Sector overview and 2022 outlook

In November 2021, the United States “quit rate” reached a 20-year high as workers left their jobs in search of higher pay, better opportunities, and greater job satisfaction.

It’s the talent crisis CEOs are calling the “Great Resignation”—ranking it as the No. 1 external issue to their business strategy within the next 12 months.\(^1\)\(^2\)

But is the Great Resignation also disrupting the public sector? According to a recent Deloitte data analysis, U.S. Government quit rates between July 2020 and November 2021 were roughly 3% lower than the private sector.\(^3\)

However, while the Great Resignation may not be as pronounced in the public sector, government executives still have an incredible opportunity to fundamentally rethink their work, workforce, and workplaces.

The “Great Reimagination” is certainly here: harnessing it will help government prepare for—and overcome—future challenges.
Five talent opportunities for government

Evidence suggests that the Great Reimagination is more about workers searching for better opportunities than it is about workers quitting their jobs altogether. The Great Reimagination has contributed to key changes in workforce behavior, creating a rise in employee autonomy and selectivity, and fueled by mid-career employees who are searching for better jobs - and there are plenty to choose from. Job openings are at a record high, and in this evolving landscape, they just aren’t being filled.

This presents a unique opportunity for governments to capitalize on today’s worker-driven talent market by strengthening certain elements of its talent model to attract, hire, and retain workers searching for a new job that’s more aligned to their interests and needs.

Governments can start by focusing on these five talent opportunities to stand to gain, rather than lose, talent from the Great Reimagination.

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#1 COORDINATE COMPLEX CHANGE

The COVID-19 pandemic has accelerated change, forcing unprecedented shifts in where and how government employees work. Measuring and managing this change can help government understand what is working and how to tackle any barriers to this evolution. Data can help inform strategies to drive and enable future talent success.

Many government leaders are making progress in addressing complex change and breaking down interagency silos to address a common goal. For example, 30 states have created “Children’s Cabinets” with various departments striving for collective progress on issues such as early childhood education.9

The risks of not implementing an effective change management policy are high—parts of the workforce that feel disconnected or forgotten through change are more likely to leave. Change management should not be treated as a “check the box” exercise—identifying root causes and strategically working with a diverse set of stakeholders to address specific barriers can enable positive outcomes that impact governments for generations to come.

#2 ADAPT THE WORKPLACE

One opportunity for governments in the Great Reimagination is to adapt their workplaces based on what workers want, especially in the wake of COVID-19 and the forced shift to remote work.

Governments have a challenging balance to strike between in-person mission delivery that prioritizes the citizen experience and workplace flexibilities that allow the workforce to work from where they are most productive and engaged.

That said, is this trade-off? Or are there opportunities to maximize the citizen experience as well as workplace flexibilities?

A productive virtual workforce has a strong correlation with employee satisfaction and thriving productivity.

In his State of the Union address on March 1st, 2022, President Biden mentioned that agencies will continue to recall staff back to the workplace, saying the government will “lead by example” in returning to the workplace safely and setting an example for the rest of the nation. Many agencies have already begun to bring employees back into the office, and those efforts will continue.10
The pandemic also highlighted that a productive virtual workforce has a strong correlation with employee satisfaction and thriving productivity. According to the Pew Research Center, 59% of U.S. workers are working from home all or most of the time, and 61% say they are choosing not to go into their workplace. Additionally, up to 55% of Americans may consider leaving their jobs if asked to return to the office.

As such, governments can look at the work itself to determine what workplace flexibilities are appropriate to allow worker choice around job activities that do not interrupt the citizen experience and mission delivery. Providing supervisors with the adequate resources they need to implement role-based flexibilities is key to retaining and attracting talent.

By adapting the workplace, governments have a significant opportunity to support function-based workplace flexibilities.

In addition to workplace flexibility policies and implementation, governments can think about the workplace itself and how it must adapt to meet these new ways of hybrid working. Governments can start by right sizing their real estate portfolio to workforce needs to realize cost savings.

Any changes made should also consider the local economic impact of potential downsizing. In many communities, a government workforce is critical to nearby local service businesses such as restaurants.

It’s also important for governments to think about the workplace design—shifting to a more workforce-centric model to put the workforce first may entail more hoteling and collaboration space that is further enhanced by natural light and technology-enabled connectivity.

Modernized workplaces that fit the new way of hybrid working can also help improve workplace productivity, attract talent, and reinforce a culture of hybrid work. By adapting the workplace, governments have a significant opportunity to support function-based workplace flexibilities that enhance the citizen experience, potentially reduce real estate costs, and maximize space design that can improve workforce productivity while attracting and retaining talent.
ENHANCE TECHNOLOGY-ENABLED EMPLOYEE EXPERIENCES

With employee experience being just as important as customer experience, governments can benefit from enhancing workforce technology to improve the workforce experience across the talent lifecycle.

Government have traditionally fallen behind on implementing new technology, and, with the rise in popularity of coworking and hoteling, technology is a key factor in enabling productive, effective, and engaging hybrid and remote work that workers desire.

Effective hybrid and remote work enabled by technology can prove challenging for some employees, especially those who are more tenured, resistant to change, or from lower-income communities who were not exposed to technology as much as their higher-income counterparts.

To improve technology adoption and promote equity across the board, governments must plan to provide learnings and resources to support employees and address skill gaps.

In addition to the overall employee experience, technology can enhance the applicant hiring and onboarding experience as well. Time-to-hire in government takes nearly three times longer than the private sector, which can lead to governments losing out on top tier talent. Technology also enables efficient and faster onboarding experiences for new hires, which is crucial for retention.
#4
**TARGET THE NEXT GENERATION OF TALENT**

The government workforce tends to be near retirement age but this may actually work in favor of governments during the Great Reimagination if they decide to use it as an opportunity to target the next generation of talent. Some evidence suggests these generations, especially baby boomers might be the answer to the Great Resignation. Governments have a significant opportunity to use tenured talent to train, mentor and inspire new talent, minimizing negative impacts to mission delivery and acting as another boost to recruitment and retention.

