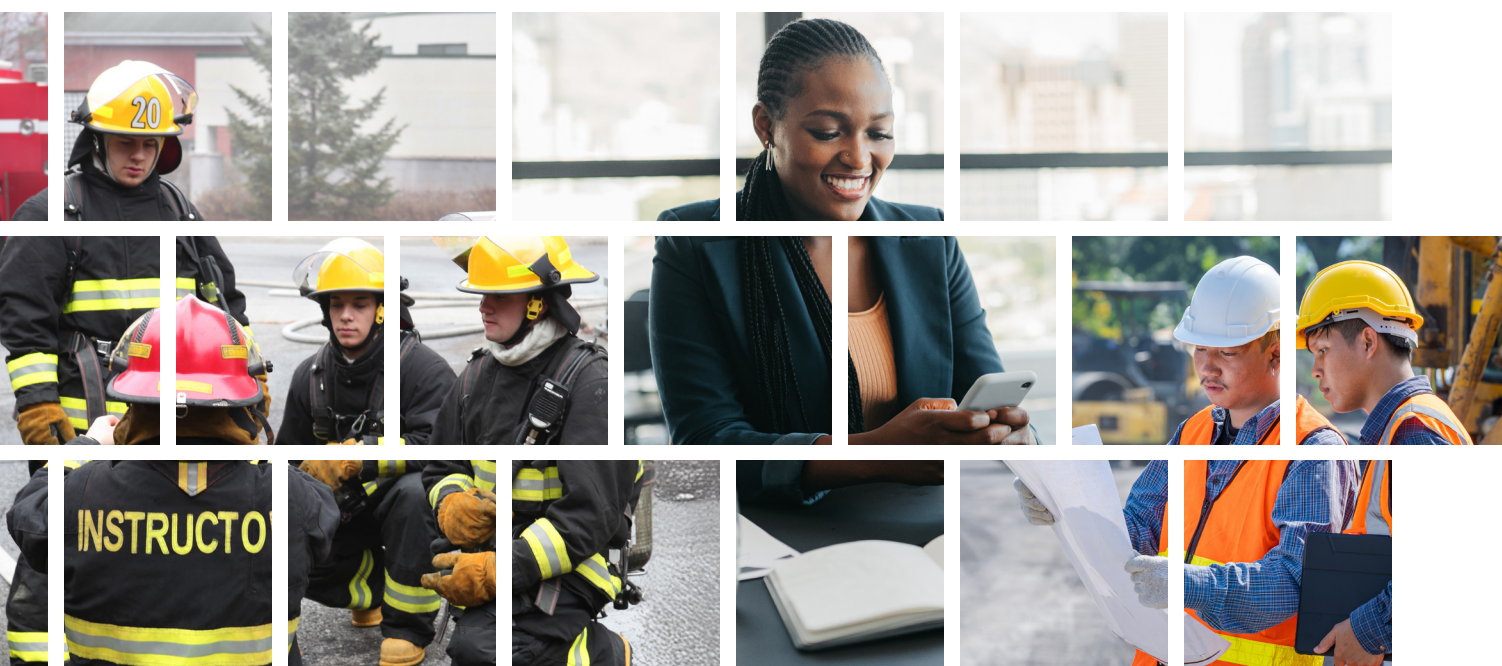


July 2025

2025 State and Local Government Workforce Survey Results








Acknowledgments

This report was prepared by Gerald Young (MissionSquare Research Institute).

The author gratefully acknowledges the insights and expertise of his collaborators on this research: Zhikun Liu, PhD, CFP® and John Saeli (MissionSquare Research Institute); Leslie Scott Parker (NASPE); and Cara Woodson Welch (PSHRA).

Executive Summary

Among the survey highlights:

-  **Recruitment became less challenging** in 2024, and saw continued improvement in 2025 (see Figure 12A).
-  Fewer governments reported that they frequently need to **reopen recruitments** due to an insufficient number of qualified applicants (see Figure 14).
-  The average **size of broad-based pay increases** declined from what was provided in 2024 (see Figure 6).
-  **Targeted hiring bonuses** continued to be offered by about one-third of government employers (see Figure 9).
-  More governments reported being very or somewhat successful recruiting **new generations of employees** (see Figure 11).
-  **Degree requirements** continued to be dropped for at least some positions, particularly among state governments (see Figure 19). More than two-thirds of those dropping education requirements reported it led to an increase in the number of applicants, with most indicating it did not impact the quality of applicants (Figure 18).
-  In **HR data tracking**, there was a decrease in those analyzing onboarding and mentorship effectiveness (see Figure 21).
-  **Gig hiring** continued at approximately the same levels as in 2020 and 2022, with just 5% relying on it for 5% or more of their total staffing needs (see Figure 4).
-  Fewer governments reported competitive compensation was among their **very important priorities** (see Figure 35A). Workforce diversity, equity, and inclusion and creating a more flexible workplace also declined in importance, but hybrid and flexible scheduling remain common (see Table 5 and Figure 35).
-  With the aging of the workforce, more governments rated **succession planning** as very important, but even given a list of likely components to a succession planning program, 61% reported not having any such elements in place (see Figure 37).

This survey, which began in 2009, represents a partnership between MissionSquare Research Institute, the National Association of State Personnel Executives (NASPE), and the Public Sector HR Association (PSHRA).

It is intended to capture not only a current snapshot of state and local recruitment, retention, benefits, and related human resources (HR) practices, but also a wider view of how those practices have trended over time. While this report includes questions that have been asked throughout the 16 years of the survey, it also explores emerging priorities, such as recruitment of former federal employees and how artificial intelligence is being used in recruitment.

New questions for 2025

New questions added to this year's survey also shed light on emerging topics, including:



Successful recruitment strategies: 9% reported **skills assessments** (as an alternative to a degree requirement), while 12% **front-loaded benefits** so new hires would have quicker access to paid leave (see Figure 8).



Within the application process, 47% omit questions on **salary history** and 20% provide interview accommodations for **neurodiverse job candidates** (see Figure 22).



2% reported outreach to **federal employees**, with more of that taking place among state governments (see Figure 8).



While 52% do not provide any **paid family leave**, 39% offer 4 weeks or more (see Figure 34).



5% provide paid leave for employees to **attend college classes** (see Figure 32).

Regarding succession planning, the most common components are:

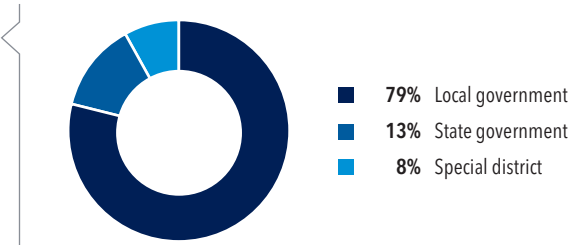
- **transition plans** for key leadership roles (21%) and
- **leadership development** for multiple potential successors (21%; see Figure 37).

This year's survey was conducted among NASPE and PSHRA members from March 4 to April 7, 2025. Although respondents are asked to report their experience over the past year, some may also report based on recent policy decisions, such as if they had recently amended their hybrid work arrangements.

Survey Respondents

Local governments represented the largest segment of survey respondents, followed by state governments and special districts (see Figure 1).

Figure 1: **Form of government** (n = 382)

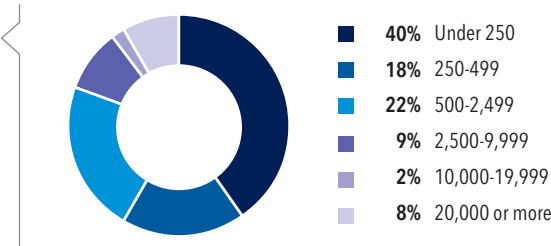


For the purposes of agency comparisons that follow, special districts (which include utility districts, school districts, and others) are included with all other local governments.

Rather than consider the residential population of a state or local government, size comparisons are based on the number of full-time equivalent employees (see Figure 2). Those with under 250 employees make up 40% of the sample. This is a further breakout than in 2024, when the smallest staffing cohort was “under 500 FTEs.” Where there are notable differences in responses based upon either agency type or size, those are referenced in the discussion below.

Figure 2: **Number of full-time equivalent employees** (n = 331)

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.

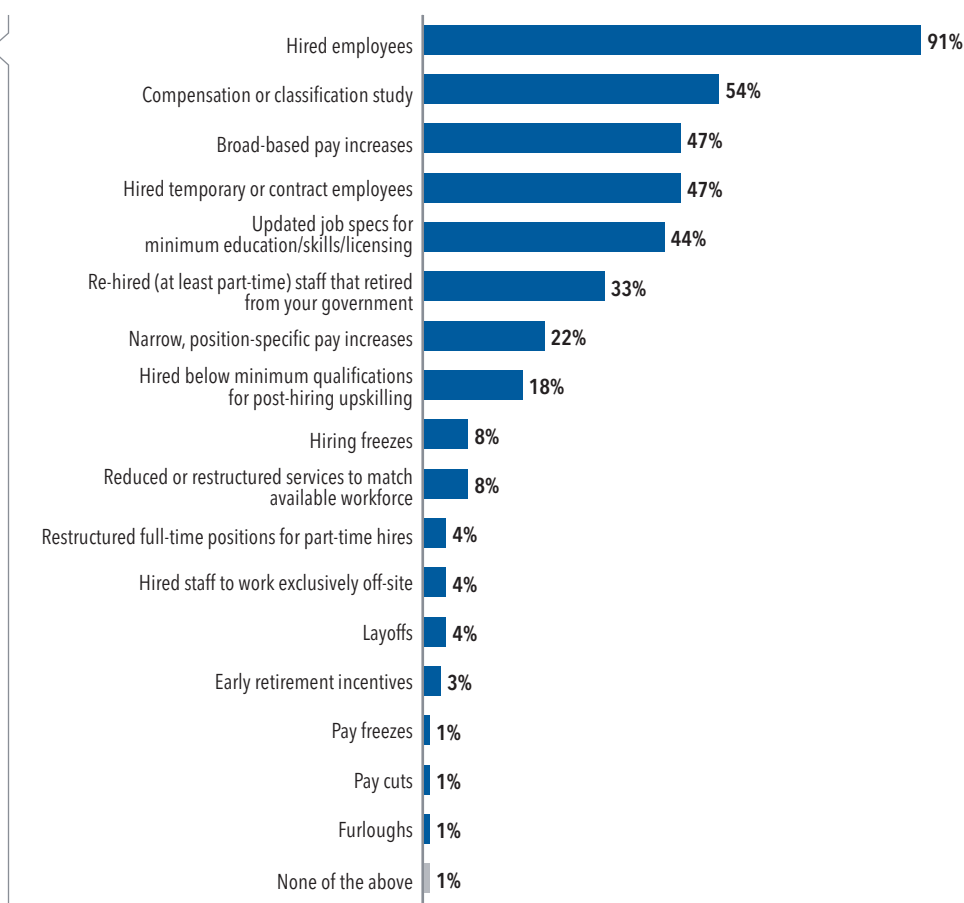


Survey Findings

Workforce Actions

To provide a baseline of what types of activity are taking place (regardless of the scale of that activity), the survey asks about a list of workforce actions (see Figure 3). These actions include several that are uncommon during times of high labor demand (e.g., layoffs, pay cuts – both reported by 5% or fewer since 2022) and several that are indicative of recruitment incentives or creative approaches to addressing labor shortages.

Figure 3: **Which of the following workforce actions has your government implemented over the past year?** (select all that apply; n = 380)



State respondents were more likely to report **rehiring retirees** (54% state, 30% local) and hiring staff to work **exclusively off-site** (19% state, 2% local).

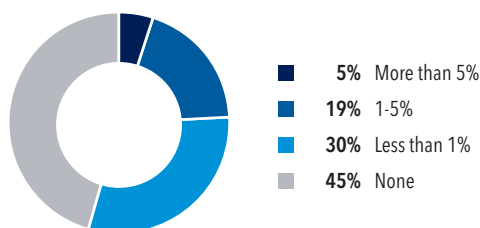
For the past two years, 54% of respondents reported conducting compensation or classification studies, down from 65% in 2023. This does not necessarily mean that pay adjustments followed, but broad-based pay increases were provided by more than half of all respondents in 2023 (62%) and 2024 (53%), with 47% providing such increases in 2025.

For the past three years, about a third of respondents have reported rehiring retired staff, at least as a temporary measure. Pension plans typically set conditions on these arrangements, such as limiting total hours worked, pausing pension distributions, or requiring new contributions.¹

Just under half of respondents hired contract or temporary employees (47%). Contracts may take many forms, including long-term agreements for legal counsel or technical experts, as well as 'gig hiring.' Using a definition of gig work as being limited to tasks or assignments for less than a full year, Figure 4 shows the scale of that hiring, with just 5% using gig workers to perform more than 5% of the organization's workload. This is the fourth time this question has been asked since 2019, and the "more than 5%" category has stayed between 3-7% each year.

Figure 4: **What portion of your organization's workload would you estimate is being met via the gig economy?** (n = 305)

NOTE: Due to rounding, totals may not sum to 100%.



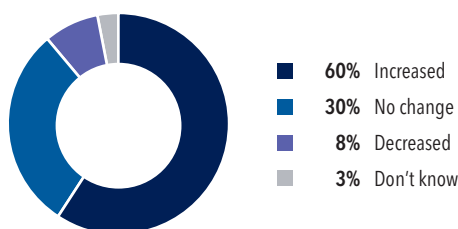
Size of the Workforce

In 2025, 91% hired employees (see Figure 3). This is most meaningful in comparison to years when far fewer hired staff (e.g., only 66% hired in 2014).

