

STRUCTURAL INTELLIGENCE BRIEF

Other Services

NAICS 81 · Tier 3 Baseline Coverage. Auto Repair (71% independent), Funeral Homes (89% independent), Hair Salons, Dry Cleaning, Religious Organizations, Civic Associations, Pet Care. 717,000 businesses, 5.1 million workers. The sector the classification system could not categorize.

THINNESS	PERMISSION	MANAGEMENT	ABSENCE
SEVERE	ELEVATED	SEVERE	SEVERE

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Four Frequencies Framework

April 2026

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Executive Summary

The Other Services sector (NAICS 81) encompasses 717,000 businesses across 781,000 establishments employing 5.1 million workers. It is the classification system's residual category: automotive repair and maintenance (8111), electronic and precision equipment repair (8112), commercial and industrial machinery repair (8113), personal and laundry services including hair salons, dry cleaners, funeral homes, and pet care (812), religious organizations (8131), grantmaking and giving services (8132), social advocacy organizations (8133), civic and social organizations (8134), business, professional, and labor associations (8139), and private households (814).

The conventional assessment of this sector focuses on individual subsector performance: auto repair shop profitability, salon revenue, church attendance, funeral home volume. Those metrics describe current service delivery. They do not describe the structural conditions that determine whether independent auto shops can survive the EV transition, whether congregations with 65 members can maintain 400-capacity buildings, whether funeral homes on 10–15% margins can absorb the cremation shift, or whether the civic organizations that once provided community cohesion can function when only 6% of Americans maintain membership.

The Four Frequencies framework examines where micro-fragmentation has removed the scale buffers that would allow service providers to absorb disruption, where 50-state licensing regimes restrict labor mobility while right-to-repair barriers restrict market access, where training pipelines and cash reserves have contracted below the threshold required to sustain operations, and where the structural function these organizations perform—repair, gathering, grieving, community formation—has departed in ways that no market mechanism will restore.

Other Services is a Tier 3 baseline coverage sector in this assessment: 9 structural metrics across federal data sources including Census Bureau, BLS, BEA, IRS, FTC, and EPA. With a 3-Severe/1-Elevated severity profile, NAICS 81 confirms the pattern visible across Tier 3 sectors: the less visible a sector is to conventional economic analysis, the more structural exposure it carries.

The sector that maintains the spaces where Americans repair, gather, grieve, and groom is losing the workforce, the membership, and the economic model that sustained those spaces simultaneously. The auto technician shortage has reached 613,000 positions, with demand outpacing the training pipeline at four-to-one. Average congregation size collapsed from 137 weekly participants to 65 in two decades. The cremation rate reached 61.8%—projected to exceed 80% by 2035—displacing \$3,000 to \$5,000 in revenue per death. Civic organization membership stands at 6% of Americans. Volunteer hours per person declined 27.5% in six years. The sector's functioning depends on knowledge that cannot be scaled, documented, or transferred. Pet care services grew 111% in employment—the only structural growth category in NAICS 81—but a sector that narrows to a single growth engine while its foundational categories contract is not diversifying. It is concentrating its remaining vitality.

THINNESS	PERMISSION	MANAGEMENT	ABSENCE
SEVERE	ELEVATED	SEVERE	SEVERE

- **MINIMAL.** No dangerous dependencies
- **MODERATE.** Visible but not load-bearing
- **ELEVATED.** Something finite absorbing extra load
- **SEVERE.** Damage spreads when something breaks
- **CRITICAL.** Multiple failures compounding

Sector Structural Profile

The sector that maintains the spaces where Americans repair, gather, grieve, and groom is losing the workforce, the membership, and the economic model that sustained those spaces simultaneously. This is the NAICS system’s catch-all: 717,000 businesses that share no unifying production logic, only the shared condition of structural invisibility. The auto technician shortage has reached 613,000 positions, with demand outpacing the training pipeline at four-to-one. The EV transition eliminates traditional revenue streams—oil changes, brake pads, transmission work—while requiring capital-intensive diagnostic equipment that independent shops operating on 8–15% margins cannot afford. Average congregation size collapsed from 137 weekly participants to 65 in two decades. Sixty-eight percent of congregations now operate below 100 members, maintaining fixed-cost building infrastructure on a shrinking giving base. The cremation rate reached 61.8%—projected to exceed 80% by 2035—displacing \$3,000 to \$5,000 in revenue per death. Civic organization membership stands at 6% of Americans. Volunteer hours per person declined 27.5% in six years. Pet care services grew 111% in employment—the only structural growth category in NAICS 81—but a sector that narrows to a single growth engine while its foundational categories contract is not diversifying. It is concentrating its remaining vitality.

