



# **SURVEY FINDINGS**

## **State and Local Government Workforce: 2019 Survey**

**July 2019**

# State and Local Government Workforce: 2019 Survey

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The Center for State and Local Government Excellence (SLGE) has partnered with the International Personnel Management Association for Human Resources (IPMA-HR) and the National Association of State Personnel Executives (NASPE) to conduct an annual survey of public sector human resources professionals since 2009. Survey questions are focused around the workforce changes and challenges their organizations face and the initiatives they put in place to better serve their hiring and retention needs for the future.

This survey was sent to 7,152 members of IPMA-HR and 85 members of NASPE. The online survey was conducted from March 20 to June 3, 2019 by the Center for State and Local Government Excellence ([slge.org](http://slge.org)) with 335 public human resource professionals submitting responses. Unless otherwise noted, charts in this report reflect 2019 data. While a small number of respondents represent federal or other sectors (e.g., non-profits), the data displayed in Figures 2 through Figure 21 represent state and local government respondents only.

While a few of the figures in this report include data from prior survey years, a more longitudinal analysis is available in the 2018 report: "[State and Local Government Workforce: 2018 Data and 10 Year Trends](#)".

Hiring and layoffs are key indicators this survey tracks. While hiring has changed modestly in recent years, the share indicating they have instituted layoffs has dropped from 42 percent in 2009 to 7 percent in 2019. Looking at longer-term employment projections, both state and local workforces are anticipated to increase, with a projected growth of 3.8 percent among state employees and 7.4 percent among local employees from 2016 to 2026.<sup>1</sup>

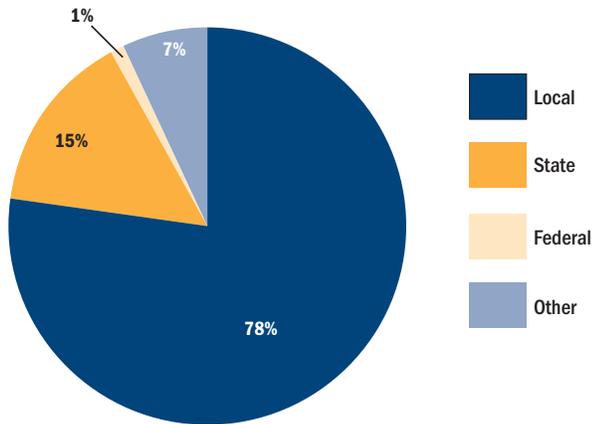
Benefits continue to be both a key strength for state and local government (with 88 percent indicating their benefits are competitive in the labor market), and an area for continued changes and experimentation. Some of those changes are in the form of adjusting employer/employee contributions to retirement or health care costs, while others have been more non-economic, such as flexible work schedules (51 percent; see Figure 13).

The gig economy is a particular focus for this year's survey, with respondents indicating both the overall share of the workforce that such workers represent and the impacts on the organization as a whole (e.g., 3.6 percent indicating a significant increase in management flexibility and a total of 10.1 percent indicating a decrease in employee morale).

Finally, as organizations work to attract and retain skilled workers, they have found a variety of approaches to be of value, ranging from a focus on online advertising (83 percent) and social media (51 percent) to employee development programs such as in-house training (67 percent), onboarding (53 percent), and paid family leave (21 percent), as shown in Figures 12 and 20.

# Participants

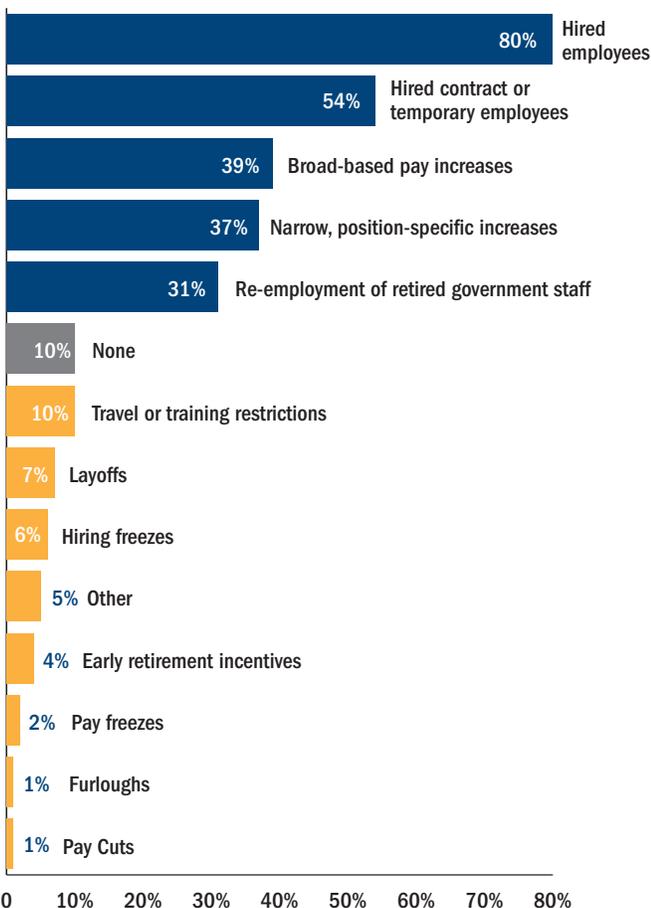
1) You work for... (n = 335)



All figures that follow reflect state and local government respondents only.

