

## Derrick Amey's Presentation

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The B  
Work

How shifting of  
innovations, a  
are shaping the workplace of the future

# The Evolving Workscape

How shifting demographics, technology innovations, and new employee expectations are shaping the workplace of the future





Life Tomorrow

- Based within MIT's School of Engineering's Engineering Systems Division
- Challenges and opportunities of longevity
- Consumer behavior and decision making
- Trends in demographics, technology, and lifestyles



**Disruptive Demographics**

**Innovation**

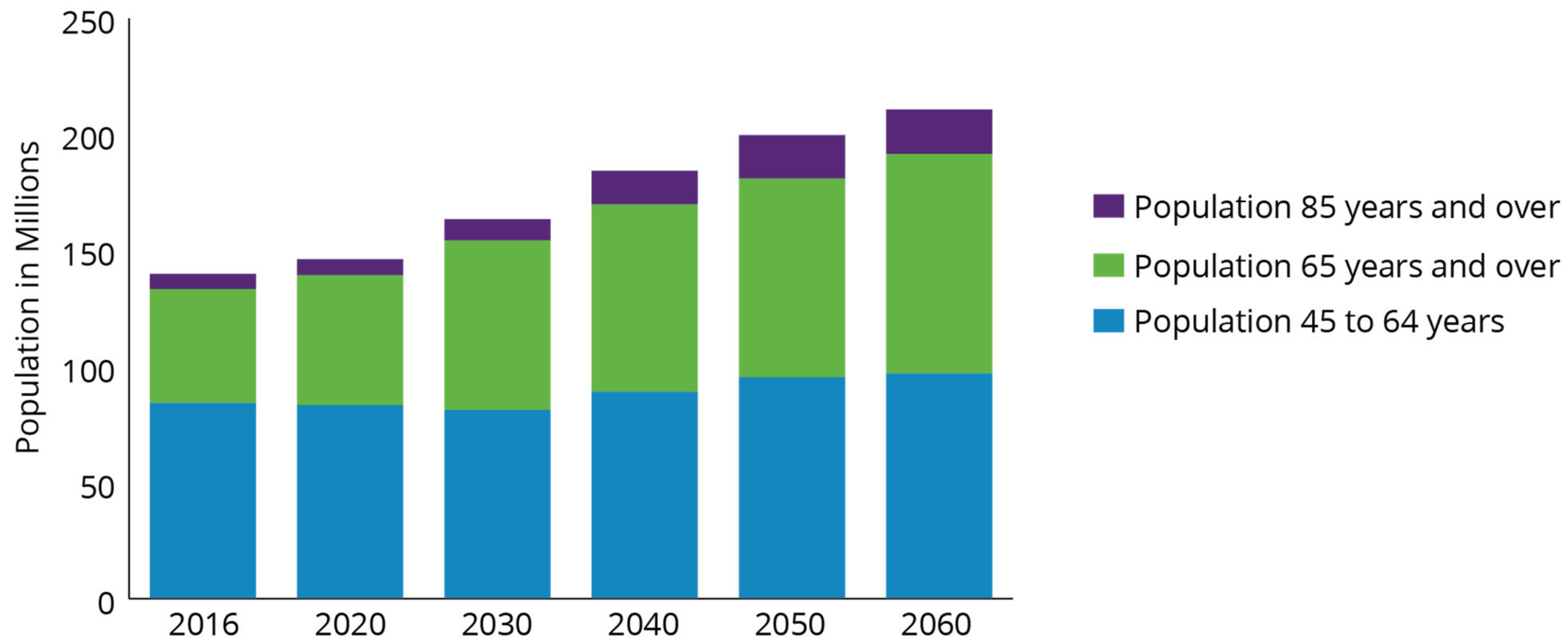
**New Social Contract**



# Disruptive Demographics

## Population Projection by Age

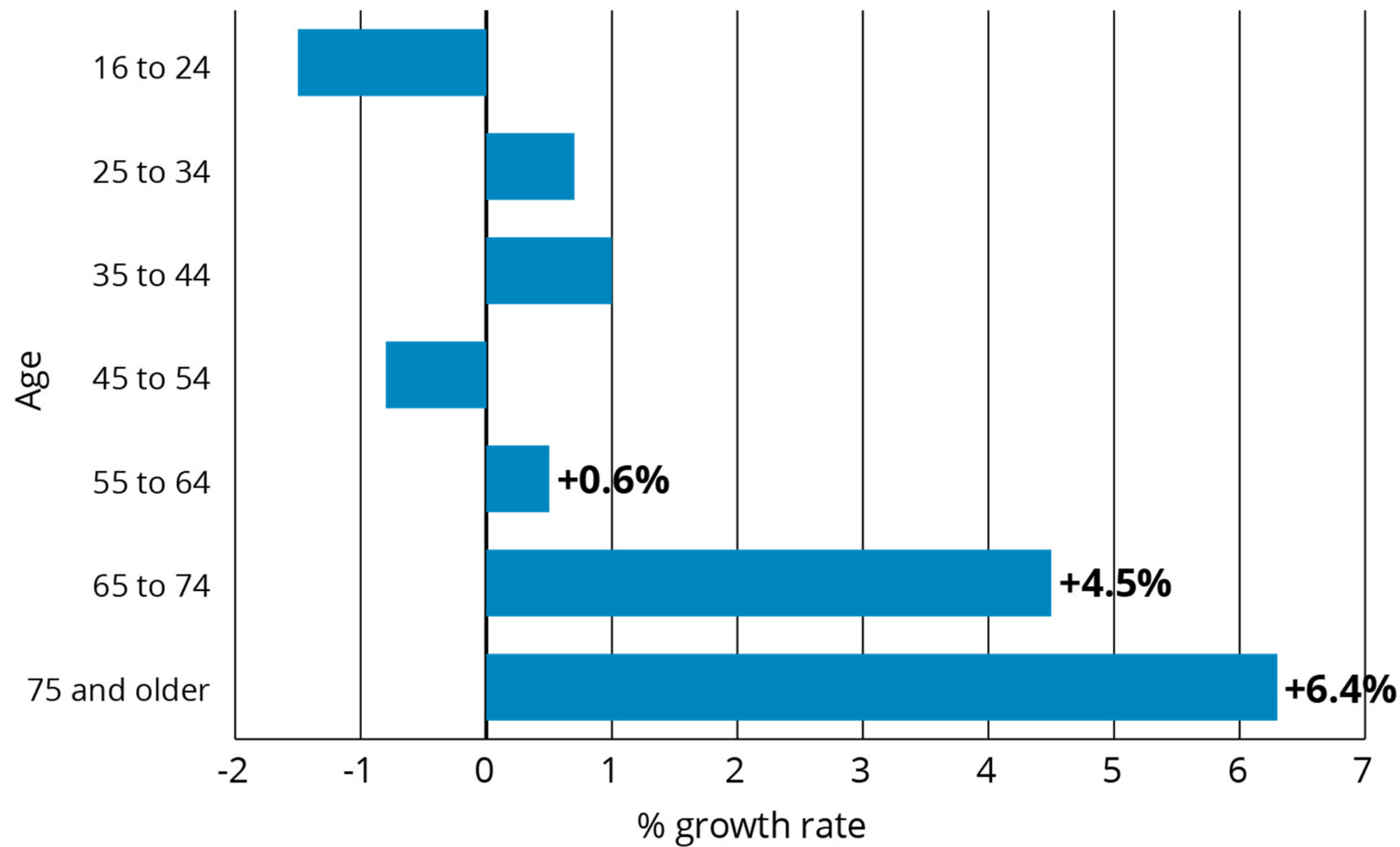
America is getting grayer



Source: Demographic Turning Points for the United States: Population Projections for 2020 to 2060, census.gov, March 2018

