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# Productive Aging: The New Life Stage



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*I can't get old ... I'm working.  
As long as you're working, you stay young.*  
George Burns (1896 – 1996)

**T**he baby boomer generation, those born between 1946 and 1964, will work longer and be healthier, creating a new life stage — the productive aging stage (Erickson and Morison 2005). This life stage will typically begin around age 55 and will extend, most likely, into one's early to mid-'70s. The implications of this new life stage are significant for the individuals, employers and health-care providers, as well as health and disability insurers. Each will need to prepare accordingly. Some of the focus of the preparation will be as follows:

- ▶ Protect the individual's physical, emotional and financial well-being.
- ▶ Minimize the impact of chronic disease in the workforce.
- ▶ Protect and apply the work capacity and skills of the older workforce.
- ▶ Align the corporate culture to take advantage of generational differences in work ethics.

This generation, born with a "can do" mind-set during the prosperity following World War II, was molded by the significant cultural impact characterized by the now ironic mantra "never trust anyone over 30."

Unique productivity expectations were developed through the 1960s and '70s as educational and technological opportunities boomed. After three decades of emerging political and religious conservatism, this generation will look to protect both personal and social gains. This generation is active and fully engaged, and that will continue to influence political and economic life as well as the workplace for the next 20 to 30 years.

The sheer size of the boomers group will redefine the nature of retirement, as well as life beyond retirement. In November 2005, the AARP's magazine wrote: "Looking forward, the federal Bureau of Labor Statistics has projected that the number of employed Americans ages 55 to 64 will increase by 51 percent between 2002 and 2012, while the number ages 65 to 74 will increase by 48 percent. In 2002 about one in seven employed Americans was 55 or older; in 2012 that share will be close to one in five" (Edmondson 2005).

Age Wave and the Consours Group reported in 2004 that when a representative sample of boomers were asked when they expected to retire, 34 percent reported never, 17 percent between 66 years old and 75 years old; 25 percent 61 years old to 65 years old and 20 percent 51 years old to 60 years of age. Boomers will continue working beyond traditional retirement because they want to, as well as need to due to economic and corporate demands. Retired, but still working, will be a common boomer paradox and new generation mantra.

Reduced mortality, morbidity and birth rates have set the foundation for the productive aging life stage. The boomers were the primary beneficiaries of advances in medical research and technology in the 1950s and '60s that set the foundation for enhanced longevity and improved functional capacity. For example, the current group of 50-year-olds was the first to experience the full benefits of the plague-busting polio vaccine. Other medical discoveries and advances in genetic screening and engineering, coupled with newly developed microsurgery, organ transplant and joint replacement

procedures, set the stage for another level of measurable reduction in mortality and morbidity. In spite of the recently reported increases in the incidence and costs of obesity-related health problems, an unprecedented reduction in sudden and premature death, extended life span and improved functional capacity occurred.

The reduced mortality and morbidity coupled with a corresponding reduction in the national birth rate creates a productivity and personnel dilemma for employers. This dilemma consists of: (1) the need to take advantage of the mature workers' assets and work ethic, and, at the same time, (2) prepare the next generation of workers to fill the projected skill and information void.

These population forces will produce a greater opportunity and need for continued productivity well into one's 70s. This extended opportunity also creates work and life complexities requiring unique employment and community-based solutions. Reports from the AARP (*Employer Best Practices for Mature Workers* and *AARP/Age Concern the Politics of Aging, Proceedings Global Aging Program*) as well as the Society for Human Resources Management report *Generational Differences* indicate that issues related to: (1) the need for combined child, grandchild and elder care for parents; (2) increased consumer demand for and access to fitness programs for older individuals; (3) the possibility of outliving one's financial resources; and (4) the need to avoid boredom and apathy with the additional time and life options.

## New Workforce — New Workplace

Preparing for the new workforce and new workplace will be a critical task for employers. They must adapt to the available workforce. Employers face a real ongoing challenge of the capitalistic enterprise that is, to take advantage of the available resources.

The advances in medical diagnostics and treatment, population growth, technology application, a global economy and worldwide political changes are molding the U.S. workplace, resulting in a measurably different

one from in the past. Tamara Erickson, in testimony to the United States Senate in May 2005, noted that this is the first time that a culture will have in its workforce a significant group of nonchildbearing, potentially productive adults.

Erickson pointed out the five sources of change that will drive the roles employers and workers play during the next 20 some years. They are as follows:

- ▶ The changing workforce composition
- ▶ Technology, corporation and the nature of work
- ▶ The new relationship between corporations and employees
- ▶ The employer/employee equations segmentation model
- ▶ Making work more enjoyable.

While each plays a notable part, the three most critical to the notion of productive aging are the changing workforce, the technology/nature of work and the new relationship between employer and workers.

