WORKFORCE OF THE FUTURE

INTRODUCTION

Over the next several years, State governments will be faced with a changing workforce. The workforce of the future is a result of not only workforce composition as States are faced with large retirement, but also a large change in technology, jobs and required skills, and available skills. The transformation in the workforce has already begun. Government finds itself challenged in how to minimize the impact in order to maintain ongoing services.

Workforce planning can help to minimize the impact of transitioning to a modern workforce. Initiatives such as succession planning, training programs, job sharing, and improved recruiting methods are critical to help ensure the skills needed to maintain operations can be obtained. Other considerations important are benefits planning, technology, and work-life balance.

Many States are already seeing the effects of change and have started the transition process to address the workforce of the future.

WHAT DOES THE FUTURE WORKFORCE LOOK LIKE?

As States begin to prepare for the future of their workforce it is important to understand the changing workforce composition, jobs in demand, skills required, and available personnel. States must also recognize that technology is influencing working environments and there are clear shifting trends over what is important in a career and employer.

With the aging baby boomer generation, the largest demographic in the workforce, States are experiencing a drastic change in workforce composition. This generation of employees are reaching retirement leaving large gaps in institutional knowledge and skills. However, changes are not only with the retirement of this generation, but with longer working careers. Improved health and living conditions coupled with people living longer, have created a wave of workers working longer than traditional retirement age. The increase in the older workforce creates new requirements on healthcare benefits, which result in increases in healthcare costs.

With the replacement of retiring employees, comes a newer, younger workforce. These new employees are not motivated and attracted to jobs in the same way of their predecessors. Benefits are less important such as long-term retirement, robust health insurance plans, and traditional work environments are not as attractive. Employees desire more flexibility in benefits plans, opting for health savings accounts, and preference over personal retirement accounts that can transfer with them. Technology, increase travel costs and relocations to more suburban areas, will continue to create more desire for flexible work schedules and options to telecommute.

With advancement in communication and networking, technology is driving business practices and the workforce future. A study by Pew has shown most workers feel they are more productive because of technology. Main contributing factors for this result are ability to regularly connect with others with easy through communication tools like email, video conferencing, and collaboration tools, and flexible work environments and schedules have resulted in an increase in work hours for traditional office workers.
Today’s technology influences not only how people work, but also the overall skills and jobs that are needed. Technology solutions are inherent offering automation of all processes creating a more efficient government. The change to a more technology-driven environment will influence the workers needed. Even traditional labor jobs, such as mechanics and heavy equipment operators are required to use various technology solutions. A study by Georgetown University states two-thirds of the jobs in the United States will require some form of formal training or education beyond high school. State are witnessing this trend with a rise in Science, Technology, Engineering, and Math (STEM) skills needed to meet business requirements. Also, an increase in service and public safety related jobs will impact the future workforce. Both growth in population and citizens’ demands for services are driving this trend.

Skills sets to be successful in future include both social and cognitive skills. With the increase in services and public safety jobs, social skills will prerequisite. Workers will need to interact with public, collaborate with other organizations and agencies and be responsive to changes in the organization. STEM jobs and the requirement to make more strategic and data-driven decisions will increase the need for analytical and problem solving skills. These skills will replace the transactional processing skills of the past.

HOW TO ADDRESS THE CHANGE?

States are already challenged with the changing workforce. Many initiatives can provide support in meeting these changes with a focus on recruiting and retaining top talent through formal learning and development programs, collaboration, alternative work schedules and succession planning.

Recruiting applicants more effectively will close in the gap with loss of employees to attrition. Branding and marketing of jobs in public sector is the first stage of recruitment to attract applicants. Develop marketing strategies to reach out to more than just the current workforce, to include veterans, people with disabilities, and offender re-entry programs wherever possible. Marketing should look to rebrand the public sector with a message that government is innovative and public service is a rewarding career.

Applicant selection is the next phase of recruitment that must be reviewed and modified. With poor hiring decisions, retention and job performance are low. Innovative approaches to hiring are being utilized more by states, including Arizona and Tennessee, and more States will need to find these innovations if they wish to compete.

One such example includes introducing behavioral assessments during the application and interview phase to compliment traditional applicant selection methodology. In addition to hiring new employees, assessments are part of identifying candidates for promotion in supervisory and management positions. Behavioral assessments can also improve the hiring and promotion decision by offering insight into the applicants best fit for the job based on personal tendencies. This method is proving to be valuable in hiring top talent in hard-to-fill and high turnover jobs.

