

AGING IMPLICATIONS:

A WAKE-UP CALL



What can employers, workers,
educators, philanthropists, state
and local policymakers do?

DECEMBER 2009

Prepared for the Indiana Chamber Foundation Workforce Wise Project

INTRODUCTION

In 2009, the Indiana Chamber of Commerce Foundation initiated **Workforce Wise** to find solutions to an emerging workforce challenge: the aging and shrinking of Indiana's qualified workforce. Funding for this project was provided by Lilly Endowment Inc.

Studies show that three major demographic trends jeopardize the American workforce: low literacy levels, aging and retirement of baby boomers, and the increasing number of individuals who speak little or no English. Several years ago the Chamber launched Ready Indiana to find solutions to workforce literacy challenges. Now, Workforce Wise explores ways to turn aging issues into opportunities.

The Chamber used several existing studies, hosted presentations and commissioned four papers – each with its own findings and recommendations (full reports available online at www.workforcewise.com):

- **Community Resources, Initiatives and Future Directions**, by Indiana University Center on Aging and Community, Indiana Grantmakers Alliance and Ball State University Fisher Institute for Wellness and Gerontology, 60 pages (cited in this summary as *Community Resources*)
- **Public Policies Influencing Senior Migration and the Retirement/Work Decision in Indiana**, by Ball State University Center for Business and Economic Research, 78 pages (cited as *Public Policy*)
- **Employer Practices and Policies That Influence Older Workers**, by Quantum Human Resources, LLC, 67 pages (cited as *Employer Practices*)
- **The Educational, Social and Occupational Landscape for Indiana's Older Workers**, by University of Indianapolis Center for Aging and Community and Ivy Tech Community College, 111 pages (cited as *Educational Landscape*)

TIME TO TAKE ACTION

Workforce Wise recommends the following action items as first steps for Hoosier employers, educators and communities to address the aging workforce:

- The Chamber and partners should build awareness about aging trends, issues, impact, strategies and opportunities among employers, workers, educators, communities, philanthropists, and state and local policymakers
- Employers should work toward more flexible employment models that preserve talent
- Workers should continuously update skills to remain competitive in the workplace
- Educators should add counseling, career planning and course work oriented toward updating skills for all ability levels in the aging workforce
- Workers and employers should consider wellness programs to preserve a healthy workforce
- Stakeholders should develop resources to increase “encore” career and volunteer opportunities
- Philanthropists should consider donating to Indiana foundations and underwriting aging projects
- Communities should engage in active planning to prepare for the majority of older Hoosiers who prefer to age in place
- Policymakers should review tax and financing policies periodically, especially regarding inheritance taxes, pension law, health care and long term care financing, and other policies that might influence individuals' decisions to work or retire, remain in Indiana or relocate



KEY FINDINGS

- Finding 1:** A major demographic shift is underway: the aging of boomers and thus the aging of the workforce. The impact is imminent and will be widespread. Few Hoosiers have prepared adequately. **Page 4**
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- Finding 2:** Indiana's workforce is aging partly due to the increased number of older workers, but also because of changing work patterns. People are working longer and beyond the age of 65. **Page 5**
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- Finding 3:** Some industries and occupations will be impacted more than others by the aging workforce. **Page 8**
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- Finding 4:** Because of the recession, many mature workers are holding onto their jobs longer and are slower to retire. When these workers are displaced, it takes them longer to find a new job. **Page 9**
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- Finding 5:** Employers have not prepared sufficiently for the aging and retirement of boomers. It's not too late; resources and best practices are available. **Page 11**
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- Finding 6:** Older workers have lower educational attainment than younger workers, and they increasingly are returning to school to boost their skills. However, one study ranks Indiana last among states in the proportion of older adults returning to school. **Page 14**
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- Finding 7:** Studies at Ivy Tech Community College and the University of Indianapolis offer insight on older students' perspectives. Continuous education and skill building can help adult workers remain vital and competitive in the workforce. Resources can provide adult workers options for education and job hunting. **Page 16**
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- Finding 8:** Workplace wellness programs can help workers remain vital and productive; a growing minority of employers offers these programs. **Page 19**
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- Finding 9:** Despite the image of retirees moving south, few Hoosiers leave the state for warmer climates. Seniors are less likely to move than young people; when they do, they tend to relocate within the state. Of all age groups, those 65-85 are least likely to move. Community-based planning is underway and more can be done to help prepare for the aging population. **Page 21**
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- Finding 10:** State tax and public policies do not appear to be the driving forces in location and retirement decisions for older Hoosiers. First, the magnitude of this effect is dwarfed by other more important factors. Second, Indiana policy compares fairly well with other states. **Page 24**
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- Finding 11:** Indiana has an estimated net worth of about \$310 billion, with highest net worth among people ages 65-74. Large transfers of boomer wealth will occur over the next few decades – an estimated \$66 billion over the next 10 years. If just 5% of this wealth were invested in community endowments, more than \$3.3 billion in philanthropic assets could be created this decade and (at 5%) \$164 million would be available for grant making annually. **Page 26**
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- Finding 12:** An Indiana Grantmakers Alliance survey found that of Hoosier grant makers: 1) few understand aging issues; 2) few fund aging as a priority; and 3) none fund senior employment services. **Page 27**



THREE MAJOR CHALLENGES FACING INDIANA'S WORKFORCE OVER THE NEXT 20 YEARS

Aging, Low Education and Skills, English Language Deficiencies

Indiana's total working age population (18 to 64 year olds) is 3,977,457.

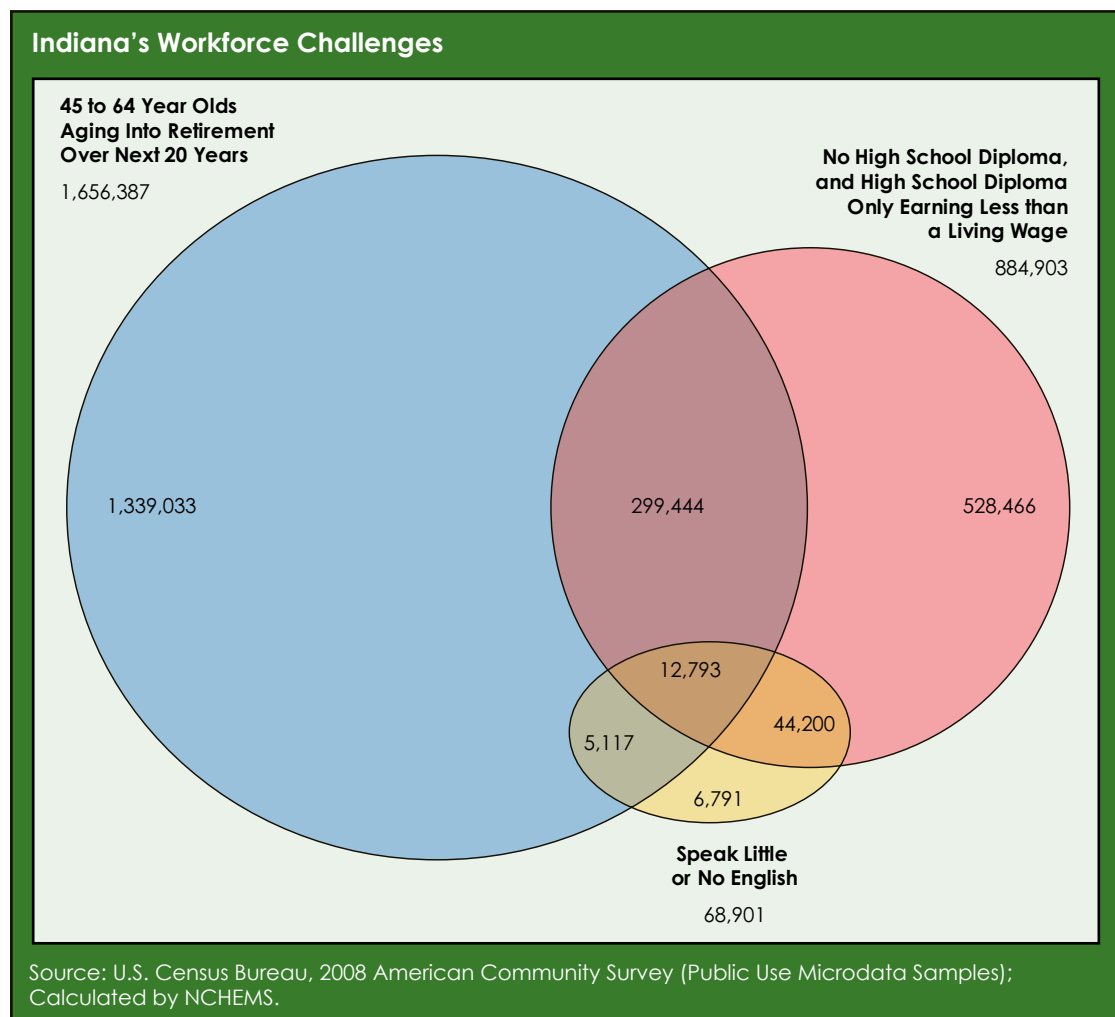
Of these:

- 1,656,387 45 to 64 year olds will be aging into retirement over the next 20 years
- 884,903 Hoosiers are low skilled: with no high school diploma or have just a high school but are earning less than a living wage
- 68,901 speak little or no English

A total of 2,235,844 working age adults (56.2% of the workforce) present workforce challenges (some have overlapping challenges).