### Work Impairments — Presenteeism to Lost Time

It is a truism that getting older increases the likelihood of health conditions that may impact work capacity. *Presenteeism*, the loss of productivity while at work due to chronic disease or other health problems, may be more of an issue for the older worker than lost time. Recent studies indicate chronic pain, arthritis and depression joined to form a constellation of health conditions that significantly reduced day-to-day productivity (Hemp 2004 and Burton et al. 2005). While these studies did not focus on the senior worker, the pool of workers studied had a reported average age of 48 to 50. Likewise, these same impairments were the leading cause of intermittent lost time that progressed from family or medical leave to a short-term disability claim for the person 40 years old or older (Mitchell, Bruen and Leary 2005).

The most common impairments contributing to long-term work disruption for individuals 40 years old to 60 years old (according to findings at UnumProvident) are as follows:

- ▶ back disorders and musculoskeletal injuries (accidents) — 25 percent
- ▶ cancer — 17 percent
- ▶ cardiovascular and circulatory disease — 8 percent
- ▶ mental and behavioral health disorders — 7 percent.

Figure 1 on page 65 illustrates this distribution of work-disrupting impairments between two generations, specifically between those younger than 40 years old and those 40 years old and older.

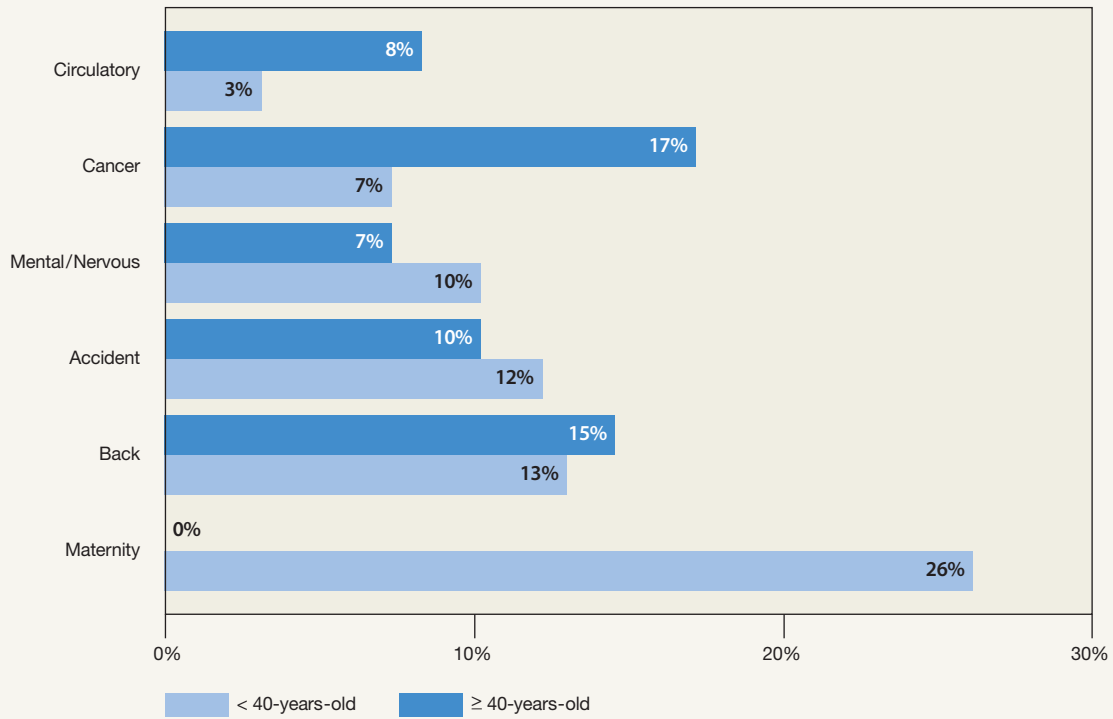
Correspondingly, advances in medical technology, screening and treatment are demonstrating the greatest promise in reducing lost productivity in these areas. The outcome: Enhanced functional capacity as one ages. The impact: Individuals working longer and healthier, creating a different workplace and workforce. These additional 15 to 20 years, post retirement, constitute the “productive aging” stage of life.

The 50-plus-year-old worker who will emerge during the next decade will be dramatically different from the 50-year-old worker of the past. The boomers will bring to the workplace a different set of functional capacities, highlighted across critical profiles and patterns.

