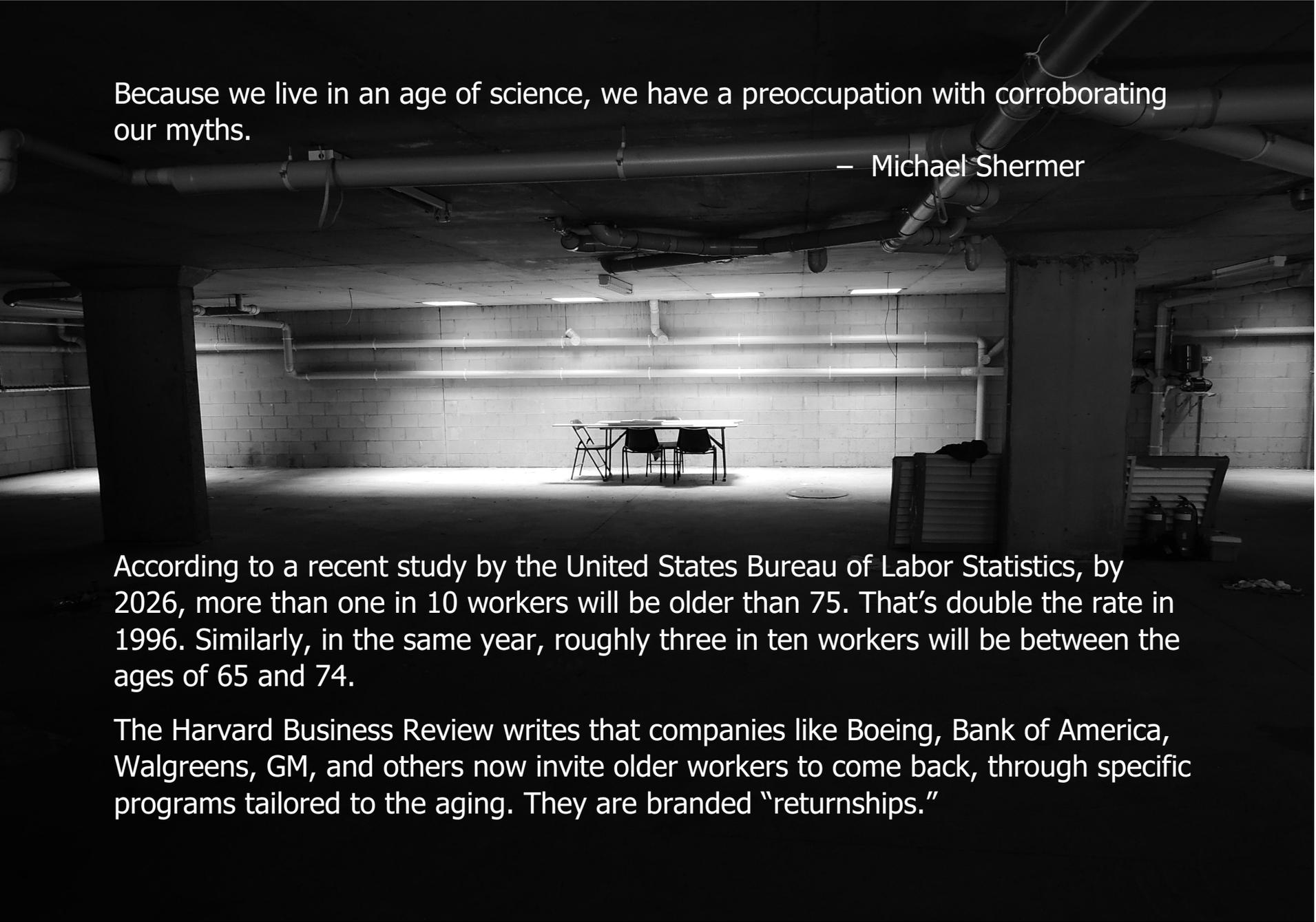




Myths & Facts

About Older Workers

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Because we live in an age of science, we have a preoccupation with corroborating our myths.

– Michael Shermer

According to a recent study by the United States Bureau of Labor Statistics, by 2026, more than one in 10 workers will be older than 75. That's double the rate in 1996. Similarly, in the same year, roughly three in ten workers will be between the ages of 65 and 74.

The Harvard Business Review writes that companies like Boeing, Bank of America, Walgreens, GM, and others now invite older workers to come back, through specific programs tailored to the aging. They are branded "returnships."

MYTH 1 info

OLDER WORKERS ARE SLOW & LESS PRODUCTIVE

- FACT:** Information from the Bureau of Business Management states that business managers describe older workers as: “excellent” (71%); “thorough” and “reliable” (97%).
- FACT:** The Sloan Center on Aging & Work adds that hiring managers gave older employees high marks for loyalty, reliability and productivity.
- FACT:** The Harvard Business Review reports that age does correspond with workplace wisdom, and research proves it. Contrary to popular belief, older, more tenured people are more successful entrepreneurs. Those over the age of 40 are three times more likely to create successful companies.

