

Workforce Issues and Challenges for Michigan's Local Governments

CLOSUP Webinar

January 31, 2018

Presenters: Debra Horner and Natalie Fitzpatrick

Presentation Outline

- Overview of MPPS survey program
- Findings on local government officials' views on a range of issues regarding their jurisdictions' workforce from the Spring 2017 survey wave, including:
 - ✓ thoughts on the public's perception of gov't employees
 - ✓ employee pay and fringe benefit rates
 - ✓ whether the size of the jurisdiction's workforce is adequate for providing services
 - ✓ personnel problems experienced, particularly recruitment and retention
 - ✓ succession planning

The Michigan Public Policy Survey

- **Census survey** – all 1,856 counties, cities, villages, and townships
- **Respondents** – chief elected and appointed officials
- **Administered** – online and via hardcopy
- **Topics** – wide range, such as fiscal health, budget priorities, roads, public safety, economic development, intergovernmental cooperation, service privatization, employee policies, labor unions, environmental sustainability, Great Lakes, citizen engagement, much more.

MPPS is not a typical opinion poll

- **70+% response rates**
- **Transparency**
 - Questionnaires online
 - Pre-run data tables online
 - Sharing of (anonymized) datasets with other researchers
- **Expert advisors on questionnaire content**
- **Research partnership with Michigan local government associations**
 - MAC, MML, & MTA
- **Borrowing from other proven sources such as NLC and ICMA**

How many local jurisdictions responded to the Spring 2017 MPFS?

1,372 local units total (74% of all statewide)

By Population Size

489 local units <1500

519 local units 1500-5000

137 local units 5001-10,000

129 local units 10,001-30,000

98 local units >30,000

By Region

149 in the Upper Peninsula

226 in the Northern LP

259 in the Central West

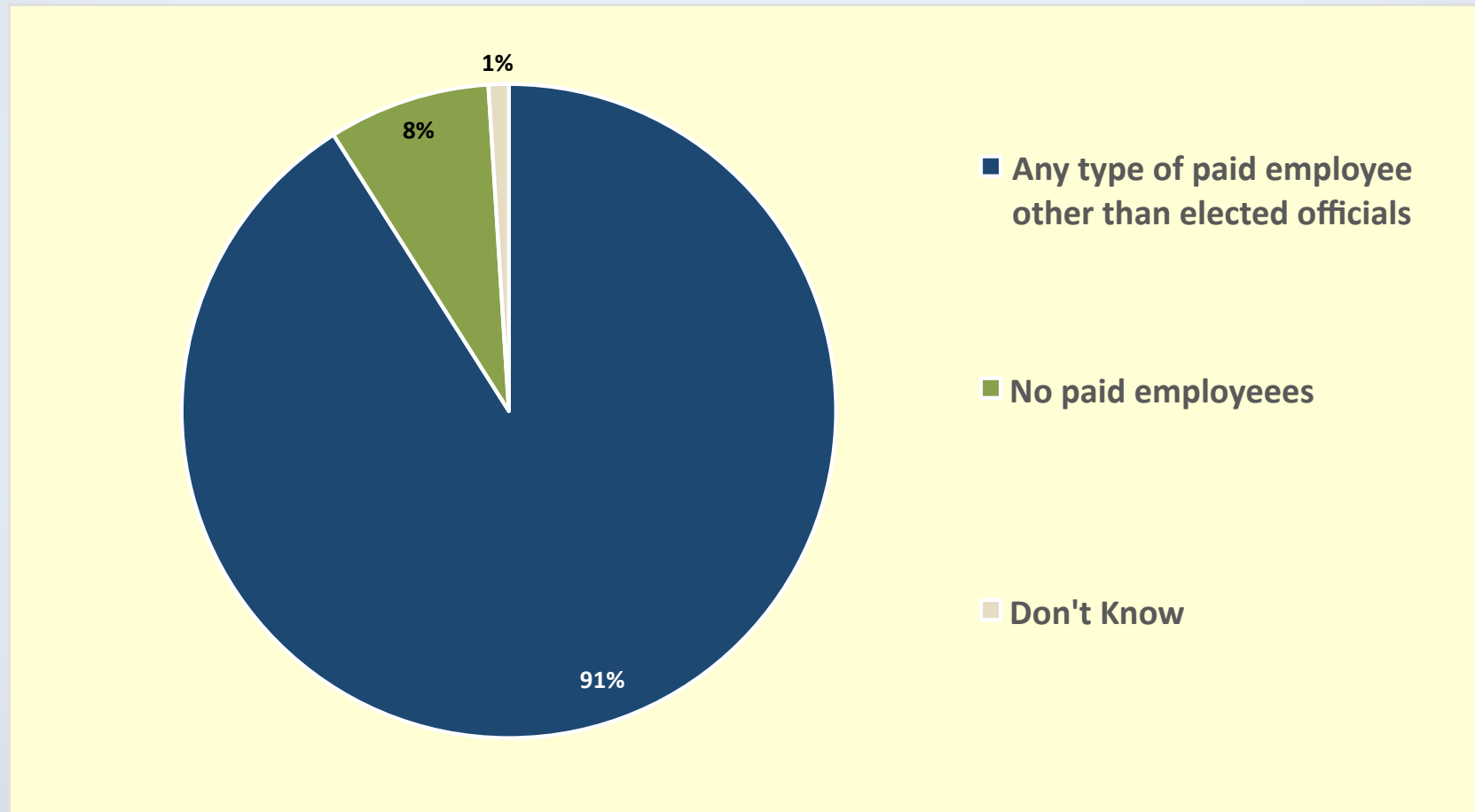
240 in the Central East

227 in the Southwest

271 in the Southeast

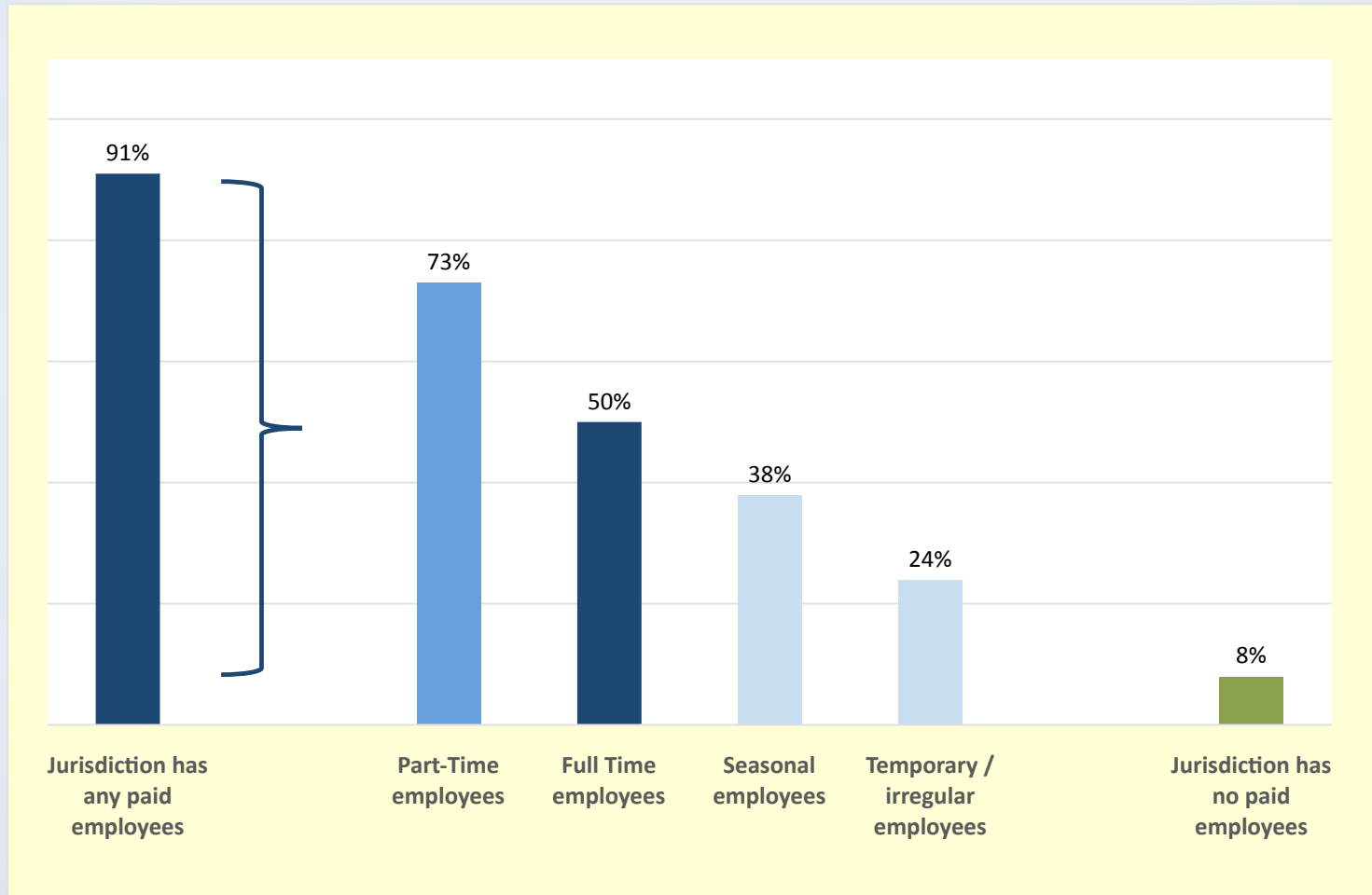
Who has employees?

Does your jurisdiction have **any paid employees** other than elected officials?



