Preparing for an Aging Workforce:
Professional and Technical Services Industry Toolkit
Media Contacts

Kate Kennedy
Phone: +1.703.535.6260
E-mail: kate.kennedy@shrm.org

Vanessa Gray
Phone: +1.703.535.6072
E-mail: vanessa.gray@shrm.org

USA
SHRM Headquarters
1800 Duke Street
Alexandria, VA 22314
Phone: +1.800.283.7476
E-mail: SHRM@shrm.org

China
Gateway Plaza
Chaoyang District
Beijing, 100027
Phone: +86.10.59231033
E-mail: SHRMChina@shrm.org

India
Gurgaon, Sector 26
Haryana 122002
Phone: +91.12.44200243
E-mail: SHRMIndia@shrm.org

United Arab Emirates
Dubai Knowledge Village
Dubai, UAE
Phone: +971.050.104 6330
E-mail: SHRMMEA@shrm.org

Online
SHRM Online: shrm.org
SHRM Research: shrm.org/research
SHRM Survey Findings: shrm.org/surveys
SHRM Research on Twitter: @SHRM_Research
SHRM Research on LinkedIn: LinkedIn.com
SHRM Research on SHRM Connect: http://community.shrm.org/home

Legal disclaimer: This material is for informational purposes only and not for the purpose of providing legal advice. You should always contact your attorney to determine if this information, and your interpretation of it, is appropriate to your particular situation.
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.
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Professional and Technical Services Industry Overview</td>
<td>2</td>
</tr>
<tr>
<td>Industry and Occupational Outlook</td>
<td>2</td>
</tr>
<tr>
<td>Case Study: NASCO, LLC</td>
<td>4</td>
</tr>
<tr>
<td>Assessing the State of the Aging Workforce</td>
<td>5</td>
</tr>
<tr>
<td>Determining the Impact on Your Organization</td>
<td>5</td>
</tr>
<tr>
<td>Building a Business Case for Action</td>
<td>6</td>
</tr>
<tr>
<td>Legal Issues to Consider</td>
<td>9</td>
</tr>
<tr>
<td>Recruiting and Retaining Mature Workers</td>
<td>10</td>
</tr>
<tr>
<td>Steps Organizations Are Taking to Recruit and Retain Mature Workers</td>
<td>10</td>
</tr>
<tr>
<td>Creating a Strategy for Actively Recruiting Mature Workers</td>
<td>12</td>
</tr>
<tr>
<td>The Role of Benefits in Attracting and Retaining an Aging Workforce</td>
<td>13</td>
</tr>
<tr>
<td>Skills, Training and Development</td>
<td>15</td>
</tr>
<tr>
<td>Endnotes</td>
<td>19</td>
</tr>
</tbody>
</table>
Introduction

This toolkit aims to provide HR professionals in the professional and technical services 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 comprises 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 outlines 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’sPreparing for an Aging Workforce research will also be discussed throughout.
Professional and Technical Services Industry Overview

The U.S. Bureau of Labor Statistics (BLS) classifies the information sector as part of the service-providing industries super sector group. The BLS classifies the professional, scientific and technical services sector as part of the professional and business services super sector group. Together, these sectors (referred to in this report as “professional and technical services,” or “industry”) employed about 11.6 million workers in the United States as of May 2016. Several subsectors make up the professional and technical services industry. The following NAICS code links lead to BLS information pages that give overviews of employment levels, wages, union representation and other subsector information:

- Information: NAICS 51
- Professional, Scientific and Technical Services: NAICS 54

BLS data as of May 2016 for the information sector showed it employed about 2.7 million workers overall with average hourly earnings of $36.52. The professional, scientific and technical services sector employed about 8.9 million workers with average hourly earnings of $39.94.¹

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Earnings Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Average Hourly Earnings</td>
</tr>
<tr>
<td>Information</td>
<td>$36.52</td>
</tr>
<tr>
<td>Professional, scientific and technical services</td>
<td>$39.94</td>
</tr>
</tbody>
</table>

Source: BLS (May 2016)

Industry and Occupational Outlook

Some of the large occupations in the professional and technical services industry include accountants and auditors, lawyers, and management analysts, as shown in Figure 1.

