



# **Preparing for an Aging Workforce: A Focus on New York Businesses**



May 2007



# **Preparing for an Aging Workforce: A Focus on New York Businesses**

**Report Prepared by  
Katherine Bridges & David Cicero**

**Copyright © 2007  
AARP  
Knowledge Management  
601 E Street NW  
Washington, DC 20049  
[www.aarp.org/research/](http://www.aarp.org/research/)  
Reprinting with Permission**

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our bimonthly magazine in Spanish and English; *NRTA Live & Learn*, our quarterly newsletter for 50+ educators; and our website, [www.aarp.org](http://www.aarp.org). AARP Foundation is our affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

## **Acknowledgements**

AARP staff from the New York State Office, State Affairs, Public Policy Institute, Outreach and Service, and Knowledge Management contributed to the design and implementation of this study. Special thanks go to AARP staff including Ed Redfern, Jr., Beth Finkel, and Julianne Rich, New York State Office; Clare Hushbeck, State Affairs; Deborah Russell and Kathleen Rapp, SNI Outreach and Services; Sara Rix, Public Policy Institute; Rachelle Cummins, Jennifer Sauer, Joanne Binette, Darlene Matthews, and Jennifer Leslie, Knowledge Management; and Michael Schuster, Office of General Counsel. Alan Newman Research conducted the study on behalf of AARP. Katherine Bridges, AARP Knowledge Management, managed all aspects of the project. The report was written by Katherine Bridges and David Cicero. For more information, contact Katherine Bridges at (207) 899-2094.

## **REPORT ORGANIZATION**

<b>SURVEY HIGHLIGHTS.....</b>	<b>PAGE 1</b>
<b>BACKGROUND .....</b>	<b>PAGE 2</b>
<b>PURPOSE OF SURVEY.....</b>	<b>PAGE 3</b>
<b>SURVEY FINDINGS.....</b>	<b>PAGE 4</b>
<b>SUMMARY OF FINDINGS.....</b>	<b>PAGE 10</b>
<b>RECOMMENDATIONS .....</b>	<b>PAGE 11</b>
<b>METHODOLOGY .....</b>	<b>PAGE 12</b>
<b>RESPONDING ORGANIZATION DEMOGRAPHICS .....</b>	<b>PAGE 14</b>
<b>APPENDIX A: ANNOTATED SURVEY .....</b>	<b>PAGE 15</b>

## Survey Highlights

AARP New York commissioned this survey of 400 employers across the state of New York between November 6<sup>th</sup> and December 7<sup>th</sup> to examine aging workforce issues. The study was conducted with organizations listed in New York with twenty or more full-time employees. The survey examines employers' perceptions of worker shortages, the loss of institutional knowledge, and the extent to which employers have implemented approaches to keep older workers. Key findings from the survey include:

- More than three in five (62%) employers surveyed believe their business is likely to face a shortage of qualified workers within the next five years. However, only one in four (23%) say they have consciously taken steps to prepare for the possibility of boomers retiring at the traditional age.
- When asked about specific approaches companies might use to prepare for a shortage of workers caused by boomers retiring, only 11 percent of businesses surveyed say they are offering incentives to encourage their employees to delay retirement.
- One in four (23%) organizations surveyed say they *do not* offer retirement benefits. Of those that do offer benefits, most do not offer long-term care insurance (75%), retiree health benefits (62%), or defined benefit pensions (55%). Remarkably, 39 percent of organizations surveyed offer phased retirement, but mostly on an informal basis.
- Almost three-fourths (72%) of businesses surveyed say it is extremely or very important to retain institutional knowledge that might be lost when employees retire or otherwise leave. However, only a third of businesses (34%) report having a formal process that enables employees who retire or leave to share the knowledge they have obtained on the job.

There is still time for employers to identify and evaluate policies, attitudes, and perceptions towards older workers that can negatively influence their ability to retain and compete for qualified workers. Strategies such as conducting workforce planning, reevaluating benefits, developing flexible work options and implementing succession planning and mentoring programs can help address issues such as the potential shortage of qualified workers in the next five years as well as the loss of institutional knowledge.

## Background

For decades, the Bureau of Labor Statistics has been projecting two major shifts in workforce demographics that will present many American businesses with unique human resource challenges – a substantial aging of the workforce and an ensuing cohort of fewer younger workers. Today, the growth and demographic shifts generated by the baby boom population of more than 76 million (those born between 1946 and 1964) are being closely observed by American employers. While the proportion of workers ages 25 to 44 is expected to decrease by about seven percent between 1998 and 2008, the percentage of those ages 45 and older is predicted to increase from 33 percent to 40 percent during the same time period.<sup>1</sup> Included in this older cohort are baby boomers, who now represent 40 percent of the U.S. workforce and will begin turning 65 over the next five years.<sup>2,3</sup>

However, rather than retire, boomers show a strong indication of choosing to continue to work. Indeed, the Bureau of Labor Statistics reports that by 2012, almost two-thirds of Americans ages 55 and older will be working and they will constitute one-fifth of the U.S. labor force. Additionally, the growth rate of workers ages 65 to 74 has been increasing since 1982 and is projected to increase another 3.2 percent up to 23.6 percent between 2000 and 2012.<sup>4</sup>

There are many factors contributing to the increasing number of older workers in the United States including the nearly universal elimination of mandatory retirement, changes to Social Security, and the erosion of pension and retiree health benefits.<sup>5</sup> Moreover, in a recent national study conducted by AARP, respondents ages 50 and older said they plan to continue working in retirement out of financial necessity, the need for health benefits, enjoyment of the job, staying mentally and physically active, and quite simply, the need to feel productive.<sup>6</sup>

So faced with a potentially abundant 50-plus workforce and a smaller pool of younger workers following close behind, American businesses could be confronted with the possibility of losing important organizational knowledge with every worker who leaves the company. If steps are not taken, critical institutional knowledge could be lost, including best practices, corporate networks, client relationships, effective working teams, as well as understanding the company culture.<sup>7</sup> Such losses could negatively affect the performance of an organization and possibly make it vulnerable to increased competition.

---

<sup>1</sup> DeLong, D. (2004) *Lost Knowledge: Confronting the Threat of an Aging Workforce*. Oxford University Press, Inc.

