



Scott McNea
Vice President
Alliant Insurance Services

**Riding the Range of Recruitment:
Tackling the Workforce Crisis in
Public Service**

Tackling the Workforce Crisis in Public Entity

Agenda:

- Overview of the Crisis
- Understanding the Crisis
- Key Challenges
- Proposed Solutions
- Call to Action for Public Entity Leaders



The Workforce Crisis

There is a growing workforce crisis that is affecting every facet of American Industry.

Affecting the Public Sector MUCH MORE than the private sector.

The United States of America employs 12 Million dedicated public employees throughout the federal, state, and local governments.



US Labor Force Participation Rate



The labor force in all industries has suffered shortages since the 2008 Recession.

COVID-19 Recession had a detrimental affect on the labor force and have not yet recovered as of August 2024.



US Job Openings vs. Unemployed Workers

We have a lot of jobs, but not enough workers.

7.7M

open jobs in the U.S.

If every unemployed worker
in the country found a job,
we would still have
thousands of job openings!

U.S. Chamber of Commerce

National job openings vs. number of unemployed workers

Source: U.S. Chamber Analysis,
Bureau of Labor Statistics Data



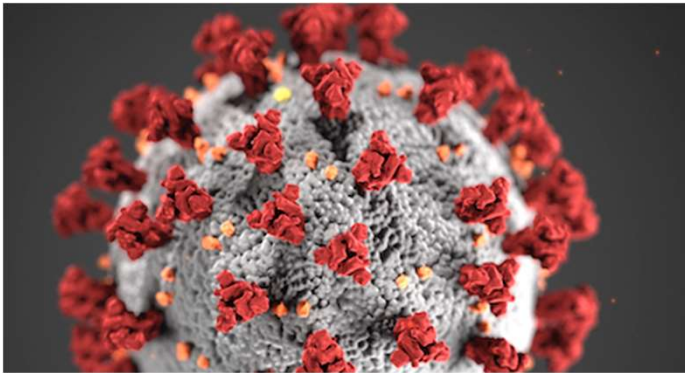
Where did all the workers go?????

Baby Boomers Retiring.

- Additionally, the older population of the U.S. is steadily increasing, and this trend is expected to continue.
 - Due to younger generations not having as many children as previous generations.
 - The United States has experienced a historic low in birth rates in 2020.



Where did all the workers go?!?!?!?



COVID-19 Pandemic Changed Everything.
Sparked the Great Resignation.

- A 2022 Survey of Unemployed Workers by the U.S. Chamber of Commerce, yielding the following:
 - 3 Million forced into early retirement.
 - 66% of those who lost their full-time jobs are somewhat actively searching for a new job.
 - 49% are not willing to take jobs that do not offer opportunities for remote work.
 - 26% say it will never again be essential to return to work.



Where did all the workers go?!?!?!?

- A 2022 Survey of Unemployed Workers by the U.S. Chamber of Commerce, yielding the following:
 - 1-in-5 have altered their livelihood:
 - 17% retired 19% have transitioned to a homemaker 14% are now working part-time.
 - 24% say that government aid packages during the pandemic incentivized them to stop looking for work.
 - Of younger workers (25-34 years old) are prioritizing personal growth over searching for a job (new skills, education, training).



Where did all the workers go?????



Per Financial Times report 2022- Average Weekly Earnings (Total pay, incl. bonus).

Competition with the private sector.

- Public employees typically earn 17.6% less in salary than similar educated private-sector employees.
- Pre-Pandemic, the pay gap was 13.9%!



Where did all the workers go?????



High Turnover Rates and Burnout

Strain on existing employees leading to burnout.

- There are less people do the same (or more) amount of work!
- Growth in Texas is unprecedented!



Understanding the Crisis – What's the Impact?

Impact on Public Services

Examples of affected services:

- Public transit.
- Utilities.
- Law Enforcement and Correctional Facilities.
- Education.
- Healthcare



Consequences: longer wait times for assistance and support, deferred maintenance, delays in emergency responses, delays in care of patients, decrease in student and school output, increased burnout, . . .

