

Aging Baby Boomers Redefine Work and Retirement: Creating Challenges and Opportunities for Contra Costa County

NHANG LUONG

EXECUTIVE SUMMARY

The reality that the first wave of the Baby Boomer generation, individuals born between 1946 and 1964, will in the next few years be reaching the traditional retirement age of 65 has labor analysts alarmed. Many analysts fear that a massive number of retirements by these Baby Boomers could result in a worker shortage crisis. If analysts' projections are on target, it could mean serious consequences for the economy.

Furthermore, a shortage of workers to contribute income taxes into the Social Security and Medicare coffers could lead to an elimination or reduction of these benefits. However, the projections may be overstated. Whether it is by choice or out of financial necessity, a significant number of Baby Boomers are expected to continue working into their retirement years; in return, this should help ease the strain of a labor shortage.

County social service agencies, in the meantime, should be prepared to play a critical role in providing services that support older adults' continuance in the labor market. This is especially true of Contra Costa County, where the population of older adults is presently large and will continue to increase as Baby Boomers age. With this increased inevitably comes the possibility that more and more Contra Costa residents age 60 and over will be looking towards county programs for assistance with job training and other employment-related services.

Contra Costa County will have to take steps to address the needs of its growing older adult population who want or need to work. In doing so, it is useful to first identify and examine the level of

workforce preparation services currently available, and then determine what, if any, services need to be amended or added to assist older adults.

Santa Cruz County's high performing workforce preparation system was examined for ideas and insights into how Contra Costa County and similar counties can begin to prepare for the expected influx of older adult clients. The system follows federal statutes set by the Workforce Investment Act (WIA). The scope and characteristics of Santa Cruz County's workforce preparation services are reflective of those found in communities nationwide, including Contra Costa County.

In Santa Cruz County, core services include but are not limited to job search resources, training programs to improve skills, and career counseling. The services are conveniently located and accessible to job seekers at the Workforce Santa Cruz Career Centers, also known as One-Stop Career Centers.

Services are well-designed to meet individuals' employment and training needs, regardless of age. However, only a small percentage of older adults are currently utilizing these services. That is expected to change as the population of individuals, ages 60 and up, increases due to the aging of 77 million Baby Boomers. County workforce preparation systems in counties of Santa Cruz, Contra Costa, and elsewhere will need to not only expand existing services to prepare for the influx of older clients, but must also tai-

Nhang Luong is a Senior Staff Assistant with the Contra Costa County Area Agency on Aging.

lor services to address challenges and issues unique to that population.

Based on examinations of Workforce Santa Cruz Career Centers and taking into account conditions specific to Contra Costa County, the following is a summary of the recommendations for addressing the training and employment-related needs of Contra Costa County's older adult population. The county should:

- Begin with increasing awareness among the older adult population about services available to help job seekers and individuals looking to advance or change their careers.
 - Consider sponsoring an annual senior job fair to reach out to the older adult population.
 - Utilize the combined resources and expertise of Contra Costa County's Aging & Adult Services, and Workforce Services divisions to accomplish these objectives.
 - Reduce age discrimination/biases by educating the community about the strengths and assets older workers possess,
- Inform and engage local employers in discussions about the opportunities and challenges that lie ahead as the population ages and ask the question: How will the aging of 77 million Baby Boomers impact businesses?
 - Work with employers to develop strategies and incentives that would attract and retain valuable, skilled older workers,
 - See Baby Boomers as resources and make use of their desire to devote time during retirement to volunteer work,
 - Develop a system to recruit, train, and involve older adults as volunteers for the Employment and Human Services Department. Also, Contra Costa County could develop employment opportunities conducive to attracting skilled older workers and,
 - Advocate on federal and state level for policies and resources to ensure that local governments and agencies have adequate resources and tools to serve the expected influx of older adult clients.

Aging Baby Boomers Redefine Work and Retirement: Creating Challenges and Opportunities for Contra Costa County

NHANG LUONG

Background

Historically, there has been little interest or need on the part of older adults/seniors for skills training or other employment-related services. Economic well-being, generous pensions, and secure Social Security benefits provided the financial stability for many seniors to retire from their jobs by 62 years of age or younger. While, there are economic disparities between whites and non-whites, with the assets of non-white older adults being less than half of older whites, on the whole, older adults have experienced substantial growth in their economic well-being over the last 50 years.¹ As a result, a vast majority of seniors have been able to retire in their early sixties or younger.

