



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

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



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Why employers should care about this study

When the first case of COVID-19 was discovered in the United States in January 2020, few could predict how deeply the pandemic would transform our world. A [previous research paper](#)* identified many of the emerging needs of Employment Extenders in the early stages of the pandemic. Several years later, beyond the number of lives lost and the emotional drain of isolation, several changes continue to occur in the labor market.

A significant exodus of workers from the labor force and an increase in job vacancies

In 2021 alone, 47 million Americans left their jobs,¹ almost a quarter of the workforce. The trend continued in 2022, with an average of 4 million quitting their jobs every month, which is more than double the monthly quit rate in 2011.² As a result, in the year since December 2021, the number of job vacancies increased by nearly 67%, according to the U.S. Labor Department.³

A drop in productivity

In 2022, 18% of surveyed workers indicated actively disengaging from their work and only 32% described themselves as actively engaged. Economists described this phenomenon as “quiet quitting.”⁴

A shift in how Americans view work.

As the workplace for many Americans changed from the office to home — or became unpredictable, even dangerous — many began to reevaluate the centrality of work in their lives. Surveys confirm this shift. For example, more than 45% of workers in a 2021 Morning Consult Poll said they would consider quitting their jobs if their employers would not allow them to work remotely at least part of the time. Another survey, conducted in 2021 by Gartner Research, shows that 65% of workers said the pandemic made them rethink the place that work should have in their lives.⁵

Labor economists have attempted to describe and explain the recent workforce dynamics with such labels as The Great Resignation, The Great Reshuffle, and The Great Renegotiation, among others. The purpose of this study, however, is not to expand on or attempt to evaluate these trends, but rather to lay out for employers how they can prepare for the following as COVID-19 evolves and the severity of cases declines:

1. **A tighter labor market**, which suggests the importance of new strategies for retaining long-term loyalty from employees.
2. **A changing demographic** in the workplace.

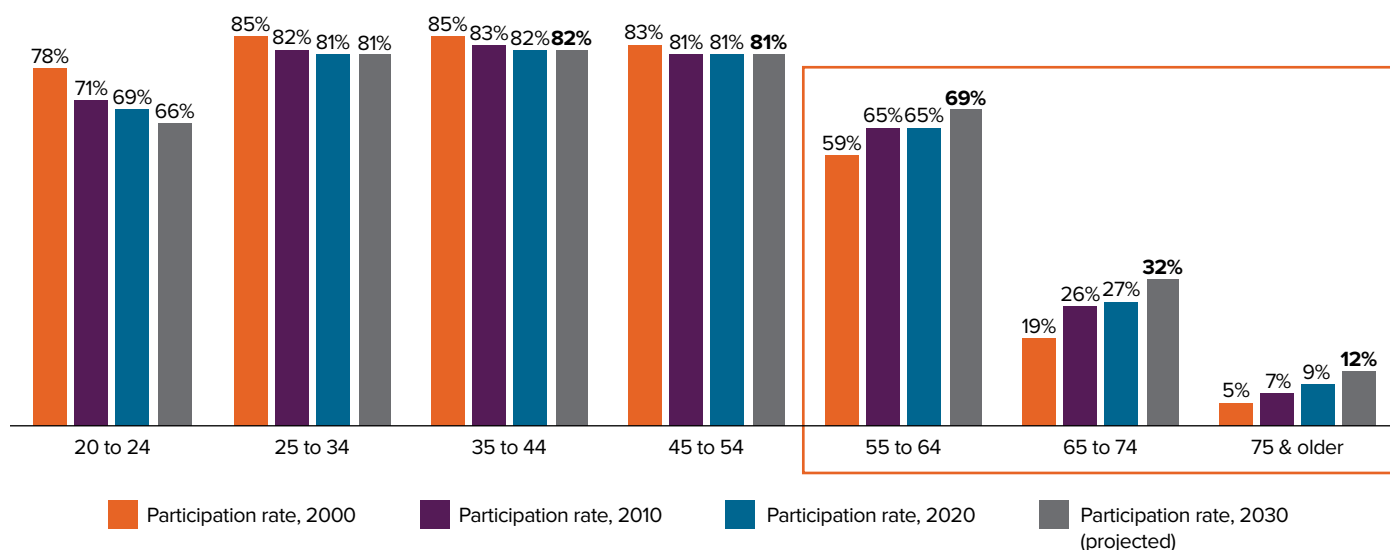
The Bureau of Labor Statistics (BLS) estimates that over the next decade, the labor market will continue to age, with the greatest growth coming from workers aged 55 and over. Additionally, continued growth is expected in the workforce participation rate of those past traditional retirement years — aged 65 to 74. About 32% of those in this age group are expected to be working in 2030, compared with 27% in 2020 and 19% in 2000.

The combination of all these factors — an aging workforce, the exodus of workers, and a shift in worker attitudes — indicates a paradigm shift for many employers: far from encouraging their aging workforce to retire “on time,” older employees may be encouraged to continue their employment past the generally recognized retirement age. Employers who are ready to make this shift may have an advantage that their competitors who are slow to change will not. These employees represent years of investment. Their experience, knowledge, and professional capacity can obviate the need and expense of training new workers. Older and more experienced workers can serve as mentors to younger and new employees, which can be both satisfying to older employees and cost effective for their employers.

*America’s new retirement reality. Voya Cares Center of Excellence. May 2021.

