

Executive Summary

Reemployment of Older Workers

Since the beginning of the Great Recession in late 2007, the number of older workers (ages 50 and older) experiencing long-term unemployment has increased significantly. More than half (53 percent) of unemployed workers ages 50 and older nationally have been out of work for longer than six months—a higher percentage than any other age group. Job loss for older workers has a deleterious impact on health, finances, and general well-being.

In June 2013, the PRI committee authorized a study of the Reemployment of Older Workers. The purpose of the study was to examine the challenges facing older unemployed workers, including barriers to reemployment such as competing demands to have an income while completing needed job-related training. In addition to describing the older workers, workforce shortage areas that aligned with this target population were to be identified. Although the focus of this study was on the needs of the unemployed ages 50 and older, many of the findings and recommendations apply to all unemployed, regardless of age.

Programs and services within the Connecticut Departments of Labor and Aging, and Workforce Investment Boards were assessed for their ability to meet the needs of unemployed older workers. The role of the state's community colleges in assisting this target population was also to be evaluated, along with the potential use of the state's technical high schools as a resource for unemployed older adults. Lastly, best practices or model programs used successfully for the reemployment of older workers were to also be identified.

BARRIERS TO REEMPLOYMENT

Unemployed older workers may face a host of barriers to reemployment. Some face *skill-set deficits*, with out-of-date skills particularly for those with a high school education or less, some of whom may have been working in manufacturing for many years, doing the same job. For many older workers, it may have been 20 or 30 years since they last looked for a job, and the landscape has changed; these *lack of current job search skills* create another barrier to reemployment. This new long-term unemployment experience has a deleterious effect on the older workers immediate *financial* situation, and *physical and mental health*, areas that need to be addressed before searching for employment.

Some *employers have negative stereotypes about older workers*, such as believing they would be less productive and more expensive employees. In addition to some of the challenges unique to the older unemployed, there are also *negative perceptions about the long-term unemployed*, a category that many older unemployed fall into. Employers may think those currently employed have a stronger work ethic than the unemployed.

RESOURCES AVAILABLE

In examining the resources available to overcome barriers to the reemployment of older workers, PRI staff found *there are a multitude of programs to assist with the reemployment of unemployed workers, including older workers*. PRI examined 18 programs and other alternatives available in the areas of labor, education, and other resources. Both the state's technical high schools and state community colleges, as well as a state college, and University of Connecticut, provide resources to assist in the reemployment of adult workers. Staff also found a number of programs had waiting lists, meaning demand exceeded capacity.

Only a few programs are specifically designed for older adults. For the most part, this lack of programs specifically for the older unemployed is not a major barrier to reemployment because, regardless of age, there are often similarities in the needs of the unemployed. Thus, more generally targeted programs can still be beneficial to older adults. Some programs, while not specifically limited to a certain age, have significant proportions of participants aged 50 and over, such as the JETS program, FIRST program, and P2E.

Not all 50+ year olds looking to become reemployed have the same needs and there are options available depending on their circumstances. There are various programs that have the potential for participants to earn income while enrolled in the program or service (e.g., STEP UP, Apprenticeship Program), and others that are targeted to certain unemployed populations (e.g., career professionals, those impacted by facility closure).

In examining the 18 programs and services as part of this study, PRI staff identified several possible program components:

- Assessment of job skills and/or interests
- Online training
- Support group or job club
- On-the-job training (paid)
- Workshops and other classroom training related to job search skills
- Workshops and other classroom training related to job skills

Some programs are more comprehensive than others, containing many components and addressing many barriers to reemployment (i.e., P2E program). As underscored by the P2E program, *for unemployed older persons struggling emotionally and financially, preparatory assistance to address these barriers is required before the person can become reemployed*.

Depending on the individual's barriers to reemployment, there are options available to address the older adult's needs better than others. Also, *a barrier to reemployment may be addressed in multiple ways*. Education and training, for example, may occur via on-the-job training, online, at a technical high school, community college, state university, or workshop at CTWorks Career Centers.

There were many challenges in examining program outcomes such as tracking employment placement, wage information, and retention after participants exited the program.

