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State and Local Government Employees:
**Morale, Public Service
Motivation, Financial
Concerns, and Retention**

2022 Survey Results





Acknowledgements

This report was prepared by Rivka Liss-Levinson, PhD and Gerald Young (MissionSquare Research Institute) and describes results of a survey conducted with Greenwald Research.



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Executive Summary

This report presents the results of an October/November 2022 national online survey conducted by MissionSquare Research Institute and Greenwald Research of 1,003 state and local government employees, assessing their views on their job and financial outlook, motivations for working in the public sector, morale and work concerns, and job satisfaction and retention issues.

The final data was weighted by gender, age, income, and industry type to reflect the distribution of the state and local government workforce as found in the U.S. Census Bureau's Current Population Survey and the U.S. Census of Governments.



Top 10 Takeaways

1

Job security (92%), personal satisfaction from the job (87%), and retirement benefits (86%) were most commonly cited as major or minor **factors that attracted respondents to their current job** in the public sector in the first place (**Figure 2**).

2

Overall, **28%** of respondents reported that they **feel very or extremely financially secure** right now. In contrast, for more than one in three respondents (34%), it is somewhat or very difficult in the typical month to pay their monthly bills on time and in full (**Figures 3 and 4**).

3

Among the 87% with one or more types of debt, more than three in four (77%) report that their level of **debt prevents them from saving more for retirement** (**Figures 5 and 7**).

4

Nearly two in three respondents (64%) are **extremely or very worried about inflation** making it hard to keep up with the current cost of living, while 58% worry about inflation decreasing the value of their savings (**Figure 11**).

5

66% of respondents report **positive morale regarding work** currently, with 24% reporting very positive morale (**Figure 16**).

6

Despite the relatively positive levels of morale and positive emotions felt about their job, **41%** of respondents are **considering changing jobs** in the near future (**Figure 18**).

7

Just over half of respondents (**51%**) report being very or extremely **satisfied with their current employer** (**Figure 22**).

8

Asked what their employer could do, other than offering a higher salary, **to make it a significantly better place to work**, the most commonly reported recommendations were to **boost morale** by supporting, respecting, and/or listening to employees (14%) and to **allow remote work** (13%; **Figure 27**).

9

More than three in four (77%) agree that the **increase in people leaving** their jobs voluntarily **has put a strain on their own workload**, with 34% reporting that it has been a significant strain (**Figure 32**).

10

Asked what their organization could do **to retain more employees**, respondents were most likely to recommend **improving salaries** (74%), **offering/increasing bonuses** (54%), and showing more **appreciation and recognition** for employees and the work they do (45%; **Figure 33**).

Introduction and Methods

Since May of 2020, MissionSquare Research Institute (the “Institute”) has been surveying state and local government employees approximately every six months to better understand their perspectives on their current and future employment and financial outlook, morale and job satisfaction, recruitment and retention, and the impact of the COVID-19 pandemic on these issues. Findings from these surveys have been released in the form of reports, infographics, and animated videos (see [COVID-19 and the Public Sector Workforce: Collected Resources](#)).

As the nation shifts its attention from the acute challenges posed by the pandemic to more medium- and long-term impacts, the Institute has likewise modified the content of the survey to focus on the longer-term effects on the state and local government workforce, and to stay up to date with current issues at the forefront for state and local

government workers, such as inflation, market volatility, and hiring bonuses.

This report presents the results of a survey assessing state and local government employees’ views on their job and financial outlook, motivations for working in the public sector, morale and work concerns, and job satisfaction and retention issues. It provides results from a 12-minute online survey of 1,003 full-time state and local government employees conducted by the Institute and Greenwald Research from October 13 through November 3, 2022.

The final data was weighted by gender, age, income, and industry type to reflect the distribution of the state and local government workforce as found in the U.S. Census Bureau’s Current Population Survey and the U.S. Census of Governments.

Results

Sample Demographics

The demographic characteristics of the 1,003 survey respondents are displayed in Table 1. The majority of survey respondents are female, White or Caucasian, working for local government, have children or stepchildren, and have a total annual personal income of less than \$75,000.

Respondents have a median age of 46¹ and tend to be well educated (68% have received their bachelor’s or a graduate/professional degree). Just over half of respondents (52%) are married, 51% live in a suburban area, and 41% work in K-12 education. There is more variation in respondents’ total household income, geographic region, area population size, and number of years working for their employer.

The demographic characteristics of the survey sample generally align with the overall state and local government workforce profile. Of the approximately 18.8 million state and local government employees who worked across the United States in 2021, 10.5 million worked in education and approximately 1 million were in police protection, with the rest filling all other state and local positions (e.g., general administration, utilities, transportation, hospitals).²

As of 2022, the total population of state and local workers has a median age of 45 years; 60% of these workers are female; 77% are White; 58% are married; and 59% have a bachelor’s, advanced, or professional degree.³

Table 1 **Sample Demographics**

Gender		Marital Status		Industry		Total Annual Household Income	
Male	38%	Married	52%	K-12 Education	41%	Less than \$25,000	3%
Female	62%	Single, never married	26%	Public Safety	16%	\$25,000 to \$49,999	23%
Prefer to self-describe	0%	Divorced or separated	13%	Health & Human Services	13%	\$50,000 to \$74,999	20%
Age		Living with a partner	6%	Education other than K-12	11%	\$75,000 to \$99,999	19%
Under 40	35%	Widowed	2%	Transportation	5%	\$100,000 to \$124,999	12%
40-59	50%	Prefer not to say	<0.5%	Administration & Finance	4%	\$125,000 to \$149,999	10%
60 or older	15%	Children/Stepchildren		Public Works/Utilities	4%	\$150,000 or more	11%
Education		Yes, under 18	36%	Parks & Recreation	1%	Don't know	2%
Less than a high school diploma	0%	Yes, 18 or older	31%	Libraries	1%	Area Population Size	
Graduated high school	7%	No children/stepchildren	37%	Other	3%	Less than 10,000	13%
Some college (no degree)	11%	Prefer not to answer	1%	Number of Years Working with Current Employer		10,000 to 24,999	11%
Associate's degree or completion of technical or vocational school	14%	Region		Less than 1 year	7%	25,000 to 49,999	18%
Bachelor's degree	36%	South	38%	1 to 5 years	30%	50,000 to 99,999	13%
Graduate/professional degree	32%	Midwest	23%	6 to 10 years	21%	100,000 to 199,999	12%
Race/Ethnicity		Northeast	20%	11 to 15 years	13%	200,000 to 499,999	10%
White or Caucasian	71%	West	19%	16 to 20 years	10%	500,000 to 999,999	6%
Black or African American	14%	Area Type		21+ years	19%	1,000,000 or more	7%
Hispanic/Latino/Spanish descent	13%	Suburban	51%	Total Annual Personal Income		Don't know	10%
Asian or Pacific Islander	5%	Urban	24%	Less than \$25,000	5%	Employer	
Native American	2%	Rural	14%	\$25,000 to \$49,999	31%	Local government	65%
Other	1%	Small town	12%	\$50,000 to \$74,999	26%	State government	35%
				\$75,000 to \$99,999	21%		
				\$100,000 to \$124,999	7%		
				\$125,000 to \$149,999	4%		
				\$150,000 or more	4%		
				Don't know	1%		

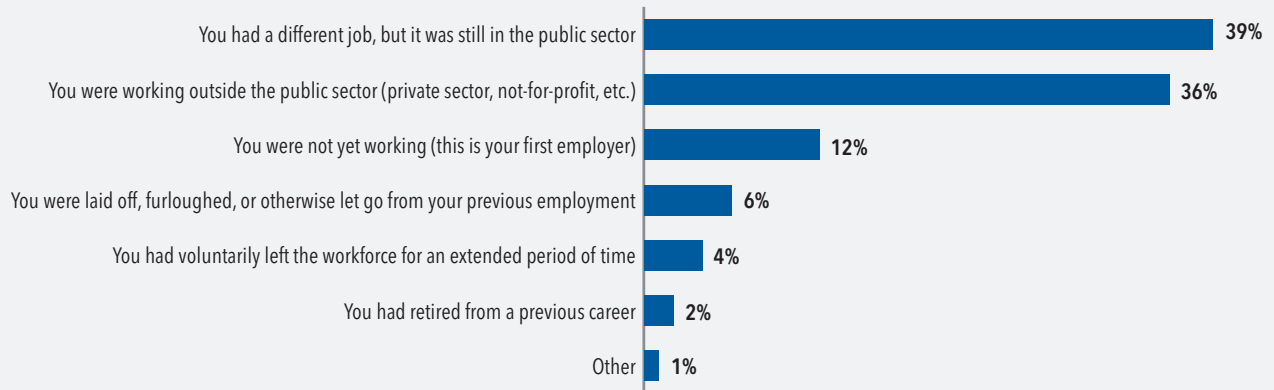
Note: n=1,003; some figures may not total to 100% due to rounding or to dual responses selected for racial/ethnic identification and children/stepchildren ages.

Motivations for Choosing the Public Sector

Before working for their current employer, nearly four in ten survey respondents had a different job within the public sector; another 36% were working outside of the public sector (e.g., private sector, not-for-profit). Far fewer were not yet working, or were out of a job due to layoffs, furloughs, voluntarily leaving the workforce, or retiring from a previous career (Figure 1).

