Survey Findings
State and Local Workforce 2022

June
2022

Acknowledgements

Executive Summary

MissionSquare Research Institute has been partnering with the International Public Management Association for Human Resources (IPMA-HR) and the National Association of State Personnel Executives (NASPE) to conduct an annual workforce survey since 2009. This survey of human resource professionals tracks key challenges facing state and local governments in the recruitment and retention of talented employees and the strategies being employed to manage and compensate those staff.

This report discusses data from the 2022 state and local government workforce survey along with related data from prior surveys in the series.

The survey was conducted from March 3 to April 24, 2022, with a total of 319 state and local government respondents.

Among the key survey highlights:

55% of respondents hired more full-time staff in 2021 than they did in 2020 (see Figure 5).

65% or more identified a list of 10 key positions as hard to fill. Seven of those ten positions had fewer than 10% of respondents reporting them as hard to fill in 2015 (see Figure 8).

Although there has been some decline in telework in 2022, **54% provide for regular hybrid staffing**, and new policy approaches are supporting that with an emphasis on remote employee engagement, mentoring, and performance appraisal (see Figures 12 and 27).

53% report that employees are accelerating their retirement plans, while 41% say the largest wave of retirements is coming in the next few years (see Figure 17).

Only **41% feel their employees are financially prepared for retirement** (see Figure 19).

Respondents report progress on achieving **greater balance between their workforce diversity and the communities they serve** (see Figure 25).

Top recruitment method: Social media (59%; see Figure 11).

Top exit interview response: Compensation not competitive (51%; see Figure 24).

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Survey Results

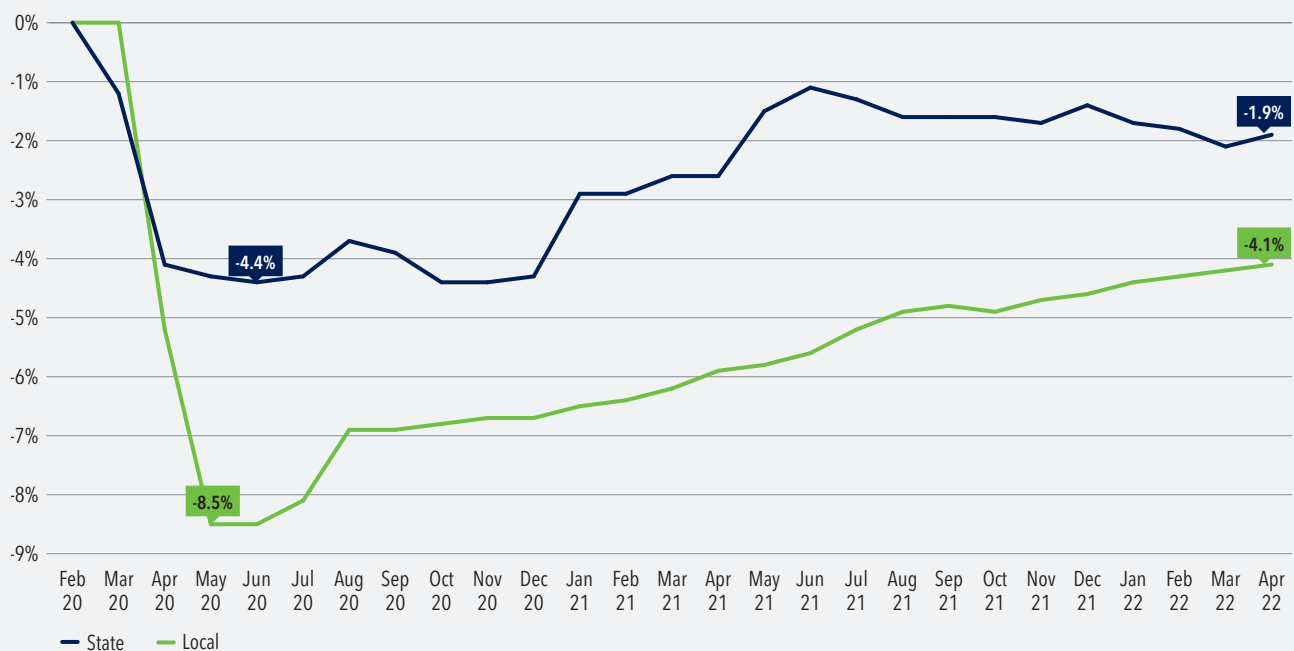### Overall Workforce Conditions

To set the hiring market picture for this report, consider that overall employment had declined from the declaration of the COVID-19 public health emergency to June 2020 by 8.5% for local government and 4.4% for state government. Half or more of that decline was reversed in the 18 months that followed, such that net losses through February 2022 are 4.3% for local government and 1.3% for state government (see Figure 1).

By comparison, the lowest state and local job totals during the Great Recession were not felt for more than 4-6 years, with a return to prerecession levels not occurring until mid to late 2019—approximately 11 years since the previous employment peak.

While job totals have grown since mid to late 2020, state and local government remain vulnerable to potential longer-term revenue disruptions, such as may come from decreased commercial real estate appraisals; instability in restaurant, retail or hotel taxes; or discontinuation of COVID-related federal funding support, as well as increased competition for labor with the private sector during the ongoing Great Resignation.

Figure 1 **State and local employment since February 2020**

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

Respondents

There were 319 total respondents to this year's survey, of which 83% were in local government (including cities, counties, towns, villages, or special districts) and 17% were in state government.

The breakdown of respondents by number of full-time equivalent (FTE) employees reflects the fact that most of the respondents were local governments, which include both large cities and counties, but also many smaller communities.
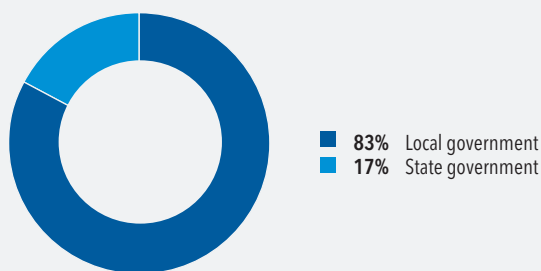
Figure 2 **Survey respondents (n = 319)**

- **83%** Local government
- **17%** State government

Figure 3 **Number of full-time equivalent employees (n = 251)**

- **53%** Under 500
- **23%** 500–2,499
- **10%** 2,500–9,999
- **3%** 10,000–19,999
- **8%** 20,000 or more
- **2%** Don't know

Workforce Changes

The survey asked both about the nature of changes in the workforce in the past year as well as their scope. Figure 4 displays the 2022 data, including 81% hiring new employees, 37% hiring temporary staff or contractors, and 25% rehiring retirees.

Figure 4 **Which of the following workforce changes has your government implemented over the past year? (Check all that apply) (n = 318)**

Workforce change	Percentage
Hired employees	81%
Broad-based pay increases	38%
Hired temporary or contract employees	37%
Updated job specs for minimum education/skills	31%
Permanent/long-term telework options	25%
Travel or training restrictions	25%
Re-hired (at least part-time) staff that retired from your government	25%
Narrow, position-specific pay increases	21%
Offered hiring bonuses (position-specific, e.g., public safety/health)	19%
Reduced or restructured services to match available workforce	11%
Hired staff to work exclusively off-site	7%
Hiring freezes	7%
Furloughed staff returned to active employment	6%
Offered hiring bonuses (general)	6%
Early retirement incentives	5%
None of the above	5%
Furloughs	4%
Layoffs	4%
Pay freezes	3%
Pay cuts	1%