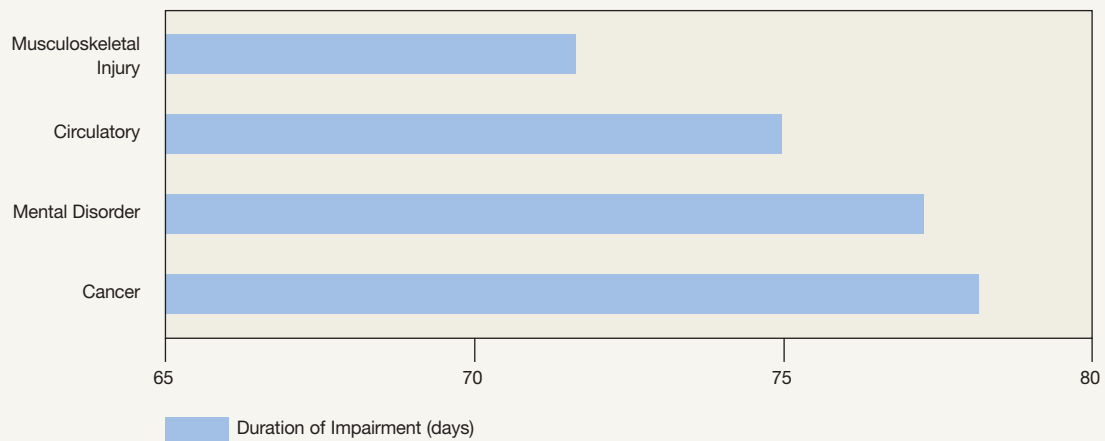
The following areas of change have been identified.

- ▶ Lost-time incidences — Workers 40 years old and older have a lower incidence of work injuries, short-term disability and unscheduled absences than the employee under the age of 40.
- ▶ Extended time off — Workers 40 years old and older experience greater time off from work when an injury or illness occurs. Seventy-six percent of UnumProvident’s long-term disability cases are 40 years old or older, with the 35 percent of UnumProvident’s long-term disability cases being between the ages of 50 and 59. Figure 2 on page 65 and Figure 3 on page 66 illustrate the duration of lost time by age and impairment types within a long-term disability population.
- ▶ Learning new skills — Contrary to the notion that “old dogs cannot learn new tricks,” the worker 40 years old or older is able to adapt and learn new

**FIGURE 1 Long-Term Disability Risk Profile by Age**



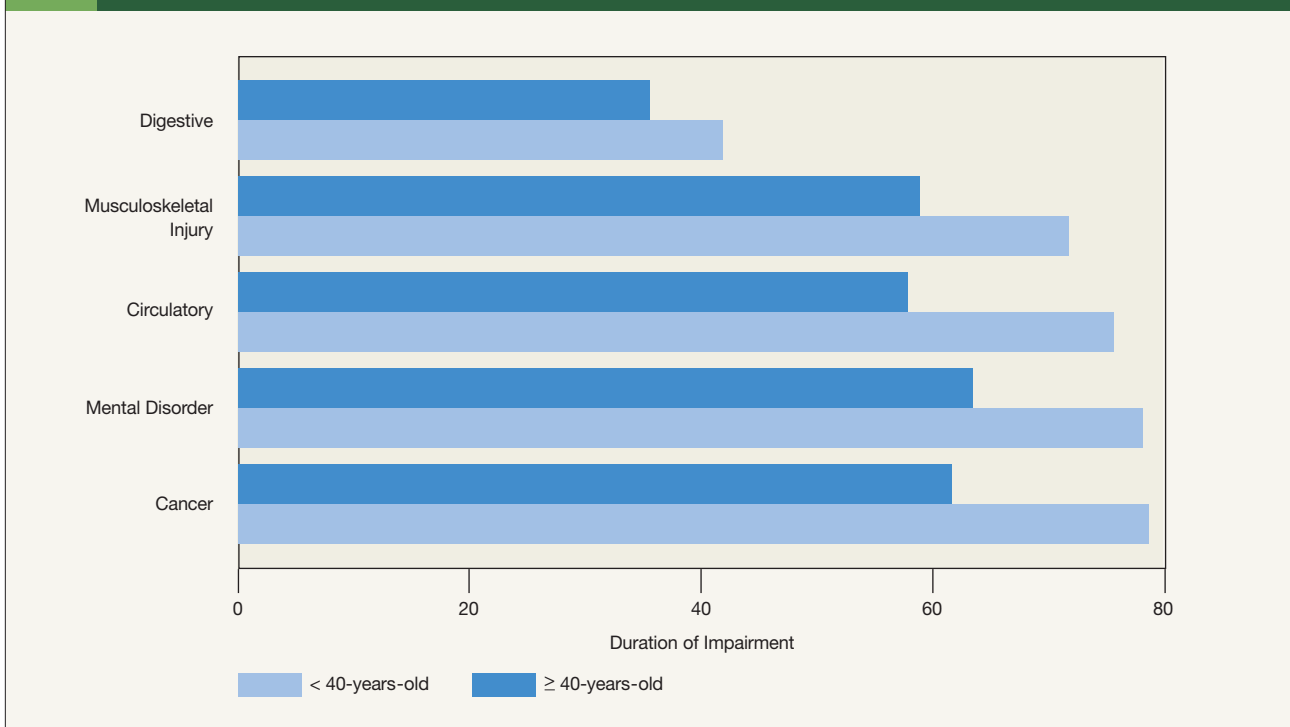
**FIGURE 2 Primary Impairment Groups by Duration Days for Disability Claimants Over the Age of 40 (UnumProvident Claims Database 2004)**



