



A Point of View on Longevity.

**Authored by Andrew Scott, Professor of Economics at London Business School,
Co-founder of The Longevity Forum and co-author of “The 100 Year Life – Living and Working in an Age of Longevity”**

Longer Lives, Longer Career

The good news is the average American is living a lot longer than they used to and most of those extra years are spent in good health. In 1912 the Sherwood Act introduced a pension for veterans. In the more than 100 years since, life expectancy at birth has risen by 24 years (Our World in Data, n.d.). Someone today aged 65 can expect an additional 10 more years of life compared to someone aged 65 in 1912.

This is a fantastic achievement - worthy of celebration. It does, however, have profound implications for the world of work. The math is simple – if you aren't prepared to save more, you will need to work for longer. Based on current estimates of interest rates, every 10 more years of life implies seven more years of working (Poterba, 2014). The shift is already happening. Over the last 20 years U.S employment has risen by 22 million and 19 million of those jobs are accounted for by an increase in working amongst those aged over 50 (Scott, 2019). The Bureau of Labor Statistics predicts that by 2028, one in three people aged 65 to 74 and one in eight aged over 75 will still be working (Bureau of Labor Statistics, 2019).

Whilst firms are adapting to the needs of an older work force, the pace of change is slow. There is still evidence of ageism in the workplace and older workers are more likely to be laid off and discriminated against in hiring. This ageism is based on out of date stereotypes - assuming older workers have less education and diminishing capabilities - both facts which apply less and less to this age group today.

Given the size of the baby boomer population that is moving into retirement, firms need to quickly switch their attention to how to preserve this experience in the workforce. Finding ways to exploit the productivity that arises from diverse intergenerational teams and focusing on providing more flexible work that benefits all ages but are highly valued by older workers. Firms need to create roles that utilize the comparative advantage of older workers and match them with an ageing consumer base will become key commercial advantages.

From the individual perspective much has to change too. Traditional career paths and ways of behaving will not serve to support these longer careers (Gratton & Scott, 2016). Longer working careers crucially require good health making investments in your own health critically important. There is also a need to continue to invest in skills and learning to maintain job relevance. This will require assessing what skills are likely to support the remaining stage of careers, as they are unlikely to be those that anchored the first half. Given the barriers to older workers, they will have to be open-minded to possibly pursuing opportunities in the gig economy, freelancing, self-employment and entrepreneurship. All of these are fast-growing options for older workers.

Above all, longer work-lives will require a change of pace. As life lengthens we cannot simply just extend our working career. Whilst working longer is necessary to finance longer lives, different types of work and jobs need to be considered if health, mental wellbeing, skills and relationships are all to be supported as well. Working life is set to be multi-staged, involving many shifts as we respond to longer lives. The world of work was transformed in the 20th century by new technologies and longer lives. That century saw the creation of a three-stage life of education, work and retirement. New technologies and continued gains in longevity look to transform the world of work once again.

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