

# Capitalizing on an Aging Workforce

**Ken Nogan**  
Risk Control Consultant  
The PMA Insurance Group

# Capitalizing on an Aging Workforce

Workers 65 and older are now the fastest growing segment of America's working population

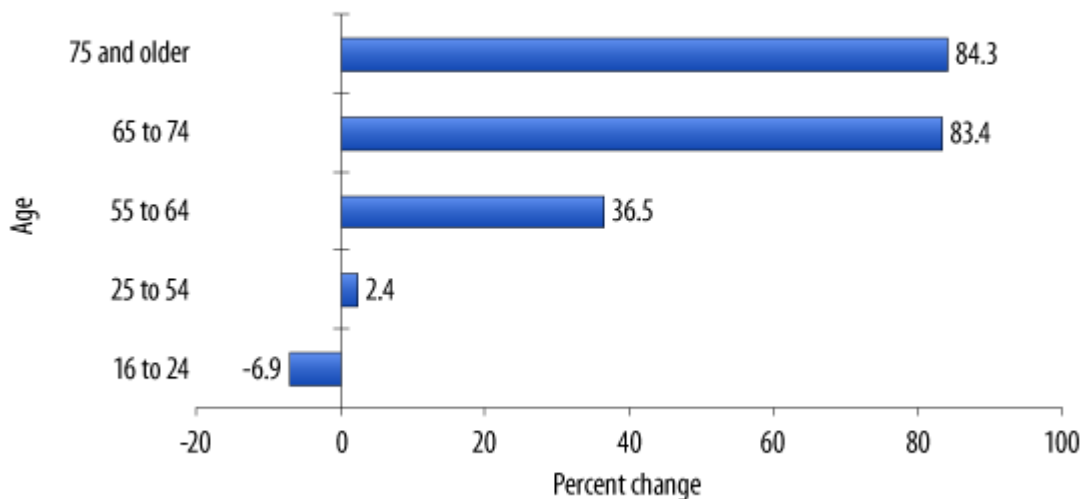
*By Ken Nogan*

## Facing an Aging Workforce

Americans 65, 70, 75 years old and older are no longer spending their days golfing, sunning on beaches or lounging poolside. In fact, more are spending their time working—in offices, retail stores, manufacturing plants, hospitals, and on construction job sites—and that simple fact is affecting how employers approach workers' compensation insurance and address risk control measures in the workplace.

Since 1977, the number of people 65 and older in the workforce has increased more than 100 percent. The U.S. Bureau of Labor Statistics (BLS) estimates that while the overall workforce will continue to grow through 2016, the oldest groups, workers 65-74 and 75 and up, will each grow the most dramatically increasing by more than 80 percent. Even the oldest baby boomers, a generation that includes nearly 80 million Americans born between 1946 and 1964, are now older than 60 years old (U.S. Census Bureau).

