

Avoiding brain drain

What you need to know about employing mature workers

Is your company at risk for brain drain? It could be, if you employ a significant number of workers over the age of 55. As large numbers of baby boomers leave the work force, they take years of accumulated knowledge and experience with them.

“This siphoning of institutional knowledge — brain drain — can have a significant impact on productivity,” says Christine Belliveau, account manager and staffing consultant for Principal Technical Services, “especially when you consider that 15 percent of the work force is composed of experienced workers at or approaching retirement age.”

Belliveau also points out that the current labor shortage makes it even more crucial that companies not lose their senior workers to retirement. “If you can convince these individuals to continue working,” says Belliveau, “you won’t incur the expense of recruiting younger, less-experienced workers who are scarce to begin with.”

Smart Business spoke with Belliveau about the advantages of employing mature workers and how to entice them to continue working past the traditional retirement age.

Why should mature workers be encouraged to remain in the work force?

The first thing to consider is the fact that you’re going to have a hard time trying to replace them. For every individual entering the work force today, two are lost to retirement. Companies need to be aware that the loss of experienced workers translates into decreased productivity — not just in terms of manpower, but in the loss of insight, skills and expertise that have developed over the course of an entire career.

Mature workers also possess valuable qualities sometimes lacking in their younger counterparts. Research has shown that, compared with younger workers, mature workers have a stronger work ethic, better interpersonal skills and superior supervisory abilities. They exercise better judgment and have fewer accidents. Forward-thinking companies looking to take advantage of these attributes are taking steps to delay the retirement of these individuals.



Christine Belliveau

Account manager, staffing consultant
Principal Technical Services

How can mature workers be convinced to delay retirement?

Many of these individuals are interested in phased retirement — an employment arrangement that allows them to have a better work/life balance. This could mean fewer hours and/or less job-related stress. There are many ways to achieve this, including offering flextime, telecommuting, and less work-related travel. Additional options include reducing hours through part-time, job sharing, and project-specific opportunities.

Some experienced workers are motivated by the desire to leave their mark on the world. For these individuals, consider restructuring their responsibilities to include mentoring younger employees and/or evaluating and improving department operations.

Companies also need to be aware of how mature workers are perceived and treated within their organization. Surveys have shown that mature individuals place great importance on feeling respected and appreciated. If this is not the case, it may speed their retirement or encourage them to seek employment elsewhere.

Should companies try to increase their pool of mature workers?

If you’re talking about experienced, highly qualified individuals interested in working a considerable number of years past the traditional retirement age, then the answer is yes. This type of employee has great potential to increase productivity, both in terms of the skills and experience he or she brings and the ability to mentor and inspire younger colleagues. To recruit these individuals, companies need to look beyond standard methods such as classified ads and Internet job boards. The experienced workers you want to reach aren’t reading those.

A more effective strategy would be to utilize your network of industry contacts — starting with your own employees and especially recent retirees. Individuals who have recently retired from your organization may be interested in returning part-time and/or may have contacts in their own network who would be interested as well. Professional associations and staffing or recruiting agencies can also be efficient means of locating prospective candidates.

Isn’t it more costly to hire mature workers?

Remember that many of the individuals we’re talking about want less job-related stress, and a significant number are motivated to continue working by factors other than money. It turns out that there is a pool of experienced workers who are interested in taking entry-level, lower-paid jobs in order to keep busy or to supplement income from other sources.

On the other hand, there is also a pool of mature workers who want to continue working in high-level positions and expect their compensation to reflect their years of experience. Although you might be able to hire younger candidates for less money, investing in higher wages for more experienced workers can result in monetary gains from increased productivity.

CHRISTINE BELLIVEAU is an account manager and staffing consultant for Principal Technical Services. Reach her at (888) 787-3711, ext. 31 or cbelliveau@PTSstaffing.com.

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