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2024 PUBLIC SECTOR HIRING REPORT

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For the past few years, <u>our reports</u> have documented a quiet crisis in public sector recruitment and hiring. Agencies across the United States have been battling burnout, short staffing, and low morale as fewer candidates apply to a rising number of open public sector jobs.



At first glance, this year looks a bit more promising. For the first time since 2019, the number of open jobs decreased slightly, and more people viewed and applied for public sector jobs overall.

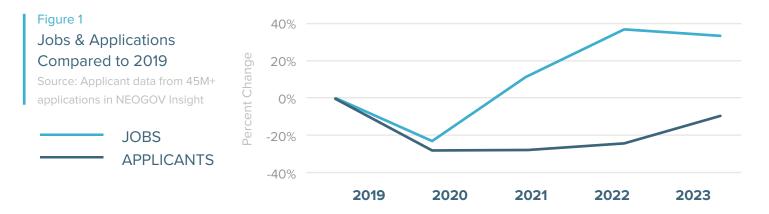
While this is encouraging, the future of public sector hiring is still fragile. As we dig further into the data, it's clear that the number of qualified applicants per open job is still alarmingly low.

For this report, we analyzed data from over 45 million public sector job applications in NEOGOV's Insight applicant tracking system and survey responses of over 700 public sector HR professionals and job seekers. The data shows that the public sector's ability to attract qualified candidates remains a critical challenge. Without immediate course correction, the cycle of overwork, burnout, and turnover will compound, making it that much harder for agencies to recover.

Thankfully, there are a number of strategies to get public sector hiring back on track. This report delves into ways to revitalize recruitment efforts, attract toptier talent, and improve the candidate experience. By acting on these strategies, agencies can strengthen their recruitment practices and fortify the fragile future of the public sector workforce.

THE STATE OF THE PUBLIC SECTOR JOB MARKET

In 2023, the number of public sector job openings declined by 2.3% from the year prior, while the number of applicants-per-job increased by 20.5%. This is a positive indicator that agencies are starting to fill open positions. National employment statistics also show an upward job growth trend in local government.



Yet, applications are still down by 9.5% overall since 2019 and **51% of agencies we surveyed say hiring has not** gotten easier over the past year. We looked closer at the data to find out why.

On average, agencies receive 36 applicants-per-job, which by many standards is quite healthy. However, digging into the data by quartile paints a vastly different picture of public sector hiring compared to looking at averages alone. In the best quartile, the average number of applicants-per-job is 104, yet the bottom quartile of over 375,000 job postings averaged 4 applicants-per-job. Furthermore, when adjusting for qualified candidates, the bottom quartile averaged only 1.5 qualified applicants-per-job.

Results from our surveys indicate that over 50% of agencies can't find enough qualified candidates to fill roles. Meanwhile, over 50% of job seekers start a government job application and don't finish it, typically because they don't feel qualified.

Attracting qualified candidates and converting job seekers into applicants is a top challenge in public sector recruitment, but continued turnover perpetuates the vicious hiring cycle. To fully understand the extent of this challenge, we must first examine the reasons behind job openings and the factors driving turnover.



A LOOK AT JOB OPENINGS

Last year, the two leading causes of job openings were voluntary turnover and retirement. Although there were slightly fewer job openings in 2023, agencies are still reporting challenges with turnover.

Most agencies point to compensation as the key driver of voluntary turnover. Out of 319 survey responses, 60% of agencies rank compensation as the top reason for employee exits, while only 6% say employees leave for benefits alone. Nearly half of agencies compete with the private sector for employees, and 40% say employees leave for better growth opportunities.

These findings clearly show a demand for better pay in the public sector. Total compensation packages aren't incentive enough to retain employees impacted by overwork and short staffing.

There is also a strong desire among exiting employees for advancement opportunities and career growth.

The mass-retirement of the Baby Boomer generation, often referred to as the 'Silver Tsunami', is also well underway. **Nearly 50% of respondents have retired either all or half of their anticipated retirees.** The other 47% are just starting to see an increase in retirement volume, but we can expect this wave of job openings to continue for the next several years.

Between employees exiting for more preferable compensation packages and veteran staff members retiring, government agency job openings are increasing dramatically. But there is hope. Agencies can and should take this as a sign to prioritize pay increases and improve messaging around total compensation packages. This is also an opportunity to strengthen career development programs and define clear career paths for incoming employees.

