



Preparing for an Aging Workforce: A Focus on New York Employers

November 2005



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Report Prepared by Brittne M. Nelson and Katherine Bridges

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Acknowledgements

The AARP Staff from the New York State Office contributed to the design and implementation of the survey and report. Special thanks go to Bill Armbruster, Edwin Redfern Jr., Luci Dehaan, Beth Finkel, Chaunda Cunningham, and Lois Aronstein in the New York State Office; as well as Gretchen Straw, Jennifer Leslie, Cheryl Barnes and Cassandra Burton in State Member Research. Additional acknowledgments go to Kathy Brown and Rachelle Cummins whose respective reports provided guidance and Darlene Matthews who coordinated sample management. FGI, Inc. managed the data entry and tabulation of results. Britne Nelson and Kate Bridges wrote the report. For more information, please contact Kate Bridges at (207) 899-2094.

Executive Summary

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.

AARP New York commissioned the *AARP 2005 New York Workforce Survey* among organizations in New York in the summer of 2005 to examine aging workforce issues. The study was conducted with a random sample of organizations with twenty or more employees in counties of the Finger Lakes region, Mohawk Valley, Central and Western New York. The survey measures the relative importance of employee qualities and the degree to which older employees possess these qualities. The survey also examines employer's 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:

- Sixty-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 twenty-five percent of businesses have a formal process that enables employees who retire or leave to share the knowledge they have obtained on the job.
- Six in ten employers believe their business is likely to face a shortage of qualified workers within the next five years, however only sixteen percent have taken steps to prepare for the possibility of boomers retiring at the traditional age.
- Sixty-one percent of employers currently use at least one strategy to help older workers work past traditional retirement age while thirty-nine percent use no strategies. The most common strategies are: providing training to upgrade skills, reducing work schedules to allow employees to ease into retirement, providing part-time work without benefits, and hiring retired employees as consultants or temporary workers.
- Seven in ten employers plan to use at least one strategy within the next five years to help older workers work past traditional retirement age while just three in ten do not plan to use any strategies.
- 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.
- Retaining and recruiting skilled employees are the most important issues for New York businesses. However, addressing the needs of an aging workforce is very important to just one in eight New York organizations.

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>.

Most of the qualities that older workers already possess are the top qualities that the surveyed New York businesses believe employees should have to meet the needs and culture of their organizations. There is great overlap and, therefore, great opportunity. Given their desire to keep skilled workers and their positive evaluation of older workers' solid experience in the job or industry, New York businesses should be considering strategies to keep older workers.

When workers retire or otherwise leave a job, they take the knowledge related to the job with them. More than six in ten employers say it is extremely or very important to retain institutional knowledge lost when an employee retires or leaves a job; however only one in four actually have a formal process that enables employees to share information 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 the bottom-line. Additionally, strategies such as conducting workforce planning and implemented 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.

Background

The nation's 76 million baby boomers are changing the workplace. According to the Bureau of Labor Statistics (Toossi, 2004), 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+ age group will increase from 14.3 percent in 2002 to 19.1 percent of the labor force in 2012 (Toossi, 2004). The participation rates of the 55+ are expected to increase too. The Bureau of Labor Statistics projects participation rates among the 55+ to increase from 34.5 percent in 2002 to 39.7 percent in 2012 with positive change in all age segments, 55-64, 65-74 and 75+ (Toossi, 2004). Presently in New York, people age 45 or older make up 49% of the total workforce (Choi, 2005). Men and women who traditionally might be considered retirement-age will more likely remain in the labor force.²

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 (Brown, 2003). 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 (Brown, 2003). 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 towards older workers.

AARP New York commissioned a survey among a random sample of organizations in New York with twenty or more employees to examine aging workforce issues. The survey measures the relative importance of certain employee qualities and the degree to which older employees possess these qualities. The survey also examines employer's 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.

The AARP *2005 New York Workforce Survey* was conducted from July 1, 2005 to September 1, 2005. Survey Sampling Inc. provided AARP with random samples of businesses in New York with twenty or more employees. Businesses in the surveyed region include counties from the Finger Lakes, Mohawk Valley, Central and Western New York area. See the methodology for a full description of the sampling technique. An annotated questionnaire in Appendix A includes all survey questions and responses.

² Several portions of the background are drawn from Nelson and Cummins, 2004.

Detailed Findings

Perceptions of Older Employees

Among the 18 employee qualities examined in this survey, employee's ages 50+ receive high ratings on each of the top five qualities employers in the survey deem most essential in employees of any age. These five employee qualities rated as most important by employers are: commitment to doing quality work, loyalty and dedication to the company, ability to get along with co-workers, someone you can count on in a crisis, and willingness to be flexible about doing different tasks. In fact of these five most desirable employee qualities, all but one are also among the top ten qualities of employees ages 50+. Even on the attribute that is not among the top ten qualities of employees 50+ -willingness to be flexible about doing different tasks- workers 50+ still receive a fairly high rating.

Top Employee Qualities ³ (n=685)		Top Older Worker Qualities ⁴ (n=685)	
Rank	Quality	Rank	Quality
1	Commitment to doing quality work	1	Commitment to doing quality work
2	Loyalty and dedication to the company	2	Loyalty and dedication to the company
3	Ability to get along with co-workers	3	Someone you can count on in a crisis
4	Someone you can count on in a crisis	4	Basic skills in reading, writing, and arithmetic
5	Willingness to be flexible about doing different tasks	5	A reliable performance record

Specifically, on a scale of 1 to 5 with “1” being very poor and “5” being very good, employees 50+ received an average rating of 4 or higher on 10 of the 18 qualities that employers examined in the survey. Employees 50+ received ratings of 3.0 or higher on the other eight important qualities, suggesting that employers for the most part feel that 50+ workers possess the qualities that they view as particularly important.

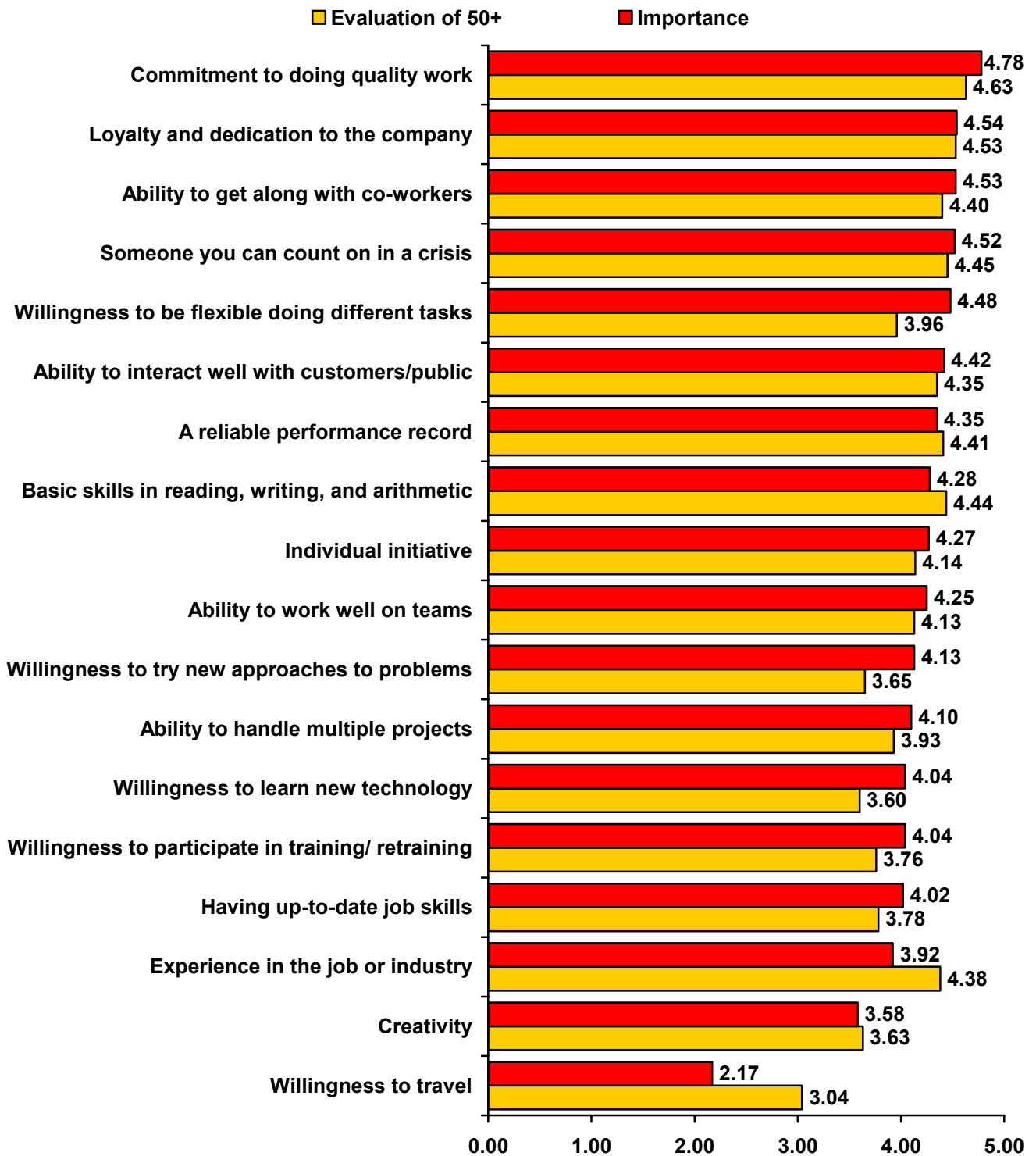
The following chart illustrates New York⁵ employers' ratings of the importance of all 18 employee qualities as well as their evaluation of employees age 50+ on each of these qualities.

