

Looking Toward an Older Workforce: A Focus on New Mexico Employers

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Report Prepared by Regina Sims and Joanne Binette

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AARP is a nonprofit, nonpartisan membership organization that helps people 50-plus 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-plus educators; and our website, 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.

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Background

The nation's 76 million Baby Boomers are changing the workplace. According to the Bureau of Labor Statistics,¹ the projected annual growth rate between 2002 and 2012 of the Baby Boom generation, persons born between 1946 and 1964, will be nearly four times the rate of growth of the overall labor force. The share of the 55-plus age group will increase from 14.3 percent in 2002 to 19.1 percent of the labor force in 2012.² The participation rates of the 55-plus are expected to increase too. The Bureau of Labor Statistics projects participation in the workforce among people age 55 or older to increase from 34.5 percent in 2002 to 39.7 percent in 2012.³ Presently in New Mexico, people age 45 or older make up 54 percent of the total workforce.⁴ Men and women who traditionally might be considered retirement-age will be more likely to remain in the labor force.⁵

Older workers cite multiple reasons for postponing retirement. While financial necessity is the primary reason older workers continue to stay in the workforce, non-financial benefits of employment such as the wish to work for enjoyment, the desire to stay physically and mentally active, and the need to have something to do are important as well.⁶ In a 2003 study conducted by AARP, 73 percent of workers age 50 to 70 who have not yet retired report they plan to work into their retirement years or never retire.⁷ As today's older worker delays retirement due to changes in attitudes toward work and retirement, employers must recognize and address the emerging aging workforce. This trend in older worker participation in the labor force will require employers to identify and evaluate policies, attitudes, and perceptions toward older workers.

AARP New Mexico commissioned a survey among a random sample of organizations in New Mexico with three or more employees to examine older worker issues. In the survey, older workers are defined as employees age 50 or older. The survey measures the relative importance of certain employee qualities and the degree to which older employees possess these qualities. The survey also examines employers' perceptions of potential worker shortages and the loss of institutional knowledge. In addition, the study gauges the extent to which employers implement approaches to keep older workers. It also examines where employers go for information on issues affecting older workers.

¹ Toossi, Mitra. (2004). Labor Force Projections to 2012: The Graying of the U.S. Workforce. *Monthly Labor Review* (February 2004). Retrieved November 23, 2004 from <http://www.bls.gov/opub/mlr/2004/02/art3full.pdf>.

² Ibid.

³ Ibid.

⁴ Choi-Allum, L. (2005). *State Profiles of Workers 45+*. Washington, DC: AARP.

⁵ Nelson, B. and Cummins, R. (2004). *When the Boom Drops: A Survey of Virginia Businesses on Older Workers*. Washington, DC: AARP.

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

⁷ Ibid.

The AARP 2006 *Looking Toward an Older Workforce: A Focus on New Mexico Employers Survey* was conducted from October 13, 2006 to November 17, 2006. Wilkerson & Associates provided AARP with random samples of businesses in New Mexico with three or more employees. An annotated questionnaire in Appendix A includes all survey questions and responses.

Methodology

Wilkerson & Associates provided a random sample of 4,000 businesses with three or more employees listed in New Mexico. This mail survey was fielded from October 13 through November 17, 2006. Out of 4,000 businesses, 437 surveys were returned for an 11 percent response rate. The sampling error was ± 4.8 percent. A pre-notification letter was sent to the attention of the Business Executive for each business. This was followed by the survey. Responses as well as undeliverable or ineligible⁸ mail were tracked. A reminder postcard and a second copy of the survey was mailed if the business did not respond.

⁸ Those businesses that identified themselves as no longer in business or with no employees were ineligible.

Highlights

- Seventy-five percent of businesses say it is extremely or very important to retain institutional knowledge that might be lost when employees retire or leave, but only 30 percent of businesses have a formal process that enables employees who retire or leave to share the knowledge they have obtained on the job.
- Over half of employers believe their business is likely to face a shortage of qualified workers within the next five years; however, only three in ten have taken steps to prepare for the possibility of Boomers retiring at the traditional age.
- Sixty-three percent of employers currently use at least one strategy to allow employees to work past traditional retirement age. The most common strategies are: providing training to upgrade skills, hiring retired employees as consultants or temporary employees, easing into retirement with reduced schedules, and offering part-time work without benefits.
- Forty-four percent of employers do not use any of the strategies to help older employees work past traditional retirement age. Nearly seven in ten of these employers say they plan to use at least one strategy within the next five years while 34 percent do not plan to use any of the strategies presented in the survey.
- New Mexico employers say that commitment to doing quality work is the top-rated quality of importance for all employees as well as the top-rated quality possessed by older workers.
- New Mexico employers say the top five advantages of employees 50-plus are experience, reliability, loyalty, good work ethic, and knowledge of the job. On the other hand, New Mexico employers say the top five disadvantages of employees 50-plus are unwillingness to change, health-related issues, lack of technology skills, difficulty learning new concepts, and less flexibility.
- Retaining and recruiting skilled employees are the most important issues for New Mexico businesses. However, addressing the needs of an aging workforce is very important to just four in ten New Mexico organizations.

Detailed Findings

Perceptions of Older Employees

Among the 17 employee qualities asked about in this survey, employees age 50 or older receive high ratings on several of the top five qualities employers in the survey deem most essential in employees of any age. The five employee qualities rated as most important by employers are: commitment to doing quality work,⁹ ability to interact well with customers or the public, ability to get along with co-workers, loyalty and dedication to the company, and having someone you can count on in a crisis.

Top Employee Qualities ¹⁰ (N=437)		Top Older Worker Qualities ¹¹ (N=437)	
Rank	Quality	Rank	Quality
1	Commitment to doing quality work	1	Commitment to doing quality work
2	Ability to get along with co-workers	2	Loyalty and dedication to the company
3	Loyalty and dedication to the company	3	Experience in the job or industry
4	Having someone you can count on in a crisis	4	Someone you can count on in a crisis
5	Ability to interact well with customers or the public	5	Ability to work well on teams

Given a scale of 1 to 5 with “1” being very poor and “5” being very good, New Mexico employers gave employees 50-plus an average rating of 4.0 or higher on 11 of the 17 qualities examined in the survey. Employees 50-plus received ratings of 3.0 or higher on the other six important qualities, suggesting that employers feel that 50-plus workers possess the qualities that they view as particularly important. Employers with 100 or more employees place a greater importance on six of the seven issues listed than employers with fewer employees.

