AARP®

**Assessment and Planning Tool
for Adapting to an Aging Workforce**

Assessing your current practices, business needs, trends and challenges is an important part of planning for the future. It is also an important part of building your own business case for changing strategies to engage workers 50+ as part of an age diverse workforce and solution for growing skill and labor shortages.

I. General Information

What goals has your company established for the next 5 years? _____

_____

To support these goals, what are your company's anticipated actions related to the size of its workforce over the next 5 years?
☐ **Expand workforce**
☐ **Downsize workforce**
☐ **Stay the same**
☐ **Expand in specific areas**

What key skills will workers need to support your company's goals over the next 5 years? (Check all that apply)
☐ **Management**
☐ **Sales**
☐ **Computer**
☐ **Entry Level**
☐ **Scientific/Technical**
☐ **Financial**
☐ **Legal**
☐ **Customer Service**
☐ **Other _____**

II. Workforce Trends and Challenges

Most companies have some sort of workforce planning in place. However, it is important to evaluate the effectiveness of this planning particularly as it relates to the aging workforce and your company's particular workforce challenge area. For the purposes of this assessment, we have divided the workforce challenge areas into six areas:
- **Numbers retiring – You have concern over the fact that the average age of your workforce is such that a large number of individuals are eligible to retire from your company soon or at the same time.**
- **Knowledge loss – While there may not be large numbers of your employees retiring, there could be significant loss of corporate knowledge or culture lost because certain key staff (including leadership, department heads, or integral staff) are eligible to retire.**
- **Skill shortages – You have concern over being able to fill certain positions. You may have enough applicants, but are not reaching the qualified applicants you need.**
- **Turnover - While you can usually attract candidates for available positions, you are unable to retain them costing your company time and money to continually recruit and train new candidates.**
- **Management – You are concerned about managing an increasingly multigenerational workforce and ensuring that you are putting into place the benefits, environment, training opportunities, flexibility and fair practices that will attract and retain a quality workforce.**
- **Recruitment - Overall, your company has a hard time attracting job candidates either because of the nature of the job or because candidates are unaware of your opportunities.**

Following are questions grouped by the categories above. By reviewing your responses to the questions, you will be able to identify those areas in which challenges are more acute.

NUMBERS RETIRING

What percentage of your employees are eligible or likely to retire in the following timeframes? (Check one box per row.)

Timeline	5% or fewer	6-15%	16-25%	26-50%	Greater than 50%	Don't know
Within next 12 months						
1-2 years						
3-5 years						
6-10 years						

Remember, it is important to not just look at the overall workforce, but look at particular departments that may be impacted as well. Customize the chart below by listing your key departments or functions. Then, for each key area, fill in the number of workers in each age group.

	< 40	41 – 49	50+	Total
Age of Overall Workforce				
Key Areas/ Departments				
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8				
Age of salesperson/staff with the company's key accounts or relationships.				
Age of President or CEO				
On average, at what age do your company's employees typically retire?				

If all of your employees who are currently either retirement-eligible or of average retirement age chose to retire within the next 12 months, is your organization's retirement plan sufficiently funded to provide these distributions?
☐ **Yes**
☐ **No**
☐ **Don't know**
☐ **Not applicable**

If all of your employees who are currently either retirement-eligible or of average retirement age chose to retire within the next 12 months, will your organization be able to pay the premiums for your other retiree benefits, such as retiree health?
☐ **Yes**
☐ **No**
☐ **Don't know**
☐ **Not applicable**

Does your organization have a formal succession plan in place for key leadership or management positions?
☐ **Yes**
☐ **No**
☐ **Informal plan in place**

Does your company have a standard knowledge transfer process in place for sharing information when staff leave?
☐ **Yes**
☐ **No**
☐ **Informal process is in place**

Are there key departments in your company in which only one or few individuals have historic knowledge or understanding of a key system, process, relationship, etc.?
☐ **Yes**
☐ **No**
☐ **Not sure**

Does your organization use any of the following strategies to ensure that you retain critical knowledge and talent? (Check all the apply)
☐ **Employee retention strategies**
☐ **Mentoring**
☐ **Rehiring retirees (as employees or contractors)**
☐ **Succession planning**
☐ **Knowledge transfer strategies**
☐ **Don't know**