<sup>2</sup> Bell, A. (2005) *To Raise Boomer Retention, Firms May Have To Update Benefits*. National Underwriter Company, Life and Health-Financial Services Edition.

<sup>3</sup> Current Population Survey, 2005.

<sup>4</sup> Toosi, M. (February 2004) *Labor Force Projections to 2012: The Graying of the U.S. Workforce*. Monthly Labor Review.

<sup>5</sup> Rix, S. *Aging and Work – A View From the United States*. Washington, D.C: AARP (2004).

<sup>6</sup> Brown, S.K. (2003) *Staying Ahead of the Curve 2003: The AARP Working in Retirement Study*. Washington, DC: AARP.

<sup>7</sup> Ibid, DeLong, D.

How will these demographic forces specifically impact New York? With the baby boomers edging closer to traditional retirement age and fewer numbers in subsequent generations coming into the workforce, competition for qualified workers is likely to increase among New York businesses. In 2004, 13 percent of the labor force in New York was age 65 and older.<sup>8</sup> With the 65-plus population of the state expected to climb from 1.2 million in 2005 to 1.4 million by 2025,<sup>9</sup> one could expect an increase in the number of workers age 65 and older. When these workers begin to retire, the work force in New York may diminish substantially.

Adding to the challenge of these demographic trends is the predominance of small businesses in the local economy. In New York, most businesses (89%) have fewer than 20 employees. However, four in five workers (80%) in the state work for businesses with 20 or more employees.<sup>10</sup> Unlike their larger counterparts, smaller firms have greater challenges in providing retirement health benefits, productivity incentives and training programs – all of which are important requirements for an organization trying to retain or attract skilled employees.

## **PURPOSE OF SURVEY**

To better understand the extent to which New York employers are implementing approaches to recruit or retain older workers and protect organizational knowledge, AARP New York commissioned this survey of employers across the state of New York. The study was conducted by phone between November 13<sup>th</sup> and December 7<sup>th</sup>, 2006, with 400 organizations listed with twenty or more employees in New York.<sup>11</sup> Specifically, the survey examines employers' perceptions of worker shortages, loss of institutional knowledge, and the extent to which employers have implemented approaches to keep older workers.

---

<sup>8</sup> Number of Older Workers by State, Bureau of Labor Statistics, 2004.

<sup>9</sup> Projects of the Population by Age and Sex of States: <http://www.census.gov/population/projections/state/stpjpeg.txt>

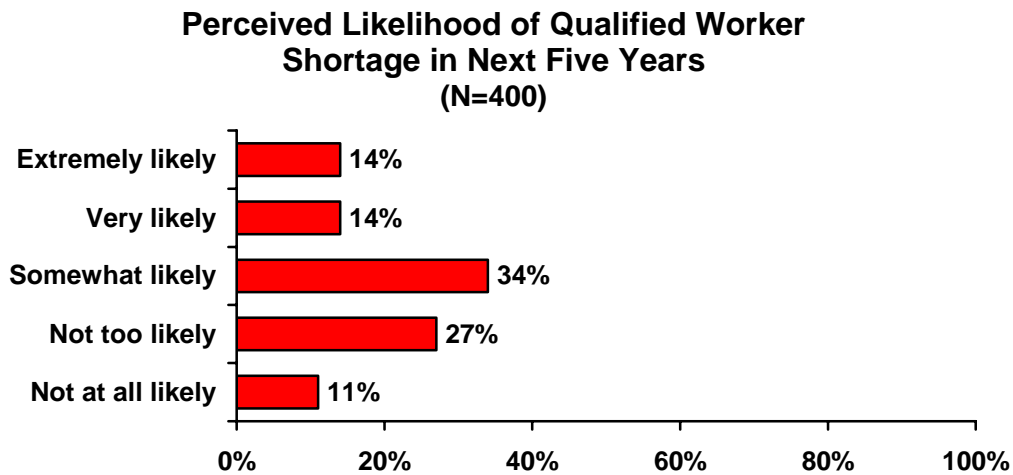
<sup>10</sup> Ibid, Bureau of Labor Statistics

<sup>11</sup> While 81 percent of New York businesses have fewer than 20 employees, business with 20 or more employees were selected for the study because they employ more than eighty percent (84%) of the workforce in the state.

## SURVEY FINDINGS

### The Likelihood of a Future Shortage of Qualified Workers

While finding qualified applicants has been an increasing struggle for many New York businesses, the data indicate that this issue may continue to be a concern for them in the near future. More than six in ten businesses surveyed report it is likely that their organization will face a shortage of qualified workers in the next five years. Less than four in ten report a labor shortage is not likely to affect their organization.



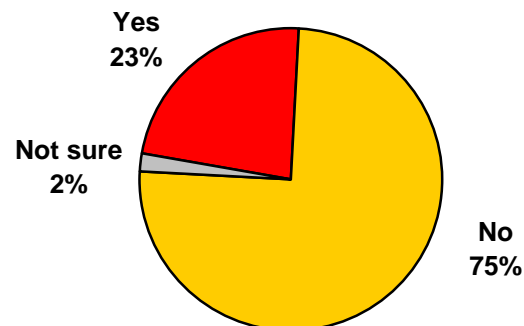
### Preparedness for Potential Labor Shortage Due to Baby Boomer Retirements

According to the Bureau of Labor Statistics, the number of workers between the ages of 25 and 54 will increase by only five percent between 2001 and 2010, but the number of workers age 55 and older – primarily the baby boom generation – will increase 46.6 percent.<sup>12</sup> This demographic trend has many concerned about the impact of a potential worker shortage on employers and businesses if boomers actually retire at the traditional retirement age.

As in other states, most respondents in New York say their organizations have not made preparations for this possibility.<sup>13,14,15</sup> Only about one fourth of the businesses responding to the survey say their organization has taken steps to prepare for a potential labor shortage as a result of baby boomers retiring.

