

Redefining Work and Retirement: A New Perspective



Presentation to Minnesota Board on Aging

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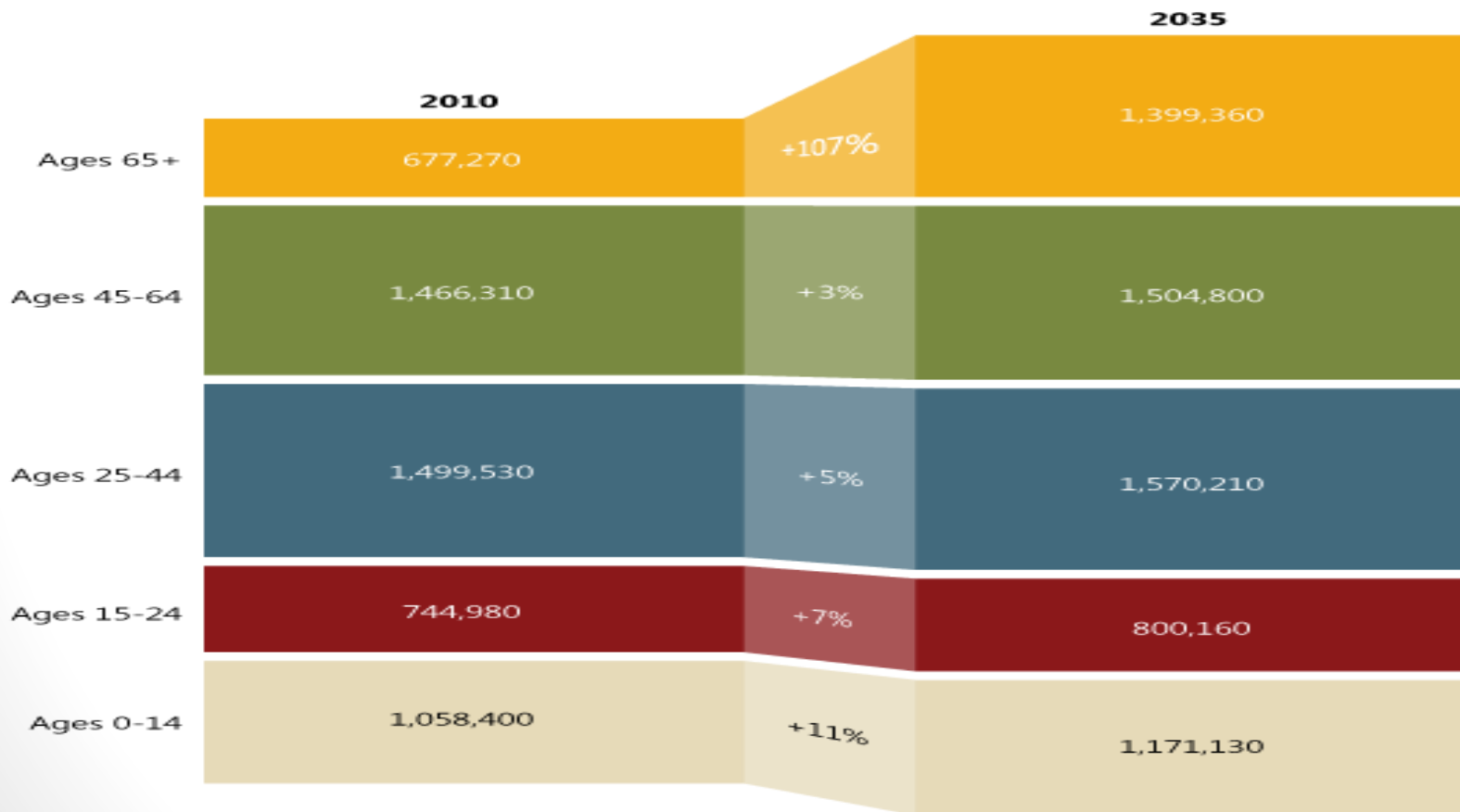
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Population is aging

MINNESOTA'S AGING POPULATION

The number of Minnesotans ages 65 and up will nearly double between now and 2035, while other age groups grow by an average of just six percent.