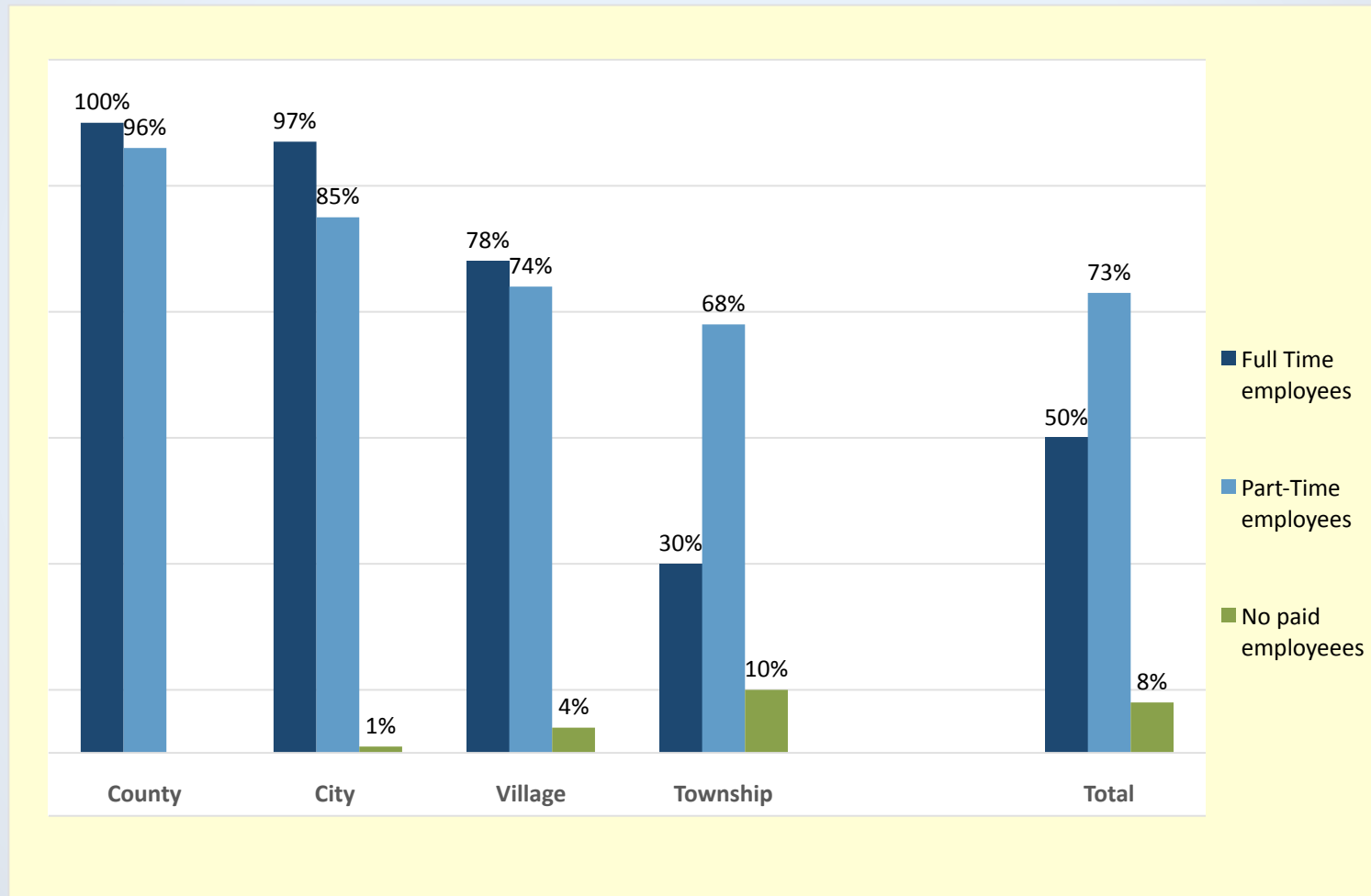
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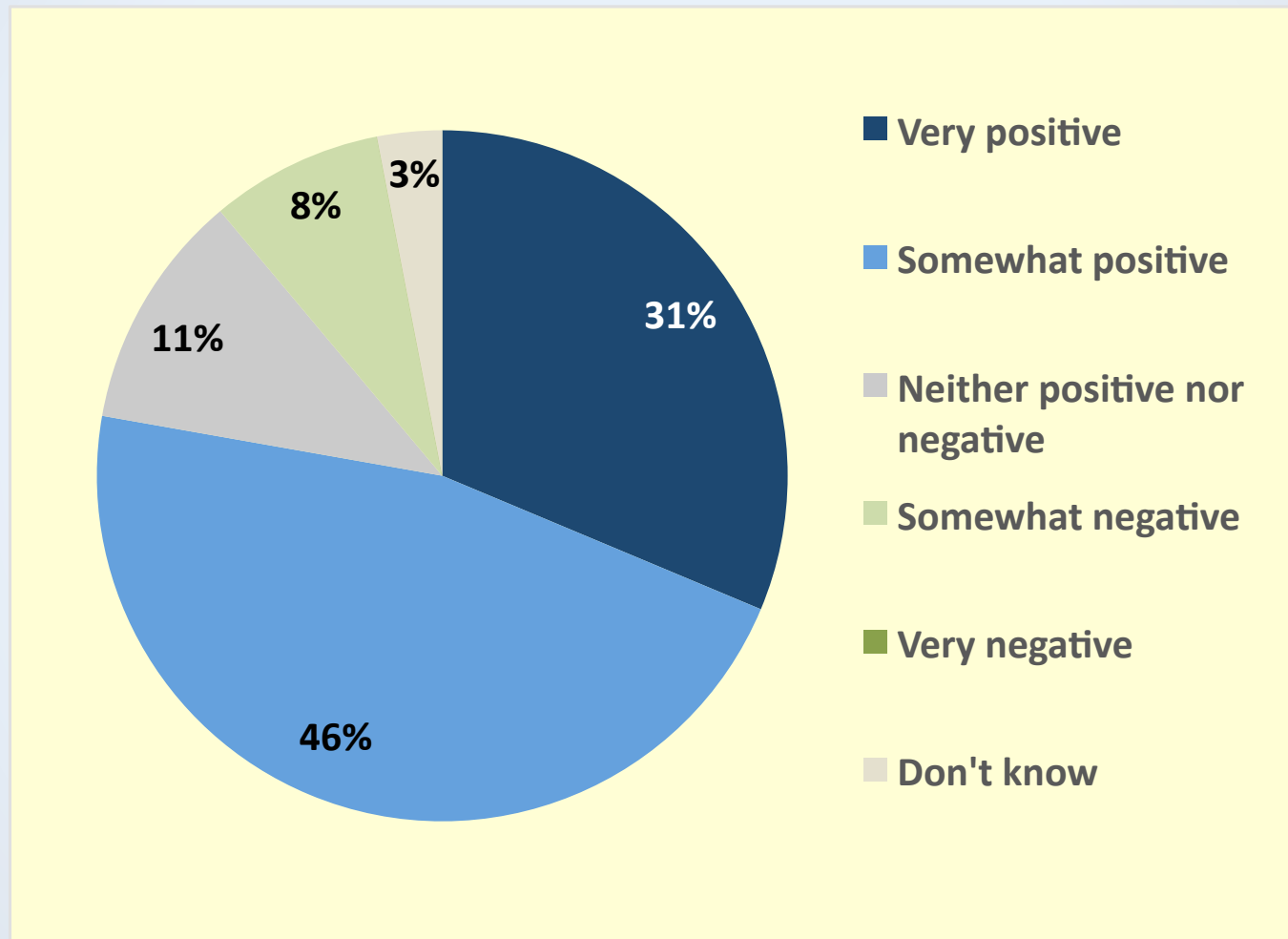
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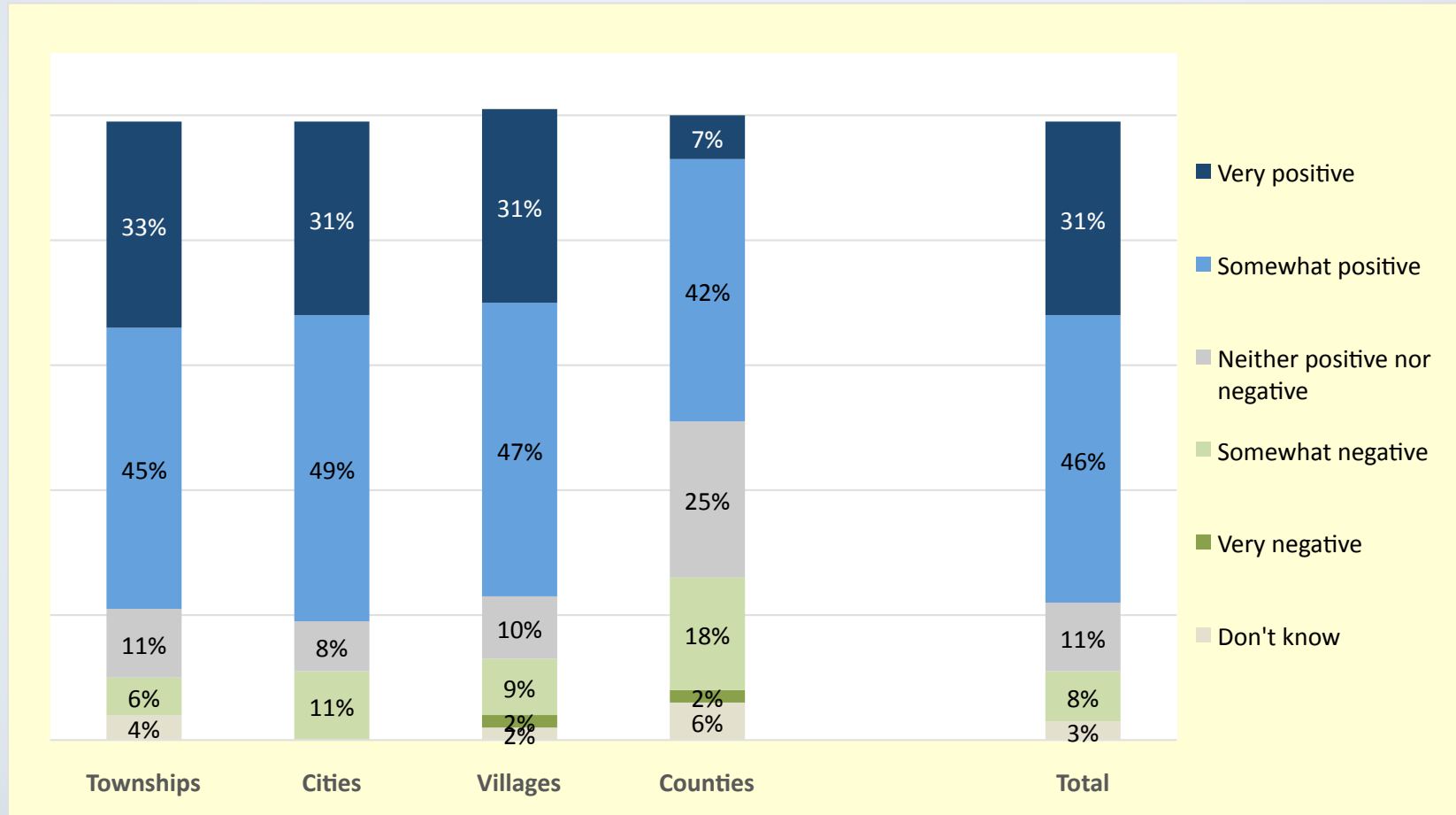
What does the public think of your employees?

In general, how would you describe **the public's perception** of **government workers** in your jurisdiction?



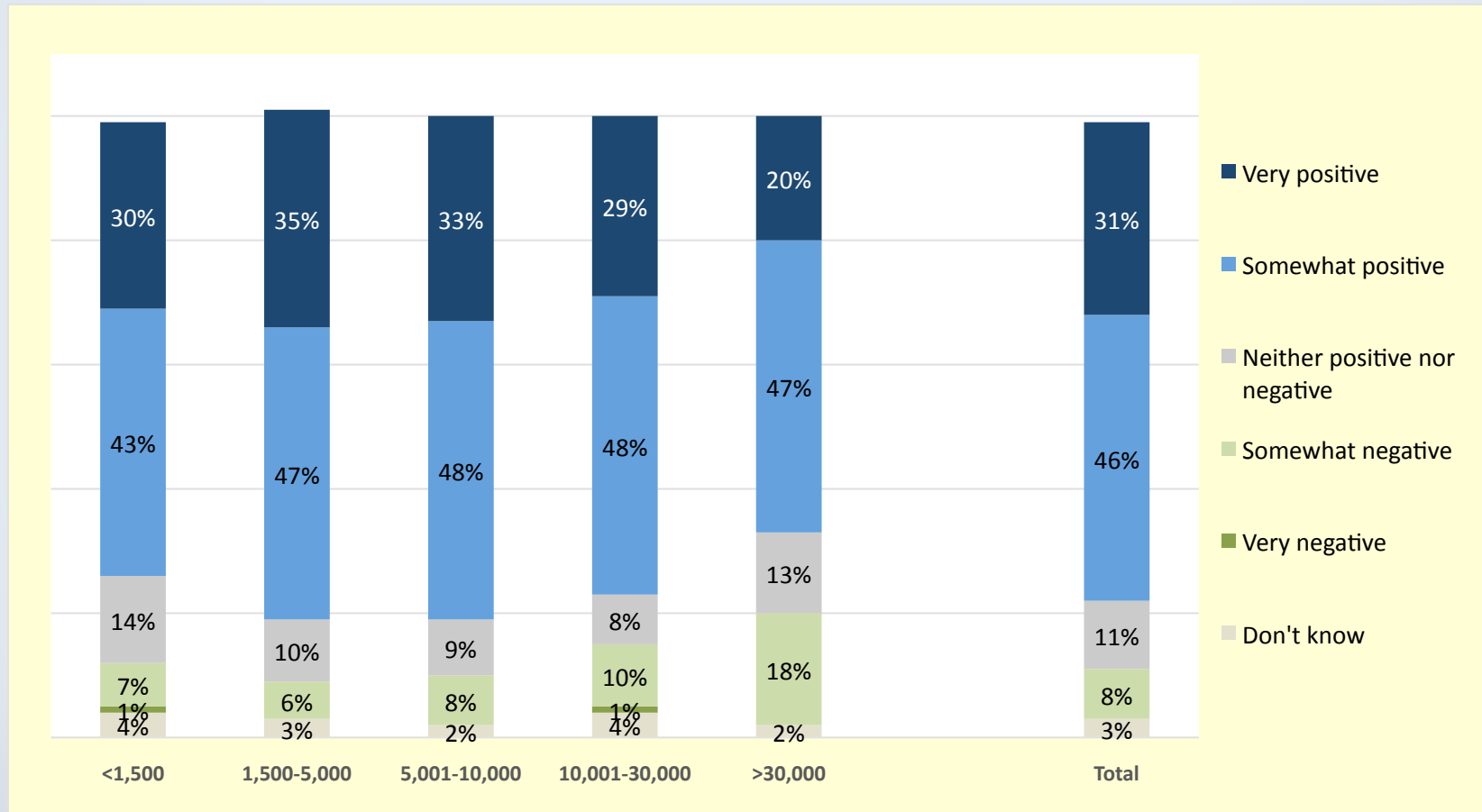
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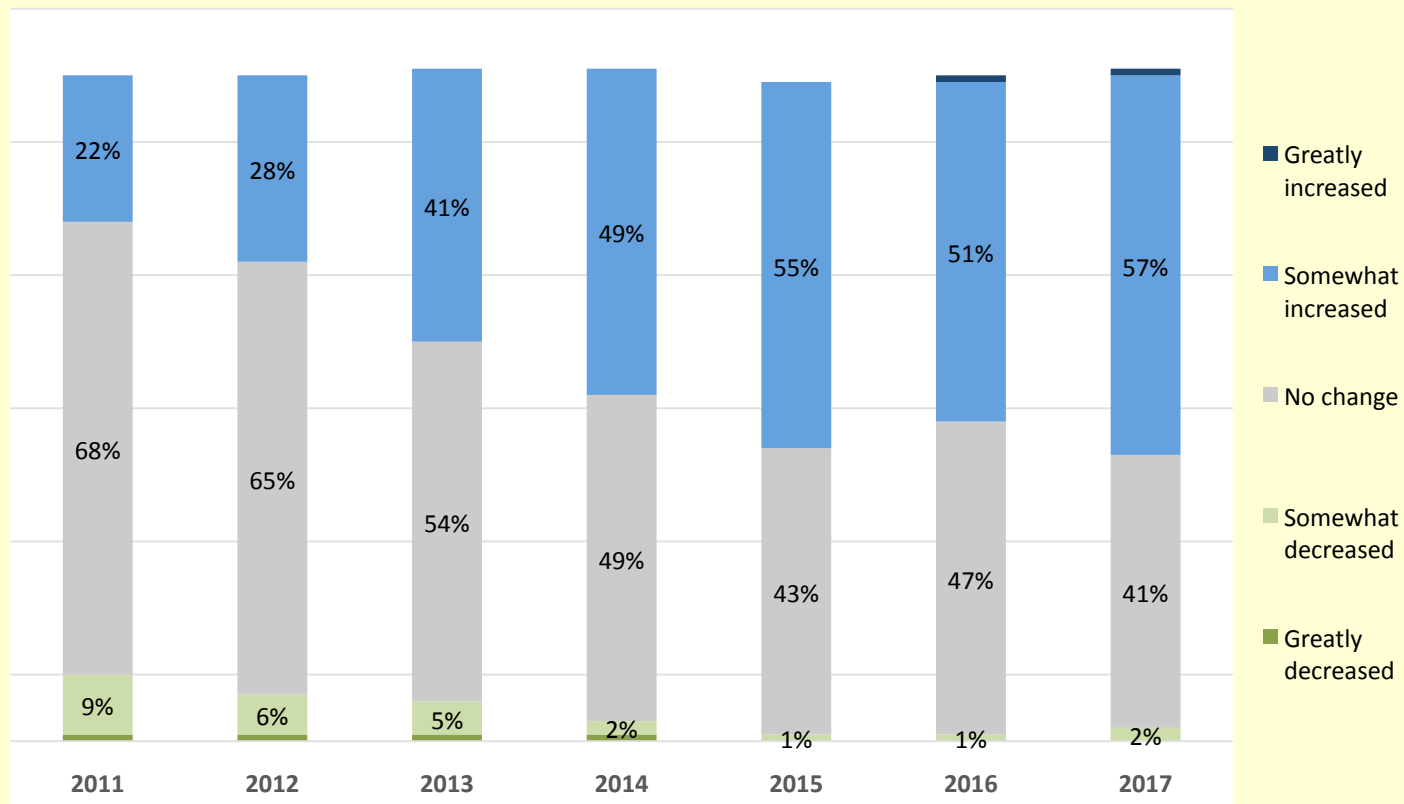
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How have employee pay rates changed?