Figure 4b **Percentage reporting workforce changes 2018-2022**

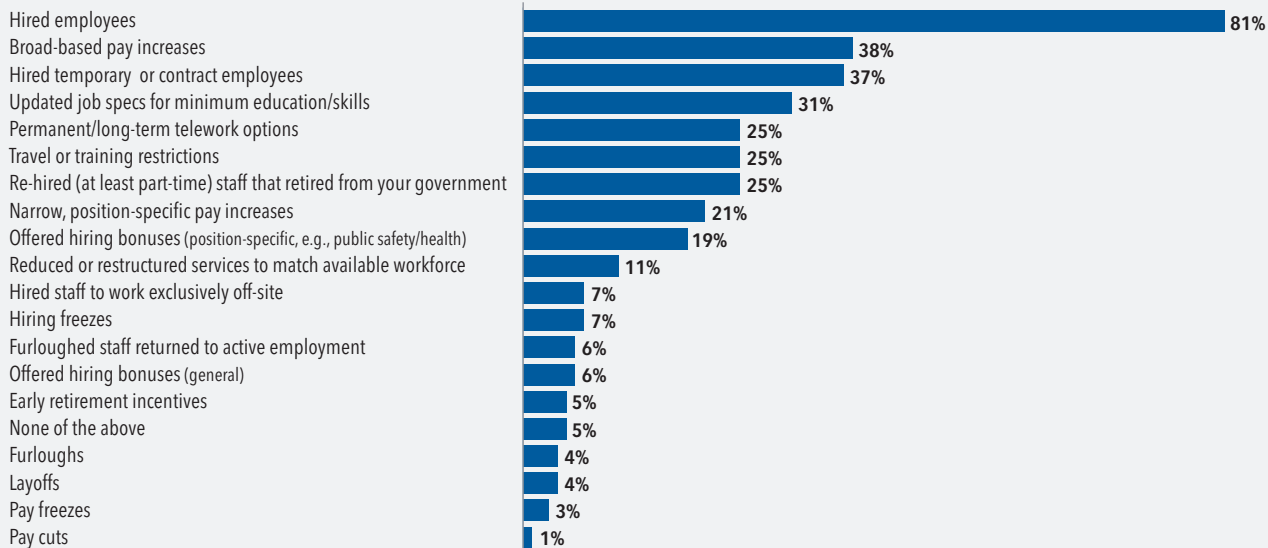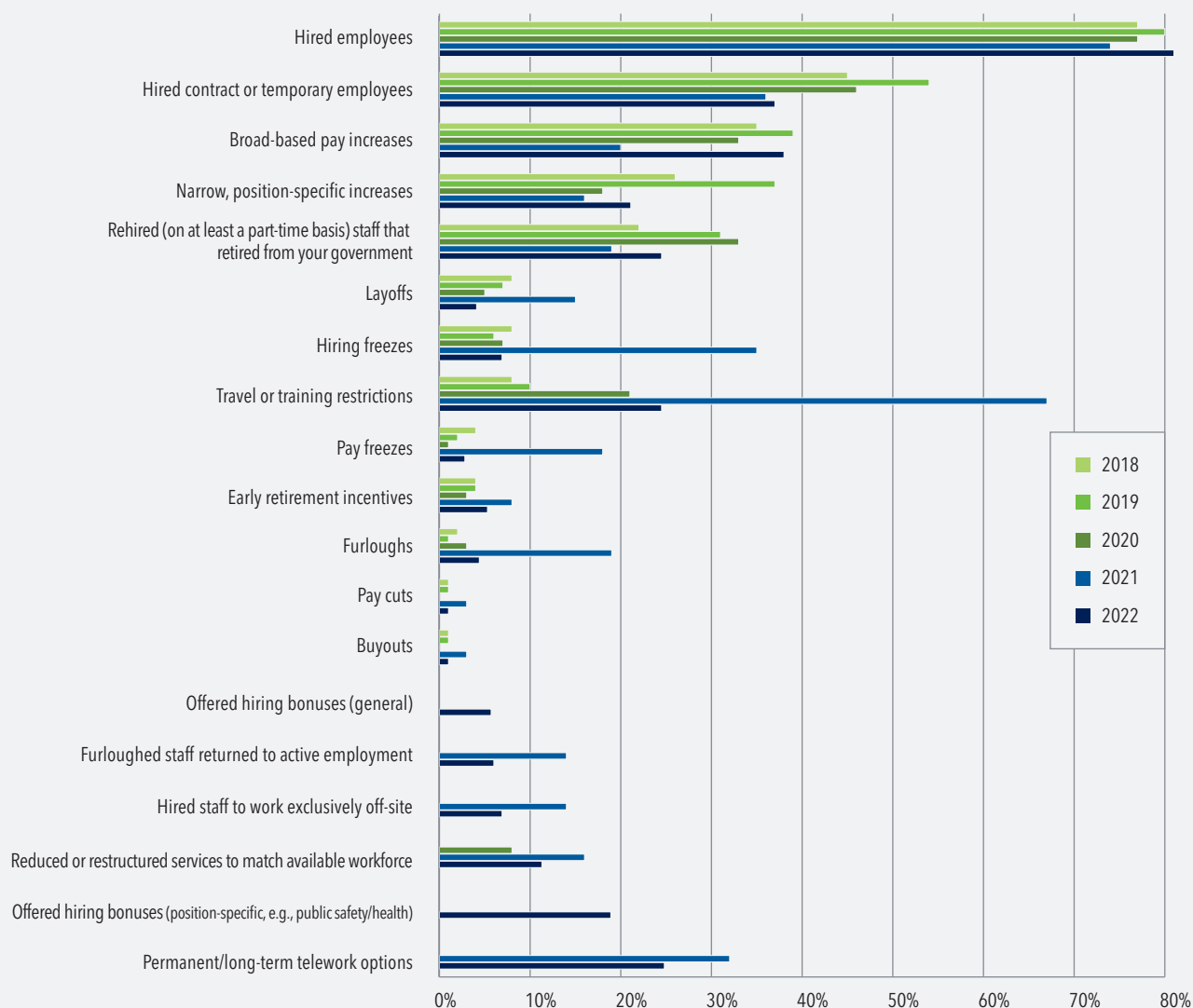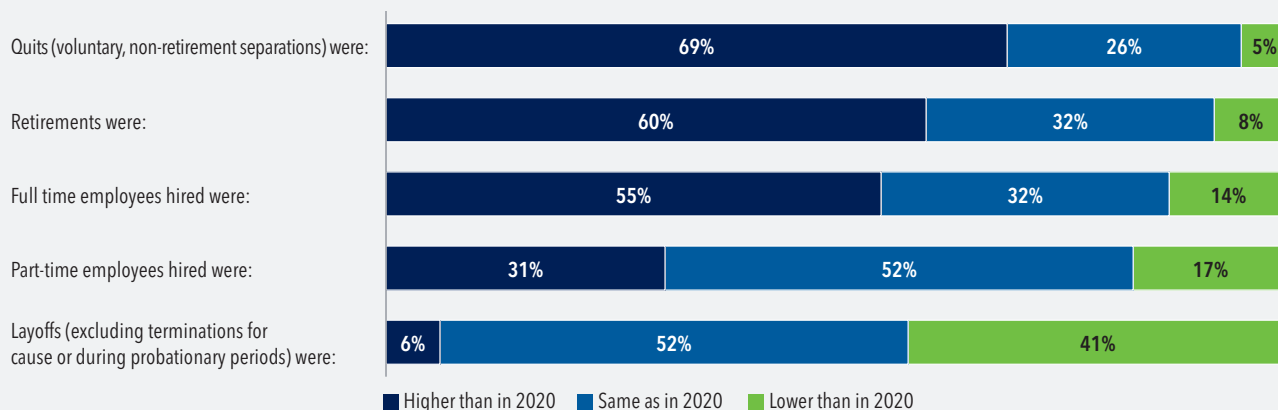NOTE: None of the responses were 0. Where data are not shown in a prior year, the question had not yet been added to the survey.

As position-specific recruiting problems arise (e.g., police, fire, corrections, health, or other areas of severe staff shortage), 21% have offered permanent pay increases for those jobs, while 19% have offered targeted hiring bonuses. Hiring bonuses have also been offered by 6% in a more general or across-the-board manner.

Comparing jurisdiction types, state governments were more likely to report permanent, long-term telework (44%) or rehiring of retired staff (35%) than were local governments (21% and 23%, respectively). Local governments were somewhat more likely to offer position-specific bonuses (20%) than were state governments (12%).

To see how the state and local workforce has changed year to year, it is instructive to view Figure 4B as well. For example, in the 2018-2020 surveys, just 6-8% of respondents reported instituting hiring freezes over the past year. In the 2021 survey, that total rose to 35%, before returning to 7% in 2022. The actions displayed on the lower portions of this graph are those which had less of a change from 2021 to 2022 (e.g., early retirement incentives) or for which this year's response was significantly higher (e.g., broad-based pay increases, which rose from 20% in 2021 to 38% in 2022).

Figure 5 **Regarding changes in the size of your government's workforce in the past year... (n = 293)**

	Higher than in 2020	Same as in 2020	Lower than in 2020
Quits (voluntary, non-retirement separations) were:	69%	26%	5%
Retirements were:	60%	32%	8%
Full time employees hired were:	55%	32%	14%
Part-time employees hired were:	31%	52%	17%
Layoffs (excluding terminations for cause or during probationary periods) were:	6%	52%	41%

■ Higher than in 2020   ■ Same as in 2020   ■ Lower than in 2020

NOTE: Some figures may not sum to 100% due to rounding.

However, while 81% of respondents reported hiring new employees, they also may have seen other changes that were impacting their total employment. Figure 5 shows that despite 55% seeing more full-time employees hired in the past year than in 2020, 69% said there were more employees quitting, while 60% said more were retiring.
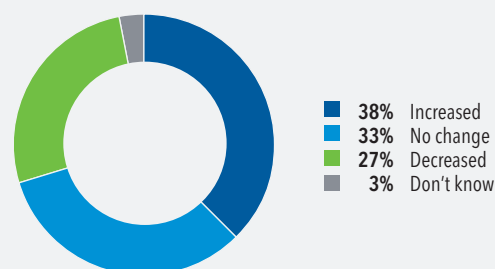
Indeed, from December 2021 to February 2022, the state and local government job opening rate was the highest it has been in over 20 years.[1]

Looking at how that translates to total employment in each jurisdiction, Figure 6 shows that 38% saw an increase in full-time staffing, while 27% saw a decrease.

Comparing the data from the 2021 and 2022 surveys to the change after the last recession, the shares of respondents indicating their overall employment had declined from 2008 to 2012 was far greater than the share indicating a decline in either of the past two years (see Figure 6B). This may be related to a hesitance among some government employers to cut staff in their 2020 budgets when the impacts of the pandemic were still uncertain; the rehiring of furloughed staff (resulting in the high percentage reporting no net change); or to the multiyear impact of the last recession, touching small business, housing, Wall Street, and governmental sectors.

One more way to look at the size of the workforce is to consider whether employers were substituting gig or temporary staffing in place of full-time staff. As shown in Figure 4B above, the percentage that hired temporary or contractual staff was higher prepandemic than it was in

Figure 6 **Please indicate how, if at all, the size of your full-time workforce changed over the last year (n = 316)**

- **38%** Increased
- **33%** No change
- **27%** Decreased
- **3%** Don't know

NOTE: Some figures may not sum to 100% due to rounding.

Figure 6b **Overall change in workforce 2008-2012 (2012 survey, n = 320), and change in full-time workforce in the last year (2021 survey, n = 269, and 2022 survey, n = 316)**

either the 2021 or 2022 surveys. In addition, Figure 7 shows that the portion of the workload being met via gig hiring remains limited, with just 5% obtaining more than 5% of their workload via temporary staff.

There is a significant difference in this measure by type of government, with gig staffing representing 1% or more of the workload for 20% of local governments, compared to 47% of state governments.

This question was last asked in 2020, and the primary change since that time has been the increase in the share indicating no use of gig staffing (up from 26% to 45%).

Hard-to-Fill Positions

Given the high percentage of respondents who say they are hiring, combined with the high rates of resignations and retirements, the survey also asks if there are specific occupations that have been identified as hard to fill.

Figure 7 **What portion of your organization's workload would you estimate is being met via the gig economy?**

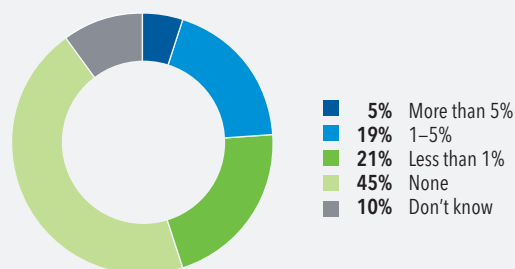|	
5%	More than 5%
19%	1–5%
21%	Less than 1%
45%	None
10%	Don't know

Figure 8 shows that many jurisdictions continued to struggle to fill a variety of positions over the past year. The bulk of the position types included in this question are common across state and local government. Some, however, are more typically found in more specialized agencies, such as county departments of health, local or state hospitals, or utilities. Smaller jurisdictions may also report fewer issues if they did not experience any vacancies for certain positions. In both cases, those who reported a position was not applicable or was not the subject of any recruitments in the past year were excluded from the graph.

