

THE NEXT CYCLE WORKS

# Business Plan



Making the most of  
Wyoming's untapped  
resource: skilled and  
experienced workers



# The dilemma

**M**anagers need skilled workers who can hit the ground running. Workers age 50 and older already have the knowledge and experience you need — and the desire to work well past the traditional age of retirement. Attracting and keeping them is crucial for the future of your business. But where do you begin?

The Wyoming Department of Workforce Services has launched the Next Cycle Works Initiative that addresses Wyoming’s labor shortages by showing employers how to recruit and retain mature workers. By hiring and keeping skilled staff, you will add a wealth of experience and a strong work ethic to your company.

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## OWNERS:

### Next Cycle Works

A collaborative effort, Next Cycle Works is the outgrowth of more than six years of research and effort by Governor Dave Freudenthal, AARP Wyoming, the Wyoming departments of Workforce Services, Health, Administration and Information, the Wyoming Business Council, Serve Wyoming and several others. Most recently, the team has been organized under the direction of the National Governors Association’s policy academy on work and civic engagement of older citizens. For more information, please contact our team leader, Rob Black, at Workforce Services in Cheyenne at (307) 777-8716 or visit [wyomingworkforce.org/nextcycleworks](http://wyomingworkforce.org/nextcycleworks).

# Executive summary

**W**e can all name Wyoming's top resources. Coal, natural gas and oil have created jobs and wealth for the people of Wyoming for generations. But there is one resource we have yet to fully tap: our workers.

Competition for workers is fierce in Wyoming. Every industry is facing a labor shortage, and it's not just "warm bodies" that are needed. When our natural resources are in demand, it strains our workforce, placing significant pressure on our small businesses. Relief may be in sight. In 2007, Wyoming's population grew by two percent, the ninth fastest in the nation.

At the same time, about half of the state's residents are age 50 or older and nearing the traditional age of retirement. This has the potential for an exciting opportunity.

Eighty percent of people over the age of 50 say they want or need to work; they just don't want to do it in a traditional way. They want to contribute their skills and knowledge in an environment that fits their lifestyle.

By hiring a mature worker, you will add a wealth of experience and a strong work ethic to your company. With the retention strategies proposed by the Next Cycle Works Initiative, you may be able to keep your best workers on the job long after they are eligible for retirement.

As Baby Boomers choose Wyoming's safe and scenic communities for their "retirement" years, it is up to us, as employers, to help the boomers redefine retirement.

Our state has a great resource, a population with experience, insight and maturity that can be a boon to our small businesses and to our communities as a whole. Let's make the most of this resource, improve our businesses and continue creating jobs in the state of Wyoming.

**Sincerely,**



Governor Dave Freudenthal

KELLY FITZEL DOUGLAS



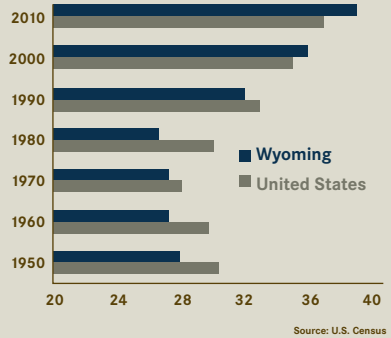
## BUSINESS FORECAST

# Wyoming's tight labor market is a challenge

The expansion of the energy industry has driven down unemployment in Wyoming to among the lowest in the nation. It also has created a labor shortage felt statewide. In 2007, unemployment was at three percent, almost two points below the national average.

“We might face serious labor supply stagnation or maybe a decline in five or 10 years,” senior state economist Wenlin Liu said. It will be important for employers “to change their mentality to make it more acceptable to hire older-age workers.” And this is at a time when Liu expects service and retail sector job growth to outpace energy sector jobs.

## Wyoming's aging population



According to U.S. Census Bureau projections, Wyoming will have one of the largest percentages of residents over age 65 in the nation by the year 2020.

## BALANCE SHEET

# The case for experienced workers

AARP studies have found that workers age 50 and older bring to the job reliable work habits, loyalty to their companies, stability, high productivity and willingness to work in a flexible or part-time capacity. They often

possess established customer service skills and the ability to calmly handle the unexpected.