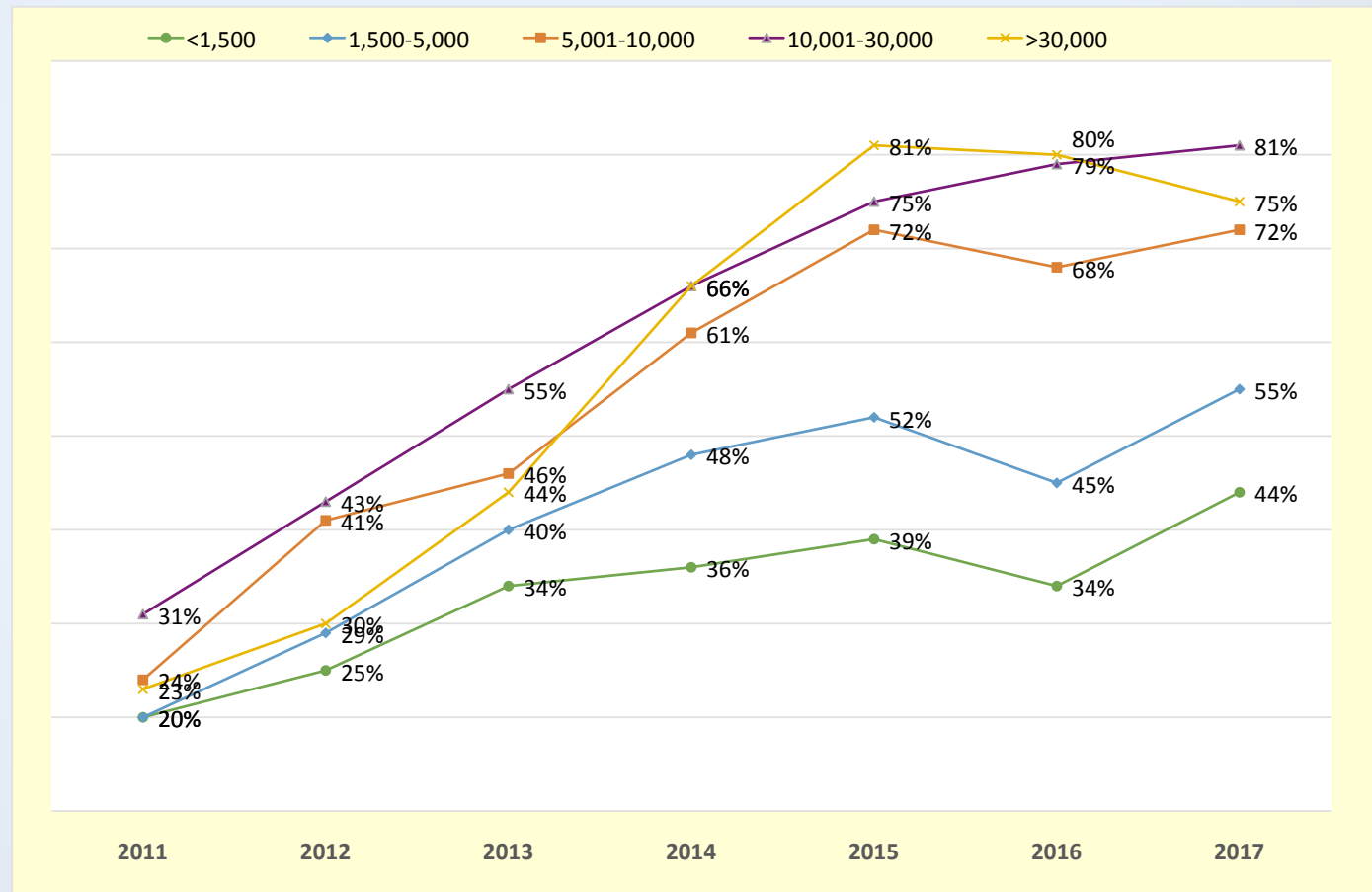
Indicate whether — in your opinion — there has been a decrease, an increase, or no **change from the previous fiscal year** in **pay rates** for your jurisdiction's employee wages and salaries.



How are employee pay rates changing?

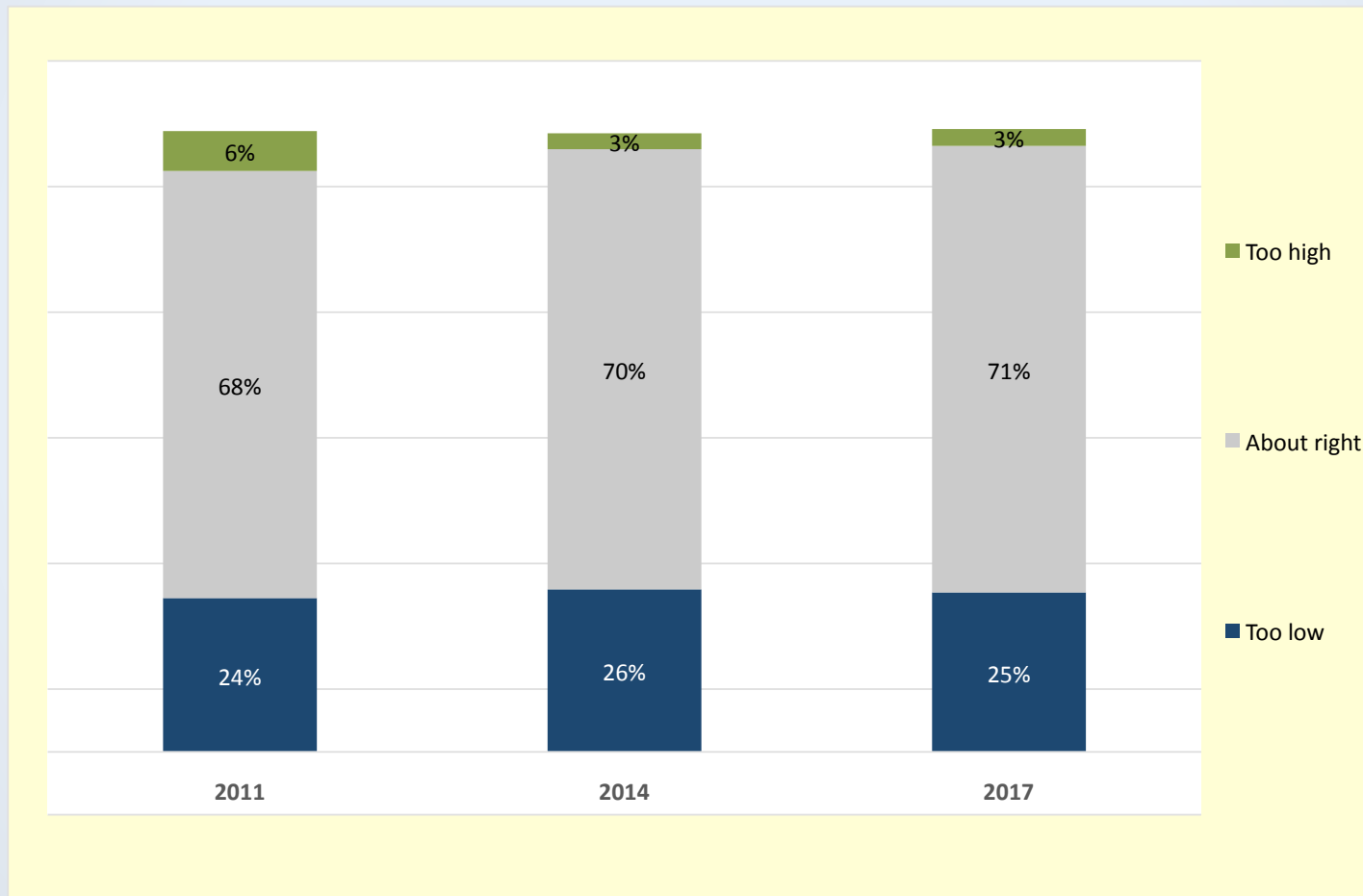
Now, comparing your jurisdiction's current fiscal year to the **next fiscal year**, please indicate which **actions** your jurisdiction has taken or is **likely to take** regarding employee pay rates.

% of jurisdictions increasing employee pay in the coming year, by population size



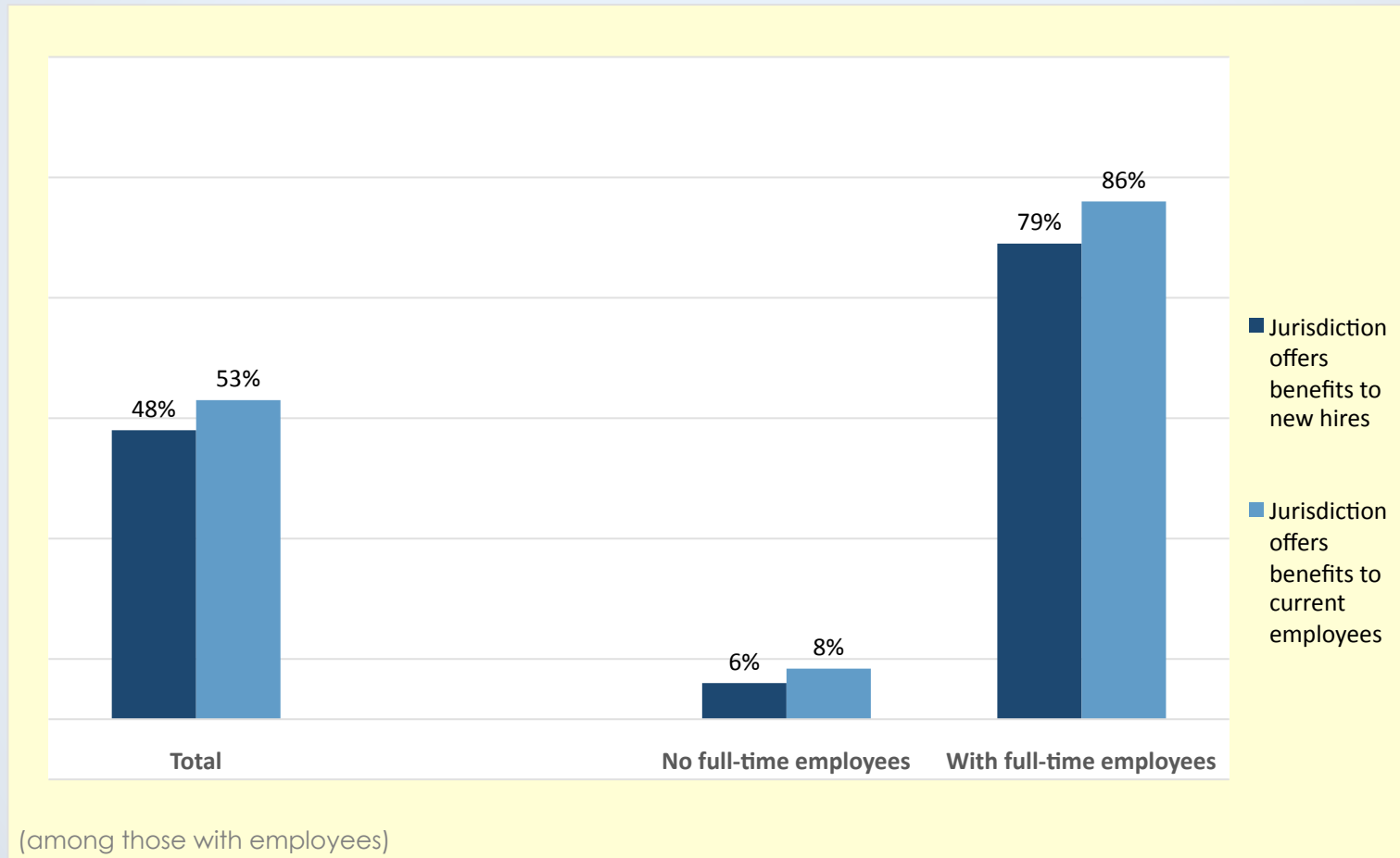
Are current employee pay rates appropriate?