### Projected percentage change in labor force by age, 2006-2016

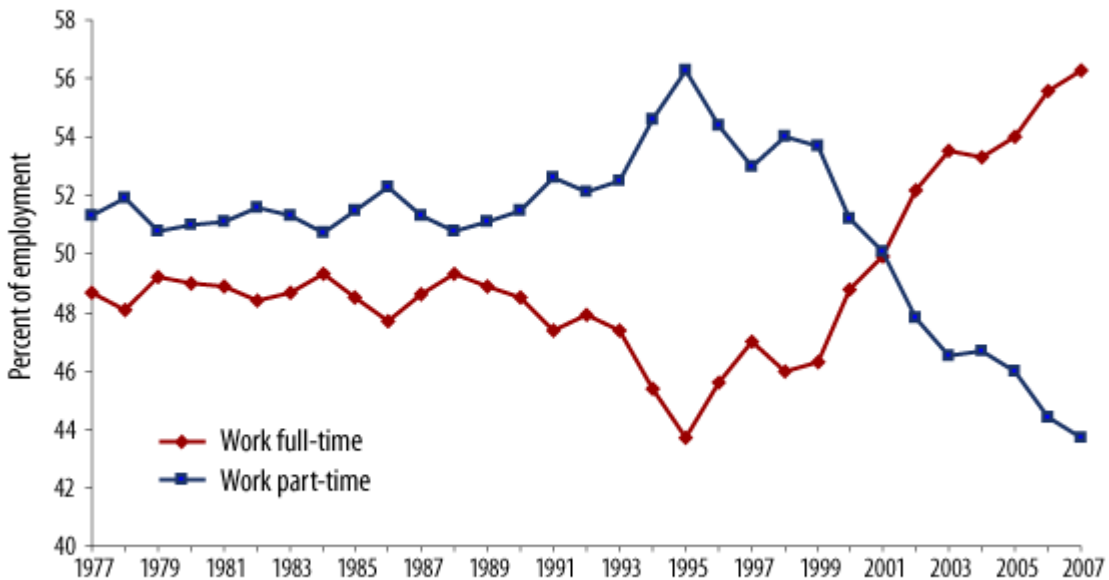


Source: U.S. Bureau of Labor Statistics

[www.bls.gov](http://www.bls.gov)

Older workers are doing more than just growing in numbers. The latest trends reported by the BLS show that since the mid-1990s older workers are working full-time schedules. In fact, more than half of all older workers now work full-time, which is up from only 44% in 1995.

## Workers 65 and over by work schedule, 1977-2007



Source: U.S. Bureau of Labor Statistics

www.bls.gov

The fact of the matter is that today's workforce is getting older and the oldest workers are electing to continue working, mostly full-time, well into their 70s. So what does this mean for employers? What can employers do to accommodate—and even capitalize on—an aging workforce? Plenty.

### Older Workers a Positive Influence

Not surprisingly, as people age, their skills and faculties, including strength, range of motion, motor skills, sensory acuity and ability to heal, diminish. While this may suggest that older workers would have a negative net effect on workplace productivity and safety, statistics prove otherwise. In fact, according to the BLS, as the percentage of over-55 workers increases in a workplace, so does productivity. As for safety, there are also favorable indicators, including a decline in accident frequency, within the older worker demographic. When older workers do experience injuries, however, severity can be significant; an issue that must be considered by safety professionals. This paper will focus, in part, on how to address this issue by utilizing preventative safety efforts.

Older workers also offer something their younger counterparts can't—experience—and often bring a strong work ethic and character to the job. Studies show older workers have less absenteeism, greater job satisfaction and fewer on-the-job accidents because they tend to be more careful and more focused on the tasks they perform. As such, older workers actually account for fewer overall injury claims than most other age groups. Conversely, when they do get injured, their injuries tend to have higher severity involving more prolonged recovery periods. So what's an employer to conclude? Two things: 1) Older workers are good for their company; and 2) It pays to make modifications to work environments to prevent and limit the severity of commonly sustained by older workers.

Older Workers = Low claims + low frequency + high severity

## Addressing Older Workers in the Workplace

Realizing the potential benefits of greater numbers of older workers in the workplace requires some new thinking, especially from the risk control perspective. Some concerns for workers older than 55 include: increased falls, increased fatality rates, longer healing times, greater overall severity of injuries, and more severe musculoskeletal disorders.

### Falls

The National Safety Council (NSC) reports that 33 percent of all injuries to workers 65 and older are caused by falls. At the same time, 14 percent of fatalities to workers 55 and older result from falls.

### Musculoskeletal Disorders

According to a National Council on Compensation Insurance (NCCI) study that examined 4.2 million workers' compensation claims filed between 1996 and 2000, musculoskeletal disorders accounted for the most severe injuries to workers 65 and older. Of these, shoulder injuries have clearly been the most costly.

Rank	Injury	Total Claims Costs
#1	Sprained rotator cuff	\$25.21 million
#2	Lumbar and/or disc strain	\$11.22 million
#3	Brain impact	\$11.20 million
#4	Carpal tunnel	\$9.40 million
#5	Meniscus tears in knee(s)	\$9.04 million

### Healing Times

The BLS estimates that time away from work for injured workers 65 and older averages nearly 20 days compared to an average of 12 days for injured workers age 55-64 and just eight days for all workers.

