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Artificial Intelligence in the Workforce:

A Survey of State and Local Employees

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Acknowledgments

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Executive Summary

Assessments of the impact of artificial intelligence on state and local government tend to focus on use cases and the predicted or actual results in terms of efficiency, effectiveness, or customer service.

In this report, MissionSquare Research Institute instead focuses on the public sector employees – how they are using AI, what services they provide, and what concerns they have about how their roles may change or even be eliminated.

This study was conducted with the assistance of Morning Consult, which surveyed 2,000 state and local government employees between January 3 and 6, 2025. The interviews were conducted online and the data were weighted to population targets[1] based on gender, race, education, age, census region, local or state employment, and occupation

The final data were weighted by gender, race, and industry to reflect the distribution as found in the U.S. Census Bureau's Current Population Survey and the U.S. Census of Governments. Sample quotas were also utilized during fielding to ensure an appropriate distribution of respondents by race and industry.

Key Findings

46% of respondents say they are **currently using AI tools** in their work (Figure 6), but only 17% use them on a daily basis (Figure 7).

48% report that their department has reached an **advanced or moderate** level of AI implementation (Figure 4).

More than half report **improved work quality and productivity**, while more than 60% report the community being satisfied with how those AI tools have impacted them (Figures 11-13).

42% feel they are more **knowledgeable** about their workplace use of AI than their co-workers are, although only 28% report having received training from their employer (Figures 17 and 15).

More than half express minimal concern about significant **retraining** needs or the potential for AI to **replace their job function**, but 20% are very or extremely concerned (Figures 22 and 23).

Sample Demographics

Gender

Male	39%
Female	61%

Age

18-34	27%
35-44	24%
45-64	42%
65+	7%

Race/Ethnicity

White	77%
Black or African American	14%
Hispanic*	13%
Asian American or Pacific Islander	5%
Native American	2%
Other	2%

*Total exceeds 100%, as Hispanic respondents may be of any race

Marital Status

Married	55%
Single, never married	25%
Divorced	8%
Living with a partner	7%
Widowed	3%
Separated	1%

Household Income

Under $20,000	7%
$20,000-$34,999	8%
$35,000-$49,999	10%
$50,000-$74,999	19%
$75,000-$99,999	21%
$100,000-$149,999	15%
$150,000-$199,999	9%
$200,000-$249,999	6%
$250,000 or more	5%

Geography

Urban	40%
Suburban	38%
Rural	23%

Household description

White collar	64%
Blue collar	36%

Government type

State government	43%
Local government	57%

Field of work

K-12 education	42%
Education other than K-12	10%
Public Safety	8%
Finance	7%
Management/Administration	6%
Information technology	4%
Health care: Nursing	4%
Health care: Other	4%
Engineering	2%
Law	2%
Libraries	1%
Planning	1%
Other	9%

Education

High school (incomplete)	1%
High school diploma or equivalent	17%
Technical or vocational school	3%
Some college, no degree	11%
Associate's or two-year degree	9%
Four-year college degree	29%
Graduate or professional school, no degree	6%
Graduate or professional degree	25%

Discussion

This study is intended to look not at the technology so much as the employee experience and the significance of those employee impacts to state and local government employers.

Technology applications have impacts beyond their mechanical utility or electronic results. In the workforce, these are often intended either to increase efficiency, productivity, record keeping, accountability, or even to enable the data analysis that will guide further process improvement. However, all of those changes also impact the employees who work with that technology. At a minimum, that may require user training and the restructuring of workflows and communications. When technology changes the very nature of the work, organizations also may need to review their job descriptions, education and experience requirements, ergonomic standards, and even the number and types of budgeted positions.

The workforce impacts of computing, the internet, smart devices, and the internet of things have now been joined by those relating to artificial intelligence. While adaptation will continue as it always has, this study is intended to look not at the technology so much as the employee experience and the significance of those employee impacts to state and local government employers.

What Is Artificial Intelligence?

Artificial intelligence, or AI, takes many forms, and in many ways, it is not new. What is new is how it has burst onto the consumer scene in the past two years and how technological advancements are driving new use cases.

Early models of AI were little more than decision trees made to appear to be reasoning. A rudimentary one might mimic a human playing tic-tac-toe, while a more advanced one could ask a few key questions and offer basic medical or psychiatric advice (e.g., ELIZA, developed in the 1960s). Later milestones included Deep Blue and Watson, competing with humans in chess and *Jeopardy!*, communicating in natural language, and being applied to scientific and medical challenges.

Today, AI most commonly takes the form of **generative AI** tools (such as ChatGPT), which draw upon vast public or proprietary databases to find information that matches a desired query or even write a document in a particular style, **predictive AI**, which can assist in everything from managing complex systems and interpreting medical scans to spotting crime trends, and **agentic AI**, which can assume a more automated role in decision-making or customer service. And where those tools are applied back to the AI system itself, they can learn from each new prompt and even write the code that will drive their own further development.

