



**AGE-FRIENDLY WORKPLACES:
Promoting Older Worker Participation**



This document has been jointly prepared by the Federal/Provincial/Territorial Ministers Responsible for Seniors Forum. The Forum is an intergovernmental body established to share information, discuss new and emerging issues related to seniors, and work collaboratively on key projects.

Québec's participation in the development of this document was aimed at sharing expertise, information and best practices. However Québec does not subscribe to, or take part in, an integrated pan-Canadian approach in this field and intends to fully assume its responsibilities for seniors in Québec.

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Why is it important to recruit and retain older workers?

As an employer, your ability to attract and retain a knowledgeable and skilled workforce is key to your overall success. However, population changes have the potential to seriously challenge your ability to attract and maintain the workforce you need. Employers, like you, need to take action now to ensure that you are well-prepared and positioned to overcome the challenges ahead.

Consider the following:

- Canada's population is aging rapidly due to factors such as longer life expectancy, low birth rates and the aging of the "baby boomers" (those born between 1946 and 1965);
- In 2011:
 - one in seven Canadians was a senior aged 65 or older and Statistics Canada predicts that by 2036, this could increase to nearly one in four (25%);
 - the first of the baby boomers began turning 65; and
 - one out of six Canadians was an older worker, up from one in nine in 2001.

These changes are expected to impact the labour force supply and your ability to attract and retain a skilled workforce. While widespread labour shortages are not expected over the medium term, it is anticipated that skill shortages may occur in certain occupations and sectors of the economy due to an insufficient number of workers with required skill sets to replace those who will be retiring.¹

From an employer's perspective, this means that there could be a loss of knowledge, skills and experience, which may be difficult to replace. Consequences are expected to include lower efficiency and productivity levels,² higher training costs,³ and higher wage and benefit costs for employers.⁴

From an employee's perspective, many older working Canadians who could retire do not find traditional retirement appealing. A large number have the desire to work after the traditional retirement age, and their reasons are not just financial.

Employers, like you, have a tremendous opportunity to design and implement new approaches and strategies to recruit, retain and re-engage older workers.

The Forum of Federal/Provincial/Territorial Ministers Responsible for Seniors prepared this guide to help you understand how older workers can contribute to your organization. You will discover some of the strategies that you can use to engage older workers, and to support a diverse and inclusive workforce.

Why consider older workers?

There are a number of reasons why you should consider including older workers as part of your workforce. Among the benefits are:

- Enabling a successful transfer of your organization's knowledge, skills and experience to your future leaders, as well as those to areas that require specialized expertise;
- Potentially reducing turnover and costs associated with hiring, training, and orienting new staff, as older workers tend to remain with employers for longer periods, resulting in fewer costs for hiring and training new staff;⁵
- Building on the networks, knowledge and experience of older workers, thereby adding value to your organization;
- Remaining competitive by attracting and retaining older workers to help address changes in labour force growth; and
- Potentially increasing productivity, as older workers tend to have a strong work ethic, work well in team settings and require minimal supervision.⁶

Misconceptions about older workers

Research also shows that older workers have a strong desire to remain relevant through continuous learning and making use of their abilities, even as they approach retirement. Many older workers want to leave an organization knowing they have made a difference.⁷

Myth: Older workers are less productive

Fact: Intellectual capacity and the ability to perform routine or repetitive tasks are not influenced by age. Rather, research shows that workers who perform the same tasks for a number of years enjoy the benefit of accumulated work experience, which also benefits you as their employer. However, physical strength does begin to diminish with age. Where physical strength is a key component of job performance, a slight decline in productivity may occur.⁸

Myth: Older workers are quick to retire

Fact: Increasingly, employees do not view retirement as a set event, but rather a gradual process. Many older workers plan on remaining connected to the workforce in some way when they retire from their primary career.⁹ Statistics Canada conducted a survey of older workers between 50 and 75 years of age. Among respondents who were currently working, and had never retired (approximately 78% of the sample), over half indicated they plan to continue to work on a part-time basis when they retire.¹⁰

Myth: *Training older workers, who are likely to leave or retire is not cost-effective*

Fact: Older workers tend to be loyal and are less likely to frequently change jobs. This is especially true if older workers know their efforts are appreciated and they are not faced with a mandatory retirement age. Regarding the issue of mandatory retirement, all jurisdictions across Canada have enacted human rights legislation which prohibits age discrimination in employment, with certain exceptions.

