Preparing for an Aging Workforce: Health Care and Social Assistance Industry Toolkit
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About the Preparing for an Aging Workforce Initiative

The Society for Human Resource Management (SHRM) and the SHRM Foundation have launched a national initiative to highlight the opportunities and challenges of an aging workforce and to identify effective practices for recruiting and employing mature workers. This three-year initiative is generously underwritten by a grant from the Alfred P. Sloan Foundation.

About SHRM

The Society for Human Resource Management (SHRM) is the world’s largest HR professional society, representing 285,000 members in more than 165 countries. For nearly seven decades, the Society has been the leading provider of resources serving the needs of HR professionals and advancing the practice of human resource management. SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China, India and United Arab Emirates. Visit us at shrm.org.

About the SHRM Foundation

The SHRM Foundation is a 501(c)(3) nonprofit affiliate of the Society for Human Resource Management (SHRM). The Foundation is a legally separate organization and is not funded by SHRM membership dues. The SHRM Foundation is governed by a volunteer board of directors from the HR profession, including academics, practitioners and representatives from SHRM.

SHRM Foundation Vision

The SHRM Foundation is the globally recognized catalyst for shaping human resource thought leadership and research.

SHRM Foundation Mission

The SHRM Foundation advances global human capital knowledge and practice by providing thought leadership and educational support, and sponsoring, funding and driving the adoption of cutting-edge, actionable, evidence-based research.
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Introduction

This toolkit aims to provide HR professionals in the health care and social assistance industry with useful industry-specific information about the impact of an aging workforce as well as links to further sources of information, resources, tools and templates. The toolkit is based on the materials and information presented in the comprehensive SHRM sourcebook, Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals. The sourcebook includes strategies, templates and tools that are based on the expert recommendations outlined in the SHRM Foundation’s Effective Practice Guidelines (EPG) report titled The Aging Workforce: Leveraging the Talents of Mature Employees. The EPG highlights effective practices used to recruit, retain and manage the talents, knowledge, skills and experiences of an aging workforce. Throughout this toolkit, readers will be referred to the sourcebook for more in-depth information and additional practical tools and applications built around SHRM Knowledge Center guidelines. Industry-specific findings of SHRM’s Preparing for an Aging Workforce research will be also be discussed throughout.
Health Care and Social Assistance Industry Overview

The U.S. Bureau of Labor Statistics (BLS) classifies the health care and social assistance industry as part of the education and health services super sector group. The health care and social assistance sector (referred to in this report as “health care and social assistance,” or “industry”) employed about 19.1 million workers in the United States as of June 2016. Several subsectors compose the health care and social assistance industry. The following NAICS code link leads to the BLS information page that gives an overview of employment levels, wages, union representation and other subsector information:

- Health Care and Social Assistance: NAICS 62

BLS data from June 2016 for the health care and social assistance sector showed that workers in this industry had average hourly earnings of $25.79. Production and nonsupervisory employees earned slightly less, on average.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average Hourly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care and social assistance, all employees</td>
<td>$25.79</td>
</tr>
<tr>
<td>Health care and social assistance, production and nonsupervisory employees</td>
<td>$22.62</td>
</tr>
</tbody>
</table>

Source: BLS (June 2016)

Industry and Occupational Outlook

Some of the large occupations in the health care and social assistance industry include registered nurses, nursing assistants and personal care aides, among others, as shown in Figure 1.

In January 2016, wage and salary workers in the U.S. labor force had a median tenure of 4.2 years. Within the private sector, workers in the health care and social assistance industry had a slightly lower median tenure, at 3.9 years. Within the health care and social assistance sector, tenures varied when compared with the national median. Hospital workers, for example, had a much higher median tenure at 5.6 years, but social assistance workers had a much lower median tenure (2.6 years).

Looking ahead into the next decade, the health care and social assistance industry will grow the fastest of all major industry sectors, according to federal projections. The industry’s job totals will grow at an annual rate of 1.9% between 2014 and 2024, down slightly from annual growth of 2.3% during 2004-2014, but significantly higher than annual growth of 0.6% across the entire U.S. labor force during 2014-2024.