## Trending now: An older labor force

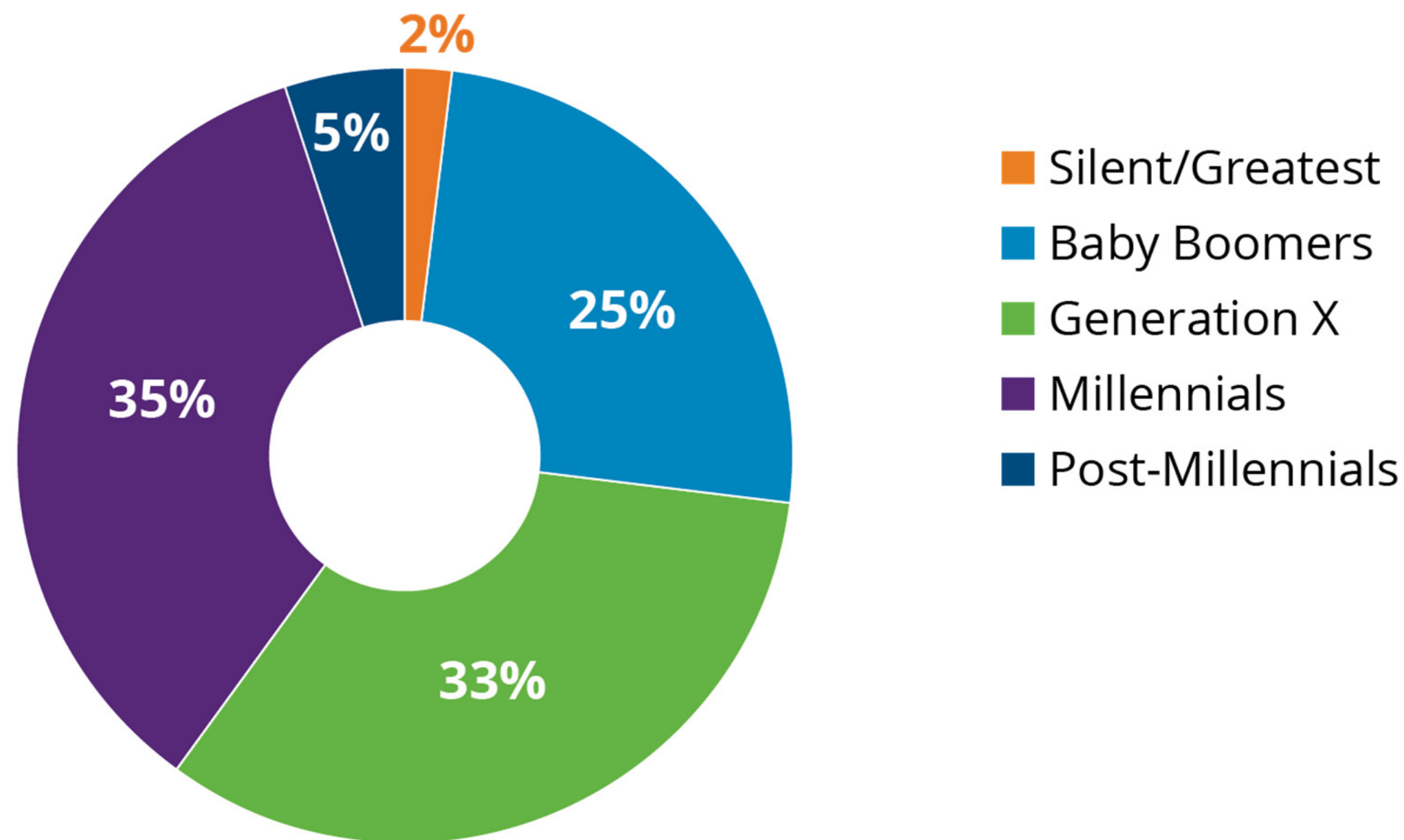
Projected annual growth rate in labor force by age, 2014-2024



Source: Older workers: *Labor force trends and career options*, bls.gov, May 2017

## Percent of Labor Force by Generation

More than a third of the workforce are Millennials (as of 2015)



Source: *Millennials are the largest generation in the U.S. labor force*, pewresearch.org, 4/11/18