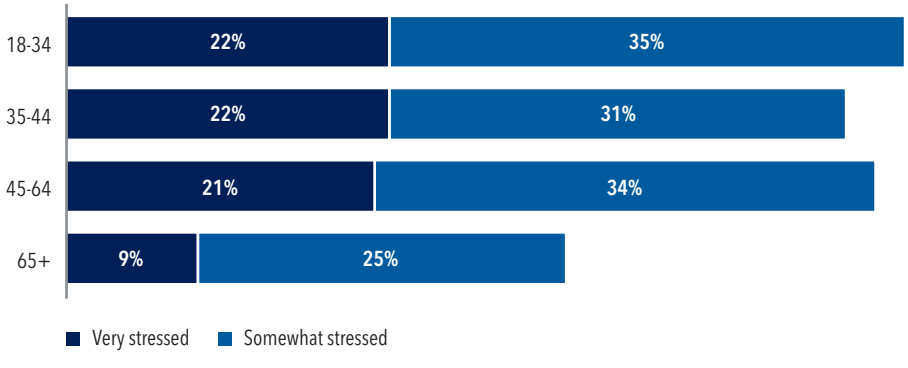
Within state and local government, AI is already being used in a wide variety of ways, primarily to improve efficiency. But despite the great promise of the technology, several issues merit careful consideration, including the potential for incorrect or biased results; the need to protect the security of sensitive data; and the impacts on employee training needs, morale, and stress.

Overall Employee Stress

Before looking more directly at the topic of artificial intelligence, this survey considers overall stress levels among state and local government employees. Over the past six months, 21% indicated that they felt very stressed (see Figure 1).

Figure 1: **How would you describe your level of overall stress over the last six months?**

Figure 2: **How would you describe your level of overall stress over the last six months (by age)?**

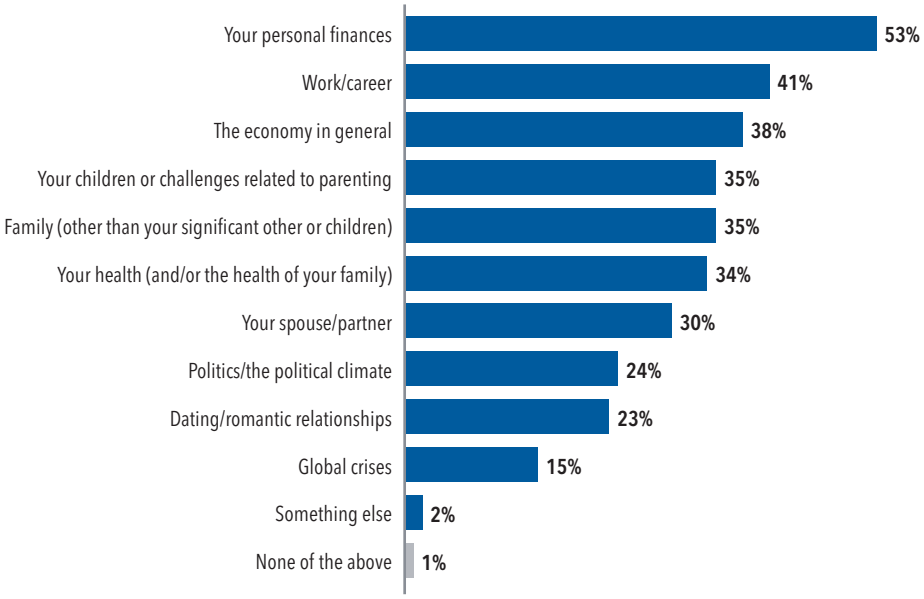


In 2023 and 2024 Research Institute surveys that focused on younger staff, stress levels were higher: 36% reported feeling very stressed in both 2023 (among employees 35 and younger) and 2024 (among state and local employees 39 and younger).[2] The decline seen in January 2025 data may be related to the time between the surveys, concurrent trends in inflation and broad-based public sector pay increases, or other factors.[3]

The total who expressed feeling either very or somewhat stressed is also lower: 54% in this survey compared to 76% in each of the previous two. Since this 2025 survey did not have an age cap, it is possible to see that stress levels are similar among those 18-64, but much lower among those 65 or older (see Figure 2).

As to the sources of stress, personal finances were the most significant concern, followed by work/career and the economy in general (see Figure 3). This is the same order cited in the 2023 and 2024 surveys.

