



What Are Older Workers Seeking?: An AARP/SHRM Survey of 50+ Workers

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**Report Written by:
S. Kathi Brown**

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AARP is a nonprofit, nonpartisan organization with a membership that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. AARP does not endorse candidates for public office or make contributions to either political campaigns or candidates. We produce AARP The Magazine, the definitive voice for 50+ Americans and the world's largest-circulation magazine with nearly 35 million readers; AARP Bulletin, the go-to news source for AARP's millions of members and Americans 50+; and our website, AARP.org. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

The Society for Human Resource Management (SHRM) is the world's largest association devoted to human resource management. Representing more than 260,000 members in 140 countries, SHRM serves the needs of HR professionals and advance the interests of the HR profession. Founded in 1948, SHRM has more than 575 affiliated chapters in the United States and subsidiary offices in China and India.

AARP collected data for this project through a telephone survey administered by SSRS. The questionnaire was designed by Rebecca Perron of AARP's Research & Strategic Analysis department in consultation with the following individuals: Deborah Banda, AARP; S. Kathi Brown, AARP; Mary Liz Burns, AARP; Deb Cohen, SHRM; Fred Emmert, SHRM; Dave Nathan, AARP; and Mark Schmit, SHRM. Lona Choi-Allum reviewed the report, Sarah Conroy number checked the report, and Jennifer Leslie formatted the report. The report was written by S. Kathi Brown in AARP's Research & Strategic Analysis department. For additional information about the survey, contact Rebecca Perron at rperron@aarp.org or S. Kathi Brown at skbrown@aarp.org. Inquiries from the media should be directed to AARP's Media Relations Department at (202) 434-2560.

INTRODUCTION

In preparation for the launch of the 2013 AARP Best Employers for Workers Over 50 program, AARP and the Society for Human Resource Management (SHRM) conducted a survey of 50+ workers¹ in May 2012 to gauge their attitudes on a range of issues related to work. Among the topics addressed were the relative importance of financial and non-financial reasons in the decision to work, whether 50+ workers expect to remain in their current field until they stop working, the importance of certain employer-provided benefits, and the importance of alternative work arrangements. This nationally representative survey of 1,004 adults ages 50 and older who are working or looking for work was conducted via telephone by SSRS using its telephone omnibus service from May 2 through May 30, 2012. The margin of error for total respondents is plus or minus 3.09 percent at the 95% confidence level.

KEY FINDINGS AND IMPLICATIONS

Key Findings

Key findings from this survey are as follows:

- “Financial reasons such as the need for money or health insurance” represent the primary reason that nearly eight in ten (78%) workers ages 50+ are working or looking for work today. Only one in five (19%) report that they are working (or looking for work) primarily for “non-financial reasons such as enjoyment or the desire to be productive.” However, the tendency to work (or look for work) primarily for non-financial reasons increases with age, with about two in five (41%) workers ages 70+ citing non-financial reasons.
- More than three in four (77%) *employed* workers ages 50+ plan to remain in their current job until they stop working completely. However, others do envision making changes to their employment situation prior to exiting the workforce completely. For example, about one in ten (9%) employed workers ages 50+ plan to change jobs but remain in the same field, about one in twenty (6%) plan to find a job in a different field, and another one in twenty (6%) plan to start their own business.
- Similarly, the majority (52%) of *unemployed* workers would prefer to find a job in the same field as their previous job; however, a sizable share of unemployed workers would prefer a change. For example, just over one in four (27%) would prefer to find a job in a different field and nearly one in five (18%) would prefer to start their own business.

¹ Throughout this report, the term “worker” is used to refer to employed adults ages 50+ as well as unemployed adults ages 50+ who were looking for work at the time of the survey. Most of the findings in the report are for all workers, including the employed and the unemployed respondents. The term “employed workers” is used in the report to refer to any findings that are for only employed respondents.