Four Frequency Severity Assessment

T Thinness SEVERE

Where 93.5% of the market operates outside the top four firms, where auto technician shortage has reached 613,000, and where the cremation rate is structurally displacing thousands of dollars per service from independent funeral homes operating on margins with no buffer. Thinness in the Other Services sector manifests as radical micro-fragmentation combined with demand erosion. Hundreds of thousands of sole proprietors and micro-firms operate without scale buffers while the economic models that sustain them contract structurally.

The sector’s fragmentation is extreme by any measure. The top four firms hold only 6.5% of market share; the remaining 93.5% distributes across 717,000 businesses, the vast majority sole proprietors or

micro-firms with fewer than five employees. Seventy-one percent of auto repair shops are independently owned. Hair salons number over one million establishments with average revenue of \$321,000 and average net profit of \$19,100. This represents an 8.2% margin that evaporates with a single month of reduced foot traffic. Independent funeral homes constitute 89.2% of the industry but face compounding margin pressure: the cremation rate reached 61.8% in 2024, projected to exceed 80% by 2035. Traditional burial generates \$7,848 per service; direct cremation generates \$1,100 to \$2,200. Each percentage point shift from burial to cremation permanently displaces revenue from operations with fixed facility costs.

The auto technician shortage is the sector's most acute Thinness condition. The United States faces a gap of approximately 613,000 technicians, with BLS projecting 70,000 annual openings through 2034 against a training pipeline that produces fewer than 40,000 graduates annually. The average technician is 40 years old. The EV transition compounds this: electric vehicles have 40% fewer moving parts, eliminating oil changes, spark plugs, and most transmission work. Independent shops face a forced capital transition to EV-ready infrastructure that their margin structures cannot finance. Meanwhile, manufacturers restrict diagnostic software access, costing independent shops \$3.1 billion annually in repair data barriers.

Federal data anchors: Federal data anchors: Census Bureau 2022 Economic Census NAICS 81 (717,367 businesses, 781,446 establishments, market concentration); BLS Occupational Outlook Handbook (70,000 annual auto tech openings, \$49,670 median wage); TechForce Foundation (613,000 technician shortage, 34% degree completion decline); NFDA (cremation rate 61.8%, burial cost \$7,848); IBISWorld (salon revenue \$321,000, profit 8.2%).

P Permission ELEVATED

Where cosmetology licensing fragments across 50 states with 1,000 to 2,100 required training hours and only three states participating in an interstate compact, where right-to-repair restrictions cost independent auto shops \$3.1 billion annually, and where religious tax exemption creates structural dependency on \$6.9 to \$83.5 billion in foregone property tax revenue. The Permission frequency in the Other Services sector measures where regulatory architecture creates labor immobility, market access friction, or governance dependency. The data describes a sector where permission structures were designed for a stable, local-market world that no longer describes how services are delivered, workers move, or institutions sustain themselves.

Occupational licensing is the sector's most pervasive Permission condition. All 50 states require cosmetology licensure, with training hour requirements ranging from 1,000 hours (Massachusetts) to 2,100 hours depending on state and credential type. No national reciprocity framework exists. A licensed cosmetologist moving from South Carolina to New York must reprove equivalent training and pass both written and practical exams. The Cosmetology Licensure Compact—an interstate compact model—has been enacted by only three states (Alabama, Arizona, Kentucky) and requires seven to activate. The structural consequence is that licensing fragments the labor market geographically, suppressing mobility in a profession where the median wage is \$16.95 per hour. The same fragmentation applies to funeral directors (state-specific licensing with no uniform national standards) and, more critically, to auto repair where manufacturer restrictions on diagnostic software and parts create a separate permission barrier. This barrier is not from government regulation but from private market control.

