Addressing challenges in state and local hiring: a skills-based approach

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### Agenda

- The case for a strategic hiring approach in state and local government 1.
- By the numbers 2.
- **Factors influencing declines in hiring** 3.
- **Solutions** 4.
- **Case study** 5.

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# The case for a strategic hiring approach and strong investments in state and local government



### Critical services for constituents State and local governments deliver or facilitate services we interact with every day.

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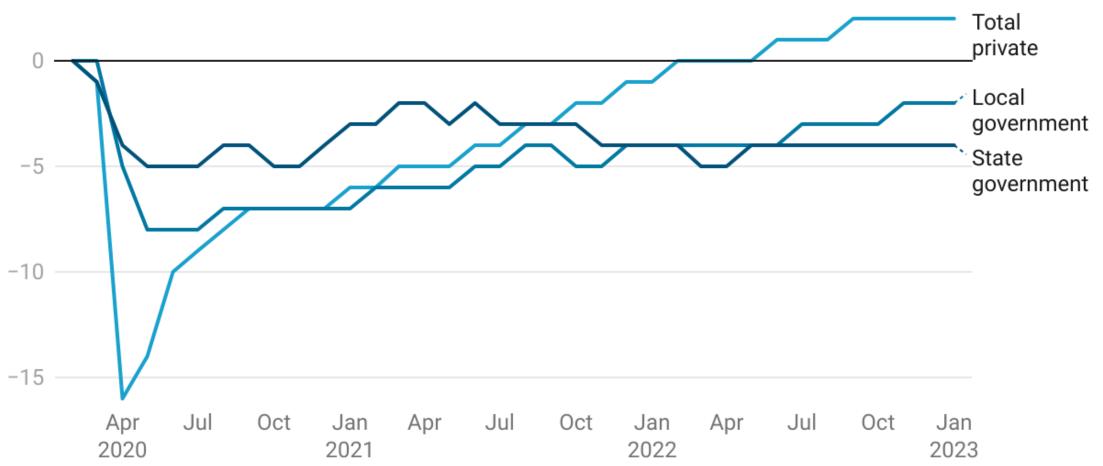
Economic security for workers State and local governments have historically provided strong employment opportunities for many workers, who are disproportionately women and workers of color



## The state and local sectors are underperforming the private sector

### State and local government employment has not recovered to pre-pandemic levels

Percentage change in employment, February 2020–January 2023



Note: The value "0" refers to the pre-pandemic baseline.

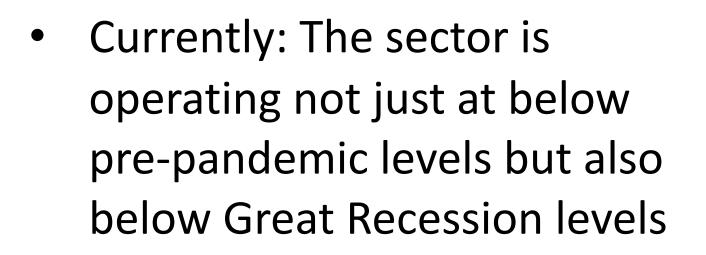
Source: calculations based on U.S. Bureau of Labor Statistics, "Current Employment Statistics - CES (National)," https://www.bls.gov/ces/ (last accessed March 2023) · Created with Datawrapper

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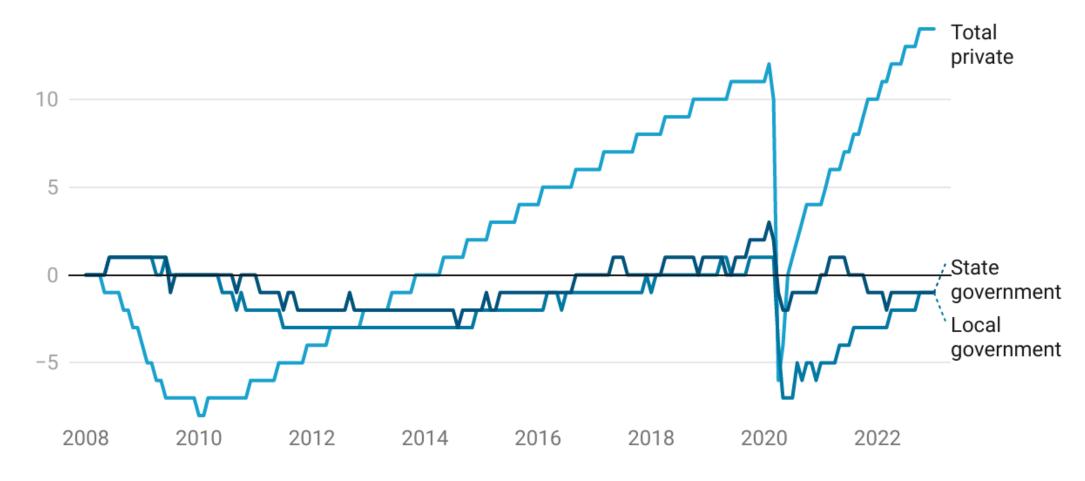
### But the sector was struggling before the pandemic

Pre-pandemic: Employment had not reached pre-2008 levels in many parts of the country.



