

Offering Semi-Retirement to Workers Could Slow Turnover

Retiring Employees Expected to Account for 28% of Office Exits

Latest Results from The Harris Poll

OKLAHOMA CITY, Jan. 25, 2023—With employee turnover showing no signs of slowing down, offering older workers a chance to delay full retirement may help slow the exodus—even if only momentarily.

This is according to a survey from The Harris Poll commissioned by Express Employment Professionals.

Retiring employees are expected to account for 28% of turnover in 2023, with U.S. hiring managers reporting among those at their company who retired in the past two years, most commonly 60 years of age or older (79%).

However, in an effort to postpone the time of retirement for employees, some have chosen to offer “semi-retirement,” which allows employees to reduce their hours and/or make a flexible schedule (30%).

Employees appear to take advantage of this offering, as nearly 3 in 5 hiring managers whose company offers semi-retirement say the number of employees choosing to semi-retire has remained the same over the past two years (59%) and nearly 2 in 5 reporting the number of those semi-retiring has actually increased (37%).



Given the contribution of retirement to companies' turnover, it may be wise for more companies to offer semi-retirement in the hopes of retaining members of their workforce.

Retirement Timeline Disruptions

Around the country, Express franchise owners have noticed the disruption in retirement patterns over the past few years.

"Normally, I see or hear retirement announcements from LinkedIn, at various networking events and in newsletters," said Jon Noceda, a California Express franchise owner. "I have not seen one retirement announcement since early 2022."

Reggie Kaji, an Express franchise owner in Michigan, has actually seen an increase in employees retiring, hypothesizing that people don't want to deal with the stressors in today's workforce.

"The COVID-19 pandemic has also factored into early retirement," he said. "More people who are older in age have been hanging up their boots because of the increased risk for infection at work."

Market uncertainty has also played into foregoing retirement for now with skyrocketing inflation and the crashing stock market.

"Due to the uncertainty of our economy, many are extending their career timeline as their retirement funds have been significantly affected," Noceda said.

Dual Benefits of Semi-Retirement

For employees who are somewhat ready to retire and companies that can't afford to lose top talent, semi-retirement is a win-win situation for both. Semi-retirement could consist of transitioning to a consultant role working fewer hours and with more flexibility.

“Having someone in a semi-retirement role could benefit a company thanks to their experience and corporate knowledge,” Noceda said. “It’s a great benefit for both the employee and employer.”

Extra hands in the workforce are the greatest benefit for Kaji.

“Semi-retirement allows for the retention of the skilled workforce, will taper down the demand for workers and keep wages from continuously increasing,” he said.

Kaji says one of his clients employs an engineer on a part-time contract for 24 months just helping a company with a project. The hiring manager specifically asked them to recruit a retiree for this role.

“As baby boomers continue to age and consider retirement, the labor shortage is only going to get worse,” said Bill Stoller, Express Employment International CEO. “Semi-retirement is one solution to allow experienced workers time to train their successors, ensuring a seamless knowledge transfer and business continuity.”

Survey Methodology

The Job Insights survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between Dec. 1 and Dec. 15, 2022, among 1,002 U.S. hiring decision-makers (defined as adults ages 18+ in the U.S. who are employed full-time or self-employed, work at companies with more than one employee, and have full/significant involvement in hiring decisions at their company). Data were weighted where necessary by company size to bring them into line with their actual proportions in the population.

Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within + 3.2 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.

If you would like to arrange for an interview with Bill Stoller to discuss this topic, please contact Sheena Hollander, Director of Corporate Communications and PR, at (405) 717-5966.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment International. Founded in Oklahoma City, Oklahoma, the international staffing franchisor supports the Express Employment Professionals franchise and related brands. The Express franchise brand is an industry-leading, international staffing company with franchise locations in the U.S., Canada, South Africa, Australia, and New Zealand.

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