

“Silver Tsunami”

Introduction:

The generation born between 1946 and 1964, approximately 76 million people in the United States, are known as the “Baby Boomer” generation. Nationwide, more than 10,000 people turn 65 years old every day. This group of Baby Boomers, between the ages of 57 and 75, are quickly approaching retiring age. The “Silver Tsunami” has arrived.

Discussion Points:

- The “Baby Boomer” generation
- The “Silver Tsunami”
- The impact the “Silver Tsunami” will have on the company’s workforce
- The impact of COVID-19 on the retiring workforce
- Companies should plan for this decline in the workforce

Discussion:

What is the “Silver Tsunami?” The “Silver Tsunami” describes the projected increase in the senior population and thousands of workers who are retiring daily. According to the National Bureau of Economic Research, as of January 2020, the percentage of people 55 years and over has doubled in the last 20 years. Why is this important? This age group, which currently is at or quickly approaching retirement age, makes up a large part of the workforce. According to the U.S. Department of Labor, “it’s predicted one-third of the workforce is over the age of 55, and as many as 40% of the Baby Boomers are expected to retire in the next few years, and they threaten to take their knowledge, experience, and commitment with them.” The current workforce will lose a great number of skilled and experienced workers, and the impact of COVID-19 has accelerated this course of events. For many companies, this loss of experienced workers is immense. A recent survey found, “57% of Baby Boomers have shared less than half of the knowledge needed to perform their job responsibilities when they retire, and 21% have shared none of their knowledge. 80% of organizations say they lose experience, knowledge, and leadership when an older worker leaves.” Now is the time for companies to capture the wealth of knowledge from the Baby Boomers and train the next generation of workers.

The next generation of workers, those born from 1965 to 1980 known as Gen-X or the “crossover generation” have been attending college to further their education, and many are not entering the workforce until later. Because of this and because of the declining workforce due to the effects of the Silver Tsunami, according to the Bureau of Labor Statistics, projections show “the demand for labor needed now is not being fulfilled, and the gap between labor needed and labor available will continue to expand over the future.” Companies should begin to plan for this decline in the workforce.

As always, stay safe out there!

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