Furthermore, businesses and societal pressures have traditionally discouraged older workers from remaining in the workplace. In fact, when previous generations of older adults reached 55 or 60 years of age, they were often offered incentives to retire so as to make room in the labor market for their younger Baby Boomer cohorts. Age discrimination, and the general perception that older workers are less productive and cost more to employ, has put pressure on individuals to retire at a younger age than they would like or were ready to. Aging Baby Boomers are expected to change some of these long-held norms and practices. In 2003, an AARP survey of 1,200 Baby Boomers found that almost 8 in 10 said that they expect to continue working past the traditional retirement age.² Changing attitudes about retirement is

one reason many plan to stay in the labor market. The traditional view of retirement—leisure time spent quietly at home, occasionally traveling on cruises, or playing golf—has given way to a more robust version that includes the desire to remain active and productive by doing some paid or volunteer work.

Money is the other major reason for staying in the labor market. The reality is that a segment of Baby Boomers will not have enough money to retire at the traditional age. Unlike previous generations of seniors, Baby Boomers are aging at a time of reduced pensions, high health care costs, uncertainties about the availability of Social Security benefits, increasing poverty rates, and eroding personal savings. Longer life expectancy will also force some to work longer in order to achieve retirement income security.

Whatever the reason, a significant segment of aging Baby Boomers are expected to stay in the labor market longer. That will help stave off a labor shortage and brain drain, which many labor analysts fear could happen if Baby Boomers retire in mass. It is in society's best interest that national workforce preparation legislation incorporates policies and programs that support older adults' desires and need to work in some capacity.

On a local level, county social service agencies, which provide the front line services, need to also evaluate their current programs to ensure that these programs meet the needs of older adult clients.

Current Workforce Preparation Legislation and Services

The Workforce Investment Act (WIA) simplified and integrated a previously fragmented and difficult

¹*Staying Ahead of the Curve 2003: The AARP Working in Retirement Study.* AARP, 2003.

²Kathleen McGarry and Brian Kaskie. *The Economic Well-Being of Older Californians.* California Policy Research Center, No. 3, May 2001.

to access set of employment and training services. The Act also replaced and is an improvement on the old Job Training Partnership Act (JTPA) because 1) the scope of its services is much wider than JTPA and 2) the eligibility requirements are less restrictive and/or minimal. These two elements make the WIA programs appealing and accessible to a vastly larger number of individuals.

The passage of the Workforce Investment Act (WIA) in 1998 created a national workforce preparation and employment system that meets the needs of job seekers and those seeking to advance their careers as well as the employment needs of the nation's employers. The focal point of this system is the "One-Stop Career Center," where job seekers can access comprehensive employment and training services at single locations in their local communities.

Santa Cruz County has two One-Stop Career Centers, also known as "Workforce Santa Cruz County Career Centers". The local Workforce Investment Board (WIB) sets and oversees policies, but most services are operated and managed by CareerWorks, a division of the Santa Cruz Human Resources Agency (HRA). Services provided by the California Department of Rehabilitation, Employment Development Department, Cabrillo Community College, Santa Cruz Adult School, National Council on Aging, Santa Cruz County Regional Occupational Program and other educational institutions and employment-related agencies were integrated into the Career Centers, so that all services would be accessible under one roof.

CareerWorks, together with partner agencies at the Career Centers, provide the following core services to meet community needs:

Job search resources that help individuals secure employment and make career plans. Resources include computers, Internet access, copiers, fax machines, phones, and a library of reference materials and videos covering various employment topics. There are tools and computer software to assess skill levels, aptitudes, and abilities.

Intensive services that help individuals overcome employment barriers. This includes seminars/work-

shops presented to help individuals learn effective resume writing techniques, how to confidently market themselves to potential employers, and how to take advantage of hidden job markets. Employment & Training Specialists also provide one-on-one comprehensive skills assessment, case management, career counseling, assistance with job search and placement, and follow-up calls or visits to help individuals secure and retain gainful employment.

Job training payment vouchers for individuals requiring skills improvement. Employment & Training Specialists can authorize the use of payment vouchers to cover and defray the enrollment cost of training programs. Programs can include occupational skills training, on-the-job training, entrepreneurial training, and adult literacy and education activities. Generally, up to \$5,000 is available to pay for each participant's training; the length of trainings is limited to less than 12 months; and training programs must be selected from a group of pre-approved providers. However, exceptions can be made if the training prepares job seekers for occupations in high demand, such as nurses, dental hygienists, and medical assistants.

Dislocated workers as well as adults 18 years and over who need and can benefit from skills enhancement are eligible for training vouchers. On occasions, where funding is limited or nearly exhausted, priority for the vouchers then goes to individuals with low-incomes or who are receiving public aid.

Support services, such as money to pay for interview clothing/work uniforms and transportation expenses, are provided to help eligible job seekers.

