

Is Senior Care The New Child Care?

Senior Care Industry Following Same Path As Child Care

Call it déjà vu or just history repeating itself. But the same families who were looking for caregiving services 20 years ago are still in need of help – this time for their parents, not their kids.

No one understands that trend better than Sherry Workman of Austin, Texas, who opened her first child-care center in 1977 with 20 children. Two years later, she built a new building that soon had 80 children enrolled and a waiting list of 80 children. Her fifth year in business she expanded the center to enroll 160 children.

“That demand was driven by young mothers going to work as well as those mothers whose children had started school,” said Workman, now executive director and CEO of the National Association of Child Care Professionals, which represents child-care centers around the country.

“In the `80s, when I sold my businesses, we were seeing quite a lot more growth from a global perspective,” she noted. Workman is now experiencing the other demographic as well. “My 82-year-old mother-in-law lives on our property,” Workman said. “She has her own challenges. I have hired someone to be her companion, to make sure she takes her medications on time.”

The personal and home care aides occupation – which provides caregiving services primarily to seniors – is expected to grow by more than 50 percent between 2006 and 2016, increasing from 767,000 to a projected 1.15 million jobs, according to U.S. Bureau of Labor Statistics – making it the second fastest-growing occupation. Personal and home care aides help seniors generally at home with needs such as companionship, meal preparation and light housekeeping.

It appears that senior-care may be following in the child-care industry's footsteps. Labor Department child-care worker charts show upward trends beginning in the 1970s, when women were returning to work in record numbers. The child-care industry category increased from 297,600 child-care workers in 1985 to 804,300 in 2007. While child-care employment growth continues to remain above average, jobs that serve seniors are now fueling more fire.

“Beyond the numbers, we can draw a lot of parallels between the two industries,” said Paul Hogan, who co-founded with his wife, Lori, the nation's largest non-medical senior home-care service. Their company, Home Instead Senior Care, has more than 800 franchise offices worldwide whose professional CAREGivers work to keep seniors independent for as long as possible. “By studying child-care trends, we can see what's in store for senior care,” he noted.

“We've already experienced many of these industry trends such as an increase in the number of companies in the market, a shortage of caregivers and a greater scrutiny of our

business,” Hogan said. “What we can expect, based on the child-care industry, is a push for more legislation and training – issues that as an industry we’re trying to lead.”

Following are those comparisons:

Demand for Service

Boomers are driving the need for caregiving services for seniors much as they did for child care. Nowhere is that more evident than in the workplace.

About 27 percent of U.S. companies already offer some senior-care benefits, according to the Society for Human Resource Management, a percentage that has been steadily increasing in the past few years. To meet this demand, a number of companies have emerged.

The nine largest private duty franchise companies, which primarily serve the senior market, accounted for \$1.4 billion in sales in 2006, according to the publication *Private Duty Insider*. The largest and one of the first on the scene – Home Instead Senior Care – last year generated \$661 million in customer-level revenues worldwide. The company’s more than 60,000 U.S. CAREGivers represent about 6½ percent of the workforce in this U.S. job sector. “These CAREGivers are the foundation of this company and without them none of our growth as a company would be possible,” said Home Instead Senior

Care's CEO Hogan. "The CAREGivers also have helped fuel the dramatic national increase in jobs in this profession."

Industry Representation

With the rapid growth of child-care services, the industry in the 1980s began to recognize the importance of professionalism and industry associations such as the National Association of Child Care Professionals emerged, according to Workman. In 2002, the National Private Duty Association (NPDA) organized with a similar purpose to serve as a voice for the senior-care industry.

NPDA President Sheila McMackin said the industry is facing many of the same types of credibility issues as the child-care industry. "We have to build within our culture the sense that caring for another is an important, respectful way to earn a living. We need to be promoting working with older adults as a career to which people aspire."

Benefits and Challenges

Child-care and senior-care industries share many of the same benefits and challenges as well. "We're both drawing from the same pool of people who care," Workman said. "Working with either demographic requires a lot of patience, guidance and gentleness. It's being caring and attentive to a person, whether it is an adult or a child."

Both careers offer flexibility and may appeal to someone looking for part-time work. Each profession also comes with the challenges of recruiting and retaining workers. Employee turnover is high for both industries.

Licensing and Training

Training and licensing have become a way of life for the child-care industry, Workman said. “People who started in child care years ago had no formal training, but that is now a requirement. It’s growing, too, with more education to be mandated. That’s one reason this industry is not growing as fast anymore. It can be restrictive.”

Training and licensing are two issues on the forefront as well for the NPDA. Currently more than 20 states require senior-care workers to be licensed and McMackin’s organization is working in other states to make sure those regulations make sense for senior-care business owners as well as consumers.

“Regulation is not necessarily the best answer,” McMackin said. “But we do understand the value and importance of professional training programs. We’re trying to address those issues as an industry.” Home Instead Senior Care, for instance, offers a custom-made, comprehensive safety and training program for its CAREGivers.

Child Care Growth Slows

While the senior-care industry is growing by leaps and bounds, child care is still experiencing steady growth. In May 2007, there were 812,000 child-care providers in the

U.S. “Part of the reason that child care has slowed is that women are not entering the workforce faster than they did before. It has flatlined,” said U.S. Bureau of Labor Statistics Economist Colleen Teixeira Moffat, who studies both the occupations of personal and home care aides and child-care providers. “At 17.8 percent growth, the child-care industry is still above the 11 percent national average. It’s just not growing as quickly right now as senior care,” she said.

Workman agrees and notes that at some point, child-care demand will increase again. “In some cases, the second generation of child-care providers is taking over. Many of our owners are about to be seniors. They’re selling their businesses to 30-somethings, and the cycle starts again.”

And if there’s advice that she could give to the senior-care industry, it’s to prepare for the inevitability of more educational requirements. “There is a lot of pressure on the child-care field to have degreed teachers in the classroom tomorrow.”

For more information about the challenges of senior care in the U.S., contact Dan Wieberg, Public Relations Manager at 888-484-5759.