WHO WILL CARE?
The Workforce Crisis In Human Services

Commissioned by: PROVIDERS’ COUNCIL February 2017
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- Christine Batista  
  Public Policy & Communications Associate
- Christina Broughton  
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- Zack Mooney  
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- Terry Wells  
  Administrative & Support Associate
- Bill Yelenak  
  VP of Public Policy & Development

Consultants

- Pat Dal Ponte  
  Graphic Designer
- Anita Lichtblau  
  Legal Counsel
- Jill Moran  
  Convention Manager
- Lisa Simonetti  
  Legislative Consultant

To promote a healthy, productive and diverse human services industry
Who Will Care?

THE Workforce Crisis in Human Services
Who Will Care?

The University of Massachusetts Donahue Institute is the public service, outreach and economic development unit of the University of Massachusetts President’s Office. Established in 1971, the Institute strives to connect the Commonwealth with the resources of the University, bridging theory and innovation with real world public and private sector applications.

The Public Policy Center (PPC) at UMass Dartmouth is the University’s applied social science research, technical assistance, and public service unit based in the College of Arts and Sciences and affiliated with its Department of Public Policy. An interdisciplinary applied public policy research and technical assistance provider, the Center seeks to inform evidence-based policymaking at the state, regional, and local level through collaborative engagements with public, private, and nonprofit partners.

The Providers’ Council is a statewide association composed primarily of nonprofit, community-based, care-giving organizations that provide human services, health, education and employment supports. The Council assists its members by providing public policy research, advocacy opportunities, communication and information, education and training, publications and business partnerships. Its mission is “to promote a healthy, productive and diverse human services industry.”

The Council’s Research Committee guided this report

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<th>Committee Members</th>
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<td>David Jordan, Chair Seven Hills Foundation</td>
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<td>Andy Pond Justice Resource Institute</td>
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<td>Lauren Solotar The May Institute</td>
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©2017 Massachusetts Council of Human Service Providers, Inc.
Dear Reader:

Throughout the last decade, the human services sector has experienced exponential growth in the size of its workforce, shattering even the most ambitious projections for the number of jobs needed in the field. While the sector had 98,000 jobs in 2003, it grew to nearly 164,000 jobs just 11 years later – an increase of more than 67 percent. Labor market forecasts suggest the industry’s growth will continue over the coming decade, raising a significant question for our field – **Who Will Care?**

The Providers’ Council and the University of Massachusetts Donahue Institute have collaborated on several reports over the last decade, many of which heralded the incredible growth in the human services sector and the increase of vacant positions in the field. While the sector has historically had a higher rate of turnover than other professions, the employment growth in the field has placed the human services sector at the precipice of a workforce crisis. There simply are not enough individuals to fill these jobs that provide essential supports to one in ten Massachusetts residents.

With this in mind, the Council, the Donahue Institute and UMass Dartmouth’s Public Policy Center collaborated to broaden our understanding of this vexing problem and examine potential solutions to the issue; we are pleased to present the results of this undertaking – **Who Will Care? The Workforce Crisis in Human Services.** The report focuses on potential reasons for the staffing crisis; the impact it can have on clients/consumers, organizations and the workers themselves; and possible solutions. Human services providers compete with other sectors, each other – and their principal funder, the Commonwealth of Massachusetts – to hire qualified individuals, but low salaries, applicants lacking required skills and other barriers to employment continue to make it difficult to recruit workers to incredibly demanding jobs. It is our hope that the information in **Who Will Care?** will help to further explain the workforce crisis and stimulate solutions.

The members of the Providers’ Council’s Research Committee deserve special recognition for lending their time and expertise to help develop this report: David Jordan, Seven Hills Foundation; Dafna Krouk-Gordon, TILL, Inc.; John Larivee, Community Resources for Justice; Bill Lyttle, The Key Program; Michael Moloney, HMEA; Andy Pond, Justice Resource Institute; Lauren Solotar, May Institute; and Michael Weekes, Providers’ Council.

The staff of the University of Massachusetts Donahue Institute and UMass Dartmouth has been timely, responsible, personable and patient. We especially thank UMass representatives and report authors Christina Citino and Michael Goodman for their time, effort and expertise.

Special thanks to Council staff member Bill Yelenak who helped manage the process.

On behalf of the Providers’ Council and its members, we hope that this report elevates discussion, illuminates the human services sector’s workforce crisis, and leads us to answer the question of **Who Will Care?**

Sincerely yours,

Michael Moloney  
Chair, Board of Directors  
Providers’ Council

David Jordan  
Chair, Research Committee  
Providers’ Council

Michael Weekes  
President/CEO  
Providers’ Council
Executive Summary

Success of the human services industry is measured by the quality of services delivered to the most vulnerable residents of the Commonwealth. Critical to the industry’s success is a skilled, motivated workforce equipped to provide a wide array of services in every one of Commonwealth’s 351 cities and towns. As such, the Massachusetts Council of Human Service Providers (Providers’ Council) and its members across Massachusetts have focused their attention on workforce issues for more than a decade. As early as 2005, the Council and its members were concerned with recruiting and retaining a strong workforce. At the time, human services employers were faced with high rates of turnover and prolonged job vacancies. In Help Wanted and Help Wanted 2, the University of Massachusetts Donahue Institute documented both the lack of workers to fill job openings and the factors driving workforce shortages, including workers being overwhelmed and overburdened, low wages, and a lack of applicants to fill vacant positions. However, workforce shortages were somewhat ameliorated during the economic downturn when unemployment rates were high and many Massachusetts residents were in need of work. In today’s economy, significant numbers of unfilled job openings are once again an issue of grave concern.

In an effort to quantify the workforce crisis in the human services industry, the Providers’ Council commissioned its fourth study of the industry – Who Will Care? The purpose of this report is to highlight the challenges providers face as they strive to meet growing service needs and the impact of the workforce shortage on the sustainability of the human services industry.

The Workforce Crisis

Much like the rest of New England, Massachusetts is facing a workforce shortage. Concerns about labor supply are all too real for a significant number of employers across a diverse set of industries. This is not new to Massachusetts human service providers, as the pressure to fill open positions has been building in the industry for years. The following data suggests the pressure will continue:

- From 2015 to 2025, the prime working age population in Massachusetts (those 20 to 64 years of age with labor force participation rates over 60 percent) is projected to decrease by nearly 40,000.
- Labor force and employment projections suggest that the total estimated number of Massachusetts residents in the workforce in 2025 (3,449,851), including workers of all ages, is likely to fall far short of projected employment (3,775,176).
- Between 2004 and 2014, Massachusetts human services industry employment grew by 58 percent. This far exceeds the projected growth of 37 percent reported in the original Help Wanted report released in 2006. In 2014, industry employment approached 164,000 jobs.
- Labor market forecasts suggest that industry growth will continue over the coming decade. Massachusetts industry and occupational projections forecast 91,000 new health care and social assistance jobs by 2024. Given that human services accounts for approximately 27 percent of all health care and social assistance jobs, the industry can conservatively expect a need to fill between 24,000 and 25,000 jobs between 2014 and 2024. Many of these jobs will be relatively lower-paid positions, such as direct support professionals, home health aides, and personal care aides.
- Across all industries in Massachusetts, it is expected that employment of health care social workers will increase by more than 1,460; employment of mental health counselors will increase by 1,330; and employment of child, family, and school social workers will increase by more than 700. A significant proportion of these positions will be in the social assistance sector – a sizeable cluster of employers within the human services industry.

