

Re-Thinking Older Workforce Potential in an Aging World

David Baxter, CEO



BAXTER CONSULTING GROUP





2010

Countries with
over 20% of their
population
age 65+





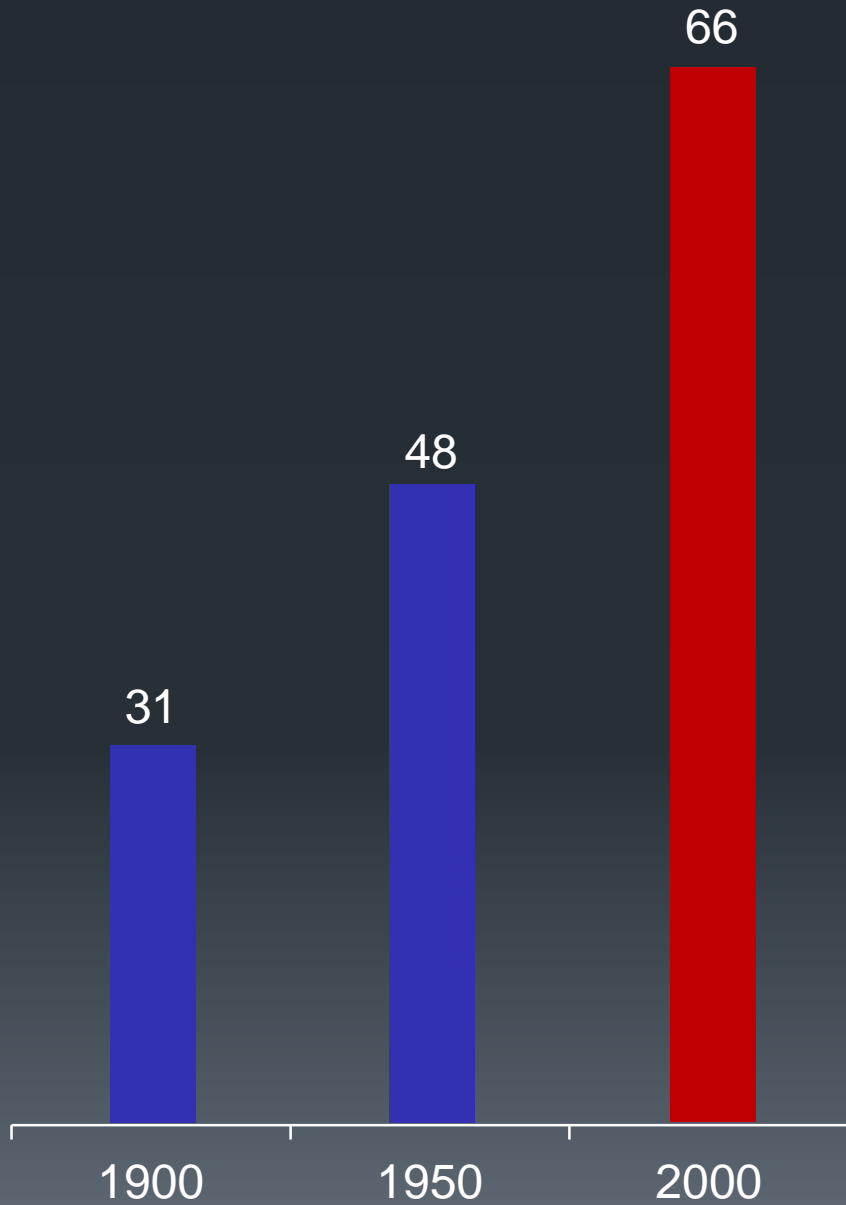
2050

Countries with
over 20% of their
population
age 65+

Three Converging Forces

Rising Life Expectancy

Global Life Expectancy

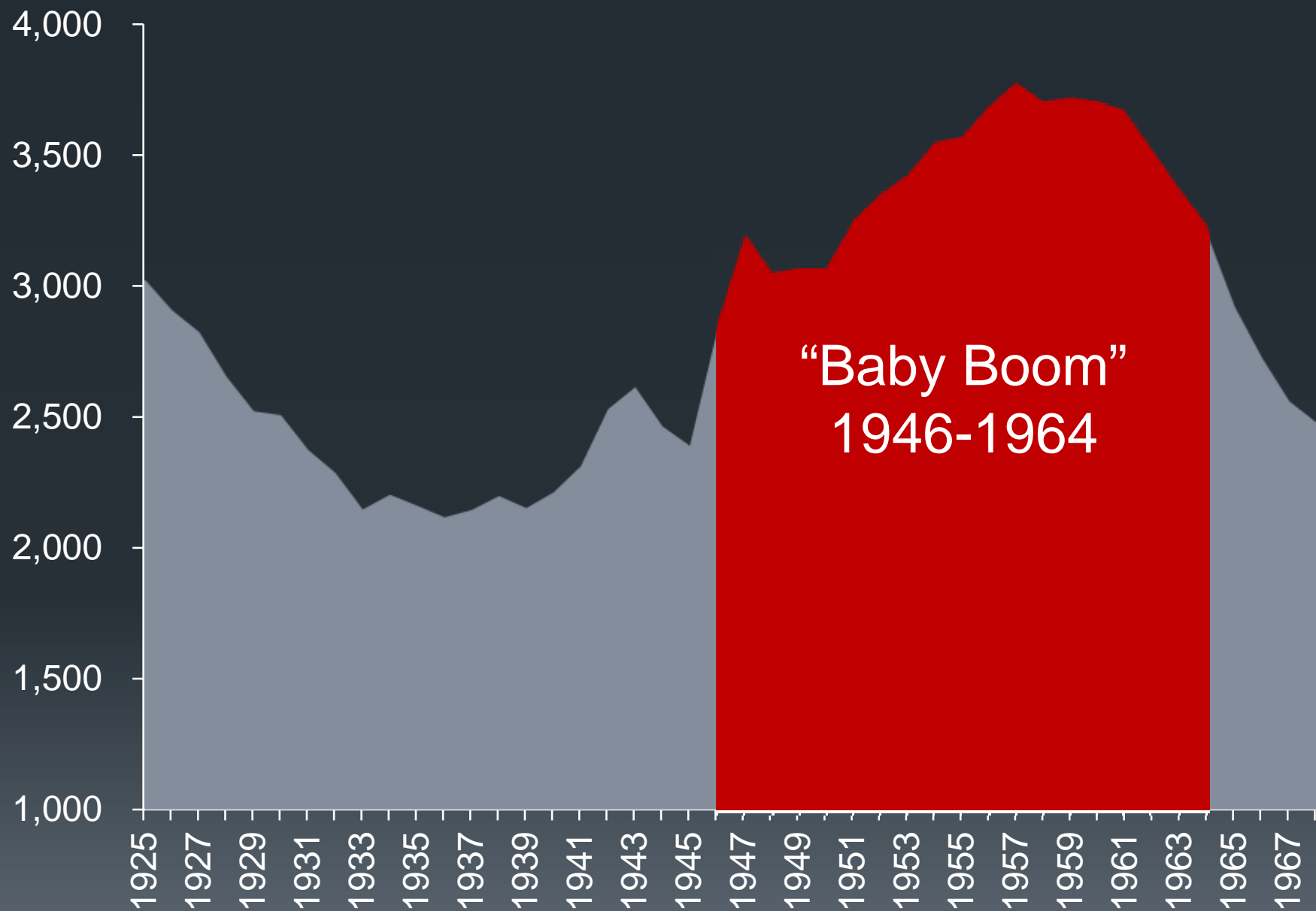


213%

Increase in
Global Life
Expectancy

Baby Boom

Birth Rates, United States



Baby Bust

**The
Economist**

OCTOBER 31ST–NOVEMBER 6TH 2009

Economist.com

Obama's paradoxical first year

Capital floods into India

Are functional foods the future?

