



A RESEARCH REPORT BY THE SOCIETY FOR HUMAN RESOURCE MANAGEMENT (SHRM)

# Preparing for an Aging Workforce

PROFESSIONAL AND TECHNICAL SERVICES INDUSTRY REPORT



Funded by



ALFRED P. SLOAN  
FOUNDATION

# Preparing for an Aging Workforce

## PROFESSIONAL AND TECHNICAL SERVICES INDUSTRY REPORT

A RESEARCH REPORT BY THE SOCIETY FOR HUMAN RESOURCE MANAGEMENT (SHRM)

### ABOUT SHRM

Founded in 1948, the Society for Human Resource Management (SHRM) is the world's largest HR membership organization devoted to human resource management. Representing more than 275,000 members in over 160 countries, the Society is the leading provider of resources to serve the needs of HR professionals and advance the professional 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](http://shrm.org). For more information about the SHRM/SHRM Foundation Older Workers initiative, visit [www.shrm.org/surveys](http://www.shrm.org/surveys) and [www.shrmfoundation.org](http://www.shrmfoundation.org).



### ONLINE

SHRM Online [shrm.org](http://shrm.org)  
SHRM Research [shrm.org/research](http://shrm.org/research)  
SHRM Survey Findings [shrm.org/surveys](http://shrm.org/surveys)  
SHRM Research on Twitter @SHRM\_Research  
SHRM Research on LinkedIn [LinkedIn.com](http://LinkedIn.com)  
SHRM Research on SHRM Connect  
<http://community.shrm.org/home>

### MEDIA CONTACTS

Kate Kennedy  
[kate.kennedy@shrm.org](mailto:kate.kennedy@shrm.org)  
+ 1.703.535.6260  
  
Vanessa Gray  
[vanessa.gray@shrm.org](mailto:vanessa.gray@shrm.org)  
+ 1.703.535.6072

### USA

SHRM Headquarters  
Alexandria, VA 22314  
+1.800.283.7476  
[SHRM@shrm.org](mailto:SHRM@shrm.org)

### CHINA

Gateway Plaza  
Chaoyang District  
Beijing, 100027  
+86.10.59231033  
[SHRMChina@shrm.org](mailto:SHRMChina@shrm.org)

### INDIA

Gurgaon, Sector 26  
Haryana 122002  
+91.12.44200243  
[SHRMIndia@shrm.org](mailto:SHRMIndia@shrm.org)

### UNITED ARAB EMIRATES

Dubai Knowledge Village  
Dubai, UAE  
+971.050.104.6330  
[SHRM.MEA@shrm.org](mailto:SHRM.MEA@shrm.org)

### DISCLAIMER

This report 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.

© December 2015 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 +1.703.548.3440 Fax +1.703.535.6432  
Web [www.shrm.org/research](http://www.shrm.org/research)

15-0667

# Table of Contents

<b>ABOUT THIS RESEARCH REPORT</b> .....	<b>1</b>
<b>THE AGING WORKFORCE AND THE U.S. PROFESSIONALS AND TECHNICAL SERVICES INDUSTRY</b> .....	<b>3</b>
<b>THE STATE OF OLDER WORKERS IN THE U.S. PROFESSIONAL AND TECHNICAL SERVICES INDUSTRY</b> .....	<b>5</b>
Proportion of Workers Age 55 and Older in the Professional and Technical Services Industry.....	5
Awareness of the Changing Workforce Demographics in the Professional and Technical Services Industry .....	6
Assessing the Impact of Changing Workforce Demographics .....	7
<b>RECRUITING AND RETAINING OLDER WORKERS IN THE U.S. PROFESSIONAL AND TECHNICAL SERVICES INDUSTRY</b> .....	<b>11</b>
Recruiting Older Workers in Professional and Technical Services .....	13
Retaining Older Workers in Professional and Technical Services .....	13
<b>CASE STUDY: THE BIONETICS CORP.</b> .....	<b>18</b>
<b>SKILLS AND OLDER WORKERS</b> .....	<b>21</b>
Capitalizing on the Value of Older Workers in Professional and Technical Services.....	21
Perceived Advantages of Older Workers in Professional and Technical Services .....	22
<b>CONCLUSION AND IMPLICATIONS FOR PROFESSIONAL AND TECHNICAL SERVICES HR PROFESSIONALS</b> .....	<b>31</b>
<b>METHODOLOGY</b> .....	<b>32</b>
<b>ENDNOTES</b> .....	<b>33</b>



# About This Research Report

SHRM and the SHRM Foundation have launched a national initiative to highlight the value of older workers and to identify—through original research—best practices for employing an aging workforce. This three-year initiative is generously underwritten by a grant from the Alfred P. Sloan Foundation.

The overall purpose of this research is to:

- Investigate the current demographics of organizations and their views on how the demographic breakdown of their workforces is likely to change in the future in both their organizations and their industries.
- Determine what, if any, actions organizations are taking to prepare for an aging workforce, including recruiting and retention strategies to specifically target older workers.
- Identify the skills and experience HR professionals value in older workers.

## Definition

For the purpose of this survey, “older workers” were defined as employees 55 years of age or older.



# The Aging Workforce and the U.S. Professional and Technical Services Industry<sup>1</sup>

The U.S. workforce is aging across industries. The U.S. Bureau of Labor Statistics (BLS) forecasts that by 2016 one-third of the U.S. labor force will be in the 50-plus age category, compared with 27% in 2007. The percentage of retired Baby Boomers has nearly doubled since 2010, when the U.S. Census Bureau found that only 10% of Baby Boomers were retired. Although this demographic shift will influence workplaces everywhere, each industry will be affected by this change in different ways, driven by current demographics, education trends and industry growth.

The BLS classifies the professional, scientific and technical services sector as comprising “establishments that specialize in performing professional, scientific, and technical activities for others.” The types of jobs this sector produces tend to require high levels of expertise and training. Some examples of roles in this sector cited by the BLS include legal advice and representation; accounting, bookkeeping and payroll services; architectural, engineering and specialized design services; computer services; consulting services; research services; advertising services; and other professional, scientific and technical services.

The BLS projects that the professional and business services sector in the United States, which includes professional and technical services, will grow from almost 16 million jobs in 2002 to about 21.4 million jobs in 2022 with an annual growth rate of 1.8% between 2012 and 2022.<sup>2</sup>

According to the BLS, workers in private-sector professional and technical services had a lower-than-average tenure when compared with all other industries, with a median tenure of 3.6 years in January 2014 compared with 4.6 years overall.<sup>3</sup> Meanwhile, the median age of workers the BLS classifies as belonging to the professional and business services sectors, at 42.6, is almost identical to the median age of industries overall (42.4 years old).<sup>4</sup> These economic and demographic factors are likely to influence the way the professional and technical services

industry responds to the challenges and opportunities of an aging workforce.

As part of the SHRM and the SHRM Foundation three-year initiative supported by a grant from the Alfred P. Sloan Foundation, SHRM Research conducted a survey of HR professionals to learn more about how different industries are preparing for an aging workforce. The survey examined the current demographics of industries and organizations as well as respondents' views on how the demographic breakdown of their workforce is likely to change in the future. The survey was organized into three parts:

- The State of Older Workers in U.S. Organizations.
- Recruitment and Retention of Older Workers.
- Basic and Applied Skills of Older Workers.

This report is an overview of the survey findings on the professional and technical services industry compared with all other industries.





# The State of Older Workers in the U.S. Professional and Technical Services Industry

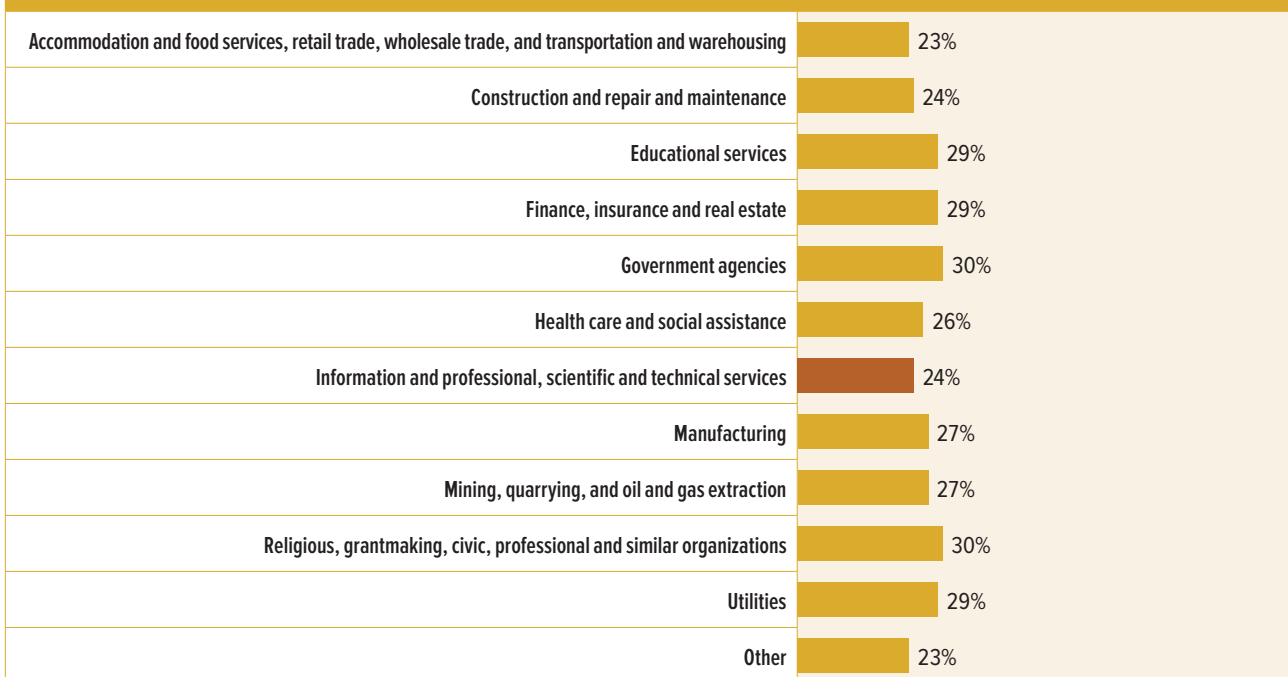
## Key Findings

- What percentage of workers in the professional and technical services industry are age 55 and older?** Responding professional and technical services firms reported approximately one-quarter (24%) of their workforce is age 55 and older, similar to many other industries (see Figure 1).
- Are professional and technical services organizations preparing for an aging workforce?** Though HR professionals in professional and technical services firms (14%) were about as likely as HR professionals in other industries (12%) to say that they were not aware that the proportion of older workers was increasing and would make up a greater proportion of the workforce, they were significantly less likely to say they were beginning to examine their policies and practices in response (30% in professional and technical services compared with 38% in all other industries). HR professionals in professional and technical services were also significantly more likely to say that their organizations had examined their workforce and determined that no changes in their policies and practices were necessary (25% in professional and technical services compared with 18% in other industries).
- Do HR professionals in the professional and technical services sector see the aging workforce as a potential problem for their industry?** Very few HR professionals in the professional and technical services sector believed the impact of the potential loss of talent due to retirement of workers was considered an immediate crisis for their industry (3% in the next one to two years and 2% in the next three to five years). However, looking further out, slightly more professional and technical services HR professionals foresaw the aging workforce as a problem for their industry (26% consider it a problem, and 6% consider it a crisis in the next six to 10 years). In the immediate future (one to two years), fewer HR professionals in this industry reported that an aging workforce is a potential problem compared with other industries (27% in professional and technical services compared with 34% in other industries); the same was true in 11 to 20 years (21% in professional and technical services versus 28% in other industries).
- Are professional and technical services firms taking any steps in response to an aging workforce?** Fewer HR professionals from professional and technical services firms said their organizations were taking steps to prepare for an aging workforce compared with their counterparts in other industries. For example, 28% of HR professionals in professional and technical services organizations indicated their organizations had analyzed the impact of workers age 55 and older leaving in the next one to two years compared with 36% of HR professionals in other industries.

