

Getting the right people on the bus

Essay by Phyllis N. Segal

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Are boomers all dressed up with no place to go?

The *MetLife Foundation/Civic Ventures Encore Career Survey*, published earlier this year, found that as many as 8.4 million people between 44 and 70 are already in encore careers—jobs that combine greater meaning, social impact and continued income. They've clearly got someplace to go.

But the survey also found that tens of millions of others—in fact, half of all boomers not already in encore careers—would like to move into jobs that matter, jobs that improve the quality of life in our nation's communities. Will these boomers be able to find their encore careers?

The nonprofit sector seems the most likely place. According to the Urban Institute's *Nonprofit Almanac 2008*, there are approximately 1.4 million nonprofit organizations registered with the IRS. Within that number, you'll find an incredibly diverse group of employers—from hospitals to homeless shelters, foundations to food banks, advocacy groups to universities to chambers of commerce. A large majority of these are public charities, which in 2005 reported spending over a trillion dollars. By any measure, the nonprofit sector is a significant part of the U.S. economy, accounting for 5.2 percent of the nation's gross domestic product, over 8 percent of its wages and 10 percent of employment in our country.

The nonprofit sector is growing—faster than business or government—and the need for new nonprofit staff is growing, too. But will nonprofits look to tap the growing supply of willing encore workers to meet their workforce needs and help them achieve their missions? Virtually all are accustomed to hiring younger workers just starting out in their careers. Given the demographics and the current interest in encore careers, will hiring encore workers become prevalent too?

This survey and focus groups conducted by Hart Research are early steps in our quest for answers from nonprofit employers. In addition, I've traveled in the past few months to six cities to present data and gather input from scores of nonprofit leaders. For many of the people I talked with the term "encore career" was new, but not the idea. Often they said, "I'm in an encore career myself," or mentioned someone their organization hired who, after finishing his or her midlife career, had come looking for more meaningful work.

Most of the nonprofit leaders I talked with hadn't thought about the potential of encore workers to meet staffing needs or advance strategic goals. Their initial reactions typically were mixed—both cautious interest and skeptical push-back.

First, the interest. In person and in our survey, it seems clear that the vast majority of nonprofit leaders are, by and large, open to the idea of hiring encore workers. This survey finds that 50 percent of nonprofits see encore workers as highly appealing (rating them 8-10 on a 10-point scale), with an additional 39 percent finding them moderately appealing (rating them 5-7). Only 10 percent said that the idea of hiring encore workers was not appealing (rating them 0-4). It seems that nonprofit employers find encore workers at least as appealing as workers in other stages of life.

Most interesting, experience with encore workers increases their appeal. I call this the “try it, you'll like it” theory, and I've seen it over and over again. Those who have hired encore workers before generally have had positive experiences, and this encourages them to

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do so again. This does not mean that *all* those who have hired encore workers report great experiences—no stage-of-life profile substitutes for finding the right person for a particular job and then engaging him or her successfully. Effective talent management is not that simple. But this scenario does bode well for the future. As more nonprofits hire encore workers, research shows that they will be predisposed to recruit even more.

Some nonprofit leaders are already enthusiastic proponents of hiring encore workers. They see that adding encore talent can improve organizational effectiveness and, as a result, save or raise money. They see the value of a multigenerational workforce, with two-way mentoring (older employees helping younger ones with problem-solving, and younger ones helping older ones with technology skills, for example). They see that creating a new “flexibility paradigm” for how roles and jobs are designed and structured could make nonprofits attractive not only to encore workers, but to younger workers as well, since these bookend generations both strongly desire flexibility.

And they see that some encore workers have capacity-building skills they never thought they could afford—in human resources, development, marketing, information management, evaluation and more. Employers, particularly in the health and education fields, see that encore talent can help ease the gap between workforce needs and the supply of people to do the work. Other employers see that recruiting people interested in encore careers expands the talent pool to find the best candidate for each job they need to fill. They know that a nonprofit that fails to search broadly when filling important positions sells its mission short.

Some nonprofit employers see the value of recruiting employees who understand the needs of older clients. When a wellness campaign dramatically increased the number of older adult members, the YMCA of Greater Rochester changed its recruitment practices and employment policies to engage more 50+ fitness instructors and trainers.



As for the skepticism, there are some repeating themes. Money is the first and most obvious issue for the notoriously underfunded nonprofit sector. In hard economic times, anxiety about resources increases, and as this survey confirms, the cost of hiring is a top employer concern. Can the organization *afford* to invest in human talent management? Is it *too costly* to hire an encore employee?