Let prisoners vote

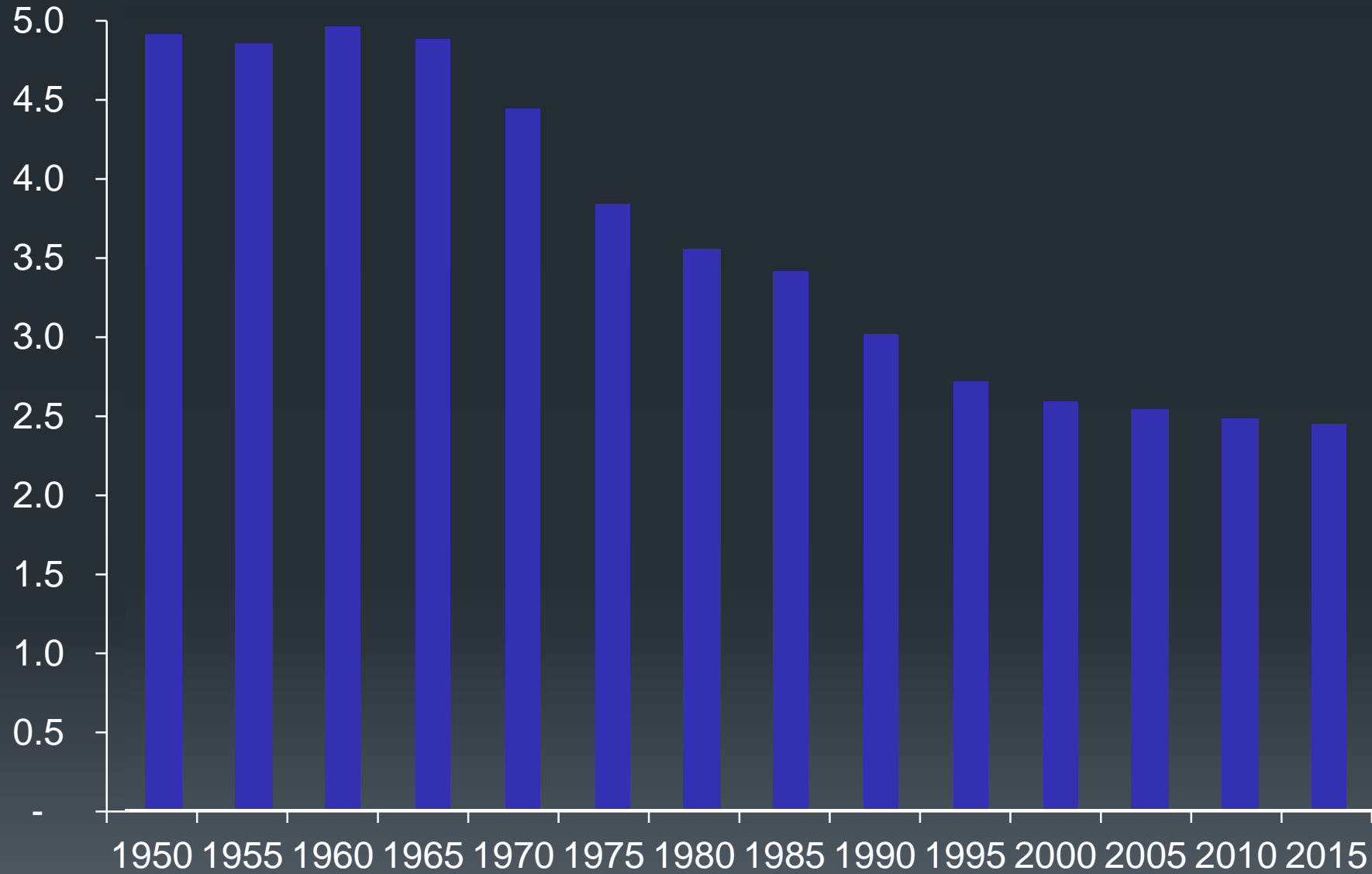
Van Gogh's luminous letters

Falling fertility

How the population problem is solving itself



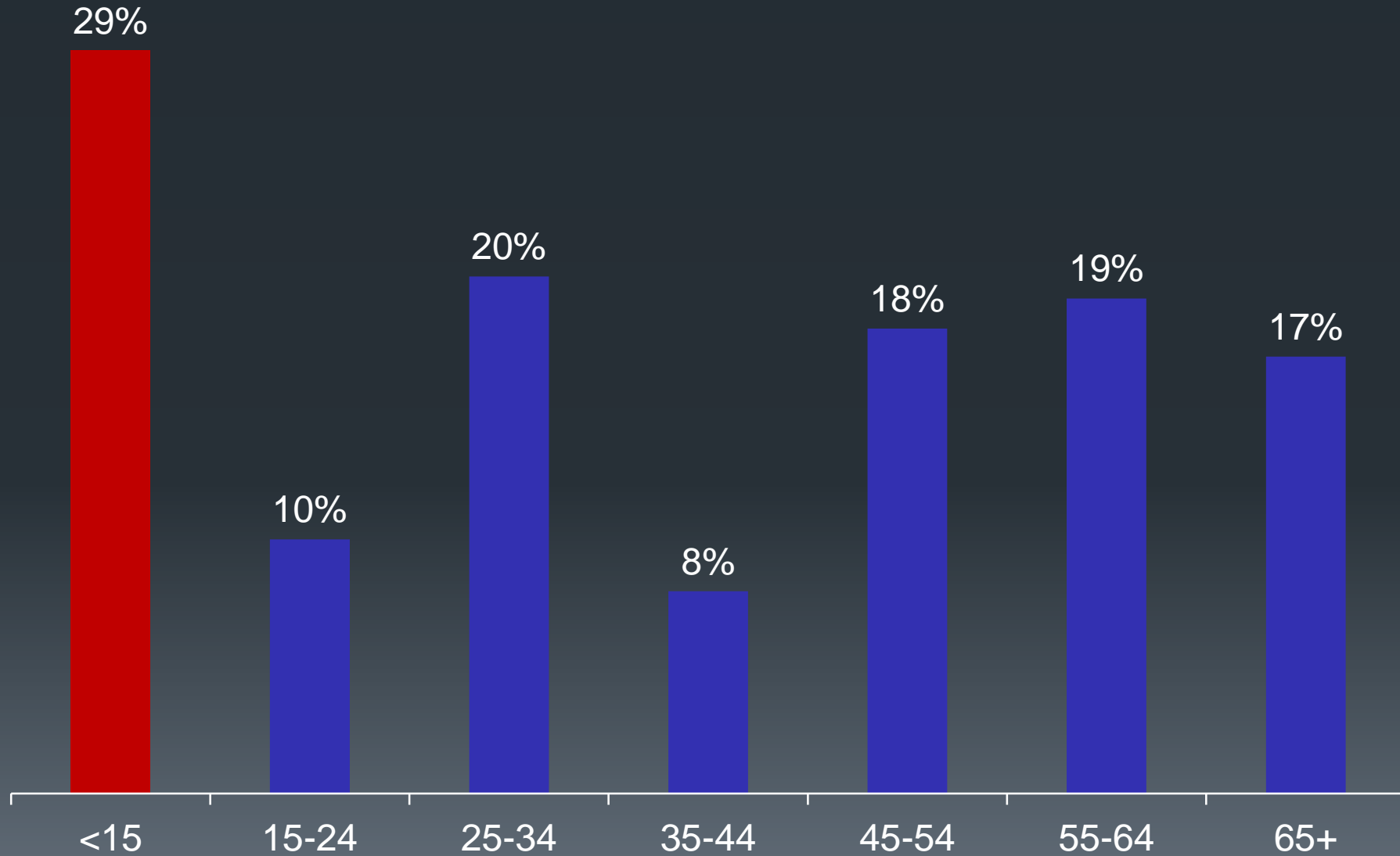
Global Fertility Rates



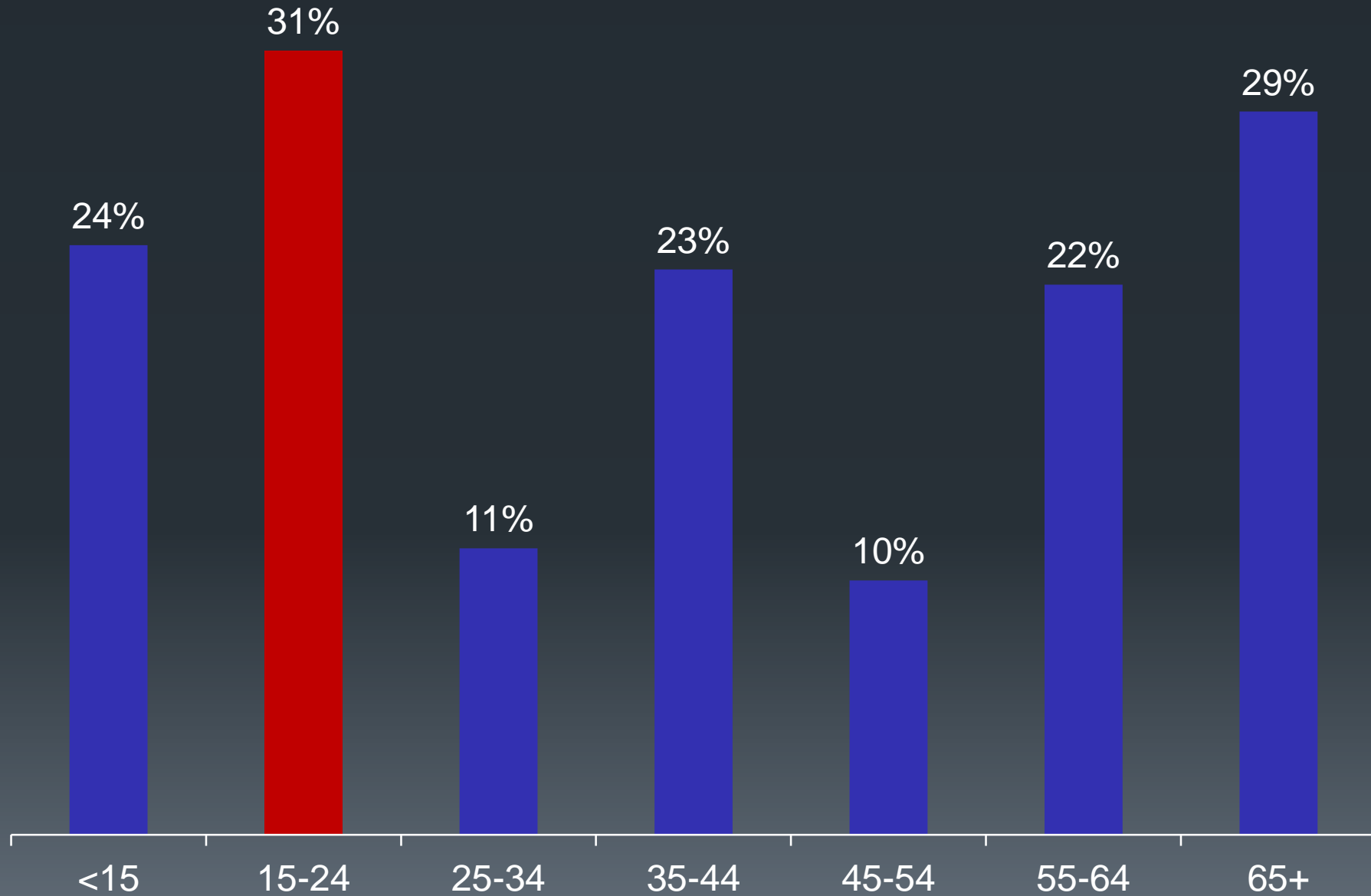
