



CAEL
Linking Learning and Work

State Strategies to Support the Maturing Workforce

A Paper for CAEL's Tapping Mature Talent Initiative



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In our global and knowledge-based economy, states and regions are largely dependent upon the skills of the workforce in order to thrive. State leaders who recognize this reality, and who are making efforts to develop the workforce, are also likely aware of dramatically-changing workforce demographics. In particular, the workforce is becoming more ethnically diverse, and it is also becoming older.

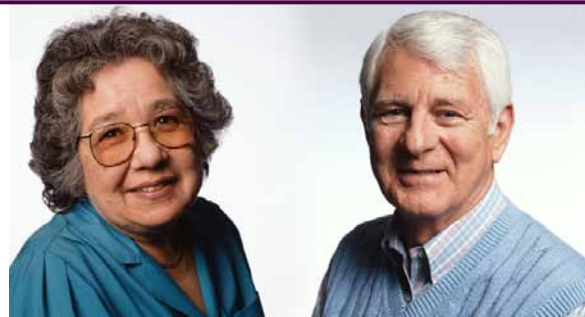


Although our economy needs the experience and contributions of mature workers, people aged 55 and older face many challenges in entering or remaining in the labor force. They may need guidance in finding work that better suits their changing circumstances, help with job search strategies after being laid off, and advice on education and training needed for employment and long-term employability. They may also face additional challenges such as employer bias against hiring older workers, the rigid way in which our society tends to view work and retirement, and the fact that most publicly-funded workforce development and jobs programs have not had much experience in considering the special needs and challenges of mature workers.

This paper describes strategies that states and regions can consider in their efforts to assist mature workers and also to use this group as a valuable resource in meeting skill requirements for developing economies. We look at strategies that have been developed and used in a U.S. Department of Labor-funded initiative in ten pilot sites since 2009 as well as strategies that state leaders have implemented to support the mature workforce. This paper suggests specific strategies for states who may wish to address the development and utilization of mature workers in the future.

A Snapshot of the Mature Workforce

According to the 2010 U.S. Census and other surveys conducted by the Census Bureau,¹ over 74 million Americans are 55 years of age or older, nearly 25% of our total population. In 2009, nearly 29 million, 38.6% of this age group, were in the labor force. Nearly 25% of those aged 65-74 were still in the labor force. These statistics challenge our notions of traditional retirement.²



The labor force participation rate of older populations has been growing over the last several decades. Several factors account for this trend, including an increasing life expectancy, healthier lives at older ages, the shift from defined benefit to defined contribution retirement plans, the depletion of those retirement plan resources in the recent recession, and reduction of employer-provided retiree health insurance benefits.³ While some of this increased level of labor force participation of older workers is due to a *choice* to work longer for personal fulfillment, the current recession has increased the *need* for many mature workers to remain in the workforce to compensate for economic losses or limited financial resources available to them if they did fully retire.⁴

There are important reasons why these higher labor force participation rates should be viewed as positive developments. One reason is that despite current unemployment levels, employers will soon face skilled labor shortages as more of our growing occupational categories require higher educational levels than in the past.⁵ The mature workforce can be considered a resource for employers facing such shortages. Mature workers are part of the largest and fastest growing portion of the U.S. population, they have high levels of educational attainment, and they consistently show employers their value in terms of work ethic, loyalty, and reliability.⁶ Mature workers bring added value to the workplace through the accumulation of knowledge over time.



Second, many Americans today are feeling very anxious about their financial security in retirement. Already in 2010, well before the 2011 discussions about entitlement reform, a survey by AARP found that 62% of people aged 50-64 did not have confidence in the future of the Social Security system.⁷ With the safety net's future in question, it is understandable that so many mature individuals want to continue their labor force participation. Moreover, it is clear that if we as a society are not guaranteeing the same kind of support in old age, our public policies need to support the long-term employability of the mature worker.

These trends are, however, occurring at a time when unemployment is a critical issue facing us as a nation, and a particular problem for mature workers. In August 2011, nearly 14 million workers were unemployed, and just over 2 million of these were 55 years of age or older. While the overall unemployment rate for 55+ workers is lower than for all workers (6.6 percent, compared to 9.1 percent, according to August 2011 Bureau of Labor Statistics reports), a significant challenge for the mature worker is in finding new work after losing a job. The average duration of unemployment for older jobseekers in January 2011 was 44 weeks, compared to only 34 weeks on average for jobless workers under age 55.⁸

People aged 55 and older face many challenges in common with other adults seeking to enter or remain in the labor force. They may need guidance in finding work that better suits their changing circumstances, using effective job search strategies after being laid off, and connecting to education and training to meet the demands of the labor market. They may also face challenges such as employer bias against hiring older workers, the rigid way in which we tend to view work and retirement, and the fact that most publicly-funded workforce development and jobs programs do not consider older workers as a group that needs specialized services or assistance.