More specific overlapping challenges as shown on the diagram are:

- 1,339,033 have a post high school education and earn a living wage, but are aging into retirement
- 299,444 are aging and have low education and work skills
- 12,793 are aging, have low education and work skills, and speak little or no English
- 5,117 are aging and speak little or no English
- 528,466 have low education and work skills
- 44,200 have low education and work skills, and speak little or no English; and
- 6,791 speak little or no English



FINDING 1:

A major demographic shift is underway: the aging of boomers and thus the aging of the workforce. The impact is imminent and will be widespread. Few Hoosiers have prepared adequately.

There is no denying the population is aging both in Indiana and nationally. Just as the Baby Boom phenomenon affected communities in the 1950s and '60s, the aging of this population will impact communities and employers. While the sheer facts and statistics offer evidence of the changing demographics, studies commissioned by the Indiana Chamber show few Hoosier employers and communities are preparing for this imminent shift.

Key facts:

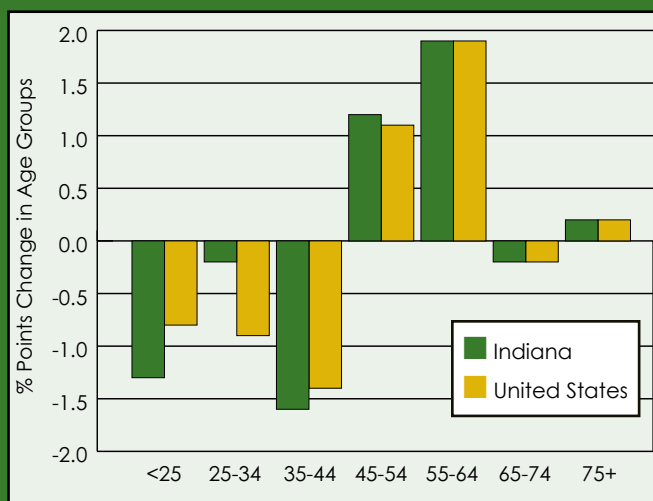
- Over the next 35 years, the 65-plus population will account for 63% of the growth in Indiana's population. The Indiana population 65 and over will double, from 753,000 in 2000 to 1.48 million in 2040. By 2035, adults 65 and above will outnumber children under the age of 15. In 2000, one of eight Hoosiers was over 65. By 2040, that number will be one of five.¹
- The 50 and older population from 2000-2050 will grow at a rate 68 times faster than the rate of growth for the total population.²
- In 2008, approximately 29% of Indiana's population was age 50 or older. In 2018, this share is expected to rise to 33%. (*Educational Landscape*)

A significant percentage of the graying population will be spending a portion of those golden years working – and employers will depend on these workers even more for their knowledge. Only with strategic preparations today can Indiana employers, communities and organizations position themselves to benefit from the experience of these workers.

Age Distribution

From 2000 to 2006, age distribution changes in Indiana reflect national trends. Indiana's population age 44 and under decreased, while the 45 to 64 age groups increased. (Indiana Indicators; Sloan Center on Aging & Work)

**Percentage Point Changes in Population:
2000-2006 in Indiana and the United States**



Sources: American Community Survey, 2008 and Census, 2000
Indiana Indicators; Sloan Center on Aging & Work

¹ Silver Tsunami or Golden Opportunity? Workforce Wise; Center on Aging and Community, Indiana Institute on Disability and Community, Indiana University; 2009.

² Beyond Workforce 2020, Hudson Institute; as posted on www.perfectlaborstorm.com.



FINDING 2:

Indiana's workforce is aging partly due to the increased number of older workers, but also because of changing work patterns. People are working longer and beyond the age of 65.

"Demography means virtually all of us will have to work longer. That need not be a bad thing." -The Economist, June 27, 2009

Older workers are deferring retirement at a growing pace. In Indiana, the proportion of the workforce age 65 to 99 increased from 2.8% in 1998 (the first year this data is available) to 3.8% in 2007. This represents **an increase of almost 29,000 workers over age 65** in Indiana over this 10-year period. Part of this increase is motivated by longer life spans, but economics and public policy also play a role.

Approximately **107,194 Hoosier seniors age 65 and over worked in 2007** (3.8% of total employment; does not include entrepreneurial activities such as craft show sales). **These workers earned over \$731 million or 2.7% of payroll.** Senior workers are almost evenly distributed between males (56,162 or 2% of the workforce) and females (51,032 or 1.8% of the workforce) although there are substantial differences in earnings by gender. (*Community Resources*)

While labor force participation rates (the percent of the population working or willing/able to work) fell from 2001 to 2008 for Indiana, the share of those age 55 and older in the labor force increased significantly from 35% to 43%. (*Educational Landscape*)

Indiana Labor Force Participation Rates

(Employed plus Unemployed as a Share of the Civilian Population)

	2001	2002	2003	2004	2005	2006	2007	2008	% Growth 2001-2008
TOTAL 55+	34.9%	37.0%	37.4%	37.1%	38.2%	41.1%	42.4%	43.1%	23%
Total 16+*	68.1%	68.0%	67.6%	67.1%	67.3%	67.5%	66.6%	66.3%	-3%

Sources: U.S. Census Bureau, Current Population Survey

*Bureau of Labor Statistics

Note: 3-year moving averages for 55+; single year for 16+

There is little doubt that greater numbers of older workers are choosing full-time work. Between 2001 and 2008, the number of workers age 55+ working full-time increased approximately 10%. Conversely, part-time employment of workers 55+ decreased almost the same amount. Little change is seen in workers age 55 and younger. (*Educational Landscape*)

Other findings:

- Occupation shift among older workers is becoming evident with the majority working in white collar/office jobs.
- Since 2001, older workers have shown some employment risk-taking by becoming free agents, consultants or start-up entrepreneurs. During this recession, however, many older workers have stuck to more stable private/government environments. (*Educational Landscape*)

Mode of Employment in Indiana

	2001	2008
Population 16 years and older		
Full-time	80.3%	82.4%
Part-time	19.7%	17.6%
Older Workers (45-55 Years)		
Full-time	89.5%	89.2%
Part-time	10.5%	10.8%
Older Workers (55+)		
Full-time	71.0%	81.2%
Part-time	29.0%	18.8%

Source: U.S. Census Bureau, Current Population Survey

Note: 3-year moving average

More Than a Paycheck

While the recent recession is keeping more older workers on the job longer, research by the Pew Research Center found that a job is much more than a paycheck for this demographic. The report *America's Changing Workforce: Recession Turns a Graying Office Grayer* was released in September 2009.

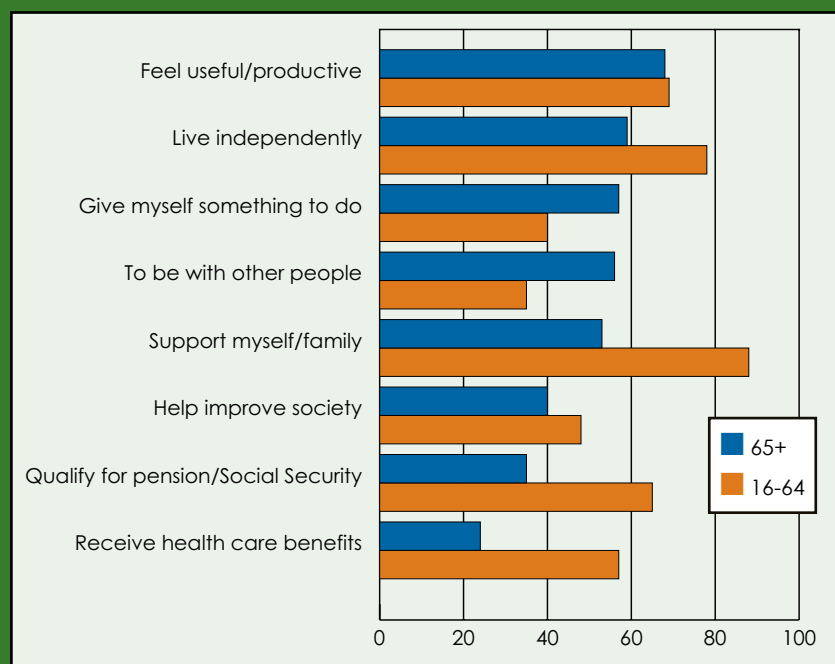
Workers age 65 and older were less likely to point to “support myself/family” as a reason to work than those age 64 and younger.

Instead, the top response from older workers (68%) was the desire “to feel like a useful and productive person.” A large portion of younger workers share this sentiment.

Older workers are less likely than those under age 65 to say that the desire to “live independently” is a big reason they work (59% vs. 79%). Older workers are much more likely than their younger colleagues to say they work to give themselves “something to do” (57% vs. 41%) and “to be with other people” (56% vs. 35%). The Pew report notes these findings suggest a job is viewed as a social outlet more by older adults than by younger workers.

Reasons for Working, by Age

Percent who say that this is a “big reason” they work



Note: Based on those who are employed full or part time; 1,140 respondents.

Source: Pew Research Center



Federal Policies Promoting Continued Employment

Age Discrimination in Employment Act – This act, which protects older workers from workforce discrimination in any capacity, initially only covered workers aged 40 to 65. In 1978, the range was extended to include those age 65 to 70 years.

Elimination of Mandatory Retirement Age – In 1986, the mandatory retirement age for workers in most occupations was eliminated. Exceptions include employers with fewer than 20 total employees, public safety workers, air traffic controllers, commercial airline pilots, and select executives and policymakers.

Senior Citizens' Right to Work Act – This bill, passed in the House of Representatives in 1995, eliminates the Social Security retirement earnings test for any worker over the normal retirement age.

Workforce Investment Act – The WIA of 1998 offers a wide variety of services to youth, adults, and dislocated workers at select employment centers. However, unlike its predecessor, the Job Training Partnership Act, the WIA does not require the reservation of funds specifically for older workers.