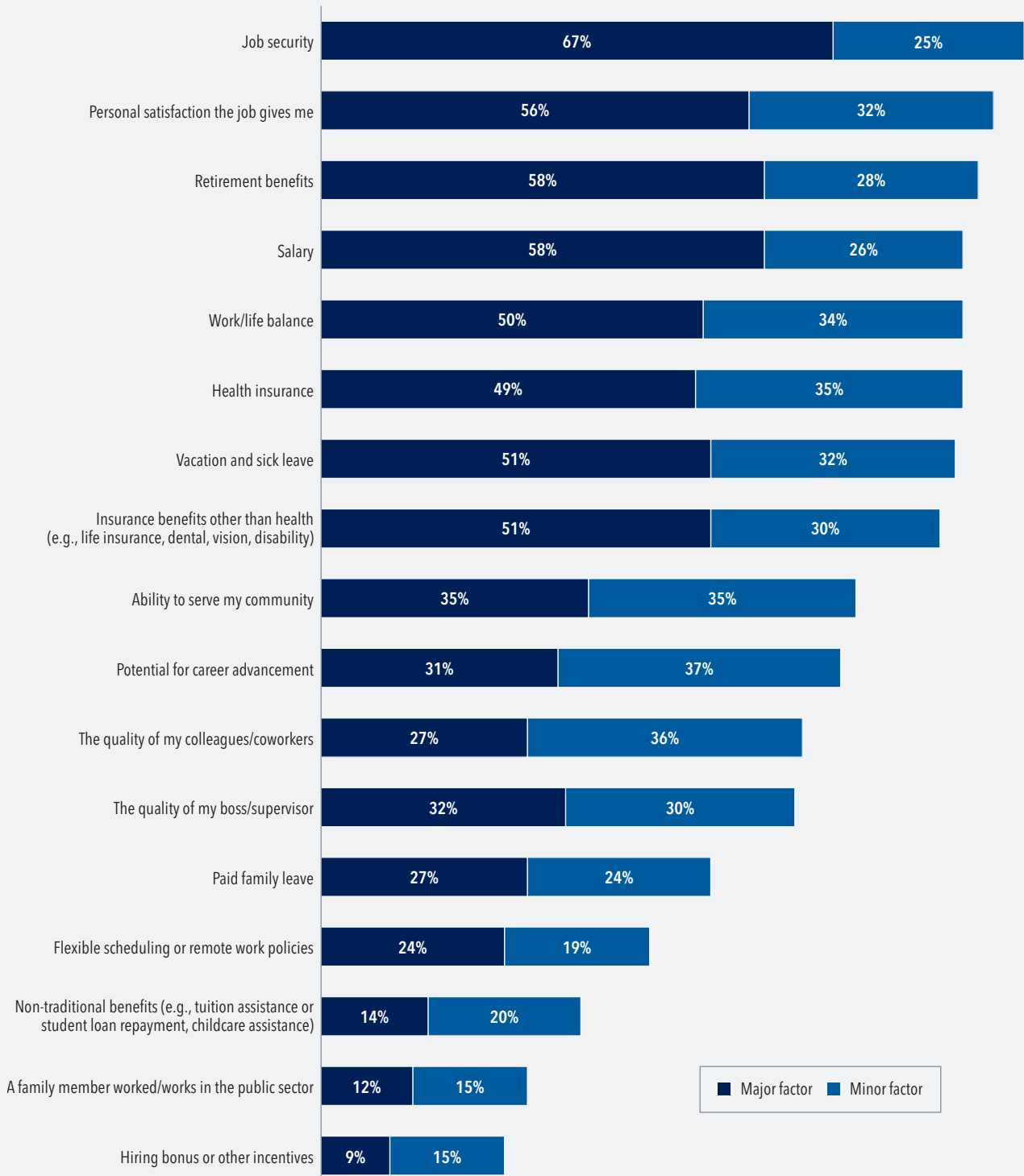
Asked to what extent various job elements attracted respondents to their current job in the first place, job security (92%), personal satisfaction from the job (87%), and retirement benefits (86%) were most commonly cited as major or minor factors (Figure 2). Health insurance, work/life balance, and salary all followed closely behind at 84%. Many of these benefits, traditionally associated with careers in the public sector, may at least partially explain why 40% of those who had left a prior public sector job chose to move to another job in the public sector (as reported in Figure 1).

Figure 1 **What were you doing before you worked for your current employer?**



Note: For all figures throughout the report, n=1,003 unless otherwise specified.

Figure 2 To what extent did the following attract you to your current job in the first place (as a major or minor factor)?





What Attracts Younger Workers to a Job in the Public Sector?

When the data in Figure 2 is broken down further by age group, it becomes clear that there are substantive differences between younger workers and their older peers in what attracted them to their job in the public sector. Compared with their colleagues over the age of 40, state and local government workers under the age of 40 were significantly more likely to report the following ten job elements as a major or minor factor that attracted them to their current job in the first place: work/life balance, ability to serve their community, potential for career advancement, the quality of their colleagues/coworkers, the quality of their boss/supervisor, paid family leave, flexible scheduling/remote work policies, non-traditional benefits, a family member that

works/worked in the public sector, and a hiring bonus or other incentives. When looking just at elements that were a major factor in the decision, significant differences between those under 40 and those 40-59 and 60+ were still observed for seven job elements (see Table 2).

As state and local governments look to attract the next generation of public sector workers, it is worth considering how current benefits and work environment align with the factors that are particularly appealing to younger, early-career workers.

Table 2 **Age Differences in Major Factors Attracting Worker to Current Job**

	Under 40	Ages 40 - 59	Age 60+
Work/life balance	56%	47%	43%
Quality of boss/supervisor	43%	27%	20%
Potential for career advancement	42%	28%	17%
Quality of colleagues/coworkers	36%	24%	17%
Paid family leave	35%	35%	13%
Flexible scheduling or remote work policies	31%	22%	11%
Non-traditional benefits	20%	12%	6%

Attitudes about Current Finances and Outlook

Overall, 28% of respondents reported that they feel very or extremely financially secure right now, about half (48%) feel somewhat secure, and the final 24% feel not too secure or not at all secure (Figure 3).

For more than one in three respondents (34%), it is somewhat or very difficult in the typical month to pay their monthly bills (including utilities, rent, loan repayments, credit cards, etc.) on time and in full (Figure 4).

Figure 3 **How financially secure do you feel right now?**

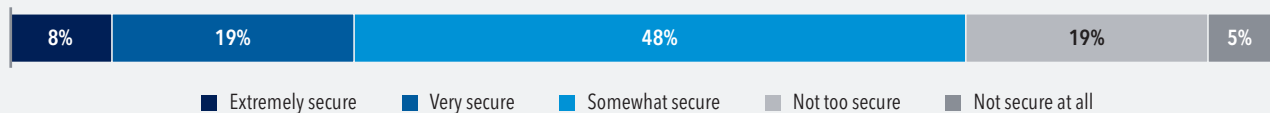
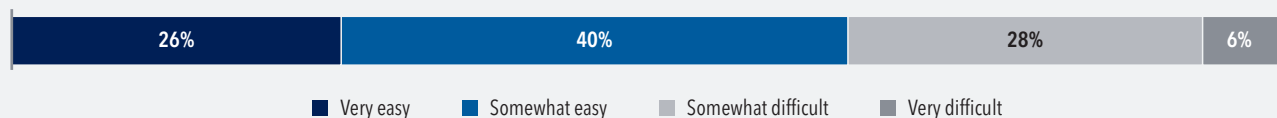


Figure 4 **In the typical month, how easy or difficult is it for you to pay your monthly bills (including utilities, rent, loan payments, credit cards, etc.) on time and in full?**



The vast majority of those surveyed (87%) have one or more types of debt, most commonly credit card debt (61%), a mortgage (46%), or a car loan (45%; see Figure 5).

Among those with any debt, when thinking about their current financial situation, 28% describe their level of debt as a major problem, with another 52% describing it as a minor problem (Figure 6). Only one in five do not view their debt as a problem.

Further, among those with debt, more than three in four (77%) report that their level of debt prevents them from saving more for retirement (Figure 7).

State and local government workers are saving towards many other purposes besides retirement, most commonly for an emergency fund (58%), for a vacation or travel (57%), or for home improvements (37%; see Figure 8). About one in four are saving to buy a car or a house.

In many cases, these other saving goals prevent individuals from saving more for retirement. Nearly one in four (24%) of those surveyed report that other saving goals prevent them to a great extent from saving for retirement, and another 51% report that these goals prevent retirement savings to some extent (Figure 9).

Figure 5 Which of the following types of debt do you have? (Select all that apply)

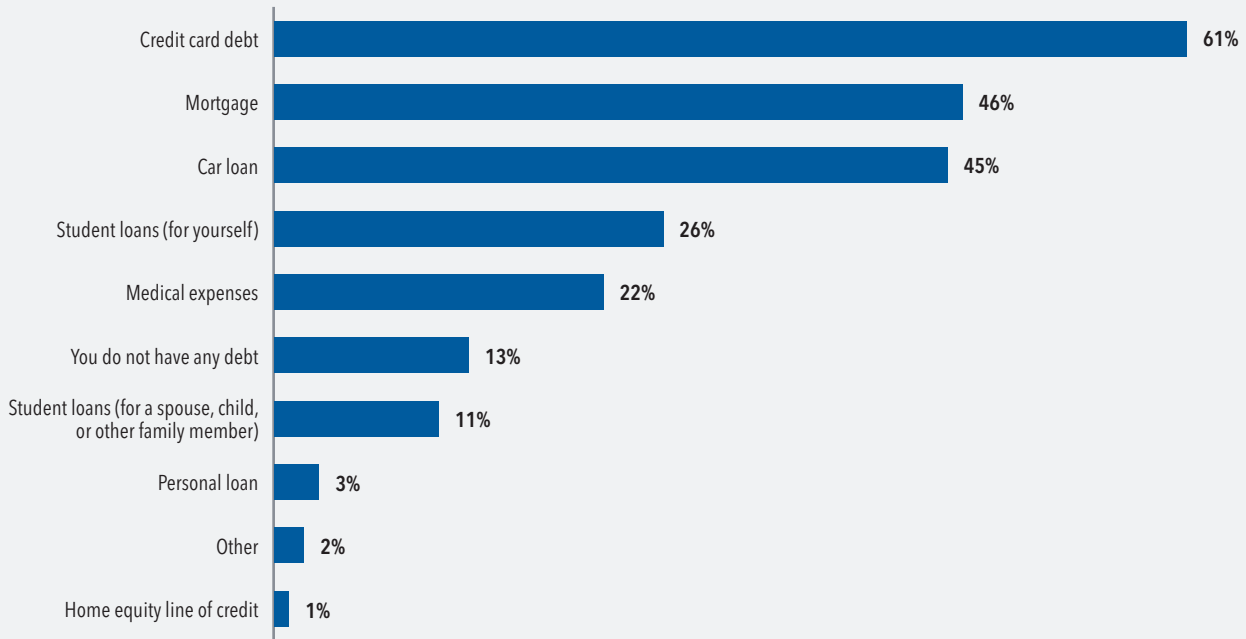


Figure 6 Thinking about your current financial situation, how would you describe your level of debt? (n=857)

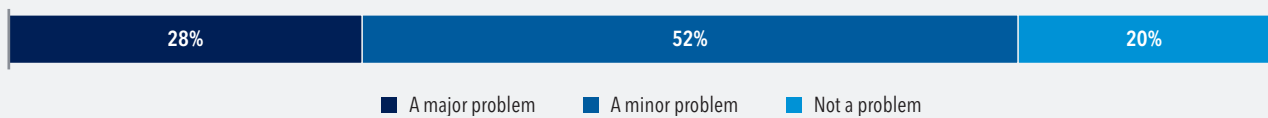


Figure 7 To what extent does your level of debt prevent you from saving more for retirement? (n=857)



Figure 8 Besides retirement, which of the following are you currently saving towards? (Select all that apply)