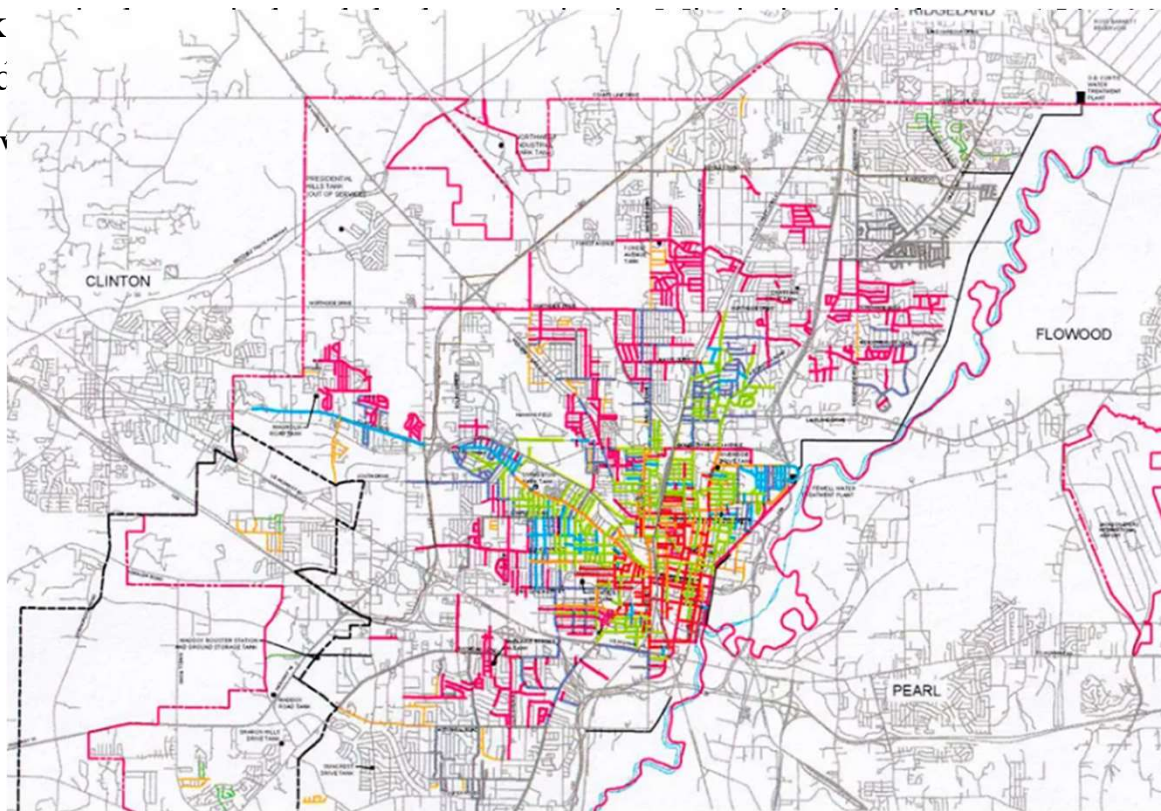
ALL OF WHICH ERRODE TRUST IN GOVERNMENT!!!!



Jackson Mississippi 2022 Water Crisis

Real-world Consequences

Jackson
residents
It's
150



CITY OF JACKSON WATER DISTRIBUTION SYSTEM MASTER PLAN

EXISTING WATER SYSTEM
YEAR OF INSTALLATION
FOR WATER MAIN

PREPARED BY:
NEEL-SCHAFFER, INC.
SOL ENGINEERING SERVICES, LLC.

AUGUST 2012



Mississippi 2022 Water Crisis



Left 150,000 residents
without clean drinking
water!



FLOOD of 2022



Jackson Mississippi 2022 Water Crisis

There were other major issues with the water infrastructure:

2010 – A winter storm caused several main breaks and a widespread outage.

2012 – Jackson failed the EPA's inspection of standards from the Safe Drinking Water Act.

2016 - A massive water leak on a broken main line was detected but no funds to correct.

2017 – 2021 = Jackson recorded an annual average of 55 breaks per 100 miles of water line! ("Safe" rating is 15)

Winter 2021 – Winter Storm damaged one of the water treatment plants, causing a water curtailment for over a month.