# Workforce Changes

2) Which of the following workforce changes has your government implemented over the past year? (n = 307)



3) Over the past year, what positions, if any, has the organization had a hard time filling? (Difficult to fill: n = 308; Gig economy: n = 196)

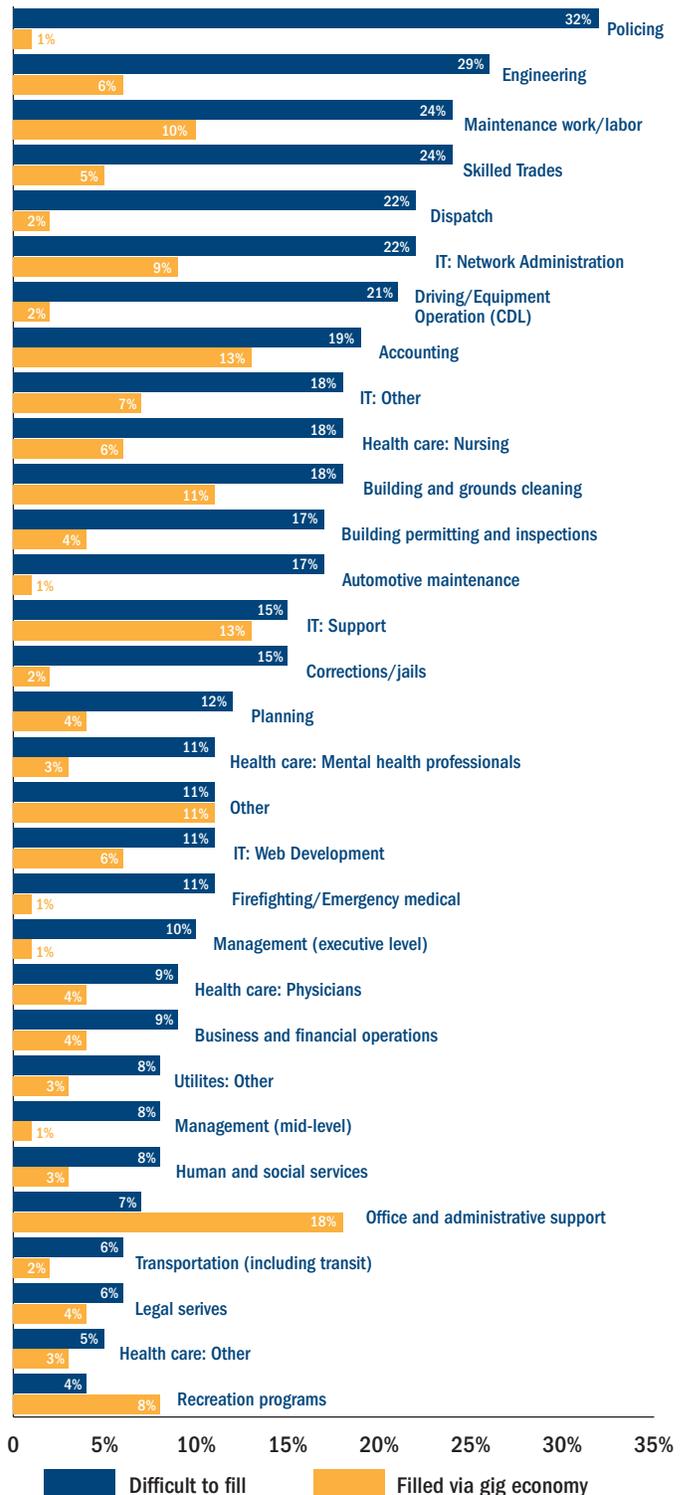


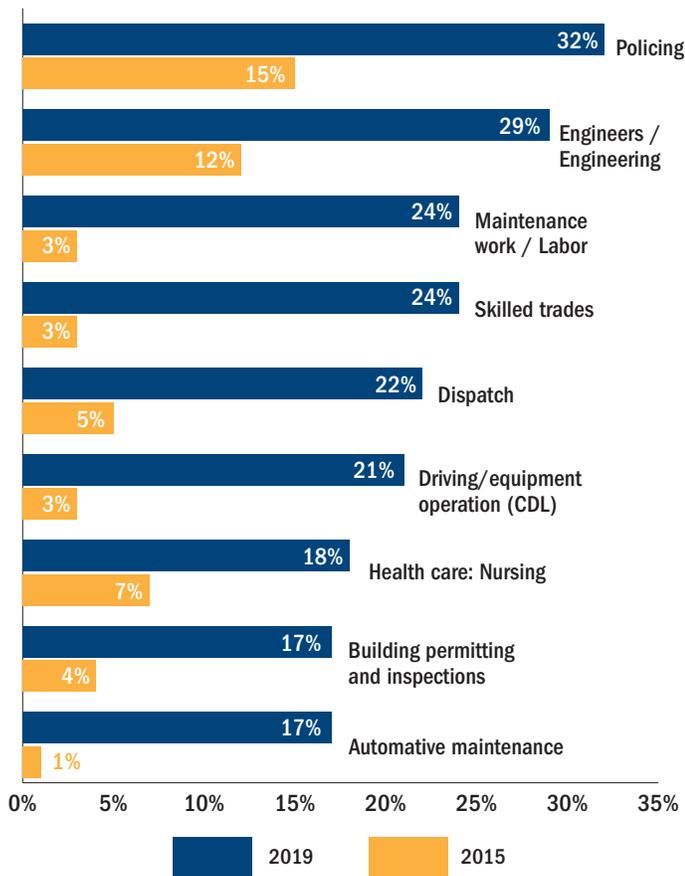
Figure 3 displays those positions which at least 4 percent of respondents indicated as being hard to fill.<sup>2</sup> Gig economy percentages are based on the total number of responses; when respondents left any of the questions blank, it was counted as not filling any positions of that type via the gig economy.

The percentage reporting certain positions as being hard to fill has grown over time. This is evident with positions in policing, engineering, and firefighting (See Figure 4).

Positions filled via the gig economy may include those with many independent contractors available (e.g., information technology) or those that lend themselves to temporary services (office/administrative support, accounting, maintenance work/labor), or consulting companies (engineering, permitting).

