



SURVEY FINDINGS

State and Local Government Workforce: 2014 Trends

May 2014

State and Local Government Workforce: 2014 Trends

Local and state governments are hiring again, although workforces remain smaller since the 2008 economic downturn. At the same time, human resource managers report recruitment and retention challenges as well as continued pressure on benefits, particularly health care.

- Sixty-six percent hired employees in the past year with 55 percent hiring more than they did in 2012.
- One-third hired contract or temporary employees.
- Forty-nine percent reported higher levels of retirement in 2013 compared with 2012; 22 percent reported that employees had accelerated their retirement.

Changes to benefits continue, with 61 percent of respondents reporting that their governments made changes to health benefits for both their active and retired employees. The most common changes were to shift more costs from the employer to employees (53 percent) and to institute wellness programs (31 percent).

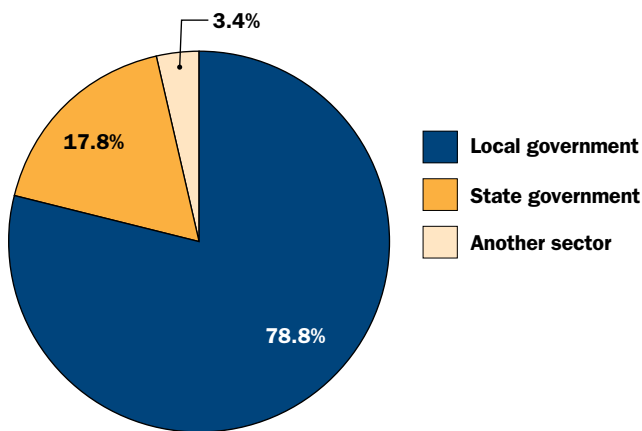
Thirty-five percent reported that their governments altered retirement benefits over the last year, with about one-fourth requiring increased contributions to pensions from both current and new employees.

Looking ahead, the majority of respondents say that their top concerns are recruiting and retaining qualified personnel, staff development, succession planning, employee morale, competitive compensation packages, public perception of government workers, reducing employee health care costs, and dealing with employee workload challenges.

The survey was distributed to members¹ of the International Public Management Association for Human Resources (ipma-hr.org) and the National Association of State Personnel Executives (naspe.org). The online survey was conducted from March 13–April 18, 2014, by the Center for State and Local Government Excellence (slge.org); 298 members submitted responses.

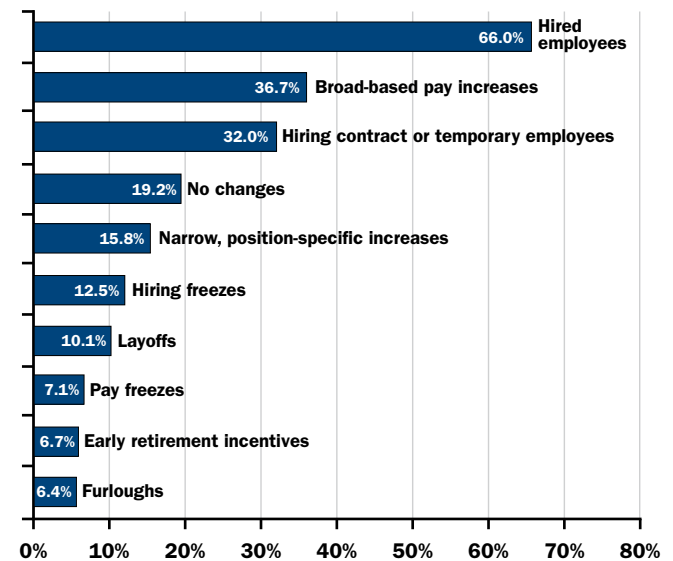
Participants

1) You work for... (*n* = 297)²:



Workforce Changes

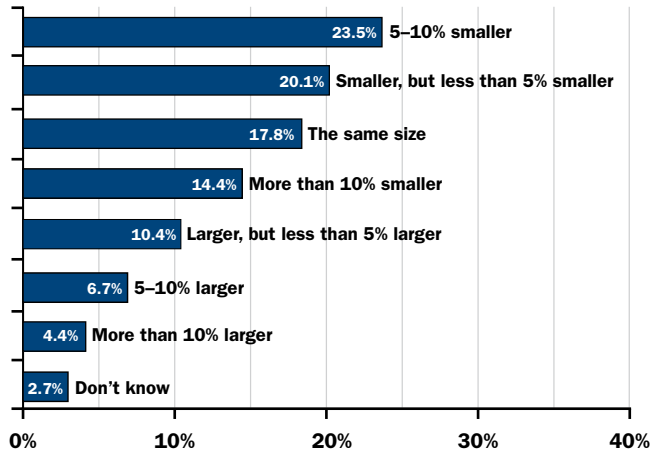
2) Which of the following workforce changes has your government implemented over the past year? (*n* = 297)



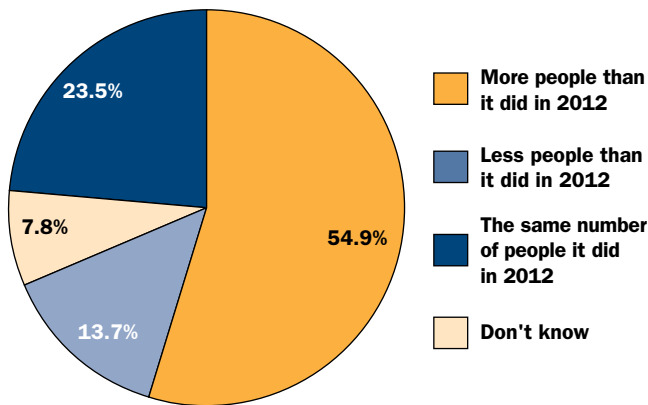
¹ Survey sent to ~ 6500 IPMA-HR and 50 NASPE members

² (*n* = number of respondents to each question)

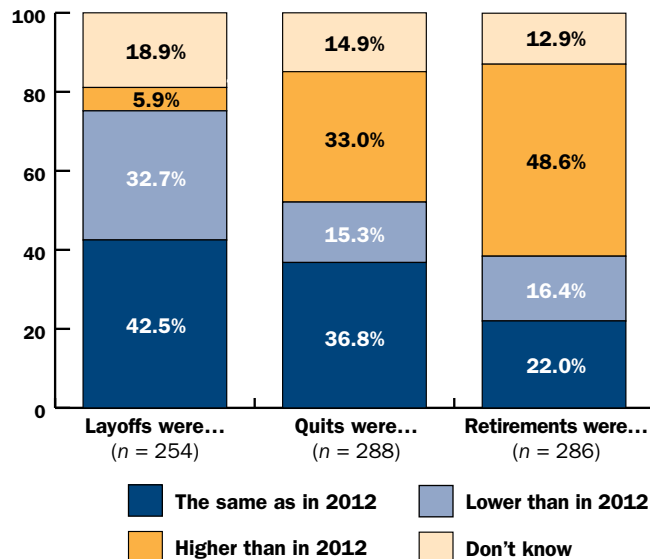
3) Since the economic downturn in 2008, is your workforce: (N = 298)



4) In 2013 your government hired... (n = 293)



5) Regarding your government's workforce separations (n = 292)



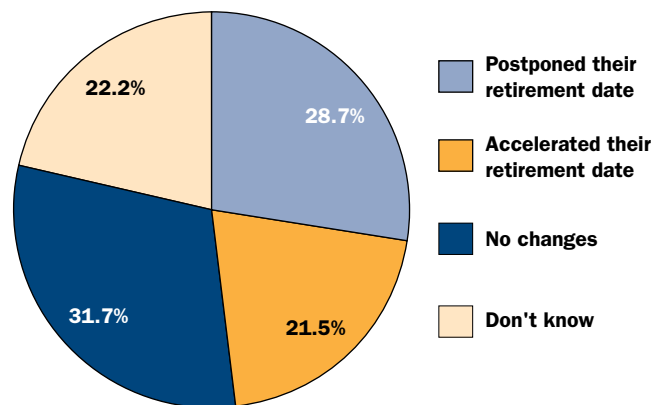
Unfilled Positions

6) What positions, if any, do you continue to have a hard time filling in the current economic climate? (n = 220)