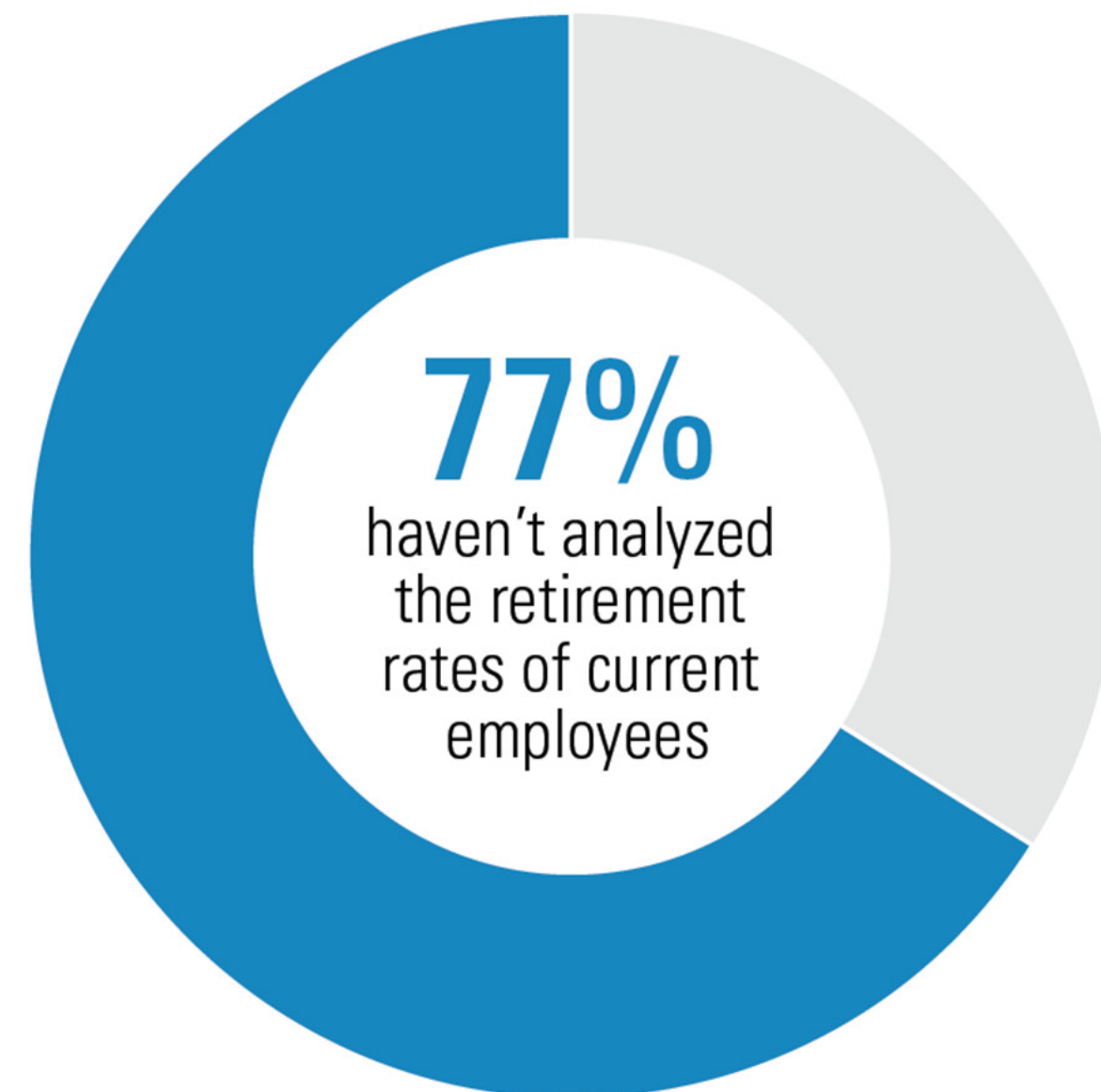
## The Looming Labor Shortage



## Brain Drain: Lack of a Knowledge Succession Plan

In a survey of 75 executives at midsize-to-large U.S.-based companies...

- 78% agree losing business-critical expertise is a bigger threat than five years ago
- 62% believe retirements will result in skilled-labor shortages over the next five years



## The Countable Costs of Replacing Retirees

It's not just dollars and cents



### Institutional knowledge:

- Products and processes
- Strategy
- Relationships
- Work ethic
- Culture carriers

### Productivity:

- Top performers often required to train new employees
- Other staff members take on additional responsibilities

Source: *5 Hidden Costs of Employee Turnover*, insperity.com, retrieved 6/20/18



**“Ever since we were taught to view longer life as a burden, not a gift, innovation around old age—in products, research, and policy—has been motivated mainly by the instinct to ease that perceived load, not make the most of a long, possibility-filled stage of life.”**

—Dr. Joe Coughlin  
*The Longevity Economy*

## Our concept of retirement: Built on a myth?

- The “Theory of Vitality”
- Aging itself is a biological process; “young” and “old” is socially constructed
- Why 65, anyway?



## The Realities of “Senior” Marketing

- Borden’s Gerilac
- Heinz Senior Foods
- Gerber’s Singles
- Chrysler DeSoto

Because old age has so many deep, negative associations, this theory goes, products that are explicitly aimed at the older user usually end up insulting and alienating the very people they’re trying to woo.

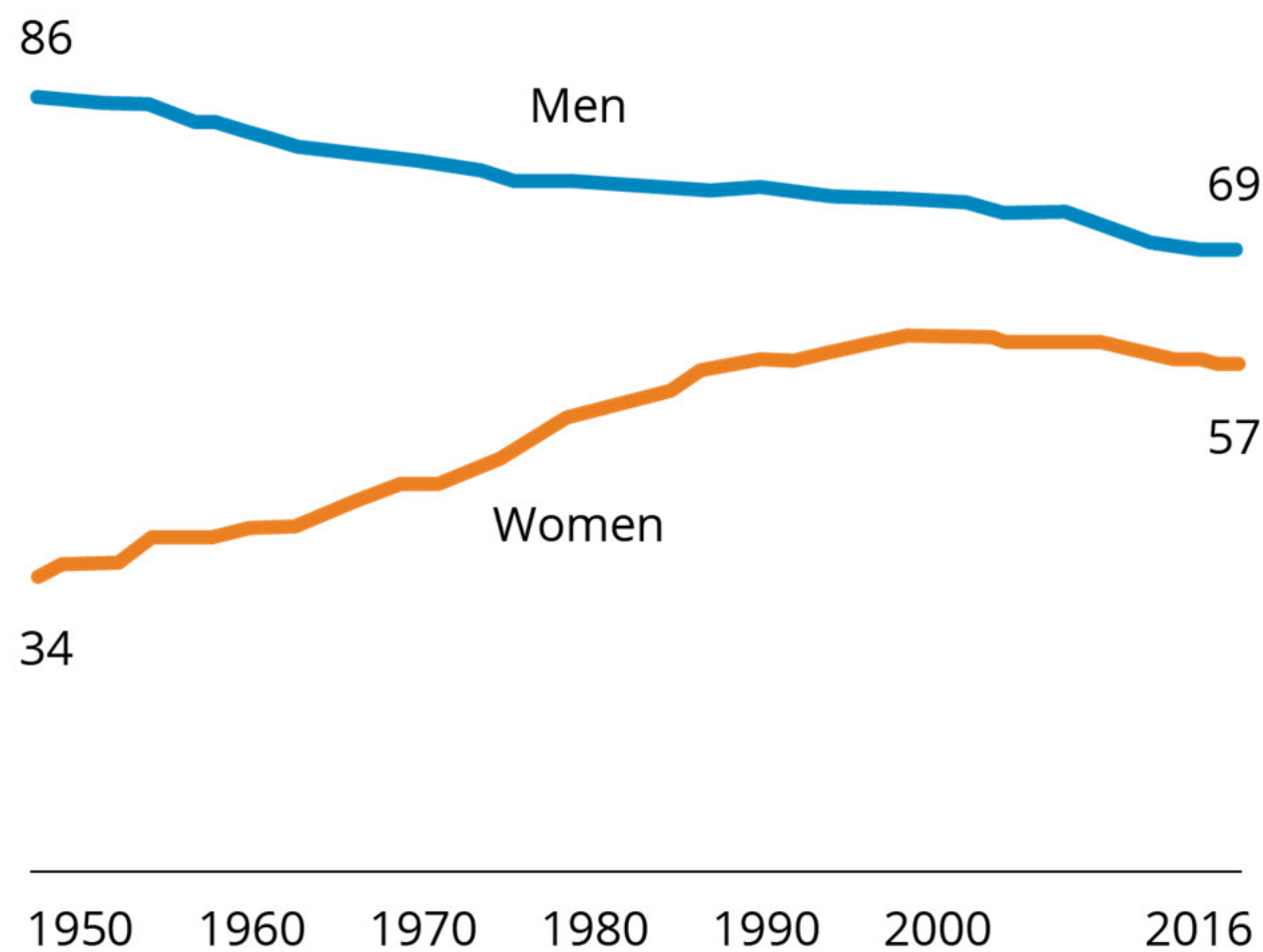
Dr. Joe Coughlin  
—*The Longevity Economy*



