



CENTER FOR STATE &
LOCAL GOVERNMENT
EXCELLENCE

SURVEY FINDINGS

State and Local Government Workforce: 2017 Trends

June 2017

State and Local Government Workforce: 2017 Trends

Perennial hot-button issues remain in the forefront of state and local governments' workforce planning and decisions, and demonstrate the pitfalls of continued turnover. Recruitment and retention (91 percent), staff and leadership development (77 and 76 percent), and succession planning (74 percent) are among the highest priorities in 2017.

The trend in hiring continues. In 2017, 74 percent reported hiring new staff. This is slightly below the 77 percent reported in 2016, but well ahead of the 27 percent in 2013 and 66 percent in 2014.

In addition, reported employment cuts or freezes have decreased from 2014 to 2017. Those reporting hiring freezes have decreased from 13 percent to 10 percent, layoffs from 10 percent to seven percent, pay freezes from seven percent to five percent, early retirement incentives from seven percent to one percent, and furloughs from six percent to less than one percent.

The pace of retirements has slowed somewhat. The percentage of jurisdictions reporting an increasing rate of retirements declined from 54 percent in 2015 to 45 percent in 2016. Those that reported the retirement rate was decreasing increased from 10 percent to 14 percent.

Among the most difficult positions to fill are those in policing (21 percent) and information technology (17 percent). While some respondents commented that job-specific, technical or professional skills were in short supply, skills in greatest demand were in interpersonal relations (65 percent), written communications (53 percent), and technology (51 percent).

Changes in retirement benefits are more common for new employees (nine percent reporting increased pension eligibility requirements) than for current employees (three percent).

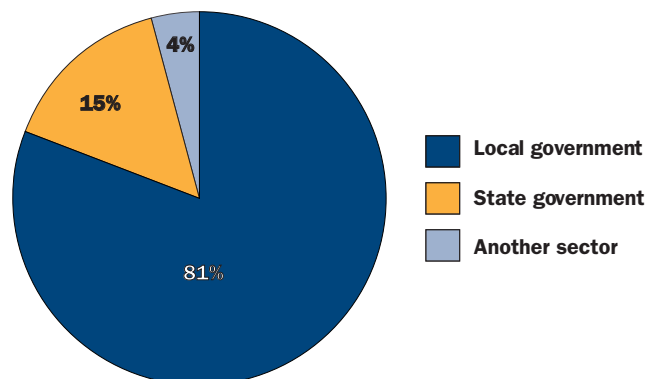
Changes in health benefits include cost shifting in the form of increased premiums or deductibles, and cuts to health care for retirees. Benefit enhancements include wellness and chronic care programs. Other adjustments relate to the Affordable Care Act, such as capping part-time staff at 30 hours (38 percent) or shifting part-time staff to full-time status (nine percent).

A majority of respondents (56 percent) report providing flexible scheduling to their employees. Forty-seven percent of respondents reported hiring contract or temporary employees.

This report reflects the survey responses of members¹ of the International Public Management Association for Human Resources (ipma-hr.org) and National Association of State Personnel Executives (naspe.net). The online survey was conducted from March 31 to April 29, 2017 by the Center for State and Local Government Excellence (slge.org) with 283 members submitting responses.²

Participants

1) You work for... (n = 283)