Labor force participation, 2000 – 2030

Source: U.S. Bureau of Labor Statistics



Probably the best way to support older employees is to provide them compensation and benefits packages that not only help meet their unique needs, but ultimately position them for a successful transition into retirement, when they are ready. This body of research suggests that giving older workers tools for transitioning into retirement will fulfill individual and societal needs, increase employee loyalty, and serve as a model for their younger colleagues.

This study explores the mindset and needs of “Employment Extenders” — the growing number of Americans who are working past traditional retirement, specifically:

- What are their motivations for working beyond traditional retirement years?
- How, if at all, have changes in workplace culture and norms impacted their views of retirement?
- How is the current economic climate influencing their mindset on when and how to retire?
- What role can employers play in helping Employment Extenders successfully prepare for retirement?
- What specific employer-provided benefits are of most interest and need?

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.

Key findings

1 **Most Employment Extenders indicate they have not saved enough for retirement, yet the majority say they are working longer because they want to.**

They may be telling themselves they are making a choice to work longer, but, in fact, many are doing so out of necessity.

2 **Employment Extenders list financial security and relaxation as their main goals for retirement. But, with most having less than \$500,000 saved, this financial reality offers anything but peace of mind.**

Thus, many in this demographic admit to avoiding hard truths, and, instead, just keep plugging away at their work. There is clearly an alarming gap in retirement preparation that employers can help close.

3 **The current economic and business climate is also changing calculations about retirement.**

The economic impact of inflation and market instability makes this audience want to save more before they stop working for good. In addition, they are now experiencing increased flexibility in workplace norms, including greater ability to work from home. Overall, the tendency to keep working has increased, while the reasons to stop have decreased for many older Americans.

4 **Thinking about lifespan support needs and caregiving are not top of mind in retirement considerations.**

Most are not thinking about the increased likelihood that they may become disabled — either physically or mentally — as part of the aging process, which may expedite their need to stop working before they plan to do so. And they are not explicitly including costs associated with caring for themselves or a loved one in their financial plans, which will impact retirement savings.

5 **Employers can play a role in helping Employment Extenders better meet their unique needs — making them feel seen and heard as they prepare for their next chapter.**

Benefits with clear monetary value like supplemental insurance coverage or savings vehicles with matching contributions are key to employees' retirement pictures, but there is also great opportunity in providing hard-to-find mental health and dental benefits, as well as lower-cost informational assistance. For instance, more guidance on how to transition to retirement including information on community-based services to ensure their physical and mental health and wellness as they age, as well as caregiving resources available to them and their loved ones.

Who is extending employment and why?

Tangible and intangible motivations

The study asked Employment Extenders about their key reasons for working past retirement. Majorities say they continue to work because they either can or want to.

Initially, less than half (43%) said they are working because they need money to cover expenses now or in retirement. But, when they were asked, “What’s the most important reason you are still working?,” the need to continue working emerged as most important. About a quarter (26%) gave this response, compared to half as many (13%) who said they want to have more money in retirement or that working gives them a sense of purpose.

Delving further into their financial motivations, nearly all, 92%, indicate they need or want more money for retirement. The percentage of “Previously Retired” (PR) workers indicating this need or want is only slightly less than those who are “Working Past Retirement Age” (WPRA) — 89% vs. 94%.

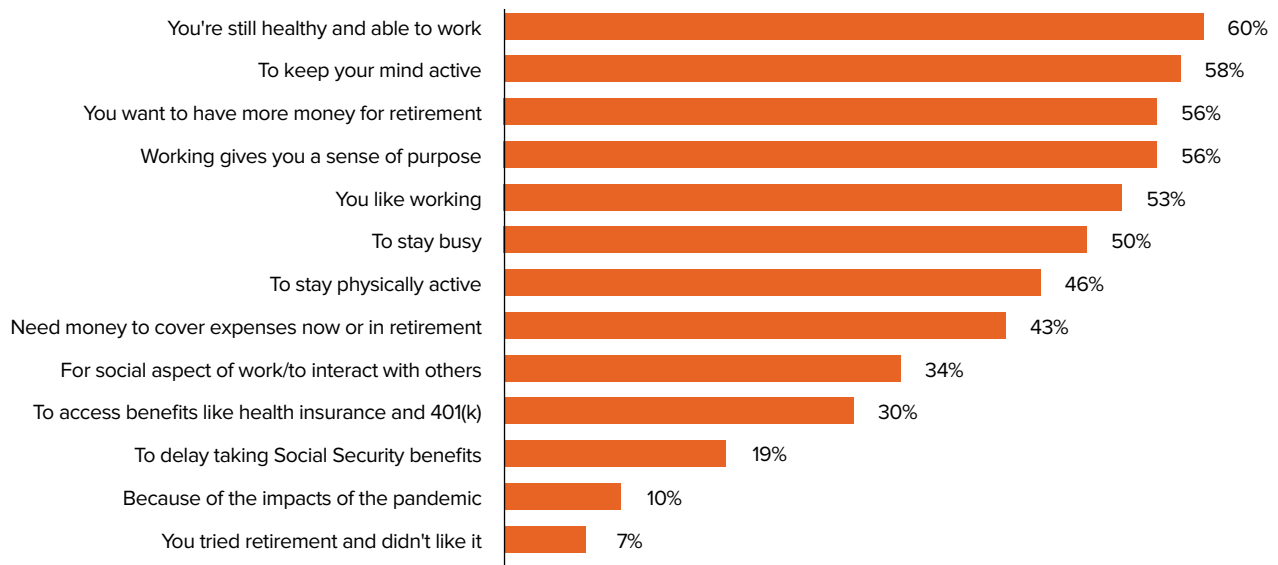
This variance is reflected in differences in financial status; PR respondents have slightly more in savings and are more likely to have a pension (49% compared to 30% among WPRA). Among the PR respondents, 28% had retirement savings exceeding \$500,000, compared with 26% in the WPRA group.