Beyond the acute challenges in recruiting for health care (identified as hard to fill by 60-75% of respondents) and for corrections and policing (both 64%), other positions identified as hard to fill include skilled trades (57%) and engineering (52%)—fields where there is direct competition with private sector employment.

Seven of the ten positions most identified as hard to fill had fewer than 10% of respondents reporting that in 2015, with engineering, policing, and information technology in the range of 12-16%. While the Great Resignation had an impact on these positions, the share considering each of those ten hard to fill had at least doubled by 2019.

Figure 8 **Over the past year, what positions, if any, has the organization had a hard time filling? (Select all that apply) (n = 228)**

Position	Percentage
Health care: Nursing	83%
Engineering	78%
Policing	78%
Dispatch	75%
Building permitting and inspections	73%
Corrections/jails	72%
Skilled trades (all types)	71%
Health care: Mental health professionals	69%
Information technology	69%
Driving/equipment operation (with commercial licenses)	67%
Automotive maintenance	63%
Transportation (including transit)	62%
Health care: Physicians	61%
Human and social services	61%
Building and grounds cleaning and maintenance	59%
Utilities: Other	59%
Maintenance work/labor	58%
Firefighting/emergency medical	54%
Planning	52%
Accounting	49%
Business and financial operations	47%
Management (executive level)	44%
Management (midlevel)	44%
Recreation programs	41%
Animal control	39%
Legal services	33%
Office and administrative support	31%
Utilities: Meter-reading	29%

Figure 8b **Hard-to-fill positions, by number of FTEs (n = 228)**

Position	Under 500	500 or more
Maintenance work/labor	70%	43%
Planning	65%	42%
Utilities: Other	70%	49%
Recreation programs	48%	29%
Firefighting/emergency medical	64%	46%
Building and grounds cleaning and maintenance	68%	52%
Automotive maintenance	74%	58%

■ Under 500 ■ 500 or more

A higher percentage of jurisdictions with fewer than 500 full-time equivalent employees identify some positions as hard to fill, such as for maintenance work (a 27% difference from the responses of larger jurisdictions) and planning (a 23% difference; see Figure 8B).

By contrast, the share of those identifying other occupations as hard to fill is much more consistent, such as policing, which is identified as hard to fill by 76% of those with 500 or more FTEs and 79% of those with under 500 FTEs.

Figure 9 shows the extent of the difficulty in filling some of these positions. For example, among jurisdictions recruiting registered nurses, 94% indicated that they received fewer qualified applicants than available positions. While maintenance worker recruitments were slightly less likely to have fewer qualified applicants than available positions (72%), only 14% of respondents indicated that they received more than twice as many qualified applicants as they had vacancies.

Figure 9 **Number of applicants this past year compared to the number of positions available (n = 94 to 222)**

Occupation	Fewer qualified applicants than available positions	0-50% more qualified applicants than available positions
Registered nurses	94%	4%
Engineers	94%	4%
Police	77%	18%
Information technology employees	73%	23%
Maintenance workers	72%	20%

■ Fewer qualified applicants than available positions ■ 0-50% more qualified applicants than available positions
■ 50-100% more qualified applicants than available positions ■ More than twice as many qualified applicants as available positions

Skill Sets

Sought-after skills have been a survey topic since 2015. The most sought-after skills are analytical/critical thinking (78%) and interpersonal skills (64%; see Figure 10). While other skills like technology (52%) and social media (7%) are important as well, they may be regarded as more trainable rather than hiring prerequisites.

Recruitment

Methods of reaching prospective employees have evolved over the past few years, with social media, for example, increasing from 29% in 2015 to top the list for the first time in 2022 (Figure 11). More customized outreach is also taking place via college partnerships (27%) and neighborhood or demographic-specific outreach, such as through community groups or non-English language media (11%).

Figure 10 **Looking broadly at your workforce, what generalizable skill sets are most needed in new hires? (Check all that apply) (n = 270)**
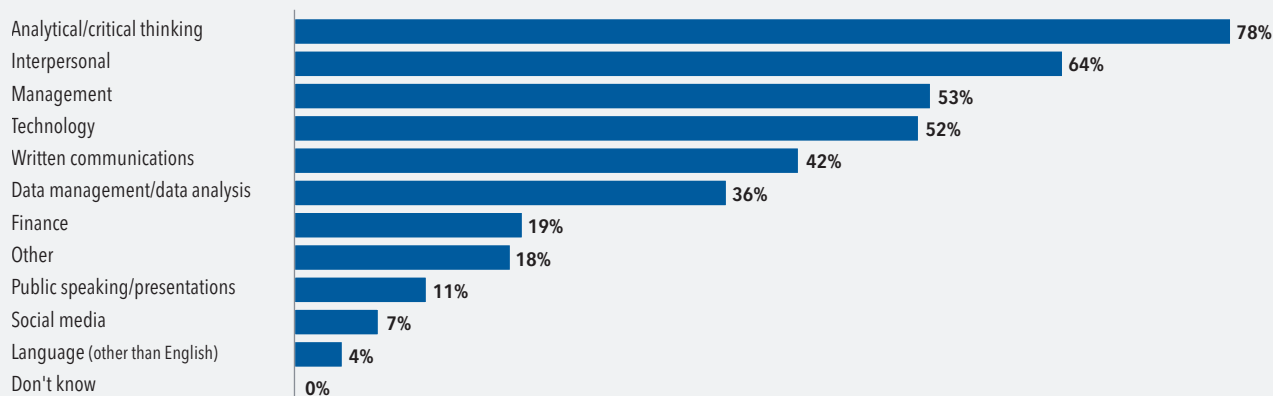
Skill	Percentage
Analytical/critical thinking	78%
Interpersonal	64%
Management	53%
Technology	52%
Written communications	42%
Data management/data analysis	36%
Finance	19%
Other	18%
Public speaking/presentations	11%
Social media	7%
Language (other than English)	4%
Don't know	0%

Figure 11 **What recruitment practices are most successful in reaching qualified candidates? (Check all that apply) (n = 261)**

Practice	Percentage
Social media	59%
Advertising: Government websites	57%
Employee referrals	56%
Advertising: Profession-specific media	45%
Advertising: Commercial websites	41%
College outreach/partnerships	27%
Job fairs	22%
Internships/apprenticeships	17%
Building a communications campaign around public service	14%
Outreach to specific neighborhoods or demographics	11%
Hiring bonuses	11%
Outreach to veterans or military family members	10%
Video campaigns	8%
Other	7%
K-12 outreach/civics curriculum	6%
Cooperative recruitment efforts with other governments	5%
Artificial intelligence (for application screening or video interviews)	4%
Don't know	0%

Campaigns built around public service (14%) can complement the mission-driven interests of many job candidates, such as the 59% of local government

employees in the Research Institute's COVID-related survey who said they value serving their community during this difficult time.[2]

Flexible Work Practices

Flexible work practices have been a part of this survey since 2016. This year's survey includes a new question about hybrid work arrangements, which was the most commonly cited program, by 54% of respondents (see Figure 12). At the same time, full-time telework declined from 53% reporting it in 2021 to just 22% in 2022.

The next most common type of flexible work practice is the adoption of a flexible schedule (54%), such as four 10-hour days—an arrangement that offers employees time to take care of personal priorities on a day that they would otherwise be at work. This is typically promoted to the public as a win-win, in that it extends office hours on the remaining days of the week to enable government business to be conducted earlier in the morning or later in the evening.

Regarding changes to flexible workplace policies, with the pandemic having progressed beyond its initial stages, for the first time the survey shows some governments (8-10%) decreasing the extent of their flexible work arrangements (see Figures 13 and 14). And while there are significantly lower percentages this year that report increasing the flexible work arrangement eligibility (75% in 2021 vs. 40% in 2022) or range of programs (72% in 2021 vs 41% in 2022), the higher baseline set in 2021 would indicate that even those simply not making any changes in their policies this year are still maintaining much of their COVID-driven expansion of those programs.

Regular hybrid work and full-time telework are more common among governments with 500 or more employees (70% and 36%, respectively) than among those with under 500 employees (38% and 10%, respectively).

Figure 12 **What flexible work practices does your organization offer? (Check all that apply) (n = 270)**

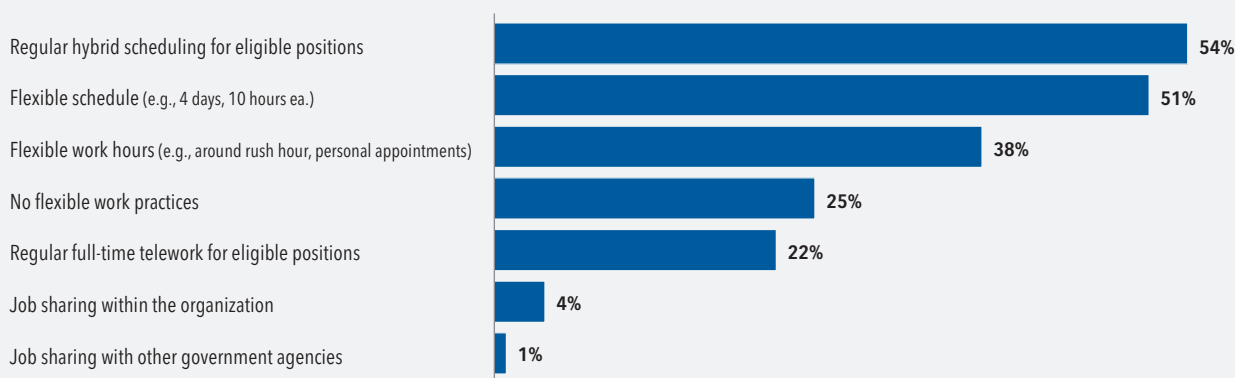|	
Regular hybrid scheduling for eligible positions	54%
Flexible schedule (e.g., 4 days, 10 hours ea.)	51%
Flexible work hours (e.g., around rush hour, personal appointments)	38%
No flexible work practices	25%
Regular full-time telework for eligible positions	22%
Job sharing within the organization	4%
Job sharing with other government agencies	1%

