For Buffalo area businesses, it's all about finding workers

Jonathan D. Epstein | Nov 10, 2021 Updated 16 hrs ago



Dottie Gallagher is the president and CEO of the Buffalo Niagara Partnership.

Derek Gee/Jonathan D. Epstein

Workforce, workforce, workforce.

As Western New York tries to emerge from the Covid-19 pandemic, that's the mantra that's dominating the agenda of all area employers, large and small.

Amid a wave of retirements across all industries, a departure of women from the workforce because of a child care crunch, a surge in startup companies and a push for flexible work, many employers are struggling to fill entry-level and specialized positions.

And it's preventing them from recovering more fully from the Covid-19 pandemic.

"In the nine years I have been at the helm, I've never seen the employer community so unified around a single issue," said Dottie Gallagher, president and CEO of the Buffalo Niagara Partnership. "The signs are everywhere. And they all spell trouble for employers."

Speaking during the group's annual meeting and presentation to members Wednesday, Gallagher said that finding and retaining qualified workers was the top concern of members in a survey conducted less than two months ago.

According to that survey, she said, 83% of employers have unfilled positions, 77% plan to add workers this year and 45% are or will be raising salaries in response to the shortage.

"Help wanted," she told the gathering at Seneca One tower. "Those two words are on the lips of employers of every kind, for profit and not for profit, every size, every industry, and of every location."

But she said it's not because of Covid-19 and the extra unemployment benefits, contrary to the common perception. Indeed, the benefits already ended, she noted after the meeting, but the workers haven't returned.

"Yes, the pandemic made this problem more acute," she said. "But it existed before we ever heard of Covid-19."

The Buffalo Niagara unemployment rate has dipped to 5.7% after adjusting for seasonal factors – its lowest point since the pandemic began, but above the 4.2% rate in February 2020.

Citing state Labor Department statistics, she said about one in every four Buffalo Niagara workers was already "at risk of retiring" within 10 years even before the pandemic, but "the grey tsunami picked up steam as Covid-19 made retirement more appealing to some."

Meanwhile, the influx of talent has been light, and the training pipeline is inadequate for the need.

"The retirement boom was always scary because of the lack of a pipeline for key jobs in vital sectors of our economy," she said. "The disconnect between the needs of employers and the public workforce system and the education skills gap is long entrenched, here in WNY and in many other places."

And job seekers now have more options, both because of many new small startup companies and the increased opportunity today to work independently and remotely for employers based elsewhere.

To bridge the gap, the Partnership is backing five initiatives to build up the local workforce.

Employ Buffalo Niagara

The nonprofit is helping companies build a pipeline of recruits, promote more awareness about job opportunities and career advancement. The group also tries to expose high school students to career options and remove potential barriers that keep people from moving up the economic ladder.

The initiatives are connected but have different goals and targets, and employers can pick and choose which ones will best help them.

Talent Pipeline Management

The Partnership has adopted a model developed by the U.S. Chamber of Commerce to bring similar companies together to create a pipeline of talent that fits their needs and industry standards.

Participating employers share their labor struggles and expectations, with a focus on the most critical jobs and skills, while Employ Buffalo Niagara uses that information to find the training providers and worker sources that can fill those gaps.

The Partnership formed two "collaboratives" focused on the manufacturing and customer services industries, and is preparing others in insurance, auto technology, entry-level information technology and another in manufacturing.

Career Pathways

Many employers already have well-worn career paths for entry-level jobs into management roles. But many workers don't see or understand that.

"The lack of career awareness is an anchor on our efforts," Gallagher said. "Let's be honest, most employers do an awful job at explaining or promoting these opportunities."

So the Career Pathways program tries to highlight such potential, by providing multimedia marketing materials for employers to communicate what's available for workers now, while also helping to build the pipeline of new recruits down the road.

The Partnership conducted a pilot with some companies, and has more interested in participating in the next cohort of 10 employers.

Earn & Learn

The initiative aims to expose young people to career opportunities, including high school students. The venture would promote the use of registered and unregistered apprenticeships, credentialing programs and internships that combine education, experience and working.

The Partnership is partnering with Say Yes Buffalo's communitywide CareerWise Greater Buffalo, which is a three-year-old apprenticeship between regional employers and the Buffalo Public Schools. Students develop skills and training, and the apprenticeship leads to a full-time job after graduation.

Benefits Cliff Calculator

One of the biggest problems employers face stems from a fear by some workers that if they take on more hours or a promotion, they might lose financial benefits because they will earn too much. That's the so-called "benefits cliff."

The Partnership is preparing to introduce an online Benefits Cliff Calculator, developed in tandem with the Federal Reserve Bank of Atlanta, to help employees look at their circumstances and calculate when or if a promotion or overtime would disqualify them from government assistance or other services.

That will also educate employers about the impacts on low-wage earners.