

Mercer's

Redesigning later life



welcome to brighter

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Executive summary

Our population across the industrialized world is aging to an extent never experienced before in history. We are now living 10 years longer on average than our parents' generation and nearly two decades longer than our grandparents' generation.



This social revolution has implications for every part of our society: how we think about and live our lives, how we will work in the future and particularly how we will finance our longer lives — most likely through longer working. G20 leaders agree that to continue strong economic growth, it is vital to support people in living healthier lives and staying in the workforce for longer. By doing so, we can not only improve well-being and enable people to remain active and economically productive, but we can also reduce dependency, bringing down the burdens on health, pensions and social systems.

Against this backdrop, we examined the imperative for fueling growth through redesigning later life, capturing the key calls to action for policymakers, employers, providers and individuals alike. With this knowledge, we can begin constructing the optimal environment for people to thrive in their longer working lives.

We've prepared this guide to catalyze new thinking and action to redesign later life. The practical, hands-on approach we set out arms all key stakeholders — governments and policymakers, employers, financial and service providers, and individuals — with a tangible means of driving innovation and making a difference in the lives of people everywhere. Give this booklet to your government representatives, your CEO, your HR leaders, your family — whoever you think will be inspired to be a part of this unprecedented social change we must achieve!



Foreword

At the World Economic Forum (WEF) Annual Meeting in Davos 2020, I had the opportunity to participate in a unique Mercer WEF event focused on longevity, “Redesigning Retirement for Longer Working Lives.”

Let’s be clear. Longevity is one aspect of a brighter future for the world’s workforce — if organizations and leadership get it right. It calls for a change of mindset, adapted healthcare and savings programs, greater opportunities for continuous learning, and, of course, longer careers. It’s a chance for employers and experienced workers to embrace upskilling, reskilling and continuous adaptation.

The event was a novel design-thinking workshop, very hands-on, with attendees discussing persona-specific solutions that would result in this post-Davos package of materials called “Redesigning Later Life.” This guide presents the workshop’s findings, provides a plan for testing and developing the solutions, and identifies the calls to action that will enable them.



There's no doubt that longevity is a serious social issue. Life expectancies are increasing globally, and children born today are likely to live beyond the age of 100. That's 10 years longer than my parents' generation and nearly 20 years longer than my grandparents' generation. It's good that we're having conversations about longevity at events like the WEF and back in our organizations, think tanks and policy offices — and even with our families. If you're not planning for this kind of change — what it means, the different thinking and choices it requires — you may be left behind.

Already, for many of our clients, the ratio of employees 50 years and older to the rest of the workforce has doubled in just five years. With people living and working longer, it's clear that much of our world will look far older in the years ahead.

In partnership with Mercer, the WEF examined data for retirement savings, including both government and company pensions as well as individual savings, from eight major economies. In the US, forecasters expect that people will outlive their savings by almost 10 years. When you look at Europe, the gap grows to 11.5 years, and in Japan, it's nearly 20.

At the workshop, we heard from a number of large employers and policymakers in countries and industry sectors most affected by an aging population. During the event, they crafted practical solutions to some of our identified personas. For example:

- Discovering and tapping into “transferable” skills to kick-start a move to a more engaging career, or starting a side business and exploring creative ways to unlock more income — extending the motive to work longer
- Taking on apprentices to jointly develop more sustainable and eco-friendly business models — sharing the later-life workload and pressure
- Tackling stress at work and potential future health issues through accessible and innovative education around lifestyle, digital health solutions, perhaps even DNA profiling — to protect health and well-being
- Building awareness for the self-employed, who often miss out on social security and other benefits through a lack of relevant and timely information

Our longevity event here at Davos helped us take a great view of the future, and we're passionate about the possibilities. Longevity is a reality that companies and employees can't ignore if they're going to build sustainable futures over the short and long term. Events like this can help organizations find their purpose — and purpose-led companies are destined for the long haul. They are what will make the future brighter for everyone.



Martine Ferland

President and CEO of Mercer,
VP MMC

Context and introduction



At the invitation of the World Economic Forum (WEF), Mercer was delighted to deliver this workshop focused on longevity. We would like to thank the entire WEF team for this opportunity and their collaboration — in particular, Andre Belelieu for his support in the organization and delivery of the workshop. Mercer has undertaken significant research into the work-related implications of longevity, and we used this understanding to construct a design-thinking workshop that would tap into the expertise of the wide and senior audience in Davos.

Conventional thinkers maintain that recent demographic shifts portend only a crisis, not an opportunity. They warn that an older population means slower growth and increasing dependency. They accept, without challenge or action, ageist beliefs that older workers are unproductive, expensive, change-resistant, unfit and technologically challenged. They fail to recognize the value of experience and the benefits it brings to families, communities and workplaces. They ignore the promise of intergenerational collaboration and the advantages of a diversity and inclusion

model that incorporates age, capitalizing on the talents of both old and young. They fail to understand that we must find ways now to ease the financial stresses that running out of money some eight to 20 years before life expires will present to society. They neglect to take action to design preventive health interventions that can improve the quality of later life for all. They are unaware of the importance of continuing to engage in meaningful activities and its positive impact on quality of life.

Enlightened leaders see a different story. They understand the potential of multigenerational teams. They appreciate the economic and social benefits of gender, racial, religious and sexual diversity, and they realize that age is the next frontier in the quest for an inclusive and productive society. They are ready to redesign retirement and later-life programs now, so that all generations will benefit from positive actions.