The first part of the Preparing for an Aging Workforce Survey explored the proportion of older workers in various industries, how aware HR professionals in these industries are of the impending demographic shift toward an older workforce and what, if any, actions organizations are taking to prepare for this shift.

## Proportion of Workers Age 55 and Older in the Professional and Technical Services Industry

HR professionals in the professional and technical services sector reported that about one-quarter (24%) of their workforce fell into the older worker category, similar to many other industries (see Figure 1).

**FIGURE 1 | Percentage of Older Workers, by Industry**

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

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

### Awareness of the Changing Workforce Demographics in the Professional and Technical Services Industry

Few HR professionals in professional and technical services firms (14%) were not aware that the proportion of older workers is increasing and projected to make up approximately 26% of the labor force by the year 2022, compared with 21% in 2012 and 14% in 2001. Significantly fewer HR professionals in professional and technical services said they were beginning to examine their policies and management practices to see if changes were needed (30% in professional and technical services compared with 38% in other industries). HR professionals in professional and technical services organizations seem to be slightly less concerned about this impending demographic shift than their counterparts in other industries. Whereas they were no less likely to say they have implemented policies and practices to address the change, they were significantly more likely to say that they had examined their policies and practices and had determined that no changes were necessary (25% in professional and technical services compared with 18% in other industries—see Figure 2).

There may be several reasons for this difference. Because this industry does not skew older in terms of age demographics, HR professionals in this industry may be less likely to be aware of these demographic changes because they have not yet had to deal with a large number of workers beginning to retire at around the same time. Another possibility is that HR professionals in the

professional and technical services industry may believe they will be able to modify their practices in the future and when needed to accommodate an aging workforce, making the aging of the workforce less of a concern. Additionally, the pipeline of talent for this industry may be seen as stronger, and therefore the loss of older workers to retirement may be viewed as having less of an impact.

HR professionals from professional and technical services organizations tended to be less likely than other industries overall to consider the potential loss of talent as a result of older workers retiring or leaving their organizations for other reasons as a problem for their industry. This was true of the next one-to-two-year time frame (55% of respondents in professional and technical services did not consider it a problem versus 44% in other industries). Fewer HR professionals in the professional and technical services industry considered this trend a potential problem for their industry in the longer term (11 to 20 years) as well (21% in professional and technical services compared with 28% in other industries). Similarly, 31% of HR professionals in the professional and technical services industry said they did not consider the loss of talent due to an aging workforce a problem for their industry in the of 11-to-20-year time frame, compared with 24% in other industries (see Figure 3).

One reason that HR professionals in the professional and technical services sector may be less likely to see the aging of the workforce as a challenge for their industry is that they are currently not seeing this issue as having much impact at the organizational level. When assessing the impact at an organizational level, more HR professionals in the professional and technical services industry did not view the aging workforce as a problem compared with their counterparts in other industries (61% said it was not a problem in the one-to-two-year time frame in professional and technical services compared with 52% in all other industries, as shown in Figure 4).

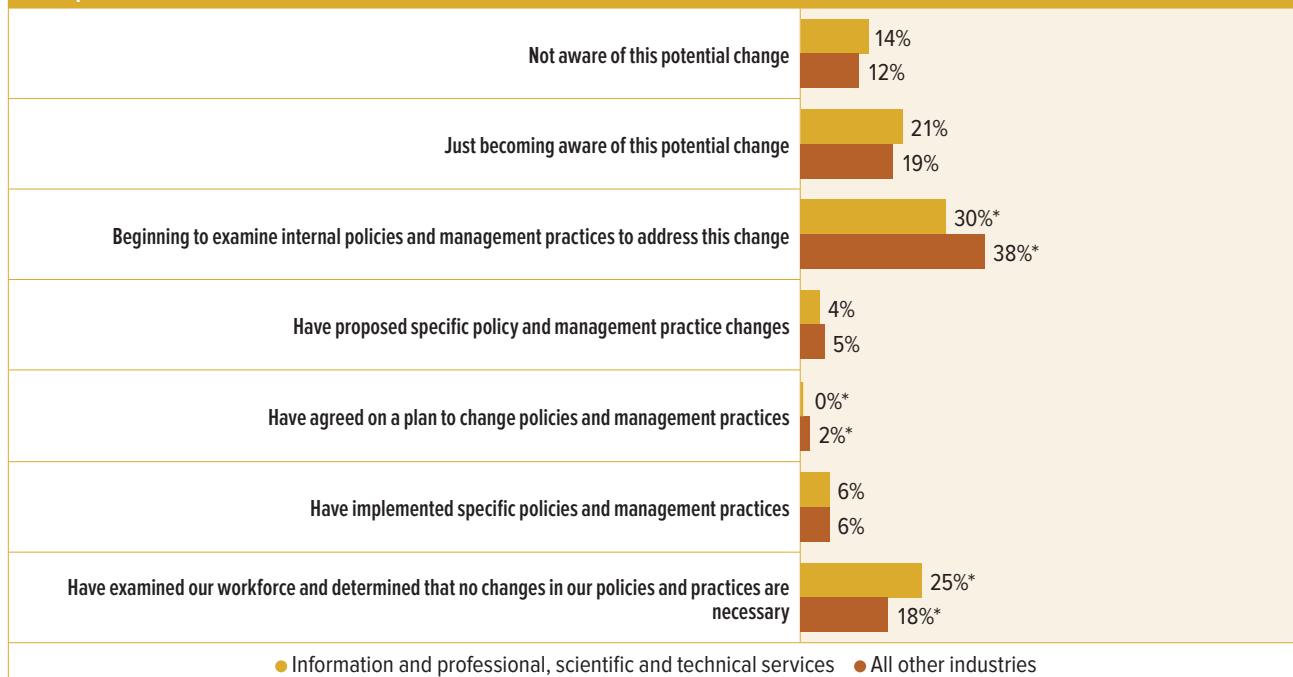
### Assessing the Impact of Changing Workforce Demographics

Missing information around precisely when and how the workforce will face a wave of retirements within a given industry or organization may be one of the reasons HR professionals in many industries do not consider these demographic shifts to be a problem. This seems to be the case in the professional and technical services industry. Fewer HR professionals in this industry indicated that their organizations had analyzed the impact of workers age 55 and older leaving their organizations in all time frames measured (see Figure 5).

Similarly, results seemed to indicate a pattern of fewer HR professionals in the professional and technical services industry indicating their organizations had identified their future workforce needs compared with organizations in other industries. Only 17% of professional and technical services organizations had identified their needs beyond six years (see Figure 6). HR professionals in the professional and technical services industry also appeared to be less aware of the potential skills gaps they could soon be facing; 33% said their organizations had identified their potential skills gaps in the three-to-five-year time frame, significantly lower than other industries (40%), as shown in Figure 7.

Overall, the findings suggest that many organizations may not be fully aware of the various ways this demographic shift will influence their workforces. Professional and technical services industry organizations appear to be less likely than their counterparts in other industries to have assessed the impact of these changes on their organizations or to have taken steps to prepare for this shift.

**FIGURE 2 | How Professional and Technical Services Organizations Are Preparing for an Aging Workforce Compared with Other Industries**

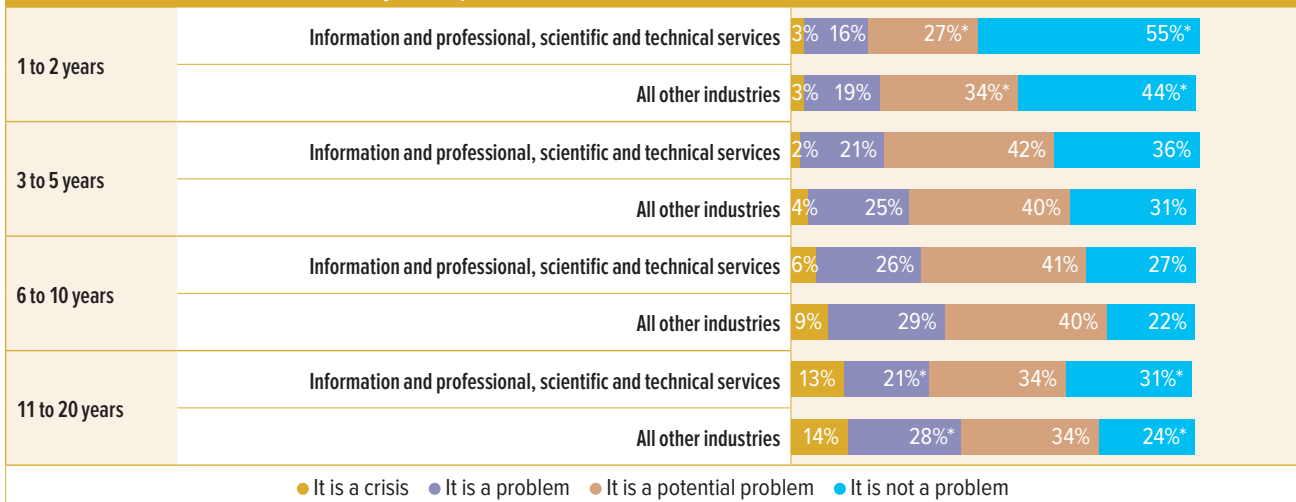


\*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

Note: Information and professional, scientific and technical services n = 281; all other industries n = 1,309.