Overall, do you consider your jurisdiction's pay rate(s) for current employees to be **too high, about right, or too low**?



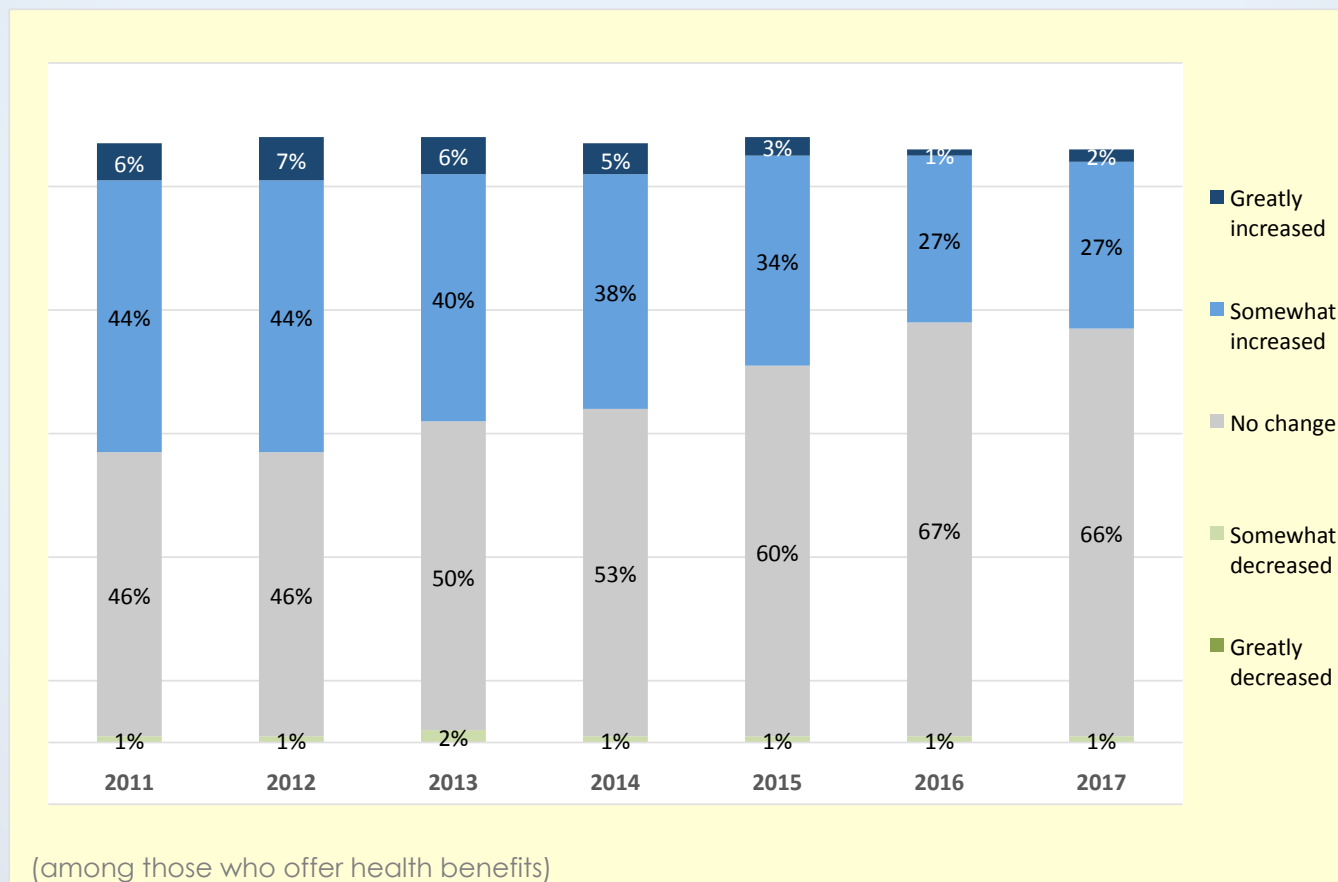
Who offers employee benefits?

Does your jurisdiction provide **any fringe benefits** (i.e., health care, dental, vision, life insurance, etc.)?



How are employees' share of health care costs changing?

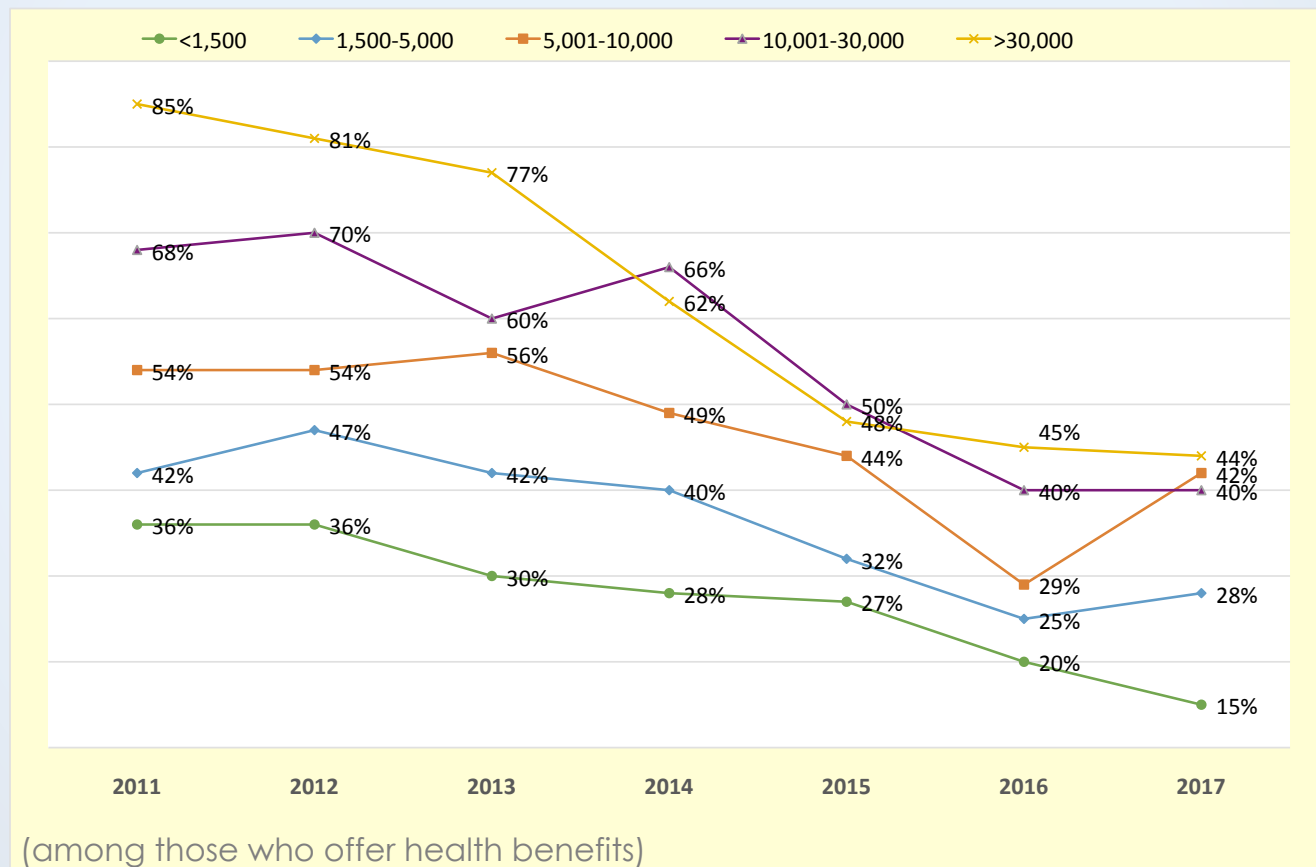
... please indicate which **actions** your jurisdiction has taken or is **likely to take** regarding employees' share of premiums, deductibles, and/or co-pays on health insurance.



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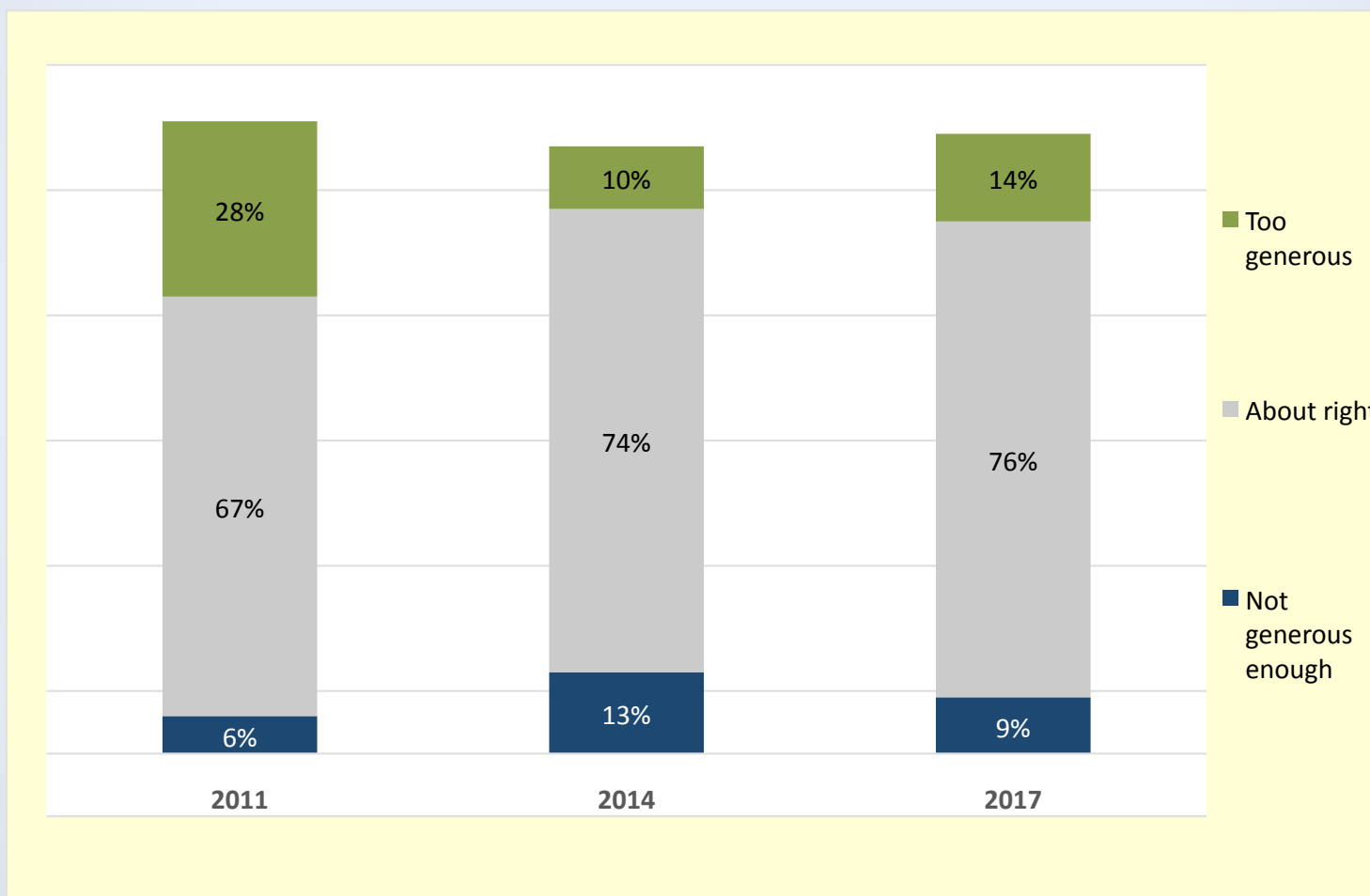
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% of jurisdictions increasing employees' share of health insurance costs in the coming year, by population size



Are current employee benefits appropriate?