In a knowledge economy, the payback period on investment in training is becoming shorter for all workers, meaning that spending money on training older workers is likely to be recovered before those workers retire.

Myth: *Older workers are less receptive to training*

Fact: Baby boomers prefer working in challenging environments where they can improve their skill sets and careers.¹¹ A job-related training study of older workers conducted by Statistics Canada shows that the participation rate in employer-supported training among workers aged 55-64 more than doubled between 1991 and 2008.

The study also found that older workers were less likely to identify barriers to training.¹²

How to recruit for an inclusive and intergenerational workforce

Employers often adopt hiring practices that support recruitment and retention of the most skilled employees. Increasingly, more employers are viewing older workers as an untapped resource and are implementing creative approaches to recruit and retain them. Although their actions are resulting in success, current recruiting practices are not always well suited for attracting older workers. Consider the following:

An inclusive and intergenerational workforce has representation from all age groups.

Recruitment strategy. Many employers engage in online recruitment because it is cost-effective and convenient. However, while many older job seekers use online job boards, many also rely on the classified section of newspapers and trade magazines, seek the services of an employment agency, or use personal contacts and networks. To obtain the most diverse pool of potential candidates, you should consider where and how you recruit. Here are some possibilities:

- Place advertisements in 50-plus publications (online and print), in local newspapers, trade/industry magazines, and/or on local radio stations;
- Contact various organizations such as the local Chamber of Commerce and/or retirement or seniors' organizations;
- Develop an employee referral program;
- Seek the services of professional placement agencies.¹³

Advertisement content. Consider reviewing your job postings to ensure that they are as age neutral as possible. To attract older workers, mention your need for mature and experienced candidates in your advertisements.

Screening process. You may wish to examine the way your organization reviews resumes and applications to ensure that age is not being used to screen out potentially qualified candidates.

Interview process. It is a good idea to periodically review your interview process to assess whether it is as neutral and unbiased as possible. Your organization could even consider having people of different ages on the interview panel.

How to support and retain an intergenerational workforce

There are a number of ways in which you can attract and retain a strong and effective workforce. The strategies below can contribute to the financial, intellectual and social well-being of your workforce:

Flexibility. Today's workers, regardless of age, are looking for more flexibility in how, when and where they work. Some flexible work arrangements include:

- **Compressed workweek/flexible hours**
The standard workweek is reduced to fewer than five days and employees make up the full number of hours per week by working longer days. For example, an employee could work four 10-hour days or three 12-hour days a week.
- **Job sharing**
Typically, this occurs when two people are employed, on a part-time or reduced-time basis, to perform a job that is normally filled by one person. Compensation is distributed between the two workers.
- **Teleworking**
This is working from home while communicating with the workplace electronically (e.g., by phone, email, fax). An employee can telework occasionally or on a regular basis.
- **Project-based assignments**
In this arrangement, the scope of employment is clearly defined and is to be completed within a defined timeline. Depending on the project, it may involve full-time, part-time or contractual employment.
- **Unpaid short- and long-term leave**
This arrangement with the employer allows the employee to have extended leave from their job (i.e. 2 months). During the leave period no salary would be paid by the employer but the employee would maintain his or her status in the organization.

According to the Survey of Older Workers, many individuals would continue to work if they could work part-time (47%), collect their pension and wage at the same time (38%), or work from home (35%).

These types of work arrangements allow employees to balance their commitments to their employer, community, family, and self. For example, a flexible work schedule may appeal to a young parent or an older worker who is caring for an elderly parent. In general, flexible work arrangements help employees successfully manage their many priorities, including work. Having flexible policies and practices in place will enable you to maintain a positive work environment.

Training. Training is an important component of retention for all employees, including older workers. Developing annual learning plans with your employees can support retention success, since employees are able to see themselves developing within your organization.

In some cases, it may be a good idea to help older workers acquire the skills they need to adapt to new workplace practices and changing technologies. Diversity training for managers and employees is another way you can support age-inclusive workplaces.

New opportunities. Employees who have been with your organization for a long time still need job challenges. Some employers provide position changes within their organization or create new positions that better match the changing needs, preferences and abilities of their employees. Such actions can refresh interest and motivation among your long-standing employees and can be an ideal time to provide further training.

Giving employees opportunities to work in another position or area for a period of time, or rotating responsibilities among employees, can result in them learning new skills as well as acquiring a greater appreciation of the work carried out by colleagues.

