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Impact Of Population Trends On The Workplace

By: Dr. Liz R. Scott

Demographics have a profound impact on the job market, including the types of jobs that are available and the labour supply required to fill these jobs. The current demographic data indicates we are headed for a population Tsunami as the Baby Boomers retire and the number of people in the workforce sharply diminishes.

As the population ages, there will be significant strain on the **healthcare** system and the need for workers in this area will increase sharply. The current average age of a **healthcare** worker in Canada is 45 to 49 years old and about 26 per cent of hospitals are actively recruiting.

It has been hypothesized that one of the methods to find workers is to convince **retirees** to stay in the workforce. If **healthy** lifestyles have not been an integral part of an employee's life, they may not have the ability to continue in the workforce. Statistics Canada data indicates more than 50 per cent of Canadians are obese. As well, there are record rates of type 2 diabetes, coronary heart disease, and hypertension. It is estimated that 30 per cent of the population will suffer from a major depression in their lifetime. The data further specifies that the top five causes of disease are preventable in nature.

Healthy Environments

Along with the necessity of ensuring physical and cognitive ability comes the desire to continue in the workforce. Employers will have to be creative in making the work environment desirable for the 'older' worker. Given the amount of time people spend in the workplace, it is essential that workplaces support healthy environments that encourage positive lifestyle choices and opportunities for life/work balance.

The following demographic data, published by Statistics Canada (2007), provides some insight into the demographic distribution of Canada's population:

- In 2006, the 65 and over population represented 13.7 per cent (increased by 11.5 per cent in the last five years)
- The number of children under 15 declined by 2.5 per cent in the same period
- The median age, 39.5, is expected to exceed 44 by 2031
- 1.2 million people are over 80 years old (two out of three are women)
- 3.7 million people between 55 and 64 are retiring soon

The common categories that are suggested for demographics breaks down into the following:

- Golden Oldies (66+) – 3.6 million
- Blessed Ones (49 to 65) – 4.3 million
- Baby Boomers (29 to 48) – 9.8 million
- Baby Busters (16 to 28) – 5.3 million
- Baby Boom Echo (1 to 15) – 6 million

It is clear the population is heavily weighted on the older side of the scale (Perspectives in Labour, 2007). The challenge associated with the demographics is the shortage of workers this will create. The strategies that will be used to combat this challenge include:

- enticing older workers to stay or re-enter the workforce
- increasing immigration of skilled workers
- drawing in (or back) marginal workers not currently in the workforce

- increasing the number of foreign workers

If these do not work, some businesses will have to constrain growth, some will increase overtime, and others will simply be unable to sustain their business. One certainty is doing business the way we do it now is not sustainable.

Retention Strategies

Accepting that we need to have older workers in the workplace does create some challenges. Although the data clearly indicates there are fewer accidents involving older workers, unfortunately the duration of injuries that do occur is significantly longer. The most common injuries in 'older workers' are carpal tunnel syndrome and tear of medial cartilage or meniscus of knee and rotator cuff. All injuries must be promptly and appropriately treated to minimize the long-term impacts. It will be necessary to have a good disability management program in place to ensure treatment and follow-up is prompt and appropriate. It has been demonstrated that prompt and appropriate care can decrease durations by 30 per cent (OSI, 2007).

There are many challenges beyond the physical wear and tear elements. In order to understand the ability to influence outcomes, we need to understand health at work. There is the physical work environment, the psychological work environment, and individual health practices/choices. In a survey published in 2003, 'staying ahead of the curve,' being able to work from home and having a pension plan are among the benefits identified as most valued (See Chart 1).

Additional studies summarize that employees value flexible working arrangements, respect and appreciation, health and wellness aspects, a safe environment, and ongoing learning opportunities.

Front Line

Employers need to engage not only human resources in this initiative, but also the 'Front Line,' the people that interact on a daily basis with the employees. They need to understand the importance of these factors in the retention of staff. The evidence shows that companies that train managers to be more supportive experience many positive benefits:

- Gallop (2000) – A study of 2 million employees at 700 companies found employee productivity was determined by their relationship with their immediate supervisor
- University of Texas (1999) – A survey of contractors found profits went up when supervisors were given people skills and taught to consider employee morale
- University of Southern California (1995) – Companies that share power with employees consistently outperform those that don't

The data clearly supports that initiatives are needed to keep older workers in the workforce. Older workers will be a component of the solution to deal with the demographic shift. Employers can start preparing now for the 'Age Tsunami' by implementing health, wellness, disability management, and work/life balance programs. Securing the older workers commitment to staying in the workplace beyond 'normal' retirement age is essential and failure to do so will have devastating results on the workplace and, ultimately, the economy. ■

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