Figure 13 **For flexible work practices, what change, if any, occurred over the past year in the number of those eligible to participate? (n = 260)**

- 40% Increased
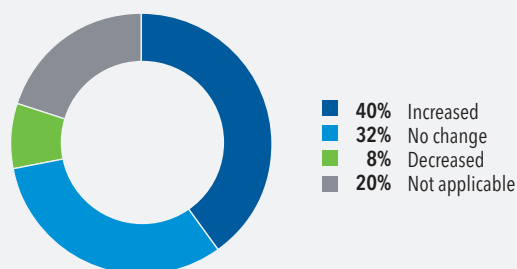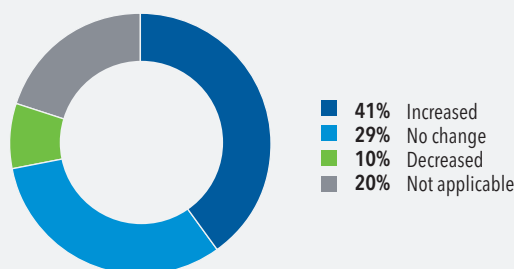- 32% No change
- 8% Decreased
- 20% Not applicable

Figure 14 **For flexible work practices, what change, if any, occurred over the past year in the range of flexible work arrangements offered? (n = 261)**

- 41% Increased
- 29% No change
- 10% Decreased
- 20% Not applicable

Retirement Plan Changes

State and local governments have taken a variety of approaches to managing their retirement benefits as a means of both contributing to long-term retirement plan funding and engaging employees in financial planning decisions and risk participation.

The most common response was that there were no changes to the retirement plans (77%; see Figures 15 and 16). Beyond that, for both current or new employees, the most common actions were to increase either the employer or employee contribution.

For further discussion on long-term trends, see also **Have Localities Shifted Away from Traditional Defined Benefit Plans?** and **Proactive Pension Management: An Elected Official's Guide to Variable Benefit and Contribution Arrangements**.

Figure 15 **Over the past year, what changes, if any, has your government made to the retirement benefits for current employees? (n = 248)**
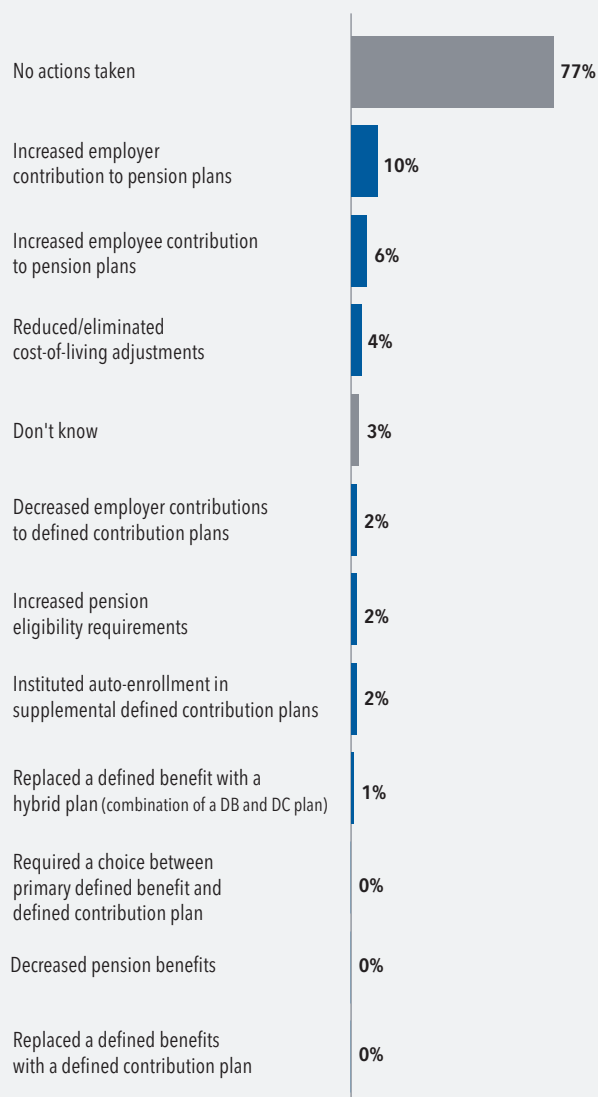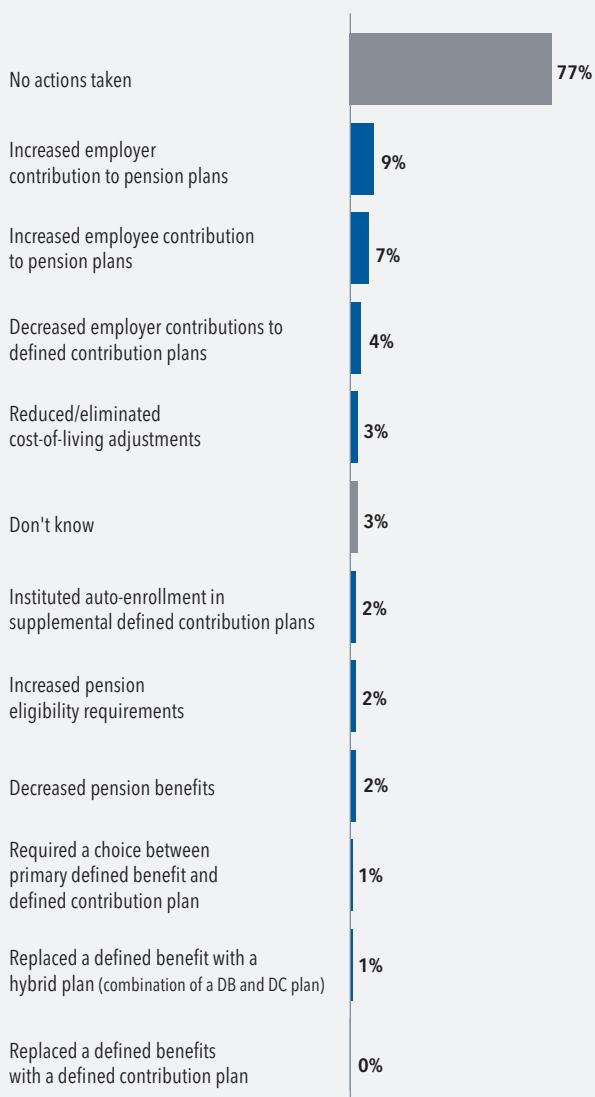
No actions taken	77%
Increased employer contribution to pension plans	10%
Increased employee contribution to pension plans	6%
Reduced/eliminated cost-of-living adjustments	4%
Don't know	3%
Decreased employer contributions to defined contribution plans	2%
Increased pension eligibility requirements	2%
Instituted auto-enrollment in supplemental defined contribution plans	2%
Replaced a defined benefit with a hybrid plan (combination of a DB and DC plan)	1%
Required a choice between primary defined benefit and defined contribution plan	0%
Decreased pension benefits	0%
Replaced a defined benefits with a defined contribution plan	0%

Figure 16 **Over the past year, what changes, if any, has your government made to the retirement benefits for new hires? (n = 248)**

No actions taken	77%
Increased employer contribution to pension plans	9%
Increased employee contribution to pension plans	7%
Decreased employer contributions to defined contribution plans	4%
Reduced/eliminated cost-of-living adjustments	3%
Don't know	3%
Instituted auto-enrollment in supplemental defined contribution plans	2%
Increased pension eligibility requirements	2%
Decreased pension benefits	2%
Required a choice between primary defined benefit and defined contribution plan	1%
Replaced a defined benefit with a hybrid plan (combination of a DB and DC plan)	1%
Replaced a defined benefits with a defined contribution plan	0%

Retirement-Eligible Employees

One of the key factors in assessing the impact of retirement plan changes is the behavior of those who are eligible to retire. Will they take advantage of early-retirement incentives? Are they postponing retirement to meet short-term financial goals? The responses for 2022 are shown in Figure 17.

When this survey was first fielded in 2009, 44% of governments indicated that their retirement-eligible employees were postponing retirement—a recession-influenced peak (see Figure 17B). Now, influenced by

the pandemic and the Great Resignation, 53% indicated that employees are accelerating their plans—the highest percentage to report that since the survey began. This finding is consistent with data from the Research Institute's surveys of public sector employees regarding COVID-19, which showed that as of October/November 2021, 33% were considering retirement, with 42% of those who were considering either retirement or leaving the workforce indicating burnout caused by the stress of doing their job during the pandemic as their top reason.

Figure 17 **Over the past year, what changes, if any, have your retirement-eligible employees made regarding their plans for retirement? (Check all that apply) (n =264)**