Overall, in excess of 6,500 job seekers utilize the various services at the Workforce Santa Cruz Career Centers annually, with about 5,500 individuals successfully finding employment as a result. A notable program operated by one of the Career Center partner agencies, National Council on Aging, is the Senior Community Employment Service Program (SCESP). The program was established by the Older Americans Act of 1965. It was designed to provide on-the-job training to individuals age 55 and older with low incomes and limited work history. With

limited funding, SCESP serves about 30 individuals annually in Santa Cruz County.

Strengths of Current Services and Programs

While the Workforce Investment Act (WIA) provided the federal statute and funding to get services going, local agencies and advocates get credit for leading efforts to continually implement, coordinate, and operate programs and services. In Santa Cruz County, CareerWorks and its partners operate two highly successful Workforce Santa Cruz Career Centers that offer and tailor services to meet local community needs.

The following are well-conceived, implemented practices and services from Santa Cruz County. These services can be universally applied to better serve older workers or improve the overall operations of One-Stop-Career Centers:

Empower job seekers with information about available services so they can make better informed decisions about their job search and career plans.

To ensure optimal awareness of all the services the Career Centers have to offer, clients attend Career Services Orientation workshops. Workshops typically last about an hour, are offered once a week, and provides clients with an overview of services and how to access them. Also, one page monthly calendars with descriptions of all programs and services are readily available on-site and online at www.workforcesc.com.

Develop a good reputation and credibility for being responsive to the needs of local employers.

Companies rely on and utilize the Career Centers as resources for their hiring and business needs. As part of Santa Cruz County's larger effort to make the Career Centers more business-friendly, CareerWorks hosts immensely successful job fairs twice monthly at the Career Centers. Each job fair showcases employers from a particular business sector, such as health care, sales/marketing, and finance—giving employers the chance to recruit from pools of interested and qualified applicants. Also, a major job fair that attracts about 1,000 job seekers is held annually.

Anecdotally, employers give the job fairs a high rating, indicating that they have had success recruiting qualified workers at these events.

Make provisions to ensure that individuals most in need of assistance have access to services.

Special attention is paid to ensure that low wage earners, the unemployed or underemployed, individuals on public aid, and other disadvantaged individuals have access to training, education, and support services. For example, CareerWorks staff recently made provisions to secure additional funding through federal grants to provide employment and training services to workers laid-off by Birdseye Foods, a local employer. Grant funds and efforts of CareerWorks staff enabled about 236 laid-off workers, many of whom were age 40 and over, spoke limited English, and had been with Birdseye Foods for 25-30 years, to enroll at Career Centers for job search services. 150 of these workers received skills training and retooling for re-employment.

Recommendations for Contra Costa County

Workforce preparation services, as exemplified by Santa Cruz Workforce Career Centers, are currently well-conceived and implemented to serve the general adult population, regardless of age. However, these services may need to adapt and grow in order to serve an expected influx of older clients.

This is especially imperative in Contra Costa County where the population of older adults is presently large and will continue to increase as Baby Boomers age. In addition to expanding, services in Contra Costa County will also need to be tailored to meet the challenges and issues unique to the senior population. The following are recommendations for Contra Costa County's consideration:

Begin with increasing awareness among the older adult population about services available at the One-Stop Career Centers to help job seekers and individuals looking to change or advance their careers.

The goal of increasing awareness presents an opportunity for Contra Costa County's Workforce Ser-

vices and Aging & Services divisions to coordinate joint efforts to promote One-Stop Career Center services to senior service providers as well as directly to seniors. Aging & Adult Services staff interact with seniors and service providers regularly. Specifically, the Area Agency on Aging sponsors and attends numerous senior health and community fairs throughout the year. Aging & Adult Services staff can make use of these opportunities to disseminate informational materials to seniors and community service providers about the array of One-Stop Career Center programs available to support Contra Costa's senior residents who want or need to work. Informational materials should feature photos and language that are "aging friendly" and inclusive of the diversity of Contra Costa County's senior population.

Use the visibility of an annual senior job fair to reach out to the older adult population.

Workforce Services and Aging & Adult Services could lead an effort that would bring community organizations, local businesses, and other stakeholders together to sponsor and coordinate a job faire for older adults in Contra Costa County. It is an opportunity to link older adults with employers, training and educational opportunities, and the array of services at the One-Stop Career Centers.

Reduce age discrimination and biases by educating the community about the strengths and assets older workers possess.

