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http://money.cnn.com/2008/03/10/news/economy/columbus_retailjobs/index.htm

Jobs get tossed out of stores

An economic downturn is eroding jobs in Columbus, a city where a vibrant retail landscape had been a key driver of economic growth.

By Parija B. Kavilanz, CNNMoney.com senior writer
Last Updated: March 10, 2008: 8:46 PM EDT

NEW YORK (CNNMoney.com) -- As U.S. job growth hits the skids, a shrinking labor market means one thing for the nervous retail workers who reside in Columbus, Ohio: Their jobs are on shaky ground.

The nation's labor market lost a much larger-than-expected 63,000 jobs last month.

Retailing was hit hard, accounting for 34,000 job cuts across department stores, building supplies and garden equipment sellers and auto dealers.

Indeed, big chain retailers including Macy's (M, Fortune 500), Home Depot (HD, Fortune 500), Sears (SHLD, Fortune 500) and J.C Penney (JCP, Fortune 500) recently announced they were consolidating their operations and cutting jobs to curb costs in order to offset weakening sales.

While this macro picture already looks disappointing, at a micro level, it gets even bleaker.

A retail hotbed no more?

Consider Columbus, Ohio's third-largest metropolitan area with 1.7 million residents.

According to the Columbus Chamber of Commerce's "Blue Chip Economic Forecast" released in January, total jobs in the greater Columbus area are expected to grow at an anemic 0.4% this year, or just 3,500 jobs, after a not much better 0.5% growth rate in 2007.

But retailing, manufacturing and financial services jobs are actually forecast to decline over the coming months.

This is bad news for a city where retailing ranks among the top five employers after financial services, distribution, healthcare and the state government.

Over the past 12 months, Macy's has cut 640 jobs in Columbus and Meijer Stores has eliminated 662 positions. Limited Brands (LTD, Fortune 500), which operates Victoria's Secret and Bath & Body Works chains, has trimmed 500 positions.

Retail-related jobs in Columbus are forecast to decline by 2.1%, or about 2,100 jobs, on top of about 2,000 industry jobs that were lost last year.

"We've already lost 17% of our retail jobs since the beginning of 2001," said Bill Lafayette, vice president, economic analysis with the Columbus Chamber of Commerce.

But two decades ago, it was a very different story.

"In the mid-80's, Columbus was ripe for the picking when retailers discovered that it was an underretailed market," Lafayette said. Big chains Limited Brands and Big Lots set up their home offices in Columbus.

By 1997, retailing jobs were at their peak and accounted for about 14% of total employment in the Columbus area. "We were just off the charts with the retail bubble," Lafayette said.

Then the bubble burst. "We just grew too fast," he said.

Between 2001 and 2006, the number of retail stores in Columbus metropolitan area shrunk by more than 400 stores and retailing jobs accounted to less than 11% of total employment in the area.

"We'll probably see a retail recovery in the next few years but it won't be robust because retailers nationwide don't anticipate robust growth anytime soon," Lafayette said.

For Gayle Pavlofsky, that's not comforting news.

Pavlofsky, a single mother who lives with her daughter in New Albany, a suburb to the northeast of Columbus, lost her job last month as a human resources manager with specialty chain Tween Brands (TWB).

Pavlofsky, who declined to give her age, had been working at the company's headquarters in New Albany for a little over a year. She lost her job due to downsizing and she's been looking for another job since early February.

Although Pavlofsky has extensive experience in the retailing industry - she previously worked with Federated Department Stores, now known as Macy's Inc., in a similar capacity for 12 years - she's not keen to jump back into the industry.

"Anybody in retailing today has to be fearful. You just don't know which way the market is going," she said. "As more [retail] companies spin off, merge or get acquired, I think the downsizing trend will continue."

Fortunately for her, she believes her skills are "transferable" to other industries.

Pavlofsky is currently a client of Karen Hughes, who is career adviser at the **Jewish Family Services** in Columbus. Part of the agency's mission is to assist individuals in finding new jobs.

"We work closely with professionals from 18 to 80 [years old] who have been laid off," Hughes said.

Hughes said the ground-level reality points to an increasingly challenging environment this year in terms of an uptick in unemployment across the board.

"Last year we has 92 clients who walked into our center who needed new jobs. We've already reached more than 92 clients at a much faster rate this year," she said.

One happy ending

But it's not all gloomy in Columbus.

Julie Sagtetter's tale has a happier ending - for now. Sagtetter, 58, who lives in Franklin County, worked for 10 months at a regional furniture chain called Sofa Express.

Then Sofa Express announced it was closing its doors and shuttering more than 40 stores.

"I came in not knowing their financial situation. Then the economy went bad and their business suffered more. They could not pay their bills," Sagtetter said.

She was unemployed for 6 weeks and just found another job a week ago, with another furniture retailer.

Even though she's aware that furniture retailing is a risky bet, especially when a housing downturn has depressed sales of home-related goods, Sagtetter said retailing is still a better option than her previous job in real estate.

"I was a realtor in the past. That industry is even more unstable," she said. "I did not even have health insurance for a few years."

With her new job, she'll get a base salary, sales commission and health insurance.

"For some of us in our 50's, it's not easy to find a new job," Sagtetter said. "There's age discrimination and we haven't grown up in the computer age."

"I'm happy to find this job," she added.

Have you lost your job, your business or your home? Are you raiding retirement accounts to pay the bills? We want to hear from you. Tell us how you're being affected by the weakening economy and you could be profiled in an upcoming story. Send emails to realstories@cnmnews.com. ■