situations, but does so as a function of well-defined training and education programs. In reality, learning depends on the dog (and the trick). This learning is significantly influenced by personal choices to learn

or not, relevant or not. The ability of many workers who are 50 years old or older to engage in high-speed problem solving or repetitive tasks is diminished from the younger worker.

FIGURE 3 Average Duration of Impairment by Age (UnumProvident Claims Database 2004)



- ▶ Physical endurance — The worker 50 years old or older typically responds poorly to heavy, continuous efforts with well-defined and enforced (that is, no cheating) high work rates. Job experience typically mitigates the changing or eroding physical capacities in relation to maintaining appropriate levels of productivity.
- ▶ Environmental conditions — Exposure to high thermal stress reduces work performance. Sensory functions and muscular strength typically diminish after the age of 50. Visual acuity and close reading functions tend to erode after the mid-40s.
- ▶ Job satisfaction — Job satisfaction or lack thereof offers differential impact on productivity more so than on the younger worker. The Society for Human Resource Management (SHRM) reports that employees in their mid-50s and older have a reported higher job satisfaction than that of the younger worker and that the “very important” aspects of their jobs are benefits, feeling safe at work and job security.

- ▶ Age, chronic disease and medical costs — Medical costs are reported to rise at an estimated 25 percent from age 40 to 50 and 35 percent from age 50 to 60. Age is less a factor in health-care costs than the presence of risk factors such as smoking, obesity, lack of exercise and diabetes. The presence of such risk factors increase health-care costs by 300 percent to 400 percent.

Figure 4 and Figure 5 on page 67 illustrate both the distribution of chronic disease and the cost of health care by age and risk factors.

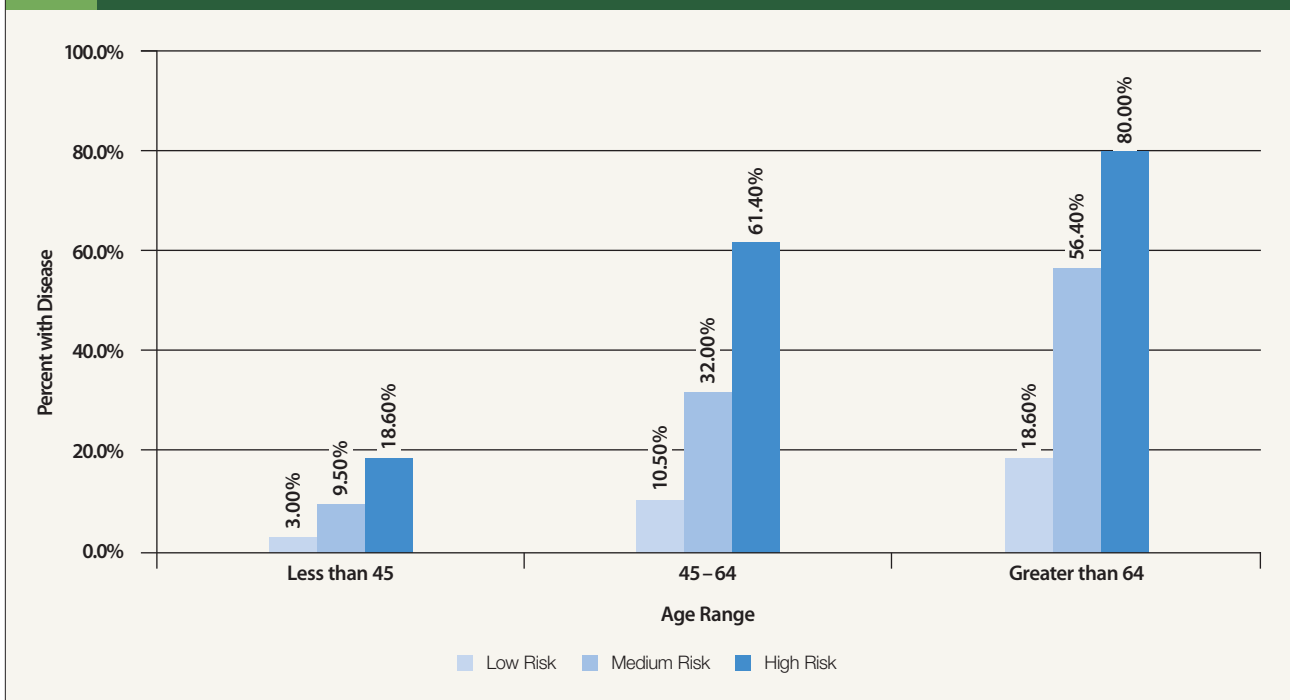
### Productive Aging

*Productive aging* has described the activities for individuals who are 70 years old or older and who live independently or reside in nursing homes and centers for assisted living (Ilmarinen 1995 and Morrow-Howell, et al. 2001).