Figure 3: **What are your most significant sources of stress right now? Please select all that apply.**



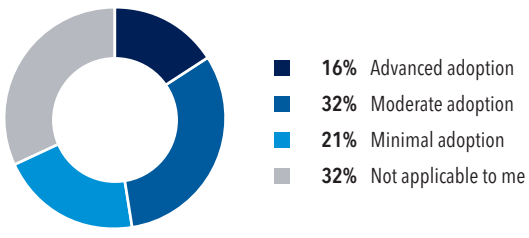
Scope of AI Implementation

To the extent that work/career issues are a concern, artificial intelligence may or may not contribute to that, or it may contribute more as a prospective issue rather than a current issue. This may be a matter of the level of current AI adoption as well as a matter of perceived risks to the employees' job security. The job security issue is discussed further under "Concerns" below, with the scope of implementation explored here.

For 16% of respondents, their department's level of AI adoption was rated as "advanced," while another 32% rated that adoption as "moderate" (see Figure 4).

Figure 4: **How would you rate your department's AI adoption?**

NOTE: Total exceeds 100% due to rounding.



How each person rates their department's actions may vary, but it may be safe to assume that search and writing assistance functions are likely to fall in the "minimal" category. These would include many items commercially available online, as shown in Figure 5. Beyond those more generic applications, 35% report that their employer has directly developed or customized the applications they are using, while 20% are using applications developed by another government or association.

On a personal level, 46% of respondents say they use AI tools in their work, with about an equal share saying they are using those tools on a daily or weekly basis (see Figures 6 and 7).

Figure 5: **Does the AI used at your employer include components that are...**

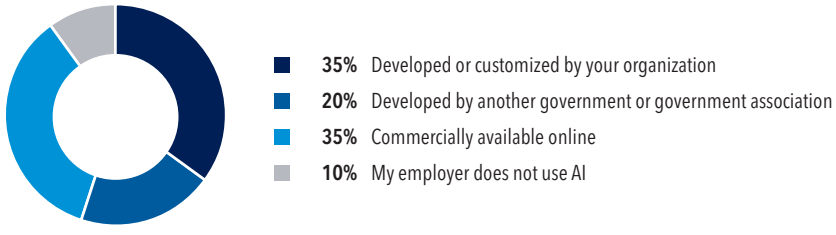


Figure 6: **Do you use artificial intelligence tools in your work?**

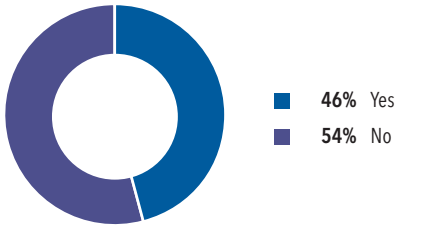


Figure 7: **How frequently do you interact with AI tools in your work?**

NOTE: Total exceeds 100% due to rounding.

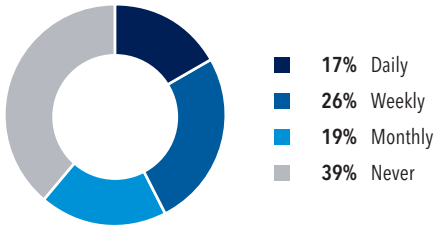
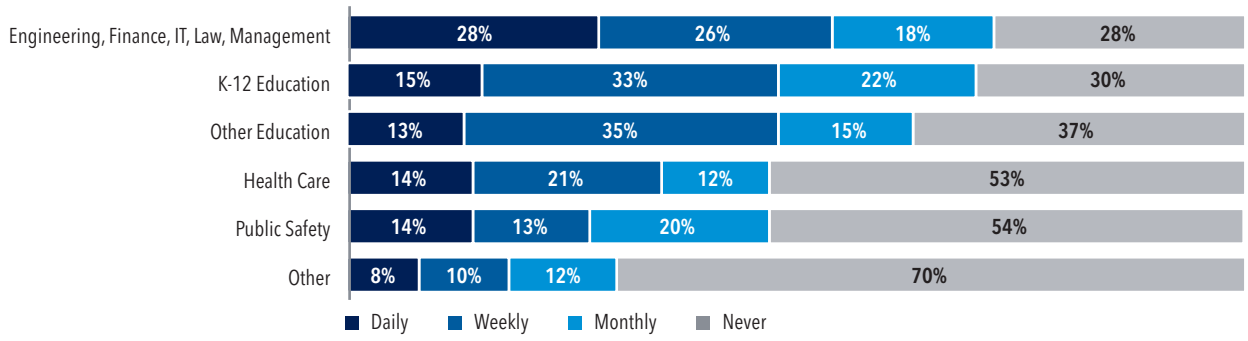


Figure 7A: **Who uses AI most frequently?**

Those working in engineering, finance, IT, law, and management use AI most frequently, with 54% saying they use it on a daily or weekly basis. Among public safety staff, 54% indicate that they never use it.