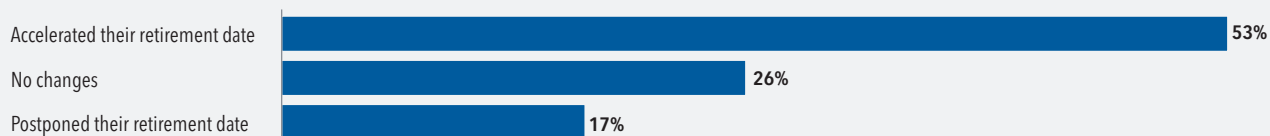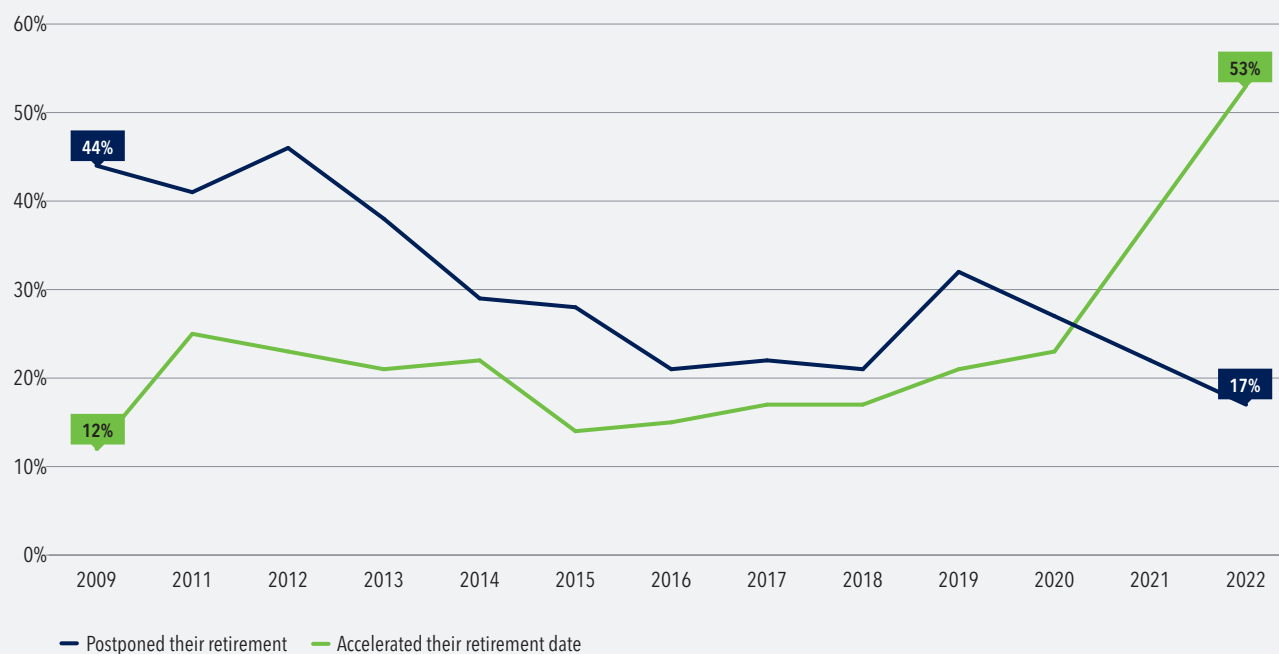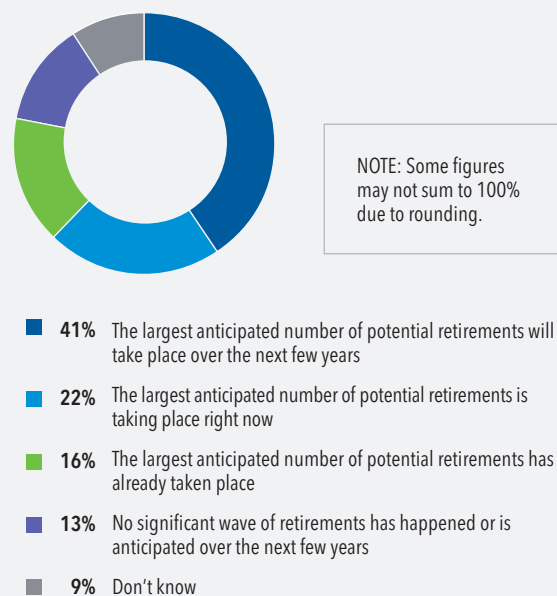|	
Accelerated their retirement date	53%
No changes	26%
Postponed their retirement date	17%

Figure 17b **Over the past year, what changes, if any, have your retirement-eligible employees made regarding their plans for retirement? (Detail, 2009-2022)**

— Postponed their retirement   — Accelerated their retirement date

NOTE: Responses sum to more than 100% because some jurisdictions reported more than one type of action taken. This survey was not conducted in 2010.

The share of baby boomers having already retired stands at approximately 50%.[3] Since state and local government employees also tend to be older than private sector employees,[4] the survey included a question on the extent to which the impact of mass retirements has already been felt; is still anticipated; or perhaps for those jurisdictions that have a younger overall workforce, has not been and is not foreseen to be a significant factor. Figure 18 shows that 41% still see the largest portion of this wave of retirements hitting in the next few years, while only 16% see it as a non-issue or one that has already passed. The share saying the largest wave of retirements is happening now has increased from 17% in 2021 to 22% in 2022.
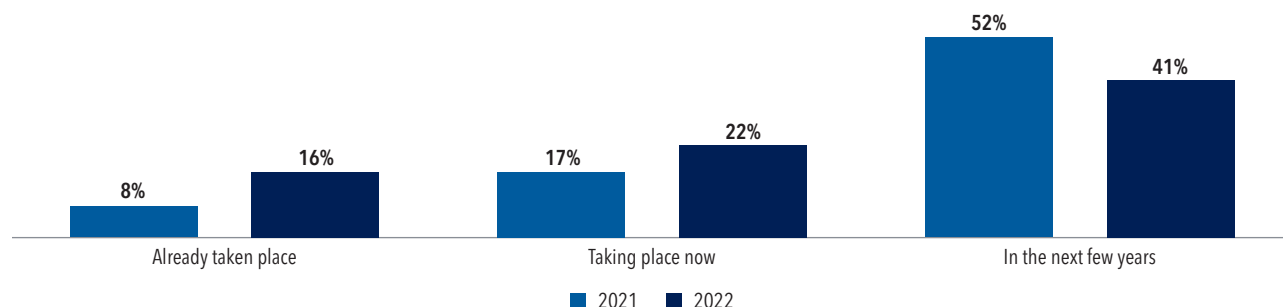
Figure 18 **How would you characterize the impact on your government of the departure of retirement-age baby boomer employees from the workforce? (n =264)**

NOTE: Some figures may not sum to 100% due to rounding.

■ **41%** The largest anticipated number of potential retirements will take place over the next few years

■ **22%** The largest anticipated number of potential retirements is taking place right now

■ **16%** The largest anticipated number of potential retirements has already taken place

■ **13%** No significant wave of retirements has happened or is anticipated over the next few years

■ **9%** Don't know

The Wave is Building

As retirements increase, the large population of baby boomer employees toward the right side of Figure 18B is rolling into the "now" and "already taken place" columns.

Figure 18b **Largest wave of state and local retirements**
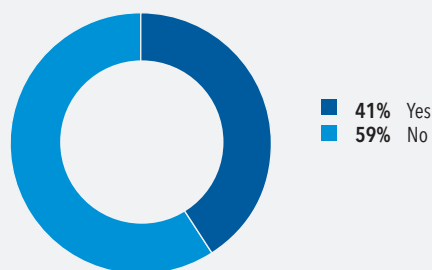

■ 2021 ■ 2022

Retirement Preparedness

Only 41% of respondents offering an assessment feel their employees are financially prepared for retirement (see Figure 19). This total is down slightly from 2021 (45%), but still ahead of 2014-2020, when the percentage remained between 32-38%. Some retirement confidence may have returned with stronger financial market performance since mid-2020, or it may also reflect an increasing emphasis on pension and supplemental retirement funding or on employee financial wellness programs.

With one core element of preparedness being financial literacy, many public agencies have been prioritizing employee education, via a mix of static resources and more interactive or in-person options. For further information, see the Research Institute's related reports:

- **A Focus on Public Sector Financial Wellness Programs: Employee Needs and Preferences**
- **Employee Emergency Savings Benefits Make Good Business Sense**
- **Case studies** and **fact sheets** from the recent state and local government employee financial wellness grant program
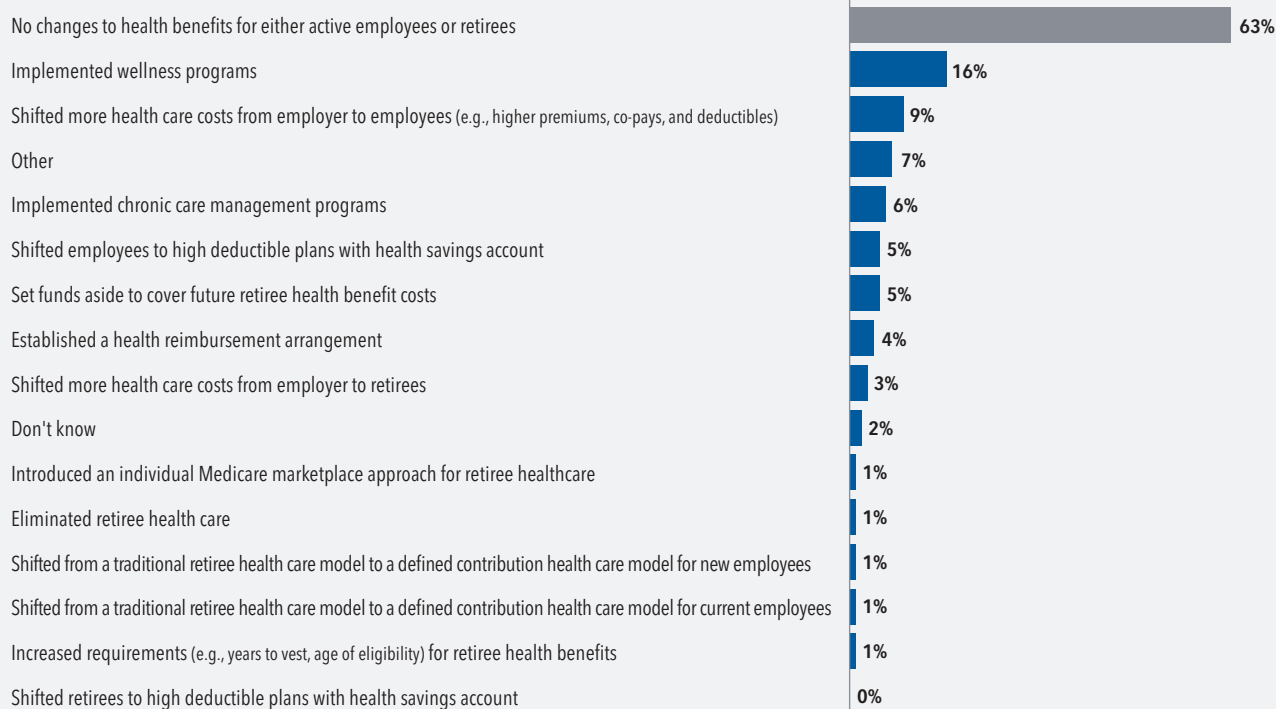

Figure 19 **Do you feel your employees are prepared financially for their retirement? (n = 256)**

- 41% Yes
- 59% No

Health Care Plan Changes

As with retirement plans, the predominant response on health plans is that there were no changes implemented in the past year. Beyond that, the most common responses related to wellness programs or cost shifts to employees or retirees (see Figure 20).