Negative perceptions and myths about older workers too often lead to biases and age discrimination in the hiring process and the workplace. The truth is that a majority of older adults bring invaluable experience, loyalty, and maturity to the workplace. It has also been shown in research studies that older workers tend to be more satisfied with their jobs, better adjusted on the job, and are more engaged in their work, when compared to younger cohorts.³

A workgroup of the community collaborative, Contra Costa for Every Generation (CCEG), has been actively working on a public campaign to de-

bunk myths about aging. This offers a chance for Workforce Services and Aging & Adult Services to work with CCEG to find and develop positive and realistic stories about older adults in the workplace. The Area Agency on Aging's Senior Information Newsletter and its "senior-focus" television program, Time of Your Life, would be great pipelines for getting these positive stories about older workers out into the community. Also, there should be consideration of involving the Employment & Human Services Department's Public Information Officer in crafting positive news stories to disseminate to the media.

Inform and engage local employers in discussions about the opportunities and challenges that lie ahead for businesses as the population ages. Ask the question: How will the aging of 77 million Baby Boomers impact businesses?

Joyce L. Gioia, author of *Impending Crisis: Too Many Jobs, Too Few People*, projects that by the year 2010, the country could have a shortfall of over 10 million skilled workers if Baby Boomers retire in mass.

Compile reports about expected demographic and labor market trends to disseminate to employers and post on One-Stop Career Center websites.

When hosting informational forums, involve local businesses in discussions and strategic plans on how public, private, and non-profit sectors can work together to respond to challenges and opportunities pose by the aging of the population.

Work with employers to develop strategies and incentives that would attract and retain valuable, skilled older workers.

With the prospect of a labor shortage looming ahead, employers cannot take for granted that many Baby Boomers express either a desire or need to work past the traditional retirement age. If employers want to attract and/or retain skilled older workers, they will need to offer incentives including flexible working arrangements and benefits such as long-term care insurance. Allowing employees to phase into retirement over several years, as an alternative to standard retirement, is another good incentive.

³Robert Powell. *Work: the new retirement plan*. Market Watch, July, 2006.

See Baby Boomers as resources and make use of their desire to devote time during retirement to volunteer work.

Develop a system to recruit, train, and employ older adults as volunteers for the Contra Costa County's Employment and Human Services Department (EHSD). Volunteer opportunities could include but not be limited to providing transportation to elderly and disabled clients in Aging & Adult Services, mentoring youth in Children & Family Services, and helping job seekers fine tune their resumes or interviewing skills in Workforce Services.

As an employer, Contra Costa County could develop employment opportunities conducive to attracting skilled older workers. Many aging Baby Boomers, who want to work during retirement, prefer doing work that helps others. Contra Costa, by offering part-time, job-sharing, and other incentives, can attract motivated older workers with a wealth of experience and skills to fill job vacancies.

Advocate on federal and state level for policies and resources to ensure that local governments and agencies have adequate resources and tools to serve the expected influx of older adult clients.

Without resource commitment from the state and federal government, county governments and agencies would have a challenging time of expanding and developing an adequate level of services. It is important that county leaders raise awareness about the need to get local social service agencies ready for aging Baby Boomers. Also, the county should enlist legislators, Workforce Investment Boards, Advisory Councils on Aging, California Senior Legislators, and other key stakeholders to begin advocating for resources and policies that meet the needs of the county's rapidly aging population.

Fiscal Implications

Given the status of Contra Costa County's fiscal condition, recommendations to expand or develop new services will need to be delayed until funding is secured from state, or federal government, private foundations, and/or alternative sources. However,

in the immediate and/or near future, it is feasible to begin a campaign to educate and involve the public in discussing and developing plans to address the impending increase in the senior population and its impact on businesses, county social service programs, and many other aspects of society. Also, the county can maximize the existing resources and expertise of Aging Adult Services and Workforce Services by coordinating and consolidating overlapping interest and efforts. The county should encourage and support inter-departmental efforts to collaboratively develop innovative solutions to better serve the county's older adult population.

Conclusion

The aging of Baby Boomers will result in a dramatic increase in the number of persons age 60 and over. This year, the oldest wave of the 77 million Baby Boomers has already turned 61 years of age and in four years this first wave will reach the traditional retirement age of 65. While this will present challenges and put strains on county programs, such those of the One-Stop Career Centers, it is also a unique opportunity for leaders at the county, state, and federal levels to tap into the older adult talent pool to find individuals willing and ready to make vital contributions to their communities.

Acknowledgements

I would like to offer my sincere gratitude to Elizabeth Lopez, Sonial Lykins, and Teresa Carrillo. Also, I would like to acknowledge Dee Moss, Milt Gold, Connie Corbett, Emily Balli, and Kathy Zwart. Thank you to all for extending your time, patience, and kindness to me while I was interning in Santa Cruz County.

From Contra Costa County, I would like to thank Mickey Sherman, Lynn Yaney, and Joe Valentine for the opportunity to participate in BASSC. Thanks also to Ben Mosley, Bob Whatford, Clint Jossey, and Wendy Therrian for helping me understand services at Workforce Services Division.