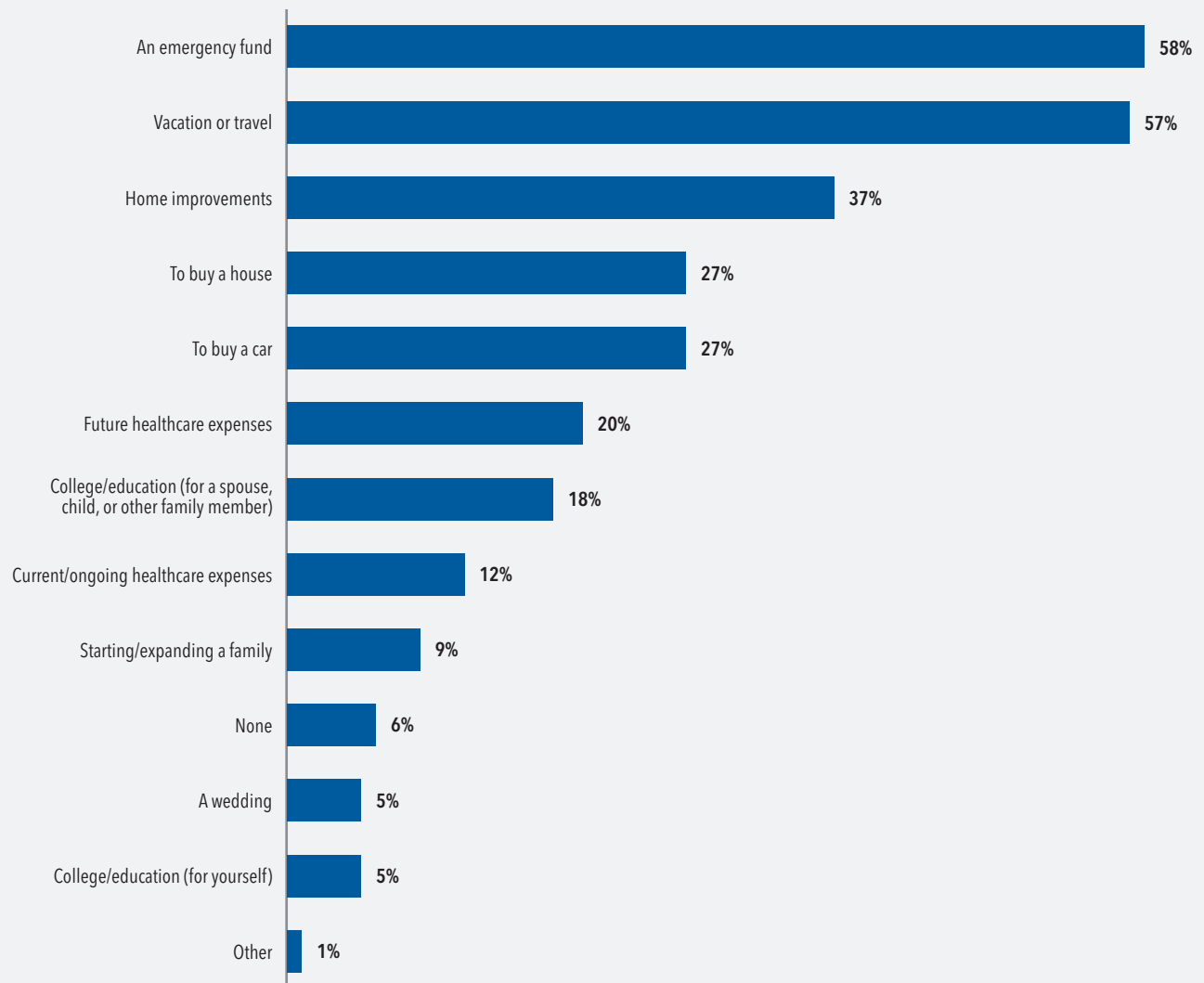
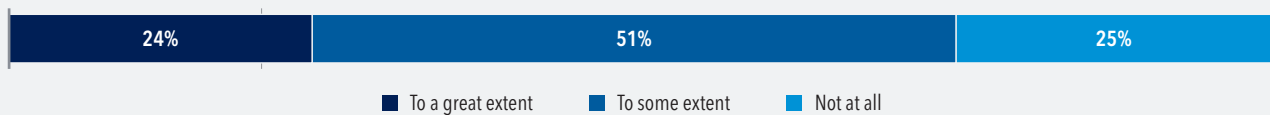


Figure 9 To what extent do these other savings goals prevent you from saving more for retirement? (n=934)



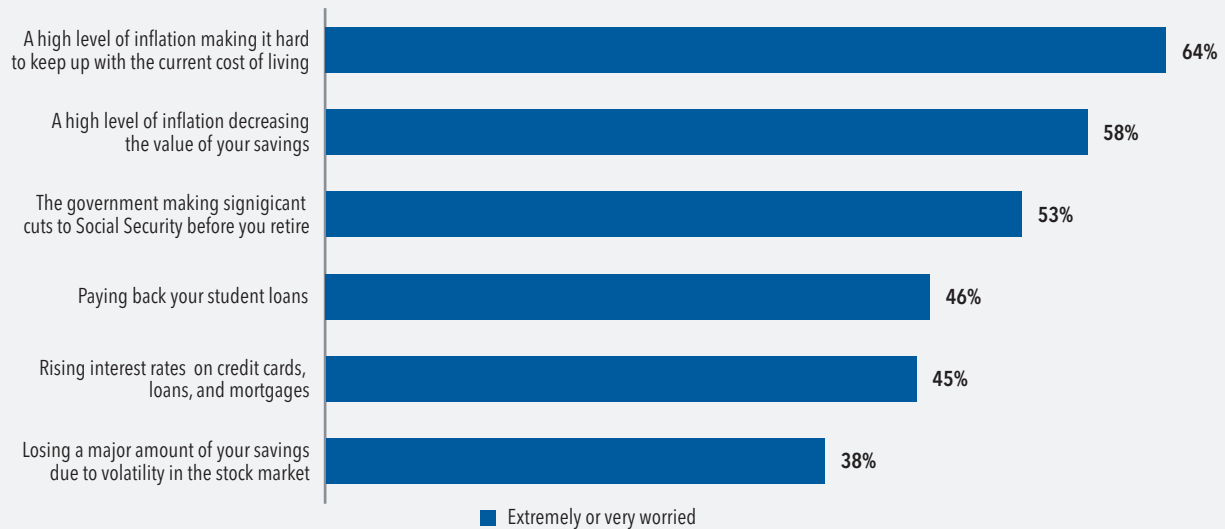
Many of those surveyed expressed concerns about their retirement security. As shown in Figure 10, only 28% of respondents are extremely or very confident that they will be able to retire when they want to. A similar portion of respondents (26%) are extremely or very confident that they are on track to financial security in retirement. Even fewer are confident that they will have enough money to pay for their medical expenses or long-term care during retirement, or that they will not outlive their savings (both 23%).

Respondents' financial concerns extend far beyond those related to retirement. Nearly two in three (64%) are extremely or very worried about the high level of inflation making it hard to keep up with the current cost of living, while 58% worry about inflation decreasing the value of their savings (Figure 11). More than half (53%) are worried about the government making significant cuts to Social Security before they retire. Substantial percentages were also worried about issues such as paying back student loans, rising interest rates, and stock market volatility.

Figure 10 **How confident are you that you (and your spouse/partner)...?** (% extremely or very confident)



Figure 11 **How worried are you about the following?** (% extremely or very worried)





How Do Men and Women Differ on Financial Anxieties and Confidence?

When it comes to concerns about finances, women in state and local government consistently report having more anxieties and less confidence in their financial security and decision-making abilities. For example, compared with their male counterparts, women survey respondents reported:

Less Financial Security

Percentage reporting feeling extremely/very financially secure



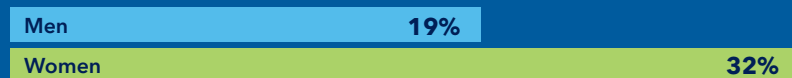
More Difficulty Paying Monthly Bills

Percentage reporting that it is somewhat/very difficult to pay monthly bills on time and in full



Debt as a Bigger Problem

Percentage describing their debt as a "major problem"



Percentage reporting that their level of debt prevented them from saving more for retirement to a significant extent



Less Retirement Confidence

Percentage who believe they (and their spouse/partner):

Will be able to retire when they want



Are on track to financial security in retirement



Female respondents were also significantly more likely than male respondents to report concerns about inflation decreasing the value of their savings; the government making cuts to Social Security before they retire; and rising interest rates on credit cards, loans, and mortgages. In response to these concerns, women were also significantly more likely than men to take several measures, such as cutting back on discretionary or essential spending, creating a budget, and cutting back on the amount they are saving for retirement.

It is interesting to note these results in the context of no significant differences in the percentage of men vs. women reporting any form of debt (85% of men reported any debt vs. 88% of women).

There are, however, a myriad of potential explanations for these gender differences in financial anxieties and confidence, ranging from the lower earnings by women on average⁴ to the generally longer life expectancy among women⁵ (requiring more finances post-retirement).

Regardless of the reason(s) for these gender differences, it is clear that state and local governments need to work with women on unique needs and concerns to help improve current and long-term financial security.

When it comes to the impact of inflation over the past year, respondents have taken a variety of financial measures. The most commonly reported cutback, as displayed in Figure 12, has been to discretionary spending for things like travel or vacation (69%). Half of respondents have cut back on essential spending (e.g., housing, food, gas), and nearly half (47%) have created a budget or followed a budget more closely. Only 10% of those surveyed have not taken any financial measures asked about due to the level of inflation witnessed over the past year.

Retirement Income Expectations

More than half (56%) of state and local government employees surveyed report that they are participating in a defined benefit⁶ retirement plan through their employer (Figure 13). Slightly fewer (48%) are participating in a defined contribution⁷ plan.

Among those participating in their employer’s defined benefit retirement plan, 76% are fully vested based upon their years of employment (Figure 14).

Figure 12 **Has the level of inflation we’ve witnessed over the past year caused you to do any of the following?** (Select all that apply)

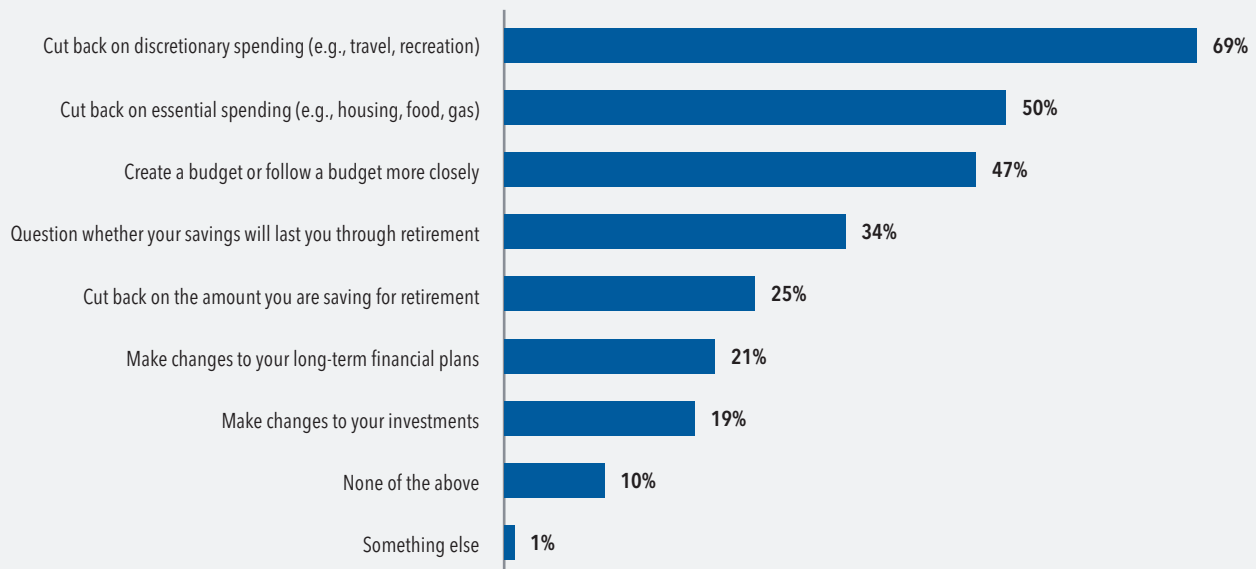


Figure 13 **Are you currently participating in either of these types of retirement plans through your employer?**

