



TenStep Supplemental Paper

4 March 2004

Retiree Work Programs

Organizations that have gone through downsizing are realizing a bit too late that many of their best employees have left them with early retirement packages. The retrenchment that saved them money has cost them talent. Demographic trend watchers say that by the year 2016, the number of annual retirees will double as the baby boomers reach retirement age. With the emerging demographic trends and the need for talent, organizations are thinking of alternatives to accommodate them.

A Hartford, Connecticut-based company launched 'Trav Temps,' a program for rehiring retirees, more than a decade ago; it was one of the first formal programs for retirees. The company saved more than \$1 million by using its own job bank of retirees to fill temporary jobs. The company found that hiring a retiree, who already knows the company well, is much more productive than recruiting a new or temporary employee.

Retiree work programs to rehire retirees have become more popular today. These rehires are often used in positions for which they have expertise and skill through tenure.

Summary

As it is becoming more and more difficult for organizations to find experienced and talented employees, retiree work programs are bound to become imperative. Human resource departments have to remember that employees leaving today might be prospective employees tomorrow and hence take care that organization's good employees are happy when retiring.