Impact of Unfilled Human Services Openings

Human services employers are already finding it difficult to fill both direct support and clinical positions within their agencies. Employers repeatedly detailed the cycle of prolonged vacancies leading to staff stress, burnout, and frustration, which in turn lead to reduced productivity and ultimately staff turnover. Employers noted that being chronically understaffed limits their ability to:

- Preserve consistent therapeutic relationships with clients and consumers;
- Maintain proper staff/client ratios;
- Meet contractual or compliance obligations;
- Protect the organization’s financial health;
- Expand services in the community; and
- Provide staff with necessary professional development and supports to foster job satisfaction.
Ultimately, the impact of unfilled openings is threefold: (1) providers are unable to shift or expand services as client/consumer needs change and grow, (2) clients/consumers are more likely to be placed on waiting lists or experience longer delays in receiving critically important services and (3) clients'/consumers' treatment is disrupted by turnover and/or vacancies.

**Challenges to Filling Critical Job Vacancies**

Human services employers face many challenges when trying to fill open positions. Like many other industries across the Commonwealth, human services employers are struggling with an applicant pool that simply does not meet their needs.

- When asked to identify challenges to filling open positions, 81 percent of employers reported that applicants lack required skills and 63 percent reported that applicants lack required education or credentials.
- The lack of applicants to fill vacancies was reported by 59 percent of employers. Too few people applying for human services openings was the second most pressing challenge facing employers following applicants lacking required skills.
- Seventy-one percent of employers attribute the lack of applicants to low wages and 18 percent feel that the lack of applicants is a result of too few residents seeking employment.
- Seventy percent of human services employers reported state government as a source of competition for workers.
- Often times, community-based human services organizations feel as if their agencies are a career pipeline for future state employees. Young workers with little or no experience take positions in human services for a short period of time before leaving to work for a state agency, such as the Department of Children and Families or the Department of Developmental Services. Most state jobs can offer better pay and benefits packages with more paid leave, better or lower cost health insurance, and retirement plans. Essentially, this means that human services employers carry the financial burden of recruiting and training young workers to ready them for state government positions.

**Conclusion**

At present, there is no comprehensive, coordinated effort to assist human services employers in meeting their workforce challenges. Employers are piecing staffing efforts together and are trying to meet increasing demands for services and state mandates. Yet they recognize that their individual efforts simply are not enough. In order to sustain the industry and meet its growing workforce needs, human services employers clearly recommended that the Commonwealth needs to:

- Serve as a champion for the community-based human services industry;
- Attract and develop a clear career path for millennials into community-based human services;
- Provide sufficient funding so that employers can offer salaries commensurate with those offered to state employees performing similar jobs;
- Fund government mandates, such as fingerprint screenings;
- Support loan forgiveness and tuition remission programs for human services workers; and
- Establish appropriate guidelines to make it easier for organizations to hire and retain foreign-born workers through a work or training visa.

Above all else, providers recognize that the industry and policy makers must engage in a concerted effort to address the issue of wage parity now. Attempts to solve this problem through piecemeal salary increases, such as the recent state-mandated pay raise to low-wage nursing home workers, help some employers, but are not nearly enough. Nor will living wage campaigns aimed at raising the minimum wage to $15 per hour make the industry more competitive. In fact, without significant adjustments to reimbursement rates, mandated pay raises will only put more pressure on the industry even as they help human services workers make ends meet.

But make no mistake: Addressing the human services labor shortage is not simply about supporting a vital and growing industry in Massachusetts. It is also about the Commonwealth meeting its commitment to its children, its elders, and its most vulnerable residents in every one of its 351 cities and towns.
Who Will Care?
Massachusetts Workforce Crisis

The mounting workforce shortage in Massachusetts is no secret. On the contrary, newspaper articles and reports detailing the negative affect of the workforce shortage on the economy are plentiful. Nearly every forecast of the Commonwealth’s economic future suggests that growth will be significantly hampered by slowing labor force growth associated with an aging population.

Indeed, Massachusetts population projections paint a concerning picture. According to the 2010 Decennial Census, Massachusetts is home to 6,547,629 residents. Population estimates project that between 2010 and 2035, the overall population is expected to increase by 11.8 percent compared with 19.1 percent nationally (Table 1).

- Economists see labor shortage as workers retire. – Boston Globe, October 8, 2014
- Job training system in Massachusetts falls short, study says. State facing lack of labor. – Boston Globe, November 9, 2015
- Baby boomer retirements may slow Massachusetts economic growth. – Boston Globe, February 17, 2016
- The war for tech talent escalates. – Boston Globe, February 19, 2016
- Massachusetts nurses say staffing shortage leads to patient suffering. – Boston Globe, May 9, 2016
Although the overall population in Massachusetts is expected to grow by nearly 12 percent between 2010 and 2035, the prime working age population (those between the ages of 20 and 64 years) is only expected to grow by just over 1 percent during the same period (Table 2). Furthermore, five-year estimates suggest that as the population grows over the next 20 years, the proportion of the prime working-age population shrinks from 61.5 percent of the total population in 2010 to 55.7 percent in 2035.

Massachusetts’ population growth is expected to lag behind employment growth. Although demographic projections reveal that the overall population will increase slightly over the next decade, from nearly 6.8 million residents in 2015 to just over 7.1 million in 2025, the prime working-age population—those 20 to 64 years of age with labor force participation rates over 60 percent—will decrease by nearly 40,000 during that same period (Table 3). At the same time, the most recent Massachusetts employment projections suggest that employment will increase by over 200,000 jobs by 2024. It is important to keep in mind that not all persons of prime working age are in the labor force. In 2014, labor force participation rates among those aged 20 to 64 years ranged from a low of 64 percent among those between the ages of 55 and 64 to high of 82 percent among those between the ages of 35 and 44.

Over the next decade, labor force participation rates are expected to increase among older population cohorts in response to employer demand and, in many cases, as a result of the need for additional income. As a result of these developments, the overall number of projected workers, including those 65 years of age and older, is expected to increase by an estimated 3 percent between 2015 and 2025 (Table 4). However, even with the inclusion of older adults remaining in the workforce, the estimated number of Massachusetts residents in the workforce in 2025 (3,449,851) is likely to fall far short of projected employment (3,775,176). This means that Massachusetts will have to meet its labor needs by persuading workers who reside in other states and nations to commute or relocate if the Massachusetts economy is to meet its need for workers.

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<tr>
<td>Total MA Population</td>
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<tr>
<td>Population aged 20 – 64</td>
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<td>Percent of Population aged 20 – 64</td>
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<tbody>
<tr>
<td>Employment 2014</td>
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Population 20 – 64 2015 | Population 20 – 64 2025 | Change | Percent |
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<td>4,144,773</td>
<td>4,107,983</td>
<td>-36,790</td>
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Meeting the need for skilled workers is a primary concern for a number of the Commonwealth’s leading industries and this issue has received considerable attention from the state’s employers and their advocates. In the Blueprint for the Next Century, Associated Industries of Massachusetts describes its vision for a comprehensive state economic growth strategy. A key feature of the plan is addressing the concerns about continued access to skilled workers. Indeed this report states that “Massachusetts employers almost unanimously name the shortage of qualified workers as the central impediment to the future of the economy.”

Significantly, ensuring an adequate supply of skilled workers is also highlighted as a key challenge in Opportunities for All, the most recent economic development plan for the Commonwealth.

Concerns about labor supply are all too real for a significant number of employers across a diverse set of industries. Reports from a wide variety of industry groups document existing and growing shortages of primary and specialty care physicians, nurses, teachers, and high-tech workers as well as shortages in advanced manufacturing, construction, and marine trades. In many cases this challenge is not new. The Massachusetts human services sector is such a case as the pressure on employers to fill open positions has been building in the industry for years.

### TABLE 4: Massachusetts Population Projections and Estimated Labor Force Participation

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<td>0–19</td>
<td>1,575,847</td>
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<td>1,560,991</td>
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<td>20–24</td>
<td>462,082</td>
<td>70.8%</td>
<td>327,154</td>
<td>428,542</td>
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<td>25–34</td>
<td>891,164</td>
<td>81.2%</td>
<td>723,625</td>
<td>873,436</td>
<td>81.3%</td>
<td>710,103</td>
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<tr>
<td>35–44</td>
<td>874,568</td>
<td>82.2%</td>
<td>718,895</td>
<td>952,203</td>
<td>81.7%</td>
<td>777,950</td>
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<td>45–54</td>
<td>1,000,278</td>
<td>79.6%</td>
<td>796,221</td>
<td>893,154</td>
<td>81.0%</td>
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<td>55–64</td>
<td>916,681</td>
<td>64.1%</td>
<td>587,593</td>
<td>960,648</td>
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<td>65–69</td>
<td>351,198</td>
<td>31.6%</td>
<td>110,979</td>
<td>441,547</td>
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<td>70–74</td>
<td>245,527</td>
<td>18.9%</td>
<td>46,405</td>
<td>359,181</td>
<td>22.8%</td>
<td>81,893</td>
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<td>75+</td>
<td>475,246</td>
<td>8.0%</td>
<td>38,020</td>
<td>636,176</td>
<td>10.6%</td>
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<td>Total</td>
<td>6,792,591</td>
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<td>3,348,891</td>
<td>7,105,878</td>
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<td>3,449,851</td>
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Human Services Workforce Shortages

Workforce shortages are not new to Massachusetts human services employers. For the past decade, the University of Massachusetts Donahue Institute has been documenting the social and economic importance of the human services industry in Massachusetts and the critical issues facing it. As early as 2005, the Massachusetts Council of Human Service Providers (Providers’ Council) and its members were concerned with hiring and retaining a strong workforce. At the time, human services employers were faced with high rates of turnover and prolonged job vacancies. In Help Wanted and Help Wanted 2, the UMass Donahue Institute documented both the lack of workers to fill job openings and the factors driving workforce shortages, including workers being overwhelmed and overburdened, low wages, and a lack of applicants to fill vacant positions. However, workforce shortages were somewhat ameliorated during the economic downturn when unemployment rates were high and many Massachusetts residents were in need of work. In today’s economy, significant numbers of unfilled job openings are once again an issue of grave concern to an industry charged with caring for the most vulnerable residents of the Bay State.

The continued aging of the existing workforce and slow population growth are not the only issue affecting labor supply. Low unemployment is also a factor. A recent analysis reported in the 2014 Massachusetts Labor Market Economic Review found that:

- The average annual ratio of unemployed labor supply relative to online advertised demand contracted to its tightest since 2007, with just 1.33 unemployed workers for every advertised job vacancy.

- The average annual ratio of employed labor supply (those wishing to change jobs) is 21.9 employed possible job changers for every online advertised job vacancy. This is down from 34.4 employed workers per advertised opening in 2009.

In 2015, the Donahue Institute and the Public Policy Center at UMass Dartmouth collaborated on Beyond Social Value: The Economic Impact of the Human Services Sector. This report detailed the size and scope of the industry, as well as its economic impact on the Commonwealth, underscoring the contributions of the industry to the Commonwealth’s social covenant with its residents and its economic growth. Beyond Social Value updates the findings from the original Help Wanted report, reinforcing that the human services industry is not only a significant source of employment, but that the industry’s economic impact is also significant. Of the $3.4 billion earned through the 145,000 human service jobs in 2011, nearly $2.5 billion was disposable income. Workers’ disposable income generated nearly $900 million in additional economic activity throughout the state, supporting an estimated additional 24,000 jobs.

In an effort to quantify the workforce crisis in the human services industry, the Providers’ Council commissioned its fourth study of the industry — Who Will Care? The Workforce Crisis in Human Services. The purpose of this report is to highlight the challenges providers face as they strive to meet growing service needs and the impact of workforce shortage on the sustainability of the human services industry. Unlike previous reports, which primarily relied on public data, this report includes information from Massachusetts human service providers.

Recent data demonstrate that human services employment continues to grow. According to County Business Patterns data, in 2012 industry employment approached 150,000, in 2013 employment exceeded 156,000 jobs, and employment in 2014 approached 164,000. Labor market forecasts suggest that industry growth will continue over the coming decade. And as the human services industry grows, its social and economic impact in the Commonwealth will grow as well. Yet, the state’s ability to support this growth will require workers to fill these jobs. If those workers cannot be found, it will become increasingly difficult for providers to meet the human services needs of an aging population and reap the full social and economic benefits of this rapidly growing sector of the economy.

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Today, human services employers across the Commonwealth struggle to hire and retain qualified staff to provide necessary services to nearly every segment of Massachusetts society. In a survey of Massachusetts human service providers, 72 percent report that it has become increasingly more challenging to fill job openings over the past three years, and 56 percent report that it has been difficult or extremely difficult to fill openings over past 12 months.

Methodology: Survey of Human Services Providers

Unless otherwise noted, all references to data reported by human services employers refer to results of a web-based survey administered to Providers’ Council members in June and July 2016.

- Invitations to complete the survey were sent to approximately 200 providers.
- There were 63 total responses, with 11 completing a slightly longer version of survey.
- Surveys were predominantly completed by President/CEO or Director of Human Resources.
- Approximately one-quarter of provider agencies have 1 or 2 sites, one-quarter have 3 – 11 sites, one-quarter have 12 – 36 sites, and one-quarter have 37+ sites.
- Total employment ranges from 2 to 2,753 employees, with a mean of 414 and a median of 222.
- Full-time employment ranges from 1 to 2,338 employees, with a mean of 280 and a median of 178.
- Part-time employment (35 hours or less) ranges from 1 to 1,350 employees, with a mean of 137 and a median of 64.
- One-quarter of respondents report that at least 40% of workforce is part-time (working fewer than 35 hours per week). One-third report that at least 20% of workforce works fewer than 20 hours per week.
Negative Impact of Unfilled Human Services Openings

Human services employers across the Commonwealth are forced to deal with the consequences of inadequate staffing levels every day. Employers repeatedly detailed the cycle of prolonged vacancies leading to staff stress, burnout, and frustration, which in turn lead to reduced productivity and ultimately staff turnover. And in the end, turnover leads to increasing stress on workers to meet community needs and employers to fill critically important staff positions.

Staff stress and burnout, however, are not the only tangible effects of vacancies. Employers also point to the very real costs associated with being chronically understaffed. Specifically, employers noted that unfilled openings limit their ability to:

- Preserve consistent therapeutic relationships with clients and consumers;
- Maintain proper staff/client ratios;
- Meet contractual or compliance obligations;
- Protect the organization’s financial health;
- Expand services in the community; and
- Provide staff with necessary professional development and supports to foster job satisfaction.

“Filling job openings (either replacements or additions) on time is very important to the operational side of the business. Not having enough employees in each department affects the workload of that department and puts a burden on the employees in that department. [Unfilled openings] create an environment where current employees take additional responsibilities and morale suffers due to the turnover.”

– Director of Human Resources, Southeast MA provider with over 200 employees

These consequences affect both the economic bottom line for human services providers, but also their ability to provide the best quality services to the people of the Commonwealth. As critical direct service and supervisor positions go unfilled, human services employers are spending more and more of their resources on overtime pay, engaging temp agencies to fill gaps, hiring recruiting managers, paying incentives to staff who refer potential employees, and so on. And each dollar spent on workforce shortages is one less dollar available to fund high-quality service provision.

“Unfilled job openings require our company to pay for agency (relief) to cover vacant Direct Support openings. This cost has a tremendous impact on our operating budget. In the case of unfilled Program Managers, other managers must cover these openings causing overwork, and impact on care and oversight of their other job responsibilities, including the training of newly hired staff. Unfilled job openings lead to decreased staff morale as they carry the extra job responsibilities. Staff feel overworked, services provided can suffer, and even when pay and benefits are good to excellent (such as ours), employee’s often are forced to interact with agency staff who may not be as invested in the performance of job responsibilities as regular employees. Overworked employees look for other job opportunities and leave, further impacting the vacancy numbers and cost of turnover, also placing a continuous repetitive workload on Human Resource staff for sourcing, interviewing, hiring and training. This of course, impacts company costs for hiring, onboarding, training and overtime pay for staff covering vacant openings.”

– Director of Human Resources, Merrimack Valley and North Shore provider with nearly 300 employees

Who Will Care?
Without doubt, the most serious impact of unfilled openings in the human services industry falls on the shoulders of those most in need. While all providers are driven by their commitment to excellence in meeting the needs of those they serve, they admit that the availability and quality of services are ultimately affected by staffing shortages. The impact on availability is twofold: (1) providers are unable to shift or expand services as client needs change and grow, and (2) clients are more likely to be placed on waiting lists or experience longer delays in receiving critically important services.

Thus, quality of service delivery is also a frequent casualty of prolonged job vacancies. Being chronically short-staffed often translates into direct service staff spending less time with clients. Furthermore, when agencies are forced to rely on temporary workers to fill positions, clients are being seen by individuals who may not have knowledge of their entire history. Vacancies and turnover ultimately reduce continuity of care.

“Quality is impacted by the lack of specialized skills. In such a small agency, while cross-training occurs, our counselors are still highly specialized. If our Bilingual Counselor position is open, Spanish speaking clients will not be as well served. Similarly, if we have an open Youth Counselor position, youth are seen, but not by someone specifically trained and experienced in the developmental issues involved until a Youth Counselor is hired.”
– Director of Operations, Central Massachusetts provider with around a dozen employees

“All direct care positions need to be filled daily. If direct care staff are doing a lot of extra shifts, that will impact their ability to provide quality services and may cause more mistakes or oversights of important aspects of the individuals care. Open case management positions put a burden on the other case managers to do more work, carrying a larger caseload, again creating a drop in quality of service in order to get to all clients in a timely manner.”
– Vice President for Human Resources, Northeast Massachusetts provider with nearly 350 employees
Human Services: A Growing Industry

Growth over the past decade

The health care and social assistance sector accounts for nearly 20 percent of all Massachusetts employment. Within health care and social assistance, the human services industry accounts for 27 percent of the overall sector, an estimated 163,496 jobs, in 2014. The human services industry therefore represented 4.4 percent of the Commonwealth’s total employment in 2014.

Over the past decade, despite the worst economic downturn since the Great Depression, health care and social assistance employment has grown by over 25 percent compared to overall MA employment growth of 3.6 percent during the same period.

Nearly one-half of the employment growth in health care and social assistance (48%) occurred in the human services industry.

Employment Growth, 2004 – 2014

Massachusetts Overall Employment Growth: 3.6%
Health Care and Social Assistance Employment Growth: 25.7%

Source: U.S. Census Bureau, County Business Patterns Survey, 2004-2014

Health Care and Social Assistance Sector
2014 Employment

Source: U.S. Census Bureau, County Business Patterns Survey, 2014
Between 2004 and 2014, Massachusetts human services industry employment grew by 58 percent. This far exceeds the projected growth of 37 percent reported in the original Help Wanted report released in 2006. As the human services industry continues to grow, its share of all health care and social assistance employment is increasing. In 2004, human services represented 21.5 percent of all health care and social assistance employment. That share increased to 25 percent in 2011 and to 27 percent in 2014.

The human services industry provides a wide array of services throughout the Commonwealth. The industry is comprised of six subsectors. The individual and family services subsector accounts for nearly half of all employment.

Nearly three-quarters of individual and family services employment is devoted to services for the elderly and persons with disabilities.

Employment in establishments that provide services for the elderly and persons with disabilities nearly tripled from 19,617 jobs in 2004 to 58,534 in 2014. This subsector comprises establishments primarily engaged in providing nonresidential services to improve the quality of life for the elderly or persons diagnosed with intellectual and developmental disabilities. These establishments provide for the care of these individuals in such areas as day services, nonmedical home care or homemaker services, social activities, group support, and companionship.
Human Services Employment, 2004-2014
Projected Employment Growth: 37%
Actual Employment Growth: 58%

Source: U.S. Census Bureau, County Business Patterns Survey, 2004 – 2014

Individual and Family Services Subsector, 2014

Source: U.S. Census Bureau, County Business Patterns Survey, 2014

Services for Elderly and Persons with Disabilities, 2004 – 2014
Employment Growth: 198%

Source: U.S. Census Bureau, County Business Patterns Survey, 2004 – 2014
As noted previously, this trend is expected to continue in the coming decade as the state and nation continue to experience a major generational and demographic transition that will significantly increase the share of elderly persons in the population (and put downward pressure on the size and participation levels of the workforce). As the working-age population decreases as a proportion of the total population, the older population increases. In 2015, adults 65 years of age and older accounted for 15.8 percent of the population and by 2025 older adults will account for 20.2 percent of the population. Not only do these projections suggest a decline in the availability of workers, but for the human services industry they also can be expected to fuel a rising demand for workers that will be needed to serve a growing number of elderly persons.