In January 2014, wage and salary workers in the professional and technical services industry had a median tenure of 4.6 years. Tenures in this industry varied when compared with the overall median of the labor force. Information workers, for example, were slightly higher, at a median of 4.8 years. Professional and business services workers had a much lower median tenure of 3.6 years, according to the BLS. A subsector of that group, professional and technical workers, had a median tenure of 4.2 years.²

Looking ahead into the next decade, the professional and technical services industry will experience varying changes in job growth. The information sector will actually shrink at an annual rate between 2014 and 2024 (-0.1%, compared with an annual growth rate of 0.6% for the U.S. labor force overall), although the rate of decline will be smaller than during previous decade. Professional and business services will grow at an annual rate of 0.9%, on par with mining and second only to health care and social assistance among major job industries. This growth should provide opportunities for mature workers to remain in their jobs for longer periods of time, as well as give employers a chance to fill job openings with recent retirees who wish to supplement their income.
Preparing for an Aging Workforce:
Professional and Technical Services Industry Toolkit

Figure 1 | Large Occupations in Professional and Technical Services

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Protective service occupations</td>
<td>1,912,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office and administrative support</td>
<td>1,626,480</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business and financial operations</td>
<td>990,690</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>561,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community and social service occupations</td>
<td>477,700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health care practitioners and technical occupations</td>
<td>445,730</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Installation, maintenance and repair occupations</td>
<td>402,520</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: BLS (2015)

Table 2 | BLS Employment Projections for the Professional and Technical Services Industry: 2014-2024

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Information</td>
<td>3,118.3</td>
<td>2,739.7</td>
<td>2,712.6</td>
<td>-378.6</td>
<td>-27.1</td>
<td>-1.3</td>
<td>-0.1</td>
</tr>
<tr>
<td>Professional and business services</td>
<td>16,394.9</td>
<td>19,096.2</td>
<td>20,985.5</td>
<td>2,701.3</td>
<td>1,889.3</td>
<td>1.5</td>
<td>0.9</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)
- National Cable & Telecommunications Association
- Telecommunications Industry Association
- Technology Services Industry Association
- American Accounting Association
- American Bar Association
Case Study: NASCO, LLC

Atlanta, Ga.

Due to a series of acquisitions in the earlier part of this decade, NASCO LLC’s payroll became more mature rather quickly. The Atlanta-based health care information technology company assumed the operations of several of its contractors, many of which came with staffs filled with seasoned workers.

Not that the sudden change was a red flag, said Barbara Bell-Dees, SHRM-CP, NASCO’s vice president of human resources and people services. But it did force the company—where nearly three out of 10 workers are in the 55-and-older demographic—to examine ways to retain and nurture the knowledge and skills of its 700 employees.

“In 2012, we insourced a large portion of our business, and it dramatically changed our average age, which is now 49 years old,” Bell-Dees said. “A couple of years ago, in our internal surveys, we started asking our managers if their employees represented a ‘single point of failure.’ Essentially, if this employee is not here and something breaks or cannot be performed, will there be a customer disruption?”

With that, NASCO began to draft individual development plans that included their employees’ specific skill sets, knowledge and experience with the company. If the absence or departure of any of the employees qualified for the “single point of failure” designation, the company created plans to handle that scenario. It involved a variety of measures, such as documenting certain procedures, teaching skill sets to other employees, or conducting some form of job shadowing to close the gap, she said.

The program is not intended to focus solely on the 55-and-older set, but the likelihood of identifying a single point of failure does increase in the absence of those long-tenured workers, she said. Much of NASCO’s operations rely on technology applications that aren’t necessarily feasible for young workers to tackle right away, she said.

“We are not always in a position to hire right out of school, based on what we do,” Bell-Dees said. “Our bread and butter is our processing system, and it involves mainframe applications. They’re not ‘new and cool,’ and they’re not as easy to get people coming out of school to work on them. As a result, we often rely on individuals who have the expertise and have been working on this system for 20-plus years.”

