



Workforce Development

Matt Thornhill

SIR Research/Generations Matter

April 28, 2015

Today's Agenda

- 👁️ **The 324 Places initiative**
- 👁️ **What are the key workforce issues facing Virginia's 324 Places?**
- 👁️ **Local Governments and Workforce**
 - 👁️ **Attracting Younger Workers to your organization**
 - 👁️ **Developing Younger Workers for your community**
- 👁️ **Participant discussion**

324 Places in Virginia

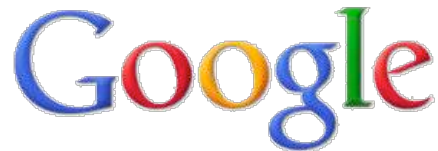
- 👁️ **New program from VML focusing on the key trends that local governments in Virginia will face over the next 10 years.**
- 👁️ **Providing you a roadmap with strategies.**
- 👁️ **Articles monthly in *Virginia Town & City*.**
- 👁️ **Theme of 2015 VML Annual Conference, Oct 4-6 in Richmond: *The Future of Virginia: 324 Places*.**

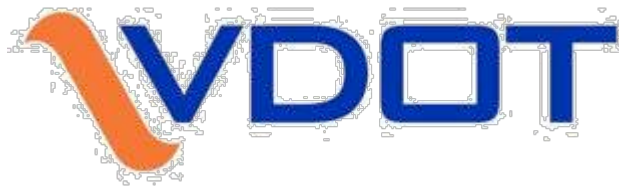


EIR Beyond research.



Generations
MatterSM





Lexington/Rockbridge County

Richmond Region

City of Norfolk

City of Virginia Beach

Arlington County

Fredericksburg Region

Howard County

**National Association of
Development Organizations**

Nashville

St. Augustine

Fort Lauderdale

Salt Lake City

Denver

**Communities win
when they apply
generational dynamics
to today's workplace
and marketplace**

Generation:

Millennials

Generation X

Boomers

Born in the U.S.A

58,000,000

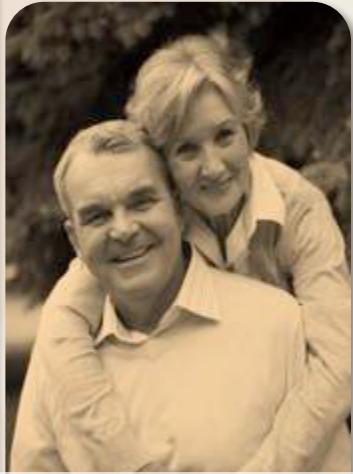


Greatest

1909-28

96

44,000,000



Silent

1929-45

77

76,000,000

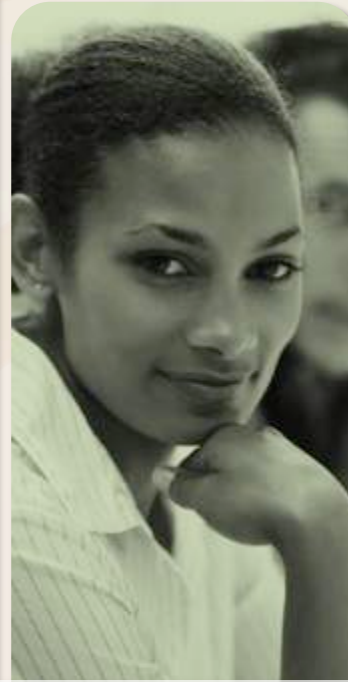


Boomer

1946-64

59

62,000,000



Gen X

1965-82

41

80,000,000



Millennial

1983-01

22

Current U.S. Census Data

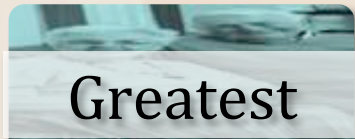
76,000,000

75,000,000

82,000,000

5,000,000

28,000,000



Greatest

Silent

Boomer

Gen X

Millennial

1909-28

1929-45

1946-64

1965-82

1983-01

96

77

59

41

22

What are the key
WORKFORCE
issues facing
Virginia's 324
Places?