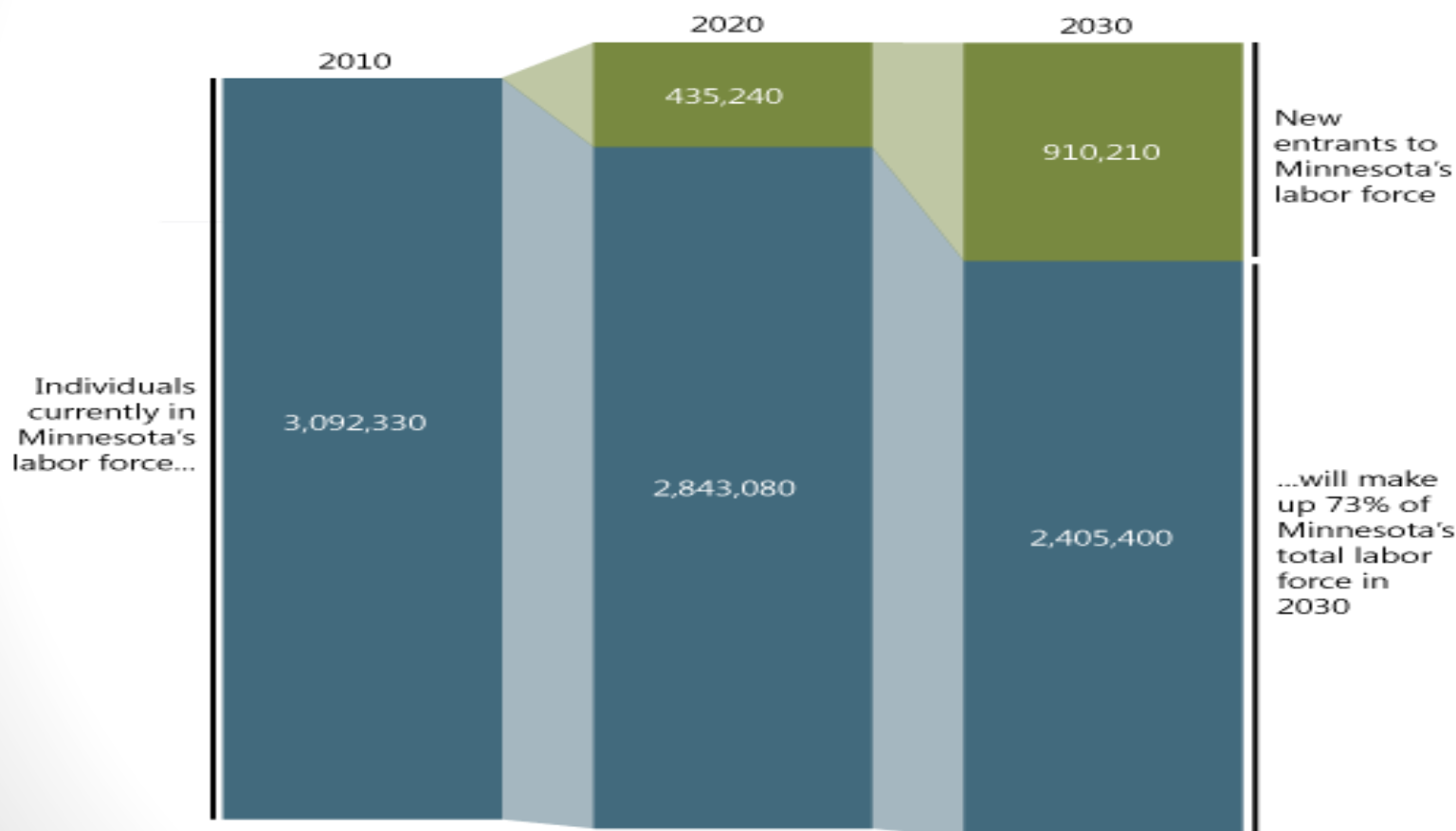


Source: Minnesota Population Projections 2005-2035, Minnesota State Demographic Center

Our Aging Workforce

MINNESOTA'S LABOR FORCE: 2010 to 2030

Two decades from now, Minnesota's labor force will be made up of largely the same individuals as now. Nearly three-quarters of Minnesota's workers in 2030 are currently in the labor force.