For 34% of respondents, the use of AI tools is mandated by their employer (see Figure 8).

Figure 9 shows that 31% of employees say that AI tools have not been implemented in their work. Where such tools are in use, they most commonly assist with writing, document processing, meeting scheduling, or language translation. Other use cases include data analysis, predictive modeling, and customer service engagement (e.g., interactive voice response, chatbots, and translation services).

Figure 8: **Is your use of AI tools...**

NOTE: Total exceeds 100% due to rounding.

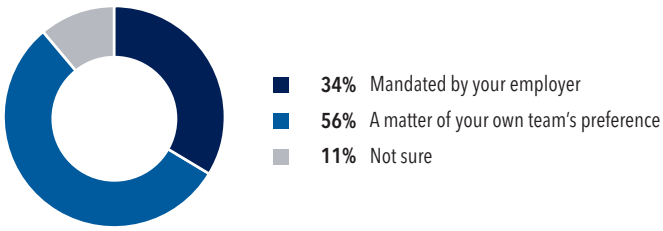
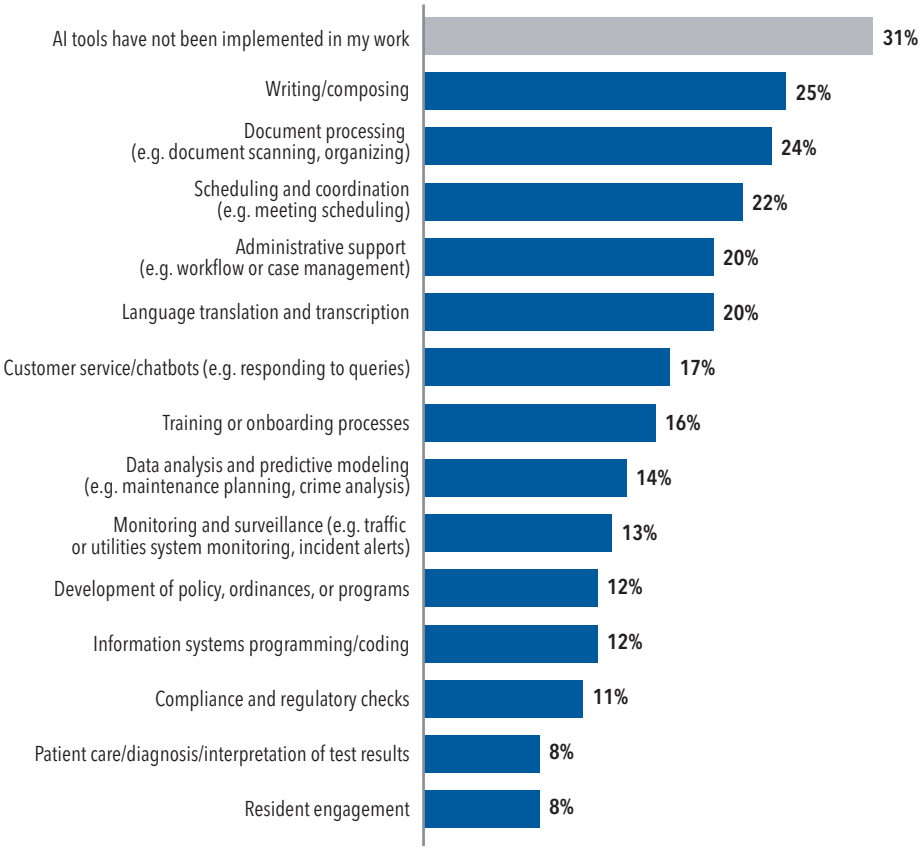


Figure 9: **In which areas of your work have AI tools been implemented? Please select all that apply.**



