

Ramona Schindelheim, WorkingNation editor-in-chief:

You're listening to Work in Progress. I'm Ramona Schindelheim, Editor-in-Chief of Working Nation. Work in Progress explores the rapidly changing workplace through conversations with innovators, educators, and decision makers, people with solutions to today's workforce challenges. I just read a remarkable stat. There are 3.3 million more retirees in the U.S. as of October than in January 2020. That's just before the pandemic, and that's a 7% increase. So, call it what you will. The Great Retirement, The Great Resignation, The Great Reset. It's important that we understand what is driving this trend, particularly as the country is struggling with a labor shortage. Helping us with that understanding is Dr. Jean Accius, Senior Vice President for AARP Thought Leadership and International Affairs.

Jean, thank you very, very much for joining me.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Well, thank you so much, Ramona. I am excited to be having a conversation with you today on such a critical, timely and important area in terms of what we are seeing as relates to our workforce and the evolution that's only being accelerated as a result of this ongoing pandemic.

Ramona Schindelheim, WorkingNation editor-in-chief:

It's an amazing thing that we're watching now. We were just talking before we started recording, that we're close to two years now that we are working from our homes. You and I are very, very lucky. We are able to do our jobs in our home, but not everybody has that opportunity, and I don't think I'm wrong, but I think this is part of what's driving this retirement trend, people fearful for their health.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Well, I think you're absolutely right that there's a couple of things that I believe is driving the trends that we're seeing particularly as to the labor changes in the marketplace. One is this fear of, as you indicated, being exposed to not just their own personal health, but also the potential of bringing something home that might impact a family member. If you're caring for a loved one or a spouse, the potential, or if you have someone in your household that has an underlying condition. There's a genuine fear as to what we're seeing with this ongoing pandemic.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

I think the other thing that is also driving some of the changes that we're seeing in the labor market, it has to do with a sense of purpose and belonging. What I mean by that is the fact that there has been some surveys as demonstrated that people have really taken this time to really assess exactly what do they want to do in their life? What's given them a sense of meaning? What's given them a sense of fulfillment and they're making those tradeoffs. I do think that there's several different factors. People are looking in terms of exactly what are the opportunities to really live that fuller life as they have defined for themselves. Some are taking big jumps because, if not now, then when? And then of course, there's health implications.

Ramona Schindelheim, WorkingNation editor-in-chief:

I really agree with you. That idea that purpose is behind some of this, that people are saying, "I didn't really like my job, but I'm going to keep doing it. I need the money." Some people do have that opportunity to kind of reassess and maybe start down a different path, but not everybody has that though. That's the part that's always troubling me. Not everybody has that security.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

That's exactly right. We're seeing huge variations in disparities in terms of the opportunities to be able to make these type of decisions. I do think that one of the other factors that's driving some of the changes in the labor market is what I refer to as a realignment, meaning the fact that in some cases, people are taking on other opportunities in other sectors, either because it matched what they've always wanted to do with their life or in some cases it might be better wages or better benefits or better working conditions. I do think that there's several different dynamics that are in play here that deserves to be unpacked.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Many organizations, I think, are also trying to assess their workforce in a way that's going to, think about the great retention and the great recruitment, and how do you retain and recruit talent? Many companies are managing five different generations. What I always say and what AARP's been doing with great organizations like yourself at Working Nation, is really to elevate those solutions and to really assess what are the opportunities that cut across generations that really leverages the workplace and the workforce in a way that's going to be mutually beneficial? I think we're also seeing that dynamic play out.

Ramona Schindelheim, WorkingNation editor-in-chief:

Your point is well taken. We, at Working Nation, talk about solutions all the time after we lay out the problem and I always joke that I sound like the angel of economic doom when I talk about the bad part of it, but there are opportunities and the workforce, the older workforce, has so much to bring to the workplace from experience, problem solving. We've talked about this a lot. What are your thoughts on how to get businesses to embrace that even more?

