

New Careers for Older Workers



AIER RESEARCH STUDY
New Careers for Older Workers

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Acknowledgments

I would like to thank the following people for their assistance in writing this report: Stephen Adams, President of AIER, provided crucial direction for the initiation and development of the project; Rosalind Greenstein, Director of Research and Education at AIER, provided critical thinking, feedback, and guidance on the argumentation and analysis; survey research firm GfK, Inc. assisted on the survey development and design, administered the survey, and gave important edits on the paper; Natalia Smirnova, Assistant Director of Research and Education, offered excellent feedback on the literature review; Luke Delorme and Jia Liu, Research Fellows at AIER, provided supportive comments and critique; Anca Cojoc, former AIER Research Fellow, with the assistance of Ethan Krohn, former Research Intern, conducted the research on occupational mobility rates for the paper. Finally, editor Jane Hosie-Bounar provided constructive notes and structural comments; and editor Marcia Stamell provided excellent writing guidance.

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01 Introduction

American workers are putting off retirement. A 2013 survey by the Associated Press-NORC Center for Public Affairs reports that 82 percent of working Americans over 50 say they will likely work for pay in retirement, and another 47 percent expect to retire later than they previously thought. In 1995, the average person expected to work until the age of 60, but now the average non-retiree anticipates working until age 66 (Brown, 2013).

Given how many older people work later in life, AIER examines the phenomenon of older workers changing careers later in life. Namely, this study seeks to determine how many older adults are changing careers, and what skills, workforce resources, and supports they use to make the change. The results are based on AIER's analysis of US Census Bureau Current Population Survey data and its analysis of the 2014 AIER Older Worker Survey of people aged 47 and older who attempted career changes.

The study finds:

- Out of the older adults who are trying to change careers, most are successful.
- The majority of successful career changers report that the move has made them happier.

- Many successful career changers report that the change increased their income.
- Transferable skills are among the most important factors in successfully changing careers.
- Workforce services, personal attitudes, and social support systems also play a role in the success of career changers.

Chapter 2 describes how shifting demographic trends and a new retirement landscape are driving more people to work longer and to consider changing careers. Chapter 2 also explains what we know about older career changers. Chapter 3 discusses AIER's Older Worker Survey, as well as the demographic characteristics of the survey's respondents.

Chapter 4 examines how successful career changers report their level of satisfaction. Chapter 5 highlights the resources and characteristics that matter for career changers: skills, workforce services, social support systems, and finally, personal attitudes.

Chapter 6 delves into the strategies that older workers looking for new jobs can employ, and it presents some concluding thoughts on how this research relates to past studies of this important and growing population.

02 A New Phenomenon: Career Change Among Older Workers

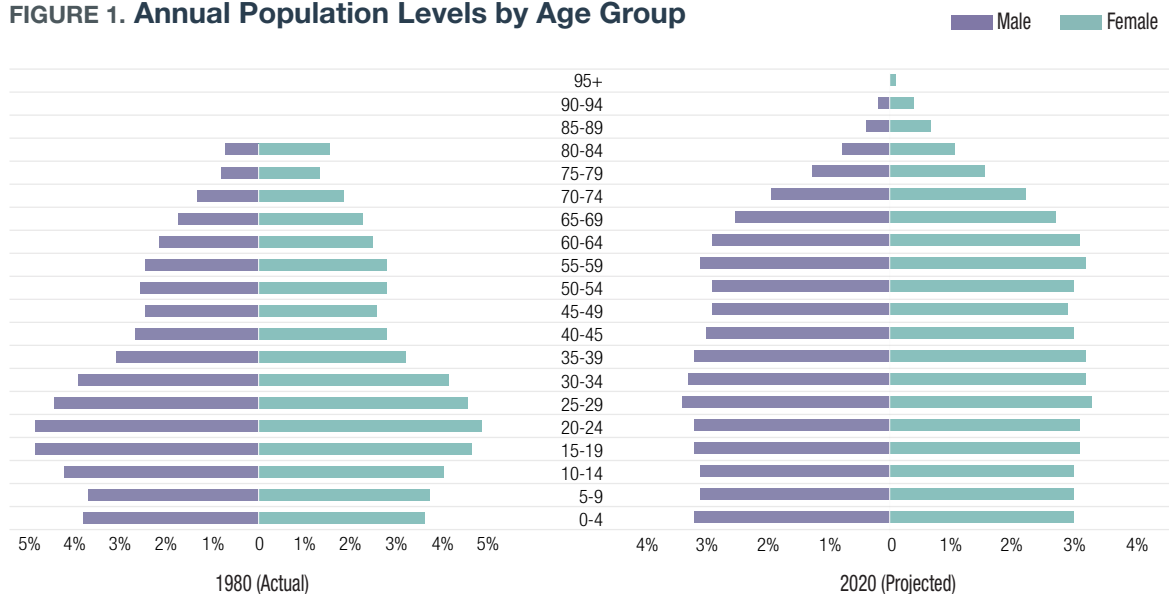
Americans now expect to work further into what were once considered their retirement years. To ease the transition to retirement, millions of older Americans have moved to part-time work or work for less money. Transitory positions such as these are also known as *bridge jobs* (Johnson, Kawachi, and Lewis, 2009; Cahill, Glandrea, and Quinn, 2012; Quinn and Kozy, 1996). Now, however, as workers are putting off retirement entirely, many older workers are deciding to change into more permanent new careers.

Both demographic and social dynamics have contributed to an increase in the

number of older workers. Demographically, the Baby Boomer generation is aging. The share of people aged 55 and older increased to 26 percent in 2013, up from 21 percent in 1980. The US Census Bureau reports that in 2010, 13 percent of the population was aged 65 and older. Projections for 2030 estimate that the share will jump to 19 percent (Vincent and Velkoff, 2010). The difference in the two age pyramids for the US population (Figure 1) illustrates this change, with the evening out of the horizontal bars on the right reflecting the aging of the US population.

Employment levels for those 55 and

FIGURE 1. Annual Population Levels by Age Group



Source: United Nations, Department of Economic and Social Affairs, Population Division, 2012

older have also been rising, as shown in Figure 2. Increasingly, older workers are electing to stay in the workforce beyond age 65, with labor force participation of those aged 65 and older rising from 12 percent in 1990 to 18 percent in 2013 (Figure 3). The US Bureau of Labor Statistics projects that labor force participation rates for this population will rise to 23 percent by 2022 (Toossi, 2013).

By comparison, as Figure 3 shows, participation rates for other groups have dropped. Rates for 20- to 24-year-olds dropped from 77 percent in 2000 to 69 percent in 2014. Rates for 25- to 34-year-olds also dropped in the same time period: from 85 to 80 percent. These data show that while labor force participation rates for other groups have declined since 2000, labor force participation rates have increased for those aged 55 to 64 and those aged 65 and older.

Why Are People Retiring Later?