TWO FUNDAMENTAL ISSUES

for Virginia's 324 Places

1

Workforce
COMPOSITION

2

Workforce
DEVELOPMENT

TWO FUNDAMENTAL ISSUES

for Virginia's 324 Places

1

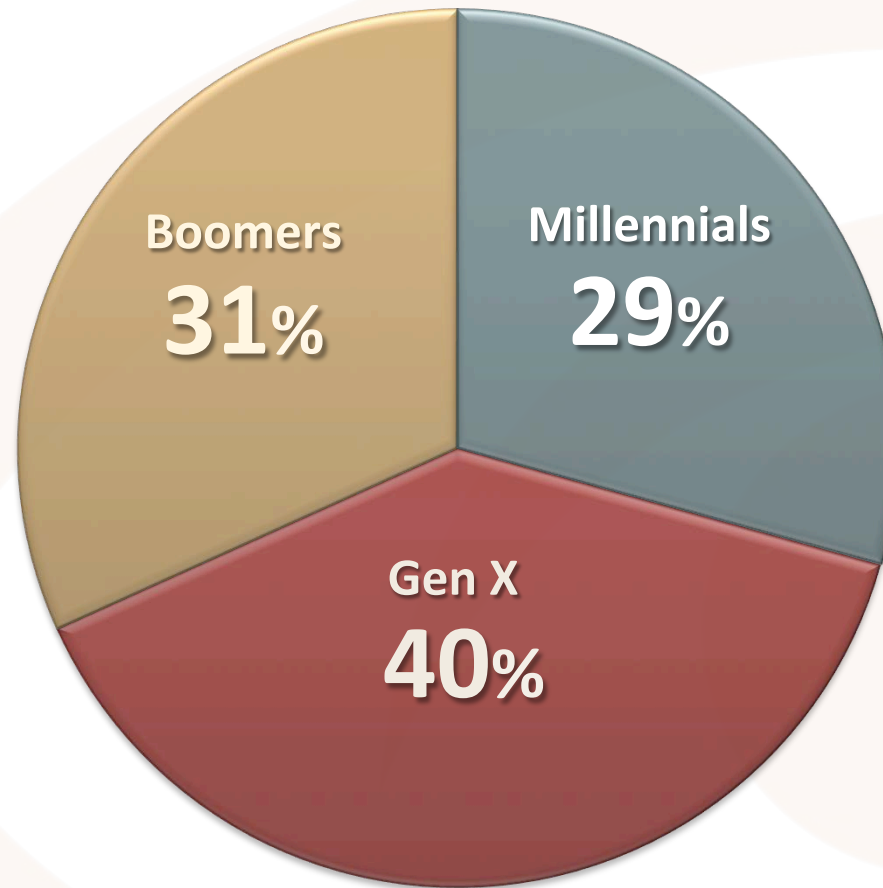
Workforce
COMPOSITION

2

Workforce
DEVELOPMENT

The Changing Workplace

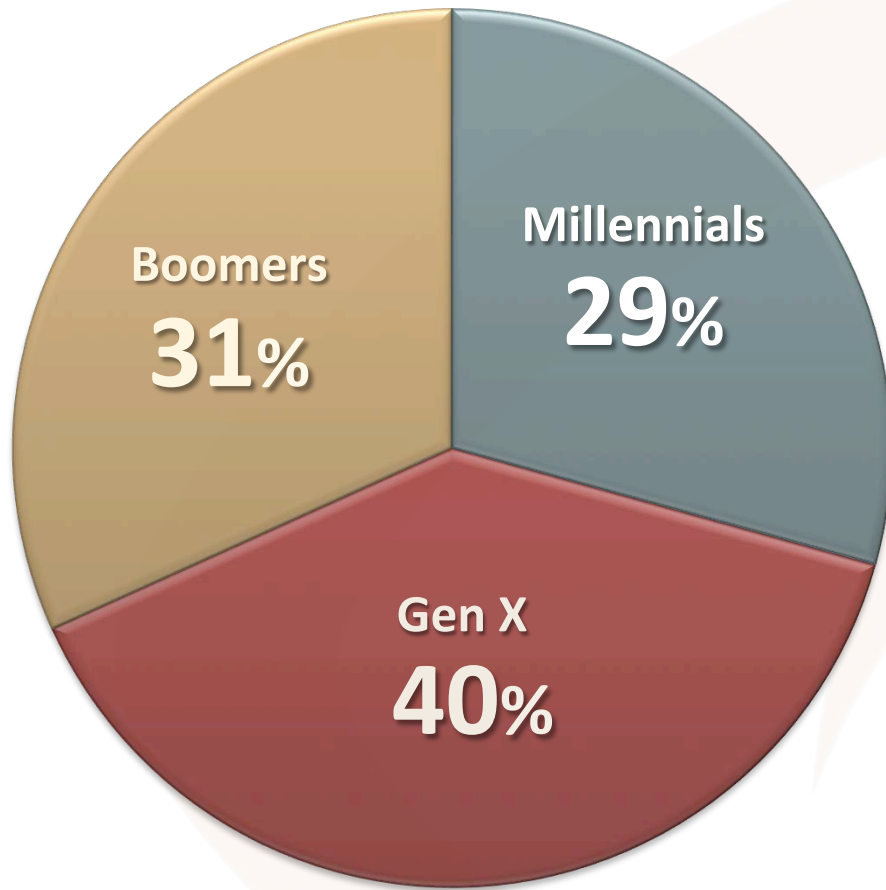
Percent of Labor Force Ages 20-69



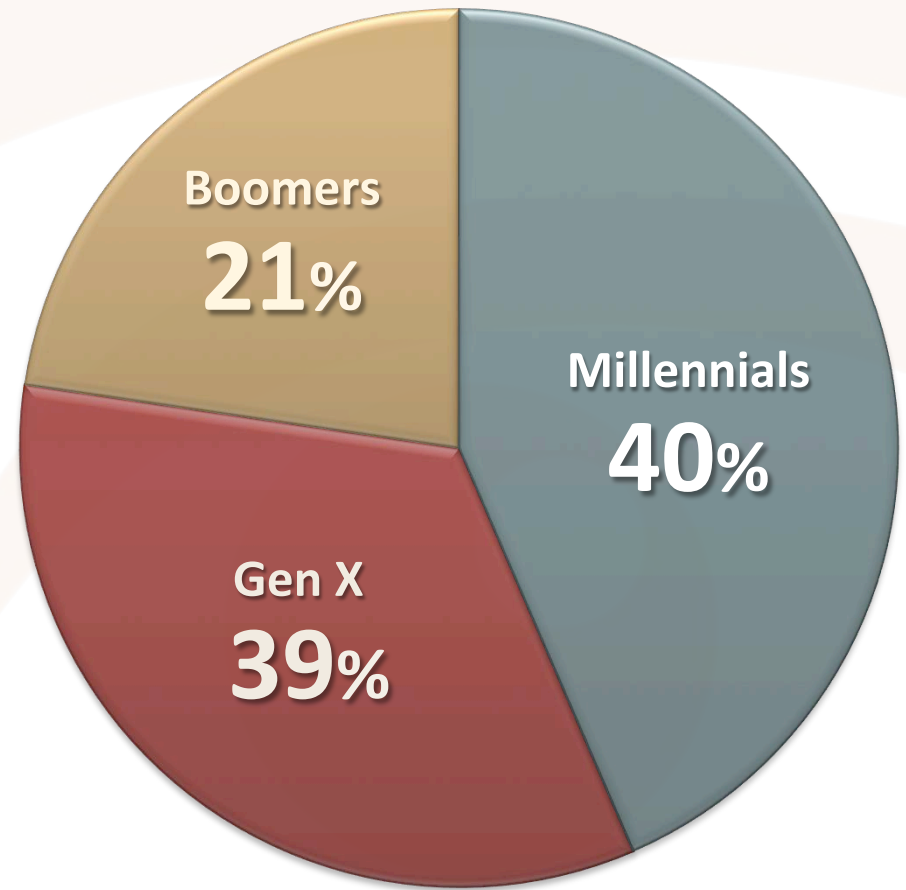
Today

The Changing Workplace

Percent of Labor Force Ages 20-69



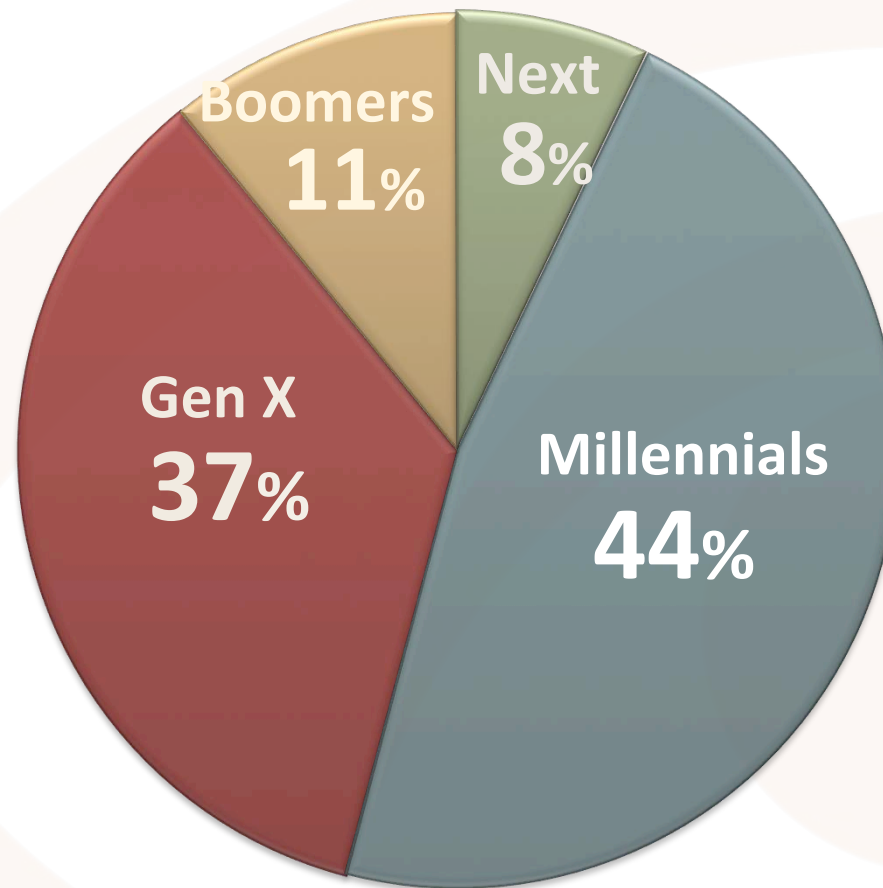
Today



2025

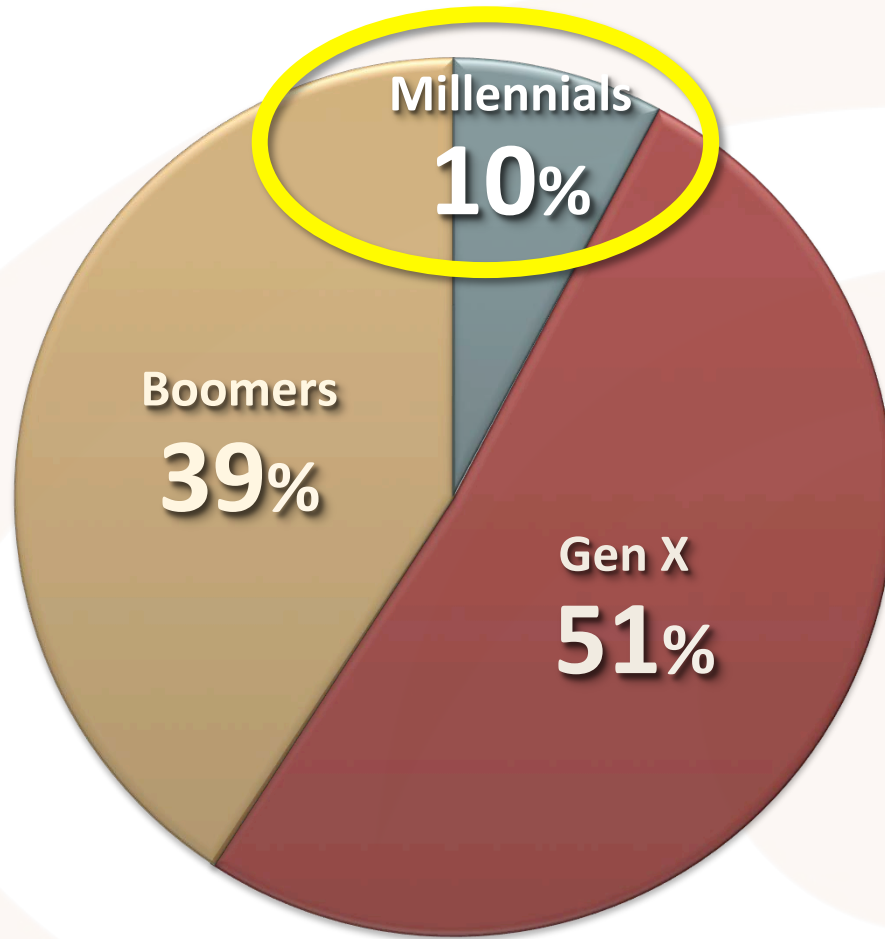
The Changing Workplace

Percent of Labor Force Ages 20-69