Productive aging was a means of engaging the elderly, who are no longer involved in remunerative employment, in a wide range of both health and recreational activities.

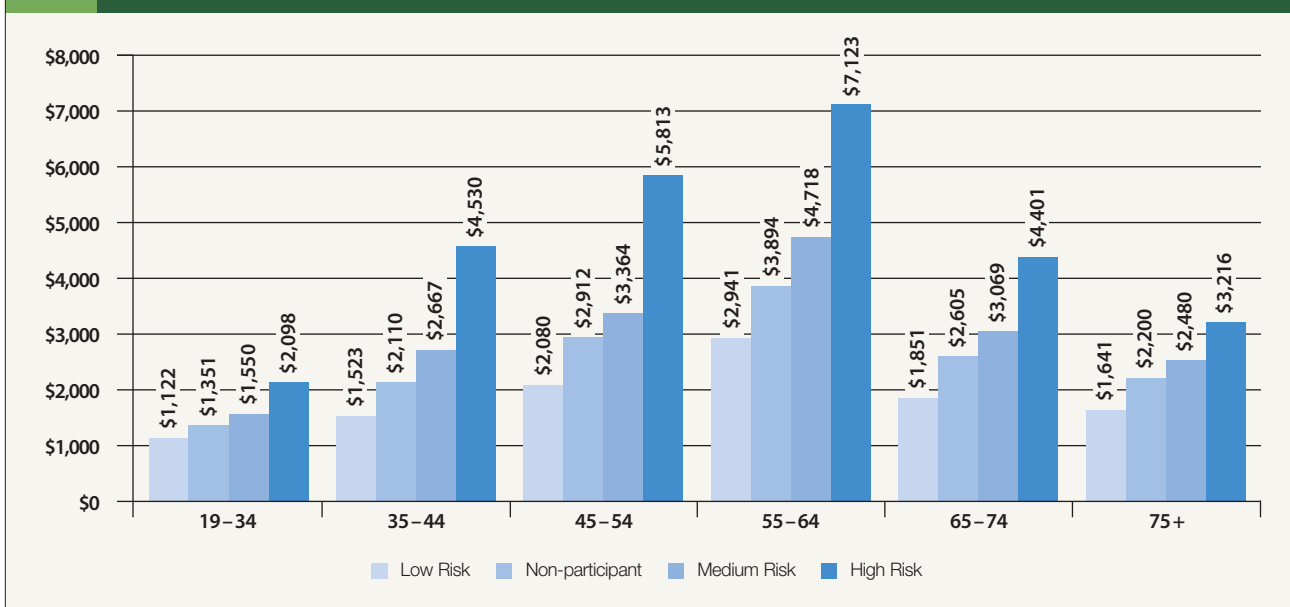
A new definition of productive aging describes

**FIGURE 4** Chronic Disease by Age



Source: Musich, McDonald, Hirschland, Edington, Disease Managements & Health Outcomes 2002; 10(4): 251-258; University of Michigan Health Management Research Center. Used with permission. Dee Edington, Ph.D., University of Michigan, Ann Arbor, Mich.

**FIGURE 5** Cost of Health Care by Risk and Age



Source: Musich, McDonald, Hirschland, Edington, Disease Managements & Health Outcomes 2002; 10(4): 251-258; University of Michigan Health Management Research Center. Used with permission. Dee Edington, Ph.D., University of Michigan, Ann Arbor, Mich.

an individual who is 55 years old or older who has the quality, power and incentive (need) to produce or create at an optimum level during an extended

career or work-life (Mitchell 2005). Productive aging is not a singular concept, but one that is built on a series of building blocks.

Figure 6 illustrates the various components supporting uninterrupted productivity as one ages.

Productive aging is built on a foundation of access to and timely application of focused prevention and restorative health-care services. The focus is on the prevention of pathology, the control of eroding work capacity due to chronic impairments and protecting the functional capacities of strength, flexibility and endurance. Affordable health care serves as the catalyst while balanced nutrition is the fuel that propels the productive-aging functions. A productive-aging health and productivity partnership needs to be established between employers and health-care providers. This partnership links the respective clinical screening and interventions into a matrix of care that protects work capacity. Incentives in the form of a measurable return on investment and improved clinical outcomes will have to be in place for the employer and health-care provider to achieve this partnership.