Model Practices for Supporting Mature Workers from the Aging Worker Initiative

Acknowledging the importance of the mature worker to the evolving U.S. economy, the U.S. Department of Labor (USDOL) established a collaborative three-year Aging Worker Initiative (AWI). Ten grantees were competitively selected in 2009 (see box, next page) by the USDOL and received funds to provide mature workers, especially those who were unemployed, with education, training, and job placement assistance.

The sites have taken different approaches to assisting with mature workers and employers. Some are building on previously-developed mature worker programs, and others are establishing new initiatives such as “one stops within a one-stop,” where the One Stop Career Center that serves all jobseekers offers a special internal resource center specifically geared toward mature workers. Some are offering help to those seeking to become entrepreneurs.

The grantees have also been experimenting with other kinds of models and approaches for addressing the needs of mature jobseekers. These models include:

- **Career Navigators.** Today’s labor market is dramatically different from that of ten or twenty years ago. Rewarding career pathways exist, but they may be harder for the average jobseeker to identify. Several sites are training Career Navigators who help mature workers understand the new market realities, and who use career navigation tools and other resources to explore local career options and the skills and training needed to access them.
- **Short Term Training for High Demand Industries.** Some of the AWI sites are working with industry partners to offer training to mature workers seeking employment in high demand industries.
- **Computer Training.** One significant obstacle for mature jobseekers is the fact that many job openings require some mastery of computer technology, software programs, and even social networking sites. Computer training is therefore a key offering in many of the AWI sites.
- **Internships.** One site is using subsidized internships that give the mature worker on-the-job experience in a new high growth industry. This also exposes employers to the capabilities of this cohort returning to the labor force.
- **Reverse Jobs Fairs.** In an effort to engage employers, several sites are turning the traditional job fair model on its head by having jobseekers at booths and employers making the rounds to interview for job opportunities. The sites assist the jobseekers prior to the event by providing workshops where they can practice 30-second pitches, sharpen their resumes, and receive advice on how to dress for an interview. This approach takes the pressure off of the employer and allows them to meet the jobseekers they choose.
- **Employer Dialogues.** One site has collaborated with a local university to develop a new kind of employer outreach. Agendas have been developed for dialogues that are designed to help employers engage with each other in discussing the value older workers bring to their businesses and the strategies for successfully recruiting and retaining older workers.
- **Interactive Website.** One site has developed an interactive website that matches mature workers to available jobs. Jobseekers can post their resumes on a website where employers have private access to information about the available pool of talent.
- **Public Messaging.** One site developed a segment for a public television series that highlighted strategies to retrain and assist baby boomers to remain in the workforce and made the case for how much older workers can and do contribute to the local economy.⁹

The Ten Aging Worker Initiative Sites

- Tecumseh Area Partnership, Inc., Indiana
- Quad Area Community Action Agency, Inc., Louisiana
- Coastal Counties Workforce, Inc., Maine
- Baltimore County Department of Economic Development, Division of Workforce Development, Maryland
- Macomb/St. Clair Workforce Development Board, Inc., Michigan
- South Central Workforce Investment Board, Pennsylvania
- Goodwill Industries of Houston, Inc., Texas
- Vermont Associates for Training and Development, Inc., Vermont
- Seattle-King County Workforce Development Council, Washington
- Fox Valley Workforce Development Board, Wisconsin



Recommendations for State Action

In the last decade, a number of states have taken steps to support the labor force participation and long-term employability of its older citizens (brief profiles of some of these models are included at the end of this paper). Drawing on these examples and on the experiences from the Department of Labor's Aging Worker Initiative, specific recommendations for future state actions include the following:

- **Create a Mature Worker Taskforce.** Create a statewide or regional taskforce focused on the issues of older workers. Include a wide array of stakeholders on the taskforce and use it to address misconceptions about older workers, make a business case for better deploying this significant portion of the workforce, and launch a public relations/media campaign to showcase mature workers as an asset. In **Minnesota**, for example, the Governor's Workforce Development Council established the Older Workers Workgroup, which has outlined policy priorities and recommendations for strengthening the state's support for mature workers. The recommendations address needed changes to the workforce system, the development of financial tools like Lifelong Learning Accounts (LiLAs) to finance mature worker education and training, and support for entrepreneurship. States like **Maine**, **Arizona** and **Maryland** have experience with such councils as well.
- **Learn More about Mature Workers in Your State.** Conduct a study of mature workers in your state or region to gain a clear picture of their numbers, what proportion of the labor force they comprise, and in what industries they may be concentrated. Determine if there are overlapping skill sets in existing industries with large concentrations of mature workers and emerging industries where you might expect skill gaps in the existing workforce. Use this data in your efforts to communicate with employers on the topic of the demographic shifts in the labor market, and in developing the business case for hiring mature workers.
- **Build Capacities of Workforce Agencies.** Given projected demographic changes and the increasing labor force participation rates of mature workers, it is likely that workforce agencies will see growth in the number of clients 55 years of age and older. Just as these agencies adapt for other demographic changes in their customer base, they also should deliberately begin planning to build the capacity of their frontline staff to help the increasing numbers of mature workers they serve. Strategies such as professional development for job developers so they can advocate to employers on the value of mature jobseekers, workshops for marketing staff on the importance of including images of older faces in promotional material, special training and support for advising staff so they are better able to serve this group, and development of worker training programs designed around the needs of older workers are all examples of things that could be incorporated into plans of these agencies.
- **Increase Investment in State Workforce Services for Mature Workers.** Building on the experience of the AWI sites, allow and encourage local workforce agencies to invest in career navigators, employment preparation services, and learning opportunities for the mature workforce. Some states outside of this initiative also provide working models, including **Kansas**, where the state's Department of Commerce has supported the Older Kansas Employment Program designed to provide employment placement services. A representative of the Kansas program told CAEL that the state income tax revenue resulting from the program's job placements was an estimated \$750,000 in 2010, more than twice the cost of the program to the state. Other states, such as **Arizona** and **Arkansas**, have developed special job banks for facilitating con-

nections between mature workers and employers. **Florida** provides an online portal for mature jobseekers in search of guidance and information.

- **Engage Employers and Raise Their Awareness of the Value of Mature Workers.** For mature workers to succeed, employers need to be aware of the contributions of mature workers to the workplace, and states need to find effective solutions to the problem of employer bias against the mature worker. States can do this by involving employers on their mature worker taskforces, correcting myths about mature workers being slow or unable to learn, and recognizing employers with strong records of hiring and retaining mature workers. Several states, regions and organizations have model programs for employer recognition. The **Indiana** and **Maine** AWI sites, for example, have employer recognition programs. **Arizona** created the Mature Worker Friendly Certification, and organizations like AARP annually recognize employers of mature workers.
- **Remove Policy and Regulatory Barriers.** Examine national and state policies and procedures to determine if they set up unnecessary age barriers to work. Remove barriers based on age and age perceptions. One of the goals of **Encore!Connecticut**, for example, is “Policy and regulatory reform of national tax and benefit laws and regulations that discourage employment of older workers.” The National Council on Aging has noted that a desired federal policy change would be extending the availability of COBRA health coverage for workers aged 62+ who phase down their work hours, thus bridging coverage gap between full-time employment and Medicare eligibility. There are examples of state barriers as well, such as one state where participants in the SCSEP program (Senior Community Service Employment Program) are ineligible for the state’s medical assistance program because the SCSEP stipend is treated as wages.

Conclusion

Mature workers make important contributions to the labor force, yet they often need help in finding new employment or preparing for new careers at this stage of their lives. Employers and states both benefit from the labor force participation and long-term employability of the mature worker. The strategies for supporting the mature worker are straightforward and build on existing models from across the nation. States are encouraged to take steps in strengthening connections between the mature worker and employers as a key strategy for long-term economic and workforce development.



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For more information about CAEL's Tapping Mature Talent Initiative, please contact Lisa Schumacher at 312.499.2337, lschumacher@cael.org.

Brief Profiles of Other State-Led Mature Worker Initiatives

Arizona

In the mid 2000s, under Governor Janet Napolitano, the Mature Workforce Committee (MWC) of Arizona's Governor's Advisory Council on Aging (GACA) launched two major initiatives designed to support mature workers: Aging 2020 and the Mature Workforce Initiative. **Aging 2020** stipulated that 14 state agencies would work together to promote a coordinated workforce development approach to benefit from the capabilities and experience of mature workers. The 14 agencies outlined several strategies including identifying the barriers that prevent the hiring of mature workers, developing a public awareness campaign, increasing the retention rate of older employees, and developing a skills inventory and training programs for retirees and senior volunteers.