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Well, there's a couple of things, Ramona. One is the fact that I think that we need to understand and businesses need to understand the changing demographics and the economic implications of that. What I mean by that is the fact that, we have a market as of 2018, where people over the age of 50, particularly in the U.S. spent over 8.3 trillion dollars worth of economic activity. That's a ripple effect. Another way to think about that is that 56 cents of every dollar spent in 2018 was spent by someone over the age of 50. That is going to increase to 62 cents of every dollar by 2050. Another way to look at that is the fact that in 2030, that 8.3 trillion that I just of economic activity, would have grown to roughly 13 trillion dollars. From a business perspective, the question is, what is your longevity strategy? How are you leveraging and tapping into this growing market? And we know that age diversity is critically important, and it's one thing to create products for different segments of the population, it's something totally different to co-create products, with different segments of the population.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

As I indicated before, from a consumer perspective, that's a huge growing engine in terms of that's fueling our economic community and societies. On the workforce side. I think that there's an opportunity for employees to think about exactly, to what extent is my workforce mirroring the populations that we're trying to serve. How are we ensuring that, that age diversity, that mix that cuts across different generations is being leveraged in a way to ensure that companies are viable and sustainable long term, and that the workers are receiving the financial security that's needed, and what I can tell you is this, that there's barriers to achieving this economic growth.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

One is age discrimination. We know that in 2018 age discrimination cost the U.S. economy 850 billion dollars. 850 billion dollars. What that means is the fact that it stifles economic growth, which impacts all of us. Another way to think about is this, to what extent are we creating environment, whether it's in the workplace or in our communities and societies, that allows people to live the healthiest most productive life? Anytime we start to exclude, marginalize, or discount groups based off age, race, gender, it has a ripple effect that impacts all of us. That 850 billion that I just referenced, when we did a deeper dive, Ramona, it was a double whammy. A third of that was because of women being forced out of the labor force.

Ramona Schindelheim, WorkingNation editor-in-chief:

Is there more discrimination against older people of color as well? Did you find that in there?

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Absolutely. I call it the double and triple whammy.

Ramona Schindelheim, WorkingNation editor-in-chief:

So, if you're women, and a woman of color, and you're older.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

That's exactly... That's a triple whammy. I do think that in this moment in time where we find ourselves as a society with this pandemic, with this great resignation, great retirement, great realignment, great reset that we have an opportunity collectively, as individuals, as a public sector, as well as the private sector to really think about how do we create a more inclusive ecosystem that allows everyone the opportunity to ensure that they have the means to match their life's aspirations.

Ramona Schindelheim, WorkingNation editor-in-chief:

At Working Nation, we've done a lot of reporting on programs that train people for the skills they need now, and one thing that always strikes me is that they're geared more toward younger people, younger adults, and there's a few programs out there that I've seen that don't... I'm not saying that the companies discriminate or the organizations discriminate, but they welcome in older adults. Generation USA is one of them. I know that there was a woman I talked to a couple of weeks ago, 52 years old, who just graduated with her junior software programming degree, which is fantastic. She went from working at Amazon to now being a junior software programmer, but I don't see too many of those, and how do we get that message out to people? Is it the same message you're saying, just now let's aim it at the nonprofits who are doing these programs or businesses?

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

I think we have an opportunity to do a couple of things, Ramona. One is the fact that we did a survey of 1300 people, ages 40 to 65, that's in the workforce, and this included Hispanic, Latino, African American, Black populations around skills, and what we found was that according to this survey that we did in the midst of the pandemic, by the way, that two thirds of older workers are interested in additional job and skills training. When we looked at this by segment 74% of African Americans indicated they were interested in additional job skills training, 82% of Hispanic Latinos indicated that they were interested in skill training opportunities. In addition to that, they indicated that they were interested in training that

would increase with employers support, meaning the fact that employers have an opportunity to think about how they're supporting their workforce across all ages and life stages, and really to address some of the inherent biases that they may have in the process.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

94% are willing to learn new skills if requested by a current or potential employer. So, this idea that older workers don't want to take on training, or may not be interested in taking on training, that is not necessarily true. Our data suggests that if the employers actually provided it, that they would actually take it on, and 97% willingness is highest, and [inaudible 00:10:37] particularly for Hispanic and Latinos. We know that there's a lot that is happening, particularly as a result of this pandemic, that's only accelerating the future of what work might look like, as well as what the workplace might look like and what skills might be needed. I think there's general consensus that we need to be thinking about reskilling and upskilling. For those who are listening to this podcast, I think that we have an opportunity as individuals to really think about how we continue to enhance our own skills.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

I know many people across ages who have spent some time over the last two years and counting, getting a certification, taking a course here or taking a course there. I think that the public sector as a society government has a responsibility to think about the competitive opportunities for the country, from a skill, reskilling, upskilling perspective, and to what extent are their subsidies and incentives to reduce some of the barriers that would encourage people to get more skills in the labor force. I think private industry has a significant opportunity if their focus is around growing their impact, being more relevant, and growing their revenue sources to think about how they are upskilling and reskilling their workforce for the workforce of the future. This only has been accelerated as result of this pandemic.