50%

Decrease

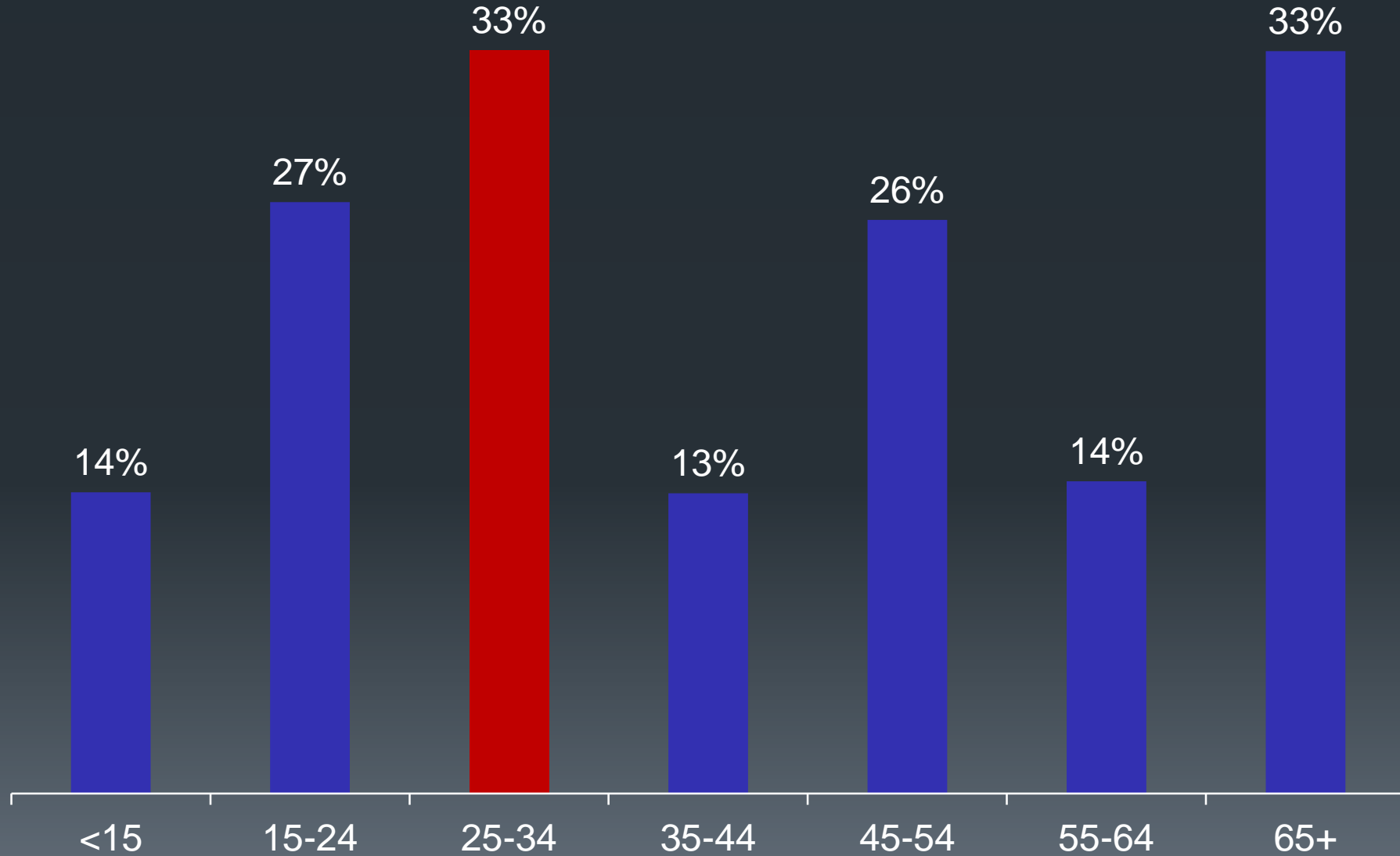
1950-1960



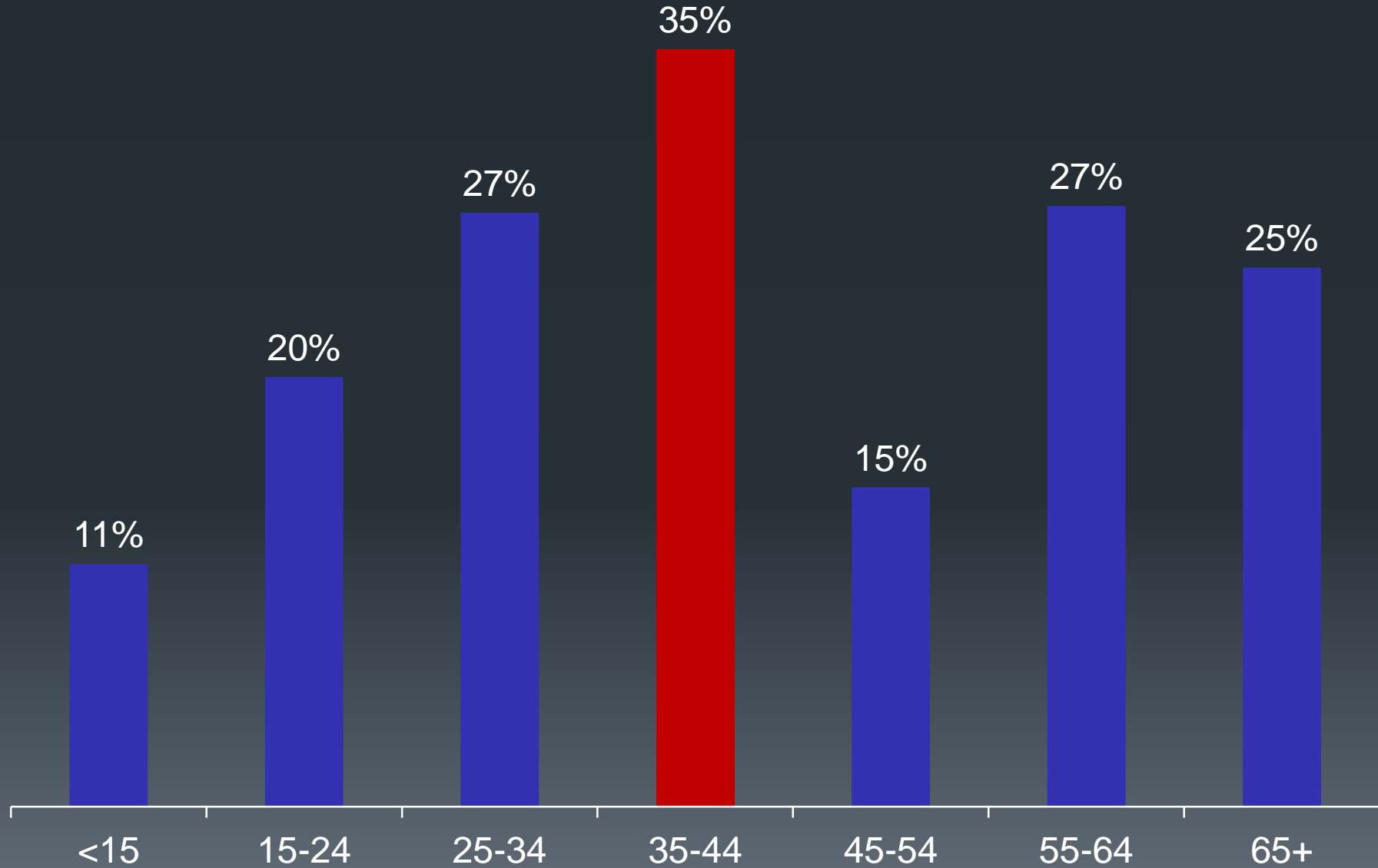
1960-1970



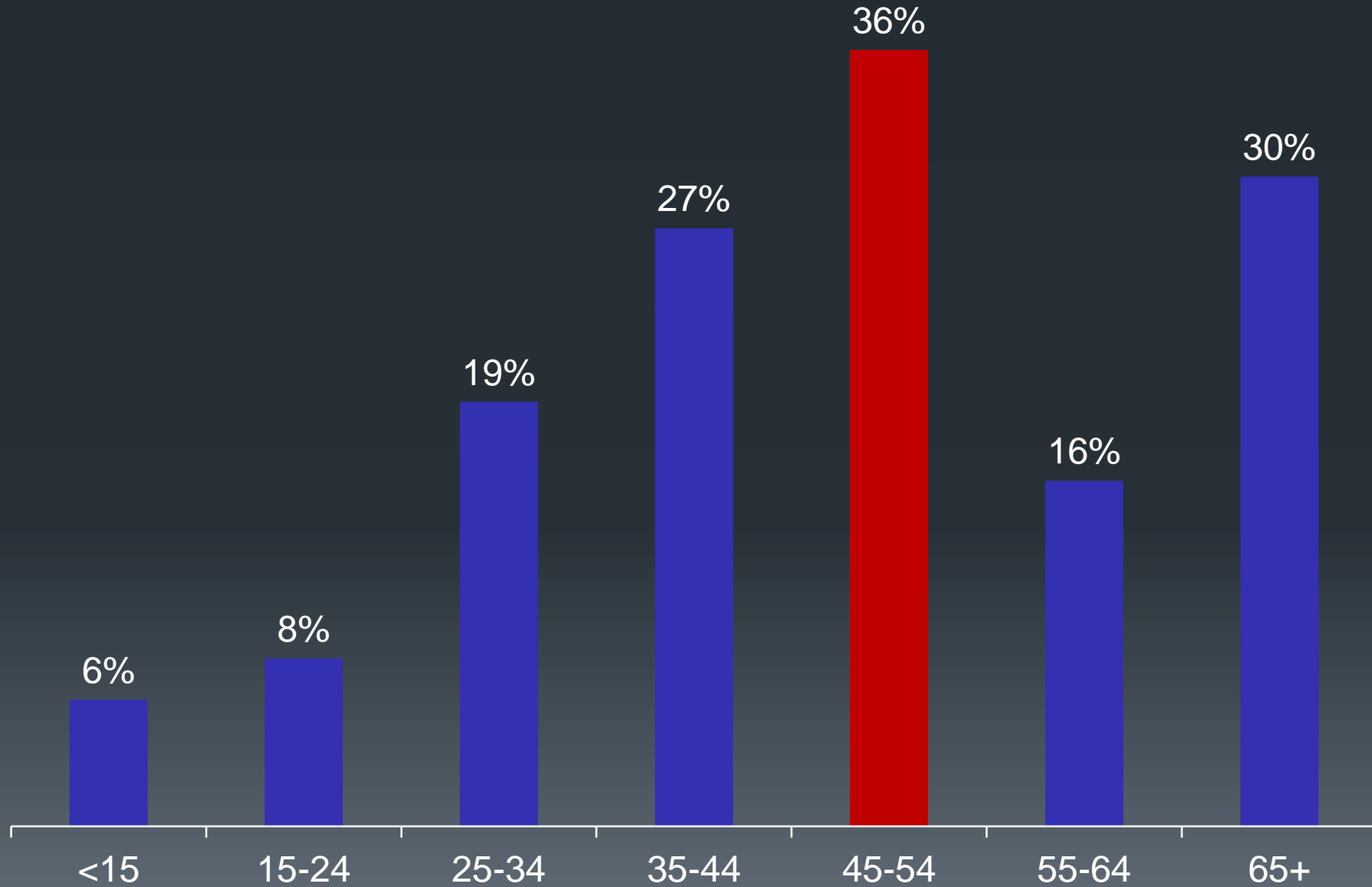
1970-1980



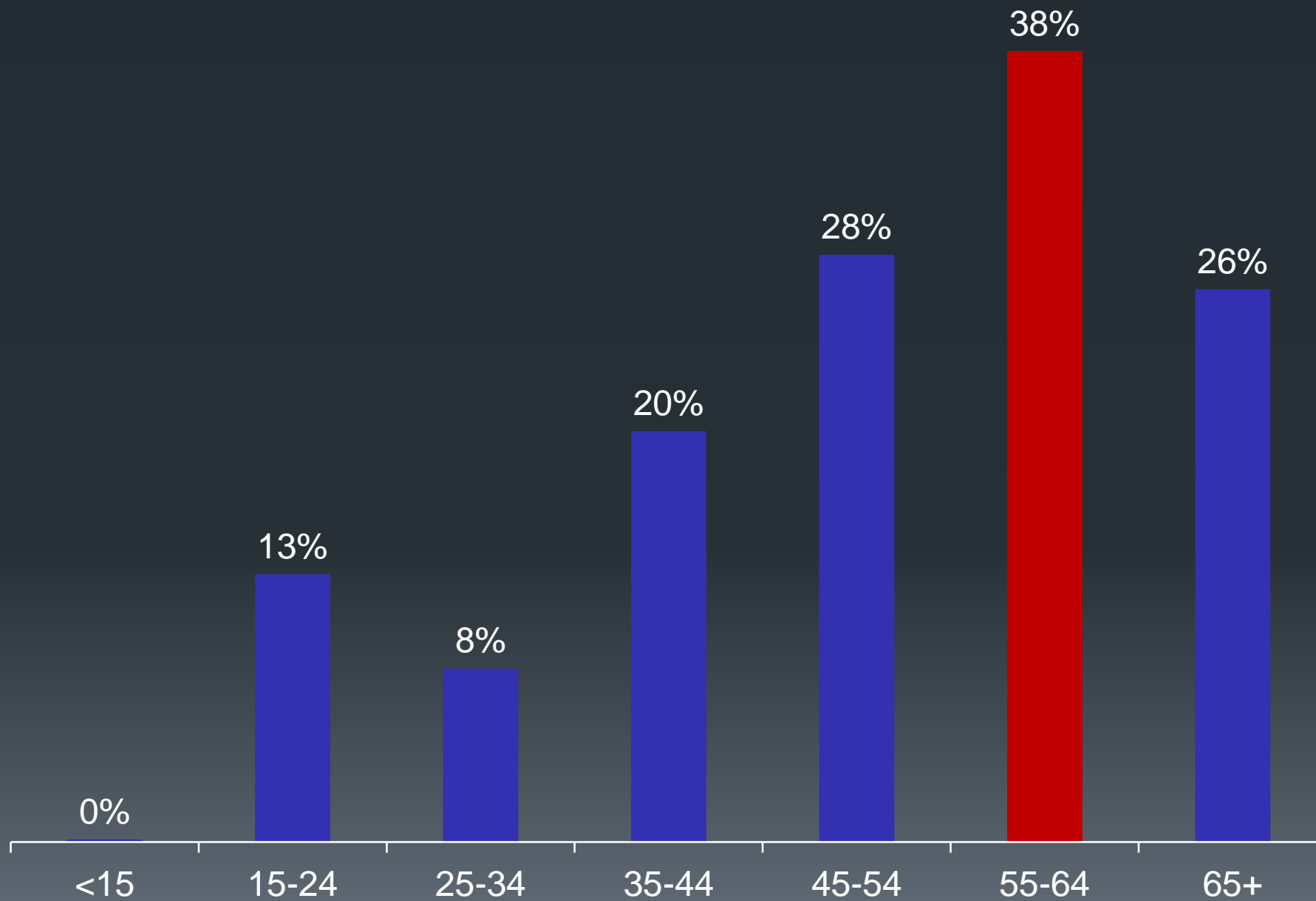
1980-1990



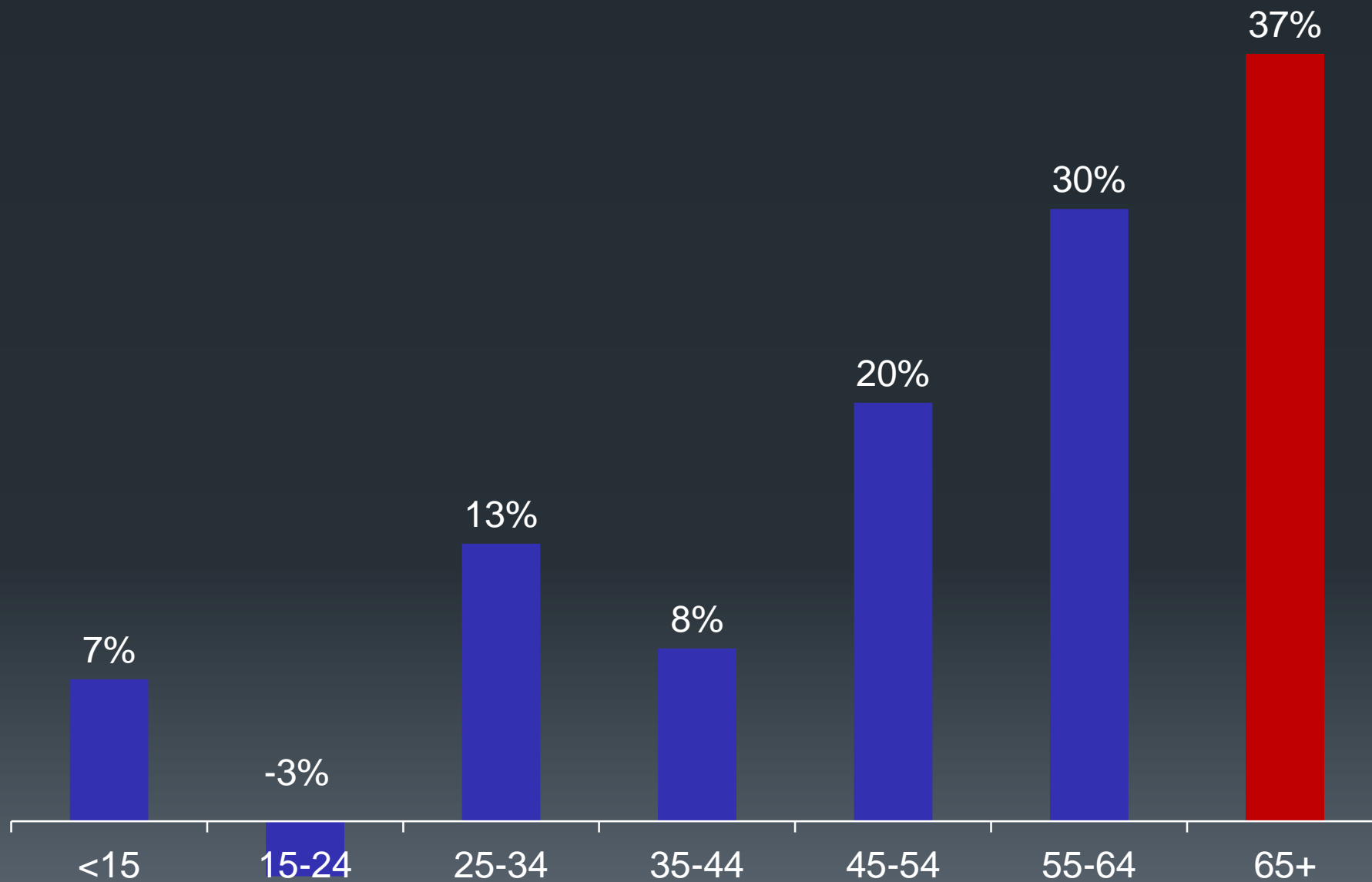