- Approximately eight in ten 50+ workers consider the availability of employer-provided health insurance; a pension, 401(k), or other retirement plan; and paid time off as important considerations in the decision to stay at their job (or the decision to accept a job). For example, 82 percent of workers view employer-provided health insurance as “very important” or “somewhat important;” 80 percent view paid time off as “very” or “somewhat” important; and 77 percent view pensions, 401(k)s, or other employer-provided retirement plans in this manner. Although each of these three benefits is important to approximately half or more of workers in each of the three examined age groups, perceived importance declines with age. Specifically, workers ages 50-59 were the most likely to view each of these benefits as “very” or “somewhat” important, while workers ages 70+ were the least likely to express these feelings.
- When 50+ workers were asked to indicate how important it is to them that their employer offers various alternative work arrangements, flex time was deemed important by the largest share of respondents, with just over three in five (62%) 50+ workers describing this as “very important” or “somewhat important.” Formal phased retirement programs and compressed work schedules were also deemed “very” or “somewhat” important by the majority of workers (57% and 52%, respectively). Telecommuting was considered to be important by 44 percent and job sharing by 33 percent. Similar to the findings noted above related to the importance of employer-provided benefits, the importance of several of the alternative work arrangements declines with age. For example, 63 percent of workers ages 50-59 view formal phased retirement programs as “very” or “somewhat” important, compared to just 50 percent of workers ages 60-69 and just 36 percent of workers ages 70+.

Implications

Employers that wish to retain workers ages 50+ should be reassured by the fact that the majority of workers in this age group plan to remain in their current job until they stop working completely. However, a noteworthy one in five employed workers have an interest in leaving their current job. In order to boost their chances of retaining valuable older employees who may be among those considering a career change and attracting older job seekers with the right set of skills, employers should keep in mind that most workers are working or looking for work due to financial considerations such as the need for money or health benefits. This speaks to the importance of offering competitive pay and solid benefits packages. However, employers should not overlook the importance of benefits such as alternative work arrangements and paid time off in the employment decision. While the survey clearly found that financial considerations are the key driver of the decision to work and look for work, employers that may be unable to compete with other employers on salary offers or robust health and retirement benefits packages may find that offering existing employees and job candidates fringe benefits such as alternative work arrangements and paid time off as well as the opportunity to engage in work that they truly enjoy will give them an edge in employee retention and recruitment.

