NEWS

Welcoming Back Retired Employees

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Last year, a retired former partner at Hal Waldman & Associates, a personal injury firm in Pittsburgh, decided he would like to return to work. The firm welcomed him back, and he was soon helping with a particularly complex case. He also taught his former colleagues a few lessons.

"Some of our younger attorneys were wary of this retired attorney's brash old-school approach, but his way of doing things recalibrated the company in many ways, even if to prove to us what we didn't want to do going forward," said Alison Pearson, head of HR at the firm.

Heather Reid had a similar experience. As an HR manager for a startup content-writing business in Boston, her boss decided to hire a retiree who was eager to return to the workforce.

"The employee was a retired local newspaper reporter and had been out of a job for at least two years," Reid said. "The reason he came out of retirement was that he was extremely [pleased] with not having to worry about deadlines and all that stuff" in the new position.

And Annette Harris, an associate human resource director at Swisher in Jacksonville, Fla., said her company recently brought back a retired hourly employee for help around the office. "Since it was a payroll function, she was able to work remotely to help us fill in the gap until our payroll department could take over," she noted.

These are just three examples of companies that have hired formerly retired employees. In a tight labor market, many employers are leaving no stone unturned when seeking to fill open positions. According to Rand Corporation, of workers who are age 65 or older, 40 percent had retired at least once before.

Some retirees return to work because they need money to pay their bills, while others use the money to pay for travel, hobbies or leisure activities. Or they simply want to work because they find it fulfilling and a more appealing alternative to other retirement options.

Why Hire Retirees?

While hiring retirees can present challenges—whether or not they worked for the company in the past—there are numerous benefits. In Reid's experience, signing on a retiree was beneficial because the retiree showed the company's young writers areas they needed to improve upon and helped them write more effectively, even though he experienced a learning curve.

"He was used to a different style of writing and needed to adapt to a more 'modern' or relevant way of drafting blogs," said Reid. "He didn't have any idea about writing web content, but he already had the writing part [down], so all we needed was to train him and get him up to speed on the type of content writing that we know today."

Harris said her company saved time on training and compensation by bringing back a retired employee. "Retirees returning to the workplace is a good thing because it eliminated the need to recruit for an employee who would have to learn the company's processes," said Harris. She added that it can also allow employers to pay retirees a reduced rate since it's often unnecessary for these individuals to be employed full time.

Pearson agreed there is much that companies can gain from bringing previously retired employees on board.

"As someone who has spent years making their career in HR, I can confidently say that there's so much that companies miss out on by neglecting their older workforce," she said. "Not only do retired persons have the experience to back it up, but there's also a certain eagerness that's always a welcome addition to the workplace."

If you're thinking of hiring a retiree, here are four key elements to keep in mind:

1. Define the Role

Even if someone is a former employee, it doesn't mean you shouldn't have an onboarding plan in place. It's critical "to be completely honest about the company's position," said Pearson. "Make it clear whether the position is full-time or part-time, and clarify exactly what their role is within the company to avoid any power struggles."

One option is to create a new position tailored to the retiree's skill set. "The best thing about all of [this] is building it to fit your team's specific needs," Pearson said.

2. Be Aware of Personal and Medical Needs

It's important to be sensitive to the specific needs of returning workers and understand they may not be available at the days and times you might expect.

"When employees retire, they tend to travel more or have medical obstacles that affect their ability to be 100 percent present for the employer," Harris said. Providing scheduling flexibility to accommodate medical appointments, visiting grandchildren, and other requests made by the employee and their spouse is essential, she added.

3. Don't Stereotype Older Workers

Even though older workers may not be up-to-date on the latest technology, that doesn't mean you should judge them negatively. Instead, be willing to offer training and support from HR and co-workers.

"There's a stereotype that the older an employee, the less likely they are able to adapt to technology and grow with the company," said Pearson. "But in my experience, that's a lazy perspective. The responsibility to provide the support for growth has to come from within the company. As head of HR, my goal is to challenge the limitations that employees and employers set upon themselves. For a fair and successful business, the employees need the resources to succeed, regardless of their situation."

Harris agreed. "As technology changes, the retiree will need to be trained on how to use it," she said. "Learning new technology can cause frustration for the retiree and could result in mistakes with their work output," so employers need to focus on creating an effective training effort that recognizes the needs of older workers.

4. Create an Exit Plan

No matter the age of your employees, your company should offer retirement benefits that make it easy for workers to choose when to retire. Reid said her company accomplished this by incorporating the "proper benefits and sufficient finance-related office seminars to help [employees] prepare for the future."

Harris emphasized that there needs to be an exit plan for returning retirees to help them retire once and for all, if that's what they want.

"While the retiree is filling in the gap, the organization should have a plan for recruiting or training current staff to develop their skills," she said. "Creating a plan for retirees' transition to full retirement will benefit the organization in the end."

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