³ Based on the average response to a 5-point importance scale where '5' is extremely important and 1 is not at all important.

⁴ Based on the average response to a 5-point quality scale where 5 is very good and 1 is very poor.

⁵ Businesses in the surveyed region include counties from the Finger Lakes, Mohawk Valley, Central and Western New York area.

**Average Rating of Importance of Employee Qualities and
Evaluation of 50+ Employees
(n=685)**



Perceived Advantages and Disadvantages of Employees 50+

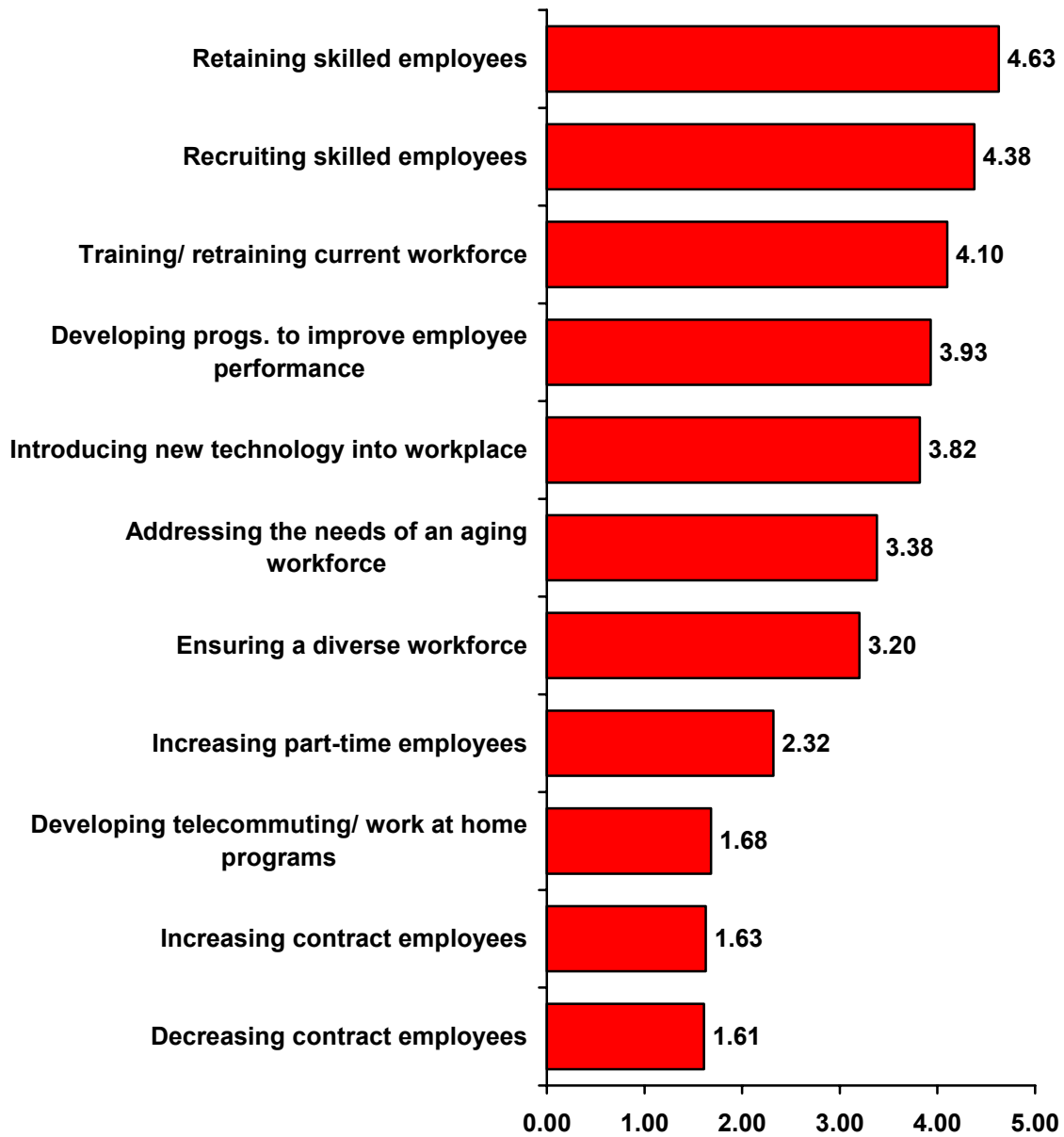
When asked in an open-ended question to name the *advantages* of employees age 50+, New York employers mentioned their experience (27%), reliability (16%), and good work ethic (13%). When asked to name the *disadvantages* of employees age 50+, about one in six identified unwillingness to change or being set in one's ways (17%). Less than one in ten mentioned lack of flexibility (7%), physical limitations or problems (6%), or lack of knowledge about the most recent technology or skills (5%) as disadvantages of older workers.

Important Workforce Issues

Of the eleven organizational issues addressed in the survey, employers consider retaining skilled employees to be the most important issue facing their organization today. Specifically, nearly seven in ten say this is extremely important and gave this an average rating of 4.6 on a scale from 1 to 5. Recruiting skilled employees (4.4) is viewed as the second most important issue, followed by training or retraining the current workforce (4.1), developing programs to improve employee performance (3.9) and introducing new technology into the workplace (3.8).

While addressing the needs of an aging workforce received an average importance rating of only 3.4 and was viewed as only moderately important compared to the other workforce issues, organizations that are preparing for the potential shortage of workers due to boomer retirement rate this issue as more important than those that have not done any preparation for a potential worker shortage (*preparation for worker shortage: 3.5 vs. no preparation for worker shortage: 3.1*).