Figure 20 **Over the past year, what changes, if any, has your government made to the health benefits provided to employees or retirees? (Check all that apply) (n = 246)**

No changes to health benefits for either active employees or retirees	63%
Implemented wellness programs	16%
Shifted more health care costs from employer to employees (e.g., higher premiums, co-pays, and deductibles)	9%
Other	7%
Implemented chronic care management programs	6%
Shifted employees to high deductible plans with health savings account	5%
Set funds aside to cover future retiree health benefit costs	5%
Established a health reimbursement arrangement	4%
Shifted more health care costs from employer to retirees	3%
Don't know	2%
Introduced an individual Medicare marketplace approach for retiree healthcare	1%
Eliminated retiree health care	1%
Shifted from a traditional retiree health care model to a defined contribution health care model for new employees	1%
Shifted from a traditional retiree health care model to a defined contribution health care model for current employees	1%
Increased requirements (e.g., years to vest, age of eligibility) for retiree health benefits	1%
Shifted retirees to high deductible plans with health savings account	0%

Wage and Benefit Competitiveness

As governments attempt to compete with private sector employers, they are often constrained by their existing salary structures and the budget processes or other approvals that would be required to effect changes. Such limitations may appear much more pronounced in times of high demand for talent as well as high inflation.

The 44% rating wage compensation as competitive is the lowest percentage in the seven years this question has been asked. And while pensions and some other benefit offerings are still much more prevalent among public agencies than private,[5] the 85% rating benefits compensation as competitive is tied for the lowest rating over that same period.

The share who feel their wage compensation is competitive with the labor market is just 44%. By comparison, with pensions still much more prevalent among public agencies than private, 85% rate their benefits offerings as being competitive (see Figures 21 and 22).

Figure 21 **Do you feel the wage compensation you offer your employees is competitive with the labor market? (n = 252)**
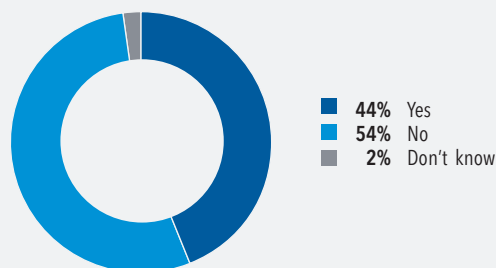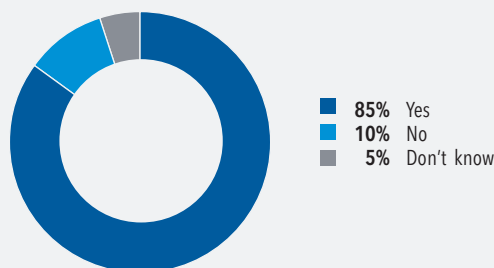

44%	Yes
54%	No
2%	Don't know

Figure 22 **Do you feel the benefits compensation you offer your employees is competitive with the labor market? (n = 252)**

85%	Yes
10%	No
5%	Don't know

Employee Retention and Development

Employee assistance programs and mental health support (93%) remain the top retention and development program among respondents (see Figure 23). Among the more discussed strategies in the past year, 16% indicated that they offered their current employees bonuses (in addition to the 6% who said they added hiring bonuses in the past year; see Figure 4).

Paid family leave was reported by 37% of state and local governments, which exceeds the 26% of state and local government *employees* with access to that benefit.[6] Responses by size of the organization varied significantly, with paid family leave offered by 26% of governments with fewer than 500 FTEs and 49% of those with 500 or more FTEs.

Regarding onboarding, an average of 50% reported conducting such programs from 2018-2021. The question was clarified this year to ask specifically about programs that extend beyond a first-week orientation, such as those involving more frequent check-ins, reinforcement of
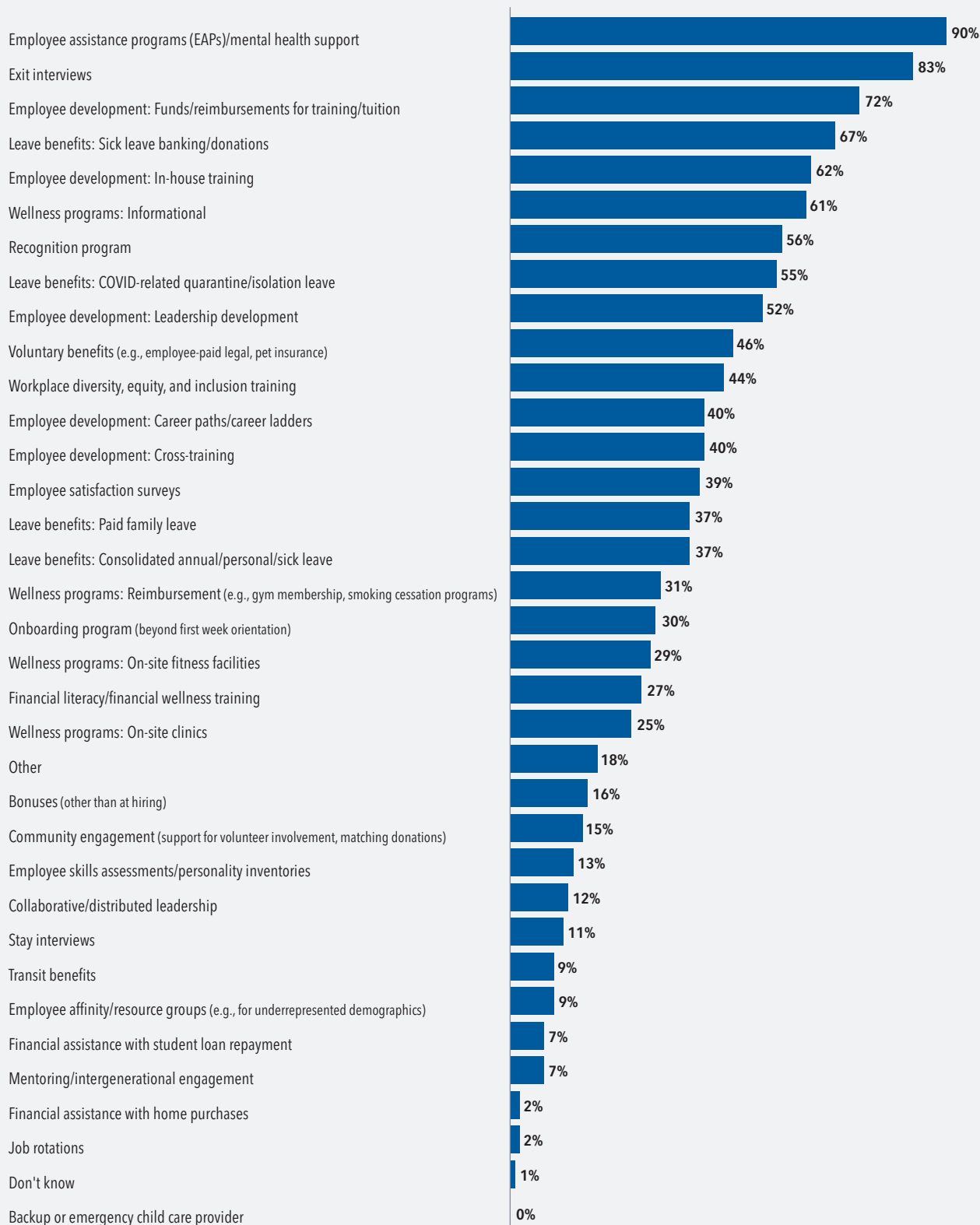
organizational culture, or ongoing efforts to build a sense of belonging. Using this more limited definition, only 30% cited such a program in 2022.

Two other changes of note were in exit interviews (up 8% from 2021 to 83%) and mentoring (down 8% from 2021 to 7%). COVID may have had a particular impact on mentoring, as discussed further in the work environment section below.

Many of the other programs offered by the respondents to encourage employee retention and development relate to employee development, such as in-house training, tuition reimbursement, leadership development cross-training, or structuring of career paths.

Among the new topics included in this year's survey, 46% indicated they offer voluntary benefits, such as employee-prepaid legal, pet insurance, or other optional coverages.

Figure 23 **Which of the following programs does your organization currently use to encourage employee retention and development? (Check all that apply) (n = 254)**

Program	Percent
Employee assistance programs (EAPs)/mental health support	90%
Exit interviews	83%
Employee development: Funds/reimbursements for training/tuition	72%
Leave benefits: Sick leave banking/donations	67%
Employee development: In-house training	62%
Wellness programs: Informational	61%
Recognition program	56%
Leave benefits: COVID-related quarantine/isolation leave	55%
Employee development: Leadership development	52%
Voluntary benefits (e.g., employee-paid legal, pet insurance)	46%
Workplace diversity, equity, and inclusion training	44%
Employee development: Career paths/career ladders	40%
Employee development: Cross-training	40%
Employee satisfaction surveys	39%
Leave benefits: Paid family leave	37%
Leave benefits: Consolidated annual/personal/sick leave	37%
Wellness programs: Reimbursement (e.g., gym membership, smoking cessation programs)	31%
Onboarding program (beyond first week orientation)	30%
Wellness programs: On-site fitness facilities	29%
Financial literacy/financial wellness training	27%
Wellness programs: On-site clinics	25%
Other	18%
Bonuses (other than at hiring)	16%
Community engagement (support for volunteer involvement, matching donations)	15%
Employee skills assessments/personality inventories	13%
Collaborative/distributed leadership	12%
Stay interviews	11%
Transit benefits	9%
Employee affinity/resource groups (e.g., for underrepresented demographics)	9%
Financial assistance with student loan repayment	7%
Mentoring/intergenerational engagement	7%
Financial assistance with home purchases	2%
Job rotations	2%
Don't know	1%
Backup or emergency child care provider	0%

Regarding exit interviews, respondents were also asked which factors were among the top three reasons cited by those leaving their employment (see Figure 24). This year, retirement ceded the top spot (down from 51% in 2021 to 36%) to compensation not competitive (up from 30% in 2021 to 51%; see Figure 24). Advancement opportunities were the next most cited, either in terms of a lack of opportunities internally (33%) or in the availability of such opportunities elsewhere in public (29%) or private employment (28%).