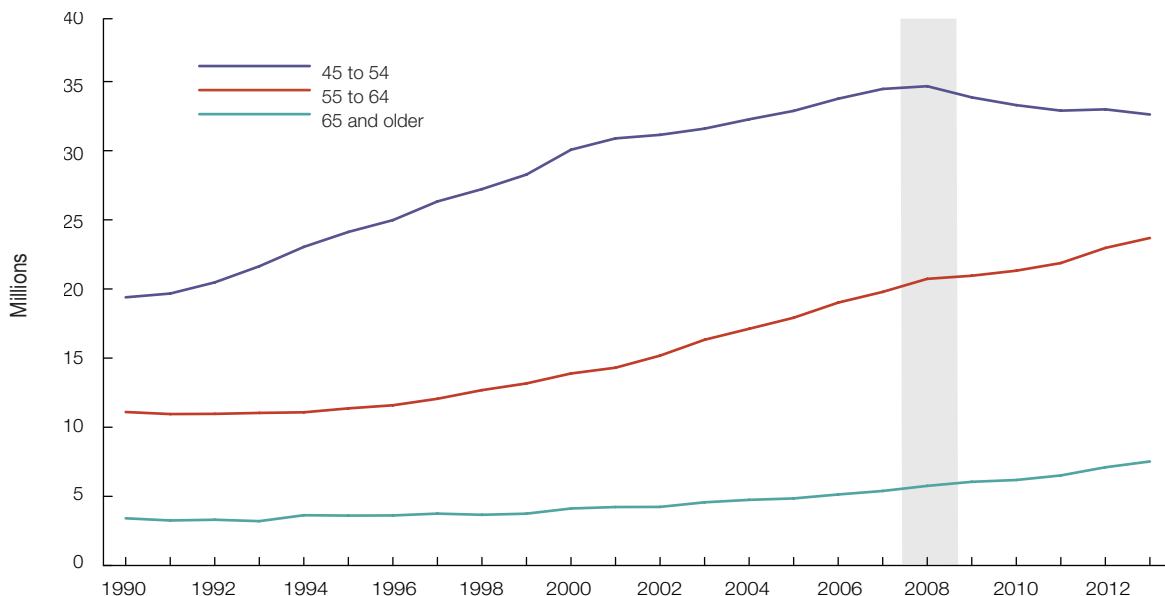
While personal circumstances undoubtedly affect the decision to retire later, three important economic reasons also affect

this decision. First, longer life expectancy is creating the need for an income stream that lasts longer into retirement. Between 1980 and 2030, projected life expectancy for a 65-year-old increased by 2.7 years for women and 5.2 years for men (Social Security Administration, 2011). In fact, males have a 40 percent chance of reaching age 85, and females have a 53 percent chance of reaching age 85 (Society of Actuaries, 2011).

Second, health care costs are rising, even for those on government-sponsored health plans. Between 1980 and 2010, out-of-pocket expenses for Medicare participants increased from seven percent of the average Social Security benefit to 27 percent (Centers for Medicare and Medicaid Services, 2010). These expenses are estimated to rise to 38 percent by 2030 (Munnell, 2010). Rising health care costs have a disproportionate impact on older Americans because they need to allocate a larger share of their disposable income to cover these costs. For some, this may lead to a decision to remain in the labor force longer.

Third, there has been a seismic shift

FIGURE 2 Quarterly Employment by Age Group



Source: Bureau of Labor Statistics, 1990-2013

in the retirement landscape from defined benefit plans to defined contribution 401(k)-type plans. Defined benefit pension plans pay a set percentage of lifetime income. However, these plans are becoming exceedingly rare. Whereas in 1983 these plans covered 62 percent of workers, in 2007 they covered just 17 percent (Munnell, Golub-Sass, and Muldoon, 2009).

On the other hand, according to the National Compensation Survey, the share of workers participating in defined contribution plans, such as 401(k) plans, has been increasing; it reached 38 percent of all civilian workers in 2014 (US Bureau of Labor Statistics, 2014). Workers without defined benefit pensions will rely on a combination of Social Security payments and their savings, including their 401(k) plans. However, in 2010, the typical household approaching retirement had only saved about \$120,000 in their 401(k) plan (Munnell, 2012). For many households, this will result in severely limited retirement income.

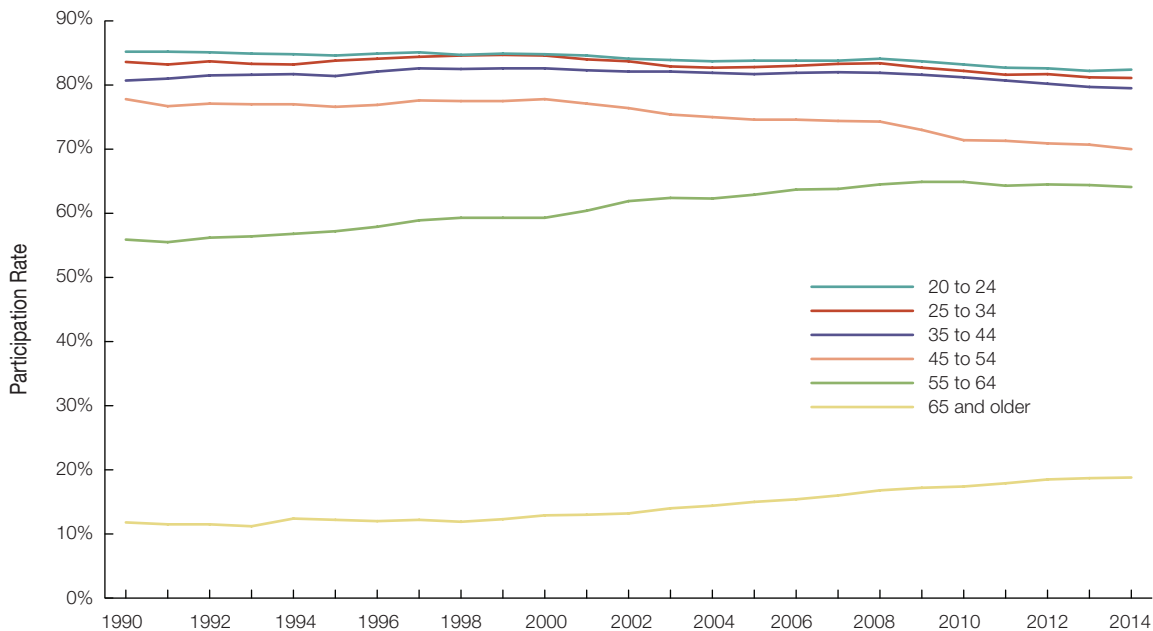
Given longer lives, rising health care costs, and fewer defined benefit pensions, it is not surprising that older adults are

retiring later. This need for a longer-lasting income, combined with a weak labor market, has led many older workers to come up with creative strategies to earn. One such strategy is a later-in-life career change.

What Does It Mean to Change Careers?

Broadly speaking, a career change is a change from one type of job to another. But there is no consensus on how drastic a change has to be in order for it to be considered a career change. Many researchers agree that a career change is different than performing the same job for another company or getting a promotion within one company. Some analysts define career change as moving to a different employer in a new occupation (Johnson, Kawachi, and Lewis, 2009), while others assert that an occupational change can happen while working for the same employer as long as the work is different (Markey and Parks, 1989; Shniper, 2005). What many of these analyses have in common is that their definition of a career change requires that an individual learns new skills in order to make the change.

