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Employment Trends Signal Fresh Opportunities in the Public Sector

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The quality and continuity of public service delivery depends on an educated, well-trained, and ethical public workforce. In the coming years, the accelerating pace of retirements among baby boomers at public agencies portends an expanding skills-deficit and a critical workforce need, both here in Florida and throughout the United States as a whole. However, for those with a strong public service motivation, these trends also mean fresh opportunities to step up and make a difference in a rewarding public sector career.



Public Sector Employment Trends

Over the next ten years, the widespread retirement of baby boomers is expected to result in critical workforce shortages across numerous sectors and segments of the American economy. The subsequent generation ('Generation X') is notably smaller, resulting in a shortage of well-trained and experienced workers commensurate to the anticipated workforce demand. These concerns have been especially pronounced in the case of the public sector (i.e. government agencies and nonprofit and non-governmental organizations), where workers tend to be substantially older, and where employment opportunities often require higher levels of education, training, and certification. A **Congressional Research Service study** conducted in 2014 found that employees in the public sector were notably older, on average, than their private sector counterparts, with nearly 52% of public sector employees being between the ages of 45 and 64 (as opposed to only 42% of all private sector employees).

A number of stakeholders have voiced significant concerns over the impact that these demographic trends may have on the human capital and institutional knowledge of public agencies, as well as their ability to maintain the continuity and quality of public service provision across all levels of government. For example, **one expert notes** that "if they aren't ready, agencies risk permanently losing decades of expertise, eroding their ability to serve the public for years to come." The **Government Accountability Office (GAO)** itself has warned that these trends could result in a "mission-critical skills gap if not addressed." Others have described the trend as a "**looming talent crisis**," a "**ticking time bomb in the federal workforce**," and "**the greatest public leadership transition in American history**." To say the least, finding ways to successfully navigate this new terrain will be increasingly important for public service providers of all shapes and sizes.

Table 1.

**Retirement Eligibility at Select Federal Agencies
(Over the Next 5 Years)**

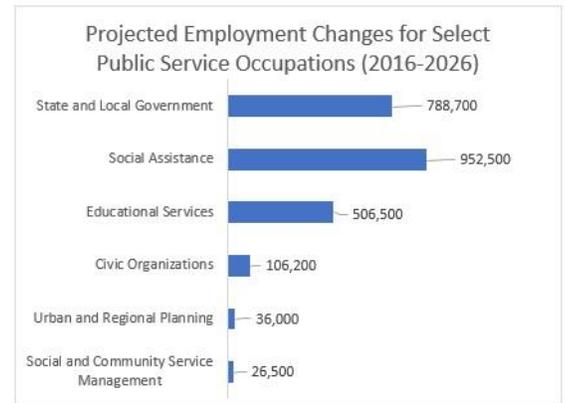
Agency	% Currently Eligible for Retirement	% Eligible for Retirement in 5 Years
Housing and Urban Development	23.6	44.6
NASA	21.2	44.4
Environmental Protection Agency	21.6	42.2
Treasury	20.0	41.5
Department of Energy	17.4	36.5
Department of Transportation	18.5	36.2
Department of Labor	17.9	35.6
USDA	16.4	33.9
Department of the Interior	16.6	33.6
Department of Education	16.7	32.6
Department of Justice	13.5	30.6

Source: Office of Personnel Management

However, for students and recent graduates of undergraduate and graduate programs in public management, there is opportunity amidst all of these concerns. Today, indicators of the "Silver Tsunami" (as some have dubbed this demographic transition) are already becoming evident across agencies and institutions at all levels of government. One **recent survey of state and local governments** highlighted an increase in retirements in recent years, and data from several sources show that an alarming number of government employees will be eligible to retire in the next 3-5 years. Some data suggests that as many as half of all senior-level managers at the state, local, and federal level will be due to retire, while others predict a substantial spike in public sector retirements over the next three years, with sustained trends persisting for five to ten years. The percentage of employees reaching eligibility for retirement over the next five years is **expected to double in many federal agencies**, with more than 40% of employees being eligible to retire from key agencies by 2023, including Housing and Urban Development (HUD), Environmental Protection (EPA), NASA, and the Department of Treasury (see Table 1).

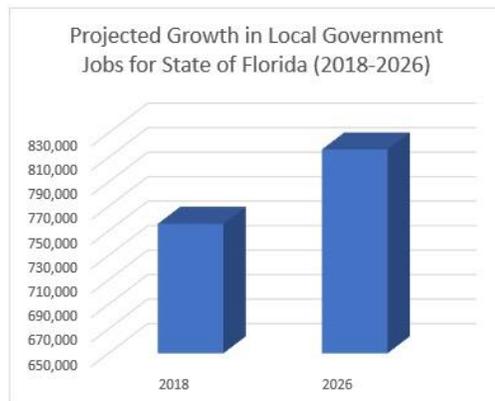
These trends are being compounded in part by improvements in the American economy over recent years, as many eligible employees who postponed their retirement following the recession of 2007 are now beginning to exit the public workforce at a quicker pace. In light of these factors, recent employment projections predict a disproportionately high demand for public sector jobs (national, state, and local level) in the immediate- to near-term. For example, the **Bureau of Labor Statistics** (BLS) projects an increase of 788,700 state and local government jobs by the year 2026. Along with these traditional agency level positions, **BLS also projects** significant growth in a number of public service-related fields over the same period, including social assistance (+952,500), educational services (+506,500), civic organizations (+106,200), urban and regional planning (+36,000), and social and community service management (+26,500) to name a few (see Figure 1). Many state and local governments are **already experiencing workplace shortages in critical areas**, such as public finance/accounting, information technology/network administration, policing, engineering, assessors/inspectors, and public works (i.e. wastewater and water treatment operators).