Ramona Schindelheim, WorkingNation editor-in-chief:

One of the things that I think about a lot about the older workforce and mid-career workers, again, I mentioned it before, some people have to work. Some people just want to work. They love working and they don't see retirement. They'd be bored. They want to be a part... They want to be around people. As people work longer and they live longer, the wages do have to keep up with that. I know that I had seen some numbers that said that older workers tend to make less money than the younger workers, but they still have to pay the same bills. Sometimes they probably have even more, if they've had children in college, et cetera. How do you make sure that employers are hearing that message? Because I think that's an important one, too.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

The key aspect is the fact that there is value and experience. And with that value, there needs to be the associated benefits that comes with that sense of value in terms of wisdom, experience, knowledge, and all the things that we know particularly from the studies. Clearly, again, I think that there's an opportunity here for us to really think about the workforce of the future, and the market is actually starting to demonstrate this in many industries, that in order to attract talent, in order to retain talent, one needs to think about the compensation structure and the compensation philosophy, I think is critically important, both in terms of exactly the compensation in terms of wages, but also some of the other French benefits that comes with working. Whether it's the person and professional development opportunities, whether it's the opportunities to be able to give back in some meaningful way. We're

really kind of thinking about the workplace and the workforce differently. I think in many cases, companies are being forced, for better or for worse, to adjust to the market demands.

Ramona Schindelheim, WorkingNation editor-in-chief:

Jean, if an older worker out there is listening, someone in the middle of their career, who's thinking about, I need to learn to upskill, what tools are at their fingertips?

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Well, I would highly encourage them. Thank you, Ramona, for that excellent question. I would highly encourage them to go to AARP.org. We actually just launched an AARP skills builder for work, which helps you gain in demand skills that could help give you that competitive advantage in the marketplace. This is an opportunity to use and do some self-paced online learning. There's opportunities to earn certificates. And then, there's also courses that offer you a variety of options and at all different levels, to meet the skills that are currently in demand for employers.

Ramona Schindelheim, WorkingNation editor-in-chief:

Are you basing those skills that you're offering on the biggest want ads? How are you guys making that determination?

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

That is an excellent question. We know that the future of work is here and that there's a lot of different trends that are impacting the future of work, and while we are seeing increased automation and also increased digitalization in the marketplace, we know that there are some skills that are going to be in growing demand as companies start to move into this direction. So, it's a combination of exactly an assessment of the marketplace, and what we're seeing in terms to what employers are looking for. It's a combination of projecting to see exactly directionally, where we're going as a society in terms of the need for upskill and reskilling. It's also an opportunity in terms of cultivating partnerships with some key, major organizations to help inform this tool, and this is a tool that's continuing to be updated with new courses, new resources, to really be able to be a value add for individuals. I think that all of us across all life stages and ages have an opportunity to provide value. I also think that this is a tool that can provide you with some guidance on how to go about doing that.

Ramona Schindelheim, WorkingNation editor-in-chief:

For the employers listening out there, not only do the older workers want to retrain, they have an opportunity through here, and they're doing it, so that's good news.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Absolutely.

Ramona Schindelheim, WorkingNation editor-in-chief:

Before we go, in the little time we have left, I'd like to kind of shift the conversation a little bit to another area that you're very interested in, healthcare, and how that takes care of the aging population, long term care. I'd love to hear what your thoughts are on that.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

One cannot disconnect finance or financial beings from health. I think they're interrelated, and what I mean by that is the fact that your health impacts your wealth, your wealth influences your health. Those two go hand in hand. This pandemic has demonstrated that the very foundations that were designed to nurture, ensure that we were healthy. It's fragile both from a delivery standpoint, and also from an affordability standpoint. One of the biggest risks to one's financial security is long-term care. The average cost of a nursing home in this country exceeds \$100,000 a year. The average cost of assisted living in this country is roughly about \$46,000 a year, and then to get home care for 30 hours a week, it's 33 to \$35,000 a year. When you compare that to the medium household income of someone over the age of 65 in this country, it's a huge misalignment.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