- Corrections Officers
- Dispatchers
- Engineers (all types)
- Epidemiologists
- Finance (all types)
- Firefighters/EMS
- Human Resource Specialists
- Management (mid + upper)
- Mental Health Specialists
- Nurses
- Physicians
- Psychiatrists
- Public Health Professionals (all)
- Public Works
- Scientific Researchers
- Seasonal Employees
- Skilled Trades (all types)
- Technology Professionals
- Social Workers
- Water Treatment Plant Occupations (all types)

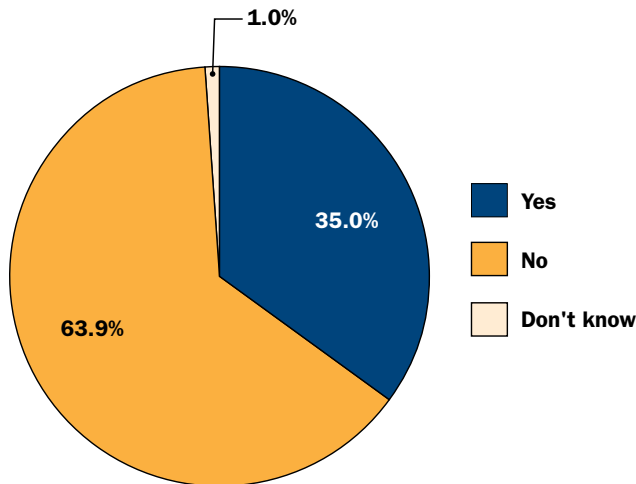
Postponed Retirements

7) What changes, if any, have your retirement-eligible employees made regarding their plans for retirement? (n = 293)

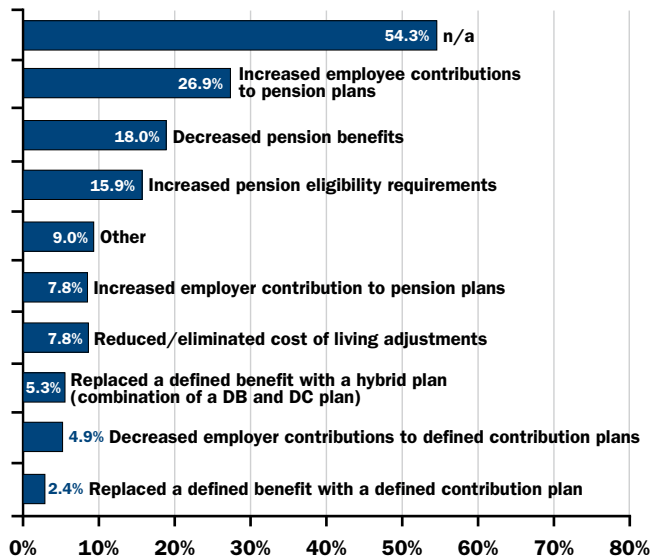


Retirement Plan Changes

8) Over the past year, has your government made any changes to the retirement benefits you offer to your employees? (n = 294)

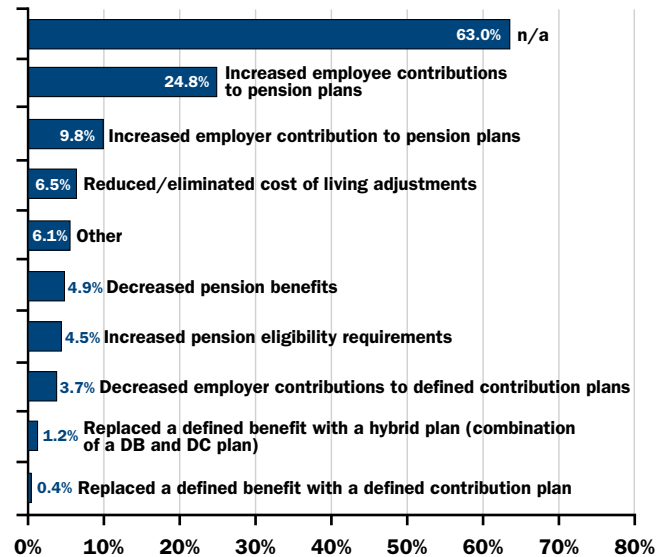


9) If your government has made changes to the retirement benefits, has it made any of the following changes to retirement benefits for new hires? (n = 245)