## Share of Labor Force Held By Women Keeps Growing

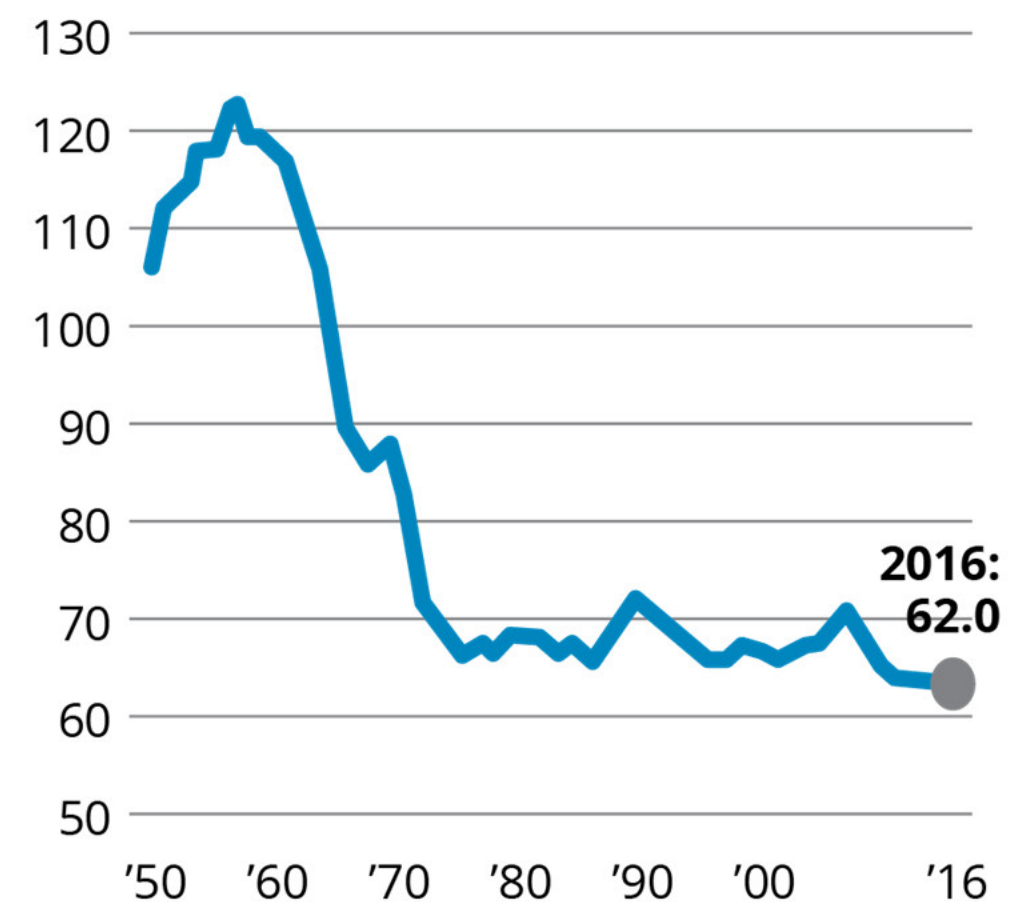
### Labor Force Participation Rate has Risen for Women, Fallen for Men<sup>1</sup>

Labor force participation (%), among those 16 and older



### U.S. Fertility Hit an All-Time Low<sup>1</sup>

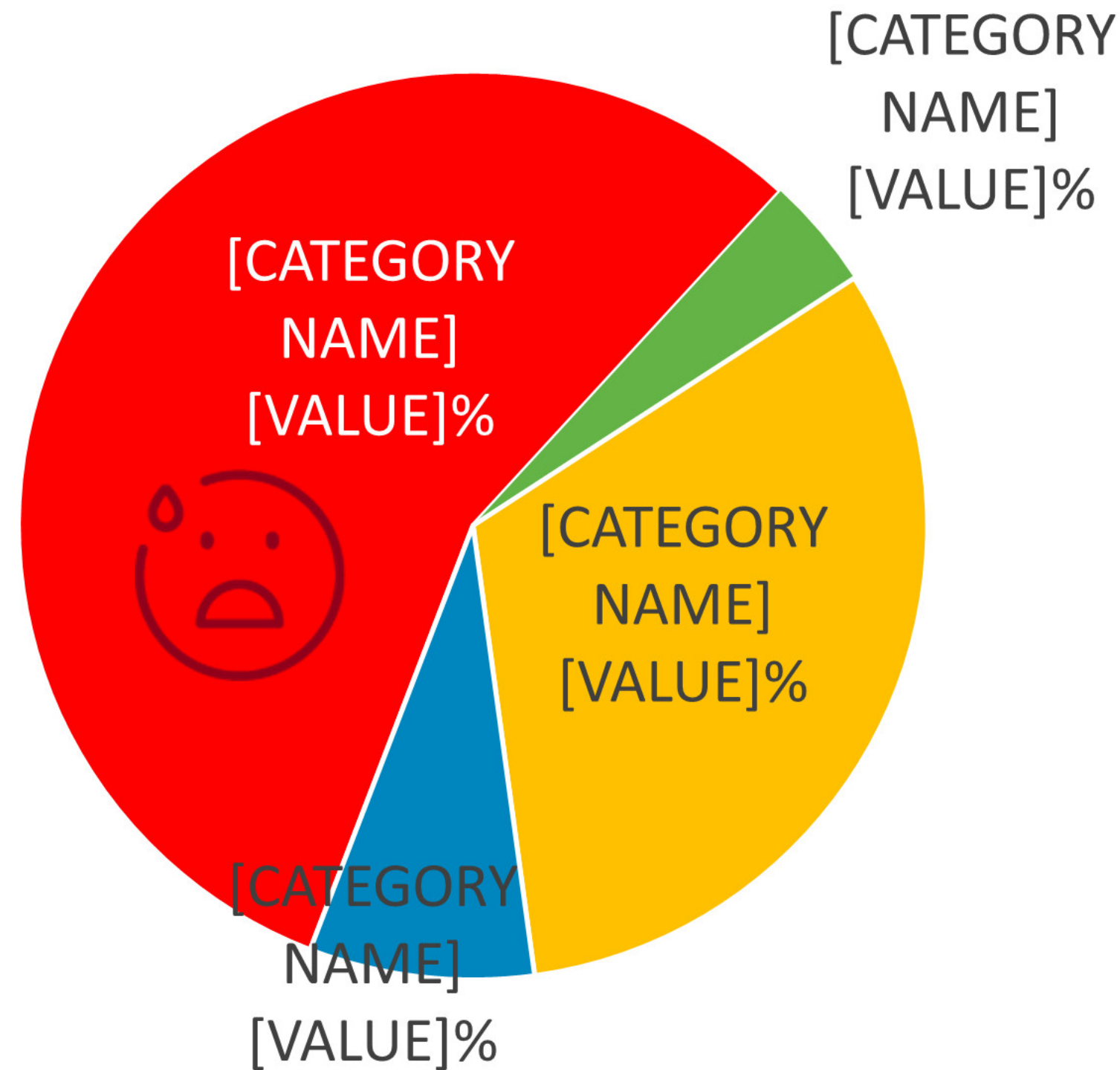
Births per 1,000 women ages 15-44



<sup>1</sup>Source: Labor force participation rate has risen for women, fallen for men, pewsocialtrends.org, 10/16/17