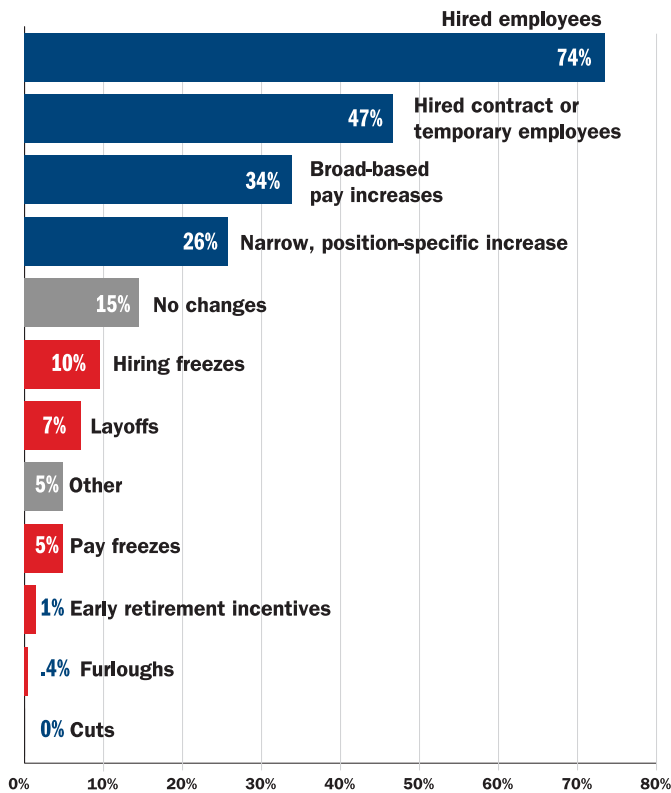


¹ Sent to 3630 IPMA-HR and 51 NASPE members

² Throughout the report, n = number of respondents to each question.

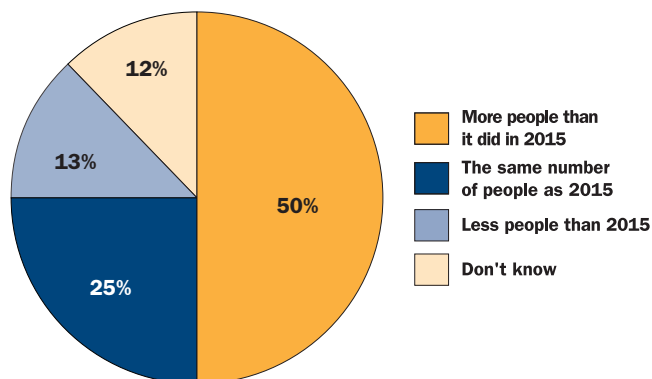
Workforce Changes

2) Which of the following workforce changes has your government implemented over the past year? (n = 283)

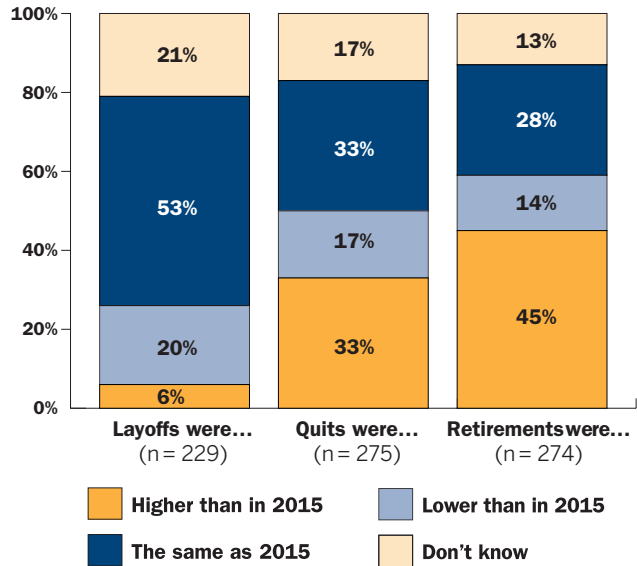


NOTE: Actions intended to decrease employment or compensation are shown here in red. Each of these categories declined since 2014. Neutral or mixed actions (e.g., “Other”) are shown in grey.

3) In 2016 your government hired... (n = 280)

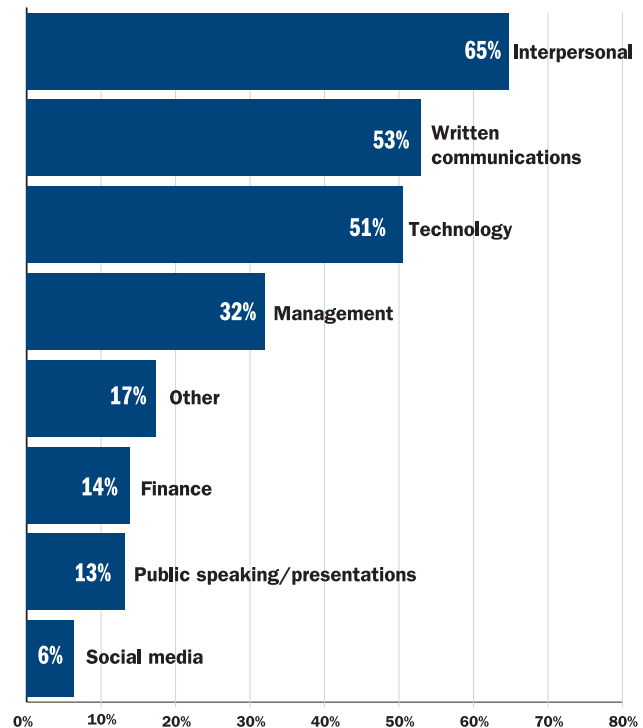


4) Regarding your government’s workforce separations...