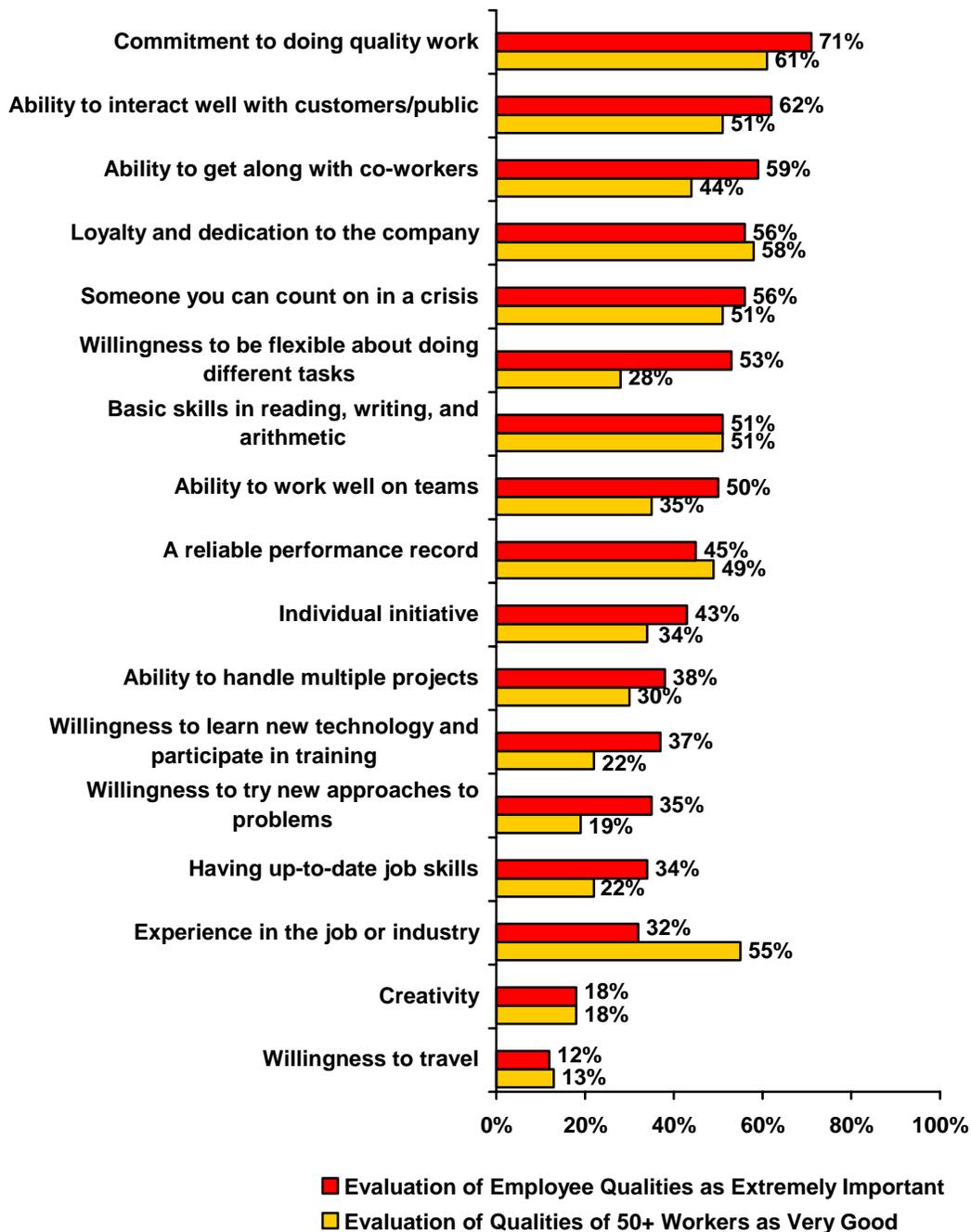
⁹ Due to an error in the survey this item was listed twice. In order to be conservative in reporting this data, only the responses to the second item occurrence (question 2h) are analyzed. Responses to the first item occurrence (question 2a) can be found in the annotated survey.

¹⁰ Based on the average response to a 5-point importance scale where 5 is extremely important and 1 is not at all important.

¹¹ Based on the average response to a 5-point quality scale where 5 is very good and 1 is very poor.

The following chart illustrates how New Mexico employers rate the importance of all 17 employee qualities in addition to their evaluations of employees age 50-plus on each of these qualities.

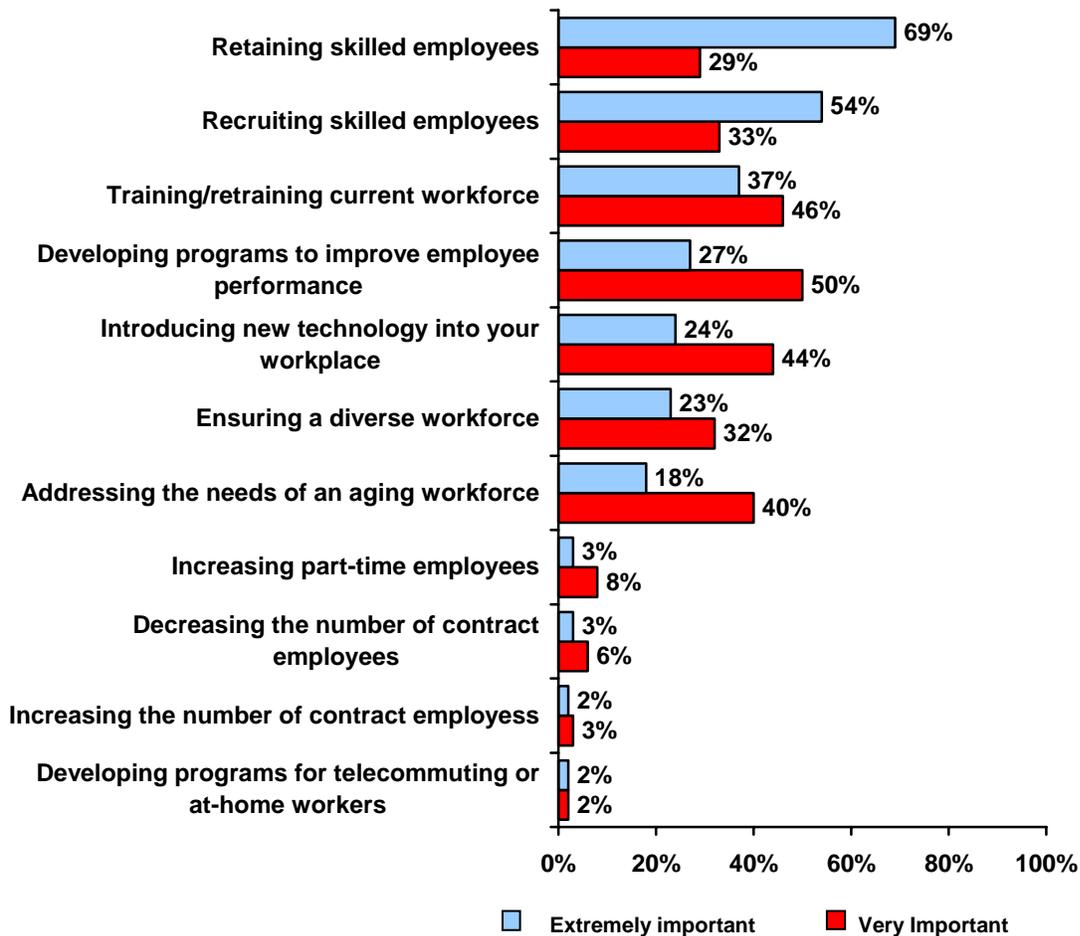
Importance of Employee Qualities and Evaluation of 50+ Employees (N=437)



Important Workforce Issues

Given eleven organizational issues to rate in importance, employers consider retaining and recruiting skilled employees to be the most important issues facing their organizations today. Seven in ten (69%) employers say that retaining skilled employees is extremely important while another three in ten (29%) say it is very important. Recruiting skilled employees is viewed as the second most important issue, with over half (54%) of employers saying that it is extremely important. Training or retraining your current workforce was rated as the third most important organizational issue with nearly four in ten (37%) employers rating it as extremely important.

