



## Preparing for an Aging Workforce: Retail and Hospitality Industry Toolkit

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FUNDED BY

**Alfred P. Sloan  
FOUNDATION**

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## About the Preparing for an Aging Workforce Initiative

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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

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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](http://shrm.org).

### About the SHRM Foundation

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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.

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



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<b>Introduction .....</b>	<b>1</b>
<b>Retail and Hospitality Industry Overview .....</b>	<b>2</b>
Sector and Occupational Outlook.....	2
Case Study: Davidson Hotels & Resorts.....	4
<b>Assessing the State of the Aging Workforce .....</b>	<b>5</b>
Determining the Impact on Your Organization .....	5
Building a Business Case for Action.....	6
Legal Issues to Consider.....	9
<b>Recruiting and Retaining Mature Workers .....</b>	<b>10</b>
Steps Organizations Are Taking to Recruit and Retain Mature Workers.....	10
Creating a Strategy for Actively Recruiting Mature Workers.....	12
The Role of Benefits in Attracting and Retaining an Aging Workforce.....	13
<b>Skills, Training and Career Development .....</b>	<b>15</b>
<b>Endnotes.....</b>	<b>19</b>

# Introduction

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This toolkit aims to provide HR professionals in the retail and hospitality industries 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: A Guide to 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's Preparing for an Aging Workforce research will be also be discussed throughout.

# Retail and Hospitality Industry Overview

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The U.S. Bureau of Labor Statistics (BLS) classifies the retail sector as part of the [trade, transportation and utilities super sector](#), and the leisure and hospitality sector as part of the [service-providing industries](#) super sector group. Together, the retail and leisure and hospitality sectors (referred together in this report as “retail and hospitality industry”) employ approximately 31.3 million workers in the United States as of May 2016. Several subsectors compose the retail trade sector, and the leisure and hospitality sector comprises two subsectors (arts, entertainment and recreation, and accommodation and food services). The following NAICS code links lead to BLS information pages that give overviews of employment levels, wages, union representation and other subsector information:

- [Retail Trade: NAICS 44-45](#)
- [Arts, Entertainment and Recreation: NAICS 71](#)
- [Accommodation and Food Services: NAICS 72](#)

BLS data as of May 2016 for the retail trade sector showed it employed about 15.9 million workers overall with average hourly earnings of \$17.82. The arts, entertainment and recreation subsector, which includes spectator sports, museums and amusement occupations, among others, employed about 2.2 million workers overall with average hourly earnings at \$20.47. There were about 13.2 million people employed in accommodation and food services with an average hourly earnings rate of \$13.96.

**Table 1 | Earnings Data**

Industry	Average Hourly Earnings
Retail trade	\$17.82
Arts, entertainment and recreation	\$20.47
Accommodation and food services	\$13.96

Source: BLS (May 2016)

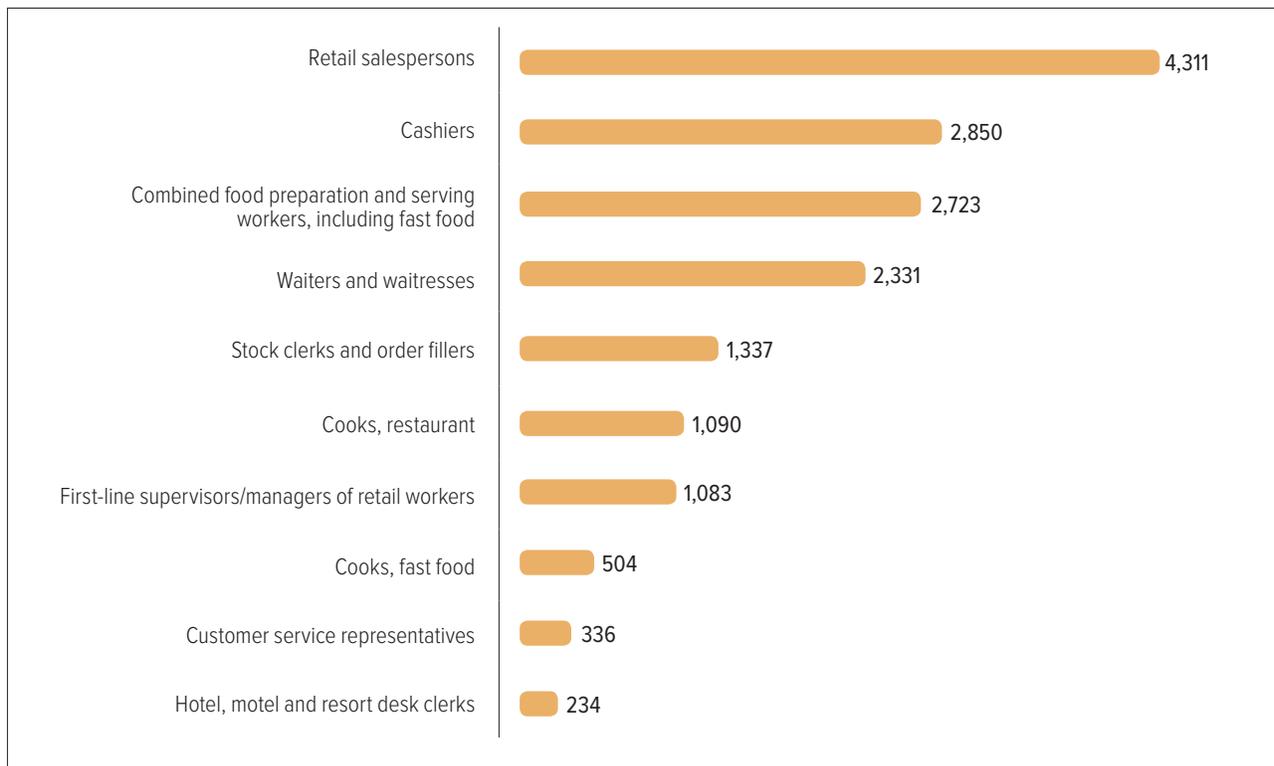
## Industry and Occupational Outlook

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Many of the most common jobs in the retail and hospitality industry are low-paying positions with an overall younger demographic, making it unlikely that they will employ a high concentration of older workers. This could make it less likely that workers will stay in these roles beyond average retirement age. The largest occupation within the industry is retail salespersons, followed by cashiers and several other positions, as shown in Figure 1. Many of these jobs have shorter average tenures than other occupations in the U.S. labor force.