SKILLS

If all of your employees who are either of average retirement age or are retirement-eligible do in fact retire within the next five years, will your remaining employees have the necessary experience and knowledge to fill the shoes of those who retire?
☐ **Yes**
☐ **No**
☐ **Only in some departments**
☐ **Don't Know**

Is your company having an increasingly difficult time finding qualified employees either overall or in key departments?
☐ **Yes**
☐ **No**
☐ **Only in some departments**

Does your company provide opportunities to help its employees develop skills and grow in their careers?
☐ **Yes**
☐ **No**
☐ **In certain areas**
☐ **Don't know**

TURNOVER

What is your company's typical annual turnover rate (for reasons other than retirement)? _____%

Within the past five years, has your organization analyzed employee turnover, for the organization as a whole and within key functions?
☐ **Yes**
☐ **No**
☐ **Only in certain areas**

If you have higher than average turnover, does your organization know why?
☐ **Yes**
☐ **No**
☐ **Don't know**

Has your organization taken any steps to reduce turnover?
☐ **Yes**
☐ **No**
☐ **Don't know**

Does your company interview exiting employees to determine reason or to solicit ideas for retention?
☐ **Yes**
☐ **No**
☐ **Don't know**

MANAGEMENT

How would you describe your organization's current culture? (Check all that apply)
☐ **Employees more likely to collaborate with each other rather than compete**
☐ **Members of our leadership team are receptive to employee input.**
☐ **Our organization is genuinely interested in helping employees achieve work-life balance.**
☐ **The organization promotes employee professional growth.**
☐ **The organization plans for both long-term as well as short-term needs.**
☐ **Employees believe in the mission of the organization.**
☐ **Employees are rewarded and recognized for their accomplishments.**
☐ **Employee morale is high.**
☐ **The organization promotes age diversity and fairness.**

Do your organization's benefits and practices (retirement plans, health benefits, flexibility, opportunities for development) support the culture that you are trying to create?
☐ **Yes**
☐ **No**
☐ **Overall, yes, but some benefits and/or practices should be improved**
☐ **Don't know**

Does your organization make a concerted effort to demonstrate that long-service workers and/or loyal workers are valued?
☐ **Yes**
☐ **No**
☐ **Don't know**

Do you feel your company demonstrates respect for the different backgrounds, needs, and values of its employees?
☐ Yes
☐ No
☐ Don't know

RECRUITMENT

How would you describe your company's approach to recruitment?
☐ Reactionary (we hire only when the need arises)
☐ Strategic (we hire "pre-need" so individuals can develop skills and be ready when needed)

Which, if any, of the following issues make it difficult for your organization to recruit qualified workers? Use this list for your overall company or for certain departments (Check all that apply.)

Company	Certain Departments	
☐	☐	Lack of applicants with basic literacy
☐	☐	Lack of applicants with job-specific skills
☐	☐	Job content is unappealing
☐	☐	Job is physically demanding
☐	☐	Schedule is unappealing
☐	☐	Location of worksite is unappealing
☐	☐	Benefits are not competitive
☐	☐	Wages are not competitive
☐	☐	Highly competitive market for workers generally
☐	☐	Image of organization/department creates problems
☐	☐	Other _____

Does your organization have an employment marketing department or is there an identified campaign to attract age diverse or skill diverse candidates?
☐ Yes
☐ Yes, but needs to be improved
☐ No
☐ Don't know

Does your organization have key competitors for talent that offer a better workplace (benefits, flexibility, compensation, etc)?
☐ Yes
☐ In certain communities
☐ No
☐ Don't know

What is your company's primary resource to attract candidates?
☐ On-line job search services
☐ Job fairs
☐ Federal or state government services
☐ Classified ads
☐ Word of mouth
☐ Promotion from within company

In summary and based on the answers to your questions above, what do you think are your company's main challenge areas?