The workshop in Davos enabled us to bring together these enlightened leaders and to produce this guide for all to benefit from the experience.



What did we do at Davos?

We needed to use a design-thinking approach, because in our experience, there is much new work to do to ensure people can transition to and thrive in a longer life. Demographic change and increasing longevity have never before had such a significant impact on the world. Products, services, interventions, support mechanisms, employment, social security systems and attitudes are all ready for innovation. This guide is just the kick-start to this much-needed disruption.

We constructed real-life persona scenarios (included later in this document) and created posters to use as case studies for several breakout groups. Each group of experts, led by a Table Champion, developed a series of interventions for each persona. The interventions were designed to ensure the best quality of later life could be achieved — making living to 100 a blessing, not a curse, for our real-life personas.



**Only staying active will
make you want to live
100 years.**

— Japanese proverb



Each group recorded its top three interventions on the persona poster and presented its findings to the other groups in the workshop. We have compiled all the results so that everyone can share in the learnings of the Davos 2020 experts in this field. Common themes across the personas are highlighted below with calls to action for:



Policymakers



Providers



Employers



Individuals



Following Davos, additional observations were added to make sure we captured the full picture. One of the proposed interventions, “Developing a personalized long-term life plan,” was then expanded so that in the spirit of open innovation and sharing, anyone using this guide could develop the next stage of design thinking and bring this product to market.

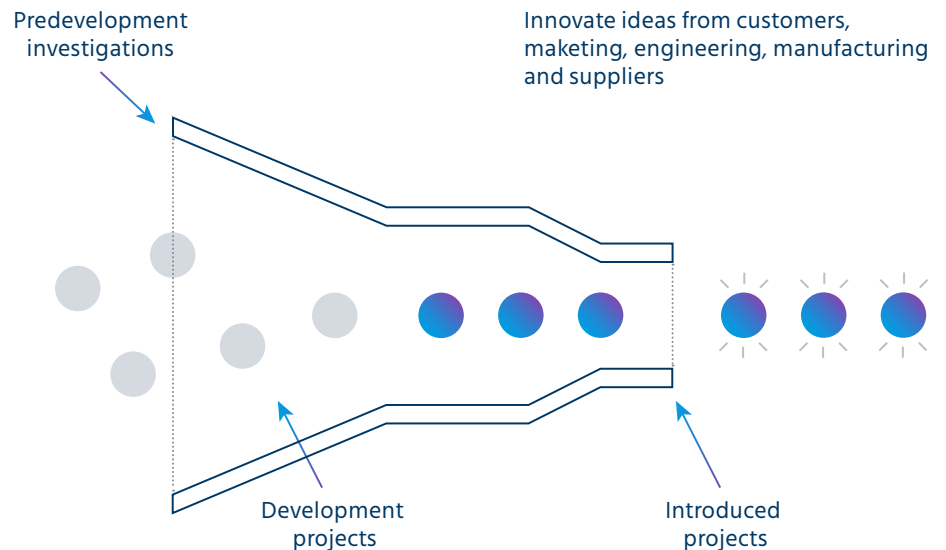
The aim of this work is to begin the journey toward creating an environment in which all generations can thrive — that the young can look forward to without fear and that the old can enjoy with dignity.

1. What is design thinking?

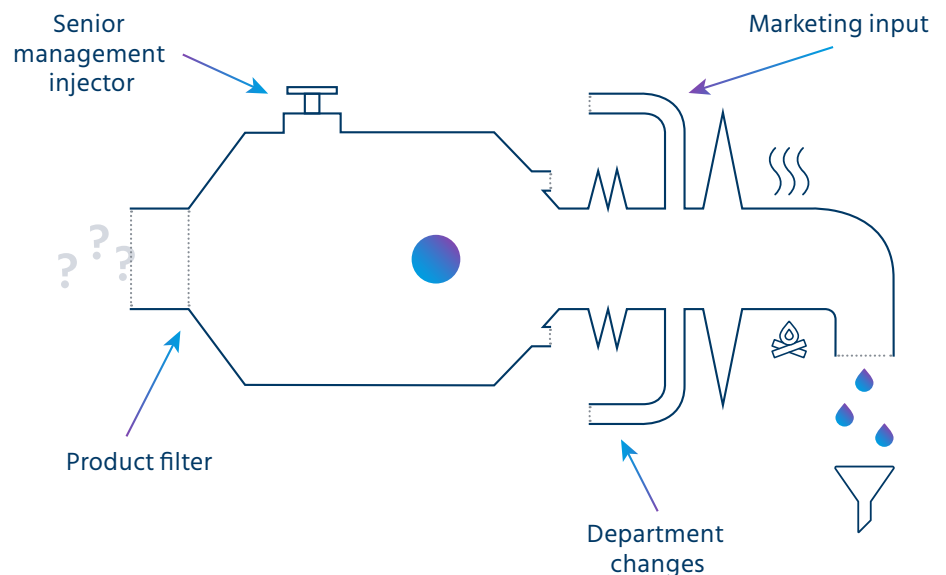
Design thinking is an iterative methodology that embraces the end user. We seek to understand the user's needs, challenge our own assumptions, define problems and then solve them. The process can be complex, particularly if there are many stakeholders involved. The key is to stay close to the user's needs and identify ways to meet those needs with less friction. Friction might manifest as high cost, lack of access or knowledge, or as a current solution that doesn't quite work.