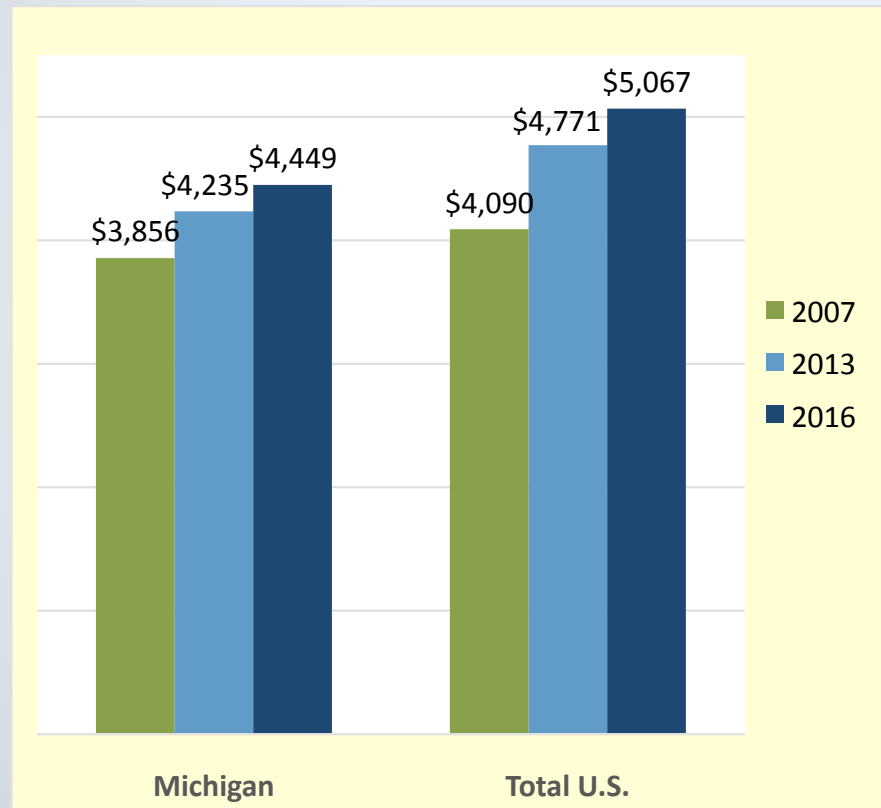
Overall, do you consider your jurisdiction's fringe benefits package(s) — or lack thereof — for current employees to be **too generous, about right, or not generous enough?**



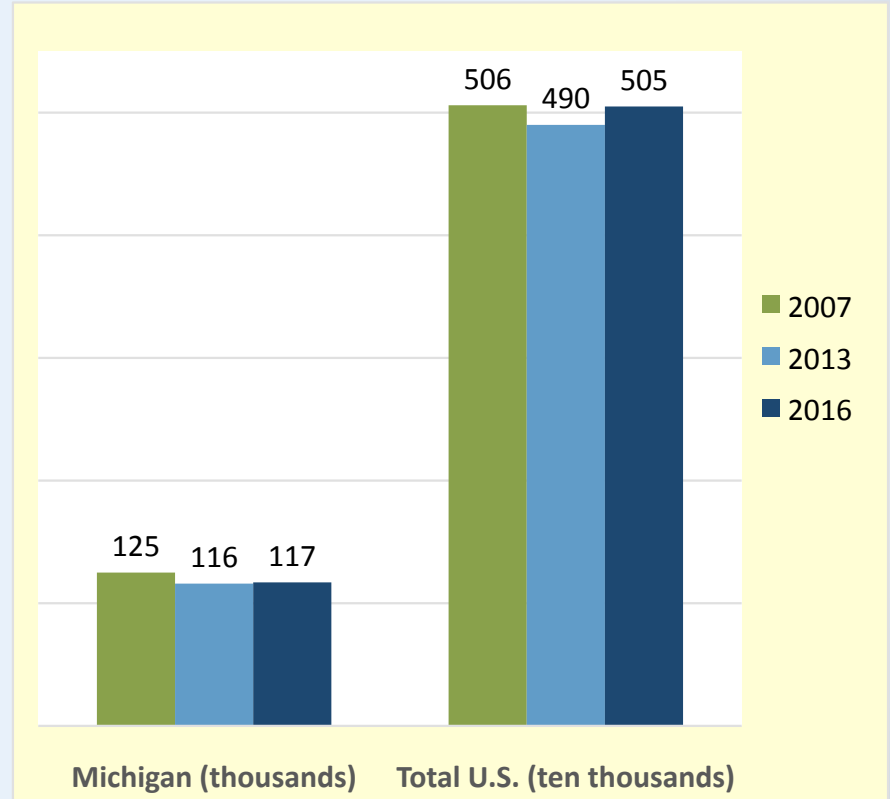
How has local gov't workforce size changed?

U.S. **Census data** on full-time equivalent local government employment

Local government average monthly pay:

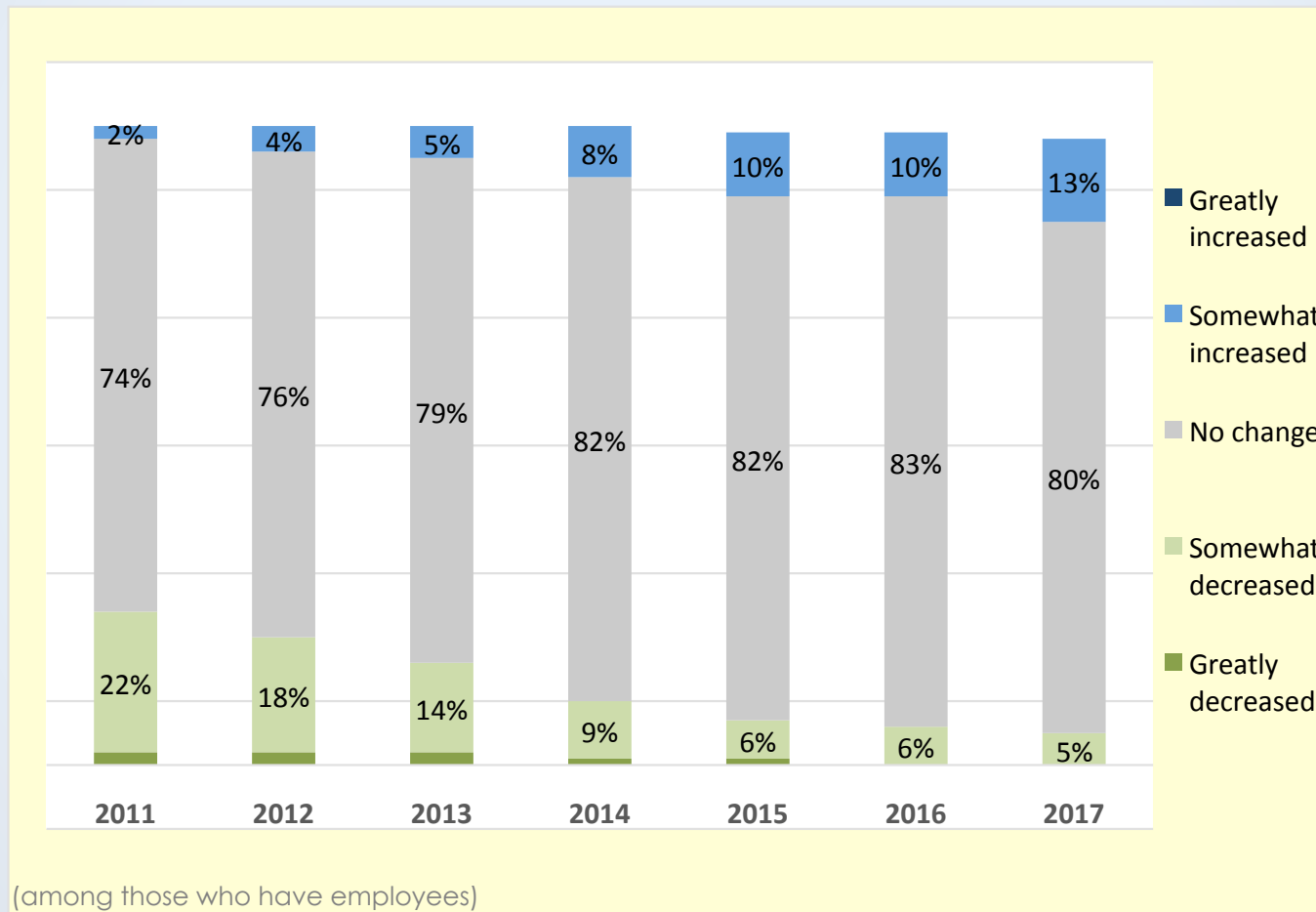


Local government FTE employment:



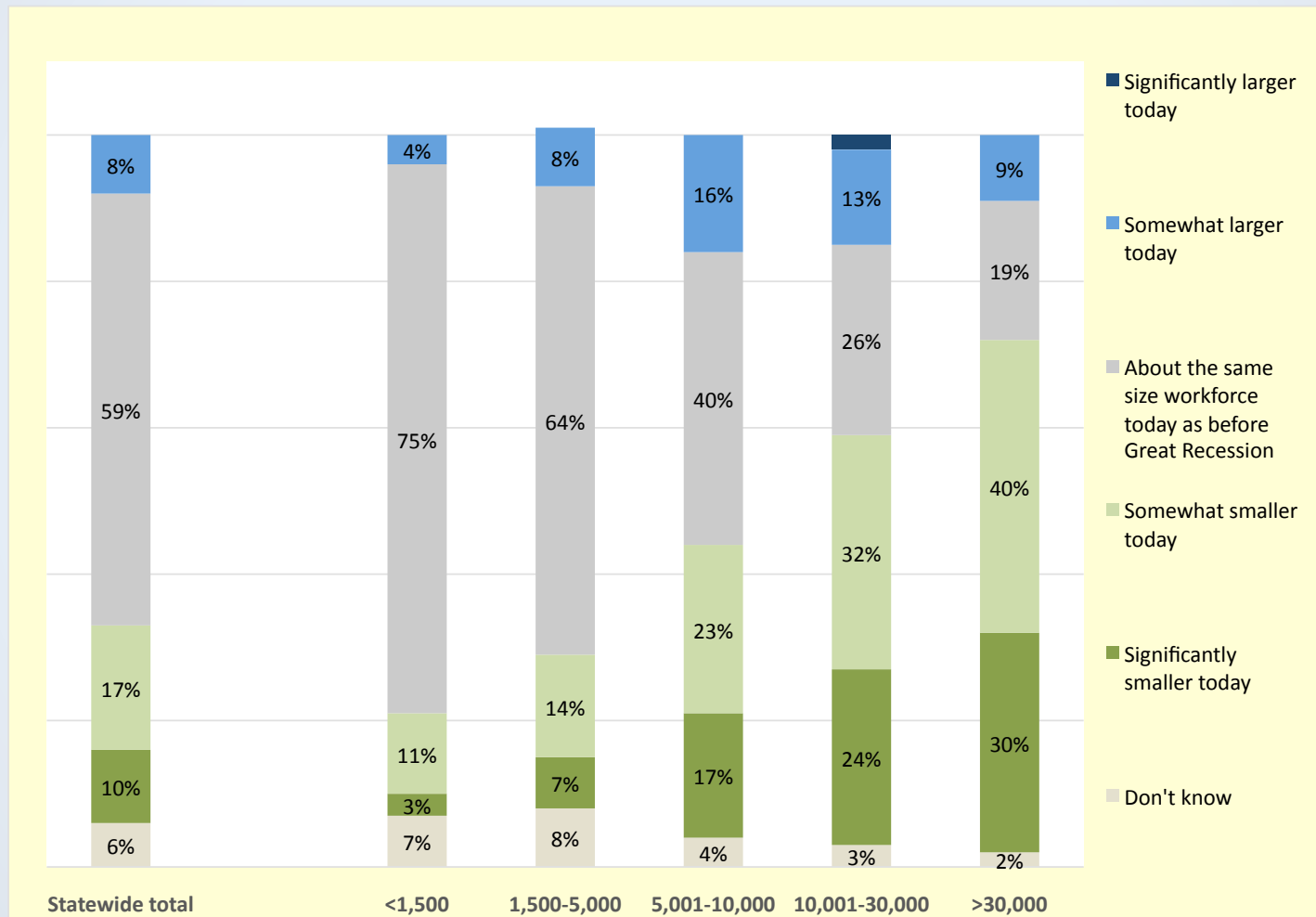
How has local gov't workforce size changed?

Indicate whether — in your opinion — there has been a decrease, an increase, or no **change from the previous fiscal year** in the **number of employees** that work for your jurisdiction.