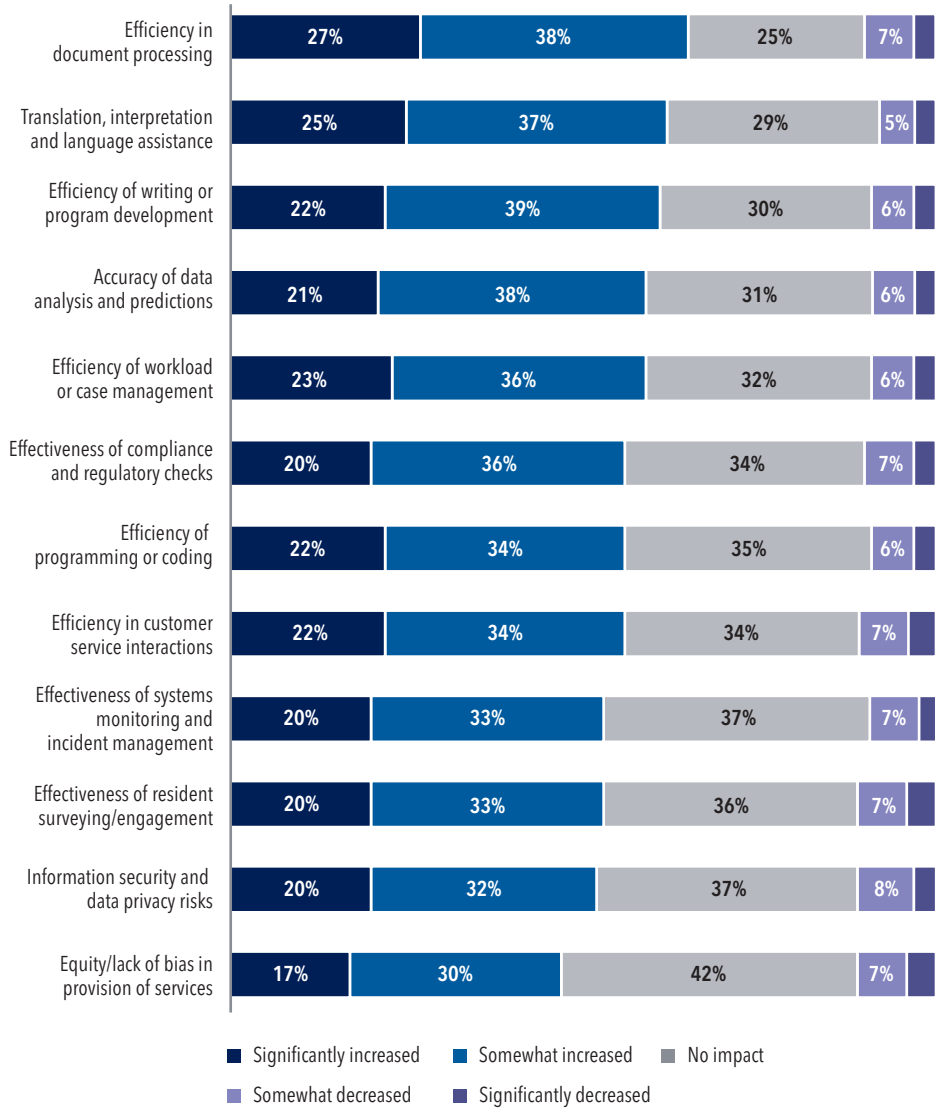
AI technology can also **assist in screening job applicants**. However, as of March/April 2024, with the number of applicants for many key positions still low compared to pre-pandemic totals, only 2% of state and local government HR departments reported using AI.[4]

Workplace, Personal, and Community Impacts

In Figure 10, respondents shared the results they have seen from specific AI applications. This visualization omits the percentages that indicated that such activity was not applicable (which totaled 27-36% of each question). The most common result was an increase in document processing efficiency, with positive results (65%) far outweighing negative results (10%). Across each of the outcomes surveyed, large percentages (25-42%) indicated that the use of AI had no impact. As state and local government AI applications are fairly new, the responses of "not applicable" and "no impact" would be expected to decrease in the future.

Figure 10: **For each of the following, please indicate the impact of AI implementation in your workplace.**

NOTE: Totals do not sum to 100% due to rounding. In most cases, an increase in these metrics is a positive. Regarding information security and data privacy risks, an increase would be a negative outcome.



More broadly, 13% view the quality of their team's services as having increased significantly, while 17% also view their own daily productivity to have experienced a very positive impact (see Figures 11 and 12).

Figure 11: **How has AI impacted, if at all, the quality of the services your team provides?**

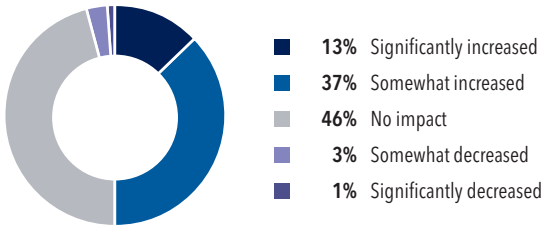
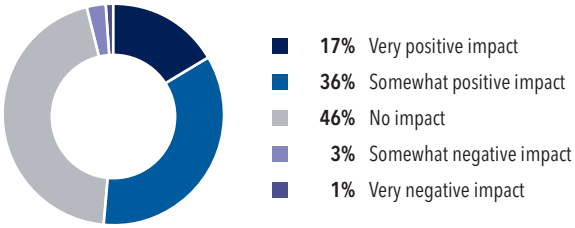
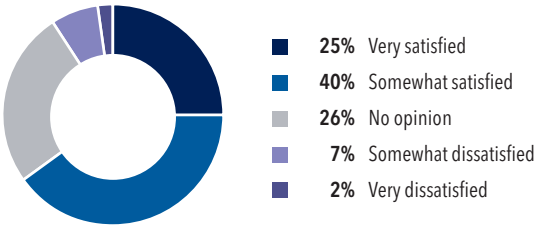


Figure 12: **How has AI impacted, if at all, your daily work productivity?**



Since many AI applications have an outward-facing component, such as chatbots or other customer service software, the survey also asked about how those services have been received. Again, a large percentage said this was not applicable or had not been assessed (19% of total respondents). Still, excluding those responses, 25% said the community was very satisfied, with 40% saying it was somewhat satisfied (see Figure 13). Only 9% gave a negative assessment.