There were as many as 60 workers who qualified for the “single point of failure” designation when NASCO started the program in 2013. That number was whittled down to “about a dozen” in late 2015, Bell-Dees said, and nearly all of those were already being addressed through knowledge transfer and other measures to safeguard against unexpected absences, departures or retirements.

“Another big part of this is that we want our employees to have work/life balance,” she said. “If they’re the only person to go to for certain skills, they won’t get a break. While there could be discomfort for us if the person left the company, it wouldn’t meet the single point of failure and it wouldn’t cause customer disruption if this is done properly.”

NASCO, like other employers, has benefited from the knowledge and client relationships cultivated by its mature workers, Bell-Dees said. In the past few years, the company has been able to solve problems faster and more economically, compared with when it outsourced many of its operations, she said.

The company’s emphasis on knowledge transfer and constant collaboration between employees of all age groups has resulted in high levels of business continuity, she added.

“Many of these people have been working with our customers for 15 years,” she said. “Those relationships are built over time. We’ve actually had quite a number of retirements in recent years, and I haven’t heard any situations where the sky is falling. We have systems available now where it’s easy for the manager to transfer that knowledge to someone else and create an opportunity to close the gap.”
Assessing the State of the Aging Workforce

Among the first steps HR professionals in the professional and technical services 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 professional and technical services companies, nearly one out of four (24%) members of their workforce are age 55 or older, on par with the construction and repair and maintenance sector and slightly lower than most other industries (see Figure 2).

More than one out of 10 HR professionals (14%) at professional and technical services 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. Three out of 10 (30%) HR professionals in the professional and technical services industry indicated their organizations had begun to examine internal policies and practices to address this change, significantly lower than in all other industries (38%).

One-fourth (25%) of industry respondents reported that their organizations had examined their workforce and determined that no changes in their policies and practices were necessary, somewhat higher than all other industries (18%), as illustrated in Figure 3. None of the professional and technical services industry respondents indicated that they have agreed on a plan to change policies and management practices as a result of the aging workforce, compared with 2% in all other industries.

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

Fewer HR professionals in the professional and technical services industry believed that the potential loss of talent due to retirement of workers was a problem for their industry in the future, as displayed in Figure 4. More than half (55%) of industry respondents said the loss of talent due to an aging workforce would not be a problem in the next one to two years, significantly higher than 44% in all other industries. Another 27% said it would be a potential problem in the next one to two years, lower than 34% of respondents overall. Looking further ahead, 31% of professional and technical services respondents said this demographic trend would not pose a problem in the next 11 to 20 years, compared with 24% in all other industries. More than one out of five (21%) said it would be a problem in the next 11 to 20 years, compared with 28% in all other industries. These results are not necessarily unusual, considering the fact that the industry has a lower concentration of mature workers compared with 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.

Nearly three out of 10 HR professionals (28%) from professional and technical services companies said their organizations were analyzing the impact of workers age 55 and older leaving their organization in the next one to two years, considerably lower than all other industries (36%), as shown in Figure 5. A significantly lower percentage of professional and technical services HR professionals also said they were analyzing the impact of mature workers’ departures in the next three to five years.

More than half of HR professionals in the professional and technical services industry (55%) indicated their organizations were identifying their future workforce needs in the next one to two years (see Figure 6). Overall, the findings suggest that some companies may not be fully aware of the various ways this demographic shift will influence them, but others are cognizant of these changes and are at least taking basic steps to address their workforce needs as a whole.
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 professional and technical services 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.
• Samples, forms, templates and tools:
  • Calculating Turnover.
  • Sample Turnover Cost Worksheet.
  • Diversity Survey.