### Greater Overall Costs

As healing times increase, claims for older workers also become more expensive. As reported by NCCI, claim costs for workers aged 55-64 are generally 60% higher for indemnity claims and 40% higher for medical claims than for workers aged 20-24.

### Fatality Rates

Workers 65 and older are nearly three times more likely to suffer workplace fatalities than any other age group. For all workers 55 and older, 22% of fatalities are the result of motor vehicle crashes, 14% are the result of falls and 12% are the result of non-highway motor vehicle and equipment accidents. (National Institute for Occupational Safety & Health, NIOSH)

## 4 Key Preventive Measures to Protect Older Workers

Older workers can be a positive influence not only on their younger counterparts, but also on the productivity of a company. As their numbers in the working population grow, it goes without saying that keeping older workers safe on the job is a good business practice. While the best on-the-job accident is the one that never happens, there are risk control measures that if taken today, can likely decrease the frequency and severity of the more common injuries older workers may suffer tomorrow.

Before embarking on a risk control program, initiative or measure aimed at increasing the safety of working conditions for older workers, it is important to first consider the approach to take. Key personnel, other than simply safety directors or work line supervisors, should be involved in the process. Consider a multi-disciplined approach to ensure that all needs of older workers are addressed and considered. For instance, medical and wellness providers as well as human resources and safety personnel offer unique expertise that is necessary to develop an effective and practical aging workforce risk control program.

### Slip & Fall Prevention

More than seven million fall-related injuries are treated in U.S. hospitals each year with the average workers' compensation claim costing approximately \$14,000. In fact, falls alone account for more than one-third of all injuries sustained by workers 65 and older (NSC). The BLS estimates it can take an older worker two to three times longer to recover from an injury than a younger counterpart, which means claims for older workers can also cost two to three times more. That's why one of the best risk control efforts for protecting older workers is slip and fall prevention.

When considering workspace modifications to help reduce the occurrence of slip and fall incidents for older workers, such as minimizing elevated work or installing skid-resistant material on floors and stairs, there are several steps for getting started.

1. **Review all Incidents**—Develop a method for promptly investigating slips and falls and documenting the details of each incident. Include such information as witnesses, weather and surface conditions at the time of the incident. Keep written records of investigation results and document any corrective action taken. Over time, look for accident trends and recurring causes related to floor surfaces, day of week, time of day, locations and weather conditions. These will often point to areas and situations where slip and fall prevention efforts can have a strong impact.
2. **Condition of Walking Surfaces**—Inspect walking surfaces for condition and maintenance. Repair any unstable surfaces, such as loose tiles or torn carpet, and secure any mats, rugs or carpets that do not lay flat. Provide adequate clearances for doors, walkways and aisles. Keep floors clean and dry, remove any obstructions or tripping hazards and conduct routine monitoring of any walking surfaces that are periodically wet or icy. If surfaces appear hazardous, post warning signs.
3. **Stairs**—Provide handrails for both sides of stairs. Keep risers between seven and 11 inches high. Highlight tread nosing with a contrasting color to accent the steps (yellow

is commonly used to highlight changes in walkway elevation). If an elevator is available, provide signs to direct workers from the stairs to the elevator so they are aware that it is an available alternative.