**4) 2015-2019 Hard to fill positions**

(2019: n = 308; 2015: n = 267)



## WHAT IS THE GIG ECONOMY?

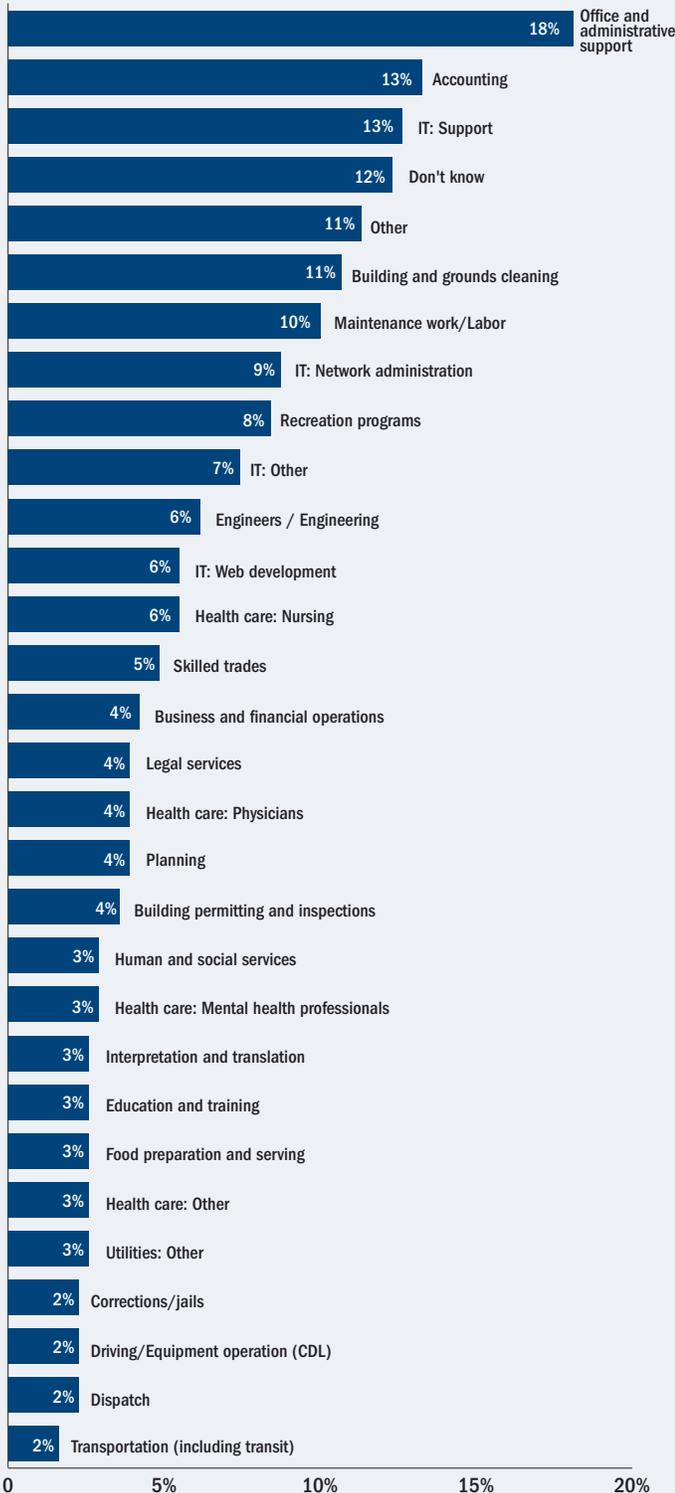
The gig economy includes work that is procured on a temporary or contingent basis, as workload needs dictate. As queried in this survey, it excludes those services that are contracted on an annual or longer-term basis, such as a city engineer or an attorney who, if not a full-time employee, may be part of a multi-year contract.

While these positions cannot be neatly categorized, in 2017 the U.S. Government Accountability Office (GAO) identified five generalizable characteristics of gig workers: (1) self-employed and performing single projects or tasks on demand; (2) providing labor services; (3) working for pay (not providing services in-kind); (4) obtaining work or performing services either offline or online through applications or websites; and (5) performing gig work either part time or full time.<sup>3</sup>

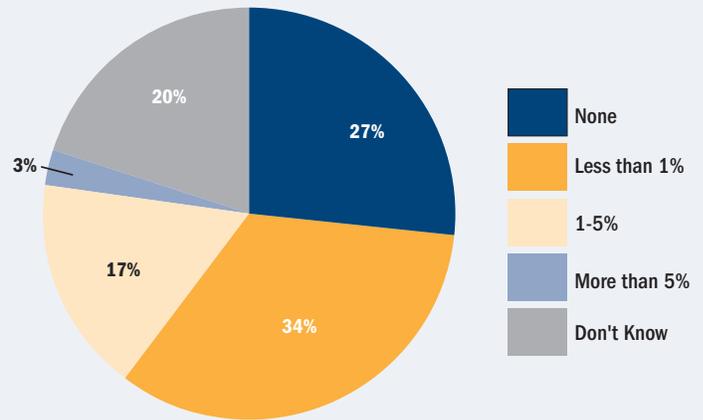
For more analysis, discussion, and resources on Gig Workers, see: “Gig Workers: Local Government’s New Workforce Dynamics Inspire New Workplace Thinking,” by Franzel, Young, and Liss-Levinson, PM Magazine, August 27, 2018, available at <https://icma.org/articles/pm-magazine/pm-article-gig-workers>.

This is the second year that the survey has asked about gig economy hiring. While the initial question, as repeated this year, dealt with which positions were filled with gig workers, this year’s survey also asks about the scale of gig hiring as a portion of the overall organization and the impact on morale, productivity and other organizational characteristics.