This projected increase is due to a number of factors, but is primarily connected to the aging of the U.S. population and the related heightened demand for health care services. The continued shift in the makeup of the U.S. economy—formerly dominated by goods-producing industries, but now with a majority of service-providing industries—will also play a role.
Figure 1 | Large Occupations in Health Care and Social Assistance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered nurses</td>
<td></td>
<td></td>
<td></td>
<td>2,413,090</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nursing assistants</td>
<td></td>
<td></td>
<td></td>
<td>1,313,690</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal care aides</td>
<td></td>
<td></td>
<td></td>
<td>1,280,060</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licensed practical and licensed vocational nurses</td>
<td></td>
<td></td>
<td></td>
<td>600,850</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical assistants</td>
<td></td>
<td></td>
<td></td>
<td>579,210</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: BLS (2015)

Table 2 | BLS Employment Projections for Health Care and Social Assistance Industry: 2014-2024

<table>
<thead>
<tr>
<th>Industry</th>
<th>Thousands of Jobs</th>
<th>Change</th>
<th>Compound Annual Rate of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care and social assistance</td>
<td>14,429.8</td>
<td>18,057.4</td>
<td>21,852.2</td>
</tr>
</tbody>
</table>

Source: BLS

Helpful Resources for Industry/Sector Information and Forecasting

- Office of Occupational Statistics and Employment Projections
- National Employment Matrix (projected employment estimates by industry and occupation are available)
- American Medical Association
- American Health Care Association
- American Nurses Association
Case Study: Visiting Angels

*Mesa, Ariz.*

Retirements do not come unexpectedly on the payroll of Visiting Angels. Most of the staff members have already completed lengthy careers in the private sector, and they are not quite ready to leave the workforce. And at the Mesa, Ariz., division of Visiting Angels—a national organization that provides nonmedical, in-home care for the elderly and the disabled—the term “older workers” is met with a laugh by Tish Wallace, director of human resources.

“In my mindset, let’s hire people who also have gray in their hair,” said Wallace, who, at 72 years of age, said she has no intention of retiring anytime soon. “In this business, you need people who can relate to the clients, and vice versa. One of the first things I ask our applicants is if they’ve had personal experience doing care.”

Wallace has a staff of about 120 employees, and she said nearly three out of five belong to the 55-and-older demographic. Seven out of the 10 people working in the administrative office are also part of that age group, she said. Given the growing need for health care workers as the U.S. population ages—and knowing that many people are staying on the job for longer periods of time—Visiting Angels has found itself in the right place at the right time, Wallace said.

“We're a little different than most of the Visiting Angels franchises,” Wallace said. “We're almost all escapees of the corporate world, and a good portion of our staff has lived this situation personally, taking care of family members. Our entire goal is to keep people in their homes and independent as they age.”

Part of Visiting Angels’ work in Mesa includes community outreach, Wallace said. This region, much like the rest of the country, has an increased amount of workers who fit into the “sandwich generation,” or those who provide care for elder relatives while supporting children of their own. One staff member regularly attends church meetings, community group events and corporate wellness program presentations to get the word out about Visiting Angels’ services.

“We want companies to know that there are options for your employees who are losing time at work,” Wallace said. “At one point in my life, I was working 60 hours a week and caring for three elderly people—my mother and her two sisters. This is very common.”

With that in mind, Visiting Angels’ recruiting efforts target retirees, older workers seeking second careers and “snowbirds” who live elsewhere during the summer but spend the remainder of the year in Arizona. There are some younger employees on the payroll, Wallace said, but the bulk of the caregiver responsibilities fall with mature workers.

“We have retirees who used to be nurses, and they only want to work 10 to 15 hours a week, two days or so, and that’s great,” she said. “We can find work for them very easily. We have snowbirds who only want to work until May 1. They come back on October 1, and that’s fine. Others are retired and don’t have enough money, and they want to work 40 hours a week. That’s no problem either. We’ve had couples with timeshares, and that’s OK, too. We’re filling their needs, and they’re filling ours.”

Even with a steady stream of applicants at the organization, it is not easy becoming a Visiting Angel, Wallace said. After an initial interview with Wallace, candidates must supply three references and then sit for interviews with current caregivers. Applicants are also subject to background checks and must have clean driving records. Visiting Angels’ duties can include transporting clients to the doctor’s office, sorting through mail, cooking and other responsibilities. And above all, they need the experience that comes with being a seasoned worker, caregiver and listener.

“You can teach anybody to do a wheelchair transfer,” Wallace said. “You cannot teach anybody to have empathy, thoughtfulness and common sense. You have to understand where the clients have been. If you’ve got a Vietnam vet in your care, you better know what Vietnam was. My oldest employee recently retired at 79. I get others who call me and say, ‘I’m 72, are you sure you can hire me?’ And I say, ‘Of course!’ It’s an unusual situation, but it works.”
Assessing the State of the Aging Workforce

Among the first steps HR professionals in the health care and social assistance industry can take to prepare for an aging workforce is to assess the current demographics of their workforce and determine how it will evolve over the coming years and decades.