Delayed Retirement Credit – The Social Security delayed retirement credit entitles individuals postponing receipt of benefits after normal retirement age up to age 69 to increase future benefits. Monthly benefits typically increase 8% for each year of delay in receipt for those born in 1943 or later, according to the Social Security Administration.

Senior Community Service Employment Program (SCSEP) – The SCSEPs are federally funded state programs that provide job training and placement for low-income older Americans. These individuals are typically placed in subsidized minimum-wage community service jobs.

Increase in the Normal Retirement Age – Over the past several years, Congress has implemented a steady increase in the normal retirement age. Also known as the full retirement age, the normal retirement age now varies from 65 to 67 years depending on year of birth.

Source: *Public Policies Influencing Senior Migration and the Retirement/Work Decision in Indiana*



FINDING 3:

Some industries and occupations will be impacted more than others by the aging workforce.

While all employers need to adjust to an aging workforce, some industries are more likely to reach that critical mass.

The Sloan Center on Aging & Work examined top industries and occupations by age group in its Indiana Indicators report.

The top table indicates the industry groups that employ the highest percentage of workers in each of the age groups. For example, employees aged 50-59 comprise 39.5% of the workforce in the educational services industry in Indiana. Older workers age 60 and older comprise 36.8% of the real estate workforce.

The information in the bottom table indicates the occupational groups with the highest percentage of workers in each of the age groups. For example, employees age 50 to 59 comprise 36.5% of people in the education, training and library occupational group.

Top Three Industries Employing Highest Percentages of Workers
 (percentage of workforce in that industry) **by Age Group***

20-29 years	Repair and maintenance	53.0%
	Personal and laundry services	49.8%
	Food services and drinking places	49.0%
30-39 years	Food manufacturing	57.8%
	Agriculture	38.6%
	Insurance	37.3%
40-49 years	Machinery manufacturing	47.9%
	Plastics and rubber products	45.3%
	Public administration	37.3%
50-59 years	Educational services	39.5%
	Membership associations	30.2%
	Health care services	28.2%
60+ years	Real estate	36.8%
	Membership associations	13.4%
	Finance	12.9%

Top Three Occupations With Highest Percentages of Workers
 (percentage of workforce in that occupation) **by Age Group***

20-29 years	Personal care and service	49.0%
	Food preparation and serving related	48.0%
	Health care support	45.5%
30-39 years	Arts, design, entertainment, sports and media	42.7%
	Legal occupations	37.1%
	Installation, maintenance and repair	31.0%
40-49 years	Computer and mathematical science	33.5%
	Building and grounds cleaning and maintenance	30.6%
	Management	29.5%
50-59 years	Education, training and library	36.5%
	Community and social service	26.1%
	Computer and mathematical science	23.3%
60+ years	Legal occupations	16.7%
	Architecture and engineering	12.6%
	Office and administrative support	10.8%

Source: Current Population Survey, April 2006 - July 2007; compiled by Sloan Center on Aging & Work

*Note: Industries accounting for less than 1% and fewer than 25 respondents were omitted.



FINDING 4:

Because of the recession, many mature workers are holding onto their jobs longer and are slower to retire. When these workers are displaced, it takes them longer to find a new job.

Older workers are experiencing a more stable employment pattern during the 2008-2009 recession, indicating they are “the last to go”; and their employment is increasingly full-time. (*Educational Landscape*)

U.S. Census Bureau data show Indiana’s older workers have not been hit as hard and females in particular are holding onto jobs well. May 2008 to May 2009 recession job loss statistics show the only age group with a **net gain in employment** is the 55 and older category.

A National Trend

Employers are seeing value in keeping an experienced workforce during tough times – and employees are happy to oblige. The *Employer Practices* study points to a 2009 CareerBuilder.com survey:

- 21% of employers indicated that, over the first six months of 2009, employees have asked them to postpone their retirement
- 86% of that employer group was open to postponing retirements, pointing to the following benefits:
 - Employers want to hold on to their intellectual capital (65%)
 - Mature workers can help train and mentor others (61%)
 - Mature workers know how to weather a tough economy (42%)
 - Employers have more time to transition responsibilities (36%)

Percent Change in Indiana Employment by Age Group
March 2008 – March 2009



Source: U.S. Census Bureau, Current Population Survey

Note: 3-month average, i.e. January-March

A **Pew Research Center** survey found nearly four-in-10 adults who have reached the median retirement age of 62 continue to work “because of current economic conditions.” Of those nearing retirement age – age 50 to 61 – a 63% majority think they might have to delay retirement because of the recession. Women in this retirement “threshold generation” have been most affected by the ailing economy. Fully 72% fear they will have to postpone their retirement plans, compared with 54% of men in this age group.

While older workers seem to be holding on to their jobs, those who don’t are having an even harder time finding new employment. CareerBuilder.com indicates that **mature workers have been hit particularly hard by the recession**, according to survey results released July 22, 2009:

- Only 28% of workers age 55 and older who were laid off in the last 12 months found new jobs, the lowest of all age groups
- This compares to 71% of those ages 25-34
- Mature workers are expanding their job searches to include entry-level positions, internships, relocation and other options to secure gainful employment, and apparently employers are open to it, indicates another CareerBuilder study

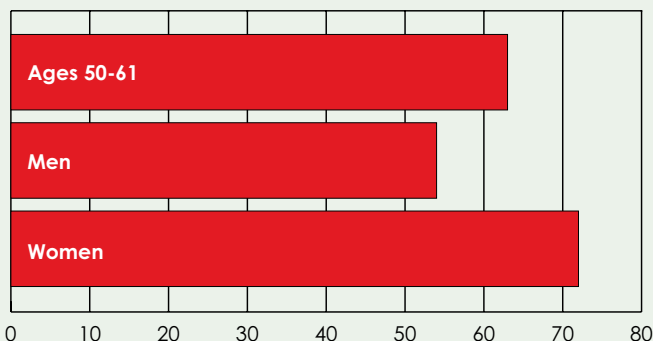
The **Department of Labor** reported in June 2009 that unemployed workers 55 or older were jobless an average of nearly 30 weeks, compared to 21 weeks for those younger than 55.

More national research on the recession’s impact is available from the **Sloan Center on Aging and Work** at Boston College. The center conducted a series of studies about aging and work:

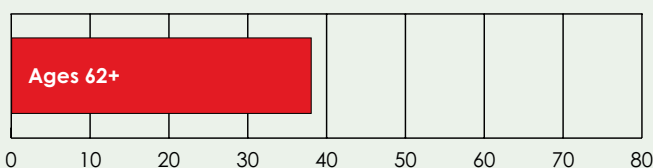
- “The Difference a Downturn Can Make: Assessing the Early Effects of the Economic Crisis on the Employment Experience of Workers” (June 2009 Issue Brief); and
- “Layoffs Toughest on Young, Older Workers” (September 2009).

Recession and Retirement

Percentage saying they may have to delay their retirement because of the recession



Percentage who have delayed retirement due to the recession



Note: Based on adults ages 50-61 and not retired (242 respondents) and adults ages 62 and older and not retired (116 respondents)

Source: Pew Research Center

Advantages of Hiring Older Workers

A Society for Human Resource Management older workers survey reported advantages include workers who are:

- more willing to work different schedules;
- serve as mentors;
- have invaluable experience and a stronger work ethic;
- are more reliable and loyal; add diversity of thought/approach;
- take work more seriously;
- have established networks;
- have higher retention rates;
- are more readily available; and
- are more productive.



FINDING 5:

Employers have not prepared sufficiently for the aging and retirement of boomers. It's not too late; resources and best practices are available.

Four of every 10 employers (40%) in the United States anticipate the aging of the workforce will have a “negative/very negative” impact on their business over the next three years, according to the Sloan Center on Aging and Work report *The Pressures of Talent Management*.

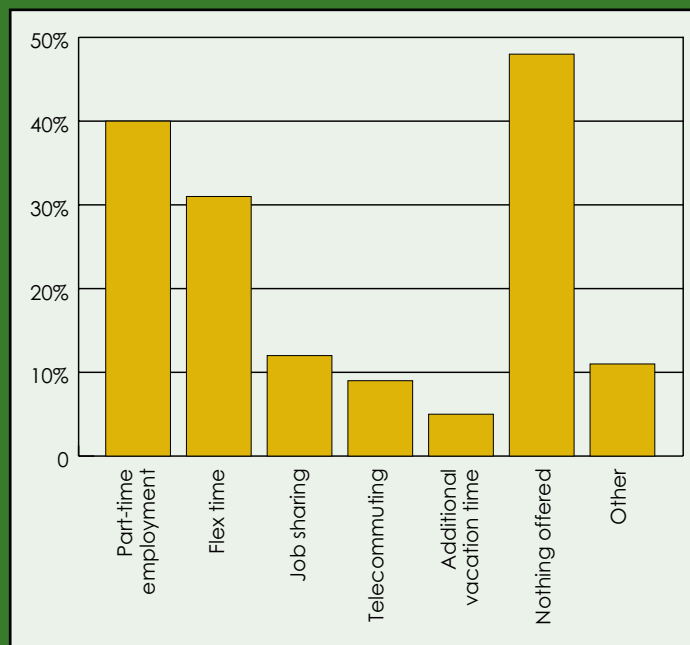
Few special preparations for aging boomers have been made by Indiana employers, a Quantum Human Resources survey found (*Employer Practices*). The organization conducted an online survey in the summer of 2009. It received responses from 289 Indiana employers and found among other things that:

- Employers value workers whose skills match the job and remain current in their fields.
- 83% think that retirement should be at age 70 or above.
- 91% think mature workers should not retire if they can physically and mentally continue to work
- Employers have split opinions about the responsibility for training, but most selected the employer (51%) or the employee (40%) rather than government programs and educators.
- Most do not offer recruitment, retention or training strategies specifically focusing on mature workers, fearing age discrimination
- Employers do offer flexible work options that benefit people of all ages.