4. **Visibility**—Good visibility is essential for the prevention of accidental slips and falls. Review your facility and grounds during different times of the day and seasons of the year to determine if lighting is adequate in all traffic areas.
5. **Lighting**—Glare, low light levels and lighting level changes make it difficult for older workers to focus and refocus. Efforts to minimize glare, such as glare screens on computer monitors, and maintaining adequate and consistent lighting levels between work areas can help. Older workers also have reduced color recognition, which should be taken into account, where appropriate.
6. **Spill Clean-Up**—Proper use of cleaning agents and proper application of floor treatments is vital for good floor maintenance. Post proper cautionary signage after a spill or cleaning while floor surfaces dry.
7. **Shoe Selection**—Requirements for employee footwear, such as shoes with particular tread patterns, can help workers maintain their footing on various surfaces. Consider periodically reimbursing employees for required footwear expenses.
8. **Test Floor Surfaces**—A tribometer measures the slipperiness of floor surfaces by measuring the coefficient of the floor surface under dry and wet conditions. This test will show if the floor provides adequate traction or if modifications should be made to help prevent slips and falls.
9. **Audits**—Conduct periodic audits of the conditions of facilities and grounds to monitor areas where slip and fall accidents may be more likely. Document any problems or defects and assign corrective action to appropriate personnel. Maintain a record of all actions taken to correct problems. Follow up to be certain that controls remain in place and conduct routine assessments of walking surface conditions. Replacing surfaces in disrepair can be a wise investment, as it may cost less than a single slip and fall accident.
10. **Medical & Wellness**—Workers' individual physical conditions should also be considered. Vision, stability, medications and other medical conditions can all impact fall potential. Meeting with workers to assess physical conditions can help address this workplace exposure on an individual level as necessary.

## Ergonomics

Ergonomics is the applied science of equipment design. For the workplace, it is intended to maximize productivity by reducing operator fatigue and discomfort. Ergonomic evaluations of workstations and workspaces can identify causes of fatigue and strain for workers and offer recommendations for correction. While these ergonomic considerations will generally benefit all workers, here are a few considerations especially applicable to older workers. Shoulders, wrists and backs are the body areas with the highest musculoskeletal claim severity in older workers. Repetitive work performed with body parts in non-neutral positions is typically a good place to start when assessing these problem areas, especially when the application of force is required to perform the task(s).

1. **Shoulders**—Working with hands above the head, elbows below the shoulders, or while extending or reaching away from the body, to the sides or behind, can increase strain on shoulders.
2. **Wrists**—Performing work that results in repeated deviations of the wrist from the neutral position, contact pressure in the palm in a repeated manner, vibration and work performed in cold temperatures all increase ergonomic injury potential. Proper tool design can often reduce or eliminate these factors, as small modifications can make a big difference with this particular injury type.
3. **Backs**—Identify tasks with heavy lifting, trunk rotation or forward bending beyond 30 degrees in an unsupported manner. Material handling aides can often minimize low back strain potential as can task redesign with ergonomics in mind.

### Task Rotation

Implemented in concert with other risk control efforts, task rotation has long been recognized as an ergonomic best practice. Particularly effective in industries with repetitive tasks, such as packaging or manufacturing, task rotation can help reduce the strain of repeated motions and static standing time on all workers. While task rotation can help reduce workers' exposure to risks, it is important to note that it will not eliminate those risks. Here are some steps to contemplate when considering a task rotation program.

1. **Worker Involvement**—Task rotation can be a daunting prospect for older workers who may be comfortable in their current jobs. To alleviate their concerns, involve older workers early in the implementation process to earn their buy in, respond to their feedback and raise their awareness of the safety benefits of the program.
2. **Time at the Task**—Rotating tasks can be an effective means of limiting the amount of time employees are exposed to the bodily stressors particular to each task. The risk of injury for a given task is proportional to the amount of time a worker is exposed to its stressors.
3. **Muscle/Movement Variation**—The tasks within the rotation program must affect different parts of the body in order to provide position and movement variation for workers.
4. **Intensity**—Also look to vary tasks by degree of intensity. Some tasks require greater strength or force to complete than others and variation between higher and lower intensity tasks can help alleviate worker strain.
5. **Tracking & Monitoring**—Keep a log of task rotations and solicit feedback from workers as to how the rotation program is working. Monitor the program and consider making adjustments if the tasks or speed of rotation are not alleviating workers' fatigue or discomfort.

## Safe Driving\*

NIOSH reports that death rates for work-related roadway crashes increase steadily beginning at around age 55 and that older drivers (55 and above) are more likely than other drivers to have a crash at an intersection or when merging or changing lanes on a highway. Additionally, the U.S. Department of Transportation estimates that 90 percent of vehicle accidents are caused by poor driving behavior. That means that adding a two-part safe driving component—establishing **policies** and delivering **driver training**—to a risk control program can help reduce the risks associated with driving not only for older workers, but also for all workers.

