The Business Case for Age Diversity
Longevity and Demographic Trends
Five generations in the workforce

By 2026, workers 50+ will make up 35% of the labor force.

In 2021 Millennials began to turn 40, aging under the protection of the ADEA.

Generations in the Workforce in 2020

Source: Bureau of Labor Statistics
Average life expectancy gains: 1900-2020

Life expectancy

Birthrates are declining

“The median age of the U.S. population is expected to grow from age 38 today to age 43 by 2060.”

—US Census News Release, March 2018
We are staying healthier for longer

Proportion of U.S. population with no health-related limitations on work or housework

Get ready for the 100-year life

Oldest age at which 50% of babies born in 2007 are predicted to still be alive

Source: Human Mortality Database, University of California, Berkeley (USA) and Max Planck Institute for Demographic Research (Germany). Available at mortality.org.
Reversing the (Horvath) clock

“This man is one of 9 people who for the first time in history pushed back his biological clock. Is reversing aging possible, or desirable?”

The Superage Podcast
Why are older workers valuable?
Older workers = big value
A business case for workers age 50+: A look at the value of experience

Unoccupied turnover rates

- Workers Under 50: 49%
- Workers Over 50: 29%

Employee engagement by age

- Under 55: 58%
- 55+: 65%

Employee motivation by age

- Under 55: 77%
- 55+: 81%

Employees over 55 were 7% more engaged.
Employees over 55 were 4% more motivated.
Older workers help stabilize turnover

In a longitudinal survey conducted by the Bureau of Labor Statistics, younger Baby Boomers held an average of 12.3 jobs between the ages of 18 and 54.

In a January 2020 report, the median number of years that wage and salary workers had been with their current employer was 4.1 years.

50 year career ÷ 4.1 = 12.2 jobs

Age-diversity improves team performance

Research has shown that **mixed-age teams perform better** than homogenous aged teams:

- In companies that utilized mixed-age work teams, the relative productivity of both older and younger workers was higher than in companies that did not use mixed-age teams.
- Age diversity has a positive effect on teams performing creative tasks as well as complex decision-making tasks.

Greater consistency, steadiness

Cogito Study (2010)
This study compared the performance of workers 65-80 against that of workers 20-31 on 12 different tasks across 100 days; they found that the older group was:

• More stable, less variable from day to day
• More motivated
• More consistent, with fewer errors

“[Our] analyses indicate that the older adults’ higher consistency is due to learnt strategies to solve the task.”

—Florian Schmiedek, Co-Author
## Increasing importance of uniquely human skills

### Top 15 skills for 2025

<table>
<thead>
<tr>
<th>Rank</th>
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<tbody>
<tr>
<td>1</td>
<td>Analytical thinking and innovation</td>
<td>9</td>
<td>Resilience, stress tolerance and flexibility</td>
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<tr>
<td>2</td>
<td>Active learning and learning strategies</td>
<td>10</td>
<td>Reasoning, problem-solving and ideation</td>
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<td>3</td>
<td>Complex problem-solving</td>
<td>11</td>
<td>Emotional intelligence</td>
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<tr>
<td>4</td>
<td>Critical thinking and analysis</td>
<td>12</td>
<td>Troubleshooting and user experience</td>
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<tr>
<td>5</td>
<td>Creativity, originality and initiative</td>
<td>13</td>
<td>Service orientation</td>
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<td>6</td>
<td>Leadership and social influence</td>
<td>14</td>
<td>Systems analysis and evaluation</td>
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<tr>
<td>7</td>
<td>Technology use, monitoring and control</td>
<td>15</td>
<td>Persuasion and negotiation</td>
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<tr>
<td>8</td>
<td>Technology design and programming</td>
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Spending by people 50+ amounted to $7.6 trillion in 2018 — accounting for 56 cents (or 56%) of every dollar spent. This cohort is forecast to spend $27.5 trillion by 2050 (61% of total spending).

Source: longevityeconomy.aarp.org
“Most adults who are teleworking all or most of the time say it has been at least somewhat easy for them to feel motivated to do their work… But there’s a distinct age gap: 42% of workers ages 18 to 49 say this has been difficult for them compared with only 20% of workers 50 and older.”

—Pew Research Center

“New surveys over the last year show that the ability to cope improves with age.”

—Why Older People Managed to Stay Happier Through the Pandemic, The New York Times, March 12, 2021
Age discrimination increased during the pandemic

2018
61% of workers 45+ witnessed or experienced age discrimination
76% reported age discrimination was the top limitation for finding a new job

2020
78% of workers 45+ witnessed or experienced age discrimination
Over half of job seekers 55+ were long-term unemployed

Perceptions of Age Discrimination Grew During the Pandemic
In 2020, 78% of older workers reported having seen or experienced age discrimination in the workplace—up markedly from 61% in 2018.¹

Older Workers Are at Greater Risk of Being Left Out of Recovery
In April, over half of job seekers ages 55 and older were long-term unemployed (53.3%), compared with 42.3% of job seekers ages 16 to 54.²

Rates are similarly high across gender and race/ethnicity:

- White 78%
- Black 78%
- Hispanic 82%
- Men 79%
- Women 76%

AARP Employer Pledge Program

The AARP Employer Pledge Program is a nationwide group of employers that stand with AARP in affirming the value of experienced workers and are committed to developing diverse organizations.

1000+ PLEDGE SIGNERS TO DATE
Thank you.