Summer 2021 – City and EPA agree on plan, but infrastructure continued to deteriorate, water pressure tanked, and sewage was floating in the streets.

Estimates indicated that for every gallon of water used by its residents, at least a gallon was wasted!



Jackson Mississippi 2022 Water Crisis

EPA Investigated to Determine What Happened:

They concluded that there were numerous issues that have contributed to the failing system:

Understaffing – Especially Experienced Staff & Operators

High Employee Turnover – Couldn't train people or keep trainers.

Malfunctioning Water Meters – Inability to understand the scope of the leakage.

Inability to Properly issue bills to its customers. – Lack of incoming funds and deterioration of financial stability.

Lack of Staff and No Funding → Severe Deferred Maintenance

Failed to conduct water pressure readings across the city.

Failed to regularly flush the lines.

Failed to flush hydrants and exercise valves.

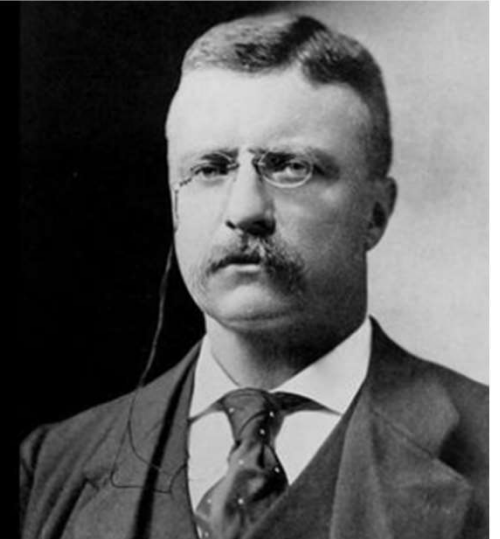
Failed to cycle water through storage tanks or maintain appropriate chlorine levels.



What can MY organization do?

- Public policy experts agree that tackling this crisis will require public entities to employ “*at least*” the following **5 Solutions**.

Complaining about a problem without proposing a solution is called whining.
- Teddy Roosevelt



Solutions to the Crisis

Solution #1:

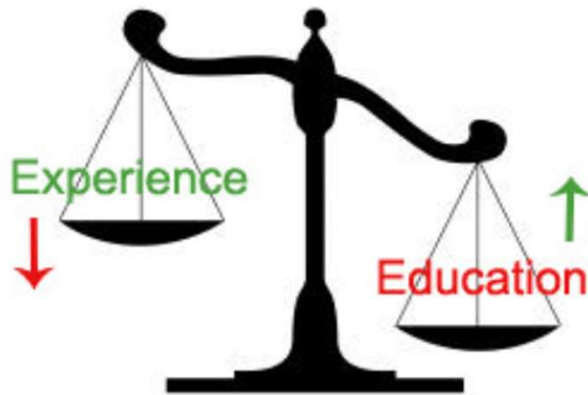
Revising Qualifications and Educational Requirements

- *Reevaluating necessary qualifications to widen the pool of potential candidates.*

Are there arbitrary minimum requirements for jobs, such as degrees or years of experience (Not those required by law)?

What really matters to *YOU* for the job?

- Can they work collaboratively?
- Can they solve problems?
- Are they Goal-oriented?
- Function as a part of a successful team?
- Can they communicate effectively?
- Can they work independently?
- Are they mature, responsible, timely, etc.?



Solutions to the Crisis

Solution #2:

Building a Better Workplace Culture through Employee Experience and Engagement

Employee Experience = How your organization shapes the way people work and live.

The world has
changed!



Solutions to the Crisis

Solution #2: Continued.

Building a Better Workplace Culture through Employee Experience and Engagement

Post-pandemic there have been changes in what's important to employees, including:

- Meaningful work.
- Competent and Responsible Management.
- Positive Workplace Environment.
- Health and Wellbeing.
- Growth Opportunity and Training.
- Trust in the Organization.



Solutions to the Crisis

Solution #3:

Engaging and Listening to Employees

- How do you give and receive feed back from your employees?
 - *(Employee Experience – hint, hint!)*
- Utilizing employee surveys for honest and constructive feedback.
- Create a process and delegate responsibility for implementing constructive changes.

