



Jobs for life?

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Karen Thompson is 67 years old and has worked for the same company for 32 years, but for the moment retirement is not on her horizon.

"I don't have a set time," Thompson said. Her employers at Securian Financial in St. Paul, where she works in marketing, haven't even brought it up. "As long as I'm valued and respected — and I know I am — I'll keep working."

More Americans these days say they're in no hurry to retire at the traditional age of 65. A 2013 Gallup poll found that 37 percent of working people expect to stay on the job until they're over 65, up from 14 percent a couple of decades ago. Among people approaching 65, the percentage rises to more than half.

Many feel they can't afford to lose the paycheck. In a survey by the Employee Benefit Research Institute, 36 percent of workers said they were "not too confident" or "not at all confident" of having enough money to live comfortably through retirement. Many saw their retirement nest eggs shrink during the recession. Defined-contribution retirement plans such as 401(k)s, unlike the traditional pensions they have widely replaced, depend on workers saving prodigiously and waiting as long as possible to draw on them.

But there are other reasons people want to stay on the job. Thompson sees work as a way to remain intellectually engaged and active.

"It's really important to keep learning," she said. "Being exposed to new ideas — that really is what stimulates me."

Baby boomers like Thompson, now ranging in age from 50 to 68, are healthier and better-educated than previous generations, and are likely to live longer. Chances are they're in good shape to keep working.

What's unclear is how many employers will give them the opportunity to do so. At least in today's economy, workplaces are not known to be particularly welcoming to employees in their late 60s and beyond.

Tim Traudt, executive vice president of wealth management at Wells Fargo, looks at this issue for the company's Boomer Network, an employee resource group. He spoke in November at a conference sponsored by SHIFT, a local nonprofit that helps people navigate midlife transitions.

"When we turn that magical age, companies are ready to move us along," he said.

During the recession, older workers had better luck keeping their jobs than their younger counterparts did. But those who did wind up unemployed had a much harder time finding work. Between 2008 and 2011, workers in their fifties stayed out of work longer and were about a fifth less likely than those 25 to 34 to find new jobs, said Richard W. Johnson, director of the



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Karen Thompson is a marketing and communications specialist at Securian in St. Paul: "I don't have a set time" to retire.

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Program on Retirement Policy at the Washington-based Urban Institute.

"If you had a job you could keep it, if you didn't have a job you were pretty much out of luck," he said.

Ageism is an obstacle

Securian has a national reputation for valuing older employees. It's on the AARP's list of 50 Best Employers for Workers over 50, the only Minnesota company on the list. Nearly a third of Securian's approximately 2,400 employees are over 50, the oldest 78.

"To me, this company doesn't hold you back because of your age," said Norman Bullock, 65, a security guard at Securian who started there at 52. "Mature people are getting hired."

Mary Streed, the company's director of talent management, said the company's policy is to "hire the right person for the job, regardless of their age."

Those are reassuring words for people in their 50s and 60s. But studies suggest that companies like Securian may be outliers in their appreciation for employees who have blown out 65 candles.

"There's a lot of evidence that age discrimination still exists," Johnson said. On the one hand, older workers are seen as experienced, reliable and loyal. But "there are these ingrained stereotypes that employers have, that society has: Older workers are set in their ways, they're not up to date with their skills and they're expensive."

Anti-age prejudice is at least somewhat misplaced. Overall, older workers are no less productive than younger ones, Johnson said, although their productivity can take different forms.

"Older people [as a group] are not as strong with the 'aha moment,' those big breakthroughs," he said. "But they're better with the type of thinking that involves reasoning, that involves connecting the dots."

Broadhead, a Minneapolis marketing communications agency, is another company that values older employees' contributions. The agency's staff of about 50 skews older than typical for the marketing industry, said Kristi Zach, the company's director of culture and performance. "We tend to find talent where the talent lies — we don't have to have a 30-year-old."

A few years ago, Broadhead hired several longtime freelancers. These older employees "have been around for a while and they understand how the business should work and they've tried things that have worked and haven't worked. That's helped us grow a little more quickly than typical for a company our size."

At Securian, Thompson said her co-workers value the experience she brings to the table.

"They always tell me I'm a font of historical information," she said. "I'm the Minnesota History Center or something."

Economy could boost demand

How employers feel about hiring or retaining older workers can depend largely on how desperate they are for workers, period. Earlier last decade, businesses braced themselves for a wave of retirements as boomers closed in on 65 (the oldest boomers hit that age in 2011). Expecting they'd have to scramble to fill openings, many employers seemed ready to set aside any prejudices and offer incentives for skilled older workers to stick around, such as workplace flexibility and phased retirements.

Securian, for example, offers training programs of interest to older people, workplace accommodations for poor eyesight and bad backs, plentiful health and financial benefits, and flexible options including telecommuting and part-time work.

At Hennepin County, administrators have been paying attention to forecasts for about 15 years and devising ways to retain older workers, said Lisa Underhill, senior benefits analyst for Hennepin County. Forty-seven percent of the county's 7,500 employees are 50 or older, said Underhill, also speaking at the SHIFT conference.

"We're all facing these future challenges," she said.

Just not at the moment. Once the recession hit, Johnson said, "worrying about a labor shortage was the furthest thing from employers' minds."

The good news for older workers is that, as the economy improves and the population ages, they will likely be back in demand. Falling birthrates after the 1960s mean that eventually there won't be enough younger workers to replace retiring boomers, and employers once again will be looking at ways to retain older people. Between 2000 and 2020, the number of younger adults, relative to older ones, is expected to drop from 4.5 to 3.3 younger workers for every adult over 65.

In fact, the whole economy could be in for a struggle, Johnson said. More Americans will qualify for Social Security and Medicare, while fewer will be paying taxes to support those benefits. Taxes could increase, retirement benefits could be cut and per-capita economic output could fall.

"From now until 2020, the size of the population age 25 to 54 is only going to increase by 4 percent, maybe only 2 percent," Johnson said. Meanwhile, the older population "is increasing 4 times as fast."

The result could be that more employers will, once again, be looking for ways to lure and retain older workers.

"Business has been slow to plan for population aging, but delay won't be an option for much longer," warned the Harvard Business Review about a year ago. "Unemployment is high now, but as labor markets tighten, especially in Europe and Japan, companies will soon have little choice but to welcome older employees. Indeed, prompt action to harness — and enhance — the contributions of older workers will be seen as a key competitive advantage."

Though she may someday leave her job at Securian, Karen Thompson has no plans to replace her desk chair with a rocking chair. She already has a couple of volunteer involvements she would probably expand if she weren't on a payroll.

"Or maybe I'll find another interest," she said. "I'll always work in some capacity."

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