In our workshop, we started with the user. Traditionally, we assume that life is linear and that we move steadily through the usual three phases of education, work and retirement. We assume that traditional support mechanisms, such as social security pensions, will kick in when we most need them. But even these are changing to adjust to longer life expectancy, with later retirement ages and reduced benefits becoming the norm. The reality we are facing now is more likely to be a multistage life, with periods of later-life learning, part-time work or multiple careers, and phased retirement taking center stage. There are more complexities and moving parts to consider. And the need to seamlessly integrate efforts from multiple stakeholders is more important than ever.

Ideal design-thinking process



The common reality



2. Wireframe rapid prototyping exercise

As a warmup, the groups started with a rapid prototyping exercise. We supplied each group with 1 meter of wire and a small wooden figure and asked participants to make a wireframe object that the figure could sit on. They had 90 seconds to complete the task.

We soon had a room full of very clever seating designs — some more functional than others! Groups made a bicycle, a rope swing, a stool — but the majority of creations were chair-shaped. Had time permitted, we would have gone on to select the three best designs and refine them to optimize:



Speed and complexity of build



Economy of materials used



Functionality



Aesthetic appeal and comfort



Buyer and user preferences

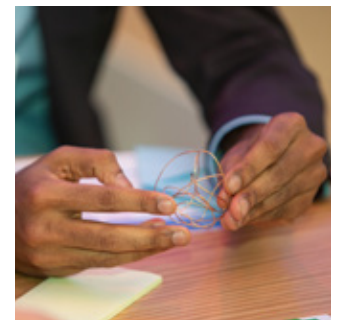
In Davos, however, we used this simply as a warmup to get everyone thinking quickly and outside the box in readiness for the main exercise.



How you can use rapid prototyping

Rapid prototyping proves anyone can contribute to solving a problem. There's no one in the world who isn't familiar with what it means to be older today than they were yesterday! And let's be honest — it also wakes up your stakeholders and engages different parts of the brain. You can copy our rapid prototyping exercise or select your own. Here are some other ideas:

- Use air-dry modeling clay or similar to design a new version of an object you use every day.
- Use paper or cardstock to craft something to drink from.



3. Personas and workshop approach

To develop personas, we interviewed colleagues, family and friends. Financial figures are estimates, and names have been changed to protect confidentiality.

We conducted interviews in three ways to suit our personas: in person, via video conference or by email. Sharing the template ahead of the interview allowed our interviewees the opportunity to answer questions with ease.

In order to reflect the diversity of the population, we chose personas that represented different genders, occupations, ages, employment statuses, nationalities and family circumstances. Given the time constraints, we were only able to explore a handful of circumstances, but it would be relatively easy to develop a much wider spectrum using the persona template as a base. These could be country-specific, or job-/organization-specific, etc. By using real people, we were able to obtain vital feedback on whether solutions being designed were adequate and practical.

Although our personas are in fairly settled and comfortable circumstances, each situation presented challenges. For example, it was clear early on that the self-employed community often lacks social protections and employee benefits support systems (see Carly's persona). It's time to change these policies, as this is a rapidly growing segment of many countries' employment models.

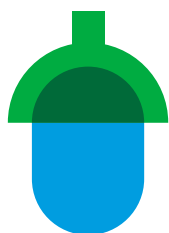
In the workshop, a Table Champion facilitated the brainstorming exercise that followed and listed the top three suggestions for the group's chosen persona on the poster. Each group then presented its results to the other workshop participants, and the participants drew some initial conclusions.

Members of one group, led by Jean Accius of AARP, agreed that they would like to have a panel of experts provide input on the top priorities they should consider for their own later life. We have developed this personalized later-life planning idea into a follow-up in Stage 2 of the design-thinking exercise.



4. Flashcards

In order to spark some ideas, we developed a series of flashcards for use in the workshop. Each table had a set of these to trigger ideas, and a sample is included below. For the purposes of this exercise, we segmented flashcards into Health Enablers, Financial Enablers, Career and Skills Enablers, and Lifestyle Enablers, also leaving blank cards for “moonshot” ideas.



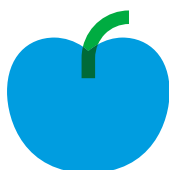
Financial enablers

Personalized projections of realistic life expectancy based on actual health and demographic data (illustration of required income to maintain desired lifestyle)

Increased flexibility around age at which to draw social security and private pension provision

Personal financial health check every five years from age 40 (or other age?)

Long-term elder care insurance product



Health enablers

Cognitive (brain) health screening, advice and support to prevent, detect and treat multiple forms of early cognitive decline

On-site (employment-related) access to physiotherapy, massage, meditation and relaxation services

Elder care support (provide details of what type of support, how this will be provided and when it would be available)

Digital health support; for example, access to virtual doctor and/or specialists



Career, skills and workplace enablers

New, more flexible employment models, such as contract work, gig-style projects, job share, re-employment, post-retirement, portfolio careers

Later-life learning centers and programs designed to reskill workers for jobs of the future (provide details on how this might be actioned)

Internal employment job postings and improved internal mobility of labor options to enable employees to consider later-life career opportunities

University subsidies for later-life learning, enabling older workers to return to study



Lifestyle enablers

Support for surviving partners to learn home-care skills, such as cooking, cleaning, nutrition, self-care

Your “moonshot” lifestyle enabler

Group work results

Angelo, Carly, Becca, Graham

Each of the persona write-ups is included below and has been shared with the individuals who kindly allowed us to work with their data. Although our personas were very different from one another, they were all interested in hearing the outcome of the discussions, and all expressed excitement at the possibility of a tailored approach with options to help them reach their desired futures.