Determining the Impact on Your Organization

The first step in assessing the state of the aging workforce in an organization is to determine what percentage of its workforce is nearing retirement age. According to a SHRM survey of HR professionals at health care and social assistance companies, more than one out of four (26%) members of their workforce are age 55 or older, on par with the manufacturing sector and comparable with most other industries (see Figure 2).

Less than one out of five (17%) HR professionals at health care and social assistance companies said they were not aware that the proportion of mature workers was increasing and that mature workers were projected to make up approximately 26% of the labor force by the year 2022, as illustrated in Figure 3. However, nearly two out of five (38%) HR professionals in the industry indicated their organizations had begun to examine internal policies and management practices to address this change.

Figure 2 | Percentage of Older Workers, by Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation and food services, retail trade, wholesale trade, and transportation and warehousing</td>
<td>23%</td>
</tr>
<tr>
<td>Construction, and repair and maintenance</td>
<td>24%</td>
</tr>
<tr>
<td>Educational services</td>
<td>29%</td>
</tr>
<tr>
<td>Finance, insurance and real estate</td>
<td>29%</td>
</tr>
<tr>
<td>Government agencies</td>
<td>30%</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>26%</td>
</tr>
<tr>
<td>Information and professional, scientific and technical services</td>
<td>24%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>27%</td>
</tr>
<tr>
<td>Mining, quarrying, and oil and gas extraction</td>
<td>27%</td>
</tr>
<tr>
<td>Religious, grantmaking, civic, professional and similar organizations</td>
<td>30%</td>
</tr>
<tr>
<td>Utilities</td>
<td>29%</td>
</tr>
<tr>
<td>Other</td>
<td>23%</td>
</tr>
</tbody>
</table>

Note: Except for the “Other” group, the accommodation and food services, retail trade, wholesale trade, and transportation and warehousing industry employs significantly fewer older workers than the other industries.

Building a Business Case for Action

Half (50%) of HR professionals in the health care and social assistance industry said the potential loss of talent due to retirement of workers was not a problem for their industry in the next one to two years, as displayed in Figure 4.

Looking further ahead, more HR professionals in the industry believed the aging workforce would present a problem or a crisis for health care and social assistance. For example, one-third (33%) of HR professionals in health care and social assistance said the loss of talent would be a problem in the next 11 to 20 years, and another 13% viewed it as a crisis. Responses in this category from the health care and social assistance sector were very similar to all other industries.

Depending on the organization, different approaches to building a business case may be followed. In some organizations, informal methods are used to make strategic decisions. HR professionals at small organizations, for example, may only need to have an informal conversation with their organizational leadership team or business owner to get the needed buy-in to move forward with a strategy. In larger organizations, a much more formal route may need to be taken.

Less than three out of 10 (28%) HR professionals from health care and social assistance companies said their organizations were analyzing the impact of workers age 55 and older leaving their organization in the next one to two years, somewhat lower than all other industries (35%), as shown in Figure 5.

Nearly half (48%) of HR professionals in the health care and social assistance industry indicated their organizations were identifying their future workforce needs in the next one to two years, significantly lower than all other industries (58%), as shown in Figure 6. A lower percentage of health care and social assistance HR professionals also said their organizations were identifying future workforce needs in the next three to five years (37% compared with 44%).

Health care and social assistance organizations were also much less likely to track their workers’ retirement eligibility. Nearly two out of five (38%) of HR professionals in the industry said they tracked the percentage of workers eligible to retire in the next one to two years, compared with 51% in all other industries. They were also significantly less likely than their peers (34% compared with 46%) to track the percentage of workers eligible to retire in the next three to five years.
Overall, the findings suggest that more health care and social assistance companies need to be cognizant of these demographic changes and take basic steps to address their workforce needs.

A better understanding of their industry’s and organization’s demographics will help HR professionals in their efforts to create a business case for preparing for an aging workforce. A business case is a presentation to management that establishes that a specific problem exists and argues that the proposed solution is the best way to solve the problem in terms of time, cost efficiency and probability of success. The form and level of formality of the business case will vary by organization—some are written proposals with supporting financial analyses, whereas others may be slide-supported oral presentations. Whether they are written or oral, business cases generally have the same components, as described below.