Our company's main workforce challenge area(s) are/is (check all that apply)

☐   **Large numbers of employees are eligible or likely to retire at the same time. (Numbers retiring)**

☐   **There will be important knowledge loss (skills, culture, experience) because key leadership or staff may leave due to retirement or attrition. (Knowledge loss)**

☐   **We are having difficulty finding employees with the right skills and qualifications for the jobs we need filled either across the company or in certain departments. (Skills)**

☐   **We are having difficulty managing an increasingly diverse workforce or there are issues with benefits, compensation, costs, etc that are impacting the workforce. (Management)**

☐   **We are having difficulty with overall recruitment or with recruiting for key positions. (Recruitment)**

☐   **We are having higher than average turnover rates. We can't seem to keep qualified workers. (Turnover)**

III. The 50+ Workforce – One Solution to Workforce Challenges

By 2010, one in three workers will be over the age of 50. AARP research indicates that a majority of baby boomers plan on working past traditional retirement age. This means that there could be four generations in the workforce simultaneously. Employers who hear such projections may be inclined to believe that their skill and labor shortages will be mitigated. However, while boomers may continue to work, will they want to work for your company?

Now that you have assessed your key workforce challenges, review the following table of key principles for attracting and retaining the 50+ workforce and indicate whether your company already has any of the related strategies in place. Determining those practices that your company already offers enables you to ensure that this information is being communicated to potential candidates through recruitment materials.

Some strategies may take more time to implement. Therefore, to get a start on future workforce planning, for each strategy that you do not already have in place, indicate whether you believe there is a possibility that your company may be able to implement the practice within the next few years.

Review the following table of key principles for attracting and retaining the 50+ workforce and determine when or if your company should or will be able to implement some of the related strategies.

Principle	Practice	Now	1 year	2-5 years	Unlikely in the next 5 years
Age Diversity and Fairness	**Education of managers on fair hiring and age discrimination issues**				
	Age neutral or inclusive recruitment materials				
	Rehiring retirees				
Flexible Work Arrangements	**Part time**				
	Temporary/seasonal				
	Flex-time				
	Phased Retirement				
	Job Sharing				
	Telecommuting				
	Compressed work weeks				
Good Benefits	**Phased Retirement**				
	Retiree health benefits				
	Defined benefit pension plan				
	Health benefits for part time employees				
	Caregiving benefits				
Positive Environment	**Training on intergenerational workplace for managers and workers**				
	Equipment or technology to reduce physical nature of job(s)				
	Equipment or technology to assist workers with vision or hearing impairments				
	Flexible or ergonomic workstations				
On-going Training and Development	**Age neutral management training**				
	On the job coaching				
	Peer training				
	Financial/ retirement education and planning				
	Computer/technical training				

Resource Guide

Employer Resource Center- an online site for employers with information on older worker issues and best practices. www.aarp.org/employerresourcecenter

AARP 50+ Workforce SmartBrief: Stay current with the latest trends and information related to the aging workforce. This free bi-weekly e-newsletter summarizes– the latest news on this important issue. To subscribe, visit www.aarp.org/employerresourcecenter and click on the "SmartBrief" button.

AARP Best Employers for Workers Over 50 Program – This program recognizes employers that have the best practices and policies that benefit workers age 50+. If your company offers such employer options as retirement benefits, health benefits for all employees, and flexible work opportunities, you may be eligible for this annual award. To learn more, please visit www.aarp.org/bestemployers.

Practice Specific Resources

Age Diversity and Fairness - The aging U.S. workforce presents legal and management policy challenges to human resource professionals. These include how to recruit, hire, manage and train older workers and how to establish compensation packages that do not discriminate against workers based on age. Have you reviewed your employment policies and practices to ensure that they comply with the Age Discrimination in Employment Act (ADEA) and other state and local age discrimination laws? Here are some legal guidelines and checklists to consider when reviewing your employment policies and practices in light of the ADEA and related laws.

http://www.aarp.org/money/careers/employerresourcecenter/bestpractices/a2004-07-22-adea.html

http://www.aarp.org/money/careers/employerresourcecenter/bestpractices/a2004-07-22-equity.html

http://www.aarp.org/money/careers/employerresourcecenter/bestpractices/a2004-12-17-avoidage.html

Flexibility - Research shows that flexibility is an important priority for older workers. Flexible work options include alternatives for scheduling, work site location, and assignments. This resource provides case studies of three employers that have put into place flexible work options for older workers.

http://www.aarp.org/money/careers/employerresourcecenter/bestpractices/a2004-12-17-flexiblework.html

Benefits

http://www.aarp.org/money/careers/employerresourcecenter/bestpractices/a2004-07-23-caregivingissues.html

http://www.aarp.org/money/careers/employerresourcecenter/bestpractices/a2004-07-23-phased.html

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. AARP has staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.