Average Rating of Important Issues to Organizations (n=685)

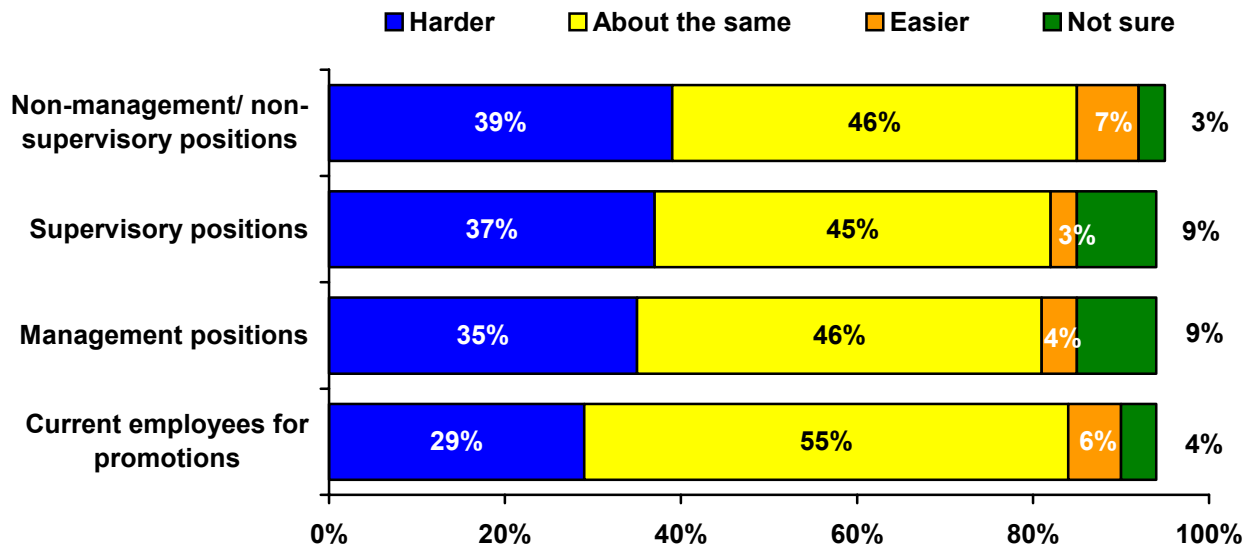


Availability of Qualified Workers

About four in ten of all employers say that it's harder today than it was five years ago to find qualified applicants for management, supervisory, and even non-management, non-supervisory positions. Less than 10 percent of respondents indicate that it is easier to find qualified applicants today compared to five years ago.

More organizations that do not provide retirement benefits to employees are finding it harder than organizations that do provide retirement benefits to find qualified applicants for management positions today compared to five years ago (*no retirement benefits: 44% vs. retirement benefits: 32%*).

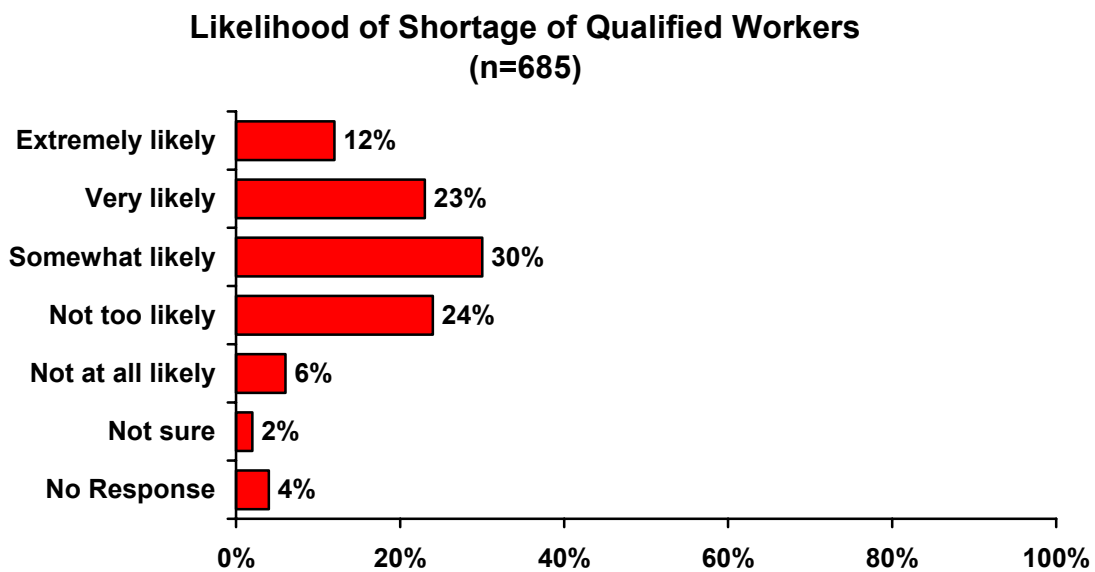
**Ability to Find Qualified Applicants
Today Compared to Five Years Ago
(n=685)**



Likelihood of a Shortage of Qualified Workers

Baby boomers, or those born between 1946 -1964, are approaching traditional retirement age. Their retirement may create a shortage of employees since the generation following them is much smaller (Cummins, 2004). Nearly two-thirds (65%) of New York⁶ employers believe that their business is at least somewhat likely to face a shortage of qualified workers within the next five years.

Larger employers are more likely than smaller employers to anticipate a shortage of qualified workers within the next five years. Companies with 50 or more employees (15%) are more likely than companies with less than 50 employees (10%) to report their company is extremely likely to face a shortage.



⁶ Businesses in the surveyed region include counties from the Finger Lakes, Mohawk Valley, Central and Western New York area.

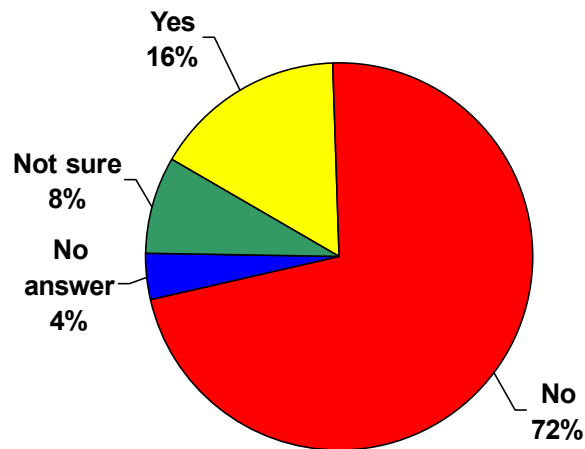
Preparing for a Potential Worker Shortage

While the likelihood of a worker shortage may have potentially devastating ramifications on many businesses, only 16 percent of New York employers have taken steps to prepare for the possibility of boomers retiring at the traditional retirement age. It is noteworthy that 8 percent of respondents are not sure if their organization is taking steps to prepare for boomer retirement.

Larger organizations and those with a higher percent of workers age 50 or older are more likely to have taken steps to prepare for retirement. Nineteen percent of organizations with 50 or more workers say they have taken steps to prepare for this possibility compared to 14 percent of organization with less than 50 workers.

Additionally, 21 percent of organizations with half or more of workers age 50+ say they have taken steps to prepare for the possibility of boomer retirement compared to 14 percent of organizations with less than half of workers age 50+. Interestingly, employers who say it is likely they will experience a shortage of qualified workers in the next five years are no 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 ⁷ (*shortage extremely or very likely: 20%, shortage not too or not at all likely: 14%*).