- **Statement of need.** This is the condition or change impelling the function’s action.

- **Recommended solution.** The objectives for an ideal solution are defined (the desirable outcomes of such an initiative), and the proposed action is described in sufficient detail to show how it meets these objectives. In some cases, alternatives may be described as well, and the reasons why they are not being recommended may be discussed.

- **Risks and opportunities.** Risks should include outcomes that could decrease the project’s chance for success, outcomes that could present new opportunities that would require action, and the risks of doing nothing at all.

- **Estimated costs and time frame.** The project budget should include all foreseeable elements (labor, equipment, fees, travel and so on), plus a reserve for the unforeseeable expenditures based on the project’s risk. The time frame should keep in mind the project requirements but also the organization’s needs. Longer or more complex projects may be structured in phases, with gates or review milestones at which management can decide whether to proceed.

Creating a solid business case will help HR professionals in health care and social assistance move forward in a systematic way as they manage the demographic shifts of their workforce and prepare for even greater future changes.

A more in-depth overview of how to build a business case for preparing for an aging workforce is outlined in the free online SHRM sourcebook *Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals*. It includes:
• An overview of how to create a statement of need and the scope of the issues that should be covered in any business case.
• A summary of the main risks and costs of inaction experts have identified in relation to the aging workforce.
• An introduction to the basic steps involved in workforce planning and forecasting.
• Instructions on calculating turnover and projecting future turnover.
• Discussion of how job analysis and skills audits can highlight any potential future skills shortages and gaps.
• Instructions on how to gauge employee satisfaction and engagement and how to use these findings to create strategies for preparing for demographic shifts.

Figure 5 | Health Care and Social Assistance Organizations That Have Analyzed the Impact of Workers Age 55 and Older Leaving Their Organization Compared with Other Industries

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 2 years</td>
<td>28%</td>
<td>35%</td>
</tr>
<tr>
<td>3 to 5 years</td>
<td>30%</td>
<td>31%</td>
</tr>
<tr>
<td>6 to 10 years</td>
<td>14%</td>
<td>16%</td>
</tr>
</tbody>
</table>

*The difference between health care and social assistance and all other industries is statistically significant (p<.05).
Note: Health care and social assistance n = 109-113; all other industries n = 1,334-1,417.

Figure 6 | Health Care and Social Assistance Organizations That Have Identified Future Workforce Needs Compared with Other Industries

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 2 years</td>
<td>48%*</td>
<td>58%*</td>
</tr>
<tr>
<td>3 to 5 years</td>
<td>37%</td>
<td>44%</td>
</tr>
<tr>
<td>6 to 10 years</td>
<td>18%</td>
<td>21%</td>
</tr>
</tbody>
</table>

*The difference between health care and social assistance and all other industries is statistically significant (p<.05).
Note: Health care and social assistance n = 107-114; all other industries n = 1,320-1,448.
Legal Issues to Consider

As they prepare for an aging workforce, HR professionals must have a strong understanding of legal issues to avoid discrimination claims. Federal law prohibits employers (and employment agencies and labor unions) from discriminating against applicants and employees who are over the age of 40 on the basis of their age. The Age Discrimination in Employment Act (ADEA) is administered and enforced by the Equal Employment Opportunity Commission (EEOC), which issues regulations and guidance designed to explain and implement the law’s protections. For an in-depth overview of legal issues related to an aging workforce, see SHRM’s sourcebook *Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals*, which covers the following issues:

- An overview of laws prohibiting age discrimination.
- Proving age discrimination.
- The legal aspects of planning for change.
- Legal issues to consider when recruiting.
- How to navigate the legal issues related to physically demanding jobs.
- Samples, forms, templates and tools:
  - Basic Equal Employment Opportunity Policy.
  - Statement of ADA Commitment to Interactive Process and Reasonable Accommodation Policies.
Recruiting and Retaining Mature Workers

Many organizations may not be aware of the number of potential retirements they could soon be facing, hence the percentage of those that are developing strategies to attract and retain mature workers is low. In response to the increasing age of their workforces, HR professionals in the health care and social assistance industry were on par with their peers in other industries in terms of making changes to recruitment, retention and general management policy/practices, as shown in Figure 7.

Steps Organizations Are Taking to Recruit and Retain Mature Workers

Similar to other industries, very few respondents from the health care and social assistance industry said their organizations had formal strategies for retaining mature workers (4%) and recruiting mature workers (2%), as shown in Figure 8.