Figure 3

Top Reasons for Voluntary Turnover

Source: Applicant data from 45M+ applications in NEOGOV Insight

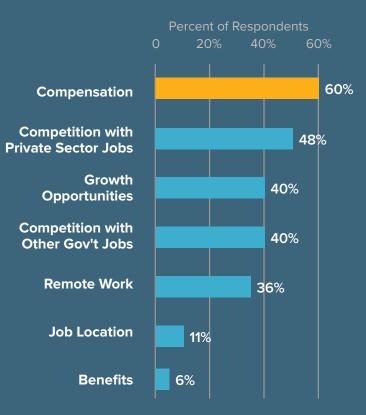


Figure 4

The Silver Tsunami: Agency RetirementsSource: NEOGOV survey of public sector HR leaders10%38%Almost through
all retireesHalfway through
anticipated retirees

Nearly 50% have retired all or half of their anticipated retirees

47%

Just starting to see increased retirement volume

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5%

Other

HARD-TO-FILL ROLES

Some roles are harder to fill than others. Like last year's report, survey respondents say the hardest areas to find qualified candidates are law enforcement, engineering and planning, and utilities and trades.

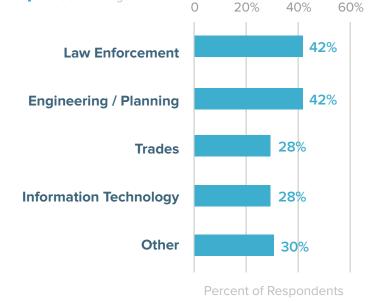
<u>NEOGOV's Insight</u> data backs this up. Between 2019 and 2023, there was a **40% increase in the number of job openings for police officers**. At the same time, the **number of applications per job decreased by 39%.**

Similarly, the number of open civil engineering jobs jumped by 32% during the same time period. Other roles in the engineering field saw an even bigger increase in job openings. Job openings for civil engineering technicians increased by 152%, signaling a growing demand for this role.

Figure 5

Increase in Job Openings since 2019

Source: Applicant data from 45M+ applications in NEOGOV Insight



Interestingly, the number of people viewing job postings in law enforcement and civil engineering increased since last year, but the view-to-apply conversion rate is worse than before.

While there are a number of reasons why potential candidates may not apply for these positions, our data shows that public sector job seekers value salary, benefits, and job stability the most. Prioritizing these factors in job postings may help agencies compete for qualified candidates.

Although faced with a difficult talent shortage, public sector agencies can leverage this opportunity to strengthen their hiring strategies and evaluate the impact of hiring challenges on the organization.

APPLICATION FOLLOW-THROUGH

Since 2019, the number of people applying to public sector jobs has significantly decreased. Competition with private sector salaries, high burnout rates, and negative media attention contribute to the drop in applications for many positions.

Most public sector agencies say they're increasing pay (57%) and offering alternative work options, such as flexible work schedules (41%) and remote work (34%) to attract more candidates. While these are important incentives to offer, agencies should also pay attention to the view-to-apply conversion rate, which is the number of people who actually apply for a job out of all the people who view the job posting.

Our 2023 data shows the view-to-apply conversion rate continuing to decline despite a 23% overall increase in the number of application views. Meaning, people are viewing public sector job postings, but aren't applying.

According to our job seekers survey, **52% have** started a government application and not finished it. Of those, 34% don't finish because the application process makes them feel unqualified for the role.

Write-in answers explaining why a job seeker may not finish the application process:

[The agency is] **too aggressive about meeting all qualifications** precisely. Private sector allows for a good fit even if a candidate isn't an exact match to a manager's 'wish list'. Worried I wouldn't be interviewed even though I was gualified.

Realized the process would **not** result in hiring.

It was asking too much. Based on past applications, I knew I wasn't going to be hired and I was **wasting my time**.

Realized that even though I am technically qualified for and have done all the work under that job that **they were demanding an unnecessary level of experience and that it was no use to apply**.

Surprisingly, only 29% of agencies are moving to a skills-based hiring approach to attract more candidates. <u>Research</u> shows recruiting based on skills can result in ten times the number of eligible candidates. Traditional job postings emphasizing education requirements may deter job seekers who are otherwise qualified from applying.