FIGURE 3 Labor Force Participation



Source: Bureau of Labor Statistics, 1990-2014

For this analysis we define a career change, or occupational change, as a change in jobs that involves new tasks with either the same or a different employer, in either the same or a different field.

What Do We Know about Older Workers Who Change Careers?

Various organizations have attempted to understand how frequently and under what conditions older workers change careers. The Current Population Survey (CPS), a monthly survey of about 50,000 households from the Census, is one such method.

The US Bureau of Labor Statistics measures career change by *occupational mobility*, or the proportion of people who change occupations in a given year (Shniper, 2005)¹. This is calculated by dividing the total number of individuals who change occupations between year one and year two

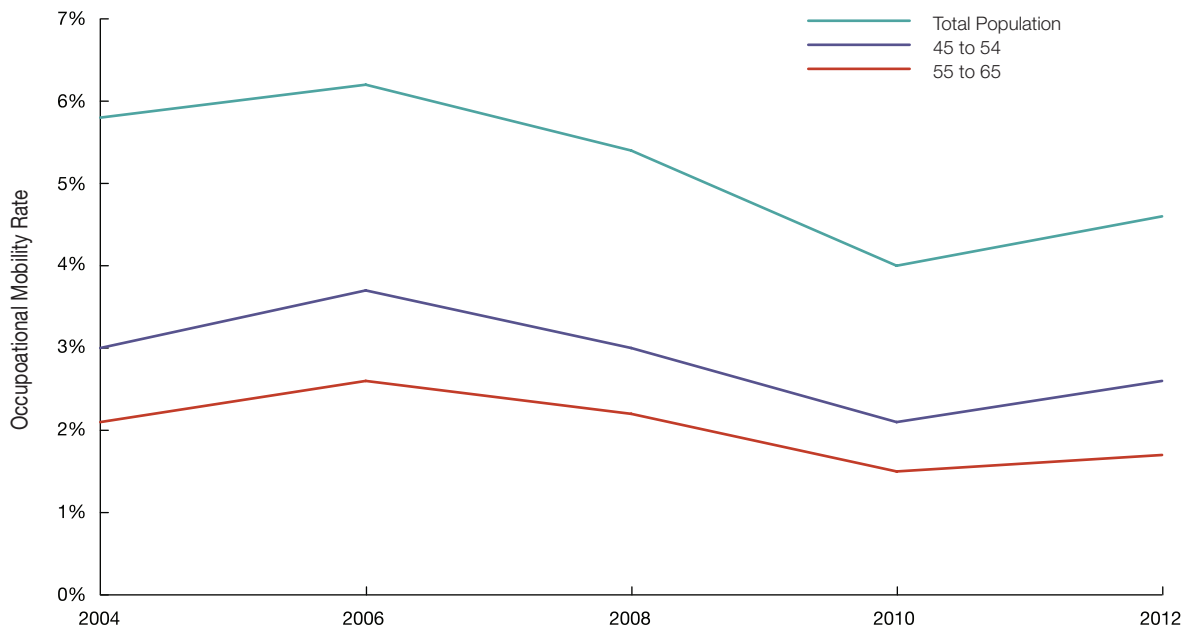
¹ Occupational mobility as defined by the Bureau of the Census and the Bureau of Labor Statistics (BLS) should not be confused with occupational mobility or intergenerational mobility as defined by sociological and social policy literature. In the Census and BLS data, occupational mobility refers to annual changes in occupations. In contrast, sociologists who study occupational mobility compare the socioeconomic status of a worker to his/her parents.

by the total number of individuals employed in both years. Simply put, it is a measure of the share of the working population who are occupation-changers in a given year.

According to these data, as shown in Figure 4, the older adult population’s rate of occupational mobility has hovered between 1.5 to 3.5 percent for all year-to-year changes between 2003 and 2012. Aggregately, in 2012, the occupational mobility rate for those aged 45 to 65 was 2.2 percent. While the share is smaller than the 5 percent seen in the general population, it still represents a large number of people experiencing career changes. Two percent means that between one and two million workers aged 45 to 65 changed careers between 2011 and 2012.

Considering that in any given year there are between one and two million older career changers, it is not surprising that workforce development organizations have sought to understand what kinds of formal and informal resources older workers use and find useful. For instance, the nonprofit Civic Ventures studied 1,408 “Encore” career workers, defined

FIGURE 4 Occupational Mobility Rate Increased for Older Workers After 2010



Source: Occupational mobility rates for 2003-04, US Bureau of Labor Statistics. Occupational mobility rates for 2005-06 onward, US Census Current Population Survey.

as older workers who “want work that has deeper personal meaning” (Civic Ventures, 2011: 1). These workers typically enter helping professions and move to careers such as health aides, teachers, and social service workers (2011: 3-4).

The study found that 23 percent participated in local volunteer programs and 20 percent utilized education-training courses (Civic Ventures, 2011). When asked what was most helpful in their job change to Encore careers, 44 percent said grants and scholarships for training and education, 40 percent said volunteer programs, 36 percent said hands-on experience through national community service programs, and 34 percent said additional education through community colleges or other schools.

Besides studying resources, organizations have also studied the motivation behind an older worker’s desire to change careers. Most studies separate the conditions that motivate career change into market-driven and non-market driven conditions. Market-driven conditions occur when workers are laid off, have had their jobs change due to a restructuring in the workplace, or find that

their skills are obsolete within a company.

Non-market conditions are personal, health, social, or family circumstances that might motivate a change. For instance, many people express their identities through their jobs (Feldman, 1989; Cytrynbaum and Crites, 1989; Super, 1957; and Levinson, 1978). For some, a change in expression of identity may lead to a workplace change. Other non-market conditions could be a health problem, a desire to live closer to family or friends, or an interest in reducing stress.

An AARP study of 1,705 older workers found that many people cited both market- and non-market-driven conditions as catalysts for their career changes. For instance, many were forced to change careers as a result of corporate layoffs or restructuring (Johnson, Kawachi, and Lewis, 2009). Those who faced such market-driven conditions tended to find a new career in a similar field. Conversely, the study found that those individuals motivated by non-market conditions tended to make more drastic career changes—for example, by going into a different field entirely.

03 The AIER Older Worker Survey

The CPS data show us how frequently people change careers from one year to the next. In contrast, AIER sought to look at career change over a longer view. To do so, it designed a survey for adults aged 47 and older. To qualify, adults had to have attempted a career change any time after the age of 45. This approach allowed us to take a much more comprehensive look at the career change process.

AIER's survey did not focus specifically on how frequently career change occurs. Various studies have analyzed resources used during the career change transition, as well as what kinds of conditions motivated the change. However, fewer studies have assessed other potential assets important for a career change, such as an individual's skillset, personal resources, and social support systems.

The AIER Older Worker Survey therefore sought to answer the following question: What are the differences in skills, resources, and supports used by those who successfully changed careers after age 45 and those who tried but failed? This question gives us a detailed look at the differences between successful and unsuccessful older career changers.

AIER Survey Design

AIER's Older Worker Survey, administered in January of 2014, identified the characteristics of those who succeeded in

changing careers versus those who were unsuccessful in their attempts to change careers. It also provided information on what skills, workforce services, and personal and social resources career changers had access to. GfK, Inc., a survey research firm, administered the survey. 2,009 individuals filled out the screener for the survey, and 405 ultimately qualified. The survey results include only these 405 qualified respondents.² The margin of error on the full study was 6.0 percent.