Looking ahead into the next decade, these sectors will experience similar rates of job growth, although retail positions will be added to the U.S. labor force at a higher rate than in the previous decade, as shown in Table 2. The pace of job creation in leisure and hospitality will slow in the coming decade compared with 2004-2014. Many job categories in these sectors are heavily populated by younger workers. However, with steady job growth anticipated in the future, employers in these industries may have opportunities to fill those vacancies with older workers and retirees, many of whom take part-time jobs for additional income to supplement their retirement funds.

**Figure 1 | Largest Occupations in Retail and Hospitality**



Note: Number in thousands.  
Source: BLS (2015)

**Table 2 | BLS Employment Projections for the Retail and Hospitality Industry: 2014-2024**

Industry	Thousands of Jobs			Change		Compound Annual Rate of Change	
	2004	2014	2024	2004-2014	2014-2024	2004-2014	2014-2024
Retail trade	15,058.2	15,364.5	16,129.1	306.3	764.6	0.2	0.5
Leisure and hospitality	12,493.1	14,710.0	15,651.2	2,216.9	941.2	1.6	0.6

Source: U.S. Bureau of Labor Statistics Employment Projections: 2014-2024

### 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 Retail Federation](#)
- [Retail Industry Leaders Association](#)
- [National Recreation and Park Association](#)
- [National Restaurant Association](#)
- [American Hotel and Lodging Association](#)

## Case Study: Davidson Hotels & Resorts

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### *Ann Brockett, Complex Human Resources Director, Davidson Hotels & Resorts*

Industries that are labor-intensive frequently serve as the face of the aging workforce in the United States. Manufacturers, for instance, have professed continued difficulty with finding younger, skilled workers to replace the masses of highly talented and experienced individuals who are now approaching retirement.

In contrast, the hospitality industry—with a workforce that skews younger than most other sectors—has not been faced with this dilemma on such a widespread scale. However, it is not immune from this trend. Ann Brockett, an HR professional in the Washington, D.C. region, says a significant portion of the housekeeping staff at her hotels will be eligible to retire in the near future, and the nature of the work demands participation from younger generations.

“Being a person who is in that [55-and-older] demographic myself, I could not do housekeeping,” said Brockett, a human resources director for Atlanta-based Davidson Hotels & Resorts who works in Alexandria, Va. “The general public has no concept about how hard hotel housekeeping is. It’s physically very challenging.”

Davidson Hotels & Resorts provides management services for 39 hotels in the United States and has about 6,000 employees around the country, Brockett said. Brockett is director of human resources for two of those properties, the Hilton Mark Center in Alexandria, Va., and the Hilton Garden Inn Arlington/Courthouse Plaza in Arlington, Va.

Only about 10% of the Hilton Garden Inn’s 40 employees fall into the 55-and-older category, she said, but the Mark Center’s staff of 250 workers tells a different story. About one-fourth of its payroll belongs to the 55-and-older demographic, and several members of its housekeeping staff have had lengthy tenures—about 60% have been with the hotel for nearly 20 years, she said.

And although turnover overall has been “quite low” at both hotels, Brockett said that it has not been the case with the housekeeping division at Mark Center.

“Most people that have been here for a long time have provided a solid foundation, and obviously they don’t leave,” she said. “They stay forever until they retire. But what I’m facing on a daily basis is, the new people who replace them often come in, stay for a few days to two weeks, and then disappear. In housekeeping, I’ve probably replaced the

same 10 positions at least five to 10 times each in the 10 years I’ve been here.”

Within the last two years, the number of workers eligible to retire has slowly increased, making Brockett’s job more difficult. But a solution may lie in a new program that the Mark Center has developed with the local division of Goodwill Industries International, a nonprofit that provides job training, employment placement and other services.

Together, Goodwill and the Mark Center have created a training certification program for the hospitality industry, and Brockett was charged specifically with developing the curriculum for housekeeping. As of the spring of 2016, the program was nearly ready to launch.

“The students will have a lot of classroom hours at the Goodwill facility, and a certain amount here at the hotel,” Brockett said. “We’ll use the ‘out of order’ rooms for training exercises. Ideally, people who successfully complete the program will have the first crack at our job openings.”

Aside from the physical challenges associated with the housekeeping work, the round-the-clock nature of the hotel business overall poses barriers for retaining older workers, according to findings from SHRM’s Aging Workforce Research Initiative. Nearly half (48%) of retail and hospitality respondents said their organizations were unable to offer work hour flexibility such as reduced hours, job-sharing, phased retirement and part-year employment. Those benefits can prove attractive for older workers as they wind down their careers.

Despite the higher rate of retirements on the horizon, Brockett said she has come to appreciate the value of the hotel’s older workers while they are still around.

“The work ethic is the key,” she said. “All of us in that demographic grew up during a time when, no matter how hard things got, you went to work in order to survive. And when you’re younger and learning about the job, there’s only so much you can learn from books. Our experienced staff members teach the younger ones about the job and serve as mentors. In this industry, if you can succeed here, I think you can do anything in the world. You’re faced with the fact that 24 hours a day, 365 days a year, anything that can happen will happen.”