### Policies

- Assign a key member of the management team responsibility and authority to set and enforce a comprehensive driver safety policy.
- Enforce mandatory seatbelt use.
- Do not require workers to drive irregular hours or far beyond their normal working hours.
- Promote worker health and safety through activities aimed at improving the general health of the workforce (i.e., exercise, diet, smoking cessation programs, etc.).

### Driver Training

- Provide safe driver training and encourage older workers to attend.
- Encourage using familiar delivery routes.
- Maintain complete and accurate records of workers' driving performance.

\*IMPORTANT NOTICE - The information and suggestions presented by PMA Companies in this white paper regarding employee driving policies and training are for your consideration in your loss prevention efforts. They are not intended to be complete or definitive in discovering or identifying all hazards associated with your business, preventing workplace accidents, or complying with any safety related, or other laws or regulations. You are advised to adjust them as necessary to address the specific workplace hazards of your business and to have your legal counsel review all of your plans and company policies.

## Return to Work

Claims statistics reflect a connection between increased healing time and age, which begets a need for highly responsive return to work efforts, particularly for older workers.

As injured workers heal, and doctors indicate it is medically safe for them to return to work, they are more likely to do so if light or modified duty jobs are available. For instance, while an injured worker who works on an assembly line may not yet be able to return to his or her usual job, he or she may be healthy enough to work in another capacity in the meantime.

When developing an effective return to work program, consider the following:

- Make the program comprehensive and easy-to-execute by enlisting all departments and establishing a list of light or moderate duty positions across the company.

- From the first report of injury, focus on return to work and how to transition the employee safely back to work once medically appropriate. It's advisable to work closely with health, medical and wellness providers to ensure a collective return to work focus.
- Assistance from managed care or risk control professionals who can help to build and implement the program based on industry proven best practices.

## **Awareness of Older Workers**

It is important not to overlook the human component involved with addressing any particular segment of the employee population. Beyond making workplace accommodations and safety improvements, showing awareness of older workers as an important part of the company can go a long way.

Training programs that address proper lifting techniques, how to prevent back strains, the importance of taking breaks and simple stretching techniques help older workers to protect themselves. These sessions also have an inherent social element that serves to develop the camaraderie among this segment of the employee population. Older workers may also appreciate the opportunity to assist with risk control efforts. Assigning "Safety Captain" responsibilities to older workers on a rotating schedule, such as monitoring traffic areas for slip and fall hazards or leading task rotation, will involve them in the process and likely increase the effectiveness of risk control efforts.

## **The Trend Continues**

The American workforce will continue to age over the next 10-20 years and will impact how employers address risk control efforts in their workers' compensation insurance programs. In fact, now is the time to consider, if not implement, risk control measures designed for the needs of older workers.

PMA risk control has been monitoring this trend and currently partners with medical and legal professionals across the country to present practical aging workforce seminars to its clients. These seminars achieve a number of things for employers, including painting a clearer picture of aging workers and their benefits to the workforce, their needs, sensitivities and likely injury points, and other similar factors that provide employers with the awareness and knowledge needed to implement risk control measures that help avoid costly injuries to older workers.

New industry trends and innovative ideas for addressing older worker safety are emerging nearly every day. Car manufacturers, such as General Motors and Chrysler, are currently developing night-vision and fatigue-detection systems for use in automobiles. General Motors is even researching a windshield that uses lasers, infrared sensors and cameras to actually enhance what is happening on the road to improve visibility for older drivers.

What is certain for now is that the older worker, 55 and above, is committed to the job, punctual, hard working, satisfied and a leader by example. An older worker is a careful worker who may take more time to complete a task, but who performs with more care to create

efficiency by avoiding mistakes. At the same time, an older worker is one whose hearing, vision, cardiovascular fitness, strength, balance and flexibility are waning. An older worker needs the tools of the job to be lighter, the workspace to be brighter and the floors, chairs and desks to be more stable.