Skill Sets

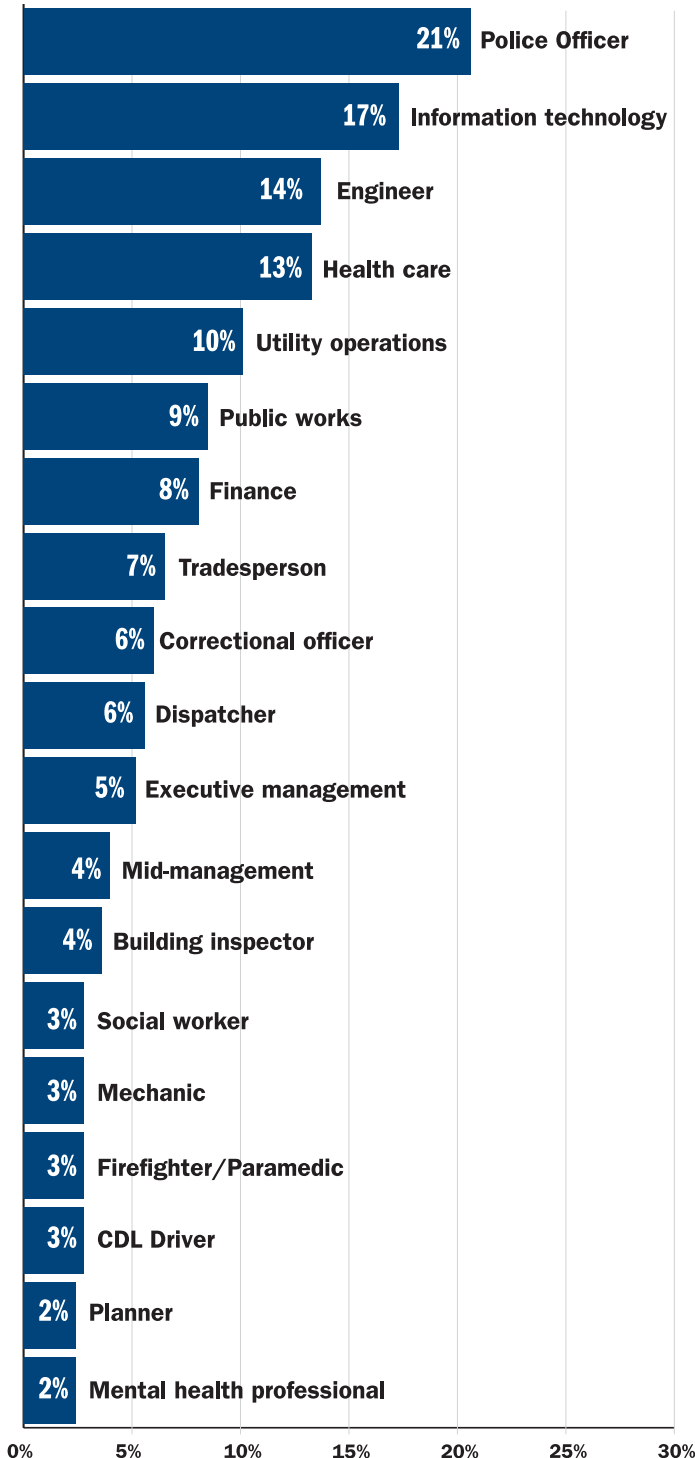
5) Looking broadly at your workforce, what generalizable skill sets are most needed in new hires? (n = 281)



Aside from position-specific skill sets (e.g., health care, engineering), those indicating ‘Other’ noted a need for critical thinking, customer service, leadership, work ethic, and ability to work effectively with diverse groups.