Employee referrals were the most common method of recruiting mature workers in the health care and social assistance industry (37%). HR professionals in this industry were more likely than their peers in all other industries to use newsletters (4% compared with 1%) to recruit mature workers (see Figure 9). Nearly half (49%) of HR professionals in health care and social assistance said they did not actively recruit mature workers.

There are few examples that HR professionals can refer to for ideas about how to meet the challenge of recruiting and retention as the workforce ages. Consequently, research on HR staffing practices that help to attract mature job seekers and retain those in the mature worker demographic, often well beyond traditional retirement age, can be helpful.

![Figure 7 | Extent the Increasing Age of Organization's Workforce Has Begun to Prompt Changes in Recruiting and Retaining Practices](image)

<table>
<thead>
<tr>
<th>Recruiting practices</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To a great extent</td>
<td>To some extent</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>8%</td>
<td>27%</td>
</tr>
<tr>
<td>All other industries</td>
<td>7%</td>
<td>26%</td>
</tr>
</tbody>
</table>

![Figure 8 | Organizations That Have a Formal Strategy for Retaining and Recruiting Older Workers](image)

<table>
<thead>
<tr>
<th>Retain</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To a great extent</td>
<td>To some extent</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>All other industries</td>
<td>4%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recruit</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To a great extent</td>
<td>To some extent</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>All other industries</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Health care and social assistance n = 129-130; all other industries n = 1,570-1,581. Respondents who indicated “Not applicable” were not included in the analysis. Percentages may not total 100% due to rounding.

### Figure 9 | Methods Used by Health Care and Social Assistance Organizations to Recruit Older Workers

<table>
<thead>
<tr>
<th>Method</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee referrals</td>
<td>37%</td>
<td>32%</td>
</tr>
<tr>
<td>Networking</td>
<td>21%</td>
<td>23%</td>
</tr>
<tr>
<td>Internet (e.g., websites geared toward older audience)</td>
<td>18%</td>
<td>13%</td>
</tr>
<tr>
<td>Use of current older workers as recruiters</td>
<td>16%</td>
<td>13%</td>
</tr>
<tr>
<td>Employment agencies</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>Specify that older workers are welcomed and encouraged to apply in job postings</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Social media</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Temporary firms</td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Government-based employment programs (e.g., AARP)</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Churches</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Newsletters (e.g., AARP Bulletin)</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Executive search firms</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td>Older workers’ job fairs</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Recruit through local senior citizen community groups</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Retirement communities</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>We do not actively recruit older workers</td>
<td>49%</td>
<td>56%</td>
</tr>
</tbody>
</table>

*The difference between health care and social assistance and all other industries is statistically significant (p < .05).

**Note:** Health care and social assistance n = 68; all other industries n = 915. Only respondents who indicated that the increasing age of their organizations’ workforce has prompted change in their recruiting practices were asked this question. Percentages do not total 100% due to multiple response options.

**Source:** Preparing for an Aging Workforce: Health Care and Social Assistance Industry Report (SHRM, 2015)
Creating a Strategy for Actively Recruiting Mature Workers

According to the EPG report *The Aging Workforce: Leveraging the Talents of Mature Employees*, there are two main categories of mature workers: 1) workers currently unemployed and seeking work, including those before and past traditional retirement age, and 2) workers who are currently employed and are either already working for the organization in a different job or working somewhere else but could potentially leave their current jobs either to do the same type of work or to embark on a completely new career path. The report advises the following steps to create a strategy for actively recruiting mature workers:

- Plan to recruit mature workers from the start by including recruiting and hiring of mature workers in diversity and affirmative action recruiting plans.
- Include mature workers in recruiting messaging by clearly stating in job postings and application materials that your organization seeks workers of all ages.
- Identify talent sources that are inclusive of individuals over 50.
- Seek partners that will help recruit mature candidates, such as community colleges, government-sponsored workforce development programs and nonprofit groups.
- Post jobs in locations where mature job seekers are likely to look. This can include organizations targeted to a 50+ demographic, such as the AARP and SeniorJobBank, as well as social media groups.
- Attend seminars and career fairs that attract job seekers of all ages.
- Publicize your efforts to have an age-diverse workforce. These efforts will have a positive impact on your employer brand.
- Prepare and incentivize recruiters to understand the changing workforce demographics and to take actions that will encourage job seekers of all ages to be excited about joining your organization.