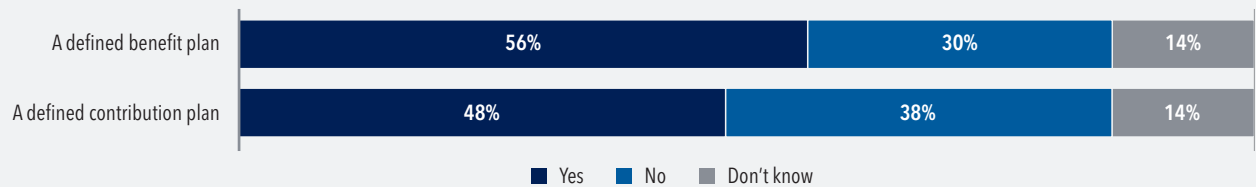


Figure 14 **Are you fully vested in your employer’s defined benefit plan based on your number of years of employment?** (n=593)



Outside of their employer’s defined benefit or defined contribution retirement plans, survey respondents most commonly plan to use Social Security benefits (63%), an Individual Retirement Account (IRA) not through an employer plan (35%), or money from a spouse or partner’s retirement plans and/or IRAs (25%) as income in retirement (Figure 15).

Morale and Work Concerns

Nearly two in three respondents (66%) report positive morale regarding work currently, with 24% reporting very positive morale (Figure 16). In contrast, only 15% of those surveyed reported negative morale.

Figure 15 **Outside of your employer retirement plans (defined benefit or defined contribution), which of the following do you (and your spouse/partner) plan to use as income in retirement?** (Select all that apply)

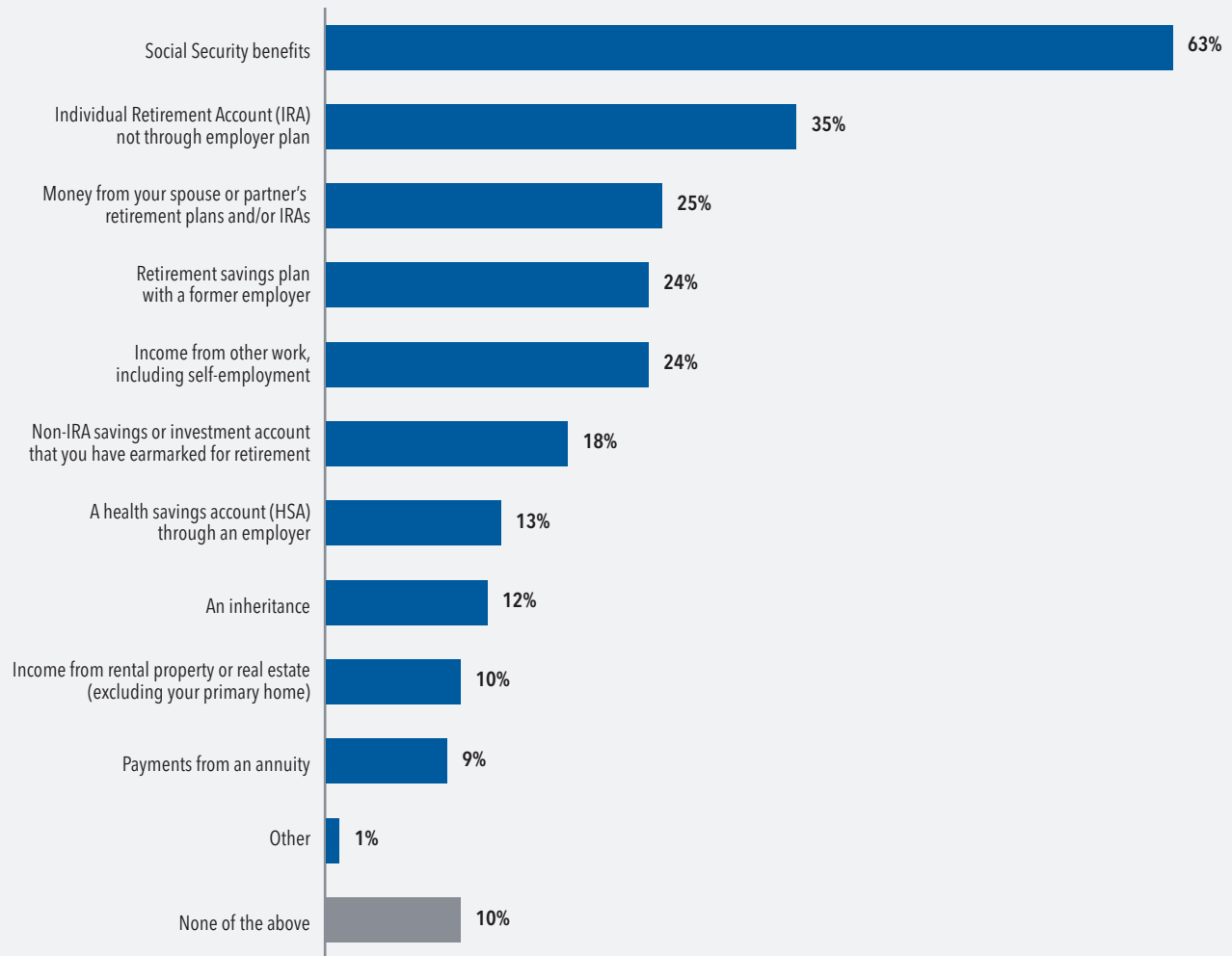
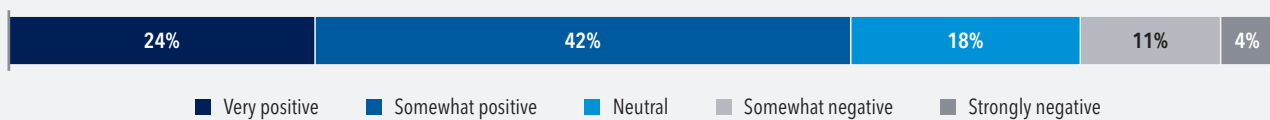


Figure 16 **How would you describe your current morale regarding work?**



Asked what emotions they have felt about their job this past year, respondents were most likely to report feeling stressed (49%), burnt-out/fatigued (47%), and grateful (43%; see Figure 17). They were about equally likely to report positive emotions (gratitude, confidence, pride, optimism, and/or relief) as they were negative emotions (stress, burnout/fatigue, anxiety, depression/sadness, pessimism, and/or loneliness), as reflected in the net: positive and net: negative bars in Figure 17. A total of 70% of respondents reported one or more positive emotions, while 69% reported one or more negative emotions.

Consideration of Job Change

Despite the relatively positive levels of morale and positive emotions felt about their job, 41% of respondents indicated that they are seriously or somewhat considering changing jobs in the near future (Figure 18). Meanwhile, 29% are considering retiring, and 22% are considering leaving the workforce entirely for the foreseeable future.

Figure 17 **What emotions have you felt about your job this year?** (Select all that apply)

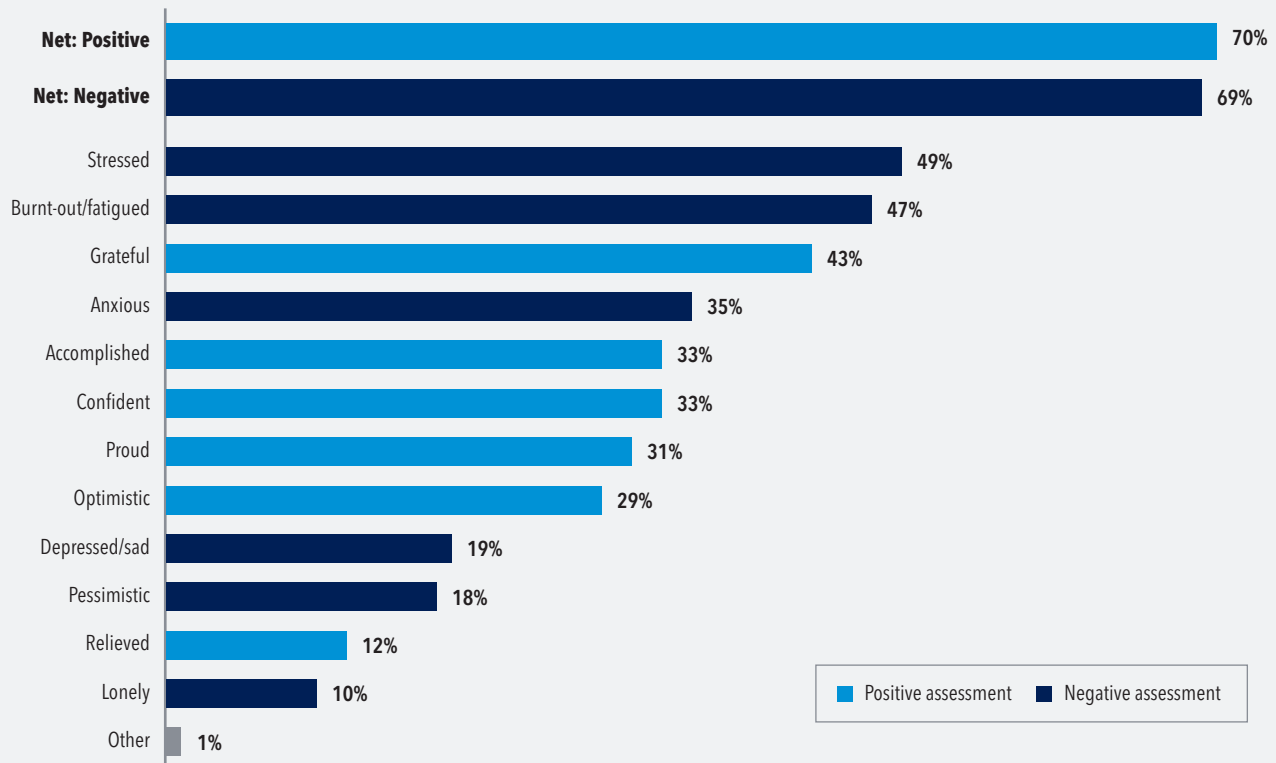
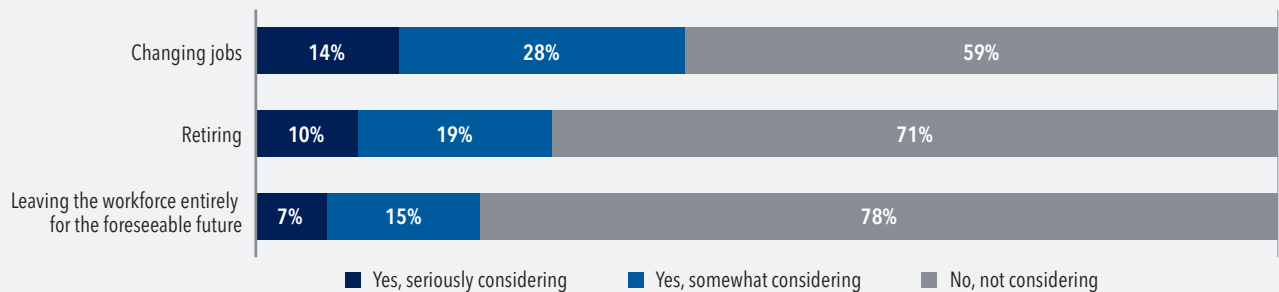


Figure 18 **Are you currently considering any of the following job changes in the near future?**





Who is Considering Leaving Their Job Voluntarily?

