

eBook

## Is Your Local Government Prepared For the Silver Tsunami?

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In local government, preparation is the key to success whether you are prepared for a natural disaster with emergency alerts or prepared to efficiently handle citizen complaints with a request tracker. While pre-planning for problems in your local community can make your job easier, you also need to be sure that you are looking internally and preparing for any changes to your local government workforce.

With the upcoming Silver Tsunami affecting the local government workforce in a big way, this eBook will help you learn what the Silver Tsunami is, how it will affect your local government, and which proactive strategies you can put in place to ease the transition and avoid disaster.

#### WHAT IS THE SILVER TSUNAMI?

The "Silver" aspect of Silver Tsunami refers to the demographic known as Baby Boomers who were born in the post-World War II period between 1946 and 1964. However, it is the "Tsunami" aspect that keeps human resource professionals awake at night. The term Silver Tsunami refers to the alarming fact that this demographic is rapidly reaching retirement age, with approximately 10,000 people nationwide turning 65 every single day. As noted by <a href="SeniorAdvisor.com">SeniorAdvisor.com</a>:

Employers know that large waves of retirements are on the horizon. On the one hand, they have high-paid senior workers with greater healthcare needs taking the slots younger employees are hoping will become available for them. On the other, they have large numbers of people with many years of valuable knowledge planning to leave any day now, leaving slots that will need to be filled by people who must be trained almost from scratch.

In fact, by the year 2020, for the first time in U.S. history, the number of Baby Boomers will surpass the number of children five years of age or younger, and by the year 2030 the population of adults over the age of 65 is expected to double. Given this unparalleled and unstoppable surge toward retirement age workers, "Tsunami" may ultimately be viewed in retrospect as too mild of a term. This is why it is critical to understand the impact of the Silver Tsunami on local governments and why you should take steps to reduce its effects.

## The Impact of the Silver Tsunami on Local Governments

In a human resource context, virtually every industry, sector, and field is—and will continue to be—impacted by the Silver Tsunami. However, experts believe that local governments may face the biggest and most devastating brunt of this seismic workforce composition shift for a few reasons:

- Many local government workers who postponed their retirement in the aftermath of the "Great Recession" are now moving forward with their plans. In 2012, 46 percent halted their retirement, while in 2016 that number dropped to 21 percent—and the numbers are expected to continue declining in the years ahead.
- 54 percent of local governments reported an increase in retirements between 2014 and 2015.
- Between 30 and 40 percent of local government workers are currently eligible for retirement, including many who are not technically part of the Baby Boom demographic cohort yet (i.e., they are not 65+), but have nevertheless <u>earned a sizeable pension</u> after a few decades of service that started in their twenties.

Considering the above, local governments in general—and their human resource departments specifically—are wise to be worried, because the road ahead could be fraught with massive workforce challenges. Some of the biggest include:

#### An enormous and potentially irreplaceable loss of knowledge capital

<u>Eighty percent</u> of organizations say they lose experience, institutional knowledge, and leadership when an older worker leaves. As noted by <u>Bloomberg</u>: "Many experienced workers possess critical know-how that, if lost, would be costly—if not impossible—for the company to replace."

#### Severe and potentially chronic understaffing

Many local government jobs are specialized and have high barriers to entry, such as education, certification, training, and so on. At the same time, the public sector is (often wrongly) perceived by some younger workers as less exciting and dynamic than other fields such as high tech and investment banking, which further impedes recruitment efforts. As noted by <a href="Slate.com">Slate.com</a>: "Across the board, jobs that are less than sexy and have high barriers to entry are now practically begging for trained workers."

Between 30-40% of local government workers are currently eligible for retirement.



#### **Excessive burden and stress on current employees**

While factors such as salary, benefits, and career growth opportunities will always matter to employees, the overall work experience quality—or in some cases, the lack thereof—plays a surprisingly large role in their decision to remain or leave (which can also include taking early retirement for those with this option). A study by Monster.com found that 35 percent of workers have seriously considered leaving a job because of high stress, while 42 percent of those workers have followed through with that intention.

