

AGING GRACE

While many baby boomers will retire within the next decade, a number will choose to stay on the job. How will employers address absence management with a more mature workforce?

BY OPHELIA GALINDO

We are entering an unusual era in workforce management. The number of available workers is declining and workers are reaching retirement age in record numbers, a trend that is expected to peak in 2025.

And while the average retirement age decreased to 61 in 1999 from 65 in 1976, according to Statistics Canada, a meaningful proportion of older workers are either staying in their current jobs or retiring from one employer to work for another. Assuming these patterns continue, the Canadian National Occupational Health & Safety Resource reports that the average age of Canadian workers is expected to exceed 41 years by 2008—up from 35 years in 1980.

Many retirees would prefer to continue working. Of the retirees surveyed for a 2004 Statistics Canada report, more than half who retired for reasons other than their own health would have stayed in the workforce if working conditions were different. Fewer working days, shorter working days and more vacation time were the conditions most desired by retirees—even more desirable than an increase in salary for many. For those retirees who want to continue working, time off appears to be a critical consideration.

Mature workers who continue to work have unique patterns of absence. Poor health generally increases with age, resulting in the need for more time off due to illness. A 2006 Statistics Canada report showed that employees aged 55 to 64 miss significantly more workdays due to illness (10.8 days) than their colleagues who are a decade younger (8.5 days). For illnesses lasting two weeks or more, the difference

between younger and older workers is even more striking. Workers over age 45 are 1.5 times more likely than younger workers to take a long sick leave.

The good news is that many mature workers want to work. They are typically well trained, often with highly specialized skills, and have a strong work ethic. Employers may be able to view these workers as a “hedge” against the declining labour pool.

However, from an absence management perspective, the needs of these workers are different from those of their younger counterparts. As we’ve seen, they desire—and require—more time off, particularly for health reasons. Employers must acknowledge this challenge and develop programs tailored toward the mature worker’s special needs.

So how can employers best accommodate these employees and still keep absence under control?

Step 1: Know your workforce

The first and most critical step in preparing a strategy for the mature worker is the one most often overlooked: knowing how many older workers you have, and will have, over the next 10 years. Understanding the distribution of workers by age and gender is an important element of program design. It’s best to understand which positions will be most significantly affected as well.

Step 2: Understand the impact of aging in the workplace

Getting older has predictable consequences. Decreasing physical strength and stamina, as well as vision and hearing loss, are easily discernible examples of physical decline. But there are more subtle changes as well, such as cognitive or memory loss and a declining ability to handle simultaneous complex tasks, according to a 2006 article in the *International Journal of Disability, Community & Rehabilitation*.

From an absence management perspective, it’s critical to understand which jobs and job tasks create the greatest risk to the mature worker, but not just in the traditional sense of workplace safety. The need for time off may be related to physical,

mental and even emotional burnout: over time, absence from work may be the only outlet to rest the weary body and mind. It's important to identify the highest "wear and tear" jobs in your workplace and create a plan to address them.

Step 3: Create a plan to prevent and respond to absence

A successful absence management plan for mature workers consists of equal parts prevention and response. From a prevention standpoint, creating an "aging plan" for employees in high-risk positions is an effective way to acknowledge that some workers may not be able to continue to contribute in exactly the same way over time, but that there are other ways for them to contribute. For example, an electric utility may rotate older assembly line workers into planning roles.

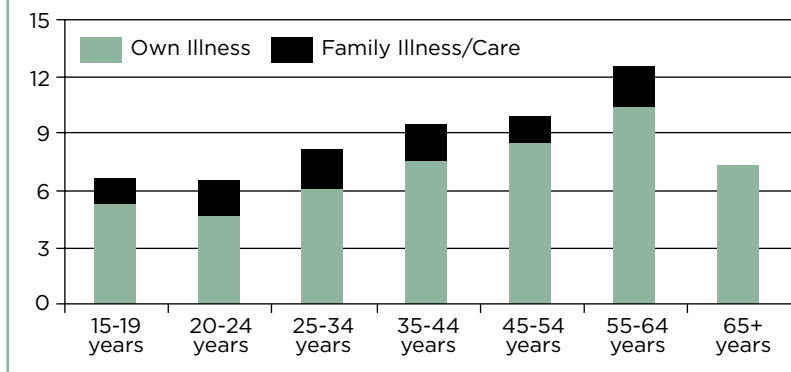
Offering flexibility in work hours to prevent and mitigate the wear and tear that comes with continuing to work as one ages is equally important. One solution is for employers to give long-tenured employees the ability to use banked sick time to take planned time off. For example, a worker with 200 hours could take off one half day a week over the course of a year. Another strategy is to provide respite for the mature worker by creating rotational part-time schedules that do not affect the employee's pension eligibility or permanent job status.

