

Understanding the Aging Workforce: Defining a Research Agenda

Improving Data Infrastructure

The U.S. population is aging. By 2030, one-fifth of the population will be over age 65. Due to medical advancements and public health improvements, today's older adults have experienced better health and increasing longevity, compared to previous generations. This shift has significant repercussions for the economy and key social programs. These improvements in health enable many older adults to extend their working lives, but these trends have also occurred amid a complicated backdrop of widening economic and social inequality that has meant that the gains in health, declines in mortality, and access to later-life employment have been distributed unequally.

This issue brief is based on the consensus report *Understanding the Aging Workforce: Defining a Research Agenda*, which offers a multidisciplinary framework for understanding the complex pathways between work and nonwork that adults traverse at older ages. The report reviews the current research and proposes a comprehensive research agenda that highlights the need for research that demonstrates the ways in which these pathways are shaped not only by individual workers' characteristics but also the current and historical social, economic, and policy contexts in which they live and work. To this end, it examines the role of workplaces, age discrimination, and other forms of social inequality, labor markets, and social policy in shaping and constraining older adults' preferences and expectations for extending

their working lives. This brief focuses on the adjustments and improvements to data collection and infrastructure that would enable this research agenda to advance.

KEY FINDINGS AND CONCLUSIONS

The committee developed several overarching findings and conclusions based on its assessment of available evidence. First, the committee concludes that older workers' preferences for work and specific work arrangements, their expectations about available work opportunities and financial stability, and the constraints on their work opportunities and behaviors reflect the impact of both age bias and social and economic inequalities. This bias and these inequalities structure economic opportunity throughout the life course and lead to wide disparities in employment and retirement pathways at older ages.

Second, the experiences of vulnerable older populations are not well understood, particularly the experiences of women, racial and ethnic minorities, immigrants, those with less education, those who have low income or limited savings and wealth, those living in rural or economically disadvantaged areas, and those with multiple intersecting vulnerabilities. The relative lack of attention to these populations limits understanding of the ways in which inequality in retirement and work opportunities and outcomes contributes to broader social and economic inequality that affects the well-being of older adults.

Additionally, the committee concluded that retirement is too often viewed as an overly individualized process of workers stimulated or constrained by macro-level forces. However, other forces shape work and retirement pathways by constraining or increasing older workers' agency in making decisions. These forces include workplace norms, policies, and practices, within the context of the employer–employee relationship.

STRENGTHENING DATA COLLECTION AND DATA

INFRASTRUCTURE TO SUPPORT AN AGING WORKFORCE

Addressing key gaps in our understanding about aging workers requires improvements in current data infrastructure to support additional data analyses, including the ability to further examine the role of life-histories and earlier life experiences and directly connect workplace policies, practices, and characteristics to individual worker experiences and outcomes, as well as more fully document the experiences and challenges of vulnerable populations.

Expanding Data Collection to the Contexts in Which Older Workers Make Work and Retirement Decisions

Understanding the ways in which current contexts and earlier life experiences shape the resources and options available to older workers will require expanding data collection strategies to incorporate life-history, relational, and contextual data.

Although in general transitions between work and nonwork states are modeled at the individual level, these decisions are made within household, workplace, economic, and social policy contexts that shape these decisions. Moreover, these contexts do not suddenly appear at age 50, but are the cumulative result of historical circumstances and decisions that occur throughout the life course. To date, most existing data collection and analysis focus on individuals' experiences at particular points in time, absent the rich insights that multilayered processual and historical and contextual data could provide. Expanding the accessibility and use of contextual data would improve understanding of the ways these contexts shape the environments where work and retirement occur.

Life History and Historical Data

Collecting life histories in which an individual provides detailed reports of their earlier work, health, and family pathways (e.g., employment, health, marriage, and birth histories) would advance understanding of life course development. These longitudinal data would particularly address inequalities in work histories, social capital, and the nexus between work, health, and caregiving, yielding rich (but admittedly expensive) data. Life-history data would illuminate the differential biographical experiences of those disadvantaged by class, race, ethnicity, gender, and nativity throughout the life course and within different historical periods, thereby providing insights into how these histories open or limit opportunities and capacities to remain working in their 50s, 60s and 70s.

Family and Social Contexts

Household structure has become far more diverse in the 21st century due to a combination of extended longevity; disparities in longevity along the lines of gender, race, and ethnicity; and changes in personal and structural constraints. Living alone in mid- and later life increases the likelihood of experiencing acute financial strain to cover the basic costs of living such as rent/mortgage, student loans, credit card debt, food, medicine, and transportation.

Although they are often modeled as individual decisions, retirement and work decisions are often made within the context of their impact on family well-being. For example, among two-earner couples, nearly one-third of couples retire jointly, or within 12 months of each other. Similarly, though much of the current research on health has focused on the effects of workers' own health on their employment, the health and caregiving needs of family members also affect work and retirement decisions. Collecting data on partners' work and retirement preferences and actions, as well as on other family circumstances, would offer insights as to how preferences, expectations, and actual behaviors evolve over time.

Workplace Contexts

A nationally representative longitudinal panel that focuses on sampling U.S. workplaces and also contains

multilevel matched data between employers and workers does not currently exist but would be an invaluable resource for advancing research on the role of employers and workplaces on older workers' employment experiences.