2030

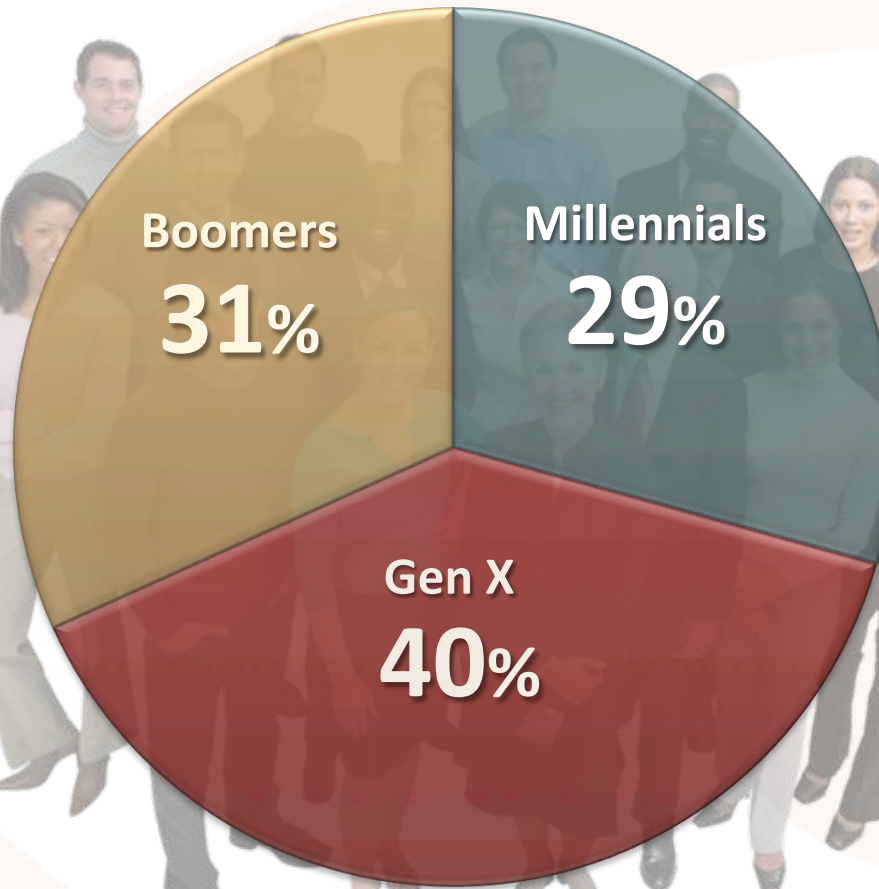
State/Local Government Workforce



Today

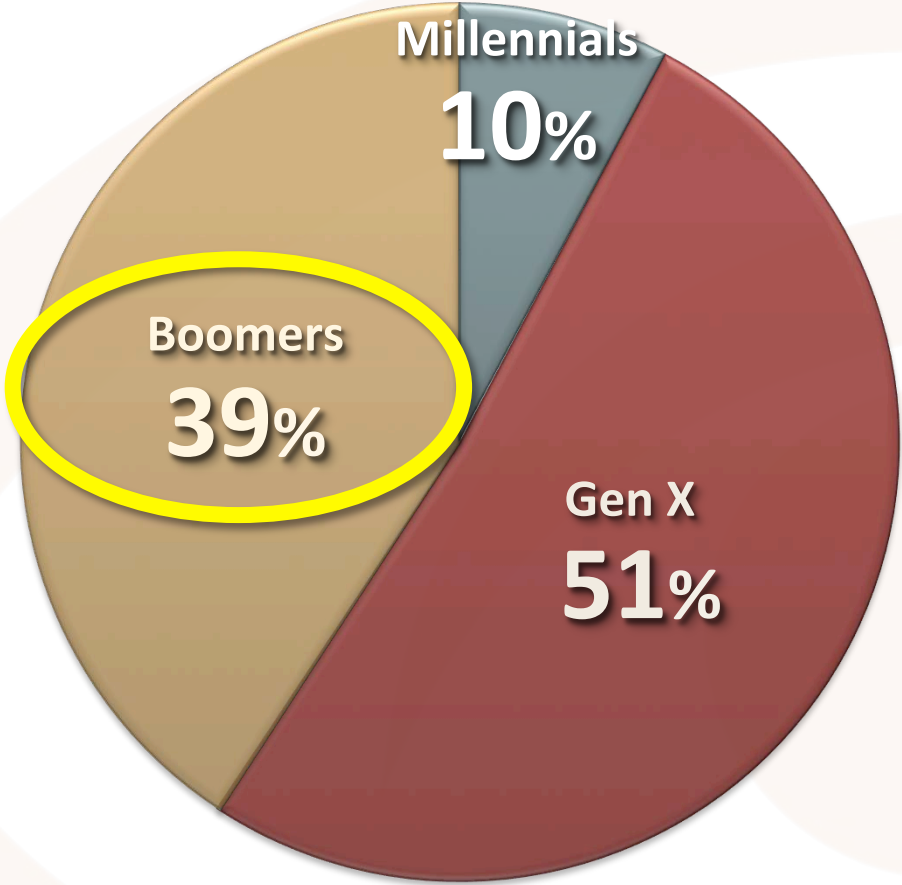
The Changing Workplace

Percent of Labor Force Ages 20-69



Today

State/Local Government Workforce



Today

PROBLEM:

.....
**Soon Boomer
workers are
going to retire**

**U.S. Government Accountability
Office projects that**

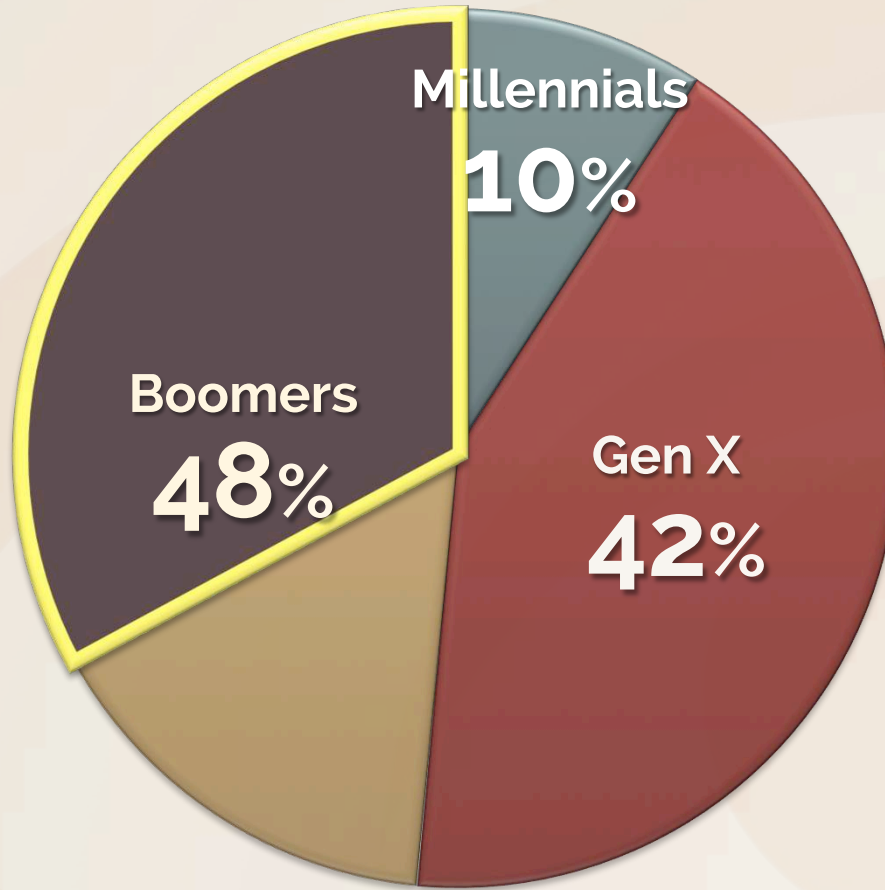
30%

**of the more than two million
federal government employees
will be eligible to retire in the
next three years.**

Federal IT Workers

BOOMERS
Eligible for
Retirement
by 2017

32%



Today

INTERNAL REVENUE SERVICE

87,000 employees

40% eligible to retire by 2019

States facing rising tide of retirement

Jeffrey Stinson, Pew Stateline | 10:44 a.m., EDT June 20, 2014



14



51



63



1



(Photo: Jonathan J. Cooper, AP)

 14
CONNECT

 51
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 1
COMMENT

 EMAIL

 MORE

Aging baby boomers are showing signs they are willing to relinquish their jobs as the Great Recession recedes, bringing on the wave of retirements that state governments feared.

The impending exodus is prompting many human resources departments to dust off "succession plans"

for filling positions in a better-educated and lower-paid workforce than the private sector.

And it's provoking a re-examination of some states' pay and workforce policies because government must attract the next generation of employees: the millennials.

"Succession planning is the No. 1 issue," said Leslie Scott, executive director of the National Association of State Personnel Executives. "It's on everyone's front-burner."

"One-third of state workers are eligible to retire in the next five years," Scott added.



Local Gov't Employees in Virginia eligible for retirement over the next five years:



26%

BOOMERS CREATE TWO PROBLEMS

for Local Governments

1

**If they leave, they
cause a “brain drain.”**

2

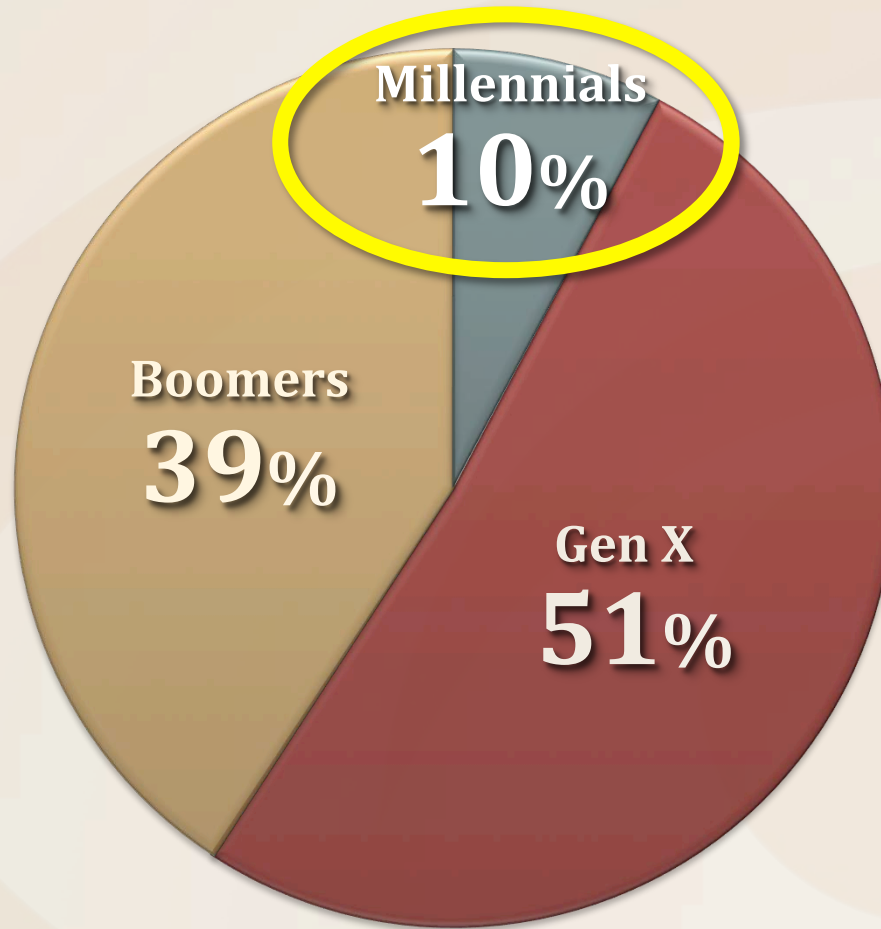
**If they stay, they
chase off Millennials.**

Since **BOOMERS** are leaving, we'll
just recruit more **MILLENNIALS**

BIGGER PROBLEM:

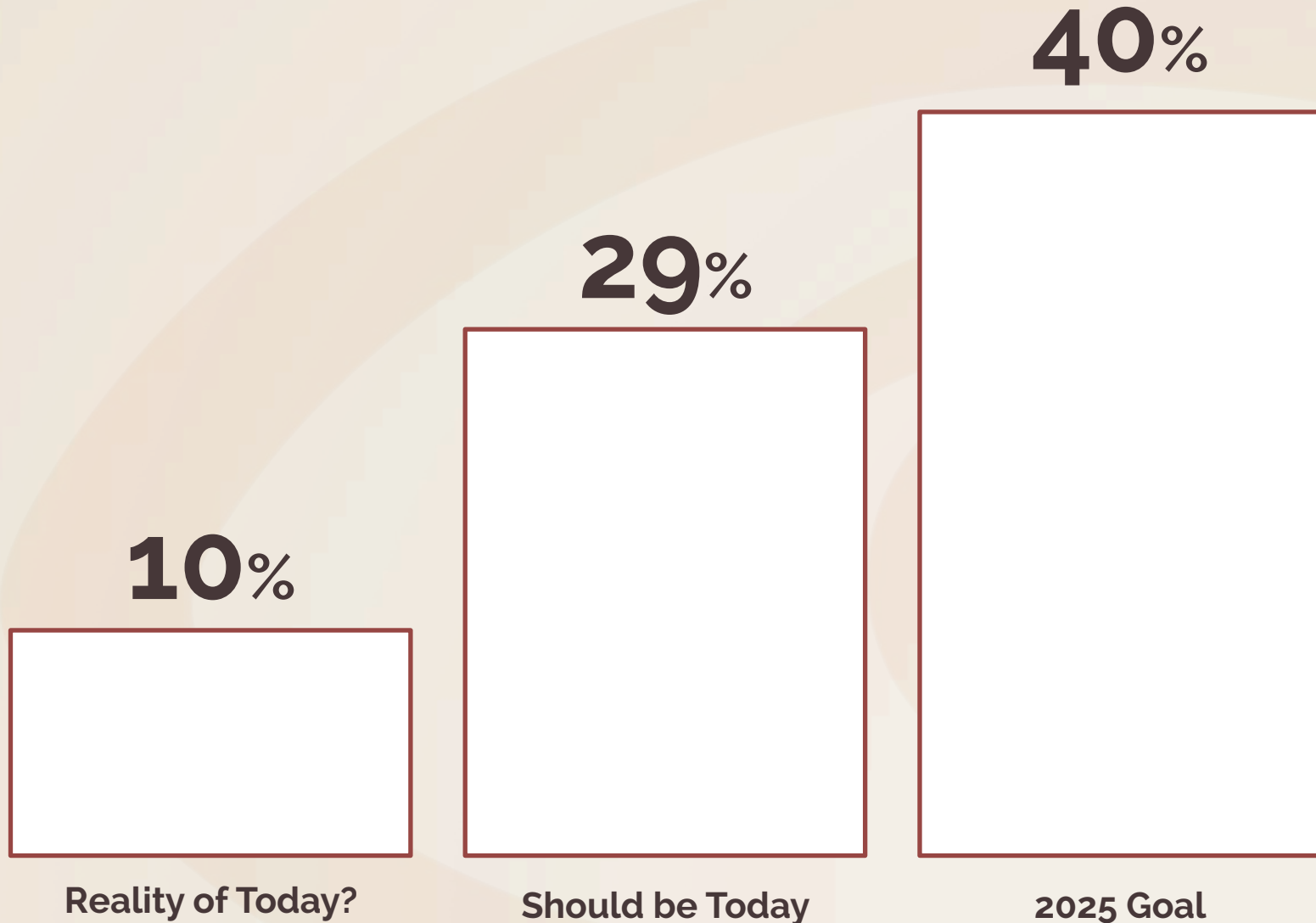
.....
**Not attracting
enough
Millennial
workers now**

State/Local Government Workforce



Today

We have a problem:



The Wall Street Journal, June 11, 2014

U.S. Government Struggles To Draw Young, Savvy Staff

By Rachel Feintzig

The federal workforce needs fresh blood.