There's a couple of things that we need to really think about. One is the infrastructure, which is really in need of significant investments and also transformation. We have a system that is quite fragmented. There's a disconnect in terms of the integration between health and long term care. Oftentimes, the people who are most impacted are the people we're trying to serve and their families. We have an opportunity to think about, how do we create a system that's more robust, that actually puts older adults and their families at the center, that empowers them with the tools in order to navigate the continuum of care in a way that meets their needs, and if we can do that in a way that allows them to be able to do that in their homes and communities for as long as possible, the better off we'll be as a society.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

We have a survey at AARP that found that over 75% of older adults want to remain in their homes and communities for as long as possible. You heard the stat that I shared with you with regards to nursing home care. It is significantly less expensive, cheaper to care for someone in their homes. In fact, we did a report at AARP that found that for every one person in a nursing home, you could take care of three people in the community. We have a situation where we have consumer preference. We have costs that are aligned with those consumer preferences, so we need to get our policy aligned as well. I think that's an advocacy change that we need to do, really think about how do we ensure that individuals have that opportunity to receive long-term care in their homes and communities, but that's just within the context of a public financing system. We need to create options and people should be able to age with options, and how do we create those options in a very meaningful way? Because not everyone's going to need the same thing.

Ramona Schindelheim, WorkingNation editor-in-chief:

That's something that should be thought about at a younger age, because I think today, I saw some numbers that retirement savings was like, \$10,000 was about what an average person or half the country had, and that doesn't come anywhere near meeting what you are talking about. If someone needs that healthcare and how do you put that value in society, on an aging population and start thinking of it early and not wait until somebody's 55, 65 or older and then start saying, "Now what do we do?"

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

That's exactly right and Ramona, we have some tools at AARP. One is called our Prepare To Care guide. For your listeners, if they go to the [aarp.org](http://aarp.org) website and type in, Prepare To Care, there's an entire series of tools to help you create that plan, to have those conversations, and to design some options

that takes into account the services that are available in your local community, that takes into account the services that are available in your state, that takes into account a robust plan to really help you meet your needs. At AARP, we want to ensure that people are in the driver's seat in making these decisions. To your excellent point, the sooner you can start to have these conversations, the sooner you can actually have a plan, the more robust you will be in terms of being in a position to drive the care that you want.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

The other thing I was going to quickly mention, in addition to the tools, we know that there's millions of family caregivers out there. In fact, there's 53 million family caregivers who's providing care and we know that caregiving as rewarding as it might be for some, it can also be emotionally, physically, financially draining for others, and many of these caregivers are working. In fact, 60% of all family caregivers are in the workforce. So, going back to our earlier conversation and oftentimes they either have to come into work late, leave early, decline a promotion, or leave the workforce all together. These caregivers, I call them, they're on the front lines. They're the first responders and they need help. They need support, which is why it's so critically important that we have tax credits, which is why it's so critically important that there's respite care available.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

It is critically important that there's flexibility of flexible working arrangements to support these caregivers, and you might be saying as an employer, "Well, why should I even do this?" Number one, here's the reason why. That as a pull, if you don't support and retain, you will lose. That has huge implications for your bottom line. Number two, supporting these family caregivers, we have found actually yields significant rates of return to the economy by 1.7 trillion dollars in 2030. So, just what I just mentioned, tax credits, respite care, providing emotional support through a sur, helps to retain these workers. They're not exiting the labor force and they're continuing back to the broad of the economy. This is good for business. It's good for these individuals and it's good for employers. I would encourage those who are listening on our podcast today to ask themselves, to what extent do we have a caregiver strategy? Do we even know, when we look at our workforce, who are our caregivers and what their needs are? And this has only exacerbated as a result of this pandemic.

Ramona Schindelheim, WorkingNation editor-in-chief:

Jean, I don't think the older worker and the older adult can have a better champion than you, so thank you so much for sharing your thoughts today on the podcast.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Well, thank you so much, Ramona. I would love to come back and we can have a deeper dive conversation about healthcare.

Ramona Schindelheim, WorkingNation editor-in-chief:

I will welcome that very much so. Thank you again, Jean.

Dr. Jean Accius, AARP SVP Thought Leadership & Intl. Affairs:

Thank you.

Ramona Schindelheim, WorkingNation editor-in-chief:

Joining me today on the podcast, Dr. Jean Accius, Senior Vice President for AARP. I'm Ramona Schindelheim, Editor-in-Chief of Working Nation. Thank you for listening.