There are important differences between the CPS measure of occupational change and the measure of occupational change we use in this study. For the CPS to count a career change, it had to occur in the prior year. For the AIER survey, a career change could have occurred any time after the respondent turned 45. Second, while the CPS counts only successful career changes in the last year, the AIER survey collected data on both successful and unsuccessful career changers. Third, the CPS data do not include workers older than age 65, whereas the AIER survey data does.

Demographic Characteristics of Survey Respondents

The demographic characteristics of AIER survey respondents, or adults aged 47 and older who at some point in their later

² See Appendix 2B for survey instrument.

lives attempted a career change, largely mirrors those of the general population 47 and older, as reported by the US Census (see Table 1). Specifically, for gender, age, income, and racial and geographic distribution, there was little difference between AIER's sample and the US Census counts. However, educational attainment

was slightly higher for the AIER survey respondents than the general older adult population, with more college graduates and fewer with only a high school degree. This difference may be because more highly educated workers have more options for changing careers and therefore may be more likely to attempt a career change.

TABLE 1 Demographic Characteristics of Survey Respondents Compared to General Population 47 and Older³

Characteristics	AIER Study		US Population 47+
	Count	%	%
Gender			
Female	193	48	53
Male	212	52	47
Age			
47 to 57	123	30	41
58 to 64	132	33	22
65 or older	150	37	37
Education			
Less than HS	19	10	13
High School	94	23	33
Some College	141	32	26
Bachelor's Degree or Higher	151	35	29
Income			
Less than 25,000	60	18	21
25,000-49,999	100	27	24
50,000-74,999	95	21	18
Higher than 75,000	150	34	38
Race			
White	327	73	74
Black	31	12	10
Other	24	6	5
Hispanic	23	8	10
Geography			
Northeast	65	14	19
Midwest	86	20	22
South	152	38	37
West	102	28	22

Source: AIER Sample from AIER Older Worker Survey, 2014; US Population from US Census Current Population Survey, 2013

³ Note: In our reported findings, percentage points are rounded off to the nearest whole number. As a result, percentages in a given table column may total slightly higher or lower than 100%.

04 Most Older Career Changers Are Successful

AIER found that late-in-life career changes affect millions of people. In fact, our survey, given sampling error, found that anywhere from 16 million to 29 million people attempted a career change after age 45. Moreover, 82 percent of late-in-career changers were successful. The remaining 18 percent tried to change careers and failed.

Employment Differences Between Successful and Unsuccessful Respondents

There was no discernible trend with respect to the types of occupations career changers were leaving or going toward. (For demographic and employment differences between successful and unsuccessful career changers, refer to Appendix 3.) The jobs individuals were attempting to leave and enter varied from teachers, nurses, and secretaries, to engineers, managers, and computer programmers. This variety suggests that the decision to change jobs among older workers may be driven more by individual factors than by broader, industry-wide trends. It also suggests that career change is not limited to only low- or high-wage industries or to low- or high-skilled workers.

When analyzing differences in employment, the survey found that respondents who report that they were unsuccessful in their career change were

in their prior jobs longer than successful respondents, and they report spending more time job searching. On average, unsuccessful career changers spent 22 months searching for a new career, compared to just 11 months for the average successful respondent. However, unsuccessful career changers applied to 20 jobs on average, compared to eight jobs among successful career changers.

Reasons Varied Between Successful and Unsuccessful Respondents

The reasons successful job changers gave for leaving their prior occupation were characterized as either market related (46 percent) or non-market (54 percent) related. Being laid off (25 percent) and getting another job (4 percent) were the two most-common responses among the market related reasons. Quitting (23 percent) and retiring (14 percent) were the two most-common responses among the non-market related reasons successful job changers gave for leaving their prior occupation.

The overwhelming majority of unsuccessful job changers (81 percent) left their prior occupation for non-market reasons as compared to 19 percent who reported market reasons. Among unsuccessful respondents, wanting a change or needing something different, was the most oft-cited (28 percent) non-market reason reported for switching jobs, while

20 percent reported the market reason of needing more money as to why they attempted a career change. These varied reasons across respondents are similar to past studies (Johnson, Kawachi, and Lewis, 2009; Markey and Parks, 1989).

Most Respondents Report Feeling Their Move Was a Success

The overwhelming majority (90 percent) of career changers say the move was a success and report being happy or very happy (87 percent) after the career change. In addition, the majority feel that their stress levels declined, that it did not take too long to find the job, and that they are now following their passions, as shown in Table 2. They report this high success rate despite the fact that few had extra financial resources to help with the transition and three in 10 saw a decline in income. For most, however, income rose or stayed about the same.

Successful job changers in our survey also stressed the value of flexibility. When asked for some “words of wisdom” for those who may think about changing jobs later in life, seventeen percent of respondents cited the importance of flexibility, which included, among other things, the willingness to work for a lower wage or being flexible about hours worked.

However, a successful career change does not come without some challenges. When asked, some respondents reported that they initially took pay cuts. However, successful career changers reported that after a period of hard work and persistence, they worked their way up the income ladder. One respondent wrote, “Sometimes you have to take a little pay cut but in the long run it will pay you more. If you feel you need a change, then do it.” The good news is that half of successful respondents saw an increase in pay over time.

TABLE 2 Percent of Successful Job Changers Happy with Change and Income Differences

	% Completely or Mostly Agree	% Completely or Mostly Disagree
I consider my career track change to be successful.	90	10
I feel like I can finally carry out my passion in my new career.	59	39
I had to look for a long time before landing my new career.	31	68
Emotionally, I feel like a new person since switching careers.	72	27
My stress level has decreased since changing careers.	65	34
I had extra financial resources, which really helped me to be able to make my career track change.	41	58
Job Change Effect on Income		%
I saw an increase in income.	50	
I saw a decrease in income.	31	
My income stayed about the same.	18	

Source: AIER Older Worker Survey, 2014

05 Skills, Workforce Services, and Personal and Social Supports

The survey asked both those who succeeded and those who failed what kinds of workforce resources, supports, and skills helped in the new career search process.

Skills Matter

One particularly striking difference between successful and unsuccessful older career changers is the role of skills in making the move to a new career. The AIER Older Worker Survey asked what skills individuals used in their prior jobs compared to their new jobs. It also asked those who tried to change careers and failed what skills they used in their old jobs and what skills they thought they would need in their attempted new jobs.

Specifically, the survey asked about the following skills: basic computer skills, interpersonal skills, math or quantitative analysis, reading comprehension, problem-solving, heavy lifting, business or management, bilingual ability, advanced computer skills, public speaking, managing, teaching or mentoring, customer service, client management, and social media skills.

When asked about prior jobs, successful career changers report using more skills than unsuccessful career changers, as shown in Table 3. For instance, successful respondents report using on average 8.4

of the 14 skills listed in the survey in their prior occupations, while unsuccessful career changers report using 5.5 of the skills.