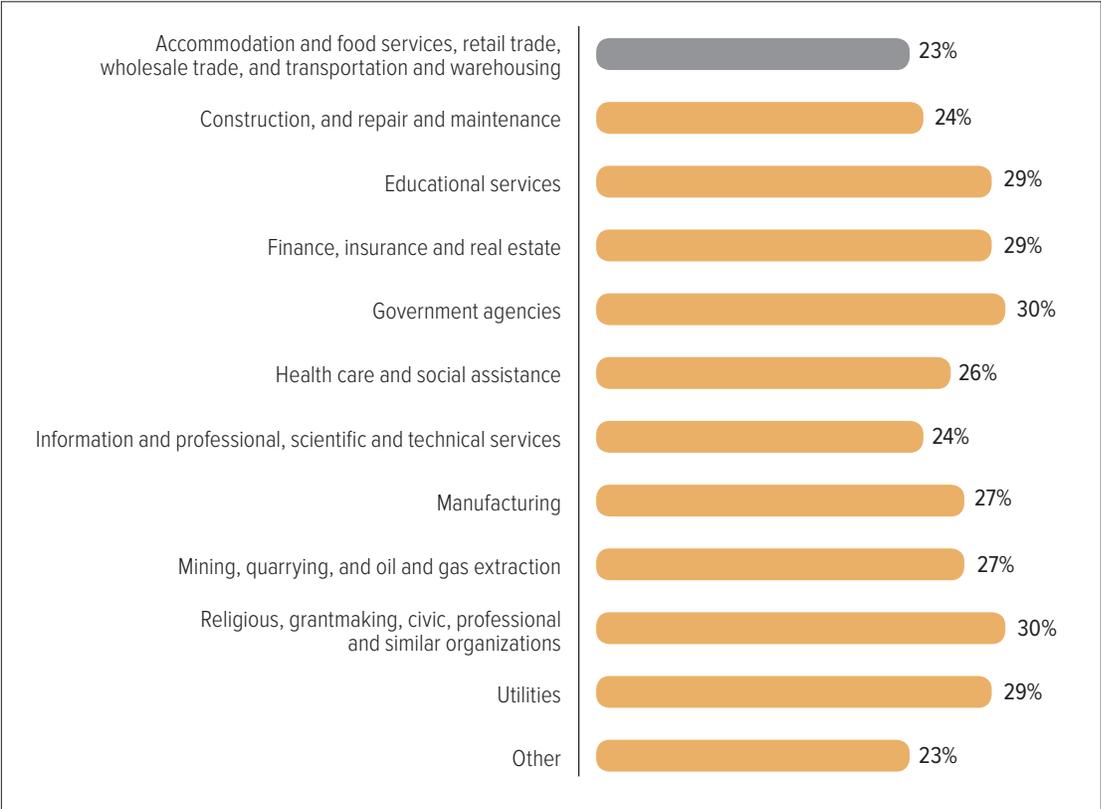
# Assessing the State of the Aging Workforce

Among the first steps HR professionals in retail and hospitality fields 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 and most basic step in assessing the state of the aging workforce in a given organization is to determine what percentage of the organization’s workforce is nearing retirement age. According to a SHRM survey of HR professionals at leisure and hospitality firms, nearly one-quarter (23%) of their workforce is age 55 or older, slightly lower than most other industries (see Figure 2). More than one out of 10 HR professionals (12%) in retail and hospitality firms said they were not aware that the proportion of older workers was increasing and that older workers were projected to make up approximately 26% of the labor force by the year 2022, compared with 21% in 2012 and 14% in 2002. Similar to other industries, more than one-third (37%) of HR professionals in the retail and hospitality industry indicated their organizations had begun to examine internal policies and practices to address this change; one-fifth (20%) reported that their organizations had examined their workforce and determined that no changes in their policies and practices were necessary, as illustrated in Figure 3.

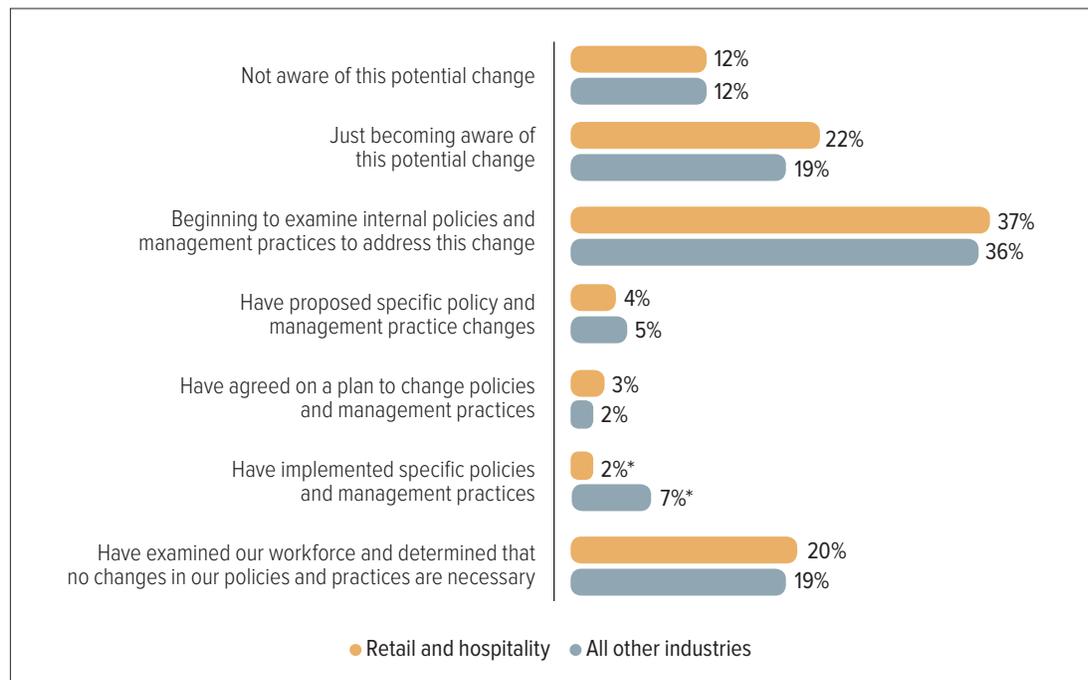
**Figure 2 | Percentage of Older Workers, by Industry**



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

**Source:** Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

**Figure 3 | How Retail and Hospitality Organizations Are Preparing for an Aging Workforce Compared with Other Industries**



\*The difference between retail and hospitality and all other industries is statistically significant ( $p < .05$ ).

Note: Retail and hospitality  $n = 188$ ; all other industries  $n = 1,402$ .

Source: Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

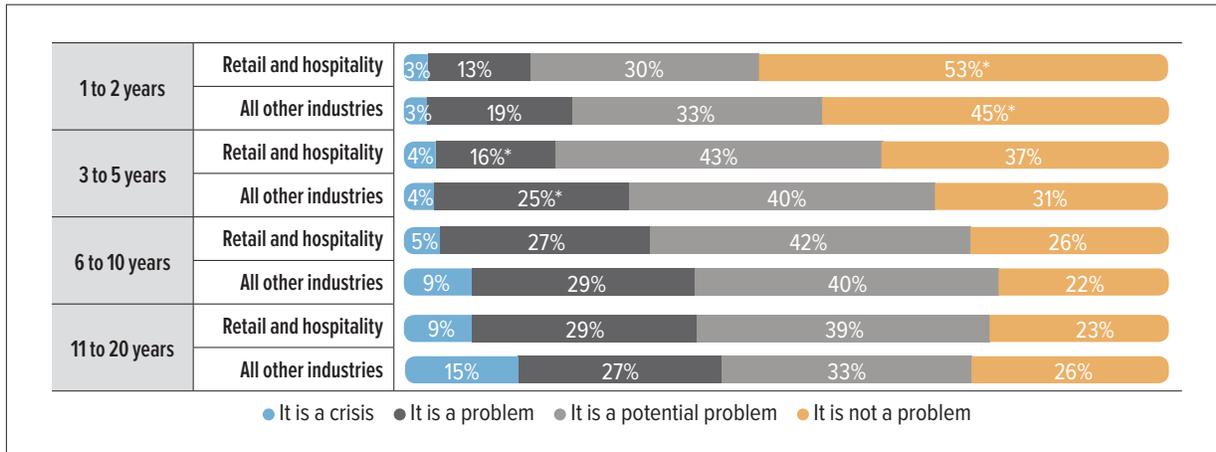
## Building a Business Case for Action

Very few HR professionals in the retail and hospitality industry believed the impact of the potential loss of talent due to retirement of workers was considered an immediate crisis for their industry (3% thought it would be considered a crisis in the next one to two years and 4% in the next three to five years, as displayed in Figure 4). Therefore, it is likely that few have taken many concrete steps to build a business case for meeting this challenge. Looking further into the future, more HR professionals foresaw the aging workforce as a concern for their industry (9% considered it a crisis and 29% a problem in the next 11 to 20 years). Generally, HR professionals in the retail and hospitality industry are less concerned about the aging workforce compared with their peers in other industries, but that should not eliminate the need to create a plan for dealing with this long-term issue. The industry frequently relies on younger demographic groups to staff its positions, but the fact that older workers will constitute a larger percentage of the workforce in the future presents an opportunity to tap into that talent pool.

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 must be taken.

As shown in Figure 5, less than one-third (30%) of HR professionals from retail and hospitality firms said their organizations were analyzing the impact of workers age 55 and older leaving their organization in the next one to two years. More than one-half (56%) indicated their organizations were identifying their future workforce needs in the next one to two years, nearly on par with other industries (58%, see Figure 6). Overall, the findings suggest that although some organizations may not be fully aware of the various ways this demographic shift will influence their organization, retail and hospitality organizations are cognizant of these changes and are taking steps to prepare for this shift.

**Figure 4 | Perceived Impact of the Potential Loss of Talent Due to an Aging Workforce on the Retail and Hospitality Industry Compared with Other Industries**



\*The difference between retail and hospitality and all other industries is statistically significant (p<.05).

**Note:** Retail and hospitality n = 155-185; all other industries n = 1,123-1,300. 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: Retail and Hospitality Industry Report (SHRM, 2015)

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.

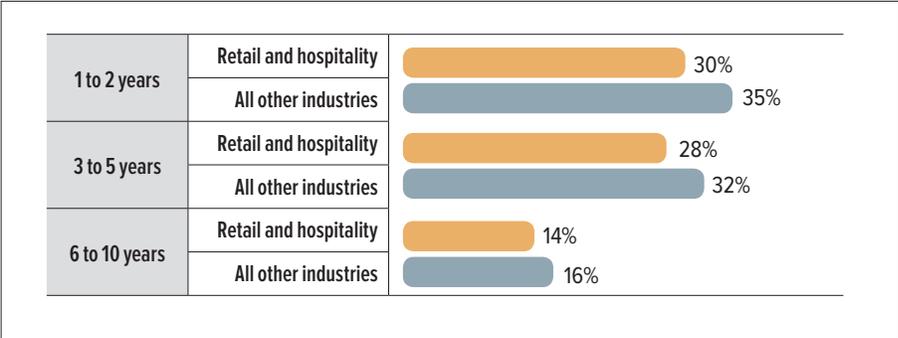
Creating a solid business case will help HR professionals in retail and hospitality move forward in a systematic way as they manage the demographic shifts of their workforce and prepare for even greater future changes.