Ratings of Important Issues to Organizations
(N=437)



Advantages and Disadvantages of Workers Age 50-plus

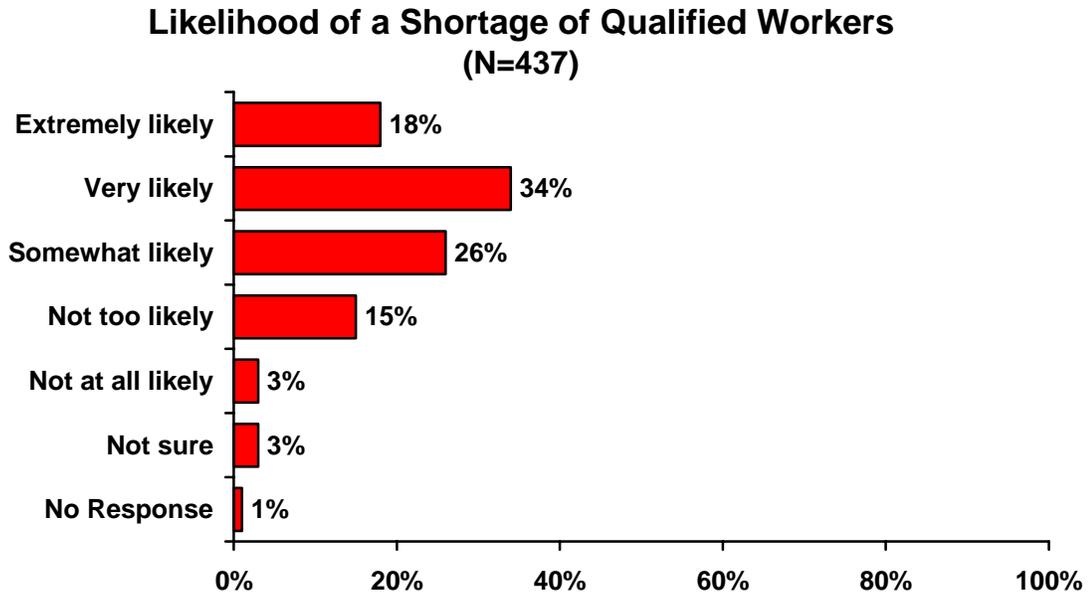
When asked what they consider to be some of the advantages of employees age 50-plus relative to all other employees, one in four (26%) New Mexico employers report that being experienced or seasoned is the greatest advantage for 50-plus workers. Another one in four (24%) employers says that the reliability and dependability of 50-plus workers is an advantage. Rounding out the top five advantages of employees 50-plus are loyalty and dedication, good work ethic, and knowledge and experience of the product, industry, or job.

One in five New Mexico employers says that the greatest disadvantage of 50-plus workers is that they are set in their ways and unwilling to change and learn new things, such as technology. The second highest reported disadvantage of 50-plus workers, according to one in ten (9%) employers, is that they have illnesses and health-related issues. While numerous disadvantages were reported, 13 out of 14 were reported by fewer than 10 percent of employers.

Top Five Advantages of Employees 50-plus (N=437)		Top Five Disadvantages of Employees 50-plus (N=437)	
Rank	Advantage	Rank	Disadvantage
1	Experienced/seasoned	1	Set in ways/unwilling to change/learn new things/technology
2	Reliability/dependability	2	Illnesses/health-related issues
3	Loyalty/dedication	3	Lack technology skills
4	Good work ethic	4	Difficulty learning new concepts/technology
5	Knowledge/experience of product/industry/job	5	Less flexible

Likelihood of a Shortage of Qualified Workers

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.¹² Three-fourths (78%) of New Mexico employers believe that their business is at least somewhat likely to face a shortage of qualified workers within the next five years.



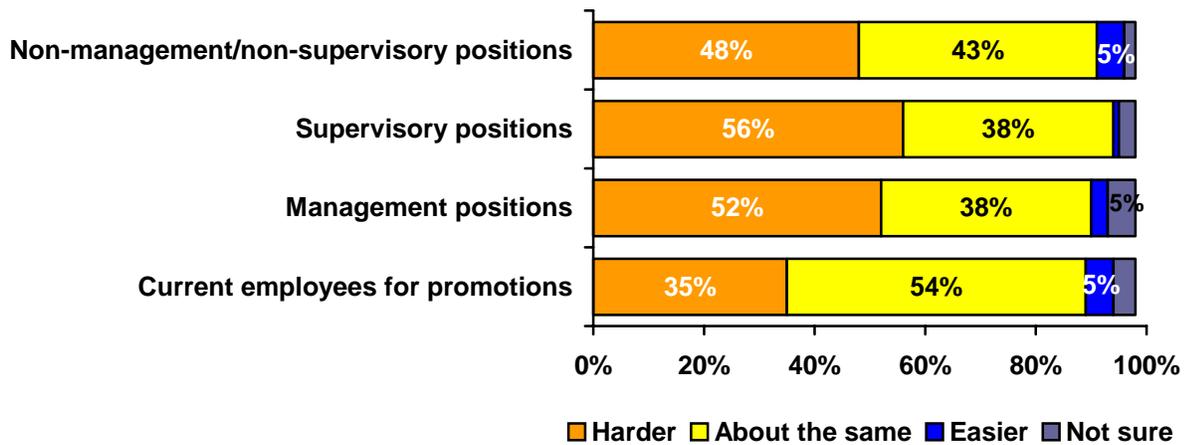
Mid-size employers are more likely than smaller employers to anticipate a shortage of qualified workers within the next five years. Companies with 100 or more employees are more likely than companies with less than 20 employees to report their company is very likely to face a shortage of qualified workers (39% vs. 25%).

¹² Nelson, B. and Cummins, R. (2004). *When the Boom Drops: A Survey of Virginia Businesses on Older Workers*. Washington, DC: AARP.

Availability of Qualified Workers

About half of all employers say that it is harder today than it was five years ago to find qualified applicants for management, supervisory, and even non-management, non-supervisory positions. Over a third (35%) says that it is harder to find current employees for promotions. Five percent or fewer respondents indicate that it is easier to find qualified applicants today compared to five years ago.

Ability to Find Qualified Applicants Today Compared to Five Years Ago (N=437)



*Blanks represent less than five percent of respondents

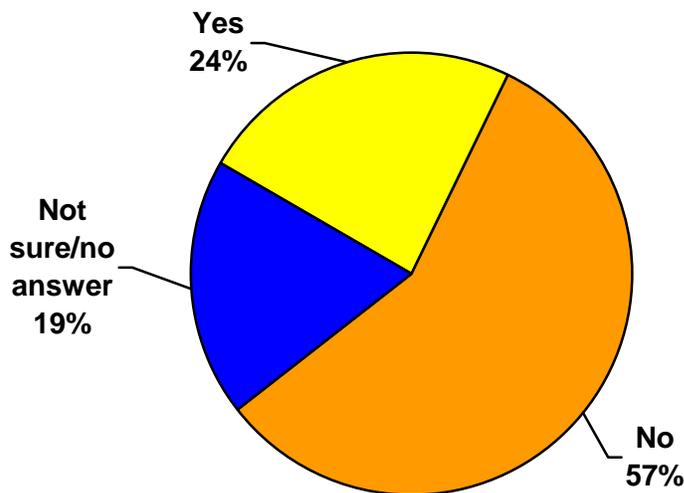
Employers who are facing a likely worker shortage are more likely than those not facing a shortage to say that it is harder to find qualified applicants for all types of positions compared to five years ago.

Organizations Finding it Harder to Find Qualified Applicants by Likelihood of Worker Shortage		
Harder to Find	Likely Shortage (n=226)	Unlikely Shortage (n=193)
Management positions	68%	37%
Supervisory positions	72%	40%
Non-management/ non-supervisory positions	62%	35%
Current employees qualified for promotions	44%	26%

Preparing for Boomer Retirement

While the likelihood of a worker shortage may be detrimental to many businesses, only a quarter (24%) of New Mexico employers say they have taken steps to prepare for the possibility of a worker shortage due to Boomers retiring at the traditional retirement age. Fifty-seven percent of businesses have not taken any steps to prepare for this shift. Surprisingly, nearly one in five (17%) respondents is not sure if their organization is taking steps to prepare for boomer retirement.

**Organizations Taking Steps to Prepare for Boomer Retirement
(N=437)**



Larger organizations, those that say it is important to ensure a diverse workforce, and those that have sought information on issues for employees 50 or older are more likely to have taken steps to prepare for Boomer retirement.