### Prepared for Baby Boom Retirements

(N=400)



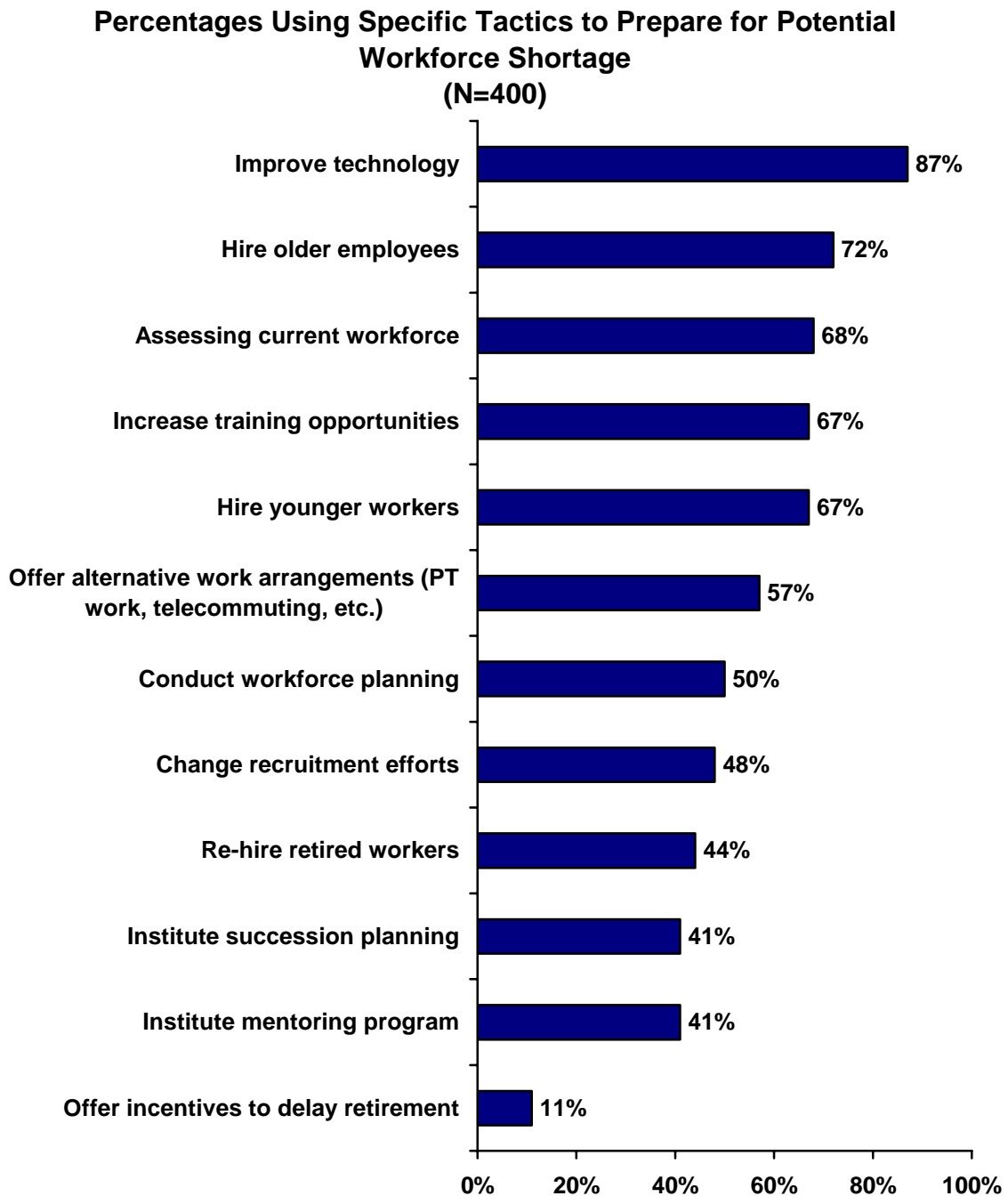
<sup>12</sup> Collison, J. (2003) *Older Workers Survey*. SHRM/NOWCC/CED

<sup>13</sup> Cummins, R. (2004) *When the Boom Drops: A Survey of Virginia Businesses on Older Workers*. AARP.

<sup>14</sup> Cummins, R. (2005) *Putting Aging Workforce on Employment Planning Radar: Results from an AARP/Florida Trend Survey*. AARP.

<sup>15</sup> Nelson, B. and Bridges, K. (2005) *New York Businesses and Older Employees: A Focus on New York Employers*. AARP.

However, when asked about specific approaches that businesses might take to prepare for a workforce shortage due to boomers retiring, most respondents say their companies have undertaken at least one tactic tested in the survey—most often improving technology. Very few are currently offering incentives to delay retirement, but many are hiring older workers. About seven in ten are assessing their current workforce, increasing training opportunities, and hiring younger workers.

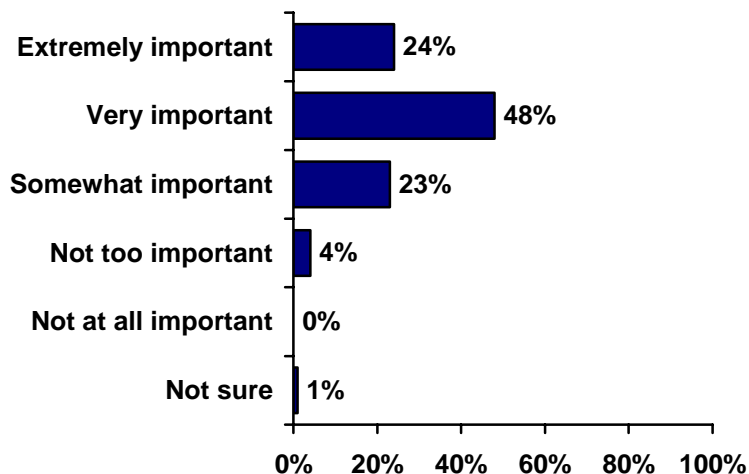


## Value of Organizational Knowledge Retention

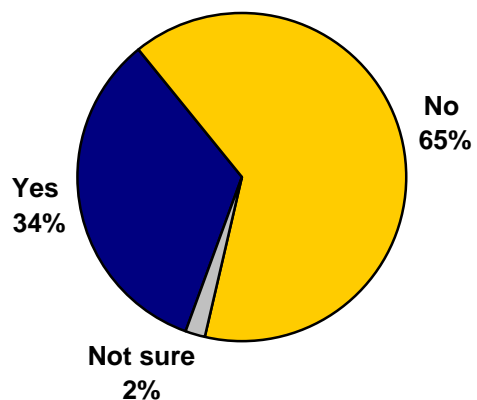
When workers leave or retire from an organization, they take with them valuable knowledge of instruction, experience, and cultural nuances gained while on the job. Unless an organization has mechanisms in place to preserve worker knowledge, its loss can negatively affect the organization's capacity to innovate and operate efficiently and may even increase its vulnerability to competition.<sup>16</sup>

New York businesses acknowledge this – most say they experience a loss of knowledge when an employee retires or leaves the organization (major loss: 39%; minor loss: 48%). See Appendix A, Question 4). So it is not surprising that for the majority of them, tapping the institutional knowledge of departing employees is extremely or very important to them. What is surprising, however, is that only a third has a formal process in place for employees to pass on their knowledge and experience gained on the job before they leave.