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.

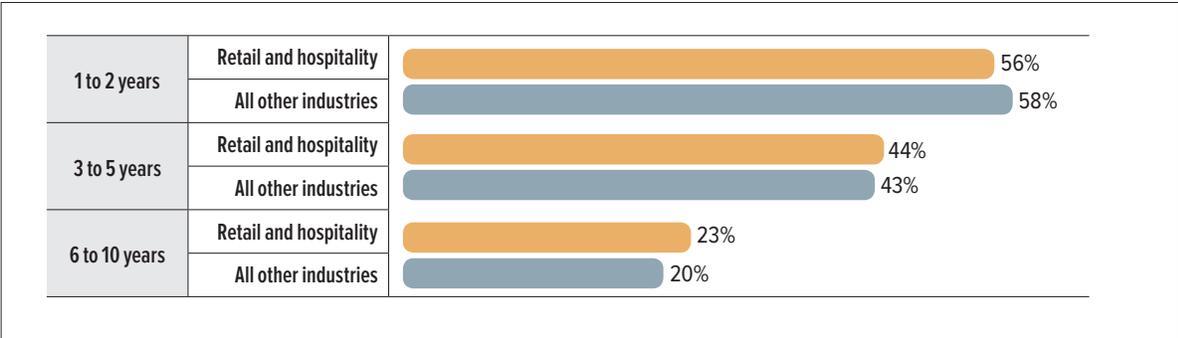
- Instructions on how to gauge employee satisfaction and engagement and how to use these findings to create strategies for preparing for demographic shifts.
- Samples, forms, templates and tools:
  - Calculating Turnover.
  - Sample Turnover Cost Worksheet.
  - Diversity Survey.

**Figure 5 | Retail and Hospitality Organizations That Have Analyzed the Impact of Workers Age 55 and Older Leaving Their Organization Compared with Other Industries**



**Note:** Retail and hospitality n = 166-178; all other industries n = 1,277-1,352.  
**Source:** Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

**Figure 6 | Retail and Hospitality Organizations That Have Identified Future Workforce Needs Compared with Other Industries**



**Note:** Retail and hospitality n = 172-191; all other industries n = 1,255-1,371.  
**Source:** Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

## Legal Issues to Consider

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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

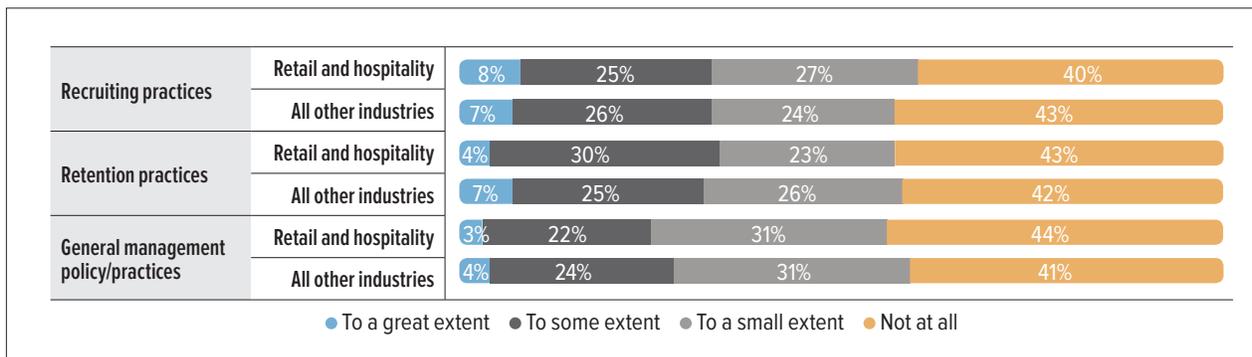
Many organizations may not be aware of the number of potential retirements they could soon be facing, hence the percentage of those that are developing strategies to attract and retain older workers is low. HR professionals in the retail and hospitality industry were as likely as their peers in other industries to report that the aging workforce had prompted changes in their recruiting practices to at least a small extent (60% compared with 57% in other industries). They were also nearly as likely to report that it had prompted some level of changes to their retention practices and their general management policy/practices, as shown in Figure 7.

## Steps Organizations in the Retail and Hospitality Industry Are Taking to Recruit and Retain Mature Workers

Similar to other industries, few retail and hospitality organizations said their firms had formal strategies for either retaining (5%) or recruiting (3%) older workers (see Figure 8). Employee referrals were the most common method of recruiting older workers in the retail and hospitality industry (36%) and in other industries (32%). However, HR professionals in the retail and hospitality industry were less likely than HR professionals in other industries to use the Internet as a method of recruiting older workers (8% compared with 14% in other industries), but more likely to use churches (7%, compared with 3%). Nearly three-fifths (59%) of respondents from retail and hospitality firms said they did not actively recruit older workers (see Figure 9).