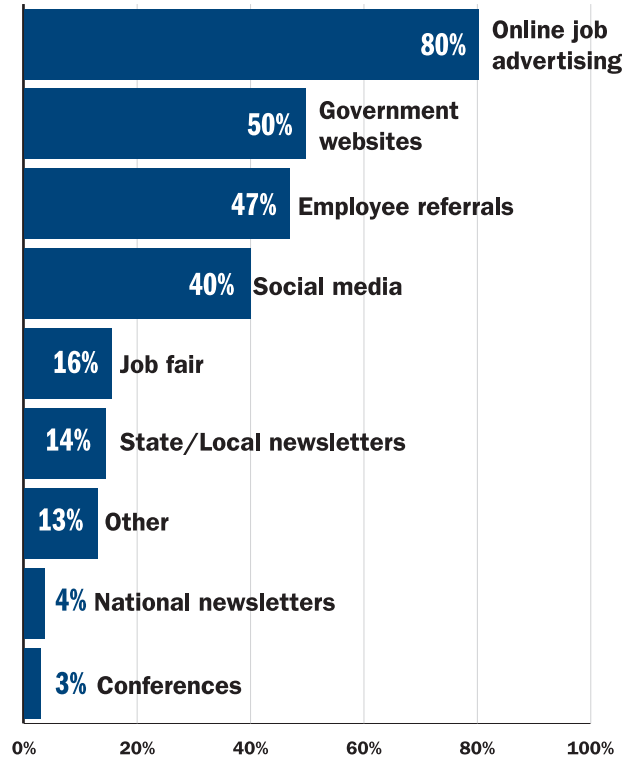
Unfilled Positions

6) Over the past year, what positions, if any, do you continue to have a hard time filling? (n = 248)



Recruitment Practices

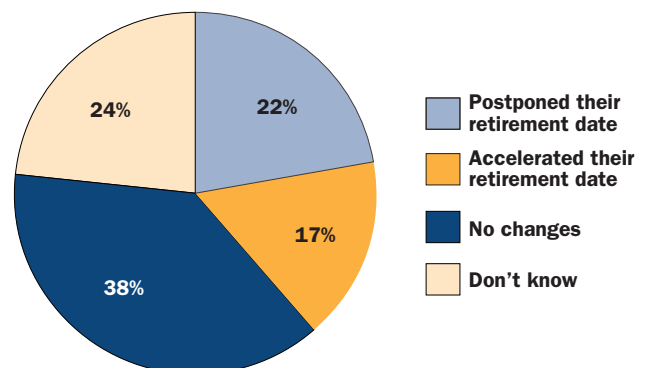
7) What recruitment practices are most successful in reaching qualified candidates? (n = 278)



Other practices deemed effective included industry-specific websites, mailings, other job board websites, college recruitment, billboards, consultants, and position-specific job fairs.

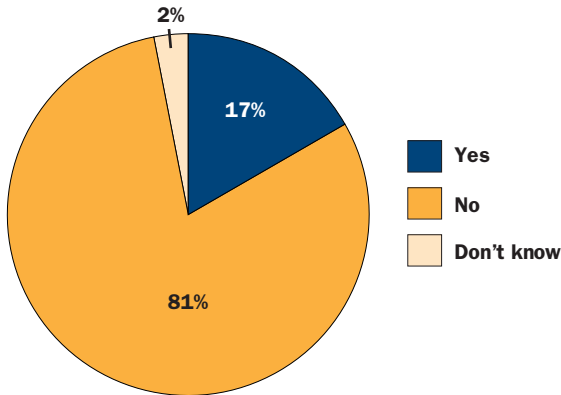
Postponed Retirements

8) What changes, if any, have your retirement-eligible employees made regarding their plans for retirement? (n = 279)