IMPACT OF HIRING CHALLENGES

Hiring challenges are impacting all aspects of public sector work from retention and budget to project delays and employee training. Agencies say that hiring challenges are causing high levels of staff burnout (68%), employee turnover (58%), and increased overtime (50%). Nearly half of agencies are resorting to increasing pay to keep employees, but this just serves to exacerbate the vicious cycle of understaffing, bigger workloads, burnout, and turnover, and further weaken the public sector's ability to attract qualified talent.

Not only are hiring challenges causing workforce issues, agencies are also reporting operational challenges as a result of short staffing. 41% are experiencing project delays as a result of hiring challenges, but nearly 70% of respondents report no impacts to service delivery as a result of hiring challenges.

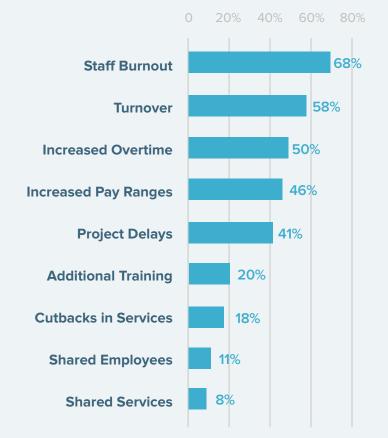
While it seems agencies are succeeding at "doing more with less," the reported high rates of burnout, turnover, and overtime suggest otherwise. Of the 33% of agencies reporting impacts to service, most are addressing it by offering overtime. Some are hiring outside contractors, while few others are resorting to modifying hours of operation or limiting the number of services offered.

These insights present an opportunity for agencies to explore alternative methods of addressing staffing shortages while protecting the existing workforce and preventing more turnover. Engendering a positive, healthy work environment is paramount to attracting qualified candidates.

While the road to success may seem daunting, there are a number of actionable solutions to help public sector agencies navigate hiring challenges, attract qualified candidates, and ensure the longterm stability of public sector hiring.

Figure 6

Hiring challenges have resulted in: Source: NEOGOV survey of public sector HR leaders



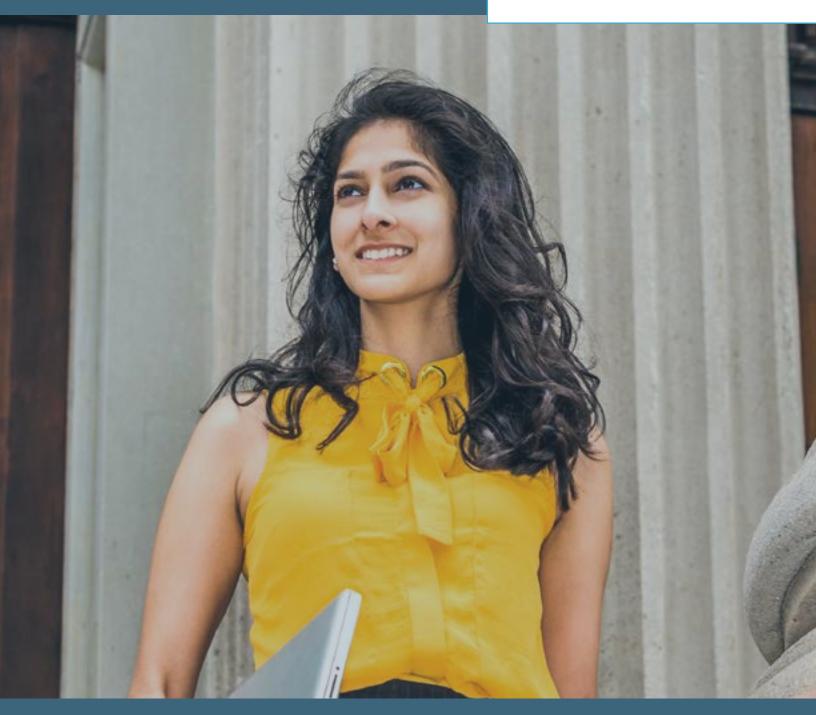
Percent of Respondents



WHAT CAN AGENCIES DO NOW?

