



Highlights of [GAO-07-433T](#), a testimony before the U.S. Senate Special Committee on Aging

Why GAO Did This Study

More Americans remaining in the workforce at older ages could lead to benefits at several levels. First, working longer will allow older workers to bolster their retirement savings. Second, hiring and retaining older workers will help employers deal with projected labor shortages. Third, older workers will contribute to economic growth and increase federal revenues, helping to defray some of the anticipated costs associated with increased claims on Social Security and Medicare.

Despite all of these gains to be had, there are barriers to continued employment for older workers. In addition, some employers remain reluctant to engage and retain this group. It is in the nation's interest for people to work longer, which requires that barriers to continued work be removed sooner rather than later.

This testimony highlights issues discussed at a recent forum GAO convened on engaging and retaining older workers, as well as prior GAO work. Forum participants included experts representing employers, business and union groups, advocates, researchers, actuaries, and federal agencies. These highlights do not necessarily represent the views of any one participant or the organizations that these participants represent, including GAO.

www.gao.gov/cgi-bin/getrpt?GAO-07-433T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Barbara Bovbjerg at (202) 512-7215 or bovbjergb@gao.gov.

OLDER WORKERS

Some Best Practices and Strategies for Engaging and Retaining Older Workers

What GAO Found

Obstacles continue to exist for older workers seeking continued or new employment and for employers who want to attract or retain older workers. The following obstacles, best practices, lessons learned, and strategies to address some of these obstacles and promote work at older ages were discussed at a recent GAO forum on older workers.

Key Obstacles

- Some employers' perceptions about the cost of hiring and retaining older workers are a key obstacle in older workers' continued employment.
- Workplace age discrimination, the lack of suitable job opportunities, layoffs due to changes in the economy, as well as the need to keep skills up to date, are all challenges facing older workers.
- Strong financial incentives for workers to retire as soon as possible and some jobs that are physically demanding or have inflexible schedules provide strong disincentives to continued work.

Best Practices and Lessons Learned

- Use nontraditional recruiting techniques such as partnerships with national organizations that focus on older Americans.
- Employ flexible work situations and adapt job designs to meet the preferences and physical constraints of older workers.
- Offer the right mix of benefits and incentives to attract older workers such as tuition assistance, time off for elder care, employee discounts, and pension plans that allow retirees to return to work.
- Provide employees with financial literacy skills to ensure they have a realistic plan to provide for retirement security.
- Treat all employees in a fair and consistent manner and employ a consistent performance management system to prevent age discrimination complaints.

Strategies

- Conduct a national campaign to help change the national mindset about work at older ages.
- Hold a national discussion about what "old" is to help change the culture of retirement.
- Create a clearinghouse of best recruiting, hiring, and retention practices for older workers.
- Strengthen financial literacy education to help workers prepare to retire.
- Make the federal government a model employer for the nation in how it recruits and retains older workers.
- Create a key federal role in partnerships to implement these strategies.
- Consider specific legislation or regulations to increase flexibility for employers and employees to create new employment models.