1990-2000



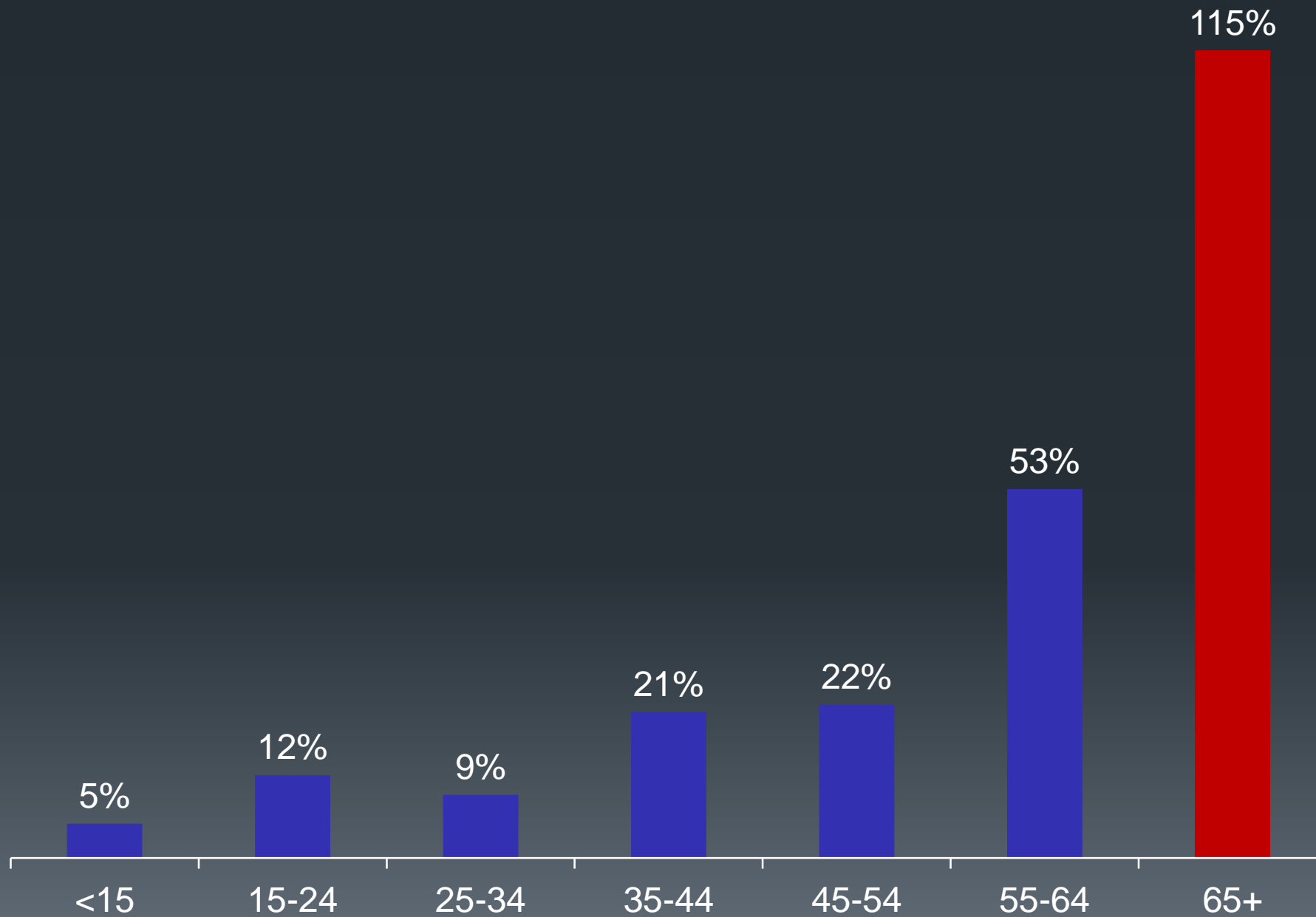
2000-2010



2010-2020



2020-2050



Global Talent Shortage 2030

85.2

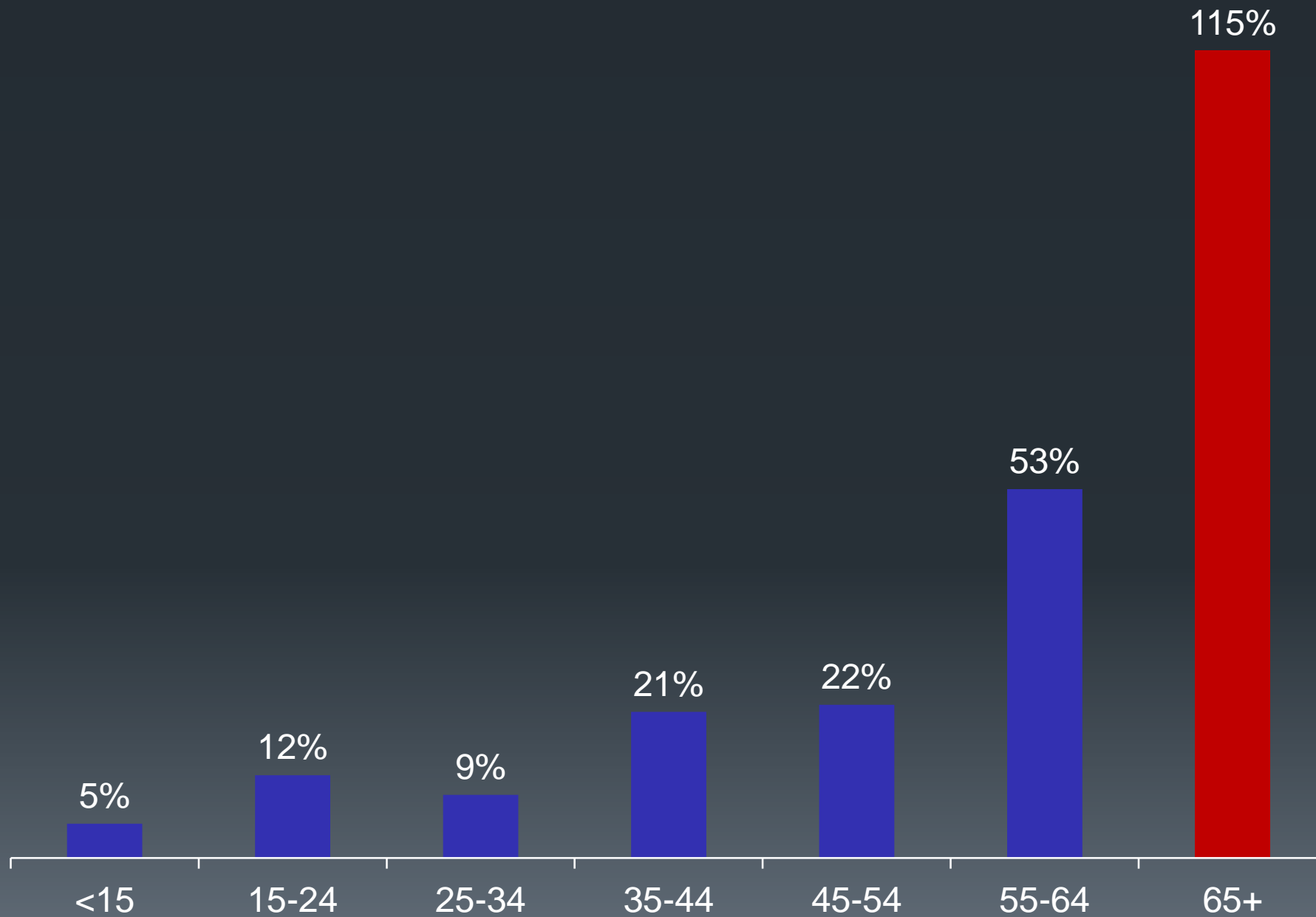
million workers

\$8.5

trillion
unrealized revenues

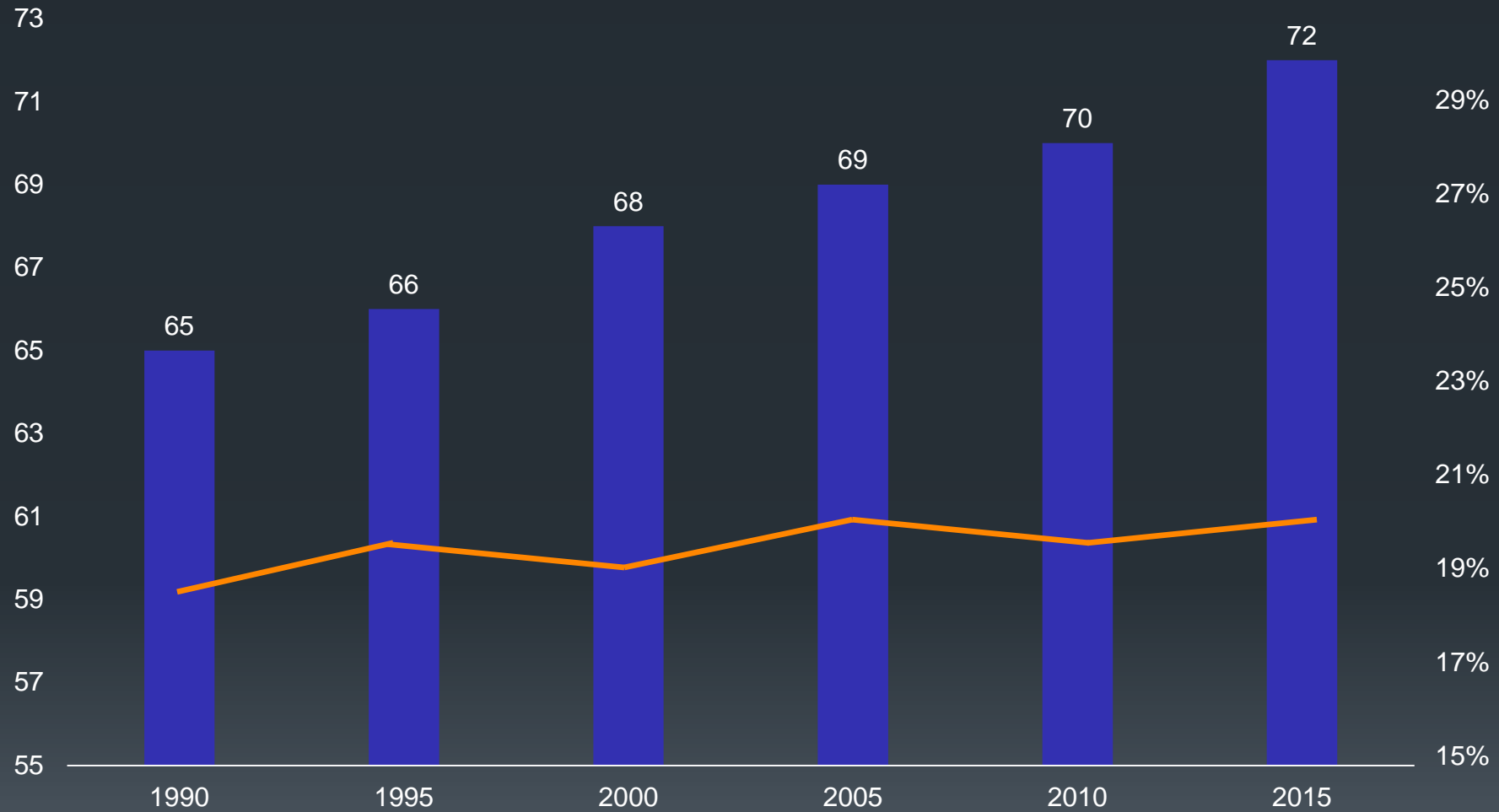
