

Older workers expected to be a sought-after commodity

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Older workers, those aged 55 and up, are doing a lot more these days than greeting shoppers at Wal-Mart or serving Big Macs at McDonald's.

They're becoming integral parts of the work force at health-care, telecommunications, financial services and other companies. That's because smart executives looking to the future understand that there is a labor shortage on the way in Rhode Island and the rest of the country. The only way to get the work done, and keep their companies growing, is to find ways to employ those who have retired or want a second career.

Here's why the need for older workers will grow:

- By 2015, one of every three Rhode Islanders will be over age 55. One of every five will be over 65, according to a study by the Center for Labor Market Studies at Northeastern University.

- While the number of people aged 55 and up will increase by 22 percent in eight years, the number aged 35 to 44, considered the prime working years, will fall by 12 percent. That's because the boomer generation is being followed by the birth-death generation with much smaller birth rates, especially in Rhode Island.

- Nationally, in five years, nearly 20 percent of the total U.S. work force will be age 55 or older, up from just under 13 percent in 2000, according to forecasts by AARP.

The thinning of the labor supply comes at the same time that more older people, some already retired, want to go back into the labor pool and do jobs that are different from what they did in their earlier careers.

The AARP national survey found 69 percent of individuals between the ages of 45 and 74 who are either working or looking for work plan to work in some capacity during their retirement. Also, 68 percent of workers between the ages of 50 and 70 who have not yet retired reported that they plan to work in some capacity into their retirement years or never retire.

The biggest reason is they need the money.

"Financial security is the main reason so many older people plan to stay in the work force," Edwin Refern Jr., AARP's national program consultant on the older worker, told Rhode Island business people and human-resources managers at a conference last week.

"Boomers don't have enough money to retire," he said.

He added that as the labor supply dwindles, there would be competition among employers for talented older workers — something the more forward-looking executives are already thinking about.

Brandon Melton, senior vice president of human resources at Lifespan, said the hospital network has done a labor supply forecast from 2007 to 2025 and projected huge shortages, some of 25 to 30 percent, in nursing, diagnostic imaging and management. He explained that baby boomers will be leaving the work force just as the demand for health-care services continues to increase, requiring more workers.

He said the hospital is working with job trainers, colleges such as Community College of Rhode Island and others to train workers with health-care skills. He also recognized that Lifespan may have to amend its work rules to add flexible hours to attract older workers.

“We see a flat labor supply to 2010 and then a decline,” he said.

Kyle Adamois, senior vice president at Taco Inc., in Cranston, said the manufacturer employs 480 full-time workers. She said after the big cost issues of wages, materials and health care, a consistent supply of workers is a key to the company’s success. She said Taco runs its own learning center to train people, and may have to consider hiring part-timers in the future to attract qualified people.

Mary Connor, human-resources manager at Cox Communications, said high-technology skills and a post-secondary education are required for many of the technology jobs. The company continues to build relationships with Johnson & Wales and New England Tech to create a pool of workers to tap.

Linda Katz, policy director for the Poverty Institute at Rhode Island College, said solving the labor shortage must involve giving high-school dropouts the job training and skills to find and hold a job. Rhode Island also needs to develop a stronger strategy to have employers and educators work together to match workers with the skills employers require, she said.

“Everyone needs skills, even for entry-level jobs,” she said.

Other Rhode Island companies, such as Citizens Bank, CVS, Gilbane and Blue Cross & Blue Shield of Rhode Island, have already recognized the need for hiring older workers. They’re trying flexible hours, part-time shifts, continuing education programs as an incentive to keep workers on the job and transportation networks that older workers need.

They are making a smart start in Rhode Island. Other companies will have to follow because they won’t have much choice.

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