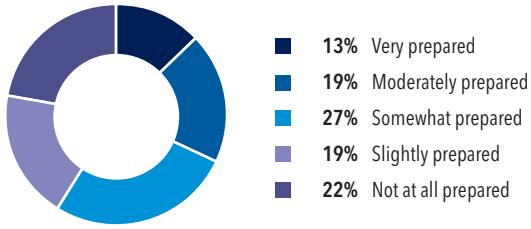
Figure 13: **Thinking about your community, how have residents and businesses (people or entities you serve) responded to the AI-enabled services that have been used?**



Preparation, Training, and Confidence

On whether their employers are prepared to implement AI in the workplace, 13% consider their employer very prepared, with 19% indicating they are moderately prepared (see Figure 14).

Figure 14: **How prepared is your employer to implement AI into the workplace?**



As to how that translates into preparing staff, 38% indicated they have received AI-related training from their employers, with key topics covered, including security, policy guidelines, and how-to/use cases (see Figures 15 and 16).

Compared to their co-workers, 42% of respondents feel more knowledgeable about AI use, while 20% feel less knowledgeable (see Figure 17).

Figure 15: **Has your employer provided you with training on the use of AI in your work?**

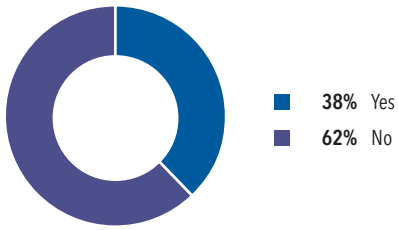


Figure 16: **Which of the following AI-related topics has your employer discussed with you? Please select all that apply.**

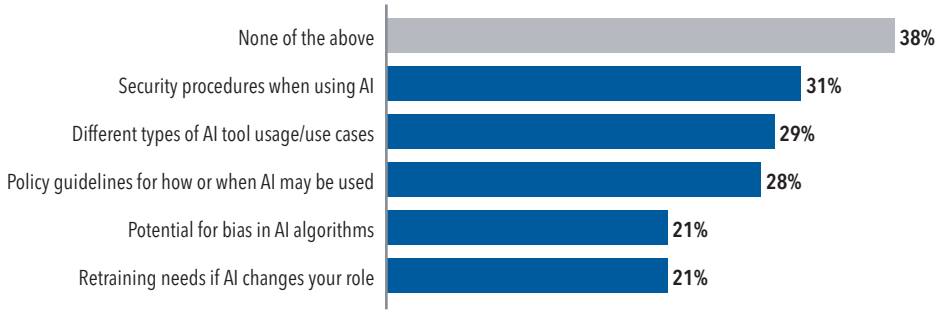
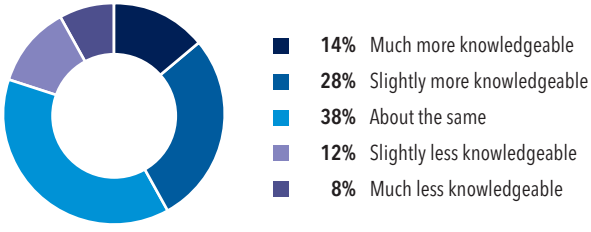


Figure 17: **How knowledgeable are you about using AI compared to your co-workers?**

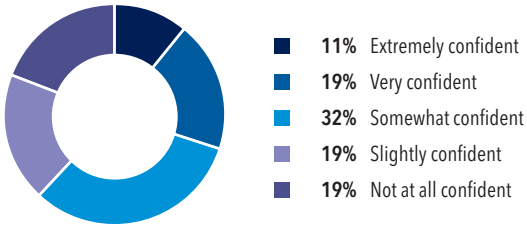


This feeling of being more knowledgeable may relate to the fact that AI technologies are not limited to a workplace setting and are readily available for people to interact with on computers, on smartphones, or in seeking customer service from private companies.

One area where knowledge and comfort in using AI has its limits is in the confidence to use AI to make decisions. For example, AI "hallucinations" can potentially return inaccurate results, even complete with footnotes to nonexistent source documents. A reliance on a database that is too narrow to train the AI tools might lead to bias in future results, such as assuming that the best job candidates will have precisely the education and experience of all previous employees. To protect against such risk, employers need to exercise caution and regularly verify results.