In a recent talk at the Wyoming Business Council-sponsored Idea Expo, AARP workforce issues

## People are working longer in Wyoming and across the U.S.

According to a recent report by the U.S. Bureau of Labor Statistics (BLS), the number of workers age 65 and older has doubled in the last 30 years.

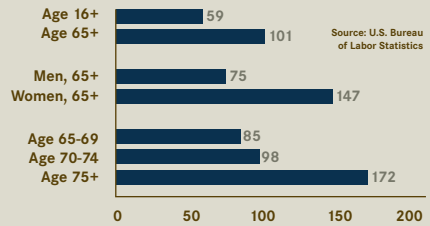
This trend pre-dates the Baby Boom generation – people born between 1946 and 1964 – who are just reaching retirement age. The BLS predicts the trend of people working longer will quicken with this generation. Many of these workers will stay in full-time jobs.

Looking to 2016, the BLS predicts the segment of workers age 55 and older will grow the fastest, while the percentage of workers between ages 25 and 54 will grow only slightly, and the percentage of younger workers will shrink.

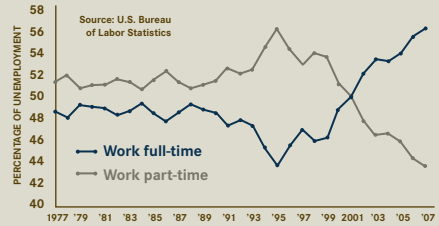
## How can these numbers work for you?

team senior project manager Ed Redfern, Jr., said employers can save money by hiring experienced workers. While healthcare costs for older workers may be higher, those workers tend to stay in a job longer than their younger counterparts. Redfern said the savings in reduced turnover can amount to between 50 and 150 percent of that person’s salary.

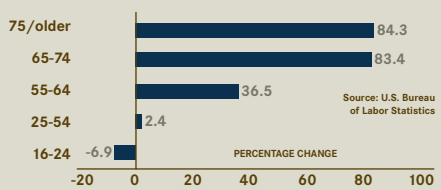
Increase in employment by age and sex, 1977-2007



Workers 65+ by work schedule, 1977-2007



Projected change in labor force by age, 2006-2016



Also, mature workers may be less likely to have dependents in their household, offsetting higher healthcare costs.

But it’s not just about turnover, he said. “There are studies that show mature workers do better face-to-face with clients,” he said. “They tend to be more engaged in their work with a direct correlation to productivity and the bottom line.”



## COMPETITIVE ANALYSIS

# An energy company gets creative

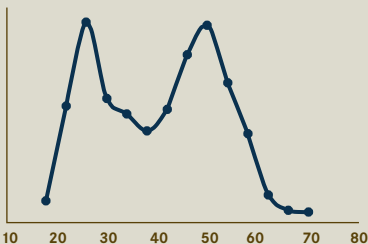
Small business owners may think the energy industry is responsible for the difficulties they are having finding employees, but energy companies are confronting a thin labor pool and an aging demographic, too.

In Pinedale's busy natural gas fields, Questar is one of the major employers, and it is facing a potentially massive labor

shortage. Half of its workers will be eligible to retire within a few years, said Pinedale division regional manager Diana Hoff.

The energy bust of the 1980s meant contraction in the industry that resulted in little to no hiring for about 15 years. This has caused an experience gap between people who were around before the bust and those who started working in the last 5 years, she said.

### Typical energy company age distribution



Questar has had to be creative. Retirees are hired to serve as mentors for recent college grads. Hoff said the former retirees don't want to manage other workers or programs; they want to work in more creative areas, such as exploration.

“We have to do things (for them) we never would have done before,” Hoff said. For instance, they allow workers to take off a couple of months at a time to pursue hobbies or travel. “It’s a seller’s market.”

Meanwhile, Hoff said the newer employees are looking for mentors and happy to get the guidance. “I tell the young ones they have three to five years to get what they can out of them.”



Questar engineer Mark Longman shows Danielle Alkire how to identify depositional features to interpret the depth and environment of a slabbed core of sandstone. More experienced employees help train newer workers.