FACTS: A study reported by Vox.com found that older workers' productivity was more consistent than younger workers — the performance of the 65–to-80-year-old workers was more stable and less variable from day to day than that of the younger group. The study went on to say that the older adults' cognitive performance was more consistent over time than that of the younger workers. because the older workers' wealth of experience enabled them to design strategies to solve problems. In addition, their motivation was higher than the younger workers and they were more stable and less erratic.

FACT: According to fedweek.com, a study conducted in 2019 found that 96 percent of employers view older professional workers as equally or more productive than younger ones,

FACT: CBS News reports that in the new American Working Conditions Survey (AWCS), older workers report having more meaningful work and more workplace flexibility than their younger peers.

MYTH #2 info

OLDER WORKERS ARE LESS LIKELY TO STAY ON THE JOB

- FACT:** According to the National Association of Working Women mature men and women have an 88% lower turnover rate than younger workers.
- FACT:** The Bureau of Labor Statistics states that older workers remain with employers twice as long as workers between the ages of 25 and 35.
- FACT:** Workers age 55 and over were more likely than any other age group to remain in their current jobs according to the National Council on Aging.

FACT: The Bureau of Labor Statistics found that the median tenure for older workers with their current employers is 10.2 years for employees 65 and older; for workers 55-64 it's 9.9 years; and for employees 45-54, it's 7.6 years.

FACT: According to a study from Life Insurance Marketing and Research Association (LIMRA), 92% of employers are taking steps to keep older employees on the job and 80% of employers say that when older workers leave, their companies lose experience, institutional knowledge and leadership.

Why is this important?

Why is employee tenure important?

FACT: According to the Center for American Progress, replacing an employee is very expensive.

The cost to replace a high-turnover, low-paying job (under \$30K/year) is 16% of the employee's annual salary.

- ✓ To replace a \$10/hour retail employee, the cost is \$3,328.
- ✓ To replace a mid-range position (\$30K–\$50K/year), the cost is 20% of the employee's annual salary, or about \$8,000.

FACT: According to the Society of Human Resource Management, to recruit and train a manager making \$40,000 a year, the replacement the cost is between \$20,000 – \$30,000.

MYTH 3 info

OLDER WORKERS WILL BE RETIRING SOON

- FACT:** Reports from NPR and U.S. News & World Report state that 86% of business professionals plan to work well past retirement age and 75% of all workers plan to work well past retirement age.
- FACT:** NPR goes on to say that American workers aged 50 or older think there's a 1 in 2 chance they'll still be working at age 70.
- FACT:** According to the Employee Benefit Research Institute, one worker in 10 plans to never retire.
- FACT:** "If you're 55 years old, you might be in the workplace for another ten, fifteen, even twenty years," – Cal Halvorsen, Boston College

