

Issue BRIEF

Boosting the Skills of Older Workers for New Manufacturing Careers: Michigan's M-CAM Experience



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ABOUT THIS PROJECT

The lessons in this brief are drawn from Social Policy Research Associates' (SPR's) evaluation of the Michigan Coalition for Advanced Manufacturing (M-CAM) TAACCCT grant. M-CAM is a coalition of eight community colleges in Michigan that used grant funds to strengthen four career pathways—Welding/Fabrication, Production, Multi-Skilled/Mechatronics, and CNC Machining.



ABOUT THE TAACCCT GRANTS

The Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants were funded by the U.S. Department of Labor, Employment and Training Administration. TAACCCT funding assists community colleges in expanding and improving training programs that can be completed in two years or less for high-demand, high-skilled occupations.

Older workers (over 40 years of age) were particularly hard hit by the Great Recession.ⁱ Although a relatively high percentage eventually reentered the labor market, older workers experienced longer periods of unemployment and were more likely than younger workers to experience a decrease in their hourly wages.ⁱⁱ In the manufacturing industry, 65 percent of all workers displaced during the recession had lower wages upon rehire, and this was particularly true of older workers.ⁱⁱⁱ

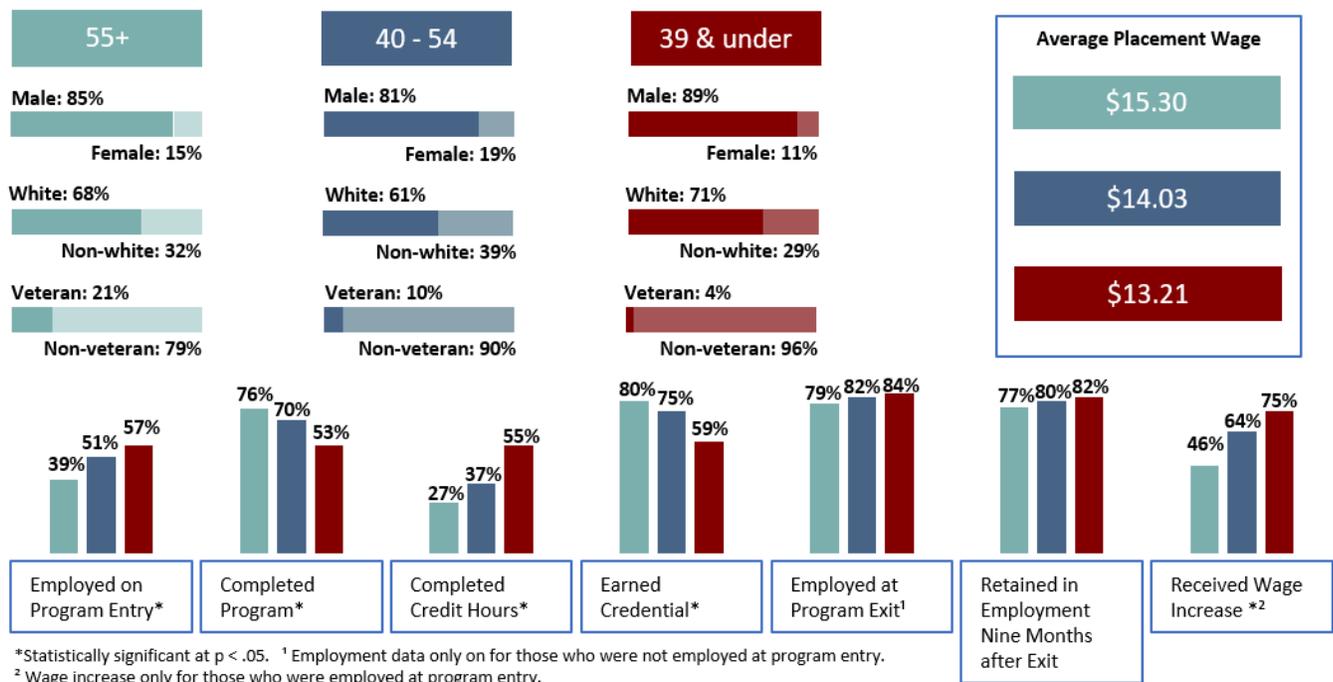
Community colleges provide vital training opportunities that can help older workers update their skills so that they remain competitive in the labor market. Older workers, however, are less likely to pursue training than younger workers, for a number of reasons, including negative prior experiences with schooling, fear of technology, limited financial resources, and family commitments.