A concerning trend for state and local governments is the high percentage of individuals who are considering leaving their job voluntarily. In total, nearly 59% of state and local government workers surveyed reported that they are considering leaving their jobs voluntarily for any or all of the following reasons: to change jobs, to retire, or to leave the workforce entirely for the foreseeable future. This total is up from 52% in the Institute’s **November/December 2021 survey** of state and local government employees.

What do we know about those who are considering leaving?

Table 3 displays demographic and other select characteristics of those seriously or somewhat considering leaving their jobs voluntarily. Compared with their peers, those considering leaving their jobs are significantly more likely to be younger and less financially secure.

While some of these characteristics are intuitive and not particularly problematic (e.g., those over 60 years of age and vested in their retirement plan being

significantly more likely to be considering retiring), others (e.g., those under age 40 and those of Hispanic/Latino/Spanish descent being significantly more likely to be considering changing jobs) should give HR directors and other government leaders pause, particularly as state and local governments look to attract and retain the next generation of public sector workers, and seek to diversify their workforce.

Table 3 **Demographic Characteristics of Those Considering Leaving Their Job to:**

Change jobs	Retire	Leave the workforce entirely
Under 40 years of age	Age 60+	Age 60+
Not married	Not college educated	In debt that they describe as a major problem
Earning a household income of less than \$50K per year	Vested in their retirement plan	
College educated	Working in state government (non-education)	
Of Hispanic / Latino / Spanish descent	Extremely/very financially secure	
Not too/not at all financially secure	In debt that they describe as not a problem	
In debt that that they describe as a major problem		

Among those considering changing jobs, more than one in four (27%) are looking to stay in the same general line of work, but with a different employer (Figure 19). Another 22% would like to stay with the same employer, but have a different role, level, or number of hours. Notably, 20% would like to leave the government sector entirely.

Asked why they are considering changing jobs, respondents most commonly reported wanting a job that brings them more satisfaction or meaning (33%), needing a better work/life balance (32%), or that the nature of their job has changed (22%). Only 11% cited not wanting to go back to the office, and only 8% cited that it is a good market for job seekers (Figure 20).

Figure 19 Which of the following best describes the type of job change you have in mind? (n=386)

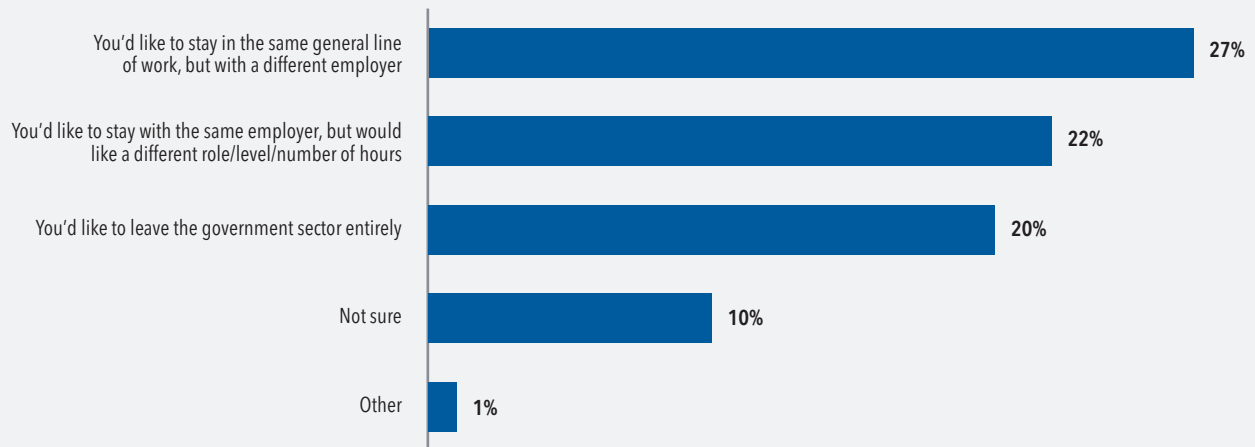
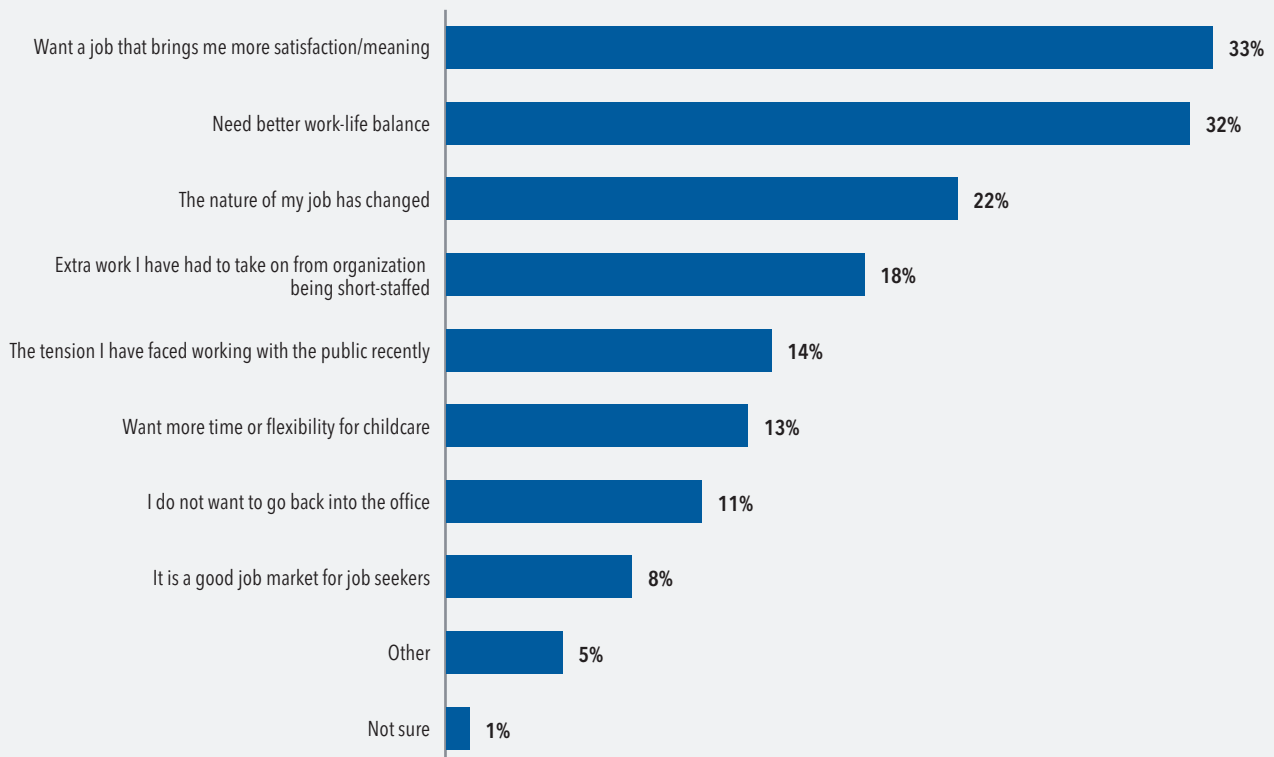


Figure 20 Why are you considering changing jobs? (Select all that apply; n=386)



Among those considering retiring and/or leaving the workforce entirely for the foreseeable future, nearly half (48%) indicated that this is because they want time to do things that bring them joy (Figure 21). Other commonly reported responses were being burned out from the stress of the job (42%) and wanting to be able to travel more (33%). Only 7% reported wanting more time or flexibility for childcare or needing to provide caregiving for adult family members. These low percentages may be an indication that some individuals needing more time and flexibility for childcare or adult family caregiving already retired or left the workforce entirely over the duration of the COVID-19

pandemic (the 7% is down slightly from 10% in November/December 2021). And while the generation closest to retirement may have aging spouses or parents to care for, they may be less likely to have dependent children.

Satisfaction with Employer and Benefits

Just over half of respondents (51%) report being very or extremely satisfied with their current employer (Figure 22). Only 13% report being not too satisfied or not at all satisfied.

Figure 21 **Why are you considering retiring and/or leaving the workforce entirely?** (Select all that apply)

