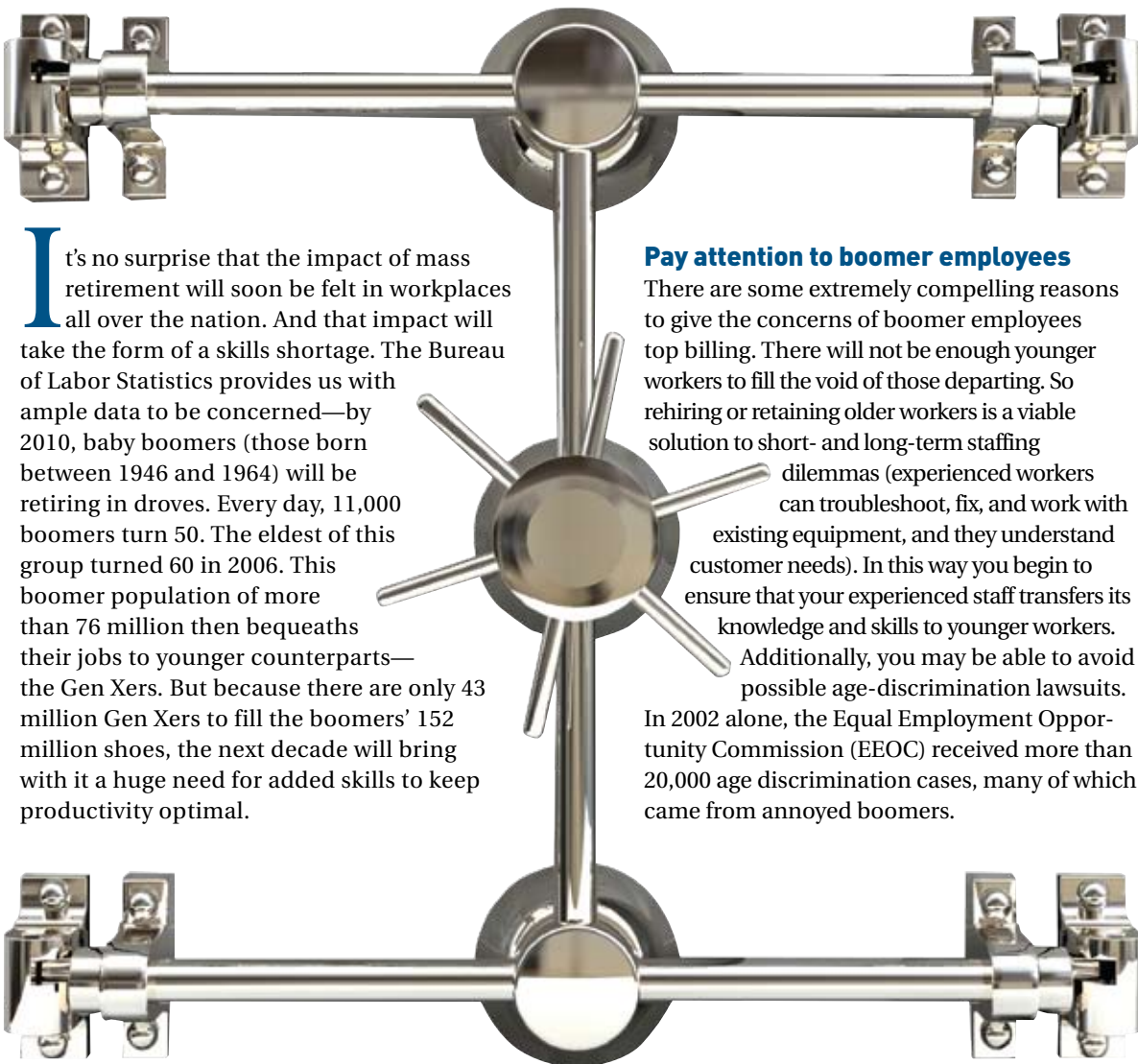


# SAFEGUARDING THE INTELLECTUAL CAPITAL OF BABY BOOMERS

WHEN TRANSITIONING BOOMERS INTO RETIREMENT, LOYALTY BEGETS LOYALTY.

By Beverly Kaye and Joyce Cohen



**I**t's no surprise that the impact of mass retirement will soon be felt in workplaces all over the nation. And that impact will take the form of a skills shortage. The Bureau of Labor Statistics provides us with ample data to be concerned—by 2010, baby boomers (those born between 1946 and 1964) will be retiring in droves. Every day, 11,000 boomers turn 50. The eldest of this group turned 60 in 2006. This boomer population of more than 76 million then bequeaths their jobs to younger counterparts—the Gen Xers. But because there are only 43 million Gen Xers to fill the boomers' 152 million shoes, the next decade will bring with it a huge need for added skills to keep productivity optimal.

## Pay attention to boomer employees

There are some extremely compelling reasons to give the concerns of boomer employees top billing. There will not be enough younger workers to fill the void of those departing. So rehiring or retaining older workers is a viable solution to short- and long-term staffing

dilemmas (experienced workers can troubleshoot, fix, and work with existing equipment, and they understand customer needs). In this way you begin to ensure that your experienced staff transfers its knowledge and skills to younger workers.

Additionally, you may be able to avoid possible age-discrimination lawsuits. In 2002 alone, the Equal Employment Opportunity Commission (EEOC) received more than 20,000 age discrimination cases, many of which came from annoyed boomers.



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It is fundamental to note the employees who feel valued tend to remain loyal, and this is the best way to keep your intellectual capital in your own camp. These productive, valued, longtime workers take fewer days off, maintain productivity, and mentor younger workers. Consider also that with 25 percent of employees caring for older family members, companies who view eldercare as an employee benefit further ensure that same retention, loyalty, and productivity. Finally, recruiting and retraining older workers also enhances their market value.

In short, you will have a clear competitive advantage if you invest time and effort in the care and nurturing of your boomer employees' cumulative brain power, talent, and skills. This intellectual capital must not be taken for granted. Boomers are, in fact, the "institutional memory" of your organization. If they have no reason to stay loyal to you, they may take their wisdom elsewhere, and along with it, their market tips, trade secrets, and friends.

Consider the case of Katherine, a respected boomer who was a manager in an organization for 18 years. When family illnesses started to usurp her time, she asked her boss for a one-week vacation extension, which was flatly denied. Katherine explained, in vain, her caregiving circumstances.

The illness sparked a family emergency, and Katharine could not help out. Instead, her workload increased. Then she was denied participation at a training program because of time constraints, and was overlooked for a development opportunity. All that was combined with a growing annoyance that she was being discriminated against.

Katherine left the company to take a position with a local competitor. She took not only her own talents, but also those of two other key managers—the three of them had been the lifeblood of the department. This situation could have been handled easily and fairly, but instead became a platform for negative hall talk and the exodus of three respected and crucial contributors.

### Myths of workplace ageism

Workplace ageism has lasting negative effects on both individuals and organizations. At age 40, workers are eligible for protection under the Age Discrimination in Employment Act (ADEA) of 1967. Yet often, older workers are still denied training, developmental opportunities, participation in internal programs, and advancement.

Many employers wrongly assume that training older workers yields a poor return-on-investment. Such faulty logic can become a self-fulfilling prophecy because what follows is decreased productivity, withdrawal of proactivity, disengagement, disgruntled workers, and low staff morale. Such illusions perpetuate because of misconceptions about the abilities of older workers, such as beliefs that midlifers are slower with technology, less interested in their work, unwilling to learn or change, fearful, accident-prone, less efficient, less capable, and just "counting days" until retirement.