Awareness of this information can help an employer begin developing a cogent risk control initiative focused on protecting older workers. Preventative slip and fall measures, ergonomic evaluations and necessary workplace modifications, task rotation programs, ongoing driver and safety training, and a focus on return to work are all tools that can improve a work environment so that it is safer for older workers. In other instances, more specific approaches may be required. The starting point, however, for a successful risk control program aimed at older workers is always the same—establishing awareness of *who* older workers are, *how* they work, and *what* the workplace may require to be safer for them.

# # #

## Resources

Bureau of Labor Statistics (BLS). "Older Workers: Are there more older people in the workplace?"  
[http://www.bls.gov/spotlight/2008/older\\_workers/](http://www.bls.gov/spotlight/2008/older_workers/)  
<http://www.bls.gov/opub/cwc/sh20050713cho1.htm>

Daviet, Glen. "Safety and Health Implications of an Aging Workforce." National Safety Council White Paper.

Haight, Joel. "Designing for an Aging Workforce." Professional Safety. July 2006.

Hazard Zone Checklist. State of Washington. <http://www.lni.wa.gov/Safety/Topics/Ergonomics/>

National Institute for Occupational Safety & Health (NIOSH). "Older Drivers in the Workplace: Crash Prevention for Employers and Workers." <http://www.cdc.gov/niosh/docs/2005-159/>

National Safety Council (NSC). <http://www.nsc.org/>

Occupational Safety & Health Administration (OSHA).  
<http://www.osha.gov/SLTC/etools/electricalcontractors/supplemental/principles.html>

Restrepo, T., Sobel, S., & Shuford, H. (2006). *Age as a driver of frequency and severity (NCCI research brief)*. Boca Raton, FL: National Council on Compensation Insurance. Retrieved July 31, 2007 from <https://www.ncci.com/ncci/media/pdf/research-age-frequency.pdf>

"Thinking about an Aging Workforce—Potential Impact on Workers' Compensation." National Council on Compensation Insurance (NCCI). NCCI Research Brief, Volume I, May 2005.  
[https://www.ncci.com/nccimain/industryinformation/researchoutlook/pages/age\\_as\\_a\\_driver.aspx](https://www.ncci.com/nccimain/industryinformation/researchoutlook/pages/age_as_a_driver.aspx)

U.S. Census Bureau. "Oldest Baby Boomers Turn 60!" [http://www.census.gov/Press-Release/www/releases/archives/facts\\_for\\_features\\_special\\_editions/006105.html](http://www.census.gov/Press-Release/www/releases/archives/facts_for_features_special_editions/006105.html)

Wegman and McGee. "Health and Safety Needs of Older Workers." National Research Council. National Academy Press, 2004.

### ***About the author***

---

Ken Nogan is a risk control consultant for The PMA Insurance Group responsible for developing, implementing and improving loss control programs for the Company's clients in various industries. Ken has more than 25 years' risk control experience. His areas of technical risk control expertise include ergonomics, product liability, safety management practices and training program design. Ken holds a bachelor of science degree in industrial safety management from Indiana University of Pennsylvania and a master of science degree in training and human resources management from Leicester University in England. Ken is a member of the American Society of Safety Engineers (ASSE), an accomplished industry speaker and is currently presenting a series of risk control seminars on the aging workforce.

### **About PMA Companies®**

---

The PMA Companies provide risk management solutions and services to customers throughout the United States. Headquartered in Blue Bell, PA, the PMA Companies are the operating companies of PMA Capital Corporation, a **\$2.6-billion** holding company. Our companies offer customized workers' compensation and property & casualty insurance solutions and unwavering commitment to customer service. **The PMA Insurance Group** is our insurance organization specializing in workers' compensation insurance, and offering commercial property & casualty insurance products. **PMA Management Corp.** is our provider of results-driven risk management and fee-based services. **PMA Management Corp. of New England** is an affiliate of PMA Management Corp. and our provider of results-driven risk management and fee-based services throughout New England. **Midlands Management Corporation** is our managing general agent, program administrator and provider of fee-based services in the Midwest markets. Together, our companies offer national capabilities designed to serve the distinct needs of sophisticated clients, larger accounts, alternative risk clients, groups, programs and captives, self-insured organizations and mid-size employers in widely diverse industries across the country.