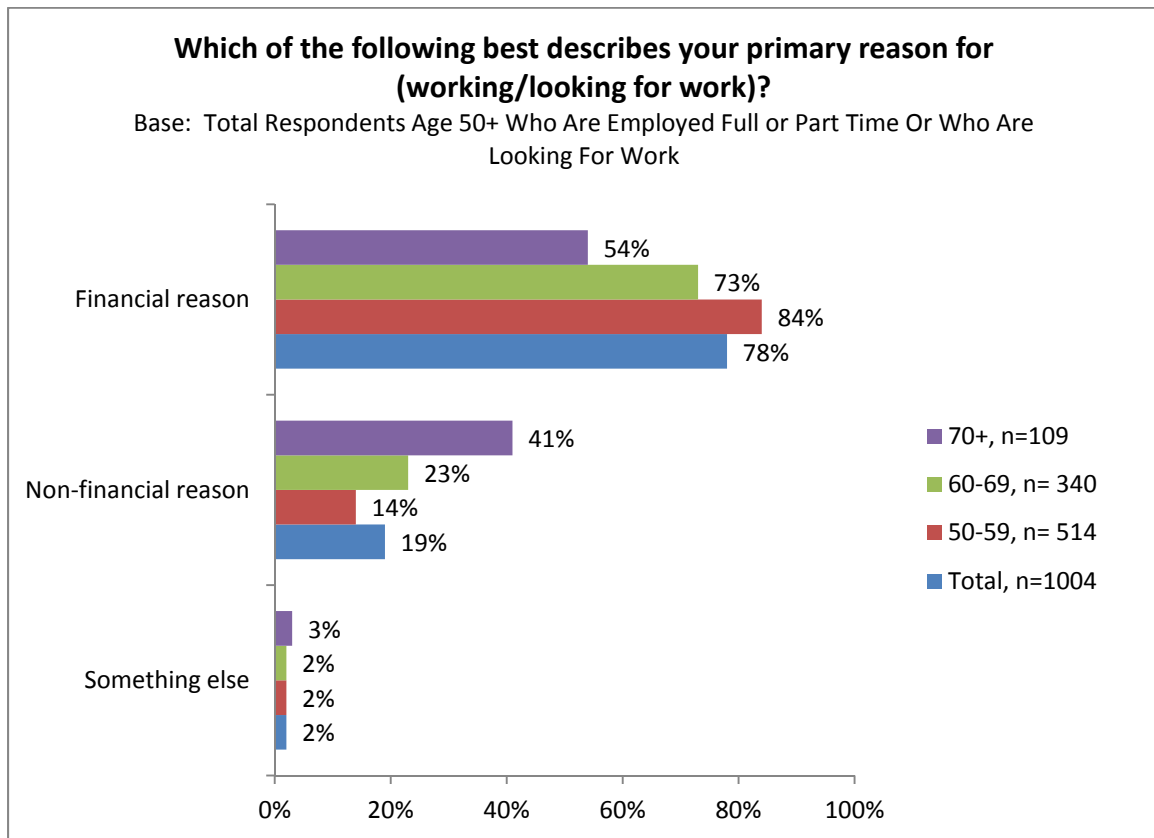
DETAILED FINDINGS

Primary Reason for Working

When asked to indicate whether their primary reason for working (or looking for work) is financial or non-financial, nearly eight in ten (78%) 50+ workers report that they are working primarily for “financial reasons, such as the need for money or health insurance.” Only one in five (19%) report that they are working primarily for “non-financial reasons such as enjoyment or the desire to be productive.”

Differences by Age

Although the majority of 50+ workers in each of the three age groups cite financial reasons as their primary motivation for working, the likelihood of citing financial reasons declines with age. For example, more than eight in ten (84%) workers ages 50-59 cite financial motivations, compared to just over seven in ten (73%) of those ages 60-69 and just over half (54%) of those ages 70+. Conversely, the tendency to work primarily for non-financial reasons increases with age as about two in five (41%) workers ages 70+ say that they are working primarily for non-financial reasons compared to just 14 percent of workers ages 50-59 and 23 percent of workers ages 60-69. (See Chart.)



Respondents were asked to choose one of the following two response options: “financial reasons, such as the need for money or health insurance” or “non-financial reasons, such as enjoyment or the desire to be productive.” As shown above, a few respondents chose not to select one of these options and their responses were coded as “something else.”