A Watson Wyatt survey indicates that only 28% of large employers plan to set up such programs within the next three years. Less than half provide training to upgrade the skills of older workers.

Indiana Employer Survey

As a matter of policy, my organization offers the following to attract and/or retain “mature/older” workers



Source: Quantum Human Resources 2009 Survey

A recent Society for Human Resource Management/AARP survey dispelled certain myths surrounding older workers (*Employer Practices*):

- 97% of HR professionals believe that older workers are reliable and thorough in their work;
- 85% think older workers are not rigid or unwilling to change;
- 81% believe that older workers are interested in learning new tasks; and
- 94% report that older workers do not miss time from work because of health problems.

The same survey also reported that, while many American older workers are interested in working longer, still:

- 61% of employers do not provide opportunities for workers to transfer to jobs with reduced pay and responsibilities; and
- 73% do not offer phased retirement programs.

For similar findings about Indiana's older workers and employers, visit the Workforce Wise web site (www.workforcewisec.com) to see two brochures previously produced for this initiative:

- *Silver Tsunami or Golden Opportunity?*
- *Evolution of the Older Worker - How Does Indiana Fare?*

Employer Tools to Capture the Best from Older Workers:

- **Story Saver** (www.TheBusinessStorytellers.com) offers a process to capture enterprise knowledge. It is a practical, easy-to-implement system to capture, organize and access a company's most important asset – its people.
- A program called **YourEncore** (www.yourencore.com) helps organizations hire highly skilled retirees such as scientists, engineers and product developers on a contract basis. Proctor & Gamble and Eli Lilly established the program in 2003, and it serves as an employment agency for retirees with specialized skills. YourEncore functions independently of the employers, contracting with them and placing retirees on short-term assignments.
- **AARP** (www.AARP.org) offers an **Older Worker-Friendly Assessment Tool** to gauge if a company offers an environment that is attractive to older workers.

Ideas for Employer Best Practices:

- **AARP 2009 Best Employers for Workers Over 50** (www.AARP.org) program highlights top employers that offer workplace program and policies that benefit this demographic (though they do not have to be offered exclusively to the over 50 demographic). Profiles of each winner offer best practices ideas.
- **When Work Works** (www.whenworkworks.org) is a national project on workplace effectiveness and flexibility sponsored by the Families and Work Institute in partnership with the Institute for a Competitive Workforce, an affiliate of the U.S. Chamber of Commerce. The *2009 Guide to Bold New Ideas for Making Work Work* offers ideas from the 2008 winners of the Alfred P. Sloan awards for Business Excellence in Workplace Flexibility.
- **"Igniting Gen B & Gen V – The New Rules of Engagement for Boomers, Veterans, and Other Long Termers on the Job"** is a book by local author Nancy S. Ahlrichs, published in 2007.

Winning Ways: Best Places to Work in Indiana Success Stories

When Indianapolis-based Performance Services, Inc. does building projects with schools, it employs retired school principals and administrators as education consultants. These individuals range in age from 65 to 79, and work part-time on the company's business development team. Performance Services benefits from this plan because the retired school staff help the company make contacts in school districts, while also making clients feel more at ease.

Performance Services placed No. 1 on the 2009 Best Places to Work in Indiana list for small/medium companies (25-249 employees). Many of the 70 Best Places to Work winners noted that they do not have policies to recruit or retain an older worker force, showing even some top employers have not considered this issue. Still, other winners pointed to shorter work shifts and flexible schedules as policies that are working for older workers.

Good Samaritan Hospital in Vincennes employs 10 semi-retired individuals in its valet patient parking service. The hospital employs 53 people over the age of 65 including two over age 80.

J.C. Hart, a Central Indiana apartment management company, retains older workers (in their 70s) for special part-time projects and seasonal work; these workers also fill in when staff is on vacation.



Quantum Human Resources recommends

SIX POLICIES, PRACTICES, AND PROCEDURES FOR RETAINING OLDER WORKERS:

1. Offer Time Flexibility

Flexible schedules include:

- **Flex-Time and Place:** when and/or where employees do their job (i.e., flex-time, telecommuting and compressed workweeks).
- **Choices in Managing Time:** employees have some choice about when they work (scheduling hours, overtime and break time) and how their time at work is spent.
- **Reduced Time:** availability of part-time or part-year schedules.
- **Caregiving Leaves:** ability to schedule leaves for birth, adoption or caregiving to ill family members.
- **Time Off:** scheduled absences (i.e., vacations, education/training), sick days, planned sabbaticals and informal time off for unanticipated/unplanned events.
- **Flex Careers:** provisions enabling employees to enter, exit, re-enter the workforce and increase/decrease workload.
- **Culture of Flexibility:** supervisors are knowledgeable about flexible practices and promote/communicate them effectively. Create bridge jobs or phase in retirement to allow workers to gradually move from full-time employment into retirement.

2. Offer Training to Older Workers

When you help mature/older workers be successful and remain mentally agile, they will repay you in loyalty, experience and reliability. The rewards include work/life balance, respect for employee skills and recognition of individual contributions.

3. Offer Continuous Skills Training

Keep mature/older workers up-to-date in technology and other newer skills.

An example of this strategy is Deere & Company, Moline, Illinois, as reported in the AARP report on Retention Strategies:

- Deere launched a self-nomination process for job openings for career movement. The company provides many special assignments for development, along with task forces, presentations and steering committees. As part of the annual performance review process, managers are encouraged to seek opportunities for job movement with employees. The advantage is that mature/older workers receive opportunities for mobility and skill-building that is institutionalized in the company process.

4. Ask Older Workers What Would Keep Them on the Job

Reduce the brain drain. Create reasons for mature/older workers to remain on the job by using strategies such as job redesign. One job can be redesigned into two part-time positions, which allow the organization to keep two valuable employees working.

5. Develop Processes to Capture Institutional Memory and Organizational Knowledge

Older workers have intellectual and enterprise information that is irreplaceable. Workers who are phasing into retirement make wonderful mentors and trainers for new hires or less experienced employees.

6. Identify and Reduce Cultural Biases Against Hiring, Training and Retaining Older Workers

Conduct an audit of policies and procedures to ensure compliance. Also consider conducting a survey of employees to capture attitudes regarding aging workers and to elevate awareness levels.

FINDING 6:

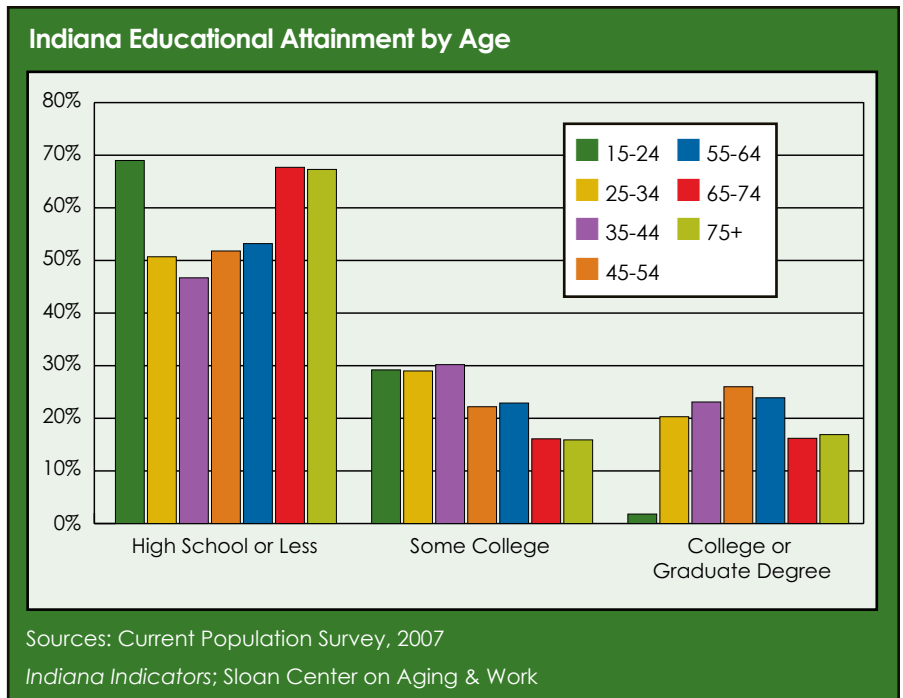
Older workers have lower educational attainment than younger workers, and they increasingly are returning to school to boost their skills. However, one study ranks Indiana last among states in the proportion of older adults returning to school.

While older workers are returning to school, Indiana lags far behind when compared to the rest of the nation. The University of Indianapolis Center for Aging & Community pointed to these staggering statistics in its 2005 report *Gray Matters: Opportunities and Challenges for Indiana's Aging Workforce*:

- Indiana ranks last in the nation for the number of people age 50 or older returning to school.
- Indiana ranks 46th in the nation for the percentage of the 65 and older population with a bachelor's degree (11%).

Education and training continue to be the most effective path to sustained employment. The highest level of education attained by the majority of Indiana residents of all age groups is "high school or less."

