

How the American Workforce Is Shifting



Image: <https://pixabay.com/en/businessmen-silhouettes-meeting-1039905/>

The American workforce has been shifting steadily for several decades now and is changing in ways that are both obvious and not so obvious. Women, for instance, make up a much larger percentage of workers ([51%, to be exact](#)), which is a rather clear alteration that took hold in the 1960's during the Women's Liberation Movement. Another gradual shift is the amount of Millennials at work now - [one in three employees](#), as it happens, is part of Generation Y.

Both of these additions might come across as fairly evident, but a more subtle change in career paths is due to the increase in population, combined with the growth in employee longevity. As more individuals populate the planet, more employees continue to remain in the workforce, which has created a rather atypical work environment on the whole. In fact, [according to the Bureau of Labor](#), workers 75 years and older are the age range with the fastest projected growth over the next nine years.

So what do these insights and numbers mean to employees? What do they mean to employers?

There are ways to handle the future of the job market, particularly when it come to preparing for the continuation of older workers. However, despite the fact that many organizational heads acknowledge this increased growth, the Society for Human Resources Management (SHRM) [has found in a recent study](#) that companies are just not ready for it.

The reason for the older demographic remaining in the workforce is reflective of several factors - the predominant factor amounting simply to a person's economic status and the need to continue working after the recession. There have also been a number of reductions on government and unemployment benefits, [according to PEW Research](#), which have impacted this growth.

In further examining how companies are reacting to this growth, the [SHRM Aging Workforce Survey](#) found that 20% of employers had determined that they did not need to enact changes in their current conditions or benefits. Furthermore, around 50% of the total survey participants stated that they keep track of their number of employees eligible for retirement within the next 1-2 years, which is around 10%. These same respondents admitted that they did not expect this ratio to impact their organizations.

Perhaps this is due to the rather trendy notion of phased retirement. [Phased retirement](#) provides an option for eligible older employees to downsize to part-time hours and begin to collect their earned retirement benefits. The premise makes a lot of sense for both organizations hoping to retain experience and still-capable employees who are not quite ready to shift out of the workforce yet. But are companies actually able to offer this option?

[According to Forbes](#), not yet. Though a new phased retirement program has recently been enacted at the federal level, the number of private organizations taking the plunge is few and far between. And truthfully, the option is not a viable one for [every retirement-eligible employee](#), though it is certainly an appealing choice to many - and a decent solution to this shift in workplace demographics.

Cowden - a leading independent consulting firm specializing in compensation, health & benefits, and retirement - is particularly adept at helping employers develop a balanced workforce to handle these variations in demographics. Our company offers client-focused and tailored strategies that will assist in bringing things together in a smart and cost-effective manner.

With many more issues to face, it will be up to employers and the companies they run to find the best solutions that will function for them - be it Millennials, an older population, or shifting government regulations they will inevitably confront.

Not to mention [the threat of robots](#), of course.

Resources:

<https://www.randstadusa.com/workforce360/workforce-insights/top-10-ways-millennials-are-transforming-it-departments/270/>

<http://www.forbes.com/sites/kerryhannon/2015/01/12/new-shrm-survey-finds-organizations-unprepared-for-aging-workforce/>

<http://www.pewresearch.org/fact-tank/2014/01/07/number-of-older-americans-in-the-workforce-is-on-the-rise/>

<http://www.bls.gov/careeroutlook/>

<http://www.jobscience.com/blog/the-aging-workforce/>