When respondents were asked to select all the financial concerns or considerations that contribute to their decision to continue working, the top three financial reasons are to:

1. Maintain their current lifestyle.
2. Prepare for inflation or increased cost of living.
3. Have a safety net.

Motivations to work past retirement

% Say Each is a Major Reason for Continuing Work Past Retirement/Retirement Age



#1 Most Important Reason (forced choice)

26% Need money to cover expenses now or in retirement

#2 Most Important Reason (forced choice)

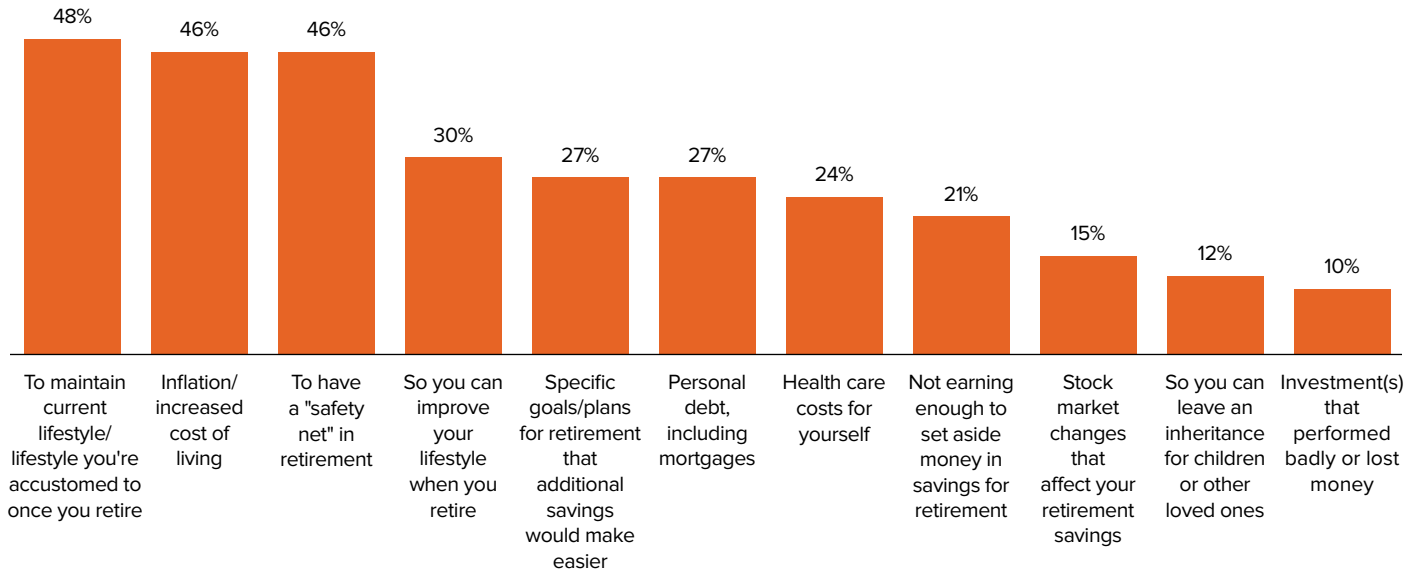
13% Working gives you a sense of purpose
13% You want to have more money for retirement

92%

say they want or need more money for retirement

Financial reasons to continue working

% Say Each is a Financial Reason for Continuing to Work
(Among those who say needing or wanting more money is a major or minor reason)



Far fewer said they continue to work because they are concerned about debt, health care costs, or stock market changes (with the caveat that the survey was conducted in August 2022, before market conditions began to fluctuate and the economy was impacted by inflation), or that they want to leave an inheritance to their children.

Only 27% of Employment Extenders cite the pandemic as a reason for continuing employment past retirement. Of those giving this as a reason, a majority (52%) say the biggest pandemic-related issue was the increased cost of living, followed by 38% who said the pandemic had an economic impact on their savings.

Confidence is low

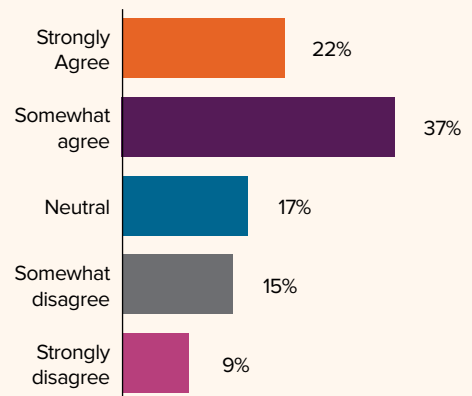
When it comes to retirement and financial security, confidence among Employment Extenders is not strong. When asked how much they agree with the statement, "I am confident that I will have enough money saved to live comfortably in retirement," only 22% strongly agreed with this statement.

Of no surprise, this lack of confidence correlates to the amount Employment Extenders have in retirement savings. As many as 60% say they have less than \$500,000 in savings, including all investments, savings accounts, pension plan/defined benefit plans, employer-sponsored retirement plans (e.g., 401(k), 403(b), 457), and IRAs or Roth IRAs. And three-in-10 admit to less than \$100,000 in savings. Employers can be more proactive

in educating Employment Extenders about the available resources to help them get to a more secure position. This might take some new strategies, for instance, offering them benefits enrollment workshops tailored to their needs.