These are valid questions, but some of the assumptions underlying them are a product of misconceptions that information could ease. For example, encore workers who stay in the job longer can save an organization the cost of additional hiring and training down the road. Similarly, the assumption that an encore worker would expect compensation above a nonprofit's wage scale—to match a previous corporate salary—ignores the drivers for transitioning to an encore career. And the belief that health care costs are inevitably and significantly higher for older workers may be missing the wide range of benefit options and data suggesting, for example, that while costs do increase, the differential in dollar terms is not large.¹

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¹Mermin, G.B.T., Johnson, R.W., & Toder, E.J. (2008, July). *Will Employers Want Aging Boomers?* The Urban Institute, 12-13. www.urban.org/publications/411705.html

Second, anticipated gaps in technology and other skills worry employers who question whether encore workers would be unwilling or unable to learn and adapt to new technology (62 percent in the survey see such reluctance as a serious or moderate concern). On the other hand, the *MetLife Foundation/Civic Ventures Encore Career Survey* tells us that learning new things is a top desire expressed by people interested in encore careers. Moreover, when it comes to making an actual hiring decision, employers can and should screen each job applicant to be confident that he or she is willing to strengthen the skills needed to be successful at work. That way, staffing decisions are based on individual qualities, not group-based stereotypes.

Finally, skeptical nonprofit leaders raise the possibility of unintended consequences. Will hiring more encore workers create glass ceilings that prevent the advancement of mid-career staff? Reduce employment opportunities for younger entry-level people? Lessen pressure to make nonprofit salaries competitive with the for-profit sector (because encore workers may settle for lower nonprofit salaries)? Impede achieving racial diversity? For the most part, these concerns result from a “zero-sum” perspective: Nonprofits will hire encore workers or promote from within or hire entry level or younger mid-career workers. There is a faint echo in some of these questions of concerns I heard decades ago about women entering the workplace.

So which will it be? What a waste if misconceptions and fear of illusory slippery slopes shut the door to this source of human talent. I hope the questions nonprofits grapple with will quickly shift to *how*, not *whether* nonprofits engage encore talent. It’s certainly fair to ask how nonprofits can benefit from an encore workforce windfall while mitigating the risks of any unintended consequences.

Nonprofit leaders who identify recruiting and hiring the talent they need as a top concern are recognizing the importance of what *Good to Great* author Jim Collins calls “getting the right people on the bus.” The encore talent pool can help nonprofits meet this critical challenge. In fact, encore workers are already doing so at nonprofits across the country. The extent to which their numbers will grow in the coming years depends on whether the nonprofit leaders already on the bus act to capture this opportunity. And what policy makers, communities, educational institutions, funders and others, including encore workers themselves, do to help them. ■

Getting Started

Ask nonprofit leaders how to make hiring more encore workers a reality, and they have no shortage of practical ideas. Here's a list culled from recent meetings and brainstorming sessions across the country.

- Create an online or in-person talent bank to help employers find encore workers. Arizona's got one that certifies employers as "Mature Worker Friendly" and provides job posting and application opportunities for encore workers.
- Start an "encore employment agency"—as an intermediary that finds, recruits, and screens potential candidates and then connects them with potential employers.
- Encourage Workforce Investment Boards (WIBs) to target encore workers. These regional and local boards shape workforce development strategy, help to direct public funding to programs and oversee one-stop career centers, where job seekers can get employment information and employers can access services.
- Create opportunities for encore internships or fellowships to give those in the second half of life a chance to learn more about nonprofits and provide nonprofits a chance to experience how encore workers can help advance their missions.
- Encourage corporations to facilitate encore transitions—through retirement planning, service learning opportunities, life coaching and outplacement assistance.
- Collaborate with other nonprofits to recruit and employ encore workers. Although resources are scarce, especially for smaller nonprofits, adding together the efforts, time, and—yes—wallets of several nonprofits might allow for a combined development effort, for example.
- Think creatively about potential new roles, restructured jobs, and ways to give employees of all ages the flexibility they want and need.
- Partner with others, such as nonprofit associations or local educational institutions, to provide training to close gaps in technology skills.
- Train those who screen resumes to look carefully at nontraditional candidates and understand how to translate potentially valuable life experience.
- Create a diverse, multigenerational workforce and a workplace culture that respects, appreciates and comes to expect the benefits of a staff that includes all ages.
- Advocate for funding to strengthen human talent recruitment and retention—it's just as critical a need in the nonprofit sector as it is for other employers.

— *Phyllis N. Segal and Cal J. Halvorsen*