TABLE 3 Average Number of Skills Used in Prior versus New/Expected Job

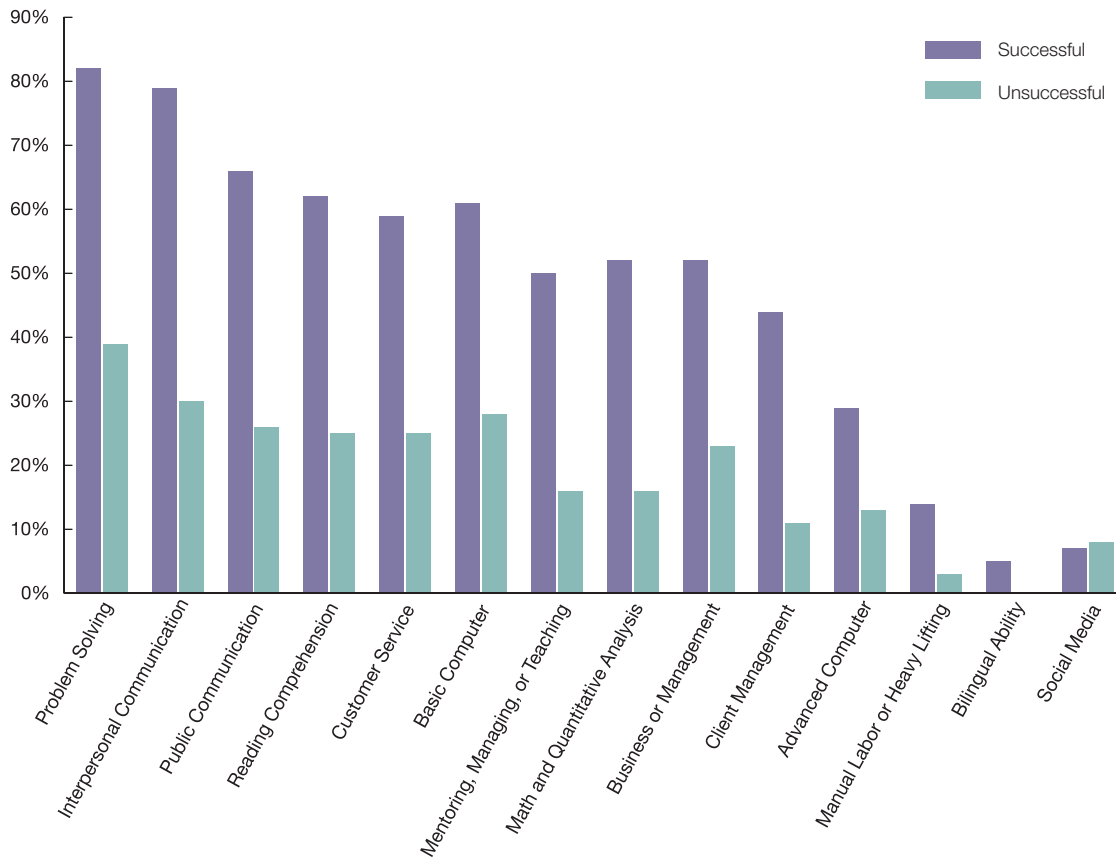
	Successful in Career Change	Unsuccessful in Career Change
Skills Used in Prior Job	8.4	5.5
Skills Used in New/Expected Job	8.5	4.9
Skills Used in Both	7	2

Source: AIER Older Worker Survey, 2014

Successful career changers also went to jobs that used skills they already had, whereas unsuccessful career changers attempted to change into careers that they thought required different skills than those they already had. On average, successful respondents report using seven of the 14 listed skills in both their previous and new careers. Figure 5 also illustrates that successful career changers report using the same skills before and after the career change to a large extent. Almost one-third (27 percent) of successful respondents wrote about the need for research, training, or skill development.

Unsuccessful job changers, on the other hand, recognized they had a skill deficit.

FIGURE 5 Successful Career Changers Used the Same Skills Before and After the Career Change



Source: AIER Older Worker Survey, 2014

Those unsuccessful career changers averaged just over two skills that were used in their old job and that they expected to use in the new career they pursued. Moreover, many unsuccessful respondents wrote about their obstacles, which included a lack of confidence in their skills, experience, or training. For example, one respondent wrote, “I believe my age and no skills training kept me from getting a job.” Another worker wrote, “Difficult to learn new skills.”

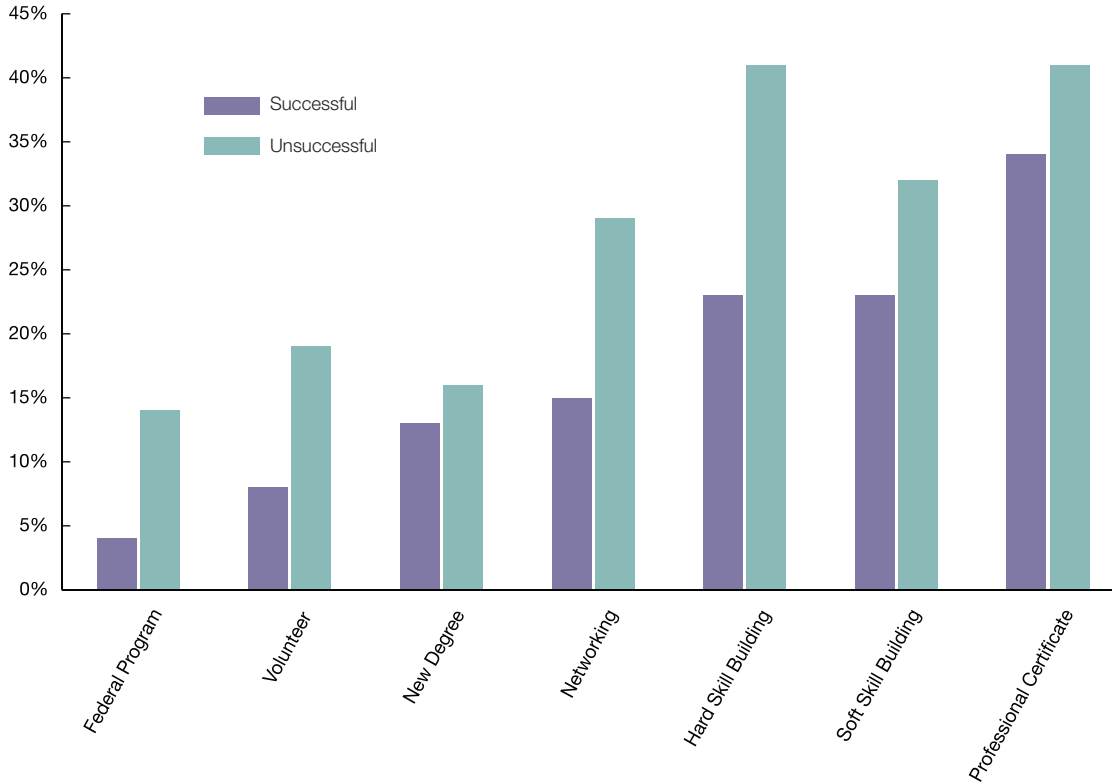
These data suggest that identifying the current skill set, as well as figuring out how to transfer those skills to a new profession, is important for an individual to make a successful career change.