Taken together, the data in Figures 21, 22, and 24 would seem to indicate that assuming that compensation and benefits were competitive, employees would prefer to continue a career in public service.

Diversity, Equity, and Inclusion

The 2021 iteration of this workforce survey indicated that 54% of respondents found their workforce to be reflective of the community regarding gender and 38% found that to be the case regarding race/ethnicity.

MissionSquare Research Institute conducted a standalone survey in 2021 that explored local government workforce diversity, equity, and inclusion (DEI) programs in greater depth, so questions about representation as well as strategies to implement DEI are part of a separate report (see: **Managing Workforce Diversity, Equity, and Inclusion in Local Government, Part 1 of 2: Survey Data**).

For 2022, this workforce survey instead focused on whether the upheavals of the pandemic had led to changes in overall representation within the workforce, such as due to large numbers of retirements, resignations, layoffs, or

Figure 24 **In exit interviews with departing employees, which of the following have been cited as among the top three reasons for leaving? (n = 199)**

Reason	%
Compensation not competitive	51%
Retirement	36%
Lack of internal advancement opportunities	33%
Other	31%
Advancement with another public employer	29%
Dissatisfaction with supervisors	28%
Advancement with a private employer	28%
Personal/ family priorities	20%
Change of career	14%
Workload/ burnout	11%
Relocation	10%
Dissatisfaction with the organization	9%
Physical / mental health	3%
COVID-related health/safety concerns	3%
Pursuing further education	2%
Dissatisfaction with co-workers	2%

Local government workforce DEI:

46% conduct regular review of **job specifications** to eliminate non-job-related education and experience standards

29% encourage **self-expression** (e.g., via preferred pronouns and acceptance of cultural/religious clothing and hair styles)

21% redact **names and other personal details** from initial applicant screening

Source: **Managing Workforce Diversity, Equity, and Inclusion in Local Government, Part 1 of 2: Survey Data**

an influx of new staff. As shown in Figure 25, the majority noted that there was no change in either the gender or racial/ethnic composition of the workforce since early in 2020. However, for those that did note a change, there was a greater likelihood that the last two years brought about a more representative workforce in terms of both gender (19% more representative vs. 10% less representative) and race/ethnicity (29% more representative vs 11% less representative).

These questions do not compare gender or racial/ethnic diversity to some arbitrary national standard, but rather to the locally available workforce or the residents in the jurisdiction's service area.

Such diversity is not simply an altruistic aspiration, but often a strategy paired with employee engagement, training, and resource groups to help new recruits feel welcome in the organization and meet long-term succession planning and workforce needs.[7] In addition, achieving and maintaining a more diverse workforce also has a positive impact on productivity, quality decision making, and financial results.[8]

Breaking down the results by the type and size of the organizations, gender representation increased regardless of workforce size and for both state and local government respondents. Racial/ethnic representation increased more significantly among larger organizations and states than among smaller or local governments (see Figure 25B).

Figure 25 **Since the onset of the pandemic, what impact, if any, has there been on how representative your workforce is compared to the community? (n = 247, n = 249)**
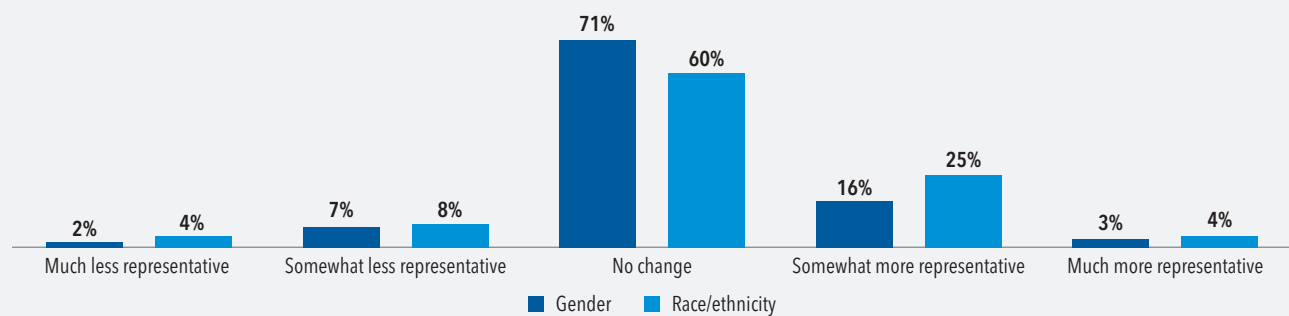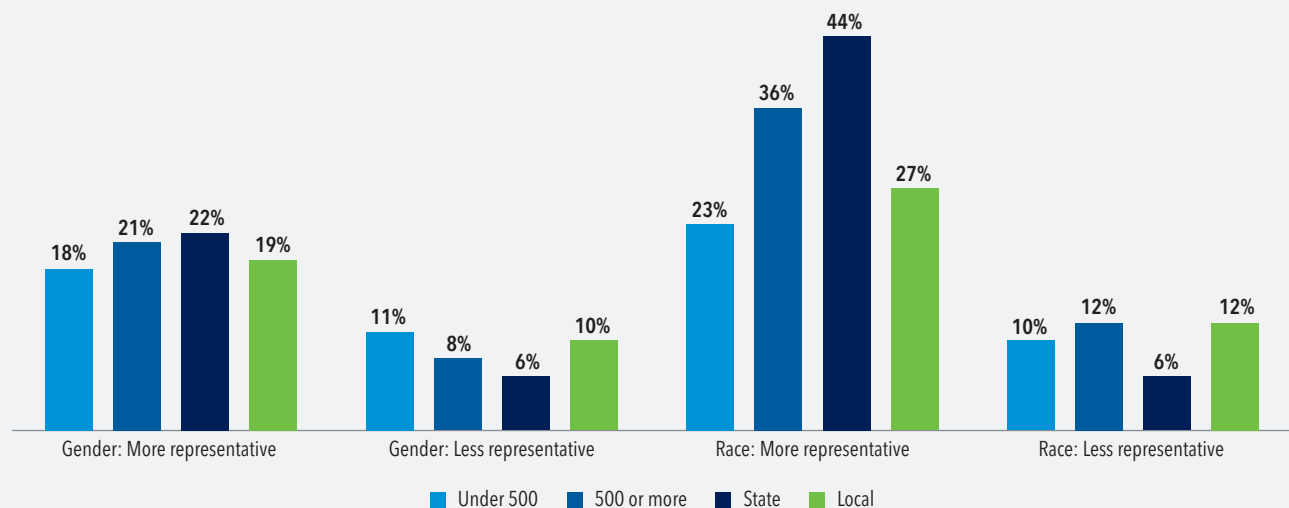

Figure 25b **Since the onset of the pandemic, what impact, if any, has there been on how representative your workforce is compared to the community? - By government type and size (n = 247, n = 249)**

Work Environment

With the rise in remote and hybrid work, there have been changes to both the physical utilization of office space by state and local governments and to the ways in which staff interact in person or virtually.

For the majority, office space utilization has not changed, but where there had been some change, it was more likely to have involved a decrease in office space for larger organizations (27% saw a decrease vs. 13% with an increase) and more likely to have involved an increase in smaller organizations (6% saw a decrease vs. 14% that saw an increase; see Figure 26). These changes may stem from the implementation of greater social distancing, either among staff or between staff and the public, from more off-site staffing that required less of an office presence, from changed hiring patterns, or from some combination of such factors.

Under the retention program section above, mentoring was referenced as an initiative that may have required

some adaptation to the COVID work environment. As remote or hybrid workforces have become more common, some agencies have responded by considering those arrangements more formally within their employee engagement efforts (see Figure 27). Such efforts are still not common, with 50% or more indicating "none of the above." Where they do exist, those policies include remote work consideration in performance assessment, team building, and mentoring, with state governments two-to-four times as likely to have adopted them as local governments.

Another approach that's become possible via remote technology is full-time staffing based outside the metro area or state. As with the other programs, this involves a more intentional effort to find opportunities to build team cohesion, as well as reconsider residency requirements, tax withholding, or other administrative procedures.

Figure 26 **Since the start of the pandemic, what changes, if any, have there been in your organization's office space usage, such as due to distancing requirements or remote work, by number of FTEs (n = 242)**
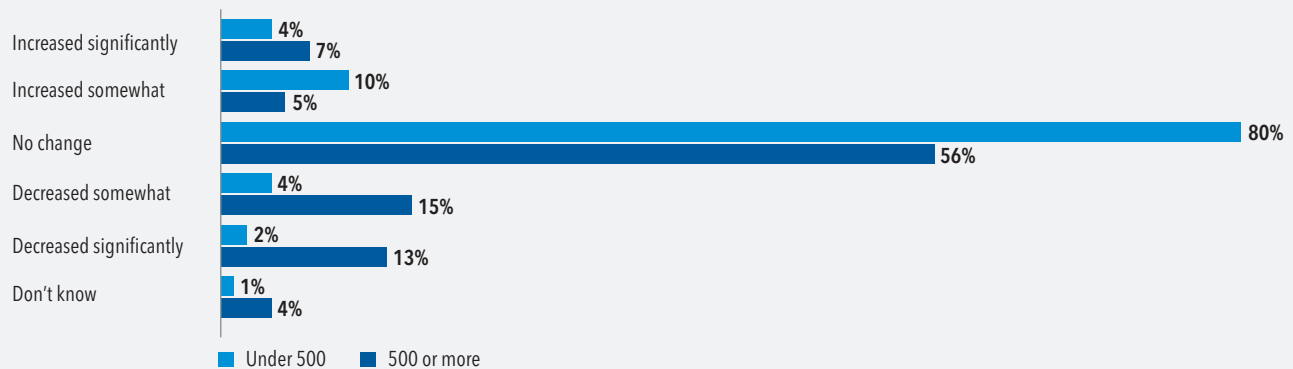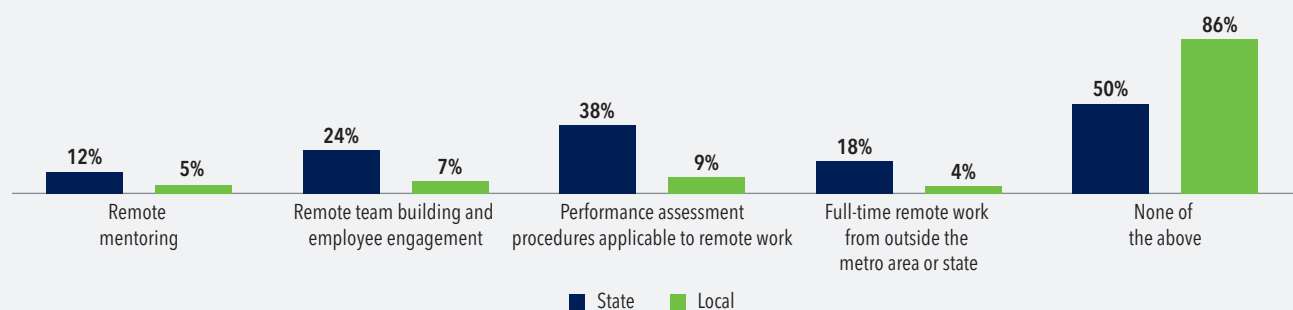
Figure 27 **Remote work: Which of the following is supported by a formal program or policy? (check all that apply) (n = 245)**