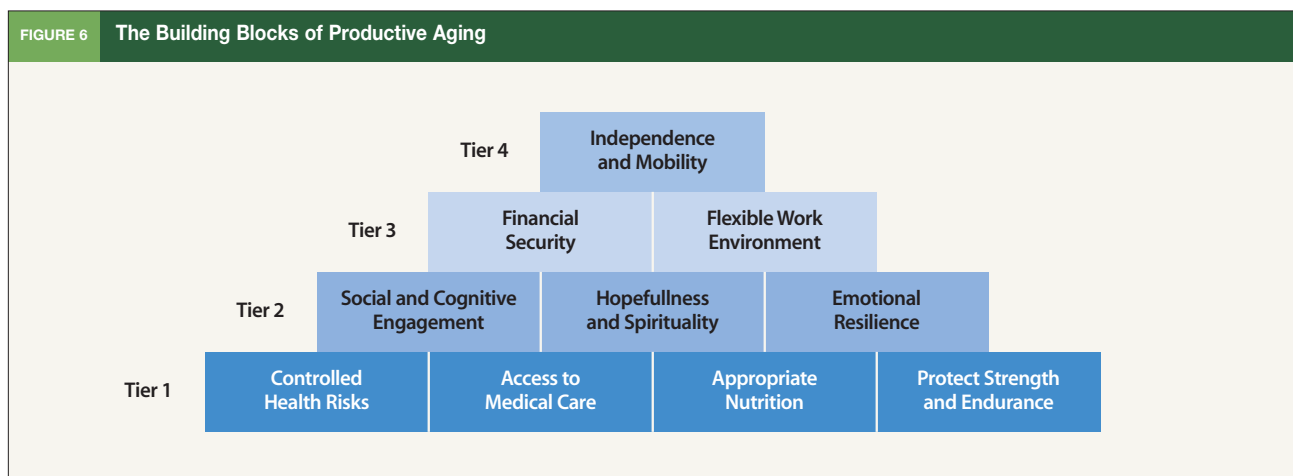
The second tier of building blocks focuses on the silent but influential psychosocial drivers throughout the productive-aging period. The continuation of cognitive and social engagement, naturally embedded in the work process, offers demonstrated benefits. Older individuals with significant impairments but with active, well-defined social connections demonstrated increased function and independence with a reduced

sense of hopelessness, according to a 2004 Mercer Human Resources Consulting study (AARP 2004). Social isolation does nothing to assist coping with the predictable repetitive health and medical problems. Continued social integration has been connected to an increased sense of positive job satisfaction and the expectation of a better and secure future.

The third and fourth tiers recognize that financial stability and security with employers and/or individuals who are able to structure a flexible, accessible work environment drive higher levels of productivity. A corporate culture that understands that good health and work are connected and supports a balance among work, education and leisure time typically characterizes this work environment. Ultimately, the ability to move independently within and among these areas creates the full productive-aging equation.

### Managing Workforce Assets

Health and productivity management during the productive-aging period is not just for the large employer (a workforce greater than 2,000 employees). The small to mid-size employer across all industries can be fully engaged as well. Currently, HR professionals and benefits managers are fully engaged in developing strategies to reduce health-care costs. These cost-reduction strategies



will have to be expanded to focus on the control of risk factors related to chronic disease and protecting the work capacity of their senior workers.

Correspondingly, the transfer of “tribal knowledge,” organizational memory and the prevailing work ethic from the departing workers to the replacement workers is also critical. The onset of work-disrupting health problems can invite a premature exit from the workforce, leading to both productivity and skill gaps.

Figure 7 offers some examples of program features that can be considered as a starting point for promoting productive aging within the workplace (Davis 2005).

### Disenfranchisement and Disengagement

A most complex function in managing workforce assets is recognizing the disenfranchisement of the older worker by the employer and the disengagement from the job by the older employee. The two are often connected in an unplanned, yet silently choreographed dance, leading to an awkward and often resentful exit from the workplace. Both appear to be contributors to the

emotional health and physical well-being of employees who prematurely leave the workforce (Geissler 2005).

*Disenfranchisement* occurs when the employer reduces (intentionally or unintentionally) the level of expectations, contributions, rewards or recognition the senior worker has in the respective workplace or organization. This may be in anticipation of retirement or in combination with the onset of perceived changes in productivity and commitment. Changes in employee functional skills and priorities can be misinterpreted. When the employer is unsure how to handle these temporary changes, the result is to start a process of moving the employee out of the workforce.