## COMPETITIVE ANALYSIS

# A community blazes a trail

Troubled by Sheridan’s shortage of workers and a limited housing market, local development group Forward Sheridan launched a new initiative to expand economic growth in the area. The group recruited community leaders, assembled under the name Fully Utilizing Sheridan’s Experience (FUSE), to meet with major employers and people who are interested in returning to work after retirement.

“We knew we had to look within our community,” FUSE chairperson Carmen Rideout said. “We want to help businesses

tap into a hidden workforce: retirees.” Once a dialogue began, local managers discovered the employee skills they were looking for matched the experience of older workers.

“Ironically, the answers from both groups corresponded, both sides just didn’t know it,” said Sheridan County Chamber of Commerce Director Janelle Martinsen. FUSE plans to hold an event to connect workers with employers this spring. To get involved, call Rideout at (307) 672-2240.

# Five steps to retaining and attracting skilled and experienced workers

So what can you do to keep the skilled workers you have and attract the experienced workers you want? Here's a five step plan to help you appeal to workers age 50 and older.

## Take inventory

Get an age profile of your staff now and project into the future. AARP offers a free and confidential online tool that takes you through the process. Visit [www.aarpworkforceassessment.org](http://www.aarpworkforceassessment.org) to begin.

## Talk to your employees

A recent study revealed eight out of 10 AARP Wyoming members who are currently working plan to work well beyond traditional retirement age. By talking to your employees you may learn they don't want to retire. Experienced workers may want more flexible hours or to move from a management to a mentoring position to stay engaged with fewer responsibilities.

## Consider care-giving needs

More than a quarter of employee turnover nationally is due to child or elder-care responsibilities.

Employers can help by adapting schedules or by searching for ways to provide benefits in-house or through local programs.

## Help your employees plan their financial futures

Studies show workers with stable finances are happier, more productive and miss less work. Provide long-term savings options like a 401(k) or arrange for in-house or outside financial planning sessions.

## Be flexible

Each employee has his or her own needs. Consider reconfiguring positions based on the skills needed to get the job done. Seasonal, flexible, job-share, part-time or work-from-home options may keep a good worker with you longer.

## STEP 1

# Use the AARP Workforce Assessment Tool to take inventory of your staff

For the past several years AARP has been doing its part to let the business community know that the majority of America's workers are rapidly approaching retirement.

"We have been using our research to sound the alarm," AARP's Redfern said. "After that process, what we heard was: 'now what?'"

In response, AARP has developed a free and confidential online Workforce Assessment Tool. The only information needed by employers to complete the assessment is the ages of their workers, where they fall within the company's organizational chart and knowledge of the company's human resources practices.

A customized report will show if there are particular areas of your company with a higher ratio of workers nearing retirement age and if there is a potential skills shortage on the horizon. "That would be a red flag that there is an area in your organization that could be impacted if people start leaving," Redfern said.

The next step lists policies that could help attract and retain experienced workers. For example, it asks if you offer a flexible work arrangement such as non-traditional hours. If you don't, it will identify that as a challenge area and will provide action steps to address it.

For more information, visit [www.aarpworkforceassessment.org](http://www.aarpworkforceassessment.org).

## Why should you use the tool?

It helps small- to medium-sized businesses to reduce turnover costs, improve planning for current and future staff, address intergenerational issues and compete for scarce workers.

## STEP 2

# Talking to workers can help you meet their needs and build loyalty



ANDY CARPENEAN

ISC managers allowed Amber Williams to work from home after recovering from childbirth and later to bring her daughter to the office when needed.

**A**t Casper-based computer networking company ISC Corp, treating employees like family has been good business.

Thirty-year-old sales administrator Amber Williams enjoyed her job, but she appreciated her company even more when she became pregnant, she said. ISC managers allowed Williams to work from home after recovering from childbirth and later to bring her daughter to the office when needed.

Williams said her manager met with her ahead of her maternity leave to develop a plan.

“They said whatever makes it easier for you is fine with us,” Williams said.

Operations manager and co-founder Jeff Ehrenhart takes advantage of his company’s flexibility too, sometimes leaving work at odd hours to see a child’s performance, he said.

**“We push our employees pretty hard, and that’s the trade off,” Ehrenhart said. “When they ask for things like (time off for their family), they get it.”**

Williams said ISC’s management style makes her a more loyal employee.