Source: Korn Ferry, *The Global Talent Crunch*, 2018

2020-2050

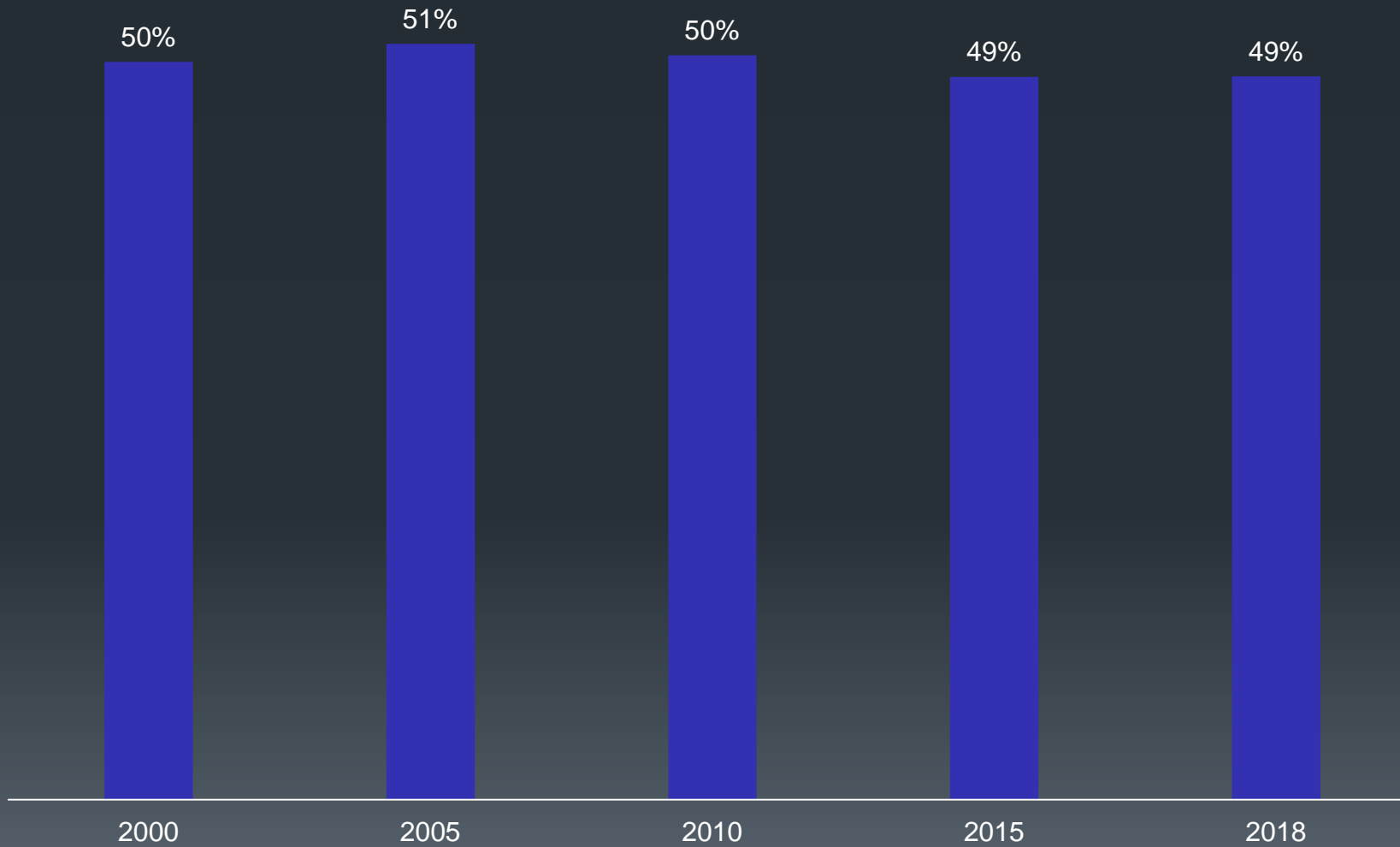


Age 65+ Labor Force Participation

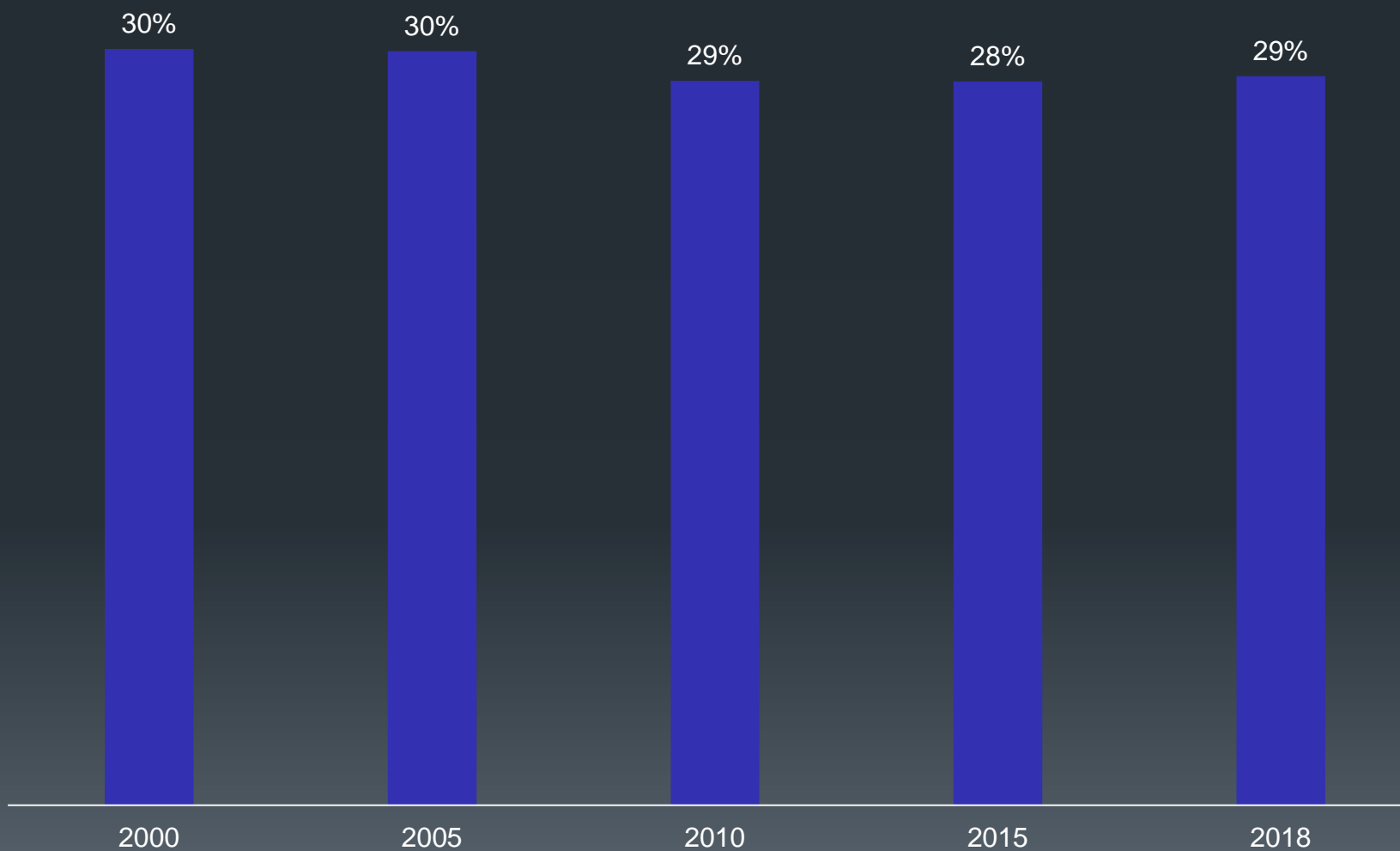
Global Life Expectancy vs Age 65+ Labor Force Participation