Attracting top talent and converting them to applicants starts with understanding what job seekers want, positioning jobs in an attractive way, and making it easy to apply. These strategies not only address some of the immediate challenges facing public sector hiring, but also build a strong foundation for future public sector recruitment.

- JOB SOURCING
- JOB POSITIONING
- JOB APPEAL
- HIRING PROCESSES



EXPAND JOB SOURCING

Sourcing qualified candidates is a proactive process. Reviewing applications is only one part of the equation.

Effectively sourcing talent involves actively searching for relevant skills on job boards, networking with industry peers, engaging on social media sites, and asking for employee referrals. Sourcing passive candidates, or people who are not actively looking for a job, is also an effective strategy.

Job seekers who are not actively looking for a job say that a job would catch their attention if it came as a recommendation from a friend, outreach from a recruiter, or a personal outreach from their network.

Only 29% of agencies indicate they're moving to skills-based hiring, yet 60% say they're considering sourcing trainable candidates to expand their talent pool. Shifting the hiring process to a more skills-based approach relies on the candidate's skills and experience to determine potential job success, versus credentialing alone.

Since a significant number of job seekers are self-selecting out of applying to government jobs because they don't meet a minimum qualification, more agencies should consider moving to skills-based hiring and reducing job minimum qualifications.

Figure 7

Changes to Minimum Qualifications and the Impact on Conversion Rate

Job	Qualification Change	Conversion Change	Applicants
Welding Instructor	Bachelor's Degree to Associate's Degree	0.1% to 0.3%	+300%
Division Budget Manager	Bachelor's Degree to No Bachelor's Degree	0.8% to 1.8%	+225%
Social Network Engineer	Bachelor's to Bachelor's OR 2 Years of Experience	0.3% to 1.6%	+500%
Medicaid Fraud Investigator	Bachelor's to Equivalent with Experience	2.0% to 3.1%	+55%

Besides targeting trainable candidates, **agencies are also widening their talent pool** by targeting interns, retirees, past candidates, and even part-time workers. By expanding job sourcing to include a wider range of skill sets and experiences, agencies can create a more robust and adaptable hiring process.

Figure 8		0	20%	40%	60%	
Untraditional	Trainable Candidates				60%	
Groups to Expand Talent	Interns			45%		
Pool	Retirees				14%	
Source: NEOGOV survey of public sector	Past Applicants			41	1%	
HR leaders	Part-Time Workers			39	%	
	Workers Over 50			30%		
	Other (ex: Temps)		8%			

Percent of Respondents

IMPROVE JOB POSITIONING

Positioning a job correctly can attract top job seekers and lead to a greater number of completed applications.

The key to great job positioning is to write job descriptions for the job-seeker, not the position. Centering a job description on the benefits of employment, such as growth opportunities, comprehensive benefits packages, or work-life balance, can positively influence a candidate pool.

Modifying existing job descriptions may be an easy way for agencies to start seeing progress. In an internal NEOGOV study conducted for the Commonwealth of Pennsylvania, state of Michigan, and state of Washington, over 300 job descriptions were rewritten to be more job-seeker friendly to determine if the change impacted the number of applicants. On average, the number of applicants increased by 18% for those rewritten posts.

The positioning of a job description is important, but so is its content. Job seekers say they're more likely to apply to a job if the job description includes the salary range and benefits (80%), an accurate description of responsibilities (66%), and mention of career growth opportunities (49%).

Career growth is also a top reason for employee turnover, indicating that agencies should prioritize career development to strengthen recruitment and retainment efforts in the near future.



Agency-Focused Job Description

Nurse Practitioner I Department of Mental Health, State Agency

Job Responsibilities

The Department of Mental Health is a **drug-free workplace**. All candidates will be required to pass a mandatory preemployment drug test.

Job Purpose

Under clinical supervision of the Medical Director, provides direct patient care and evaluations (PMAs, etc) within the scope of Nurse Practitioner authority, coordinate care, supervise treatment team, and provide direct supervision where applicable.