Organizations Taking Steps To Prepare for Boomer Retirement
(n= 685)

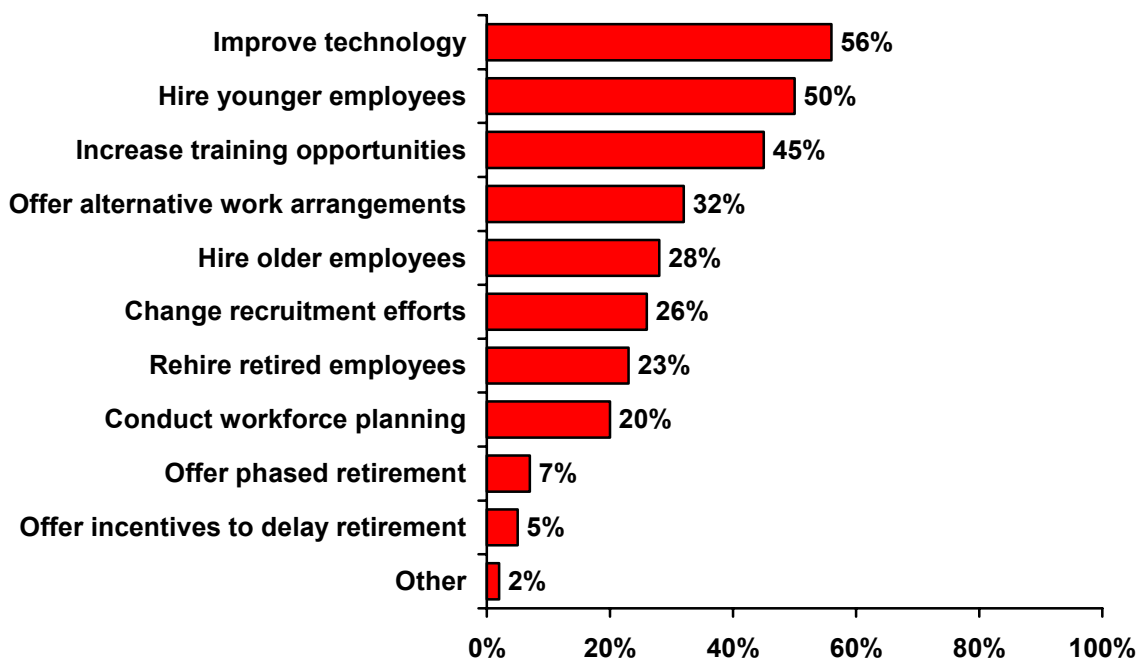


⁷ Significant differences between percentage points vary depending on the number of organizations responding to the question.

While a majority of employers have taken at least one step to prepare for the possibility of boomers retiring, many have not implemented strategies to delay this possibility. Less than one in ten offer phased retirement (7%) or other incentives to delay retirement (5%).

Organizations with at least half of employees aged 50+ (15%) are more likely to offer phased retirement than organizations with less than half of employees aged 50+ (4%).

Strategies to Prepare for Potential Worker Shortage (n=685)



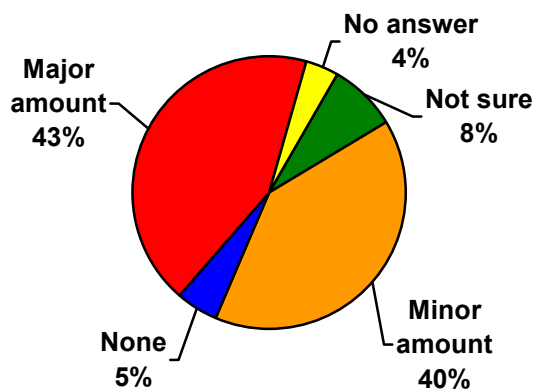
Institutional Knowledge

While more than six in ten employers (65%) say that it is extremely or very important to retain the institutional knowledge that might be lost when employees retire, only one in four (25%) businesses actually have a formal process that enables employees who retire or otherwise leave to share the knowledge they have obtained on the job.

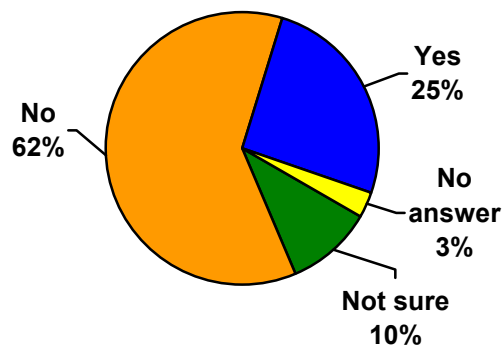
When asked, “*How much knowledge loss do you think occurs when employees retire or otherwise leave the organization?*” more than four in ten organizations say a major amount of knowledge is lost when an individual retires or leaves a job. Businesses with at least half of full-time workers age 50 or older are more likely to acknowledge the “brain drain” that occurs within the organization when knowledgeable people retire or leave a job (*at least half age 50+ employees: 55%, vs. less than half age 50+ employees: 43%*). Surprisingly, the size of the organization did not relate to perceptions of organizational knowledge loss.

Interestingly, those 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 (*formal process among major amount of knowledge loss: 27%, vs. formal process among minor amount of knowledge loss: 26%*). While many employers acknowledged that a major amount of knowledge is lost when an individual retires, few have developed formal processes for retirees to share the institutional knowledge they've gained.

Amount of Knowledge Loss Occurring When Employees Retire or Leave
(n=685)



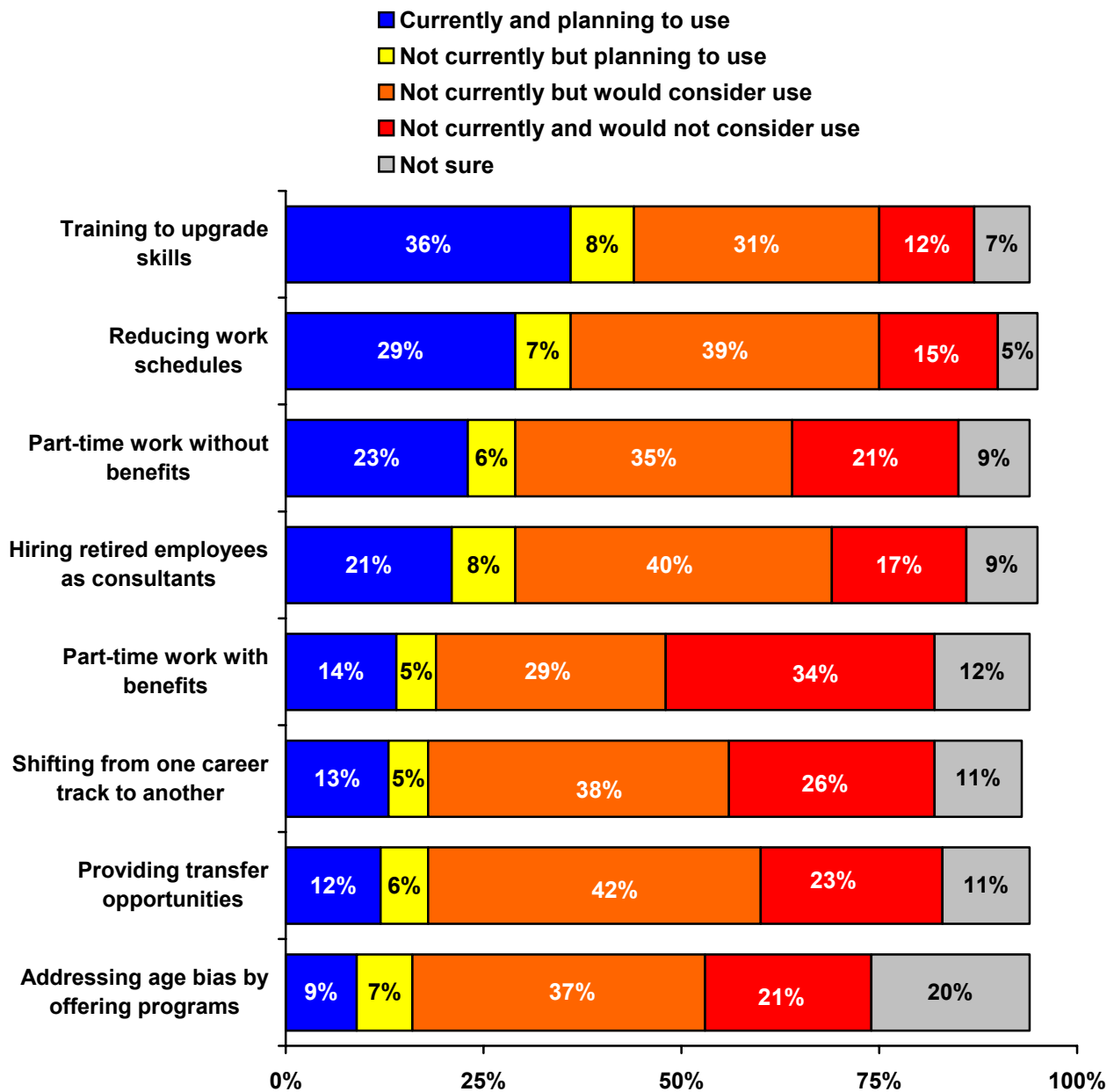
Whether or Not Organization Has a Formal Process that Enables Employees who Retire or Leave to Share Knowledge
(n=685)



Preparing for an Aging Workforce

In less than a decade, the first wave of baby boomers will turn 65, the traditional retirement age (Brown, 2003). While many boomers plan to work beyond traditional retirement age, employers are not facilitating older worker participation in the workforce by developing strategies to address the needs of older workers. Thirty-nine percent of employers currently do not utilize any older-worker targeted strategies to allow older workers to continue to contribute in the workplace past traditional retirement age.

