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A State of Action: Creating Opportunities for Older Workers

By Marcie Pitt-Catsouphes, Julie Weber, Tiffany Gabrielson,
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Even the most cursory glance at newspapers and magazines published over the past several years offers convincing evidence that there has been a surge in public awareness of the aging of the population of the United States. These demographic changes have stimulated innovative thinking about healthy aging and the emergence of new expectations for the engagement of older adults in paid work in addition to life-long learning and voluntarism.

State leaders who recognize that the aging of the population, in general, and the aging of the workforce, specifically, may provide opportunities for their states have demonstrated numerous examples of policy innovations to address this issue.

In Arizona, Melanie Starns, policy advisor in the office of Governor Janet Napolitano, has focused careful attention on the aging of the state's population. Starns routinely examines statistics as one way to keep her finger on the pulse of the needs and preferences of older adults who plan to continue their labor force affiliation. She notes, for example, that while 36 percent of Arizona's older people currently are workers, 78 percent indicate that they want to work. In response, Arizona launched the Mature

*Initiatives to address a need
that is likely to become
more pressing.*

Workforce Initiative in 2005. The initiative began with a series of summit meetings in different locations around the state and has been going strong for over three years. Leaders from the public, private, and not-for-profit sectors

in Arizona have pursued a comprehensive agenda that has included the following public awareness and education campaigns about the value of older workers; training and technical assistance provided to older adults and employers; strengthened links between employers and older workers through specialized websites; incentives for the hiring of older workers through employer recognition programs; and proposals for policy and regulatory changes. Arizona's cutting-edge projects include the Mature Workers Job Bank and the Mature Worker Friendly Employer Certification Program (www.zamatureworkers.com), the Mature Worker Connection (www.matureworkerconnection.com), and the Center for Workforce Transitions (www.boomersindemand.com).

In Idaho, in 2007, the governor's office convened a summit on aging. This conference was attended by more than 250 people from the public, nonprofit, and business sectors. Several of the sessions explored issues related to employ-

ment of older workers. Service providers who attended the conference offered information to older adults who were either in the labor force or who might have been interested in seeking paid employment.

As part of the 2006 Massachusetts Workforce Solutions Act/Economic Stimulus Bill, the legislature in that state established the Workforce Competitiveness Trust Fund in an effort to develop and implement programs to increase the quality and competitiveness of Massachusetts firms. The Workforce Competitiveness Trust Fund includes earmarked monies set aside to fund older worker retention and retraining strategies.

This article focuses on creative ideas and action steps that have emerged at the state level to address issues related to older workers.

VARIATIONS AMONG STATES

Given the compelling nature of national statistics on the aging of the U.S. population, we sometimes forget to examine these trends on a state-by-state basis. Yet it is within individual states that many of the interesting developments are under way, in response to the specific circumstances in those states. For example, the states vary significantly in age composition of the population, extent to which changes in the age demographics have recently occurred or are expected to occur over the course of the next decade, and age distribution of the workforce.

The state-by-state variations matter because state leaders may want to take age demographics into account as they make tough decisions about which population groups will receive scarce state resources and as they reassess the value that people across the life course, including older adults, can contribute to the state's short- and long-term economic and social sustainability. Regardless of the somewhat esoteric debate about whether demography is destiny, it is apparent that demographics can be indicators of possible future social scenarios. State leaders know that it would be foolish to ignore these harbingers of our future.

What aspects of demographics are state leaders paying attention to? Several types of demographic statistics can help state leaders better understand the complexities of the aging of their

populations (see Pitt-Catsouphes et al., 2008a, for demographic information for every state).

Distribution of age groups in the population. Demographic information helps state leaders to gain insight about residents' needs for services and resources, ranging from healthcare to transportation to education and training. In 2006, the percentage of the population that was age 55 and older was over 26 percent in five states: Florida (28.1 percent), West Virginia (28 percent), Maine (27.3 percent), Pennsylvania (26.5 percent), and Montana (26.1 percent). Not surprisingly, leaders in many of these states are paying attention to the aging of the population (see Pitt-Catsouphes et al., 2008a).

Anticipating change. Leaders in some states—Wyoming, New Mexico, and Arizona—might be paying particular attention to the aging of the workforce, not because they have the highest absolute numbers of older people or the highest percentages of older adults, but because they are expected to witness the highest percentage of change in the 55-plus age groups (see Pitt-Catsouphes et al., 2008a). State leaders who anticipate change might believe that advance planning for the aging shift will put the states in a better position to respond proactively.

Workforce demographics. The aging of the boomers has been accompanied by new expectations and preferences for paid work. Surveys indicate that a majority of older workers expect to continue their participation in the labor market past the normative retirement years of 62–65, at least in part because they may not have sufficient levels of financial resources to fully withdraw from the labor force. The Bureau of Labor Statistics predicts an 83.4 percent increase in the numbers of U.S. workers ages 65 to 74 during the ten-year period from 2006 to 2016 and a 36.5 percent increase among those ages 55–64. Although workers age 65 and older will still be a relatively small percentage of the total labor force (6.1 percent in 2016), the increase in the labor force participation rates of older workers is a noticeable change from the 2006 figure, which was 3.6 percent of the labor force (U.S. Bureau of Labor Statistics, 2008).