5) For what positions were workload needs met in part via the gig economy? (n = 196)

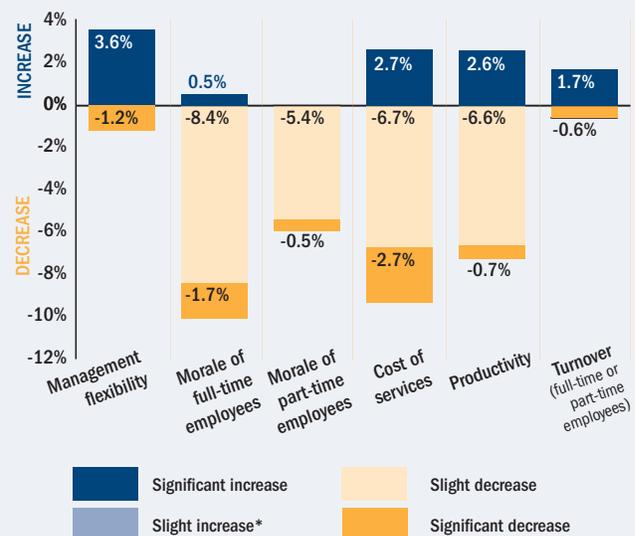


6) What portion of your organization's workload would you estimate is hired via the gig economy? (n = 308)



Hiring on the gig economy may have both positive and negative impacts on the organization. At its most basic level, such hiring gives an organization a certain level of flexibility. Beyond that, the exact mix of impacts may depend on the individuals hired, the organizational readiness to engage short-term talent, or the workload issues that are driving hiring needs (e.g., development cycles). The impacts may also be positive in some areas and negative in others. Figure 7 shows the overall positive and negative ratings reported, with negative impacts shown as negative numbers. Those indicating “No impact” are omitted from the graph.

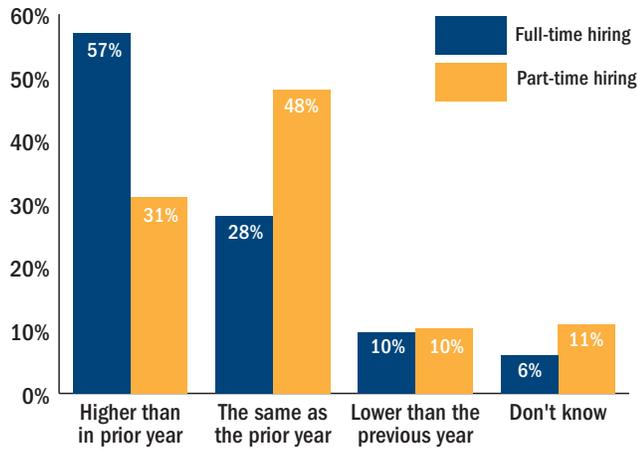
7) Impacts of gig economy hiring (n = 196)



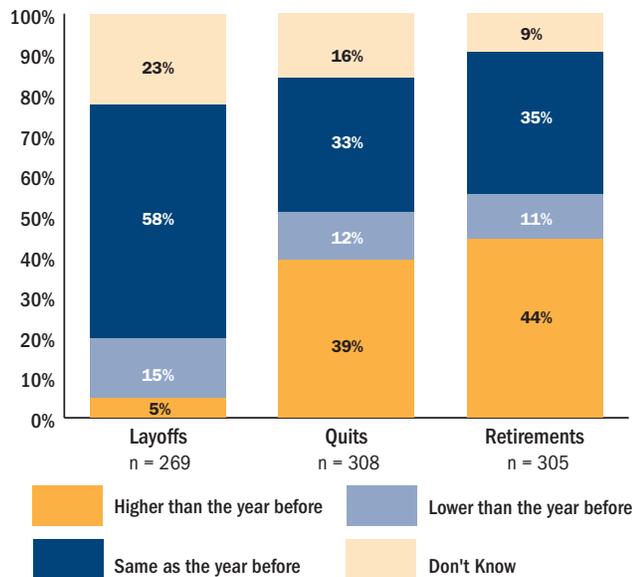
\*No respondents indicated 'Slight increase.'

With the first year of this survey series coinciding with the aftermath of the Great Recession, a number of the issues covered have been examined on a year-over-year basis, including trends in full-time and part-time hiring (Figure 8), as well as layoffs, quits, and retirements (Figure 9).

8) Changes in workforce versus the prior year (n = 301)



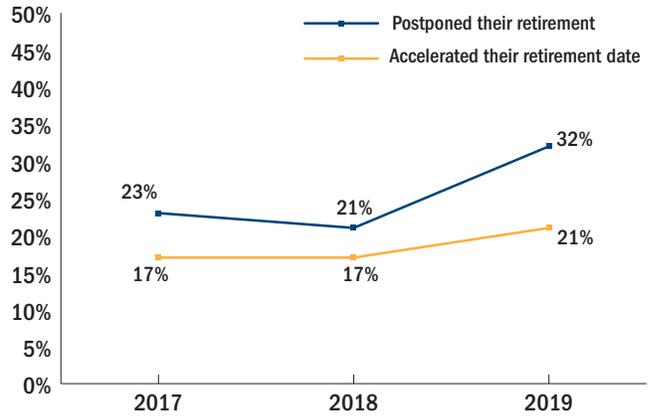
9) Workforce separations



As for how employees are making decisions around retirement, the survey also asks about whether retirement-eligible employees are accelerating or postponing their departures (Figure 10).