Figure 18 shows that 30% of employees are extremely or very confident in using AI to make decisions, while 38% are slightly or not at all confident in doing so.

Figure 18: **How confident are you, if at all, in making decisions based on AI-generated output?**

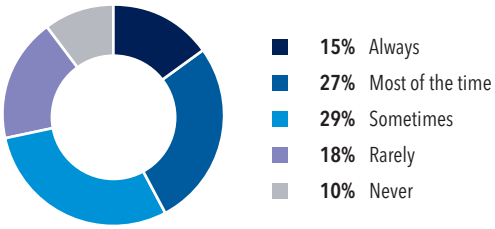


Where there is a process to review the AI results, the individual employees are in some cases responsible for it. Alternatively, that may be a task overseen by departmental leadership or by information technology specialists who are coding the tools or assessing and fine-tuning the algorithms.

Regardless of who is responsible, 42% say AI-generated content is reviewed all or most of the time, while 28% say it is rarely or never reviewed (see Figure 19).

Figure 19: **To what extent is AI-generated content overseen or reviewed by staff?**

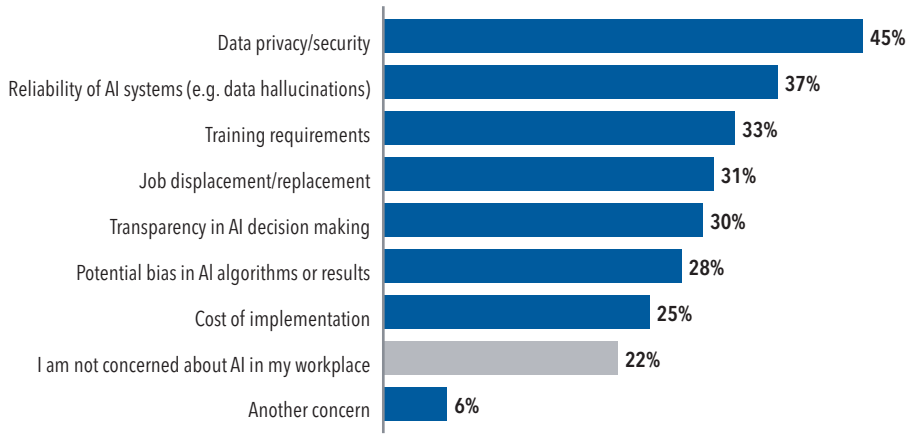
NOTE: Total does not sum to 100% due to rounding.



Concerns

The issue of the reliability of results figures prominently among employee concerns, just after concern for data privacy and security (see Figure 20). Both of these reflect less focus on the personal or job impacts for the individual employee and more on the quality of the work being done and the imperative to safeguard the Personally Identifiable Information (PII) of local residents or fellow employees.

Figure 20: **What are your primary concerns about AI use in your workplace? Please select three.**



This focus on data security also appears to be reflected in organizational policy, with 35% indicating that their department prohibits or places limits on the use of some AI tools (see Figure 21).

Training is the third most common concern voiced by employees. And yet, as detailed further in Figure 22, 58% are either only slightly or not at all concerned that they will be required to undertake significant retraining due to AI's impact on their job function. At the other end of the spectrum, 20% are very or extremely concerned about this.

Figure 21: **Are there policies that prohibit or limit the use of AI tools within your department?**

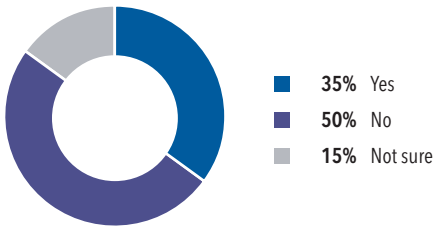
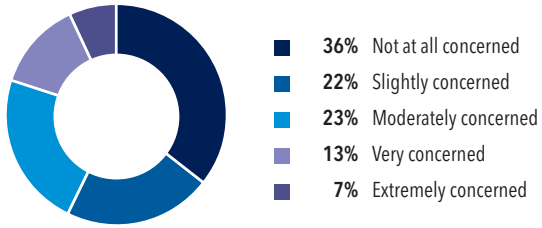


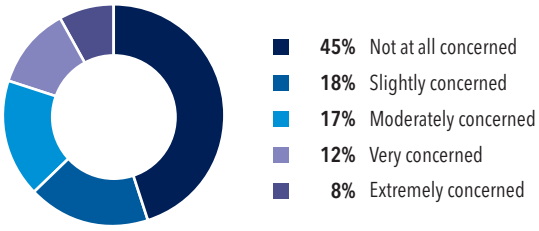
Figure 22: **How concerned are you with the following? - AI will require me to undertake significant retraining for my job function.**

NOTE: Total does not sum to 100% due to rounding.