Crunch the numbers, and it means that a high percentage of workers are on the way out—psychologically or physically—when stress levels reach unacceptable levels. Unfortunately, this is likely when government workers are obligated to shoulder the workload due to a chronic understaffing scenario that could last for years.

#### The vicious cycle: Poor quality work $\rightarrow$ Unhappy citizens $\rightarrow$ Poor quality work

Stressed and exhausted workers who are desperately trying to "hold the line" until reinforcements arrive and receive necessary training cannot consistently produce high quality work. This is not a matter of effort, attitude, or intent. It is simply a matter of logistics and the limits of human stamina. Indeed, even the most dedicated worker cannot competently do the jobs of two—or sometimes more—people for prolonged stretches of time; nor should they be expected to do so.

As such, eventually quality will begin to suffer; if it has not already done so. That is, errors will be made, steps will be missed, processes and rules will be misunderstood or miscommunicated, and service delivery standards will falter; especially regarding response times. For example, citizen inquiries or applications that should normally take days to complete, might take weeks or months, or may get lost or mishandled.

While this is obviously a problem internally, it is even more of an issue for taxpaying citizens who increasingly demand prompt and competent service. When local government workers are trying to resolve citizen complaints through emails and phone calls, they lose more precious time to complete their own work which causes a further drop in quality. Therein lies the vicious cycle of poor quality work leading to unhappy citizens, leading to poor quality work. As noted by Government Technology:

In cities, counties and states across the country, agencies are being asked to deliver more services and meet heightened citizen expectations—with fewer resources and people at their disposal. Budgets are being cut and staff members are being furloughed or not being replaced when an individual retires.



**Turning The Tide** 

The Silver Tsunami has arrived, and will only grow more complex and challenging as the years unfold. However, local governments should not brace for impact and hope for the best. Rather, they can boldly turn the tide so that instead of mitigating the damage, they are exploiting an opportunity to take their organization and its workforce to another level.

Here are nine proactive and practical human resources strategies that can help local governments prepare for the retirement of tenured employees and the hiring of younger generations.

#### 1. START BY CREATING A DEMOGRAPHIC PROFILE OF THE WORKFORCE

A demographic profile lists the ages, roles, and skills of all workers. Once completed, it can be used to answer key questions such as:

- How old is our talent pool?
- Which positions and/or teams have more workers who are approaching retirement age?
- Do we have a suitable pool of candidates ready to take the place of retiring workers?
- How much time do we have to identify and develop replacements for employees who are retiring?

While a demographic profile is a valuable resource, it is important to keep in mind that it typically cannot provide the full story of all factors that are affecting the workforce now, and will emerge in the months and years ahead. However, it is certainly a good starting point, especially if it brings to light the severity of the situation and compels local government leaders to realize that this is not a problem that will solve itself with time; on the contrary, it will only get worse if left unaddressed in a serious and strategic manner.



#### 2. IDENTIFY KEY POSITIONS

A sub-document that typically develops from the previously described demographic profile is a list of key positions. These roles are critical to the organization's future success, and identifying them creates an awareness of where the risk is greatest for losing key skills and knowledge.

Questions that help identify these key positions include:

- Does this position play a critical role in helping us meet our goals? If so, to what extent?
- If the position was to go unfilled for three months, what negative consequences would arise? What about six months or 12 months?
- Does the position require specialized knowledge or unique skills that would be difficult to replace?
- Does the position pose a recruitment challenge?
- Is the talent needed hard to find?

Note that these last two questions may overlap, but they are not synonymous. Sometimes, a position may be difficult to recruit for because there is low interest among qualified candidates. For example, all levels of government are <u>struggling to hire new cyber security professionals</u>, since many private sector companies offer very high starting salaries and other desirable benefits. As such, while the talent pool in some areas is sufficient, recruiting is an uphill struggle. Conversely, sometimes the talent required for a role is hard to find—e.g., there are many people in the labor pool who would gladly take the job, but simply do not have the requisite abilities.