Angelo



Angelo is a farmer in Sicily who recently lost sight in one eye in an accident on the farm. He says that he wants to “die on the farm,” working until the end, albeit in a reduced capacity, perhaps downsizing at some point as his strength fails. He has little time for self-care but hopes to maintain the lifestyle he and his wife currently enjoy. The working group approached this case as follows:

1. Find creative ways to unlock additional income from all sources.

- Angelo could benefit from examining potential income from the family unit as a whole, including additional capacity to save, earn and contribute by his spouse.
- Developing a longer-term investment approach from existing savings could help Angelo achieve higher returns from higher-risk assets.
- We suggest Angelo consider generating additional income by implementing new regenerative farming methods, including sourcing income from potential corporate sponsors, food cooperatives, associations and affiliate or government groups that might offer funding.
- Angelo could investigate other uses of land, such as renewable energy, camping and tourism, and property — for example, Airbnb, farming or cookery school.

2. Get educated on longevity implications. (For example, does Angelo know he has a one-in-four chance of living to 92, but his finances may run out well before that?)

- Using affiliate groups, community groups and traditional farmer’s networks as potential trusted education resources could help Angelo create advocacy and deepened understanding of potential risks ahead.
- Angelo should explore government-sponsored awareness campaigns on financial wellness, better access to understanding healthy behavior and incentives for preventive behavior.
- We recommend Angelo obtain appropriate protective insurance.
- Angelo would benefit from developing a succession plan rather than leaving longevity to play out by chance. He should explore additional options. (See also the next point.)

3. Spend some of the newly unlocked income on an apprentice so he’s able to work less over time.

- Teaching and transferring skills between generations could lead to innovative new farming methods and practices and provide Angelo with much-needed support through the new creative ventures they might embark on for the farm.
- Given the recent loss of his eye and his desire to reduce his working effort, Angelo should obtain trusted support to create more flexibility. It would also enable him to take a holiday to visit his daughter overseas.

Carly



Carly is a self-employed whiskey sommelier and enjoys this flexibility but is more likely to experience volatility in earnings and lack of social protection compared to an individual working full time for an employer. She has already had to switch careers because of a work-related injury. Carly is based in the US, where gig-style and self-employed working patterns are a growing trend. She will likely outlive her husband. The group decided to tackle her longevity challenges in the following ways:

1. Increase awareness of Social Security benefits.

- Carly needs to maximize her Social Security benefits, but at present, has insufficient knowledge of what she can access as a self-employed worker. She should seek help to get this information.
- Social Security has a set contribution rate for employees and employers — those who are self-employed pay the combined rate of both. However, this is a voluntary contribution and overlooked by many self-employed individuals. Carly should aim to earn more income now so she can pay more into the Social Security system and reap the rewards of her contributions later in life.
- Public policy change is needed to auto-enroll people like Carly in Social Security benefits and pensions. Provision and entitlement are considerably better-organized for employed persons.
- Greater awareness of the need for short-term disability insurance is important for Carly, to protect her income in times of low workload.

2. Develop a long-term life and financial plan, including benefits, investments and protection products.

- Carly and her husband should seek to optimize the employee benefits available through his corporate employment to ensure they are accessing the best protection as a family.
- Carly could even take some paid regular work that would give her access to healthcare, retirement savings plans and other employee benefits, such as training and development opportunities to grow her skill set. She will also need to take account of her lifestyle habits and guard against too much travel and entertainment, which may be a part of her current occupation and could become physically taxing, leading to exhaustion or injury.
- Pooling resources and examining long-term investment potential would be a useful additional step for Carly and her husband, including identifying products that could provide them with guaranteed lifetime income in retirement.
- They should seek to increase their understanding of life insurance products, including appropriate levels of coverage and benefits.

3. Live within her means, which will require managing income and expenses carefully.

- a. Given the potential volatility of Carly's current income as a self-employed worker, tools and other educational resources will be essential to help her manage cash flow and expenses longer term.
- b. We recommend regular budget reviews to help Carly stay on track.
- c. Carly could investigate "income-smoothing" products to enable her to set aside some protection against low-income periods.

4. Consider consulting with a financial professional to help plan for a more secure financial future.

- a. Carly and her husband could review their asset accumulation and income strategies for now and the future, considering a variety of work and living scenarios.
- b. It would also be useful to include a conversation about long-term healthcare needs, especially since they do not have children, who often provide care for aging parents.
- c. By revisiting their financial plan and adjusting it as personal circumstances and broader environmental factors change, Carly and her husband could be better prepared to stay on track in reaching their long-term financial goals.
- d. Either with a financial professional or on their own, it will be important that Carly and her husband develop a well-thought-out action plan for meeting their needs today and in the future.

Becca

Becca's life expectancy as a young woman is the highest of all the personas examined in this exercise. She has a one-in-four chance of living to 96, although she does have a family history of health challenges that present additional uncertainty for her in this respect. She has not yet been able to afford to buy property or contribute to a pension, as her current expenses are high relative to income. The group's recommendations for Becca were as follows:

1. Put health and wellness first.

- a. We believe it's essential for Becca to ensure she's as well-educated as possible regarding her personal health risks.
- b. DNA sequencing might help her achieve a deeper understanding of her own potential health risks, as the current uncertainty is causing her anxiety.
- c. Becca could reduce her stress over potential health concerns with appropriate mental health and wellness education and support.
- d. To complete the set, she might also consider newly available cognitive and brain health education interventions.