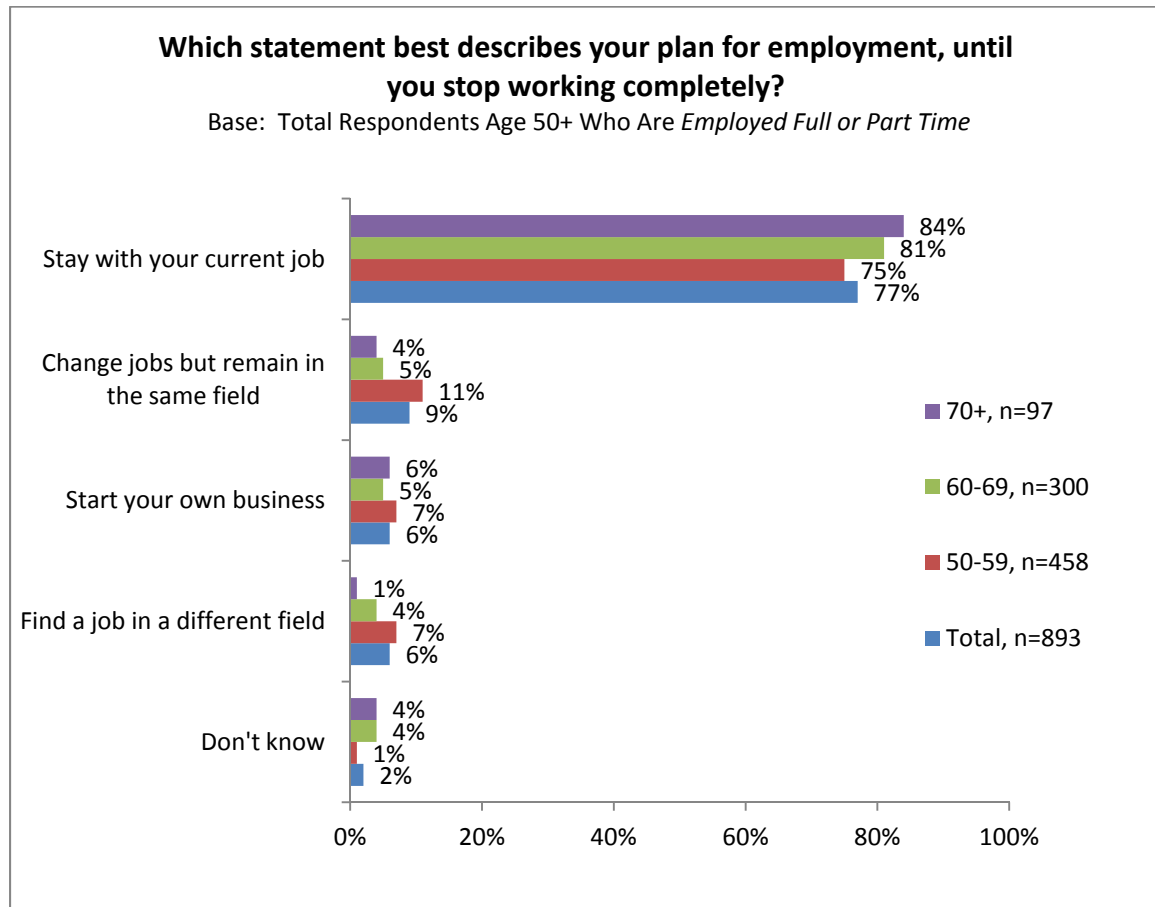
Future Employment Plans

Employed Workers

The majority of employed workers ages 50+ plan to stay where they are until they stop working. Specifically, more than three in four (77%) employed workers ages 50+ plan to remain in their current job until they stop working completely. However, others do envision making changes to their employment situation prior to exiting the workforce completely. For example, about one in ten (9%) employed workers ages 50+ plan to change jobs but remain in the same field, about one in twenty (6%) plan to find a job in a different field, and another one in twenty (6%) plan to start their own business.

Differences by Age

The share of employed 50+ workers who expect to stay with their current job until they stop working does not vary by age group within the 50+. However, the share who plan to “change jobs but remain in the same field” does vary by age, with just over one in ten (11%) workers ages 50-59 expecting to do this compared to just one in twenty (5%) workers ages 60 or older. In contrast, workers ages 60 or older (4%) are more likely than workers ages 50-59 (1%) to say that they don’t know which of these statements best characterizes their plans for the remainder of their working life. (See Chart.)



Unemployed Workers

Similarly, the majority of unemployed workers would prefer to find a job in the same field as their previous job; however, a sizable share of unemployed workers would prefer a change. Specifically, when unemployed workers ages 50+ were asked about their preferences for their next job, just over half (52%) say that they would prefer to find a job in the same field as their previous job. However, just over one in four (27%) would prefer to find a job in a different field and nearly one in five (18%) would prefer to start their own business.

Unemployed workers' responses to this question did not vary by age.