Understanding that many illnesses and injuries cannot be avoided, it's important to have a plan for bringing a disabled mature worker back after an absence—one that acknowledges the physical, economic and emotional effects of disability. Obviously, work is important to the mature employee who chooses to continue working, and remaining intellectually challenged may be important to the employee's emotional well-being. Of course, continued employment may also be an economic necessity. Whatever the motivation, getting back to work sooner is the best way to avoid the negative consequences of the absence, for both the employee and the employer.

Step 4: Ensure that your return-to-work plan effectively balances plan design, administration and case management elements

From a plan design perspective, disability benefits can be constructed with incentives to reward employees who return to work part-time or in an environment of gradually increasing work hours over time. Financial incentives are particularly effective when

Average Sick Days Per Year



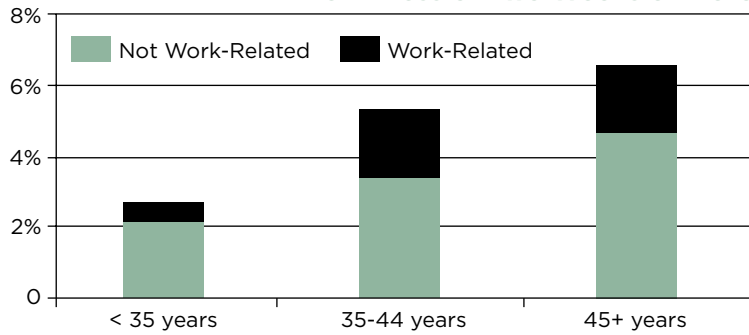
economic factors are motivating continued employment, for example, paying higher benefits to disabled employees who participate in a rehabilitation program.

Not surprisingly, the key to managing a return-to-work plan is identifying the employees who *can* return to work. An effective absence management program must have a foundation of sound administration so that the employer knows who's off work at all times, and for how long. Disability carriers can sometimes be passive in their administration, waiting until a treating physician identifies restrictions and limitations before broaching the subject of return to work. It's wise for an employer to understand what its carrier is and isn't doing to identify opportunities for early return to work, then work with the carrier to establish a proactive approach.

Return-to-work case management is an art, not a science, and employers need to be active participants. Once a return-to-work opportunity is identified, the employer must be prepared to spring into action to support it. One particularly effective model involves designating an advocate within the organization who is responsible for working with the supervisor, manager, carrier and healthcare provider to craft a return-to-work plan. The advocate should be trained to understand the impact of aging on work capacity and must focus on the elements of the job that are of greatest concern. Offering flexibility in work hours and job task assignments can build on the mature worker's strengths, rather than exacerbating his weaknesses.

Even when modified hours are not possible, return-to-work coaching can be an effective strategy to help make sure that employees are smoothly reintegrated into the workplace and sustain employment—particularly for workers who are concerned about their ability to successfully

Incidence Rate (Percentage of Workers) of Illness of Two Weeks or More



return to productivity. Under this model, a case manager contacts both the disabled employee and her supervisor in advance of the return-to-work date. The coach reviews the return-to-work plan and addresses how the employee will be brought back into the work team.

These dialogues help work toward setting goals and expectations, as well as dispelling common myths about older workers. For example, supervisors are

often worried that an employee who has had a heart attack is fragile and cannot resume his former duties without risk of another incident. Without breaking medical confidentiality regarding the employee's circumstances, the coach can discuss these perceptions and suggest strategies for successful re-entry into the workforce. The coach can also stay connected with both the supervisor and the employee for a period of time after the employee's return to address any issues that may arise.

Our mature workers are more important than ever and will be a growing proportion of the workforce for the next two decades. Keeping these workers engaged and productive presents a challenge to employers. And creative absence management strategies are critical, given the higher incidence and duration of absence for mature workers. Employers that focus on work-encouraging plan designs, flexible work arrangements and targeted case management strategies are on the right track to address the needs of mature employees. **BC**

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