Workforce Resources Have Mixed Results for Career Changers

At least 20 percent of successful career changers participated in either job training or further education before changing careers. One-third of successful job changers (34 percent) got training that resulted in a professional certificate, 23 percent took classes to learn soft skills, such as resume-development training, job interview training, or a workforce preparation program, and 23 percent also took courses to learn hard skills, as shown in Figure 6. These rates are similar to the Civic Ventures study (2011) of older workers who used resources.

However, those who were not successful in achieving a career change completed more

FIGURE 6 Share of Respondents Who Report Using Different Workforce Development Resources



Source: AIER Older Worker Survey, 2014

training than successful career changers. We found that 41 percent received a professional certificate, 41 percent completed short-term training for hard skills, and 32 percent completed short-term training for soft skills. The more intensive use of these traditional workforce resources may reflect the longer job searches that unsuccessful job changers underwent.

Despite these mixed results, many people wrote about the importance of learning about the prospective career path through self-directed education before making the leap. One unsuccessful respondent said, “After I quit, I realized that I needed more education to get a job I wanted. Now I wish I had gone to school while I was working and exploring my choices.” And a successful respondent said succinctly, “Get training...”

While few respondents wrote about the necessity of a formal degree or about a specific program, many did write about the necessity of education in general. These few anecdotal responses complement the results of Figure 6, suggesting that while education in and of itself is important, a formal training program might not be necessary.

Along these lines, a surprisingly large share of successful older career changers report not using strategies often touted as the path to success. A very large portion of successful respondents report *not* taking classes online (77 percent), *not* receiving a grant or scholarship to start a new job (97 percent), *not* using formal networking resources such as LinkedIn or career fairs (84 percent), and *not* volunteering in order to become a paid employee (90 percent).

These responses suggest that while training is useful for people in the job search process, perhaps the typical paths for training that workforce development agencies claim are effective, such as volunteer programs and formal networking opportunities, are not as useful as formal education.

Social Resources Help Support Career Changers

The AIER Older Worker Survey also asked respondents about their attitudes toward their career change attempt, as well as their attitudes about family and workplace support. Almost all older career changers, regardless of outcome, believe that it is difficult and takes courage to change careers later in life, as shown in Table 4. Almost all also enjoyed family support, with many writing responses such as, “My family was very supportive of my career track change.”

Two important differences between successful and unsuccessful respondents were in the fear felt by individuals in each group about their change attempt, and the workplace support they received to make

the change. Eighty percent of unsuccessful respondents report that they were very nervous about making a career change, compared to 49 percent of successful changers. At the same time, nearly two times more unsuccessful career changers than successful ones report that their colleagues thought they were “crazy to try to make a career change.” Apparently, both individual confidence and the confidence of workplace members matter when an individual is trying to change careers.

The majority of older career changers, regardless of outcome, indicate that if they had a chance to do it over again, they would; only 16 percent of the successful respondents and 35 percent of unsuccessful respondents say they would *not* attempt a career change again (Table 4). Illustrating the drive and determination of both successful and unsuccessful older adults were statements from both types of respondents like, “Don’t ever give up. You can do anything you set out to do,” and, “Go for it! The change is like a fresh look on life.”

TABLE 4 Share of Respondents Who Completely or Mostly Agree with Attitudes Statements

	% Successful in Career Change	% Unsuccessful in Career Change
My family was very supportive of my career track change.	88	83
Colleagues at my former job thought I was crazy to try to make a career change.	27	46
I was very nervous about making a career change.	49	80
I wish I had switched careers earlier in life.	51	70
If I had it to do over again, I would not make a career change.	16	35
I did not really want to make a career change, but because of financial or family reasons I felt like I had to.	40	39
It takes courage to switch careers later in life.	87	99
It is difficult to change careers later in life.	71	96

Source: AIER Older Worker Survey, 2014

06 Lessons Learned

In our survey of people aged 47 and older who attempted a career change, 82 percent succeeded. Exploring the differences between those who succeeded and those who did not offers fruitful lessons for a variety of audiences.

Lessons for Older Workers

The clearest message from these data is that a career change later in life is a viable choice for those who are seeking work in a field or occupation that utilizes their current skills. About 20 percent of successful career changers pursued education or some type of training prior to the job change. At the same time, many of the successful career changers were able to identify the transferable skills they had and then look for a job that matched those skills. Many of the respondents who tried to change careers and failed wished they had developed certain skills earlier in the job search process.

What seems to matter a great deal to success is a clear-eyed view of the transition. Many successful older career changers are pushed into the decision by necessity. At the same time, they enjoy the support of their families and are not discouraged by their co-workers to make the change. Most importantly, they seek out a new career that allows them to take advantage of their existing skill set.

Lessons for Employers

For employers, these findings offer an important insight about older employees. Older workers are considering changing careers. Given the high success rate of older career changers, employers who want to hold onto their workers should consider helping them transition into new roles in their current companies.

The results of this survey also show that employers are in fact hiring older workers. This fact counters a commonly held belief that age discrimination exists and that it prevents many older people from being hired. While these results certainly cannot tell us that age discrimination has ended in the workplace, or that it does not bar people from getting hired, the results do at least present some initial compelling evidence that not all employers are discriminating on the basis of age.

Lessons for Career Development Service Providers

Leaders of occupational education and training organizations should see opportunity in the results of the AIER Older Worker Survey. The large number of older workers seeking career changes should justify tailoring program offerings to meet the needs of this customer base, especially since a large share of older unsuccessful career

changers used some level of education or training program. This result suggests that workforce training organizations should do research in order to define the precise types of services that older career changers need.

Social media companies that provide job search services are missing a significant segment of the labor market. According to the AIER Older Worker Survey, only 23 percent of the workers changing careers report using online networking services in their job search. Furthermore, as shown in Figure 5, neither successful nor unsuccessful changers report knowing how to use social media.

Conclusion

Americans are living longer; as a result, a growing number of them are deciding

to work longer, either out of economic necessity, or simply because they want a change. Many of those delaying retirement are coming up with innovative ways to earn an income, including a later-in-life career change. Such career changes help these individuals achieve their economic goals, and many report being happy in the change. This report shows that employers ought to be encouraged by the growing number of workers looking for employment. And training organizations should pay attention to what kinds of services career changers need. Finally, workers themselves should make the transition with a clear eye and a direct focus on the skills and resources that will help them the most.

Appendix 1: Data Sources

This study used two data sources: Census data from the Current Population Survey (CPS) and responses from the AIER Older Worker Survey. The CPS data in this study come from one of the many supplemental surveys that the BLS conducts for the CPS, the Job Tenure/Occupational Mobility supplemental survey. The data were collected in January 2014 and are documented in Technical Paper 66 (U.S. Census Bureau 2006). The survey was administered from January 7 to 21, 2014 using GfK's KnowledgePanel®.

Appendix 2A: AIER Older Worker Survey Sampling Strategy

GfK's KnowledgePanel® is an online, probability-based panel. A full description of GfK's sampling plan is available for review (GfK, 2012). GfK uses an address-based sample (ABS) to create the panel sample frame and then they use email and phone to invite participation in the KnowledgePanel®. GfK collects demographic information from all panel members. Selection for specific surveys, such as our older worker survey, is made from all active panel members. For example, our sample was comprised of workers 47 years of age and older.