“When I talk to my friends ... they are just in awe,” she said. “(ISC) was not doing something they had to do for me, but something they chose to do.”

### STEP 3

# Care-giving solutions add and keep employees

When Gene and Joann Schrader bought Schrader Metal and Design in Cody 20 years ago, one of their biggest challenges was finding good workers. Then they hired an “overqualified” man in his late 50s and it changed their hiring practices from then on.

Joann Schrader said they would advertise with the local community college, at the high school and in the paper. What they saw was a lot of turnover and a lack of basic skills in the employees they found.

“A lot of the younger ones really think they can get a job anywhere,” Schrader said. “They don’t think it’s important to be stable.”

Despite a resume that didn’t fit the position quite right, Schrader took a chance on hiring chemical engineer Bill Reed to manage the office. Reed had returned to Cody to take care of his aging mother. Sixteen years later, thanks to flexible work arrangements that allowed Reed to work and help his mother, he is still with the company.

“He’s always on time, loyal and hardworking and has done a

JOSH BOUBREAU



Joann Schrader is co-owner of Schrader Metal and Design in Cody.

fabulous job for us,” Schrader said. “I wish we could have a few more Bills.”

Schrader has since hired someone else, a woman in her late 50s, who is job-sharing with Reed as



Bill Reed (left) took a job that many would have considered him overqualified for in order to move to Cody to help take care of his ailing mother. Virginia Belisle (right) re-entered the workforce once her children were in school. The two workers split a job, sometimes working together and other days covering for one another, allowing them both the flexibility to take care of their families while earning a paycheck.

he eases into retirement. Virginia Belisle also wanted flexibility to care for her children. Now Belisle and Reed share a single position, giving them both the time they need for their families.

Schrader said she thinks her younger employees have been learning from the good work habits of Reed and Belisle.

By hiring a different type of worker than she had before, Schrader said she has seen different results. And by offering a job-sharing option for Belisle and Reed, she has figured out how to keep two good employees – and how to avoid having gaps in coverage of their office, since Reed and Belisle cover for each other when one is ill or needs additional time off.

Belisle said she had trouble finding a job before starting at Schrader three years ago.

“She honestly thought it was because of her age that she wasn’t getting hired,” Schrader said. “And that’s exactly why I hired her. She is extremely dependable.”

Schrader encourages other business owners to expand their ideas of an ideal hire and to consider offering flexible schedules to workers.

“We just don’t actively toss the application of a man who is 45 or 50 now. You know, we were part of the problem before,” she said. “Actually, it’s better for us now than when we were agonizing over trying to find the right 25-year-old guy.”

## STEP 4

# Financial planning and benefits attract and retain workers

For years the *Wyoming Business Report's* parent company did not offer medical or retirement benefits to its seven employees in Wyoming.

“It really limited who you could hire,” said Phil Noble, who recently retired as publisher. He offered a sales job to a Laramie woman, but because she was a single mother who needed insurance, she turned down the job.

The publication has since been purchased by an Ohio company that offers medical and retirement benefits.

“People like to work for a smaller company, but they want the benefits offered at a larger company,” Noble said.

The sale to a new company that offers benefits has meant a lot to one employee who recently became full-time, Noble said. Her husband was self-employed and the couple had previously purchased insurance themselves.

## Benefits employees are offered versus what they find helpful

Benefits	Offered	Helpful
Ability to work part-time	46%	49%
Opportunity for training and skill development	44%	19%
More flexible work schedule	39%	48%
Opportunity to act as a mentor	20%	17%
Ability to take a sabbatical	19%	25%
Ability to work for your employer as a contractor after retirement	17%	24%
Ability to work from home	15%	36%
Retention bonus	7%	28%
Credits to pension benefits for delayed retirement	5%	25%
Ability to collect a partial pension while working	5%	25%

Sources: AARP Profit from Experience, Sept. 2007

In fact, 61 percent of those working between the ages of 45 and 74 who responded to a 2007 AARP study said they work to maintain health insurance. Almost as many said they also worked to afford healthcare costs. Even more, 64 percent, worked to save money for retirement.

For employers who would like more information on benefits they could provide, the Wyoming Business Council offers free human resources counseling.