Mentorship. Mentorship programs are a cost-effective way to ensure that your corporate history is transferred to your next generation of leaders.

Mentors can help younger workers develop practical skills that can only be learned on the job. In turn, your young employees, who are fresh out of school, can act as “reverse mentors” by sharing the latest techniques, approaches and theories with your older workers.

Essentially, both parties serve as mentors, with each sharing and receiving information. These practices help to create a more positive, collaborative and intergenerational work environment, especially when they are actively supported.

Succession planning. Your experienced employees know and understand your organization, and you have confidence in their abilities, knowledge and judgement. It is important to find ways for your older workers to share their knowledge and experience with their co-workers. Positive relationships will help transfer your corporate knowledge from one generation of workers to the next.

Phased retirement. Many companies realize that they continue to need the expertise of their long-standing employees. Phased retirement allows an employee who is approaching retirement to continue working for you, but with a reduced workload that supports a planned transition from full-time employment to full-time retirement. This approach ensures that older workers remain active within your organization and pass on knowledge of your workplace.

Phased retirement can take various forms, including:

- Gradual reduction of hours or days;
- Part-time work (including seasonal and temporary);
- Contractual or project-based assignments; and
- Job-sharing.

Phased retirement is appealing to many older workers as it allows them to gradually transition into retirement, while maintaining a higher income than if they retired immediately. The benefit for you as an employer is that it enables you to retain skilled workers who, without this flexibility, may have retired outright. This also delays your immediate cost of recruiting and training a new employee, and allows for mentoring and the transfer of knowledge.

Recalling retirees. Some companies and organizations are establishing programs that enable them to recall retired workers to provide assistance during peak times. For example, some companies have assigned a staff member to maintain regular contact with retirees, while others have developed lists or databases of retirees who are available for work.

Pension reform. In the past, many older workers were not interested in re-entering the workforce because of the negative impact it might have on their pension. However, recent pension reforms have allowed retired workers to re-enter the workforce while maintaining their pension. If you would like additional information on recent pension reform, please check with Service Canada about the Canada Pension Plan and with the provincial authorities responsible for private pension plans.

Health and well-being. Many employers are now implementing formal “wellness programs”. These programs can involve offering ergonomic assessments for workers’ chairs and workstations, subsidizing gym memberships, organizing on-site fitness facilities, providing employees with access to wellness experts such as registered dietitians, or offering on-site health screening.

Health check-ups and stress level evaluations have been shown to reduce health-related absences, increase employee satisfaction, and potentially delay the onset of retirement.

Comprehensive benefit packages. Older workers tend to be more interested in health care insurance and extended benefits than their younger counterparts. Some organizations are extending employee benefits beyond health insurance and employer-sponsored Registered Retirement Savings Plans to include comprehensive family supports, wellness programs, investment and personal counseling, and other similar supports to help their employees, such as Pooled Registered Pension Plans (PRPP). These types of programs send the message that employees are viewed holistically and that they are supported and valued in your organization.

Adapting physical environments. Ensuring that workplaces are physically accessible benefits all workers irrespective of their age or ability. Many employers are examining ways to make workplaces safer for older workers, and all employees.

For instance, in the healthcare field, there are a number of initiatives to reduce the physical demands on staff, such as revised occupational safety guidelines and practices, and special equipment for transporting and lifting patients.

Other examples of physical modifications and supports that can enhance the accessibility of your workplace for all your employees, including your older workers, are:

- Accessible washrooms;
- Adequate workspace lighting;
- Large print materials;
- Large screen computer monitors; and
- Sit-stand workstations.

Getting started

To help you get started in creating an inclusive and intergenerational workforce, you can refer to the Age-Friendly Workplaces Self-Assessment Tool for Employers that accompanies this booklet or use the list below as a general guide.

Employee input. Consider establishing an advisory or action group made up of a cross-section of employees to help develop and implement an inclusive workforce plan. This kind of employee engagement initiative will help you manage the loss of skilled and experienced employees from your workplace.

Employee profile. Think about taking a good look at your human resources profile to assess whether your organization has representation from all age groups.

Human resources policies and practices. Consider an examination of your organization's human resources policies and practices to make sure they support a workplace that includes a diverse workforce. Does your organization:

- Offer flexible work arrangements?
- Develop learning plans for all its employees?
- Provide workplace modifications and accommodations?
- Encourage training, mentoring and special assignments and projects for all employees?