#### 3. SPEAK DIRECTLY TO WORKERS APPROACHING RETIREMENT AGE

Another key strategy is to speak directly with employees about their retirement plans and intentions. This conversation (or more likely, series of conversations) must be handled appropriately to prevent workers from feeling as though they are being pushed out. Local governments should undertake a concerted effort to ensure that workers fully understand and appreciate that:

- They are not being pushed out in any manner whatsoever. Rather, they are highly valued, and their views on retirement are being sought to help the municipality prepare for the future.
- They are not being asked to commit to a timeline or declare their intention to retire. They are free to change their minds, and nothing they say or write will be interpreted as an official declaration.

#### 4. DOCUMENT JOB PROFILES, PROCESSES, AND WORKFLOWS

The women and men who do a job are invariably in the best position to understand the daily requirements, challenges, and opportunities of their role. As such, local governments should focus on documenting three core aspects for roles that, eventually, will be vacated by a retired worker:

- Job profiles (key responsibilities and accountabilities).
- Processes (methods and practices for carrying out tasks and activities).
- Workflows (how tasks and activities interact and integrate with other departments or teams, as well as with tools and systems).



### 5. OFFER FLEXIBLE WORK ACCOMODATIONS TO WORKERS WHILE TRAINING AND ONBOARDING REPLACEMENTS

Local governments should provide innovative employment options and incentives that bridge the gap between full employment and full retirement for valued workers to train and onboard replacements.

These options can include:

- Part time scheduling.
- Flextime (modified start/end times, compressed work week, etc.).
- Telework (enabling workers to work exclusively, primarily, or partly from a home office).
- Job sharing (two or sometimes more employees jointly do a full-time job and are paid accordingly).

Offering these options to workers buys your local government time to start hiring and training eventual replacements.

#### **6. SET UP MENTORING PROGRAMS**

Many workers are willing to mentor their new colleagues—provided it is a recognized part of their job. Creating a formal and functional mentoring program can be beneficial for all parties as new employees can glean key insights about the position for which they are being groomed.



#### 7. EFFECTIVELY RECRUIT AND DEVELOP MILLENIALS

While documenting processes and knowledge from tenured employees, local governments must also find ways to effectively recruit and develop the generation known as "Millennials." Millennials are individuals who were born between the 1980s and early 2000s, meaning they range from being relatively new to the workforce to having around ten to fifteen years of experience. The generation after them, "Generation Z," shouldn't be ignored either as they will be entering the workforce in the next ten years.

Key ways to engage, onboard, and enable Millennials to contribute:

- Make it simple and easy for them to apply for a job. First, try finding ways to speed-up the hiring decision. It is extremely difficult—and in some cases impossible—for local governments that take six months to render a hiring decision to compete with private sector companies that can do so in a matter of days or weeks. Utilizing the right Application Tracking Software (ATS) can help with this.
- Focus on values. Many Millennials are driven by ideals, values, and vision. As such, local governments should help Millennials see employment in local government as an opportunity to make a meaningful difference in the lives of their community—including their friends and neighbors. Of course, focusing on other rewarding aspects such as relative job stability, above-average benefits, learning, and growth opportunities, should also be part of a compelling recruitment messaging strategy.
- Reward performance rather than failure. As noted by <u>Governing.com</u>: "A culture where performance is rewarded will likely attract and retain those who are motivated by government service." Millennials want to feel a sense of belonging to an organization when they are first hired and throughout the duration of their employment. By rewarding performance (through monetary means or otherwise), local governments can acknowledge that Millennials are valued employees, and can encourage them to stay and continue to improve themselves.



#### 8. OFFER INTERNSHIPS FOR MILLENIALS

Internships offer many benefits for your local government and for the intern. On one hand, local governments can use internships to groom younger employees for the positions they need filled while assessing their skills. On the other hand, interns benefit from the work experience, from the meaningful work they're doing for their community, and from any financial compensation for their work.

When hiring for internships, there are two main strategies to hopefully integrate an intern into your local government as a full-time hire once their internship is over. First, you can identify a key position that will need to be filled, and then hire an intern specifically to do the job. Second, you can find a well-rounded intern who learns quickly in order to train them for a given position.

