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Boomer Bailout

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Will the middle aged send shockwaves through the economy when they retire? Here's how to keep working well with baby boomers as they continue to age.

This topic is a hot one. Why? Look at the facts. Run the numbers. You'll see you might, indeed, have a problem. Every 40 seconds a Baby Boomer turns 50. (Good excuse for more office parties.) They represent 60% of the workforce aged 25-54. One half of them will be eligible to retire in the next decade and there simply aren't enough skilled workers to replace them.

Here's what one manager asked us recently:

Every place I look I read that the Baby Boomers are approaching retirement and that organizations are going to really suffer when they leave. In fact I hear rumors every week in my own department about someone else in that age group taking an early retirement. Is that something I should really be worried about? Do something about?

Worry? Not good for your health. It *is* important, however, to look at the facts, consider your own situation, and then figure out what to do or when to do it. Some say the pending departure of Boomers is expected to trigger a demographic earthquake of unprecedented proportions. That means that for many managers, the problem isn't just one of filling the hole left by a departing star. It's a problem of filling far too many holes at one time. At an average cost of twice a departing employee's annual salary, imagine the drain on your operating budget and impact on the bottom line if that happens to you.

Unless -- the Boomers delay retirement, as Alison Overholt reports on in ["The Labor-Shortage Myth"](#).

An AARP survey of 1,500 workers aged 45-60 reported that 69% will keep working in retirement. The reasons for that include:

- Boomers identify themselves with work and career more than previous generations did.
- Life expectancy is now past 77.
- Rising healthcare costs will force them to keep their insurance.
- Savings and stock portfolios have recently plummeted.

Other not-to-worries include immigration and off-shoring, technology advances and productivity improvements. So, the situation *may* not be so bad after all.

Of course we know that the talent shortage will hit some industries, geographies, and career functions harder than others. For example, the U.S. already faces a nursing shortage of unprecedented proportions. In some cities that shortage has caused the closure of hospitals, just when the aging population needs more health care.

Some questions to ponder:

- What's happening in *your* backyard? Do you anticipate talent shortages, caused by Boomer departure or for any other reason?
- If *your* talented Boomers are going to work a while longer, why not keep them in your organization, rather than lose them to the competition?
- What will be lost to your organization when they leave? (e.g., deep knowledge about the business, technology, or organizational culture, wisdom, mentoring ability, wonderful customer relations, unwavering dedication and commitment to the job, leadership strength)

Based on your answers to the questions, you may decide to put in some extra effort to keep your talented Boomers a little while longer. Where and how do you start? There are things you can do as their manager, even if no one else in the organization blesses it. Here are a few for starters:

1. Sit with every one of these unique individuals (with their diverse wants and needs) and ask what will keep them a little while longer. Ask what they want to learn or do next. Listen to their answers and customize your retention strategies, just as you would for a talented worker of any age. Don't assume that just because they're older they're done learning or growing. In fact our research shows that the top three reasons workers over 50 stay in their organizations are:

- Exciting work, challenge
- Great people
- Career growth, learning and development

Who woulda guessed?

2. Give them some space. Be flexible and creative as you brainstorm possibilities with them. If they're leaning toward retirement but aren't sure, consider some ways they might "try before they buy." For example, could they work from home a few days a week or serve your team on a part-time basis? Could they shift their working hours to allow time for education, family, or hobbies? Would an extended vacation (sabbatical) help them "test drive" retirement?

3. Think about how they could mentor others in the organization (one great way to transfer knowledge) and consider challenging projects, learning options or leadership roles they might want to take on.

4. Be willing to question the long-standing rules in your organization, too. Use your influence skills and run your ideas up the chain of approval if need be.

Baptist Health South Florida has received numerous awards and recognition as a great place to work. In part, it's because managers at all levels asked the question, "How can we keep our older workers a little while longer?" The creative solutions seem endless and include:

- Representatives are available to help boomers change jobs internally, such as to less physically demanding jobs.
- Advanced warning of job displacement, career counselors, scholarships, tuition assistance.
- Fitness rooms, wellness programs, disease management, healthy meals, ergonomics support, and life threatening illness policy.
- Phased retirement -- employees can draw from the defined-contribution retirement plans at 59. Some older workers use this policy to reduce their work hours while using their retirement savings to keep a steady salary.
- Employees can accrue up to 1,000 hours of paid time off, which some use as extended vacations to see if they want that much free time.

While the Baptist Health story is more about what an entire organization can do to keep Boomers than what one manager can do, every strategy started with one manager's creative contribution and the courage to recommend it (even push it) to decision makers.

Many organizations and individual managers are already getting creative with this topic. Why? Because they believe the numbers. So do we.