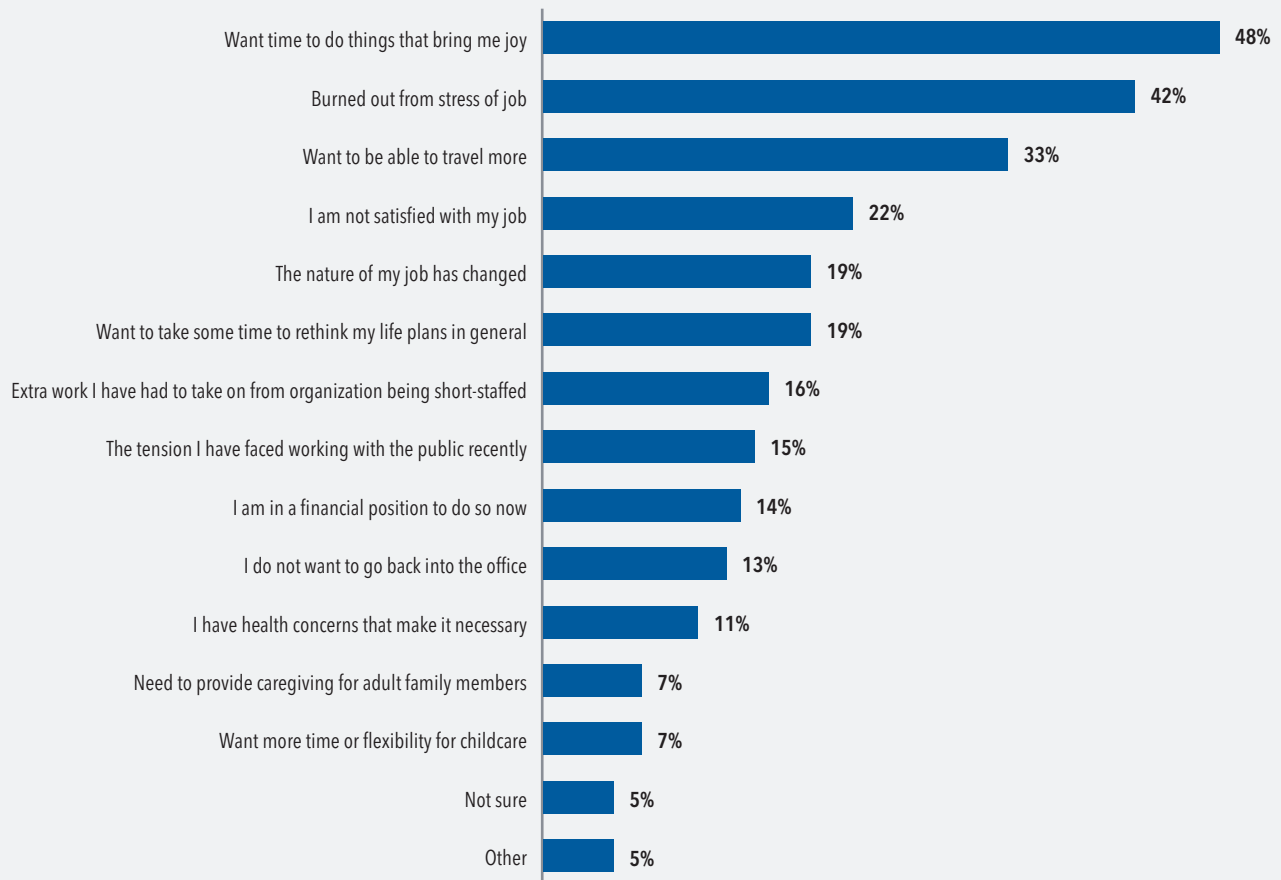


Figure 22 **How satisfied are you in general with your current employer?**



Regarding the various elements of their job, respondents most commonly reported being satisfied with their job security (73%), vacation and sick leave (71%), and health insurance (65%; see Figure 23). In contrast, respondents were least likely to report being very or extremely satisfied with their potential for career advancement (33%); remote work policies (29%); and non-traditional benefits, such as tuition assistance or student loan repayment, and childcare assistance (26%).

To keep up with rising inflation and the cost of living, some employers have increased total compensation (salary, bonuses, benefits they provide or contribute towards) over the past year. Among those surveyed, 58% report that their employer has increased compensation, with 9% reporting that their employer has increased compensation significantly (Figure 24).

Figure 23 **To what extent are you satisfied with the following aspects of your job?**
(Select all that apply; % extremely or very satisfied)

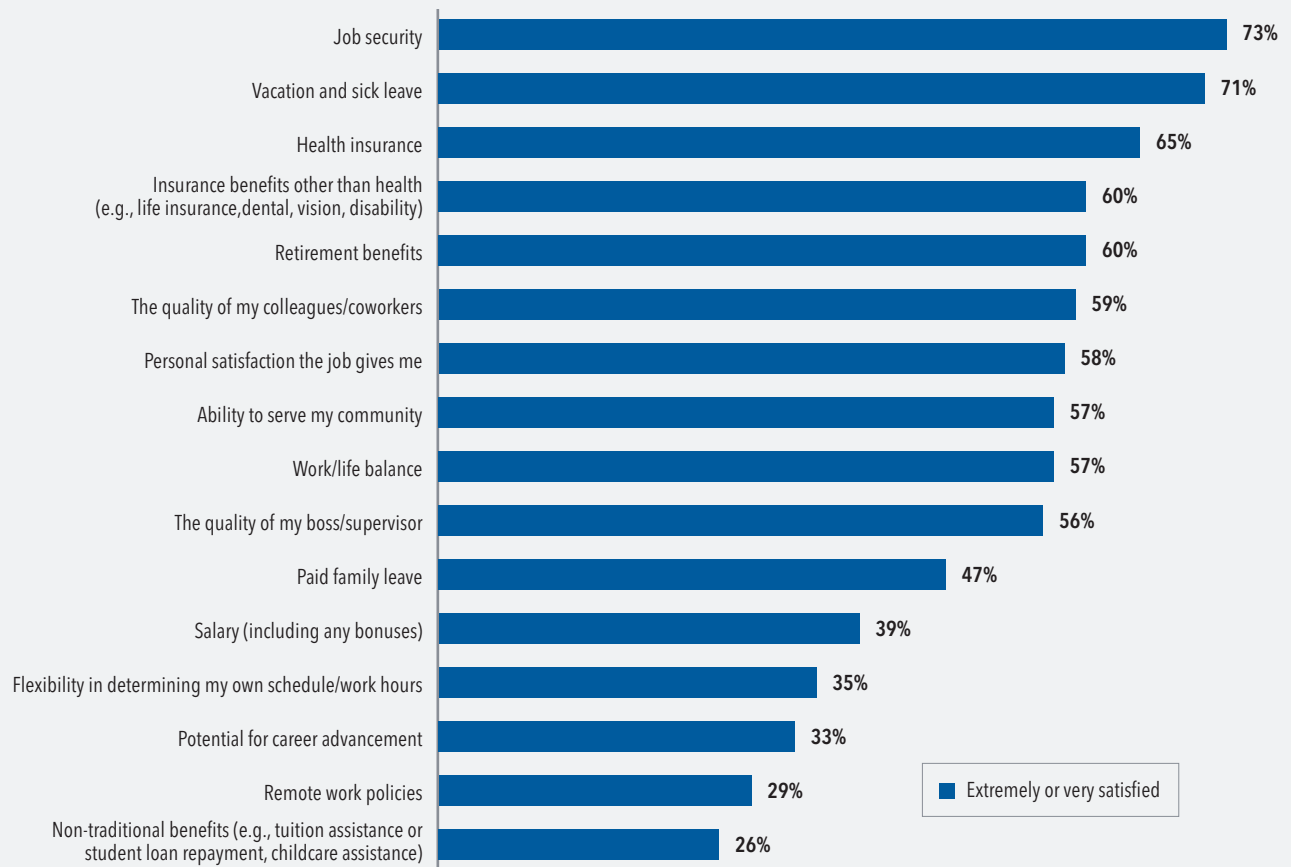


Figure 24 **Has your employer increased your total compensation (salary, bonuses, benefits they provide or contribute towards) over the past year in order to keep up with rising inflation and the cost of living?**



When it comes to the communication that state and local government workers receive from their employer about their benefits, fewer than half of respondents are extremely or very satisfied with employer communications about what benefits are offered (47%), the total value of their compensation (39%), and what benefits they should select for their situation (38%; see Figure 25).

There are several finance-related resources that employees believe could be helpful to receive from their employer. As shown in Figure 26, respondents were most likely to indicate that a program that helps them set aside money

from their paycheck into an emergency savings fund (45%), investment advice from financial professionals (43%), and free online financial wellness resources (42%) would be very or extremely helpful.

The percentage recommending resources targeted to specific workforce segments (32%) is somewhat lower, but indicates a significant audience to be considered, such as for those who speak English as a second language or those who work in the field and are not easily able to attend office-based trainings (e.g., public safety, public works, transit).

Figure 25 **How satisfied are you with the communication you receive from your employer about...?**
(% extremely or very satisfied)

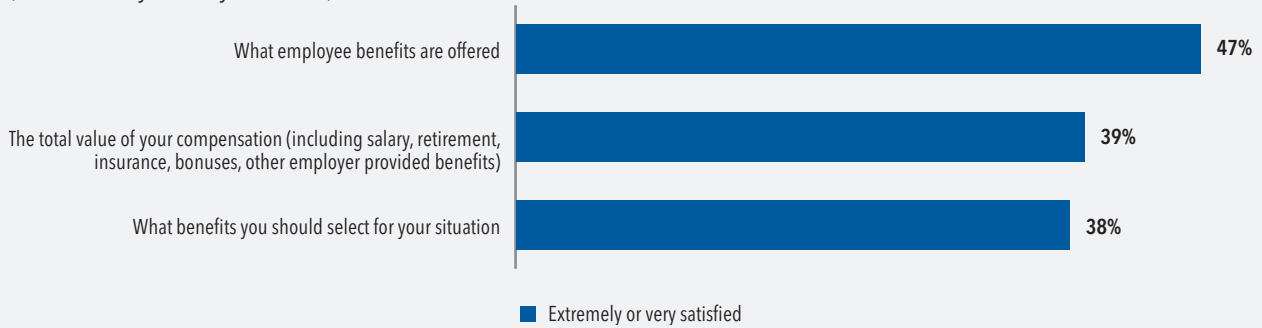


Figure 26 **How helpful would the following resources from your employer be to you?**
(% extremely or very helpful)



Asked to describe in their own words what one or two realistic actions their employer could take, other than offering a higher salary, to make it a significantly better place to work, respondents provided a variety of suggestions. As displayed in Figure 27, the most commonly reported recommendations were to boost morale by supporting, respecting, and/or listening to employees (14%); to allow remote work (13%); and to hire more employees/reduce workload, provide more paid leave/breaks, offer better health insurance/benefits, and allow flexible schedules or better work/life balance (all 12%).

Expectations on the Nature of the Job

While the percentage of state and local government employees working fully remotely was as high as 42% at the start of the COVID-19 pandemic, that number has steadily decreased over the course of the pandemic. Currently, three in four public sector workers surveyed report that are not working remotely – their job requires them to go into a workplace and/or interact in person with other people (Figure 28). Only 6% are currently working fully remotely, with the remainder working a hybrid schedule.

Figure 27 **Other than a higher salary, what one or two realistic actions could your employer take that would make it a significantly better place to work?**

