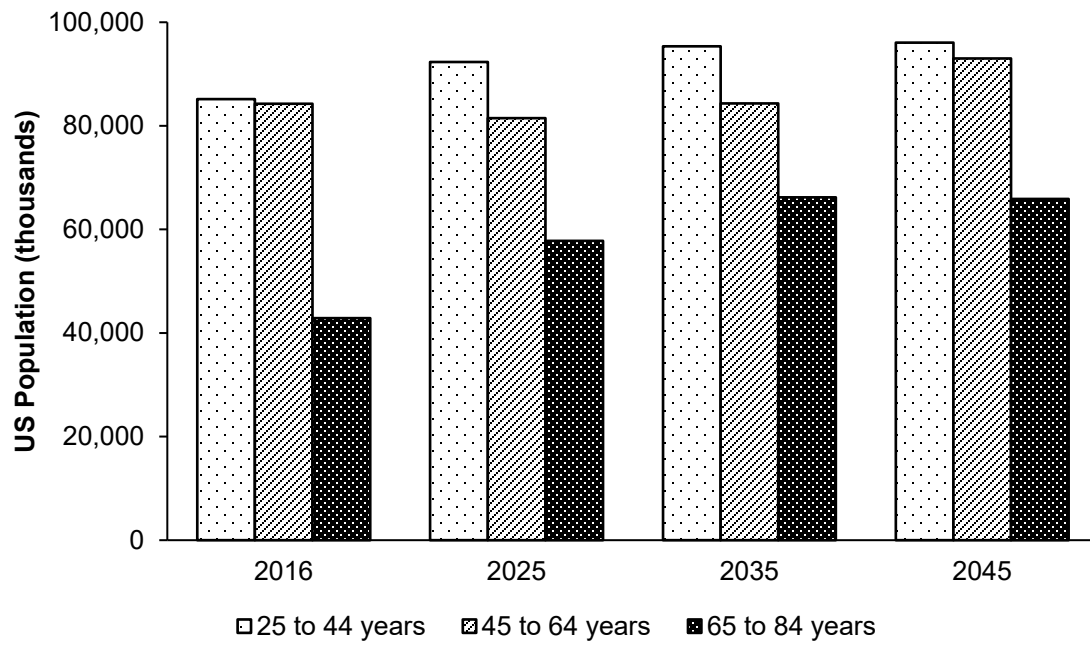


Figure 2. US working-age population is getting older, population projection 2016 – 2045

Source: US Census Bureau (2017).

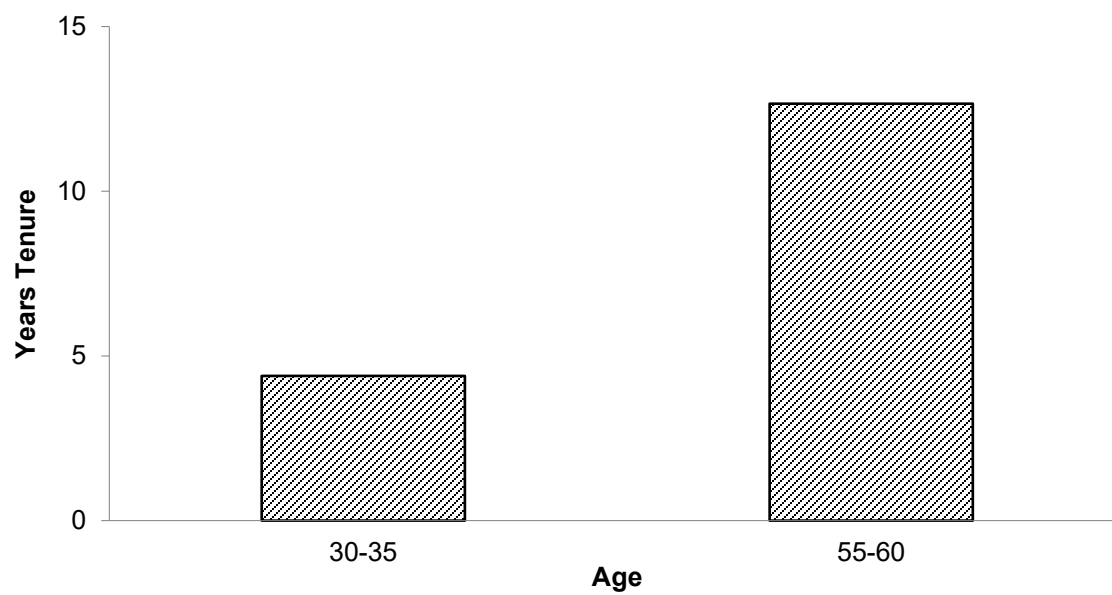
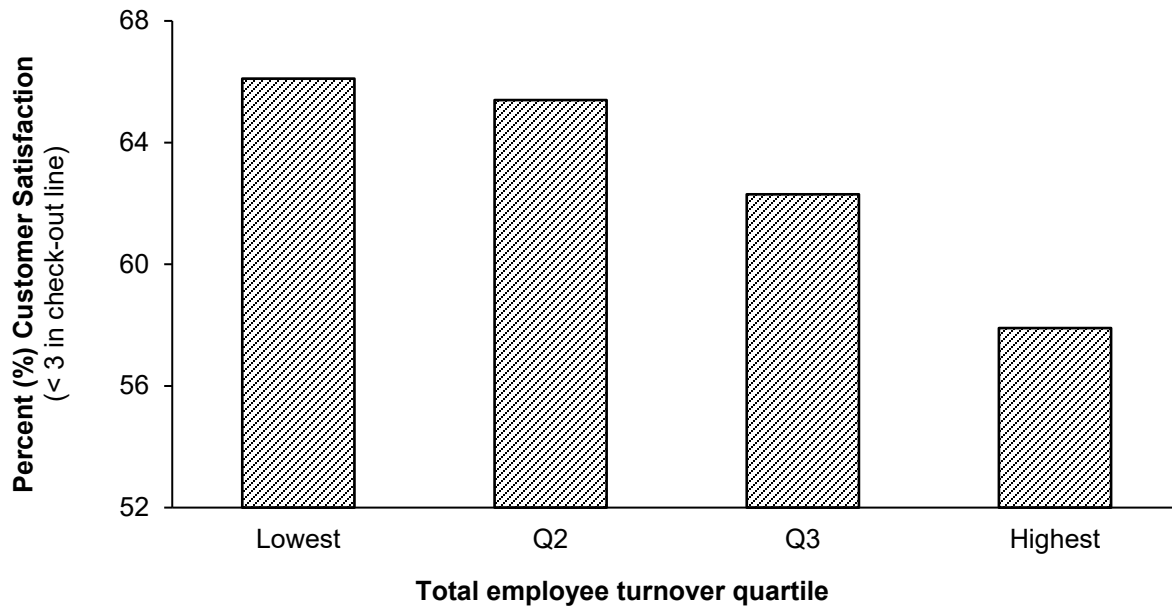