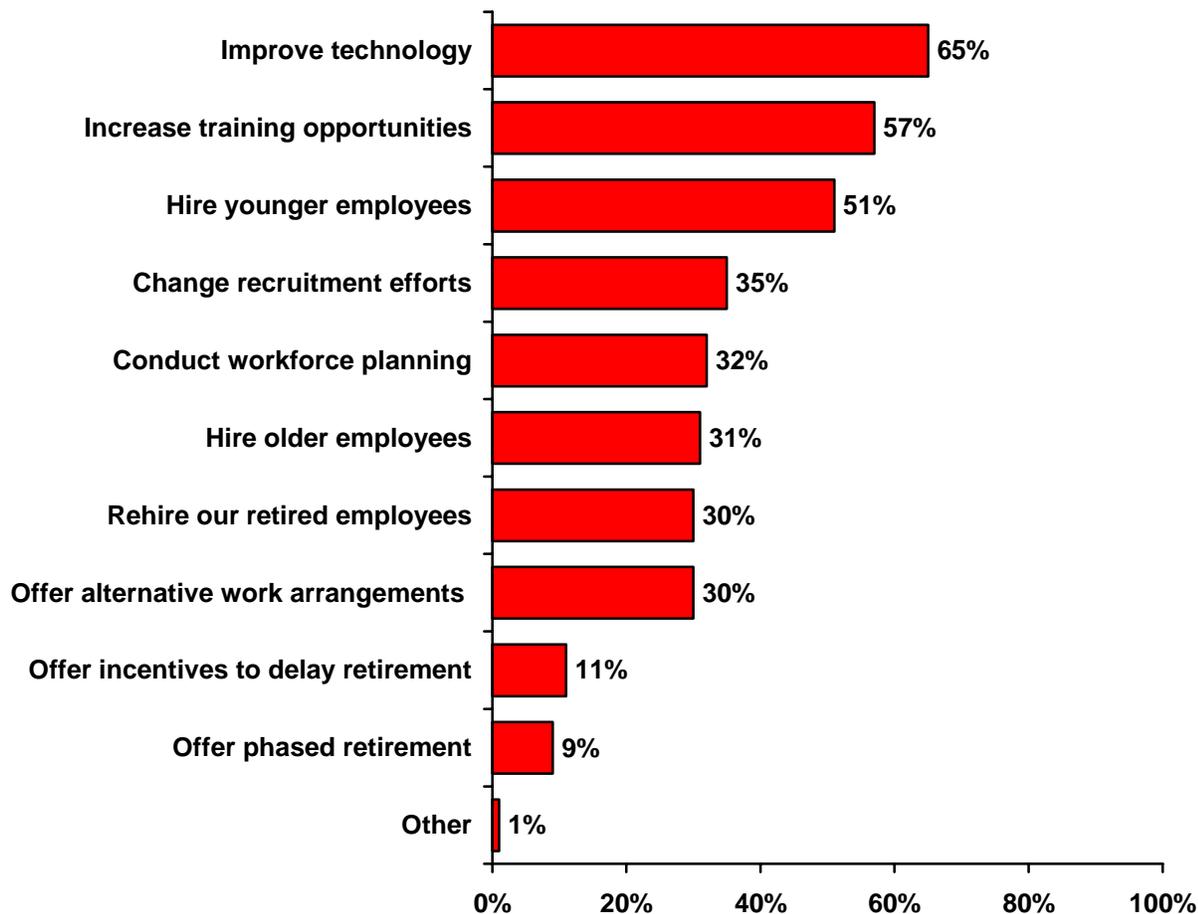
- Thirty-two percent of organizations with 100 or more workers say they have taken steps to prepare for this possibility compared to 18 percent of organizations with 20-99 employees.
- Twenty-nine percent of organizations that say it is important to ensure a diverse workforce have taken steps to prepare for the possibility of boomer retirement compared to 17 percent of organizations that say it is not important to ensure a diverse workforce.
- Twenty-seven percent of employers who have sought information on issues for employees 50 or older say they have taken steps to prepare for a worker shortage compared to 19 percent of employers which have not sought information.

- Employers who say it is likely they will experience a shortage of qualified workers in the next five years are more likely to be taking steps to prepare for a potential shortage due to Boomer retirement than employers who say it is unlikely they will experience a worker shortage (29% vs. 19%).¹³ Employers with half or more full-time workers age 50-plus are no more likely to be taking steps to prepare for a potential worker shortage than employers with less than half of employees age 50-plus.

Nine out of ten New Mexico businesses have taken at least one step to prepare for the possibility of Boomers retiring. Over half have implemented strategies such as improving technology, increasing training opportunities, and hiring younger employees. About a third of New Mexico businesses has changed recruitment efforts, hired older employees, rehired retired employees, or offered alternative work arrangements. Less than one in ten offers phased retirement (9%) to delay retirement in preparation for Boomer retirement.

¹³ Depending on the number of organizations responding to the question, the percentage point differences required to reach significance may vary.

Strategies Organizations Have Used to Prepare for Potential Worker Shortage When Boomers Retire (N=437)

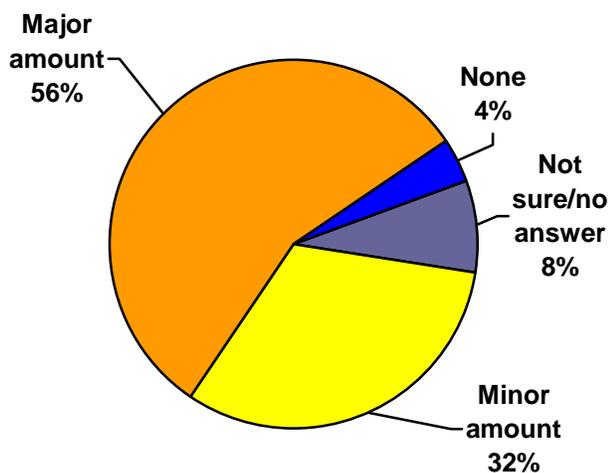


The percentage of older workers a business employs does not necessarily predict their use of strategies to prepare for a worker shortage. Businesses that say it is extremely or very likely they will experience a worker shortage are no more likely to change recruitment efforts as a strategy to prepare for a potential worker shortage than businesses who say it is unlikely they will experience a worker shortage.

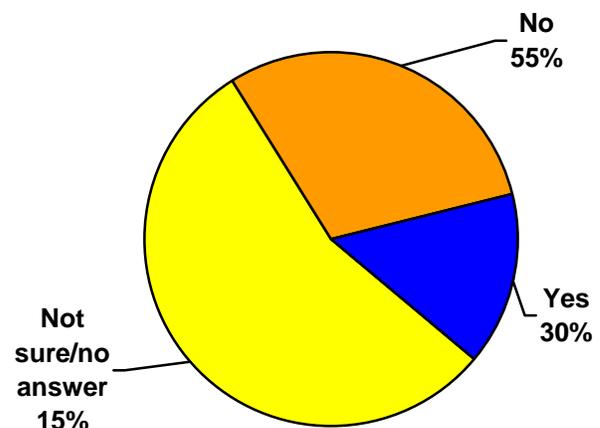
Institutional Knowledge

While three-fourths of employers (75%) say that it is extremely or very important to retain the institutional knowledge that might be lost when employees retire, only 30 percent of businesses actually have a formal process that enables employees who retire or otherwise leave to share the knowledge they have obtained on the job.

Amount of Knowledge Loss Occurring When Employees Retire or Leave (N=437)



Whether Organizations Have Formal Processes that Enable Employees who Retire or Leave to Share Knowledge (N=437)



When asked, “*How much knowledge loss do you think occurs when employees retire or otherwise leave the organization?*” more than half (56%) of organizations say a major amount of knowledge is lost.