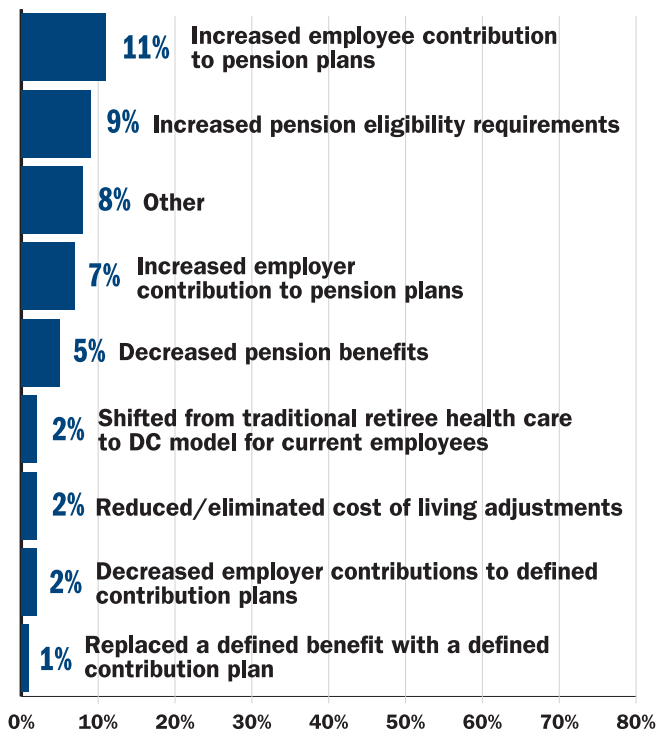


Retirement Plan Changes

9) Over the past year, has your government made any changes to the retirement benefits you offer to your employees? (n = 282)

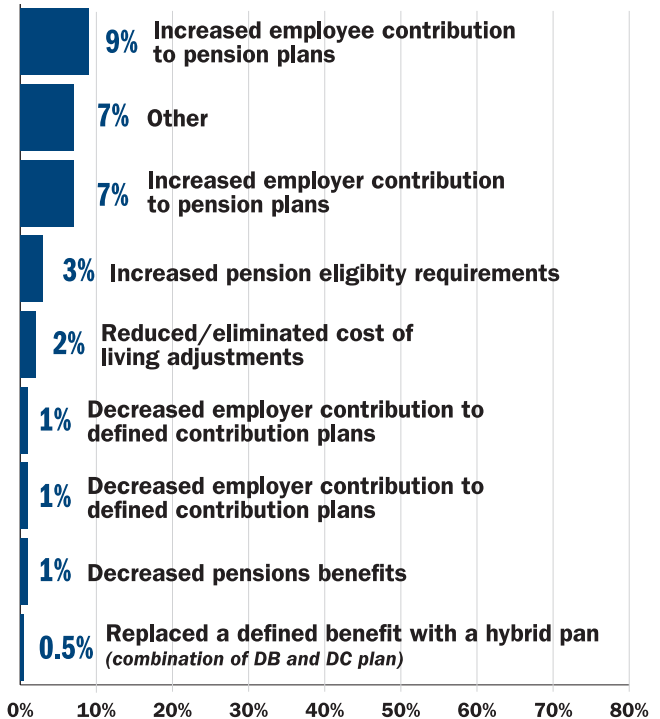


10) If your government has made changes to the retirement benefits, has it made any of the following changes to retirement benefits for new hires? (n = 223)



Jurisdictions indicating “Other” reported a variety of changes, such as restricting prior service credit, placing restrictions on retiree health coverage prior to age 65, or reducing sick leave payout upon retirement. Others noted that changes may be pending at the state level.

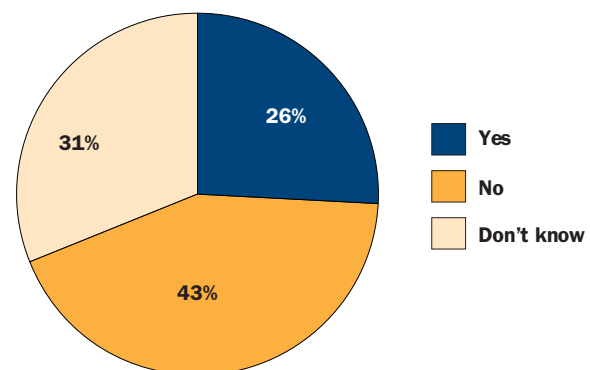
11) If your government has made changes to the retirement benefits, has it made any of the following changes to retirement benefits for current workers? (n = 216)



