

Employment Extenders: A (labor) force to be reckoned with

Understanding who they are, why they matter and how employers can help them

Employers grapple with a new reality in the wake of an evolving workplace landscape: “Employment Extenders” are a growing segment of the population working beyond the traditional age of retirement. Thirty-two percent of individuals ages 65 to 74 are projected to be working in 2030, according to the Bureau of Labor Statistics¹. Amidst an exodus of workers and a realignment in American working habits, it is imperative for employers to support their aging workforce and position them for a successful transition into retirement. In return, employers can expect increased retention and savings on the cost of new-employee recruitment and onboarding.

Voya Cares® and Easterseals commissioned Edge Research to develop a nationwide survey to gain insights into the Employment Extender mindset and how employers can support this population. The key findings include:

1. While the majority of survey respondents say they continue to work because they want to, most (92%) also indicate they are working because they need or want more money for retirement.
2. Many tend to avoid the hard truths of retirement preparation: They haven’t saved enough to achieve their goals. Employment Extenders list financial security and relaxation as their main goals for retirement, yet 60% say they have less than \$500,000 in savings.
3. The rising cost of living, coupled with increased workplace flexibility, including remote work policies, are affording older individuals the opportunity to work longer.
4. Employees are not considering the associated costs and increased likelihood of the need for long-term care support for themselves or a loved one. This oversight may derail retirement savings if they need to stop working before expected due to a decline in their physical or mental health (or a loved ones).
5. Employers who create benefits with clear monetary value, such as matching contributions, can play a role in helping Employment Extenders better meet their unique needs — making them feel seen and heard as they prepare for retirement.

To support older workers, every employer must understand who makes up this growing labor force. Alongside these overarching findings, this research identified four groups representing this now fastest growing segment of the labor market. These subsets of Employment Extenders include the “Want to Work,” “Part of the Plan,” “Worriers” and “Need to Work. Each group has unique attitudes, beliefs, motivations and behaviors that impact their work and retirement decisions. Understanding the workforce’s needs and tailoring well-rounded benefits packages can help employees be more prepared to make the transition into retirement.

Today, many employers are well-equipped to offer workplace benefits that serve Employment Extenders, including:

- Delivering education on how employee benefits can meet retirement needs.
- Creating easy access guidance tools.
- Providing opportunities for employees who are caregivers to continue working.
- Offering health and wealth benefits to meet unique needs that can set up their employees for success.

The full research paper with expanded findings is available at easterseals.com/mediaroom and voyacares.com/aging.

Added resources and a video summary are available on voyacares.com/aging.

1. TED: Economics Daily. U.S. Bureau of Labor Statistics. Nov. 4, 2021. TED: Economics Daily. U.S. Bureau of Labor Statistics. Nov. 4, 20

Methodology

Commissioned by Voya Cares® in collaboration with Easterseals, Edge Research conducted a national survey in August 2022 of 1,062 “Employment Extenders.” Half this group is composed of adults 50 and older who previously retired (referred to as “PR”) from one career, but are still working at another job today; and the other half is composed of adults who are at least 65 years old and currently do/plan to work past retirement age (referred to as “WPRA”), retiring at age 70 or later or not at all. All are working full- or part-time and are benefits eligible. Survey respondents were recruited through an online non-probability sample. With all online surveys, findings are not projectable to the larger population.

To learn more about these audiences, qualitative in-depth interviews were conducted in September and October 2022 with 16 individuals using the same criteria as in the quantitative portion of the study. Quotes throughout this report represent findings from these interviews.

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