**Importance of Retaining Organizational Knowledge (N=400)**



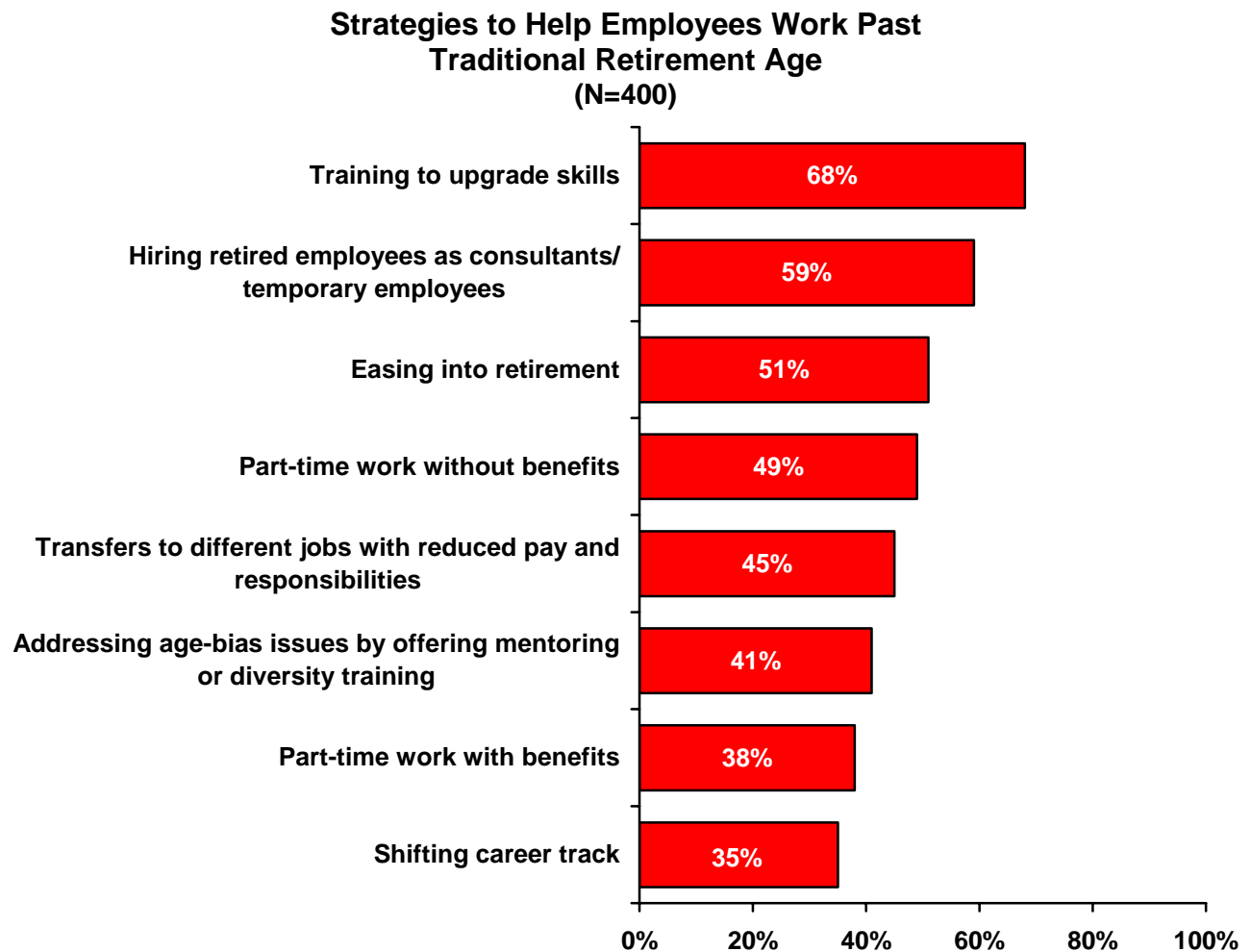
**Process To Retain Knowledge/Experience of Retired Employees (N=400)**



<sup>16</sup> Ibid. DeLong, D.

## Strategies of New York Businesses to Keep Older Workers

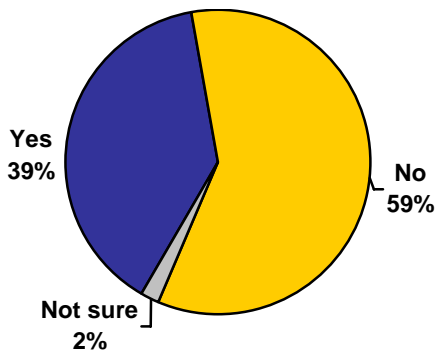
Some New York businesses are helping older employees continue working beyond the customary retirement age. The most common strategies currently in use by some respondents are: providing training to upgrade skills, hiring retired workers as consultants or temporary employees, enabling employees to ease into retirement by reducing their work schedules and providing part-time work arrangements without continuation of benefits.



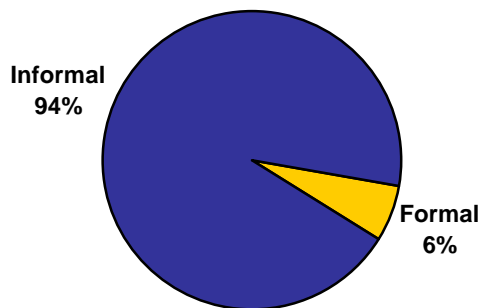
One specific strategy, phased retirement, is particularly beneficial to both workers and employers. Allowing workers to reduce their work hours or responsibilities in order to ease into retirement can make this transition considerably easier for some who have long defined themselves as workers. And to the employer, such an arrangement provides an opportunity to use this time to mentor younger employees and transfer institutional knowledge, as well as continue to gain benefits from retiring workers' skills and expertise for a longer period of time than would otherwise be possible if retirement came abruptly.