Religious tax exemption creates a different Permission condition: structural dependency. An estimated \$6.9 to \$83.5 billion in annual property tax revenue is foregone through religious property tax exemptions. This permission structure sustains congregations that could not survive on giving base alone, but creates governance obligations (Form 990 reporting, Johnson Amendment political activity restrictions, automatic revocation after three consecutive years of non-filing) that require administrative capacity most small congregations do not have. The EPA's December 2024 TSCA rule imposing a 10-year phase-out of perchloroethylene in dry cleaning adds a compliance timeline that approximately 6,000 small operators must navigate or exit. Permission registers Elevated rather than Severe because right-to-repair momentum is expanding repair access (all 50 states have introduced legislation, seven have enacted laws) and the regulatory architecture, while fragmented, is not actively collapsing.

Federal data anchors: Federal data anchors: Council of State Governments (Cosmetology Licensure Compact, 3 states enacted); BLS (cosmetologist median wage \$16.95/hour); FTC Nixing the Fix Report (\$3.1B annual cost, 63% of shops report daily/weekly restrictions); IRS (501(c)(3) reporting requirements, automatic revocation rule); EPA TSCA Rule (PERC 10-year phase-out, December 2024); Congressional right-to-repair bill tracking (H.R. 906 REPAIR Act, 56 co-sponsors).

M Management SEVERE

Where 39% of small service businesses hold less than one month of cash reserves, where auto trade school enrollment is declining at negative 3.3% compound annual growth, and where 53% of clergy are considering leaving the ministry while seminary enrollment declined 8% in a single year. The Management frequency in the Other Services sector measures whether operational structures can convert signals into effective response. The data describes a sector whose management architecture consists of isolated micro-units with minimal information systems, depleted cash buffers, and training pipelines contracting below replacement rate.

Cash reserve inadequacy is the sector's binding Management constraint. Federal Reserve Small Business Credit Survey and industry data show 39% of small businesses hold less than one month of operating expenses on hand. An additional 21.6% hold only one to five months. Expert recommendations of three to six months minimum expose the gap: the majority of NAICS 81 operators cannot absorb a single month of disruption. Equipment failure, technician departure, seasonal downturn, or rent increase will trigger immediate debt or closure. SBA lending data for personal care services (NAICS 812199) shows average approved loans of \$255,000, 25% below the national average, with an 11.7% historical default rate. This indicates both higher perceived risk and lower capitalization.

The training pipeline collapse is the Management frequency's second structural condition. Auto trade school enrollment declined at negative 3.3% compound annual growth between 2017 and 2023 while overall trade enrollments grew 1.2%. Seminary enrollment fell from 2,920 to 2,686 graduate-level seminarians in a single year, representing a 58% cumulative decline from 6,426 in 1970-71. Fifty-three percent of clergy surveyed in fall 2023 seriously considered leaving the ministry, up 16% since 2021. The convergence is structural: the sector cannot train replacements for departing auto technicians, departing clergy, or departing funeral directors at the rate those roles are vacating. When average congregation size is 65 and 68% operate below 100 members, the management capacity required to sustain each congregation—bookkeeping, building maintenance, volunteer coordination, pastoral care—falls increasingly on a single overloaded individual whose departure terminates the institution.

Federal data anchors: Federal data anchors: Federal Reserve Small Business Credit Survey (39% with <1 month cash reserves); SBA 7(a) lending data NAICS 812199 (\$255K average, 11.7% default rate); TechForce Foundation (auto trade school enrollment -3.3% CAGR); Hartford Institute for Religion Research (median congregation 65, 68% below 100); Religion News Service/Barna (53% clergy considering departure); OSV News (seminary enrollment -8% YoY).

A Absence SEVERE

Where weekly church attendance dropped from 32% to 20% over 25 years, where auto technician degree completions declined 34% while the technician shortage reached 613,000, and where civic organization membership stands at 6% of Americans while volunteer hours per person collapsed 27.5% in six years. The Absence frequency in the Other Services sector measures where critical institutional knowledge and capacity have departed or are departing at rates the sector cannot replace. The data describes a sector experiencing simultaneous knowledge departure across four subsectors: religious institutions, skilled trades, civic organizations, and specialized service providers.

Religious institutional contraction is the sector's most structurally significant Absence condition. Weekly church attendance dropped from 32% of Americans in 2000 to 20% in 2025. Membership below 50% of those in attendance. Unaffiliated Americans increased from 16% to 29% in the same period. Average congregation size collapsed from 137 weekly participants to 65 in two decades. Sixty-eight percent of congregations now operate below 100 members. In 2024, 4,000 congregations closed while 3,800 opened—churn without growth. Each closure removes not just a building but an entire ecosystem: community gathering space, volunteer coordination networks, pastoral relationships, and local knowledge of which families need support during crisis. This disappearance is permanent. No other sector provides congregation-level gathering infrastructure, and no market mechanism will rebuild it.

Skilled trade workforce departure compounds the institutional contraction. Auto technician degree completions declined 34% from 2012 to 2021. Electronic repair technicians show 42% with 20+ years of experience against a 2:5 replacement ratio. Average auto technician age is 40. The knowledge that departs with these individuals—how to diagnose modern vehicles, how to navigate manufacturer restrictions, how to build customer relationships over decades—cannot be replicated through documentation or rapid training. When that knowledge departs, the remaining workforce experiences concentrated load: fewer people carrying more responsibility. This load concentration accelerates additional departures by raising burnout and stress. The pipeline cannot compensate. It produces half the technicians needed annually.

Federal data anchors: Federal data anchors: Gallup (church attendance 32% to 20%, membership below 50%, unaffiliated 16% to 29%); Hartford Institute for Religion Research (median congregation 65, 68% below 100, closure rates); BLS (auto tech degree completions -34%); NCES (seminary enrollment -8% YoY); Religion News Service (53% clergy considering departure); BLS (volunteer hours per person -27.5%).

Federal Data Metrics

SOURCE	METRIC	READING
Census Bureau	Sector establishments and employment	717,367 businesses, 781,446 establishments, 5.1M workers
Census Bureau	Market concentration (top 4 firms)	6.5% of market
BLS	Auto technician shortage	613,000 positions, 4:1 demand-supply gap
BLS	Auto trade school enrollment trend	-3.3% CAGR (2017-2023)
TechForce Foundation	Auto tech degree completions	-34% (2012-2021)
NFDA	Cremation rate	61.8% (2024), projected 80%+ by 2035
Gallup	Church attendance (weekly)	32% (2000) to 20% (2025)
Hartford Institute	Median congregation size	137 to 65 members (20-year change)
OSV News	Seminary enrollment	-8% YoY (2,920 to 2,686)
Pew Research	Clergy leaving ministry (considered)	53% (2023), up from 37% (2021)
Federal Reserve	Small business cash reserves <1 month	39% of businesses
SBA	Personal care sector loan defaults	11.7% historical rate, \$255K average loan

This assessment draws structural data from nine federal sources. Census Bureau: 2022 Economic Census NAICS 81 (market structure, concentration, employment). BLS: Occupational Outlook Handbook (auto technician demand and supply, wage data), JOLTS separation and quits data, QCEW employment distribution. TechForce Foundation: Auto trade school enrollment trends, technician shortage analysis. NFDA (National Funeral Directors Association): Cremation rate trends and revenue impact. Hartford Institute for Religion Research: Congregation size and attendance trend data. OSV News and Religion News Service: Seminary enrollment and clergy survey data. Federal Reserve: Small Business Credit Survey (cash reserve data, lending). SBA: 7(a) loan data for NAICS 812199. FTC: Nixing the Fix report (right-to-repair cost analysis). EPA: TSCA rule (PERC phase-out). Council of State Governments: Cosmetology Licensure Compact status.

The 12 Public Dimensions

Twelve of the twenty Four Frequencies dimensions are measurable from publicly available federal data. These dimensions describe the structural environment every organization in Other Services inherits.

T1 - Radical Micro-Fragmentation

717,000 businesses across 781,000 establishments. Top 4 hold 6.5% market share. 71% of auto repair independently owned. 89.2% of funeral homes independent. Salon margins 8.2%. No operator has meaningful scale buffers. Single-month disruption triggers insolvency for majority.