Importance of Certain Employer-Provided Benefits

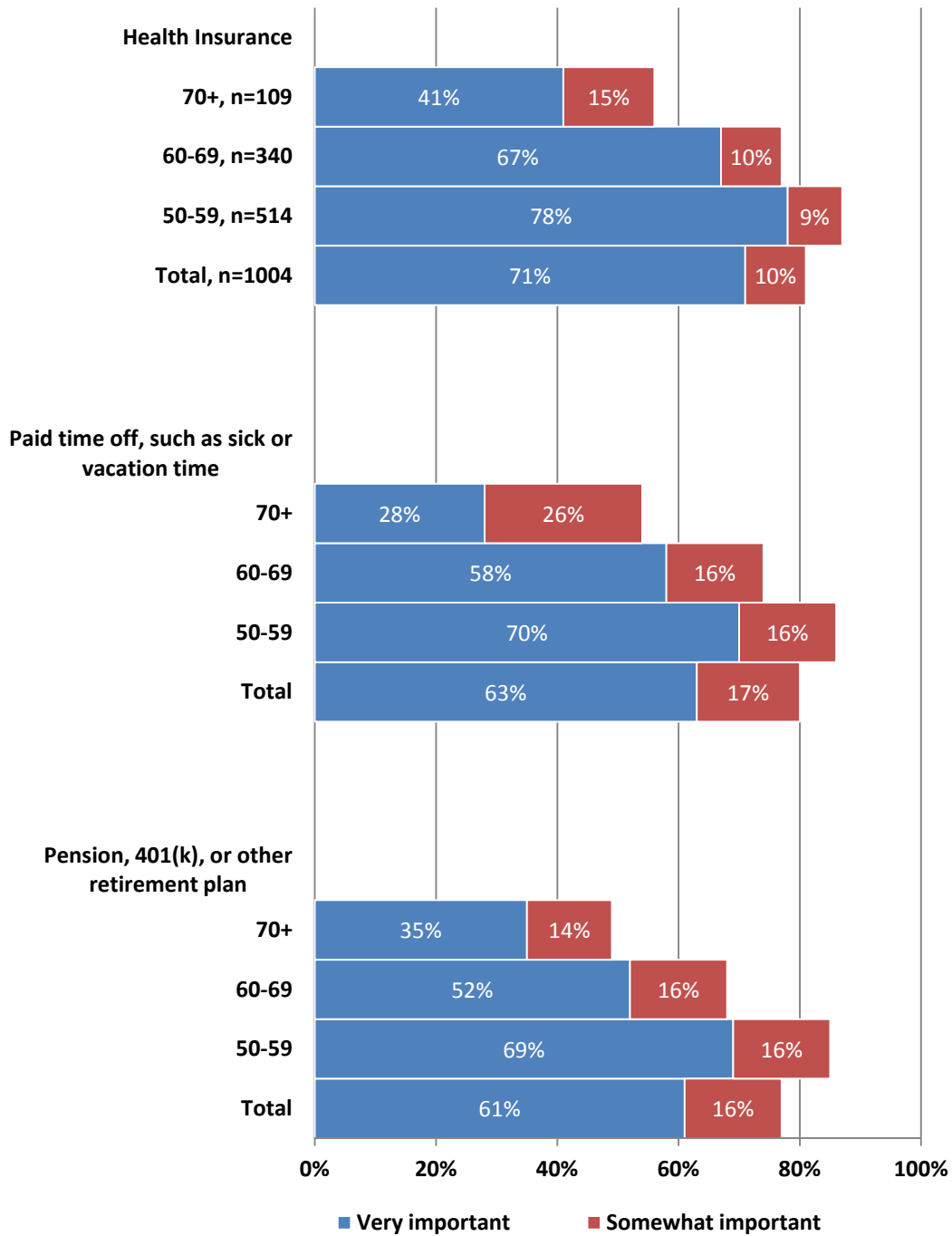
Health insurance; a pension, 401(k), or other retirement plan; and paid time off are viewed as important employer-provided benefits by the vast majority of 50+ workers. Specifically, approximately eight in ten 50+ workers describe these benefits as either “very important” or “somewhat important” considerations that affect the decision to stay at their job (or the decision to accept a job). For example, 82 percent of workers view employer-provided health insurance as “very important” or “somewhat important;” 80 percent view paid time off as “very” or “somewhat” important; and 77 percent view pensions, 401(k)s, or other employer-provided retirement plans in this manner.

Differences by Age

Although each of these three benefits is “very” or “somewhat” important to approximately half or more of workers in each of the three examined age groups, perceived importance declines with age. Specifically, workers ages 50-59 were the most likely to view each of these benefits as “very” or “somewhat” important, while workers ages 70+ were the least likely to express these feelings. For example, each of these benefits was described as important by more than eight in ten (86%-87%) workers ages 50-59 but by only about half (48%-56%) of workers ages 70+. (See Chart.)

As a mature worker, when considering (staying at your job/accepting a job offer) how important is it that your employer provide the following benefits?