2. Make career coaching opportunities available to advance income potential.

- a. Although Becca is already on a professional career track and making progress in HR, the group felt that with coaching, she could consider supplementing her income by starting her own business in addition to working at her day job. She wants to learn pottery and carpentry, for example, both of which could provide additional sources of income in the future, either through teaching others or selling her work. A more flexible working arrangement would facilitate this approach.
- b. Additional income sources could help her save toward her first property or for a pension.
- c. A combination of career and financial coaching could ensure Becca would reap the benefits of advancing her income potential.

3. Maximize protection through work-related employee benefits.

- a. Depending on Becca's health findings from point 1, she could explore how to maximize the range of employer-sponsored health and wellness benefits to suit her circumstances.
- b. If the right benefits aren't available through her current employer, she could seek an alternative employer that provides a range of benefits with a better match to her situation.
- c. Depending on her findings from point 2, better benefits might also include innovative investment and savings opportunities that would enable her to buy a home, fund training to develop her skills and business opportunities further, and help her maximize her pension.

Graham



Graham has been active in the military all his life and recently moved to an administrative role, which he hates. He is divorced and remarried and has five young children from the two marriages. He is stressed, can't quit smoking and is beginning to show signs of depression. He feels trapped in the military and is desperate to ensure a good education and a secure future for his family. The group had these suggestions for Graham:

1. Address the underlying workplace conditions that are causing the stress.

- The impact on mental and physical health of being disengaged at work should not be underestimated; the group was keen to get Graham motivated and reengaged in meaningful work as soon as possible.
- Tapping into Graham's transferable skills from his military service and developing these into potential future career options were the priority. Graham could accomplish this through an assessment tool (a "midlife checkup") or career coaching.
- The new direction could be an add-on to his current role — for example, additional paid sports coaching — or a new job entirely.
- Graham could also consider entrepreneurship opportunities. In the past, he was highly driven and motivated, and this could give him the flexibility to spend more time doing things he enjoys.

2. Seek physical and mental well-being interventions.

- The group recommended mental health support and counseling to address the underlying symptoms of stress.
- A smoking cessation program would likely extend Graham's life expectancy.

3. Explore financial products and education, savings, and insurance.

- We recommend financial planning advice, which could factor in the additional income potential of Graham's spouse so that he can make informed choices about future career opportunities and lifestyle.
- A better understanding of the financial responsibilities of raising five young children, including childcare, benefit levels and future education commitments, could help Graham consider how to fund these requirements through insurance and investment products.

Key themes across personas

Our personas represent a diverse group, but many common themes emerged in the workshop and in follow-up conversations with participants. Having a variety of thought leaders involved in the exercise brought a wide range of ideas to each table, each focusing on different human and societal needs. This is why it was so valuable to take a multi-stakeholder approach. Here are some of the key themes we want to share with you and develop:

- **Redesigning how we earn**

Unlock creative additional income sources through side jobs and the platform or sharing economy. Later-life income isn't just about savings from a pension plan — and this option might already be too late or inaccessible for some.

- **Redesigning how we live by planning as a family unit**

This includes planning between generations and restructuring who supports whom. At different life phases, we have the capacity to support in different ways, and not just financially but also by providing care.

- **Redesigning what we know about the financial implications of longevity**

Raise levels of awareness so that people can plan or at least have a sensible target to aim at. At the moment, life expectancy is unknown, so people don't know how much money to save or draw down from pensions.

- **Raising levels of awareness of preventative health interventions**

This helps people better understand how to stay in good health. Prevention is better than cure, and we need to shift the balance of spending from treatment to prevention.

- **Redesigning innovative health and well-being programs**

Provide diagnostics and care options, including better access to digital health solutions, cognitive and brain health solutions, and even DNA sequencing.

- **Redesigning how we learn and investing in new skills**

Lifelong learning will become essential, and for that, we need to reinforce the idea that you can continue to grow and develop. Jobs of the future are changing, and we need to change with them or risk becoming irrelevant. It can be daunting to learn something new, but everyone will need to reskill; our current skills may have a half-life of only five years. There's a learning style out there to suit everyone.

- **Redesigning work to create more flexibility in the working environment**

This may require addressing all five dimensions of flexible working:

1. Where work is done
2. When work is done
3. What work is done (redesigning job content)
4. How work is delivered (fluctuations in how much work is needed at any one time)
5. Who does the work (employee, freelancer, outsourced, robots) — see our thinking on [Adaptive Working](#)

- **Redesigning retirement to create phased retirement programs**

Both formal and informal programs will enable people to transition more successfully from full-time work to full-time retirement. Not only can this ensure continued income, it can also help avoid the shock of a “hard stop” between the known identity and social network from our working life and the unknown experience of retirement — not always a welcome transition.

- **Redesigning later life by developing a personalized long-term life plan**

This plan can be guided by your own persona checkup. Our participants and personas valued the opportunity to spend time on personalized and holistic planning. A midlife checkup could be just the ticket!

- **Redesigning financial planning**

Provide financial tools and advice that help manage forward planning, budgeting, spending and lifetime income needs. These need to be accessible, affordable and straightforward so people value them and use them on a regular basis.

- **Redesigning creative investment options, such as:**

1. Income-smoothing products for the self-employed
2. Multigenerational, more-aggressive investment products comprising pooled family assets with higher return potential
3. Sources of protected lifetime income, such as annuities and permanent life insurance
4. Longer-term mortgages
5. Extended-working-life insurance products
6. Scam-proof banking

Many existing financial products and solutions are no longer “age appropriate,” do not address increased longevity and have not kept pace with change in other industries, partly because of heavy regulation. We need to take the lid off this sector.