Just knowing that staff were hired, however, does not indicate the scale of hiring or how workforce departures resulted in a net gain or loss. Figure 5 shows that 60% of respondents reported that their full-time workforce increased.

Figure 5: **How, if at all, did the size of your full-time workforce change over the past year?** (n = 366)

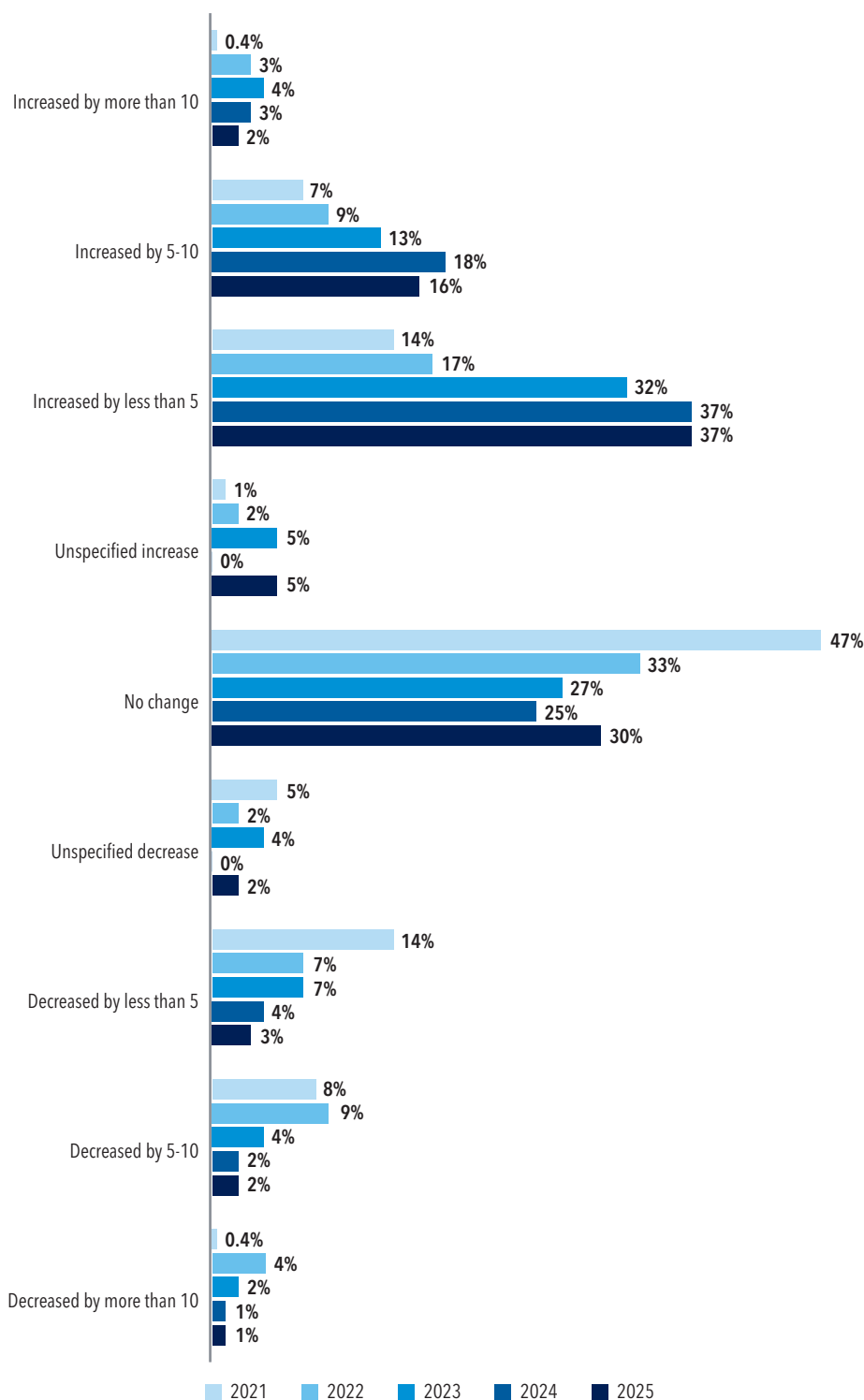
NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.



The scale of the change in staffing is captured in Figure 5A. From 2021 to 2023, the percentage reporting within each of the categories of increases rose. Since then, some of those categories have declined. For example, the percentage experiencing an increase in staffing of more than 10% has dropped from 4% in 2023 to 2% in 2025. However, jurisdictions experiencing an increase in staff far outnumbered those experiencing a decrease, with 18% seeing an increase of 5% or more, compared to just 3% seeing a decrease of that size.

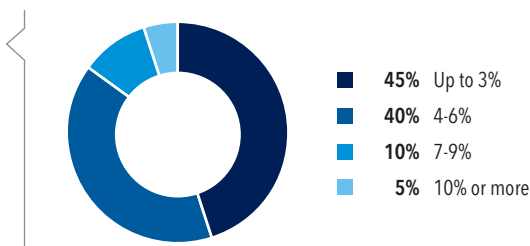
Figure 5A: **Change in full-time workforce over the past year** (2021-2025, n = 269, 316, 244, 295, 366)

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.



Broad-based pay increases can likewise vary in size, often subject to multiyear labor agreements. Pay increases of “up to 3%” were more prevalent this year (up from 27% reporting those in 2024 to 45% in 2025), and a “4-6% salary increase” was less prevalent (down from 55% in 2024 to 40% in 2025; see Figure 6).

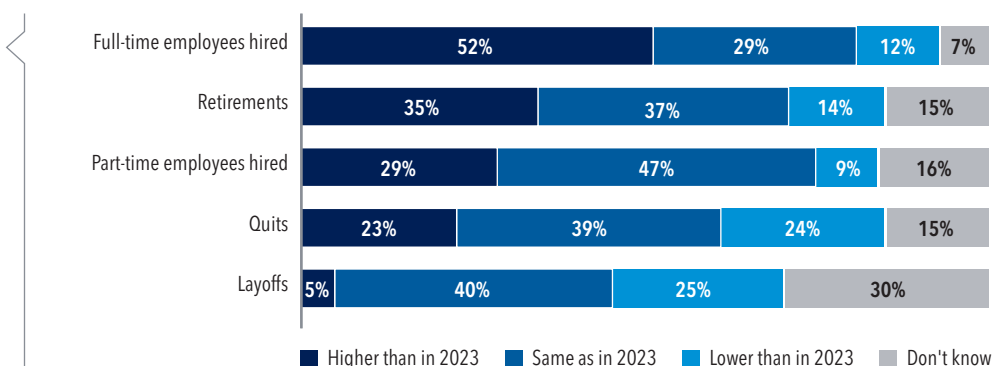
Figure 6: **Size of broad-based pay increases** (n = 176)



As to the reasons that the net size of the workforce changed, for 52% of respondents, the number of full-time employees hired had increased (see Figure 7). Retirements and part-time hiring were also more likely to have increased rather than decreased, along with a sizable portion saying that they stayed the same as the year before. Only in the case of quits/resignations and layoffs were respondents more likely to report that there had been a decrease rather than an increase.

Figure 7: **Regarding the size of your government's workforce in 2024, was the number of...** (n = 363)

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.



Regarding the 23% reporting that quits/resignations were more numerous than in the previous year, this was the third year in a row that this measure has decreased (see Table 1).

Table 1: **Percentage indicating that the number of quits or retirements was higher than the year before**

	2022	2023	2024	2025
Quits	69%	45%	33%	23%
Retirements	60%	37%	31%	35%

Recruitment

The most successful methods of recruitment have long been a combination of tactics. Traditional approaches like government websites (63%) and employee referrals (60%) were most often cited as being successful, along with social media (57%; see Figure 8). Beyond that, respondents reported success with college outreach, job fairs, and emerging approaches like paying for an applicant's job-related licensing and video campaigns.

The method that changed most significantly was the use of mobile apps to submit and track an application, which increased from 10% in 2024 to 17% in 2025. This has implications for increased data tracking and also for potentially improving the transparency of the hiring process and the applicant's experience.

The average respondent identified 4-5 items on the list.

Figure 8: **What recruitment practices are most successful in reaching qualified candidates?** (select all that apply; n = 354)

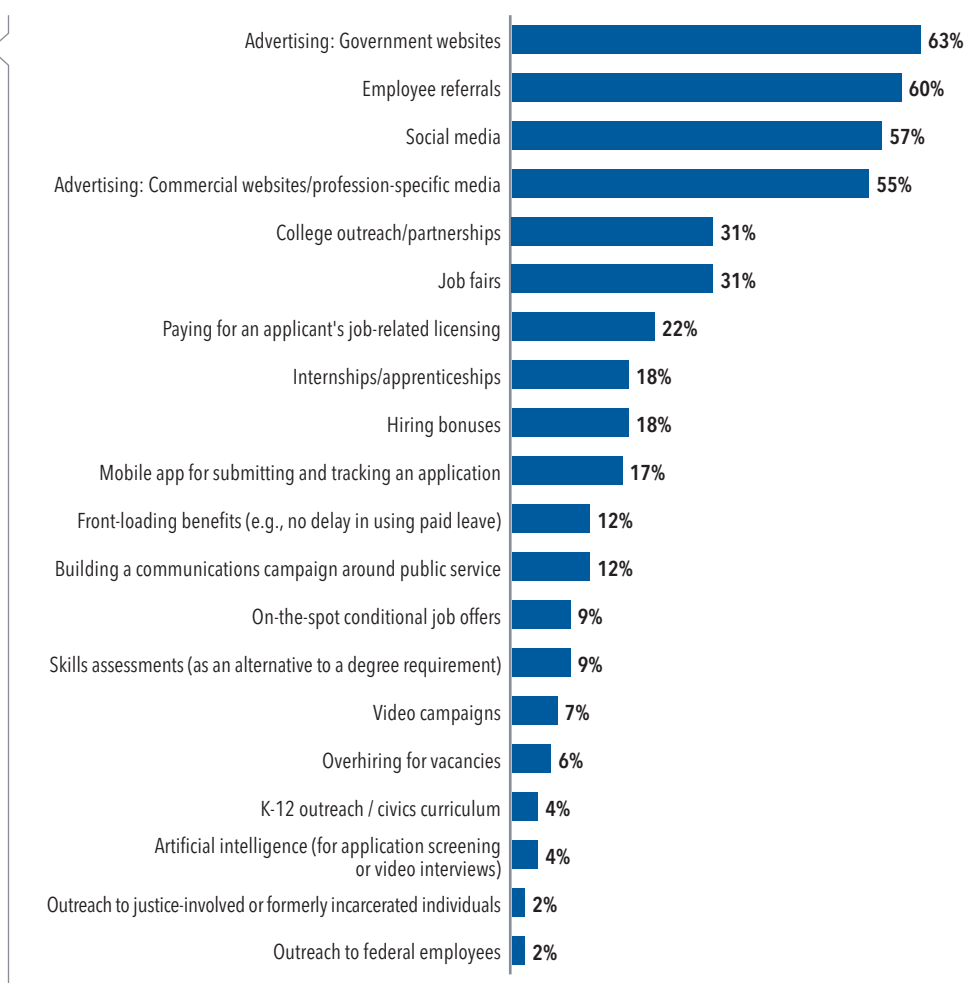


Table 2: **College outreach/partnerships by number of full-time equivalent employees (FTEs)**

Number of Full Time Employees	
Under 250	20%
250-499	25%
500-2,499	33%
2,500 or more	54%

Each year, some of the items queried rotate. In 2024, other items in this question included outreach to veterans and military family members and outreach to specific neighborhoods or demographics (11% each). In the years those items have been a part of the survey, neither has exceeded 17%.

Among the new methods surveyed this year are front-loading benefits so there is no delay in accessing paid leave (12%), and outreach to justice-involved individuals (e.g., those who had been formerly convicted of a crime or administratively or judicially diverted; 2%).²

Public Service Motivation

Building a campaign around public service was reported by 12% of this year's respondents. Regardless of the small percentage emphasizing this, other Research Institute studies have pointed out the importance of meaningful work, personal satisfaction, and the ability to serve one's community in current or prospective public sector employees' career decisions.³

Federal Employees

There is another population of potential job candidates that has similar public service motivations to state and local employees and that is currently experiencing significant job insecurity: federal workers.

Hawaii, Virginia, New Mexico, New York, and various local governments have ramped up outreach efforts and seen an uptick in applications, and 52% of federal employees have indicated a strong interest in state or local employment.⁴

One challenge in placing large numbers of current or former federal employees is in the mismatch between the occupations where state and local governments have the most vacancies and the policy or technical fields in which federal cuts have taken place. For example, positions in emergency dispatch and building inspection may not have large numbers of federal counterparts among those who have recently been displaced.

Where responsibilities are more similar, a clearer pathway may exist, with staff transitioning more readily from the FBI to other policing agencies or between various levels of government IT agencies. Yet even where comparable positions may exist at the state or local level, such as in public health, cuts to federal grants may cascade down to state and local funding cuts, layoffs, or uncertainty.⁵

In addition, while federal offices are distributed around the country, local governments are widely dispersed around their states, not just in state capitals or major metropolitan areas. Attracting job candidates to smaller or rural communities is a challenge no matter whether the target audience is former federal workers or others who would be required to relocate.

In this survey, only 2% cited outreach to federal workers. However, this strategy is much more common among state governments (11%) than local governments (0.3%). Given that the timing of the data collection overlapped with the initial waves of federal staffing changes, it is possible that state and local governments will continue ramping up such recruitment efforts over the coming months.