Base: Total Respondents Age 50+ Who Are Employed Full or Part Time Or Who Are Looking For Work



Importance of Alternative Work Arrangements

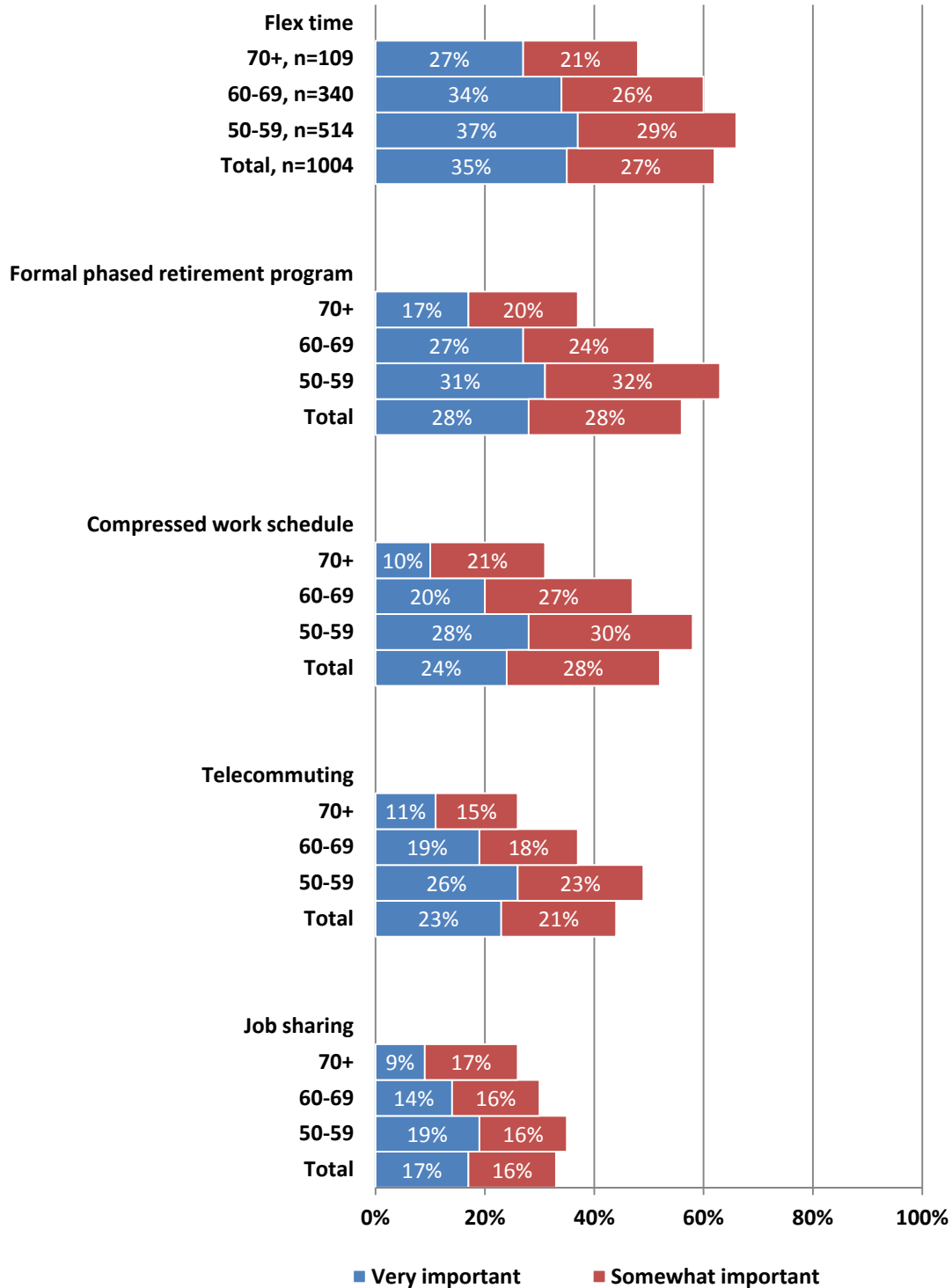
When 50+ workers were asked to indicate how important it is to them that their employer offers various alternative work arrangements, flex time was deemed important by the largest share of respondents, with just over three in five (62%) 50+ workers describing this as “very important” or “somewhat important.” Formal phased retirement programs and compressed work schedules were also deemed “very” or “somewhat” important by the majority of workers (57% and 52%, respectively). Telecommuting was considered to be important by 44 percent and job sharing by 33 percent.

