

baby boomer retirement

How US Economy will Sustain upon Retirement of Baby Boomer Generation

The Baby Boomer generation is a demographic term for the Americans born somewhere in between 1946-1964. Based from a 2000 United States census, the Baby Boomer generation holds the population of roughly 83 million. To date, baby boomers range from 42 to 60 years of age. This means that the baby boom generation is on its way to exit the labor force of the country.

Baby boomers are offsprings of a healthy, erudite and bounty living. Because of this, they have reshaped the perspective of growing old by reinventing themselves to pursue a new passion.

Because of the distinctive characteristics of baby boomers, they have caught much attention and are the subject of studies and surveys. As for one thing, baby boomers belong to an influential generation that significantly affects the economy of the United States.

In an investigation conducted to find out how baby boomers foresee retirement, here are some of the key findings:

For baby boomers, retirement is an opportunity to devote themselves to the family and to enjoy their leisure time by pursuing their interests and hobbies. However, they view retirement as a chance to empower their skills and find another career apt for their age.

Baby boomers seek for both personal and career fulfillment that this becomes a driving force for them to prepare and plan for retirement. They cling to social security by accessing health and life plans.

Baby boomers yield an optimistic generation with conservative financial expectations.

So compared with their parents, baby boomers are far likely to be continuously working while enjoying their leisure. Comparatively, baby boomers made more money than their parents.

Tracing back to the annals of American history, the US economy has predominantly prospered since the baby boomers matured to enter the labor force. Historically, they are considered to be the prime source of the work force. But now that there is the expected demographic declination of baby boomers, the United States

Bureau of Labor Statistics prospects labor shortages that must be remedied all at once. Otherwise, this will inflict dire consequences to the economy.

However, there are some solutions to address the foreseen labor shortage by targeting the other variables that affect the demographic landscape. Organizations and companies can consider retaining the older workers, correcting the gender imbalance in work designations, outsourcing and hiring immigrants.

Since the baby boomers entered the labor force, the US economy has grown faster than its overall population. And the impending decline in the participation of baby boomers to service will reflect to a slower rate of labor force growth as well as to the economy.

To make up for the threatening flux of baby boomers' contribution to work force, they must be encouraged to remain in service for a longer span. To encourage the aging baby boomers to stay in the labor force, companies and organizations should consider the following:

In the years to come, age retirement of the recipients of Social Security pension shall eventually be raised to 67 for the baby boomer generation. With this attraction, baby boomers will likely to continue working over the age of 66 to avail full benefits of their pension.

The next course is defining the pension privileges that will offer more pay for those who stay longer in the work force. Instead of the specific age requirement, the span of work as the basis for the Social Security pension will encourage the aging baby boomers to work longer.

Since baby boomers enthusiastically prepare for their retirement, these offers will boost their will to stay in the labor force. The aforementioned courses will render mutual benefits for both the companies and the baby boomers.

As the company understands the effect of the baby boomers' retirement, they can thoughtfully prepare the upcoming adversities to the labor rate. These companies and organizations involving the baby boomers must start their investigation on how to customize their system to accommodate the aging employees. And they can find better alternatives to ride the crest of the demographic wave caused by retiring baby boomers.

And learning the distinctive characteristics and views of the baby boomers towards retirement is a good strategy to learn how to deal with the circumstances.