**Strategies to Help Employees
Work Past Traditional Retirement Age (n=685)**



The most common strategies used to accommodate employees who want to work past traditional retirement age are: providing training to upgrade skills, enabling employees to ease into retirement by reducing their work schedules, providing part-time work arrangements without continuation of benefits, and hiring retired employees as consultants or temporary employees. Many organizations have not adopted strategies that are beneficial to older workers such as shifting career tracks while still providing employment. Forty-five percent are using up to three of the eight strategies measured by the survey (18% one strategy; 16% two strategies; 11% three strategies). Sixteen percent are using four to eight of the strategies measured (8% four strategies; 4% five strategies; 3% six strategies; 1% seven strategies; <.5% all eight strategies).

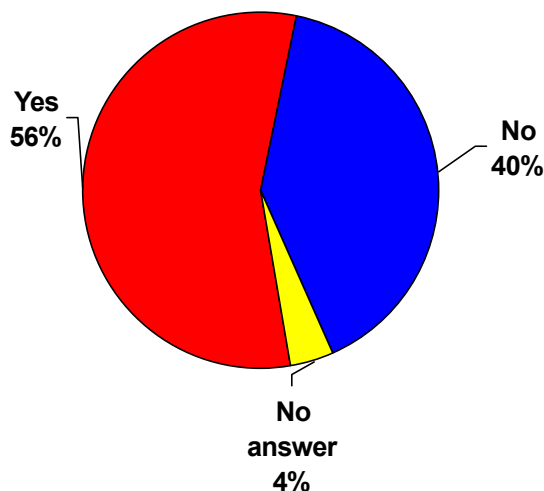
When asked about future plans for accommodating employees who want to work past traditional retirement age, many employers do not plan to use any assistive strategy within the next five years. Seventy percent are not planning to use any of the strategies in the next five years. Twenty-seven percent of employers are planning to use up to three strategies over the next five years (18% one strategy; 7% two strategies; 3% three strategies). Only three percent plan to use four to eight of the strategies measured.

Larger businesses are more likely than small businesses to use seven of the eight 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		
	More than 50 employees	Less than 50 employees
Providing training to upgrade skills	43%	33%
Enabling employees to ease into retirement by reducing their work schedules	36%	24%
Providing part-time work arrangements without continuation of benefits	32%	17%
Hiring retired employees as consultants or temporary employees	30%	15%
Providing part-time work arrangements with continuation of benefits	19%	10%
Providing opportunities for employees to transfer to jobs with reduced pay and responsibilities	18%	9%
Addressing age bias issues in the workplace by offering programs such as mentoring or diversity training	16%	5%

Although many New York⁸ businesses are not taking action to address the needs of older workers, some are seeking information about issues related to older workers. More than 50 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.

Organizations That Have Sought Information on Older Worker Issues (n=685)



Where Organizations Have Sought Information on Older Worker Issues (n=685)

- 34% U.S. Department of Labor
- 26% State employment agencies
- 18% Equal Employment Opportunity Commission (EEOC)
- 15% Private employment agencies
- 15% Management consulting firm
- 14% Society for Human Resource Management (SHRM)
- 13% Chamber of Commerce
- 6% AARP
- 6% Other

⁸ Businesses in the surveyed region include counties from the Finger Lakes, Mohawk Valley, Central and Western New York area.

Conclusions

Most of the qualities that older workers already possess are the top qualities that New York⁹ businesses believe employees should have to meet the needs and culture of their organizations. There is great overlap and, therefore, great opportunity. Given their desire to keep skilled workers and their positive evaluation of older workers' solid experience in the job or industry, New York businesses should be considering strategies to keep older workers.

Right now, nearly half of all employees in New York are age 45 or older (Choi, 2005). While sixty-five percent of all New York employers surveyed believe their business is likely to face a shortage of qualified workers in the next five years, just sixteen percent are taking steps to prepare for the baby boom generation to retire. Currently, fewer than one in ten businesses are using strategies such as offering phased retirement or other incentives to delay retirement in order to address a potential shortage of qualified workers. The most common strategies used to prepare for the potential worker shortage are improving technology and hiring younger employees.

Moreover, many employers are not currently using or developing strategies to address the needs of older workers who continue working beyond traditional retirement age. About three in ten currently provide training to upgrade employee skills or allow for reduced work schedules. Most New York 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, the most important issues for more than three in four New York businesses.

When workers retire or otherwise leave a job, they take the knowledge related to the job with them. More than six in ten employers say it is extremely or very important to retain institutional knowledge lost when an employee retires or leaves a job; however only one in four actually have a formal process that enables employees to share information 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 the bottom-line. Additionally, strategies such as conducting workforce planning and implemented 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.

There are organizations that can help. Four in ten New York 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.

⁹ Businesses in the surveyed region include counties from the Finger Lakes, Mohawk Valley, Central and Western New York area.

Methodology

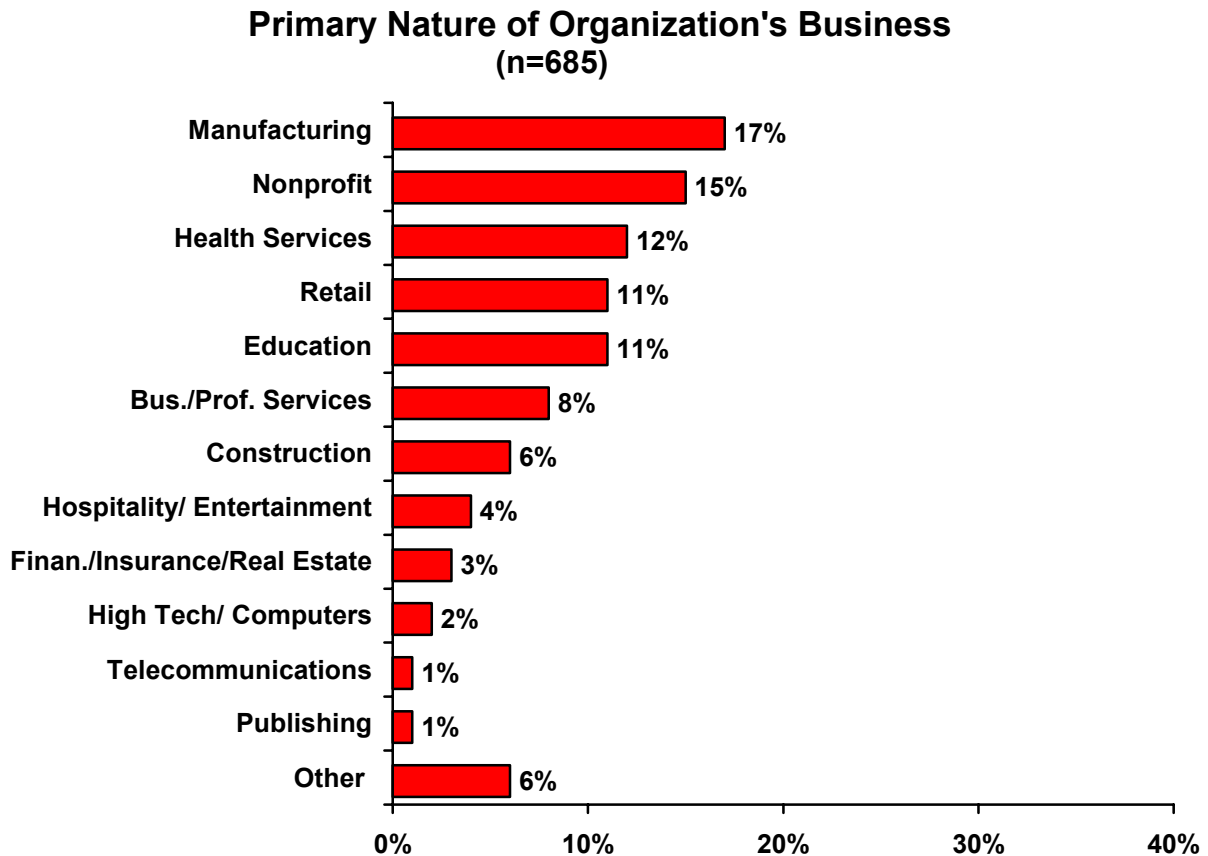
Survey Sampling, Inc. provided a random sample of 4,000 businesses with twenty or more employees listed in the following counties: Erie, Monroe, Livingston, Ontario, Orleans, Wayne, Niagara, Seneca, Yates, Steuben, Genessee, Wyoming, Alleghany, Cattaraugus, Chautauqua, Schuyler, and Chemung.