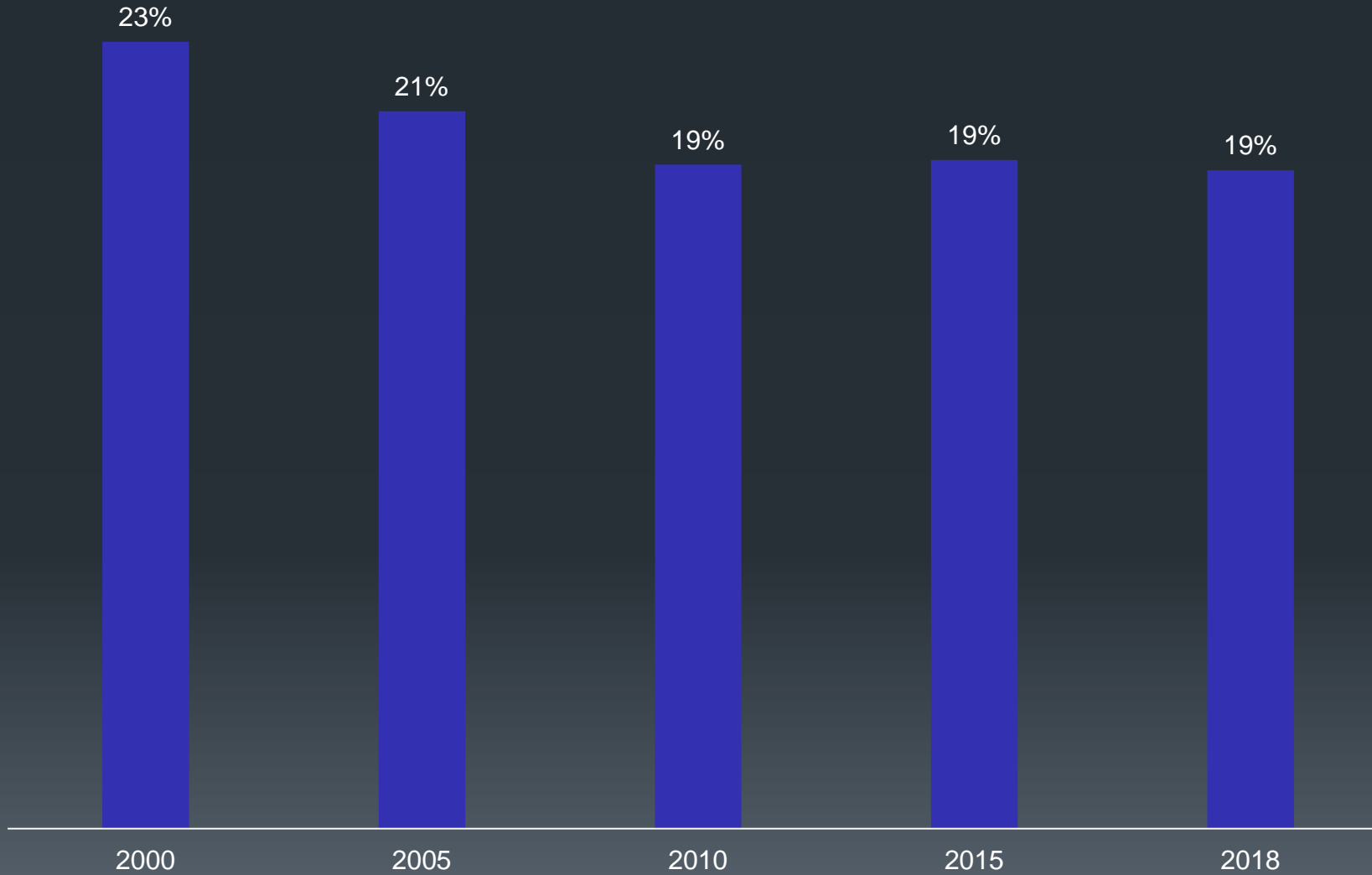
Age 65+ Labor Force Participation Low Income Nations



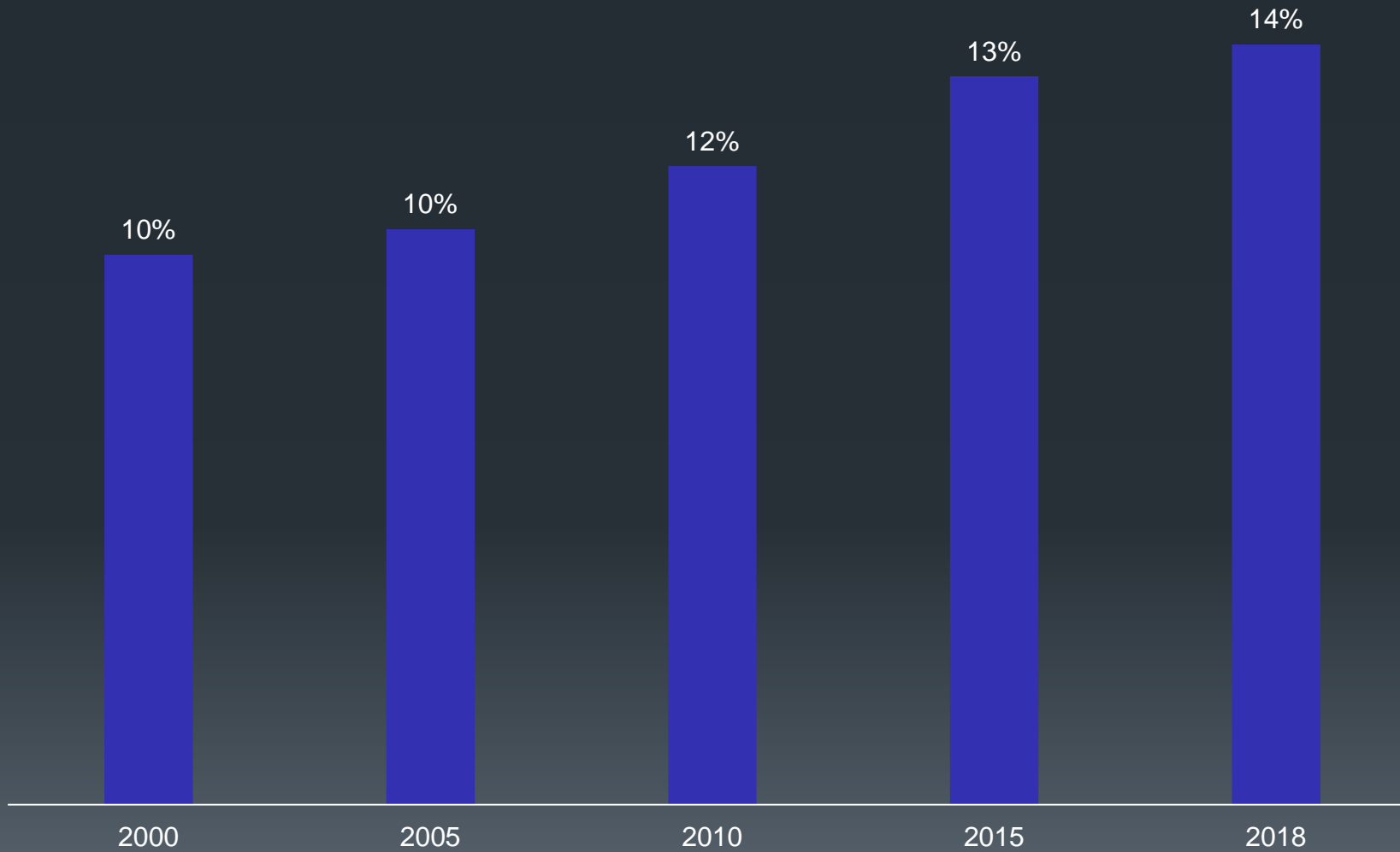
Age 65+ Labor Force Participation Lower Middle Income Nations



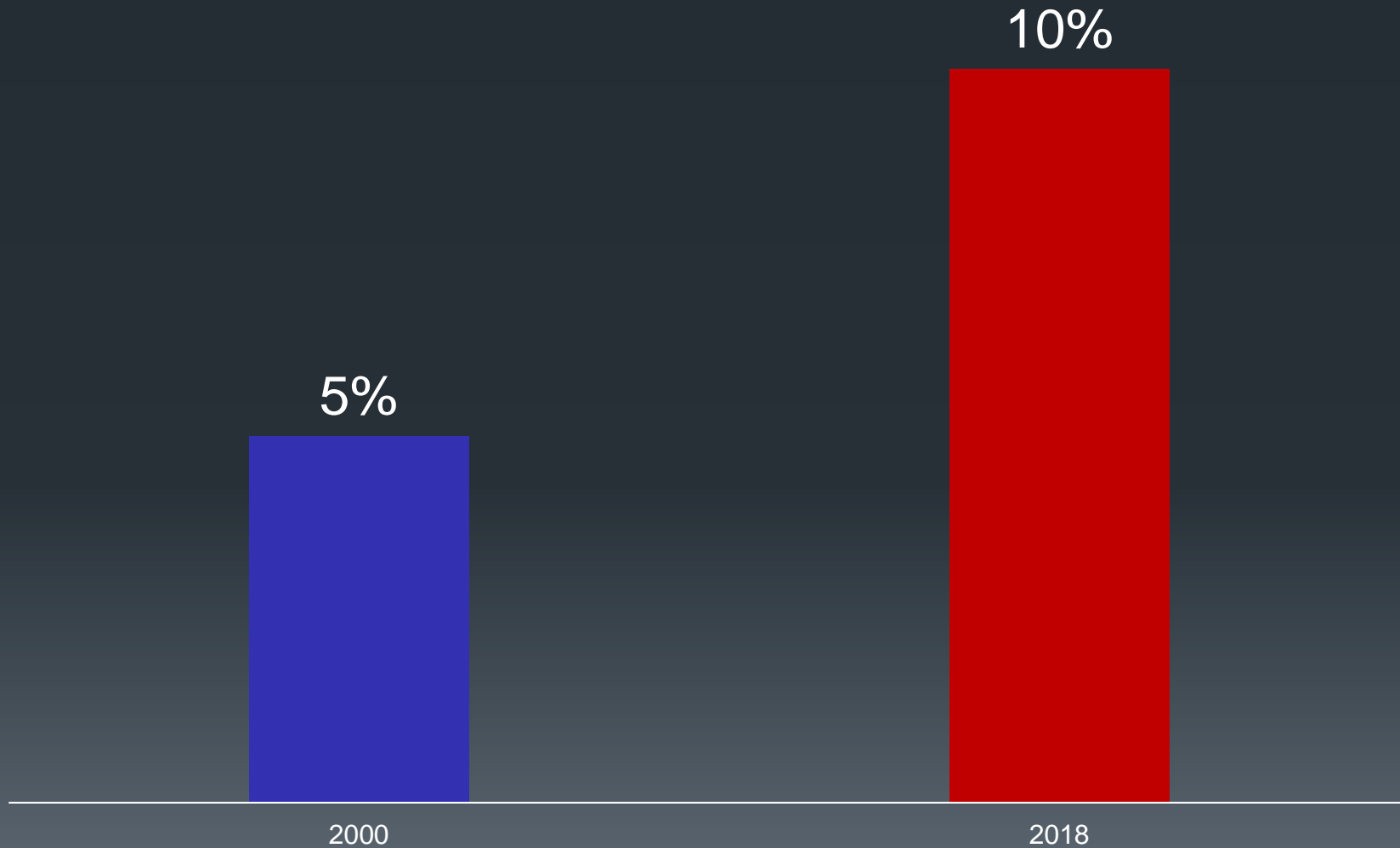
Age 65+ Labor Force Participation Upper Middle Income Nations