### State and local government employment not recovered to **Great Recession levels**

Percentage change in employment, January 2008–January 2023



Note: The value "0" refers to the pre-pandemic baseline. Source: calculations based on U.S. Bureau of Labor Statistics, "Current Employment Statistics - CES (National)," available at https://www.bls.gov/ces/ (last accessed January 2023) • Created with Datawrapper



## State & local governments are struggling to hire

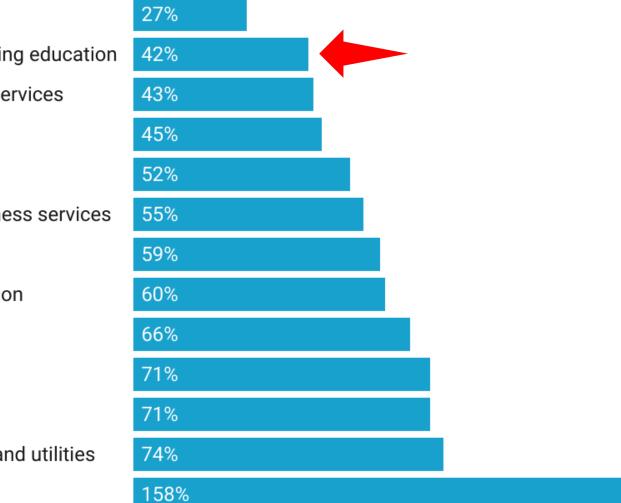
- The workforce is aging, retirements are on the rise, and interest in leaving is up (MSI)
  - 38% of surveyed respondents moved up their retirement dates
  - 52% are considering leaving their jobs
- No pipeline to replenish:
  - Between 2019-2021,  $\bullet$ applications for state & local jobs dropped by 32% (Route

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Federal State and local, excluding education Education and health services **Financial activities** Manufacturing Professional and business services Other services State and local education Mining and logging Leisure and hospitality Information Trade, transportation, and utilities Construction

BLS data for January 2023 is preliminary as of March 2023 Source: calculations based on U.S. Bureau of Labor Statistics, "Job Openings and Labor Turnover Survey – Industry," available at https://data.bls.gov/cgi-bin/dsrv?jt (last accessed January 2023). • Created with Datawrapper

#### Hires-to-openings percentage, by industry, January 2023





## Deep dive: occupations

Hardest roles to hire for, according to NACAA member responses:

- Bachelor's and above
  - Engineers
  - Environmental scientists
  - Attorneys
- Does not require a Bachelor's degree
  - Administrative staff
  - Support staff
  - Managers
  - Analysts
  - Inspectors
  - Compliance and enforcement staff

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### Hiring challenges include:

- Competing with private industry salaries
- Lack of career advancement
  - opportunities
  - Bureaucracy/long hiring or onboarding
  - process

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- Lack of diversity
- Educational requirements for support staff



## Factors influencing declines in employment



#### Wages and working conditions

- Wages, particularly for hard to fill roles, not competitive w private sector
- Preference for flexible work  $\bullet$ arrangements, i.e. remote work



#### Health & safety

- Many are front-line employees •
- At least 74% of surveyed workers said their jobs were somewhat risky for COVID exposure
- Significant increase in risks of violence and threats
- Working at reduced capacity leads to  $\bullet$ larger workloads and burnout



#### **Barriers to entry**

- Applications are down
  - Little active recruitment (v. passive posting on websites)
- Hiring processes slow to change
- Specialized roles are difficult to fill
- **High barriers to entry including** credential requirements – posted or in practice



## State & local employees hold BAs at higher rates than other sectors

### *Hiring in state & local government reveals* a preference towards BAs

Percentage of government workers with a bachelor's degree, by government level

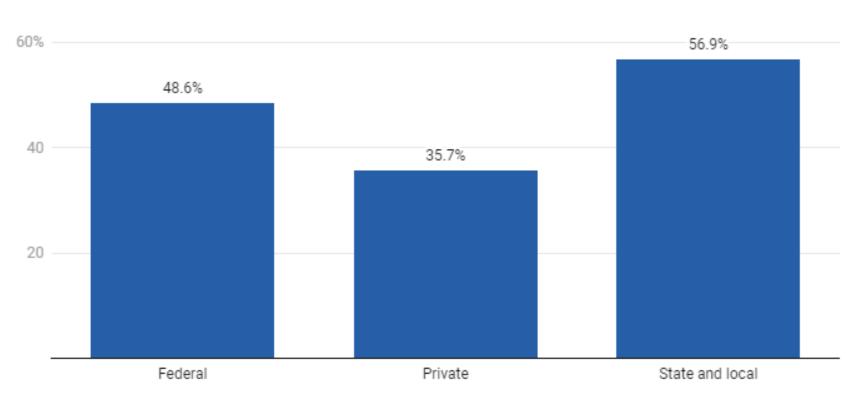


Chart: Center for American Progress • Source: Opportunity@Work calculations based on U.S. Census Bureau, "ACS 1-Year Estimates Public Use Microdata Sample: YEAR 2019 ANALYZED," available at https://data.census.gov/mdat/#/ (last accessed October 2022)

### Older workers in these jobs are less likely to have a BA than younger workers, suggesting that the credential barrier to entry has increased over time

Occupations by percentage of workers who hold bachelor's degrees and age group

Appraisers and Procurement cl Computer prog Secretaries an Information an Purchasing ma Medical record technicians Data entry key Administrative All state and lo

\*"All occupations" is the total of all occupations, not the sum of the occupations in the table.