Two thousand, seven hundred and forty-five (2,745) panel members were randomly drawn from the KnowledgePanel®. Two thousand and nine (2,009) responded to the study invitation, while 405 qualified for the survey (that is, they had attempted a career change after age 45), yielding a final stage completion rate of 73 percent and a qualification rate of 20 percent. The recruitment rate reported by GfK for this study was 14 percent and the profile rate was 65 percent, for a cumulative response rate of 6.7 percent. These response metrics are fully described in Callegaro and DiSogra (2008).

Appendix 2B: Older Worker Screener and Survey Questionnaire

Career Change Survey

Study Basics

- n = 405
- Qualifications: Adults 47+ who have had or attempted a career track change after age 45
- Sample: KnowledgePanel® online probability sample

Screener

- S1.** Which statement best describes you...
1. Employed full-time
 2. Employed part-time
 3. Not working – between jobs
 4. Not working – a homemaker
 5. Retired but still working at least part-time in retirement for money
 6. Retired but still working as a volunteer
 7. Retired but still working as a volunteer in hopes of getting paid employment
 8. Retired and not currently working
 9. Retired but considering going back to work
- S2.** In their lifetime, many people find that, at some point, they change career tracks. Some people have the opportunity to change career tracks within the company they currently work for or some take a different type of job with another company. This may be by choice or it may be by necessity, for example, if they get laid off, if they have to relocate, if their company closes, or if their job gets eliminated. Some people can't find the exact same job, so they try something different; others change career tracks because they get tired of what they are doing, or feel they are at a dead end and want something new, or they quit a full-time job and start working as a volunteer or intern in another job. These are just examples. Career track changes can take many different forms.
- Thinking back on your work history, have you ever attempted to make a career track change? Again, we would like you think of a time in your work history where you may have been following one career track and then changed to another.
1. Yes
 2. No
- S3.** Was that career track change attempt before or after the age of 45?
1. Before
 2. After
 3. Both
 4. I'm not sure
- S4.** Were you able to successfully make the change, in other words, did you get the job?
1. Yes. Then go to Version A.
 2. No. Then go to Version B.
 3. Don't Know

Main Questionnaire – Version A

We are interested in hearing about your successful career change. When answering the following questions, please think about your most recent career change. If you are no longer working, please always refer to that job that you successfully changed to.

- 1.** How recent was your last attempt at a career change?
1. Less than one year ago
 2. One year to less than 2 years ago
 3. 2 years to less than 3 years ago
 4. 3 years to less than 4 years ago
 5. 5 years ago or more
 6. Don't remember
- 2a.** And, how long have you been in your new, most recent career?
1. Less than one year
 2. One year to less than 2 years ago
 3. 2 years to less than 3 years ago
 4. 3 years to less than 4 years ago
 5. 5 years ago or more
 6. Don't remember

- 2b.** And, how long did it take you, from the time you decided you wanted to make a change, to get this new job?
1. Less than six months
 2. Six months to less than one year
 3. One year to less than 2 years
 4. 2 years to less than 3 years
 5. 3 years or more
 6. Don't remember
- 3.** How happy would you say you are with the change?
1. Very happy
 2. Somewhat happy
 3. Not to happy
 4. Not at all happy
 5. Not sure
 6. If you had to give words of wisdom to someone who was changing jobs later in life, what would you tell them? What led to your ability to successfully make this change? What obstacles did you face? What do you think are the most important things to consider when making this type of change? Please write as much as you can on this subject.
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- 5.** Which of the following skills do you/did you use at least once a week in your current or most recent occupation? Again, we are referring to the newer position you made a career track change into. Please select yes or no for each.

	Yes	No
a. Basic computer skills	1	2
b. Interpersonal communication skills	1	2
c. Math, quantitative, or analytical skills	1	2
d. Reading comprehension skills	1	2
e. Problem-solving skills	1	2
f. Heavy lifting or operating machinery	1	2
g. Knowledge of business or management	1	2
h. Bilingual ability	1	2
i. More advanced computer skills with programs like Excel or PowerPoint	1	2
j. Communication skills for interacting with the public	1	2
k. Managing, teaching, or mentoring in others	1	2
l. Customer service skills	1	2
m. Client management skills	1	2
n. Social media skills with programs like Facebook, Twitter, or LinkedIn	1	2

- 6a.** Beyond the degree or training you might have obtained in preparation for your prior job, did you do any of the following in preparation for your career track change?

	Yes	No
a. Complete a new degree or certificate (such as an Associate's, Bachelor's, or Master's degree)	1	2
b. Complete a certificate training program	1	2
c. Complete a federally funded training program, like WIA	1	2
d. Take classes (such as at night or from a community college) to learn new skills	1	2

6b. How important were each of the following in helping you obtain that job?

	Very Important	Somewhat Important	Not very Important	Not at all Important
a. A new degree or certificate (such as an Associate's, Bachelor's, or Master's degree)	1	2	3	4
b. A certificate training program	1	2	3	4
c. A federally funded training program, like WIA	1	2	3	4
d. Take classes (such as at night or in a community college) to learn new skills	1	2	3	4

7a. Did you participate in any courses or online activities to specifically help you polish or learn the skills necessary to get a new job (such as resume-development training, job interview training, or a workforce preparation training program)?

1. Yes
2. No

7b. How important was this in helping give the you the skills necessary to obtain that job?

1. Very important
2. Somewhat important
3. Not very important
4. Not at all important

8a. Did you receive a grant or scholarship to start that job, such as from a federally-funded program or from a corporation?

1. Yes
2. No

8b. How important was this in helping you obtain the job?

1. Very important
2. Somewhat important
3. Not very important
4. Not at all important

9a. Did you use a volunteer program or start as a volunteer in order to become a paid employee in that job?

1. Yes
2. No
3. I am still volunteering now

9b. How important was this in helping you obtain that job?

1. Very important
2. Somewhat important
3. Not very important
4. Not at all important

9c. Are you volunteering now in the hopes of getting a paid position through this volunteer job?

1. Yes
2. No

10a. Did you use any kind of job search and/or networking resources, such as LinkedIn, career fairs, or a school's networking event to help you get the job?

1. Yes
2. No

10b. How important was this networking in helping you obtain the job?

1. Very important
2. Somewhat important
3. Not very important
4. Not at all important

11. Turning now to your prior job, the one you had right before your attempted career track change, what exactly was your prior job or occupation? _____

12a. How long (in years and months) were you employed in your prior occupation?

_____ Years _____ Months

12b. What date did you leave your prior occupation? _____

13. Why did you leave your prior occupation?

1. I was laid off.
2. I retired.
3. I quit.
4. Other. (write in) _____

14. Which of the following skills did you use at least once a week in your prior occupation? This is the very last position you had before you made the career track change.

Please select yes or no for each.