I am confident that I will have enough money saved to live comfortably in retirement

Agree/Disagree



Understanding the unique types of Employment Extenders

Employment Extenders are by no means a monolithic group; they have different motivations, financial considerations and personal concerns that impact their work and retirement decisions. To better understand these differences, a statistical technique called “segmentation analysis” was used to sort people into unique groups based on their attitudes, beliefs, motivations, and behaviors. The resulting four segments are described below:

Employment Extender profiles

Want to Work (29%)

- Still working because they like it, gives them a sense of purpose, and want to keep their minds active
- More likely than others to say they will retire after 75 or never retire
- Most confident about their retirement savings, have saved the most of their income, and already have the widest range of financial products
- Oldest segment, higher income + net worth

Part of the Plan (22%)

- Mostly people who are previously retired from another career
- Most likely to already be collecting a pension
- Half are working part-time (more than other segments)
- Planning to fully retire at a younger age than other segments and looking forward to it
- Only group that is an even mix of men and women (all others skew female), higher income + net worth

Worriers (31%)

- Still working for many reasons (don't hate working), but #1 is want to have more money for retirement
- Concerned about having a safety-net and maintaining their current lifestyle in retirement. Most worried about unexpected expenses
- Have a range of employer-provided benefits today
- Interested in a range of the additional benefits tested
- Second lowest income

Need to Work (18%)

- Working past when they had hoped, because they need the money today and when they retire.
- Inflation impacting their day-to-day, and most likely to have debt
- Have saved the least and worry that they will outlive their savings
- Interested in a range of the additional benefits tested
- Lowest income

Differences in motivations for continuing to work are at the crux of what makes these segments unique. With those for whom it's “Part of the Plan,” their most important reason for working is that they want more money for retirement (vs. need it). The most important reason for the “Want to Work” group is that it gives them a sense of purpose. While 43% of Employment Extenders overall say a major reason they are working is that they need the money to cover expenses now or in retirement, that motivation jumps to 92% for those who “Need to Work.” And the “Worrier” group is compelled by mental, physical, emotional, and financial reasons.

As they plan for their future, “Worriers” have the highest percentage of respondents concerned about unexpected expenses in retirement (74%), followed closely by the “Need to Work” segment (69%). Similarly, both segments are most concerned about outliving their financial resources (53% and 59% respectively).

On close to every dimension, “Want to Work” individuals are least likely to be planning-ahead. They are in good health and are most optimistic about their financial situation because they have saved the most. More than 40% have saved more than \$500,000, compared with

34% of the “Part of the Plan” segment, 20% of “Worriers” and just 7% of the “Need to Work” group. The “Want to Work” segment also is more likely to have a pension in retirement (42%), second only to the “Part of the Plan” folks (44%).

“Worriers” are also the most concerned about market uncertainty. In interviews, which occurred later in the research cycle, these concerns became even more pronounced as the market volatility increased.

“Month by month, year by year, I’ve acquired a decent retirement savings. But it’s been plummeting in value. I’m not unhappy in my job. Maybe I ease into retirement — go from 80% to 60% to 40%?”
– Worrier

Motivations to continue working by profile

Major Reason for Still Working	Total	Want to Work	Part of the Plan	Worriers	Need to Work
Because you're still healthy and able to work	60%	80%	34%	82%	23%
To keep your mind active	58%	87%	31%	78%	9%
You want to have more money for retirement	56%	27%	36%	86%	77%
Working gives you a sense of purpose	56%	87%	18%	80%	9%
You like working	53%	88%	17%	75%	3%
To stay busy	50%	77%	25%	71%	2%
To stay physically active	46%	71%	22%	62%	8%
You need the money to cover expenses now or in retirement	43%	3%	17%	71%	92%
For the social aspect of work/to interact with others	34%	57%	15%	45%	3%
To have access to benefits like health insurance and 401(k)	30%	18%	14%	49%	35%
To delay taking Social Security benefits	19%	9%	11%	33%	20%
Overall, driven by ability and desire for activity, but financial need is key		Driven by sense of purpose and enjoyment of work	Many in this group are still traditional working age, but also just prefer to have more saved	Feel compelled by both money and mental/emotional reasons to keep working	Don't like working but need the money. Top financial drivers are inflation, lack of savings, and debt.

Large bold numbers = **MOST** important reason

Personas

Using both the qualitative and quantitative data, representative profiles — or “personas” — were assembled for each segment. These personas provide examples of the kinds of individuals interviewed and make crystal clear the motivations, attitudes and concerns that drive them.



Meet the “Want to Work” persona

Sandy is married, and her husband is retired. She’s been a high earner for most of her career, and together they’ve built strong savings. Sandy is taking advantage of many of the benefits available through her employer.

Sandy is still working because she likes her job. It gives her a sense of purpose and keeps her both physically and mentally active, which is key to her happiness. She’s confident that she and her husband will be able to live well throughout retirement, but as long as she can work on her own terms, why retire?

Sandy already has a wide range of retirement and other financial products, but, should she ever decide to retire, is most interested in help from her employer on making the transition as smooth as possible.

“**Financially, I could retire. We have enough assets.** I would have to figure out health care for a couple years. My employer would provide health insurance at a cost... **I love my job; I don't wake up dreading it. And I have so much flexibility.** I haven't seen my bosses for months. No one really knows what I do. They don't know how I do my job. If I want to take today off and not show up, no one will wonder where I am.



Meet the “Part of the Plan” persona

Jim worked for his employer for over 30 years, but when changes came to the company, he decided to retire early — with a pension — instead of living with the increasing stress of a 40+ hour corporate job at this stage of life.