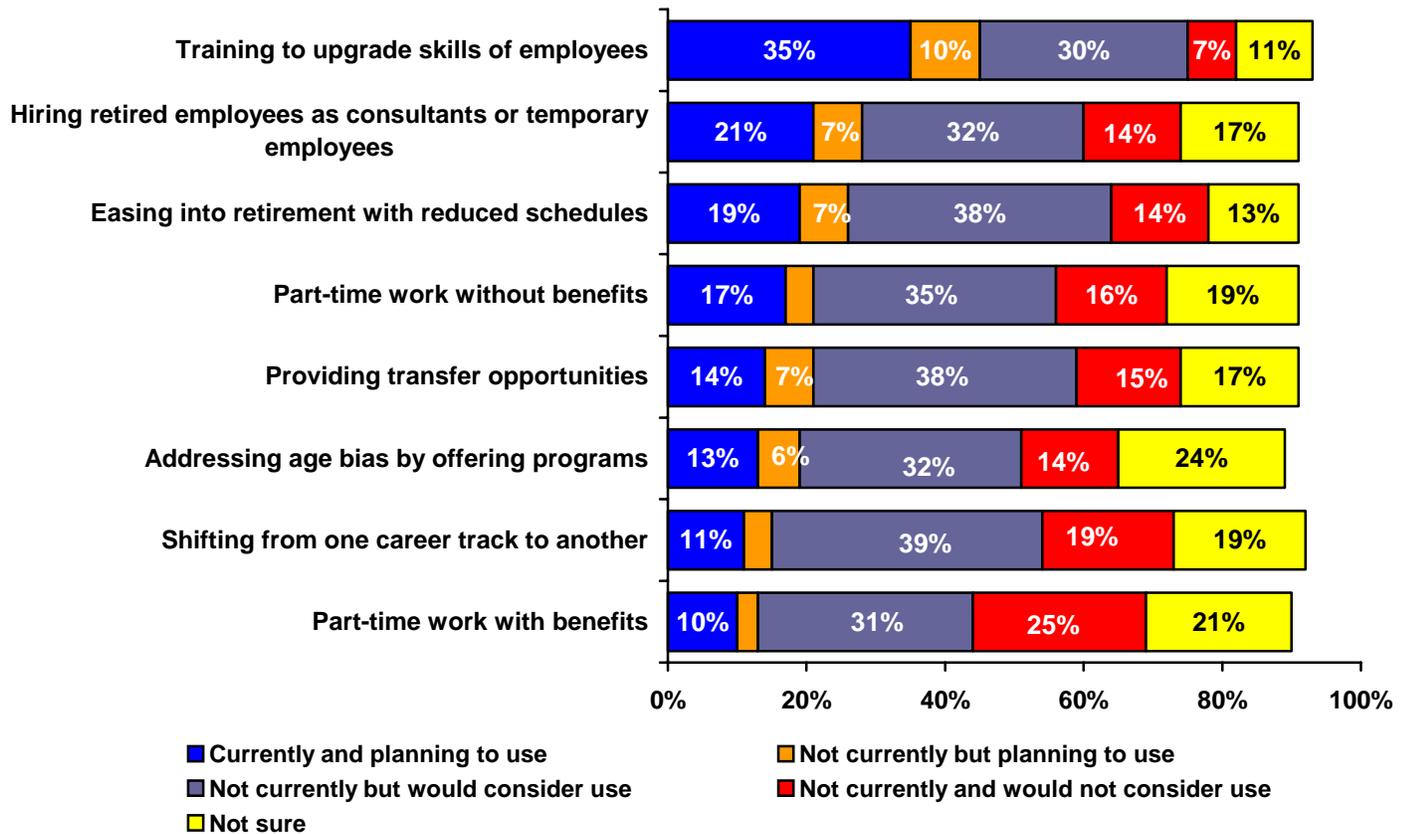
- Businesses that say it is likely they will experience a shortage of qualified workers in the next five years are more likely to acknowledge the loss of “seasoned” resources that occurs within the organization when knowledgeable people retire or leave a job than businesses who say they are not likely to face a shortage (66% vs. 43%). Surprisingly, the size of the organization does not relate to perceptions of organizational knowledge loss.
- Businesses that say there is a major amount of knowledge loss that occurs when an individual retires from their organization are no more likely than businesses that say there is only a minor amount of knowledge loss to have formal processes in place for retirees to share institutional knowledge.

Preparing for an Aging Workforce

In less than a decade, the first wave of Baby Boomers will turn 65, the traditional retirement age.¹⁴ While many Boomers plan to work beyond traditional retirement age, many employers have not yet implemented strategies to encourage their older workers to stay or to attract workers age 50-plus to begin work in their companies. When presented with a list of eight strategies that companies might use to allow older workers to continue to contribute in the workplace past traditional retirement age, 44 percent of employers say they currently do not utilize any of the older worker-targeted strategies.

The most common strategies used to accommodate employees who want to work past traditional retirement age are: providing training to upgrade skills, hiring retired employees 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. Many organizations have not adopted strategies that are beneficial to older workers such as shifting career tracks while still providing employment or providing part-time work with the continuation of benefits (refer to question 16 in the annotated survey).

**Strategies to Help Employees
Work Past Traditional Retirement Age
(N=437)**



*Blanks represent five percent or less of respondents

¹⁴ Brown, S.K. (2003). *Staying Ahead of the Curve 2003: The AARP Working in Retirement Study*. Washington, DC: AARP.

When asked about future plans for accommodating employees who want to work past traditional retirement age, 46 percent of employers are planning to use up to three strategies over the next five years (20% one strategy; 15% two strategies; 12% three strategies). Only 20 percent plan to use four to eight of the strategies measured. Thirty-four percent are not planning to use any of the strategies in the next five years.

Mid-size and larger businesses are more likely than small businesses to use most of these strategies to accommodate employees who want to work past traditional retirement age.

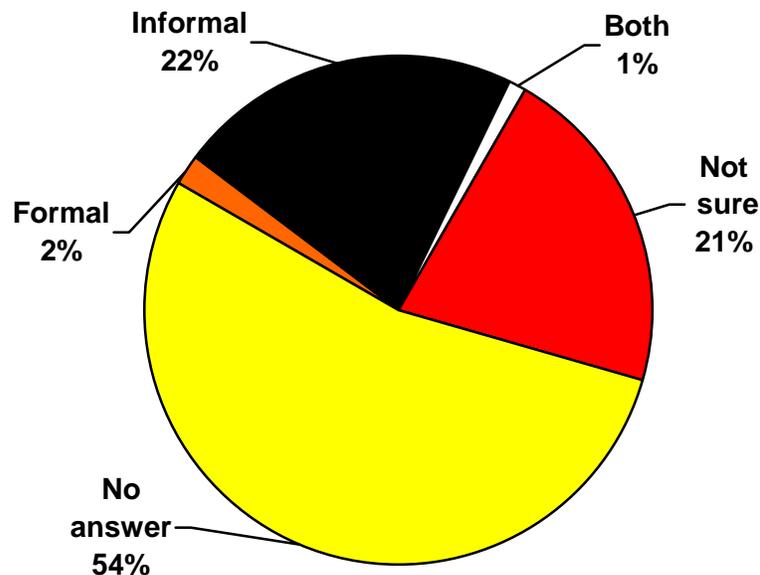
Strategies Used to Help Employees Work Past Traditional Retirement Age by Business Size			
	100 or more employees (n=135)	20-99 employees (n=194)	1-19 employees (n=72)
Enabling employees to ease into retirement by reducing their work schedules	21%	21%	11%
Hiring retired employees as consultants or temporary employees	28%	20%	10%
Providing opportunities for employees to transfer to jobs with reduced pay and responsibilities	24%	11%	7%
Addressing age bias issues in the workplace by offering programs such as mentoring or diversity training	19%	12%	8%
Shifting employees from one career track to another career track	16%	12%	3%

Phased Retirement

Phased retirement is a benefit provided by employers to allow employees to ease into retirement by reducing their work schedule and allowing payment of a pension. Twelve percent of employers offer phased retirement while 15 percent are unsure whether this benefit is offered. Very few New Mexico employers offer this benefit to their older workers (refer to question 15 in the annotated survey).