When asked specifically whether their company offers phased retirement, that is allowing employees to ease into retirement by reducing their work schedule, over a third of the organizations acknowledged it is available in their organization. However, most of the companies that offer such an arrangement say it is done on an informal, case-by-case basis, rather than through structured or defined policies.

**Phased Retirement Offered (N=400)**

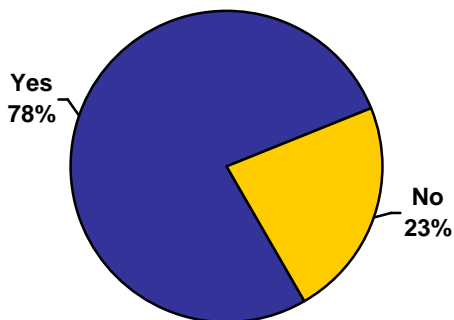


**Type of Phased Retirement Offered (n=158 offering phased retirement)**

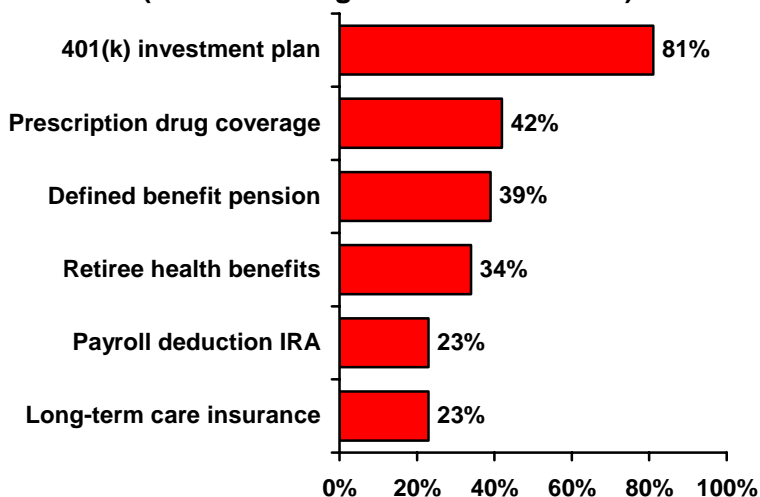


As a further strategy to recruit and retain experienced employees, experts have noted that having or extending health and supplementary benefits packages, such as dental and vision plans and long-term care insurance can be attractive employment incentives to baby boom workers.<sup>17</sup> While most of the companies responding to this survey say they do offer retirement benefits to their employees, many are not offering health benefits, which are particularly attractive to older workers when they are considering their employment options. Only 20 of the 301 employers surveyed reported that they had plans to phase out any of the retirement benefits they currently offer.

**Retirement Benefits Offered (N=400)**



**Type of Retirement Benefits Offered (n=310 offering retirement benefits)**



\*Percentages may not add to 100 due to rounding

<sup>17</sup> Ibid, Bell, A.

In addition, participants were asked an open-ended question about what regulatory and or policy barriers companies face when designing workplace programs to attract and retain older workers, such as phased retirement, retirement benefits, health benefits, and other programs. Many respondents reported that health benefits are a concern because insurance is more expensive for older workers. Moreover, several participants mentioned retirement benefits, pension laws, technology issues, and higher salaries as barriers to attracting and retaining older workers.

Respondents were also asked, what, if any, programs to attract and retain older workers has their organization delayed implementing because of the barriers mentioned in the previous question. New York businesses cited part-time job sharing, mentoring programs, retirement and health benefits, rehiring retired workers, aggressively targeting older workers, and training programs as programs that have been delayed due to the barriers mentioned in the previous question.

## SUMMARY OF FINDINGS

While many businesses seem to be in denial about a potential labor shortage due to baby boom retirements, demographic trends provide a reality check: it is clear that the composition of America's workforce is becoming noticeably older than in previous decades while the pool of younger workers is shrinking. For a business to retain its competitive edge in the years to come, it must recognize and capitalize on the strengths of the 50-plus worker.

As noted by David DeLong,<sup>18</sup> 50-plus workers differ from their younger counterparts in that they are more likely to have remained with one organization longer. Employees who are able to work in organizations for long periods of time are more likely than short-term employees to accumulate job-specific critical knowledge around business operations, organizational culture, best-practices, and technological changes and adaptations – that is, “institutional memory.” It is easy to imagine the negative impact the loss of this type of knowledge could have on an organization or various parts of an organization.

Findings from this survey indicate that New York businesses understand the value of the knowledge and experience employees gain while working for an organization, particularly over long periods of time. Most place a high level of importance on retaining departing employees' wisdom and recommendations—however less than a third have an organizational process in place to preserve such institutional knowledge. Demographic projections and recent studies suggesting many boomers wanting or planning to work beyond the typical retirement age, should be factored into planning inasmuch as 50-plus workers are a viable and significant bridge to maintaining organizational knowledge and fostering corporate growth and stability.

When asked to consider a potential shortage of workers due to the retirement of boomers over the next few years, only about a fourth of New York businesses surveyed appeared to be trying to position their companies ahead of the curve by proactively taking steps to prepare for this possible labor shortage.

However, the data in this study show there are opportunities for businesses in the region to take notice of the trends and make some adjustments in their policies, attitudes, and perceptions towards older workers that can positively influence their ability to retain and compete for qualified workers. Strategies such as conducting workforce planning, reevaluating benefits, developing alternative work options and implementing mentoring programs can help address the potential shortage of qualified workers in the next five years as well as the loss of institutional knowledge.

---

<sup>18</sup> Ibid. DeLong, D.