Figure 5 | Professional and Technical Services Organizations That Have Analyzed the Impact of Workers Age 55 and Older Leaving Their Organization Compared with Other Industries

<table>
<thead>
<tr>
<th>Duration</th>
<th>Information and professional, scientific and technical services</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 2 years</td>
<td><img src="graph1.png" alt="Graph" /></td>
<td><img src="graph2.png" alt="Graph" /></td>
</tr>
<tr>
<td>3 to 5 years</td>
<td><img src="graph3.png" alt="Graph" /></td>
<td><img src="graph4.png" alt="Graph" /></td>
</tr>
<tr>
<td>6 to 10 years</td>
<td><img src="graph5.png" alt="Graph" /></td>
<td><img src="graph6.png" alt="Graph" /></td>
</tr>
</tbody>
</table>

*The difference between Information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

Note: Information and professional, scientific and technical services n = 265-283; all other industries n = 1,178-1,247.


Figure 6 | Professional and Technical Services Organizations That Have Identified Future Workforce Needs Compared with Other Industries

<table>
<thead>
<tr>
<th>Duration</th>
<th>Information and professional, scientific and technical services</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 2 years</td>
<td><img src="graph7.png" alt="Graph" /></td>
<td><img src="graph8.png" alt="Graph" /></td>
</tr>
<tr>
<td>3 to 5 years</td>
<td><img src="graph9.png" alt="Graph" /></td>
<td><img src="graph10.png" alt="Graph" /></td>
</tr>
<tr>
<td>6 to 10 years</td>
<td><img src="graph11.png" alt="Graph" /></td>
<td><img src="graph12.png" alt="Graph" /></td>
</tr>
</tbody>
</table>

Note: Information and professional, scientific and technical services n = 260-285; all other industries n = 1,367-1,277.

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. HR professionals in the professional and technical services industry were significantly less likely than their counterparts in other industries to report that the aging workforce had prompted changes in their recruiting to a great extent (3% compared with 8%) and to some extent (21% compared with 27%). They were also less likely to report that it prompted changes to their retention practices to some extent (20% compared with 27%). Overall, HR respondents in the professional and technical services industry were more likely than those in all other industries to report that the aging workforce had not prompted any changes to their recruiting practices (52% compared with 40%), retention practices (49% compared with 41%) and their general management policy/practices (48% compared with 40%), as shown in Figure 7.

## Steps Organizations Are Taking to Recruit and Retain Mature Workers

Similar to other industries, very few respondents of the professional and technical services industry said their organizations had formal strategies for retaining mature workers, as shown in Figure 8. Employee referrals were the most common method of recruiting mature workers in the professional and technical services industry (36%). HR professionals in this industry were more likely than their peers in all other industries to use networking (33% compared with 22%) and executive search firms (16% compared with 7%) to recruit mature workers. Half of the respondents from professional and technical services organizations (50%) said they did not actively recruit mature workers (see Figure 9).

Because there are few examples that HR professionals in the professional and technical services industry can look to for ideas about how to meet the challenge of recruiting and retention as the workforce ages, research on HR staffing practices that do appear to make a difference in both attracting mature job seekers and retaining those in the older 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 . . .**

<table>
<thead>
<tr>
<th></th>
<th>Information and professional, scientific and technical services</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recruiting practices</strong></td>
<td><img src="chart1" alt="Bar chart showing recruitment changes" /></td>
<td><img src="chart2" alt="Bar chart showing recruitment changes" /></td>
</tr>
<tr>
<td><strong>Retention practices</strong></td>
<td><img src="chart3" alt="Bar chart showing retention changes" /></td>
<td><img src="chart4" alt="Bar chart showing retention changes" /></td>
</tr>
<tr>
<td><strong>General management policy/practices</strong></td>
<td><img src="chart5" alt="Bar chart showing general management changes" /></td>
<td><img src="chart6" alt="Bar chart showing general management changes" /></td>
</tr>
</tbody>
</table>

*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

**Note:** Information and professional, scientific and technical services n = 306-307; all other industries n = 1,393-1,405. Respondents who indicated “Not applicable” were not included in the analysis. Percentages may not total 100% due to rounding.