The **Mature Worker Initiative (MWI)** was launched in 2005 and was designed to raise visibility, awareness, appreciation of and employment opportunities for mature workers, while addressing labor force shortages in the business sector. The goals included the creation of a Mature Worker Job Bank and the launch of a mature workforce public awareness campaign. While the larger initiative is no longer active, as of 2011, more than 80 employers have been certified through the state's **Mature Worker Friendly Employer Certification** process, which acknowledges and highlights employers who maintain policies, practices, and programs consistent with employment of people age 50 and older.

See www.azgovernor.gov/aging/index.asp

Arkansas

The **Arkansas Mature Worker Initiative** is a state program that promotes the benefits of keeping the mature population involved in employment and civic activities. Through a **dedicated website**, the program provides information to connect mature workers to activities in their community. Part of the website is a page dedicated to job listings.

See <http://www.dws.arkansas.gov/Programs/MWI/index.htm>

California

California's Employment Development Department sponsors self-help, networking organizations called **Experience Unlimited (EU) Job Clubs**. These clubs provide re-employment services and primarily serve workers 40 and older. Members engage in activities with general guidance of a facilitator. EU offers free professional employee recruitment and referral services designed to help employers quickly attract high-quality talent.

See www.edd.ca.gov/jobs_and_training/experience_unlimited_local_information.htm

Connecticut

Encore!Connecticut is a coordinated multi-state agency approach to address the financial and employment needs of Connecticut's aging population, while at the same time, filling the managerial human resource needs of the Connecticut nonprofit sector. Encore!Connecticut seeks to develop a statewide system of education, social and employment services that supports the transition of mid-career and mature professionals into successful employment in the Connecticut nonprofit sector.

Encore!Hartford is the pilot of the larger Encore!Connecticut initiative, targeted to seasoned Connecticut corporate and public-service professionals seeking to transition to employment in the nonprofit sector. Encore!Hartford is a collaborative project between the University of Connecticut Nonprofit Leadership Program and Leadership Greater Hartford. Further support comes from the Connecticut Association of Nonprofits, United Way of Central and Northeastern Connecticut, Capital Workforce Partners, CTWorks, and the Connecticut Department of Labor. Workers can become



Encore Fellows after completing a year-long training program. The first class of Encore Fellows graduated in 2010, and 78% of the 23 member class are working as part- and full-time professionals. In April of 2011 Encore! Hartford received the National Award for Job Training. See: www.continuingstudies.uconn.edu/professional/nonprofit/encore/index.html.

Florida

Florida offers an online career resource and job connection site for mature workers called **Employ Florida Marketplace: Silver Addition**. The site is sponsored by Workforce Florida, the Florida Department of Elder Affairs, the Florida Chamber of Commerce, the Governor's Commission on Volunteerism and Community Service, and others. The website was created to provide useful information for mature workers, both retirement-age jobseekers who wish to remain in the work force and those that wish to return to the work force and make a transition to a new career. See <http://silver.employflorida.com/portals/silver/>.

Iowa

In September 2005, Iowa launched the **Older Worker Initiative** by holding six regional forums to collect information about the attitudes of employers towards mature workers. In May 2006, a state conference was held to review the issues identified as affecting opportunities for mature workers. The state later launched the Older Workers Employment Partnership designed to support older workers so they could fully engage in Iowa's economy. The program is no longer operational. See <http://www.aging.iowa.gov/living/employment.html>.

Kansas

The **Older Kansas Employment Program (OKEP)** is a state-funded program designed to provide Kansans aged 55 and over with employment placement services, particularly in the private sector. Administered by the Kansas Department of Commerce, the program offers skills assessment, resume preparation, counseling, job-seeking skills training, classroom training, job clubs, counseling, referrals, job development services and mentoring services. In 2010, more than 2,300 mature Kansas workers participated in the program. The state income tax revenue from the resulting job placements is estimated at \$750,000, more than twice the annual cost of the program to the state. See www.kansascommerce.com/index.aspx?NID=285.

Maryland

Maryland's **Baby Boomer Initiative Council** was established through the Baby Boomer Initiative Act in October 2007. The goal of the Maryland Baby Boomer Initiative Council is to examine issues regarding civic engagement and lifelong learning for Maryland's baby boomer population.