\checkmark

Job Seeker-Focused Job Description

Nurse Practitioner I Department of Mental Health, State Agency

Job Description

Want to do meaningful work that has a **real impact on the community**? Please join our **tenured nurses** at the Department of Mental Health. Our mission is to service those who aren't being served, which not only **benefits the community**, but also delivers a **great benefit package to you**! Our nurses' **average tenure is over 10 years**, which allows for consistent service to those in need. We are also dedicated to **opportunities for career advancement**, offering over 5,000 promotions in 2018. We continue to support employee growth with **training and mentoring**. We would be **honored** to have you join our team.

ENHANCE JOB APPEAL

Enhancing the appeal of job postings is largely dependent on the specific role and job seeker preferences. For instance, reducing minimum qualifications may work to attract candidates for some roles, but not all. Likewise, some job seekers are attracted to jobs with remote work options, while others are attracted to financial benefits.

Although it is difficult to standardize job appeal, job seekers rank benefits (57%), salary (50%), job security (31%), meaningful work (24%), and career growth opportunities (20%) as the most appealing aspects of public sector jobs.

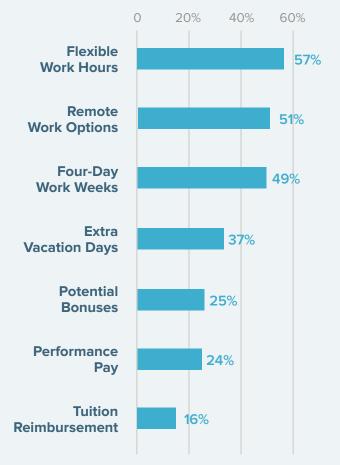
These same job seekers say the most appealing benefits are flexible work hours (57%), remote work options (51%), four day work weeks (49%), and extra vacation days (37%). Agency efforts seem to align with these preferences, as most respondents are working to attract more candidates by increasing pay, and offering flexible work schedules and remote work options.

Since most job seekers report they are pursuing a new job for a better salary, benefits, and growth opportunities, agencies should tailor job descriptions to match these preferences and make jobs more appealing to job seekers, overall. This is likely to streamline the hiring process and ensure the most qualified candidates apply.

Figure 9

Most Appealing Public Sector Benefits According to Job Seekers

Source: Survey of job seekers on GovernmentJobs.com



Percent of Respondents



OPTIMIZE HIRING PROCESSES

The candidate experience is a critical aspect of attracting qualified applicants and filling open positions, yet current public sector hiring processes deter many candidates from applying in the first place. Half of all job seekers have started a government application and not finished it. The majority say they didn't finish applying because the process was frustrating.

Another swath of job seekers abandon applications due to the sheer number of questions, which highlights the fine line agencies must reach between qualifying candidates adequately and deterring them from applying altogether.

The majority of job seekers rate their experience applying for jobs in government as average (41%), but 37% rank their experience as above average or excellent. For 22% of job seekers, their experience was either below average or poor.

To better qualify their experience, we asked job seekers to describe the best and worst parts of the application and hiring process in their own words.

Best Part of the Public Sector Job Application and Hiring Process	Worst Part of the Public Sector Job Application and Hiring Process
You have a profile that saves all your information	How many references you need
How easy it was	Unknown salary range
How quickly they responded	They don't respond back
All-online process	The length of time from start to finish was 3 months
Very fast	Not hearing back
Simplicity of application	Not being given feedback
Easy to apply	Long applications
No cover letter required	Cover letters
Knowing the pay range from the beginning	Poor communication
Status updates	Lack of updates
Precise job description posts	Too long
Immediate response from hiring manager	Confusing supplemental questions

A PATH FORWARD

As the data in this report demonstrates, the future of public sector employment is at a pivotal crossroad. While the slight improvements in job openings and applicants this year offer a glimpse of hope, the continued struggle to attract qualified candidates poses a bigger threat to the long-term stability and effectiveness of public sector agencies.

Although the challenges facing public sector hiring are complex, the solutions outlined in this report - expanding job sourcing, improving job positioning, enhancing job appeal, optimizing the hiring process, and many others - offer a path toward a more resilient and stable public sector workforce.

NEOGOV's Insight (applicant tracking system) and Attract (candidate relationship manager) can help you source, attract, and hire qualified candidates more effectively. **Designed for public sector HR, these tools save time and resources, helping you accomplish more with less. To learn how NEOGOV's HR software can help your agency, <u>sign up for a no-obligation consultation today</u>.**



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