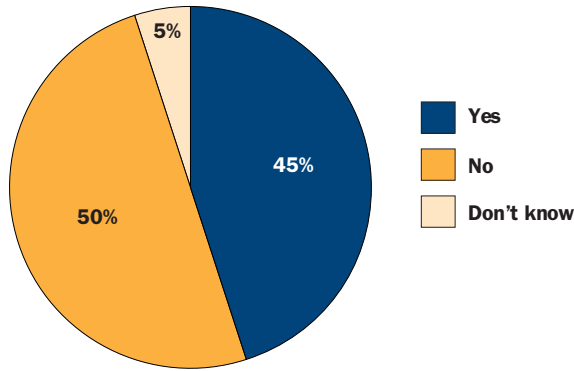
Jurisdictions indicating “Other” reported a variety of changes, such as restricting prior service credit, increasing contributions to retiree health coverage, placing restrictions on retiree health coverage prior to age 65, or reducing sick leave payout upon retirement. Others noted that a wide range of changes have been implemented at the state level.

Retirement Preparedness

12) Do you feel your employees are prepared financially for their retirement? (n = 281)



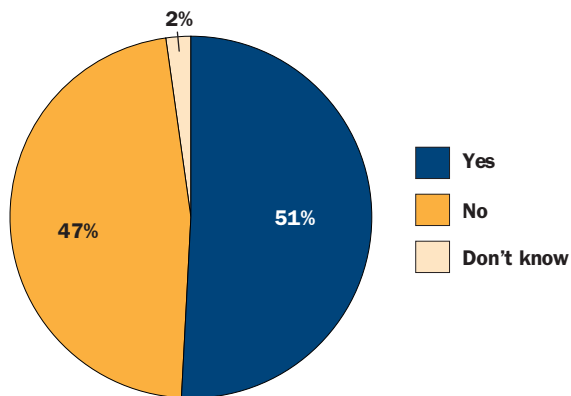
13) Does your government provide a financial literacy program to its employees? (n = 281)



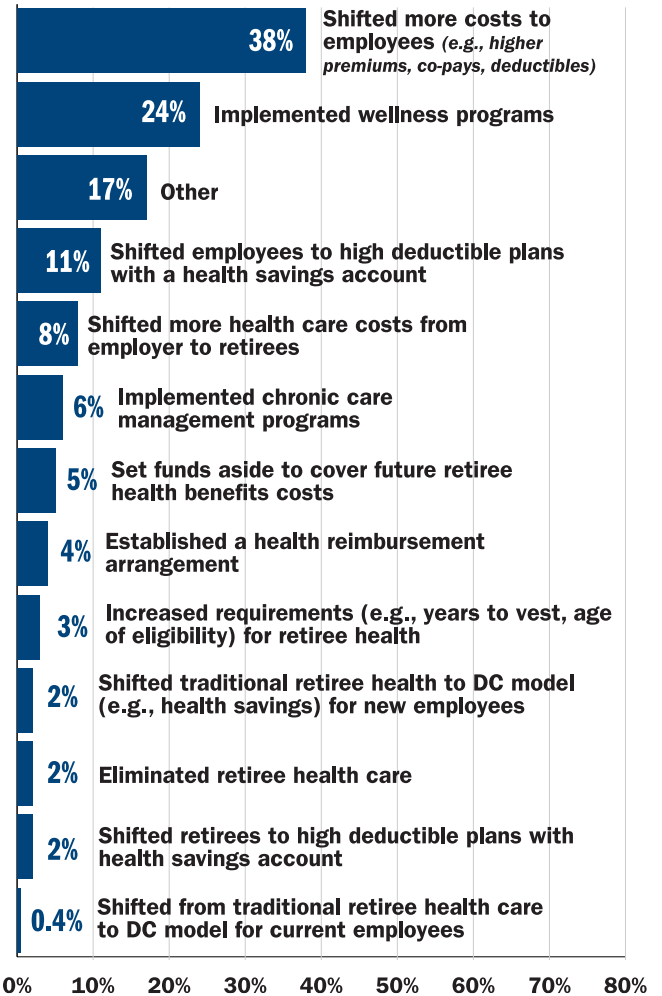
Most commonly, these programs are reported to be conducted by pension or defined contribution plan providers, credit unions, or employee assistance programs. They may consist of in-person seminars, webinars, lunch-and-learn sessions, or lists of available online resources.