That said, it was never his plan to retire in his 50s, and, with his wife still working, he wanted something to do. And the additional income and benefits wouldn't hurt, either. He still has several years before he'll be eligible for Medicare. He got a job coaching at his local high school, which gives him a relatively light schedule doing something he really enjoys. He's looking forward to full retirement several years down the road, but, in the meantime, he has a lot of the same freedom and ease, while still bringing in some money for the future.

Jim is most concerned about the unexpected expenses that may arise when he is no longer bringing home a paycheck. He is interested in retirement plan options that have a predictable, non-guaranteed stream of income.

“**Mentally, I was more than ready.** The day I handed my laptop and cell phone in for work, I came home and took a nap with my dog. I could feel the stress go. You're consumed by it 24/7, and it's not healthy. **Without a job on day one I was still concerned about some bills,** though... since sports was a big part of my youth and into college, to get back into that was great, and I work with kids and share my experience. **What I love about [my current job] is it's the best of both worlds.** I'm back in the afternoon. I have summer and fall off, so my wife and I can travel. I don't have that tense thing where I have to worry or that I don't like what I'm doing.



Meet the “Worrier” persona

Thinking about retirement stresses Sue out. Between her divorce, the recession, and the current economic situation, things aren’t going the way she intended. Now that she’s on her own, there is no second income to help in retirement. Whatever happens — and a lot of things could happen — it’s on her to pay for it.

Sue often wishes she had started seriously planning for retirement sooner, but there is nothing she can do now except to keep working and keep saving. Thankfully, she likes her job, so it’s not the worst thing in the world. The best way to reduce her stress is to keep working, saving, and put off retirement for a few more years.

Sue is interested in a range of employer-provided benefits to help her relieve her stress: from personalized consultative advice in a range of areas, to an online tool that allows her to keep track of her benefits, to a workplace emergency savings plan.

“**When I think about retirement, I think about fear. I don’t know how long I will live, but I don’t have enough money to live until 100.** I only have nieces and nephews, and retirement communities are too expensive. I don’t have a pension, and I’m worried about ageism that will make it harder to find work.... COVID-19 gave me no income for two years. You cannot put a band-aid on that. My 401(k) went down the drain, so I may need to work until 72. If I have health concerns, I’m not anywhere near family, so I might have to move closer to have them look out for me.



Meet the “Need to Work” persona

Janet has always had a hard time saving while working at her retail job. She’s on her own, so there is no one else to lighten the financial load. As much as she wanted to set something aside, monthly bills and increasing costs always got in the way. Now she’s at the age where she should be retired, but she has little savings, no pension, and no idea how to course-correct this late in the game.

Janet does not love her job and wants to retire, but she can’t see how she could make things work with so little money coming in. She used to think that Social Security would cover her regular expenses, but now she knows that’s not true.

Janet could use a lot of assistance to figure out how she might one day retire, because right now her only option is to work as long as she can and hope for the best. Janet would like her employer to help her better understand the basics, like Social Security and Medicare benefits, and how she can estimate what her additional financial and healthcare needs may be.

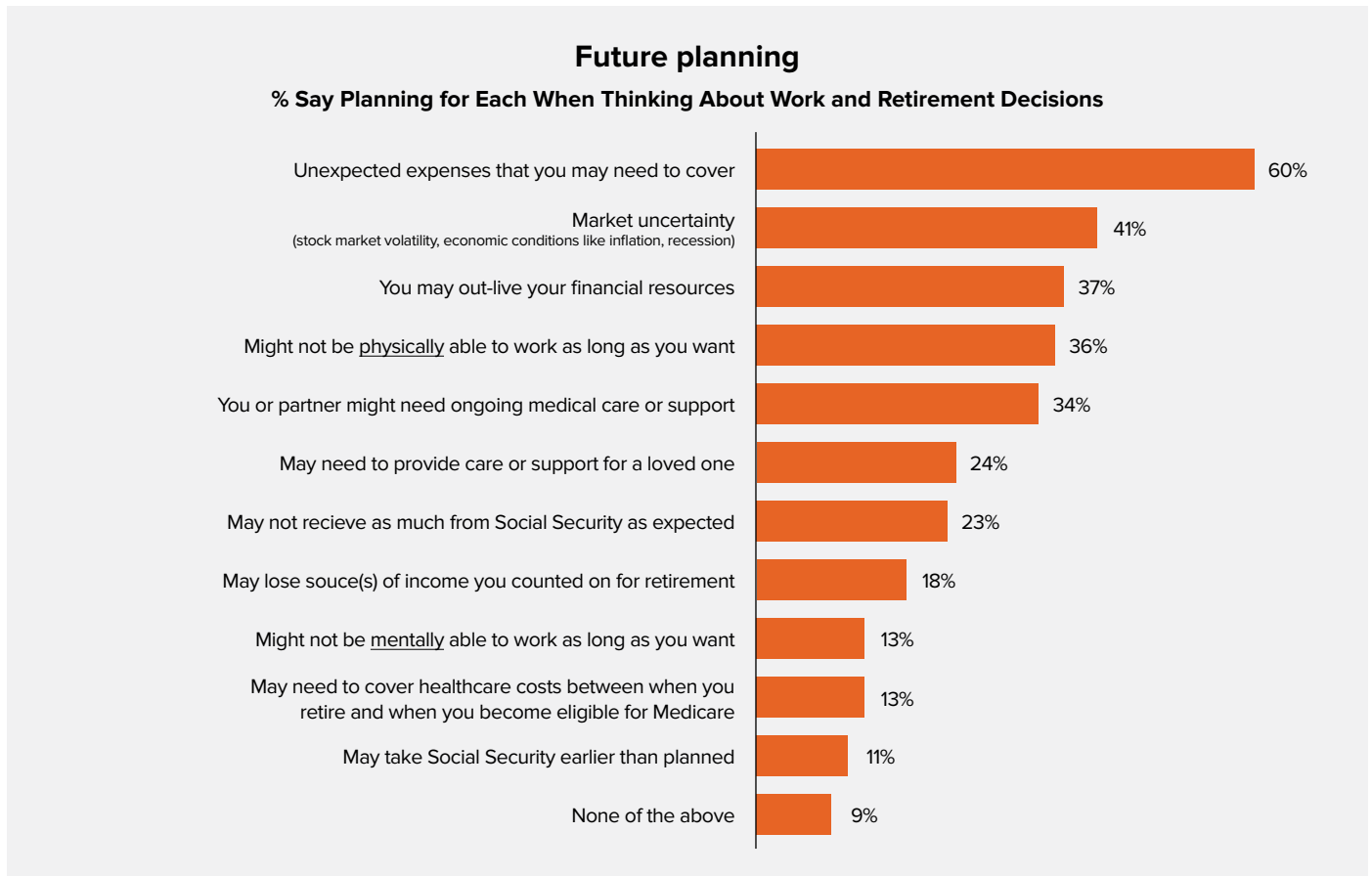
“**I wish I could retire, but that’s not in the plan, so I work all day....** There was the recession, and I lost two jobs. I am still paying a mortgage, and I had to use savings for a year and a half. Even after I was working again, it was very difficult to save again, and the cost of everything went up. **I’m working because I need the money....** I have a 401(k), but it’s very little. I don’t have enough salary to add to it. **I have no idea when I will be able to retire.**