Once you find an intern to hire, here are a few ways to make the most of their time with your local government:

- Learn what your intern excels in and use that to your local government's advantage. While you can sometimes identify key skills during the internship interview process, the best way to find where to utilize your intern is to have them help with a variety of tasks within your administration. Then you can pinpoint which of these tasks they complete efficiently and start utilizing them more for those types of projects.
- Have interns shadow experienced employees. Once you have identified your intern's unique skills, pair him/her up with an employee or rotate while working with several other employees. This will help the intern build relationships with current employees while learning about their jobs and what they do each day. Your current employees can get help with their day-to-day tasks while mentoring a potential new hire.
- Offer employment once the internship is over. An intern who works well with your organization
  is a better hire than someone completely new. Not only do they understand how the workplace
  functions, they already have relationships with other employees and they know what is
  expected of them. This also gives them an opportunity to use the skills they've learned during
  their internship to complete more complicated tasks.

Lastly, remember that you're selling your local government as a potential place of employment to your intern. By showing them the meaningful work your organization is doing while making them comfortable in your local government culture, they're much more likely to continue as a full-time employee once their commitment as an intern is finished.

#### 9. USE THE RIGHT HUMAN RESOURCE (HR) SOFTWARE SOLUTION

As can be expected, local governments across the country are looking to HR software to help them mitigate the risks of the Silver Tsunami. However, many organizations are discovering that some HR software products are not part of the solution; ironically, they add to the confusion, complexity, and in some cases, conflict, and chaos. That's why the right HR software:

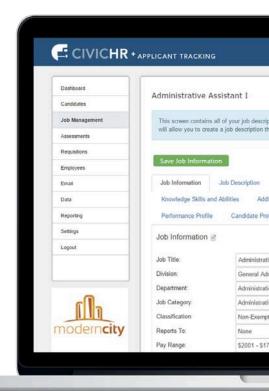
- Is created exclusively for local governments.
- Is easy to use, intuitive, customizable, and flexible.
- Offers advanced features and functionality.
- Is supported by hands-on-training to make the implementation process smooth and successful.

### **Next Steps**

For more than 20 years, the team at CivicPlus<sup>®</sup> has enabled over 2,500 local governments to address their current human resource challenges, and prepare for the evolving landscape that lie ahead.

Our award-winning CivicHR® cloud-based human resource solution:

- Is created exclusively to help local governments recruit, hire, and engage employees.
- Is designed with input from experienced HR specialists who understand the unique challenges of local government.
- Utilizes performance profiles, rather than job descriptions, to recruit, identify, and hire quality talent.
- Reaches qualified candidates within and beyond the local labor pool.
- Features one-click posting to multiple third-party websites and social media platforms.
- Leverages an applicant tracking system to process, sort, review, and rate candidates.
- Automates the collection of critical information (e.g., W-4s, I-9s, etc.).
- Uses custom performance management tools to track evaluations and drive improvements at the individual, team, and department levels.
- Streamlines the onboarding process and reduces the learning curve for new hires.
- Is protected by full encryption and permission-based access.



When you choose CivicHR, you choose more than a human resource management solution. You choose a strategic partner that will ensure our customizable software evolves as the needs of your community evolve. CivicHR is backed by unmatched support that is tailored for each organization, features seamless expert-led implementation and integration, and offers customized training and solution documentation for all end users.

To learn more, contact the local government human resource experts at CivicHR today and schedule your complimentary consultation.



#### **CivicHR Testimonials**

"The new process that we have devised using CivicHR works much better than our previous paper-based process. Before, we would give our Sheriff's Department a pile of paperwork for every applicant. Now, only qualified candidates are passed on. It has made the screening process much easier for everyone."

- Tony Bell Director of HR Spartanburg County, SC "The implementation was very seamless. I was never frustrated with CivicHR like I was with the previous system. I gave my CivicHR implementation team all the information they asked for in a spreadsheet and they integrated it into the system so I didn't have to."

- Angel Alvarado HR Director Marble Falls, TX "I can't speak highly enough about the whole tool. Thanks to CivicHR, we are definitely identfying more qualified talent. Ultimately, it means the hiring of more talented employees who are best suited to help us meet our goals of continuing to make Spartanburg County a great place to live and work."

> - Lisa Hart Assistant Director of HR Spartanburg County, SC

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