Health Care Plan Changes

14) Over the past year, has your government made any changes to the health benefits you offer to your employees and retirees? (n = 281)

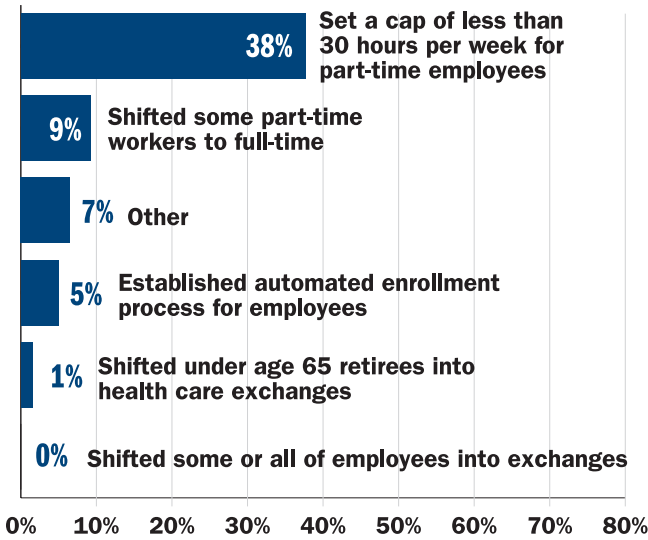


15) If your government has made changes to the health benefits, what changes? (n = 235)

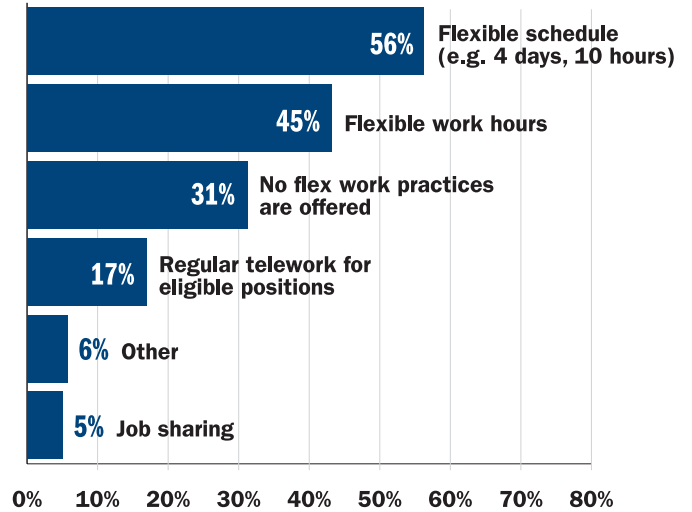


Jurisdictions indicating “Other” reported a variety of changes, such as complying with ACA requirements, adding telemedicine, adding high deductible and HMO plans, changing vision or prescription plans, expanding wellness programs, implementing tiered premiums for dependent coverage, and shifting to state-based health coverage.

16) Has your government made changes to health benefits related to the Affordable Care Act? (n = 260)



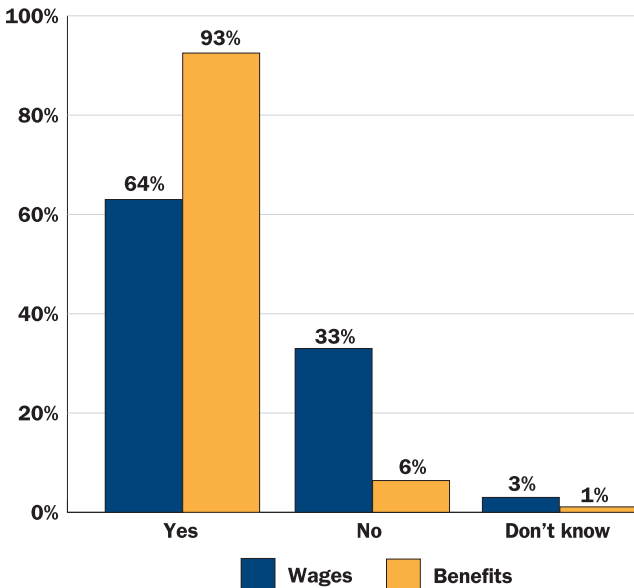
18) What flexible work practices does your organization offer? (n = 276)



