



RURAL INFRASTRUCTURE BRIEFINGS

Rural Water Industry Prepares for a Generational Shift
Addressing the Challenges of an Aging Workforce

These Briefings showcase different facets of the rural infrastructure industries: power, energy, and utilities; water utilities; and communications.

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Baby boomers poised to retire

At Rathbun Regional Water Association, Iowa’s largest rural water system, half of the 60-member workforce is over 50 years old. That includes John Glenn, CEO and chief operations officer, who will turn 65 this year. Another 27 percent of his employees are between the ages of 40 and 50.

Like businesses across the U.S., Rathbun Regional Water is home to an aging staff, and Glenn is well aware of the challenges that lie ahead. In the last nine months, three key veteran employees have died. Another 66-year-old experienced staffer will be out for four months due to complications from knee surgery. Glenn himself wrestles with a bad knee.

“Certainly, the health of an older workforce is an issue,” he acknowledges.

An aging labor force isn’t just a concern at Rathbun but all across the U.S. rural water industry. At North Alamo Water Supply Corp., the largest rural water provider in Texas, the average age of the upper management team, which includes senior supervisors and department managers, is nearly 60 years old. Half of the 10 employees who work at West Central Iowa Water Association will retire in the next five years, including general manager Dean Lorenzen.

In its *2016 State of the Water Industry* report, the American Water Works Association (AWWA) listed “aging workforce/anticipated retirements” as No. 13 of 28 top challenges. This ranking, which came from 1,468 survey respondents, is up four positions from AWWA’s 2015 survey.

“A large number of water industry employees are nearing or are currently eligible for retirement,” notes AWWA, which represents 50,000 members. “This group represents a significant amount of institutional knowledge that could be lost without proper succession planning and process documentations.”

Baby boomer departures leave a void

Some analysts have estimated that 50 percent of the rural water industry’s workforce will retire in the next few years. But the water sector isn’t alone in its graying employees. The U.S. workforce as a whole is getting older due to increased life expectancy and declining birthrates, as is the overall population.