

Companies must plan now for skilled-worker shortage

While we've all heard and read the national news over the past few years of companies forced to downsize, it's difficult to imagine that the nation will soon be faced with a shortage of skilled workers.

But that's exactly what's expected to occur: A work force shortage is looming in our future.

Competing with neighboring communities for talent was the topic of last week's column, and I'd like to focus a little bit more on this future work force issue. It's an unprecedented demographic event that is really going to affect the nation, and us here in Sheridan as well.

Just four short years ago, there were more workers than jobs available across the nation. Many in the work force took jobs they were overqualified for to fill the need of a paycheck.

Companies often had a list of potential employees to choose from for a single job.

This trend continued until just this year, when a shift began to occur, and going forward, the work force numbers are starting to decrease while the number of jobs increases.

And though that trend is just starting nationwide, it is one that is expected to continue for more than 20 years.

The Bureau of Labor Statistics and

the Employment Policy Foundation predict that by 2010, there will be 10 million more jobs than available workers, and by 2030, this gap will expand to 35 million.

Why is this happening? Several factors will create this shortage of skilled labor.

Baby boomers are quickly nearing retirement age, and following generations haven't been as large as that era.

Decreasing birth rates and a challenged education system mean a smaller and less educated generation is heading into the work force that the baby boomers are leaving.

It's as simple as there just aren't as many workers available for jobs that will be left vacant by a retiring baby boomer generation.

Plus when baby boomers leave the work force — with a majority expected to retire between 2010 and 2015 — they will be taking their knowledge and skills with them, and while younger workers are entering the work force, many do not have the same skills as those they are replacing.

A Community Affair

Lisa
Bisbee

Planning for Sheridan's economic development



Millions of jobs will go unfilled simply because workers will lack the specialized skills required to fill the vacancies.

Though Sheridan is no stranger to the need to recruit and retain skilled workers, the situa-

tion could get worse for us locally, as well as our neighboring communities, bordering states and the entire nation.

To remain competitive, companies and communities have to start planning now for these work force changes.

Both will have to demonstrate that they have the qualities workers want and the ability to recruit and retain talent from other regions without having them immediately stolen away.

The shortage of skilled workers will place new pressures on businesses, because as the national economy continues to improve and create more employment opportunities, highly skilled workers will be searching for the best opportunities.

Incentive packages, such as health insurance and 401(k)s, may no longer

be enough to recruit or keep skilled employees.

Instead, many companies may have to look past this traditional type of compensation, and instead look at other factors that may help the needs of the new generation worker.

Flexible work hours, child-care tuition assistance, employee-housing assistance, and financial planning may be the key to building a long-term relationship with an employee.

While this national work force crisis may be hard to envision, it is one that we can expect.

It's one that we need to be aware of, to be planning for, so that we as a community can remain competitive in a nation that will be fighting for workers.

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"A Community Affair" is a weekly column from citizens who support Forward Sheridan, a professional business organization of invested partners whose purpose is to develop and maintain a sound economy in Sheridan County. Philippe Chino is president/CEO of Forward Sheridan.