In addition to serving the growing elderly population of Massachusetts, these providers will also address the needs of the growing number of individuals with physical, intellectual, and developmental disabilities, including children and adults on the autism spectrum and individuals with acquired brain injury.

### Human Services Growth in the Coming Decade

Nationally, the health care and social assistance sector is projected to increase its employment of wage and salary workers by 21 percent over next decade (Table 5). Across the country, this represents nearly 3.8 million additional jobs by 2024, which is the largest expected growth of all sectors. Subsectors within health care and social assistance with significant growth include:

- Home health care services: 60.2 percent
- Residential mental health and substance abuse facilities: 39.5 percent
- Outpatient mental health and substance abuse centers: 32.0 percent

#### Table 5: National Employment Projections 2014 – 2024

<table>
<thead>
<tr>
<th></th>
<th>Thousands of Jobs</th>
<th>Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care and social assistance</td>
<td>18,057.4</td>
<td>21,852.2</td>
<td>3,794.8</td>
</tr>
<tr>
<td>Ambulatory health care services</td>
<td>6,644.8</td>
<td>8,978.2</td>
<td>2,333.4</td>
</tr>
<tr>
<td>Hospitals</td>
<td>4,784.3</td>
<td>5,179.2</td>
<td>394.9</td>
</tr>
<tr>
<td>Nursing and residential care facilities</td>
<td>3,261.0</td>
<td>3,996.7</td>
<td>735.7</td>
</tr>
<tr>
<td>Social assistance</td>
<td>3,367.3</td>
<td>3,698.2</td>
<td>330.9</td>
</tr>
</tbody>
</table>

Residential intellectual and developmental disability facilities: 23.2 percent
Services for the elderly and persons with disabilities: 18.3 percent

Notably, four of the five subsectors with significant projected growth over the coming decade include establishments providing services within the human services industry. Ten-year industry and occupational projections from the Massachusetts Department of Labor and Workforce Development mirror national projections.

Although overall employment in Massachusetts is expected to grow by just under 6 percent by 2024, employment across the health care and social assistance sector will grow by nearly 16 percent (Table 6). Although significant, 16 percent growth may be a conservative estimate given that actual job creation in health care and social assistance in Massachusetts has consistently exceeded projections in recent years.

### Table 6: Massachusetts Industry Projections, 2014–2024

<table>
<thead>
<tr>
<th></th>
<th>Employment 2014</th>
<th>Employment 2024</th>
<th>Change Number</th>
<th>Change Percent</th>
<th>2015 Mean Annual OES Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Industries</td>
<td>3,570,423</td>
<td>3,775,176</td>
<td>204,753</td>
<td>5.7 %</td>
<td>$59,010</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>586,314</td>
<td>678,196</td>
<td>91,882</td>
<td>15.7 %</td>
<td>$60,090</td>
</tr>
<tr>
<td>Ambulatory Health Care Services</td>
<td>171,033</td>
<td>212,628</td>
<td>41,595</td>
<td>24.3 %</td>
<td>$71,240</td>
</tr>
<tr>
<td>Hospitals</td>
<td>193,791</td>
<td>217,370</td>
<td>23,579</td>
<td>12.2 %</td>
<td>$71,530</td>
</tr>
<tr>
<td>Nursing and Residential Care Facilities</td>
<td>102,314</td>
<td>109,817</td>
<td>7,503</td>
<td>7.3 %</td>
<td>$39,420</td>
</tr>
<tr>
<td>Social Assistance</td>
<td>119,176</td>
<td>138,381</td>
<td>19,205</td>
<td>16.1 %</td>
<td>$38,890</td>
</tr>
</tbody>
</table>

Massachusetts industry and occupational projections are not sufficiently detailed to create precise projections for the human services industry. However, given that 2014 employment figures suggest that human services accounts for 27 percent of all health care and social assistance jobs, this implies that between 24,000 and 25,000 of the more than 91,000 new health care and social assistance jobs will be in the human services industry. Furthermore, given that employment growth in human services has outpaced that of health care in the past decade, this may well be a conservative estimate. This assumption is not unreasonable given that the highest rates of growth are expected in ambulatory health services (which includes outpatient mental health and substance abuse facilities) and social assistance (which includes services for the elderly and persons with disabilities among other human services).

To be sure, over the next decade, there will be an increased demand for workers in occupations critical to health care and human services. By 2024, Massachusetts will experience sharp increases in the number of relatively lower-paid direct service workers needed, such as home health aides, personal care aides, nursing assistants, teaching assistants, and child care workers (Table 7). These openings will be especially difficult to fill given that there are expected to be better paying alternative employment opportunities available in the labor market. However, low-paying direct service occupations are not the only growth area.

Across all industries in Massachusetts, it is expected that employment of health care social workers will increase by more than 1,460; employment of mental health counselors will increase by 1,330; and employment of child, family, and school social workers will increase by more than 700 (Table 7). A significant proportion of these positions will be in the social assistance sector, a sizeable cluster of employers within the human services industry. Furthermore, it can be assumed that some of these will be in the other human services subsectors, namely outpatient mental health and substance abuse facilities and residential intellectual and developmental disabilities, mental health, and substance abuse facilities. Thus it should not be surprising that when asked about difficult-to-fill positions, more than 60 percent of human services employers report that filling clinical positions, including positions for psychiatrists, mental health counselors, supervisors, and social workers is
difficult or extremely difficult in contemporary Massachusetts (Table 8).

As the demand for these critical positions rises, pressure on human services employers can be expected to increase. However, it is clear that this is a major current as well as a future problem. Human services employers are concerned about significant workforce shortages that already exist, and that this problem will worsen in the coming years. In a survey of Massachusetts human services employers, nearly forty percent report that the number of job openings has increased over the previous year, and one-third report an increase in openings over the previous month. Unless action is taken to directly address the workforce shortage, 75 percent of human services employers expect it to become increasingly difficult to fill openings over the next 3 years. A closer look at three key positions—personal care aides; social and human services assistants; and child, family, and school social workers—validates these concerns.

### TABLE 8: Occupations that are Difficult to Fill
Survey of Massachusetts Human Services Providers (n=63)

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Of those who hire this occupational group, percent reporting hiring is difficult or extremely difficult</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychologists, Psychiatrists, Physicians</td>
<td>86%</td>
</tr>
<tr>
<td>Mental Health Counselors</td>
<td>76%</td>
</tr>
<tr>
<td>Clinical Supervisors</td>
<td>68%</td>
</tr>
<tr>
<td>Social Workers</td>
<td>64%</td>
</tr>
<tr>
<td>Social and Human Service Assistants</td>
<td>50%</td>
</tr>
<tr>
<td>Direct Support/Care Supervisors</td>
<td>46%</td>
</tr>
<tr>
<td>Direct Support Professionals</td>
<td>43%</td>
</tr>
<tr>
<td>Personal Care Aides</td>
<td>26%</td>
</tr>
<tr>
<td>Administrative Support</td>
<td>7%</td>
</tr>
</tbody>
</table>

### Personal Care Aides

By 2024, the number of personal care aide (PCA) jobs is expected to grow by 25 percent across all industries in Massachusetts. In all, Massachusetts expects to need an additional 8,310 PCAs between 2014 and 2024. Projections suggest there will be 1,103 average annual openings (831 annual openings attributed to growth and 272 attributed to replacements).