Out of 4000 businesses, 361 surveys were undeliverable however, 685 were returned for a 19% response rate. The sampling error was ± 3.56 . 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 ineligible¹⁰ mail were tracked. A reminder postcard, a second copy of the survey, and a third copy of the survey were mailed if the business did not respond.

¹⁰ Ineligible mail was those businesses that identified themselves as no longer in business or with no employees.

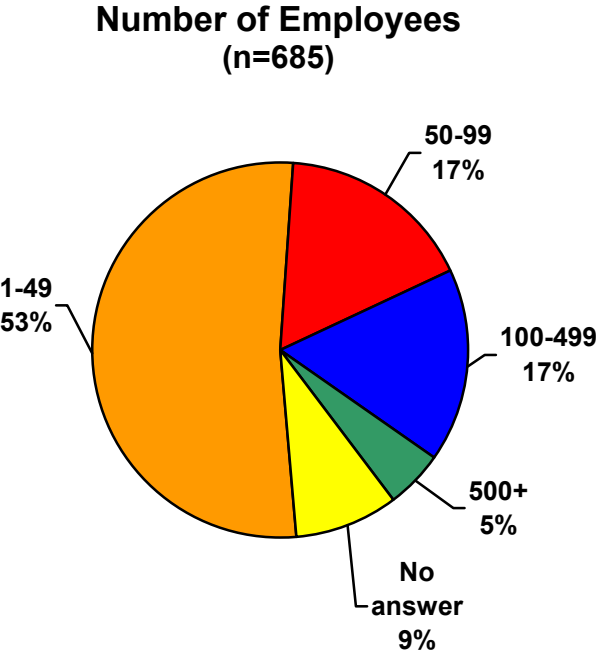
Survey Demographics

The self-reported nature of business for the organizations in the survey reflects a comprehensive list of industries.

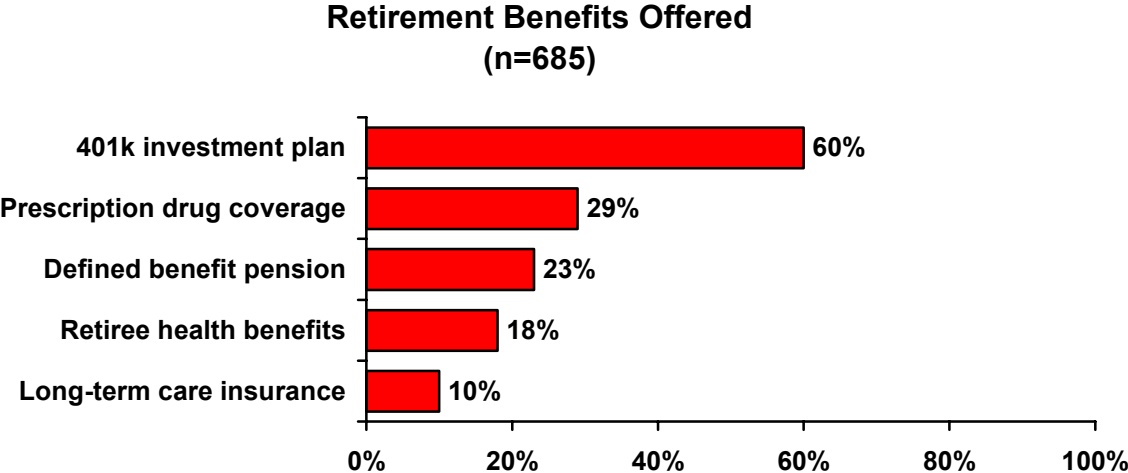


Ninety three percent of the organizations in the survey are headquartered in the State of New York. Twenty-two counties of New York were represented in the survey. Most businesses were located in Erie and Monroe County.

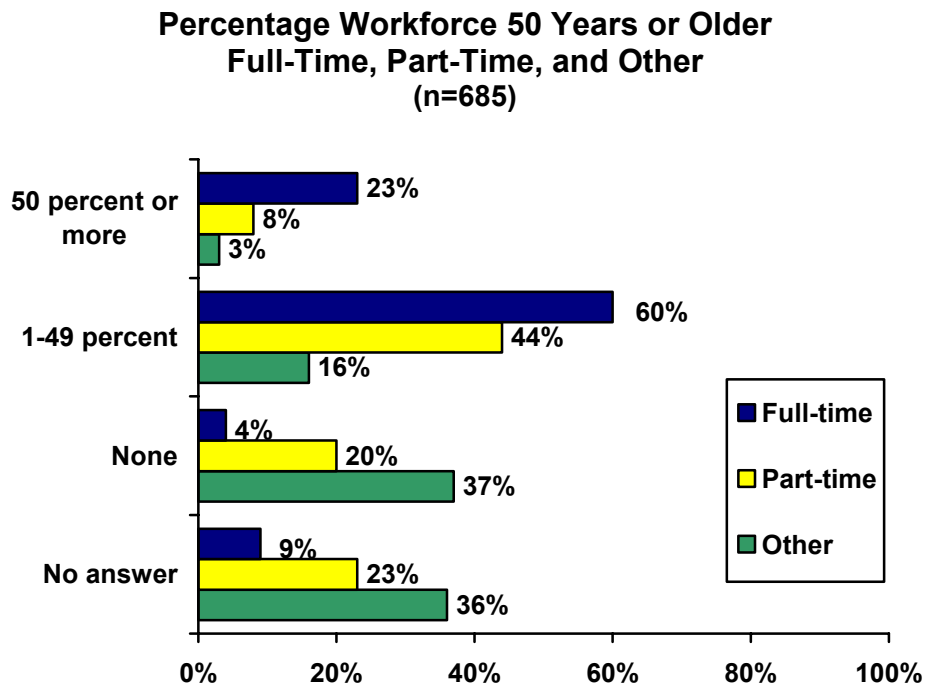
The target sample for this survey was businesses employing 20 people or more. The survey included businesses with 500 or more employees. However, the majority of businesses surveyed are small businesses that employ less than 50 people (53%).



Most organizations do not offer traditional pension plans. The most common type of benefit offered is a 401k investment plan.



