

THE NEW ENGLAND COUNCIL

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From the President

TAPPING THE UNDERUTILIZED WORKFORCE

This special edition of *The New England Council News* focuses on an issue for the future that businesses need to start thinking about today: tapping the underutilized workforce. Demographic trends mean that companies will soon be looking for qualified workers in the future. Even now, sectors such as health care are experiencing shortages.

People with disabilities can be a significant source of qualified workers for New England's businesses. The 2000 Harris Poll/National Organization on Disability survey found that only one-third of people with disabilities had jobs. Of those surveyed, two-thirds wanted to work. Additionally, many members of the baby boomer generation will acquire disabilities with age. These employees can be successfully retained if companies know how.

The Council has been involved in a number of initiatives on this theme with the Institute for Community Inclusion (ICI). Our organizations co-wrote an editorial that appeared in the *Boston Business Journal* discussing the importance of technology in opening up professions to people with disabilities. On this front, the Council participated in WorkTech Solutions, a Microsoft-funded project that customized workplaces with low- and high-tech tools. ICI recently met with several Council member finance companies to discuss Social Security and asset development. The Council is an important player in ICI's One-Stop Career Center initiatives to make these centers a resource for both employers and job seekers with disabilities.

Every indicator shows that companies will have to expand their human resources techniques to identify and retain skilled employees in the future. The Council and ICI look forward to many years of collaboration and effective efforts to help people with disabilities gain access to a workplace that we know needs skilled and motivated employees.

—James T. Brett
President & CEO



Demographic Changes Mean Future Labor Needs

While New England continues to lag the nation in the present economic recovery, the demand for skilled labor in the region is expected to become an issue once again when the economy further expands.

Educational attainment will be the major factor underlying the success of individuals to access the workforce. This factor will impact people with and without disabilities.

New England differs from the nation in the economic recovery and employment forecast for several reasons. First, the region stood out in many aspects of the pre-recession conditions.

“Economies want to see people utilize their full human potential. Everybody is better off when everybody rises to their full potential.”

—Paul Harrington
Northeastern University's Center for
Labor Market Studies

According to Paul Harrington of Northeastern University's Center for Labor Market Studies, New England had one out of every 15 new jobs created in the U.S. labor supply from 1979 to 1989. The region grew a little more rapidly than the rest of the country during this time.

During the 1990s, however, the labor supply growth in New England was around two percent compared to 13 percent for the U.S. During this time period, New England captured only one out of every 52 jobs. All of the job growth occurred outside of New England, largely in the Rocky Mountain states.

"We had a lot more people leaving the region than coming in," Harrington said.

The labor supply factor continues to be an issue that sets New England apart. The region is an older area and has an aging workforce. This trend is likely to continue over the next 10 years.

"Outmigration continues. In the last year, outmigration in New England has risen to the level it was at the end of the recession in the early 1990s. This fact really tees up a long-term labor supply problem," Harrington said.

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Who Are People with Disabilities in 2004?

When employers think about employees with disabilities, sometimes they picture only the people with the most significant impairments. But many disabilities are not apparent, including conditions such as repetitive strain injury, depression, dyslexia, and epilepsy. Did you know that cancer is a disability under the Americans with Disabilities Act?

The 2002 Census found that almost **one in five** Americans has a disability. 21.3 million people age 16 to 64 have a condition that affects their ability to work—that's almost 12% of the population.

- 21.2 million have limitations with basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying.
- 14.2 million experience difficulty learning, remembering, or concentrating.
- 9.3 million have a vision or hearing disability.

Disability rates increase with age. As the workforce gets older and the Social Security retirement age rises, more and more employees are acquiring age-related disabilities.

In general, people with disabilities are less likely to have a job. The 2000 National Organization on Disability/Harris Poll found that almost 70% of working-age people with disabilities are unemployed. Among the unemployed, two out of three want to work. This represents a significant source for employers to tap as New England's workforce shortages increase in the future.

Over 17% of people with disabilities were poor in 2000, as compared to 10% of people without disabilities. Given that almost one in five people in the United States has a disability, improving the financial status of people with disabilities through employment is a critical economic issue in our country. With a salary, people with disabilities will be able to spend more money, thereby helping local economies. As U.S. Secretary of Labor Elaine Chao says, America works best when all Americans work.

Sources:

2000 N.O.D./Harris Survey of Americans with Disabilities.

Waldrop, J. & Stern, S.M. (2003). *Disability Status: 2000 (Census 2000 Brief)*. U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau.

Demographic Changes (cont. from page 1)

"As the economy accelerates, the labor shortage that we experienced during the second half of the 1990s is expected to quickly re-emerge," Harrington said. "The unemployment rate will come down very quickly. It will come down faster in the higher-skilled end of the labor market."

The fastest-growing sectors are expected to be teaching, health care, and computers and mathematics. The demand for computer and management information managers is expected to rise by nearly 50 percent over the next decade, creating an additional 150,000 jobs. The shift of employment towards the service sector is expected to continue over the next decade, adding 12.9 million jobs, representing growth by one-third.