Considering the educational requirements for this position, PCAs are considered low wage workers. As noted in *Beyond Social Value*, personal care and service workers employed in residential programs for persons with intellectual or developmental disabilities, mental health issues or substance abuse issues, and those employed in individual and family services earn 30 to 34 percent less than personal care workers employed in hospitals.

Direct Support Professionals

Direct support professionals (DSPs) perform a number of tasks to aid individuals with disabilities, providing encouragement and instructions on specific tasks the individuals struggle with due to their disabilities. Most direct support professionals are expected to document their interactions with clients—as well as any changes they notice—so the care team may learn and develop strategies. Often, they communicate with external parties on issues related to the client's care. Nationally, DSPs earn $10.29 per hour.

DSPs play a significant role in the provision of services to individuals with disabilities in Massachusetts. Unfortunately, this occupational group does not exist in the Standard Occupational Classification coding, and as a result, information about expected growth over the coming decade, annual openings, and existing vacancies is not available. However, it is likely that information about DSPs is embedded in the data about social and human service assistants, personal care aides, and home health aides.

Source: Description and national wage were retrieved from http://www.payscale.com/research/US/Job=Direct_Support_Professional/Hourly_Rate

Social and Human Service Assistants

Social and human service assistant is a generic occupational title used by the Bureau of Labor Statistics for workers providing client services in a wide variety of fields, such as psychology, rehabilitation, and social work. These are workers who may assist clients in identifying and obtaining available benefits and social and community services, and/or may assist social workers with developing, organizing, and conducting programs to prevent and resolve problems relevant to substance abuse, human relationships, rehabilitation, or dependent care. Sample job titles for social and human service assistant occupations may include advocate, caseworker, family support worker, or outreach worker. In Massachusetts, many of these workers are known as direct support professionals.

By 2024, the employment of social and human service assistants is expected to grow by 11 percent across all industries in Massachusetts. In all, Massachusetts expects to need an additional 2,230 of these workers between 2014 and 2024. Projections suggest there will be more than 600 average annual openings (223 annual openings attributed to growth and 390 attributed to replacements.)
Child, Family, and School Social Workers

By 2024, the number of child, family, and school social workers is expected to grow by 8 percent across all industries in Massachusetts. In all, Massachusetts expects to need an additional 740 of these social workers between 2014 and 2024. Projections suggest there will be 301 average annual openings (73 annual openings attributed to growth and 228 attributed to replacements).

In comparison to lower paying direct service positions, this occupational group does not appear to present a significant challenge. However, social workers have many career options in today’s economy.
Challenges to Filling Critical Job Vacancies

Human services providers face many challenges when trying to fill open positions. Like many other industries across the Commonwealth, human services employers are struggling with an applicant pool that simply does not meet their needs. When asked to identify challenges to filling open positions, 81 percent of employers reported that applicants lack required skills and 63 percent reported that applicants lack required education or credentials (Table 9).

Forty-one percent of human services employers reported that applicants face barriers to employment and nearly half of the “other” responses related to barriers to employment such as lacking a valid driver’s license or reliable transportation to work. Furthermore, providers repeatedly noted that the process of completing background checks on potential hires was so cumbersome that applicants often found other employment before the process was complete. In addition to citing issues related to background screening, many respondents noted that not being able to offer a competitive wage is a significant barrier to employment.

The lack of applicants to fill vacancies was reported by 59 percent of employers. And when asked to pick the most pressing challenge to filling positions, 27 percent selected the lack of applicants. Too few people applying for human services openings was the second most pressing challenge facing employers following applicants lacking required skills.

Of those who selected “not enough applicants” as the most pressing challenge, 71 percent attribute this to wages and 18 percent feel that the lack of applicants is a result of too few residents seeking employment. However, the lack of a sufficient pool of the interested, qualified applicants with the appropriate skills, education, and credentials is only part of the problem.

Human services jobs are both physically and emotionally demanding, requiring staff to be caring and resilient as they work with people facing significant challenges. Yet, as has been repeatedly documented over the past decade, direct service positions in this industry are paid a lower wage than their counterparts in health care, education, and government positions. Furthermore, in some cases, direct service positions such as direct support professionals and personal care aides may make salaries comparable to those working in retail or hospitality. While these other industries are direct competition for workers, human services employers feel that their most significant competition comes from other human services employers. Overall, 84 percent report that they compete with other human services employers and 54 percent report that other human services providers are their greatest competition (Table 10).

Additionally, competition with state government for human services workers is a clear issue. Seventy percent of respondents reported state government as a source of competition for workers. Anecdotally, some employers report that their agencies serve as a workforce pipeline for future state employees. Young workers with little or no experience take positions in human services for a short period of time before leaving to work for a state agency such as the Department of Children and Families.

### Table 9: Challenges to Filling Job Openings

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Percent reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicants lack required skills</td>
<td>81%</td>
</tr>
<tr>
<td>Applicants lack required education or credentials</td>
<td>63%</td>
</tr>
<tr>
<td>Not enough applicants</td>
<td>59%</td>
</tr>
<tr>
<td>Qualified applicants face barriers to employment</td>
<td>41%</td>
</tr>
<tr>
<td>Applicants lack cultural competence</td>
<td>31%</td>
</tr>
<tr>
<td>Other</td>
<td>42%</td>
</tr>
</tbody>
</table>

### Table 10: Source of Competition for Workers

<table>
<thead>
<tr>
<th>Industry/sector</th>
<th>Percent Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Human Services</td>
<td>84%</td>
</tr>
<tr>
<td>State Government</td>
<td>70%</td>
</tr>
<tr>
<td>Health Care</td>
<td>64%</td>
</tr>
<tr>
<td>Education</td>
<td>33%</td>
</tr>
<tr>
<td>Other For-profit</td>
<td>30%</td>
</tr>
<tr>
<td>Food Service</td>
<td>13%</td>
</tr>
<tr>
<td>Retail</td>
<td>11%</td>
</tr>
<tr>
<td>Hospitality</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
</tbody>
</table>
or the Department of Developmental Services (see job postings and salary comparisons) which frequently offer better pay and benefits packages, provide more paid leave, better or lower cost health insurance and retirement plans. Essentially, these human services employers are recruiting and training young workers only to lose them to more attractive state government positions.

Consider the Bureau of Labor Statistics' Occupational Employment and Wages data from May 2015 which reports that the average wage for human and social service assistants is just over $33,000 per year. These same BLS data demonstrate that the average annual salary for social and human service assistants working in residential intellectual and developmental disability, mental health, and substance abuse facilities is significantly lower than those employed by local government ($27,900 compared to $40,500).\(^4\) This wage disparity makes it extremely difficult for human services employers to compete for scarce skilled workers with their counterparts in the government, which in many cases can offer superior salaries and benefit packages. This issue is clearly documented in job postings for Massachusetts state government jobs compared to human services jobs.