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

**FIGURE 3 | Perceived Impact of the Potential Loss of Talent Due to an Aging Workforce on the Professional and Technical Services Industry Compared with Other Industries**

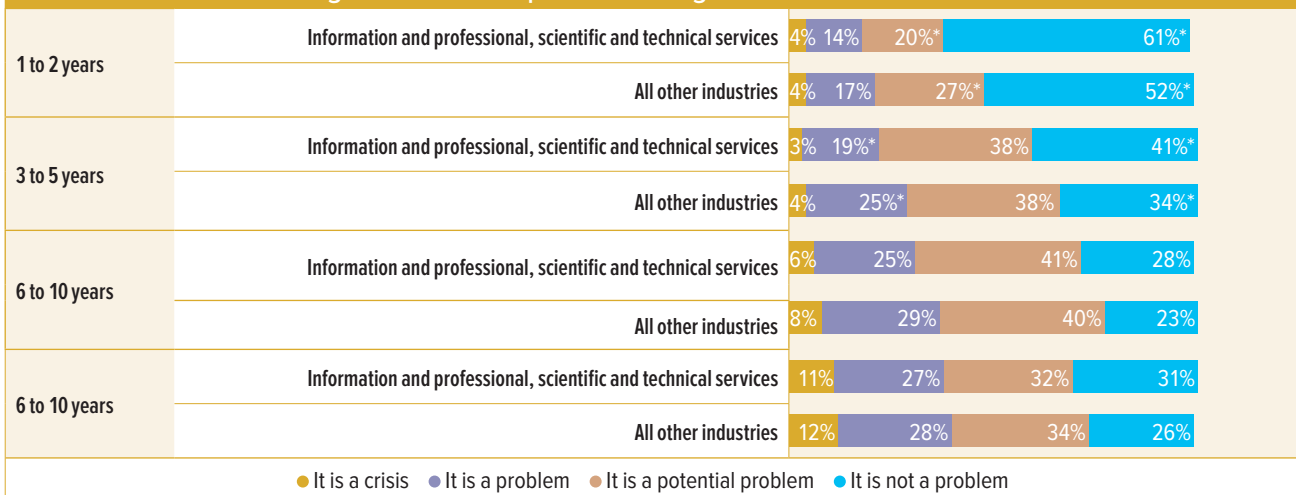


\*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

**Note:** Information and professional, scientific and technical services n = 219-262; all other industries n = 1,062-1,225. 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 4 | Perceived Impact of the Potential Loss of Talent Due to an Aging Workforce on Professional and Technical Services Organizations Compared with Organizations in Other Industries**

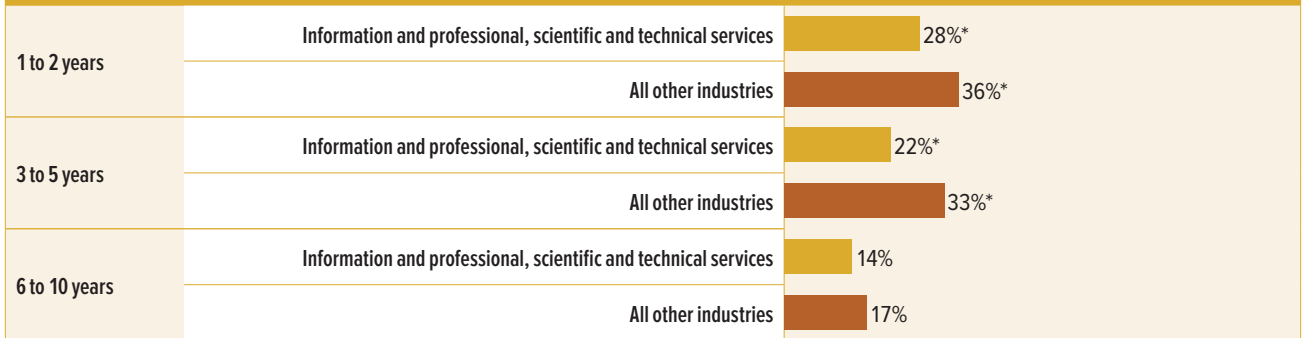


\*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

**Note:** Information and professional, scientific and technical services n = 245-295; all other industries n = 1,134-1,367. 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 5 | Professional and Technical Services Organizations That Have Analyzed the Impact of Workers Age 55 and Older Leaving Their Organization Compared with Other Industries**

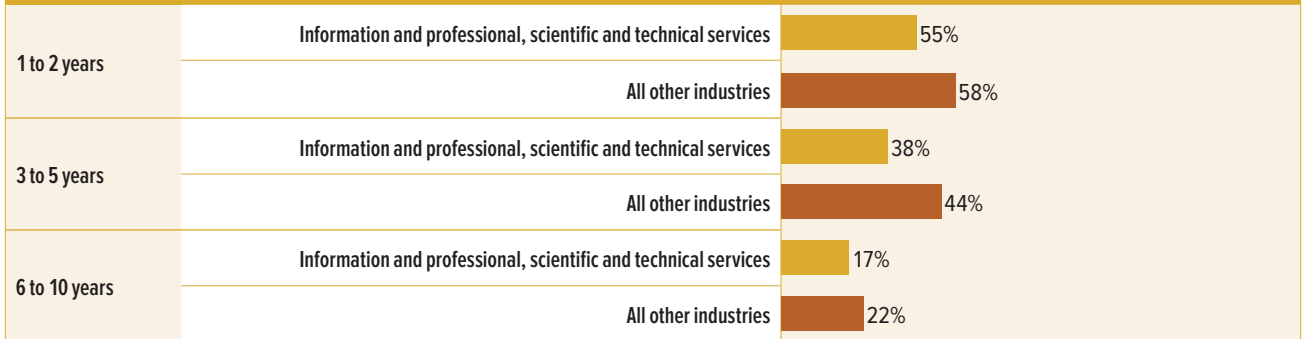


\*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05).

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

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

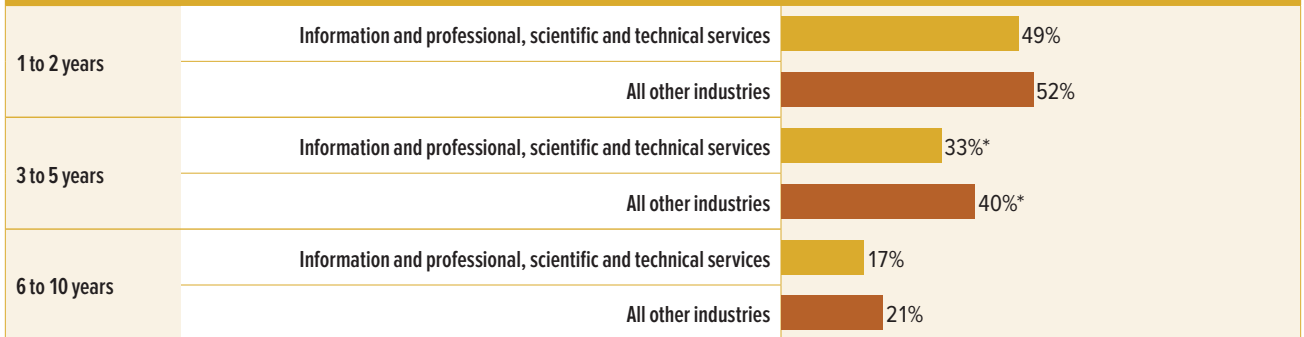
**FIGURE 6 | Professional and Technical Services Organizations That Have Identified Future Workforce Needs Compared with Other Industries**



**Note:** Information and professional, scientific and technical services n = 260-285; all other industries n = 1,167-1,277.

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

**FIGURE 7 | Professional and Technical Services Organizations That Have Identified Their Potential Skills Gaps 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 = 261-287; all other industries n = 1,158-1,254.

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



# Recruiting and Retaining Older Workers in the U.S. Professional and Technical Services Industry

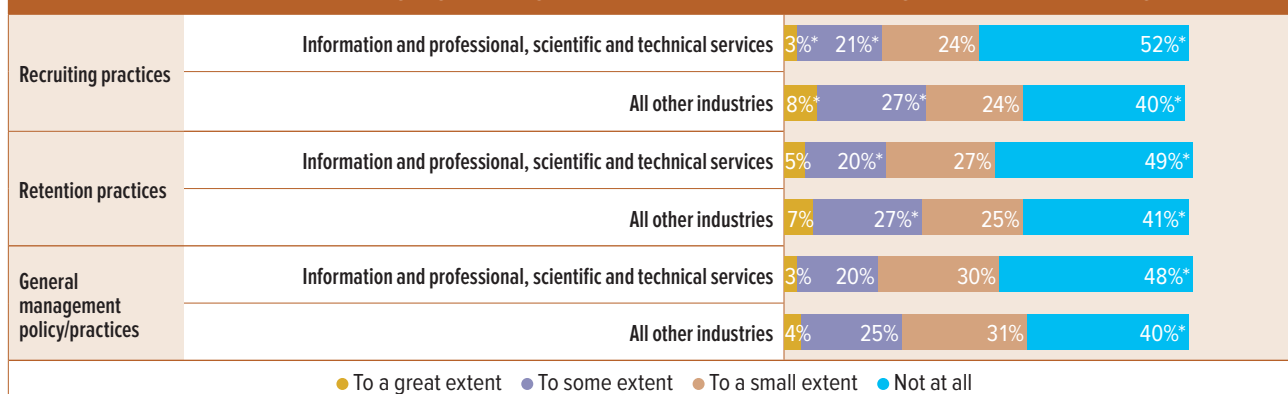
## Key Findings

- Has the aging workforce prompted changes in recruiting and retention practices in the professional and technical services industry?** HR professionals in the professional and technical services industry were significantly more likely to report that the aging workforce had not prompted any changes in their recruiting, retention or general management practices compared with HR professionals in other industries.
- Do professional and technical services industry organizations track impending retirements?** Professional and technical services industry organizations were significantly less likely to track impending retirements of their workers in the short- (one to two years), medium- (three to five years) and long-term (beyond six years) time frames than other industries.
- Do professional and technical services industry organizations have formal strategies for attracting and retaining older workers?** Very few professional and technical services organizations said their firms had formal strategies for either retaining (4%) or recruiting (3%) older workers, about the same as other industries.
- What methods are used to recruit older workers in the professional and technical services industry?** As in other industries, employee referrals were the most common method of recruiting older workers in the professional and technical services industry, but HR professionals in this industry were significantly more likely to report the use of networking to recruit mature workers than their counterparts in other industries (33% compared with 22% in other industries). One-half (50%) of professional and technical services firms said they did not actively recruit older workers.

HR professionals in the professional and technical services industry appear to be less concerned with the aging of the workforce at both the industry and organizational levels. Because they are not as worried about the impact of these demographic changes, they may not feel the same pressure as their counterparts in other industries to make changes to their recruiting, retention and general management practices. The survey findings support this assertion; as shown in Figure 8, HR professionals in the professional and technical services industry are significantly less likely than HR professionals in other industries to report that their organizations are making changes to their management or recruiting and retention practices in preparation for these shifts. This may not only be because they have less concern about this demographic change. Another explanation may be that this industry lends itself more easily to the types of changes that might be needed to attract, retain and manage a mature workforce. Flexible

work practices are often recommended by experts as a strategy for retaining workers beyond retirement age.<sup>5</sup> One line of thinking might be that these kinds of practices may already be more common in the professional and technical services industry than in other industries, and therefore fewer changes may be necessary to enable organizations in this industry to offer these kinds of benefits. However, the data from the survey on barriers to recruiting and retaining mature workers indicate that HR professionals in the professional and technical services industry are more likely to report that they experience challenges in retaining older workers due to an inability to offer career flexibility, as shown in Table 1; the data suggest the professional and technical services industry may also have greater difficulty in retaining older workers compared with other industries due to an inability to offer flexibility in type of employment and work hour flexibility.