Meeting Employment Extenders' needs

Few are planning for the realities of lifespan support and caregiving

As this research illustrates, the situations and needs of those close to retirement are complex, but for employers who understand their unique needs and how to support them, opportunities exist.

Six-in-10 respondents said they are planning for the expenses that arise from unexpected events. But, when pressed on specifics, far fewer are thinking ahead and preparing for specific possibilities.



What is particularly alarming is that most are not planning for the possibility that they may be physically unable to work or have a loved one who needs ongoing medical care, even though both these circumstances have high probabilities. Despite the fact that 40% of adults aged 65 years and older are living with a disability today,⁶ just a third (36%) are planning that they might not be physically able to work as long as they want, and only 13% are thinking about not being mentally able to work as long as they want.

In addition, becoming a caregiver is clearly in many people's future. According to the Centers for Disease Control, about one-in-five Americans provides regular care or assistance to a friend or family member with health issues or a disability. About 25% of these caregivers are between ages 45 and 64; nearly 19% are 65 or older.⁷ Only a quarter of Employment Extenders are planning for the possibility of providing care or support for a partner or for a loved-one.

And the cost of care is significant, growing beyond the reach of most families. A home health aide averaged over \$5,000 a month in 2021, adult day care close to \$1,700 per month, an apartment in an assisted living facility \$4,500, and a private room in a skilled nursing facility was over \$9,000 per month.⁸

Having enough income to cover their needs if they become disabled will be difficult for many. Nearly 90% expect to use Social Security as a source of income, which in most cases will not be enough to cover the expenses of living with a disability or caring for someone with a disability. Just over half have retirement accounts to supplement their Social Security.

In-depth interviews suggest that many avoid planning out of fear, choosing to focus on aspects of their life that are immediate and/or easier to control.

While this is concerning, it reveals that employers

“ I haven’t thought about unexpected expenses during retirement. I’m just doing a lot of upgrades to my home — roof, hurricane windows, painting. And paying in cash because I don’t like to owe money. — *Worrier*

who pay attention to the dynamics of this market have opportunities to make a profound impact on a population that requires and deserves everyone’s attention. Those who are well-positioned to use targeted approaches that meet the specific needs of this population are likely to experience early success; others who are slower to recognize the paradigm shift will need to be educated on the importance of providing benefits and solutions that would be useful to aging employees and help them retain a valuable workforce in the face of a tight labor market.

Interest in better planning tools

In the survey, Employment Extenders shared what benefits they have, don’t have, and what might be of interest. Beyond traditional retirement benefits, there is significant interest in a variety of products and services that few say they have today, specifically benefits that help with:

- Transitioning to retirement (i.e., understanding Social Security benefits, health care costs, Medicare, etc.).
- Providing predictable, non-guaranteed streams of income in retirement, including withdrawal strategies.
- Maximizing benefit dollars across retirement savings, Health Savings Accounts (HSAs), healthcare insurance coverage, and voluntary benefits.
- Estimating income needs in retirement, including future health-care costs.
- Keeping saving for retirement on track, even in times of financial difficulties (so called Workplace Emergency Plans).
- Providing online or digital personal financial tools that allow employees to see ALL their financial and employer benefits information in a single place.

While these benefits are of interest across all segments, the “Worriers” and “Need to Work” groups are particularly enthusiastic about services that help them transition to retirement (68% and 65% are interested). In interviews, they explain that they want help answering the following urgent questions:

- When should I take Social Security?
- How does Medicare work?
- How much is enough to have saved for retirement?
- What do I do with my retirement account now and after I retire?

Not all the information they are seeking is financial in nature. They are also interested in how to deal with the emotional and mental challenges they will encounter when they stop working.