Figure 3. Older workers have much longer average tenure than younger workers

Source: Panel Study on Income Dynamics (2015).

Panel A: Stores with low turnover produce higher customer satisfaction



Panel B: Stores with higher customer satisfaction have higher profit growth

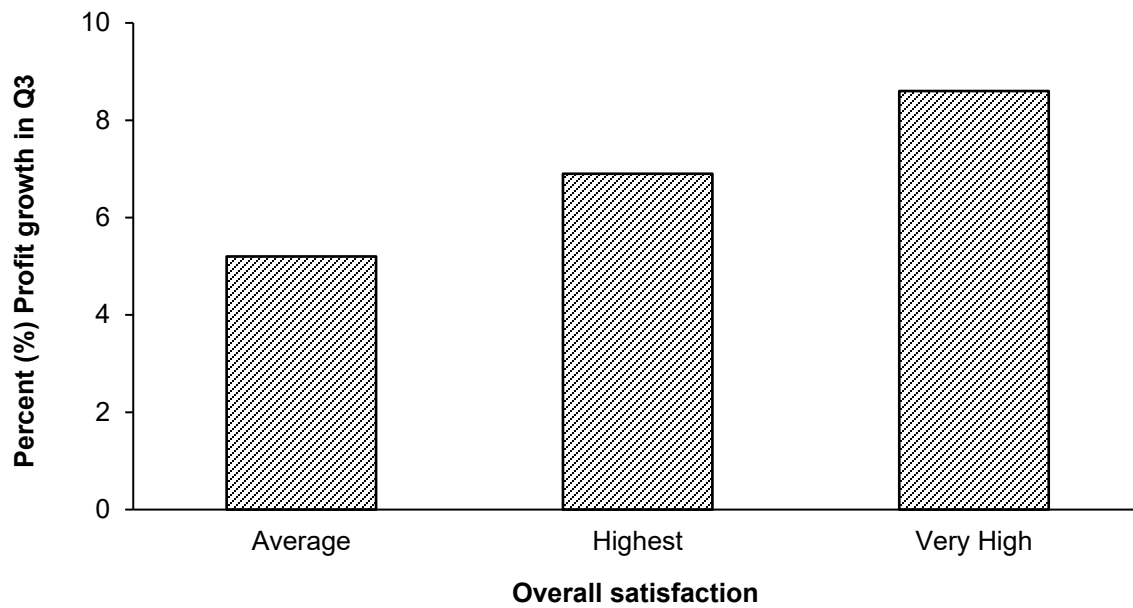


Figure 4. Stores with low turnover do better

Source: John Larson and Company (2018).