Disenfranchisement may also be a not-so-subtle part of the workplace politics related to promotion and control of future opportunities by the younger employees. This can truly then be referred to as “the politics of productive aging.”

*Disengagement*, on the other hand, occurs the senior worker initiates a process (intentionally or unintentionally) of withdrawing from the workplace prior to a formal retirement. Disengagement is a insidious form

FIGURE 7 Productive Aging Benefits Programs	
Program	Features
Retirement Benefits	<ul style="list-style-type: none"> <li>▶ Create benefits plan designs that promote phased-in retirements such as using the top five years of earnings rather than the last five years of earnings for defined benefit formulas.</li> <li>▶ Work within regulatory guidelines (and help promote changing guidelines) to encourage flexible retirement.</li> </ul>
Wellness and Disease Management Programs	<ul style="list-style-type: none"> <li>▶ Expand exercise programs to include programs targeted for arthritis.</li> <li>▶ Target educational programs on diseases to include a specific focus for the older worker on preventative strategies and on applied interventions that can reduce or minimize the impact of the disease.</li> </ul>
Work-Life Programs	<ul style="list-style-type: none"> <li>▶ Have flexible scheduling and job-sharing opportunities for older employees as either a component of a phased-in retirement or as part of the workforce planning strategy to retain needed workers.</li> </ul>
Worksite Flexibility Job Modifications	<ul style="list-style-type: none"> <li>▶ Offer return-to-work pathways for key impairments experienced by older workers, which promote the safe and timely resumption of work activities.</li> <li>▶ Have career pathways supporting transitions from more physically demanding roles to less-demanding ones for older employees.</li> </ul>
Corporate Culture Adjustments	<ul style="list-style-type: none"> <li>▶ Promote a culture that respects and utilizes experience.</li> <li>▶ Include opportunities for older employee training to enhance skills and learn new ones.</li> </ul>
Avoid Disengagement and Disenfranchisement	<ul style="list-style-type: none"> <li>▶ Demonstrate commitment to employee.</li> <li>▶ Reduce secondary gains achieved by disability system.</li> </ul>

of presenteeism and may create a wide range of complex employee-relations problems. Disengagement leaves — through extended or seemingly unnecessary disability — may be related to career fatigue, an emerging personal health problem, family predicaments or a chronic employee-relations conflict. In most cases, the worker quietly decided to emotionally leave the organization. A disability claim may serve as the acceptable umbilical while continuing the security of the income and benefits.

Disengagement through a disability claim is an unnecessary option and can be responded to with effective management and alignment of personal and corporate needs. Effective disability management, coupled with transitional or phased retirement programs, can be a timely and a mutually agreeable way to prevent disengagement through the disability process.

Productive aging may be unsuccessful in a workplace that is organized around narrow or rigid worksite accommodation and if the benefits programs offer competing or conflicting messages. Significant gaps between policy and practice, related to health care and lost-time management, can be major barriers to any effort to maintain productivity in a senior workforce.

A successful corporate-based, productive-aging program blends the resources and vision of the worker, the physicians and the employer into a balanced effort. Each brings to the productive-aging equation different

points of view, degrees of motivation and self-interests to create a mutually beneficial plan.

Incongruent and competing expectations can produce an unbalanced and unsuccessful effort. Figure 8 illustrates the balance and potential competing forces that can influence a productive-aging program.

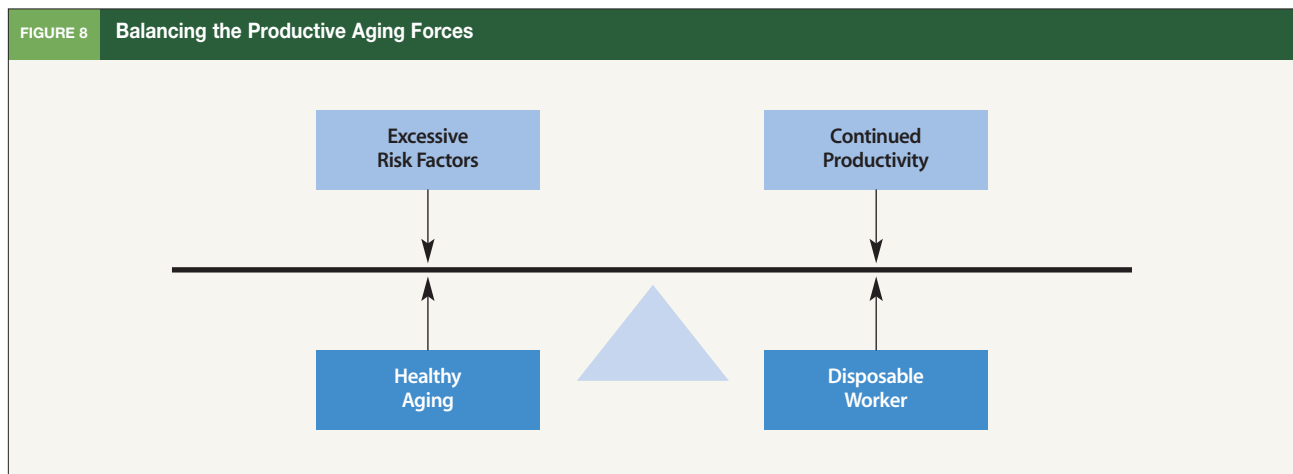
A productive-aging program is captained by the individual entering into this life stage and coached by the employer and physician, creating the fulcrum that offers the balancing point.