Outreach to **federal workers** is much more common among state governments (11%) than local governments (0.3%).

Hiring Bonuses

More than half of employers say they are not offering hiring bonuses. Of those that are, the most common forms are bonuses targeted to specific positions (29%) or referral bonuses paid to existing employees (22%; see Figure 9).

Figure 9: **What types of bonus policies or other incentives were in place in 2024, no matter when the initiative began?** (select all that apply; n = 353)



To avoid paying bonuses to new hires who might leave as soon as they receive the payment, 13% require recipients to repay the bonus if they stay less than a full year.

Of those that do offer hiring bonuses, 78% report a positive impact on recruitment, with none offering a negative assessment. Still, only 9% say they are analyzing the cost effectiveness of hiring bonuses (see Figures 18 and 21).

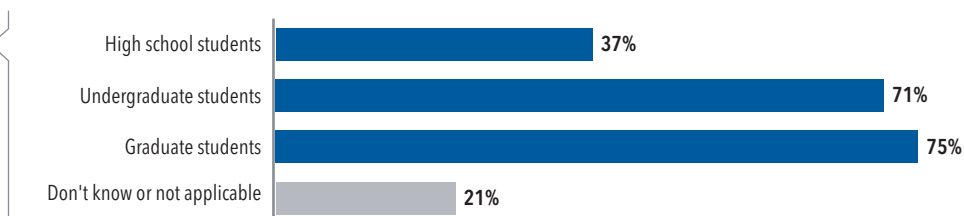
Internships, Apprenticeships, and Generational Outreach

No matter what incentives are offered, some job seekers may not even consider applying if they have not had any prior exposure to the nature of the work or do not yet have the requisite training or experience. As shown in Figure 8, 18% identified internships or apprenticeships as being among their successful recruitment tools.

As for the levels at which students are being brought in, interns are most likely to be graduate students (75%) and undergraduates (71%), but high school student interns were also reported by 37% of respondents (see Figure 10).

Outreach to K-12 students is rare (4%; see Figure 8), and is not necessarily focused on immediate placement, but it can be an effective way to plant the seed for interest in public sector employment down the road.

Figure 10: **What levels of students are eligible for internships offered by your government?** (select all that apply; n = 355)



Apprenticeships entail the building of job-related skills or working toward licensing while shadowing current staff in a more rigorous training program.⁶ In comments shared by respondents, they were most often instituted to help develop staff capacity in utilities and engineering (each reported by 2% of respondents), while others also mentioned skilled trades, information technology, and policing.

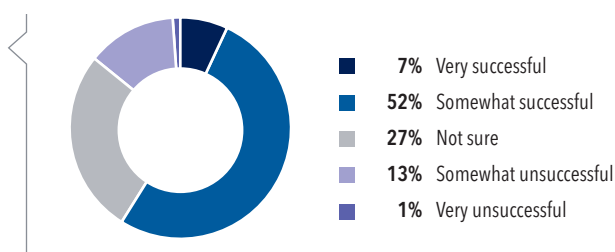
Overall, 8% offered apprenticeships in at least one field, with 6% identifying them as a very important priority (see Figure 35).

A higher level of attention appears to be paid to engaging a multi-generational workforce, with 60% reporting that they have been very or somewhat successful in attracting new generations to the workforce (see Figure 11). By comparison, only 50% rated their efforts as being very or somewhat successful in 2023.

This outreach, combined with retired staff being brought back into the workforce (see Figure 3 above), can help organizations pass on key institutional knowledge before the Baby Boom generation has fully retired. As for the 27% that are unsure about how successful their outreach to new generations has been, this may point to a need to upgrade their HR information systems (HRIS) data analysis around younger-skewing recruitment methods, such college outreach or social media campaigns.

Figure 11: **How successful have efforts been to recruit new generations of workforce entrants?** (n = 354)

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.



Artificial Intelligence in Recruiting

Technology can be a great asset in sorting through large datasets, whether those are financial records, crime statistics, or job applications. But while the technology exists to use artificial intelligence (AI) to review applications or assess the results of video interviews, the recruiting challenges of the past few years have left many vacant positions with an inadequate number of qualified applicants.

Consequently, the demand for AI tools in public sector HR is still low (only 4% of respondents flagged it in Figure 8). As shortages ease, or as job candidates themselves use AI tools to generate large numbers of bot-written and distributed applications, the need to use technology tools to manage that volume may increase.

In the meantime, among those who are using AI in their applicant screening, responses to follow-up questions were evenly split as to whether HR staff have received training on how to use those tools and whether there are policies to test for potential bias within the application review algorithm. As the take-up rate on AI usage in recruitment increases, these data will be explored in greater detail.

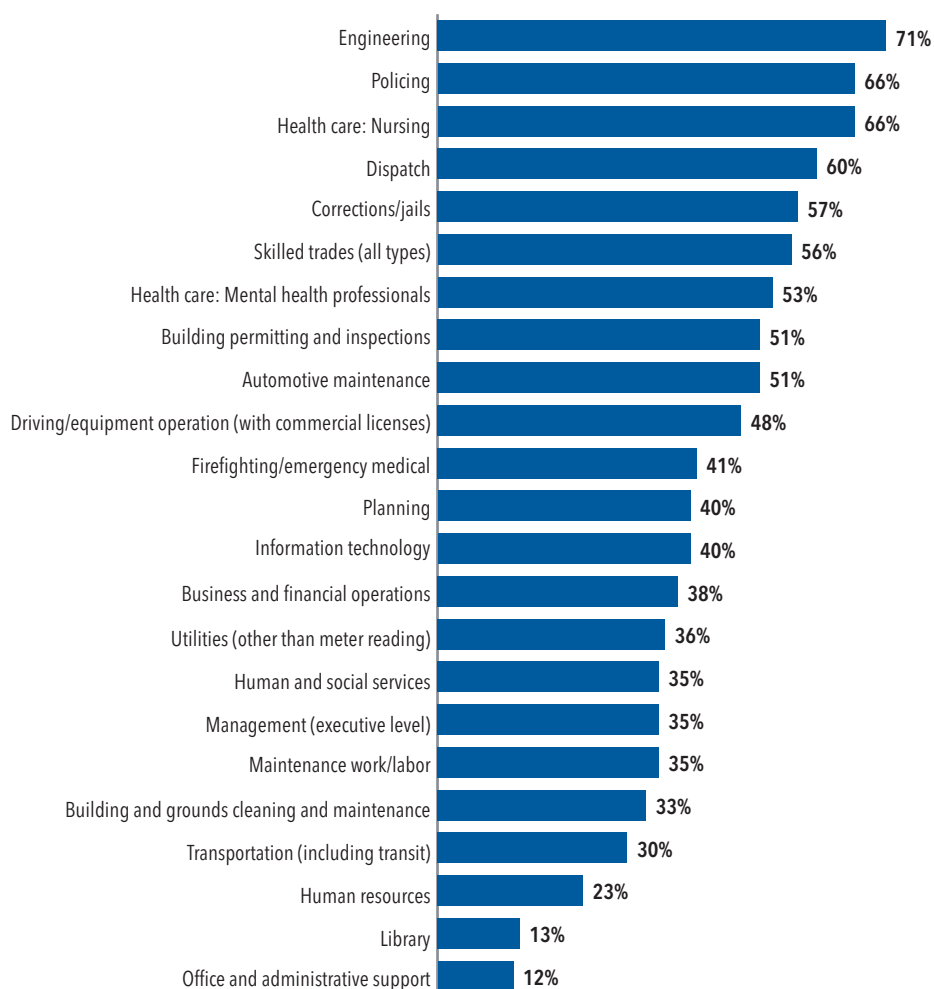
For a more in-depth discussion on how AI is impacting the public employees, see [Artificial Intelligence in the Workforce: A Survey of State and Local Employees](#).

Hard-to-Fill Occupations

Recruitment challenges have been a focus of this survey since its inception. Back in 2009, as governments were dealing with the impacts of the Great Recession, no positions were considered hard-to-fill by more than 5% of respondents. By 2015, engineering, IT, and police were all considered hard-to-fill by 12-15%. By 2022, most occupations surveyed were considered problematic.

The data on hard-to-fill positions for this year are shown on Figure 12, reflecting only those jurisdictions that recruited for each type of position.

Figure 12: **Over the past year, what positions, if any, has the organization had a hard time filling?** (n = 318)



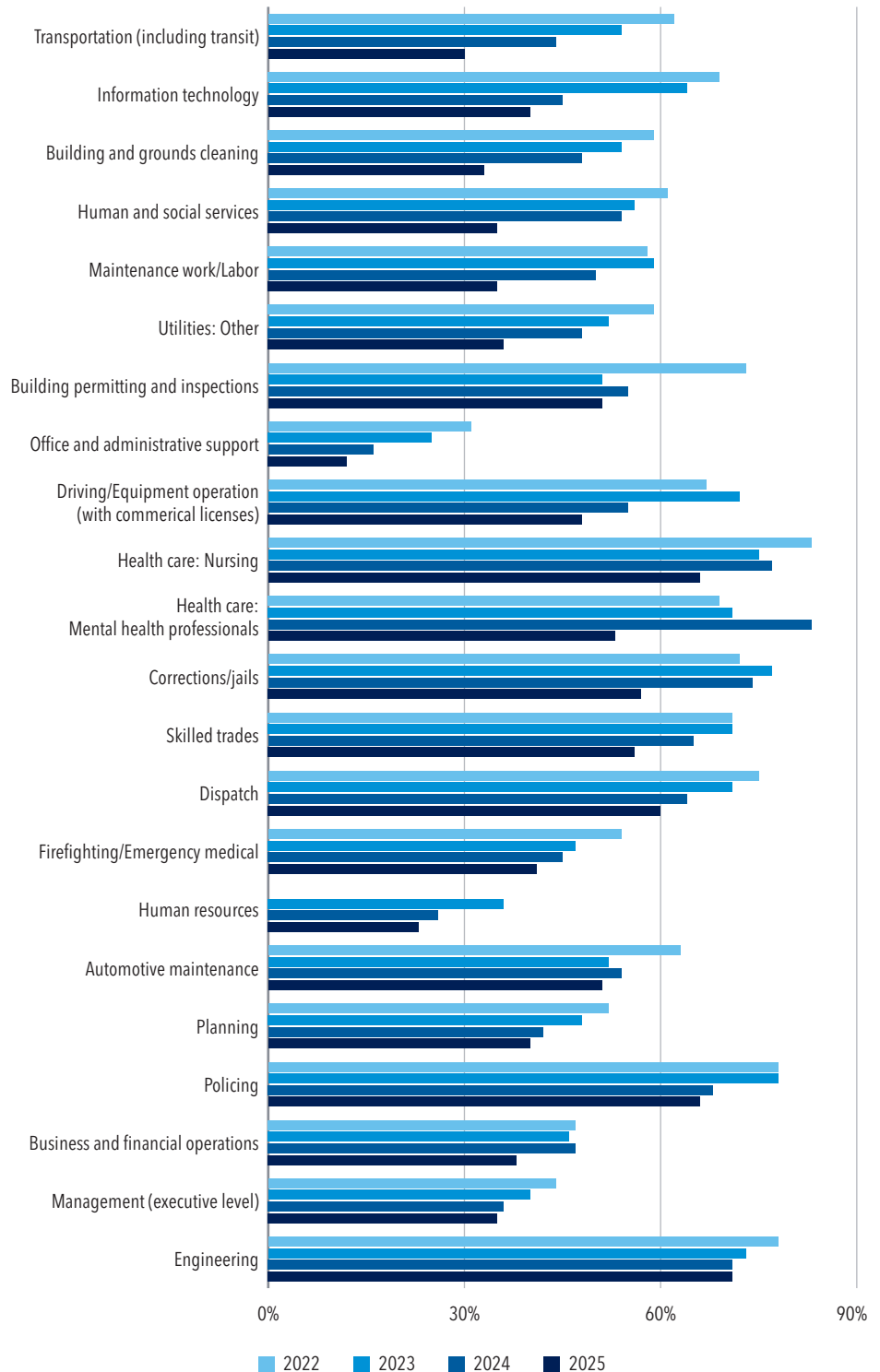
Beyond the more consensus categories, other positions reported via comments included solid waste collectors and veterinarians.

The trajectory since 2022 has been in a downward direction, with all positions surveyed now considered easier to fill (see Figure 12A). The greatest improvements, as shown at the top of the graph, include areas of perennial challenge, such as information technology.

Figure 12A: **Percentage Identifying as Hard to Fill, 2022-2025**

(n = 228, 249, 295, 318)

NOTE: Human resources staffing was not included in this question until 2023. Physicians were dropped from the question in 2024.)



Of the occupations surveyed all four years, 13 were considered hard to fill by at least 60% of respondents in 2022. Only 4 of those are still at or above that threshold, and only engineering did not see further improvement in 2025.

For a range of the hardest-to-fill positions, a follow-up question asks about the number of qualified applicants. In 5 of the 7 occupations surveyed, there were fewer qualified applicants than there were vacant positions to be filled, but there have been improvements here as well (see Figures 13 and 13A).