## When Participants First Retire, How Do They Feel?

Financial advisor survey, 2/20/18\*



\*Source: *Preparing Clients for 4 Retirements* webinar, Hartford Funds, 2/20/18

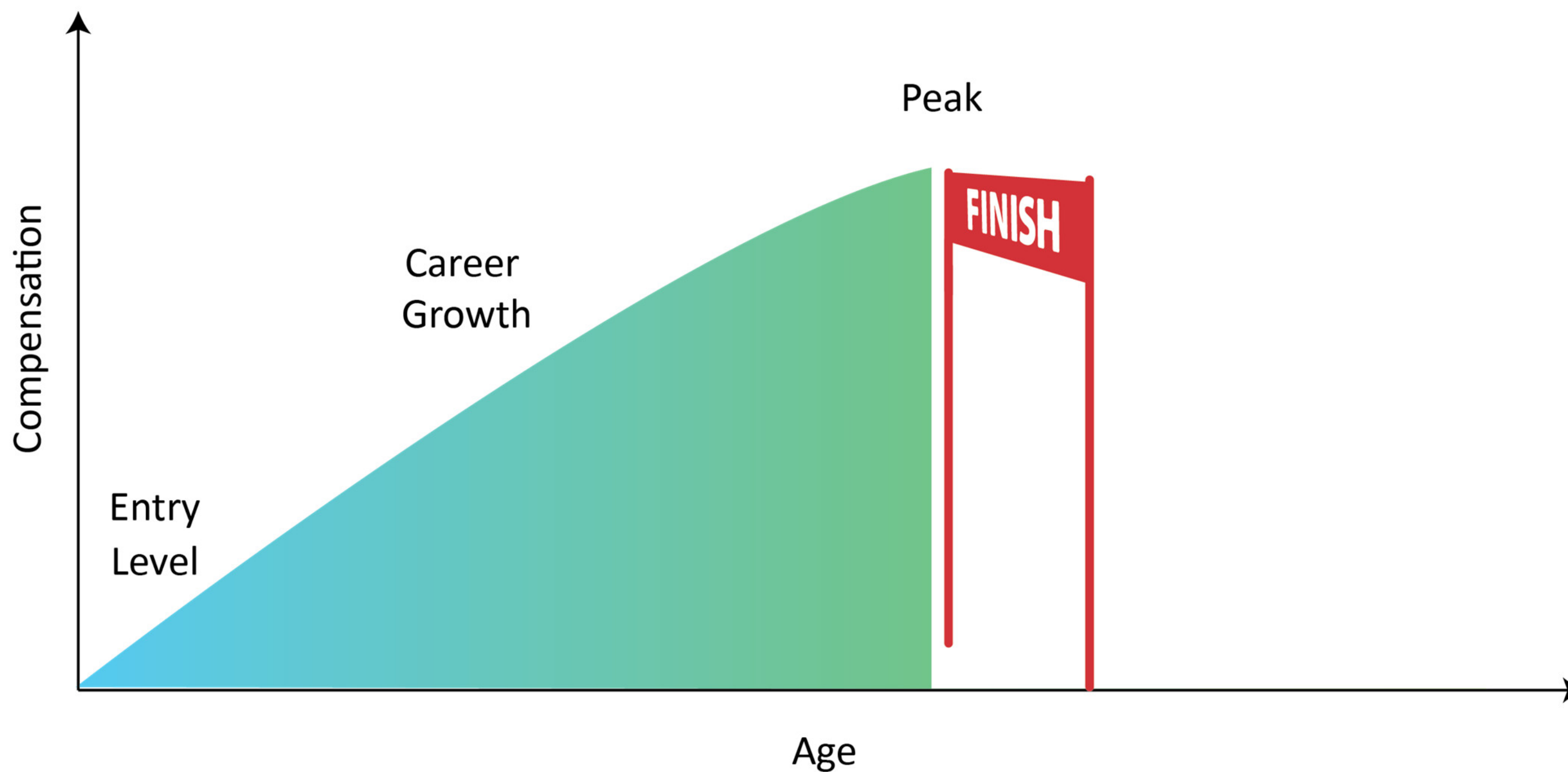


## Reasons for Working in Retirement, Among Retirees Who Worked in Retirement

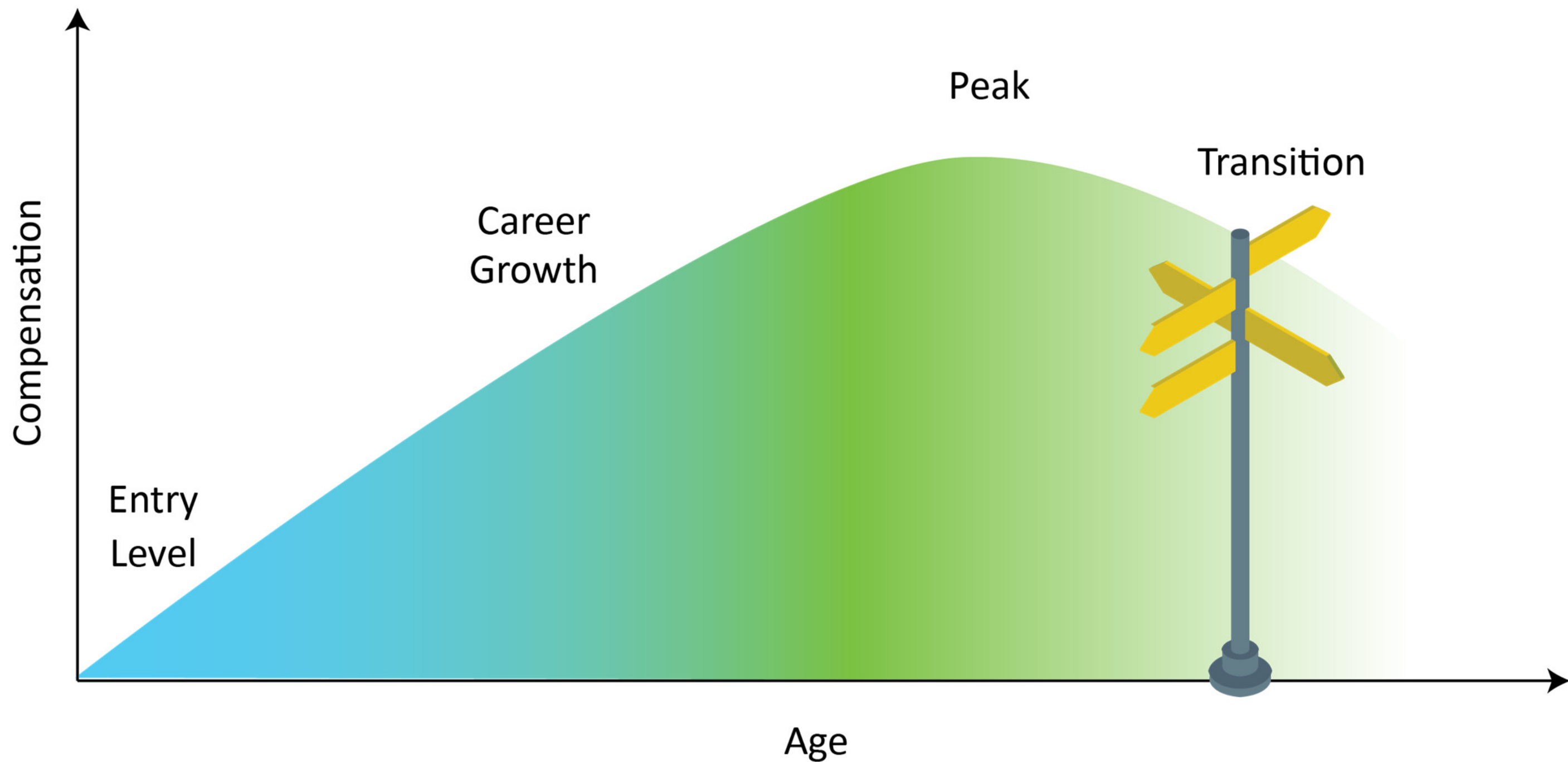


Source: *EBRI 2014 Retirement Confidence Survey*, p. 29  
Most recent data available.