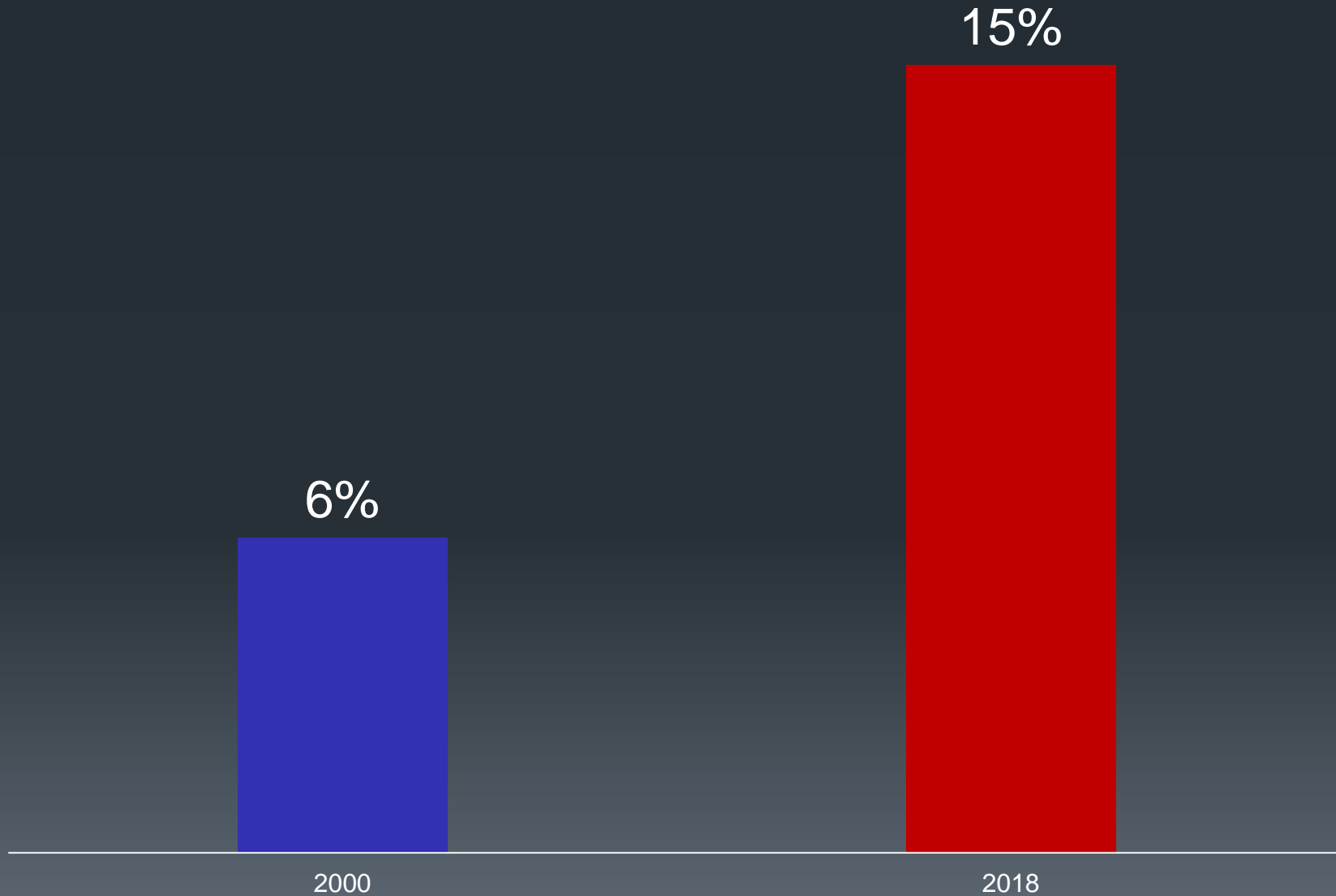
Age 65+ Labor Force Participation High Income Nations



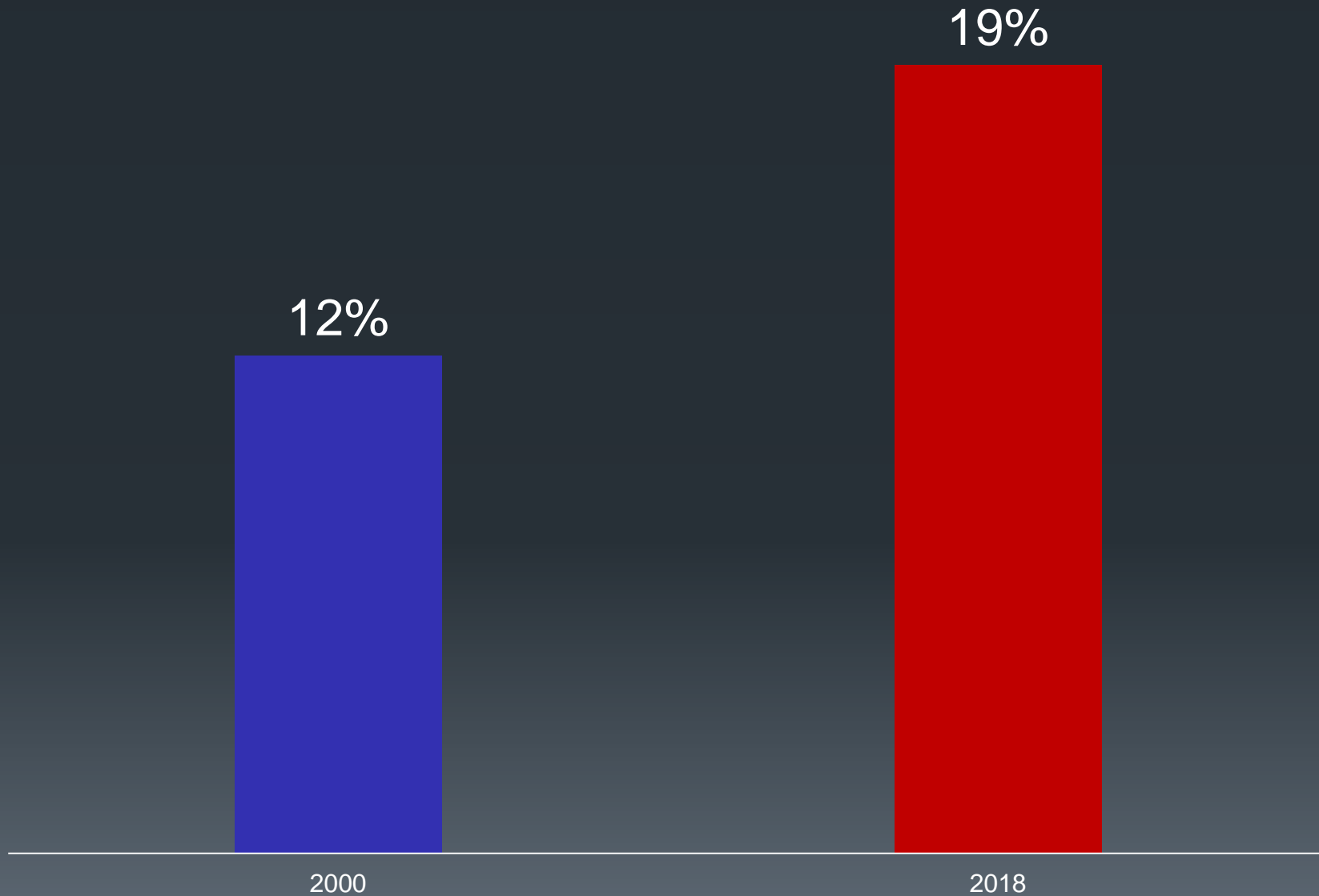
Age 65+ Labor Force Participation Northern Europe



Age 65+ Labor Force Participation Australia/New Zealand



Age 65+ Labor Force Participation Northern America



Strategies to Increase Age 65+ Labor Force Participation



Encourage the
development of
flexible work
arrangements



Align pension
and entitlement
systems with
continued work



Promote lifelong
learning
resources



Reduce ageism
in the workplace



Foster the
development of
age-friendly work
environments



Help create more
positive images of
work in later life

Case Study #1

Sweden

Best Practices: Sweden

- Reformed pension system
- Modified tax and pension contribution policies
- Strengthened laws against age discrimination

Case Study #2

Japan

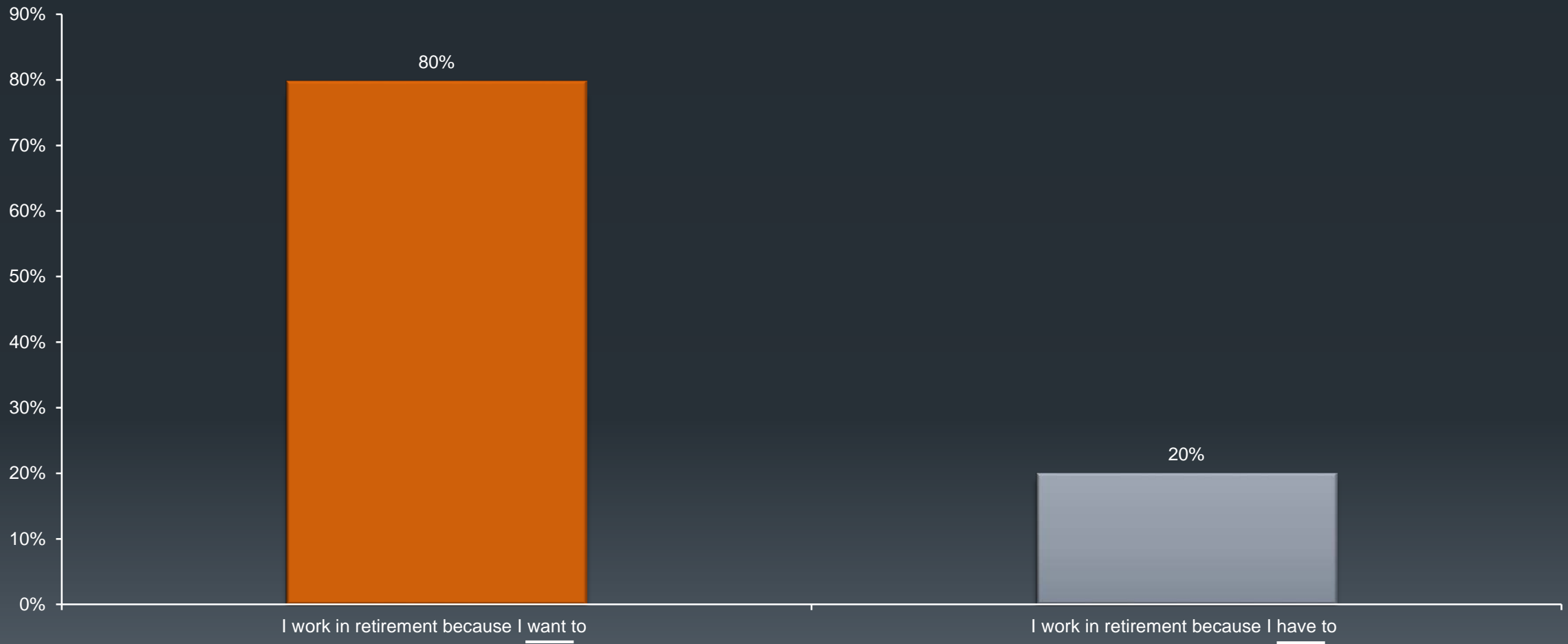
Best Practices: Japan

- Policies to promote flexible work
- Silver Center Workshops
- Increased retirement age