For more detailed information on recruiting and retaining older workers, please refer to both the SHRM Foundation’s EPG report *The Aging Workforce: Leveraging the Talents of Mature Employees* and the SHRM sourcebook *Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals*. The sourcebook includes information and resources on the following topics:

- Targeting recruiting activities to appeal to mature job seekers.
- Working with hiring managers to dispel stereotypes and broaden perceptions of the available talent market.
- Selection process materials.
- The onboarding process.
- (Re)hiring retirees.
- Corporate alumni programs.
- Retaining mature workers.
- Samples, forms, templates and tools:
  - Diversity Outreach Letter.
  - Employee Referral Program Procedures.
  - New-Hire Employee Referral Form.
  - New-Hire Orientation Checklist.
  - New-Hire Survey.
  - Recruitment Satisfaction Survey.
  - Flextime Policy.
The Role of Benefits in Attracting and Retaining an Aging Workforce

Because there are potentially hundreds of benefits that can be offered by employers, each organization must determine its own benefits strategy based on a solid understanding of the demographics of its workforce and candidate pool.

Key issues and strategies within the benefits realm that may be influenced by this demographic shift include the design and administration of health, disability and other insurance benefits as well as wellness benefits, retirement income and planning, and employee services, particularly caregiver benefits, such as senior care. Health care and wellness benefits will continue to be important as the workforce ages because the risk of many types of illnesses and chronic health conditions increases with age. Individuals also tend to be more health-conscious as they grow older.

The pressure to hold health care costs steady will become more intense as the workforce ages. Leaders of many organizations will expect their HR function to develop even greater expertise in negotiating better benefits contracts with vendors, self-funding health plans, altering health care benefits cost-sharing models to shift more costs to employees through increased deductibles or attaching a surcharge to spousal coverage—all without damaging recruitment and retention goals. They may also need to be skilled at adopting consumer-directed health plan designs, developing a robust employee wellness program, offering health risk assessments and creating health management program incentives and penalties.

Retirement benefits are often among the first employee benefits that come up when the discussion turns to an aging population—especially in policy discussions involving mandated benefits such as Social Security. The aging workforce is putting the spotlight on employer-sponsored retirement plans as a major recruiting and retention tool. As the workforce ages, more attention is likely to be paid to these types of retirement benefits offerings. Organizations may respond either by increasing the amount of their employer match or by shifting to a model where employees are automatically enrolled into a 401(k) plan but can choose to opt out. These steps can increase the percentage of eligible workers who participate in their employer’s 401(k)-type plan, thereby increasing retirement savings. Some organizations take this a step further by automating the increase in the employee contributions to these programs over time.

Because savings options can be complex, another type of benefit that more employers may adopt as the workforce ages is financial planning and education services. For some organizations, simply letting employees know about the financial education options available, such as those offered by an employee assistance program, may be a first step. Others may prefer to go further by offering classes on financial literacy or online investment advisory services, or individual financial planning services through a third-party provider.

Health care and social assistance employment will grow at a much higher rate than the overall labor force in the coming decade, and competition for talent will be heightened as a result. Benefits packages can be an effective tool in the recruitment and retention of these workers, and HR professionals should leverage these offerings as part of their talent acquisition strategies. Recent SHRM research has shown that in 2015 nearly two-fifths (38%) of HR professionals leveraged benefits to recruit employees at all levels of their organizations, up significantly from 26% in 2013.1

The SHRM Wellness Programs Resource Page provides key resources and articles to help members as a starting point with key tools and resources. The site offers guidance on regulations, program implementation, types of programs and external
resources. Program implementation guidance includes the general development of a wellness program, case studies, communication, competitions, incentives/penalties and measuring the program’s return on investment (ROI).

SHRM’s Employee Benefits research report examines the use of hundreds of employee benefits and is available free for SHRM members at shrm.org/surveys. For more detailed information on leveraging benefits to attract and retain mature workers, please refer to both the SHRM Foundation’s EPG report The Aging Workforce: Leveraging the Talents of Mature Employees and the SHRM sourcebook Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals. The sourcebook includes information and resources on the following topics:

- Health care and wellness benefits.
- Retirement income, benefits and redefining retirement.
- Work/life benefits.
- Leave benefits.
- Samples, forms, templates and tools:
  - 401(k): Automatic Enrollment Election for New Hires.
  - Employee Assistance Program (EAP) Policy: For Employees and Family Members.
  - Retirement Plan Enrollment Form.
Skills, Training and Development

HR professionals who closely study the skills needs and potential shortages in their organizations and industries are stepping up to take on an important leadership role that goes well beyond their individual organizations. Many HR professionals are working within their industries and local communities to improve workforce readiness at the broader level. The causes of skills shortages are complex and therefore not easy to resolve. But there are basic steps that HR professionals can take to help their organizations become better prepared for skills shortages and to proactively meet the challenges these shortages represent.