Due to lack of resources, several non-government programs relied on participant self-reporting, and as a result, had estimates rather than exact statistics available. Also, some programs serve older workers with more barriers to reemployment (e.g., SCSEP). With these caveats in mind, *programs with on-the-job components were associated with higher reemployment rates*. On average, programs with an OJT component had an average reemployment rate outcome of 74 percent compared with 50 percent for the programs without the component.

RECOMMENDATIONS

Based on this review of programs and services to address barriers to reemployment for older workers, program review committee staff makes 16 recommendations:

- (1) The Connecticut Employment and Training Commission (CETC) shall coordinate a web-based state hiring campaign for older workers to be housed within the Department of Labor’s website. CETC is encouraged to utilize relevant national and state stakeholders to assist in this initiative and incorporate “success stories” from employers hiring and retaining older workers. CETC shall report on the progress of this initiative to the legislative committee with cognizance of workforce development by January 1, 2015.**
- (2) Potential employers shall be prohibited from publishing, in print or on the Internet, an advertisement for a job vacancy that: (1) lists current employment as a required qualification, (2) states unemployed candidates will not be considered, or (3) states only employed candidates will be considered.**
- (3) The Connecticut Department of Labor should develop a one-page quick reference sheet with a summary of available public and private resources for the older unemployed to find out what programs and services are available to help with their reemployment.**
- (4) The United Way of Connecticut 2-1-1 should use the Connecticut Department of Labor developed one-page quick reference sheet with a summary of available resources for the older unemployed caller or visitor to the website, to find out what programs and services are available to help with their reemployment.**
- (5) The Apprenticeship Program should develop an informational campaign targeted to Workforce Investment Board and One-Stop Career Center staff to reduce misperceptions about the Apprenticeship Program and encourage apprenticeship opportunities.**
- (6) The Connecticut Department of Labor and Workforce Investment Boards should form a workgroup to consider requirement of a professional résumé writer credential for those providing résumé writing assistance at the CTWorks Career Centers.**
- (7) The use of online learning at the CTWorks Career Centers should be expanded and considered a resource available to any unemployed Connecticut resident, within available funding constraints.**
- (8) The STEP UP program shall be reauthorized for FY 15 and FY 16.**

(9) The requirement for STEP UP Small Business Wage Subsidy Program participants to reside in a municipality with a higher than average unemployment rate, or which has a population of 80,000 or more, shall be eliminated.

(10) The STEP UP Small Business Wage Subsidy Program and the STEP UP Small Manufacturer Training Grant Program shall be merged into a single program. Requirements for the two programs shall remain in place, and funding combined for the two STEP UP programs.

(11) The Board of Regents shall conduct a feasibility study to examine the potential for expanding the Advanced Manufacturing Center model to create centers of excellence for other high-demand career areas. The results of this study shall be reported to the legislative committee with cognizance of higher education no later than January 1, 2015.

(12) The Plus 50 Initiative model shall be expanded to all Connecticut Community Colleges.

(13) The Board of Regents of Higher Education shall establish a shared definition for what constitutes a non-credit vocational “program” and record this information in its information systems.

The Board of Regents shall require all institutions of the Connecticut State Colleges & Universities system to collect and report the following information on non-credit vocational programs: 1) course and program enrollment and completion; 2) participant information, including age and Social Security Numbers for subsequent tracking; 3) employment status, retention, and wages prior to and after participation.

(14) The Board of Regents of Higher Education shall explore financial options for students of non-credit vocational courses and programs. Examples might include low interest loans which would be paid back upon employment and a sliding scale dependent on income. The results of its findings shall be reported to the legislative committee with cognizance of higher education no later than January 1, 2015.

(15) The Connecticut Technical High School System shall collect and report the following information on adult students enrolled in vocational programs: 1) course and program enrollment and completion; 2) participant information, including age and Social Security Numbers for subsequent tracking; 3) employment status, retention, and wages prior to and after participation for completers as well as non-completers.

(16) CETC should consider inclusion of the reemployment of older workers as part of its strategic planning process.