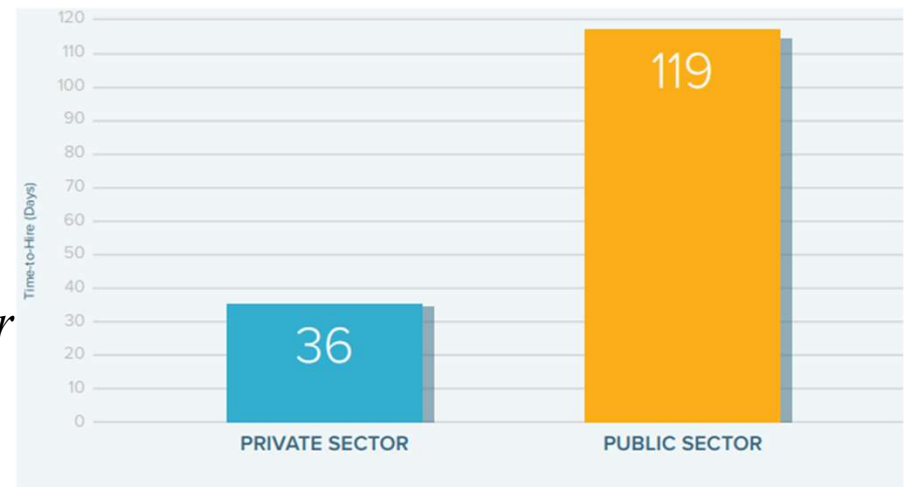


Other Key Challenges

Difficulties in Hiring

Prolonged hiring processes and stringent qualification requirements.

119 Days vs. 36 Days for Private Sector



NEOGOV – Time to Hire Report - 2020



Solutions to the Crisis

Solution #4:

Streamlining the Hiring Processes.



- Reducing time-to-hire with better tools and management systems.
 - REMEMBER: Average time to hire in the public sector: 119 Days!!
- How are you attracting new candidates?
- Utilize modern tools to help bring in top talent.
 - Social media platforms, working with colleges & universities, internships, etc.



Solutions to the Crisis

Solution #5:

Offer Competitive Salaries and Benefits

Aligning public sector pay with the private sector.

Governments should not have to compete with the service industry for talent.

Factor in the cost to obtain and train new talent.

Highlighting unique benefits of public sector employment.

- Publicize and discuss the monetary value of benefits, which are still competitive with private sector job market.
- Factor in the value of extra vacation/personal days, flexible and remote capability, and growth.

It takes **INTERNALS**

7 years

To catch up with the PAY of **OUTSIDE HIRES**.

It takes **OUTSIDE HIRES**

3 years

To catch up with the PERFORMANCE of **INTERNALS**.



Don't Wait Until Its Too Late

Public Entity Leaders **NEED** To Implement Immediate Steps

Develop a process to implement these solutions:

1. Identify
 - What is our main issue? Who'll be leading these efforts?
2. Discuss the presented solutions internally.
 - What options do we have? Budget? Employee feedback?
3. Implement the solution.
 - Start with Something! Pick one and go.
4. Monitor and Report.
 - Schedule follow-up meetings/surveys in advance.
 - Track results and take action, if needed.



Think Long Term

Put strategies in place to maintain a robust public workforce.

→ Deep bench!

- Analyze your current needs.
- What about future needs?
- Know your people. (*Listen to your employees*)
- Growth and career trajectory conversations.
- Benefits discussions.
- Collaborate on innovation.



In Conclusion

Workforce Crisis is a real and relevant concern.

- Disproportionately affects public sector employment.
- Consequences are felt by our citizens who depend on us.

Discussed solutions that can be put in place to combat this crisis.

- Update minimum qualifications.
- Build up you employee culture.
- Engauge and Listen to your employees.
- Streamline the hiring process.
- Offer competitive salaries and/or benefits.

Create a process to implement and monitor these solutions.

- Failing to plan is planning to fail.



Final Thoughts

*“Do what you can, with what you
have, where you are.”*

- Theodore Roosevelt





Any Questions



Keep In Touch!

Scott McNea

Alliant Insurance Services

Scott.mcnea@alliant.com

(210) 722-2469

