

Senior Care Franchise Demand Projected to Grow

Demand for Services That Help Clients Stay at Home Driven by Changing U.S. Demographics

Recent reports from the U.S. Bureau of Labor Statistics indicate a continuing need for in-home senior care services and a growing demand for companies that provide those services.

The Bureau of Labor Statistics' recent survey predicted an increase in the personal and home care aides job category – forecasting it to be the second fastest-growing job group in the nation over the next decade. Nationwide, the personal and home care aides classification is expected to grow by more than 50 percent between 2006 and 2016, increasing from 767,000 to a projected 1.15 million jobs.¹

This growth is a reflection of the significant increase in the number of Americans reaching their 70s, 80s, 90s, and even the centennial mark, thanks to improving health care but more importantly to the huge numbers of baby boomers reaching maturity.

“This could become a national crisis,” said Paul Hogan, Co-Founder and CEO of Home Instead Senior Care. “Our franchise network, the largest in the industry, currently employs more than 60,000 CAREGivers throughout the country. To keep pace with this projected demand, our company will have to double its care force in just three years, according to our research,” he noted. “On a positive note, these projections will result in job opportunities for area workers hit hard by the economy, providing a flexible part-time option for additional income or a new career in a fulfilling job field – caring for older adults.”

The government identifies personal and home care aides as professionals who help the elderly, disabled, ill and mentally disabled live in their own homes or in residential care facilities instead of in health facilities. The growing number of seniors in the U.S. as well as locally is expected to help fuel demand for these jobs and the businesses that hire for them, including senior care franchises. According to the U.S. Census Bureau, the population age 65 and older is projected to double between 2000 and 2050.

“We’ve certainly seen the growing needs of seniors drive the demand for our services, which in turn creates more caregiving jobs,” said Paul Hogan. The local Home Instead Senior Care offices are part of an international franchise company whose professional CAREGivers go into the homes of seniors to help them with their non-medical needs such as companionship, meal preparation, light housekeeping, medication reminders, errands and shopping.

National research conducted by the company reveals that 86 percent of seniors want to continue living in their homes as they age. This surge in seniors at home will help fuel the demand for these new companies to provide these services.

U.S. Bureau of Labor Statistics Economist Colleen Teixeira Moffat, who studies the occupation of personal and home care aides, said increasing health-care costs partly explain this growing demand. “It’s a lot more cost-effective to leave a hospital sooner when all a senior might need is assistance with daily activities,” she said. “A visiting nurse, home health aide, and personal and home care aide all will be cheaper than a stay in a residential care facility,” she said.

In addition to being the second fastest-growing job category nationally, CareerBuilder.com has listed personal and home care professionals as part of one of the top five recession-proof industries: health care².

And the aging population phenomenon is not unique to the United States. Throughout the world, countries are facing dramatic increases in the percentages of their populations over 60 years of age. Many caregiving companies are gearing up to meet this expected caregiving need by actively expanding their presence throughout the world. For example, in addition to over 560 North American offices, Home Instead Senior Care now has offices in over 17 countries worldwide, including Japan, Finland, Australia, Ireland, and more.

Sources:

1. <http://www.bls.gov/emp/emptab21.htm>
2. <http://www.cnn.com/2008/LIVING/worklife/03/24/cb.recession.proof/index.html>

For more information about the challenges facing caregivers in the U.S., contact Dan Wieberg, public relations manager, by phone at 888-484-5759 or by email at dwieberg@homeinsteadinc.com.