Note: "Other" changes offered were: Implemented voluntary employees' beneficiary association for specific groups; transitioned administration of retirement program to vendor; added spousal benefit; added new tier.

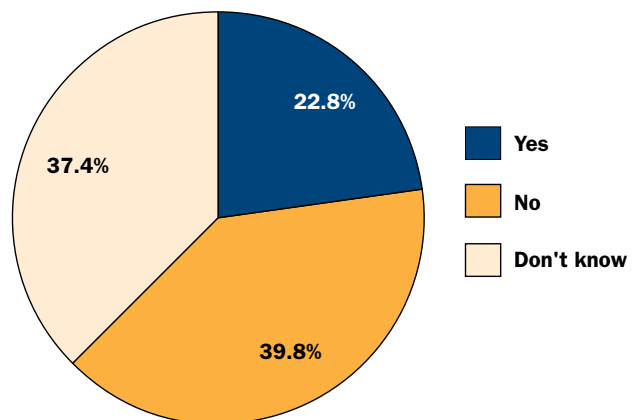
10) If your government has made changes to the retirement benefits, has it made any of the following changes to retirement benefits for current workers? (n = 246)



Note: "Other" changes offered were: Added buy-up option to increase contribution and keep same level of cost of living adjustment; eliminated counting certain kinds of pay toward final average compensation; implemented voluntary employees' beneficiary association for specific bargaining groups; transitioned administration of retirement program to vendor; replaced a defined contribution with a defined benefit plan; pay offset provided to cover additional contribution; added spousal benefit.

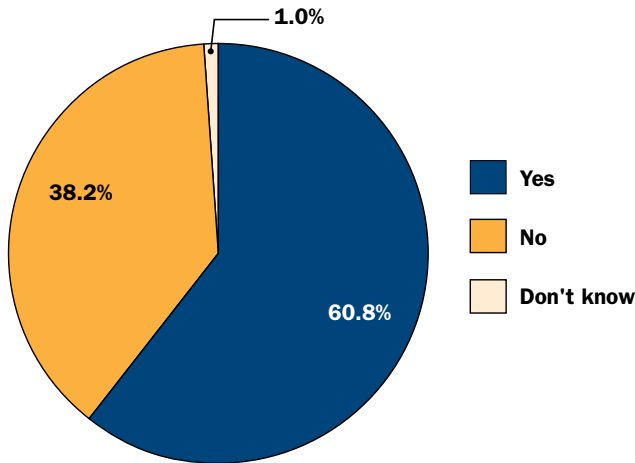
Retirement Preparedness

11) Do you feel your employees are prepared financially for their retirement? (n = 294)

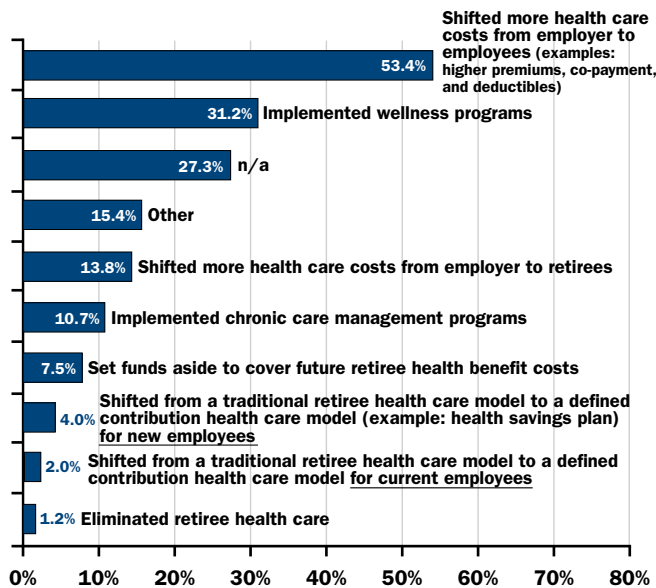


Health Care Plan Changes

12) Over the past year, has your government made any changes to the health benefits you offer to your employees and retirees? (n = 296)