Examining the percentage of employees age 50 years or older within the New York workforce illustrates the importance of older workers to the workforce. Fifteen percent of businesses report that half or more of their workers are age 50 or older.



About one in four employers say 50 percent or more of their workers age 50 or older are full-time permanent employees while about one in ten say 50 percent or more of their workers age 50 or older are part-time permanent employees. In order to avoid workforce depletion and embrace long-term survival, organizations must begin to address issues related to the employment of the older worker, as well as begin preparation for their eventual retirement. Within the next decade, the presence of the older worker is projected to increase nationwide by nearly 50 percent (Toossi, 2004). Older worker issues will become more important to organizations as the 50+ labor force quickly increases in numbers.

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Appendix A Annotated Survey

New York Workforce Survey

New York Sample, N=685

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

	Extremely Important ▼ %	Very Important ▼ %	Somewhat Important ▼ %	Not Very Important ▼ %	Not At All Important ▼ %	No Response ▼ %
a. Retaining skilled employees.....	67	26	3	1	<.5	3
b. Recruiting skilled employees	54	29	12	2	<.5	3
c. Training/retraining your current workforce	33	44	16	3	<.5	3
d. Developing programs to improve employee performance	24	47	21	4	1	3
e. Introducing new technology into your workplace	23	40	28	5	1	3
f. Addressing the needs of an aging workforce	12	32	38	13	3	3
g. Ensuring a diverse workforce.....	12	27	38	12	9	3
h. Increasing the number of part-time employees.....	3	9	27	38	21	3
i. Developing programs for telecommuting or at-home workers.....	1	3	10	32	51	3
j. Increasing the number of contract employees.....	1	3	9	31	53	3
k. Decreasing the number of contract employees.....	1	4	8	27	56	5

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 ▼ <u>%</u>	Very Important ▼ <u>%</u>	Somewhat Important ▼ <u>%</u>	Not Very Important ▼ <u>%</u>	Not At All Important ▼ <u>%</u>	No Response ▼ <u>%</u>
a. Commitment to doing quality work	77	19	1	0	1	3
b. Ability to interact well with customers/public	59	26	8	2	2	3
c. Loyalty and dedication to the company	58	35	4	<.5	<.5	3
d. Someone you can count on in a crisis.....	56	35	5	<.5	<.5	3
e. Ability to get along with co-workers	55	40	2	<.5	<.5	3
f. Willingness to be flexible about doing different tasks	52	40	4	1	<.5	3
g. Basic skills in reading, writing, and arithmetic	44	39	13	1	<.5	3
h. Ability to work well on teams ...	44	38	12	3	1	3
i. A reliable performance record...	42	48	6	1	<.5	3
j. Individual initiative	39	47	9	1	1	3
k. Ability to handle multiple projects	34	43	18	2	<.5	3
l. Willingness to learn new technology	32	43	18	3	1	3
m. Willingness to try new approaches to problems	32	49	13	2	1	3
n. Willingness to participate in training or retraining programs..	30	45	18	3	<.5	3
o. Having up-to-date job skills	29	45	21	2	1	3
p. Experience in the job or industry	25	43	26	3	<.5	3
q. Creativity	19	32	35	5	5	4
r. Willingness to travel.....	4	8	23	28	33	4

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 Response
	▼	▼	▼	▼	▼	▼
	%	%	%	%	%	%
a. Commitment to doing quality work....	62	30	2	<.5	0	5
b. Loyalty and dedication to the company	56	33	5	<.5	0	5
c. Someone you can count on in a crisis	51	37	6	1	0	5
d. Basic skills in reading, writing, and arithmetic	48	42	5	<.5	<.5	5
e. Ability to get along with co-employees.....	47	40	8	<.5	<.5	5
f. Experience in the job or industry	47	38	10	<.5	0	6
g. A reliable performance record	44	46	5	<.5	0	6
h. Ability to interact well with customers/public	42	43	7	1	<.5	6
i. Ability to work well on teams.....	31	48	14	2	<.5	5
j. Individual initiative	31	48	15	1	0	5
k. Willingness to be flexible about doing different tasks.....	27	39	26	2	<.5	5
l. Ability to handle multiple projects	23	46	23	3	<.5	5
m. Having up-to-date job skills.....	16	46	31	2	<.5	5
n. Willingness to try new approaches to problems.....	16	38	35	6	1	5
o. Willingness to participate in training or retraining programs.....	16	44	30	3	1	5
p. Willingness to learn new technology ..	14	38	35	7	<.5	5
q. Creativity.....	13	40	35	5	1	6
r. Willingness to travel	8	20	35	14	9	15

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? (Only responses given by 1% or more of businesses are reported.)

	<u>%</u> ▼		<u>%</u> ▼
a. Experience.....	27	aa. Act as mentor	1
b. No Response	20	bb. Industry connections	1
c. Reliable	16	cc. Belief in/ value work they do.....	1
d. Good work ethic.....	13	dd. Patience	1
e. Loyalty	9	ee. Consistent.....	1
f. Dependable.....	8	ff. Good customer/ client service.....	1
g. Maturity.....	7	gg. More professional and polished	1
h. Stability	7	hh. Have their personal issues worked out	1
i. Knowledge of industry/ product/job	6	ii. Pride in work.....	1
j. Commitment.....	4	jj. Flexible schedules.....	1
k. Better attendance records	4	kk. Get along with others	1
l. Responsible	2	ll. Know business procedures.....	1
m. Life experience.....	2	mm. Communication skills	1
n. General Knowledge/ wisdom	2	nn. Work full shifts	1
o. Commitment to quality	2	oo. Hard working	1
p. Punctual.....	2	pp. Willing to go that extra mile	1
q. Calmer	2	qq. No child care issues	1
r. Good work skills	2	rr. Put in honest days work	1
s. Flexible.....	2	ss. Less family obligations	1
t. Will stay with company	1	tt. Understand community	1
u. Goal oriented/ Motivated	1	uu. View the big picture.....	1
v. Steady and settled.....	1	vv. Fill part time needs.....	1
w. Valuable	1	ww. None/ Nothing.....	1
x. Honest	1		
y. Good with people	1		
z. Positive attitude.....	1		

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? (Only responses given by 1% or more of businesses are reported.)

	<u>%</u> ▼		<u>%</u> ▼
a. No Response	28	p. Limitations due to health	1
b. Set in ways/ unwilling to change	17	q. Less initiative	1
c. None	10	r. Lack in creativity	1
d. Less flexibility	7	s. Relating to customers, especially younger ones	1
e. Physical limitations/ problems	6	t. Not interested in learning new things	1
f. Lack most recent skills/ technology	5	u. Difficulty lifting	1
g. Difficulty with new technology/ concepts	4	v. Higher salaries/ wages	1
h. Not willing/ uninterested to be trained in new tasks/ technology	4	w. Afraid of new technology	1
i. Slower to perform tasks/ can't multitask	4	x. Slower to learn new tasks/ technology	1
j. Closer to retirement age/ less time with company	3	y. Too rigid	1
k. Health related issues	3	z. Avoidance of technology	1
l. Illnesses	2	aa. More likely to develop health problems	1
m. Less energy/ endurance	2	bb. Get into rut	1
n. Time off for medical reasons	2	cc. Poor computer skills	1
o. Take a lot of time off	1	dd. Can't work as many hours	1

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

	Easier ▼ <u>%</u>	About the Same ▼ <u>%</u>	Harder ▼ <u>%</u>	Not Sure ▼ <u>%</u>	No Response ▼ <u>%</u>
a. Qualified applicants for non-management and non-supervisory positions	7	46	39	3	6
b. Current employees qualified for promotion to jobs of higher grade or responsibility	6	55	29	4	6
c. Qualified applicants for management positions	4	46	35	9	6
d. Qualified applicants for supervisory positions	3	45	37	9	6

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>		<u>%</u>	
12	Extremely likely	2	Not sure
23	Very likely	4	No Response
30	Somewhat likely		
24	Not too likely		
6	Not at all likely		