Among the 12 percent that say a phased retirement benefit is offered at their organization, a fifth of them indicate it is an informal policy or plan, and only two percent say that the organization has a formal plan in place. Interestingly, most could not say whether or not the benefit was a formal or informal plan at their company.

Nature of the Phased Retirement Plan Within the Organization
(n=361 employers who offer phased retirement)



Among the 70 percent of New Mexico employers who say their organization does not offer a phased retirement benefit, many give a variety of reasons for this. Specifically, about one in ten says that it is because there is no need or it has not been addressed yet. Three-fourths of New Mexico employers were not sure or had no answer as to whether this benefit is offered at their companies.

Reasons Phased Retirement is Not Offered (n=307 employers who do not offer phased retirement)	
No need/not needed in our industry	11%
Have not addressed yet/not been requested	9%
No workers within retirement age	6%
Small company/not large enough to benefit	5%
No retirement plan	5%
Not enough employees retiring	4%
State agency/retirement plan defined through state	3%
Only have full-time employees	3%
Not enough funding/benefits packages too expensive	3%
Haven't fully looked at option	2%
Not knowledgeable about program/never heard of it	2%
Other mentions	6%
No reason given	41%

Seeking Information on Older Worker Issues

Although many New Mexico businesses are not taking action to address the needs of older workers, some are seeking information about issues related to older workers. Businesses are seeking information about the following issues: retirement planning, knowledge sharing, age discrimination, part-time work with benefits, retraining, and alternative career tracks. More than 40 percent of employers have sought information on older worker issues from multiple organizations. Most employers seek information on older worker issues from government agencies such as the U.S. Department of Labor and state employment agencies.

Information Sought by Organizations on Older Worker Issues (N=437)	Where Organizations Have Sought Information on Older Worker Issues (N=437)
46% Retirement planning	43% U.S. Department of Labor
36% Knowledge sharing	31% State employment agencies
35% Age discrimination	31% Equal Employment Opportunity Commission (EEOC)
27% Part-time work with benefits	27% Society for Human Resource Management (SHRM)
26% Retraining	15% Private employment agencies
11% Alternative career tracks	14% Chamber of Commerce
	14% Management consulting firm
	8% AARP

Businesses that have taken steps to prepare for Baby Boomer retirement are more likely to have sought information on six of the seven older worker issues than businesses that have not taken these steps. Likewise, New Mexico business with 20 or more employees were more likely than businesses with 1-19 employees to have sought information on older worker issues.

Information Sought by Organizations on Older Worker Issues by Businesses That Have or Have Not Prepared for Boomer Retirement		
	Have Prepared (n=104)	Have Not Prepared (n=251)
Retirement planning	55%	43%
Knowledge Sharing	48%	32%
Age discrimination	44%	33%
Part-time work benefits*	32%	25%
Retraining	39%	21%
Alternative career tracks	19%	8%
Phased retirement	15%	7%

*This difference is non-significant.

Information Sought by Organizations on Older Worker Issues by Business Size			
	100 or more employees (n=135)	20-99 employees (n=194)	1-19 employees (n=72)
Retirement planning	58%	44%	31%
Knowledge sharing	41%	36%	26%
Age discrimination	49%	32%	19%
Part-time work benefits	14%	25%	34%
Retraining	34%	25%	14%
Alternative career tracks	16%	9%	7%
Phased retirement*	10%	10%	8%

*This difference is non-significant.

Summary of Findings

Many of the employee qualities deemed important by New Mexico employers are qualities possessed by employees 50-plus. There is great overlap and, therefore, great opportunity. Based on employers' desire for skilled and competent workers and their positive opinions of employees 50-plus, successful strategies to retain older workers should be considered and implemented. Currently, about six in ten of all employees in New Mexico are age 45 or older.¹⁵ New Mexico employers cite experience, reliability, and loyalty as the top three advantages of employees 50-plus.

While 52 percent of all New Mexico employers surveyed believe their business is likely to face a shortage of qualified workers in the next five years, only 24 percent are taking steps to prepare for the impending retirement of the Baby Boom generation. Meanwhile fewer than one in ten businesses ready themselves for this shortage of qualified workers by using strategies, such as offering phased retirement or other incentives, to delay retirement. The most common strategies used to prepare for the potential worker shortage are improving technology and increasing training opportunities.

Moreover, many employers are not currently using or developing strategies to address the needs of older workers who continue working beyond traditional retirement age. Less than four in ten currently provide training to upgrade employee skills or allow for reduced work schedules. Most New Mexico businesses are not planning to use these strategies either. For the most part, larger businesses are more likely than smaller businesses to use strategies to address older worker issues. As the Baby Boomers age and choose to retire or stay in the workforce, businesses should identify and implement strategies that will allow them to retain as well as recruit skilled workers.

When workers retire or otherwise leave a job, they take the knowledge related to the job with them. Three-fourths of New Mexico employers say it is extremely or very important to retain institutional knowledge lost when an employee retires or leaves a job; however, only three in ten actually have a formal process that enables employees to share information obtained on the job.

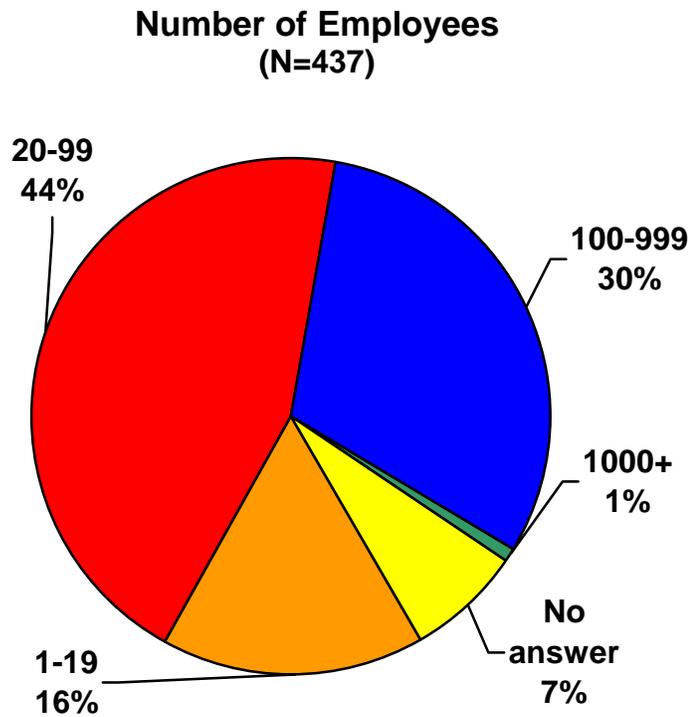
Given the impending changes in demographic make-up of the workforce, it is urgent that employers identify and evaluate policies that can help them stay competitive as the Baby Boomers contemplate retirement. Strategies such as conducting workforce planning and implementing mentoring programs in order to capture formal and informal institutional knowledge can address issues such as the potential shortage of qualified workers in the next five years and the loss of institutional knowledge.

Various agencies and organizations can help businesses address older worker issues. Nearly half of New Mexico businesses already turn to public sources, that is, federal and state government as well as private sources to obtain information on older worker issues. In the next decade, many more businesses will need to think of the aging of their workforce as a very important issue.

¹⁵ Choi-Allum, L. (2005). *State Profiles of Workers 45+*. Washington, DC: AARP.

Survey Demographics

The target sample for this survey was businesses employing three or more people. The size of businesses reported in the survey range from 1 to 9,068 employees. According to the U.S. Small Business Administration, small businesses are those with less than 500 employees.¹⁶ In New Mexico, of the firms with employees, 96.2 percent are small businesses. Consistent with these findings, the majority of businesses surveyed employ less than 500 people (86%).



Seventy-seven percent of the organizations in the survey are headquartered in the State of New Mexico (refer to question 19 in the annotated survey).