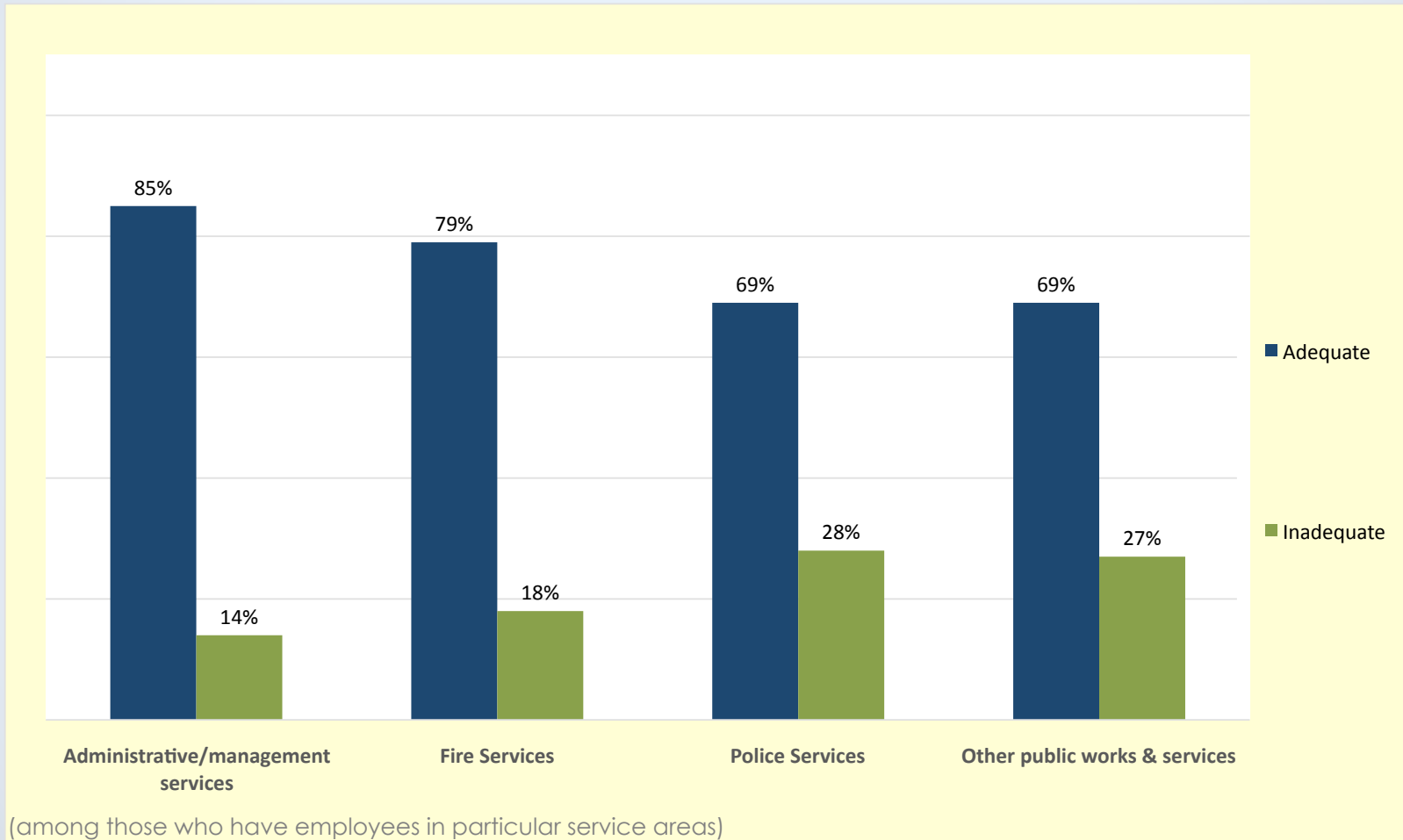
How has local gov't workforce size changed?

How does the **overall size** of your jurisdiction's workforce today compare to its size before the Great Recession?



Is local gov't workforce size adequate for needs?

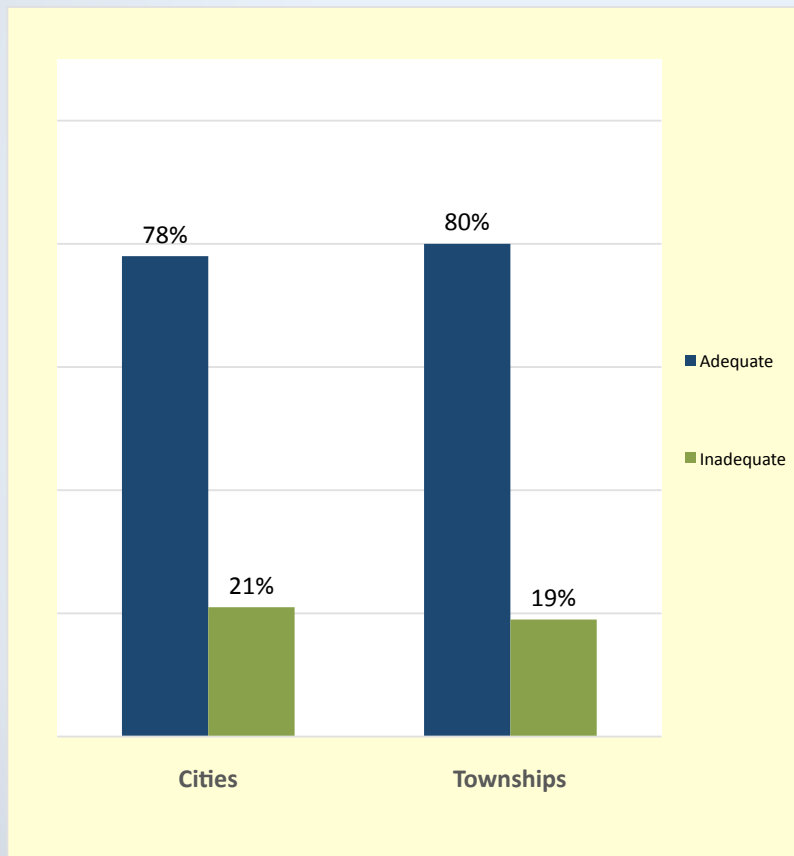
Do you think that your jurisdiction currently has an **adequate size** of workforce **to deliver desired services** in each of the following areas?



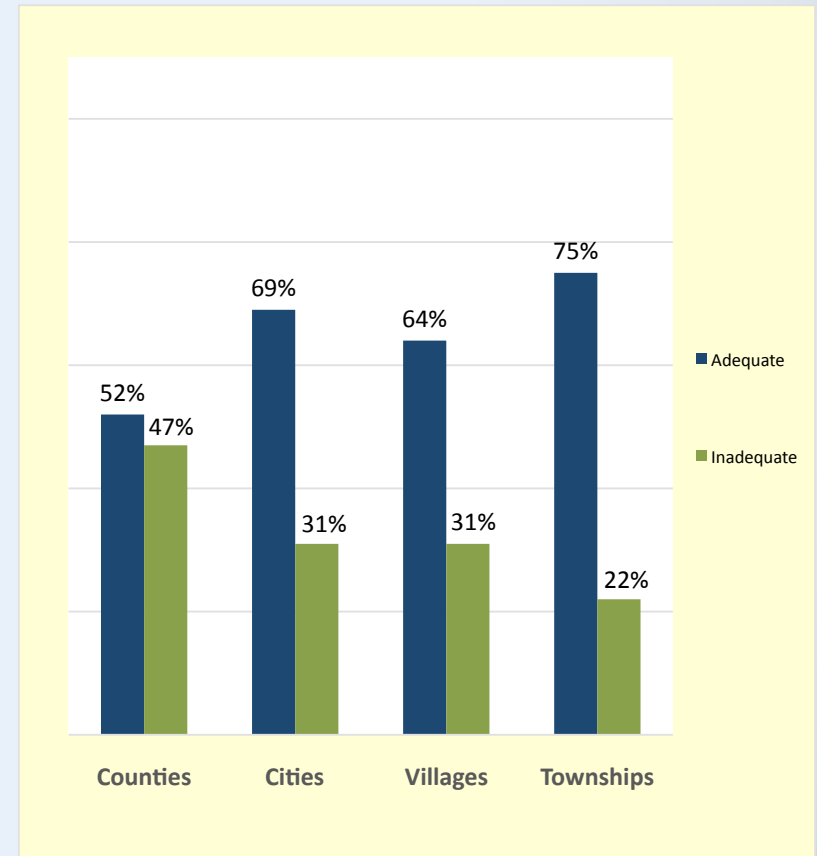
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Fire services:



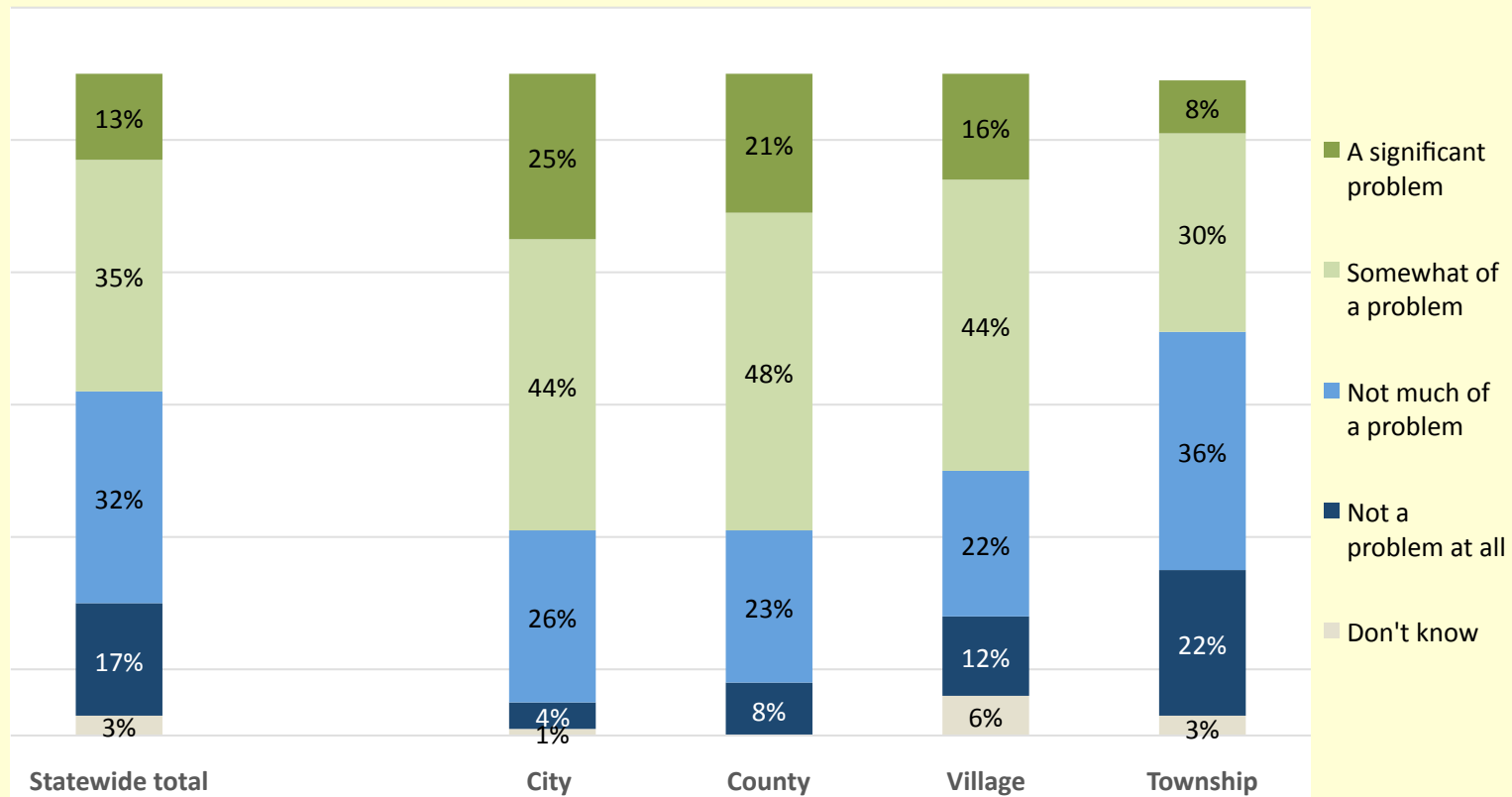
Police services:



(among those who have employees in particular service areas)