According to a recent study completed by Harrington that examines the labor force participation of people with disabilities, the demand for labor with higher educational attainment is expected to grow the most rapidly over the next decade, 2000-2010. This is true for all workers, with and without disabilities.

A 1994 survey by the U.S. Census found that 19.5 percent of people between the ages of 20 and 64 had some type of disability. The Survey of Income and Program Participation (SIPP) survey also found that 14.3 million people, or about 48 percent of the group, had significant disabilities.

Harrington added in his report that as the population ages, the proportion of people with disabilities shifts. People near the retirement years account for nearly one in three disabled persons. As the boomer generation ages with less support from Social Security, more of this population will be in the workforce.

The future success of people with severe disabilities will become increasingly tied to education and skill set. As an illustration of the importance of education, the SIPP survey revealed that high school graduates with a severe disability have a monthly income that is 21 percent higher than the income of high school dropouts with a severe disability.

With the trends defined and the knowledge that an economic recovery will spark a tight labor market, it's not too early to put plans in place to capitalize on all of the region's diverse resources and for companies to position themselves for the future job market.

Said Harrington, "Economies want to see people utilize their full human potential. Everybody is better off when everybody rises to their full potential. The result is more output, more income, more production, and lower costs. It creates prosperity for everybody."

Around the region, New England companies have recognized the value of a diverse workforce. Many companies, including members of the New England Council, have employees with disabilities as valued people in their workplace.

BAE Systems Information & Electronic Warfare Systems

For more than 14 years, BAE Systems Information & Electronic Warfare Systems (IEWS) in Nashua, New Hampshire, has worked with the Greater Nashua Easter Seals Society to provide job opportunities to people with disabilities.

IEWS's Don King, who manages the manufacturing support function in southern New Hampshire, said that Easter Seals has connected IEWS with a group of individuals who provide valuable support to the IEWS business unit as they support the men and women of the U.S. armed forces.

"The employees work hard to ensure IEWS lives up to our logo, 'We Protect Those who Protect Us,®'" said King. "The company tries to reach for a higher standard. We have a very diverse workforce and that includes people with disabilities."

King said the company is exploring the possibility of hiring additional workers from Easter Seals to work in other departments at the company. "Those discussions are happening because of the strength of this particular group and their success in doing a great job," he said.

IEWS employs 5,700 people in eight states with about 3,800 employees in New Hampshire. The business unit is a major producer of aircraft self-protection systems and tactical surveillance and intelligence systems.

Citizens Bank

Citizens Bank of Massachusetts offers a variety of programs to bring people with disabilities into the workforce. In 2002, Citizens Bank was honored for its work with Triangle Inc., a nonprofit organization that provides social services to people with disabilities. Both were joint recipients of the 2002 National Best Practice Award given by the Association for Persons in Supported Employment for their work in the School to Work Transition Program.

The School to Work Transition Program aims to help special needs students conquer employment barriers. It offers individual evaluation, counseling, job coaching, classes,



Citizens Bank with "community champion" organization Employ+Ability

workshops, and support sessions. As part of this initiative, Citizens Bank partnered clients of the organization with job mentors who would work with them to identify what kinds of jobs they may be interested in. They also did an assessment of the work site.

The bank also recently introduced a training seminar called "Can Do." This pilot program is being offered to supervisors at the bank's Medford site. The group will receive disability training. The Human Resources department of the bank has been very proactive in this area.

"Citizens has enjoyed great success in hiring a number of people with disabilities who make much-needed contributions at the bank," said Julie Connelly, Senior Vice President of Community Reinvestment.

Citizens Bank of Massachusetts is a \$26.5 billion bank with branches from Greater Boston to Cape Cod and the Berkshires. The company has more than 3,800 employees.

Legal Sea Foods

Legal Sea Foods, one of the most successful restaurant operations on the East coast, has consistently recognized the importance of community in every expansion. Two of the keys to success, notes President and CEO Roger Berkowitz, are product and people. The business has always been noted for the freshest seafood and professional service.

"Our employees are one of our most important resources. It is their professionalism, expertise, and knowledge that offers so much more to the guest. That's what keeps people trusting in Legal Sea Foods products and keeps them coming back," Berkowitz said.

Berkowitz has made a significant commitment to community involvement and diversity. This effort includes providing enhanced opportunities for people with disabilities in the workforce. Legal Sea Foods for many years has included this as part of its human resources focus. In the Boston area, for example, where the company

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—Roger Berkowitz
President and CEO, Legal Sea Foods

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is headquartered, Legal Sea Foods has had a relationship with some local agencies to hire workers with disabilities, including Webster House.

Legal Sea Foods has several long-standing employees with disabilities in the administrative offices and in other aspects of the operation. Some work in South Boston at corporate headquarters and at the South Shore Mall restaurant in Braintree.

"Diversity is important because of the value it brings not only to the workforce, but to the operation as a whole," he said. "Their performance and commitment illustrates what a valuable and largely untapped resource exists in the community of people with disabilities."

Legal Sea Foods began as a seafood market in 1950 in Cambridge and has grown to include 30 family-owned restaurants, a mail order business, and a grocer products division. The company has operations in seven states from Massachusetts to Florida and employs more than 2,500 people.

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