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		(	Older than 5	5 Younge	r than 55	
nd assessors of real estate			44.1%	50%		
clerks			38.4%	46%		
grammers					69.2%	82.5%
nd administrative assistants	17.7%		33.3%			
nd record clerks		23.9%	36.1	%		
anagers			48	8.7%	72%	
rds and health information	8.9%	24	.6%			
yers	11%		30.1%			
e services managers local government occupations*			41.2%	49.7%		
-	0%	20%	40%	6	0% 8	0%

Note: Only postings with minimum education levels are included in this analysis.

Chart: Center for American Progress • Source: Opportunity@Work calculations based on U.S. Census Bureau, "ACS 1-Year Estimates Public Use Microdata Sample: YEAR 2019 ANALYZED," available at https://data.census.gov/mdat/#/ (last accessed October 2022).

### A skills-based strategy

### What is a skills-based strategy?

- Defines job by the skills required to perform it, with employers then considering all applicants by assessing whether their skills align with those that are needed Moves away from degrees serving as proxies for skills lacksquare
- Often includes on the job training or upskilling

### **Benefits of a skills-based approach**

- Open up jobs to a larger, more diverse pool of applicants
- Get a better fit for the job you're hiring for
- Leverage the **expertise of experienced workers** in a mentoring capacity



## Recent public sector momentum towards skills-based practices

### **Governor Cooper Issues Executive** Order to Emphasize Skills, **Experience in State Hiring**

Order Aims to Encourage More State Job Applicants, Help State **Agencies Recruit Skilled Workers** 

Governor Roy Cooper today issued Executive Order No. 278 to encourage more North Carolinians to apply for state jobs and to help state government recruit additional skilled workers.



#### **Gov. Polis Takes Innovative Action** to Attract New & Skilled Talent to **State Workforce**

THURSDAY, APRIL 14, 2022

Maryland will no longer require four-year degrees for thousands of state jobs

March 16, 2022

Governor Shapiro Signs First Executive Order, Announcing 92 Percent of Commonwealth Jobs Do Not Require a Four-Year Degree January 18, 2023

### **OPM Releases Skills-Based Hiring Guidance**

Gov. Cox launches skills-first hiring initiative for state government

SALT LAKE CITY (Dec. 13, 2022) – Utah Gov. Spencer Cox announced the state's efforts to eliminate the requirement for bachelor's degrees in its employee recruitment and emphasized similar support by local governments and the private sector.

FROM **WAMU** 88.5

### Guidance encourages federal agencies to value applicants based on what they can do — regardless of where they learned it



## Case study: MA Department of Labor Standards

ld	entify target roles: Industrial Safety & Health	• Pr
In	spector	di
•	Low levels of applicants	• "N
•	Aging workforce	is
•	Lack of diversity	ex
•	Very specialized skill set	Build
In	• Ta	
•	Bring in the union Build buy-in with existing staff	Inves • Ne
Reconsider degree requirements & build a skills- based description:		

New role: Apprentice Health & Safety Instructor

revious role required a BA; new role required a HS ploma and an interest in the field No experience? No problem. The apprenticeship designed to provide you the education and sperience you need to succeed."

### recruitment partnerships:

arget workers outside of traditional sources

### st in worker training:

ew apprentice program registered w/state pprentices engage in on the job training &

assroom instruction

ullet

Upon finishing program, graduate to fill ISH CAP role & receive commensurate wage increase

### **Outcomes: MA Department of Labor Standards**

- Significant increase in applicants: 6-10 -> 280
- **3** new apprentices with different professional backgrounds, levels of educations, reflecting the diversity of the Commonwealth
- All graduated apprentice program  $\bullet$

"

I changed my career to something I really enjoy, not knowing that I would end up there.... That's only because I was an apprentice, because I wouldn't have " had those safety qualifications they were looking for. I only got those because of the apprenticeship program ... They weren't looking for someone who had experience; they wanted to grow somebody.





## Solutions: how can you implement this at your agency?

### 1.Involve key stakeholders

 Executive level champions, unions, agency leaders, workforce development partners, & more

### **2.Identify target job roles**

- What jobs are hard to hire for and why?
- Are they standardized?
- Are they a good fit for on the job training?
- Do they need a credential?

### **3.Reconsider degree requirements to build a skillsbased job description**

• Review job description language & articulate skills needed

### 4. Build recruitment partnerships

- Proactive recruitment
- Community groups, unions, workforce development orgs, etc

### 5. Invest in worker training

 Expect to train workers, particularly for highly specialized jobs





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