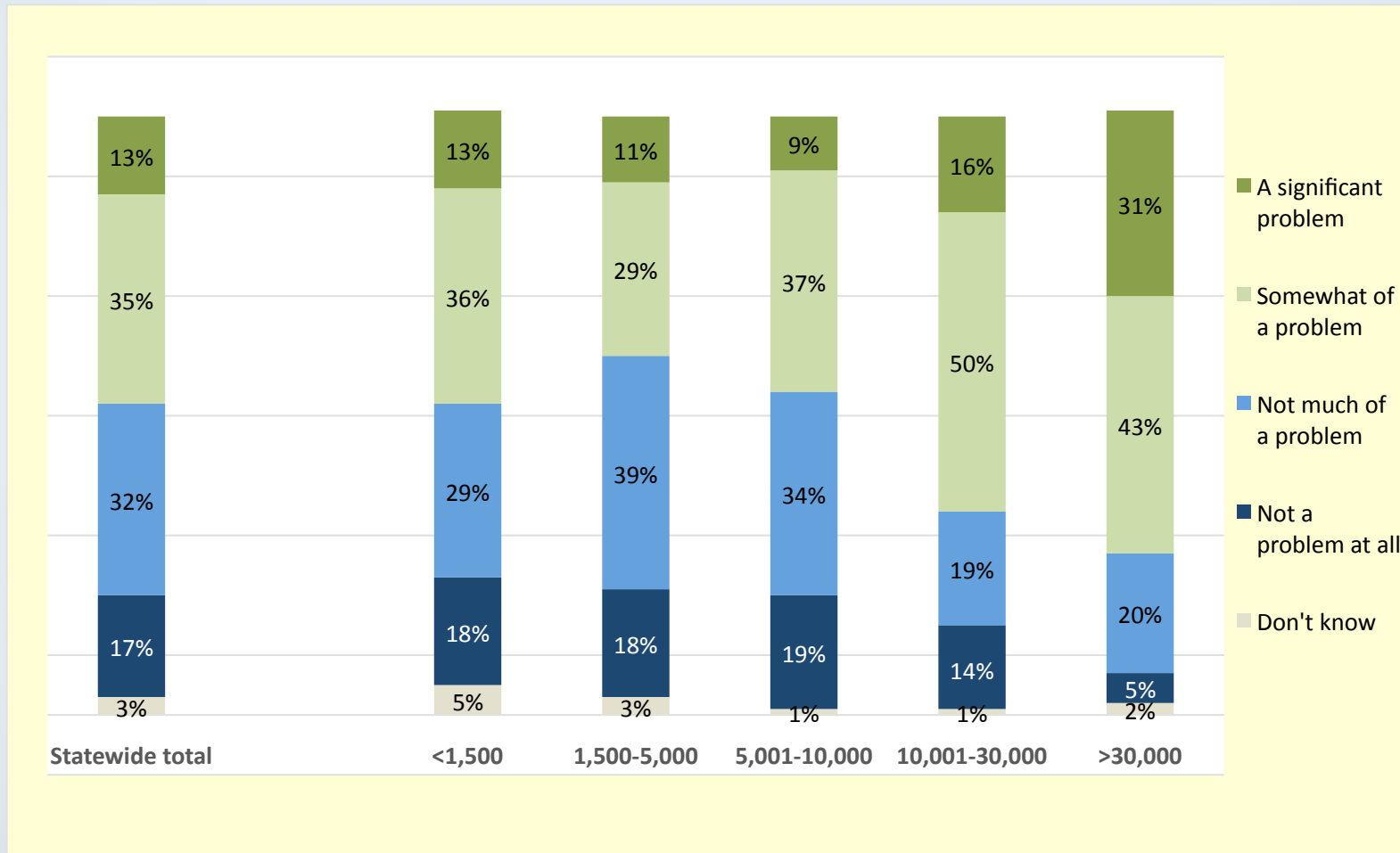
Who has problems with recruitment?

In your opinion, **how much of a problem** for your jurisdiction's government, if at all, is **recruiting employees** with the needed skills?



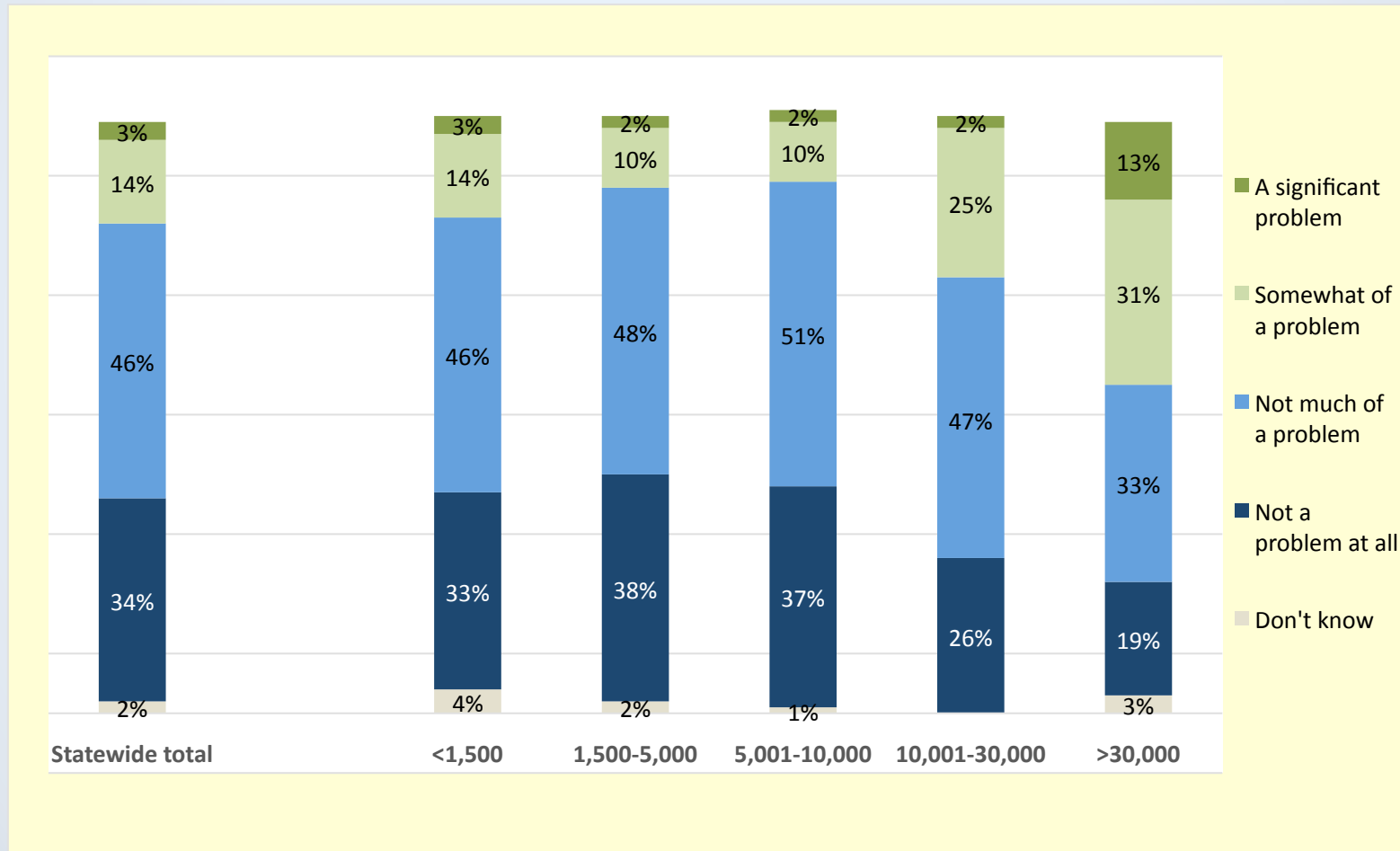
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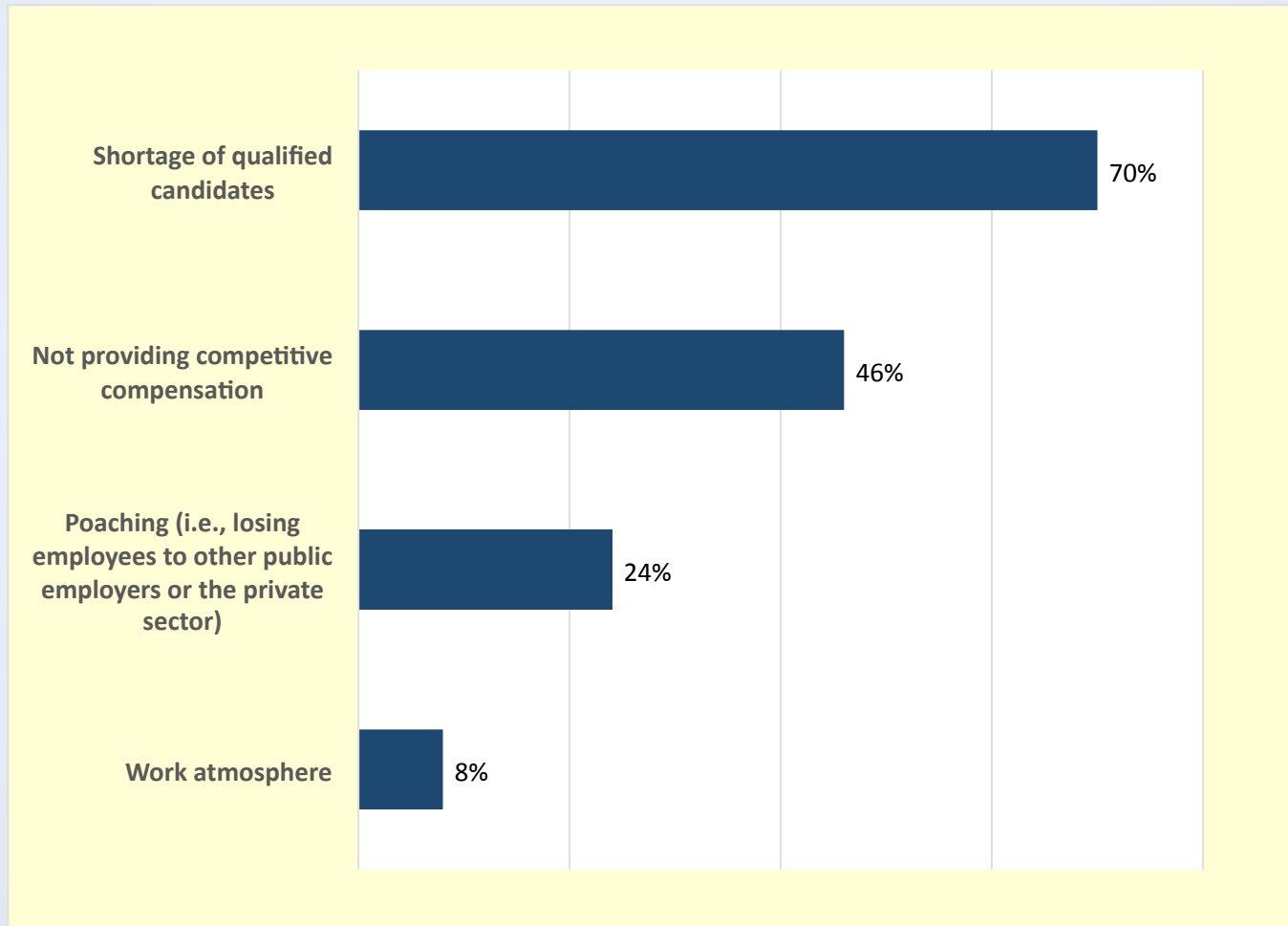
Who has problems with retention?

In your opinion, **how much of a problem** for your jurisdiction's government, if at all, is **retaining current employees**?



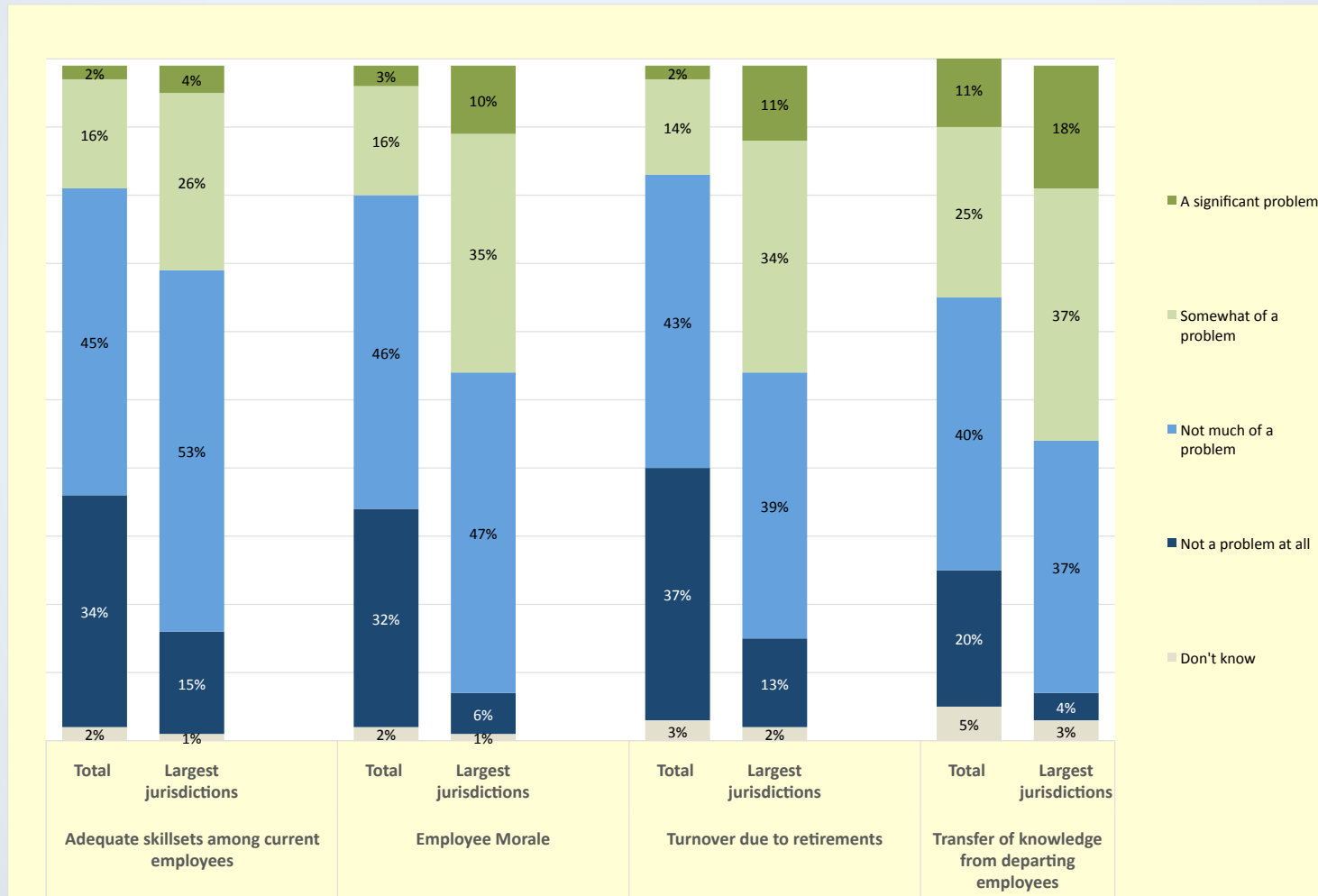
Why problems with recruitment/retention?