- **Redesigning career coaching**

Even incremental change in understanding transferable skills and career potential can improve earnings power. Transition support can help people move from job to job and from life stage to life stage — and could also improve success. Transition equals change, and change can be hard. Successful transition is a skill that can be learned, like painting or cooking, and can strengthen resilience as we move into an era of increased longevity.

- **Redesigning the employee benefits package**

People will need to continue working later in life, and high competition for labor will force employers to create age-appropriate packages to attract and retain talent across all generations and life stages. Some individuals will want to maximize their protection by seeking a package of work-related benefits through second jobs, and employers that offer a flexible self-service shopping package of benefits could win out.

- **Redesigning the employment model**

We need to accommodate new worker needs — creating a better deal for the self-employed or gig worker, with access to core benefits as well as training and development opportunities.



Design thinking — Taking an idea to the Next Stage

The next phase of the design-thinking process is preparation for the refinement of the final design — and you may need to repeat this phase more than once to get the best result. Each of the solutions suggested for the personas can be further developed as a pilot for testing and iteration. A simplified approach is detailed on the following pages.



How to run your own persona expert checkup exercise: Let's take "Developing a personalized long-term life plan" to the Next Stage



- Consider the multiple stakeholders who will make this a success.
- Arrange focus groups with each stakeholder group to establish what they expect from a personalized life plan. You can start with the persona design in this guide. You are trying to determine the right components and the right information for making a great later-life plan. Conduct focus groups in the workplace, where there is ready access to groups of employees at different life stages, or in the community.
- Prepare a context and briefing document in advance to explain the purpose of the research to your focus group participants. You can use some of the materials in this guide.
- Engage and enroll your focus group participants — you may need incentives!
- Organize a time and place. An hour is usually long enough for the focus group discussion.
- Decide how you will capture focus group output (scribes and note takers, recording, other) and how confidentiality will be maintained.
- Prepare open questions in advance, such as:
 - Have you thought about what you will do after age 50?
 - What will you need? How will you plan for this?
 - What type of information will help you plan effectively?
 - What is within and outside your control?
- Determine if and how your participants address this problem currently:
 - Do they plan for these events already?
 - Does anyone already have a personalized long-term life plan?
 - What tools did they use?
 - How successful were these tools in planning effectively?
 - Do they plan with or without their partners?
- Analyze data gathered from focus groups, collating findings into key themes. If you ran more than one focus group, identify any patterns or divergent findings. Assess why this might be, and conduct more focus groups if necessary to be certain you have captured a wide enough set of views. For example, women may have different views than men.
- Decide if you have enough data to develop a minimum viable product (MVP). An MVP is the first prototype of a personalized long-term life plan that you can then test with your focus group participants or with additional testers. It represents the minimum product needed to prove your concept will work. If it works, move into development, testing and iteration phases to get your concept ready for market.

Conclusion and call to action for stakeholders

Each of the stakeholders included in this section has a part to play in making longer life a blessing, not a curse. Below, we've set out a framework of actions based on the key themes from the work undertaken in Davos. We will continue to emphasize the importance of accelerating activity with each of these parties and would encourage you to do so too. Our combined networks will be more powerful than a lone voice.

In addition, Mercer intends to run more of these workshops around the world and continuously add to the findings, drawing conclusions on key themes and making comparisons from region to region and situation to situation.

Governments and policymakers	Employers	Providers of goods and services	Individuals
Redesign what we know by raising levels of awareness regarding financial and health implications of longevity.	Design new ways to work and earn.	Redesign financial tools to manage forward planning, budgets and spending.	Unlock creative additional income sources.
Redesign preventive health interventions.	Redesign how we learn, and invest in new skills.	Redesign innovative health and well-being advice and diagnostics.	Redesign how we live, and plan as a family unit.
Redesign support for the self-employed population.	Redesign career coaching and transitions.	Redesign creative age-appropriate investment and insurance products.	Develop a personalized long-term life plan based on your own persona exercise.
Ensure flexibility of work and pensions regulatory environments to enable later-life working.	Redesign flexible working options.	Develop cognitive and brain health diagnostics and support.	Manage forward planning, budgets and spending.
	Implement midlife checkups like the persona exercise.	Redesign with age in mind — don't forget: No one self-identifies as old!	Maximize work-related protection benefits.
	Redesign retirement, and offer phased retirement programs.		Invest in your own skills and learning.
	Redesign the employee benefits package to appeal to multiple generations and worker types.		Take time and have the flexibility to do the things you enjoy.

This list is not exhaustive, and many of the calls to action apply to several stakeholders. To keep the table simple, we have included the key calls to action under one main stakeholder only.

Champion bios and backgrounds



Kevin Hogan

Executive Vice President and CEO,
AIG Life & Retirement

Kevin is an industry leader and innovator, committed to helping people achieve financial and retirement security. During his more than 35 years of experience, Kevin has helped AIG and the retirement and life insurance industries evolve to address the economic and societal changes impacting Americans. He has also helped AIG advance the world's body of knowledge on financial resilience and drive public awareness and engagement. Under his leadership, the Life & Retirement business has:

- Reinforced AIG's position as a partner of choice, including becoming a top annuity provider in the US
- Enhanced its digital capabilities to optimize operations and improve customer experience
- Advanced research and thought leadership on critical issues, such as retirement readiness, an aging workforce, elder financial abuse, student loan debt, financial education and life insurance awareness
- Served as a founding member of the Alliance for Lifetime Income and sponsor of AARP's Living, Learning, and Earning Longer initiative
- Launched AIG's comprehensive Plan for 100 initiative to educate Americans on preparing for longer lives and retirements that could last four decades or more

In Kevin's words: "Today's longer lifespans are a game-changer — they make running out of money in retirement a serious concern. At the same time, the job market is growing more complex, with more people

changing jobs multiple times, working without benefits and working later in life to make ends meet. To help individuals build a financial safety net, the financial services industry and other stakeholders have to work together, convene a global conversation, and drive awareness and change. Together, we can help give people the information and tools they need to build the financial security they deserve, to see their future with optimism and live it with confidence."