**FIGURE 8 | Extent the Increasing Age of Organization’s Workforce Has Begun to Prompt Changes in . . .**



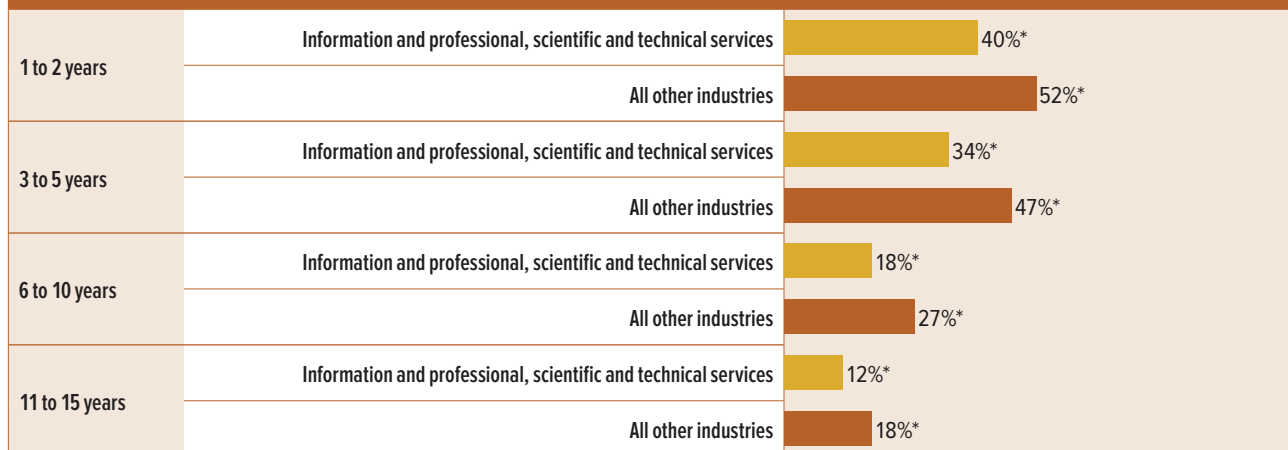
● To a great extent ● To some extent ● To a small extent ● Not at all

\*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 9 | Organizations That Track the Percentage of Workers in Organizations Eligible to Retire in the Next . . .**



\*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 = 301-309; all other industries n = 1,371-1,416.

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



Professional and technical services organizations were also significantly less likely to track impending retirements in all the time frames measured compared with other industries, as shown in Figure 9. This difference was most striking in the short- to medium-term time frames (between 1 and 5 years) because the further out the time frame, the less likely HR professionals in any industry were to report that they were tracking the percentage of workers eligible for retirement.

As shown in Figure 10, very few professional and technical services organizations reported they had a formal strategy for retaining (4%) or recruiting (3%) older workers. In this way, these organizations do not differ from organizations in other industries.

### Recruiting Older Workers in Professional and Technical Services

Across industries, HR professionals whose organizations recruit older workers said that employee referrals were the most common method of recruiting these workers. This was also true in the professional and technical services industry in which 36% used this method. However, as shown in Figure 11, HR professionals in this industry were significantly more likely than their colleagues in other industries to report that they used networking to recruit mature workers (33% compared with 22%) as well as use executive search firms (16% compared with 7% in other industries).

HR professionals in professional and technical services organizations did not differ from their peers in other industries in the levels of difficulty they reported in

recruiting exempt older workers (see Figure 12) or nonexempt older workers with about one-fifth to one-fourth indicating it was easy or extremely easy to recruit older workers, regardless of exemption status.

### Retaining Older Workers in Professional and Technical Services

Looking specifically at the retention of older workers, there were no significant differences between professional and technical services organizations and other industries when it came to retaining exempt older workers, and few organizations found it extremely difficult or difficult to retain these types of workers (8% compared with 9% in other industries). HR professionals in the professional and technical services industry were significantly less likely to report that retaining nonexempt older workers was extremely difficult or difficult compared with their counterparts in other industries (6% compared with 11% in other industries; see Figure 14).

HR professionals in the professional and technical services industry were significantly more likely to say that their inability to offer mature workers career flexibility acted as a barrier to retaining this demographic, as shown in Table 1 (62% in professional and technical services compared with 41% in all other industries). The inability to offer many other kinds of workplace flexibility also acted as a barrier to retaining this demographic.

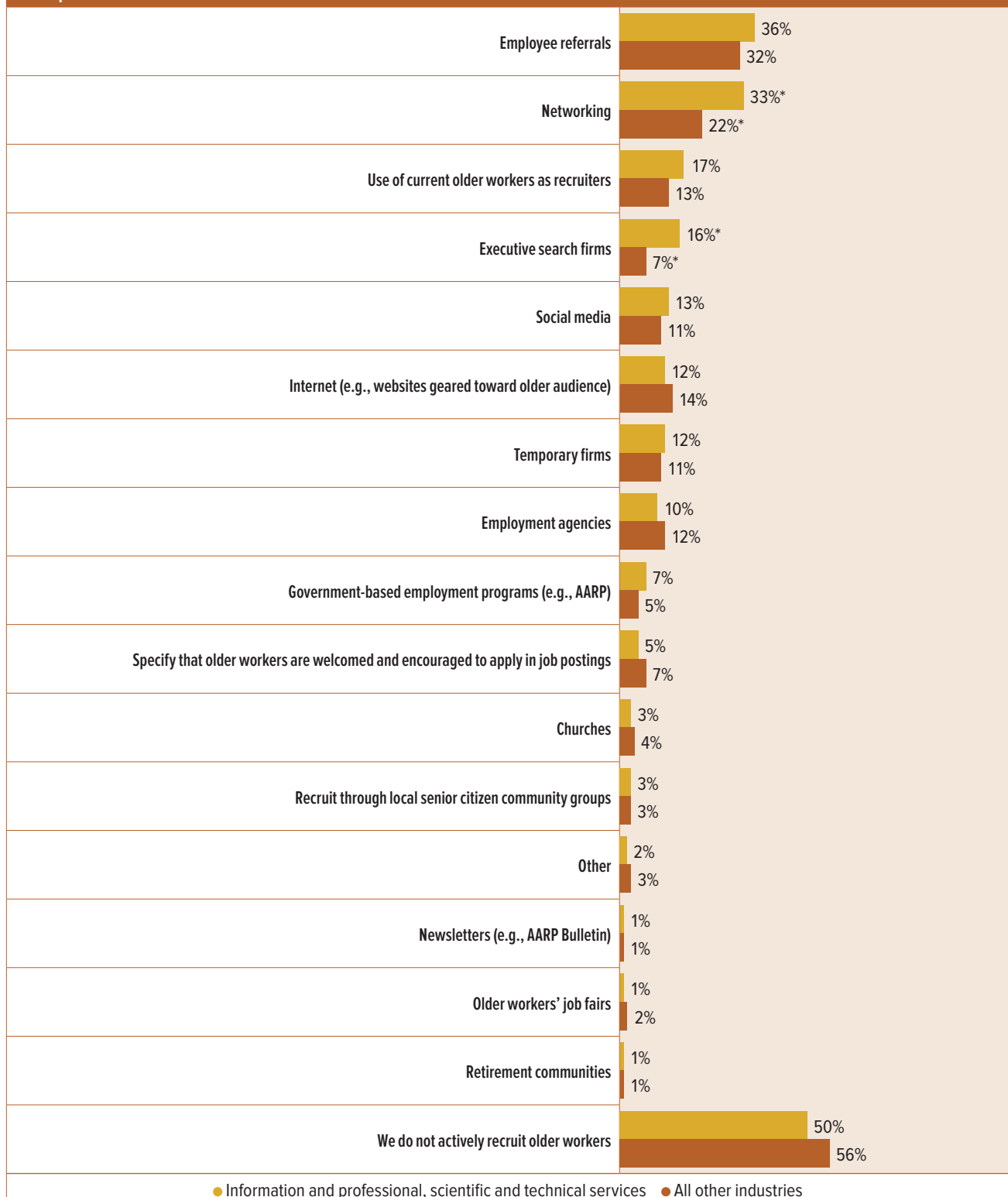
**FIGURE 10 | Organizations That Have a Formal Strategy for Retaining and Recruiting Older Workers**

Retain	Information and professional, scientific and technical services	4%
	All other industries	4%
Recruit	Information and professional, scientific and technical services	3%
	All other industries	3%

**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 11 | Methods Used by Professional and Technical Services Companies to Recruit Older Workers Compared with Other Industries**

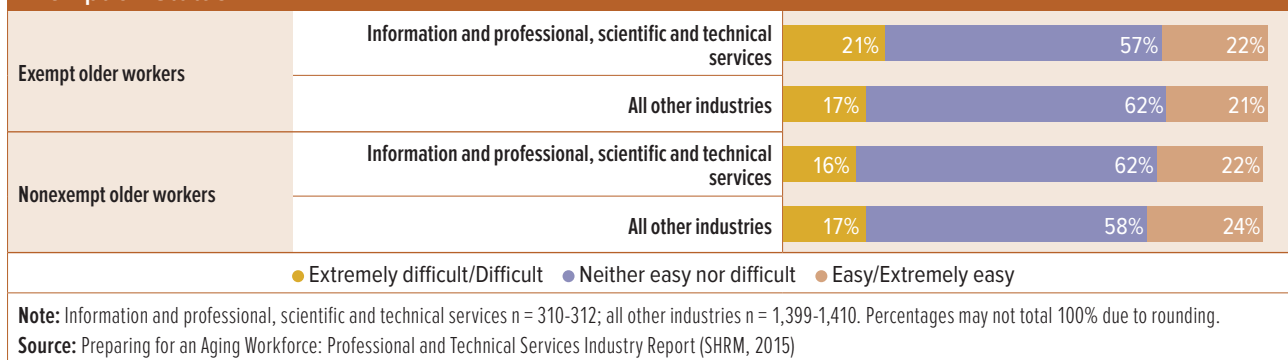


\*The difference between information and professional, scientific and technical services and all other industries is statistically significant ( $p < .05$ ).