Most organizations do not offer a defined pension plan. The most common type of benefit offered is a 401k investment plan. Seven in ten offer a defined contribution plan (such as a 401k). Forty-five percent offer prescription drug coverage. About a quarter of organizations offers retired health benefits, defined benefit pensions, and long-term care insurance (refer to question 26 in the annotated survey).

¹⁶ U.S. Small Business Administration. (2005). Small Business Profile: New Mexico. Retrieved January 22, 2007 from <http://www.sba.gov/advo/research/profiles/06n>.

Appendix A Annotated Survey

New Mexico Workforce Survey

Weighted N = 437; Sampling Error = 4.8%; Response Rate = 11%
(Percentages may not total 100% due to rounding.)

1. In your opinion, how important are the following issues to your organization?

	Extremely Important ▼ <u>%</u>	Very Important ▼ <u>%</u>	Somewhat Important ▼ <u>%</u>	Not Very Important ▼ <u>%</u>	Not At All Important ▼ <u>%</u>	No Answer ▼ <u>%</u>
a. Recruiting skilled employees	54	33	11	1	0	<.5
b. Retaining skilled employees	69	29	2	1	0	<.5
c. Training/retraining your current workforce	37	46	15	1	1	1
d. Introducing new technology into your workplace	24	44	26	4	1	1
e. Developing programs to improve employee performance.....	27	50	18	3	1	<.5
f. Addressing the needs of an aging workforce	18	40	31	8	3	1
g. Increasing the number of part- time employees.....	3	8	24	39	25	1
h. Developing programs for telecommuting or at-home workers.....	2	2	15	35	46	1
i. Increasing the number of contract employees.....	2	3	9	34	52	1
j. Decreasing the number of contract employees.....	3	6	10	27	50	4
k. Ensuring a diverse workforce....	23	32	27	8	7	1

2. Thinking about the needs and culture of your organization, how important are each of the qualities listed below for all employees to have?

	Extremely Important ▼ %	Very Important ▼ %	Somewhat Important ▼ %	Not Very Important ▼ %	Not at all Important ▼ %	No Answer ▼ %
a. Commitment to doing quality work.....	79	20	1	0	0	<.5
b. Ability to get along with co-workers	59	37	4	0	0	<.5
c. Willingness to be flexible about doing different tasks	53	39	7	<.5	<.5	<.5
d. Loyalty and dedication to the company	56	39	4	1	0	<.5
e. Someone you can count on in a crisis	56	38	5	<.5	0	<.5
f. Experience in the job or industry.....	32	43	22	3	0	<.5
g. Basic skills in reading, writing, and arithmetic	51	35	12	1	0	1
h. Commitment to doing quality work.....	71	26	3	0	0	1
i. Ability to work well on teams	50	38	10	1	0	<.5
j. Ability to handle multiple projects	38	45	16	<.5	0	<.5
k. A reliable performance record....	45	47	7	<.5	0	1
l. Individual initiative	43	47	8	1	0	<.5
m. Having up-to-date job skills	34	45	19	2	0	<.5
n. Willingness to learn new technology and participate in training	37	46	15	1	<.5	<.5
o. Willingness to try new approaches to problems	35	44	17	2	<.5	<.5
p. Willingness to travel.....	12	14	29	26	19	<.5
q. Creativity	18	34	36	8	4	1
r. Ability to interact well with customers/public.....	62	27	7	2	2	<.5

3. Based on your knowledge and experience, how would you evaluate employees age 50 or older on each of the qualities listed below?

	Very Good	Good	Fair	Poor	Very Poor	No Answer
	▼	▼	▼	▼	▼	▼
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
a. Commitment to doing quality work	61	35	2	<.5	0	2
b. Ability to get along with co-employees.....	44	47	6	<.5	0	2
c. Willingness to be flexible about doing different tasks.....	28	43	22	3	1	2
d. Loyalty and dedication to the company.....	58	33	5	1	<.5	2
e. Someone you can count on in a crisis.....	51	38	7	1	0	3
f. Experience in the job or industry.....	55	36	7	<.5	0	2
g. Basic skills in reading, writing, and arithmetic.....	51	39	8	1	0	2
h. Ability to work well on teams.....	35	46	16	1	0	3
i. Ability to handle multiple projects.....	30	47	18	3	0	3
j. A reliable performance record.....	49	39	9	<.5	0	2
k. Individual initiative.....	34	48	13	3	0	3
l. Having up-to-date job skills.....	22	45	26	4	<.5	3
m. Willingness to learn new technology and participate in training.....	22	41	28	6	1	2
n. Willingness to try new approaches to problems.....	19	40	31	6	1	3
o. Willingness to travel.....	13	31	35	11	5	5
p. Creativity.....	18	41	32	5	1	3
q. Ability to interact well with customers/public.....	51	36	9	1	1	2

4. What do you consider to be some of the advantages of employees ages 50 and older, in your company, relative to all other employees in your company?

	<u>%</u>
a. Experienced/seasoned	26
b. Reliability/dependability	24
c. Loyalty/dedication	16
d. Good work ethic	15
e. Knowledge/experience of industry/product/job	11
f. Stability/settled in life	7
g. Maturity	7
h. Better attendance records/punctual	6
i. General knowledge/wisdom	5
j. Commitment	4
k. Good working skills	3
l. Life experience	3
m. Good customer/client service	2
n. Longevity	2
o. Responsible	2
p. Calmer/emotions under control/easy to get along with	2
q. Honest/trustworthy	2
r. Hard working	1
s. Positive attitude/enthusiasm	1
t. Role models/mentors	1
u. Willingness to work	1
v. Consistent	1

4. (CONTINUED) What do you consider to be some of the advantages of employees ages 50 and older, in your company, relative to all other employees in your company?

w.	Pride in work	1
x.	Put in honest day's work/get the job done	1
y.	Commitment to quality	1
z.	Common sense	1
aa.	Flexible/flexible schedules	1
bb.	Good with people/good people skills	1
cc.	Patient	1
dd.	Work well with others/team players	1
ee.	Minimal supervision/work independently	1
ff.	No problems at home/child care issues	1
gg.	Problem solving/decision making ability	1
hh.	Professional/polished	1
ii.	Confident	1
jj.	Basic skills	1
kk.	Creative/resourceful	1
ll.	Other	9
mm.	Not sure	<.5
nn.	None/ Nothing	12

5. What do you consider to be some of the disadvantages of employees ages 50 and older, in your company, relative to all other employees in your company?

	<u>%</u>
a. Set in ways/unwilling to change/learn new things/technology	20
b. Illnesses/health related issues	9
c. Lack technology skills	8
d. Difficulty learning new concepts/technology	6
e. Less flexible	5
f. Difficulty with normal labor tasks/lifting	4
g. Slower to perform tasks/multi-tasking	4
h. Less energy/endurance	3
i. Less time with company due to age	3
j. Limitations due to health/physical limitations	3
k. Health issues increase premiums	3
l. Slow to learn new tasks	2
m. Limited work hours	2
n. Less initiative	1
o. Looking to retire	1
p. Burn out	1
q. Don't work well with others/difficult to work with	1
r. Don't work well with those who are younger	1
s. Lack of job skills/up-to-date job skills	1
t. Forgetfulness	1
u. Complacency	1
v. Inability to handle stressful situations	1
w. Attitude/opinionated	1
x. Higher risk of injury	1
y. Other	6
z. No answer	32

6. For the following, please indicate whether finding qualified applicants is easier, harder, or about the same as it was five years ago.

	Easier	About the Same	Harder	Not Sure	No Answer
	▼	▼	▼	▼	▼
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
a. Qualified applicants for management positions	3	38	52	5	2
b. Qualified applicants for supervisory positions.....	1	38	56	3	2
c. Qualified applicants for non-management and non-supervisory positions	5	43	48	2	2
d. Current employees qualified for promotion to jobs of higher grade or responsibility	5	54	35	4	2

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

<u>%</u>	
18	Extremely likely
34	Very likely
26	Somewhat likely
15	Not too likely
3	Not at all likely
3	Not sure
1	No answer

8. 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>	
24	Yes
57	No
17	Not sure
2	No answer

9. Has your organization done any of the following to prepare for the potential shortage of workers as a result of Baby Boomers retiring?