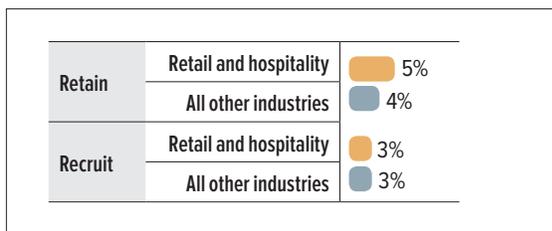
Because there are few examples that HR professionals in the retail and hospitality industry can look to for ideas about how to meet the challenge of recruiting and retention as the workforce ages, research on HR staffing practices that do appear to make a difference in both attracting mature job seekers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



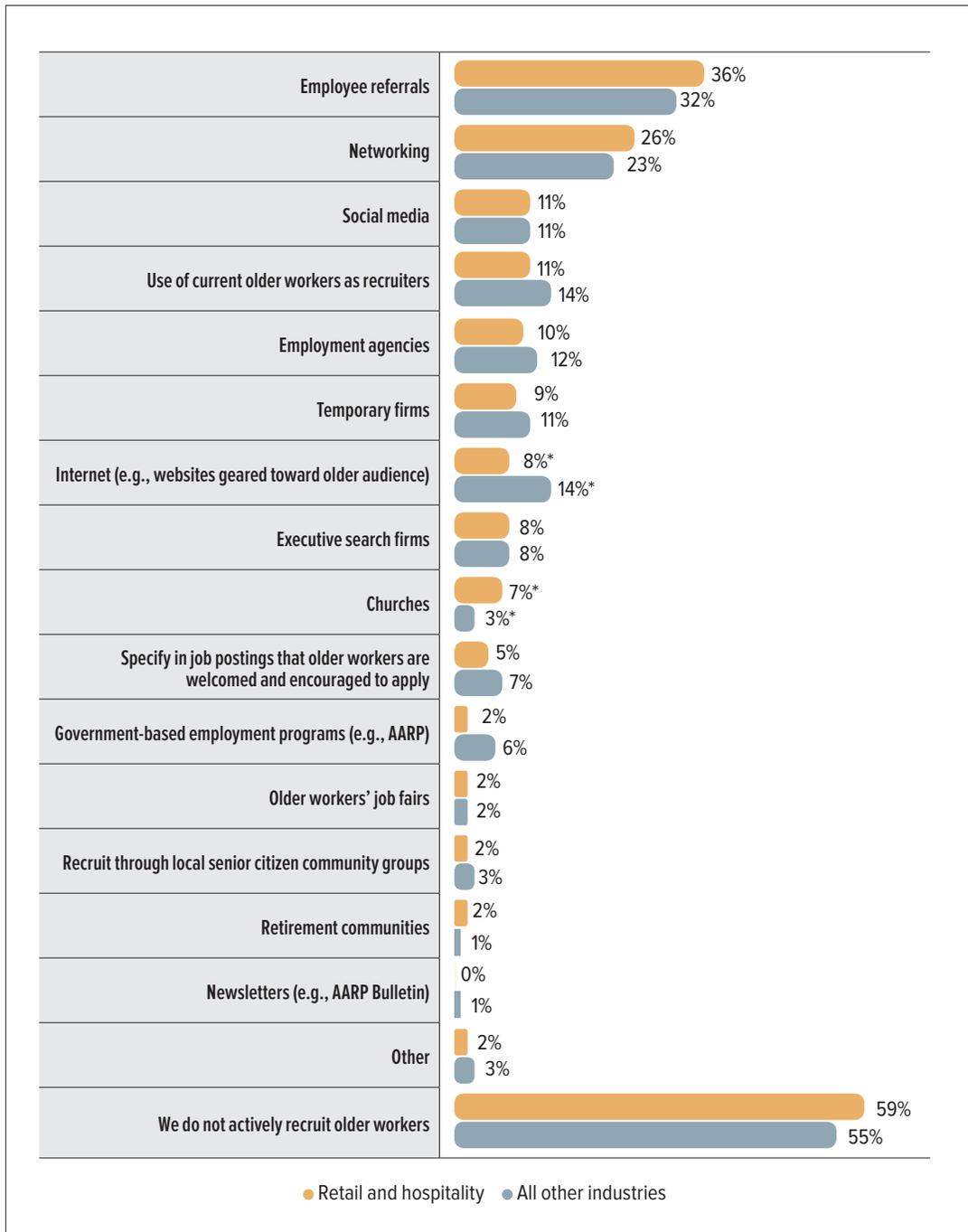
**Note:** Retail and hospitality n = 205-212; all other industries n = 1,495-1,499. Respondents who indicated “Not applicable” were not included in the analysis.  
**Source:** Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

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



**Note:** Retail and hospitality n = 210; all other industries n = 1,496-1,497.  
**Source:** Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

**Figure 9 | Methods Used by Retail and Hospitality Companies to Recruit Older Workers**



\*The difference between retail and hospitality and all other industries is statistically significant ( $p < .05$ ).

**Note:** Retail and hospitality  $n = 128$ ; all other industries  $n = 855$ . 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: Retail and Hospitality Industry Report (SHRM, 2015)

## Creating a Strategy for Actively Recruiting Mature Workers

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According to the EPG report [The Aging Workforce: A Guide to 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 that your organization seeks workers of all ages in job postings and application materials.
- ✓ 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: A Guide to 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.

- Telecommuting Application Form.
- Flextime Request Form.
- Compressed Workweek Policy and Procedure.
- Alternative Work Schedule 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

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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. Many part-time jobs in the retail and hospitality industry do not include health care coverage, but different types of benefits can be offered to attract older workers for these positions. Flexible work arrangements, in particular, may appeal to older workers who would like greater control over their schedules and their time away from work.

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.

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

SHRM's *Employee Benefits* research report examines the use of hundreds of employee benefits and is available free for SHRM members at [shrm.org/surveys](http://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: A Guide to 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.
  - Leave Policy: Basic Paid Time Off (PTO).
  - Leave Policy: Paid Time Off (PTO) not Including Sick Leave.
  - Retirement Plan Enrollment Form.

# Skills, Training and Development

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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, one-half (50%) of retail and hospitality respondents said that their organizations attempted to capitalize on and incorporate the experience of older workers to a great extent or to some extent, lower than 62% who reported the same in all other industries. Similar to other industries, fewer than one in five (17%) respondents in retail and hospitality reported that their organizations did not capitalize on and incorporate the experience of older workers at all (see Figure 10).