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>		<u>%</u>	
16	Yes	8	Not sure
72	No	4	No Response

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>	No Response ▼ <u>%</u>
a. Improve technology	56	34	5	6
b. Hire younger employees	50	39	6	6
c. Increase training opportunities	45	43	5	6
d. Offer alternative work arrangements such as part-time work, job sharing, or telecommuting.....	32	58	5	6
e. Hire older employees	28	57	9	7
f. Change recruitment efforts	26	59	9	6
g. Rehire our retired employees.....	23	63	8	6
h. Conduct workforce planning	20	65	9	6
i. Offer phased retirement	7	80	6	8
j. Offer incentives to delay retirement	5	82	7	7
k. Other [SPECIFY]	2	21	7	70

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

<u>%</u>		<u>%</u>	
43	A major amount	8	Not sure
40	A minor amount	4	No Response
5	None		

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>		<u>%</u>	
23	Extremely important	3	Not sure
42	Very important	3	No Response
25	Somewhat important		
5	Not too important		
1	Not at all important		

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>		<u>%</u>	
25	Yes	10	Not sure
62	No	3	No Response

13. 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 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 Response ▼ %
a. Providing training to upgrade skills of employees	36	8	31	12	7	6
b. Enabling employees to ease into retirement by reducing their work schedules	29	7	39	15	5	5
c. Providing part-time work arrangements <u>without</u> continuation of benefits	23	6	35	21	9	6
d. Hiring retired employees as consultants or temporary employees.....	21	8	40	17	9	6
e. Providing part-time work arrangements <u>with</u> continuation of benefits	14	5	29	34	12	6
f. Shifting employees from one career track to another career track.....	13	5	38	26	11	6
g. Providing opportunities for employees to transfer to jobs with reduced pay and responsibilities.....	12	6	42	23	11	6
h. Addressing age bias issues in the workplace by offering programs such as mentoring or diversity training	9	7	37	21	20	7
i. Other [SPECIFY]	<.5	0	2	2	9	87

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

	Yes ▼ %	No ▼ %	No Response ▼ %
a. Retirement planning	46%	49%	6%
b. Part-time work with benefits	27	67	5
c. Knowledge sharing.....	27	67	6
d. Age discrimination	26	69	5
e. Retraining	19	76	5
f. Phased retirement	10	85	5
g. Alternative career tracks.....	6	89	5
h. Other [SPECIFY]	1	26	73

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

	Yes ▼ %	No ▼ %	No Response ▼ %
a. U.S. Department of Labor	34	60	6
b. State employment agencies	26	67	7
c. Equal Employment Opportunity Commission (EEOC)	18	76	7
d. Private employment agencies	15	78	7
e. Management consulting firm.....	15	78	8
f. Society for Human Resource Management (SHRM).....	14	79	7
g. Chamber of Commerce	13	80	7
h. AARP	6	87	7
i. Other [SPECIFY].....	6	31	63

About Your Organization

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

16. Is your organization headquartered in the State of New York?

%	
93	Yes ► GO TO QUESTION 18
3	No
3	No Response

17. If your organization is not headquartered in New York State, where is your organization's headquarters? (n=45)*

	#
No Response	32
Charlotte, NC.....	2
Seattle, WA.....	1
Bolton, Ontario	1
Concord Ontario Canada	1
Cranford, NJ	1
Chicago, IL	1
Minnesota	1
Columbus , OH	1
Indiana	1
Omaha, NE	1
Florida.....	1
Menlo Park, CA	1

**Note: Due to the small number of respondents, responses are reported as whole numbers instead of percentages.*

18. a. Where in New York State are you personally located? (Only responses given by 1% or more of businesses are reported.)

<u>City</u>	<u>%</u> ▼	<u>City</u>	<u>%</u> ▼
a. Rochester.....	18	q. Olean.....	1
b. Buffalo.....	16	r. Clarence.....	1
c. No Response.....	11	s. Webster.....	1
d. Elmira.....	3	t. Corning.....	1
e. Tonawanda.....	2	u. Wellsville.....	1
f. Niagara Falls.....	2	v. North Tonawanda.....	1
g. Williamsville.....	2	w. Batavia.....	1
h. Jamestown.....	2	x. Depew.....	1
i. Lockport.....	2	y. Canadagua.....	1
j. Amherst.....	2	z. Penn Yan.....	1
k. Hamburg.....	2	aa. Lancaster.....	1
l. West Seneca.....	1	bb. Newark.....	1
m. Orchard Park.....	1	cc. Cheektowaga.....	1
n. LeRoy.....	1	dd. Bath.....	1
o. Brockport.....	1	ee. Geneva.....	1
p. Horsehead.....	1		

b. County (Only responses given by 1% or more of businesses are reported.)

<u>County</u>	<u>%</u> ▼	<u>County</u>	<u>%</u> ▼
a. No Response.....	29	i. Ontario.....	2
b. Erie.....	27	j. Steuben.....	2
c. Monroe.....	19	k. Wayne.....	2
d. Chautauqua.....	4	l. Allegany.....	1
e. Chemung.....	3	m. Livingston.....	1
f. Niagara.....	3	n. Schuyler.....	1
g. Cattaraugus.....	2	o. Seneca.....	1
h. Genessee.....	2	p. Wyoming.....	1
		q. Yates.....	1

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

<u>%</u>		<u>%</u>	
17	Manufacturing	4	Hospitality/Entertainment
15	Nonprofit	4	No Response
12	Health Services	3	Financial/Insurance/Real Estate
11	Retail	2	High Tech/Computers
11	Education	1	Telecommunications
8	Business/Professional Services	1	Publishing
6	Construction	<.5	Utility
6	Other [SPECIFY] _____		

20. Currently, how many people work permanently, either full-time or part-time, and temporarily as seasonal or contract employees for your organization in the state of New York?

	Grand Total	Full-Time Permanent	Part-Time Permanent	Temporary, Seasonal, or Contract
	%	%	%	%
a. 1-49.....	53%	63%	63%	35%
b. 50-99.....	17	10	4	3
c. 100-499.....	17	13	4	2
d. No Response.....	9	10	28	56
e. 500+.....	5	3	<.5	<.5
f. 0 Employees.....	0	0	1	0

21. As a percentage of your permanent workforce, what was your organization's turnover rate in New York for 2004?

%	%
9 0%	1 81%-100%
62 1%-20%	1 More than 100%
12 21%-40%	5 Not sure
3 41%-60%	7 No Response
1 61%-80%	

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

	0%	1% - 49%	50% - 100%	Not sure	No Response
Temporary, seasonal or contract work?...	37%	16%	3%	9%	36%
Part-time, permanent?.....	20	44	8	5	23
Full-time, permanent?.....	4	60	23	4	9

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

	Yes	No	No Response
401K investment plan.....	60%	31%	9%
Prescription drug coverage.....	29	60	12
Defined benefit pension.....	23	65	12
Retiree health benefits.....	18	71	11
Long-term care insurance.....	10	78	13

24. What percentage of your employees in the State of New York is currently eligible for retirement benefits through your company?

%	%
20 0%	12 No retirement benefits offered
21 1%-20%	6 Not sure
4 21%-40%	10 No Response
5 41%-60%	
6 61%-80%	
16 81%-100%	

About You

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

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

%

- 46 Key Executive/President/CEO/Chairman/Owner
- 23 Human Resources Professional/ Human Resources Manager or Director
- 21 Other Manager/Director/Officer
- 5 Other [SPECIFY]
- 5 No Response

26. What is your age?

%

- 2 Under 30
- 40 30-49
- 45 50-64
- 10 65 or older
- 3 No Response

Thank you for completing this survey. Please use the postage-paid envelope and return it to State Member Research, AARP, 601 E Street, NW, Washington, DC 20049, by August 19, 2005.

AARP
Knowledge Management
For more information, contact
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