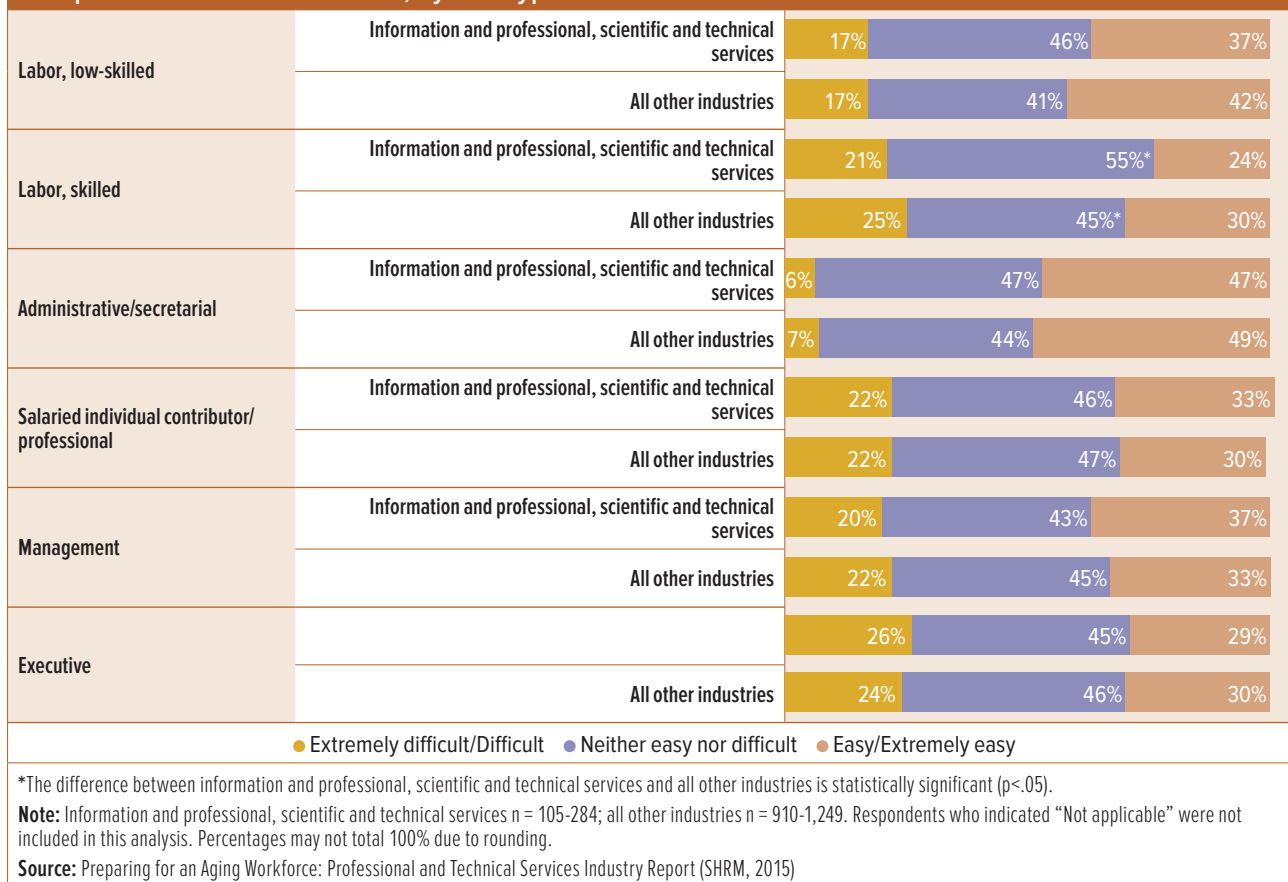
**Note:** Information and professional, scientific and technical services  $n = 146$ ; all other industries  $n = 837$ . Only respondents who indicated that the increasing age of their organizations' workforce has prompted change in their recruiting practices were asked this question. Percentages do not total 100% due to multiple response options.

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

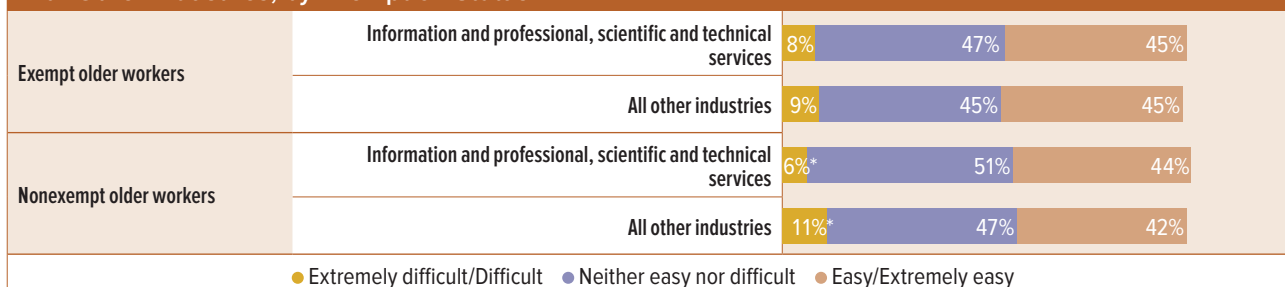
**FIGURE 12 | Ease or Difficulty in Recruiting Qualified Older Workers Compared with Other Industries, by Exemption Status**



**FIGURE 13 | Ease or Difficulty in Recruiting Qualified Older Workers in Professional and Technical Services Compared with Other Industries, by Job Type**



**FIGURE 14 | Ease or Difficulty in Retaining Older Workers in Professional and Technical Services Compared with Other Industries, by Exemption Status**



\*The difference between information and professional, scientific and technical services and all other industries is statistically significant (p<.05). Percentages may not total 100% due to rounding.

**Note:** Information and professional, scientific and technical services n = 308-312; all other industries n = 1,401-1,420.

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

**TABLE 1 | Factors That Contribute to Difficulties in Retaining Older Workers**

My organization is unable to offer...	Information and Professional, Scientific and Technical Services	All Other Industries
Career flexibility (e.g., reduced responsibilities, job change/occupation shift)	62%*	41%*
Flexibility in type of employment (e.g., consultant work, temporary work)	52%	37%
Work hour flexibility (e.g., reduced hours, job-sharing, phased retirement, part-year employment)	52%	44%
Work schedule flexibility (e.g., changing starting and ending times periodically, compressed workweek)	45%	44%
Flexibility in work location (e.g., working from home, satellite offices)	34%	49%
Benefits attractive to older workers (e.g., different health care benefits, wellness benefits)	31%	35%
Other	7%	16%

\*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 = 29; all other industries n = 196. Only respondents who indicated it is “Difficult” or “Very difficult” for their organization to retain older workers compared with other workers were asked this question. Percentages do not total 100% due to multiple response options.

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



## CASE STUDY: The Bionetics Corp.

The work performed at the Bionetics Corp., based in Yorktown, Va., is not exactly geared for the typical college graduate who has just embarked on a job search. The company provides calibration and other tech-heavy measurement services for equipment used by the likes of NASA and branches of the U.S. armed forces. Consequently, the company's workforce is dominated by seasoned professionals, many of whom have previously spent time working for the U.S. Air Force, the U.S. Navy and other federal agencies. And even with that wealth of experience on the payroll, Bionetics officials eventually realized it was not a sustainable demographic model for the business. Of the 400 people working at Bionetics, about 65% fall into the 55-and-older category, said Susan Hayes, the company's accounting/personnel director. It has often been easy to accommodate the needs of older workers individually, she said, but the company needed something to ensure that those employees' skills were not lost when they retired.

"We generally deal with things on a case-by-case basis," Hayes said. "Some workers may need part-time hours because they want to gradually transition into retirement, for instance. But at the same time, we have to look at our own needs, so we do all we can to keep those workers with the most institutional knowledge. That was why we developed a mentoring program."

Under that program, new workers who arrive at the company are assigned a mentor who teaches them "the ins and outs" of Bionetics' business, Hayes said. As the younger employee's skills are enhanced, the mentor still stays in contact with that worker in an advisory role, when needed. The relationship requires a significant commitment on the part of both employees, given the complex work that is handled at Bionetics. The company, which has been around for nearly 50 years, also provides engineering and life sciences services and has operations in 22 states and Guam.

"When you talk about the calibration contracts in particular, it takes a few years to get where you need to be [for your skill level]," Hayes said. The mentoring program's success will be a key component of the company's increased efforts to recruit younger workers, given that Bionetics' payroll tilts heavily toward the older demographic. "A lot of our workers are really getting up there in age," she said. "We just did our open enrollment for benefits, and our insurance quotes reflect that. We have a few that are 80 years old, but they still enjoy the work and we're happy to have them."

Ultimately, Bionetics officials see value in both the younger and older workers at the company. Less-seasoned employees may not yet have the experience needed for the complex jobs, but they have the "updated skills" such as computer and electronics work that their older counterparts do not always possess, Hayes said. They are also generally more flexible with their careers than the longtime members of Bionetics' staff.

"One of the problems we often run into is that, when a contract expires in North Dakota and then another one opens up in Florida, [older workers] are not so quick to move to the new location as the younger ones," she said. For now, Bionetics' senior employees will continue teaching their younger colleagues with the hope of keeping the company's operations thriving for the foreseeable future.

"The older workers bring knowledge and stability," Hayes said. "The government agencies we work for are very conservative, and at the same time, many of our workers have already been in that environment. Some have worked for the Air Force, for example. They know the lingo, they get along with the officers. That's a big part of all this, the relationship with the customer."







# Skills and Older Workers

## Key Findings

- Do professional and technical services organizations capitalize on and incorporate the experience of older workers?** More than three-fifths (61%) of professional and technical services respondents indicated that their organizations attempted to capitalize on and incorporate the experience of older workers to some or a great extent. Similar to HR professionals in other industries, few (17%) reported that their organizations did not capitalize on and incorporate the experience of older workers at all.
- What basic and applied skills do professional and technical services organizations value in their older workers?** Similar to their counterparts in other industries, the majority of HR professionals in professional and technical services organizations reported that they valued the more extensive work experience (78%) and greater maturity and professionalism (69%) of older workers. However, HR professionals in the professional and technical services industry were significantly less likely to indicate they valued older workers' work ethic, reliability and lower turnover than HR professionals in other industries (63% versus 71%, 48% versus 62%, 46% versus 54%, respectively). They were significantly more likely to report they valued the established networks and contacts of mature workers (56% compared with 36% in other industries) and stronger applied skills (53% compared with 47% in other industries). They were also significantly more likely to say they valued the ability of older workers to add to diversity of thought/approach to team projects (43% compared with 36% in other industries).
- What steps are professional and technical services organizations taking to prepare for potential skills gaps as a result of the loss of older workers?** HR professionals in professional and technical services firms were significantly less likely than their counterparts in other industries to say their organizations had increased training and cross-training efforts (34% versus 44% in other industries), developed succession plans (27% versus 34%), and increased automated processes (4% versus 8%). However, they were more likely to report that they had introduced flexible work practices to appeal to a wider range of applicants (22% compared with 11% in other industries).

How organizations capitalize on the skills and experience of older workers will be one of the most critical ways that organizations build competitive advantage as the workforce ages. In the professional and technical services industry, the skills requirements tend to be high. The survey looked at the skills HR professionals in the industry value in their mature employees, including basic and applied skills, and what efforts, if any, they are making to transfer the skills and knowledge of older workers to the rest of their workforce.