T2 - Auto Technician Shortage and EV Displacement

613,000 technician shortage. 4:1 demand-supply gap. BLS projects 70,000 annual openings; pipeline produces <40,000. Average tech age 40. Degree completions -34% (2012-2021). EVs eliminate oil change, brake, transmission revenue. Manufacturer diagnostic restrictions cost \$3.1B annually.

P1 - Occupational Licensing Fragmentation

50-state cosmetology licensure. Training hours 1,000–2,100. No national reciprocity. Interstate compact: 3 states enacted, 7 required. Funeral director licensing state-specific. Geographic labor immobility suppresses wages (\$16.95/hr median cosmetologist) and restricts market entry.

P2 - Tax Exemption Dependency and Regulatory Compliance

Religious property tax exemptions: \$6.9–\$83.5B annually foregone. 501(c)(3) automatic revocation after 3 years non-filing. Johnson Amendment political activity restrictions. EPA PERC 10-year phase-out (6,000 dry cleaners). FTC Funeral Rule with 50-state overlay. Right-to-repair expanding (7 states enacted, all 50 introduced).

M1 - Cash Reserve Depletion

39% of small businesses hold <1 month operating cash. 21.6% hold 1–5 months. Expert minimum: 3–6 months. SBA personal care loans average \$255K (25% below national), 11.7% default rate. Majority cannot absorb single-month disruption without debt or closure.

M2 - Training Pipeline Collapse

Auto trade school enrollment –3.3% CAGR (2017–2023). Seminary enrollment –8% YoY (2,920 to 2,686). 58% cumulative seminary decline since 1971. 53% of clergy considering departure. Neither subsector can train replacements at departures rate. Single-point-of-failure institutions.

A1 - Religious Institutional Contraction

Church attendance 32% to 20% (2000–2025). Membership below 50%. Unaffiliated 16% to 29%. Average congregation 137 to 65 members. 68% below 100 members. 4,000 closures vs. 3,800 openings (2024). Each closure removes community infrastructure—building, programs, volunteer networks—permanently.

A2 - Skilled Trade Workforce Departure

Auto tech degree completions –34%. Electronic repair: 42% with 20+ years experience, 2:5 replacement ratio. Average tech age 40. Knowledge concentration in aging cohorts with no transfer mechanism. Pipeline produces half the replacements needed annually.

A3 - Civic and Community Function Erosion

Civic membership 6% of Americans. Club attendance –58% (1975–2000, continued since). Volunteer hours per person –27.5% (96.5 to 70, 2017–2023). Dry cleaning –30% establishments since pandemic. Pet care +111% employment (2007–2017): the sector's lone growth engine in a contracting sector.

T3c - Margin Resilience

Salon margins 8.2%. Funeral home margins 10–15%. Auto shop margins 8–15%. Single-month disruption triggers cascading failures.

P3c - Regulatory Fragmentation Velocity

Rate of new regulatory requirements entering the sector. EPA PERC phase-out, right-to-repair momentum, state-level occupational licensing changes.

M3c - Information System Adequacy

Percentage of operators using integrated accounting, scheduling, and inventory systems versus spreadsheets. Low system adoption increases management load.

A3c - Workforce Age Distribution Risk

Percentage of workforce 55+. Auto technicians: average age 40. Religious leaders: concentration in 50+ cohort. Replacement ratio 2:5 or worse.

The 8 Diagnostic-Only Dimensions

The following eight dimensions can only be scored through the Four Frequencies diagnostic engagement using behavioral intelligence data from inside the organization. Federal data reveals the sector-level structural conditions above. These dimensions reveal the organization-specific structural dynamics that determine whether your organization is absorbing compensatory load for the sector-level weaknesses, or compounding them.

T3 - Substitution Readiness

Whether critical functions continue if a key person, vendor, or system disappears. In a micro-fragmented sector, substitution readiness is visibility over know-how concentration.

T4 - Recovery Architecture

Whether the organization can actually recover from disruption, not just claim it can. Recovery time, cash burn rate, fallback customers, alternative suppliers.