HR professionals in retail and hospitality organizations were most likely to report they valued older workers' more extensive work experience (78%), their maturity levels/professionalism (77%) and stronger work ethic (75%). Retail and hospitality industry respondents were more likely than respondents in other industries to value older workers' reliability (68% compared with 58% in other industries) and their strength in basic skills, such as reading, writing and mathematics (38% compared with 30%). HR professionals in the retail and hospitality industry were less likely than their peers in other industries to report they valued the institutional knowledge of older workers (38% compared with 49%) and their established networks of contacts and clients (31% compared with 40%).

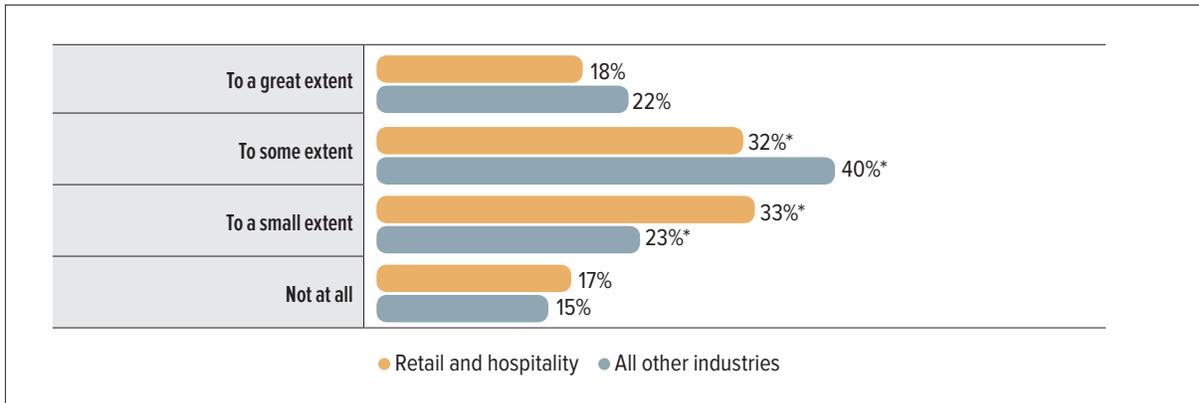
HR professionals in retail and hospitality firms were slightly more likely than their counterparts in other industries to say their organizations had increased training and cross-training efforts (44% compared with 42%) to prepare for potential skills gaps as a result of the loss of older workers (see Figure 11). About one-third (32%) of HR professionals in the retail and hospitality industry said their organizations were developing succession plans, similar to industries overall (33%). Nearly two-fifths (38%) said they have not taken any steps to prepare for skills gaps resulting from the loss of older workers, slightly more than their peers in other industries (34%) (see Figure 12).

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 retail and hospitality industry, more than two out of five respondents (44%) indicated employees in their organizations were receptive to working with older workers to a great extent. More than one-third (36%) said their employees were receptive to learning from older workers, and one-third (33%) were receptive to being mentored by older workers to a great extent.

Retail and hospitality work requires a higher degree of customer-service acumen and interpersonal skills compared with many other industries, and older workers with more experience in these areas can serve as mentors for younger employees. Recent SHRM research has shown that these types of skills are deficient among many applicants in these industries. Nearly three out of five HR professionals (57%) in the accommodation, food services and retail/wholesale trade industry said their job applicants were lacking professionalism/work ethic.

Only a small percentage of the respondents in the retail and hospitality industry indicated that employees in their organizations were not at all receptive to working with (2%), learning from (3%) and being mentored by (4%) older workers—a very positive sign that there is a general awareness of the value of learning from older workers within the industry.