The disparate education of the older workforce is demonstrated by the high percentages with "high school or less" compared to those with higher education degrees. When it comes to graduate degrees, older Hoosiers fare well: about 40% of those with doctoral and master's degrees in Indiana are over age 55. (*Educational Landscape*)



Those age 50 and older who return to school are at opposite ends of the spectrum. The largest percentage of students in this age group is pursuing graduate work, while the second largest is comprised of those who have previously received only a high school diploma. (*Educational Landscape*)

Percentage of College Enrollees in Indiana who are 50+ by Education Level*

	2007 Enrollment	1997/1999 Enrollment
First professional	2.2%	1.8%
Graduate	7.3%	4.8%
Undergraduate	2.3%	1.7%
ALL**	2.8%	2.1%

Source: National Center for Education Statistics, IPEDS

Note: 3-year moving average

* of total enrollment at same study level

** All 50+ students (first professional, graduate and undergraduate) as percentage of all students enrolled

Of Indiana's student population in postsecondary education in 2007, 2.8% were 50 and older; that makes up only 0.15% of the total Indiana population.

Share of 50+ Population in Indiana Enrolled in College, 2007

Total enrollment	337,964
Enrollment 50+	9,678
Share of enrolled students 50+	2.8%
Total Indiana population	6,335,862
Share of population 50+ enrolled as students	0.15%

Source: National Center for Education Statistics, IPEDS

Note: 3-year moving average

FINDING 7:

Studies at Ivy Tech Community College and the University of Indianapolis offer insight on older students' perspectives. Continuous education and skill building can help adult workers remain vital and competitive in the workforce. Resources can provide adult workers options for education and job hunting.

Ivy Tech Study

Older students represent nearly one-tenth of Ivy Tech students (8.7%), with 92% of that total ages 45-59 and 8% ages 60-79. In August 2009, Ivy Tech conducted a web-based survey and focus groups of its older enrolled students, ages 45-79. (Full results published in the *Educational Landscape* report.)

Survey respondents reported the following reasons for attending college and the goals they hoped to achieve:

- The No. 1 reason older students enrolled in college courses was a desire to change careers (25.5%).
- The second most cited reason given by the respondents was a desire to earn a college degree (22.3%). More than eight in 10 (87%) planned to complete an associate's degree (43%) or higher (44%).

Survey respondents' suggestions for change:

- When asked to rate the helpfulness of several prospective programs or initiatives designed for students their age, older students felt that additional assistance from an academic advisor and programming focused on students their age would be the most helpful.

Financial issues such as low cost of tuition or financial aid awards were the most important factors influencing almost half of survey respondents (45.9%) to choose Ivy Tech. Convenient locations were commonly cited as well. Respondents reported interest in taking classes at more flexible times, including evenings and weekends.

The college concluded that it might be helpful to partner with local employers and organizations to develop programs appropriate for older students so that they would receive assistance with interviewing, planning career transitions, networking skills, gaining direct access to employers, appropriate job openings, etc.

University of Indianapolis Study

To gain the perspective of older unemployed adults seeking full-time employment, the **University of Indianapolis Center for Aging & Community** conducted three focus groups with members of the Business & Professional Exchange (BPE), job seekers age 45 and older. The group profile included:

- Participants' level of employment included non-exempt clerical, non-exempt non clerical, frontline supervisor/management, mid-management, professional, technical and upper management.
- The average length of time spent on the last job was 10.5 years, with a median length of four years and seven months.
- The number of months unemployed ranged from less than three (13%) to one or two years (30%), with 37% out of work for six to 12 months.

Key Findings:

- While some older workers are taking the plunge and heading back to school, others question the need for further education
- An overwhelming majority of older employment seekers perceived themselves as already possessing skills and experience that should attract the attention of employers, yet they do not perceive that human resources personnel have the same appreciation for those skills
- Older employment seekers are often hampered in their efforts to secure employment by the confusion of entrances and exits from the system, a multitude of assessment tools and variety of ways jobs are profiled
- They found that there is a difference between perception and fact regarding the plight of the older worker
- There was general agreement among focus group members that age was proving to be a hindrance



The Quantum Human Resources survey of employers confirmed that:

- Employers' top concern when hiring or promoting is that a worker's skill set matches the job needs.
- Half of employers believe training should be the responsibility of the individual. Hence, continuing education to remain current in the field or retool for a new field is advisable for workers of all ages.

Finding Grants and Loans for Mature Workers:

Several large databases of scholarship opportunities are available to students of all ages, and offer tools to sort opportunities based on age and other personal characteristics and interests:

- FastWeb (<http://fastweb.com>) a database listing with over 600,000 scholarships
- College Board's FUND FINDER (http://apps.collegeboard.com/cbsearch_ss/welcome.jsp)
- Scholarships.Com LLC (www.scholarships.com)
- CollegeNet (www.collegenet.com/mach25/app)
- State Student Assistance Commission of Indiana grants and loans (www.in.gov/ssaci)

Scholarships also are available for older students through veteran's benefits (www.va.gov). If veterans are not eligible for benefits and are uncertain of future plans, the free Veterans Upward Bound Program (www.navub.org) is available to assist with developing, improving and extending educational access and opportunities.

The Indiana Department of Workforce Development currently offers training/education grants of up to \$3,000 for unemployed and low-income adults through its Workforce Acceleration Grant (for more information visit www.in.gov/dwd/2668.htm).

Community Learning Centers

Learning options outside of higher education, such as community learning centers, are emerging for on-demand workforce training. More and various learning options are becoming available to adult workers as they recognize that learning that improves work performance is a lifelong endeavor.

Alternatives include worksite training arranged by the employer, self-help learning via computer programs/Internet, local non-credit classroom instruction and formal course offerings. Even though some college or university programming is available to most Hoosiers within 50 miles of residence, local community-based delivery is gaining appeal.

Ready Indiana

An initiative of the Indiana Chamber Foundation, Ready Indiana was created to provide Indiana's employers with information and resources to assist with improving their employees' skills. Through a vast web site explaining state resources and training information, toll-free assistance and face-to-face workshops, employers can get answers to their questions regarding:

- Available programs and grants
- Training providers
- Information on how training relates to improved employee retention and productivity
- Online training available at www.indianachamber.com/eLearn

Features of the community learning center offerings include:

- Courses offered on an as needed basis
- Offerings targeted to all ages, all incomes
- Courses do not require entry credentials
- Offerings include non-credit programs to teach needed workplace skills (e.g., Microsoft Excel)
- Convenient, low-cost classes offered outside work hours
- Intergenerational classes, with attendees ranging from school dropouts and college stop outs to near retirees

Finding Employment

All full-service WorkOne Centers have resources to address the employment and training needs of people who are aging, have disabilities, are veterans and/or are dislocated workers. There are 12 WorkOne Centers throughout Indiana (www.in.gov/dwd/WorkOne/regions.html), as well as 49 express centers with varying levels of available services. (www.servicelocator.org)

Each Indiana WorkOne provides core services that include access to unemployment insurance (utilizing Uplink); individualized services, re-employment services and job search tools. Individualized services include résumé development, career planning, interview coaching, job search assistance and skills evaluation. Re-employment services, such as workshops, computer classes and online learning help clients prepare for new employment opportunities.

A federal program offered in all 92 Indiana counties, the **Senior Community Supported Employment Program (SCSEP)** is a community service and work-based training program for low-income older workers (www.doleta.gov/SENIORS/html_docs/AboutSCSEP.cfm). The program is administered through the Indiana Division of Aging and services are delivered by various SCSEP providers throughout the state. SCSEP enhances employment opportunities training and places low-income adults, age 55 and older, in not-for-profit employment settings at no cost to the agency. SCSEP pays for the employees' wages and benefits for a designated period of time.



FINDING 8:

Workplace wellness programs can help workers remain vital and productive; a growing minority of employers offers these programs.

Wellness programs are considered to be an important component of employer benefits packages since they offer workers and their families choices for adopting healthier lifestyles with less illness, ultimately leading to less costly benefits packages. (*Community Resources*) Wellness programs often include a health education and awareness component and these programs can address issues that increase worker satisfaction and productivity.

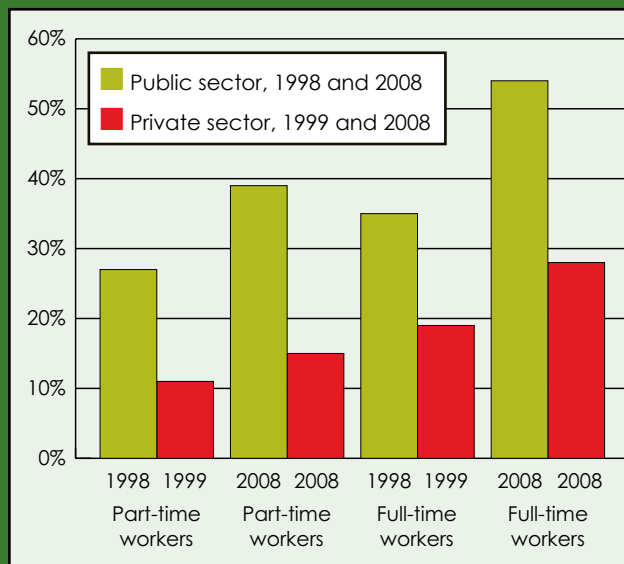
Wellness programs are defined by the National Compensation Survey as offering employees two or more of the following benefits:

- Smoking cessation clinics
- Exercise/physical fitness programs
- Weight control programs
- Nutrition education
- Hypertension tests
- Periodic physical examinations
- Stress management courses
- Back care course

A growing minority of employers offer wellness programs. While growth in programs from 1998 to 2008 is evident, just over half of full-time workers have access to wellness programs.

In summer 2009, the **Fisher Institute for Wellness and Gerontology** at Ball State University conducted **interviews and a survey of 42 companies** to determine their wellness practices. Twelve of the companies reported providing health education, 14 reported providing an exercise program, five reported providing a health plan and three reported providing a healthy environment for workers. **But 20 companies (48% of respondents) reported that they do not offer health promotion or wellness programs in their workplaces.** The authors recommend more methods to track savings and benefits of workplace wellness program, with demonstrations of successful cost savings to other employers, along with dissemination of best practices to employers of all sizes.