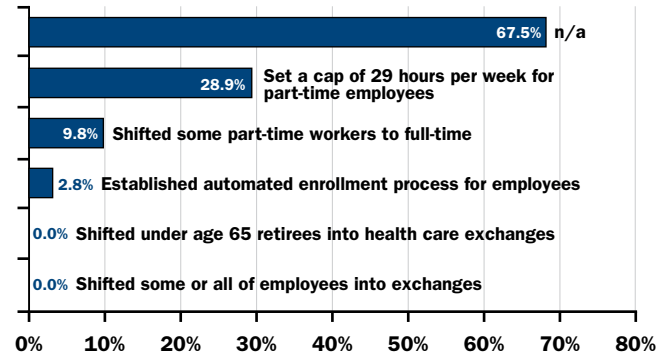


13) If your government has made changes to the health benefits, what changes? (n = 253)



Note: "Other" changes offered were: Eliminated co-payments for wellness care; made plan design changes (Rx) to optimize savings; offered high-deductible health plan/health savings account or traditional plan; raised cafeteria dollars given to employees to purchase health, dental, etc.; raised contribution levels for employees with families; added Medicare plan; offered new vision and dental programs; eliminated self-funded insurance; implemented voluntary employees' beneficiary association and increased employer contribution to health savings account; changed retiree health plan; moved post-65 (Medicare eligible) retirees to separate plan; changed insurance company; implemented lower pricing for dental and long term disability; created on-site care facilities; reduced premiums if employees take part in health risk assessment; eliminated vision and dental; went self-insured; eliminated retiree medical for new department heads; implemented pharmacy benefit management.

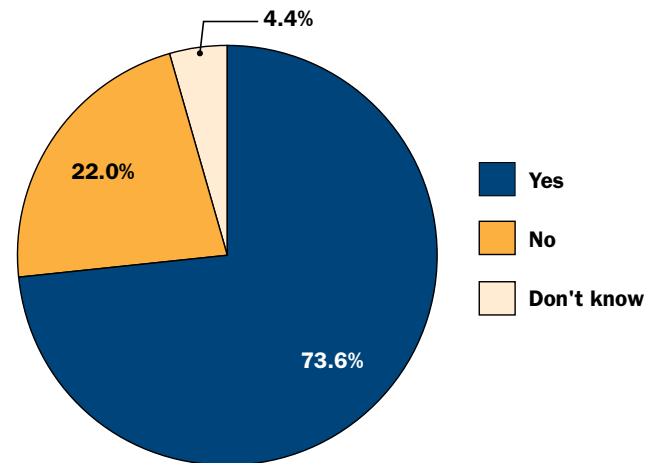
14) Has your government made changes to health benefits related to the Affordable Care Act? (n = 246)