According to SHRM research, about one out of five (18%) health care and social assistance respondents said that their organizations attempted to capitalize on and incorporate the experience of mature workers to “a great extent.” Fewer than one out of five (17%) HR professionals in the health care and social assistance sector reported that their organizations did not capitalize on and incorporate the experience of mature workers at all (see Figure 10).

When asked about the advantages of having mature workers, HR professionals in health care and social assistance organizations were most likely to cite their extensive work experience, as well as their maturity levels/professionalism (both at 73%), their stronger work ethic (66%) and their reliability (63%).

Health care and social assistance industry respondents were more likely than HR professionals in other industries to value mature workers’ ability to add to diversity of thought/approach to team projects (46% compared with 37% in other industries), but significantly less likely to value their established networks of contacts and clients (23% compared with 41% in other industries).

More than half (52%) of HR professionals in health care and social assistance valued mature workers’ strength in writing in English (grammar, spelling, etc.). They were more likely than their peers in other industries (6% compared with 2%) to value mature workers’ skills in humanities/arts, but much less likely (4% compared with 14%) to value their technical skills (computer, engineering, mechanical, etc.).

HR professionals in health care and social assistance organizations were more likely than their counterparts in other industries to say their organizations offered flexible work arrangements (e.g., job-sharing, telework) to attract a broader range of applicants (20% compared with 13%) as a strategy to prepare for the potential skills gaps as a result of the loss of older workers (see Figure 11). About two-fifth (41%) of HR professionals in the health care and social assistance industry had not taken any steps to prepare for potential skills gaps as a result of the loss of mature workers.

More than two out of five (47%) HR professionals in the health care and social assistance industry used training and/or cross-training programs as a strategy to transfer knowledge from mature workers to younger workers, and about one-third (30%) indicated their organizations used mentoring programs, as shown in Figure 12. HR professionals in the health care and social assistance industry were less likely than their peers (2% compared with 8%) to report offering apprenticeship programs as a means of transferring knowledge.

With more generations than ever before in the workplace, organizational success now depends on employees of all ages working together as a team. The increase in age diversity in the workforce is a new opportunity to build more effective and innovative teams, but these teams must be managed successfully. In the health care and social assistance industry, more than half (54%) of respondents indicated employees in their organizations were receptive to working with mature workers to a great extent. More than two out of five (42%) health care and social assistance HR professionals said their workers were receptive to learning from mature workers to a great extent, and another 41% said they were receptive to being mentored by mature workers to a great extent.

Collaboration and knowledge transfer between mature workers and other demographic groups is of particular importance in the health care industry, due to the fact that many employers are struggling to attract new workers with advanced skills, according to other SHRM research. More than four out of five (87%) HR professionals in health care and social assistance said they had some level of difficulty with filling high-skilled positions, such as nurses, doctors and specialists (54% said it was very difficult, and 33% said it was somewhat difficult).5

Very few health care and social assistance HR professionals in the aging workforce study said that employees in their organizations were not at all receptive to working with, learning from and being mentored by mature workers—a very positive sign that there is a general awareness of the value of learning from mature workers within the industry.
Figure 10 | Extent to Which Organizations Attempt to Capitalize on and Incorporate the Experience of Older Workers

<table>
<thead>
<tr>
<th>Extent to Which Organizations Attempt</th>
<th>Health care and social assistance n = 128</th>
<th>All other industries n = 1,565</th>
</tr>
</thead>
<tbody>
<tr>
<td>To a great extent</td>
<td>18%</td>
<td>22%</td>
</tr>
<tr>
<td>To some extent</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td>To a small extent</td>
<td>26%</td>
<td>24%</td>
</tr>
<tr>
<td>Not at all</td>
<td>17%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Note: Health care and social assistance n = 128; all other industries n = 1,565.