**Figure 10 | Extent to Which Organizations Attempt to Capitalize on and Incorporate the Experience of Older Workers**

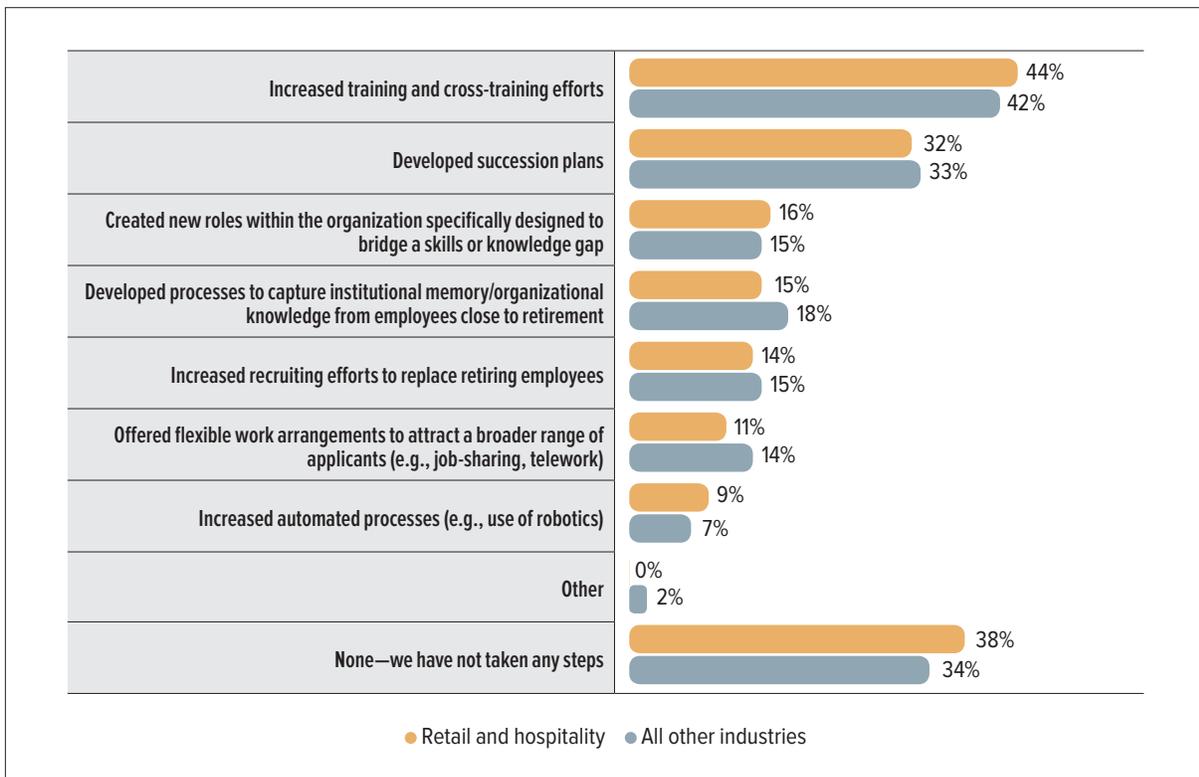


\*The difference between retail and hospitality and all other industries is statistically significant ( $p < .05$ ).

Note: Retail and hospitality  $n = 205$ ; all other industries  $n = 1,488$ .

Source: Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

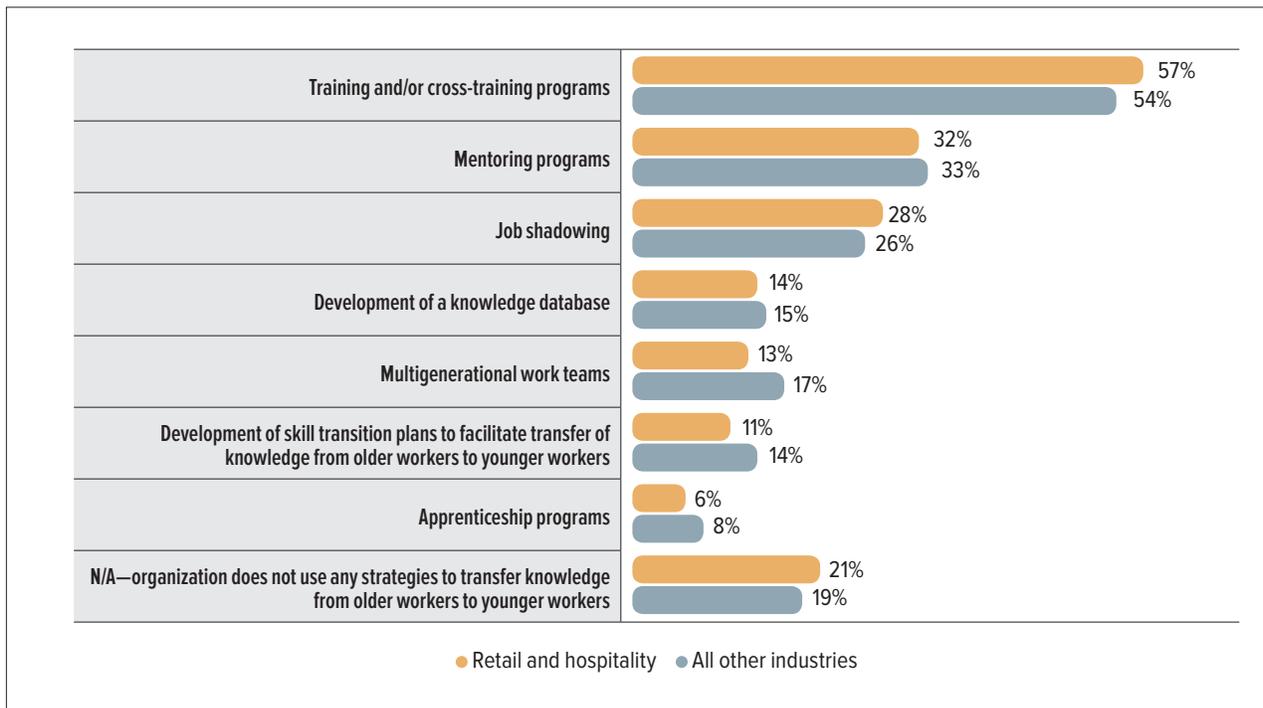
**Figure 11 | Steps Retail and Hospitality Organizations Have Taken to Prepare for Potential Skills Gaps as a Result of the Loss of Older Workers Compared with Other Industries**



Note: Retail and hospitality  $n = 210$ ; all other industries  $n = 1,497$ . Percentages do not total 100% due to multiple response options.

Source: Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

**Figure 12 | Strategies Retail and Hospitality Organizations Use to Transfer Knowledge from Older Workers to Younger Workers Compared with Other Industries**



Note: Retail and hospitality n = 210; all other industries n = 1,496. Percentages do not total 100% due to multiple response options.  
 Source: Preparing for an Aging Workforce: Retail and Hospitality Industry Report (SHRM, 2015)

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: A Guide to Leveraging the Talents of Mature Employees* and the SHRM sourcebook *Preparing for an Aging Workforce: Strategies, Templates and Tools for HR Professionals*. The sourcebook includes information and resources on the following topics:

- Skills audits.
- Leveraging the knowledge, skills and experience of mature workers.

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

# Endnotes

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<sup>1</sup> U.S. Bureau of Labor Statistics. Industry data from <http://www.bls.gov/bls/industry.htm>.

<sup>2</sup> Source: Paullin, C. (2014). *The Aging Workforce: Leveraging the Talents of Mature Employees. Effective Practice Guidelines*. Alexandria, VA: SHRM Foundation.

<sup>3</sup> Society for Human Resource Management. (2016). *The New Talent Landscape: Recruiting Difficulty and Skills Shortages*. Retrieved from <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/pages/talent-landscape.aspx>

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