	Yes	No
a. Basic computer skills	1	2
b. Interpersonal communication skills	1	2
c. Math, quantitative, or analytical skills	1	2
d. Reading comprehension skills	1	2
e. Problems solving skills	1	2
f. Heavy lifting or operating machinery	1	2
g. Knowledge of business or management	1	2
h. Bilingual ability	1	2
i. More advance computer skills with programs like Excel or PowerPoint	1	2
j. Communication skills for interacting with the public	1	2
k. Managing, teaching, or mentoring in others	1	2
l. Customer service skills	1	2
m. Client management skills	1	2
n. Social media skills with programs like Facebook, Twitter, or LinkedIn	1	2

15. The following is a list of statements people have made related to their attempted career track changes. For each one, please tell me whether you completely agree, mostly agree, mostly disagree, or completely disagree.

	Completely Agree	Mostly Agree	Mostly Disagree	Completely Disagree
a. I had extra financial resources which really helped me to be able to make my career track change.	1	2	3	4
b. My family was very supportive of my career track change.	1	2	3	4
c. Colleagues at my former job thought I was crazy to try to make a career change.	1	2	3	4
d. I was very nervous about making a career change.	1	2	3	4
e. I wish I had switched careers earlier in life.	1	2	3	4
f. If I had it to do over again, I would not make a career change.	1	2	3	4
g. I did not really want to make a career change, but because of financial or family reasons I felt like I had to.	1	2	3	4
h. I feel like I can finally carry out my passion in my new career.	1	2	3	4
i. I had to look for a long time before landing my new career.	1	2	3	4
j. It takes courage to switch careers later in life.	1	2	3	4
k. It is difficult to change careers later in life.	1	2	3	4
l. Emotionally, I feel like a new person since switching careers.	1	2	3	4
m. My stress level has decreased significantly since changing careers.	1	2	3	4

16. If someone asked you if you consider your career track change to be a success or not, would you say you consider it to be a...

- 1 Very successful career change
- 2 Somewhat successful
- 3 Not too successful
- 4 Not at all a successful career change

17. Finally, in terms of your income, did your career change result in...

- 1 An increase in your income
- 2 A decrease in your income
- 3 Your income level staying about the same

18. Persistence is often used to describe people who despite problems or difficulties keep trying, regardless of whether they succeed or not. In your attempt at a career change, how many jobs would you estimate you applied for before you landed a job? [WRITE IN NUMBER] _____

Main Questionnaire – Version B

Earlier you said you didn't consider your attempt at a career track change successful because you didn't get the job you were hoping for. When answering the following questions, please think about that attempt at a career change.

- B1.** How recent was your last attempt at a career change?
- 1 Less than one year ago
 - 2 One year to less than 2 years ago
 - 3 2 years to less than 3 years ago
 - 4 3 years to less than 4 years ago
 - 5 5 years ago or more
 - 6 Don't remember
- B2.** And, how long did you search for a new career before you stopped looking?
- 1 Less than six months
 - 2 Six months to less than one year
 - 3 One year to less than 2 years
 - 4 2 years to less than 3 years
 - 5 3 years or more
 - 6 Don't remember
- B3.** If you had to give words of wisdom to someone who was changing jobs later in life, what would you tell them? What led you to think you wanted to make a change? What obstacles and difficulties did you face? Why do you think you were unable to find a job in that new career? What do you think are the most important things to consider when thinking about attempting this type of change? Please write as much as you can on this subject.
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- B4a.** Which of the following skills do you use at least once a week in your current job?
- B4b.** If you had successfully made a career track change, which of the following skills do you think would you have needed in the new job?
- Please select all that apply for each column.

	Use in Current Job	Would have used in new job/career track change
a. Basic computer skills		
b. Interpersonal communication skills		
c. Math, quantitative, or analytical skills		
d. Reading comprehension skills		
e. Problem-solving skills		
f. Heavy lifting or operating machinery		
g. Knowledge of business or management		
h. Bilingual ability		
i. More advanced computer skills with programs like Excel or PowerPoint		
j. Communication skills for interacting with the public		
k. Managing, teaching or, mentoring in others		
l. Customer service skills		
m. Client management skills		
n. Social media skills with programs like Facebook, Twitter, or LinkedIn		

- B5.** Beyond the degree or training you might have obtained in preparation for your current or most recent job, did you do any of the following in preparation for your attempt at a career track change?

	Yes	No
e. Complete a new degree or certificate (such as an Associate's, Bachelor's, or Master's degree)	1	2
f. Complete a certificate training program	1	2
g. Complete a federally funded training program, like WIA	1	2
h. Take classes (such as at night or from a community college) to learn new skills	1	2

- B6.** Did you participate in any courses or online activities to specifically help you learn the skills necessary to attempt a career track change (such as resume-development training, job interview training, or a workforce preparation training program)?
 1 Yes
 2 No
- B7.** Did you consider using a volunteer program or starting as a volunteer in order to become a paid employee in the career track you were seeking?
 1 Yes
 2 No
- B8.** Did you use any kind of job search and/or networking resources, such as LinkedIn, career fairs, or a school's networking event to help you in your attempts to make the career track change?
 1 Yes
 2 No

B9. The following is a list of statements people have made related to their attempted career track changes. For each one, please tell me whether you completely agree, mostly agree, mostly disagree, or completely disagree.

	Completely Agree	Mostly Agree	Mostly Disagree	Completely Disagree
a. My family was very supportive of my attempted career track change.	1	2	3	4
b. Colleagues at my previous job thought I was crazy to try to make a career change.	1	2	3	4
c. I was very nervous about making a career change.	1	2	3	4
d. I wish I had switched careers earlier in life.	1	2	3	4
e. If I had it to do over again, I would not try to make a career change.	1	2	3	4
f. I did not really want to try to make a career change, but because of financial or family reasons I felt like I had to.	1	2	3	4
g. It takes courage to switch careers later in life.	1	2	3	4
h. It is difficult to change careers later in life.	1	2	3	4

- B10.** Persistence is often used to describe people who despite problems or difficulties keeping trying, regardless of whether they succeed or not. In your attempt at a career change, how many jobs would you estimate you applied for before you stopped looking? [WRITE IN NUMBER]_____
- B11.** What exactly is your current job or occupation? If you are no longer working, what was your last job or occupation before you attempted a career track change? _____
- B12.** And what occupation were you attempting to move into with your career track change?

- B13.** How long (in years and months) have you been employed in your occupation?
 _____ Years _____ Months
- B14.** Why were you looking to leave your current occupation? _____
- B15.** Do you have any plans to attempt a career track change in the future?
 1 Yes
 2 No

Appendix 3: Demographic and Employment Differences Between Successful and Unsuccessful Career Changers

	% Successful	% Unsuccessful
Gender		
Female	52	40
Male	48	60
Education		
Less than HS	8	18
High School	25	17
Some College	31	37
Bachelor's Degree or Higher	37	28
Income		
Less than 25k	17	21
25k-49,999	27	25
50k-74,999	22	19
Higher than 75k	34	35
Race		
White	76	60
Black	10	24
Other	6	8
Hispanic	8	8
Geography		
Northeast	15	10
Midwest	19	24
South	38	39
West	28	28
Employment Differences		
Mean Number of Jobs Applied To	8	20
Months Job Searching	11	22
Years Employed in Prior Occupation	14.2	21.5

Source: AIER Older Worker Survey, 2014

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