10) Changes by retirement-eligible employees regarding their plans for retirement

(2019: n = 283; 2018: n = 313; 2017: n = 279)

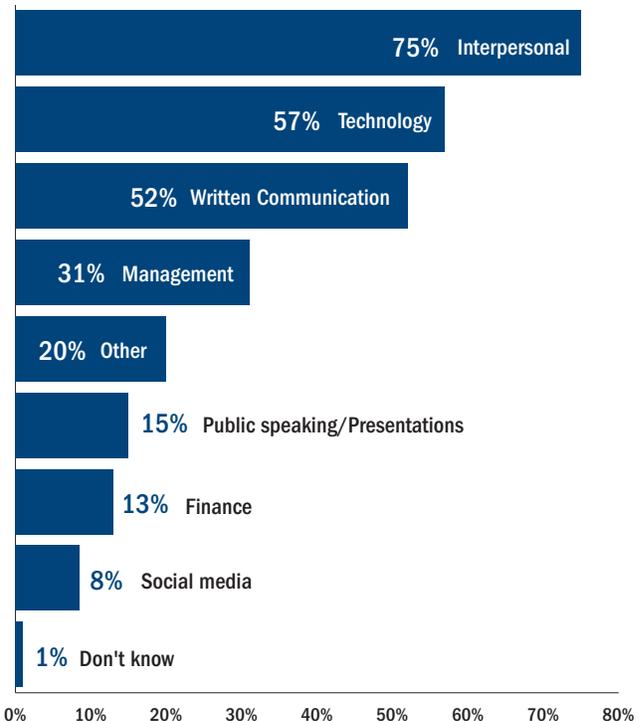


In contrast, in 2009, 44 percent reported that employees were postponing retirement.

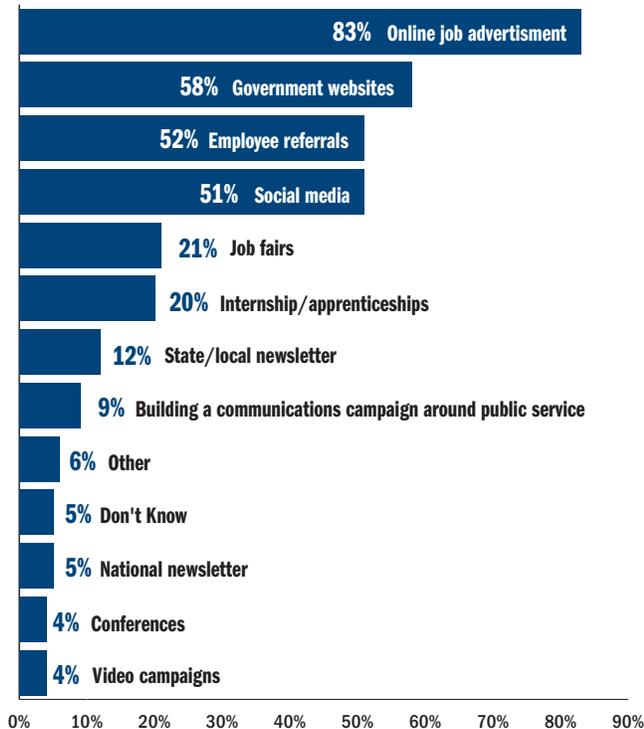
## Recruitment

In finding new staff to fill organizational needs, the skills required are not always job-specific. Figure 11 shows those cross-functional skills most in demand, while Figure 12 shows what methods have been most successful in identifying qualified candidates.

11) Skill sets most needed in new hires (n = 307)

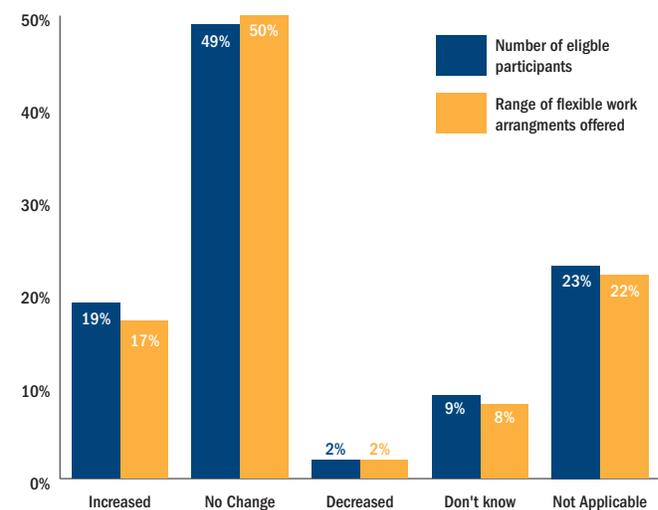


12) Most successful recruitment practices in reaching qualified candidates (n = 309)



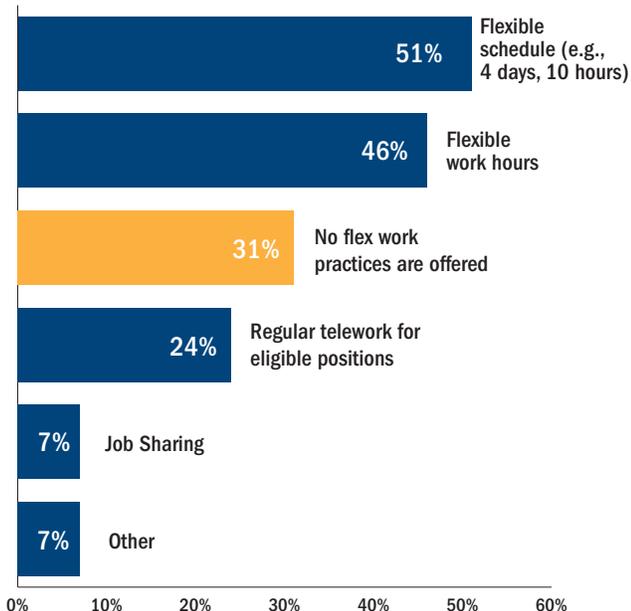
Attracting new employees is not just a matter of advertising, but also a function of the organization’s culture, compensation, and benefits. One of the non-economic factors that recruits may consider is the flexibility afforded by their prospective employer. Figure 13 shows the current percentages offering various workplace flexibility, while Figure 14 shows how that the trend is either to maintain or increase the number of positions eligible for such flexibility or the range of such programs offered.