This brief explores the experiences of older workers who enrolled in advanced manufacturing training programs, drawing on data from over 1200 older students enrolled at eight community colleges in Michigan over a three-year post-recession period (2014–2017). The brief explores the motivations older workers have for pursuing training, their views of the local manufacturing labor market, their satisfaction with training programs, and their ability to find post-program employment. Our findings can inform the efforts of community colleges across the country seeking to engage older adults in successful training and to help them transition to new jobs and careers.

WHAT WE LEARNED

- Older workers preferred short-term, noncredit programs to longer-term, credit programs.
- They were more likely to complete their programs and earn a credential than were younger students.
- Older workers were only slightly less likely to obtain employment upon exit than were younger workers. Those that had difficulty were often “career changers,” who were seeking to transition to manufacturing from other sectors.
- If hired, they were retained in employment at rates similar to or higher than those of younger students.
- They were significantly less likely to receive a wage increase than were younger workers participating in similar training programs.
- They valued and benefited from the extra support that colleges offered, including assistance enrolling in and accessing financial aid, integration of basic skills support into core manufacturing curricula, and wraparound supports.

Exhibit 1: Key Statistics



By the Numbers: Characteristics and Outcomes of Older Workers

Thirty-two percent of all students enrolled in M-CAM advanced manufacturing training programs at the participating colleges were over the age of 40 (nearly 9 percent were over 55), illustrating the success of the colleges in attracting and serving this population. As shown in Exhibit 1, older students were more likely to be veterans and were more diverse in gender and race than were younger M-CAM enrollees. The likelihood of students being employed at the time of enrollment decreased significantly as age increased: 57 percent of those 39 and under were employed at enrollment, while only 39 percent of those over 55 were employed.

The likelihood of students enrolling in short-term, noncredit programs, rather than longer-term, credit-bearing programs, increased with age. Older students were more likely than younger students to enroll in the Multi-Skilled/Mechatronics track, which leads to relatively high-paying jobs fixing and troubleshooting assembly line systems. They were also, however, more likely to enroll in Production courses, which ready workers to take on relatively low-paying, entry-level manufacturing jobs. In general, older students were as satisfied with training as younger students.

Older students completed their programs at significantly higher rates than did younger: this is due at least in part to the fact that their programs were shorter on average. If they were not employed at the time of enrollment, older students were slightly less likely than younger students to be employed at the time of exit. If hired, however, they were just as likely to be retained in employment nine months after placement. Of those that were employed at enrollment, the chance of getting a wage increase decreased steadily with age (46 percent of those over 55 received a wage increase compared to 75 percent of those 39 and younger).

Although students who were over 40 had slightly higher average placement wages than did students under 40 (\$14.40 per hour compared to \$13.21), the difference between them and the youngest students (18–24) was less than \$2 an hour.

Experiences and Perspectives of Older Workers

Interviews with students over the age of 40 revealed that they were pursuing education and training to get a “fresh start” or “another chance.” Enrolled older students included those who had a background in manufacturing and were looking to improve their skills so that they could take on higher-paying jobs or get coveted “day shift” positions, those who were changing careers in search of a better wage, and those who were returning to employment after an extended period outside the labor market due to family responsibilities, an extended layoff, poor health and disability, or incarceration.

Regardless of background, older students entered education and training with some trepidation. They often had negative prior experiences with schooling and so they particularly appreciated the additional support and coaching they received from instructors and M-CAM program staff. One 55-year-old student, who had dropped out of high school and spent some time in prison said, “A lot of it was new to me as far as the educational part ... and it was a challenge for me. It’s the part that made me feel inferior back in the day. [Making me feel] that I couldn’t do it, I couldn’t achieve things.” He credited the program with “changing the way” he “thinks about things,” and getting him a job with solid benefits.

Most of the older students we interviewed found jobs after completing the program. Older students were generally happy to get back to work so that they could pay their bills. One 49-year-old male who had found full-time work after years of underemployment said, “I’m just so grateful to be where I’m at. You have no idea. I feel like I’m on cloud nine right now.” He expected to remain at the job for 10 or more years, saying that the fact that the employer had hired him “at his age” had earned his loyalty.

Although most older students found jobs, it was harder for those who were seeking to change careers to find satisfactory employment. They reported that employers often wanted to place them in entry-level jobs, such as assembly line work, and that they had enrolled in classes to avoid taking those types of jobs. One said, “I can do assembly line like a high school kid, but I didn’t take this class to do assembly line.” This suggests that employers are less likely to hire older individuals who do not have hands-on practical experience in their field, even if they have completed a training program. Our findings suggest that older students who are “career changers” could use additional support with marketing their existing experience to employers in a new field.