## RECOMMENDATIONS

### What can New York Businesses Do to Retain or Recruit Older Workers and Possibly Stave Off a Labor Shortage?

A recent report released for AARP by the consulting firm Towers Perrin suggests some steps organizations can take to effectively address their aging workforce.<sup>19</sup> These suggestions include:

- Inventory current talent and define near and long term organizations goals
- Consider the investment needed and the total compensation costs of attracting 50-plus workers
- Pay attention to both revenue and performance considerations
- Study the available labor pool and define organizational talent strategies
- Align reward programs to support business and talent objectives
- Align workplace policies and culture to make the work environment attractive to the 50-plus worker

Small businesses are not as exempt from these ideas as they might have been in the past. Indeed, financial services firms like Charles Schwab & Co. and Fidelity Investments are now offering retirement planning services to small businesses to help them set up employee-retirement accounts and 401(k)s.<sup>20</sup> Some experts point out that adding or extending health and supplementary benefits packages, such as superior dental and vision plans and long-term care plans, can be attractive employment incentives to baby boom workers.<sup>21</sup>

Engaging in strategies such as these may help organizations retain and recruit experienced and skilled 50-plus workers, and they may also help organizations preserve the important knowledge possessed by their retiring employees and enable them to pass it on efficiently to current or new workers. Moreover, companies that actively address the impact of labor force trends on their business and take the necessary steps to adjust their operations and policies are likely to remain competitive in the marketplace. Turning to 50-plus workers as a means of filling the potential labor shortage gap in the near future may actually provide a competitive edge for forward-thinking businesses.

---

<sup>19</sup> (2005) *The Business Case for Workers Age 50+*. A report prepared by Towers Perrin for AARP.

<sup>20</sup> Opdyke, J. (2005) *Small Firms Offer More Retirement Options – Wall Street Pitches Plan To Underserved Market*. Wall Street Journal, 11/22/2005, D1.

<sup>21</sup> Ibid, Bell, A.

## METHODOLOGY

In November 2006, AARP engaged Alan Newman Research (ANR) to conduct a research study among employers in New York regarding issues pertaining to older workers.

ANR completed 400 interviews with Human Resource (HR) Executives, HR Directors, HR Specialists, HR Generalists, Managers of Compensation, or other individuals responsible for recruiting or hiring employees, managing benefits, supervising training, or conducting dispute resolution between employees, management, and/or unions. In order to qualify for this study, employers had to have at least 20 full-time employees and be located in New York. Eligible businesses were initially identified based on sample information. However, all respondents were re-screened based on job title, company location, and number of full-time employees.

### Sample

The sample was drawn by infoUSA from their database of New York Businesses. The resulting sampling frame consisted of 4,000 total companies with 20 or more employees.

The final sample of 400 respondents yields a maximum statistical error of  $\pm 4.9\%$  at the 95% level of confidence. This means that in 95 out of 100 samples of this size, the results obtained in the sample would be within  $\pm 4.9$  percentage points of the results obtained had everyone in the population been interviewed.

Data were weighted to reflect the distribution of industries in the infoUSA database.<sup>22</sup>

### Methodological Summary

**Initial Contact** Interviewers initially contacted all businesses by phone and began with a request to speak to the HR Director. Where available, interviewers would ask to speak with the HR Director by name. If the HR Director was unavailable or if that title did not specifically exist, interviewers asked to speak with the senior person responsible for making human resources decisions at the company. Because the available sample information frequently included only a general phone number, the process of identifying potential qualified respondents frequently took several days and numerous phone calls.<sup>23</sup> Once a potential respondent was identified, this person was then screened according to the criteria outlined in Appendix A.

**Invitation/Request for Participation** After qualifying, all respondents were asked to participate in an employer survey being conducted by AARP. Willing respondents were offered the option of either completing the survey immediately or, if it was not a convenient time, the interviewer either scheduled an appointment to call back the respondent or they provided a toll-free number which the respondent could use to participate at a time that was convenient to them.

---

<sup>22</sup> Weight values ranged from a low of 0.03 to a maximum of 2.57. The average weight value was 1.11. For a detailed outline of the weighting categories and resulting weights, please contact the report author.

<sup>23</sup> Note these exploratory calls did not count toward the 5 total attempts made on each business. Attempts were counted toward this total only after a qualified respondent was identified or if interviewers were unable to speak to a live contact after five attempts.

**Additional Procedures** All qualified respondents were offered a monetary incentive for their participation. Respondents at companies with fewer than 100 employees were offered a \$10 incentive while companies with 100 or more employees were offered a \$25 incentive for completing the survey. At the end of the interview, respondents were given the option of either providing the required contact information for incentive fulfillment or specifying a charity of the respondent’s choice to whom the incentive could be donated. Respondents could also elect to not receive the incentive at all.

**Calling Parameters** All interviewing took place November 6 through December 7, 2006 between 9:00 a.m. and 4:00 p.m. Monday through Friday, unless otherwise requested by the respondent.<sup>24</sup> Up to 5 call attempts were made per number at varying times of day as well as days of the week. Every effort was made to schedule interviews at a time convenient to the respondent. Respondents who specifically request removal from our “list” were assigned a final disposition and are added to a cumulative “Do Not Call” database which automatically removes them from future research studies. Near the end of the study, additional efforts were made to reach non-contacted businesses.