Retention of employees is equally as important as recruiting strategies. The first 90 days of employment is critical in developing a long-term working relationship. Employee engagement is key to retain top talent. Tools for engagement include on-boarding, performance management, learning development, collaboration, and succession planning.

HR should also understand that talent is not only recruited from outside sources, but internally as well. Successful succession planning prepares an organization to fill gaps while minimizing loss of knowledge. Identifying critical positions is a first step. Assessing your existing employees for who has the potential to fill in those roles while identifying the skill gaps for employees overall. Gaps can be closed through formal mentoring, cross training and learning and development programs.

“Public sector leaders need to challenge the old cliché “close enough for government work” by thinking innovatively about how to promote the value of working in public service.”

– Trish Holliday, Assistant Commissioner/Chief Learning Officer, State of Tennessee
A major part of succession planning is learning and development. Learning and development is an important component to bridging the gap for employees by providing transfer of knowledge to new employees and employees looking to advance in their career. Effective learning and development programs provide employees with the skills needed for the future. The programs can look across an organization to develop employees across career paths, or to advance them into future careers for management and supervisory roles. These programs are not limited to just formal training, but, overlap with succession planning, through job coaching, mentoring, instructions by subject matter expert, and technical skills training. With the looming retirements, the importance of formalized programs to transfer knowledge to new and incumbent employees is increased. With changes in business needs, programs offer development of existing employees’ skills to meet future requisites.

States and the public sector in general must also consider that flexible or alternative work schedules policies benefit both recruiting and retention of talent. Employees are looking for more alternatives to work from home or work non-traditional hours. Implementation of telecommuting and flexible schedules provides cost savings to government organizations. It is estimated by Entrepreneur that approximately $11,000 per employee can be saved with just telecommuting half-the-time. Other benefits include reduction in sick time and increase in productivity.

Collaboration among members across the State organization is important rather than think in terms of each individual agency. This cross collaboration can provide efficiencies in services for the citizens, but also offer a wider selection pool for succession planning and career advancement for employees. Both inter and intra agency collaboration fosters higher level of public service and less bureaucracy as organizations are focused on the citizens and not individual silos. With collaboration there is more room for autonomy creating another recruiting and retention strategy for talented individuals.

Flexible benefits, inclusive of retirement and health, to meet the varying demands by generations can also be used as a recruitment and retention strategy. With the demands for benefits varying by generation, younger generations want more flexible and transient benefits and retirement, where as those closer to retirement are attracted to traditional and more stable retirement plans. Health plans can also offer flexibility with a variety of coverage options for employees, from limited to more comprehensive plans.

**CASE STUDY: STATE OF TENNESSEE**

The State of Tennessee has aggressively developed an enterprise wide succession planning program to address the changing workforce and prepare for the State’s future. The strategic initiatives include a talent pool-based strategy for talent, a role-based strategy for positions, and identification of high potential employees. Components of the strategy includes mentoring, cross training, onboarding and creating a talent pool across the enterprise enabling agencies to look at a pool of qualified talent with demonstrated competencies and assist leaders in determining talent needs.

The Governor’s LEAD Tennessee is a premier leadership development program and runs statewide. Leadership competencies are taught to participants and is component of pool-based succession planning. The participants’ earned competencies are reflected on their resume in a unified manner making it easy to identify the leadership skills across all agencies.

With its’ role-based strategy, Tennessee works to teach agency leaders on identifying mission-critical positions. An element of this strategy being implemented in various agencies is a “grow your own” initiatives called Commissioner’s Leader ship Academies. These academies offer a competency based program designed for executive to develop emerging leaders in an effort to retain them.

Final strategy focuses on talent management. The State of Tennessee utilizes a nine box matrix to assess high potential employees. The matrix offers a transparent employee-manager process for evaluating and plotting the talent pool based on performance and leadership potential. By implementing the nine box
matrix, the State is able to better place the right people in the right roles. Such talent reviews enable organizational leaders to access talent from a holistic perspective, and identify mission-critical skill gaps within the workforce.

CONCLUSION

The workforce of the future has begun to emerge as States are employing multiple generations to work side by side. Recruiting a workforce with required skills and retaining and developing top talent are the best ways to plan for the future workforce. Service to citizens and operations can be minimized with appropriate programs that allow the transfer of knowledge such as succession planning, and learning and development. Implementing strategies aimed at recruiting and retaining its workforce early, rather than waiting to late will prime the states for the future.

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