---

<table>
<thead>
<tr>
<th>Agency</th>
<th>Department of Mental Health</th>
<th>Western Massachusetts Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>Mental Health Worker I</td>
<td>Direct Care Staff/Residential or Outreach</td>
</tr>
<tr>
<td><strong>Primary Location</strong></td>
<td>Various</td>
<td>Springfield and Holyoke</td>
</tr>
<tr>
<td><strong>Schedule / Shift</strong></td>
<td>3rd shift</td>
<td>All shifts</td>
</tr>
<tr>
<td><strong>Qualifications</strong></td>
<td>MINIMUM ENTRANCE REQUIREMENTS: None</td>
<td>Ideal candidate will have a Bachelor’s Degree or equivalent experience; strong interpersonal skills; empathy for others; demonstrated commitment to serving those with significant needs; ability to work well within a team model and independently. Computer skills necessary. Must have a vehicle for work use and current driver’s license; ability to complete medication administration training. All candidates must complete and pass background record screening process.</td>
</tr>
</tbody>
</table>

And yet, employers do not blame staff for moving into state agencies where pay and benefits are significantly better for the same work. On the contrary, many human services providers question why state government contracts with human services do not offer reimbursement rates that mirror their own salary scales. When asked what role state government might play in supporting the industry’s efforts to attract much needed workers, several employers suggested that the most valuable support would be to increase of funding for positions that support same clients served by state agencies. Indeed, one employer stated, “Don’t steal our employees with higher rates of pay. We are not in the position to simply raise taxes to compete.”
Addressing the Workforce Shortage

It is clear that the overall pool of available workers is shrinking as the demand for skilled workers continues to increase. Population projections suggest that new workers are likely to come from two demographic groups: millennials and foreign-born workers. In addition to these two demographic groups, difficult-to-employ individuals (those that have barriers to employment, low educational attainment, and disabilities) may also serve as a potential source of human services workers. However, recruiting, hiring, training, and retaining workers from each of these groups will require targeted strategies that meet the needs of each.

**Millennials**

The generation Y generation or millennial generation, commonly referred to as millennials, is roughly defined as those born between 1980 and 2000. In a recent analysis of millennials, the Pew Research Center defined the population as those born from 1981 to 1997, noting that nationally “millennials, whom we define as those ages 18–34 in 2015, now number 75.4 million, surpassing the 74.9 million baby boomers (ages 51–69).”

In 2015, millennials comprised one-third of the prime working-age population in Massachusetts (Table 11). By 2025, they will be half of the prime working age population. In 2025, the estimated labor force participation rate among this cohort is 81 percent, suggesting approximately 1.5 million millennials will be participating in the Massachusetts labor market in the near future.

<p>| TABLE 11: Massachusetts Prime Working Age Population by Generation, 2015 and 2025 |</p>
<table>
<thead>
<tr>
<th>----------------------------------------</th>
<th>--------</th>
<th>--------</th>
<th>-----------------</th>
<th>--------</th>
<th>--------</th>
<th>--------</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennials</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 – 24</td>
<td>462,082</td>
<td>11.1%</td>
<td>Gen Z</td>
<td>20 – 24</td>
<td>428,542</td>
<td>10.4%</td>
</tr>
<tr>
<td>25 – 34</td>
<td>891,164</td>
<td>21.5%</td>
<td>Millennials</td>
<td>25 – 34</td>
<td>873,436</td>
<td>21.3%</td>
</tr>
<tr>
<td>Gen X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35 – 44</td>
<td>874,568</td>
<td>21.1%</td>
<td>Gen X</td>
<td>35 – 44</td>
<td>952,203</td>
<td>23.2%</td>
</tr>
<tr>
<td>45 – 54</td>
<td>1,000,278</td>
<td>24.1%</td>
<td>GEN X</td>
<td>45 – 54</td>
<td>893,154</td>
<td>21.7%</td>
</tr>
<tr>
<td>Baby Boomers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>55 – 64</td>
<td>916,681</td>
<td>22.1%</td>
<td></td>
<td>55 – 64</td>
<td>960,648</td>
<td>23.4%</td>
</tr>
<tr>
<td><strong>Total Prime Working Age</strong></td>
<td>4,144,773</td>
<td>100.0%</td>
<td><strong>Total Prime Working Age</strong></td>
<td>4,107,983</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>


---

Eleven of the 63 respondents to the survey of human services providers were willing to complete a longer version of the survey instrument. Additional questions focused on strategies being utilized to meet workforce demands. Of these 11 Massachusetts based human services employers, all of them are actively targeting recent college graduates and 46 percent report targeting millennials. Given that all recent college graduates and many recent high school graduates are millennials, this is clearly a demographic group of interest (Table 12).

Much has been written about the millennial generation, due to the cohort’s large size as well as the prevalence of generational differences between millennials and their elders. Millennials comprise a significant portion of the workforce and will continue to do so as baby boomers leave the workforce. As such, understanding the way in which millennials’ entry into the workforce is likely to impact employers, and the changes that may need to occur for organizations to successfully attract and retain the next generation of talent, has been growing in importance in recent years.

As a group, this generation is defined by greater racial and ethnic diversity than prior generations, being the most educated generation in American history, and being “digital natives” accustomed to multitasking. Hiring managers have described millennials as more narcissistic and money-driven than those in previous generation, but also more creative, adaptable, entrepreneurial and open to change. In the workplace, millennials place significant emphasis on work/life balance, career development, and social interaction and relationships among coworkers. Studies suggest that millennials pose retention challenges to employers. A study conducted by Deloitte found that one in four millennials would leave their current employer within the next year if given the opportunity, and two out of three expect to leave by 2020.

Although some of the findings emerging from studies about millennials in the workplace are contradictory, overall they suggest that attracting and retaining this cohort requires:

- Focusing on developing managers for the next generation
- Focusing on workplace culture

<table>
<thead>
<tr>
<th>Target Population</th>
<th>Percent reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent college graduates</td>
<td>100%</td>
</tr>
<tr>
<td>Racial/ethnic minorities</td>
<td>82%</td>
</tr>
<tr>
<td>Recent high school graduates</td>
<td>46%</td>
</tr>
<tr>
<td>Millennials</td>
<td>46%</td>
</tr>
<tr>
<td>Recent immigrants</td>
<td>46%</td>
</tr>
<tr>
<td>Retirees</td>
<td>46%</td>
</tr>
<tr>
<td>Difficult to employ individuals</td>
<td>36%</td>
</tr>
<tr>
<td>Foreign-born workers living outside of US</td>
<td>18%</td>
</tr>
<tr>
<td>US citizens living in US territory (e.g., Puerto Rico)</td>
<td>18%</td>
</tr>
<tr>
<td>Other</td>
<td>27%</td>
</tr>
</tbody>
</table>

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Offering flexibility whenever possible
- Emphasizing meaningful work and social value
- Considering alternative employee benefits (e.g., loan repayment programs, flexible benefit packages)

**Immigrants**

Nearly half of surveyed human services employers are targeting recent immigrants for recruitment, and 18 percent are actively recruiting foreign-born workers living outside the United States. According to the 2009–2013 American Community Survey data, there are nearly one million foreign-born individuals living in Massachusetts, representing approximately 15 percent of the total population. However, the 2013 ACS single-year estimate of foreign-born persons living in Massachusetts exceeds one million, suggesting that one in every six Massachusetts residents is foreign-born.