The council addresses six main issues, two of which are related to the mature workforce. Under the purview of workforce issues, the council addresses how Maryland can make better use of mature workers. A 2010 report outlines priorities such as creating awareness among local business on the benefits of mature workers, and highlighting the needs of older workers compared to younger workers (e.g., differences in transportation, flexible work schedules and environment, and healthcare coverage). A second issue area in the report highlights the need for mature workers to have the ability to explore new options, continue learning, work in new capacities, participate in volunteer activities, and engage in societal issues.



See <http://unitedseniors.net/presentations/Final%202010%20Boomer%20Council%20Report%203.24.11%5B1%5D.pdf>.

Minnesota

The **Older Workers Workgroup** is one of four policy development committees convened by the Governor's Workforce Development Council (GWDC), Minnesota's Workforce Investment Board. The Older Workers Workgroup is charged with policy recommendations that "support, encourage and retain aging workers." The primary objective of these policy recommendations is to develop public policy support for extending the work-life of Minnesota's aging labor force. After a series of meetings, the workgroup proposed four recommendations to strengthen the workforce system for mature workers. These recommendations include:

- Ensuring that Minnesota's workforce development system has the capacity to handle the state's looming demographic and economic shifts
- Developing a state plan to extend the work life of aging workers
- Establishing Lifelong Learning Accounts to help aging workers finance continuous learning opportunities
- Supporting entrepreneurship and small business development among aging workers

Minnesota's Department of Human Services also launched the Aging 2030 initiative which is focused on initiatives that would engage groups ready to transform policies, systems and infrastructures to prepare for the demographic shift caused by an aging population. One of the project's goals is to redefine what work and retirement mean to people in Minnesota.

See www.dhs.state.mn.us.

Utah

The **Utah Aging Initiative** is a collaborative between Utah state agencies and led by the Utah Department of Human Services. In 2005, the Utah State government produced a report to raise awareness and encourage preparation among government agencies regarding the challenges and opportunities presented by Utah's increasingly older population. The report makes a number of recommendations, including: "Promote the hiring of Utah's aging population in the paid labor force, and in voluntary positions" and "Initiate discussions and make accommodations for flexibility in the workplace as the definitions of work and retirement change."

See www.hsdaas.utah.gov/pdf/discovering_challenges_opportunities.pdf.



Endnotes

1. The United States Census Bureau annually conducts the Current Population Survey (CPS) for the Bureau of Labor Statistics (BLS). The survey samples households and asks questions about work status, employers, and basic demographic characteristics. The American Community Survey (ACS) also samples households on an annual basis on employment statistics.
2. United States Census Bureau, 2009 American Community Survey, S2301 Employment Status.
3. Nicole Maestas and Julie Zissimopoulos, “How Longer Work Lives Ease the Crunch of Population Aging,” *Journal of Economic Perspectives* 24, 1 (Winter 2010): 145-148; Peter Cappelli and Bill Novelli, *Managing the Older Worker: How to Prepare for the New Organizational Order* (Boston: Harvard Business Press, 2010):22.
4. Craig Copeland, “Labor-Force Participation Rates of the Population Age 55 and Older: What Did the Recession Do to the Trends?,” *ERBI Notes* 32, 2 (February 2011).
5. Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, *Help Wanted: Projections of Jobs and Education requirements through 2018*, (Washington: Georgetown Center on Education and the Workforce, 2010).
6. Alicia H Munnell, Steven Sass, and Mauricio Soto, “ Employer Attitudes Towards Older Workers: Survey Results”, *Work Opportunities for Older Americans* 3 (June 2006); and Marcie Pitt-Catsouphes, Michael A. Smyer, Christina Matz-Costa, and Katherin Kane, *The National Study Report: Phase II of the National Study of Business Strategy and Workforce Development*. The Center on Aging and Work/Workplace Flexibility Research Highlight 4 (2007).
7. AARP, “Social Security 75th Anniversary Survey Report: Public Opinion Trends,” (Washington, DC: AARP, 2010).
8. Sara E. Rix, “Unemployment Down but Overall Job Growth Remains Anemic”, AARP Public Policy Institute Fact Sheet (February 2011).
9. For more information on many of these strategies, and how the different AWI sites have implemented them, see CAEL’s publication, *Developing the Workforce as It Matures: Emerging Models and Lessons from the Mid-point of the Aging Worker Initiative* (2011) at <http://www.cael.org/pdfs/TMT-Monograph>.



CAEL

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We advocate and innovate on behalf of adult learners to increase access to education and economic security. We provide adults with career guidance and help them earn college credit for what they already know. We equip colleges and universities to attract, retain, and graduate more adult students. We provide employers with smart strategies for employee development. We build workforce organizations' capacity to connect worker skills to employer demands.

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