Interest in benefits by profile

% who say very/somewhat interested

	Total	Want to Work	Part of the Plan	Worriers	Need to Work
Help with transitioning to retirement (i.e. understanding Social Security benefits, healthcare costs/Medicare, etc.)	59%	48%	54%	68%	65%
Retirement plan options focused on providing predictable, non-guaranteed stream of income in retirement (incl. withdrawal stats)	55%	45%	52%	62%	63%
Help to maximize benefit dollars across retirement savings, HSA, healthcare insurance, and voluntary benefits	54%	46%	52%	60%	58%
Help estimating income needs in retirement, incl. future healthcare costs	53%	39%	49%	64%	59%
Workplace emergency savings plan to help keep saving for retirement even in times of financial difficulties	52%	37%	42%	68%	63%
Online/digital personal financial tool that allows you to see ALL your financial and employer benefits information in one place	51%	42%	46%	57%	61%
Personalized advice/guidance service that builds investment portfolio based on how much risk you are comfortable with (e.g., Managed Account)	46%	38%	44%	54%	49%
Personalized advice services to help with retirement and holistic financial planning needs (in-person, phone, digital)	46%	36%	39%	54%	55%
Retirement plan investment options focused on positive impacts to environmental, social, or governance issues (e.g., Low Carbon Environment Equity Fund, Women's Leadership Equity Fund)	36%	34%	31%	39%	37%
Comprehensive planning resources and support for caregivers who support people with disabilities	30%	26%	27%	35%	34%
Information/support around caregiving for aging parent, grandparent, or family member	30%	26%	31%	36%	27%
Student loan debt management program	7%	4%	6%	11%	7%

Some of the information they seek is basic financial education that employers can offer. Many don't know, for example, that Social Security won't be enough to cover even basic expenses for most people. They don't know that waiting until age 70 will guarantee the highest Social Security benefits. Or they don't understand that Medicare won't cover all their healthcare expenses, especially the expense of long-term care.

The next most intriguing benefits — those that offer retirement planning options focused on income streams, including withdrawal strategies — attract 55% of respondents. Just 7% said they have these types of benefits available to them today. Those who “Need to Work” are the most interested in these benefits (63%), followed closely by “Worriers” (62%).

Further down the list of desired products, but not currently available to most individuals, are those that might help them maximize their benefit dollars across retirement savings, including information on how HSAs work, health care insurance options, and voluntary benefits. A total of 54% of respondents are very or somewhat interested in these products. Again, “Worriers” (60%) and “Need to Work” (58%) segments are most interested.

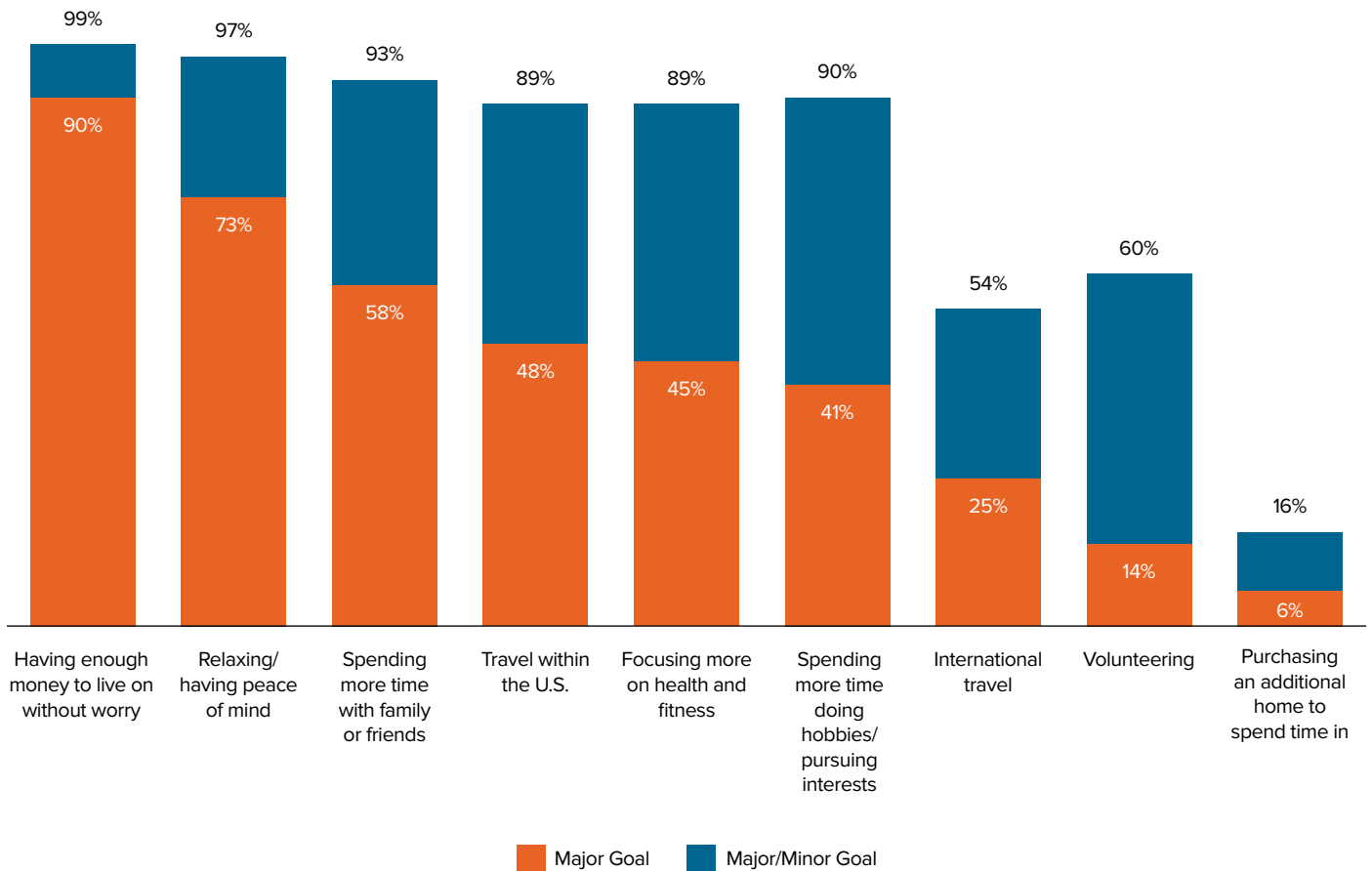
Another product respondents are interested in is a workplace emergency savings plan to help individuals save even in times of financial difficulties. Across segments, a total of 52% are very or somewhat interested in this, with “Worriers” (68%) being the most interested, followed by the “Need to Work” (63%) segment.