Differences by Age

Similar to the findings noted above related to the importance of employer-provided benefits, the importance of alternative work arrangements also declines with age. Specifically, workers ages 50-59 were more likely than workers ages 70+ to describe four of the five alternative work arrangements as “very important” or “somewhat important,” and workers ages 50-59 were more likely than workers ages 60-69 to describe three of the arrangements as “very” or “somewhat” important. For example, 63 percent of workers ages 50-59 view formal phased retirement programs as very or somewhat important, compared to just 50 percent of workers ages 60-69 and just 36 percent of workers ages 70+. (See Chart.)

As a 50+ worker, how important is it that your employer offers the following alternative work arrangements?

Base: Total Respondents Age 50+ Who Are Employed Full or Part Time Or Who Are Looking For Work



ANNOTATED QUESTIONNAIRE

This annotated questionnaire displays the percentage of survey respondents who provided each response option. Unless otherwise noted, the base for each question is 1,004 respondents age 50 and older who are working (full or part-time) or looking for work. (Percentages may not add to 100 due to rounding.)

Z-4/Z-5. Currently, are you yourself employed full-time, part-time, or not at all?

	5/30/12
Employed (NET)	87
Full-time	67
Part-time	20
Unemployed and looking for work	13
Refused	--

MW-1 Which of the following best describes your primary reason for (working/looking for work)?

	Non-financial reasons, such as enjoyment or the desire to be productive	Financial reasons, such as the need for money or health insurance	Something else	Don't know	Refused
5/30/12	19	78	2	*	1

(Ask of total age 50+ who are employed full or part-time; n = 893)

MW-1a Which statement **best** describes your plan for employment, until you stop working completely?

	Stay with your current job	Change jobs but remain in the same field	Find a job in a different field	Start your own business	Don't know	Refused
5/30/12	77	9	6	6	2	*

(Asked of total age 50+ who are looking for work; n = 111)

MW-1b As you think about your next job, would you **prefer** to ...

	Find a job in the same field as your previous job	Find a job in a different field	Start your own business	Don't know	Refused
5/30/12	52	27	18	2	*

MW-2 As a mature worker, when considering (staying at your job/accepting a job offer), how important is it that your employer provide the following benefits? How important is it for your employer to provide (INSERT ITEM)? Is it...?

a. Health Insurance

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	82	71	10	17	5	12	1	1

b. Pension, 401(k), or other retirement plan

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	77	61	16	20	7	13	2	1

c. Paid time off, such as sick or vacation time

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	80	63	17	18	6	12	1	1

MW-3 As a 50+ worker, how important is it that your employer offers the following alternative work arrangements? How important is it for your employer to offer (INSERT ITEM)? Is it...?

a. Flex time (IF NECESSARY: the ability to choose start and stop times for the work day within established limits)

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	62	35	27	34	14	20	3	1

b. Compressed work schedule (IF NECESSARY: the ability to work more hours per day but fewer days per week)

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	52	24	28	45	19	26	2	1

c. Job sharing (IF NECESSARY: ability to split one full-time job into two or more part time jobs)

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	33	17	16	62	23	39	4	1

d. Telecommuting (IF NECESSARY: ability to work at home or a satellite location on a regular basis)

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	44	23	21	53	18	35	3	1

e. Formal phased retirement program (IF NECESSARY: formal program through which employees may work a reduced schedule for a period of time prior to full retirement)

	IMPORTANT			NOT IMPORTANT			Don't know	Refused
	NET	Very	Somewhat	NET	Not very	Not at all		
5/30/12	57	28	28	40	17	23	3	1

AM-1 Are you or your spouse or partner currently a member of A-A-R-P?

	Yes	No	Don't know	Refused
5/30/12	32	67	1	*