	Yes ▼ <u>%</u>	No ▼ <u>%</u>	Not Sure ▼ <u>%</u>
a. Hire younger employees	51	0	0
b. Hire older employees	31	0	0
c. Increase training opportunities.....	57	0	0
d. Change recruitment efforts	35	0	0
e. Conduct workforce planning.....	32	0	0
f. Improve technology	65	0	0
g. Rehire our retired employees	30	0	0
h. Offer incentives to delay retirement	11	0	0
i. Offer alternative work arrangements such as part-time work, job sharing, or telecommuting	30	0	0
j. Offer phased retirement	9	0	0
k. No answer	13	0	0

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

<u>%</u>	
56	A major amount
32	A minor amount
4	None
7	Not sure
1	No answer

11. 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>	
34	Extremely important
41	Very important
21	Somewhat important
2	Not too important
0	Not at all important
1	Not sure
1	No answer

12. 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?

<u>%</u>	
30	Yes
55	No
14	Not sure
1	No answer

13. Does your company offer phased retirement, that is, allowing employees to ease into retirement by reducing their work schedule and allow payment of a pension?

<u>%</u>	
12	Yes GO TO QUESTION 15
70	No
15	Not sure GO TO QUESTION 16
1	No answer

14. What are some of the reasons phased retirement is not offered? (n=307)

	<u>%</u>
a. No need/not needed in our industry	11
b. Have not addressed yet/not been required	9
c. No workers within retirement age.....	6
d. Small company/not large enough to benefit.....	5
e. No retirement plan	5
f. Not enough employees retiring	4
g. State agency/retirement plan defined through state	3
h. Only have full time employees	3
i. Not enough funding/benefit packages too expensive.....	3
j. Haven't fully looked at option	2
k. Not knowledgeable about program/never heard of it.....	2
l. Other	6
n. Don't know	5
o. No answer	41

15. Is phased retirement in your organization 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=361)

<u>%</u>	
2	Formal
22	Informal
1	Both
21	Not sure
54	No answer

16. 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...

- a. currently using it and planning to use it in the next five years**
- b. not currently using but planning to use it in the next five years**
- c. not currently using but would consider using it in the next five years**
- d. not currently using and would not consider using it in the next five years**

	Currently and Planning to Use ▼ %	Not Currently but Planning to Use ▼ %	Not Currently but Would Consider Use ▼ %	Not Currently and Would Not Consider Use ▼ %	Not Sure ▼ %	No Answer ▼ %
a. Enabling employees to ease into retirement by reducing their work schedules	19	7	38	14	13	8
b. Shifting employees from one career track to another career track	11	4	39	19	19	9
c. Providing training to upgrade skills of employees	35	10	30	7	11	8
d. Hiring retired employees as consultants or temporary employees...	21	7	32	14	17	8
e. Providing opportunities for employees to transfer to jobs with reduced pay and responsibilities	14	7	38	15	17	8
f. Providing part-time work arrangements <u>without</u> continuation of benefits	17	4	35	16	19	9
g. Providing part-time work arrangements <u>with</u> continuation of benefits	10	3	31	25	21	10
h. Addressing age bias issues in the workplace by offering programs such as mentoring or diversity training	13	6	32	14	24	10
i. Other [SPECIFY]_____ .	1	0	1	2	9	88

17. Have you ever sought any information on the following issues for employees age 50 or older?

	Yes ▼ %	No ▼ %	Not Sure ▼ %
a. Phased retirement	10	0	0
b. Alternative career tracks	11	0	0
c. Retraining	26	0	0
d. Age discrimination	35	0	0
e. Retirement planning	46	0	0
f. Part-time work with benefits	27	0	0
g. Knowledge sharing	36	0	0
h. Other [SPECIFY] _____	2	0	0
i. No answer	37	0	0

18. Have you sought information on any of the issues listed above from the following organizations?

	Yes ▼ %	No ▼ %	Not Sure ▼ %
a. Private employment agencies	15	0	0
b. U.S. Department of Labor	43	0	0
c. State employment agencies.....	31	0	0
d. Chamber of Commerce.....	14	0	0
e. AARP.....	8	0	0
f. Equal Employment Opportunity Commission (EEOC)	31	0	0
g. Management consulting firm.....	14	0	0
h. Society for Human Resource Management (SHRM)	27	0	0
i. Other [SPECIFY] _____	0	0	0
j. No answer	43	0	0

About Your Organization

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

19. Is your organization headquartered in New Mexico?

%

77 Yes ► GO TO QUESTION 21

21 No

2 No answer

20. If your organization is not headquartered in New Mexico, where is your organization's headquarters?

[WRITE IN CITY, STATE, AND ZIPCODE]

21. Where in New Mexico are you personally located?

[WRITE IN CITY, COUNTY, AND ZIPCODE]

22. Which of the following best describes the primary nature of your organization's business in New Mexico?

<u>%</u>	
8	Business/Professional Services
2	Telecommunications
2	High Tech/Computers
7	Financial/Insurance/Real Estate
10	Health Services
3	Utility
16	Retail
9	Manufacturing
7	Education
0	Publishing
6	Nonprofit
3	Hospitality/Entertainment
14	Construction
0	Other [SPECIFY] _____
22	No answer

23. Currently, how many people work permanently, either full-time or part-time, and temporarily as seasonal or contract employees for your organization in New Mexico?

	0	1	2-4	5-9	10-19	20-49	50-99	100-999	1000-more	No answer
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
Full-time, permanent?.....	1	<.5	3	8	12	26	21	24	1	5
Part-time, permanent?.....	26	11	19	9	7	7	4	2	<.5	15
Temporary, seasonal or contract work?	47	5	9	5	3	5	3	2	<.5	21
Total Employees.....	1	<.5	1	5	10	24	20	30	1	7

24. As a percentage of your permanent workforce, what was your organization's turnover rate in New Mexico for 2005?

<u>%</u>	
5	0%
54	1%-20%
18	21%-40%
9	41%-60%
2	61%-80%
2	81%-100%
1	More than 100%
5	Not sure
4	No answer

25. In the past year, what percentage of your employees in New Mexico age 50 years or older worked:

	0% ▼	1% - 49% ▼	50% - 100% ▼	Not Sure ▼	No Answer ▼
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
Full-time, permanent.....	3	62	23	5	7
Part-time, permanent.....	28	30	6	8	29
Temporary, seasonal or contract	34	16	3	11	37

26. Does your organization offer any of the following retirement benefits?

	Yes ▼	No ▼	Not Sure ▼
	<u>%</u>	<u>%</u>	<u>%</u>
a. Retiree health benefits	27	0	0
b. Defined benefit pension.....	27	0	0
c. Defined contribution plan (such as a 401k).....	71	0	0
d. Prescription drug coverage	45	0	0
e. Long-term care insurance	26	0	0
f. No answer	18	0	0

27. What percentage of your employees in New Mexico is currently eligible to begin receiving retirement benefits through your company?

<u>%</u>	
25	0%
35	1%-20%
4	21%-40%
1	41%-60%
1	61%-80%
4	81%-100%
14	No retirement benefits offered
14	Not sure
3	No answer

About You

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

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

<u>%</u>	
25	Key Executive/President/CEO/Chairman/Owner
50	Human Resources Professional/Human Resources Manager or Director
22	Other Manager/Director/Officer
2	Other
1	No answer

29. What is your age?

<u>%</u>	
4	Under 30
39	30-49
50	50-64
6	65 or older
1	No answer

Thank you for completing this survey. Please use the postage-paid envelope and return it to PO Box 35548, Louisville, KY 40232, by November 17, 2006

AARP Knowledge Management
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