P3 - Override Patterns

How often formal processes get bypassed, and by whom. In single-person operations, override patterns reveal whether the person is following procedures or inventing them on the fly.

P4 - Escalation Integrity

Whether problems that should reach leadership actually do. In small teams, escalation integrity reveals how many issues get absorbed versus how many bubble up.

M3 - Noise Ratio

How much useful signal reaches leadership versus how much gets lost in administrative load. In micro-firms, what percentage of management time goes to compliance versus operational decisions?

M4 - Channel Integrity

Whether information changes shape as it moves through the organization. Single-person operations have zero channel integrity: all information flows through one person.

A4 - Tenure Concentration

How much structural load is being carried by people 55+. In Other Services, retirement risk accumulates across the sector simultaneously.

A6 - Capability Transfer Architecture

Whether the organization has any mechanism to transfer knowledge from experienced people to successors, or whether capability departs with the person carrying it.

The gap between what federal data reveals (9 dimensions) and what the diagnostic measures (all 13) is not a marketing device. It is the structural reality of organizational intelligence. Public data shows the sector-level weather. The diagnostic shows whether your roof leaks.

Structural Risk Scenarios

Structural conditions do not predict specific events. They define the envelope of probable outcomes. The following scenarios are structurally plausible given current conditions. They are not forecasts. They are the shapes that failure takes in a sector with this structural profile.

Cascade Contraction in Congregation-Dependent Communities

Average congregation size reached 65 members while maintaining facilities built for 400. Fixed costs (heat, roof, insurance, maintenance) exceed the giving capacity of 65 members operating on a declining volunteer base. The congregation reaches the contraction threshold: solicit funds for capital repair, consolidate with another congregation, or close. When multiple congregations reach this threshold simultaneously in the same community—which is structurally inevitable given the uniform decline trajectory—the availability of partners to consolidate with shrinks. The structural cascade: each congregation's closure reduces the community's gathering infrastructure permanently and removes the volunteer ecosystem that sustained neighborhood cohesion. The cascade is not slowing. Seminary enrollment fell 8% in a single year. Fifty-three percent of clergy are considering departure. The pipeline cannot replace the departing institutional knowledge required to sustain even small congregations.

Independent Auto Repair Market Structural Transition

The auto technician shortage has reached 613,000 with demand outpacing the training pipeline at four-to-one. Degree completions declined 34% from 2012 to 2021. The average technician age is 40. An independent auto shop cannot hire technicians because they are not being trained at replacement rate. The shop cannot upgrade to electric vehicle diagnostic equipment because 8–15% margins do not finance capital investment. The shop cannot access manufacturer diagnostic software and parts because right-to-repair restrictions cost independent shops \$3.1 billion annually. Independent shops comprise 71% of the U.S. repair market. The structural condition: the market structure that sustained distributed repair is becoming unsustainable while the training and technology barriers that protect consolidation grow. Independent repair will not disappear overnight. It will cede market share to dealerships and corporate chains that can hire, equip, and invest at scale. The cascade dynamic: as independent repair market share declines, the training pipeline that fed independent shops contracts further, which accelerates independent shop closures, which reduces training pipeline demand further. This is not a temporary shortage. It is a structural transition from distributed (71% independent) to consolidated (dealership/corporate-dominated).

Knowledge Departure in Credential-Dependent Subsectors

Funeral directing requires specialized licensing and decades of relationship building with families, clergy, and community institutions. When a funeral home operator retires, the institutional knowledge departs with them: which families prefer burial, which prefer cremation, which have the resources to absorb the cremation transition (the shift from burial revenue to cremation revenue). Electronic repair requires 20+ years of experience to diagnose modern equipment. Forty-two percent of electronic repair technicians have 20+ years of experience while the replacement ratio is 2:5. When that cohort retires without successors trained to their level, the sector loses diagnostic capacity that cannot be replicated through documentation or rapid training. The structural condition: credentials and licensing requirements create geographic immobility and training barriers that concentrate knowledge in aging cohorts with no

mechanism to transfer that knowledge to successors. The departure of that knowledge is not offset by hiring: the training pipeline produces half the technicians needed annually. This is a structural Absence condition where the knowledge required to serve clients departs faster than it is replaced.

