

Baby Boomers

By William L. Caynor, Price Electric Cooperative CEO

Baby Boomers was a term given to children born after World War II when there was an explosion in the birth rate in many countries. The war torn countries such as; Poland and Germany didn't experience this until several years later. Our returning America heroes were welcomed and paraded through the streets with waving flags and banners. To assist their assimilation into civilian life, US Congress passed the G.I. Bill offering low or no interest loans towards a higher education or to start a business. Affordable home mortgages were also granted and the combination sparked these GI's to settle down and start a family. This in turn spawned 76.4 million babies classified as Baby Boomers, born between 1946 and 1964. The following year the birth rate declined and Generation X was born.

What's so important about Baby Boomers? Well, nearly a quarter of American's today are Baby Boomers and they command almost 60 percent of net US wealth and 40 percent of spending. In many categories, boomers represent over 50 percent of consumption and comprise a majority of the share growth. In their heyday, they were an unprecedented economic force, pushing up rates of homeownership, consumer spending and, most important of all, employment. In the workforce, this generation is hanging up their hats and heading to the warm country to enjoy retirement.

Between investor owned utilities, municipalities, contractors and cooperatives the electric industry is being dramatically affected. In the next five years 20 percent of the 70,000 employees employed by the National Rural Electric Association (NRECA) will be retiring. NRECA consists of 905 (840 Distribution, including Price Electric) cooperatives of which 6,407 new employees were recruited last year.

By 2017, 55 percent of electric co-op CEOs will be eligible for retirement, 75 percent in ten years. Within the next five years; 37% of Senior Managers, 31% of Supervisors, 26% of System Operations Employees, 24% of Electrical Engineers, 16% of the Skilled Trades (such as; Lineman & Equipment Operators) and 14% of Information Technology personnel will be eligible for retirement.

Presently at Price Electric Cooperative we have experienced nine employee retirements since 2009, four will be eligible in less than three years and nine in ten. Ten of our 23 employees are 50+ in age. We have already began succession planning with the addition of three new linemen apprentices over the past year. This is changing the dynamics of the workforce and creating more of an emphasis on training and development.

We're not alone! A staggering 60%+ of the electric power workforce in the Pacific Northwest of is aged 45 or older. About 17% of this workforce is expected to retire by 2018. We'll encounter stability only after many years of evolution of which will create change. In the words of Steve Jobs, "For the past 33 years, I have looked in the mirror every morning and asked myself: 'If today were the last day of my life, would I want to do what I am about to do today?' And whenever the answer has been 'No' for too many days in a row, I know I need to change something."