Percent of part-time and full-time workers with access to wellness programs for selected years



Source: Access to Wellnes and Employee Assistance Program in the United States, Bureau of Labor Statistics, Posted April 22, 2009.

Wellness Efforts in Indiana

Indiana is tackling the promotion of health behaviors on various fronts. **INShape Indiana** is a program initiated by Gov. Mitch Daniels. The program focuses on health promotion for all Hoosiers through its web site (www.in.gov/inshape) and various events.

Indiana Small Employer Wellness Tax Credit (www.in.gov/isdh/19944.htm) seeks to recognize small businesses (between two and 100 employees) that are striving to improve Indiana's health status by providing wellness programs to their employees. Once a wellness program is certified, the employer is entitled to a credit of 50% of the costs incurred for providing a qualified wellness program. The plan must be designed to improve the overall health of a company's employees.

The **Indiana Division of Aging**, a unit of the Family and Social Services Administration, focuses on health promotion activities through funds from the U.S. Center for Disease Control and U.S. Department of Health and Human Services. Money is provided to train individuals on incorporating the CDC program into local communities.

Students at the Ball State University **Fisher Institute for Wellness and Gerontology** (www.bsu.edu/wellness) who are pursuing a master's degree in wellness management work with state and local organizations to plan and implement wellness programs and in preparing a worksite wellness certificate program.

The **Wellness Council of Indiana** (www.wellnessindiana.org) is a 501(c)(3) organization of Indiana business leaders dedicated to promoting healthier lifestyles for all citizens of Indiana through health promotion activities at the worksite.

The **Indiana Chamber of Commerce** co-sponsored its first employee wellness summit in 2009 and is developing an employer guide to wellness. Among future wellness efforts, the Chamber can be helpful in raising awareness about wellness programs and helping to document savings and benefits associated with these programs.

Interested in starting a wellness program at your workplace?

The Indiana Chamber's Business of Health web site offers resources for initiating, enhancing and evaluating workplace wellness programs.

Visit wellness.indianachamber.com.



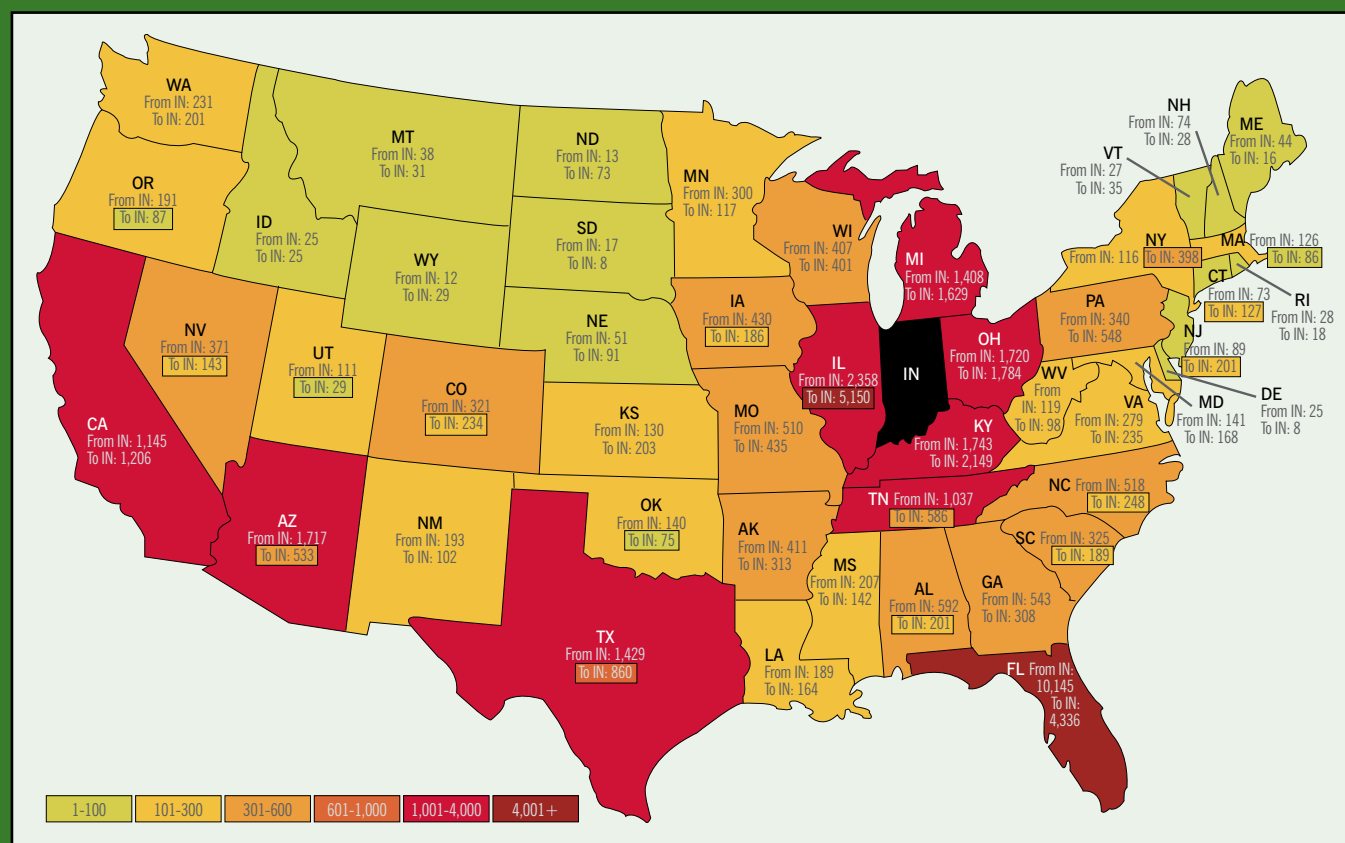
FINDING 9:

Despite the image of retirees moving south, few Hoosiers leave the state for warmer climates. Seniors are less likely to move than young people; when they do, they tend to relocate within the state. Of all age groups, those 65 to 85 are least likely to move. Community-based planning is underway and more can be done to help prepare for the aging population.

The Workforce Wise commissioned report *Public Policies Influencing Senior Migration and the Retirement/Work Decision in Indiana* analyzed migration patterns to and from Indiana. It offers a detailed comparison of tax and public policy in Indiana and the states to which Hoosiers most often migrate.

The map below shows the migration patterns of seniors from Indiana to other states (out-migrants) and from other states to Indiana (in-migrants) over the 1995 to 2000 period. This is the most recent data source for migration patterns by age. According to the 2000 Census, there were **751,193 people age 65 or over in Indiana**.

Out/in-migration from/to Indiana of people aged 65 and older (1995-2000)



Source: U.S. Census Bureau, Census 2000

This map illustrates the destination of Indiana's out-migrants and the origin of Indiana's in-migrants between 1995-2000. The largest number of out-migrants settle in Florida, Illinois, Kentucky, Ohio, Arizona, Texas, Michigan, California, and Tennessee. The largest number of in-migrants come to Indiana from Illinois, Florida, Kentucky, Ohio, Michigan and California.

The Census estimates show that **30,575 seniors moved from Indiana to another state** between 1995 and 2000. This was about 4% of the population age 65 and over in Indiana in 1995.

Florida, Illinois, Kentucky, Ohio, Arizona, Texas, Michigan, California and Tennessee (states in the Sun Belt and border states) received the most senior Hoosiers. Florida received more than 10,000 and the other states each more than 1,000 senior Hoosiers.

Data also show that **24,260 seniors moved from other states to Indiana** over the 1995-2000 period. Most senior migration into Indiana **came from Illinois, Florida, Kentucky, Ohio, Michigan and California.** Each of these states, with the exception of Florida, sent more senior migrants to Indiana than Indiana sent to them.

Contrary to popular assumptions, with 30,575 seniors moving out of Indiana and 24,260 seniors moving into Indiana, there was only a net decline of 6,315 seniors due to migration.

Further, a large portion of seniors either does not move or moves within the same state. Of Indiana population age 65 and over, 77.8% did not move between 1995 and 2000, and 18.9% moved within the state.

Seniors migrating out of Indiana have higher incomes than seniors moving into the state. The average income for out-migrants is \$25,898 versus \$22,064 for in-migrants. Out-migrants have higher levels of wage and salary income, self-employment income, interest income, supplemental security income, retirement income and other income.

The Indiana Business Research Center (April 2008) reports that, while the total population of the state will grow by 15% from 2005 to 2040, the 65 and older population will increase by 90%. Still, this phenomenon is not uniform across the state. Some communities are aging much more rapidly than others. A few communities are growing younger.

Aside from birth and death rates, three factors drive the changing proportion of older adults in a community: 1) the out-migration of younger people; 2) the aging in place of the current population of elders; and 3) the in-migration of older adults to a community.

Research into the personal attributes of relocating retirees suggests there are three identifiable types of migrants: 1) amenity-seeking migrants; 2) assistance-seeking migrants; and 3) migrants with severe disabilities.

The latter two groups are typically moving closer to supportive families, likely at an older age. While there are no discernable geographic patterns, some have argued for a “return migration” effect among those who in earlier years moved south and then return north.

Given the relatively small number of senior out-migrants as a percentage of senior population (just over 4%) and the fact that Indiana attracted more migrants from border states than moved from Indiana to these states between 1995 and 2000, public policy in Indiana appears to play a limited role in the timing and location of retirement of Hoosier workers.

Anecdotal evidence suggests that data from the 2010 Census will show substantial shifts in migration patterns as formerly popular retirement havens such as Florida and Arizona have lost some of their appeal due to changes in quality-of-life preferences of retirees, cost-of-living and shrinking retirement income due to current economic conditions.