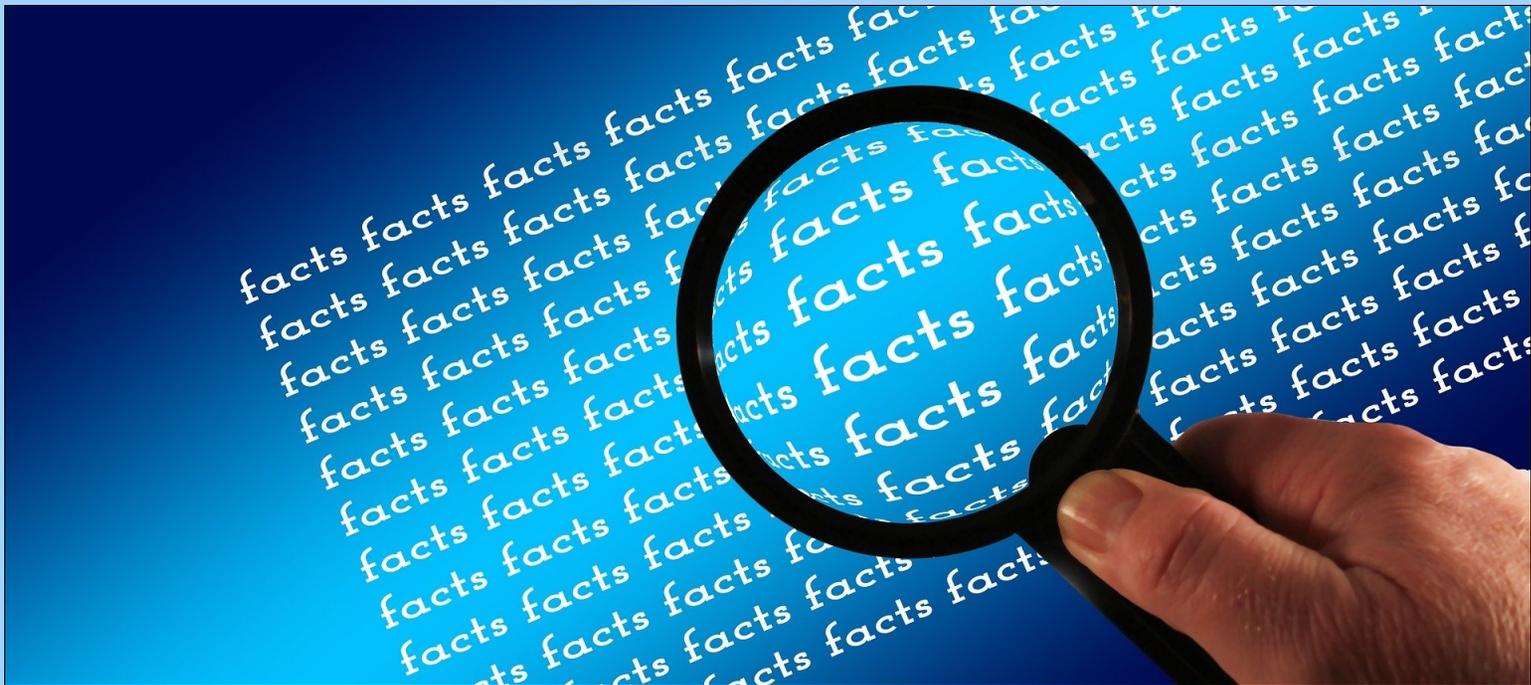
MYTH 4 info

OLDER WORKERS HAVE TROUBLE LEARNING NEW SKILLS

- FACT:** According to the Harvard Medical School, I.Q. does **not** decline with age. The brain shows no evidence of atrophy.
- FACT:** A recent study on workplace technology from Dropbox and market research firm Ipsos Mori, found that 25% of workers 55 and older found technology in the workplace stressful; 36% of 18-34 year-olds found technology in the workplace stressful.
- FACT:** The same study showed that 13% of older workers experience problems working with multiple devices; and, 37% of younger people experience problems working with multiple devices.

FACT: According to the Harvard Business Review, knowledge and expertise — the main predictors of job performance — keep increasing even beyond the age of 80.

FACT: According to the BBC, “crystallised intelligence” – which includes verbal reasoning and acquired knowledge, actually continues to grow well into our 90s.



MYTH 5 info

OLDER WORKERS COST MORE

- FACT:** CNBC reports that workers who accept jobs over age 50... 48% earn less; 22% earn the same; and 29% earn more.
- FACT:** From Fortune Magazine: 90% of Fortune 400 companies believe that the ROI of mature workers is sufficiently justified due to their quality, performance & "retain-ability."
- FACT:** According to VantageAging.org, because older workers tend to have significantly lower turnover rates, they cost their employers less in recruitment. Research shows that workers over 50 years old are five times less likely to change jobs compared to people 20-24.

FACT: Retirementjobs.com reports that, despite increasing evidence that older workers are more productive and have fewer absences, there is no consideration given to the economic value or contribution of higher paid, older workers. Decision makers are focusing on the compensation cost and not the economic value of older workers.

FACT: Older workers are 1% to 10% more costly than younger counterparts when accounting costs alone are considered. In "Business Case for Workers Age 50+" prepared by Towers Perrin, the authors conclude "The benefits of a stable workforce and avoiding turnover costs can exceed the incremental compensation and benefit costs for a 50+ worker."



MYTH 6 info

OLDER WORKERS ARE SICK MORE OFTEN

- FACT:** According to the Andrus Gerontology Center workers over 45 take less "sick time" than workers 17-44.
- FACT:** A study from Met Life found that employees over 50 use 45% fewer sick days than employees between 25-35.
- FACT:** The insurance firm RIAS reported that older workers are half as likely to take a sick day compared to younger workers. While only a quarter of workers over 50 years old took time off due to illness, over the same period of time, almost half of those age 20-30 took sick time off.

MYTH 7 info

OLDER WORKERS COST MORE TO INSURE

- FACT:** The Center on Aging and Work at Boston College notes that insurance rates vary wildly due to geography and state mandates.
- FACT:** While older adults (50 and over) do tend to generate more health care costs overall, a study published by Stanford University stated that past age 60, annual personal health expenditures among older workers increase very slowly compared with spending in the general population.
- FACT:** Because workers over 65 qualify for Medicare, their employer-sustained health care costs falls precipitously.

FACT: Noted from the Boston College Center on Aging and Work's Employer Health Benefits Annual Survey, offsetting much of the seemingly higher health care costs for older workers is the fact that older workers are far more likely to carry individual or two-person coverage, rather than family, or parent with children coverage.





Myths & Facts About Older Workers is presented by Nifty50s which publishes three times each week with articles, insights, news and videos as well as tips & tricks all targeted at helping job seekers age 50 and over find their next position.

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