However, study after study shows that older workers are the antithesis of these stereotypes. In actuality, aging boomers want to mentor others (and many are good at it), do

meaningful work, keep current with technology, learn new competencies, and use their lifetime experience. They are generally quite flexible, and willing to work part time, full time, temp, and flex-hours. They also have greater patience. Many will remain loyal and committed to their organizations when offered interesting choices as they approach retirement age.

Today's 50-year-old has more energy, vitality, and drive than the 50-year-old of 1970. As a recent cover of *AARP The Magazine* stated, today's 60-year-old is yesterday's 40-year-old. Career development may seem like an oxymoron at midlife, but it is relevant because of the choice to work longer. Midlifers want to write their own scripts. Managers need to become aware of these changing preferences and offer appropriate age-related benefits to all of the diverse generational groups.

### What leaders can do

In short, leaders need to protect their investment. A successful framework for midlife engagement focuses on the aspirations of individuals, and the key is to get to know your employees and what motivates them. Once they know you have their best interests in mind, they can be a wealth of creativity, talent, and motivation.

Determine how the four components below relate to your employees and the role that your leadership might play in sparking a positive difference.

**Focused activities.** Tap the experienced workforce to:

- serve as subject matter mentors for new hires or employees with less experience
- learn about and record diverse generational viewpoints on selected topics
- write work manuals for older equipment, processes, and business functions
- form innovative, intergenerational teams using experience and new techniques (such as games) to solve internal problems
- launch phased retirement, age-related sabbaticals, "rehired retiree" programs

**Age-related prerequisites.** Combat ageism and age-related discrimination through dialogue and focused action. Read up on EEOC lawsuits and discrimination cases, many of which come from peeved midlifers. Understand their concerns, see how your organization compares, and take appropriate action where necessary.

Offer appealing benefits including preretirement planning, health and wellness programs, comprehensive medical coverage, and tips on caring for elders. Provide options to expand networks and build a more dynamic organization, and utilize intergenerational talent on committees, projects, startups, and think tanks. Lastly, understand that midlifers can be more productive, incur fewer healthcare costs, take fewer days off, and build greater staff loyalty if they are valued and treated fairly.



**Transfer of knowledge and know-how.** First, make sure you're talking about the same thing. Determine both the "explicit" and "tacit" knowledge of each midlifer. Explicit knowledge is what is learned, can be written down, shared with others, or put into a database. Tacit knowledge is one's special know-how and way of doing things, personality, insights, intuition, and so on.

Once the concept is understood, create an internal strategy by first identifying knowledge and know-how that needs to remain with the organization, and determining where gaps are and who needs to figure out solutions that work.

Then be sure to outline a broad and deep succession plan of how to maintain that knowledge base, including maintenance of your competitive edge. Create processes needed to maintain the necessary knowledge and key information, and figure out where that information needs to reside (with individuals, on a database, or in a manual).

**Legacy development.** Begin by seeking information. Ask experienced workers, "What do you want to be known for among your colleagues?" Question them to identify the gaps that exist between how they are currently perceived and how they want to be known.

Follow through by mapping out a personal plan to bring individual legacy components to life; for example, creating a workflow journal, designing a department memory bank, or developing a journal on how to operate a given system. Explore these legacies. They are part of the mark you want to leave with colleagues, the work group, and the organization. Introduce "legacy portfolios" to record and disseminate stories, accomplishments, examples, artifacts, and feedback providers. Channel salient facts to a holding place such as a database or living history network, to raise awareness of talent and accomplishments within.

### **Building the loyalty you need**

The workforce of tomorrow will require not only nanosecond thinking and planning, but also a generational mix of individuals who can create cohesive environments that work efficiently, electronically, and autonomously.

Organizations loyal to experienced workers will find them more than willing to offer their skills and knowledge. Just as the word retirement has outgrown its meaningfulness and should itself be retired, so must the old rules about capturing the ingenuity of the boomer contribution be withdrawn. This may be just what is necessary to keep your competitive edge.

One key question remains: Are you building the loyalty you'll need for the future? **T+D**

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