## The Traditional Career Cycle...



## ...and the New Career Cycle





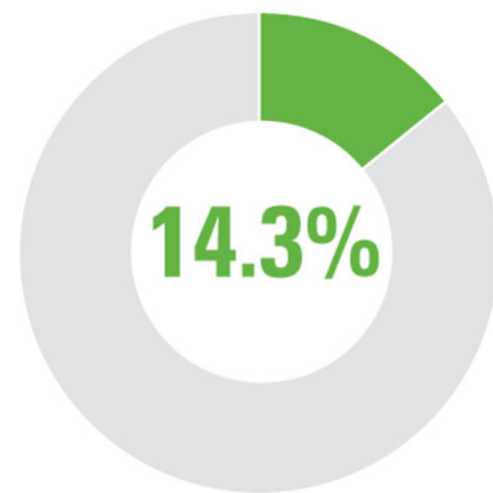
# Innovation

## The Gig Economy

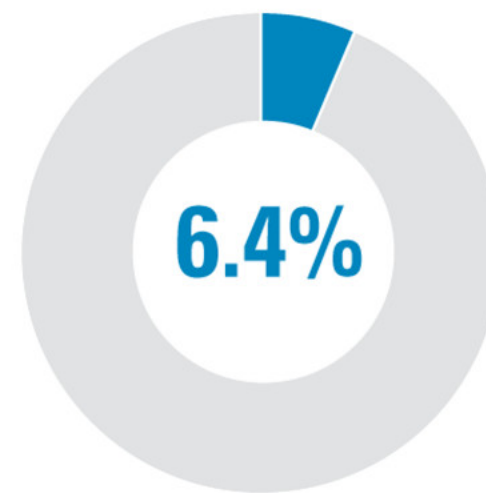
% working gig jobs



Workers 55-74



Workers 25-54



Workers 16-24



Source: *Retirees are working in more hipster fields thanks to the gig economy*, MarketWatch, 11/29/16

## It's not just our Uber drivers who are getting older

The C-Suite is getting older too

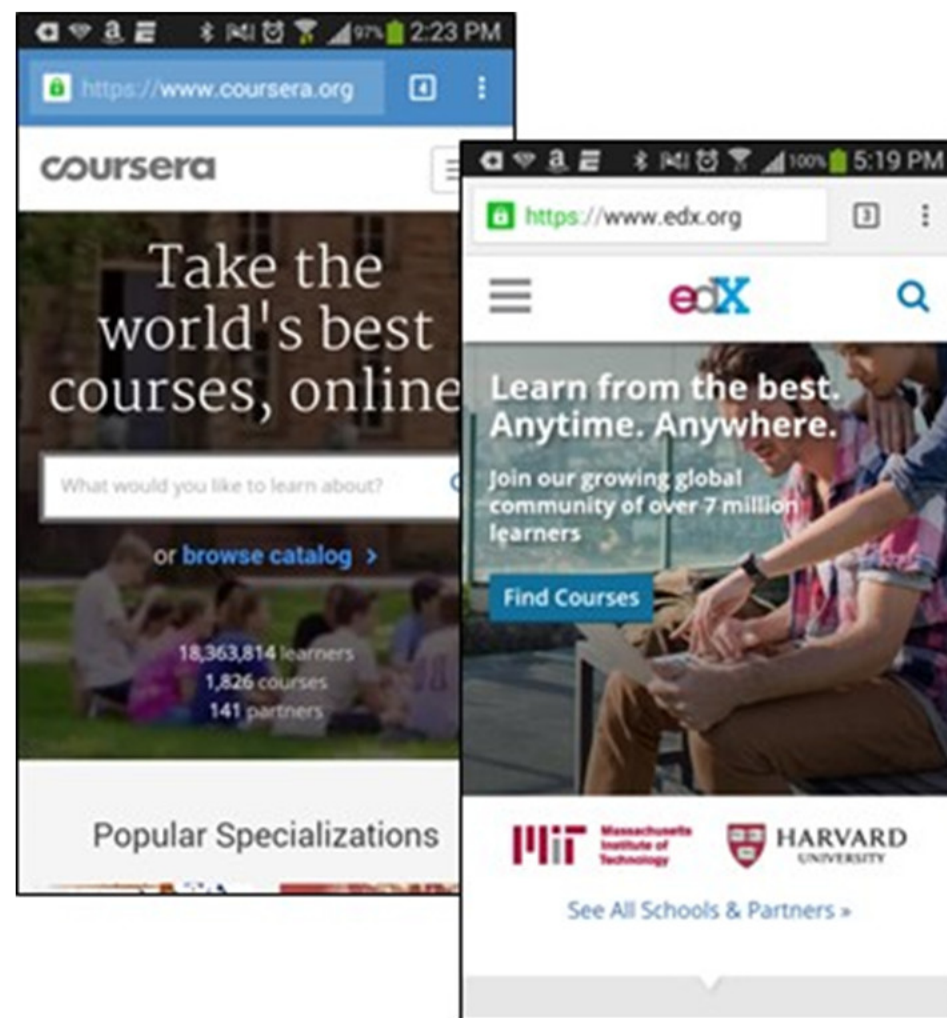


Source: How the average age of CEOs and CFOs has changed since 2012, qz.com, 9/11/17

Education

# School Is Never Out

**MOOCs** (*Massive Open Online Courses*)



## Generational Styles

- Work style
- Motivational style
- Interaction style
- Leadership style
- Communication style



What Does This Mean to You?