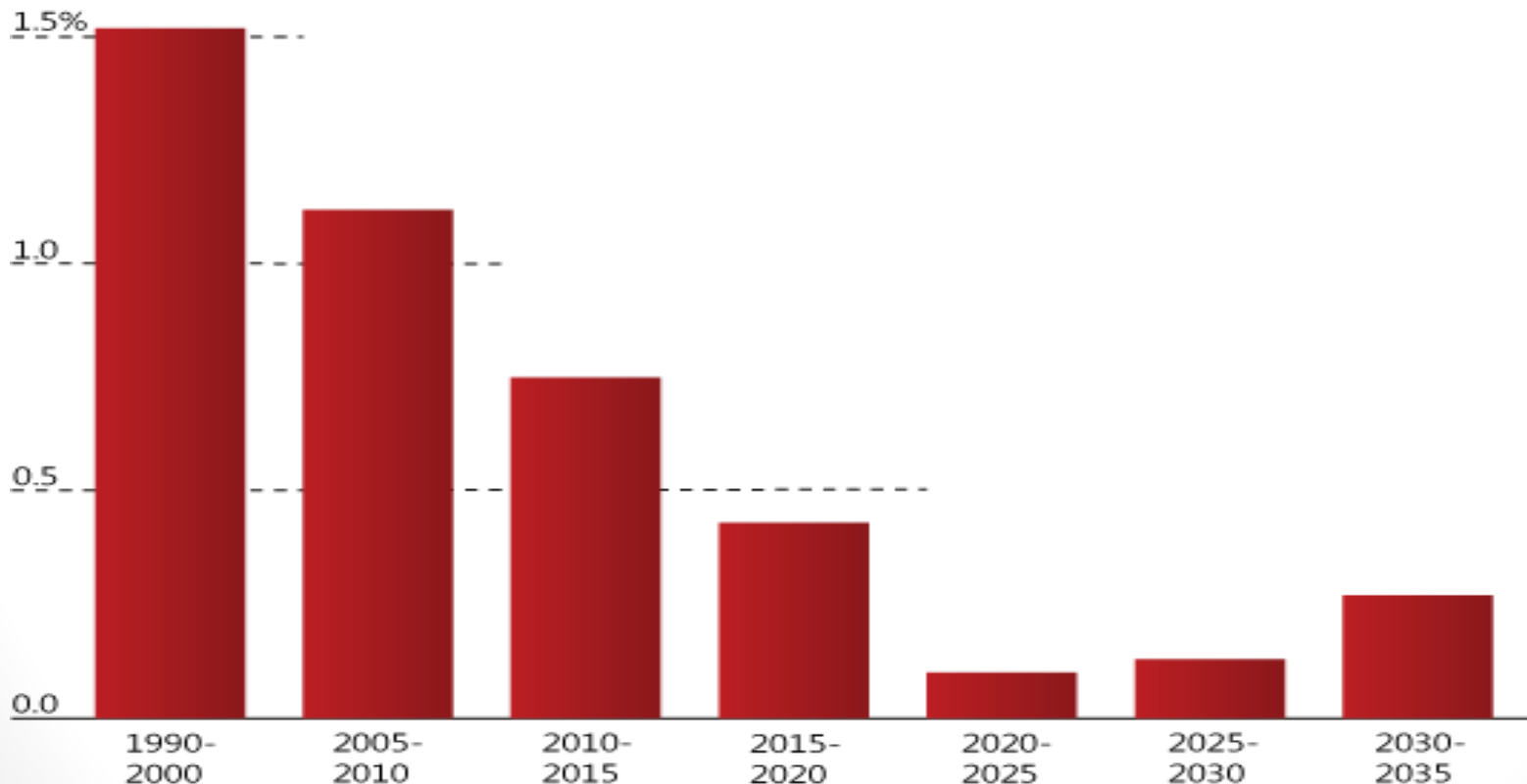


Source: Labor Market Information Office, Minnesota Department of Employment and Economic Development

Slowdown in labor force

DWINDLING LABOR FORCE GROWTH

Slowing labor force growth in Minnesota means that economic growth will rely increasingly on productivity gains. Education and training are key contributors to increased productivity.



