

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

quitting the workforce altogether, they don't account for a majority of the labor shortage, according to a recent CNN Business report.

Jan. 05, 2022



As businesses struggle to attract young workers to entry-level positions, the COVID-19 pandemic is driving a wave of early retirements, Dayton-area employers and analysts say.

Across the board workers want more flexibility, and for people in senior positions that often means moving up plans to leave their full-time careers.

Joni Watson taught art in Dayton Public Schools for 35 years and was vice president of the Dayton Education Association teachers' union.

“I had really planned on teaching five more years, but then a couple things

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

That convinced her. She retired in June.

While much attention has focused on younger workers seeking better jobs or quitting the workforce altogether, they don't account for a majority of the labor shortage, according to a recent CNN Business report.

Drawing on research by financial services provider Goldman Sachs, the Federal Reserve Bank of Kansas City and human resources firm ADP, the report found that nearly 70% of the 5 million people who have left the labor force during the COVID-19 pandemic are over age 55. The rate of those retirees taking new jobs has also declined.

A steady rise in the stock market since early 2020 and increasing property values enabled many Baby Boomers — born between 1946 and 1964 — to afford early retirement, the report found.

That's happening in the Dayton area, according to Noreen Willhelm, senior fellow at the Dayton Foundation's Del Mar Encore initiative, which puts highly skilled older people who want to keep working back into community positions.

Two local trends are emerging, she said. One is that workers are seeking greater flexibility — shorter hours and variable schedules. That includes people close to retirement age.

“Older workers are not unique in wanting to be safe, and to sort of get more out of life,” Willhelm said.

Also, retirement itself has changed from decades past.

“People who reach 65 can easily expect to be active for the next 10, 20, maybe 30 years,” she said.

**Varied reactions**

As part of the overall Great Resignation, older workers are exiting traditional jobs —

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Yet many of them are “too young to be done” with work, Kastner said. They’re unlikely to go back into some of the industries which report major labor shortages such as service and hospitality jobs, but can be excellent mentors for younger and mid-career people, she said.

“I think they have this trusted adviser/coach role that is just perfect for them,” Kastner said.

Shifting demographics make it imperative that jobs adjust to match older workers’ needs, she said. By 2034 there will be more Americans over age 65 than are 18 or younger, for the first time in history, Kastner said.

Many companies were short on entry-level workers and middle management before the pandemic started, said Doug Barry, president of Dayton staffing firm BarryStaff. Then uncertainty and disruption due to COVID-19 led many to retire a few years earlier than expected, he said. Departures have leveled off, but there’s no indication yet of a wave of returns.

“We haven’t gotten to the point where they’ve been away from the workforce long enough to say ‘You know what, I’m going to go get a job or paycheck again,’” Barry said. “Coming out of the shutdowns I think we have a segment of the population that’s still a little bit unsure if they want to get back in the workforce or not.”

Even if they do jump back in, people aren’t necessarily returning to their old careers. Some are heading in completely different directions, saying “This is what I’ve always wanted to do, and I’m going to do it,” he said.

Barry said flexibility is essential for companies seeking to keep people.

“We have basically said ‘The way you’ve thought about employment and dealing

Hello. It looks like you’re using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

employment, as people at various stages of life pondered their goals, Willhelm said.

That shift means employers need to look critically at their actual needs, instead of what they’ve traditionally done, she said. Some are finding they can break full-time jobs into several part-time positions, and offer a flexible mix of remote and in-person work, Willhelm said.

Several Dayton-area organizations have held events to talk about their need for skilled workers, she said. They want a mixed-generation workforce: not just young people, but those with institutional knowledge.

“We think that both are crucial to the future of the workforce in our region,” Willhelm said.

A changing work environment isn’t just happening at large companies. The same pressures are altering small business, according to Roger Geiger, executive director of the Ohio chapter of the National Federation of Independent Business.

“Almost 60% of Ohio small businesses right now have positions they can’t fill. That’s a record high,” he said. The Ohio NFIB represents about 22,000 small business owners, including more than 1,000 in Montgomery County, Geiger said.

Small businesses can’t match big companies for pay and benefits, but almost half of small firms have hiked their pay, and a quarter plan to do so again. A fifth of small businesses are offering new types of benefits.

“Even prior to the pandemic, we were headed for this cliff,” Geiger said.

Previously, the shortage was largely caused by two factors, he said: a skills gap for many open trade positions such as plumbers and electricians; and a lack of “soft skills” needed to keep and perform any job.

Ohio's sluggish population growth meant there were fewer people available for

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

conventional jobs for the "gig economy," he said. He's not sure how many, but a substantial number are working for themselves or as independent contractors.

"We are in a transformational era right now," Geiger said. This has been the second year to set a record for the number of start-ups, he said.

"That tells me a lot of people who were working for somebody else are now working for themselves," Geiger said.

The change from a 9-to-5 job can allow someone to stay home if they lack childcare, or if they have to quarantine following COVID-19 exposure, he said.

### **Local experiences**

Dealing with an aging workforce is nothing new for Kevin Burch, vice president of sales and governmental affairs for Michigan-based Martin Transportation Systems, formerly Jet Express. The average truck driver is 48, six years older than the average American worker, said Burch, who has himself spent 47 years in the industry. Truckers also tend to retire later, often driving into their 70s or 80s, he said.

"We've had a perfect storm in the last few years. We've had an aging workforce and we've had — not a bad situation, but a pathetically poor environment — in trying to get younger people involved in our industry," he said.

The American Trucking Associations, of which Burch is a previous board chair, estimates a million more drivers will be needed over the next decade. That's more than a quarter of the current number of drivers. While Burch expects computer-assisted driving to be widely available soon, he believes fully autonomous trucks are "decades away."

Truckers' pay has increased 8% to 10% this year due to the driver shortage and

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

of corporate communications.

"They've also been very transparent that that's something they're going to consider in the very near future," she said.

AES wants its soon-to-be retirees to train others, ensuring that their institutional knowledge remains, Kabel said.

Premier Health system in Dayton has seen more people "exploring their options for transitioning out of the workforce," according to a statement from Stacey Lawson, Premier Health vice president and chief human resource officer.

"These employees aren't necessarily taking those steps yet, but want to make well-informed decisions about both when and how," she said. "We have also seen an increase in employees, including those nearing retirement, who are expressing interest in more flexible working arrangements, and we have worked to meet those evolving needs and expectations."

Some previous retirees have asked about coming back in some way, due to the need for healthcare workers right now, Lawson said.

### **Broad possibilities**

Whether it's a part-time return to a previous job, an independent contracting position or a second career, work options exist for retirees who want them.

Silver is Gold drew 54 people to its first event in November, at the Dayton Metro Library, Kastner said. The group's next event for retired professionals or those thinking of retiring, and wondering what they want to do next, will be 10 a.m. to 11:30 a.m. Thursday, Jan. 27. It's free but advance registration is required at [www.silverisgold.org/events](http://www.silverisgold.org/events).



Hello. It looks like you’re using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

“Everyone says when you retire you can do what you want, but I really love working,” she said.

Then she heard about the Dayton Foundation’s Del Mar Encore program and applied for it. The fellowship program matched her with a part-time position at the Brunner Literacy Center, which offers one-on-one tutoring for adults. That aligned with her ideals.

“Being of service is really important to me,” Watson said.

=====

(c)2022 the Journal-News (Hamilton, Ohio)

Visit the Journal-News (Hamilton, Ohio) at [www.journal-news.com](http://www.journal-news.com)

Distributed by [Tribune Content Agency, LLC](#).

Benefits • Payroll

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved