A Playbook for the Inclusive Hiring of Later-Career Workers

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Executive Summary

As employers struggle to fill open jobs and hire the talent they need to prosper and grow, they often overlook and even exclude a time-tested asset: older workers.

Workers aged 50+ will make up a growing share of the labor force in the coming decade, and their expanding presence will be increasingly important to business operations and economic prosperity. Older workers offer employers the skills and knowledge needed to fill vacancies and mentor younger generations of workers. However, recruiting and screening processes continue to be plagued both by explicit discrimination and other mechanisms that disfavor older workers and lead to disparate hiring outcomes. Even as many companies embrace a broad movement toward inclusive hiring, few include the role of older workers in these commitments. In fact, despite older workers being a federally protected class, fewer than half of companies worldwide specify age in their diversity and inclusion policies, according to a previous AARP survey. This often-neglected critical step is an important, easy win for employers to move toward more inclusive hiring.

Research by the Burning Glass Institute in partnership with AARP demonstrates the imperative for change among employers and policymakers—to ensure not only that older workers can contribute to the labor market at their highest capacity, but also so that employers gain access to a broad pool of experienced talent, which is critical with so many jobs going unfilled.

KEY FINDINGS:

• One million job postings in 2022 contained age-biased language, such as “digital native” and “recent graduate,” even with a 23% decline in such language since the start of the pandemic. The use of age-biased language varies significantly across occupations and appears much more often in job postings for firms comprised mostly of younger workers, illustrating how biased hiring practices bear out in disparate workforce representation.

• Older workers are less likely to be represented on professional social media platforms like LinkedIn, which serves as the central tool for both discovering new job opportunities and for networking for millions of American workers. While workers 55 and older make up 23% of the labor market, our research shows that they account for only 14% of online profiles. Employers need to expand where they advertise jobs to improve inclusivity in the hiring process.

• New career pathways can help employers find new talent pools with high shares of older workers to fill talent needs and improve age parity across roles. Accessing previously untapped talent pools with high rates of older workers can reduce labor market friction at a time of shortage, increase workforce diversity, and create opportunities for an age-diverse set of workers.

• Screening software applications, like automated applicant tracking systems (ATS), have been designed to weed out candidates, and in some cases are using age-biased mechanisms like maximum years of experience that end up eliminating many qualified older workers. Discrimination is often embedded in these systems, with candidates being excluded based on factors strongly correlated with age.

• Older workers are more loyal. In fact, older workers are 62% less likely to move to another employer in any given year than their younger colleagues. Even at age 69, the average worker is expected to stay on at their current employer for four more years, which is one to three years longer than an early career worker.

• Employer reluctance to invest in training older workers is misplaced. Even at age 78, fewer than 1 in 4 workers will retire in the coming year, and older workers change employers much less frequently than younger workers.
Certain changes to sourcing, hiring, and retention processes can promote broad inclusivity of all workers. Though the primary purpose of this playbook is to help employers understand how to reach older workers, it also highlights general practices that can improve diversity in hiring, retention, and employee satisfaction. Our research has shown that providing consistent interviewing practices across candidates and across a firm prevents implicit biases and arbitrary inequities from entering the hiring process. While good pay is critical to attracting top talent from all groups, the quality of benefits—health and retirement savings benefits, in particular—is often at least as important. Surveys indicate that leave benefits, including paid time off, medical or family leave, and flexible scheduling, are major factors in a worker’s decision-making process. By acknowledging and adjusting for barriers to work, employers promote a culture of inclusivity and equity that helps all workers and companies thrive.

Our findings call for the adoption of key recommendations throughout the employee life cycle, from writing more inclusive job ads to training and retaining older workers:

- Review job postings:
  - Eliminate age-biased language, such as “digital native” or “fresh,” from job postings.
  - Engage external experts such as experts from AARP or local workforce development organizations to review planned job ads and job ad templates for unintentional bias against older workers.
  - Eliminate age-indicating metrics, like graduation years, and avoid placing upper bounds on experience ranges.

- Source talent more broadly:
  - Look beyond LinkedIn. Try using job boards like AARP’s or connect with local older worker programs through American Job Centers to expand the reach of recruiting activities.
  - Find untapped talent within your own firm by creating processes to identify transitions where older workers with the requisite skills can fill talent gaps.