**Source:** Preparing for an Aging Workforce: Professional and Technical Services Industry Report (SHRM, 2015)

**Figure 8 | Organizations That Have a Formal Strategy for Retaining and Recruiting Older Workers**

<table>
<thead>
<tr>
<th></th>
<th>Information and professional, scientific and technical services</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Retain</strong></td>
<td><img src="chart1" alt="Bar chart showing retention strategies" /></td>
<td><img src="chart2" alt="Bar chart showing retention strategies" /></td>
</tr>
<tr>
<td><strong>Recruit</strong></td>
<td><img src="chart3" alt="Bar chart showing recruitment strategies" /></td>
<td><img src="chart4" alt="Bar chart showing recruitment strategies" /></td>
</tr>
</tbody>
</table>

**Note:** Information and professional, scientific and technical services n = 305; all other industries n = 1,401-1,402.

**Source:** Preparing for an Aging Workforce: Professional and Technical Services Industry Report (SHRM, 2015)
Figure 9 | Methods Used by Professional and Technical Services Organizations to Recruit Older Workers

<table>
<thead>
<tr>
<th>Method</th>
<th>Information and professional, scientific and technical services</th>
<th>All other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee referrals</td>
<td>36%</td>
<td>32%</td>
</tr>
<tr>
<td>Networking</td>
<td>33%*</td>
<td>22%*</td>
</tr>
<tr>
<td>Use of current older workers as recruiters</td>
<td>17%</td>
<td>13%</td>
</tr>
<tr>
<td>Executive search firms</td>
<td>16%*</td>
<td>7%*</td>
</tr>
<tr>
<td>Social media</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>Internet (e.g., websites geared toward older audience)</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Temporary firms</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Employment agencies</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Government-based employment programs (e.g., AARP)</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>Specify that older workers are welcomed and encouraged to apply in job postings</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Churches</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Recruit through local senior citizen community groups</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Newsletters (e.g., AARP Bulletin)</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Older workers’ job fairs</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Retirement communities</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>We do not actively recruit older workers</td>
<td>50%</td>
<td>56%</td>
</tr>
</tbody>
</table>

*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

Note: Information and professional, scientific and technical services n = 146; all other industries n = 837. 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.

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.
Preparing for an Aging Workforce: Professional and Technical Services Industry Toolkit

- Telecommuting Application Form.
- Flextime Request Form.
- Compressed Workweek Policy and Procedure.
- Summer Flextime Policy.
- Summer Flextime Request Form.
- Job Share Memo of Understanding.
- Recognition Policy: Service Awards and Retirement Gifts.
- Phased Retirement Plan Development Checklist.

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.

Skill sets in the professional and technical services industry—particularly technical and engineering-related work—are and will continue to be in high demand for the foreseeable future. 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 two-fifths of HR professionals (40%) leveraged benefits to recruit highly skilled employees, up significantly from 30% in 2013.4

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...
Preparing for an Aging Workforce: Professional and Technical Services Industry Toolkit

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.
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, more than one out of four (26%) professional and technical services respondents said that their organizations attempted to capitalize on and incorporate the experience of mature workers to a great extent, somewhat higher than 21% who reported the same in all other industries. Fewer than one out of five (17%) HR professionals in the professional and technical services 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 mature workers, HR professionals in professional and technical services organizations were most likely to cite their extensive work experience (78%), their maturity levels/professionalism (69%) and their ability to serve as mentors for younger workers (66%). Professional and technical services industry respondents were more likely than HR professionals in all other industries to value mature workers’ established networks of contacts and clients (56% compared with 36% in all other industries), their stronger applied skills such as critical thinking and problem-solving (53% compared with 47%), and their ability to add to diversity of thought/approach to team projects (43% compared with 36%). Professional and technical services respondents were less likely than their peers in all other industries to cite mature workers’ strong work ethic (63% compared with 71%), their reliability (48% compared with 62%) and their lower turnover rates (46% compared with 54%).

HR professionals in professional and technical services organizations were significantly less likely than their counterparts in all other industries to say their organizations had increased training and cross-training efforts (34% compared with 44%) to prepare for potential skills gaps as a result of the loss of mature workers (see Figure 11). They were also less likely than their peers to have developed succession plans (27% compared with 34%) and increased automated processes, such as using robotics (4% compared with 8%), to prepare for potential skills gaps.