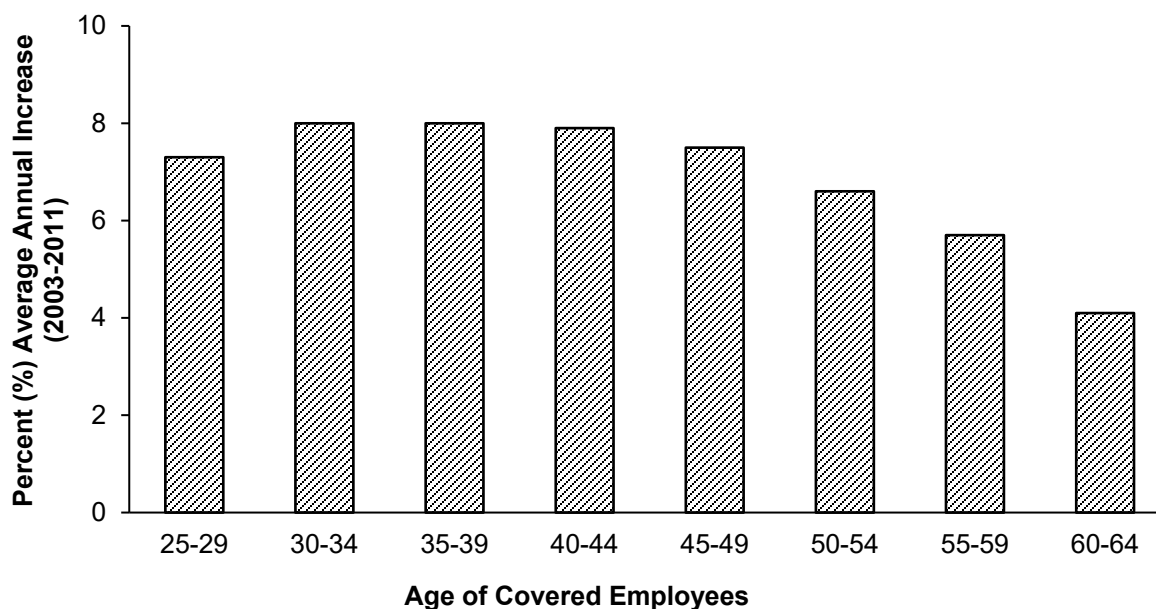
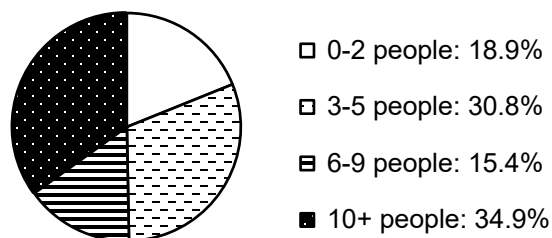


Figure 5. Average annual health care claims cost increase for large employers by age of employee

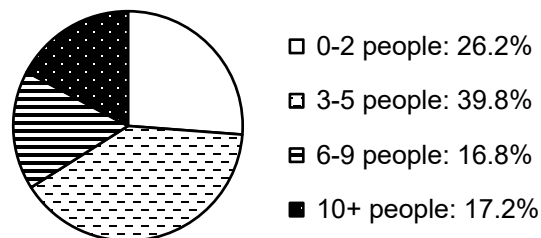
Note: Truven claims data covering over 14.6 million medical plan participants (employees and dependents); costs shown include total company-paid medical claim costs per employee for the employee plus all covered dependents.

Source: Aon Hewitt (2015).



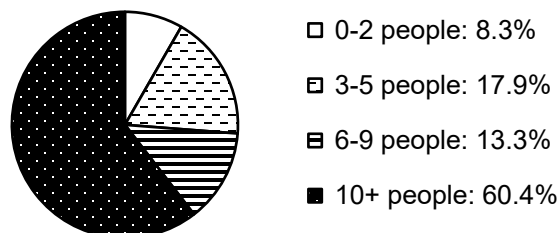
Panel A: All respondents: How many different people do you speak to in-person on an average weekday?

Note: Out of 1438 total respondents, 272 respondents spoke to two or fewer people, 443 respondents spoke to between three and five people, 221 respondents spoke to between six and nine people, and 502 respondents spoke to ten or more people.



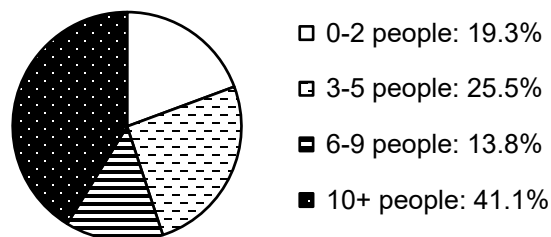
Panel B: Not currently employed: How many different people do you speak to in-person on an average weekday?