Hiring and recruitment practices. Examine your recruitment and hiring practices to see if they are inclusive of older workers. Does your organization:

- Post job vacancies in multiple places?
- Routinely review interview procedures and processes to ensure that they are age neutral?
- Provide training to interviewers to avoid all forms of discrimination?
- Make certain that age does not play a role in the applicant screening process?
- Clearly communicate its age-neutral policies and practices?

Training. Support all employees, irrespective of age, in maintaining relevant and up-to-date skills. Consider whether training on how to be an age-friendly and inclusive workplace would benefit your management and human resources staff.

Case studies on hiring and retaining older workers¹⁴

The Bethany Care Society

Situation

The Bethany Care Society provides housing, medical care and community services to seniors and persons with disabilities to over 100 communities in Alberta. The organization runs 6 care centres, 4 housing properties and a 24-hour emergency response system.

What was done

The Bethany Care Society developed a customized human resources program to target the 50-plus demographic. The goals were to:

- Reduce overall annual turnover by 2 per cent (short-term); and
- Create more career and mentorship opportunities for older workers (long-term).

The organization obtained input from new, current and outgoing staff through an employee survey. It learned a lot about its employees from this survey, including that:

- Staff were retiring because they found the work schedule too demanding; and
- Many older workers left careers in the for-profit sector because they were looking for more meaningful work.

In response to these findings, the Bethany Care Society:

- Offered employees more flexible work arrangements and attractive benefit packages that included up to 18 sick days, 3 weeks of vacation and a minimum of 3 leave/flex days per year; and
- Revised its job advertisements to feature employee testimonies and the importance of building relationships. (Both of these features are known to appeal to older workers.)

The Bethany Care Society has also created several mentoring roles that enable seasoned workers to share their knowledge and experience with others. For example, one retired manager has been hired on a full-time basis to examine best practices in infection prevention and control and to help staff manage outbreaks. The organization is rolling out new technology and is providing staff training. Two older workers are leading the training program and are excited about sharing their knowledge.

Outcome

These actions have resulted in 59 new hires of individuals over the age of 50. As well, since January 2009, they have had a higher retention of employees over 50 years of age. The Bethany Care Society is no longer in jeopardy of losing the skills and expertise it has developed over the decades. Rather, it is successfully transferring corporate knowledge to the next generation of workers.

The Catholic Children's Aid Society of Toronto

Situation

The Catholic Children's Aid Society of Toronto (the Society) provides protective services for children aged 16 and under who are victims of abuse and neglect. The Society has 650 employees in nine locations. The Society also works with a large group of volunteers, foster families and adoptive parents. Over 40 per cent of its workers are over the age of 50.

What was done

Given the nature of the work, it is not surprising to learn that the Society's turnover rates are high. To address this issue, in 2000 the Society decided to design a retention program for older workers. Key elements of the program included:

- Generous health benefits;
- Work-life balance programs;
- Extensive support programs;
- Funded leave program;
- Positive workplace culture initiatives; and
- Efforts to engage retired staff.

In addition, the Society developed a pre-retirement package that helps their employees prepare for retirement. This package includes access to:

- Pre-retirement counselling;
- Elder care counselling;
- Seminars on retirement education and lifestyle transition planning (these seminars are extended to employees' partners); and
- Financial counselling.

The Society also remains connected to its retirees by:

- Providing health benefits;
- Publishing a quarterly newsletter;
- Acknowledging retirees through an annual award ceremony; and
- Providing retirees with volunteer opportunities within the Society.

Outcome

The steps the Catholic Children's Aid Society of Toronto has taken have resulted in lower turnover, higher retention, improved employee relations and a competent, stable workforce.

Seven Oaks General Hospital

Situation

The Seven Oaks General Hospital is an accredited 275-bed, acute-care facility offering a wide range of services to the entire Winnipeg area.

The challenge facing Seven Oaks was that half of its staff are 45 years of age or older. Many of the staff are nurses, who are at risk of workplace injury, stress and burnout because of the nature of their work. In addition, nursing programs across the country are not graduating sufficient nurses to replace those eligible for retirement.

What was done

In 2001, Seven Oaks established a Healthy Organization Strategy. This strategy was designed, among other things, to help retain and support older workers, most notably nurses. The organization reviewed and revised its mission, vision and values to focus more on its employees. It now offers a comprehensive workplace wellness program that is overseen by a full-time coordinator. In addition, each program/service department has its own wellness team. The effectiveness of the wellness program is continuously monitored through a number of key indicators, including absenteeism and retention rates.