Future Priorities

Looking ahead, governments ranked the offering of a competitive compensation package as their highest priority (86% rank it as important), with an additional 41% indicating an intent to perform a job classification study (see Figure 28).
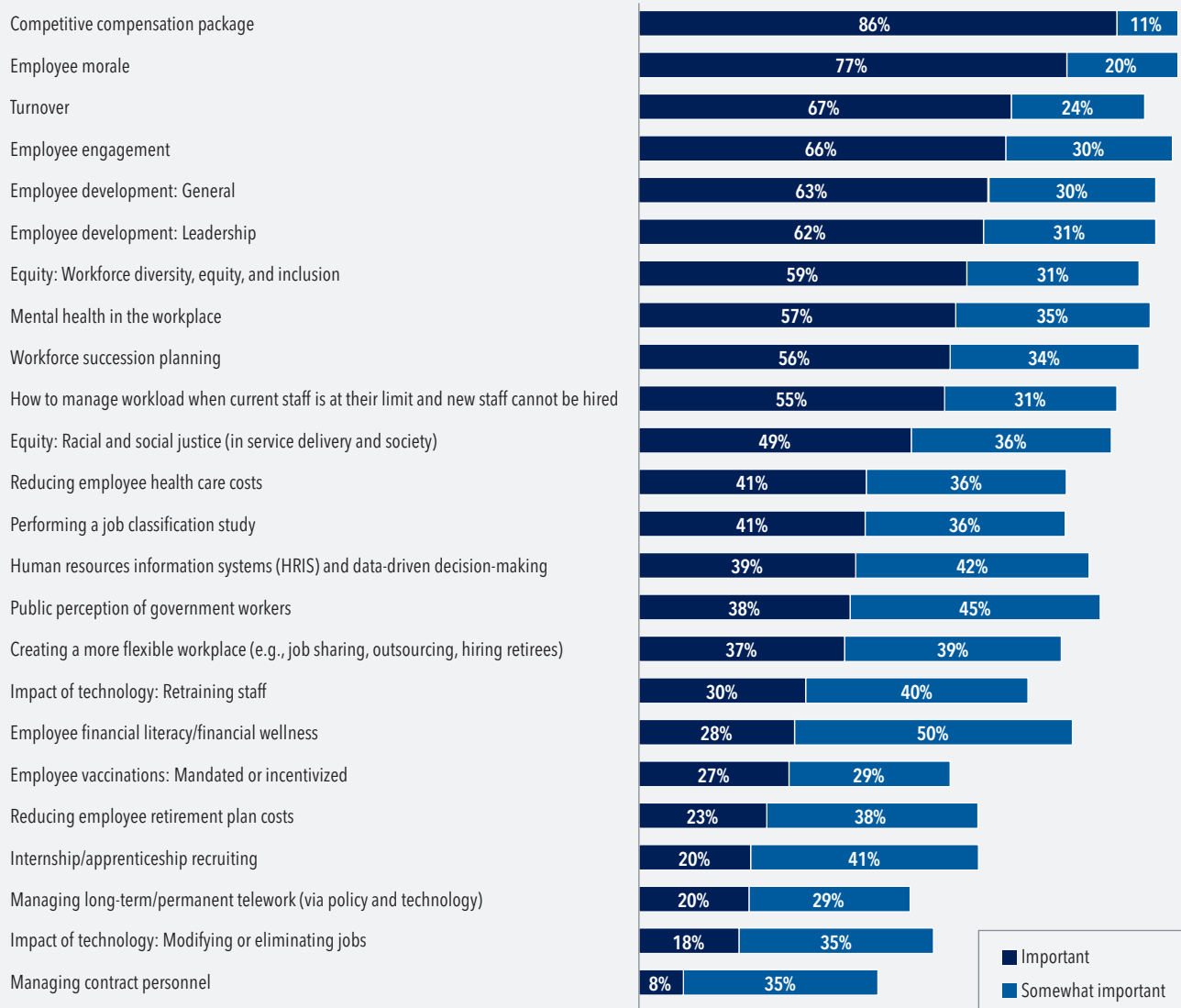
The most significant change from last year is in dealing with the challenge of turnover, which has risen from 44% identifying it as an important priority in 2021 to 67% in 2022. Leadership development also declined (from 74% important in 2021 to 65% in 2022), while workforce succession planning remained at 56% important. Another priority that has dropped in importance over many years

is the public perception of government workers. This was a much higher priority in 2012 (74% important), but was ranked as such by just 38% in 2022.

The decline in rankings for some of these priorities may be a reflection of the relatively more pressing nature of the concerns about compensation and turnover.

Priorities around telework were lower in 2022, both for managing long-term/permanent telework (down from 31% to 20%) and creating a more flexible work environment (down from 44% to 37%).

Figure 28 **How important are the following workforce issues to your organization? (n = 251)**

Issue	Important	Somewhat important
Competitive compensation package	86%	11%
Employee morale	77%	20%
Turnover	67%	24%
Employee engagement	66%	30%
Employee development: General	63%	30%
Employee development: Leadership	62%	31%
Equity: Workforce diversity, equity, and inclusion	59%	31%
Mental health in the workplace	57%	35%
Workforce succession planning	56%	34%
How to manage workload when current staff is at their limit and new staff cannot be hired	55%	31%
Equity: Racial and social justice (in service delivery and society)	49%	36%
Reducing employee health care costs	41%	36%
Performing a job classification study	41%	36%
Human resources information systems (HRIS) and data-driven decision-making	39%	42%
Public perception of government workers	38%	45%
Creating a more flexible workplace (e.g., job sharing, outsourcing, hiring retirees)	37%	39%
Impact of technology: Retraining staff	30%	40%
Employee financial literacy/financial wellness	28%	50%
Employee vaccinations: Mandated or incentivized	27%	29%
Reducing employee retirement plan costs	23%	38%
Internship/apprenticeship recruiting	20%	41%
Managing long-term/permanent telework (via policy and technology)	20%	29%
Impact of technology: Modifying or eliminating jobs	18%	35%
Managing contract personnel	8%	35%

Conclusion

This survey is intended to capture a current snapshot of the state and local government workforce, while also enabling year-to-year comparisons. It may also point to emerging priorities or policy approaches, such as the application of artificial intelligence to recruitment or planning for technological change that may impact workforce needs.

The data shown above captures the human resources perspective of the Great Resignation and how governments are working to respond to the challenges of recruitment and retention. For related data from the perspective of local government employees, see also **Survey Results: Continued Impact of COVID-19 on Public Sector Employee Job and Financial Outlook, Satisfaction, and Retention**.

With the data provided above, the goal of the survey sponsors is to facilitate state and local governments identifying leading practices and adapting them to their own organizations' needs so that they may remain employers of choice and recruit, retain, and retire a talented workforce.

Related Resources

Managing Workforce Diversity, Equity, and Inclusion in Local Government, Part 1 of 2: Survey Data, MissionSquare Research Institute, June 2022.

Survey Results: Continued Impact of COVID-19 on Public Sector Employee Job and Financial Outlook, Satisfaction, and Retention, MissionSquare Research Institute, March 2022.

Benefits of State and Local Government Employees, MissionSquare Research Institute, February 2022.

Case Studies and **Fact Sheets**: Innovative Public Sector Employee Financial Wellness Programs, MissionSquare Research Institute, January-February 2021.

Diversity, Equity, and Inclusion in the Public Service Workforce, MissionSquare Research Institute, September 2021.

Employee Emergency Savings Benefits Make Good Business Sense, MissionSquare Research Institute, April 2021.

Endnotes

1. BLS Job Openings and Labor Turnover Survey

2. See **Survey Results: Continued Impact of COVID-19 on Public Sector Employee Job and Financial Outlook, Satisfaction, and Retention**, MissionSquare Research Institute, March 2022.

3. Richard Fry, "**Amid the pandemic, a rising share of older U.S. adults are now retired**," Pew Research Center, November 4, 2021.

4. See **Employee Tenure Summary**, U.S. Bureau of Labor Statistics, 2020, and **Infographic: State and Local Workforce Trends**, Center for State and Local Government Excellence, 2017.

5. See **Benefits of State and Local Government Employees**, MissionSquare Research Institute, February 2022.

6. Ibid.

7. See discussion of employee resource groups in Minneapolis and San Antonio in **Workforce of the Future: Strategies to Manage Change**, Center for State and Local Government Excellence and Kronos, October 2018.

8. Cheryl D. Orr and Marcia L. Conner, "The Path to Equity for Black Women in the Public Sector," Public Management, February 2021, and Paul Gompers and Silpa Kovvali, "The Other Diversity Dividend," Harvard Business Review, July-August 2018. See also **Diversity, Equity, and Inclusion in the Public Service Workforce**, MissionSquare Research Institute, September 2021.

MissionSquare Research Institute (formerly the Center for State and Local Government Excellence at ICMA-RC) promotes excellence in state and local government and other public service organizations so they can attract and retain talented employees. The organization identifies leading practices and conducts research on retirement plans, health and wellness benefits, workforce demographics and skill set needs, labor force development, and topics facing the not-for-profit industry and the education sector. MissionSquare Research Institute brings leaders together with respected researchers. For more information and to access research and publications, visit **mission-sq.org/researchinstitute** and follow on **Twitter** and **LinkedIn**.

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