Source: U.S. Census Bureau; Minnesota Department of Employment and Economic Development; Minnesota State Demographic Center projections

Replacing the Boomers

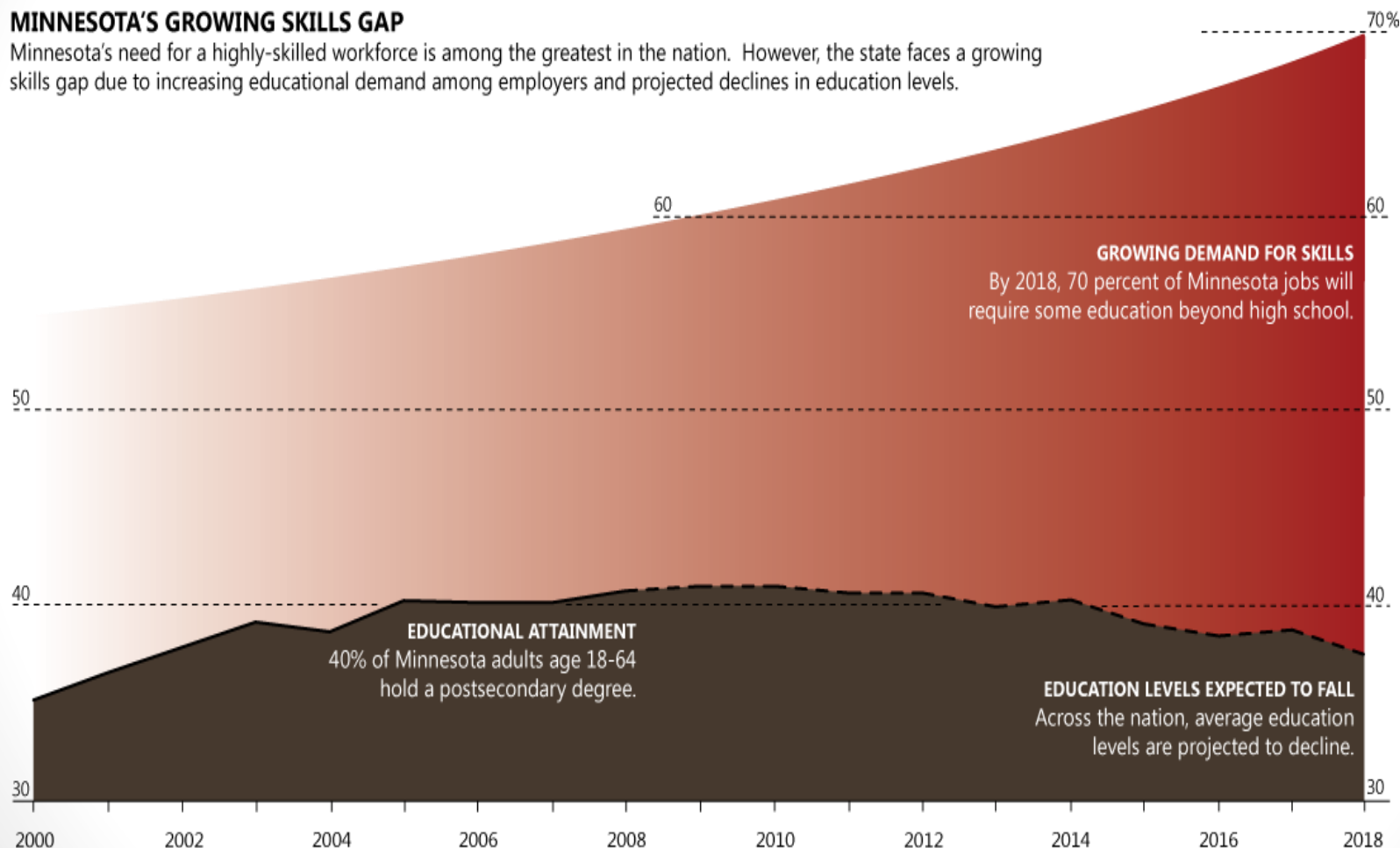
- **Minnesota will struggle to replace retiring workers with new workers.**
 - Boomers were biggest age cohort ever born
 - Now the millennials are larger
 - Average education of workers is declining



