

Playing Boomer Musical Chairs in the Workplace

Boomer Workers and Employers “Not Talking” About Retirement Plans and Missing Expectations

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Toronto, ON – Many working boomers in Canada appear to be caught in a game of musical chairs in the workplace, and once the music stops they might not be happy with the chair they’re sitting in, according to a new Ipsos Reid poll of working Canadian boomers aged 50 to 64 and their employers, conducted on behalf of Life’s Next Steps. The survey revealed a gulf in expectations between working boomers and their employers when it comes to talking about and planning for retirement.

One half (48%) of working boomers do not have a plan as to when they would like to retire from their current job. While 52% say they do have a plan, only 14% strongly agree that they have a “well thought out and developed financial plan”, and only 15% strongly agree that they have a “well thought out and developed life plan as to what they’re going to do with themselves in the years after they reach the age of 65”.

Moreover, most (68%) working boomers with a plan have not shared it with their employer, potentially creating a situation where employees and employers are not on the same page about when and how the boomer intends to approach the latter years of their career and retirement. If employers are thinking that their boomer employees will simply retire at age 65, they might be surprised by their intentions:

Just 37% of working boomers expect to observe a hard-stop retirement at a specific time when they can exit the company and then go on to do whatever they want. A majority (63%)

intends to phase into retirement, either by working flexible hours or part time leading up to a specific time when they could exit the company (34%), or by staying on with their current employer so they could continue to work full time or part time (29%).

Among the 63% who would choose to continue on past a hard-stop date, six in ten (59%) would do so on a part-time basis, while four in ten (41%) would want to work full-time hours. Further, it appears that most would want this situation to continue for quite some time, with most (70%) saying they'd continue to work for 5 years (30%) or more (40%), while significantly fewer suggest they'd only continue working for one (3%), two (10%), three (14%) or four years (3%).

Half (49%) say they'd continue to work because they want to stay active and challenged, while the other half (48%) would continue on because they need the money and/or benefits. Three percent (3%) have some other reason they'd want to stay on.

Perhaps as a result of a potential difference in employee intentions and employer expectations, nearly one quarter (22%) of working boomers 'agree' (7% strongly/15% somewhat) that they're scared to raise their retirement plans with their employer because they fear they might not be treated well in the interim. Similarly, one in three (35%) 'agree' (12% strongly/23% somewhat) that talking about retirement and options with their employer would likely be awkward and sometimes difficult.

Likely a result of this apprehension among many, a majority (59%) of working boomers 'agrees' (19% strongly/39% somewhat) that their company would benefit from a standard, third-party, professionally run program put in place that could provide employers and employees with clear expectations of when and how they might retire from the company or



stay on to help in further work. Most (72%) employees say they'd be 'likely' (40% strongly/32% somewhat) to participate in this type of program if their employer offered it.

Employers, Working Boomers not on the Same Page about Retirement Plans...

In addition to the survey of working boomers, a similar poll was conducted among managers and executives who have employees aged 50+ who report directly to them. The data revealed that while a majority of working boomers indicated that they would want to ease into retirement through flexible hours or even continuing to work past a hard stop date, only 21% of employers said it was very likely that at their company an employee leading up to traditional retirement age could ease into retirement by working flexible hours or part time leading up to a hard retirement date, and only 33% indicated that their company would be very likely to allow an employee to stay on with their company after a traditional stop date to continue working full or part time.

Perhaps as a result of this apparent gulf in communications, six in ten (60%) employers 'agree' (17% strongly/43% somewhat) that their company would benefit from a standard, third party, professionally run program put in place that could provide employers and employees with clear expectations of when and how they might retire. In fact, one half of managers and executives say their company would be 'likely' (26% very/24% somewhat) to participate in a program like this.

These are some of the findings of an Ipsos Reid poll conducted between December 7 and 14, 2009, on behalf of Life's Next Steps. For this survey, two national samples from Ipsos' Canadian online panel were interviewed online: 804 working Canadians (boomers) between the ages of 50 and 64 inclusive



and 254 managers and executives who have direct reports aged 50+. Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. A survey with an unweighted probability sample of this size and a 100% response rate would have an estimated margin of error of +/-3.5 percentage points, 19 times out of 20, for the sample of employees and +/-6.2 percentage points, 19 times out of 20, for the sample of employers. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error. No self-employed Canadians were included in the sample of working boomers.

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