Kevin started his career in 1984 at AIG in New York and subsequently held management positions in Property Casualty in Chicago, Tokyo, Hong Kong, Singapore and China and in Life & Retirement in China, Taiwan and New York. From 2009 until rejoining AIG in 2013, he was CEO, Global Life, for the Zurich Insurance Group. Prior to his current role, he served as Chief Executive Officer of AIG's Consumer organization and senior officer for Japan. Kevin currently serves on the board of the Alliance for Lifetime Income and the board of LL Global, the parent company of LIMRA and LOMA. He has also served on the boards of the American Council of Life Insurers, Japan Society, St. John's University School of Risk Management and Chatham Day School. He is a graduate of Dartmouth College.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc.



Victor Dzau, MD, PhD

President, Institute of Medicine

Victor is the eighth president of the Institute of Medicine (IOM). He is Chancellor Emeritus and James B. Duke Professor of Medicine at Duke University and the past President and CEO of the Duke University Health System. Previously, Victor was the Hersey Professor of Theory and Practice of Medicine and Chairman of Medicine at Harvard Medical School's Brigham and Women's Hospital, as well as Chairman of the Department of Medicine at Stanford University. Victor has made a significant impact on medicine through his seminal research in cardiovascular medicine and genetics and his leadership in healthcare innovation. His important work on the renin angiotensin system (RAS) paved the way for the contemporary understanding of RAS in cardiovascular disease and the development of RAS inhibitors as widely used, lifesaving drugs. Victor also pioneered gene therapy for vascular disease, and his recent work on stem cell paracrine mechanisms and the use of microRNA in direct reprogramming provides novel insight into stem cell biology and regenerative medicine. In his role as a leader in healthcare, Victor has led efforts in innovation to improve health, including the development of the Duke Translational Medicine Institute, the Duke Global Health Institute, the Duke-National University of Singapore Graduate Medical School and the Duke Institute for Health Innovation.

As one of the world's preeminent health leaders, Victor advises governments, corporations and universities worldwide. He has served as a member of the Advisory Committee to the Director of the National Institutes of Health (NIH) and as Chair of the NIH Cardiovascular Disease Advisory Committee. Currently, he is a member of the Board of the Singapore Health System and Hamad Medical Corporation, Qatar. He was on the Board of Health Governors of the World Economic Forum and chaired its Global Agenda Council on Personalized and Precision Medicine. Among his many honors and recognitions are the Gustav Nylin Medal from the Swedish Royal College of Medicine, the Distinguished Scientist Award from the American Heart Association, Ellis Island Medal of Honor and the Henry Freisen International Prize. In 2014, he received the Public Service Medal from the President of Singapore. He is a member of the Institute of Medicine of the National Academy of Sciences, the American Academy of Arts and Sciences, and the European Academy of Sciences and Arts. He has received eight honorary doctorates.



Jean Accius, PhD

Senior Vice President of Global Thought Leadership, AARP

Jean is a senior executive and nationally recognized thought leader on aging, longevity, health and long-term care policy. He is a tri-sector leader with deep knowledge and a wealth of experience, having served in senior-level positions across private, public and nonprofit sectors. Jean is the Senior Vice President of Global Thought Leadership at AARP. In this role, he provides strategic direction, leadership and technical expertise championing new ideas, framing thought-provoking perspectives and driving bold solutions to change systems and improve the lives of all as they age, both domestically and internationally.

Jean has been quoted by or appeared in numerous media outlets, including *TIME Magazine*, *USA Today*, Reuters, Politico, Next Avenue, ESPN's *Undeclared*, *Congressional Quarterly's* online arm, and the Huffington Post. The National Academy of Social Insurance recognized him as one of the new generation of social insurance leaders in the country. In 2018, Jean was recognized as a Gerontological Society of America Fellow, one of *Black Enterprise* magazine's 2018 Modern Men of Distinction and a recipient of the Prince George's County Social Innovation Fund 40 Under 40 award. In 2019, the National Academy of Television Arts & Sciences and Sharecare, a digital health company, awarded him with the prominent Sharecare Award. The *Maryland Daily Record* recognized him as a 2019 Influential Marylander for sparking innovation and progress, shaping and enriching his community and knowing how to get results that better the state and serve the needs of residents of

all ages.

Jean has held a variety of board and advisory positions, including Justice in Aging, the American Society on Aging, Leadership Maryland, the Long-Term Care Quality Alliance, the Florida State University Alumni Association, the South Florida Institute on Aging Policy Council, the Editorial Advisory Committee for Generations and the *Journal for the American Society on Aging*.

He is an Executive Leadership Council Fellow and holds a bachelor's degree in hospitality administration and a master's degree in aging studies from the Claude Pepper Institute at Florida State University and a PhD in public administration from American University. Jean is also a member of the Vanguard group at Stanford University's Graduate School of Business Corporate Innovation program.