14) Changes in flexible work practices versus the prior year (n = 302)



## Flexible Work Practices

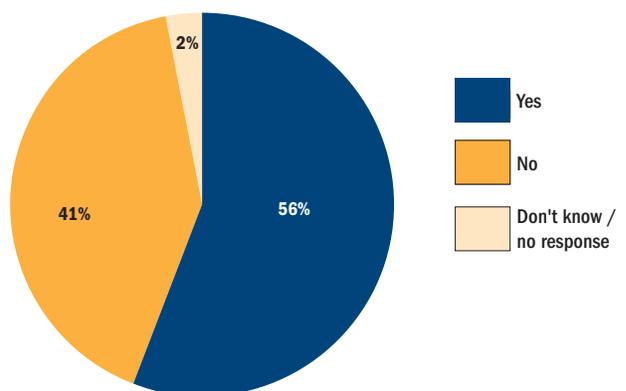
13) Flexible work practices offered (n = 302)



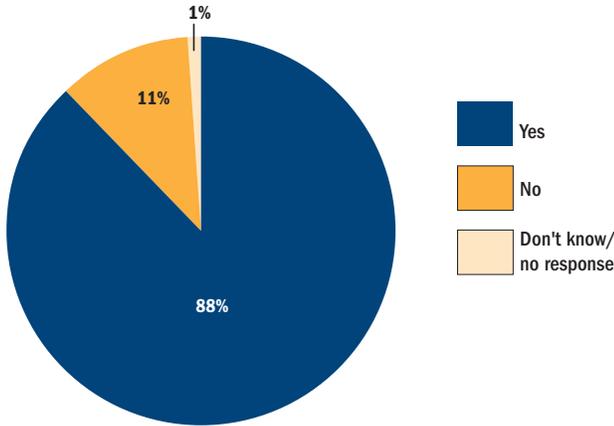
## Benefits and Compensation

Retirement and health benefits can be significant attractions for a career in state or local government and are judged to be an area where employers are more competitive with the private sector than they are in the area of compensation (See Figures 15 and 16).

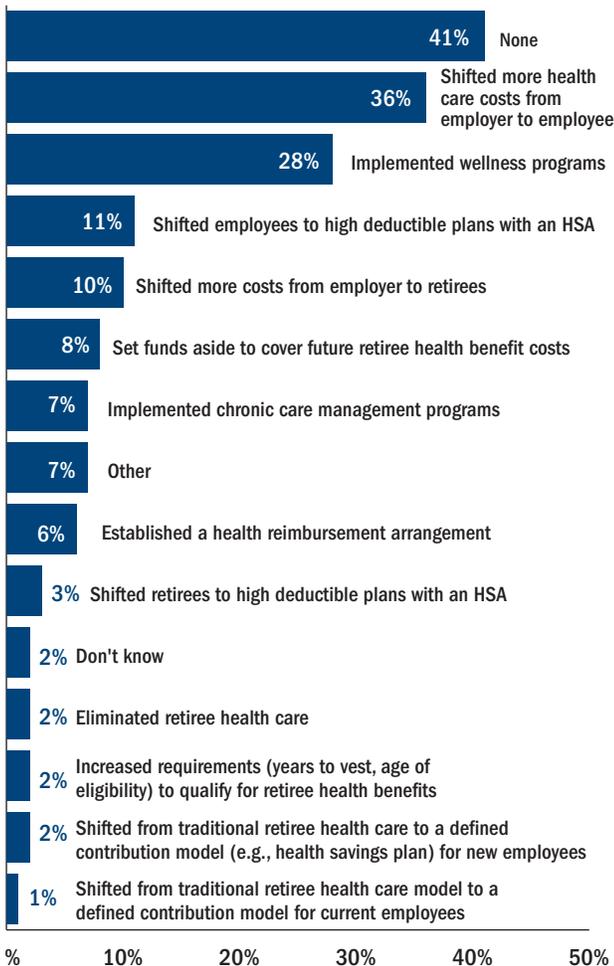
15) Do you feel the wage compensation you offer is competitive with the labor market? (n = 288)



16) Do you feel the benefits compensation you offer is competitive with the labor market? (n = 287)



17) Over the past year, what changes, if any, has your government made to the health benefits provided to employees or retirees? (n = 272 )

