



Will Changing Job Demands Boost Older Workers' Prospects?

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The ongoing shift from a manufacturing-dominated economy to one based on knowledge and services has moved more and more jobs out of factories and into offices, reducing the need for backbreaking work. With fewer jobs relying on physical labor, more people may be able to continue working at older ages—a choice that can boost government finances as well as their own incomes. But the new workplace often makes other demands on workers, such as the need to adapt to and keep up with new technology, that might discourage longer work lives, especially for those with limited education. Some older workers may not be willing to cope with the high stress that seems increasingly common in many jobs.

This brief describes trends in job demands since the early 1970s and how they affect work at older ages. We estimate the share of the workforce facing physical, cognitive, and other job demands by linking occupational characteristics compiled by the U.S. Department of Labor's Employment and Training Administration to workers in the 1971 and 2006 Current Population Surveys.¹ The results show that physical workplace demands have declined over the past 35 years, but cognitive demands have surged.

Shifting Job Demands

Technological innovation and globalization have transformed the U.S. economy over the past 35 years. A national shift from manufacturing goods to providing services has changed the nature of work. Between 1971 and 2006 the share of workers in blue-collar occupations fell from 36 to 24 percent, while the share of workers in management, the professions, and services increased from 38 to 51 percent (Johnson, Mermin, and Resseger 2007).

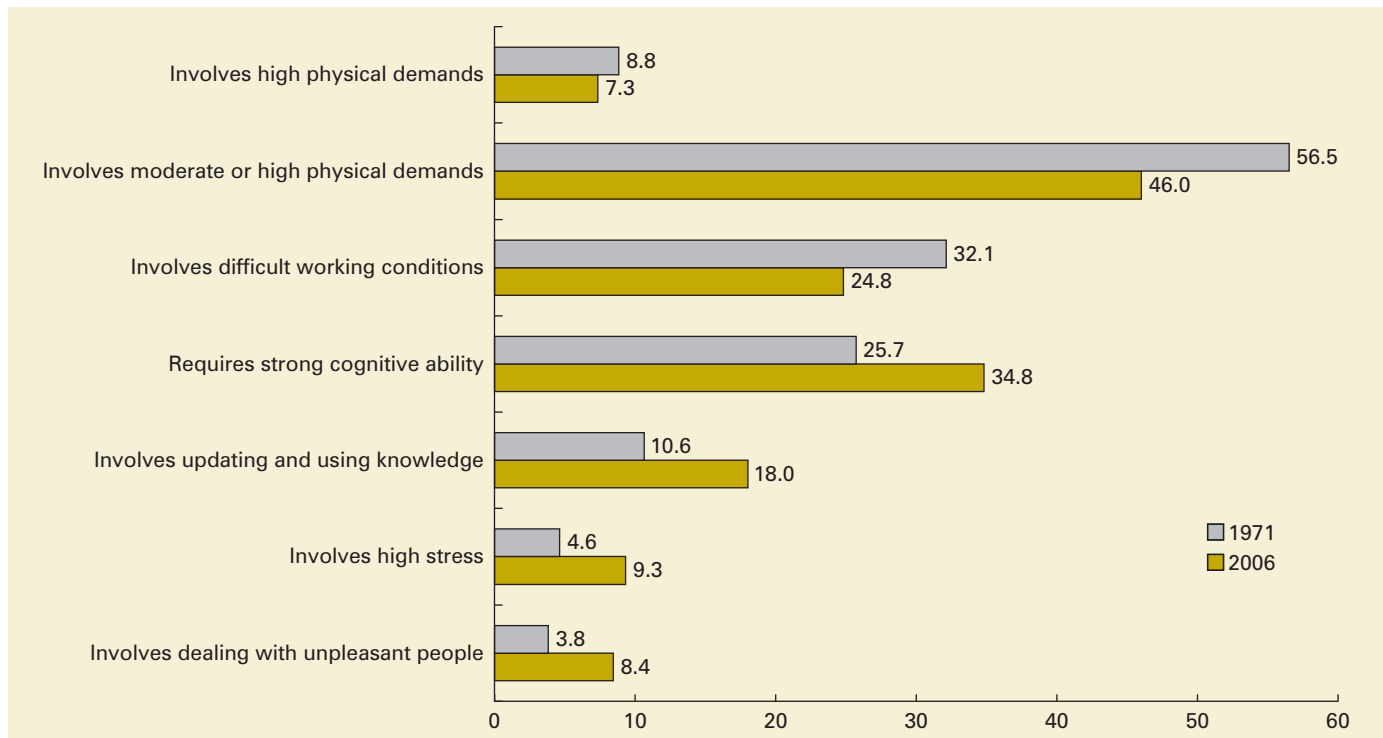
Employment is now less physically demanding and less likely to entail difficult working conditions than before. Between 1971 and 2006 the share of jobs involving high physical demands (such as strength, bending, or reaction time) declined from 8.8 to 7.3 percent, and the share involving moderate or high physical demands (such as standing, walking, or repetitive motion) declined from 56.5 to 46.0 percent (figure 1). Only 24.8 percent of jobs entailed difficult working conditions (such as outdoor work, high noise levels, or exposure to contaminants) in 2006, down from 32.1 percent in 1971.