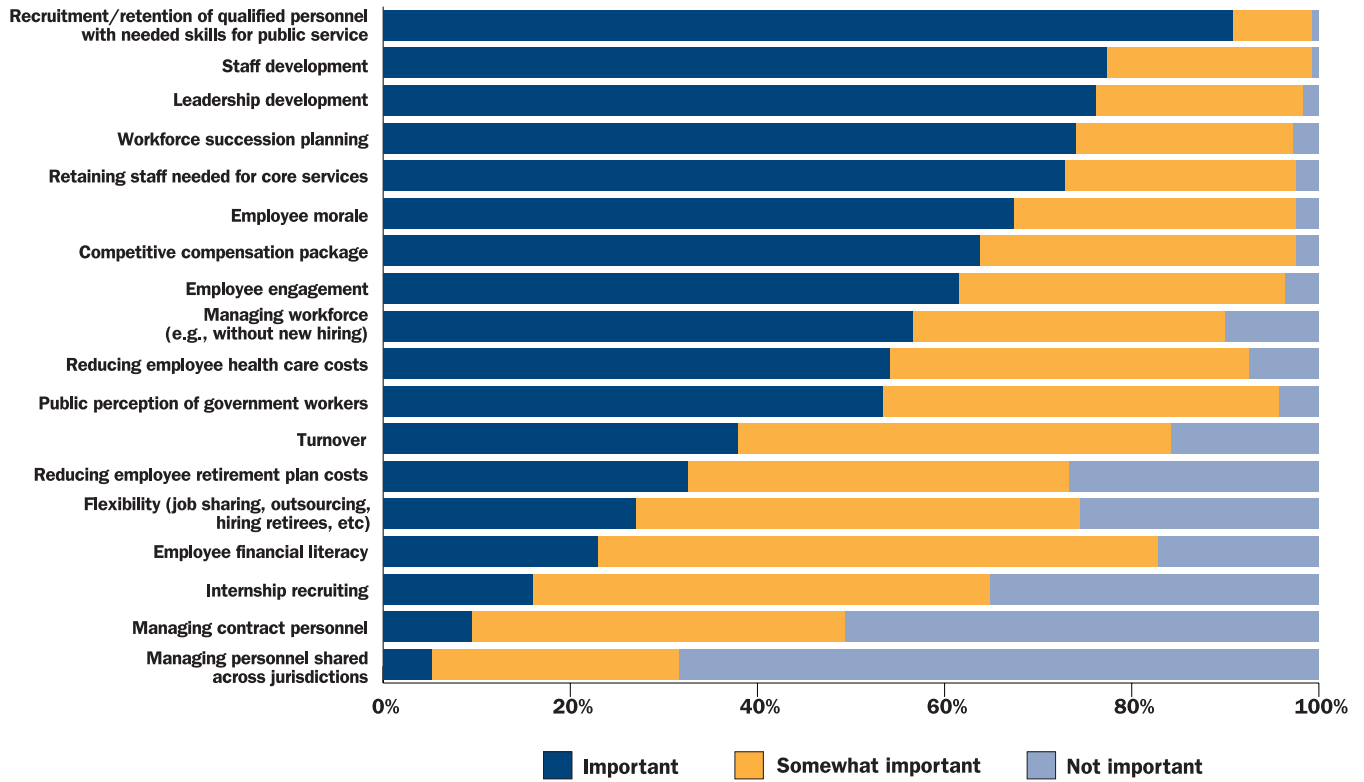
Jurisdictions indicating “Other” reported some shortened Friday hours, limited teleworking, and flexible schedules for 24/7 positions, management/administration only, or as compatible with operational needs.

Workforce Issues

17) Do you feel the wage and benefits compensation you offer your employees is competitive with the labor market? (n = 279, 280)



19) Looking ahead, which workforce issues are important to your organization? (n = 282)



Among the other workforce priorities the respondents noted were: millennial engagement, diversity, automation, recruitment of police officers and other hard-to-fill positions, culture and branding, and marijuana laws and policies.



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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
- Retiree health care
- Financial education for employees
- Talent strategies and innovative employment practices
- Workforce development