Figure 1.



Source: Bureau of Labor Statistics

Figure 2.



Source: Florida Department of Economic Opportunity

These trends are particularly acute in the State of Florida, which the **Pew Research Center** suggests is one of the "grayest" states in America. The state's aging population not only depletes the public workforce, but it also increases the demand for public services, requiring many public agencies to expand even further. Taken together, these trends are expected to cause significant growth in public sector jobs throughout the state over the next five years. Specifically, data from the **Florida Department of Economic Opportunity** projects that between 2018 and 2026, an astounding 60,632 local government jobs will need to be filled in the State of Florida, along with an additional 9,542 state government level jobs (see Figure 2).

Surfing the Silver Tsunami

While these trends may pose unique challenges for government agencies and public service providers, they also represent a unique opportunity for those who hope to make a difference while making a living. Studies have consistently shown that an increasing number of citizens have what

researchers call "**Public Service Motivation**" – an intrinsic desire to engage in professional activities that serve the broader public good, as opposed to those pursued for purely private gain. This has been found to be especially true of millennials and post-millennials, who often express a desire to "give back" and "make a difference" through their professional careers. The strong public service motivation exhibited by these young people aligns well with the workforce demands discussed above, which translates into professional opportunities to serve the public good and "make a difference" in stable, productive career settings. Over the next five to ten years, this will include over 60,000 new positions in local government throughout the State of Florida, as well as 9,500 new state government positions. On top of these local workforce demands, between 20-40% of the federal workforce will be repopulated over this same period of time.

Here at the University of South Florida, we are working hard to develop programs and initiatives to help prepare young professionals for these opportunities, and to meet the state and nation's evolving workforce needs. There are important steps that all public agencies and aspiring leaders can take as well. Here are a few thoughts to consider, proposed by Dr. Ronald Sanders, USF's School of Public Affairs Director and Clinical Professor:

1. Manage Knowledge Transfer to Maintain Institutional Knowledge: Among the biggest risks posed to public agencies by the "Silver Tsunami" is the widespread loss of institutional knowledge that accompanies any large-scale employee turnover event. In order to ensure the effective continuity of public service delivery, public agencies and service providers can put proactive systems in place—such as internal mentorship programs and internship-to-employment pipelines—that ensure an effective transfer of skills and knowledge to the next generation of public servants.

2. Develop a Succession Strategy: Public organizations should take deliberate steps to ensure that their leadership and senior technical/professional ranks can be replenished—not just immediately but long term as well—with either internal or external candidates. That means identifying those who are eligible to retire and when, as well as those who may follow in their footsteps. And that also means determining the nature and extent of any "skills gaps" that those succession candidates may have and providing opportunities for them to close those gaps.

3. Foster Workplace Flexibility and Innovation: While millennials and post-millennials tend to exhibit high levels of public service motivation, these younger workers also have a demonstrated preference for more flexible and innovative workplace practices, like flexible work hours and telework, tuition assistance, continuing professional development opportunities, and shadowing and mentoring opportunities. While these may seem to conflict with the bureaucratic nature of public sector employment, there are unique and novel ways for public agencies to adopt these practices in an effort to attract and retain highly qualified employees with a desire to serve the greater good.

4. For Aspiring Public Servants, Take Advantage of the Opportunities: For those young professionals who aspire to make a difference, now is an excellent time to prepare yourselves to take advantage of opportunities. Public sector employment often requires higher levels of education along with specialized certifications. Today, the return on investment for these credentials is higher than ever, as public agencies and service providers are increasingly seeking highly qualified candidates to fill the emerging talent gap. Opportunities to advance your education, intern with a public agency, or be mentored by a seasoned professional will pay dividends in the future.

5. For Educational Institutions like USF's School of Public Affairs: Those who are in the business of preparing professionals for careers in public service—whether that may be with a government agency, a nonprofit or non-governmental organization, a private contractor who serves the public interest, or all of the above—also have a responsibility to maximize employment opportunities for their graduates. That means establishing close ties with those organizations that may be hiring, helping them identify their employment needs, developing curricula that are responsive to those needs, and helping to connect students (via social media networks, job fairs, etc.) who have the potential to meet them.

6. For All Stakeholders, Build Relationships and Partnerships to Maximize Opportunities: All of those engaged in preparing individuals for public service, as well as those individuals themselves, should strive to build effective relationships and partnerships with one another. For example, academic institutions should participate in professional associations, such as the Florida League of Cities (FLC), the Florida City and County Management Association (FCCMA), and the American Society for Public Administration (ASPA). The latter two also sponsor student chapters (we have one of each at USF) that can foster connections between those who want to serve and those who are doing the hiring. Those relationships—between public sector employers, public service students, and academic institutions like USF's School of Public Affairs—can also provide valuable input regarding the skills necessary for a successful career, internship and placement opportunities, and access to cutting edge training. They can also help develop educational materials and build a pipeline of highly qualified professionals through opportunities such as internships and mentoring initiatives.