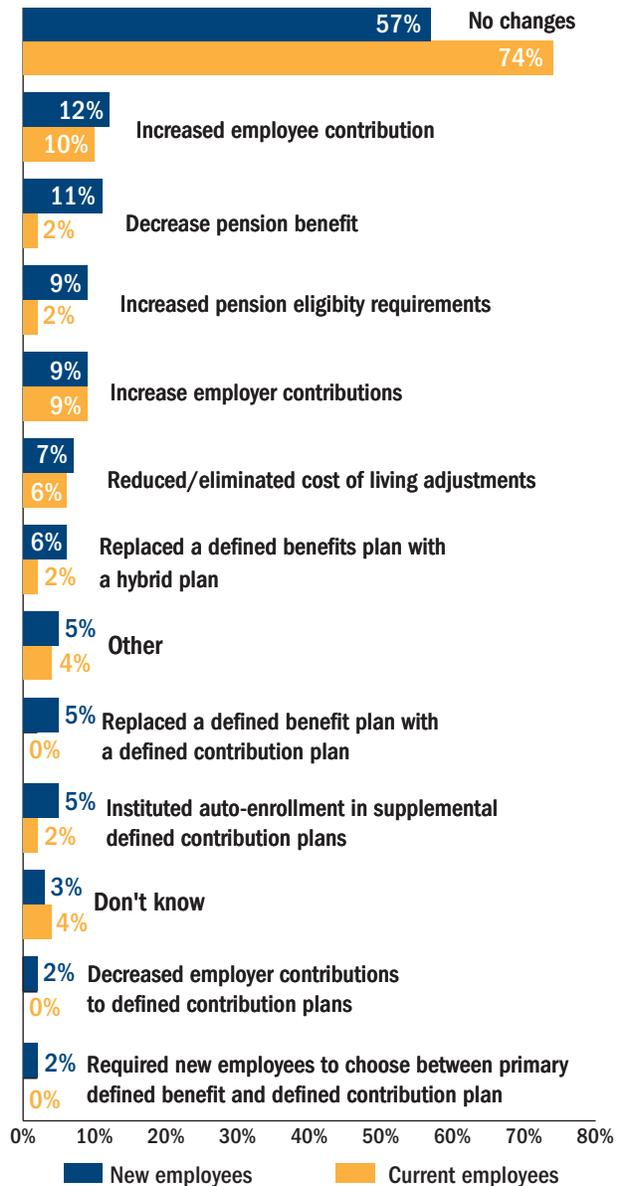


Whether due to insurance plan changes, reactions to demographic shifts, cost concerns, or long-term strategies to steer employee behavior (e.g., through wellness programs), many jurisdictions have adjusted their health of retirement plans (See Figures 17 and 18)

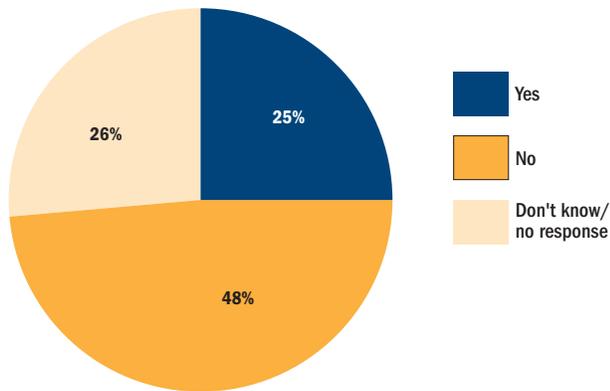
Among the initiatives discussed below, autoenrollment in a supplemental retirement plan is not an option currently allowed in all states, but it is one that is discussed in greater detail in a separate SLGE report.<sup>4</sup> The 48 percent reporting that employees are not prepared for retirement (Figure 20) is part of the reason both for SLGE's research on programs like autoenrollment, but also on financial literacy programs.<sup>5</sup>

18) Retirement benefit changes.

(New employees: n = 311; Current employees: n = 281)



19) Do you feel your employees are prepared financially for their retirement? (n = 287)