The employee must do the following:

- ▶ Participate in programs promoting and sustaining a healthy lifestyle
- ▶ Participate in career, financial and health planning.
- ▶ Manage family disruptions to minimize distractions and stress.

The corporate management team needs to do the following:

- ▶ Create a plan to manage and protect the older worker's assets.
- ▶ Build prospective worksite accommodation and transitions that respond in a timely manner to transitory physical and behavioral health impairments.
- ▶ Apply timely risk-appraisal and risk-reduction strategies.
- ▶ Provide resources to assist in family issues that reduce productivity, that is, elder care, caregiver support, etc.



*Create opportunities within  
the organization promoting connections  
between work generations that  
focus on productivity.*

The physician can do the following:

- ▶ Offer work prescriptions (WorkRx) creating timely and safe transitions out of and back to work. (A work prescription is a well-defined set of functional work guidelines established by the physician that directs both the employer and employee to modify the workplace, worksite, worktasks and workstyle to protect the productivity of the individual within the employee's functional capacities.)
- ▶ Enhance patient independence to remain productive with multimodal clinical interventions.
- ▶ Understand the impact of aging and impairments on work capacity in the respective patient population. The following incremental, as well as collaborative, solutions can be applied within industries that recognize the worker who is 55 years old or older as a critical part of their current and future workforce.
- ▶ Step 1 — Identify and reduce risk factors within the older workforce. The cost of poor health and aging is influenced through timely risk management.
- ▶ Step 2 — Develop and apply corporate policies that invite and reward worksite flexibility and accessibility.
- ▶ Step 3 — Reward employees for accepting responsibility for personal well-being and protecting work capacity.
- ▶ Step 4 — Provide incentives to use support services (work-life balance, employee assistance programs, for example) to reduce the impact of complex family barriers on staying productive.

- ▶ Step 5 — Measure the impact of productive-aging programs and the subsequent return on investment.
- ▶ Step 6 — Create opportunities within the organization promoting connections between work generations that focus on productivity.

### **Public and Private Productive-Aging Partnerships**


Aging is a human condition, affecting all industries and public agencies in some fashion or another. The 2005 White House Mini-Conference on Aging and Disability explored the common features between productive aging and social engagement. A theme of collaboration was struck as the starting point for public and private solutions to individuals aging with long-term impairments and individuals incurring impairments as they age. Productive-aging was found to be supported by the following:

- ▶ Hiring and retention incentives. Create tangible incentives for employers to hire and retain older workers with physical, cognitive or effective impairments that impact long-term work capacity.
- ▶ Protecting work capacity. Support employer tax incentives within health-care benefits to promote and protect work capacity and the health of the older worker.
- ▶ Providing employer medical cost relief. Provide a blended private/public health-care insurance program for employees within a defined transition period between work and retirement.

- ▶ Aligning retirement benefits. Restructure retirement benefits programs, reflecting the need and desire for continued productivity.

Being productive is a natural human function that does not start or stop at a certain age or with the onset of a medical condition, injury or illness. To affirm this, simply watch a three- or four-year-old. They are the busiest and most productive individuals doing their daily “job” of learning, exploring and being fully engaged in their environment. On the other end of the age continuum, many celebrated examples of productive aging include many entertainers, former United States presidents, Supreme Court justices, business professionals, noted researchers, writers and any number of “geezer jocks” (that is, athletes of advanced age).

Yet, productive aging will have the greatest impact on the not-so-public person — a nurse, machinist, accountant or teacher who simply wants to take advantage of options and opportunities to continue or develop new life journeys of contribution. They want to continue to be passionate about what they do, with dignity and a sense of satisfaction of a job continuing to be well-done.

Employers need to understand that health and productivity are connected. This connection is driven by access to timely and affordable health care. This connection is the cornerstone of the new productive-aging life stage. Organizations need to consider productive aging as a corporate policy protecting the full assets of the workforce entering into this new life stage. The aging worker can be a significant challenge, but will be a greater opportunity. 

## Resources Plus

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