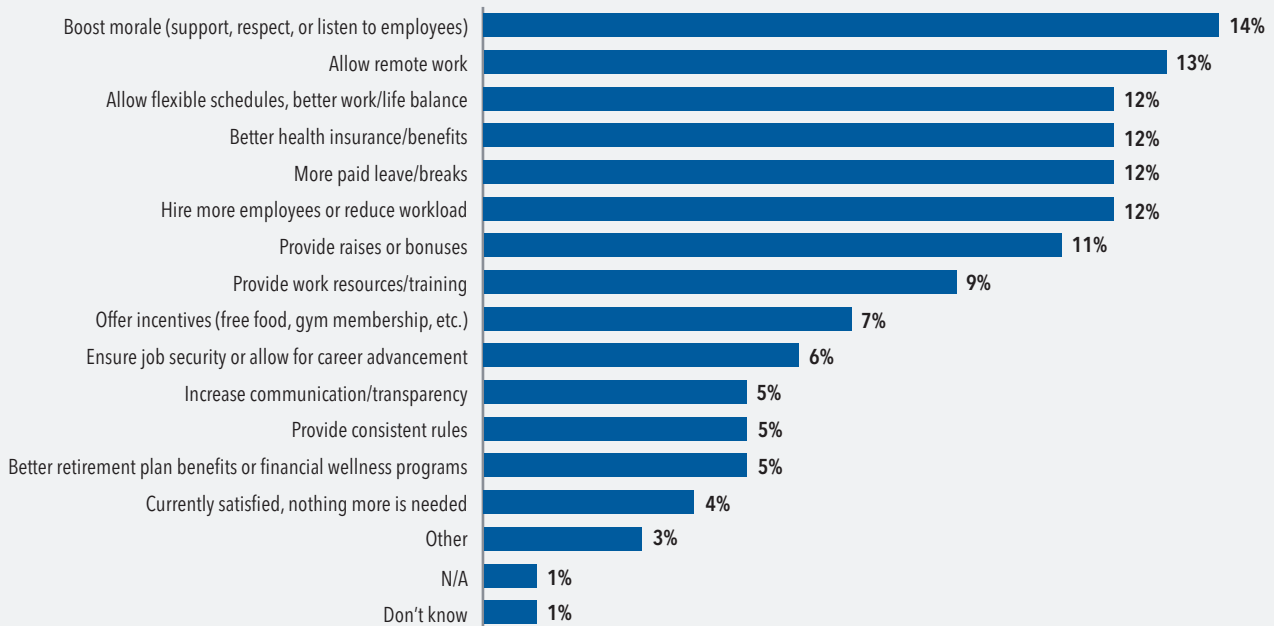
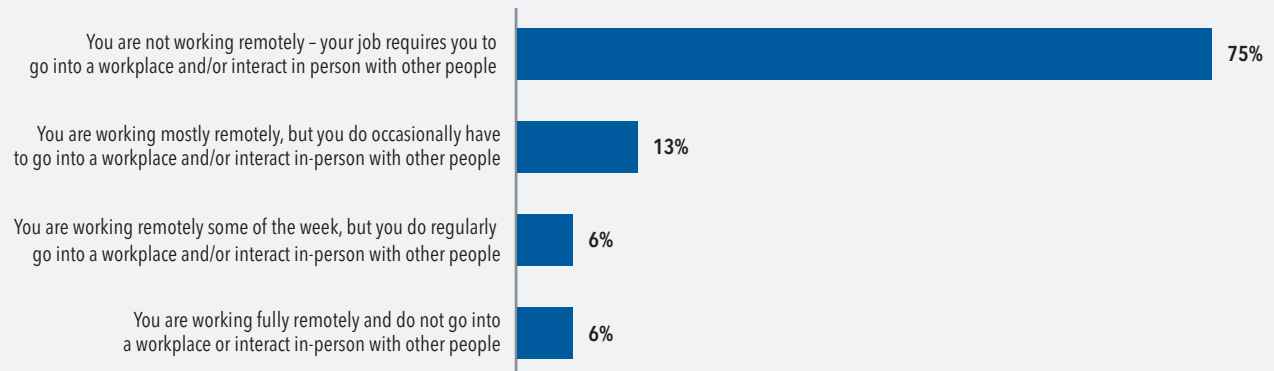


Figure 28 **Which of the following best describes your current situation?**



Those working a hybrid schedule or fully remotely were also asked the most helpful things that their employer has done to maintain employee engagement and a positive work culture while still allowing for remote or hybrid work. As displayed in Figure 29, the most commonly reported response was ensuring regular check-ins, meetings, and communications (22%), followed by using virtual communication (email/Zoom/Teams; 19%). The next most common response, however, was that their employer has not done anything helpful in this regard (16%). With the large percentage of individuals who are considering leaving their job voluntarily, improvements to employment engagement and positive work culture within a remote or hybrid environment could be an area of opportunity for employers.

Retention Issues

Respondents were asked whether their organization has experienced a change in the number of people leaving their jobs voluntarily in the past year. As shown in Figure 30, nearly two in three respondents (64%) indicated that significantly or somewhat more people have been leaving in the past year, while only 3% reported that less people have been leaving. These totals are very similar to what was reported in the **November/December 2021 survey**.

Those indicating that their organization has experienced more people leaving their jobs voluntarily in the past year were then asked about major factors causing this increase.

Figure 29 **What have been the most helpful things that your employer has done to maintain employee engagement and a positive work culture while still allowing for remote or hybrid work?** (n=266)

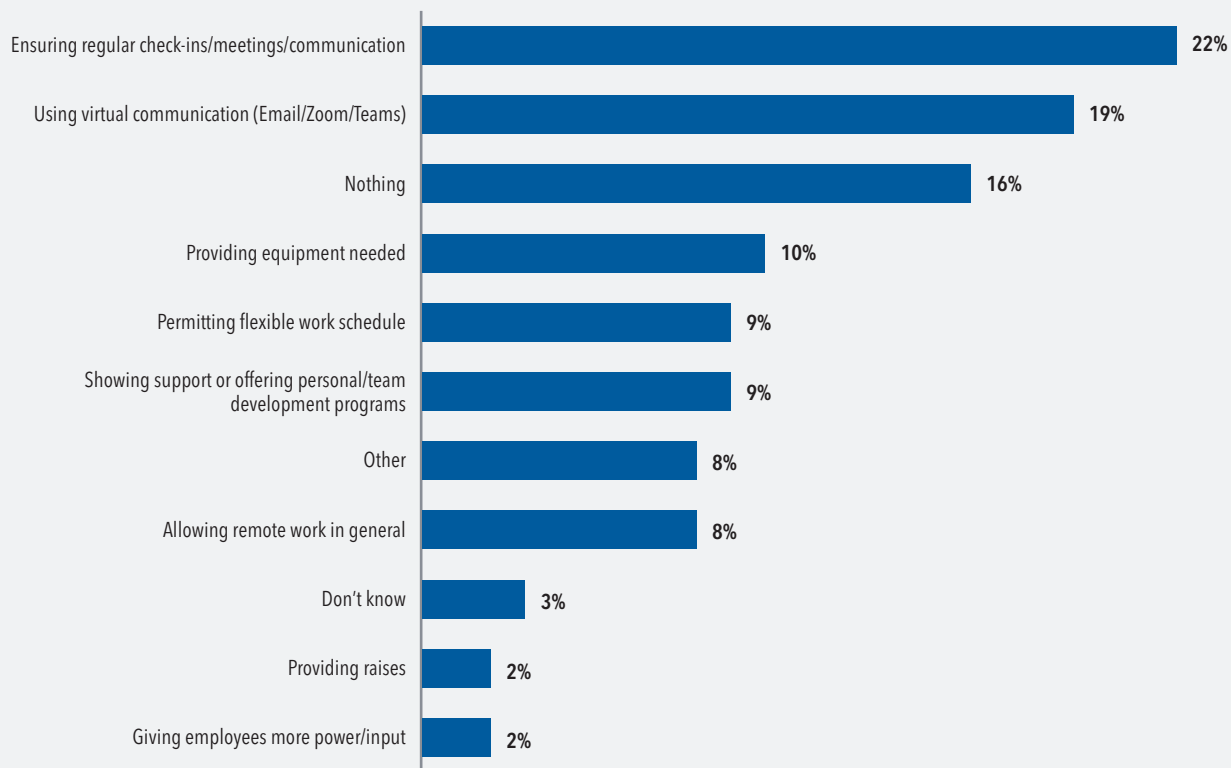
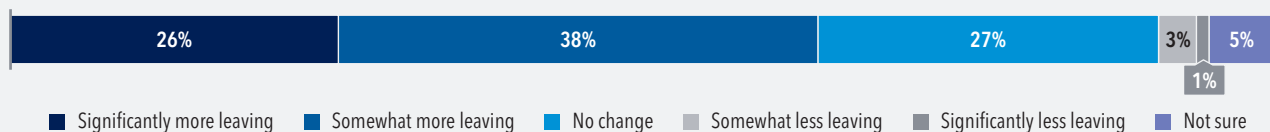


Figure 30 **In the past year, has your organization experienced a change in the number of people leaving their jobs voluntarily?**



As displayed in Figure 31, respondents were most likely to attribute this increase to people needing higher salaries due to the rise in the cost of living or people rethinking what they want to do (both 50%). This was followed by the added stress due to the pandemic, cited by 45%.

For many, this increase in people leaving their jobs voluntarily has put a strain on their own workload. More than three in four (77%) agree that this increase has put a strain on their workload, with 34% reporting that it has been a significant strain (Figure 32).

When asked what their organization could do to retain more employees, respondents were most likely to recommend improvements to compensation, with 74% endorsing improving salaries (Figure 33). This total was up from 62% in November/December 2021. Beyond that, 54% endorsed offering or increasing bonuses and 45% recommended showing more appreciation and recognition for employees and the work they do.

While more than half of respondents suggested offering or increasing bonuses as a workforce retention tool, fewer

Figure 31 **What do you think are the major factors causing this increase in the number of people leaving voluntarily?** (Select all that apply; n=643)

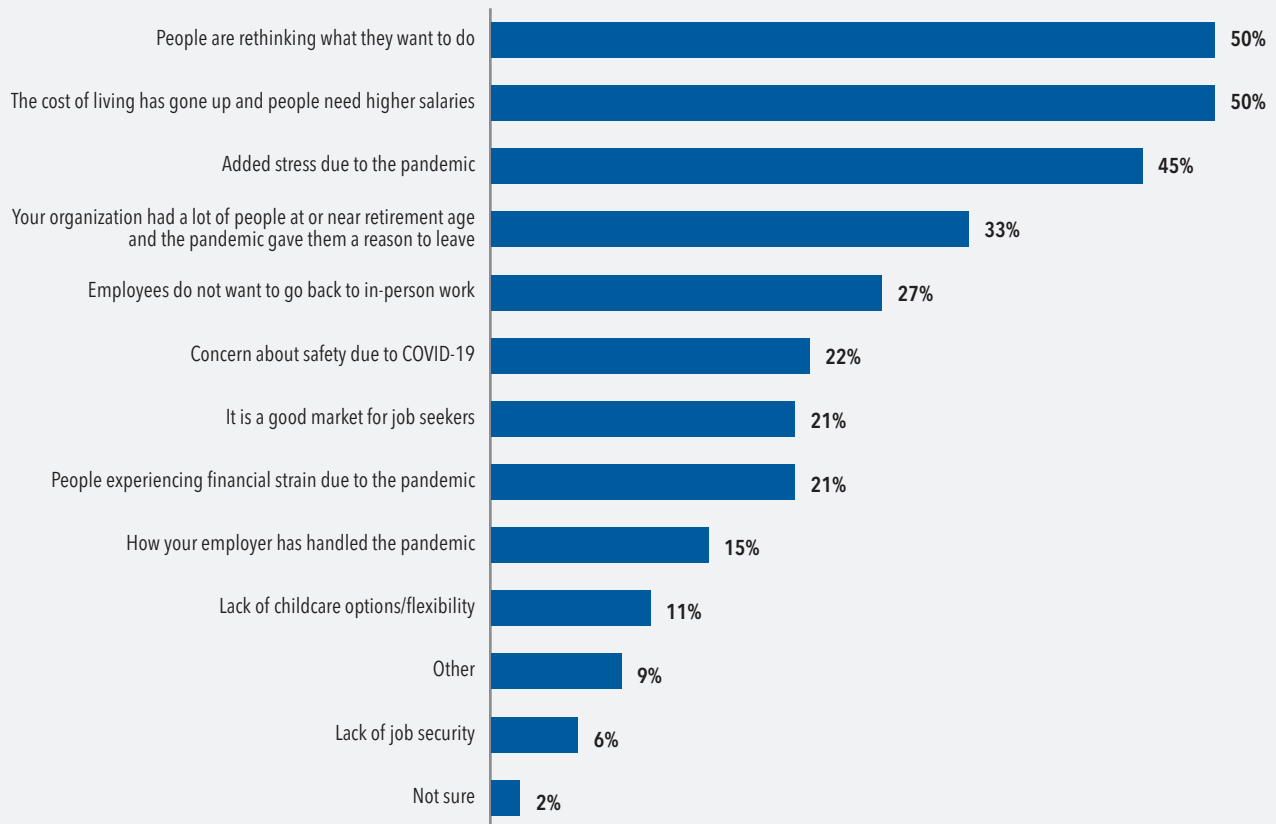


Figure 32 **Has this increase in the number of people leaving voluntarily put a strain on your workload?** (n=643)

