



Just Add Seasoning

A Business Case for Tapping Mature Talent
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A recent survey of U.S. employers by McKinsey Global Institute found that despite high unemployment levels, 64% of companies were struggling to find the skilled workers they need.¹ But were they looking in the right place? When hiring, companies often turn their sights to young and inexperienced jobseekers, even though some of the best workers to help them meet their goals might not fit that profile.

Mature workers can and should be tapped by employers to fill entry level jobs, meet the needs of middle- or high-skill work, or serve as experienced mentors to the new generation of workers.

Here is why:

- **Employers report that mature workers have a strong work ethic, have lower absentee rates, and are reliable and loyal.**² Employers value this kind of “seasoning” of the mature workforce, which can be hard to find among younger jobseekers.
- **Mature workers show a strong capacity and willingness to learn new tasks, processes, and technologies.** A persistent myth about the mature workforce is that it is reluctant to touch a computer or to learn new ways of doing things. Participants in the U.S. Department of Labor’s Aging Worker Initiative (AWI) who are 55 and older have proven otherwise. Many of the AWI sites have successfully trained mature jobseekers to use computers, and individual participants from all ten sites have reported great enthusiasm for their success in these and other training programs.
- **Some mature workers are able to offer employers flexibility to ramp up and ramp down with the fluctuation of market demands.** Many mature workers are open to, or even prefer, part-time or seasonal work during this stage in their lives. This can offer

Indiana CPA Appreciates the Seasoning of Mature Workers

In Indiana, the Maturity Matters program through Tecumseh Area Partnership (TAP) has provided Schoolhouse Partners, LLC with several new part-time workers who are 55+. Co-founder Anita Schafer says that she has been pleased with the quality of the candidates, saying “Some things are not easy to train, like pride in work, or satisfaction with a job well done. That would take years to train.”

Schafer discovered that those kinds of characteristics have been hard to find in candidates who are younger and right out of school. “They have the degree but they don’t have the seasoning.”

- flexibility that employers may value. For example, a CPA in Indiana has found a great way to meet her fluctuating staffing needs throughout the year by utilizing a cadre of part-time mature workers.
- **Mature workers can help employers meet skill shortages.** As the McKinsey report makes clear, the high unemployment figures are masking the real problem of a skills mismatch in our labor force today. This problem will intensify in the future, since occupations projected to grow the most in the next several years require higher levels of education than the jobs that are shrinking or disappearing.³ The mature workforce can provide a resource for employers facing talent and skill shortages. Mature workers are one of the fastest-growing demographic groups in the country, many have high levels of educational attainment, and they are choosing to stay in the workforce in greater proportions.

- **Mature workers can be mentors.** Many employers are noticing that their current workforce is aging, with large numbers of highly skilled workers approaching retirement age. Mature workers can serve as mentors and transfer their knowledge and skills to the newer entrants who lack the breadth and depth of knowledge about the industry, the company, and the job that can only come from years of seasoning and experience.
- **Mature workers may not be as costly as employers think.** It is generally assumed that older workers are more costly to employers because of a combination of higher wages, higher average health insurance claims, and higher pension costs. However, Peter Cappelli, the director of the Center for Human Resources at the Wharton School of Business argues that, “Older workers perform better across the range of relevant performance indicators – better skills, especially interpersonal skills, better attendance, more conscientious, and so on. While one might assume that older workers cost more, in truth any premiums that older workers receive are related to experience—which affects performance.”⁴ In fact, a 2006 survey of employers showed that the high productivity of older workers offsets their higher costs.⁵ Further, it may not be the case that health insurance claims are higher for the older worker. Older workers may in fact be less expensive in term of health insurance costs because they are less likely to need cover-

LL Bean Notes Work Ethic of Mature Workers

L.L. Bean in Freeport, Maine, hires many retired workers for seasonal employment in the company’s call center, the distribution center, and in retail.

Brenda Perry, manager of the department that handles seasonal workers, says that the company truly values the experienced workers, and she is always thrilled to see them return from one year to the next. She’s found that mature workers are reliable and willing to mentor their colleagues. “Usually, they’re coming from a profession and now they’re accepting an hourly position that they find rewarding, allowing them to interact with others, and to make a little extra money,” she says. “They have a strong work ethic. We know they’re going to be there on time. They work hard. They’re a good example to the young folks just coming into the workplace. It sets a really strong precedent.”

In 2010, Maine Jobs Council recognized L.L. Bean’s dedication to mature workers, awarding the company the Silver Collar Award.

age for dependents, and some may also be eligible for coverage under Medicare.⁶

Employer Strategies for Tapping Mature Talent

There are a number of strategies employers can consider taking to tap mature talent, whether that talent is already on board or can be included in a pool of job candidates.

1. **Know your current workforce.** Given that people over age 55 will soon make up almost one-third of the U.S. population, employers may already have significant numbers of mature workers on staff. Employers should analyze how many workers are nearing retirement age and assess whether the talent of those mature workers can be retained or transferred. A useful tool for any employer wanting to do this kind of assessment is provided by the AARP Research Institute. The AARP Workforce Assessment Tool can help employers assess how

retiring workers will affect their organization, address skill shortage challenges due to staff attrition, and manage a multi-generational workforce. The tool is found at <http://www.aarpworkforceassessment.org/us/index.cfm>.