Professional and technical services HR professionals were much more likely than their peers (22% compared with 11%) to have offered flexible work arrangements to attract a broader range of applicants. They were also more likely than their counterparts in all other industries (40% compared with 33%) to have not taken any steps to prepare for potential skills gaps as a result of the loss of mature workers.

HR professionals in the professional and technical services industry were significantly less likely than their peers in all other industries (45% compared with 57%) to develop training and/or cross-training programs as a strategy to transfer knowledge from mature workers to younger workers, as shown in Figure 12; they were also less likely to conduct job shadowing (17% compared with 28%) and employ apprenticeship programs (3% compared with 9%). HR professionals in the professional and technical services industry were more likely than their counterparts in all other industries (24% compared with 18%) to not use any strategies at all to facilitate transfer of knowledge between the two age groups.

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 professional and technical services industry, nearly three out of five respondents (59%) indicated employees in their organizations were receptive to working with mature workers to a great extent, somewhat higher than in all other industries (52%). They were also more likely to report that their workers were receptive to learning from mature workers (54% compared with 46%) and being mentored by mature workers (52% compared with 42%) to a great extent.

Fewer professional and technical services HR professionals than those from all other industries reported that their workers were receptive to learning from mature workers (38% compared with 45%) and being mentored by mature workers (36% compared with 43%) to some extent. This may highlight a need for organizations to develop knowledge transfer programs between mature and younger workers or perhaps partner with higher education institutions to develop a pipeline of talent in order to combat future skills shortages.
Figure 10 | Extent to Which Organizations Attempt to Capitalize on and Incorporate the Experience of Older Workers

*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

Note: Information and professional, scientific and technical services n = 300; all other industries n = 1,393.

Figure 11 | Steps Professional and Technical Services Organizations Have Taken to Prepare for Potential Skills Gaps as a Result of the Loss of Older Workers Compared with Other Industries

*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

Note: Information and professional, scientific and technical services n = 305; all other industries n = 1,402. Percentages do not total 100% due to multiple response options.
Only 1% of professional and technical services respondents indicated that employees in their organizations were not at all receptive to 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.

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.

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


Project Team

Project lead:
Jen Schramm, M.Phil., SHRM-SCP, manager, Workforce Trends and Forecasting, SHRM Research

Project contributors:
Alexander Alonso, Ph.D., SHRM-SCP, senior vice president, Knowledge Development, SHRM; Chris Anzalone, manager, Book Publishing, Editorial; Laurie Chua, HR knowledge advisor, SHRM Knowledge Center; Joseph Coombs, senior specialist, Workforce Trends and Forecasting, SHRM Research; Evren Esen, director, Survey Programs, SHRM Research; Karen Wessels, researcher, Workforce Planning, SHRM Research; Shari Lau, knowledge manager, SHRM Knowledge Center; Beth McFarland, director, Foundation Programs, SHRM Foundation; Dorothy Meehan, manager, Foundation Programs, SHRM Foundation; Mark Schmit, Ph.D., executive director, SHRM Foundation; Allen Smith, manager, Workplace Law Content; Anne St. Martin, manager, HR Knowledge Center Express Ops; the SHRM Knowledge Center Team; Katya Scanlan, copy editor; Blair Cobb, senior design specialist

Disclaimer:
This toolkit is published by the Society for Human Resource Management (SHRM). All content is for informational purposes only and is not to be construed as a guaranteed outcome. The Society for Human Resource Management cannot accept responsibility for any errors or omissions or any liability resulting from the use or misuse of any such information. The views presented in interviews and case studies do not necessarily represent the views of SHRM.

© 2016 Society for Human Resource Management. All rights reserved.

This publication may not be reproduced, stored in a retrieval system or transmitted in whole or in part, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of the Society for Human Resource Management.

For more information, please contact:
SHRM Research Department
1800 Duke Street, Alexandria, VA 22314, USA
Phone: (703) 548-3440 Fax: (703) 535-6432
Web: shrm.org/research