For more information, visit [www.wyomingbusiness.org](http://www.wyomingbusiness.org).

## STEP 5

# Flexibility changes a business model

**B**ob Howell is doing precisely what state policymakers say makes good sense for the state's economy — working part-time in retirement.

Howell was taking odd jobs that appealed to him and doing some consulting for oil and gas operations when he saw an ad in the newspaper about eight years ago. The ad was for retirees seeking part-time work and Howell responded. Howell, now 74, was the first of what has grown into a team of six retirees working for Brake Supply in Casper, delivering mining machinery parts to area mines.

The job allows Howell to take off weeks at a time (when he wants to), and Brake Supply branch manager Tom Ackerman said it helps the company, too.

**“It works for the seniors because they want to be productive but they don’t want to work full time,” Howell said. “It works well for us because we can’t keep the guy busy for 40 hours.”**

Brake Supply makes deliveries upon request, often at a moment's notice, he said. That means workload varies. By keeping several drivers on a roster, the company can respond to any call. It also allows drivers like Howell to ask to be removed from the call list for an extended vacation.

“We’re okay with that because we just go to the next guy on the list,” Ackerman said.

“I could be totally retired but this extra income makes a difference,” Howell said. “They treat you well, and you do feel like they think well of you.”

Ackerman said until Brake Supply specifically advertised for retirees, they didn't have much luck finding part-time employees. Younger people tended to either be less reliable or did not want to work part-time, he said.

Jeremiah Rieman, a policy analyst for the Wyoming Department of Workforce Services, said situations like Howell's are just what Wyoming needs.

"We have a worker shortage," he said. "What better way to address that than to find hidden workers (people living in the community who are not working, but could be) and encourage them to continue working, and encourage businesses to hire them?"

That is an equation that Ackerman found on his own by chance. He said it is working so well Brake Supply is planning to try a similar effort at its Elko, Nev., office.

Rieman said the state hopes that creating a welcoming work environment for older workers will allow more people like Howell to work into retirement. That in turn will build a generational bridge while younger workers gain the experience to fill the ranks.

**"These folks have a lot of knowledge base," Rieman said. "We have to keep them engaged so younger folks, folks such as myself, can learn from them."**

## STEP 5

# Flexible, creative scheduling helps a business expand in Casper

When Terry Bay needed more employees for her Medicare consulting businesses in 2007, she knew she would have to be creative. Bay lives in Casper, where a natural gas and mining boom has dried up the labor market.

Bay created flexible schedules to lure employees who were not or did not want to be employed full-time.

Katie Pattison, 66, was looking for a flexible job so she could continue caring for her elderly mother. She said the job with Senior Patient Advocates is exactly what she wanted. Pattison's coworkers also enjoy the benefits of flexible scheduling. One woman runs a bed and breakfast and works mid-day only. Another woman mirrors her husband's shift in the mines.

"I was very much concerned about the workforce situation" when expanding the business, Bay said. "I was able to offer non-traditional workers an opportunity that would be unique and fit into their schedule instead of asking them to fit into mine."

In order for her business to work, Bay knew she would need reliable, well-trained employees. She puts a 3-month calendar in the office break room and her six employees sign up for time they want, or don't want. Pattison works from 10 a.m. to 4 p.m. four days a week, leaving her Wednesdays free to schedule her mother's doctor's appointment and to volunteer.

Bay said her business plan has been a win-win. "I just felt everybody has unique talents and strengths, and if I could find a better way to engage them ... it would be a better (work) environment," she said.

**"From a workplace standpoint, also, I would get out of them what was good for the business."**

# Take a look inside before you reach out

Now that you have heard from several Wyoming businesses that are profiting from the skills and experience of workers age 50 and older, you may be wondering,

## “How do I make this work for me?”

First, look at your staff and your policies. Take the online AARP Workforce Assessment Tool to see where you are and where you’re headed. Once you have incorporated the other steps listed on page 6, it’s time to take a look at how you are marketing your job openings and what you are doing with the applications you receive.

### Your ads

When Sheridan County Chamber of Commerce Director Janelle Martinsen met with members of her community to address the labor shortage, she found a significant barrier to attracting workers: job postings.

“It can be very exclusionary toward older workers because they describe a job as full-time, and they are cutting off a whole part of the workforce,” Martinsen said.

