Session: Trends in Public Sector Labor Markets: Employment and Compensation

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Employment Trends

- Employment Options
  - GovTemps is the fastest growing part of our business.....increased 40% from 2016 to 2017
  - Stronger demand for various types of employment
    - Part-Time
    - Outsourced
    - Temporary
    - Interim
    - Temp to Hire
  - Shared positions with other municipalities
Employment Trends

Advantages to Communities

- Use of experienced and talented “Encore Career” candidates for permanent, out-sourced positions.
- Communities eliminate pension expense exposure.
- Communities avoid paying costly health insurance.
- Employed through GovHR, not the community.
- Temp to Hire offers a “try-out” period to see if the person and community are a good fit.
- Project-based hiring
- Interim assignments during organizational analysis
Employment Trends

- **Salaries/Benefits**
  - Must keep current with market demands
  - Most difficult – Finance and Public Works
  - Entry level and middle management – difficult recruitments and limited skill levels vs. private
  - Millennials seek more diverse benefits vs. Baby Boomers/Generation X’s
  - Flexible work schedules – still can’t compete with private sector for alternative work schedules.
Human Resource Consulting

- Classification and Compensation Studies
  - Still in demand across the country
  - Employers eliminated positions or combined responsibilities – increased demand for Organizational Analysis studies
  - Reclassification of positions
  - Efficiency studies for Public Works, Community Development, Code Enforcement and Parks/Recreation
  - Compensation trends for specialized labor
Human Resource Consulting

- Performance Appraisal development and training
  - Supervisory training – on-going, not just yearly
  - Employee morale consulting
  - Assessment centers
- Virtual Human Resource Services
  - Recruitments
  - Contract Analysis
  - Personnel manual development
Financial Implications

- Increased cost of recruitment
  - Additional time = money
  - Advertising costs for additional sites to attract more candidates
  - Finding candidates for specialized positions
- Increased expense for training/development
  - Entry level/middle management lack skills
  - Longevity of employment by Millennials and Centennials
  - Succession Planning is a lengthy process and we still do not do a good job of it. Calling them an assistant is not Succession Planning!!
Financial Implications (cont.)

- Increased expense to hire
  - Additional Benefits to attract candidates
  - Benefits – other than the norm
  - Longer severance packages
  - Additional testing for skill levels
  - Contracted services to sole suppliers when skilled labor can not be found.
  - Additional background screenings as a result of internet access
  - More retirements in the near future
  - Interim placements
Questions/Comments??

Thank you!