Figure 13: **Number of applicants this past year compared to the number of positions available** (n = 79-279)

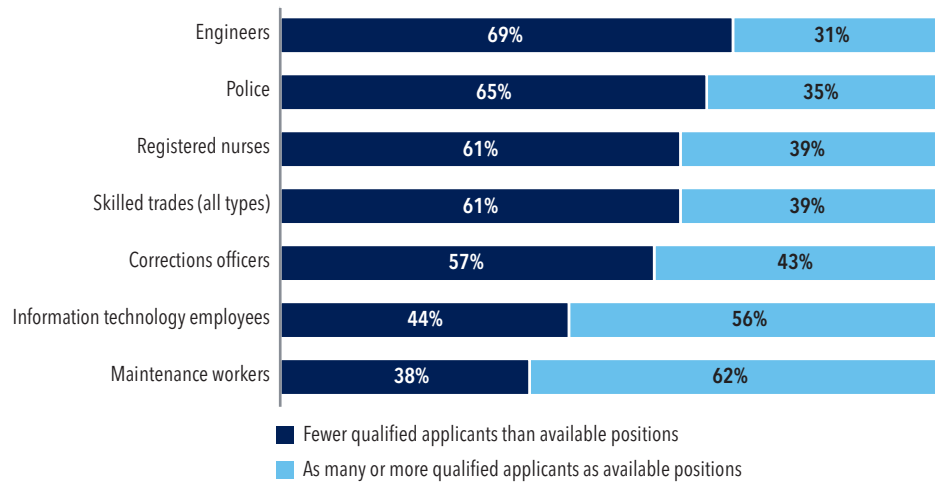
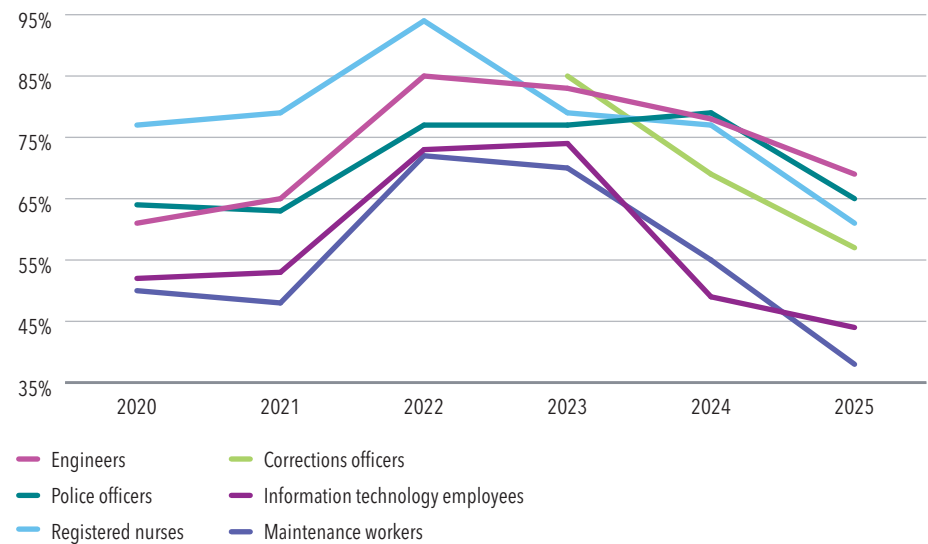


Figure 13A: **Percentage of positions with fewer qualified applicants this past year compared to the number of positions available (2020-2025)**

NOTE: Skilled trades were added to this question in 2025 and are thus excluded from the multiyear graph.

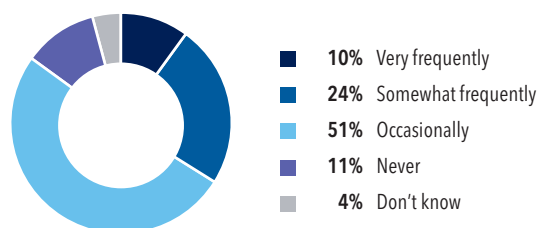


The multiyear trends clearly represent an improvement, but for all these positions, roughly 40-70% of employers still have difficulty finding a sufficient number of qualified candidates.

Where there was a shortage of applicants, 35% of respondents indicated that they were at least somewhat frequently required to reopen recruitments, potentially resulting in an extended time to hire (see Figure 14). This is down from 52% in 2023.

Figure 14: **In the past year, how often did an insufficient number of qualified applicants require recruitments to be reopened?** (n = 339)

NOTE: Due to rounding, subtotals cited in the text may vary.



A further question to consider is what it means when governments said they were receiving non-qualified applicants. Is that because those candidates did not have a degree, or under a skill-based model, because they did not have the requisite knowledge, skills, or experience? If some of those gaps can be addressed via post-hiring up-skilling – whether through training, apprenticeships, mentorship, or other methods – that initial qualification threshold might be lowered. Within many organizations, leadership development is a key strategy to help all staff grow within the organization and forge new pathways to advancement.

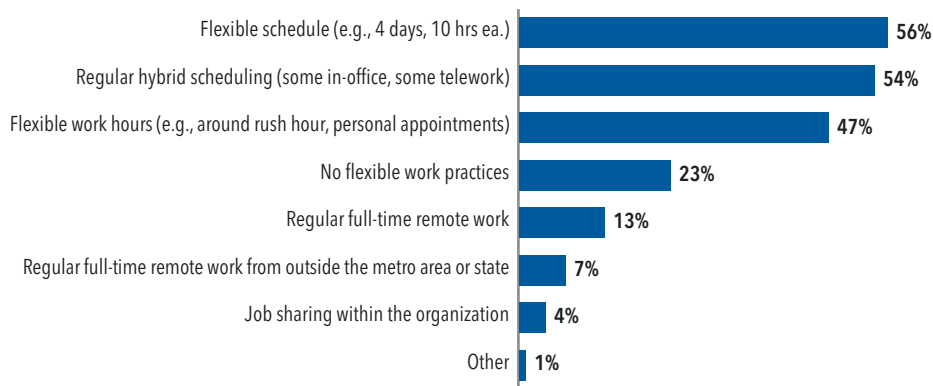
See also the related discussion below regarding [Education, Experience, Skills, and Other Hiring Process Changes](#).

Organizational Policy and Culture

Flexible Work Practices

As in prior years, approximately half of all respondents reported policies providing for flexible scheduling (e.g., 4 days, 10 hours each), flexible hours, or hybrid work (see Figure 15).

Figure 15: **What flexible work practices did your organization offer for eligible positions in 2024?** (select all that apply; n = 334)



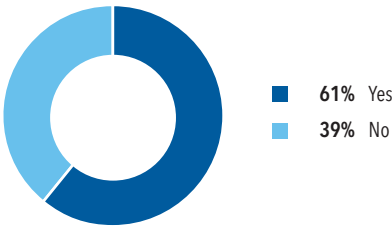
Hybrid and remote work were most commonly reported in larger organizations (see Table 3).

Table 3: **Flexible work arrangements by number of full-time equivalent employees (FTEs)**

	Hybrid work	Regular remote work outside the metro area or state	No flexible work practices
Under 250 FTEs	36%	1%	29%
250-499 FTEs	48%	5%	26%
500-2,499 FTEs	64%	8%	18%
2,500 or more FTEs	75%	17%	8%

Among those with hybrid schedules, 61% have designated shared in-office days (see Figure 16).

Figure 16: **Workweek (excluding public safety staff or on-call personnel) - Are there designated in-office days so that hybrid schedules align?** (n = 173)



Considering all types of flexible work practices, 67% report a positive impact on productivity versus 4% citing a negative impact (see Figure 18).

In 2024, many private and public employers moved to implement return-to-office policies. Those changes continue in 2025 and may not be fully reflected here. Some of these were for full-time on-site work (e.g., Ohio and Texas), while others implemented phased hybrid work, with California, for example, requiring first 2 and later 4 days in the office.

Although broad policies may call for a return to the office, hybrid work and other flexible work practices may continue on an individual, departmental, or government-by-government basis.

While only 4% of state and local employers hired new staff in 2025 to work exclusively offsite (see Figure 3), as many as 14% had in 2021. This legacy hiring may have been driven by a combination of recruitment challenges, COVID-19 response, collective bargaining agreements, and other factors like the ability to broaden the staff's geographic footprint or reduce office space needs. With 7% currently reporting that they have at least some staff working outside the metro area or the state, it may be impractical to bring all those who had been hired in remote-only roles back into a central office, at least in the short term.

Workweek

Some employers have shifted to a workweek that is shorter than 40 hours as an additional means of marketing to job candidates. In 2025, 13% of governments reported following a shortened schedule, with 42% reporting that it has had a positive impact on productivity, compared to 9% reporting a negative impact (see Figures 17 and 18).⁷

Figure 17: **Workweek (excluding public safety staff or on-call personnel) - Is the workweek shorter than 40 hours?** (n = 339)

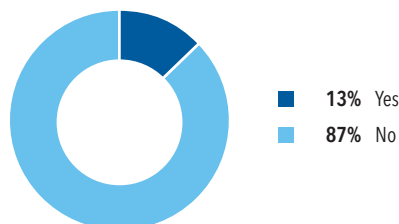
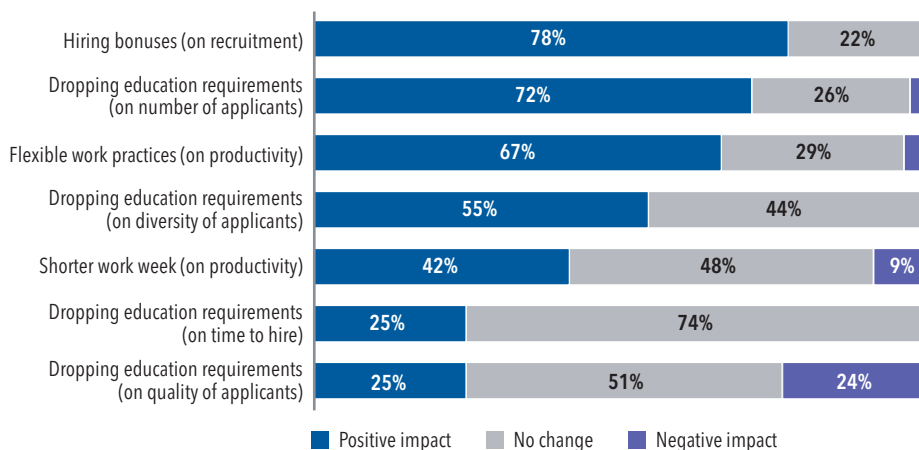


Figure 18: **Select recruitment and retention actions (and their impacts; n = 33-225)**

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary. These follow-up questions were only asked of those jurisdictions that indicated that they had the applicable policy in place. Of those, the least common was a shorter workweek, for which 33 provided details on productivity impacts.

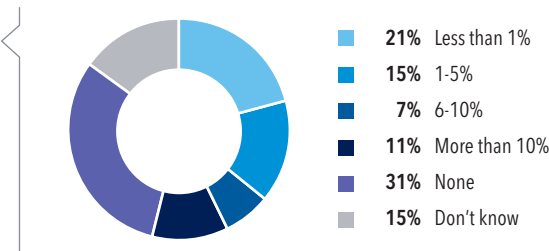


Education, Experience, Skills, and Other Hiring Process Changes

Part of reevaluating position classifications is determining whether the standards that have typically been applied are still relevant. Have the physical job requirements been made obsolete by processes becoming automated? And have the educational standards that had once been the primary pathway to career readiness been supplemented by other pathways, such as non-degree certifications, apprenticeships, or equivalent experiences available via the public, private, nonprofit, gig economy, or military sectors? This is not to say that degrees or licenses are not still required for certain specialized fields, such as in law, health care, and engineering, but in some circumstances, a “paper ceiling” may have prevented consideration of otherwise qualified candidates.

With recruitment becoming so challenging since the start of the pandemic, this survey has included questions on how education requirements have changed. In 2023, 29% of respondents indicated that they had dropped education requirements for at least some positions. Looking at cumulative changes since 2021, in the 2024 survey, 50% of respondents reported dropping such requirements, and in the 2025 survey, 54% reported having done so (see Figure 19).

Figure 19: **Over the past four years (since 2021), approximately what percentage of authorized positions had degree requirements dropped?** (n = 342)



Regarding the scale of those changes, in 2024, 8% said their actions impacted more than a tenth of all authorized positions. This year, that percentage is 11%. Neither of those figures would seem to represent a wholesale change in policy, but just among state governments, those making changes impacting more than 10% of positions include 25% of respondents in 2024 and 36% of respondents in 2025 (see Table 4).

Table 4: **Percentage of respondents reporting that degree requirements were dropped for more than a tenth of all authorized positions, from 2021 until...**

	2024	2025
Total respondents	8%	11%
Local governments	6%	7%
State governments	25%	36%

Figures 3 and 8 include related statistics on qualifications, with:

- 44% updating job specifications for some combination of minimum education/skills/licensing
- 18% hiring below minimum qualifications for post-hiring upskilling
- 9% using skills assessments as an alternative to degree requirements

Switching to skill-based recruitment is not instantaneous. The development of assessment tools can be a time-consuming process for each impacted job description, and that could act as a limiting factor on speed or success of implementing alternative qualifications.⁸

Assessment tools aside, changes to degree requirements have led to positive impacts on the number of applicants (72%) and diversity of applicants (55%), with mixed results on quality of applicants and time to hire (see Figure 18).

Police officer positions have been among the harder occupations to fill, so this year's survey included a question about current education requirements. Just 3% of departments require a bachelor's degree, while 20% require an associate's degree (see

Figure 20). This question did not delve further into the details of when such requirements were put in place or whether they were recently made more stringent or more flexible.

Regardless of whether a degree is required, however, higher education remains common among public safety staff. In the Research Institute’s study of state and local employees 35 and under, among those working in public safety, 72% had an associate’s degree or higher.⁹

Other Organizational Policies

A range of other organizational priorities are explored in questions about what HR data the jurisdiction tracks, as well as its policies regarding how recruitments are conducted.