2. **Retain mature talent - or capture it - before it leaves your workplace.** When that talent is valued, employers may choose to develop strategies to hold on to it longer. The strategies can include:
 - Phased retirement, including part-time and other flexible work options
 - Opportunities for mature workers to mentor newer employees on the frontline or in leadership positions

- Opportunities to restructure pensions and other benefits for those interested in a more gradual retirement
- Rehiring retirees
- Retirement seminars to help employees better understand their options

3. Determine your future skill needs and make those needs known. Employers should assess their current and future skill needs and communicate those needs to local community colleges, four-year institutions, high school guidance counselors, and public workforce and economic development agencies. The public workforce system, which includes One-Stop Career Centers and Workforce Investment Boards, works regularly with mature talent and is able to prepare them for specific employer needs. Employers should also communicate these skill needs in the workplace and provide opportunities for current workers, regardless of age, to gain the skills or credentials needed to fill higher-skilled positions. For more information on how workforce agencies can support the mature workforce, see *Developing the Workforce as It Matures*, <http://www.cael.org/pdfs/TMT-Monograph>.

4. Value experience in your workforce and value the seasoned worker. Sometimes employers reflexively seek job candidates from pools of only younger workers, assuming that older workers are not interested in new opportunities. Employers should question these assumptions and recognize the value that mature workers can bring to the workplace in terms of experience, work ethic, and possibly also flexibility. The National Older Worker Career Center's website suggests the following strategies for attracting mature workers:

- Outline your organization's commitment to valuing all people, regardless of age, in your recruitment literature
- Use photos in your recruitment literature showing employees of all ages, including older workers
- Avoid language that implies that you are only seeking younger workers. For example, rather than saying, "A great place to launch your career," say "A great place to showcase your talents."

- Expand your search beyond the usual classified ads and job listings. Place ads in sections of the newspapers frequently read by older readers. Also, partner with organizations and businesses that deal with the older population, such as community groups and alumni associations. (taken from www.nowcc.org)

An additional strategy is to bring in the "heavy hitters" in your organization to send a message about the value of mature workers. There is no better way for your workers to feel appreciated than to hear it from executive leadership. Invite your CEO and other leaders to acknowledge and validate the important contributions of the mature workers in the company.

5. Recognize that mature workers have real concerns about employer age bias. Mature workers and jobseekers believe that many employers take age into consideration when it comes to hiring and firing. Determine whether there are steps you can take to create a workplace climate that embraces all ages. The National Older Worker Career Center's website suggests the following strategies when interviewing mature candidates:

- Emphasize the interview over the resume. Older workers' extensive experience can't be captured in a short resume
- Don't bring up the issue of age
- Consider including at least one older worker on the interview panel
- Explore how the applicant's experience can be applied to the role and responsibilities of the position, instead of fixating on formal qualifications
- Do not dismiss older workers as "overqualified." Because of their experience, and because they are less career driven than younger workers, older workers are better at identifying positions where they can both make a significant contribution and enjoy their work. (taken from www.nowcc.org)

As the workforce ages, it will be critical to establish workplaces that can maximize the contributions of mature workers and manage the inter-generational exchanges important for building the workforce of tomorrow.

Resources

For specific examples of employers who are leaders in leveraging the skills and knowledge of mature workers, see AARP's annual Best Employers for Workers Over 50 at http://www.aarp.org/work/employee-benefits/best_employers/.

In addition to the sources cited, this paper draws from concepts and recommendations discussed in:

- Rebecca Perron, *Employer Experiences and Expectations: Finding, Training, and Keeping Qualified Workers*. Washington, DC: AARP, 2011. Retrieved from <http://assets.aarp.org/rgcenter/econ/finding-training-keeping-qualified-workers.pdf>.
- American Association of Community Colleges, *Practical Tips for Employers*. http://plus50.aacc.nche.edu/employers/Tips_employer/Pages/default.aspx

- CAEL and the Council on Competitiveness, *Bridging the Skills Gap* (2009) produced for the *Tapping Mature Talent Project* which is funded by The Atlantic Philanthropies. http://www.cael.org/pdfs/116_bridgingtheskillsgap

- CAEL and the Council on Competitiveness, *Regional Economic and Workforce Strategies: A Focus on the Mature Workforce* (2009) produced for the *Tapping Mature Talent Project* which is funded by The Atlantic Philanthropies. http://www.cael.org/pdfs/115_regionaleconomicandworkforcestrategies_final

For more information on CAEL's Tapping Mature Talent initiative, please see our latest publication *Developing the Workforce as It Matures* or contact Lisa Schumacher at lschumacher@cael.org.

Endnotes

- 1 James Manyika et al, *An Economy That Works: Job Creation and America's Future*, McKinsey Global Institute (June 2011).
- 2 Alicia H Munnell, Steven Sass, and Mauricio Soto, "Employer Attitudes Towards Older Workers: Survey Results", *Work Opportunities for Older Americans*. (June, 2006): Series3; and Marcie Pitt-Catsouphes, Michael A. Smyer, Christina Matz-Costa, and Katherine Kane, *The National Study Report: Phase II of the National Study of Business Strategy and Workforce Development*. The Center on Aging and Work/Workplace Flexibility Research Highlight (2007): 4.
- 3 Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, "Help Wanted: Projections of Jobs and Education Requirements through 2018" (Washington D.C.: Georgetown Center on Education and the Workforce, 2010); United States Bureau of Labor Statistics (BLS), "Employment Projections 2006-2016. Employment and Total Job Openings by Postsecondary Education and Training Category" (December 4, 2007).
- 4 Peter Cappelli, "Qualified. Yes. Expensive? No." in "Older Workers Need Not Apply," *New York Times Room for Debate Blog* (April 12, 2009).
- 5 Munnell et al, 2006.
- 6 Peter Cappelli, Bill Novelli, *Managing the Older Worker: How to Prepare for the New Organizational Order* (Boston: Harvard Business School Press, 2010): 40-41.



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