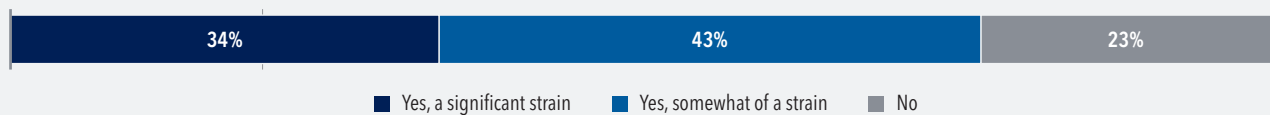
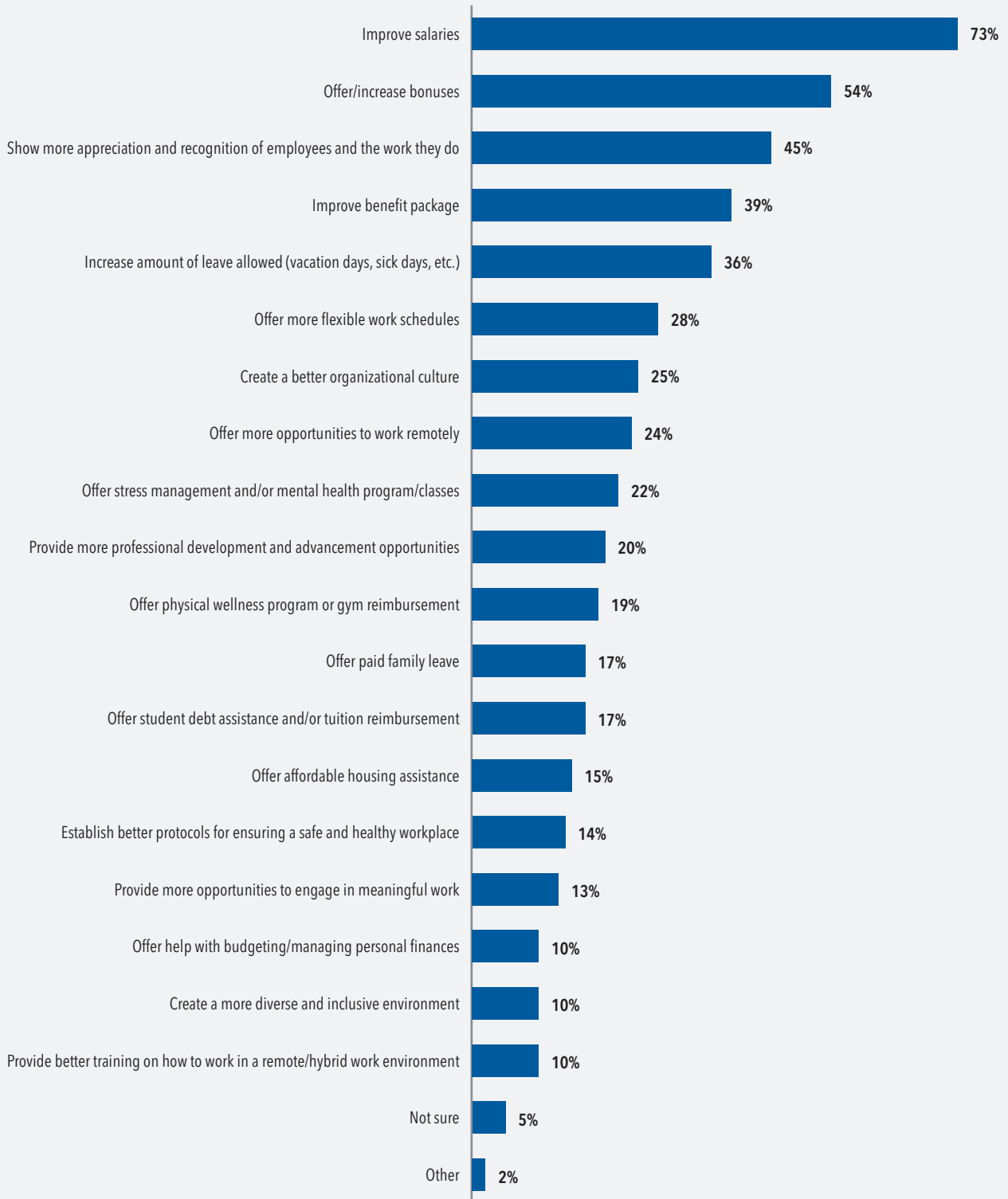


Figure 33 **What do you feel your organization could do to retain more employees?** (Select all that apply)



(33%) report that their employer ever provides annual, appreciation, or performance-based bonuses to employees, with more than half of those (18%) indicating that this is done only for certain types of positions (Figure 34).

Among the 33% of respondents reporting that their employer provided bonuses, more than half (54%) said they received a bonus of any kind in the past year.

Asked whether, to the best of their knowledge, their employer has been offering higher-than-usual salaries or

bonuses to new employees as a way to recruit new workers, 21% reported that their employer was doing so (Figure 35).

In instances when employers are offering higher-than-average salaries or bonuses to new employees, respondents were mixed in their assessment of how well their employer has balanced the use of hiring incentives with appropriate pay for existing staff. As shown in Figure 36, while 39% believe their employer has balanced this very or somewhat well, another 56% think their employer has not balanced this too well or not at all well.

Figure 34 **Does your employer ever provide annual, appreciation, or performance-based bonuses to employees?**

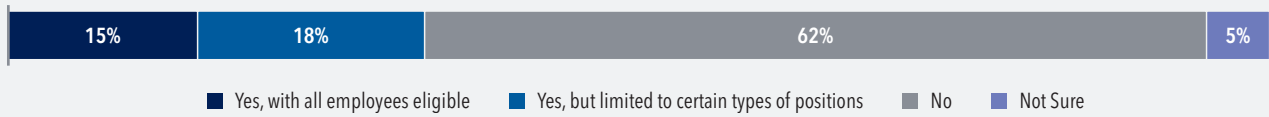


Figure 35 **To the best of your knowledge, has your employer been offering higher-than-usual salaries or bonuses to new employees as a way to recruit new workers?**

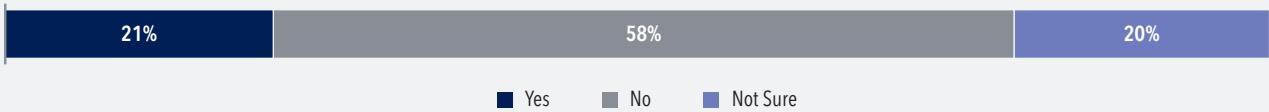
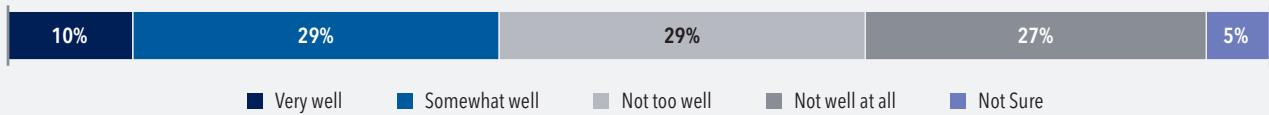


Figure 36 **How well has your employer balanced the use of hiring incentives with appropriate pay for existing staff?** (n=213)



Conclusion

This report describes the results of an October/November 2022 national online survey conducted by MissionSquare Research Institute and Greenwald Research of 1,003 state and local government employees, assessing their views on their job and financial outlook, motivations for working in the public sector, morale and work concerns, and job satisfaction and retention issues.

Results indicate that state and local government workers are experiencing a range of financial concerns, from difficulty paying monthly bills and problematic levels of debt to anxiety about the impact of inflation and being able to live comfortably throughout their retirement. In many cases, these worries have led to financial actions, such as cutting back on spending (both discretionary and essential) and reducing savings.

Regarding their work, the majority of respondents report currently having positive morale. They are most often satisfied with their job security, vacation and sick leave, and health insurance. When asked how they felt about the

job over the past year, more than four in ten described themselves as grateful.

At the same time, many are considering leaving their job voluntarily – either to change jobs, retire, or leave the workforce entirely for the foreseeable future. They are also reporting an increase in the number of people leaving their organization voluntarily, and that the extra workload placed on them is a significant source of strain.

To improve employee retention, respondents were most likely to recommend improvements in compensation and showing more recognition and appreciation for employees and the work that they do.

As state and local governments look to attract and retain a talented and diverse workforce, it is critical that they understand and address the needs of their employees. This, in turn, will enable states and localities to continue to provide the programs and services to the communities they serve.

Additional Resources

Survey Results: Continued Impact of COVID-19 on Public Sector Employee Job and Financial Outlook, Satisfaction, and Retention

Inflation, Market Volatility, and Retirement: How Employer Benefits Can Help Public Sector Worker Anxiety Over Current Economy

2022 State and Local Government Workforce Survey

Endnotes

1. The mean (average) age of respondents was 46.06.
2. U.S. Census Bureau, **"2021 Government Employment and Payroll Tables,"** accessed December 15, 2022.
3. Author analysis of IPUMS-CPS. See IPUMS-CPS, **"Current Population Survey."**
4. In this survey, women were significantly more likely than men to report annual personal income in 2021 (before taxes) under \$50,000, while men were significantly more likely than women to report annual personal incomes above \$125,000.
5. Life expectancy at birth for males was 75.1 years in the first half of 2020, and 80.5 years for females, per Elizabeth Arias, Betzaida Tejada-Vera, Farida Ahmad, "Provisional Life Expectancy Estimates for January through June, 2020," National Vital Statistics System, February 2021, <https://www.cdc.gov/nchs/data/vsrr/VSRR10-508.pdf>.
6. A defined benefit plans was described to respondents as "... a plan that promises a specified monthly benefit at retirement. The plan may state this promised benefit as an exact dollar amount or it may calculate a benefit through a plan formula that considers such factors as salary and service."
7. A defined contribution plan was described to respondents as "...a plan that does not promise a specific amount of benefits at retirement. In these plans, the employee or the employer (or both) contribute to the employee's individual account under the plan. The employee ultimately receives the balance in his or her account, which is based on contributions plus or minus investment gains or losses."

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 missionsq.org/researchinstitute and follow on [Twitter](#) and [LinkedIn](#).