Case Example #3

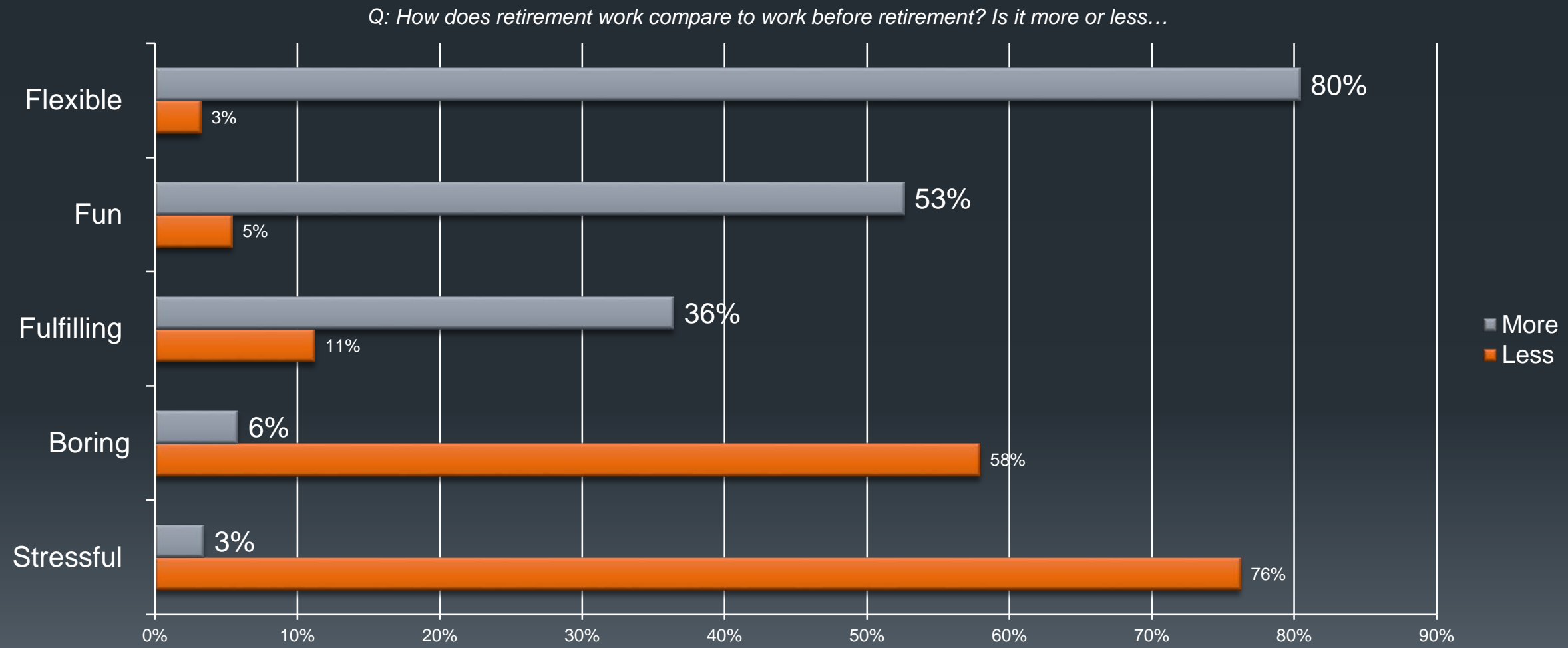
United States

Retirees are 4x more likely to say they are working because they want to vs have to



Base: Working retirees, age 50+

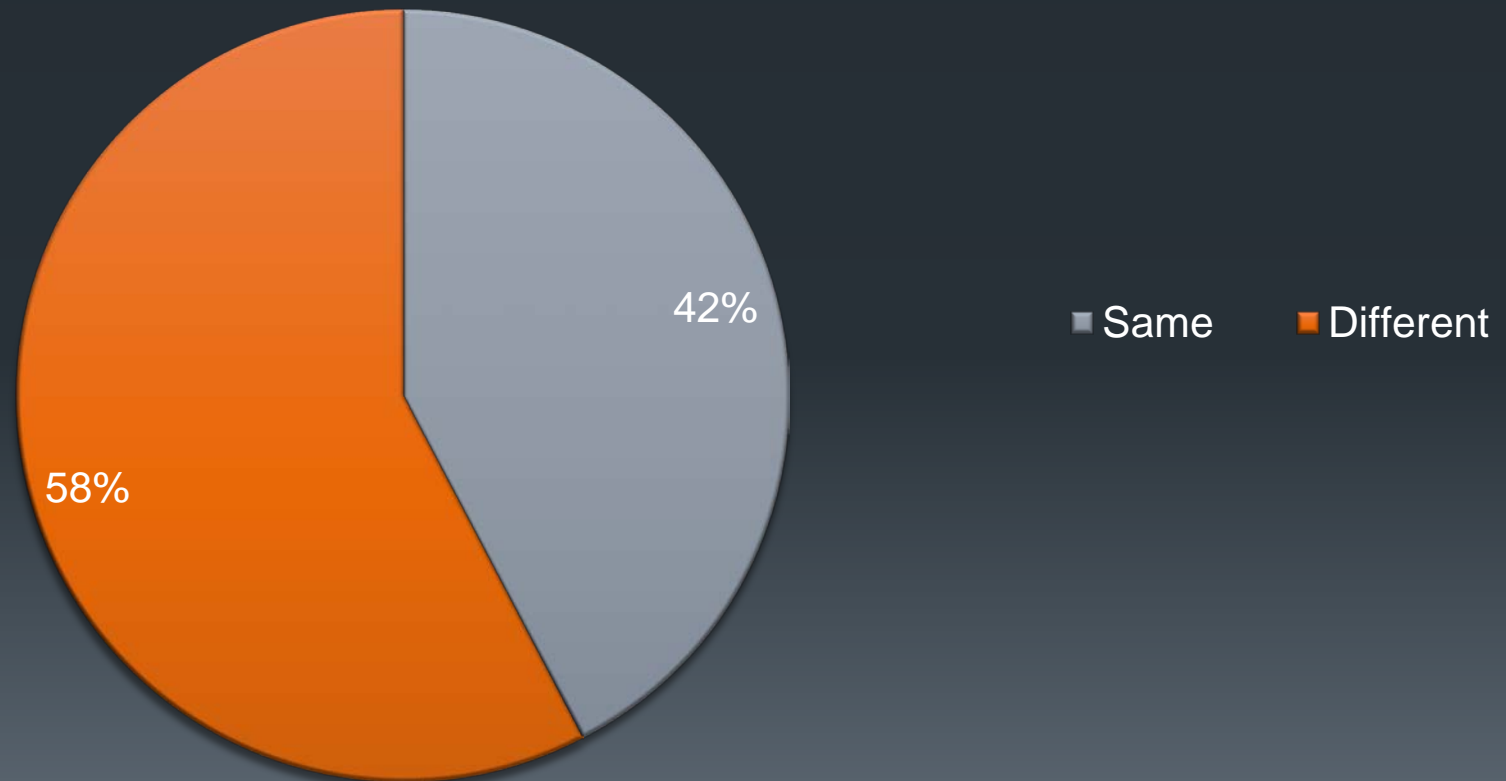
For most, retirement careers are far more flexible, fun, and fulfilling than pre-retirement careers



Base: Working retirees

6 in 10 Working Retirees **Have** Changed to a Different Line of Work

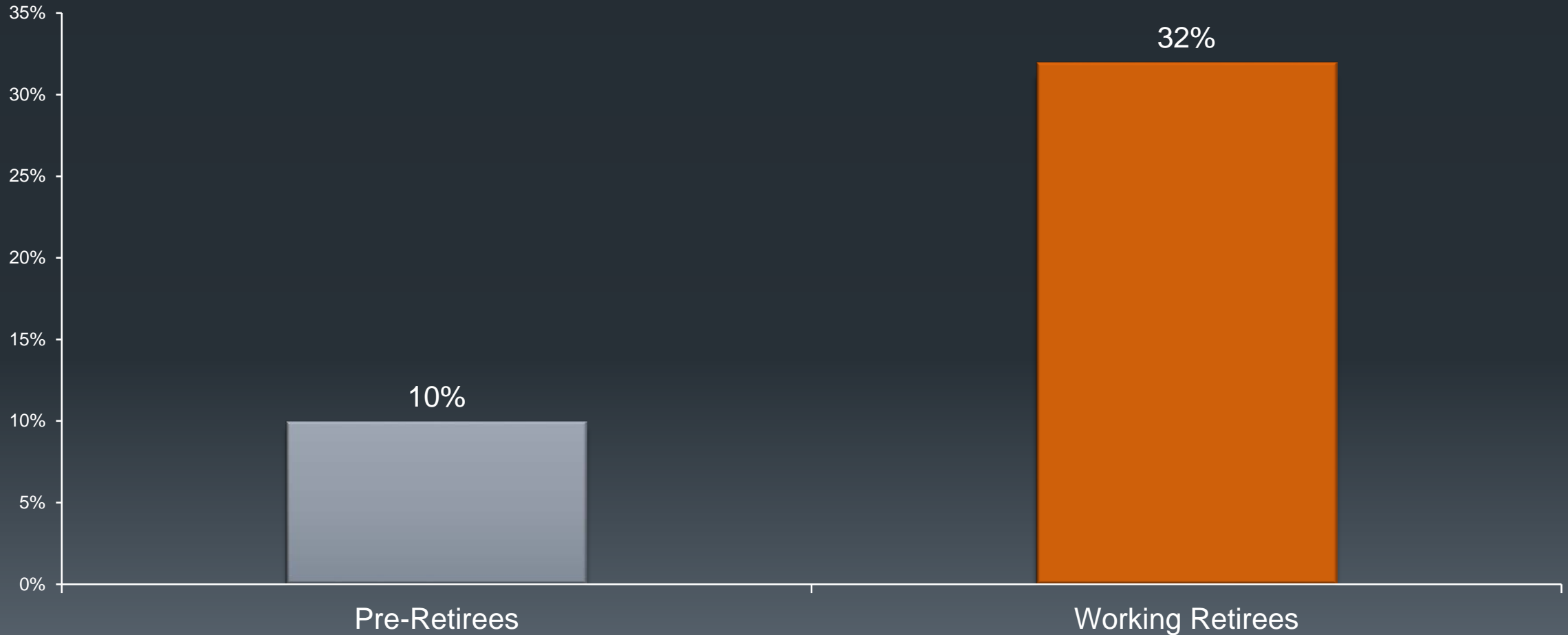
Q: Are you in the same or different line of work as your pre-retirement career?



Base: Working retirees

Working retirees are 3x more likely to be self-employed than pre-retirees

Q: What is your employment status? (% self-employed)



Summary

- The world is rapidly aging
- Massive talent shortage
- Mixed improvements in older workforce productivity
- Best practices to encourage continued employment in aging populations

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