

The Oracle

Volume 1, Issue 1

Oct. 19, 2010

Providing critical insight and perspective for clients and candidates In current trends into today's consulting and employment market!

Logan's Run!

Many of you have read with varying degrees of dismay (if unemployed/underemployed) or thankfulness (if currently employed) about current job market conditions. A recent article detailed the level of frustration that an over 50 job seeker was experiencing when she admitted that she was resigned to the prospect that she would never have another job in her chosen career field. Many of the older unemployed are starting to worry that they may be discarded from the work force forever. Why have so many of the individuals who have been so productive for so long and who are a wealth of knowledge not being properly utilized in the current economy? The trend started when companies started offering early retirement packages to employees in the 1990's. The merger mania was responsible for some of this trend, but it appears to have set a precedent that has been adopted throughout the private sector.

It is a fact that firms sometimes employ older workers, but tend not to hire new older workers for the same job. Employers seem to avoid hiring *new* older workers for jobs that older workers can obviously do. In the event of a job opening, the employer either shifts a current employee (young

fact, there is evidence of such restricted opportunities. Consider the effects of job loss. In the United States workers over age 55 are somewhat less likely to become unemployed than workers below this age, yet compared to the young these older workers "have the lowest reemployment probabilities, the longest time to reemployment, high probabilities of part-time employment, and the largest wage losses.

From a policy perspective, restricted job opportunities are a major concern. In the United States the fraction of the population age 50 and older is destined to increase from 30% to 36% over the next 30 years. This has led to calls for policies that expand labor force participation of older Americans. Not only will later retirement reduce financial pressure on the U.S. social security system, but it could conceivably address labor market shortages arising from smaller numbers of young workers.



Smooth sailing or troubled waters?

or old) into the job, or hires a new young worker.

This type of employer behavior is a problem because it can lead to a labor market with restricted job opportunities for older workers. In

Special points of interest:

- Frustrations over 50
- Early retirement packages
- New older workers denied
- Restricted opportunities
- 50 and older 36% of pop. 2040
- Jobs filled from the inside

Inside this issue:

Swim Positively! 2

Fill a Job! 3

Logan's Run! Cont.

Older workers bring many positive attributes to the job. Not only do they have a reputation for excellent work habits, but they can also draw on a lifetime of experiences. As such, it is interesting that older workers have difficulty finding new jobs. In particular, employers appear to not hire older workers for jobs that are currently held by older workers – jobs that older workers can obviously do. Of course, some of this could be due to prejudice and age discrimination. The point of the economic literature on this topic is that other forces may also be at work. Barri-

ers to hiring older workers could not only be due to age discrimination, but also due to economic phenomena associated with the activities of the firm.

One reason why older people are not hired for jobs currently held by older workers is that these jobs are often filled from the inside. The employer simply does not fill the job with a new worker – either young or old. The empirical evidence indicates that jobs currently held by older workers are more likely to be filled from the inside when (a) they involve fixed costs

associated with specific training, (b) they involve delayed payment contracts, (c) they require a more experienced worker, and (d) the job is embedded in a large organization.

The point of all of this is that Michael Aronson's article: "How to Swim Positively in a Sea of Negativity" provides much needed guidance and encouragement as we face these tough times.



The way things appear to be are all in the way you view them!

“Focus on the things that are important right now: family, friends, and pursuing what you love.”



Descending upon a good job or a good employee takes positivity and imagination!

How To Swim Positively in a Sea of Negativity!

The current economic downturn has left many Americans with a feeling of foreboding, anxiety, or insecurity. Whether in a "secure" job, running a business, or a CEO of a mid-tier company, people are employing various coping mechanisms to handle the adverse situations incumbent in an economic downturn.

As a person over 50, with significant personal responsibilities and professional goals/aspirations, I have discovered several things which help in dealing with the job market and conflicting projections on our economic future:

- Remain optimistic and surround yourself with good and positive people.
- Take up something you have

always wanted to do, whether a new hobby or a new direction, and pursue it with vigor!

- Teach or mentor! Bring your knowledge or accumulated technique over the years and contribute, either in a formal environment or as a volunteer to the educational advancement of others.
- Spend more time with those you love, like, or can tolerate! Allow them back into your lives, especially a spouse or your kids!
- While searching for a job, or starting a new business, try to learn one new thing a day.
- Network with a passion! Get to know others, learn from others, find a job through your friends, not just the Internet boards or recruiters.
- Empower yourself to learn, apply, and develop transferable skills.
- Cast the net wider than before-meet and involve people you would never have imaged or associated with before! Open up to their ideas, opinions, and viewpoints!
- Lastly, find your strengths, minimize your weaknesses, and do NOT take this job market personally....use this time to find your passions as well as redefining your career!

Phone: Alpha Tor-832-289-7074 or 281-236-5700
 Wade HR Consulting: 832-563-7758
 T & T Solutions: 281-600-8162
 Email: joseph.lovell@alphator.com,
 Michael.aronson@alphator.com
 tmercier@wadehr.com
 tonya@tntsolutionz.com

Mission Statement

To provide consistent value and foster long term relationships with our clients as a “One-Stop Shop” for all of their professional staffing and consulting needs.

Mission Objective

We provide our clients with the critical technical abilities required to meet their Project Management goals, and the change management expertise to ensure the long-term success of their implementations and initiatives!

We provide superior experience at an effective cost rate that maximizes customer value and return on investment!



15810 Park Ten Place Ste 255 Houston, TX 77084 | 281-600-8127 | 888-597-3801



We are on the Web! See us at www.alphator.com or www.wadehr.com or tonya@tntsolutionz.com

Why Can't I Fill This Job?!



We are the bridge to new opportunities on the horizon!

An increasingly fierce debate is raging over the reason why unemployment is still so stubbornly high. While most people think businesses simply aren't hiring enough to absorb the millions of unemployed workers a rising tide of prominent economists dispute that. They claim there are jobs out there, just not the right candidates to fill them.

We respectfully disagree with the prominent economists. Economists claim that homeowners who are upside down in trying to sell their houses are trapped and unable to move in search of opportunities. Skill sets for positions are not so specific that it should not be possible to fill just about any job in a major metropolitan area without the need to look outside that area. The real issues are:

- Depressed demand is hurting businesses and stifling hiring while supply

is stifled by lack of domestic manufacturing

- Structural issues including uncertainty about current and future regulatory/tax implications
- Short term vs. long term focus within the U.S. economy
- Forgetting that human capital is a firm's most valuable resource, not shareholder value
- Risk aversion with respect to hiring and long-term planning
- Focus on cost without considering upside, believing the cost of benefits outweighs the cost of the right person for the right job
- Unwillingness to provide training to employees

While some professions like health care and education have experienced a tighter supply of candidates, unemployment numbers still show a surplus of candidates in every other industry.

Under normal circumstances, when economic growth picks up and restores demand, businesses will start hiring again and jobs will come back. However, in today's unusual economic picture, economists are baffled by the lack of parallel job growth to increased economic growth. We are out of the "recession," according to most economists, and yet for the first time since the Depression, job growth has not occurred. Under the new global economy, given export of both jobs and opportunity, for the short-term, investment in job growth will lag behind the rest of capital expenditures for the foreseeable future.