### Capitalizing on the Value of Older Workers in Professional and Technical Services

As shown in Figure 15, 26% of HR professionals in professional and technical services companies said their organizations were making the most of the skills and experience of older workers to a great extent and 35% to some extent. Only 17% said their organizations did not attempt to capitalize on and incorporate the skills and experience of older workers.

### Perceived Advantages of Older Workers in Professional and Technical Services

The majority of HR professionals in professional and technical services organizations indicated they valued older workers' work experience (78%), maturity and professionalism (69%), and ability to serve as mentors for younger workers (66%). HR professionals in professional and technical services organizations were significantly less likely than HR professionals in other industries to report the following as advantages of older workers: stronger work ethic (63% versus 71% in other industries), reliability (48% versus 62% in other industries) and lower turnover (46% versus 54% in other industries). Meanwhile, they were significantly more likely to report valuing their mature employees' established networks of contacts (56% versus 36% in other industries), stronger applied skills (53% versus 47% in other industries), and their ability to add diversity of thinking and approaches to team projects (43% versus 36% in other industries) (see Figure 16).

There were also significant differences between the perceived strongest basic skills of older workers according to HR professionals in the professional and technical services industry compared with their peers in other industries. Though writing in English was the top basic skill attributed to older workers in professional and technical services as well as in other industries, this skill was more frequently reported as valued by HR professionals in this sector than HR professionals in other industries (56% versus 42% in other industries). Other basic skills assessed were reported as valued by the same percentage of HR professionals in the professional and technical services industry as in other industries (see Figure 17).

Similar to their peers in other industries, more than one-half of HR professionals in professional and technical services firms reported they valued the applied skills of professionalism/work ethic (57%) of their older employees. There were few significant differences between the professional and technical services industry and other industries in terms of valued applied skills of older workers—more professional and technical services HR professionals cited written communication (13% versus 9%) as a key applied skill they valued in mature workers compared with HR professionals in other industries. But significantly fewer HR professionals in the professional and technical services industry saw ethics and social responsibility as an applied skill advantage that mature workers had over workers in other age groups (12% compared with 20% in other industries) (see Figure 18).

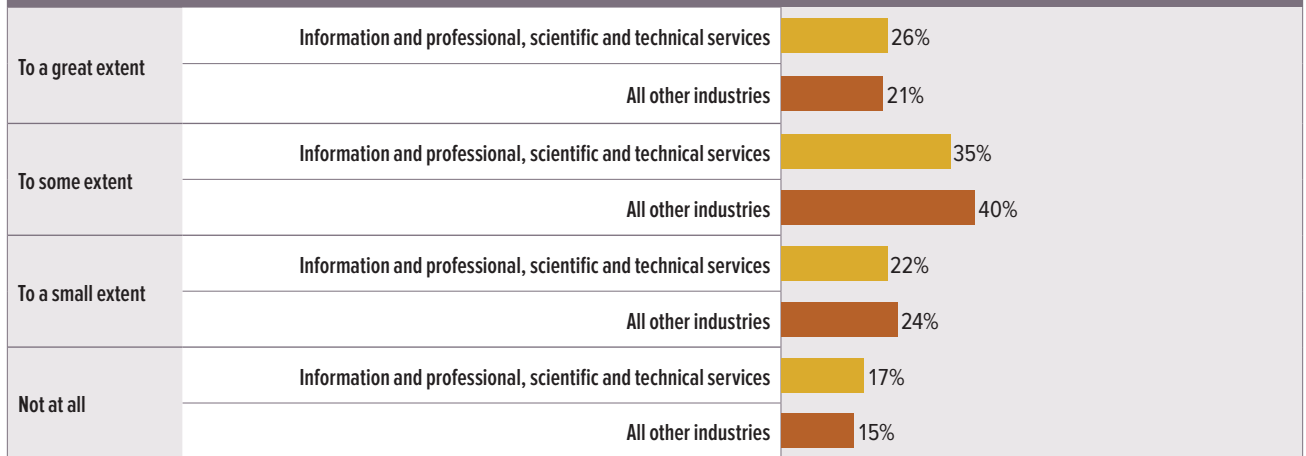
HR professionals in professional and technical services firms were significantly less likely to indicate their organizations had increased training and cross-training efforts (34% versus 44%), developed succession plans (27% versus 34%) or increased automated processes (e.g., use of

robotics) (4% versus 8%) compared with their counterparts in other industries. However, HR professionals in professional and technical services firms were more likely to indicate their organizations had offered flexible work arrangements (e.g., job-sharing, telework) (22% versus 11%) to attract a broader range of applicants (see Figure 19).

Because HR professionals in the professional and technical services industry appear to be less concerned about the impact of the aging workforce overall, it follows that they were less likely to report that their organizations were taking steps to develop strategies to transfer knowledge from older to younger employees. They were significantly less likely than HR professionals in other industries to say that their organizations were using training and/or cross-training programs (45% versus 57%), job shadowing (17% versus 28%), or apprenticeship programs (3% versus 9%) to transfer knowledge from older workers to younger workers. Similarly, they were also significantly more likely to say that their organizations did not use any strategies to transfer knowledge from older to younger workers (24% compared with 18% in other industries, as shown in Figure 20).

Overall, organizations in the professional and technical services industry appear to be taking fewer steps to prepare for potential skills shortages in the years ahead. Therefore, HR professionals in the professional and technical services industries may find themselves looking to their colleagues in other industries that may be further along in preparing for an aging workforce when skills shortages begin to affect their industry. The strategies and practices of the industries that are aging the most rapidly and that are experiencing the most problems building a pipeline of talent may offer examples of how to deal with these challenges. However, despite indications that HR professionals in this industry are somewhat less concerned about the impact on skills the aging workforce will have in the years to come, they are significantly more likely to report that employees in their organization were receptive to a great extent to working with older workers (59% versus 52% in other industries), learning from older workers (54% versus 42% in other industries) and being mentored by older workers (52% versus 42% in other industries) compared with other industries. Almost none (0%-1%) of the respondents in the professional and technical services industry indicated that employees in their organization were not at all receptive to working with, learning from and being mentored by older workers (as shown in Figure 21). This is a positive sign that there is an overall awareness of the value of learning from older workers within the industry.

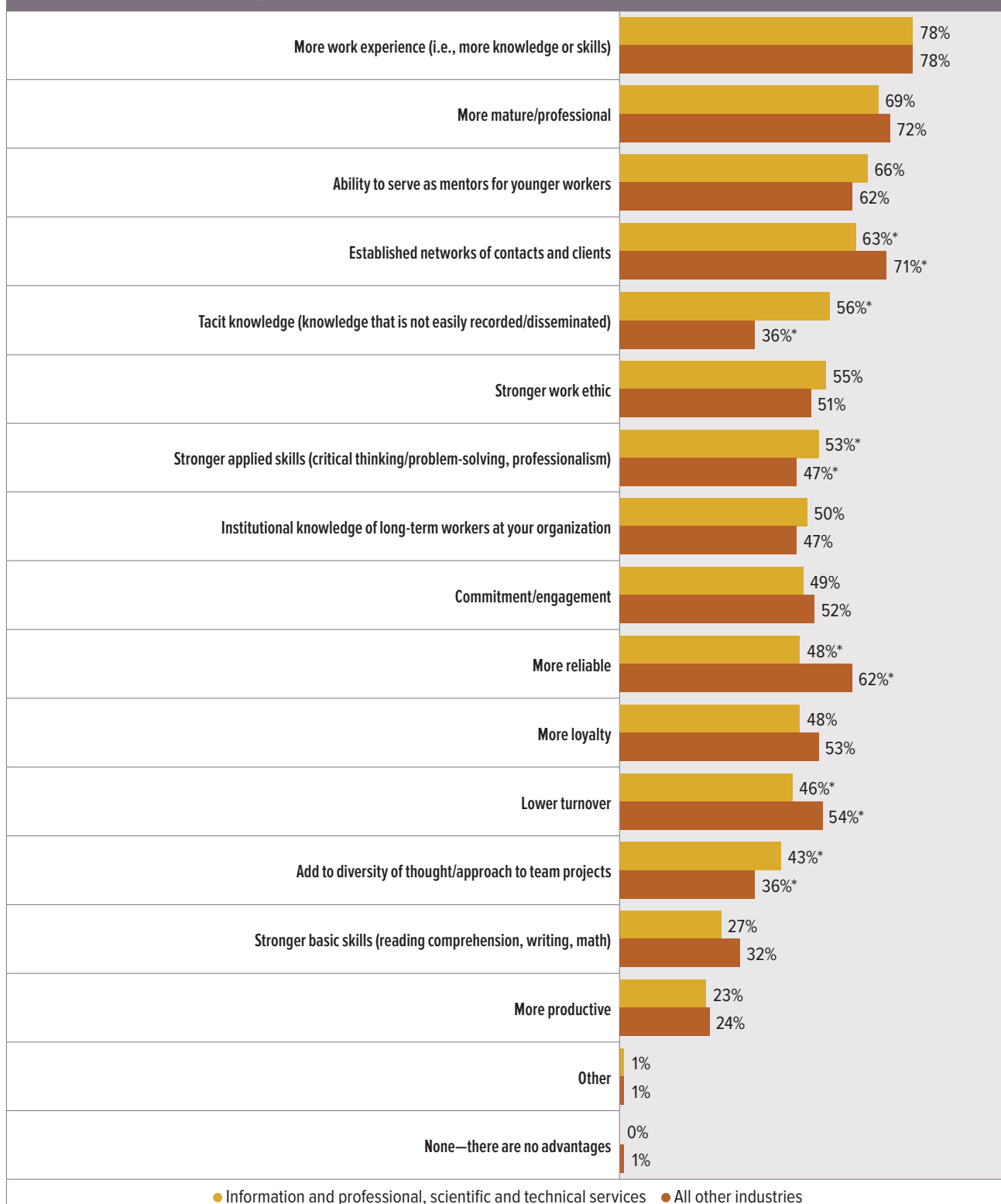
**FIGURE 15 | Extent to Which Organizations Attempt to Capitalize on and Incorporate the Experience of Older Workers**