**“We need to get this project done.”**

## We Need to Get This Project Done

**Older Boomers:** Urgency; immediate action

**Younger Boomers:** An order

**Gen X:** An observation, not necessarily a command—nor immediate

**Gen Y:** Call for discussion & collaboration



## Employers

### New Spaces and Places: Collaborate, Educate, Concentrate



# Wellness Is More Than Financial

**Physical**



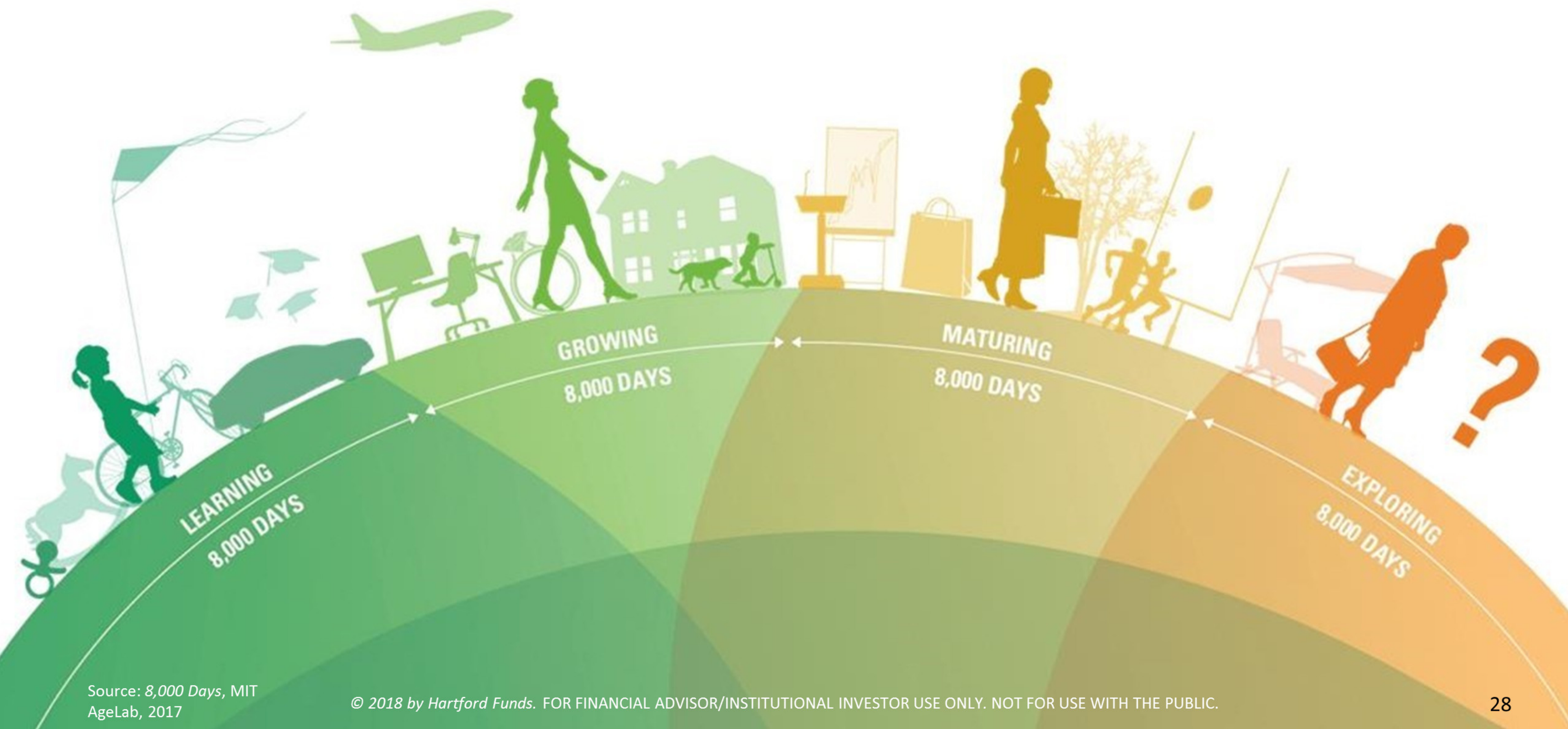
**Financial**



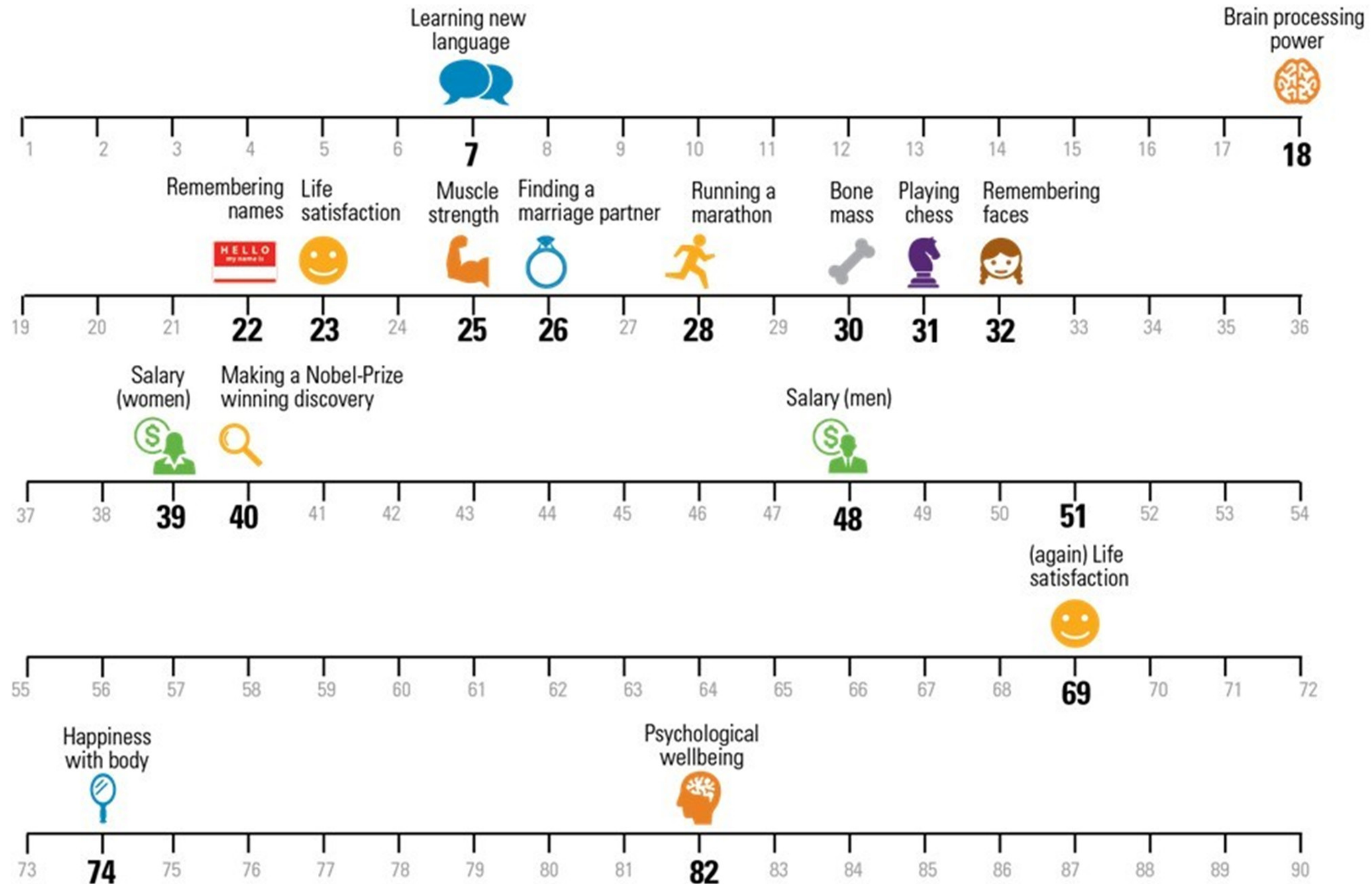
**Social**



# Life in 8,000 Day Segments



# The Age You Peak at Everything



Source: Here are the ages you peak at everything throughout life, Business Insider, 3/16/17



Who will  
change my  
light bulbs?



How will I  
get an ice  
cream cone?