“If I’m going to stay in this field, I have to learn the new technology, the new machines. So, I decided to go back to college and get into that field, general technology, and then CNC programming Factory work was all I had ever done. So, I had to go back to something I was good at...”

- 50-year-old female, CNC Machining

“I got the age going against me. I’ve got jumping different careers. I’ve had nothing to do with any type of factory work My background is in construction [My] resume is only a page long and it’s short and sweet and it tells the classes I took and a little bit of my previous history but if [employers] don’t want to train anybody or they can figure out how old I am just by looking at [my work history] ... I have jobs starting in 1993. I think they throw [my resume] away because of that. [They] don’t want to train somebody that age.”

- 54-year-old male, Multi-Skilled

Strategies for Addressing Challenges Facing Older Students

During interviews, older students expressed appreciation for the ways the advanced manufacturing programs at the eight M-CAM colleges went out of their way to reach out and accommodate their needs:

- **Facilitating the enrollment, scheduling, and financial aid processes.** One of the aspects that older students appreciated the most was that the M-CAM colleges provided coaches and coordinators who stepped them through the application and enrollment process. These staff also helped connect students to financial aid, schedule courses, and access other supportive services when they were available. One 55-year-old student described how his career coach had tracked down a copy of his birth certificate and helped him get a driver’s license. He said that the counselor was “willing to go out on a limb to try to help [me].”

- **Providing evening, part-time, and flexible educational opportunities.** One of the colleges in the study had flexible training programs that offered open-entry enrollment, while others offered evening and weekend classes. These structures were particularly valuable for older incumbent workers and those with family obligations. As one 43-year-old student described, *“The open enrollment is very helpful for family and to work around a busy schedule, or just come in and be able to train in a certain segment [module] of something that you’re lacking [instead of taking an entire course] ... It’s amazing. Not very many schools have that.”*
- **Providing embedded basic skills support so that older students can refresh their skills without having to take remedial courses.** Older students worried about their ability to do coursework, particularly math, and were self-conscious about their ability to keep up with fast-moving content. They gravitated towards noncredit classes, in part because the entry-level skills requirements for those courses were easier to fulfill.
- **Providing short-term grants and other interventions to help older students stay in school.** Several students we interviewed received additional grant support: this was particularly true for veterans who were eligible for additional services from specialized college departments and staff devoted to assisting veterans. With the assistance of his intake coordinator, one 49-year-old male was connected to food stamps, a campus food pantry, and a program called SOS that provided him with two small grants for \$300, which he used to pay his heating bill and to buy interview clothes.

“[The M-CAM program] allows you to work at your own pace and still address family or work issues, and I think there should be more programs like that.”

- 43-year-old male, CNC Machining

Implications

- **It is important that employers be educated about the benefits of hiring older workers.** Data from this study, as well as numerous other studies, show that older workers have a higher or similar level of retention than do those hired at younger ages. Hiring managers in a recent study gave older employees high marks for loyalty, reliability, and productivity, key attributes sought by that manufacturing employers.^{iv}
- **Older workers would benefit from longer term job coaching.** Older workers often stay at positions because they are wary of making changes in the job market. Longer-term job coaching could help them advance further in their careers and ensure that they are working in jobs that are appropriate to their skill levels.
- **Community colleges should distinguish between “career changers” and “career enhancers.”** Career changers require a higher level of support, particularly around job placement, and require additional guidance on how to frame their experience to employers. Community colleges can play a key role in providing this type of support, given the large number of older students who are pursuing noncredit programs to enhance their skills.

About This Series

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ⁱ Although different agencies define “older worker” differently, the Age Discrimination Act of 1967 provides protection to anyone in the workplace older than 40. The Department of Labor, however, defines an older worker as anyone older than 55.

ⁱⁱ Carl E. Van Horn, Kathy Krepcio, and Maria Heidkamp, *Improving Education and Training for Older Workers* (Washington, DC: AARP, 2015), www.aarp.org/content/dam/aarp/ppi/2015/improving-education-training-older-workers-AARP-ppi.pdf.

ⁱⁱⁱ “Where Did All the Displaced Manufacturing Workers Go?” Manufacturers Alliance for Productivity and Innovation, May 21, 2013, <https://www.mapi.net/blog/2013/05/where-did-all-displaced-manufacturing-workers-go>.

^{iv} Tara Weiss, “Out of Work and Not Young Any More,” *Forbes*, May 5, 2009, <https://www.forbes.com/2009/05/05/older-job-seeking-leadership-careers-basics.html>.