When she asked employers about specific openings and whether they would be willing to accommodate part-time or flexible work, very often they answered “yes.”

Employers were also willing to provide training or other accommodations, Martinsen said. “But the job descriptions didn’t say any of that.”

#### Quick tip:

In your next job opening announcement, replace “full-time” with “flexible work arrangements possible.”

### Their resumes

Hiring managers too often dismiss resumes with gaps between jobs or that lack specific qualifications.

AARP’s Redfern said that’s a great way to miss out on an opportunity.

# Support services and resources

There are many agencies and organizations with services available to help you navigate this process. Here are just a few.

**Next Cycle Works** provides tips, research and stories from Wyoming businesses that have successfully employed and/or attracted 50+ aged workers. For more information, please contact our team leader, Rob Black, at Workforce Services in Cheyenne at (307) 777-8716 or

visit [wyomingworkforce.org/nextcycleworks](http://wyomingworkforce.org/nextcycleworks).

**AARP Wyoming** recommends employers use the workforce assessment tool. It is available for free at [www.aarpworkforceassessment.org](http://www.aarpworkforceassessment.org). AARP also provides an Employer

“We tell employers they need to focus on skill sets,” he said. “Let’s say you had a position that involves project management experience. It could be a housewife returning to work after her kids are grown. She may have had great project experience both in the home and in a volunteer capacity.”

The other problem, Redfern said, is that employers may be suspicious or even intimidated by candidates with a great deal of experience, so they avoid applicants who appear overqualified.

“Bring them in for discussion and find out why they are interested,” he said.

## Quick tip:

Take a closer look at applications from workers age 50 and older and think about skills more than job history.

Resource Center at [www.aarp.org/erc](http://www.aarp.org/erc).

**The Wyoming Business Council** provides human resources support and consulting free to Wyoming businesses. For more information, visit [www.wyomingbusiness.org](http://www.wyomingbusiness.org).

**The Wyoming Department of Insurance** maintains a list of companies providing health insurance programs to Wyoming. It also has information about health care pools. Visit [www.insurance.state.wy.us](http://www.insurance.state.wy.us).

**The Wyoming Department of Workforce Services** offers job training services for employees and a job matching database. Their Career Readiness Certificate verifies that workers have the math and reading skills necessary for success in the workplace. Visit [www.wyomingworkforce.org](http://www.wyomingworkforce.org).

**The Wyoming District Office of the Small Business Administration** helps start, build and grow businesses through a wide variety of programs. Visit [www.sba.gov/localresources/district/wy](http://www.sba.gov/localresources/district/wy).

## Parting words

This booklet is only the beginning.

There are many different ways to keep skilled and experienced workers on the job. We hope we have provided you with several feasible options, and we encourage you to use the resources listed above to learn about additional ideas. We wish you well as you set forth to keep the good workers you have and attract the skilled workers you want. If you would like to share your success story with us, please contact:

**Rob Black at (307) 777-8716 or Joanne Bowlby at (307) 432-5802**

Both are with the Next Cycle Works Team ([wyomingworkforce.org/nextcycleworks](http://wyomingworkforce.org/nextcycleworks)). We are eager to hear about your achievements!



ANDY CARPENEAN

Patricia Golden retired from the Wyoming State Library in 1999 and now spends most of her time volunteering at the Cheyenne Botanic Gardens and the Laramie County Library, but she also does some paid part-time work for her previous employer.

## On the cover

Despite a resume that didn't fit the position quite right, Joann Schrader (left) took a chance on hiring chemical engineer Bill Reed (above right) to manage the office. Reed took the job, which many would have considered him overqualified for, in order to move to Cody to help take care of his ailing parents. He and a co-worker split a job, sometimes working together and other days covering for one another, allowing them both the flexibility to take care of their families while earning a paycheck.

PHOTO BY JOSH BOUDREAU

Lynne Carlton (bottom right) left the workforce to care for her two children while she earned an MBA. She spent more than a dozen years putting her degree to work as a volunteer, until one of those volunteer positions turned into a paid job. Now Carlton works as a grant writer for non-profit Climb Wyoming in Cheyenne.

PHOTO BY ANDY CARPENEAN