By and large, older people want to stay put

The question is, how prepared are Indiana communities to meet the desires and needs of a rapidly growing older population? Do communities help older people maintain their independence? Do they engage older adults as resources and tap their civic and social strengths? Do older people feel that the communities they live in are elder friendly?

These are some of the questions that the **AdvantAge Initiative (AI)**, a project of the Center for Home Care Policy and Research of the Visiting Nurse Service of New York, was created to address.

Indiana is the first state to use the AI process for statewide planning purposes. The Center on Aging and Community at the Indiana Institute on Disability and Community, Indiana University, has managed the Indiana project. See www.agingindiana.org for a full description of the project and results from its 2008 survey. A synopsis commissioned by Workforce Wise, **Silver Tsunami or Golden Opportunity?**, is available online at www.workforcewise.com/media/pdf/WFW_Study-0509.pdf.

Several communities throughout Indiana have taken the lead to develop strategic planning processes to make their communities more elder-friendly and prepare for the future age wave. They have utilized the AdvantAge Indiana survey data and technical assistance from IU and the University of Indianapolis, funded through multiple sources, including the Division of Aging, Indiana's Area Agencies on Aging, Lilly Endowment Inc. and the Daniels Fund of Denver, Colorado. Communities fully adopting the Indiana planning model have included:

- Linton: Project EngAGE
- Delaware County, Senior Study Project
- South Bend and LaSalle Park Neighborhood
- Huntington
- Indianapolis and the Martindale-Brightwood neighborhood

Additional planning efforts are underway in Crawfordsville, Gary, LaGrange, Evansville, Columbus, Bloomington, Lawrenceburg, Richmond and Fort Wayne.

Philip Stafford, director of the Center on Aging and Community and the Indiana Institute on Disability and Community at Indiana University-Bloomington, recently released a book titled **"Elderburbia: Aging with a Sense of Place in America."** The book combines scholarship with practical advice and includes profiles of community development initiatives as well as information about the AdvantAge initiative.

FINDING 10:

State tax and public policies do not appear to be a driving force in location and retirement decisions for older Hoosiers. First, the magnitude of this effect is dwarfed by other more important factors. Second, Indiana policy compares fairly well with other states.

As the U.S. population ages, policymakers at all levels are increasingly considering programmatic and regulatory changes that benefit senior citizens. Federal regulations and policy changes do not result in migration within the United States. However, state and local programs and policies may have a role in elderly location decisions. **Unfortunately, there is little convincing research establishing which policies and programs influence senior migration.**

Tax structure has been identified as a determinant of retiree location decision by a number of earlier researchers. The magnitude of its effect is dwarfed by other considerations. The fiscal instruments most tied to changes in senior migration are either benign or largely favorable to Hoosier senior citizens. (*Public Policy* report)

Information and charts are included in the Workforce Wise commissioned report, *Public Policies Influencing Senior Migration and the Retirement/Work Decision in Indiana*. The study includes detailed facts, tables and analysis of 1) Cost of living differences; 2) Intergenerational wealth transfer taxes; 3) Income taxes; 4) Property taxes; 5) Sales taxes; 6) State programs and policies directed toward the aging population; 7) Health care costs; and 8) Long term care. Findings include:

- For **inheritance taxes** Hoosier seniors have lower exemption levels and higher tax rates than comparison states, but this tax affects a small number of seniors.
- Indiana **income taxes** are relatively low, though the flat rate suggests that lower income Hoosier seniors pay a higher tax than seniors in surrounding states, and the treatment of retirement income is not as favorable as in some states.
- **Property tax** rates, a source of considerable concern in recent years, have largely been tamed through caps which phase in fully by 2012 (if passed by the General Assembly and approved by voters in a referendum). Exemptions for Hoosier seniors are likewise higher than in surrounding states.
- **Sales and use taxes** in Indiana are not sufficiently different from the benchmark states to induce migratory changes, and the exemptions on both food and prescription medications should be viewed as a significant benefit to Hoosier retirees who spend a higher share of income on these items than the typical household.
- Studies using national data have shown that **state inheritance taxes have some impact on the decision of where to retire**. Of the top nine states where Hoosier seniors migrated between 1995 and 2000, five had no inheritance tax. The three remaining had higher exemptions and lower rates for most transfers than Indiana, which ultimately means lower inheritance tax payments.



ATTRACTING RETIREES WITH STATE MARKETING CAMPAIGNS

While some communities in Indiana might be wise to develop specific retiree attraction programs, of much broader application would be the movement to create communities that are generally more elder-friendly – or livable across the lifespan. The vast majority of older Hoosiers, along with most Americans, actually want to stay put as they age.

Still, retiree in-migration is viewed as desirable by state governments and many have implemented policies to enhance their attractiveness to retirees. States benefit from attracting older residents – particularly the high income group – because they add to the tax base, stimulate the economy and are less likely to use the states' social services.

Some state tourism divisions are starting to see value in developing programs aimed at stimulating retiree in-migration. Some states are competing for retirees through mainstream marketing (e.g. web sites, billboards, magazine advertisements), while others are focused on more comprehensive efforts toward this group.

The **Mississippi** Development Authority created the Hometown Mississippi Retirement Program (HMR). This program centers on the **certification of communities as attractive retirement locations** and provides matching funds to those communities that develop marketing campaigns geared toward recent retirees. An economic impact study by Mississippi State University's Charles Campbell showed that the \$300,000 annual budget used by the HMR program to cover marketing and operational costs attracted roughly 350 more retirees per county between 1995 and 2000.³

Louisiana also has pooled efforts to develop, promote and market the state as an attractive retirement destination by establishing the Encore Louisiana Commission within the Office of the Lieutenant Governor. **Encore Louisiana's goal is to attract and retain residents 50 years of age and above.** Encore Louisiana works to enhance the state's appeal through community education, strategic partnerships and grants that reward specific active living and quality of life initiatives.

Other states vying for the attention of recent retirees include West Virginia and Tennessee.

Nostalgia Attracting Residents to Indiana Rural County

Who says you can't go home again?

Pulaski County, a small community in Northwest Indiana with a population of 14,000, is reaching out to potential residents with its "Welcome Back Home" campaign. **Launched last year, it targets people of all ages after initial efforts focused on retirees.**

"I've always been told you never want to tell anyone you're a retirement community, because you won't attract industry," asserts Daniel Dolezal, executive director of the Pulaski County Community Development Commission in Winamac, "but retirement is an industry just like tourism is an industry."

Graduates (between 1960 and 1975) of local high schools received letters and promotional brochures inviting them to return to the area. In addition, television ads, as well as a web site presence, appealed to a wider audience.

Dolezal says the response has been positive.

When considering some of the county's biggest enticements, he cites nature-oriented offerings such as Tippecanoe River State Park, Jasper-Pulaski Fish & Wildlife Area in Medaryville and a new rails-to-trails program. Proximity to Indianapolis and Chicago – despite no nearby interstates – is another.

Perhaps the biggest draw is what Dolezal describes as its "Mayberry R.F.D. persona." "We have a sense of a different way of life ... and as trite as it sounds, people just like that," he emphasizes.

Reprinted from Sept/Oct 2009 BizVoice® magazine,

By Symone Skrzycki

³ Jeter, L. 2005. Retirement Communities Attractive Option. *Mississippi Business Journal*, www.allbusiness.com/north-america/united-states-mississippi/913068-1.html (accessed July 14, 2009).

FINDING 11:

Indiana has an estimated net worth of about \$310 billion, with highest net worth among people ages 65 to 74. Large transfers of boomer wealth will occur over the next few decades – an estimated \$66 billion over the next 10 years. If just 5% of this wealth were invested in community endowments, more than \$3.3 billion in philanthropic assets could be created this decade and (at 5%) \$164 million would be available for grant making annually.

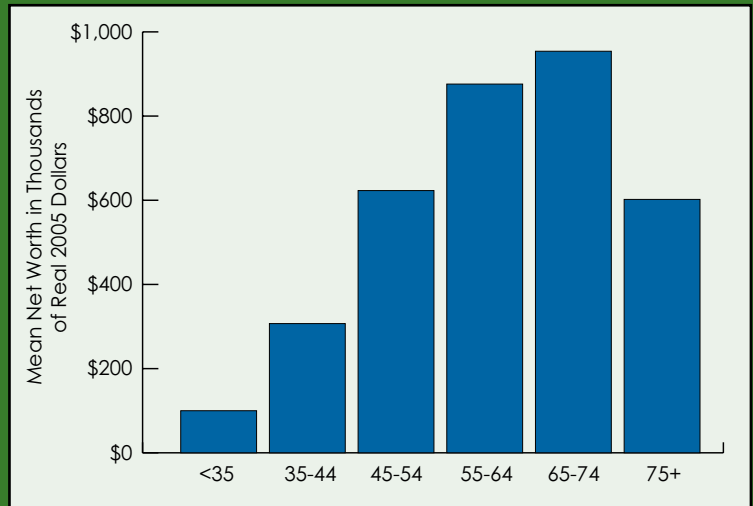
Among the demographic factors affecting wealth transfer, there is a significant connection between age of household head and wealth holdings. Generally, as people age they accumulate more wealth and net assets grow.

Wealth holdings climb consistently from young adulthood until people reach the 65 to 74 age range. Asset holdings then decline with age as the prime earning years pass and assets are consumed in retirement through growing health care needs and assisted living requirements. The American households with the largest estates tend to be older and fall into the higher income brackets.