The decline in physical job demands and difficult working conditions will likely spur employment at older ages as long as little else changes. Strenuous labor takes a special toll on aging bodies—especially those in declining health—and previous studies have found that workers in physically demanding occupations tend to retire relatively early (Holden 1988).

The growth in other job demands, however, clouds the outlook for older workers. The shift to a knowledge-based economy has increased cognitive demands and placed a premium on mastering the latest technical skills. Between 1971 and 2006 the share of workers in cognitively demanding jobs (requiring such skills as reasoning, writing, and decisionmaking) increased from 25.7 to 34.8 percent, and the share in jobs requiring workers to update their skills and use relevant knowledge increased from 10.6 to 18.0 percent. This trend may curtail opportunities for workers with limited education or those who lack the latest skills. Employers sometimes raise concerns about older workers' ability to learn new technologies and are usually less likely to train older workers than their younger counterparts (Frazis, Gittleman, and Joyce 1998; Mermin, Johnson, and Toder 2008).

Other less-desirable job attributes have also proliferated. Perhaps because of stronger global competition, the share of jobs involving high stress increased from 4.6 percent in 1971 to 9.3 percent in 2006. Increased stress likely makes work less appealing to older workers, many of whom report they would like to reduce their hours and responsibilities at the end of their careers (AARP 2005). Additionally, jobs involving contentious social interactions are becoming more common. For example, the shift toward service occupations has increased the share of workers that must deal with angry and unpleasant people from 3.8 percent in 1971 to 8.4 percent in 2006.²

FIGURE 1. Percentage of Jobs with Various Attributes, 1971 and 2006



Source: Johnson, Mermin, and Resseger (2007).

Implications for Older Workers

Changes in workplace demands over the past generation may allow some older adults to extend their work lives but could leave others behind. As fewer jobs entail physically demanding activities, more and more people will possess the necessary energy and stamina to succeed at work into old age. Despite these long-term declines, however, about two-fifths of middle-aged workers remain in jobs that involve moderately demanding physical activities, and some will have difficulty extending their careers. The growth in stressful jobs highlights the importance of phased retirement opportunities, which enable workers to stay with their employers but cut back on work hours and responsibilities. An understanding of the importance of lifelong learning and training opportunities for older workers is crucial, as more and more jobs require up-to-date skills. Perhaps most problematic, the growth in jobs that require cognitive demands may limit employment opportunities for older workers with little education. These less-skilled workers are not generally able to save much for retirement and would benefit most from longer working lives.

Notes

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1. See Johnson, Mermin, and Resseger (2007) for further details.
2. These estimates likely understate job-demand trends because they assume that job requirements have not changed within detailed occupations. The changes we measure arise solely from employment shifts across occupations.

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