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

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

**FIGURE 16 | Main Advantages of Older Workers Compared with Other Workers<sup>^</sup>**



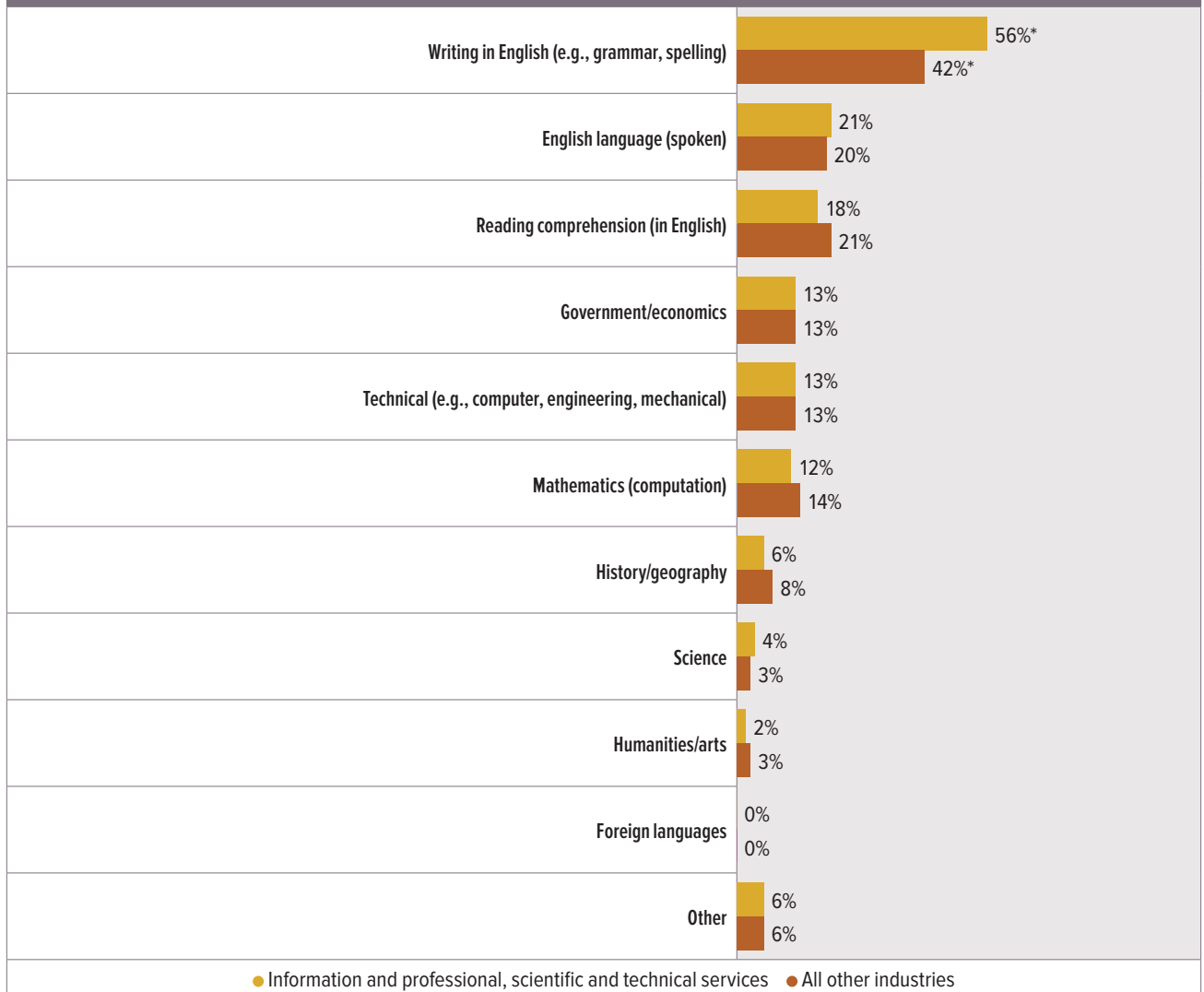
<sup>^</sup>Survey question was worded as follows: “In your professional opinion, what are the main advantages workers age 55 and older bring to your organization compared with other workers? (Check all that apply)”

\*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 = 1,403. Percentages do not total 100% due to multiple response options.

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

**FIGURE 17 | Strongest Basic Skills Held by Workers Age 55 and Older Compared with Other Workers<sup>^</sup>**



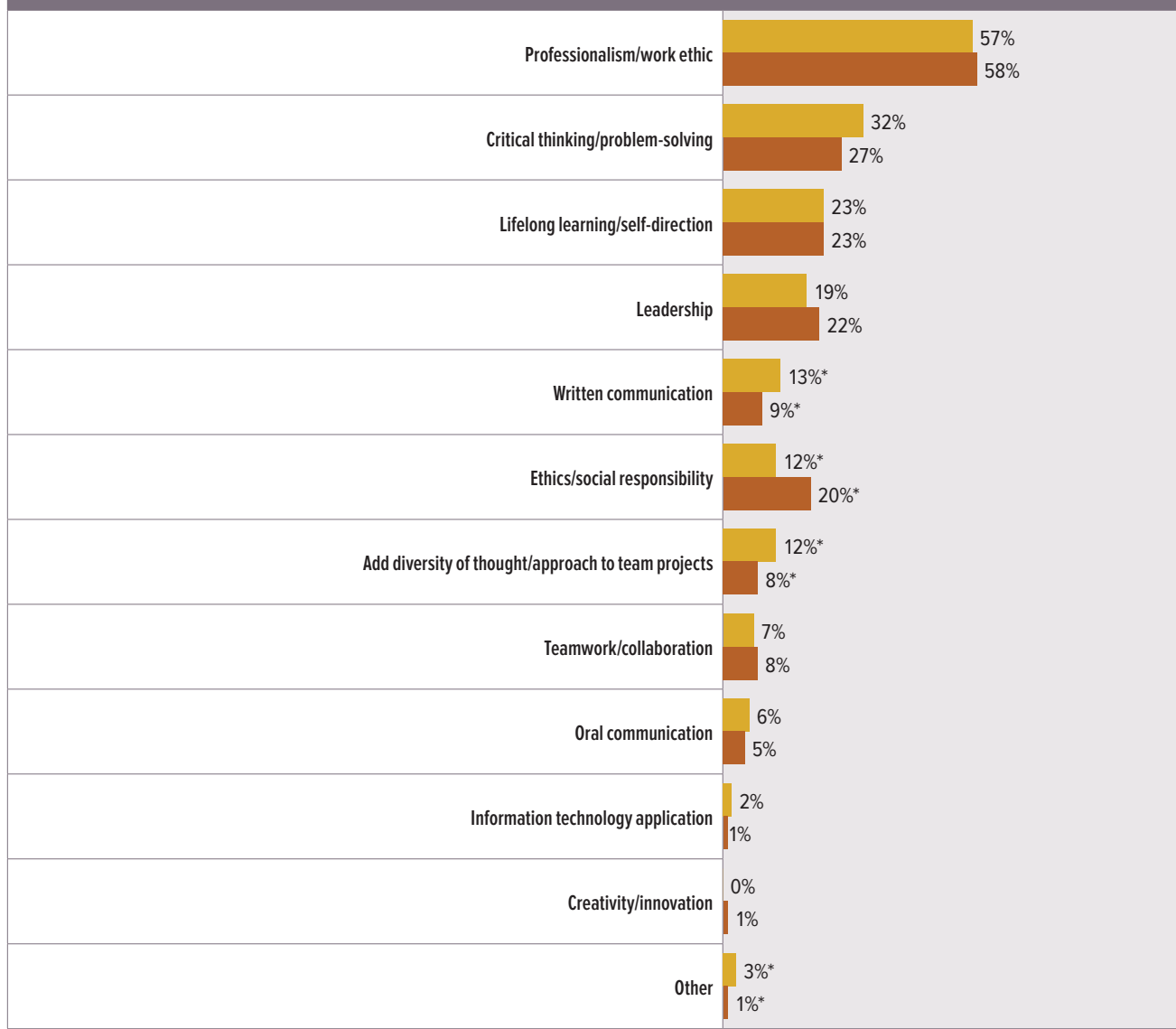
<sup>^</sup>Survey question was worded as follows: “In your professional opinion, what are the strongest basic skills held by workers age 55 and older compared with other workers? (Check the top two choices)”

\*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 = 1,403. Percentages do not total 100% due to multiple response options.

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

**FIGURE 18 | Strongest Applied Skills Held by Workers Age 55 and Older Compared with Other Workers<sup>^</sup>**



● Information and professional, scientific and technical services ● All other industries

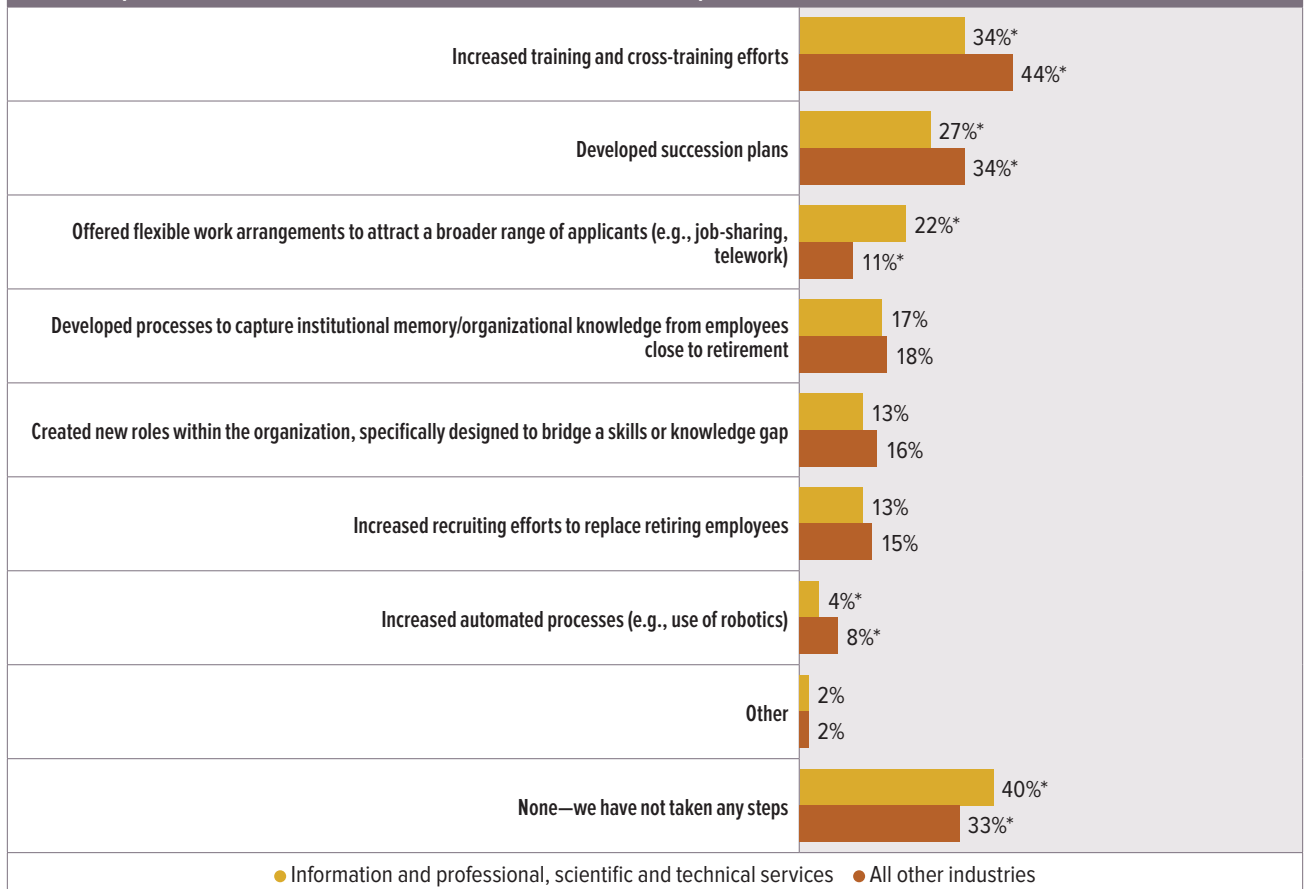
<sup>^</sup>Survey question was worded as follows: “In your professional opinion, what are the strongest applied skills held by workers age 55 and older compared with other workers? (Check the top two choices)”

\*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 = 1,403. Percentages do not total 100% due to multiple response options.

