



Boomers wanting to work past retirement age find limited options

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Margaret Allen, with husband Paul in their home in Mesquite, Texas, lost her job about three years ago but was quickly hired to handle billing at the Women's Health Alliance in Dallas.



Baby Boomers approaching retirement age are in for a rude awakening.

Many want to keep working, knowing that they likely will live well into their 80s and 90s, stay healthier than previous generations and need more cash to keep paying the bills.

However, for Boomers — those 79 million Americans born from 1946 through 1964 — "the new retirement reality may be a messy proposition," says Alicia Munnell, director of the Center for Retirement Research at Boston College.

Jobs are scarce and many employers aren't willing to hire older workers. Boomers who do land jobs often must settle for ones that are less fulfilling than desired.

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Gilbert Brooks knows the drill firsthand.

The harsh reality hit him in 2008 when his employer, a trucking company in Memphis, was sold and he was forced into early retirement.

"I worked in transportation sales and marketing for 35 years," says Brooks, 66. "I am highly qualified."

CHART: [Boomers risk coming up short in retirement](#)

But two years and 12 job interviews later, he is still unemployed.

Six months after Brooks was laid off, his wife, Ann, 70, lost her job as a secretary and receptionist for real estate closing lawyers.

"We were both actively looking for jobs but finally just gave up," he says. "You get so tired of the rejection."

The Brookses' story is familiar at a time when the unemployment rate for workers 55 and older has jumped from 3% in the second quarter of 2008 to 7%

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in the second quarter this year. That adds up to about 2.1 million unemployed older Americans. And that doesn't include people like the Brookses who no longer are counted in unemployment figures because they've given up seeking work and have applied for Social Security.

Longer job searches

Many experts predict that unemployment rates will remain high for the next few years. That's not good news for older Americans who have seen their retirement savings shrink.

"It's very hard to look people in the eye and say, 'Go out and work longer, or get a job,'" Munnell says.

Exacerbating the problem is the reality that employers are not eager to retain or hire older workers, she says. That had started to change in the mid-2000s as businesses, anticipating labor shortages as the Baby Boom generation retired, started hiring more older Americans, Munnell says.

Then the recession hit in late 2007.

Now it takes much longer for older, unemployed workers to find a job. In February, jobless workers 55 and older were pounding the pavement for 35 weeks — 10 weeks longer than those ages 16 to 24.

Margaret Allen, 67, is one of the lucky ones. When she lost her job about three years ago, she was quickly hired again. She now works full time, handling medical billing at the Women's Health Alliance in Dallas, and has no plans to stop working.

Half of Baby Boomers expect to work into their 70s, according to a survey of 400 Boomers by First Command Financial Services in May. The chief reason they give: a desire to stay busy and intellectually engaged.

Money also appears to be a driving force. Older Baby Boomers have been hit hard by the stock market slump and the recession. Instead of counting on a pension plan to fund their retirement as previous generations did, many Boomers must rely on 401(k) plans whose values dropped along with the stock market.

Nearly half of Baby Boomers ages 56 to 62 are at risk of not having enough savings for basic expenses and uninsured medical bills, according to Employee Benefit Research Institute's new Retirement

Readiness Rating. And 41% of the lowest-income older Boomers — those who are expected to earn \$11,711 or less at age 64— are likely to run short of money after 10 years of retirement.

"Being close to retirement has become a nightmare," says Darryl Rodgers, 55, a quality assurance inspector at Gatorade in Atlanta. Rodgers wants to keep working but has chronic back problems. His wife, Geraldine, has been out of work for nearly four years. And they're still paying down their home mortgage.

"After not being properly prepared prior to the recession and the stock market crash, it seems like (retirement) will not be a possibility, even by age 62," Rodgers says.

Retirement goals have changed. Not long ago, many older Americans wanted to retire at an early age, move to a retirement community and relax.

"We have a manufactured vision of what retirement is, and that doesn't necessarily correlate with reality," says Margaret Allen's husband, Paul, 64, who has his own business as a software developer in Dallas. "Unless you have a well-thought-out scenario, you're going to be in for a shock at retirement."

About half of retirees follow a non-traditional path, according to a 2009 study by Nicole Maestas, an economist at the Rand Corp. Before they even reached retirement age, they had planned to stay in the labor force, working part time or finding a new career.

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But some others have learned only after they retired that it was a mistake.

Matt Beha, 69, retired in January 2001 from his job as a communications representative for the state of Michigan. By the end of the year, he had decided to go back to work.

"I discovered that I needed to be around people more," says Beha, who lives in Dimondale, Mich. He now works part time at Lansing Community College.

The extra money also allowed him to help his two sons — one a registered nurse, the other a computer programmer — after they were laid off. The recession clearly affects whole families, as unemployed children move back home with older parents or need financial assistance.

"Our generation thought that we would have everything better than our parents, and it's not turning out that way for a lot of us," Beha says.

The new retirement reality is affecting everyone, from affluent to low-income workers.

"Somebody who was a senior executive at a company for 30 years generally is not somebody who will be happy golfing," says Amelia Warren Tyagi, co-founder of Business Talent Group, which provides companies with temporary, top-tier professionals, including older workers.

"I hear over and over their desire to do interesting and engaging work," she says. But they want an alternative, such as working as a temporary consultant or a board member.

Help for seniors

Across the United States, AARP has been sponsoring career fairs for older Americans. Earlier this year, about 6,000 people attended one in Cleveland.

"In some areas where industries are disappearing, it's not just about finding another job. It's about contemplating doing something completely different," says Deborah Russell, AARP director of workforce issues.

And 15 community colleges have received grants to develop programs for students over 50. Among the programs are pharmacy tech, nursing assistant and computer skills.

"Some are shifting jobs because they are burned out

by what they have done for 30 years," says Mary McKee, vice president of continuing education at Century College in St. Cloud, Minn.

Even older Americans at the poverty level can get help from the federal Senior Community Service Employment Program. People who are over 55 and have been unemployed for more than six months are eligible. The AARP Foundation receives SCSEP grants to upgrade participants' skills, provide a stipend for temporary volunteer work, and help them get a job.

George Dorsett, 69, retired in 2005, but when the stock market slumped, his savings plummeted, forcing him to go back to work. He went through the Manhattan SCSEP program in 2007 and now works full time as the operations manager at AARP Foundation WorkSearch.

"I don't think I'd retire again," he says. "Your mind doesn't get fed enough information to keep you vibrant and alive."

"Working after retirement is not the same. It's a different mind-set," Margaret Allen says.

"There is a girl who sits next to me and comes in at the last minute every day. Then she proceeds to put her makeup on. That's foreign to me. I enjoy what I do, and I always get to work early."

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