Figure 11 | Steps Health Care and Social Assistance Organizations Have Taken to Prepare for Potential Skills Gaps as a Result of the Loss of Older Workers Compared with Other Industries

<table>
<thead>
<tr>
<th>Step</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased training and cross-training efforts</td>
<td>35%</td>
<td>43%</td>
</tr>
<tr>
<td>Developed succession plans</td>
<td>27%</td>
<td>33%</td>
</tr>
<tr>
<td>Offered flexible work arrangements to attract a broader range of applicants (e.g., job-sharing, telework)</td>
<td>13%*</td>
<td>20%</td>
</tr>
<tr>
<td>Developed processes to capture institutional memory/organizational knowledge from employees close to retirement</td>
<td>14%</td>
<td>18%</td>
</tr>
<tr>
<td>Created new roles within the organization, specifically designed to bridge a skills or knowledge gap</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>Increased recruiting efforts to replace retiring employees</td>
<td>10%</td>
<td>15%</td>
</tr>
<tr>
<td>Increased automated processes (e.g., use of robotics)</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>None—we have not taken any steps</td>
<td>41%</td>
<td>34%</td>
</tr>
</tbody>
</table>

*The difference between health care and social assistance and all other industries is statistically significant (p<.05).
Note: Health care and social assistance n = 128; all other industries n = 1,579. Percentages do not total 100% due to multiple response options.
Many HR professionals may decide to go beyond some of the steps taken within workforce planning initiatives to conduct a more detailed skills audit that gathers information about the skills, education and experience needed for different jobs and job families. Supply analysis in workforce planning will involve collecting data on the number of employees and their skills, as well as workforce demographics, and should reveal if the organization has a large number of workers nearing retirement age. If large numbers of retirements are forecasted, a more in-depth job and skills analysis at this stage may be needed. Jobs may also need to be redesigned to accommodate older workers who develop disabilities due to the aging process. Some organizations have found that they are able to attract and hire more dependable and loyal employees by engaging in job analysis and by redesigning jobs to appeal to older employees.

Retraining mature workers can often be more cost-effective for an organization than recruiting, hiring, onboarding, socializing and training new hires. Skills training may sometimes be needed to keep mature workers up to date so they can continue working productively. The activities of workforce planning, skills audits and job analysis can all lead to the realization that among a number of different strategies needed to address existing or predicted skills shortages, training is one of the most important. A training needs assessment (TNA) that identifies current level of competence, skill or knowledge in one or more areas and compares that competence level to the level required for the position in question or another position within the organization may be a good way to determine priorities.

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**Figure 12 | Strategies Health Care and Social Assistance Organizations Use to Transfer Knowledge from Older Workers to Younger Workers Compared with Other Industries**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Health care and social assistance</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and/or cross-training programs</td>
<td>47%</td>
<td>55%</td>
</tr>
<tr>
<td>Mentoring programs</td>
<td>30%</td>
<td>33%</td>
</tr>
<tr>
<td>Job shadowing</td>
<td>22%</td>
<td>26%</td>
</tr>
<tr>
<td>Organizing multigenerational work teams</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>Development of a knowledge database</td>
<td>15%</td>
<td>14%</td>
</tr>
<tr>
<td>Development of skill transition plans to facilitate transfer of knowledge from older workers to younger workers</td>
<td>11%</td>
<td>14%</td>
</tr>
<tr>
<td>Apprenticeship programs</td>
<td>2%*</td>
<td>8%*</td>
</tr>
<tr>
<td>N/A—organization does not use any strategies to transfer knowledge from older workers to younger workers</td>
<td>22%</td>
<td>19%</td>
</tr>
</tbody>
</table>

*The difference between health care and social assistance and all other industries is statistically significant (p<.05).

Note: Health care and social assistance n = 128; all other industries n = 1,578. Percentages do not total 100% due to multiple response options.

For more detailed information on how an aging workforce may influence learning and training strategies, please refer to both the SHRM Foundation’s EPG report *The Aging Workforce: Leveraging the Talents of Mature Employees* and the SHRM sourcebook *Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals*. The sourcebook includes information and resources on the following topics:

- Skills audits.
- Leveraging the knowledge, skills and experience of mature workers.
- Generational differences and similarities.
- Leveraging teams.
- Samples, forms, templates and tools:
  - Diversity Policy.
  - Job Analysis Template.
  - Career Development Plan Form.
  - Job Analysis: Desk Audit Review.
  - Skills Analysis Form.
  - Waiver of Claims Under the Age Discrimination in Employment Act.
  - Nondiscrimination/Anti-Harassment Policy and Complaint Procedure.
Endnotes


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