Note: Out of 1438 total respondents, 587 were employed and 851 were not. Of the 851 unemployed respondents, 223 spoke to two or fewer people each day, 339 spoke to between three and five people each day, 143 spoke to between six and nine people each day, and 146 spoke to ten or more people each day.



Panel C: Currently employed: How many different people do you speak to in-person on an average weekday?

Note: Out of the 587 respondents who were employed, 49 spoke to two or fewer people each day, 105 spoke to between three and five people each day, 78 spoke to between six and nine people each day, and 355 spoke to ten or more people each day.



Panel D: Work remotely: How many different people do you speak to in-person on an average weekday?

Note: Of the 587 respondents who were employed, 148 worked remotely. Among that group, 29 spoke to two or fewer people each day, 38 spoke to between three and five people each day, 20 spoke to between six and nine people each day, and 61 spoke to ten or more people each day.

Figure 6. Interpersonal interactions among working versus non-working older adults

Source: RetirementJobs.com and The Age Friendly Foundation (2020).

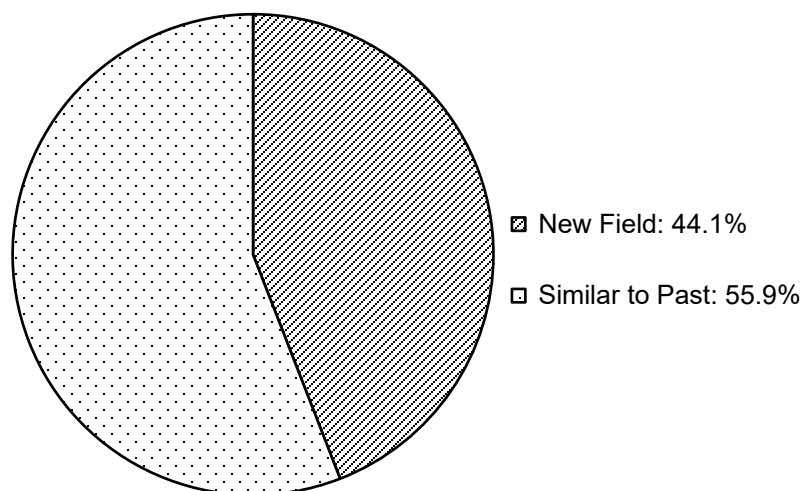


Figure 7. Survey: Are you pursuing an opportunity in a new field or are you employed doing something similar to what you have done in the past?

Source: RetirementJobs.com and The Age Friendly Foundation (2020).

Table 1. Job characteristics valued by employees age 50+

Positive job characteristics for older workers	Negative job characteristics for older workers
<ul style="list-style-type: none"> • Flexibility: Partial day, week or year 	<ul style="list-style-type: none"> • 60-hour workweeks
<ul style="list-style-type: none"> • Staying closer to home / Telecommuting 	<ul style="list-style-type: none"> • Long commutes • Frequent work travel
<ul style="list-style-type: none"> • Being an <i>individual contributor</i> where you complete shorter, assigned tasks whose outcome you mostly control • Being managed by someone younger 	<ul style="list-style-type: none"> • Managing large teams • Taking on big organizational mandates with significant risk and stress.
<ul style="list-style-type: none"> • Finding a fun, challenging, secure, and stable job and staying in it for a long time 	<ul style="list-style-type: none"> • Job hopping to improve pay or title
<ul style="list-style-type: none"> • A readiness to trade income for work/life balance (job pay is a supplement to investment and social security income) 	<ul style="list-style-type: none"> • Needing big raises every year to meet rising living and/or child-rearing costs
<ul style="list-style-type: none"> • Competing for business results in the marketplace 	<ul style="list-style-type: none"> • Competing with peers for promotions within the company and face-time with the boss
<ul style="list-style-type: none"> • Providing advice to people who value your work & life experience • Mentoring younger workers 	<ul style="list-style-type: none"> • Being mentored by a mature, experienced worker
<ul style="list-style-type: none"> • Developing relationships with customers who value your reliable and service-oriented style, trust you because they're older too, and may know you from previous personal or business dealings in the community 	<ul style="list-style-type: none"> • Developing relationships through heavy time investments (e.g., industry conferences)
<ul style="list-style-type: none"> • Giving back to society • Working for 'meaning' 	<ul style="list-style-type: none"> • What's in it for me?
<ul style="list-style-type: none"> • A readiness to be trained and learn new skills, such as specific computer programs 	<ul style="list-style-type: none"> • Not having time to focus on learning new things

Note: Compiled from results of 12 years of survey data collected by RetirementJobs.com.

Source: RetirementJobs.com (2017).