Figure 21 shows data tracking on onboarding, mentorship, and sponsorship programs, hiring bonuses, engagement, retention, and turnover, while Figure 22 shows various policies that relate to providing impartial review of applicants’ qualifications.

Compared to 2023, there was an increase in those who report they are tracking new hires staying at least a year (by 17 percentage points) and a decrease in those tracking the effectiveness of onboarding and mentorship (by 5 percentage points) and the cost effectiveness of hiring bonuses (by 7 percentage points).

For a further discussion on the data tracking and policies that touch on diversity, equity, and inclusion, see the related sidebar.

Figure 20: **What level of education is required for new police officers?** (n = 210)

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.

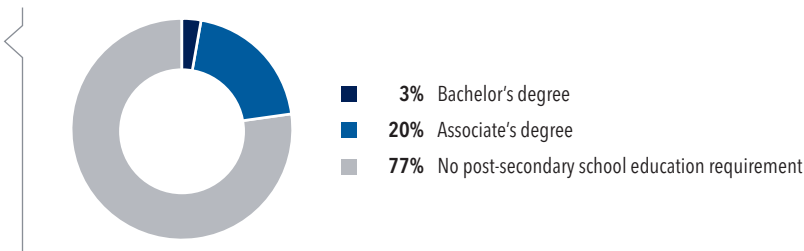
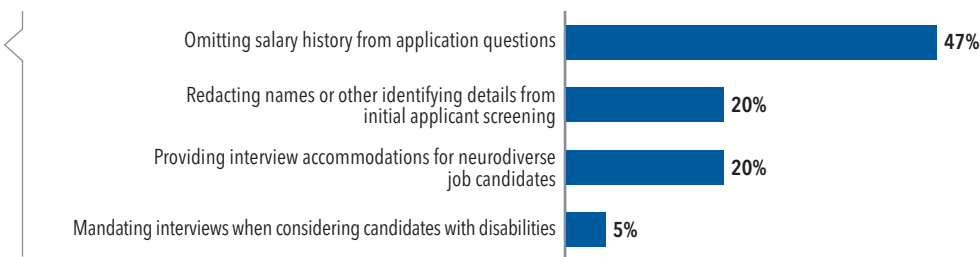


Figure 21: **Which of the following types of recruitment and retention data is your organization analyzing?** (select all that apply; n = 266)

NOTE: This figure indicates whether respondents are tracking these measures, not the actual rates of such activity.



Figure 22: **Which of the following recruitment policies did your agency have in place in 2024?** (select all that apply; n = 347)



What are the trends with diversity, equity, and inclusion?

The DEI programs tracked in this survey are centered not around treating one group differently from another, but rather on attempting to reach the widest possible pipeline of job applicants – regardless of race, gender, age, disability, LGBTQ+ identification, or other characteristics – and then supporting their engagement within the organization so that morale and retention are maximized.

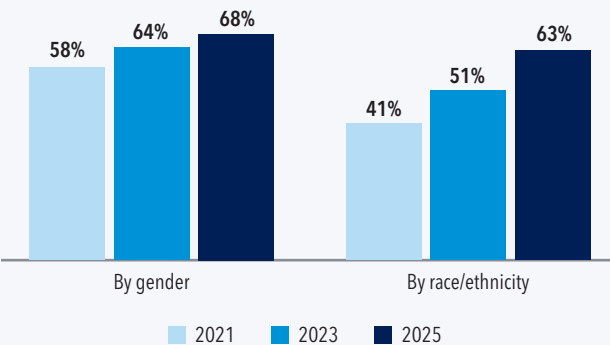
Overall, the data could be summed up as follows:

Increased representation

Based on respondents’ assessments of whether their workforce is reflective of the community or labor market, measures by both gender and race/ethnicity have increased since 2021 (see Figure 23).

This may be due to a combination of factors, including significant turnover associated with the Great Resignation and the retirement of older staff, as well as the wider range of methods used to recruit new staff over the past few years during a time when there is a more diverse workforce looking for employment. It should also be noted, however, that representation within the overall organization may not mean the same is true of each department or occupation.¹⁰

Figure 23: **Is the composition of the workforce reflective of the community?** (n = 226, 222, 286)



De-prioritization

In 2021, considering issues that were “important” and “somewhat important” for their organizations, 66% identified workforce diversity, equity, and inclusion as “important.” That total dropped to 59% in both 2022 and 2023 (see Table 5).

In 2024, the question was restructured to ask solely about “very important” issues. That year, 41% of respondents identified workforce DEI as being “very important.” In 2025, that total decreased to 28% (see Figure 35 and further discussion of Organizational Priorities below). It was one

of only 3 priorities to chart a significant decrease, along with creating a more flexible workplace (-10 percentage points) and offering a competitive compensation package (-9 percentage points). All three of these changes would appear to align with the decrease in difficulty in recruiting for new staff, although DEI de-prioritization may also have been impacted by changes in federal, state, or local policy or the increase in representation.

Table 5: **Priority assigned to workforce diversity, equity, and inclusion**

Important			Very Important	
2021	2022	2023	2024	2025
66%	59%	59%	41%	28%

NOTE: Through 2023, the question asked about whether an issue was “important” or “somewhat important.” Only the data for items identified as “important” are shown here. In 2024, the question was simplified to ask only about “very important” priorities. As such, the direct comparisons are between 2021-2023 and 2024-2025.

Policy

There is a wide array of policies and programs associated with workforce DEI, including employee training (provided by at least 40% of employers from 2021-2024); incorporating diverse representation onto interview panels (47% in 2024); encouraging identity expression (e.g., via pronouns, cultural/religious clothing/hairstyles; supported by at least 20% of employers in 2023 and 2024); and redacting names or other identifying details from initial applicant screening (up from 6% in 2023 to 20% in 2025; see Figure 22).

Other policies reported this year included omitting salary history from application questions (47%) and providing interview accommodations for neurodiverse job candidates (20%).

Analysis

As part of the list of recruitment and retention data being tracked (see Figure 21), the survey asks about turnover rates by age, gender, race, or other characteristics. In 2023, 52% reported collecting these data, and in 2025, that remained at 51%.

Among those dropping degree requirements – aside from the direct impacts on the number of applicants – 55% also reported an increase in the diversity of applicants, compared to 44% reporting no impact (see Figure 18).

Regardless of the nationwide trends around DEI, the broadening of recruitment outreach can help increase the size of the applicant pool, while the tracking of turnover data by department and demographics can help employers understand whether there are larger issues with organizational culture, team dynamics, or potential discrimination.

Retirement, Benefits, and Compensation

Employer-provided retirement benefits are a key motivator for those choosing employment in state or local government. Those benefits may include a defined benefit pension, a deferred compensation or defined contribution plan, some hybrid between the two, or various tiers of benefits depending upon an employee’s job function or when they joined the organization. For more on job motivations and benefit offerings, see also [35 and Under in the Public Sector: Why Younger Workers Enter and Why They Stay \(or Don’t\)](#) (2023) and [Comparisons by Age](#) (2024), as well as [Benefits of State and Local Government Employees](#) (2022).

In the wake of the recession, several pension plan sponsors made structural changes to their offerings.¹¹ Over the past few years, most have indicated that they have either made no changes or have adjusted contribution amounts (see Figures 24 and 25).

Figure 24: **Over the past year, what changes, if any, has your government made to the retirement benefits for current employees?** (select all that apply; n = 332)

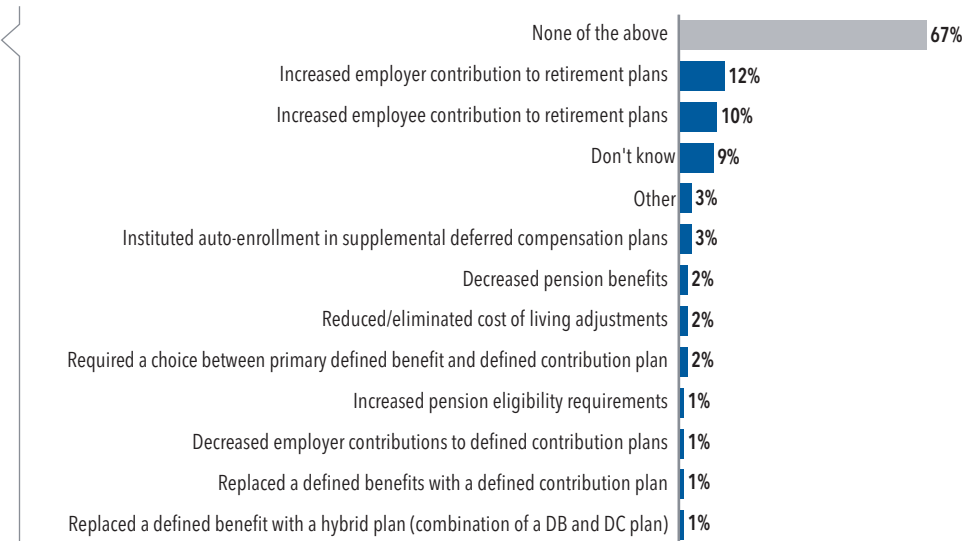
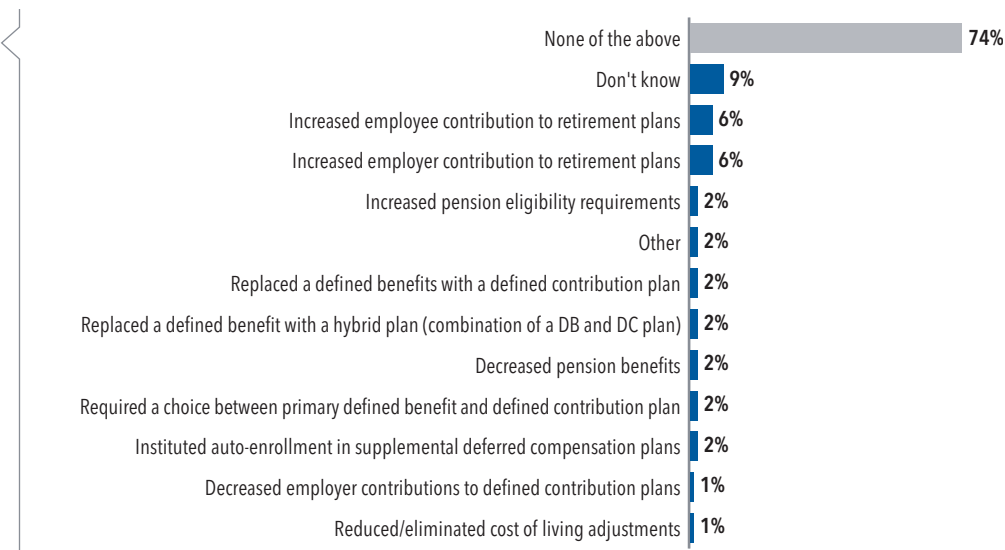
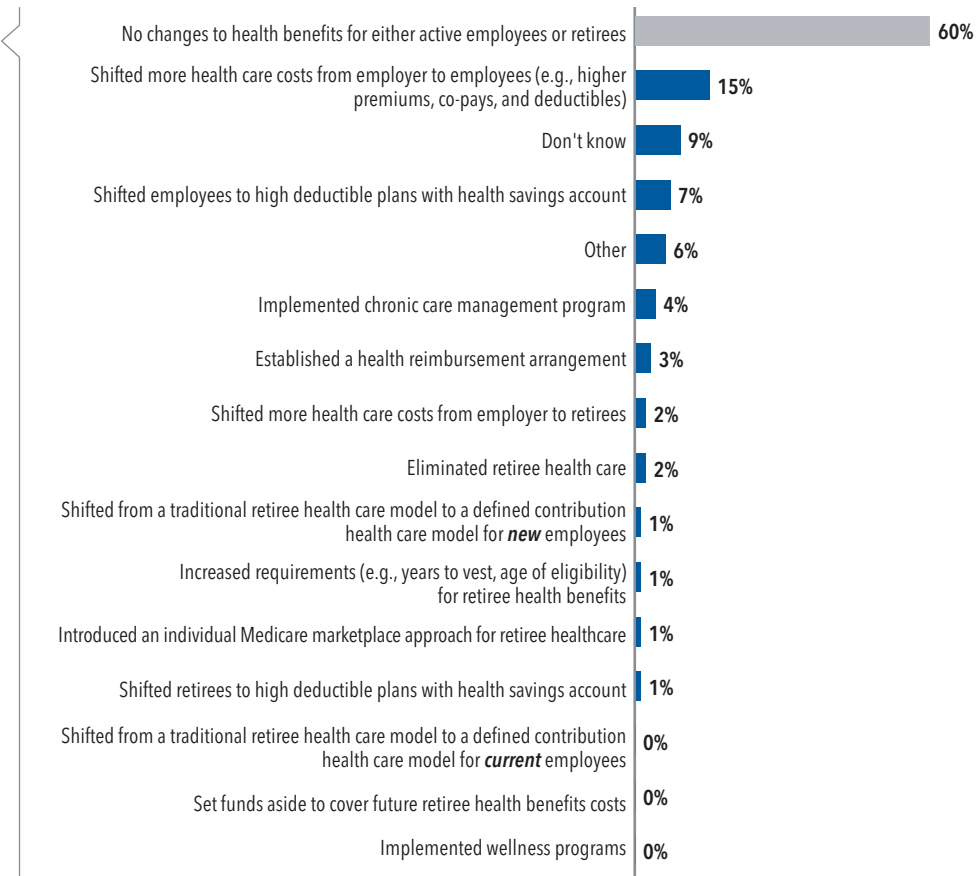


Figure 25: **Over the past year, what changes, if any, has your government made to the retirement benefits for new hires?** (select all that apply; n = 332)



Regarding health benefits, changes were also uncommon, with 60% saying they had made no changes in the past year (see Figure 26). The most common actions were to shift more health care costs from employer to employees, such as through higher premiums or deductibles. In addition, 7% indicated that they had shifted employees to high-deductible plans with a health savings account. This is consistent with responses in 2022-2024 (5-7%) but lower than in 2019, when 11% indicated such a shift.