- Revamp candidate screening methods:
  - Use screening systems to grow the number of candidates you evaluate using inclusive metrics, like skills or job responsibilities.
  - Remove exclusive practices from applicant tracking and other screening systems, such as removing filters for birth year, graduation year, or maximum years of experience.

- Provide equal access to training and education benefits:
  - Create programs for cross-training between workers to validate the importance of skills from different groups, and make it clear how workers can use their skills to transition to new roles.
  - Provide access to training programs and education benefits to all workers regardless of age, and create internal controls to make sure access to training opportunities isn’t offered in discriminatory ways.
  - Develop career navigation supports that help level the playing field for older workers and eliminate barriers to job access due to limited online professional presence. These include not only building skills pathways and navigation programs that help older workers find high-value and high-pay work, but also supporting older workers in building online job searching skills and online professional profiles through social networking sites like LinkedIn.
Introduction

America is experiencing a broad demographic shift. By 2034, people 65 and older will outnumber those younger than 18. The workforce is following. Already today, 1 in 3 workers is at least 50 years old, amid a notable growth in the share of late-career workers remaining on the job and a growing detachment from the labor force among younger adults. As employers struggle to find the talent they need, the key to unlocking continued economic growth and prosperity increasingly lies in tapping older workers.

The United States is struggling with labor market participation, with overall participation rates expected to decline to 60.4% by 2030, compared to the current 62.6%. However, the share and participation of older workers is projected to grow; workers 75 and older represent the only age group for which labor force participation is projected to rise between now and 2030. Continued inflation pressures and longer life spans may lead over 2 million older workers back into the labor market as the Covid-19 pandemic fades.

Older workers are less likely to be unemployed – in part due to a lower frequency of voluntary resignations – but they are far more likely to be among the long-term unemployed. Despite their skills and experience, older workers face a longer road than younger workers when it comes to landing a new job, with the disparity even wider among older women seeking new jobs.

This report presents a framework for addressing that oversight. We conducted a deep analysis of nearly 70 million worker profiles and more than 233 million job postings to identify new solutions for hiring challenges and to highlight issues in access. The analysis includes a study of the language and requirements of job postings, of firm-level workforce composition, and of occupational and sectoral age demographics. We also reviewed the impact of using common social media platforms and AI-assisted programs in hiring. Finally, we deployed a leading-edge skill-adjacency algorithm to identify potentially untapped pools of talent – those occupations with relatively high shares of older workers who have many of the right skills to be retrained rapidly into roles facing serious shortages.

Insights from this research inform our inclusive-hiring playbook, highlighting key findings that employers and policy-makers can use to unlock the potential of older workers. This playbook is structured to address the areas of bias older workers are currently experiencing in the hiring process and how this also limits employers’ access to talent. These recommendations, first and foremost, provide employers with changes they can make for better hiring practices, but they also advise employers as to how to improve inclusive practices across all levels of leadership.
**Jobs Ads:**

*Age-Biased Language in Millions of Job Postings*

Based on AARP’s list of age-biased terms, we analyzed job postings from 2015 to 2023. What we found were causes for both hope and concern. We found a 23% decline in age-biased language since before the pandemic—a substantial reduction that suggests a tight labor market has encouraged hiring managers to be more intentional in their language. On the other hand, we found consistent use of terms that discourage older workers from applying, including about 1 million job postings with biased language in 2022 alone.⁶

Our analysis reveals an inverse relationship between age-biased language in job postings and employment of older workers in the company. Companies that have the lowest prevalence of age-biased language in their postings have 51% greater representation of older workers in the company, whereas firms with relatively young workforces tend to have more age-biased language in their job descriptions, according to the Burning Glass Institute’s analysis of job postings data. This demonstrates that words matter. Age-biased language bears out in diminished representation of older workers and results in a culture of discrimination.

Employers seeking to root out the biased language that is holding older workers back from applying may find help from their own workers. Asking existing employees for their reaction to the wording of job postings may prove a simple, yet effective approach to more inclusive hiring. Employers can also consult AARP’s guide to age-inclusive hiring for a list of terms to avoid in job postings.