Less educated for first time in history

MINNESOTA'S GROWING SKILLS GAP

Minnesota's need for a highly-skilled workforce is among the greatest in the nation. However, the state faces a growing skills gap due to increasing educational demand among employers and projected declines in education levels.



Sources: American Community Survey, U.S. Census Bureau; Help Wanted, Georgetown University Center on Education and the Workforce; National Center for Higher Education Management Systems. Trendlines beyond 2008 are based on single-point-in-time estimates.

Strategy 1:

Retain aging workers

- Flexible work arrangements (desired by all workers)
- Customize compensation and benefits
- Manage across generations
- Skill-building and training
- Rethink safety and ergonomics – make accommodations
- Wellness programs that support all workers including caregivers

Need and want to work

- **Aging workers have many reasons to remain employed.**
 - Building up retirement savings
 - Coping better with rising health care costs
 - Staying healthier in later years
 - Maintain meaningful connections and sense of purpose
 - Give back through civic engagement – nonpaid work

Strategy 2:

Prepare for Retirements

- Overall workforce planning
- Get serious about succession planning
- Active knowledge transfer
- Identify and develop core competencies
- Recruit aging workers for paid or nonpaid work

Extending Current Career

- Called “incumbent workers”
- More employers are retaining aging workers
- You have more bargaining chips as shortages increase
- Negotiate for benefits or conditions you want, e.g., health coverage, flexible work arrangements
- Perhaps another type of job in the same organization would give you greater purpose and satisfaction

Finding New “Encore Career”

- “I’ve always wanted to do.....”
- “I am drawn to the need for.....”
- Vital Aging Network (VAN) provides Evolve, a program of training in leadership and finding your bliss give examples
- Midternships™ are now being created in many organizations through SHiFT grant from the state workforce division
- SHiFT is model organization

Starting Your Own Business

- Entrepreneurship is growing
- Fastest growing group of entrepreneurs is women over 55
- Help is available through state workforce centers
- Minnesota has Project Gate that works through the workforce centers
 - Individual receives assessment, orientation, help developing business plan, referral to potential sources of venture capital and ongoing feedback through one-stop shop center
- Community colleges are also very involved in this type of assistance and education (AZ has a very good program that involves all their community colleges)

Finding Meaningful Nonpaid Work

- For many people, the most important ingredient in an encore career is the fit between the mission of the work and your core mission and values
- If you don't need the money, this exploration can be even wider and far reaching
- Vital Aging Network and SHiFT play important convening role in this process
- Making the connection between the individual, the mission and an organization or cause that “gloves” with that mission

Messages for aging workers

- In best of times, it takes up to three times as long for a job seeker 55+ to find employment
- Important to continue to learn, acquire new skills that add value
- Take charge of career and work life
- Counter myths with realities and be ready to respond
- Think about your legacy



**Are
You
Ready?**

