

Members Quarterly

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Feature

Nothing Wrong With a Touch of Gray

How to handle older workers

As the Canadian labour market continues to develop a touch of gray, there are a number of trends developing regarding older workers. One school sees the labour market challenges and demographics and believes that helping older workers stay on the job longer is part of the solution. The other group believes that the faster they can replace older workers with new blood, the greater their chances will be to maintain their competitiveness in the future. So who's right? According to a new survey by Investors Group, maybe both are.

The survey was conducted by Harris/Decima online for Investors Group with 743 owners or senior financial decision makers of organizations with less than 500 employees. It asked these small and medium-sized business managers if they had hired older workers in the past and about their intentions for the future. First, there is good news for older workers. Almost all those surveyed (96%) agreed that workers aged 65 years and over offer more valuable experience and expertise than younger workers. Eighty-five per cent said felt that the older workers are just as productive as younger ones. In addition, a majority (79%) also agreed that senior workers have the required level of energy and ambition for their jobs.

Now here's the bad news. Despite their admiration of older employees, those surveyed were not inclined to hire older workers as much as their younger counterparts. In fact almost 79% don't believe that current vacancies in their organization will be filled by someone older than 65. Their reasons vary. Just over half (51%) are concerned about the health or performance of older workers and 55% think that they will have a harder time adapting to new technology. Some others note the fact that it takes just as much investment to train an older worker for new responsibilities and these senior employees will not likely stay around long enough to recoup this additional investment.

Perhaps the bigger news underneath the headlines of this survey was how these medium and small organizations plan to utilize the older portion of their workforce going forward. In order to maximize their effectiveness and minimize disruptions to the general operations of the organization, many of them have implemented a variety of work options for older workers. These include: 65% offering part-time employment, 43% giving specific project work and 35% having the possibility of contract or consulting work. Smaller but significant other options include 25% who actively offered working from home and 23% who had job sharing for older workers.

These findings should provide food for thought for employers struggling with how to deal with employees on their payroll who are not quite ready to retire. Pushing them out the door is not a practical or possibly even legal approach to this situation. It may be beneficial for you as an employer to examine some of these options.

Part-time employment seems to be the most popular solution for helping both the organization and older individuals work through the wrinkles of the last five years of the pre-retirement period. It allows the organization to maintain highly skilled and still motivated employees while letting them experience a slower and maybe less frenetic working life.



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Would this work in a law office or an accounting firm? Philip Gennis, commercial insolvency & restructuring specialist with msi Spergel Inc., thinks it would. "That's a much better alternative than being shown the door as a senior accountant with multiple profit-producing files and a full share of clients. If both sides agree, the individual can be allowed to maintain their most lucrative files and allow younger apprentices to take over some of the others under their mentorship. That would appear to be a win-win situation for everyone as it allows for an orderly transition when the senior practitioner is actually ready to retire."

Specific project work is another positive alternative and even after a formal retirement, many organizations bring back their most experienced managers or technical staff on a contract basis. Others have an agreement with their older workers to remove their day to day responsibilities so that they can focus on big ticket or more involved contract or project work.

"That would be an ideal situation for a lawyer with merger and acquisition experience," says Philip Gennis. "It is a highly technical and specialized field and many M&A experts would love to have that type of opportunity late in their careers. It could turn out to be a very successful relationship for both parties."

Finally, job sharing and tele-work are both growing in popularity for a wide range of today's professionals, notes Philip Gennis. "This has long been a standard practice for younger workers who needed more time away from the office to care for their children and families. To extend this to older workers just makes sense."

Older workers will be a part of the modern workplace for a lot longer than current experience indicates. That's not just because of an end to mandatory retirement or the human rights aspect of the issue. They will continue to work past traditional retirement age because they want to, and more importantly because they can. Those organizations that come up with the best plans to fully engage these workers will have an advantage in the workplace of today and well into the future.

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