Government will still need to attract new talent to the organization, much of which will be members of Generation Y (millenials) and Z. As such, positions responsibilities, descriptions, announcements, and offers should incorporate what these generations view as highly valuable.

Updating hiring and recruiting systems too, is another way to attract younger generations of talent—millenials like to be engaged during the recruitment process and streamlining these systems offers a smoother, more engaging experience with less wait time.

Governments should also consider moving away from rigid job classification systems, as Gen Z desires diverse, entrepreneurial opportunities. When it comes to sourcing, 79% of job seekers use social media when searching for jobs. Governments would do well to boost their online presence, as millennials are 25% more likely to interact with ads on social media. and 92% of millennials indicate that a website’s appearance is an important factor in whether or not they submit personal information to the site.

By retaining employees from generations like the baby boomers while simultaneously bringing millennials and Gen Z into the workplace, governments can also set themselves up for success in terms of succession planning and avoid the effects of any pending hiring freezes.
GOVERNMENT | UNDER THE SPOTLIGHT

#5 MARKET THE MISSION

Governments have traditionally struggled to keep up with the private sector in talent races when it comes to compensation, but governments do have one important factor to set them apart from the private sector—mission.

As new talent enters the workforce looking for better opportunities, governments have a chance to highlight that government work can be more meaningful and impactful to the greater good and wider community.

In fact, mission-based organizations might have an advantage over others while competing for Great Resignation talent. Many government missions also include careers that offer stability, work-life balance, and benefits. These areas are all extremely important to market to potential candidates, and may be the deciding factor when individuals choose where they want to work.

Millennials and Gen Z especially hold these values dear, with both groups highly valuing mission-focused work and social impact. To specifically target these groups during recruitment, governments can emphasize how staff support the mission every day, communicate career development opportunities, and shift marketing narratives to focus on mission and culture.
It’s time to take action

What can governments do next? Governments can take these immediate next steps to capitalize on the five talent opportunities of the Great Reimagination, while proactively addressing uniquely governmental challenges to transformation.
#1
ADAPT THE WORKPLACE

1a: Understand the return to workplace challenges of your organization, whether IT, real estate, performance management, productivity, engagement, or policy, and prioritize addressing top challenges in a comprehensive return to the workplace strategy.

1b: Align workplace flexibilities to the work itself to unlock workplace satisfaction and productivity while maintaining a positive citizen experience. Update workplace flexibility policies to reflect overarching options, while enabling supervisors and leaders with resources to enact policies at the team-level.

1c: Coordinate workplace and flexibility changes with labor unions: Engaging with labor unions early and often to update policies and implement widespread workplace change is critical to build buy-in, prioritize the workforce, and avoid potential legal liabilities.

1d: Provide resources and trainings to meet leadership, supervisor, and employee needs when transitioning back to office or to hybrid and remote work. Be intentional mitigating potential biases within a hybrid workforce and setting norms for hybrid interaction and expectations.

#2
ENHANCE TECHNOLOGY-ENABLED EMPLOYEE EXPERIENCES

2a: Utilize software and cloud services to enable remote and hybrid work.

2b: Offer a centralized suite of training resources to reskill workers and improve their digital proficiency.

2c: Implement a curated and tailored training curriculum for employees by grade level and role to improve the employee experience and promote constant learning.

2d: Offer guidance and support to employees around new technology and measure adoption and effectiveness over time.
#3 TARGET THE NEXT GENERATION OF TALENT

3a: Use non-traditional sourcing strategies to expand outreach to platforms like social media to attract younger generations of talent, especially for hard-to-fill positions.

3b: Plan for upcoming retirements and take steps to preserve institutional knowledge. Hire not just for experience needed to replace exiting employees and support new technologies. Retain retirement-eligible employees using part-time flexibilities and use them to mentor incoming talent.

3c: Update organizational systems to improve the employee experience. Hire for skills needed to support this new technology.

#4 MARKET THE MISSION

4a: Emphasize the qualities of government work that aren’t found in the private sector: namely, mission. The ability to do more meaningful work is a driving factor for many applicants, especially those in younger generations.

#5 COORDINATE COMPLEX CHANGE

5a: Take time to measure and understand why employees are resistant to specific change through focus groups, surveys, and continuous sentiment pulsing and craft strategies to address these root causes.

5b: Maintain consistent communication to convey the latest and greatest policies to their workforce—thus reducing confusion and maximizing buy-in.
READY TO REIMAGINE WHAT’S NEXT?
3 LinkUp; Data Analysis: Deloitte.
4 Three Myths of the Great Resignation - Government Executive (govexec.com)
6 Who Is Driving the Great Resignation? (hbr.org)
7 Job Openings and Labor Turnover Survey Home Page (bls.gov)
8 Job Openings Are at Record Highs, Why Aren’t Unemployed Americans Filling Them? - WSJ
10 https://www.whitehouse.gov/state-of-the-union-2022/
18 Are boomers the answer to the great resignation? – Raconteur
21 Understanding Generation Z in the Workplace | Deloitte US
22 eBook: 65 HR & Recruiting Stats for 2018 (glassdoor.com)
23 Marketing to Millennials in 2019 (New Survey) | Clever Real Estate (listwithclever.com)
24 Marketing to Millennials in 2019 (New Survey) | Clever Real Estate (listwithclever.com)
25 Mission-Driven Companies Have an Advantage in the Great Resignation (chron.com)
26 Understanding Generation Z in the Workplace | Deloitte US