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**Examples of Age-Biased Language:**

- High Energy
- Go-getter
- Fresh
- Young
- Recent Graduate
- Digital Native
- Tech Savvy
- Energetic

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**Share of job postings using age-biased language**

Use of Age-Biased Language is Declining, but Still Represents a High Number of Postings

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*Source: Burning Glass Institute Analysis*
The prevalence of age-biased language varies by occupation and industry. For example, nearly 5% of all job postings for sales and related occupations from 2015 to 2023 were found to include age-biased language, compared with less than 1% for occupations in construction and healthcare support. We found that 8.2% of ads seeking electronics mechanics included terms on the AARP list, more than four times the marketwide average. Other occupations with high levels of age-biased language include wholesale and manufacturing sales representatives (6%) and media and communication equipment workers (4%).

Sourcing: Not All Talent Lives on Social Media

Employers increasingly prioritize “human skills” – the hard-to-train and difficult-to-find soft skills that create value, and that automated tools are still far from replicating. A 2021 AARP survey of 650 employers indicated that employers perceive workers 50 and older as leaders in terms of skills like work ethic, professionalism, management, leadership, and mentoring. Our research shows that firms hiring a larger share of older workers have a much higher prevalence of human skills than firms with younger hires. Firms that hire the largest share of older workers have a greater frequency of management, leadership, mentorship, and professionalism skills. Firms that hire the largest shares of older workers have 42% greater frequency of choosing workers with these skills compared to those firms that hire the lowest shares of older workers.

Yet, as employers focus increasingly on networking sites like LinkedIn for sourcing talent, they are more likely to miss pools of talent with the richest concentrations of high-value human skills. The estimated age distribution of LinkedIn profiles suggests that overreliance on social media for job advertisement and recruitment excludes large numbers of older workers. Although workers ages 55 and over make up 23% of the labor market, they represent only 14% of LinkedIn profiles. This accords with previous AARP unemployment survey results showing that only 22% (1 in 5) of unemployed workers ages 45+ used online social networks to find a job. Over-reliance on such online platforms for job advertisement and recruitment means that older workers disproportionately lack access to employment opportunities. This discrepancy is especially true for older blue-collar workers: Workers ages 55 and over make up 21.5% of the blue-collar labor force but represent less than half of that (10.3%) when it comes to online social profiles currently associated with blue-collar occupations.

Prevalence of Human Skills at Firms by Older Worker Representation Level

<table>
<thead>
<tr>
<th>Share of Older Hires</th>
<th>Management</th>
<th>Leadership</th>
<th>Mentorship</th>
<th>Professionalism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bottom Quintile (0%-20%)</strong></td>
<td>13.2%</td>
<td>11.8%</td>
<td>1.2%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>21%-40%</strong></td>
<td>16.2%</td>
<td>13.7%</td>
<td>1.6%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>41%-60%</strong></td>
<td>15.9%</td>
<td>13.2%</td>
<td>1.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>61%-80%</strong></td>
<td>18.4%</td>
<td>14.6%</td>
<td>1.4%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Highest Quintile (81%-100%)</strong></td>
<td>20.3%</td>
<td>15.4%</td>
<td>1.5%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>
This reality disadvantages employers as they miss out on reaching a valuable pool of talented job seekers. By diversifying their advertisement platforms, employers can expand the number and types of candidates they reach. AARP’s own job board is one example. Employers can also connect with American Job Centers to participate in the Senior Community Service Employment Program (SCSEP). SCSEP was designed to help older workers update their skills and stay connected to the labor market. Since its inception following the passage of the Older Americans Act in 1965, it has put over a million older workers back to work. CareerOneStop also offers an Older Worker Program Finder to help connect workers and employers looking for local opportunities.

Finally, employers can support older workers through professional development programs that help to eliminate disparities in utilization of platforms like LinkedIn. Employers can help workers not currently on the platform develop professional profiles – these will support workers but also help firms articulate the talent they have and potentially increase the number of employees who feel valued enough to truly be advocates for the organization.
Untapped Talent Sources:

New Career Pathways Lift Older Workers

It’s not just bias that keeps employers from connecting with the talent they need. In many cases, employers miss out on considerable talent for the jobs they struggle to fill because of blind spots in their sourcing and screening strategies. Creating transition pathways can bring in new talent to the field as employers continue to struggle to fill jobs. Drawing applicants from occupations with a high share of older workers enables firms to capitalize on ongoing demographic trends and to improve the age diversity of their workforces.

Based on the analysis of job posting and worker history profile data, Burning Glass Institute researchers identified transitions that enable employers to leverage untapped pools of older workers while also offering increased wages to older workers. To identify such transitions, we reviewed skills represented in both worker profiles and job postings to find roles with overlapping skill sets. This analysis revealed potential transitions with a good deal of skill overlap that are less commonly observed in the labor market. As such, these transitions represent new career pathways for older workers and new pools of talent for employers.