Which of the following **factors**, if any, are contributing to your jurisdiction's problems in recruiting and/or retaining employees?



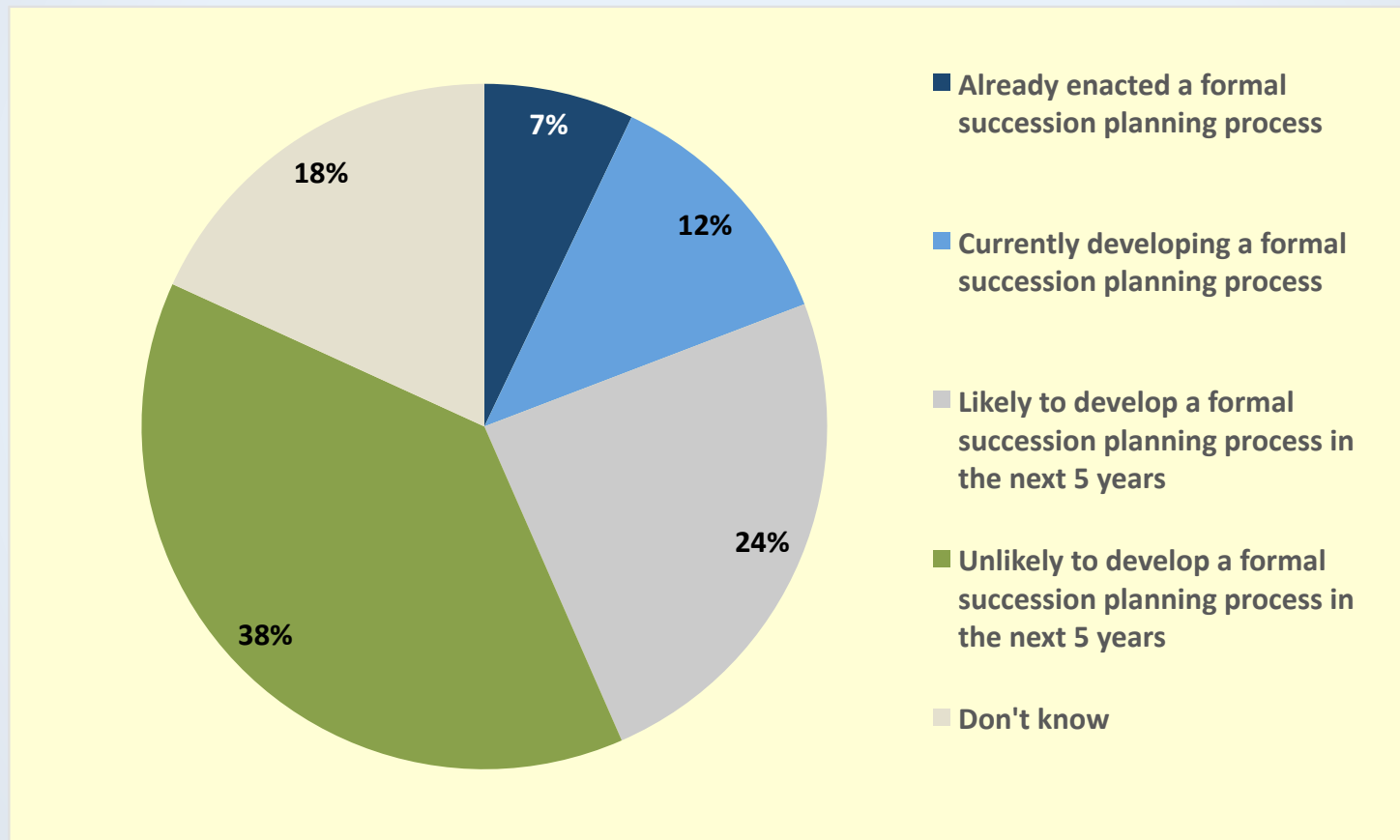
Larger MI jurisdictions' particular challenges

In your opinion, **how much of a problem**, if at all, are the following personnel issues for your jurisdiction's government?



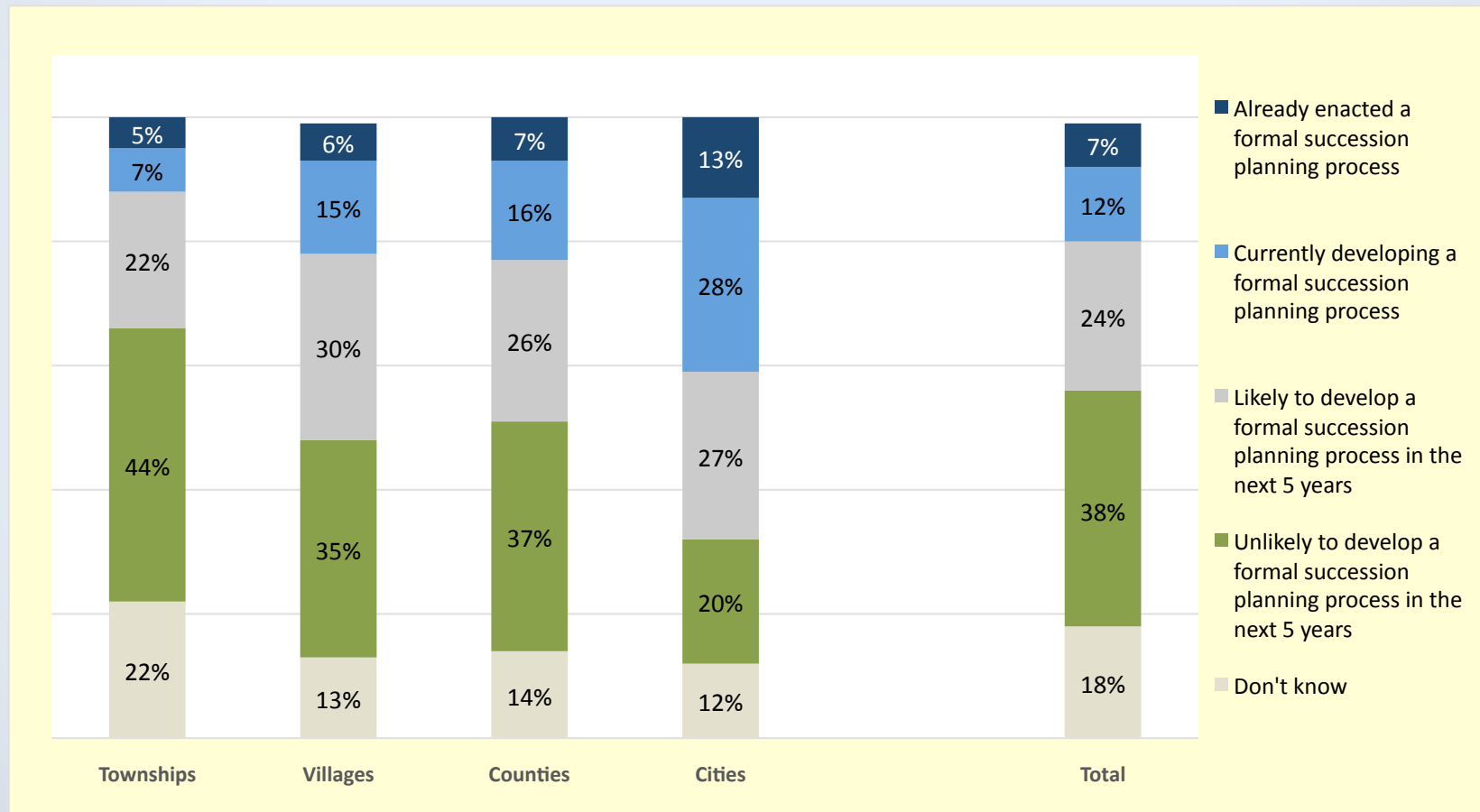
What about transfer of knowledge?

While many jurisdictions have taken no formal actions, others have begun **formal succession planning** to ensure they have institutional knowledge and employee skills in place... Which of the following best describes your jurisdiction's status?



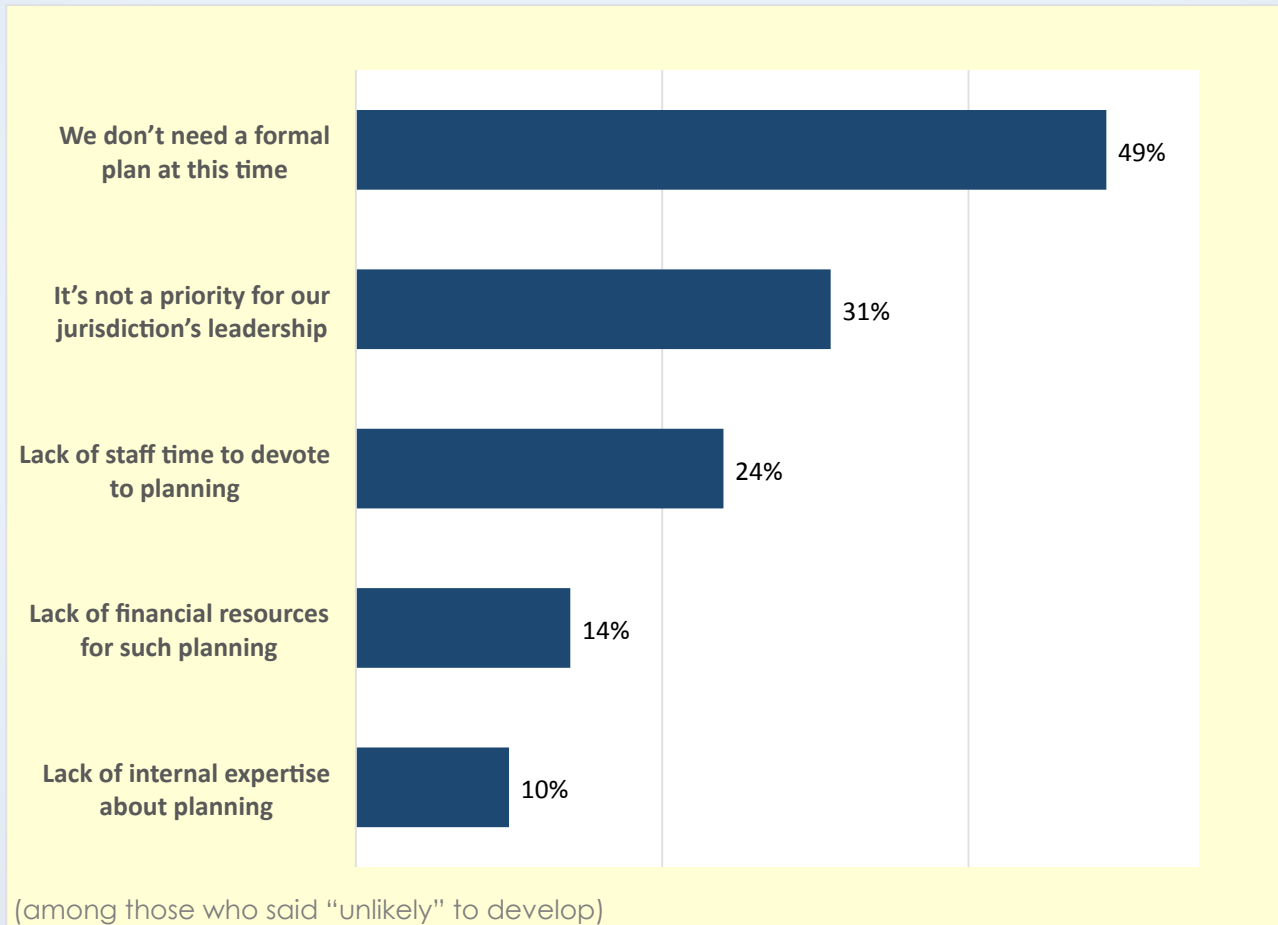
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Why not develop a succession plan?

Which of the following, if any, are **reasons** your jurisdiction is **unlikely to develop** a formal succession planning process?



Michigan Local Officials' Views on Workforce Issues

Summary

- Among those jurisdictions with employees, 58% report increasing pay rates in 2017, while 57% predict they will increase pay rates in the coming year. Local officials indicate that most pay increases have been modest, and are expected to remain so.
- Despite a trend in employee pay increases since 2011, 25% of local officials say pay rates in their jurisdiction are too low today.
- Fewer jurisdictions are increasing their employees' share of health care costs (29% doing so in 2017, compared with 43% in 2014).
- Most local officials believe their current workforce size is adequate to deliver services. However, 35% identify at least one service area where their workforce size is inadequate.
- Almost half (48%) of local jurisdictions report problems recruiting qualified employees. Contributing factors in these jurisdictions include a shortage of qualified candidates (70%) and lack of competitive compensation (46%).

The Michigan Public Policy Survey (MPPS)

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