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

**FIGURE 19 | 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**

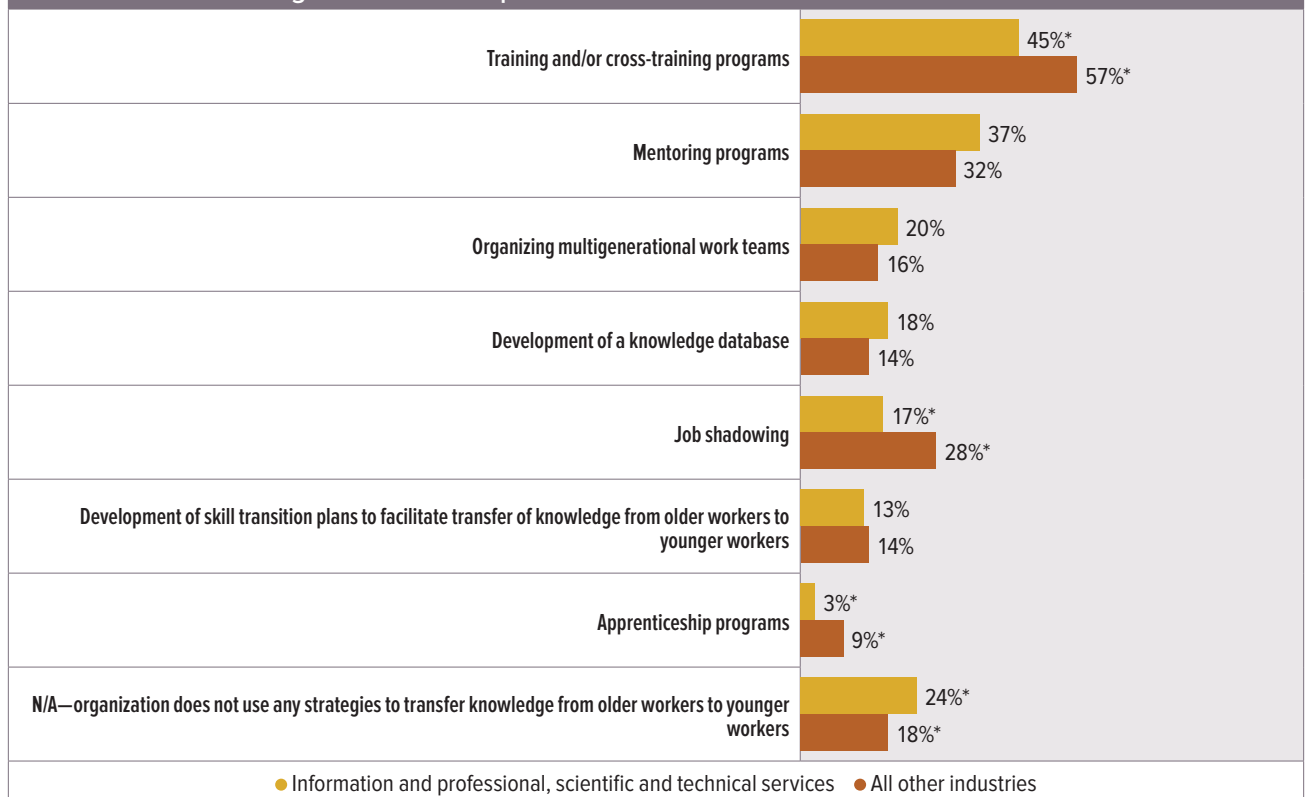


\*The difference between information and professional, scientific and technical services and all other industries is statistically significant ( $p < .05$ ).

**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.

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

**FIGURE 20 | Strategies Professional and Technical Services Organizations Use to Transfer Knowledge from Older Workers to Younger Workers Compared with Other Industries**



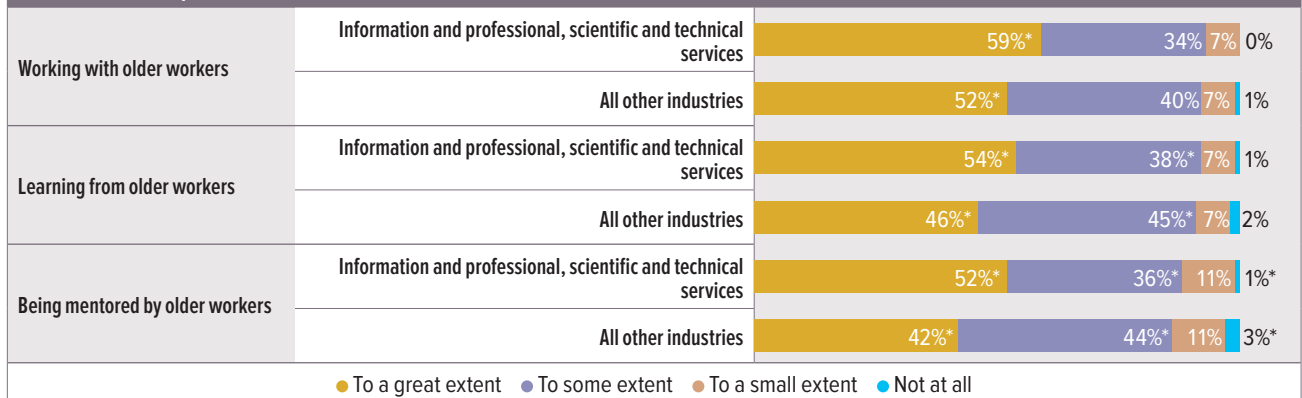
\*The difference between information and professional, scientific and technical services and all other industries is statistically significant ( $p < .05$ ).

**Note:** Information and professional, scientific and technical services  $n = 305$ ; all other industries  $n = 1,401$ . Percentages do not total 100% due to multiple response options.

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



**FIGURE 21 | Receptiveness of Professional and Technical Services Industry Employees Related to 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 = 301; all other industries n = 1,379-1,390. Percentages may not total 100% due to rounding.

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



# Conclusion and Implications for Professional and Technical Services HR Professionals

HR professionals in the professional and technical services industry will be central to their organizations' efforts to meet the challenges and opportunities that will accompany the aging of their workforces. In some ways, doing this may be somewhat more challenging for HR professionals in this industry because there seems to be slightly lower awareness that this demographic shift is likely to affect the workforce and exacerbate skills shortages. HR professionals in this industry may feel confident that there is a strong pipeline of talent coming up through the Millennial generation and may not be as engaged in finding strategies to fully use the valuable skills and experience of their older workers as their counterparts in other industries in which skills shortages due to the retirement of Baby Boomers are already a problem.

However, these demographic changes are predicted to have a wide-ranging impact that will span industries. This makes it imperative for HR professionals in the professional and technical services sector to step up their efforts in preparing for these changes. First, they must learn as much as they can about how these demographic shifts are likely to affect their industry and their organizations. From there they can begin to work with their organizations' leadership to implement programs that enable them to capture and transfer the knowledge of their mature workers and that encourage their most productive and valued older workers to stay in the workforce longer, often as trainers, teachers and mentors for younger employees.

HR professionals in the professional and technical services industry can also lead their organizations in building a culture that respects and engages workers of all ages. A strong organizational culture that clearly shows how workers of all ages are respected and valued will not only help recruit and retain mature workers but will also build a stronger sense of cohesion in the organization overall.

# Methodology

The SHRM Preparing for an Aging Workforce Survey, conducted by the Society for Human Resource Management and supported by a grant from the Alfred P. Sloan Foundation, collected responses from 1,913 HR professionals. The purpose of this research was to a) investigate the current demographics of organizations and respondents' views on how the demographic breakdown of their workforces is likely to change in the future in both their organizations and their industries; b) determine what, if any, actions organizations are taking to prepare for an aging workforce, including recruiting and retention strategies to specifically target older workers; and c) identify the skills and experience HR professionals value in older workers. Statistically significant differences ( $p < .05$ ) between professional and technical services and all other industries, when applicable, are noted throughout the report.

An e-mail including a link to the online survey was sent to 18,000 randomly selected SHRM members from private-sector and nonprofit organizations and 2,000 randomly selected SHRM members from government agencies. The survey was fielded from May through July 2014. During the data collection period, several e-mail reminders were sent, and a small incentive was offered to increase the response rate. Of the 20,000 e-mail invitations, 19,308 were successfully delivered, and 1,913 HR professionals responded, yielding a 10% response rate and a +/- 2% margin of error.

# Endnotes

- <sup>1</sup> The U.S. professional and technical services industry includes data collected from HR professionals in the information and professional, scientific and technical services industries.
- <sup>2</sup> U.S. Bureau of Labor Statistics. (2013, December 19). Employment by major industry sector, 2002, 2012, and projected 2022. Retrieved from <http://www.bls.gov/news.release/ecopro.t03.htm>
- <sup>3</sup> U.S. Bureau of Labor Statistics. (2014, September 18). Employee tenure summary. Retrieved from <http://www.bls.gov/news.release/tenure.t05.htm>
- <sup>4</sup> U.S. Bureau of Labor Statistics. (2014, April 25). Employed persons by detailed industry and age, 2013 annual averages. *Current Population Survey (CPS)*. Retrieved from [http://www.bls.gov/cps/industry\\_age.htm](http://www.bls.gov/cps/industry_age.htm)
- <sup>5</sup> Paullin, C., (2015). *The aging workforce: Leveraging the talents of mature employees*. Alexandria, VA: SHRM Foundation. Retrieved from <http://www.shrm.org/about/foundation/products/pages/the-aging-workforce-leveraging-the-talents-of-mature-employees.aspx>

# Project Team

**Project leaders:**

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

Karen Wessels, MA, researcher, Workforce Planning, SHRM Research

**Project contributors:**

Evren Esen, MSW, SHRM-SCP, director, Survey Programs, SHRM Research

Joseph Coombs, senior specialist, Workforce Trends and Forecasting, SHRM Research

**Design:**

Shirley E.M. Raybuck, senior design specialist



1800 Duke Street  
Alexandria, VA 22314  
USA