The new pathways we identified offer higher salaries for workers without requiring a higher level of formal education. They also address observed imbalances in age concentrations, promoting transitions from occupations where older workers represent a larger share of the workforce to occupations where older workers make up a relatively small presence.

For example, 43% of legal secretaries are 55 or older and earn a median wage of about $38,000. However, legal secretaries have many skills that would help them succeed in other roles. Our analysis identified many such roles that have a lower share of older workers and offer a higher median salary, including claims clerks, production clerks, or office supervisors. On average, these transitions can increase wages for older workers by $13,500 annually and improve age diversity by 14.3 percentage points.

Share of Older Workers by Occupation

Legal Secretary positions have higher share of older workers than other similar roles

Source: Burning Glass Institute Analysis
A key example of this type of transition is shown above; additional examples can be found on the next page.

To reduce talent shortages for roles that are hard to fill and where talent is difficult to retain, employers can engage older workers through the kinds of skills-based pathways described above. The exercise below demonstrates how employers can create untapped talent pathways within their own firm:

1. Determine what roles your firm is struggling to hire and retain.

2. Understand how age concentration varies across roles at your company.

3. Identify roles with high and low concentrations of older workers.

4. List the most important skills for each role.

5. Match roles with similar skills across age concentrations.

6. Create programs to help older workers train younger workers and vice versa.

7. Build opportunities for older workers to move into hard-to-fill roles.

Source: Burning Glass Institute Analysis
As individual firms and workers use these career transitions as a blueprint for inclusive recruiting and hiring, policymakers can support transitions by promoting career navigation over high-cost retraining programs. These transitions highlight how retraining workers for completely new occupations misses out on more attainable and realistic opportunities that are better for the worker, the employer, and the broader economy. Career navigation resources could also help older workers not only identify new opportunities that draw on their underlying skills, but also more effectively articulate their skills and experiences to align with a changing nomenclature of work and emerging needs.
Screening:

Technology Should Promote a Broader Applicant Pool

In February 2022, the Society for Human Resource Management conducted a survey of 1,700 of its members and found that nearly 1 in 4 organizations overall, and more than 40% of the largest firms, were already using automation or AI to support HR activities. This rapid and widespread adoption of technology in hiring practices demands greater oversight on the part of employers and policymakers to ensure equal opportunities for candidates regardless of race, gender, or age.

Automated systems, often portrayed as a way to remove human bias from systems, have been found to amplify harmful biases like racism or sexism, even to the point of illegal discriminatory practices. While automation’s potential for bias is generally understood, there has been little assessment of the actual extent of discriminatory impact, especially on the basis of age. Some government entities are working toward regular audits that evaluate a system’s outcomes based on protected classes such as race or gender. Unfortunately, it is uncommon to include age as a category within these audits. While audits for any protected class represent a step in the right direction, policymakers must work to protect all workers. Until government or nonprofit accrediting entities arise to perform quality control, employers should perform these assessments on their own.

However, if used intentionally, automation offers the opportunity to broaden the number of workers considered for a role. In the past, HR screening was fully manual – a time-consuming process that encouraged HR professionals and company executives to approve shortcuts that could speed up hiring decisions. Often, these choices eliminated entire groups of workers. For instance, employers frequently used degrees or credentials as a proxy for assessing capabilities rather than directly evaluating the skills needed for the job. Going forward, employers can make their screening processes more inclusive by adjusting in the following ways:

- **Instead of relying on degree requirements**...
  - use skills or knowledge sets a worker needs for a role.

- **Instead of placing an upper limit on the range of years of experience specified**...
  - advertise salary band to find the right candidates.

- **Instead of rejecting candidates with work history gaps**...
  - prioritize relevant experience, including from non-traditional roles.

- **Instead of screening for titles**...
  - prioritize those who have taken on comparable job responsibilities.

- **Instead of filtering by graduation year**...
  - focus on desired subject matter expertise.

Employers may find success by weighting different job requirements based on their importance rather than using default Applicant Tracking Systems filters to screen out those applicants who don’t meet all the preferred qualifications. To be successful in this part of the process, employers must have already taken the time to craft a job description that is reflective of their team’s needs.