The ability to more consistently and comprehensively address research questions about the effects of workplace policies and practices is critical. Employers are the crucial link between macro-level public policies and individual-level outcomes of workers. They are also the main actors in society translating national policies into organizational practices that, in turn, set the stage for individual decision making, including workforce participation and retirement. Workplace practices shape the incentives and opportunities for older workers to remain productive and engaged. Understanding the role of these practices in facilitating longer working lives is crucial during this period of unprecedented population ageing.

To date, research on workplace policies and practices in the United States has typically relied on access granted by individual companies or establishments within industries. While this approach has resulted in insightful research, such findings may not be generalizable beyond the organizations studied. More importantly, such access is difficult to obtain in the United States and even more difficult to sustain over time. Negotiating individually with companies for access to survey managers and workers is time consuming and requires demonstrating the benefits of the research to a specific company rather than the more general contribution to the advancement of knowledge. In addition, certain topics, such as discrimination, are legally sensitive, making it difficult to gain company consent to the participation of employees and managers.

A new panel survey or modifications to an existing federal survey with data collection at both the workplace and individual levels would be invaluable for studying the multilayered and dynamic impact of workplace practices on work and retirement pathways. Ideally, such a panel survey would collect data from a random selection of workplaces from the population of employers, covering all sectors and all sizes of workplaces. Within each

workplace, data would also be collected from a random sample of older workers to directly gauge how older workers react to various workplace practices over time. Such survey data would allow researchers to better understand the roles of employer practices and workplace context when studying older adults' work and retirement pathways.

The costs of developing a new panel survey could be substantial; therefore, as an alternative, adding questions about age-related and age-neutral practices to existing surveys would be a step in the right direction. Questions about age-related practices would be most welcome, such as questions about partial retirement, mixed age/experience teams, training that targets older workers, and workforce age assessments. Questions about age-neutral practices would also be welcome, such as questions on the use of flexible schedules, the use of ergonomic technology, employee participation, and skills training.

Environmental and Policy Contexts

Older workers make work and retirement decisions in light of the options available to them, including age-graded (and gender-graded) norms, social and organizational policies and practices, age, gender, and race/ethnic discrimination, all embedded within shifting demographic, technological, social, economic, and labor market environments. There has been rapid growth in the availability of external data that can provide information about the specific environmental and social policy contexts within which individuals make work and retirement decisions. Systemic efforts and supports need to link different data sets and merge contextual data with the individual experiences captured in population-based surveys. Expanding the accessibility and use of contextual data—for example, through the use of geographic identifiers—would improve understanding of the ways these contexts shape the environments where work and retirement occur.

Improving Data to Examine the Experience of Vulnerable Populations

The ability to document the experiences and challenges of vulnerable populations has been constrained by both

a lack of sufficient samples of respondents from these populations in most data sets and a lack of measures to capture the full range of diversity of their work experiences, such as participation in the informal labor sector or in precarious, sporadic, or “gig” work. Innovative data collection and research strategies are needed to better understand and address the needs of these populations.

Because more advantaged and affluent adults are better able to realize their preferences for work at older ages, they are well represented within data on older workers, while the experiences of those who face barriers to extending their working lives are harder to document. To better understand work and resource inequalities in later adulthood, researchers need data that provide sufficient information about the most vulnerable populations in the labor market. These include less educated, minority, women, self-employed, and gig and informal workers, as well as workers with poor health, those with disabilities, those who are noncitizen immigrants, and those living in rural areas. There is also little existing research on Native American and other minority older adults, such as Native Hawaiians and Pacific Islanders, and little research on noncitizen immigrant older adults as well. More extensive collection of data among these populations could yield new insights into them, including the work and retirement dynamics within them.

Improvements in representation of these populations within the data should not be limited to increases in sample sizes. Vulnerable older adults may face unique labor market entry barriers. These barriers may relate to their education level, age, race/ethnicity, gender, health status, and access to urbanized areas. The heterogeneity of these populations and their experiences requires

large samples for analysis. It also requires more detailed survey questionnaires that can capture the heterogeneity in work-related experiences and transitions that they experience, including multiple occupations, sporadic or gig jobs, and frequent transitions in and out of work.

Expanding data collection efforts can be difficult and costly. Thus, combining survey data, administrative records, and other contextual data would be a first step in using current data sources to understand these vulnerable populations. A second step would be extending nationally representative surveys to gather more detail about labor and income among vulnerable workers. In addition, quantitative, qualitative, and ethnographic work are needed to uncover gender, racial and ethnic, cultural, time, and space differences in formal and informal work. Such data can yield timely and relevant information for policymakers seeking to improve the labor conditions of the current generation of working adults as well as the income security of future generations.

THE PATH FORWARD

Work and retirement decisions are the result of individual preferences for work, expectations about the future, and constraints on work behaviors within complex systems of social and economic inequality that develop throughout the life course. Despite substantial research on older workers over the past several decades, we know too little about the well-being of older workers, those who are not working but may wish to do so under certain conditions, and those who are working despite a preference to retire. Thus, to address these gaps, there is a need for robust new data systems and infrastructure to support research that explores the experiences of work and retirement and the conditions that are shaping health and well-being of the aging workforce.

FOR MORE INFORMATION

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