Programs and services have also been established to help employees deal effectively with both, short, acute, and long-term injuries. A number of work-life balance initiatives are also made available to employees, including:

- Reduced work time;
- Gradual retirement;
- Voluntary, part-time work;
- Job sharing;
- Flexible work hours;
- Telework; and
- Special leave policies.

Outcome

These actions have led to noticeable improvements in the Seven Oaks General Hospital's ability to recruit and retain older workers. They have also facilitated knowledge transfer from long-standing employees to more recent hires.

Merck Frosst Canada Limited

Situation

Headquartered in Montreal, Merck Frosst is one of Canada's leading research-based pharmaceutical companies with a long-standing record of innovation. The company has approximately 1,400 employees.

What was done

Retaining older workers is a key objective for Merck Frosst. For this reason, the company has taken significant steps to give its workers opportunities to be challenged in new positions or projects, and employees often cross disciplines to work in new areas of business. This has led to enhanced promotion within the company and a very engaged workforce. Merck Frosst has also developed:

- An Employee Advisory Committee that brings forward suggestions for change in the workplace;
- A weekly employee newsletter and employee surveys ensuring that employees' views, opinions and suggestions are presented to management;
- Formal and informal mentoring programs;
- Annual recognition banquets for its long-term and retiring employees; and
- A Retiree Committee to retain close ties with retired employees, represent the interests of current and future retirees and bring forward issues of concern to management. The Committee also organizes a Retiree Luncheon, maintains a Retiree Directory to encourage social contact, and a Retiree Hotline and brochure for pension and insurance information.

Merck Frosst has also created a flexible benefits program that adapts to the changing needs of its employees, especially those who are 50-plus with changing family circumstances. Merck Frosst offers flexible work arrangements to support a healthy work-life balance as well as an excellent retirement plan and the right tools to prepare for financial independence. Other innovative initiatives include:

- A Savings Plus Account, which is separate from RRSPs and offers Merck employees the added advantage of further tax deductions while helping them save for retirement (almost 25 per cent of the contributors are older workers); and
- The Planned Personal Leave program, which includes a financial counselling session. Although this program involves unpaid leave, employees' seniority continues to accumulate, as do their pension credits and all group insurance benefits.

Outcome

Merck Frosst continually works to build an organizational culture that truly values its employees and improves the support available to its older workers.

AltaGas Limited

Situation

AltaGas Limited is an energy infrastructure business that focuses on natural gas, power and regulated utilities. It is headquartered in Alberta and has offices in British Columbia. The company has more than 900 employees. The rapid expansion of AltaGas has led to a wide range of career opportunities for qualified candidates.

What was done

AltaGas understands the role of its employees both in the successes that have been realized to date and in the organization's future growth and development. AltaGas has therefore worked to create a strong and talented workforce that can respond to potential labour shortages and meet the growing demand for its products.

Specifically, the organization has developed a Retiree Resource Pool program. The program provides retirees with an opportunity to continue working with the organization on a project basis. This enables AltaGas retirees to share their knowledge and skill sets with current employees. The program has helped the organization transfer its corporate culture, knowledge and systems to the next generation of workers.

AltaGas also offers employees flexible work arrangements and has expanded its benefits program past the age of 65.

Outcome

Overall, the actions of AltaGas have been well received by employees and have positively contributed to the organization's workforce growth, development and productivity.

Find out more about your legal obligations

Employers should consult provincial/territorial legislation to identify legal obligations with respect to equality in the workplace, employer responsibilities, health and safety, discrimination and other related legislation. Please contact your provincial/territorial government for further information.

Employers in federally regulated sectors should consult the:

- *Employment Equity Act* (section 2) regarding **equality in the workplace**.
- *Employment Equity Act* (sections 5 and 6) regarding **employer responsibilities**.
- *Canadian Labour Code* (Part II, Occupational Health and Safety, sections 124 and 125) regarding **health and safety at work**.
- *Canadian Human Rights Act* (Part I, section 3(1)) regarding **discrimination**.

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- ¹³ It is important to be aware that some recruitment firms may fail to refer older workers or screen them out during the initial application process. Make sure you discuss with them the importance of older workers to your organization.
- ¹⁴ As adapted from Jaworski, B., 2007, KAA BOOM: How to Engage the 50-Plus Worker and Beat the Workforce Crisis.