Relatedly, most employees are only slightly or not at all concerned about AI replacing their job function (63%; see Figure 23). Again, 20% are very or extremely concerned.

Figure 23: **How concerned are you with the following? - AI will replace my job function**



The Future

Perhaps one reason there is not more concern about the potential for AI to replace existing job functions is that only 6% see their department's staffing decreasing over the next three years, while 52% project that it will increase (see Figure 24).

This optimism may stem from the rebuilding that has been taking place since the pandemic, with many hard-to-fill positions being easier to recruit for in 2024 than they were in 2022.[5] Or it may be based on the fact that new technologies often bring with them different demands on staff, but not necessarily fewer demands. Either way, as AI becomes a more ingrained part of departmental operations, such perceptions may continue to evolve.

Staffing aside, employees also offered their predictions on when AI tools might be incorporated into their work. A total of 42% indicated they are currently using AI tools or expect to within a year (see Figure 25).[6]

Another 21% do not think that AI will ever be part of their work. Considering that functions carried out by state and local staff include everything from street and vehicle maintenance to public safety, it is true that many of those job functions involve direct service to the public or physical tasks. Nevertheless, as AI enables better prediction of maintenance needs, analysis of crime trends, or mapping of fire risk, most occupations will see at least some use of AI in the near future.

Figure 24: **What impact do you anticipate AI will have on overall staffing for your department in the next 3 years?**

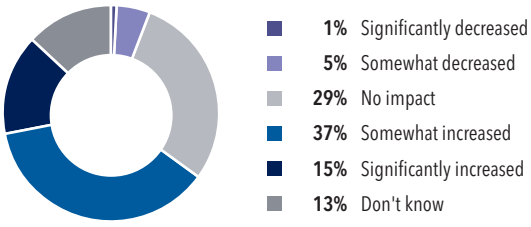
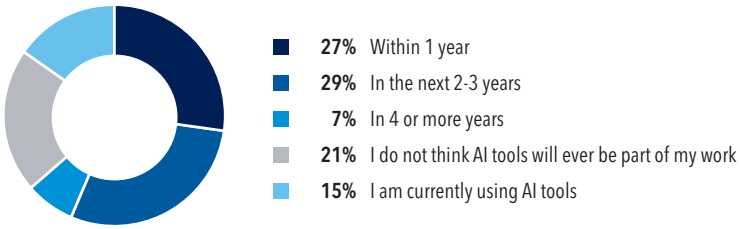


Figure 25: **Is there a timeline within which you anticipate AI tools will be a part of your work?**



For more on **predicted staffing needs** and how technology may increase or decrease demand for positions in information technology, customer service, or clerical work, see Employment Trends in State and Local Government.

Conclusion

The advent of AI in state and local government operations carries definite impacts on employees. However, at this stage, those impacts do not appear to be a cause of overwhelming concern.

- AI is already being widely used by state and local government staff, typically on a daily or weekly basis.
- The most common applications in use are for writing or document processing, with generally positive assessments of increased efficiency.
- 42% of respondents feel more knowledgeable about their workplace use of AI than their co-workers, although only 28% report having received training from their employer.
- Only 28% say AI results are reviewed for accuracy.
- Data security is the most common concern among employees, with about a third of employers prohibiting or placing limits on the use of AI.
- More than half of respondents express minimal concern about significant retraining needs or the potential for AI to replace their job function, but the fact that 20% are very or extremely concerned about these issues is a clear warning flag.

Since some occupations or departments use AI more frequently than others, sharing their positive experiences and learning from their implementation challenges may be helpful for those staff whose AI journey is still in its early stages.

As employers move beyond their preliminary use cases into more sophisticated applications, the need for training and review of the AI results will grow more acute. Likewise, the concerns that employees are already starting to voice about how their jobs might change drastically or even be eliminated will need to be addressed in an up-front manner so employers can maintain morale and ensure the training, development, and retention of existing staff.

Endnotes

1. Derived from the U.S. Census Bureau's 2023 Current Population Survey, Annual Social and Economic Supplement.

2. See 35 and Under in the Public Sector: Why Younger Workers Enter and Why They Stay (or Don't) (MissionSquare Research Institute, September 2023), with data collected from March 15 to April 17, 2023, and Student Debt Impacts on Public and Private Sector Employees (MissionSquare Research Institute, October 2024), with data collected from April 30 to May 21, 2024.

3. State and Local Government Workforce Survey Report, 2024, MissionSquare Research Institute July 2024.

4. Ibid.

5. Ibid.

6. The fact that this total differs from the 46% using AI per Figure 6 may be due to some with a not-yet-completed implementation taking advantage of the "within 1 year" option offered here.

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**.

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