As the foreign-born population continues to grow in Massachusetts, employers across industries will be increasingly relying on these workers to meet their workforce needs. However, employing this population does not come without challenges. As noted in a recent Urban Institute report, *Engaging Employers in Immigrant Integration*, “Many immigrants have low levels of education, limited English-language proficiency, compromised immigration status, and difficulties validating credentials gained abroad. Such characteristics hinder their productivity and prevent employers from taking full advantage of their employees’ talents.”

A report by the New Americans Integration Institute posits that Massachusetts is well poised to meet workforce challenges through purposeful “training and matching of unemployed and recently-arrived immigrants to critical vacancies.” The report further suggests that the human services industry could greatly benefit from strategic efforts to integrate this population into its workforce. However, the ability to engage in such an effort will rely on the availability of new immigrants, which is intrinsically tied to immigration policy, and state-level support to provide new immigrants with the supports they need to gain employment.

Unlike Millennials, not much has been written about what foreign-born workers want in the workplace or how to best recruit and retain this population. Rather, strategies tend to focus on the need for workplaces to address cultural diversity, including issues related to:
- Communication
- Staff resistance to change

**Workplace policies for a diverse workforce**

**Difficult-to-Employ Populations (Individuals with Barriers to Employment)**

According to Massachusetts Labor Force and Unemployment data, the monthly unemployment rate has been steadily dropping since the beginning of 2016. In September 2016, the overall unemployment rate was 3.6 percent, down from 4.7 percent in January 2016. Approximately 129,000 individuals in the Commonwealth were seeking employment opportunities. However, this rate, known as the U-3 rate, only provides a partial estimate of the number of individuals lacking employment. The Bureau of Labor Statistics produces alternative measures of labor underutilization by state. One such measure is the U-6. The U-6 measure of unemployment includes all those included in the U-3 rate plus discouraged workers, marginally attached workers, and those employed part-time for economic reasons. The most recent average U-6 rate for Massachusetts, covering the fourth quarter of 2015 through third quarter of 2016, is 8.8 percent.

Discouraged workers and marginally attached workers are persons who are not in the labor force, want and are available for work, and had looked for a job sometime in the prior 12 months. They are not counted in the U-3 rate because they did not look for work in the prior four weeks, though the reasons given for not seeking employment in the prior four weeks vary. Discouraged workers did not seek work in the past four weeks because they felt no work was available while marginally attached workers gave some other reason for not seeking work in the prior four weeks. Persons employed part-time for economic reasons are those working less than 35 hours per week who want to work full time, are available to do so, and gave an economic reason (their hours had been cut back or they were unable to find a full-time job) for working part time. Although these workers are not included in the commonly reported U-3 unemployment rate, they do represent potential workers for the human services industry.

Thirty-six percent of human services employers reported targeting difficult-to-employ populations when recruiting workers. These potential workers may include the long-term unemployed, individuals with disabilities, non-English speakers, those with low educational attainment, individuals from poorly resourced urban settings and those with non-violent criminal histories. Many of these difficult-to-employ populations are disproportionately from communities of color. However, as with attempts to recruit recent immigrants, recruiting, training and supervising hard-to-employ populations requires a significant investment of time and resources.

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Conclusion

As a Commonwealth, Massachusetts has a long history of supporting the common good. This commitment is more than evident in the state’s support of its most vulnerable residents. According to the website for the state’s Executive Office of Health and Human Services, the department is responsible for overseeing “critical services that touch one-in-four residents of the Commonwealth.” While many of these critical services are provided by state employees, a significant number are subcontracted to the thousands of human services establishments across Massachusetts. As such, the state and the human services industry work hand-in-hand to meet the needs of the population. To achieve an adequate workforce, it is imperative that the state and human services sector capitalize on their history of working together to jointly develop and implement a comprehensive strategy for addressing the workforce challenge.

As pressure to hire workers has mounted, providers across the Commonwealth have responded in a wide variety of ways. Some human services employers have initiated major recruitment efforts in foreign lands and U.S. territories, such as Puerto Rico, to meet their workforce demands. Others have explored providing low-cost housing as a means to support direct support professionals and other low-wage employees. And others continued to rely on more traditional strategies to recruit and hire staff, including:

- Working directly with vocational high schools, trade schools, and colleges to attract millennials;
- Attending job fairs, including those specifically targeting veterans and racial/ethnic minorities;
- Implementing social media campaigns;
- Managing internship programs;
- Utilizing bonuses, including staff bonuses, recruitment bonuses, and bilingual bonuses; and
- Advertising positions in many possible venues locally, regionally, nationally, and internationally.

Regardless of the strategies employed, the one thing these efforts have in common is the significant resources they require. Eleven employers provided information about the resources needed to fill open positions. While this varied greatly by the size of the organization, it is clear that these employers devote significant resources; five employers reported spending well over $100,000 per year on staff recruitment expenses and one human services employer reported spending over 1 million annually to fill open positions.

At present, there is no comprehensive, coordinated effort to assist human services employers in meeting their workforce challenges. Employers are piecing efforts together as they can in an effort to keep up with increasing demand for services and state mandates. Yet they recognize that their individual efforts simply are not enough. In order to sustain the industry and meet its growing workforce needs, human services employers clearly reported that Massachusetts policy makers must work in partnership with them to develop comprehensive and coordinated solutions to this growing problem. Specifically, they recommended that the Commonwealth needs to:

- Serve as a champion for the community-based human services industry;
- Attract and develop a clear career path for millennials into community-based human services;
- Provide sufficient funding so that employers can offer salaries commensurate with those offered to state employees performing similar jobs;
- Fund government mandates, such as fingerprint screenings;
- Support loan forgiveness and tuition remission programs for human services workers; and
- Establish appropriate guidelines to make it easier for organizations to hire and retain foreign-born workers through a work or training visa.

Above all else, providers recognize that the industry and policy makers must engage in a concerted effort to address the issue of wage parity now. Attempts to solve this problem through piecemeal salary increases, such as the recent state-mandated pay raise to low wage nursing home workers, help some employers, but are not nearly enough. Nor will living wage campaigns aimed at raising the minimum wage to $15 per hour make the industry more competitive. In fact, without significant adjustments to reimbursement rates, mandated pay raises will only put more pressure on the industry even as they help human services workers make ends meet.

But make no mistake, addressing the human services labor shortage is not simply about supporting a vital and growing industry in Massachusetts. It is also about the Commonwealth meeting its commitment to its children, its elders and its most vulnerable residents in every one of its 351 cities and towns.
Endnotes


Who Will Care?