In 2005, it was estimated that Indiana's current net worth was \$310 billion. An Indiana Grantmakers Alliance Technical Report projected \$412 billion will pass from one Indiana generation to the next by 2050. Focusing on just the next 10 years, it is estimated that **Indiana's transfer of wealth opportunity is \$66 billion.** If just 5% of the \$66 billion in the next 10 years were to be invested in community endowments across Indiana, more than \$3.3 billion in philanthropic assets could be created.

Assuming the usual 5% annual payout rate of many grantmakers, more than \$164 million would be available annually for community grant making. Due to this unprecedented opportunity to support aging issues in Indiana, it is important to understand the readiness of Indiana's philanthropic sector to address the challenges and opportunities of Indiana's aging population.

U.S. Average Net Worth by Age of Head of Household (2007)
(in thousands)



Source: U.S. Federal Reserve, 2007

FINDING 12:

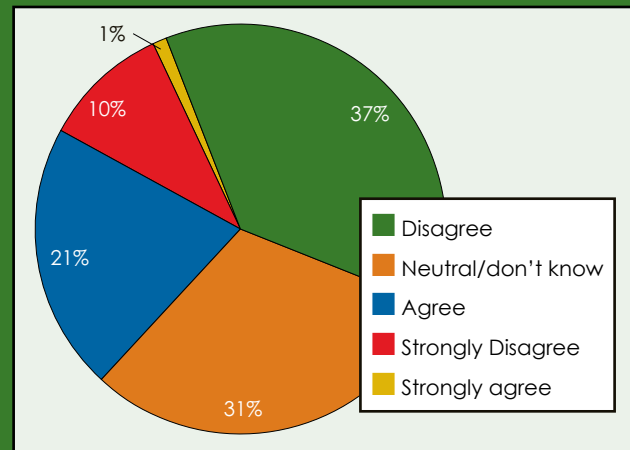
An Indiana Grantmakers Alliance survey found that of Hoosier grant makers: 1) few understand aging issues; 2) few fund aging as a priority; and 3) none fund senior employment services.

In 2009 the Indiana Grantmakers Alliance conducted a survey of 276 Indiana grantmakers with 69 responses. Among its findings: **fewer than half of Indiana grantmakers responding believe they have a strong understanding of the actual issues facing our aging population.**

Likewise, grantmakers did not agree that funding aging issues is a priority for their own organizations. More than 47% disagreed or strongly disagreed. Another 30.9% were neutral or did not know. Only 21% agreed that senior funding was a priority.

Of the grantmakers that did fund programs for senior citizens, 50% funded senior centers or community centers and more than 40% funded transportation and mobility (graph below). **Not a single responding foundation funds senior employment services.**

Funding of Aging Issues a Priority

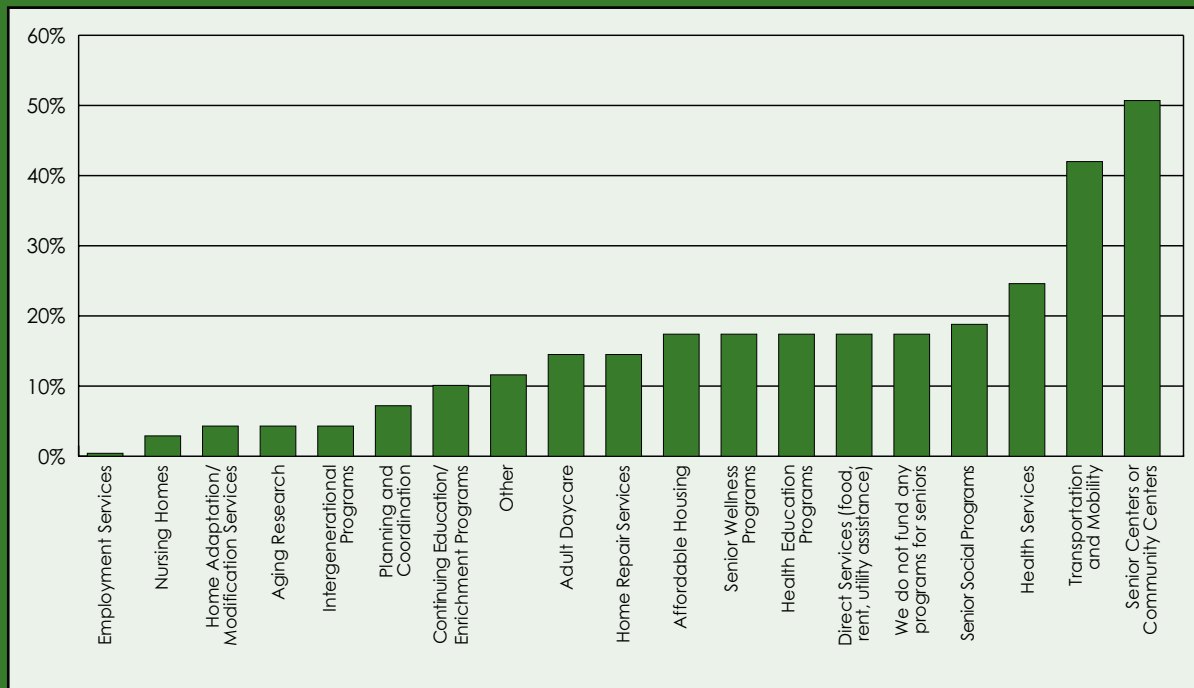


Source: Indiana Grantmakers Alliance 2009 Survey

A new effort is underway to maximize these opportunities. The **EngAGEMENT Initiative** is a national program of Grantmakers in Aging (GIA), a membership organization comprised of foundations that fund aging issues. The EngAGEMENT Initiative partners GIA with regional associations of grantmakers to strengthen grant making for an aging society through education and collaboration.

The Indiana Grantmakers Alliance was chosen to participate in this national initiative. Through its EngAGEMENT Initiative, Indiana Grantmakers Alliance has a two-year plan (2009-2010) to provide Indiana foundations with information, networks and resources to address the needs of the aging population.

Areas of Funding for Senior Citizen Programs



Source: Indiana Grantmakers Alliance 2009 Survey

Note: Respondents were asked to check all that applied.

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Authors: Philip B. Stafford, Marie Beason, Sonya Baker-Hallet, Kathy Segrist and Changsu Lee
- **Public Policies Influencing Senior Migration and the Retirement/Work Decision in Indiana**, Ball State University Center for Business and Economic Research
Authors: Dagney Faulk, Keisha Atwood, Alex Falevich, John Ledbetter and Michael Hicks
- **Employer Practices and Policies That Influence Older Workers**, Quantum Human Resources, LLC
Authors: Steve Kellam and Mellissa Boggs
- **The Educational, Social and Occupational Landscape for Indiana's Older Workers**, University of Indianapolis Center for Aging and Community and Ivy Tech Community College
Authors: Rebecca Nickoli, Karen Stanley, Ellen Miller, Joseph Hansel, Jeffrey Miller, Graham Toft, Jacqueline R. Wall and Amy Magan

Existing sources included:

- **America's Changing Workforce – Recession Turns Graying Office Grayer**, Pew Research Center.
- **Elderburbia: Aging with a Sense of Place in America**, a book by local author Philip Stafford.
- **Gray Matters I and II**, University of Indianapolis Center for Aging and Community.
- **Igniting Gen B and Gen V The New Rules of Engagement for Boomers, Veterans, and Other Long-Termers on the Job**, a book by local author Nancy S. Ahlrichs.
- **Indiana AdvantAge Initiative Survey**, Indiana University Center on Aging and Community.
- **Indiana Indicators: Aging & Work**, Sloan Center on Aging and Work.
- **The Pressures of Talent Management**, Sloan Center on Aging and Work.
- **U.S. Chamber Institute for a Competitive Workforce**.

Presentations to the Workforce Wise Task Force:

- Rebecca Nickoli reported on Ivy Tech's internal study "Statewide Overview of Older Ivy Tech Students," March 2009
- Kathy Segrist of Ball State University, Fisher Center for Wellness and Gerontology, reported on research and development of materials for the Maturity Matters initiative in North Central Indiana, making the most of the mature workforce.
- Roger Feldhaus, Susie Perkins and Kathy Burns of Tecumseh Area Partnership (TAP) reported on implementation of Maturity Matters in the Lafayette area via TAP, a workforce development system intermediary. TAP subsequently was awarded a \$1 million Department of Labor grant to expand innovative employment and training services for workers age 55 and older.
- Bob Pitman of Senior Center Services of Bartholomew County and Mark Elwood of Elwood Staffing reported on their innovative public-private Employment Program and Atlantic Grant Research Project.
- Kurt Kegerreis, State Director, Indiana SCSEP, National Able Network, reported on employment services provided by the National Able Network and on the Indiana Senior Community Support Employment Program



INDIANA CHAMBER FOUNDATION

The Indiana Chamber of Commerce Foundation, Inc. is a 501(c)(3) organization. Its mission is to provide timely and thoughtful research and solutions to enhance Indiana's economic future and quality of life. For more information about the Indiana Chamber Foundation, contact Mark Lawrance at mlawrance@indianachamber.com or (317) 264-6893.



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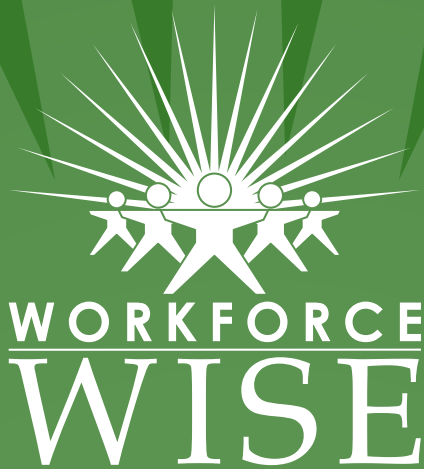
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