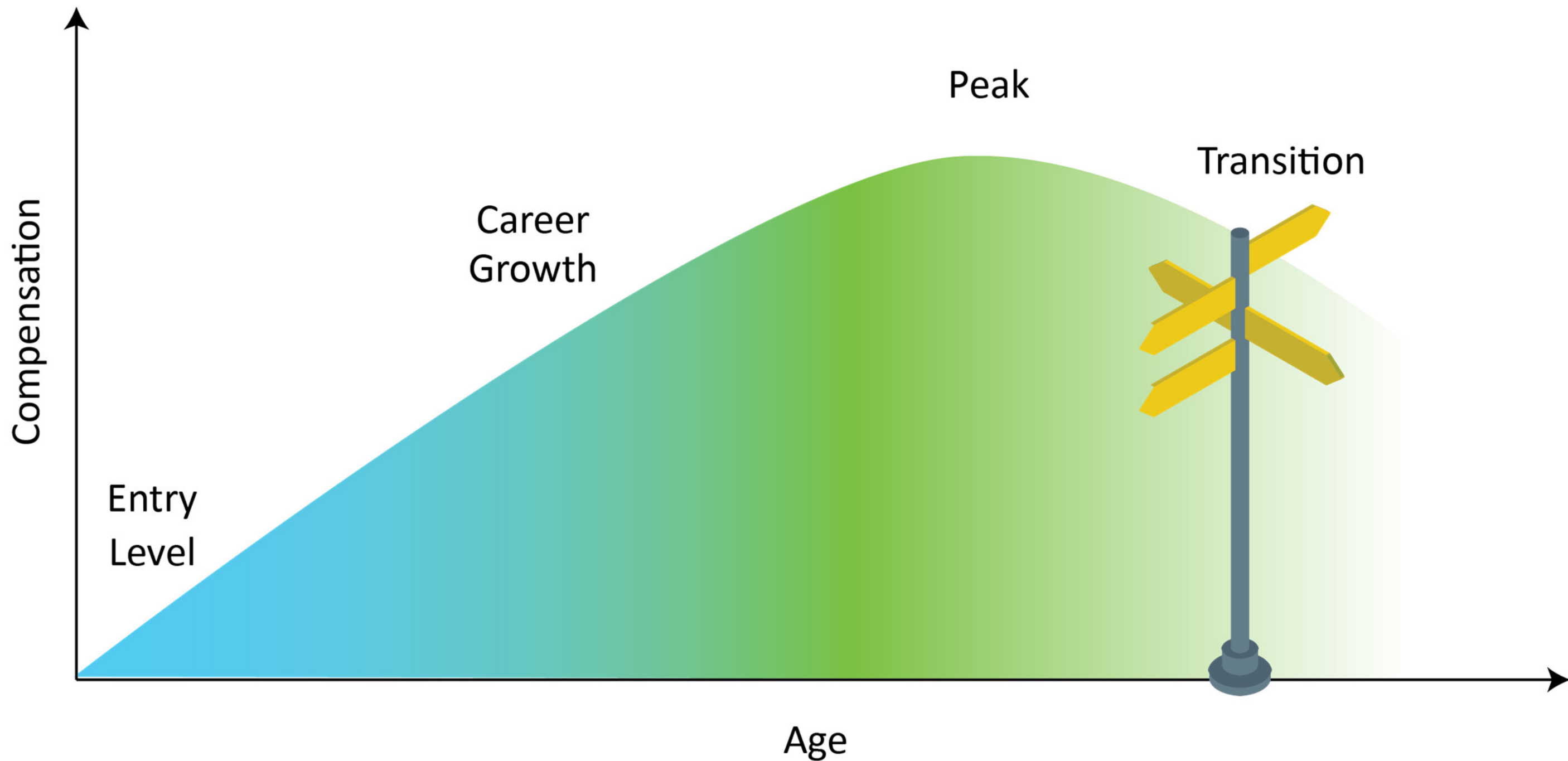
Who will  
I have  
lunch with?

# A New Social Contract



# Employers

## Compensation Packages: One Size Does Not Fit All



## Employers

### Customized Packages

Support employees' overall wellness needs



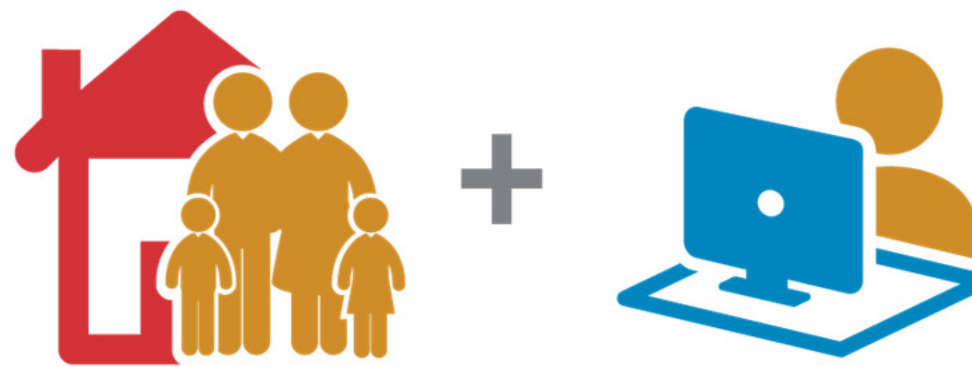
**74%** of employees say customized benefits are important when considering taking a new job

**72%** say it would increase their loyalty to their current employer

## Employers

### Be Life-Stage Friendly

Work and personal responsibilities aren't entirely separate



**76%** of respondents have difficulties managing personal, family, and work responsibilities

**66%** of resignations happening due to lack of work flexibility

Source: *The Future Of The Workplace And What HR Can Do To Prepare*, forbes.com, 7/7/17

## Employers

### Flex Time and Flexible Work

New policies may be necessary to keep valuable employees

- Working remotely
- Part-time work
- Job sharing
- Position redesign
- Phased retirement



## Employers

### Serve as a Solutions Hub

Understanding the different life-stage needs of employees is imperative

- Younger workers: may be motivated by income potential
- Middle-age workers: may seek income accumulation, retirement, and insurance
- Older workers: may be interested in income, but motivated by meaningful work and flexible hours



## Employers

### Workforce as Careforce

Caregiver benefits and programs are powerful retention tools

- Request info from your local agency on aging for counseling, support services, and child- and eldercare experts
- Offer related discounted products and services to employees and their families
- Provide access to free or low-cost workplace resources for caregivers of children and adults



## Employers

### Brain Gain vs. Brain Drain

Create a culture that values continuous learning

- Sharing knowledge and expertise
- Reverse-mentoring
- Coaching by senior employees
- Rotational assignments
- Intergenerational collaboration



## Employers

### Necessity: the mother of invention

Creative ways companies are wooing workers

- Snowbird programs
- Phased retirement
- Clever and cutting-edge offers





## Employees

### Multiple Jobs and Careers

Maintaining longevity and resilience in the workplace



## Employees

### Transition Funding vs. Retirement Planning



## Disruptive Demographics

The workforce makeup is changing

## Innovation

How companies are adapting

## New Social Contract

Flexibility is key





“...by having the insights, it’s not just going to be a better place to work that fosters wellbeing and community, it’ll be a more productive workplace and, therefore, a more *profitable* workplace.”

—Dr. Joe Coughlin, MIT AgeLab



## Next Steps

1. Evaluate your workforce demographics
2. Visit [hartfordfunds.com](https://hartfordfunds.com) to view resources
3. Offer topics like these in strategic planning sessions with senior management

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