The states with the highest labor force participation rates among those 55 and older are Wyoming (46.8 percent), Alaska (44 percent),

Nebraska (42.9 percent), New Hampshire (41.7 percent), South Dakota (41.6 percent), and Vermont (41.3 percent) (see Sloan Center on Aging & Work, 2008a). States with lower employment rates might want to consider whether the older adults living in their states represent a population that is under-tapped for the labor market—thinking of working but not knowing how to get back into the labor market, for example.

Given the need and interest expressed by a majority of today's older adults to continue to engage in paid work, it may be particularly important for states with high rates of unemployment among workers age 55 and older to begin to identify innovative approaches for increasing the job opportunities for older adults. In 2006, states with the highest levels of unemployment among those 55 and older were the following: Michigan (5.6 percent), Alaska (5.2 percent), Rhode Island (4.8 percent), Louisiana (4.6 percent), and Nevada (4.5 percent). Other states including Nebraska, West Virginia, Wyoming, North Dakota, and South Dakota have comparatively low levels of unemployment rates among those 55 and older (Sloan Center on Aging & Work, 2008a).

The aging of the public sector workforce is noteworthy and may be a strong incentive for leaders in some states to assess the impact that the aging of the workforce (across all sectors) could have on the state's economy. In general, the public sector workforce is older than the private sector. Workers age 55 and older constitute over 30 percent of the state government workforces in four states: Nevada, Indiana, South Carolina, and Missouri. States that currently have high percentages of older workers in state government as well as those that need the talents and expertise of older workers should consider steps to align the human resource policies and programs available to state employees with the needs and preferences of older workers.

State leaders who want to leverage the positive potentials associated with the aging of their populations must identify ways to transform their understanding of the demographics into strategic plans for action. Examples of action steps include establishing task forces,

enacting legislation, and undertaking multistate initiatives.

TASK FORCES

A number of states have established task forces as a way to raise awareness, assess the impact of aging on workforce and economic issues, and make recommendations for action steps. In 2008, the following states had established such task forces: Alabama, Arizona, Arkansas, Iowa, Kansas, Maryland, Massachusetts, Minnesota, New Mexico, North Carolina, Ohio, and Wyoming. The experiences of three states are illustrative.

Massachusetts. The Massachusetts 50+ Workforce Innovation Task Force was established as a public-private partnership and includes individuals from state government, the Massachusetts state office of AARP, organizations that provide services to older workers, policy groups, and academic institutions. The task force has created four working groups focused on job training and technical assistance; links between employers and mature workers; promoting age diversity and age-neutral policies and practices; and public policy and regulatory changes.

Minnesota. In 2006, Minnesota launched Transform 2010, a project established to identify the impacts of the age shifts and to prepare the state for the coming age wave. The state's Department of Human Services and Department of Health have joined with the Minnesota Board on Aging (its state unit on aging), and have formed an interagency work group representing sixteen other state agencies that meets quarterly to exchange information and work together. The project developed five themes, for example, "redefining work and retirement," and has used these to organize the efforts of its partners. The success of Transform 2010 is indicated by a long list of accomplishments, such as convening a series of forums ("Boomers Mean Business") around the state, engaging businesses in conversations and activities related to the employment of older workers, developing a proposal to support mature workers interested in entrepreneurship, working with the community college system to increase opportunities for training and re-careering of older workers, designing programs to enhance finan-

cial literacy among employees (with the involvement of the state extensions service), exploring a partnership with a CEO group, and stressing the importance of workforce planning for all state agencies.

New York. New York's Mature Worker Task Force was created in 2007 and issued its first report in 2008. The task force, cochaired by the New York State Office for the Aging and the New York State Department of Labor, was created "to improve economic development and the economic security of older adults through opportunities that recognize the value of mature workers and also seek to retain, retrain, and offer second careers that will fill anticipated areas where there will be a labor deficit . . ." The activities scheduled for 2008 include the identification of best practices related to hiring, retaining, and retraining mature workers (New York State Office for the Aging, 2008).

LEGISLATION

Legislative activity is a form of public discourse that provides interesting insight into issues like shifts in the age demographics of the workforce that affect both private lives and societal well-being. Public policies can be either age-specific or age-neutral.

Age-specific policies target older adults, including older workers. One obvious advantage of age-specific policies is that they can be designed to reflect the priorities and preferences of older workers. Furthermore, outcome measures of these policies can be customized to include indicators that capture the impact on older adults' quality of life. Three examples of age-specific employment policies are those related to ageism and discrimination, phased retirement, and older worker training.

Ageism and discrimination. Our search of legal databases resulted in the identification of fourteen states that have statutes which address issues of discrimination at the workplace. Three states, Florida, Montana, and Wyoming, have passed legislation during the 2008 session.