### Sample Disposition

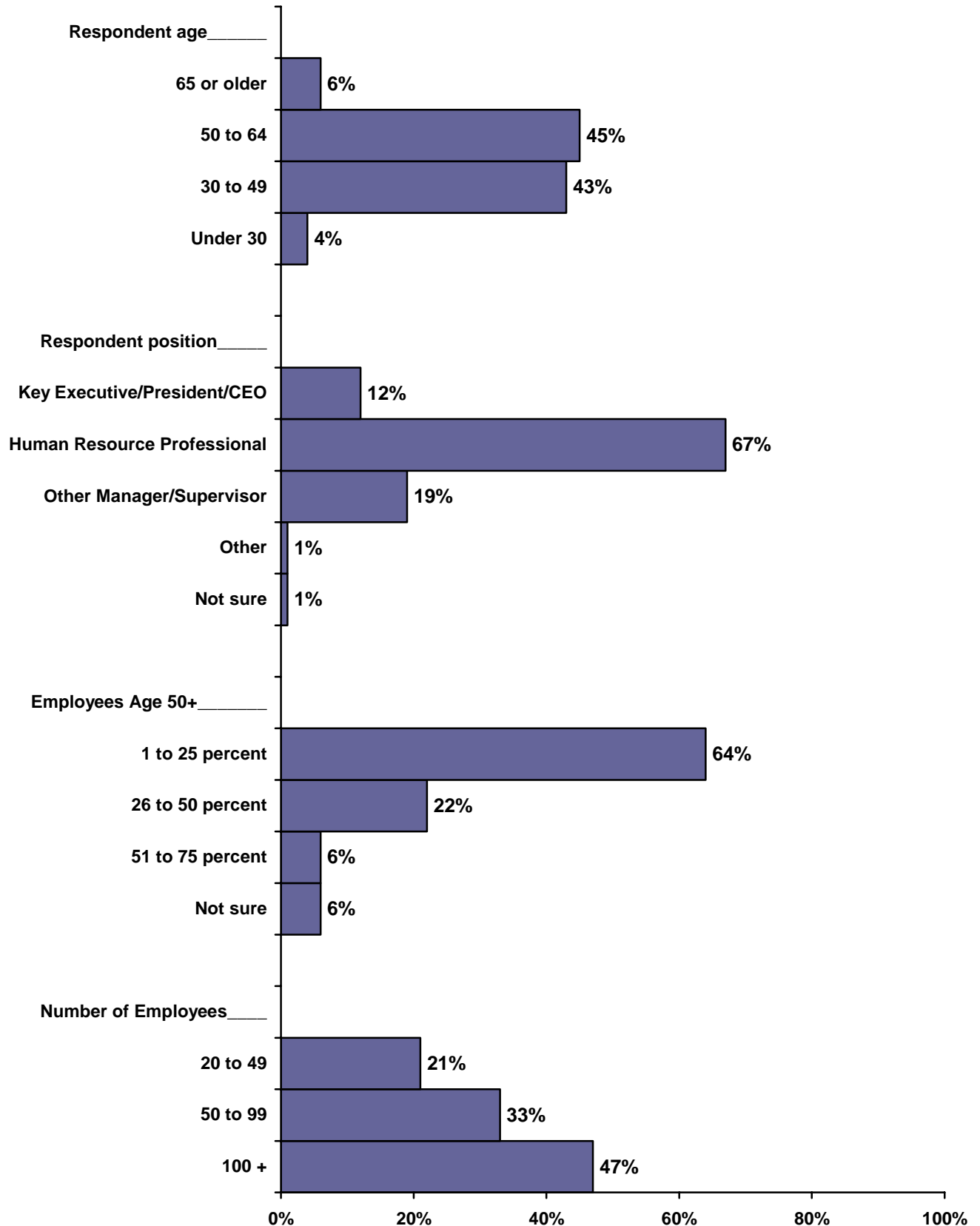
TOTAL NUMBER OF COMPLETES	400
TOTAL NUMBERS RELEASED	4,000
TOTAL NUMBER OF DIALINGS	3,693
COOPERATION RATE (COOP3)	25.46
REFUSAL RATE (REF3)	35.77
RESPONSE RATE (RP3)	13.11

The following annotated questionnaire discloses all responses for the sample. Percentages may not sum to 100 percent due to rounding or multiple response. Questions about this survey should be directed to Katherine Bridges (207) 899-2094 or [kbridges@aarp.org](mailto:kbridges@aarp.org).

---

<sup>24</sup> All times are based on the respondent’s time zone.

## RESPONDING ORGANIZATION DEMOGRAPHICS



\*The lists of businesses obtained for the survey included businesses with 20 or more employers, however, the actual number of employers as reported by respondents may have been smaller.

**APPENDIX A:**  
**ANNOTATED QUESTIONNAIRE**

# New York Workforce Survey

Weighted N=400 Employers

## **Screeners**

S1. Are you the senior level executive responsible for making human resources decisions at your company?

%  
 85 Yes → [SKIP TO S2]  
 15 No  
 0 DON'T KNOW / NOT SURE

S1a. Are you a Manager of Compensation, HR Specialist, NY HR Generalist for your company? (n=59)

%  
 68 Yes → [SKIP TO S2]  
 32 No  
 0 DON'T KNOW / NOT SURE

S1b. Are you responsible for any of the following human resource functions at your company? [RECORD ANSWER FOR EACH] (n=19)

	Yes	No	Not Sure
	<u>%</u>	<u>%</u>	<u>%</u>
a. Recruiting and/or hiring employees.....	42	58	0
b. Managing employee benefits and compensation.....	81	19	0
c. Conducting and/or supervising training and development programs for employees.....	40	60	0
d. Managing or conducting dispute resolution between employees, management, and/or unions.....	33	67	0

1 Yes → [YES TO ANY OF THE ABOVE = SKIP TO S2]  
 2 No [TERMINATE]  
 3 DON'T KNOW / NOT SURE [TERMINATE]

S2. Excluding contract or contingent employees, approximately how many full-time employees does your company have in all locations in New York? [IF NECESSARY: "Just your best estimate is fine."] [RECORD ACTUAL # AND CHECK QUOTA BASED ON CATEGORIES BELOW]

%  
 0 Less than 20 [TERMINATE]  
 21 20 – 49  
 33 50 – 99  
 22 100 – 249  
 11 250 – 499  
 9 500 – 999  
 5 1,000 or more  
 0 DON'T KNOW / NOT SURE/REFUSED [TERMINATE]

- S3. Excluding contract or contingent employees, approximately how many part-time employees does your company have in all locations in New York? [IF NECESSARY: “Just your best estimate is fine.”] [RECORD ACTUAL #] (n=205)

<u>%</u>	
0	Less than 20
32	20 – 49
28	50 – 99
21	100 – 249
9	250 – 499
2	500 – 999
5	1,000 or more
3	DON'T KNOW / NOT SURE
0	REFUSED

**MAIN QUESTIONNAIRE:**

1. **In your opinion, within the next five years, how likely is it that your company will face a shortage of qualified workers?**

<u>%</u>	
14	Extremely likely
14	Very likely
34	Somewhat likely
27	Not too likely
11	Not at all likely
2	Not sure (DO NOT READ)

2. **Baby Boomers, or those born between 1946 and 1964, are approaching traditional retirement age. Their retirement may create a shortage of employees since the generation following them is much smaller. Has your organization taken any steps to prepare for this possibility?**

<u>%</u>	
23	Yes
75	No
2	Not sure (DO NOT READ)