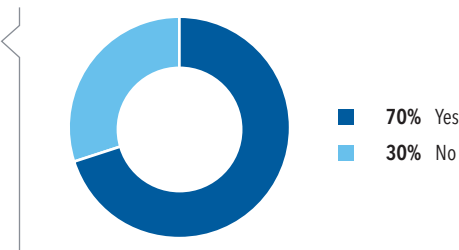
Figure 26: **Over that past year, what changes, if any, has your government made to the health benefits provided to employees or retirees?** (select all that apply; n = 329)



One addition to health benefits that was widely reported is coverage of medications known as GLP-1 agonists, such as Ozempic®, which have been approved for treatment of diabetes and are also being used or tested for other conditions. These are covered by 70% of employers (see Figure 27).

Considering those retirement or health plan changes, as well as the compensation changes shown in Figures 3 and 6, respondents were asked to weigh in on the competitiveness of their wages and benefits. Figure 28 indicates that 89% of HR managers surveyed feel their benefits are competitive, while 68% feel their wages are.

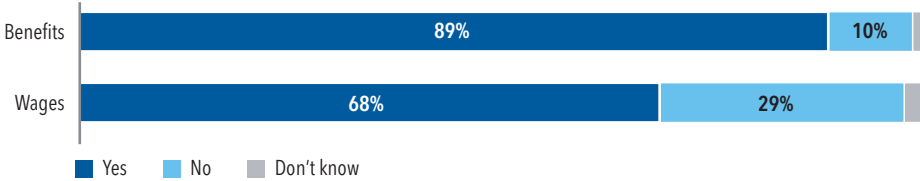
Figure 27: **Do your employee health plan(s) include coverage for GLP-1 medications?** (e.g., for diabetes; n = 238)



This identification of benefits as being the more competitive component of compensation is similar to what the Institute has seen from employee views as well. For example, in the May 2024 survey on student debt, 74% of public employees felt their benefits were competitive, and 58% felt their wages were competitive.¹²

Figure 28: **Do you feel the compensation you offer your employees is competitive with the labor market?** (n = 329)

NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.



Local governments were more likely to see their wages and benefits as being competitive (see Table 6).

Table 6: **Perceptions of compensation and importance of competitive compensation, by local and state government**

	Wages are competitive	Benefits are competitive	Competitive compensation package is "very important"
Local government	71%	89%	71%
State government	45%	88%	58%

As for whether employees are prepared for retirement, 56% of HR managers feel they are (see Figure 29). This represents the second year in a row that those responding "yes" were in the majority.

Figure 29: **Do you feel your employees are prepared financially for their retirement?** (n = 336)



How do employees learn whether their compensation is competitive?

57% of respondents communicate to each employee their **total value of compensation**, including wages, bonuses, stipends, retirement plans, insurance, and other benefits, at least annually (n = 331).

60% of state and local government employees in the Institute’s 2024 retirement survey indicated that retirement and other benefits made them more inclined to remain with their current job.¹³

Absent such statements, employees might simply compare their hourly wages to those offered by an outside employer, thus potentially underestimating the total compensation that their public sector employment provides.

Ever since the Great Recession, this survey has asked how, if at all, employees' retirement plans have changed. Figures 30 and 30A highlight current responses and the trend over time, with the spikes in those of retirement age postponing retirement during recessionary times or accelerating their retirement plans in pandemic times having equalized over the past few years.

Figure 30: **Over the past year, what changes, if any, have your retirement-eligible employees made regarding their plans for retirement?** (select all that apply; n = 337)

NOTE: Since some respondents indicated a portion of retirement-eligible employees accelerating plans while others were postponing plans, the total exceeds 100%.

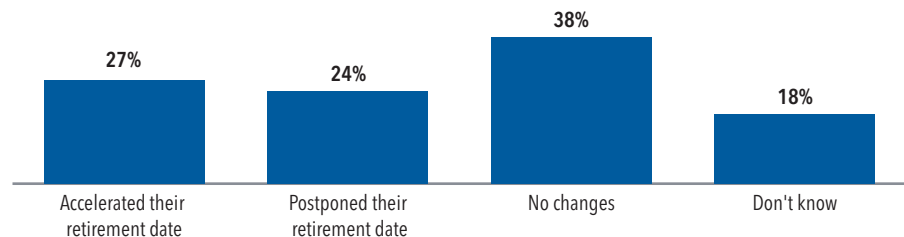
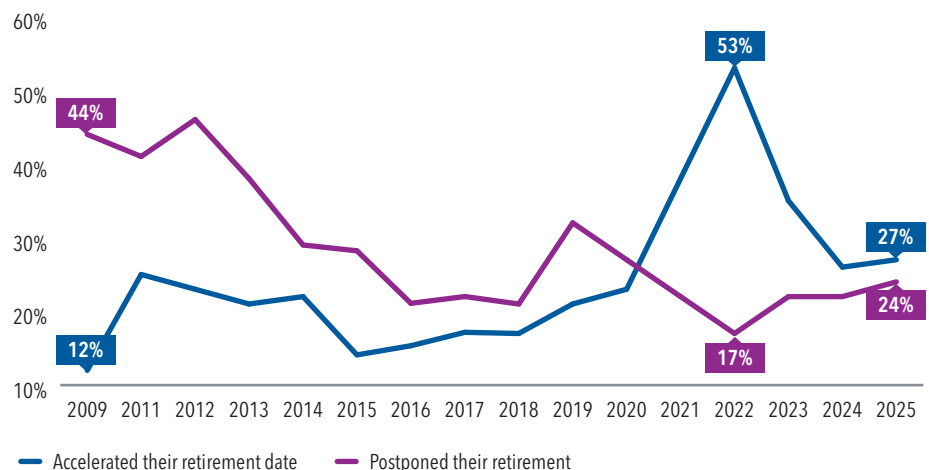
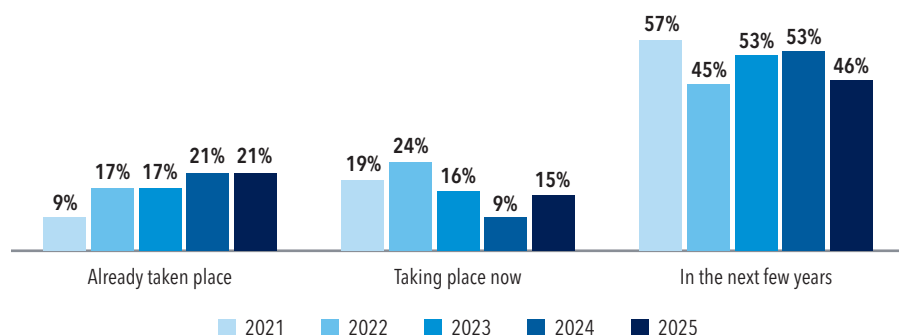


Figure 30A: **Over the past year, what changes, if any, have your retirement-eligible employees made regarding their plans for retirement?** (Detail, 2009-2025; no survey was conducted in 2010)



If the workforce were evenly distributed by age cohort, each year's retirements would just be one small portion of total turnover. However, with the Baby Boom generation representing a significant share of the public workforce and with that group hitting "peak 65" in the past year, there is the potential for a "silver tsunami" of retirements. Figure 31 shows that just under half reported that the largest wave is still to come, while 21% reported that it has already occurred. Another 16% (not shown) indicated that they do not anticipate a large wave of retirements within their organizations.

Figure 31: **Largest Wave of Retirements, 2021-2025**



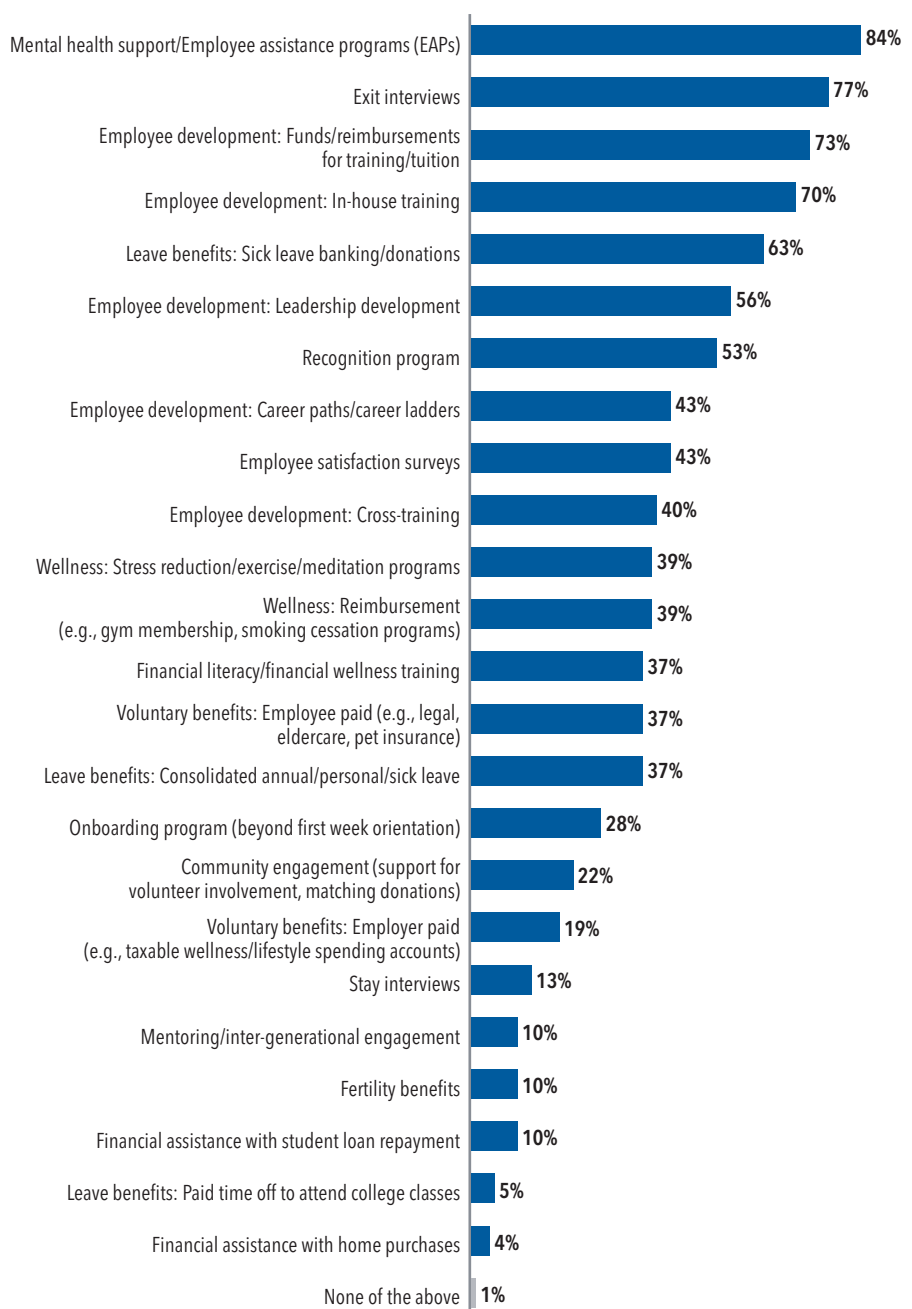
Employee Retention

Despite the importance of retirement and health insurance, employee retention also rests on a variety of other benefits and programs to support employees throughout their careers and at various life stages.

In Figure 32, the top retention offerings are mental health/employee assistance programs (84%) and employee training and development (in various forms).

Considerably lower on the list, but important depending on an employee's circumstances, are voluntary benefits, whether employee paid (37%) or employer paid (19%), and programs to help with purchasing a home (4%) or pay off a student loan (10%).

Figure 32: **Which of the following programs does your organization currently use to encourage employee retention and development?** (select all that apply; n = 334)



Employee engagement

One way organizations have attempted to build belonging among groups that might feel underrepresented in an organization has been through employee resource groups. This survey first asked about such groups in 2021, at which time 10% reported having them. By 2024, that total had increased slightly to 13% (see Figure 32A), with state governments three times more likely to offer them than local governments.