Cross-Cutting Theme Connections

Three of the four cross-cutting structural themes operate at elevated intensity in the Other Services sector.

Workforce

Other Services is experiencing simultaneous workforce contraction across three pathways: the auto technician shortage at 613,000 positions with a 4:1 demand-supply gap; the 34% decline in auto trade school enrollment; the 8% year-over-year decline in seminary enrollment and 53% of clergy considering departure. The clearest signal is pipeline collapse: the sector cannot train replacements for departing workers at the rate they are departing. This is distinct from a labor shortage (insufficient workers willing to work). It is a training pipeline collapse: the institutions that produce replacements are themselves structurally thin. The auto trade school system that produced 40,000 technicians annually has negative enrollment growth while needing to produce 70,000 annually. Seminary enrollment collapsed 58% from 1970 to present and continues declining. The workforce theme in Other Services does not describe worker scarcity. It describes the systematic inability to train replacements for an aging workforce in subsectors where knowledge concentration is high and transfer mechanisms are weak.

Governance

Religious and civic organizations in Other Services carry governance structures designed for a different economic era. Tax exemption for religious organizations creates structural dependency: \$6.9 to \$83.5 billion in annual property tax revenue is foregone through exemptions. This dependency creates governance obligations (Form 990 reporting, Johnson Amendment restrictions, automatic revocation after three years of non-filing) that require administrative capacity most small congregations lack. The governance challenge is not corruption or bad decision-making. It is structural: a congregation with 65 members operating at financial deficit must simultaneously maintain a building, manage volunteer coordination, file federal compliance reports, and provide pastoral care. These functions fall on the same person. When that person departs or burns out, the institution experiences simultaneous collapse across all four structural domains. Civic organizations face similar governance fragmentation: 6% civic participation rate, volunteer hours per person declined 27.5% in six years, and the coordination infrastructure required to sustain civic functions has systematically thinned.

Knowledge

Knowledge in Other Services concentrates in two ways: in aging individual practitioners (funeral directors, auto technicians, religious leaders with decades of community relationships) and in tacit understanding of how to navigate fragmented regulatory regimes (50-state cosmetology licensing with no reciprocity,

state-specific funeral directing requirements, manufacturer-controlled diagnostic software access). When the aging practitioner departs, that knowledge walks out the door. When the regulatory expert leaves a small business, compliance capacity evaporates. Neither knowledge type is documented in a way that can be transferred to successors. The Absence pattern is structural: the sector's functioning depends on knowledge that cannot be scaled, documented, or transferred. Seminary enrollment decline and clergy departures mean losing not just pastoral capacity but the institutional memory of how to sustain a congregation when membership and giving both decline. Auto technician departures mean losing not just repair capacity but the diagnostic expertise to recognize when manufacturer restrictions are limiting service quality. These knowledge departures are irreversible once they occur.

What This Means for Organizations in This Sector

The structural conditions identified in this assessment operate differently in Other Services than in larger sectors with consolidated market structures. Healthcare, Transportation, and Finance operate through institutional structures large enough to carry strategic planning, capital investment, and workforce development. Other Services operates through 717,000 independent businesses that individually carry no such capacity. The structural invisibility of NAICS 81—the fact that it is the classification system's residual category—reflects a deeper structural truth: the sector performs functions (repair, community gathering, grieving infrastructure, civic participation) that are essential to daily American life but are not organized through markets that generate measurable scale or profit concentration. This market structure invisibility is itself the diagnostic signal.

Three structural observations follow from this analysis. First, the training pipeline collapse is the binding constraint. An auto technician shortage at 613,000 is a demand-supply gap. The fact that degree completions declined 34% while overall trade enrollments grew is a structural signal: the auto technician training system is contracting faster than the labor market is responding. Similarly, seminary enrollment down 8% in a single year reflects not temporary cyclical weakness but structural: the pipeline cannot train replacements for departing clergy at the rate clergy are departing. Neither gap closes through market wages alone when the underlying training infrastructure is itself thinning.