Phased retirement. Phased retirement options enable older workers to reduce the number of hours they work (see Sheaks, 2007). We located statutes that discuss phased retirement options for state governments (including employees at

state colleges and universities in eight states, California, Florida, Iowa, Kansas, Minnesota, North Dakota, Washington, and Virginia. The provisions of these statutes range from those that protect retirement benefits to those that establish limits on the length of time that employees can be in a phased retirement program.

Training for older workers. Nineteen states have statutes that provide resources or establish education and training programs for older workers. These states are California, Colorado, Delaware, Illinois, Indiana, Iowa, Kansas, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, Montana, New Mexico, New York, Oregon, Pennsylvania, Tennessee, and Texas. It should be noted that although we have included these statutes in the "age-specific" legislation, many of these laws specify older workers as one of several groups designated as eligible for training opportunities.

Age-neutral policies. Age-neutral policies may reflect the needs and priorities of older workers, but the policies must apply to all workers and might indeed benefit workers of other ages. For example, the promotion of flexible workplaces responds to the expressed needs of substantial percentages of older workers; however, these options also benefit younger workers. The term "flexible work options" often refers to policies and practices that allow employees and their supervisors to have some choice and control about the number of hours worked (including voluntary part-time work, part-year work, and job-shares), the schedule of work hours (including flex time, compressed workweeks), the place of work (including satellite work sites, choice of work sites, telework or home-based work), leaving and then reentering the workforce (including leaves of absences), flexible career paths (including options for new careers), and the reorganization of job responsibilities (including options for pursuing jobs with fewer management responsibilities) (see Hill et al., 2008). Fundamentally, flexible work options allow for at least some customization of the ways that work and jobs are structured. We focus on legislation that addresses two types of flexible work options: flexible schedules and telework.

Flexible schedules. The implementation of flexible work options is usually viewed as the

purview of employers. However, state public policy makers have also become active stakeholders in conversations about flexible work options. Our 2008 review of state statutes found twenty-eight states or territories with statutes that address the establishment or implementation of flexible schedules.¹

Existing flexible schedule statutes make connections between flexible schedules and economic development and workforce development, suggest that flexible work schedules may be one option to address concerns about the environment and traffic congestion, align flexible schedules with the delivery of state services as well as with the preferences of state workers, and link flexible work options to volunteering and civic engagement. Bills related to flexible scheduling were introduced into the 2007–08 sessions of eight states: California, Connecticut, Delaware, Hawaii, Illinois, Missouri, New York, and Virginia.

Telework. Policies related to “telework,” or telecommuting, are those that allow employees to work from alternative work sites, often the employee’s home. Telework may be particularly attractive to employees (including older workers) who want to limit the amount of time they spend commuting. Twenty-four states and territories currently have laws on the books concerned with telework. Support for telework policies may reflect state leaders’ concerns for pollution, traffic congestion, or the needs of employees. Twelve states have adopted statutes that encourage state agencies to allow state employees to telework. Five states have passed legislation that encourage private sector employees to adopt telework policies. Given current projections that gas prices will remain high or increase, it is possible that state leaders’ interest in telework may increase.

Multistate initiatives. State leaders are often inspired by innovations that have been adopted by colleagues in other states. Multistate initiatives not only give state leaders access to emergent ideas, but they can also provide a structure for peer-to-peer guidance.

Three existing initiatives provide good examples of multistate initiatives.

- With the support of Atlantic Philanthropies, the National Governors Association Center for

Best Practices has convened two Policy Academies, “Civic Engagement: Engaging Seniors in Volunteering and Employment.” By the end of 2009, representatives from fourteen states will have participated, developing initiatives that help increase the number of older Americans engaged in meaningful employment, education, and volunteer opportunities. The specific initiatives vary state by state.

- Twenty-seven states have taken steps to become involved in a collaborative project being conducted by the Twiga Foundation and the Sloan Center on Aging & Work at Boston College, the “States as Employers-of-Choice Project.” It is the goal of this project to provide information, resources, and support to state agencies as they adjust to the aging of the public sector workforce with innovative policies and programs, including the adoption of flexible work options. (See Sloan Center on Aging & Work, 2008b.)

- Experience Wave (2008) has actively worked with leaders in Alabama, Arizona, Iowa, Maryland, Massachusetts, Montana, New Hampshire, New York, Ohio, Oregon, and Pennsylvania to explore ways to increase the opportunities to stay engaged, through work and other avenues like volunteering. Experience Wave provides technical assistance, research, and supports for policy making.

MOVING FROM AWARENESS TO ACTION

As suggested by the information included in this article, a number of states have already begun to respond creatively to the aging of their workforces. In many cases, state leaders have developed multipronged strategies that promote increased awareness of the extent and nature of the demographic changes, assess the impact of the aging of the workforce on the state as well as on older adults themselves, and anticipate the outcomes of specific actions such as creating pilot programs or new public policies.

The continued engagement of state leaders will be a critical factor that determines whether our country is ready to address the challenges and reap the benefits of the aging of the workforce. ☺

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NOTE

1. Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Guam, Illinois, Maine, Massachusetts, Montana, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Texas, Virginia, Washington.

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