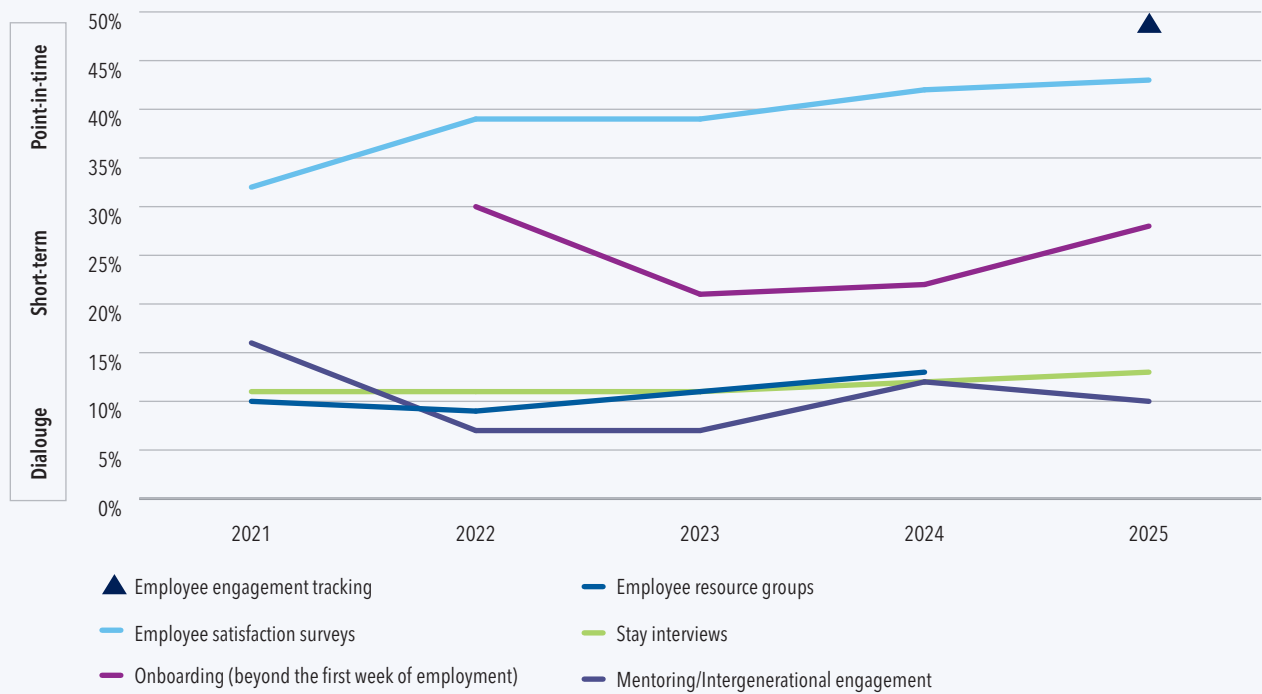
With DEI being a high-profile topic in 2025, there has been attention paid to whether resource groups are exclusively for identified populations or are open to everyone. For example, if women are underrepresented in technology fields, should an employee resource group that helps promote inclusion in the field be just for women or should it also include any others who might be interested in participating?

Looking at engagement more generally, satisfaction or engagement surveys appear to be the most common

tools used, albeit ones that are more **point-in-time**, not individual or **dialogue-focused**. These are followed by an extended onboarding process, such as with a cohort of newer employees continuing to engage over an extended period, not just in their first week of employment. Peer exchange and manager-and-employee conversations via employee resource groups, mentoring programs, and “stay interviews” have been less common.

In 2018, mentoring was much more common, with 25% of organizations sponsoring such programs. With the pandemic, that total dropped to 7% in 2022 and 2023, and while it has increased since to 10% in 2025, mentoring has not yet reached that prior peak. No matter what form one-on-one or group discussions may take, it appears that they have not been prioritized in the past few years, and this may represent an opportunity for governments to enhance their engagement and retention efforts.

Figure 32A: Retention Programs - Employee Engagement Methods (2021-2025)



Student Debt

Student debt considerations may be particularly acute for those who are working toward qualification for Public Sector Loan Forgiveness (PSLF), as this is an area that has been going through a two-year process of major and often conflicting actions from the current and prior administrations and the courts. Amid the fluid policy landscape, only 29% of employees have received information on PSLF from their employers.¹⁴ This leaves a potential competitive advantage of public sector employment underdiscussed and underappreciated.

Speaking of student debt...

Despite the fact that more than half of public employees either have or did have student debt, in many cases, it is not discussed.

Among coworkers, 35% say the topic is never discussed, while 46% say it has come up, but not a lot (see reference below). About 30% feel the topic is too personal. And 56% said their employer has never provided them with information about the Public Service Loan Forgiveness program.

Although 2024 and 2025 have featured multiple actions and counteractions around PSLF from federal administrations and the courts, the program still represents a potential source of financial relief for employees who devote 10 years to public service and regular, loan repayment. Considering that public sector employees are more likely to view private sector employers as providing more generous student debt support, and that private sector employees feel the public sector is more generous, more open communication may be beneficial.

Aside from the 10% providing direct student debt relief (representing 28% of state respondents, 8% of local respondents), other programs cited this year include:

- **73%** provide tuition reimbursement
- **5%** provide paid time off to attend college classes

And for those taking a wider view, it may be that support for those with student debt can take the form of financial wellness education programs (37%) or employer retirement plan contributions that match an employee's student loan payments (via the SECURE 2.0 Act).

Whether benefits for students or former students are available through local, state, or federal programs, workforce development agencies, nonprofits, or other avenues, sharing the specifics and the application criteria with employees can help to sort through the confusion surrounding complex program criteria, build organizational commitment, and improve retention.

For more information on how much public sector workers owe (by occupation) and how that debt impacts both employees and employers, see the Research Institute's [Collected Student Debt Research](#).

Exit Interviews

Exit interviews are also among the more common strategies (cited by 77%), although their timing is intended less to retain the employee who has already announced their intention to leave than to understand why they are leaving and address any organizational issues to improve the chances of retaining others. The top reasons for leaving that employees cited in their exit interviews are shown in Figure 33. Of these, compensation was mentioned most often (40%), followed by retirement (36%), advancement with another employer (31%), and dissatisfaction with supervisors (30%).

Those flagging compensation as an issue peaked at 53% in 2023, and that total has since dropped by 13 percentage points (see Figure 33A) – a trend that may represent a reaction to the increases in salaries that have taken place over the last few years.

Among other reasons for leaving, those citing dissatisfaction with the organization/culture increased from 5% in 2021 to 16% in 2025.

Figure 33: **In exit interviews with departing employees, which of the following have been cited as among the top three reasons for leaving?** (select no more than 3; n = 249)

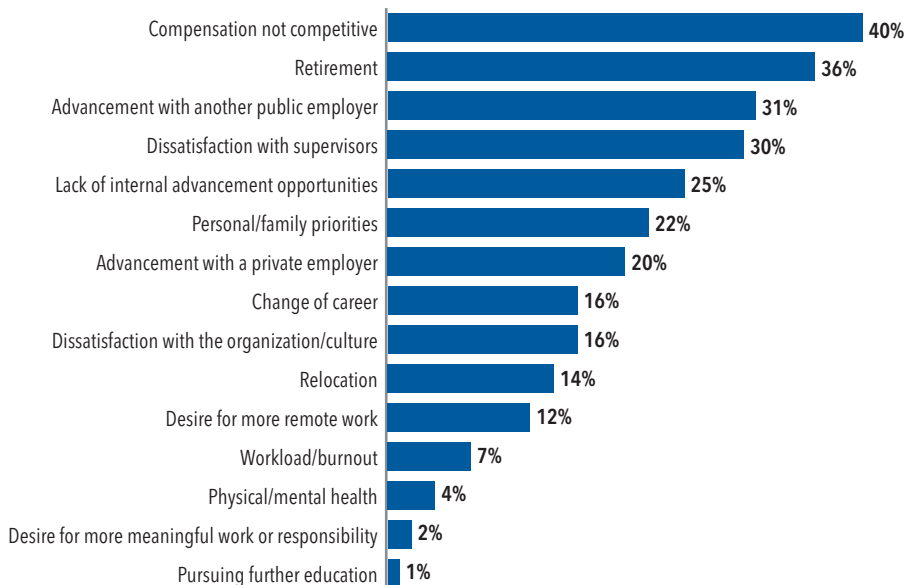
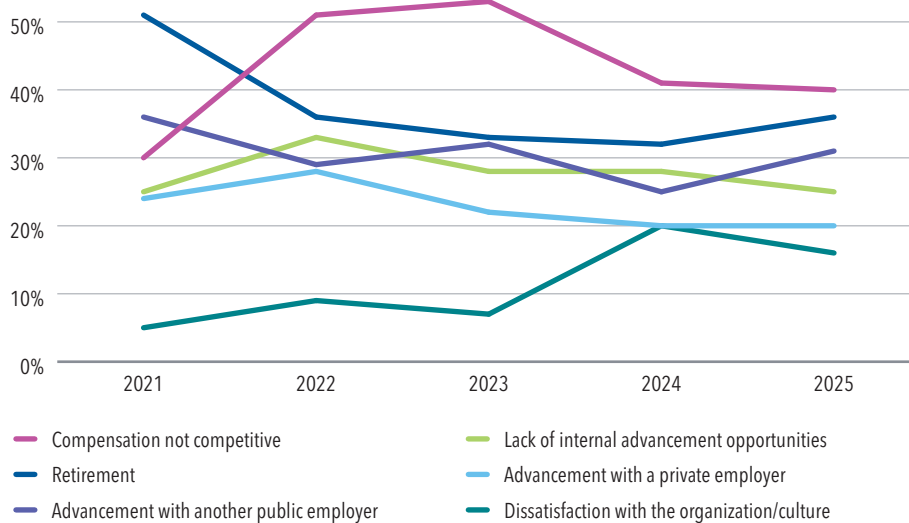


Figure 33A: **Exit Interviews (Detail, 2021-2025)**

NOTE: Less common responses and those that varied least year-to-year (e.g., dissatisfaction with supervisors) are omitted from this graph.



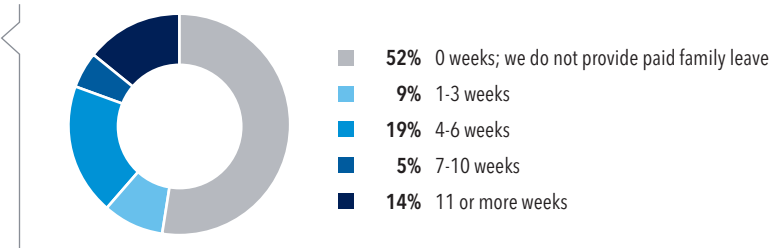
Paid Family Leave

For the first time since it was added to the survey in 2018, the percentage offering paid family leave topped 40% in 2024, reaching a total of 48% of respondents. It remains at that level in 2025.

This year, the survey asked not simply whether family leave was being provided, but how many weeks of leave. Of all governments responding, 52% provide no paid family leave, while 39% provide 4 weeks or more (see Figure 34). This survey does not attempt to drill down further into criteria placed on leave usage, such as whether they apply to adoption, fostering, the loss of a pregnancy, or whether mothers and fathers are equally eligible.¹⁵

Figure 34: **How many weeks of paid family leave, if any, do you provide?** (n = 332)

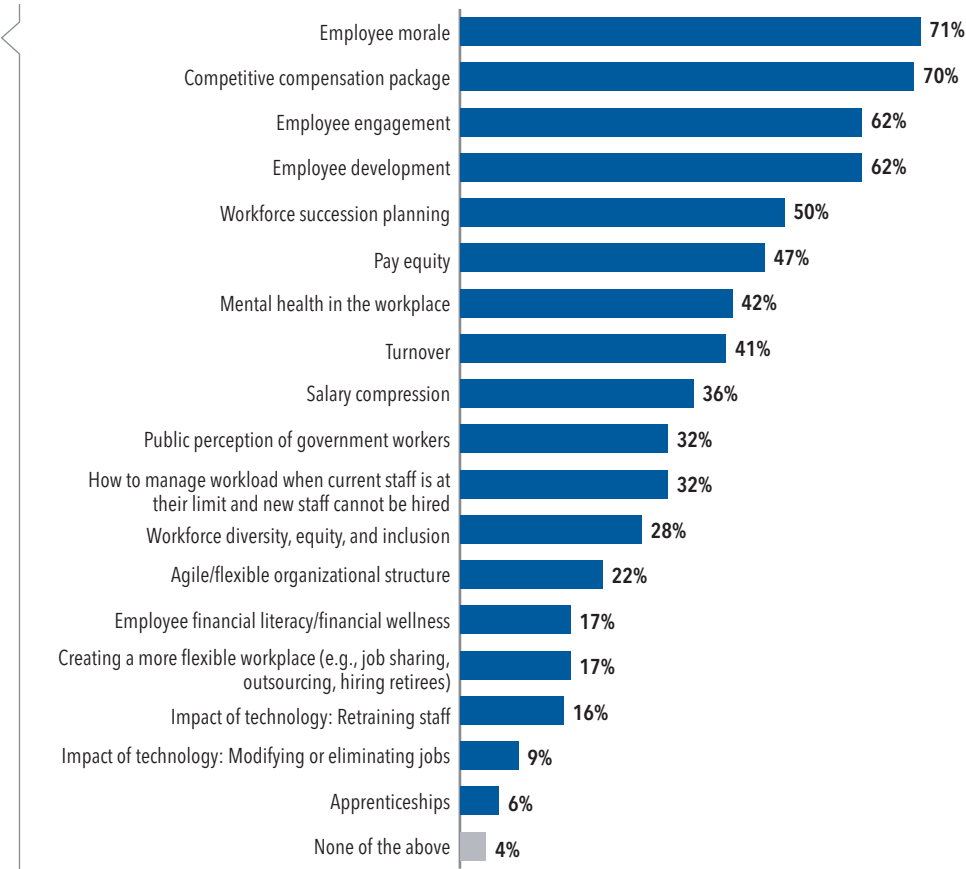
NOTE: Due to rounding, totals may not sum to 100%, and subtotals cited in the text may vary.



Organizational Priorities

Respondents were asked to identify whether items in a list of common HR issues qualified as “very important” to their organization (see Figure 35).