Second, the cash reserve depletion condition creates vulnerability to operational disruption that the sector is not managing. Thirty-nine percent of small businesses hold less than one month of operating reserves. This means that a single month of disruption—equipment failure, key technician departure, seasonal downturn, facility damage—triggers immediate financial stress for the majority of operators. In a sector operating on 8–15% margins, this is not a conservative financing choice. It is structural fragility. The implication: operators in this sector have zero capacity to absorb disruption, invest in transition (like EV diagnostic equipment), or weather market shifts (like the cremation transition in funeral services).

Third, the knowledge departure pattern is irreversible once it occurs. When a funeral home operator who understands how to navigate family relationships and price cremation services appropriately departs, that knowledge is gone. When a 40-year-old auto technician with deep diagnostic expertise leaves the profession, no onboarding process replicates that expertise. The sector's functioning depends on knowledge that is embodied in individual people, is not documented, and cannot be transferred at the

speed departures are occurring. The strategic implication: organizations in Other Services that have not mapped where critical knowledge currently resides and what structural load it carries are operating with invisible structural risk.

Sector-level conditions and organizational-level conditions are not the same. The auto technician shortage (613,000), the seminary enrollment collapse, the congregation size decline, and the cosmetology licensing fragmentation are sector-level forces that individual organizations cannot reverse. But where institutional knowledge resides in a specific congregation or shop, how management information flows during crises, what decision authority has been distributed, and what relationships currently compensate for structural gaps are organizational-level conditions. Some organizations in Other Services carry structural strength that compensates for sector-level vulnerabilities. Others compound them. The difference is visible in the structural architecture: how the four frequencies interact within a specific organization, against the sector-level conditions documented here.

Methodology

The Four Frequencies framework measures structural resilience across four dimensions: Thinness (depth of critical capacity), Permission (distribution of decision authority), Management (leadership and operational effectiveness), and Absence (gaps in critical functions and their consequences). Each frequency is assessed across five dimensions, for a total of twenty structural measurements.

Sector-level assessments draw on federal data mapped to the twelve publicly-measurable dimensions. Organization-level diagnostics add behavioral intelligence from internal raters to score all twenty dimensions. The combination produces the Structural Resilience Index (SRI), a composite score calibrated to a five-band severity scale.

Severity terminology: MINIMAL (structural conditions within normal operating parameters, no dangerous dependencies), MODERATE (early structural conditions that merit monitoring, concentration visible but not yet load-bearing), ELEVATED (active structural conditions requiring attention, something finite is absorbing extra load), SEVERE (significant structural vulnerability with compounding risk, damage spreads when something breaks), CRITICAL (acute structural vulnerability requiring immediate intervention, multiple failures compounding).

What This Means for Your Organization

This brief describes the structural environment your organization operates inside. Whether these sector-level conditions are amplified or mitigated within your specific organization depends on your internal structural profile.

The Four Frequencies diagnostic measures all 20 dimensions for a single organization, producing a 40-page structural analysis with the Structural Resilience Index.

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About S.J. Bridger

S.J. Bridger is a structural resilience diagnostics practice. We analyze the structural conditions that determine whether organizations hold together when key people leave, when systems fail, and when the relationships that carried institutional knowledge disappear. The Four Frequencies framework was developed through forensic analysis of organizational failures across multiple sectors and refined through diagnostic engagements that measure what traditional assessments miss.

Structural Intelligence Briefs are published assessments of sector-level conditions. They are updated quarterly as federal data sources release new information. The Other Services brief is the second in a series covering all 20 NAICS sectors.

DISCLAIMER: This Structural Intelligence Brief is a sector-level structural assessment based on publicly available federal data and the Four Frequencies analytical framework. It does not constitute advice to any specific organization. It does not establish a consulting engagement, advisory relationship, or professional obligation between S.J. Bridger and any reader or recipient.

Sector-level structural conditions described in this brief may or may not apply to any individual organization within the Other Services sector. Organizational structural profiles vary based on internal conditions that are measurable only through diagnostic engagement. Decisions regarding organizational strategy, workforce planning, risk management, or any other operational matter should not be based solely on the sector-level findings in this document.

The severity scores, structural risk scenarios, and analytical observations in this brief reflect conditions as of the publication date. Federal data sources update at varying intervals. This brief will be updated quarterly. Prior versions should not be relied upon after a subsequent version has been published.

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