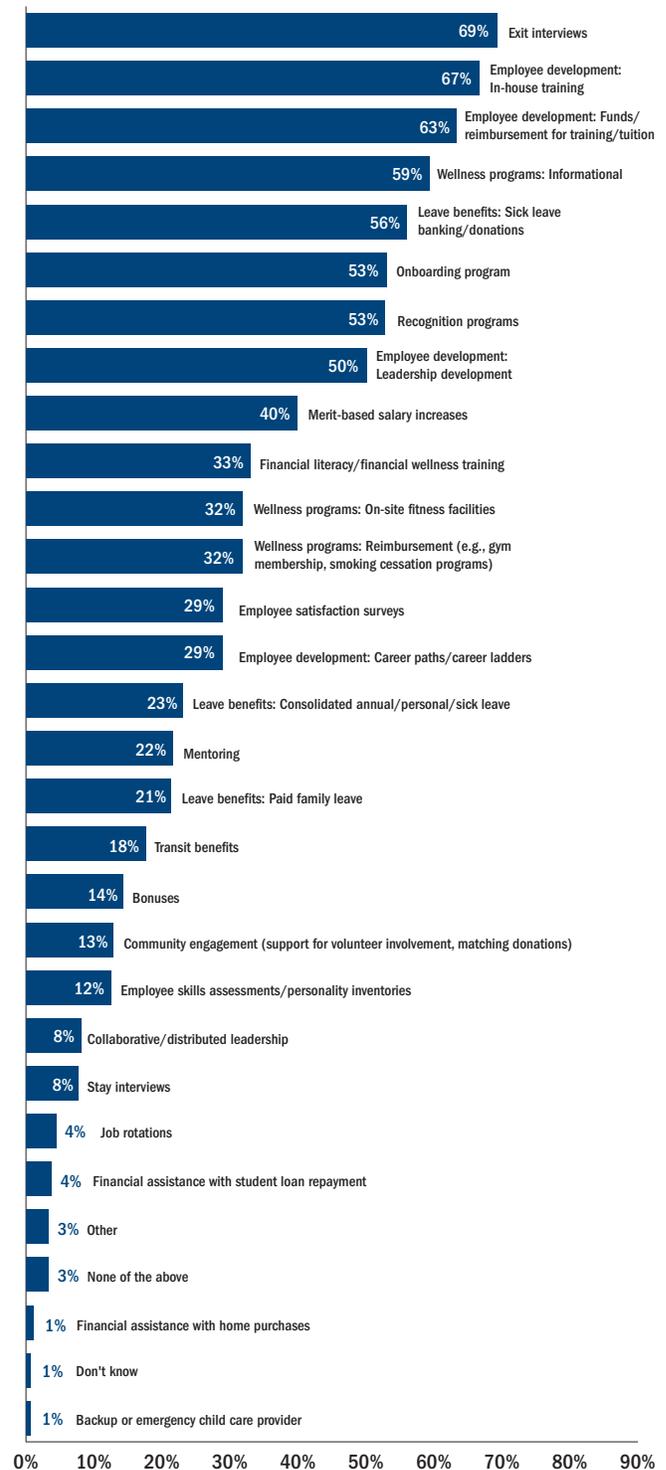


## Looking Ahead

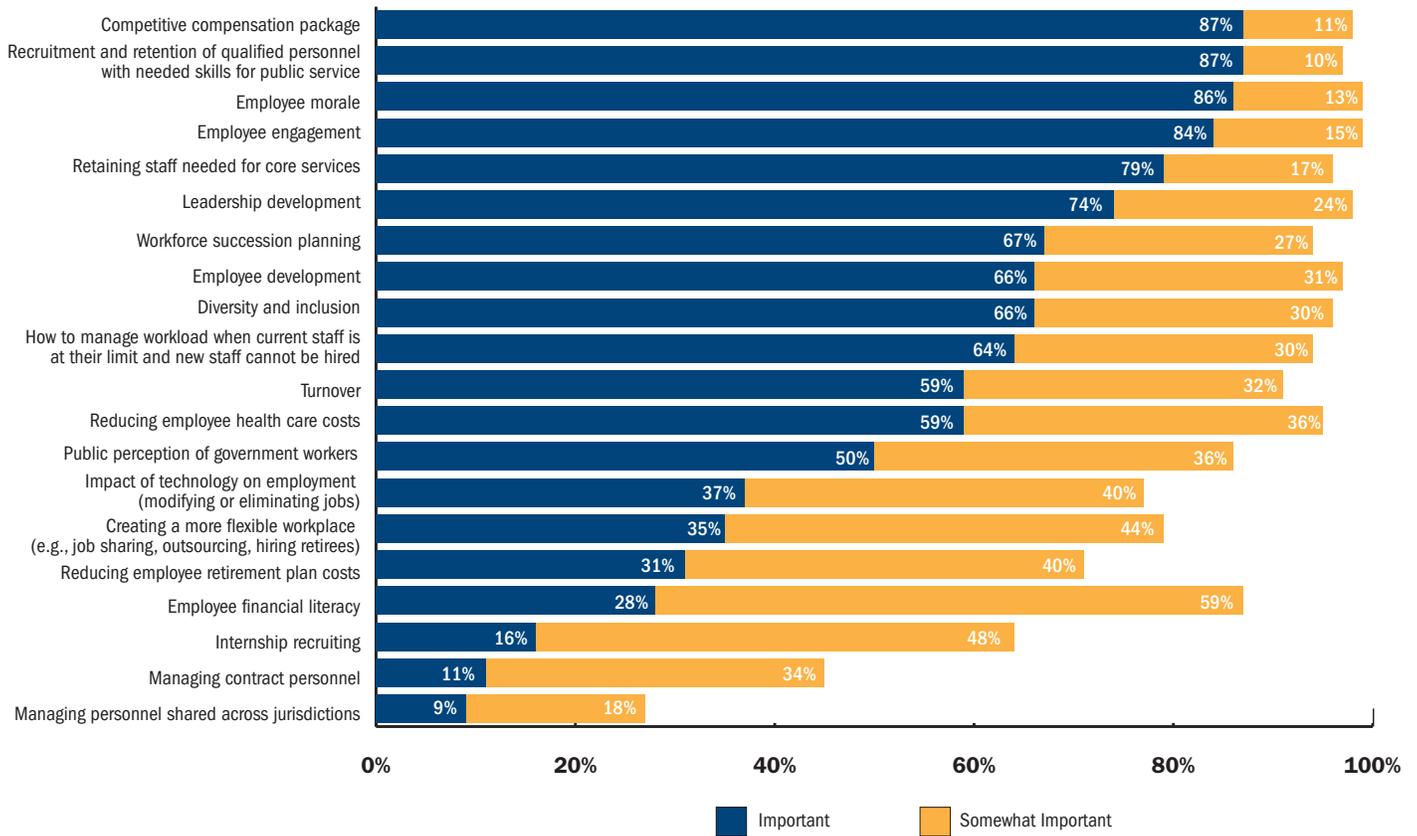
Among programs to encourage employee retention and development (Figure 20), state and local governments have long provided sick leave (provided to 95 percent state and 90 percent of local employees<sup>6</sup>), but may also provide sick leave banking (56 percent of organizations responding). Less common benefits or engagement strategies include mentoring (22 percent), assistance with repaying student loans (4 percent), and provision of backup child care (1 percent).

Not all workforce issues that an organization may be facing are reflected in the initiatives they currently have in place. Looking ahead, for example, 37 percent identified the impact of technology on employment (modifying or eliminating jobs) as an important issue (see Figure 21). This question did not ask what was being done to address that issue, just whether that was an important priority for future consideration.

20) Programs used to encourage employee retention and development. (n = 273)



21) Looking ahead, which workforce issues are important to your organization? (n = 272 )



References

1 SLGE analysis of data from the U.S. Bureau of Labor Statistics (BLS) Current Employment Statistics; See: Workforce of the Future, SLGE, 2018, <https://www.slge.org/resources/workforce-of-the-future>

2 For this question, 2018 was the first year that sample positions were listed as check-boxes, which may have led some respondents to report in categories where they may not have in the past. The data from this reformatted question will be reviewed in the coming years to determine the long-term trends.

3 “Workforce Training: DOL Can Better Share Information on Services for On-Demand, or Gig, Workers.” September 2017, <https://www.gao.gov/assets/690/687380.pdf>.

4 See: Nudging Default Deferral Rates Within Public Sector Supplemental Retirement Plans. <https://www.slge.org/resources/nudging-deferral-rates-within-public-sector-supplemental-retirement-plans>

5 See: Few Financial Programs for Local Government Employees Despite Need. <https://www.slge.org/resources/few-financial-literacy-programs-for-local-government-employees-despite-need>

6 See: Workforce of the Future. <https://www.slge.org/resources/workforce-of-the-future>



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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 (SLGE) helps local and state governments become knowledgeable and competitive employers so they can attract and retain a talented and committed workforce. SLGE identifies leading practices and conducts research on public retirement plans, health and wellness benefits, workforce demographics and skill set needs, and labor force development. SLGE brings state and local leaders together with respected researchers. Access all SLGE publications and sign up for its newsletter at [slge.org](http://slge.org) and follow @4govtexcellence on Twitter.