**3. I'm going to give you some examples of tactics some businesses might use to address the aging workforce. Please tell me whether your organization has done any of the following?**

	Yes	No	Not Sure
	<u>%</u>	<u>%</u>	<u>%</u>
a. Hire younger employees .....	67	30	3
b. Hire older employees.....	72	26	2
c. Increase training opportunities .....	67	33	<.1
d. Change recruitment efforts .....	48	52	1
e. Assess your current workforce .....	68	28	5
f. Conduct workforce planning .....	50	44	6
g. Improve technology.....	87	12	1
h. Rehire your retired employees.....	44	55	1
i. Offer incentives to delay retirement .....	11	88	1
j. Offer alternative work arrangements such as part-time work, job sharing, or telecommuting .....	57	43	1
k. Institute a mentoring program between older and younger employees	41	58	1
l. Institute succession planning .....	47	49	5
m. Other [SPECIFY]_____	6	94	0

**4. How much knowledge loss do you think occurs when employees retire or otherwise leave your organization?**

<u>%</u>	
39	A major amount
48	A minor amount
7	None
7	Not sure

**5. In your opinion, how important would you say it is to retain the institutional knowledge that might be lost when employees retire or leave?**

<u>%</u>	
24	Extremely important
48	Very important
23	Somewhat important
4	Not too important
0	Not at all important
1	Not sure

**6. Does your organization have a formal process that enables employees who retire or otherwise leave to share the knowledge they have obtained on the job?**

%

34 Yes

65 No

2 Not sure

**7. Does your company offer phased retirement, that is, allowing employees to ease into retirement by reducing their work schedule?**

%

39 Yes

59 No → [SKIP TO Q9]

2 Not sure → [SKIP TO Q9]

**IF PHASED RETIREMENT IS NOT OFFERED, GO TO QUESTION 9.**

**8. Is phased retirement a formal plan, whereby there are protocols that employees must follow in order to take advantage of this, or is it informal and offered on a case-by-case basis to your employees, without structured or defined policies? (n=141)**

%

6 Formal

94 Informal

0 Not sure

**9. Organizations use different approaches to accommodate employees who want to work past traditional retirement age. For EACH of the following strategies, please indicate whether your organization is currently using it.**

	<u>Yes</u> <u>%</u>	<u>No</u> <u>%</u>	<u>Not Sure</u> <u>%</u>
a. Enabling employees to ease into retirement by reducing their work schedules .....	51	47	2
b. Shifting employees from one career track to another career track	35	62	3
c. Providing training to upgrade skills and knowledge of employees .....	68	30	2
d. Hiring retired employees as consultants or temporary employees	59	39	2
e. Providing opportunities for employees to transfer to jobs with reduced pay and responsibilities .....	45	52	3
f. Providing part-time work arrangements <u>without</u> continuation of benefits .....	49	48	3
g. Providing part-time work arrangements <u>with</u> continuation of benefits .	38	58	4
h. Addressing age bias issues in the workplace by offering programs such as mentoring or diversity training.....	41	56	2

**9aa. In your view, what are the regulatory and or policy barriers that companies face when designing workplace programs to attract and retain older workers, such as phased retirement, retirement benefits, health benefits, and other programs? Please be as detailed as possible.**

<u>%</u>	
16	Yes
84	No
0	Not sure

**The following questions are for classification purposes only and will be kept entirely confidential.**

**10. In the past year, about what percentage of your workforce was age 50 years or older for all locations of your organization in New York?**

<u>%</u>	
2	0%
64	1% - 25%
22	26% - 50%
6	51% - 75%
0	76% - 100%
6	Not sure

**11. Which of the following best describes the primary nature of your organization's business?**

<u>%</u>	
5	Financial
1	Insurance
1	Real Estate
8	Health Services
10	Manufacturing
1	Higher Education
5	Construction
15	Retail Trade
6	Wholesale Trade
3	Communication
2	Transportation
0	Agriculture
<.5	Forestry or Fishing
43	Some other type of business [PLEASE SPECIFY] _____
1	Refused

**12. Does your organization offer any retirement benefits?**

%  
 78 Yes  
 23 No ► **GO TO QUESTION 14**

**13. Does your organization offer any of the following *retirement* benefits: (n=310)**

	Yes	No	Not Sure
	<u>%</u>	<u>%</u>	<u>%</u>
a. Retiree health benefits.....	34	62	4
b. Prescription drug coverage.....	42	57	2
c. Long-term care insurance.....	23	75	2
d. Defined benefit pension .....	39	55	7
e. 401K investment plan .....	81	18	1
f. Payroll deduction IRA .....	23	75	1

**13a. IF YES TO ANY IN Q13: Is your organization planning to phase out [INSERT APPROPRIATE PHRASE BASED ON NUMBER OF ‘YES’ RESPONSES IN Q13: “this retirement benefit” OR “any of these retirement benefits”] in the next five years? (n=301)**

%  
 7 Yes  
 92 No  
 2 Not Sure

**13b. IF YES: Which ones? [PROGRAMMERS: IF ONLY ONE ‘YES’ IN Q13 AND A ‘YES’ IN Q13a THEN AUTOPUNCH BENEFITS BELOW AND SKIP TO NEXT QUESTION]**

	Yes	No
	<u>%</u>	<u>%</u>
a. Retiree health benefits (n=10)	23	77
b. Prescription drug coverage (n=12)	13	87
c. Long-term care insurance (n=6)	11	89
d. Defined benefit pension (n=16)	86	14
e. 401K investment plan (n=17)	8	92
f. Payroll deduction IRA (n=3)	77	23

**14. Which of the following best describes your position in the organization?**

%

- 12 Key Executive/President/CEO/Chairman/Owner
- 67 Human Resources Professional/ Human Resources Manager or Director
- 19 Other Manager/Director/Officer
- 1 Other [SPECIFY] \_\_\_\_\_
- 1 Not sure

**15. What is your age?**

%

- 4 Under 30
- 43 30-49
- 45 50-64
- 6 65 or older
- 2 Refused

**Copyright ©2007  
AARP  
Knowledge Management  
601 E Street NW  
Washington, DC 20049  
[www.aarp.org/research/](http://www.aarp.org/research/)  
Reprinting with Permission**

**For more information, contact Katherine Bridges (207) 899-2094.**