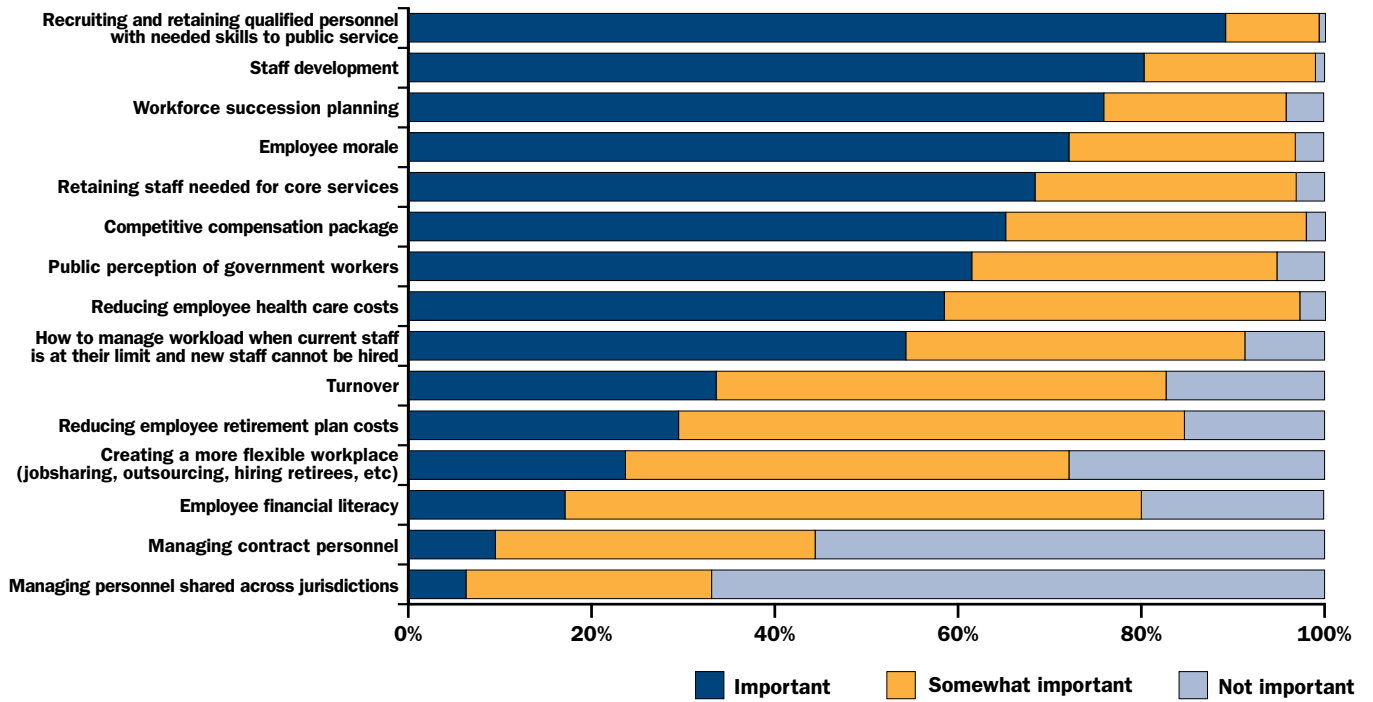
Note: "Other" changes offered were: eliminated co-pays for wellness; established a subsidy insurance for part-time employees who work more than 1559 hours a year; reduced flexibility and/or set a cap on approved part-time extra-help hours; reduced benefit eligibility criteria to 30 hours from 32; eliminated insurance benefits to employees working less than 30 hours - in the past those working 20 hours or more received prorated benefits; changed out-of-pocket maximum; reduced hours for some employees; offered health care coverage to eligible employees.

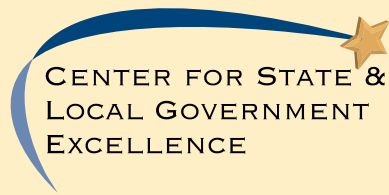
Workforce Issues

15) Do you feel the total compensation package you offer your employees is competitive with the labor market? (n = 295)



16) Looking ahead, which workforce issues are important to your organization? (n = 295)





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Helping state and local governments become knowledgeable and competitive employers

About the Center for State and Local Government Excellence

The Center for State and Local Government Excellence helps state and local governments become knowledgeable and competitive employers so they can attract and retain a talented and committed workforce. The Center identifies best practices and conducts research on competitive employment practices, workforce development, pensions, retiree health security, and financial planning. The Center also brings state and local leaders together with respected researchers and features the latest demographic data on the aging workforce, research studies, and news on health care, recruitment, and succession planning on its web site, www.slge.org.

The Center's five research priorities are:

- Retirement plans and savings
- Health care
- Financial education for employees
- Talent strategies and innovative employment practices
- Workforce development