Alison Martin

Chief Executive Officer, Europe, Middle East & Africa, Zurich Insurance Group

Alison was appointed to the role of Chief Executive Officer Europe, Middle East & Africa (EMEA) and Bank Distribution for the Zurich Insurance Group in July 2019. Alison joined Zurich in October 2017 and assumed the role of Group Chief Risk Officer in January 2018. During this time, she enhanced the strong risk management in all of Zurich's businesses across regions, including increasing focus on managing the risks from the digital transformation of the industry. She has been a passionate advocate of the company's ambitions, purpose, diversity and values and will retain her responsibilities for driving the Sustainability agenda on behalf of the Zurich Group in her new role.

Alison is a proven business leader with a record of meaningful impact, as reflected in her extensive management, financial and commercial experience within the insurance sector. She joined Zurich from Swiss Re, where she was Head of Life & Health Business Management, a role she held for four years. In her 14 years at Swiss Re, Alison held a series of senior management positions focused on transformation, commercial business and value creation, including as Head of the Life & Health Products division and as CFO of Swiss Re Life & Health. A qualified accountant, Alison spent eight years in audit and advisory roles at PwC, with a focus on insurance. She earned a Bachelor of Laws (with honors) from the University of Birmingham. In 1998, she qualified as an Associate of the Institute of Chartered Accountants in England and Wales, and in 2010, she completed the Chartered Financial Analyst IMC.

She is an enthusiastic leader who combines industry expertise with the right mix of customer focus, people management and commercial experience. Alison represents an impressive blend of business results

orientation, financial expertise and people skills. She's demonstrated that she can grow businesses based on a deep understanding of market dynamics, risk balancing and capital management.

Alison's perspective on longevity trends and implications

A 100-year life may have sounded elusive just a generation ago, but it is now set to become a reality, with significant implications in terms of work and retirement. In the fast-changing 21st century, managing a career with depth and longevity requires not just a lifelong approach to learning but also agility and resilience. The traditional definition of retirement is also changing, with phased/partial retirement becoming more common, in part, as a natural response to longer longevity but also due in part to financial considerations. Individual responsibility for planning for financial security in retirement is rising in a context where social security benefits decline and employers change how they provide pensions to employees (from defined benefit to defined contribution).

From a career perspective, full-time employment for an indefinite period is giving way to new contractual arrangements, with short-term contracts and/or freelancing becoming increasingly common. In parallel, research shows there is a discrepancy between the skills people currently have and those needed for jobs in the future and that learning and development by itself is not enough — businesses need a vision from the top to adapt to the future today.



Yvonne Sonsino

Global Co-Leader of Next Stage, Mercer

Yvonne is a partner at Mercer and is the Global Co-Leader of the [Next Stage](#) platform, exploring the work-related implications of longevity. Her current focus is on the organizational implications of macro trends, such as increasing longevity and 4IR future-of-work scenarios. Mercer's Next Stage platform examines the coalescence of living and working longer and how organizations can harness the longevity dividend as we move into an increasingly digital age. Yvonne designed and facilitated the Redesigning Retirement Workshop in Davos in January 2020 and authored this follow-up guide.

Yvonne co-chaired the UK Department for Work and Pensions (DWP) Fuller Working Lives Business Strategy Group, working with employers to recruit, retain and retrain older workers. The group published its [policy](#) document in 2017. Yvonne's first book, [The New Rules of Living Longer](#), was published in November 2015, with a foreword from the UK Pensions Minister. She is also on the Advisory Board to the [Healthy Ageing](#) challenge fund.

Yvonne has worked in senior in-house HR and HR consulting roles for 30 years, living in the Middle East and Europe and working with global organizations on strategic HR and people program design. She holds master's degrees in psychology and business research and is a Fellow of The Pensions Management Institute, previously an author of their International Diploma syllabus. In her spare time, Yvonne holds both vice chair of trustees and director roles in creative arts organizations and is trained in advanced design-thinking methodology.

Additional research and expertise

Keeping the conversation going

In addition to the materials in this guide, below are some helpful resources connected to this topic.

What's next

Our team has compiled a **Redesigning Retirement Pack**, which includes all the materials and a narrative for continuing the activities, together with **calls to action for policy makers, employers, product providers and individuals**. The pack is available now.

Mercer also intends to run more workshops around the world and continuously add to the findings, drawing conclusions on key themes and making comparisons from region to region and situation to situation.

Top priority solutions



Custom design thinking



Predicting retirement risks



Redesigning reward and benefits practices



Flexible work arrangements



Optimizing benefits and investment choices



Age-ready workforce strategies



Longevity calls for a change of mindset, adapted healthcare and savings programs, continuous learning and, of course, longer careers.

— Martine Ferland
President and CEO, Mercer



Global Talent Trends 2020 report findings:

78%

of executives report having an issue with the unpredictability of employees leaving the company at any age or level

72%

of baby boomers intend to work past retirement age

55%

of Gen Xers say opportunities to advance are limited because other employees are working beyond retirement age

53%

of millennials feel there is no supportive structure in place for employees going through a career change (regardless of seniority level)

81%

of executives are concerned about lack of movement in senior roles



Across the globe, unprecedented population aging is impacting policies, practices and institutions of all types in dramatic ways. And it's just beginning. Our world will look much older in the years ahead."

— Paul Irving, Chairman of the Milken Institute Center for the Future of Aging, Chairman of Encore.org and Distinguished Scholar in Residence at the University of Southern California Davis School of Gerontology





Contact us

If you would like to collaborate with Mercer in any of these research areas, or for more information on the content in this guide, please contact us:

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