Similarly, as companies perform audits and checks of their ATS systems for bias, they should include checks for age bias in addition to those for other protected classes.
Training:

Overstated Fears of Retirement Lead to Underinvestment in Training

Common negative stereotypes paint older workers as resistant to change and less committed to the job. Often, older job applicants lose out to younger candidates due to assumptions about their potential longevity at the firm or willingness to learn new skills. The facts tell a different story: 94% of older workers indicate that they would learn new skills with their employer’s support.¹¹

Our analysis of employee tenure found that older workers are two-thirds (62%) less likely than younger workers to switch jobs in any given month. We also found that, compared with their younger counterparts, older workers tend to stay at their places of employment longer and that they are less motivated to jump ship to a competitor for career advancement. Misperceptions are therefore keeping employers from making strong hires and are driving them to underinvest in training for current older employees.

This misperception affects not only hiring decisions but also training. Employers are understandably reluctant to invest in skilling a worker they expect to leave. However, Burning Glass Institute research indicates that, even at age 69, the average worker is expected to stay at their current employer for an additional four years, one to three years longer than an early career worker.¹² In other words, firms may be even more likely to get a positive ROI on training older workers than from training their younger counterparts. Older workers deserve equal access not only to internal training opportunities, but also to education benefits that help them earn certifications or degrees to further boost their career prospects.

Even workers well into their seventies are far more likely to remain working through the coming year than to retire. For example, our research shows that only 27% of 78-year-olds retired the following year. Given that older workers are expected to stay in the labor force longer than that of the historical average, investment in training for older workers can increase capacity or efficiency and help keep older workers engaged, both increasing their value in the short run and potentially extending their tenure.

### Percentage of Workers Who Switched Employers Each Year, By Age, 2020-2022

- **15-25:** 4.5%
- **25-35:** 2.6%
- **35-45:** 2.1%
- **45-55:** 1.9%
- **55-65:** 1.7%
- **65+:** 1.7%

*Source: Burning Glass Institute Analysis*
Share of workers who retired in a given year, by age

Source: Burning Glass Institute Analysis
From Avoiding Bias to Promoting Inclusive Hiring Pathways:

A Playbook for More Age-Inclusive Hiring

As employers continue to grapple with labor shortages across a broad range of critical roles, older workers are there to meet their talent needs. Skilled, time-tested older workers will continue to make up a growing share of the labor force, representing an increasingly important pool of talent for employers. At the same time, older workers continue to face stereotypes that put them at a disadvantage in the hiring process. The inclusive-hiring playbook presented here is designed to support employers in building the diversity of thought and experience that makes their workplaces vibrant and innovative. The data-informed strategies proposed here can help employers and policymakers improve and prioritize new avenues for age parity.

Employers can remove obstacles to inclusiveness and improve their recruitment of older workers if they:

- Adjust the language of job postings and eliminate age-biased language. Employers can rely on external experts to help review job descriptions and postings to detect age-biased language or refer to AARP’s list of age-biased terms.

- Avoid an overreliance on any single platform to recruit and post open jobs. Older workers are underrepresented on LinkedIn, meaning a large portion are excluded from your candidate pool if it is your primary sourcing strategy.

- Look for talent in occupations where workers already have many of the right skills and where older workers are overrepresented. Untapped talent pathways can help employers fill critical roles and improve their age diversity.

- Evaluate screening practices to ensure that they are filtering candidates based on direct measures of capability, rather than arbitrary metrics such as graduation year. For internal talent audit tools, ensure that age disparity detection measures are in place.

- Offer training that improves efficiency and retention of older workers – who are likely to stick around the firm longer than their younger counterparts.

- Recognize systemic bias by participating in trainings and conversations that promote age inclusivity.

Policymakers can promote age inclusivity at scale if they:

- Support the development of career navigation resources as an alternative to time-intensive retraining programs, facilitating transitions into jobs with overlapping skill demands.

- Encourage career counselors and other older worker career networks to communicate the rising importance of platforms like LinkedIn for both networking and finding job opportunities.

- Include age with other protected classes such as race and gender when auditing system outcomes as a success metric.

- Protect all workers from bias inherent to the current generation of applicant tracking systems by auditing recruiting and screening technology to ensure candidates are assessed on their own merits and not automatically rejected due to bias “learned” by automated systems.


Endnotes


12 Early career worker refers to workers ages 15-25 (average retention of 1.4 years) and 26-35 (average retention of 3.4 years).
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