Goals for retirement

A closer look at the data suggests that most share the same goals for retirement. Nearly all (more than 90%) suggests that most Employment Extenders want to have enough money so that they can live without worry. Relaxation and confidence are paramount. What they want to do with their lives after retirement varies, but generally spending more time with friends and family, traveling, focusing on health and fitness, and pursuing hobbies and interests top the list.

But how do they realize these goals? Are they focused on how to get there, and are they planning for the unexpected? Our research suggests that, by and large, they are not. This phenomenon of avoidance is well known and affirmed by this study. Most everyone is aware of aging's harsh realities, but preparing a safety net, especially for those who believe it is beyond their means, takes fortitude.

Retirement goals
(Among those planning to retire or not sure)



Employers as trusted partners in the retirement journey

Beyond the specific benefits mentioned above, the research provides useful information on the most desired way to provide guidance to workers and when this guidance might be offered for maximum impact. This is especially important since many do not seek guidance on their own out of fear and/or avoidance of the inevitable.

Interview respondents indicate that employers often offer no guidance beyond presenting a set of product options, and when they do, information is generic. Further, a lot of skepticism exists about third-party advisors who advertise directly to consumers and are perceived as just having something to sell.

Providing guidance tailored to the individual through a trusted employer can help workers transition into retirement from a stronger place. Personalized guidance can help provide information that is most valuable for the transition, including information on how to leverage and maximize such existing employer benefits, as well as Medicare and Social Security, and what they will need to supplement these benefits for better financial security. When the guidance comes through an employer, it can add credibility and improve loyalty.

The research suggests that the best time to offer retirement planning is at least 10 years before retirement, but even earlier if possible. Continuing this guidance through retirement would do even more to ease the transition from work to retirement.



“ You feel like what employers don’t do is value employees after a certain age. Benefits like these would communicate you are valued, you make a contribution, and they help you through to the next chapter. I don’t see anyone doing that; no one’s getting this, but it’s intriguing. With these benefits, it would be like one-stop shopping.

– **Worrier**

Where to go from here?

The Bureau of Labor Statistics (BLS) has forecasted that the greatest growth in the labor market will come from workers aged 55+ in the next five to seven years. This forecast represents a significant shift, not only in the age of each employer's workforce, but also in the prevailing assumptions aging workers experience from their leadership, managers and coworkers. A tight labor market means that there is an advantage to retaining existing employees, especially those working past the typical retirement age who generally are more skilled and experienced.

To support older workers, every employer must understand who makes up this labor force. This study is one of the first to go beyond the BLS' numbers to look at the individuals making up this fastest growing segment of the labor market.

The good news is that many employers are well-positioned to meet the unique needs of older workers or are consulting with benefits providers, advisors and nonprofit partners who can help them get up to speed. Voya Financial, an employer and workplace benefits provider, and Easterseals, as a national employer and one of the nation's leading nonprofit providers of lifespan support and community services, see the following opportunities, based on what study respondents have told us.

- **Provide awareness and education on topics important to Employment Extenders**, such as planning for longevity, how Social Security and Medicare work, community resources available to help access services needed to ensure their health and wellbeing, planning for income production, catch-up contributions, and how traditional employee benefits can meet their needs.
- **Make guidance tools available to be used when and where Employment Extenders need them**, including personalized decision-support apps emphasizing reallocation of assets from required minimum distributions — including as part of charitable gift planning, transition into retirement, estimating healthcare costs, tax efficiency planning, and maximizing benefits decisions.

- **Support Employment Extenders who are caregivers by offering opportunities that help them remain in the work force**, including remote work and flexible hours, healthcare concierge services, leave management programs, and community-based services available to them and their loved ones.
- **Offer health and wealth benefits to meet their unique needs**, such as Health Savings Accounts for post-retirement health needs, emergency savings plans, retirement plan options that can provide a predictable non-guaranteed stream of income, managed accounts, retirement income solutions and benefits that help them save for their own future care needs.

While stereotypes persist about older workers and their contributions to the productivity and cost of an employer's workforce, the fact that more people over 65 are employed — due to a variety of population and social factors — is well established. Employers who are challenged by a tight labor market need to look no further than their own workforce to help ease the shortage of workers. By putting measures in place to support their older workers, employers can benefit through retention and save on the cost of recruiting, onboarding and training a new employee. In addition, the supportive measures that an employer puts in place surely are universal in their appeal and will benefit all employees. The time is now to recognize the value that older employees offer as workers, colleagues and mentors.

Endnotes

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