Older workers get boost from federal training program, but do they get jobs?

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It's formally called the Senior Community Service Employment Program.

But its lofty title and mission — helping unemployed, low-income individuals age 55 and older get temporary jobs and training at nonprofits or government agencies — hasn’t shielded the U.S. Department of Labor program from criticism.

The department in October awarded $140.6 million in Senior Community Service grants to 19 nonprofit groups, including almost $10 million to Chicago-based Easterseals and $2.4 million to National Able Network, funds that will cover services Feb. 1 through June 30. The hope is that individual participants develop the skills to land permanent, and unsubsidized, jobs, including in the private sector.

But a month before the latest round of awards, the program's grant-making process was criticized by a government watchdog, and the Labor Department is considering changes to how the money is spent on the 55-
and older set, a demographic that by 2024 will make up a quarter of the U.S. civilian workforce.

A recent outside survey of program participants found that more than a third either received computer training that didn’t meet their needs, or they needed computer training but got little or none. Only about half of trainees went on to get jobs after they left the program, records show.

The nonpartisan Congressional Budget Office has repeatedly listed the Senior Community program in a periodic report on potential spending cuts. But there was no mention of it in the report issued Thursday.

At Easterseals, if a participant wants to become, say, a receptionist, he or she would receive training and be placed in a government or nonprofit to work as a receptionist. Others might get assigned to nonprofit senior centers or animal shelters. Participants work for minimum wage for an average of 20 hours a week, of which 15 hours are spent working at the host agency and 5 hours are spent in training.

The program has helped people like Chicago resident Phyllis Buchanan, who was trained at Easterseals and ended up getting hired there.

Buchanan, 59, punctured a lung, ruptured a spleen and lost a kidney, as well as some of her eyesight and hearing, in a 2001 car accident. She didn’t wake up for weeks and eventually underwent 17 surgeries, leaving her with plates and screws from the top of her head to the bottom of her foot. Over the next five years, she was on long-term medical leave from her middle-management job at a vision-care chain where she had worked for about 15 years.

Buchanan eventually asked her employer about returning to work, but was told the wheelchair that she came to rely on might pose sanitation problems for the optical labs she’d inspect.

Efforts to find work elsewhere didn’t pan out. After she and her husband separated in 2013, Buchanan faced an uncertain financial future.

In April 2015, she applied for the Senior Community program. Easterseals offered her a spot, and after a year, it hired her as an information and referral associate. She fields phone calls, emails and Facebook queries from people nationwide who need help from the nonprofit and its affiliates.

"To be told you’ve aged out, or physically aren’t capable, is a sad state when so many people want to work and haven’t been given the opportunity," said Buchanan, who reconciled with her husband a few months ago.

The American Customer Satisfaction Index, a national study of 70,000 people’s consumer preferences on a range of topics, gave the Senior Community program a score of 81.6 out of 100 in program year 2015, according to the Labor Department’s website. The overall federal government score was 64.

Despite the score, more than a third of survey respondents said the computer training fell short of what they needed.
The program has caught the eye of the Labor Department's Office of Inspector General, which said in September that scoring criteria for the selection process could allow financially unstable organizations to get money. Of a possible 100 points that groups applying for grants can receive, only 6 points are allocated for "financial stability" and 5 points for "reporting and audits."

So "even if an applicant received no points in either of these areas, it could still score a 94 or 95," the inspector general said in its report. In response, the Labor Department said grant competitions are often decided by as little as 1 point.

Under current law, 75 percent of federal funds must be spent on wages and benefits to participants. But the department's 2017 budget documents say that allocation could get lowered to 60 percent.

That, the department reasons, would free up additional money for more robust training, including helping trainees to get industry credentials that would better prepare them to eventually get a higher paying job outside of the program.

The program's structure also has been questioned. Helping older workers "is well-intentioned," but it would be ideal if on-the-job skills training happened at private sector employers rather than in community service agencies such as nonprofits or government agencies, said Aparna Mathur, resident scholar in economic policy studies at American Enterprise Institute, a conservative think tank.

"Under the current system, I worry that even workers who learn certain skills at these nonprofits will be unable to find good employment in the private sector at the end of their training," Mathur said.

She'd prefer to see the program start with subsidized training at private employers for a few months, ideally leading to permanent jobs at those employers at the end of the training period.

The Labor Department's 2014 goal was for at least 42 percent of participants leaving the program to enter the ranks of the employed during the following quarter. That number, called "entered employment," exceeded 46 percent that year, records show. The department said those targets are comparable to other employment and training programs for low-income seniors.

Six months after that time period, 74 percent of those who got jobs after the program were still employed, exceeding the department's retention rate goal. Half of those who found jobs were at for-profit companies, the department said.

Carol Salter, an Easterseals national director, hopes the program will be expanded to include the for-profit sector and said if the incoming Trump administration is committed to job creation, it should continue to support the program because it is creating taxpayers.

"This would allow more opportunity for participants and help to change the perception of what mature workers are able to contribute within the business community," Salter said. "But right now, there's great value in working with nonprofits because it's a community service program as well as an employment program."
In 2014, Easterseals' employment goal was 45 percent, and it exceeded 51 percent, Labor Department documents show. Its retention rate was 80 percent, above its 76 percent goal.

Since getting its first grant in 2003, Easterseals has provided training, in Chicago and at affiliates nationwide, for about 38,000 participants. Their educational levels varied widely: Some lacked high school diplomas, others had doctoral degrees.

Almost 370 people trained through Easterseals' senior program found jobs last year, many at for-profit companies, Salter said.

Easterseals is getting enough funding from the program to fill about 3,000 training slots this year in Chicago and at affiliates.

A second grantee was Chicago-based career support nonprofit National Able Network.

Two years ago, Glenda Harris, a longtime customer service worker who also has been a missionary, spent time in a nursing home due to spinal stenosis and a bacterial infection in a bone in her spine. Suffering from osteoarthritis, she needs two knee replacements.

She walks with a limp and uses a cane. Those don't help her job search.

"Those aren't great fashion accessories," said Harris, 64. Also, once you reach your 50s, she said, "the door closes on opportunities for advancement or even employment because there is something out there called age discrimination."

She heard about National Able, called it, and learned about the Senior Community program.

Harris has been part of the program for the past eight months. She works about 20 hours a week through National Able, either at its office or at assignments to which it sends her.

Among the things she has learned through her training is how, when submitting an online resume, software programs tend to pick up on key words. Her computer skills are no longer rusty.

"I had felt so defeated, but I knew I was a good worker and had the skills," Harris said.

In 2014, National Able's entered-employment goal was 39 percent, and it slightly exceeded that, Labor Department records show. Its retention rate was 74 percent, slightly below its goal.

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