Figure 35: **Which of the following workforce issues are very important to your organization?** (select all that apply; n = 341)



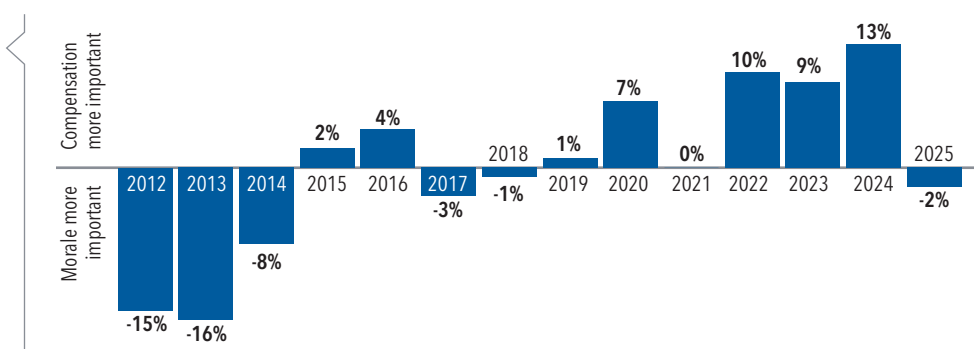
Morale and Competitive Compensation

As in past years, morale and competitive compensation were among the top ranked items.

Compared to 2024, those identifying morale as very important increased by 6 percentage points (from 65% in 2024), while those identifying a competitive compensation package as very important decreased by 9 percentage points (from 79% in 2024).

Over the longer term, compensation was ranked lower than morale during the post-recession years, (2012-2014; see Figure 35A). With the pandemic and inflation, compensation ranked higher than morale – up until 2025.¹⁶

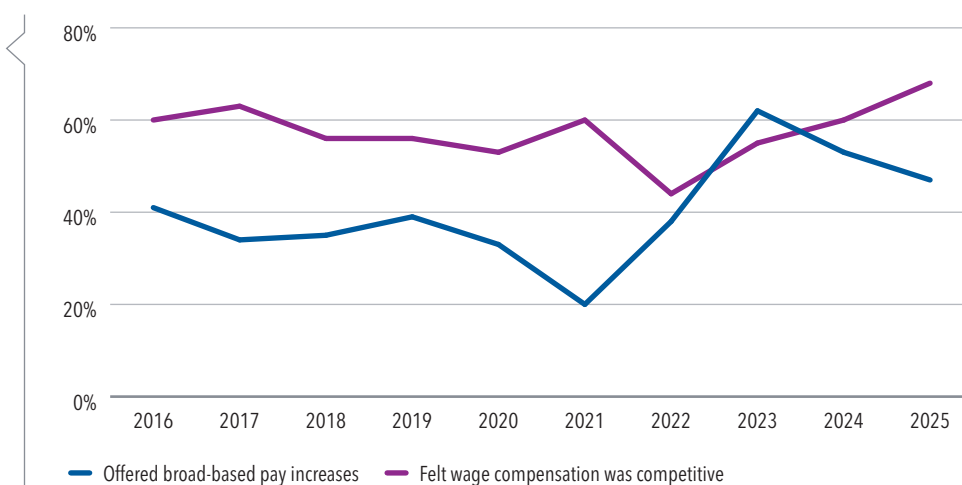
Figure 35A: **Difference in Importance between Morale and Competitive Compensation (2012-2025)**



The recent higher ratings of competitive compensation correspond to both a period of post-COVID inflation and to more than half of jurisdictions offering broad-based pay increases in both 2023 and 2024. That morale is ranked higher this year and broad-based pay increases are less common (down slightly to 47% of respondents) may be an indication that some of the pent-up demand for pay increases has been addressed. That can also be seen in the size of broad-based pay increases (see discussion accompanying Figure 6) and in comparing the organizations offering pay increases and the perceptions that compensation was competitive (see Figure 36).

Other priorities that saw decreases in 2025 were workforce DEI (down from 41% in 2024 to 28%; see further discussion following Figure 23) and creating a more flexible workplace (down from 27% to 17%).

Figure 36: **Percentages offering broad-based pay increases and perceiving their wage compensation to be competitive (2016-2025)**

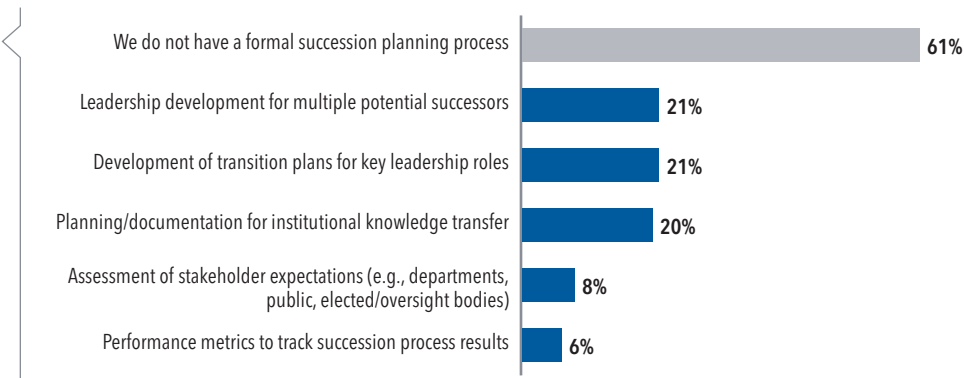


Succession Planning

Succession planning was identified as very important by 50% of respondents, and 39% said they are engaged in it in at least some form (see Figure 37). This is a considerable increase from the 12% saying that a process was in place in 2024 – likely because this year’s question was accompanied by a list of potential components from which they could choose.

However, while a higher percentage with plans in place is a positive, that still leaves 61% without a succession planning process. And of those, 42% had been among the respondents indicating that the largest anticipated number of potential retirements will take place over the next few years. This effectively means that they know a problem is on the horizon and they are not yet prepared to address it.

Figure 37: **Which of the following components are part of your succession planning?** (select all that apply; n = 323)



Other Priorities

Other issues viewed as very important include employee development and engagement (62% each), and pay equity and salary compression (47% and 36%). In many ways, these priorities interrelate, as changes to the overall compensation structure can lead to inequities in pay, such as between various levels on a career ladder. Opportunities for training and development can help employees both to progress up that ladder and to feel more engaged with the organization.

An agile or flexible organizational culture was listed as very important by 22% of respondents.

With the growth of artificial intelligence, there was a slight increase in the share focused on the impacts of technology (see Table 7).

Table 7: **Percentages rating the impact of technology as a very important issue, as it relates to...**

	2024	2025
Retraining staff	14%	16%
Modifying or eliminating jobs	7%	9%

For a further discussion on how artificial intelligence is impacting employees, see [Artificial Intelligence in the Workforce: A Survey of State and Local Government Employees](#).

Among other priorities not surveyed this year was quiet quitting (or reduced productivity among existing staff). In 2024, addressing this was reported as a very important priority among 12% of respondents. As with various other questions, this will be revisited in future years.

Most Successful Initiatives

Finally, respondents were asked an open-ended question about their most successful workforce initiatives and what they had achieved as a result. **Responses included:**

- Salary increases
- Social media and video campaigns
- Bonuses or pay differentials (e.g., hiring, referral, longevity)
- Lateral transfer adjustments to starting salary or benefits
- Pipeline programs to hire interns, apprentices, cadets, or others into full-time positions
- Flexible work arrangements
- Paying for training, licensing, or academy programs
- Applicant tracking systems

Combined approaches were also common:

- "Several different types of hiring bonuses, from veterans, relocation, lateral transfers, and employee referral bonus."
- "Engaging with social media. Posts about our participation in the 30x30 program increased the number of female officer applicants we had significantly."¹⁷
- "Diversification of recruitment methods"

As demonstrated by the wide array of responses in Figure 8, a frequent approach to recruiting remains casting as wide a net as possible.

Conclusion

Recruitment is less challenging, but for many, the largest wave of retirements is still ahead.

As in 2024, there have been both positive movement on recruitment challenges and opportunities for further action that have not yet been widely taken.

- The list of occupations identified as hard-to-fill is considerably smaller than it was in 2022.
- Most employers are having success reaching out to new generations of potential workers (60%), while 18% are offering internships or apprenticeships to help get them onboard.
- Recruiting efforts that are still only being pursued on a limited basis include outreach to K-12 schools (4%) and campaigns built around an appeal to public service (10%), even though service, personal satisfaction, and meaningful work are key motivators for choosing the public sector.
- DEI and flexible workplace policies have seen changes over the past year, but they remain priorities for some and at least a part of the overall mix of efforts to recruit and retain employees.
- The share of respondents saying that the largest wave of anticipated retirements has already taken place is just 21%. More than twice that number (46%) anticipate the largest wave of retirements is still ahead.
- Succession planning is taking place, at least in some form, among 39% of respondents. For those that are not yet engaged in it, the large scale of pending retirements could create issues in maintaining institutional memory and smooth transitions to the next generation of organizational leaders.

Resources

[Collected Student Debt Research](#), MissionSquare Research Institute, 2024-2025.

[Infographic: Public Sector Employees' Financial and Retirement Security](#), MissionSquare Research Institute, 2024.

[35 and Under in the Public Sector: Why Younger Workers Enter and Why They Stay \(or Don't\)](#), MissionSquare Research Institute, 2023.

[35 and Under in the Public Sector: Comparisons by Age](#), MissionSquare Research Institute, 2024.

[Benefits of State and Local Government Employees](#), MissionSquare Research Institute, 2022.

[National Association of State Personnel Executives](#)

[Public Sector HR Association](#)

Positive results are being achieved, whether through changing standards around how job qualifications are defined, wider recruitment campaigns, or creative benefits offerings. Key to all those outcomes is collecting the data that can demonstrate how effective those programs truly are.

In addition, as highlighted throughout, there are a range of strategies being employed sparingly, or by some governments but not by others, including reaching out to former federal workers, partnering with colleges, appealing to public service motivation, or setting up mentoring programs. To the extent that such initiatives are practical in a particular location, they may form a roadmap to enhancing recruitment and retention efforts.

Endnotes

[State and Local Government Workforce Survey Report, 2024](#), MissionSquare Research Institute July 2024.

1. See [Balancing Objectives in Public Employee Post-Retirement Employment](#), MissionSquare Research Institute and National Association of State Retirement Administrators, 2018.
2. For more on government hiring of justice-impacted individuals, see Local Government 2030's report on [Promised Pathways](#).
3. See [35 and Under in the Public Sector: Why Younger Workers Enter and Why They Stay \(or Don't\)](#), [Student Debt Impacts on Public and Private Sector Employees](#) and [New Career Entrants in Public Service: Lessons for Employers from Fellowship Applicants](#), MissionSquare Research Institute, 2023 and 2024.
4. See [New Mexico to fired federal workers: Join us](#), Source New Mexico, February 24, 2025; [Local hiring initiative for impacted federal workers has received over 800 applications](#), Hawai'i Public Radio, March 4, 2025; [Local Governments Are Helping Laid-Off Federal Workers Find Jobs](#), Governing, March 3, 2025; and [Ready to Serve: What's Next for 6,000+ Federal Workers](#), CivicMatch, April 2025.
5. [Cuts to federal health agency raise concerns about state and local impacts](#), Route Fifty, April 1, 2025.
6. For more information on apprenticeships, see also the Volcker Alliance's [Gov-Ramps Aggregator](#), the California Institute for Local Government's [Registered Apprenticeship toolkit](#), and the District of Columbia's [HBCU Public Service Program](#).
7. While such detail was not collected as part of this survey, among the jurisdictions that have implemented a 32-36-hour workweek are New Hanover Township, Pennsylvania; San Juan County, Washington; and the police department in Golden, Colorado. In each case, they have assessed at least a year's worth of data with the updated schedules, using that to track impacts on recruitment, overtime, response time, and morale.

8. See [Empowering Progress: Harnessing Skills-Based Strategies to Drive Public Sector Excellence](#), National Governors Association, 2025.
9. See [35 and Under in the Public Sector: Why Younger Workers Enter and Why They Stay \(or Don't\)](#), MissionSquare Research Institute, 2023.
10. For further background and demographics by occupation, see [Diversity, Equity, and Inclusion in the Public Service Workforce](#), MissionSquare Research Institute, 2021.
11. [Fast Facts & Helpful Resources on State and Local Government Retirement Systems](#), National Association of State Retirement Administrators, 2025.
12. [Infographic: Public Sector Employees' Financial and Retirement Security](#), MissionSquare Research Institute, 2024.
13. See [Student Debt Impacts on Public and Private Sector Employees](#), MissionSquare Research Institute, 2024.
14. Among the more recent states to adopt paid parental leave is Alabama ([Alabama workers, teachers now have paid parental leave through new law](#), WBRC News, April 3, 2025). For an interactive map, see [Map of Paid Parental & Family Caregiving Leave Policies for State Employees - A Better Balance](#). This resource may not reflect all current legislative provisions or policy-level actions, and it does not relate to local governments within those states.
15. Prior to 2024, this question included response options of "important" and "somewhat important." Figure 35A only displays the higher, "important" ratings. What is notable here is not the values in any given year using these different scales, but the difference each year between morale and compensation.
16. The [30x30 Initiative](#) notes that women represent less than 14% of sworn officers and 20% of recruits in state and local law enforcement agencies, and that where women are a part of police organizations, it results in improved outcome data. This voluntary, multi-agency program encourages increased outreach, while maintaining job-appropriate hiring standards.

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 nonprofit industry and the education sector. MissionSquare Research Institute brings leaders together with respected researchers. For more information and to access research and publications, visit research.missionsq.org and follow on [LinkedIn](#).