The percentage of its employees under the age of 30 hit an eight-year low of 7% in 2013, government statistics show, compared with about 25% for the private-sector workforce. Back in 1975, more than 20% of the federal workforce was under 30.

Without a pipeline of young talent, the government risks falling behind in an increasingly digital world, current and former government officials SAY.

Meanwhile, critics say that government hiring is confusing, opaque and lengthy, deterring even those who want to devote their lives to public service. The process is "deeply broken," says Max Stier, chief executive of the nonpartisan Partnership for Public Service, which aims to motivate a new generation of government workers.

Government officials acknowledge the current generational mix is a concern. About 45% of the federal workforce was more than 50 years old in 2013, and by September 2016, nearly a quarter of all federal employees will be eligible to re-

Smaller Slice

Percentage and number of full-time permanent federal civilian employees younger than 30 years old:



Source: Office of Personnel Management
The Wall Street Journal

tire, according to the Office of Personnel Management, the government's human-resources department. Overall employment at the federal, state and local level has fallen, shedding 928,000 employees between 2009 and 2013, according to the Bureau of Labor Statistics.

Katherine Archuleta, OPM's director, says that increasing the share of young workers is a "challenge." Kimberly Holden,

deputy associate director of recruitment and hiring at OPM, adds that "the government will be lost" without technologically savvy staff able to carry agencies into a digital future.

Part of the problem is demand. An annual survey of undergraduates by employer-branding consultancy Unversum indicates that student interest in working for the federal government has declined over the last four years. Of roughly 46,000 undergraduates polled in late 2013 and early 2014, just 2.4% of engineering students and .9% of business students listed only government employers as their ideal places to work.

The government's reputation for bureaucracy and hierarchy is driving away many workers, says Paul Light, a professor of public policy at New York University who studies youth career paths. Unlike their parents, today's young workers don't consider the government to be a haven of stability and long-term job security, he says, especially after last year's shutdown.

In addition, he notes, the baby boomers, once projected to retire in droves from federal work, are instead "hanging on,"

Please turn to page B6

Federal Workers Under 30:

1973: 19.1%

2013: 7.0%

INTERNAL REVENUE SERVICE

87,000 employees

40% eligible to retire by 2019

3 percent under age 30

Only 650 under age 25

**One reason there
are not enough
MILLENNIAL
workers...**

Since 1970s

**Birth Rates
have**

DECLINED

Globally

*The Population
Age Pyramid*

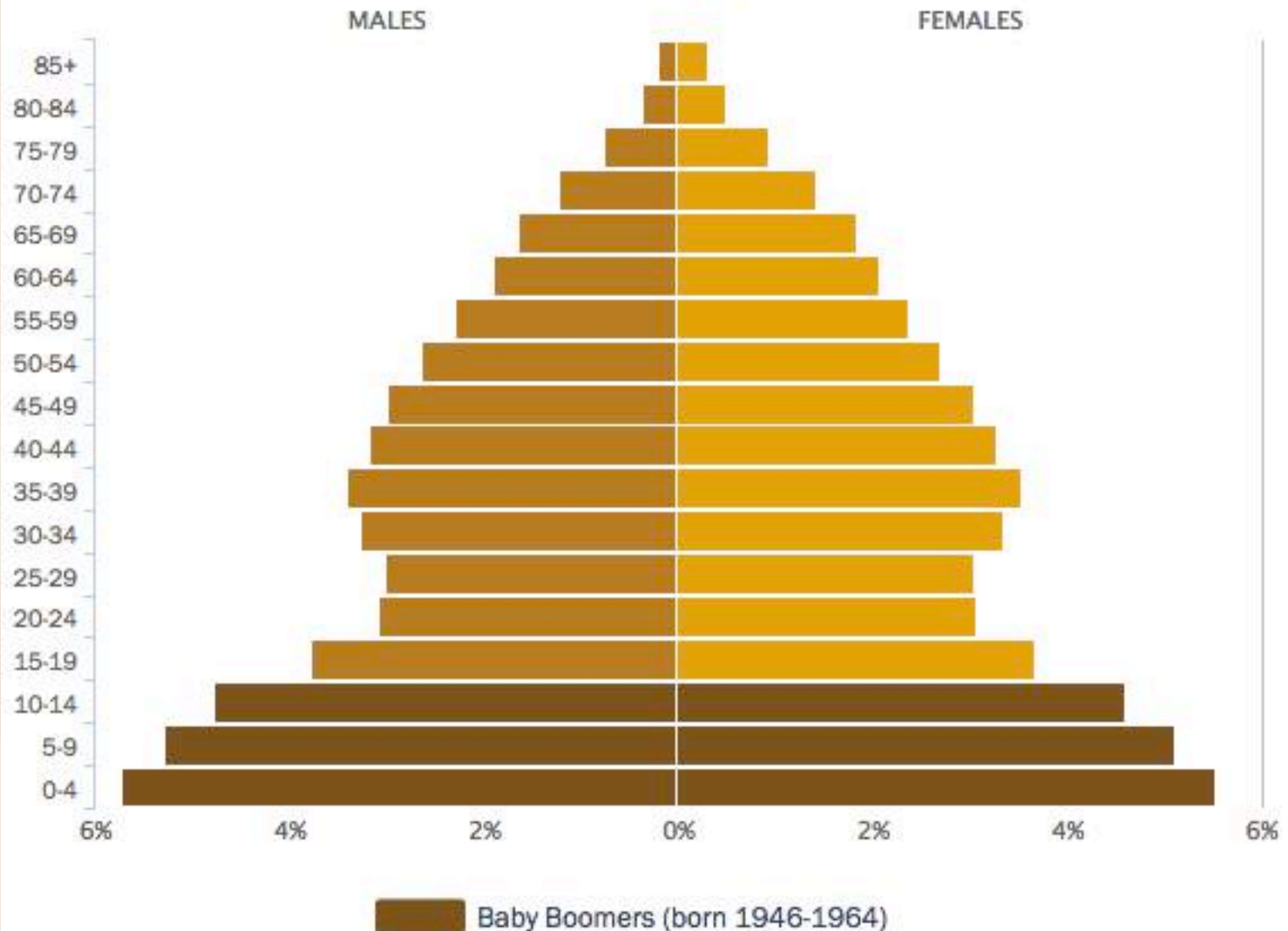
Old Age

Midlife

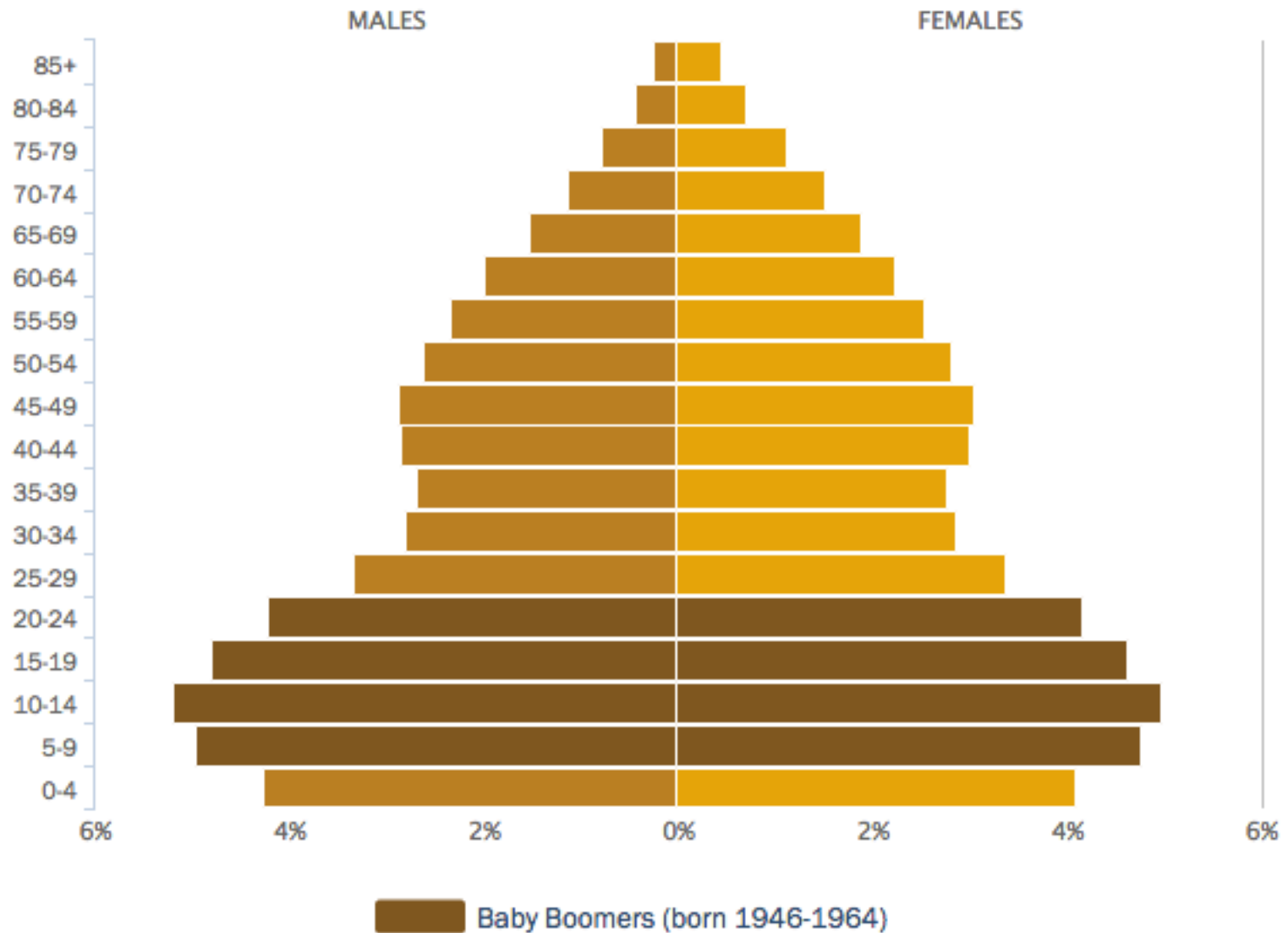
Young Adult

YOUTH

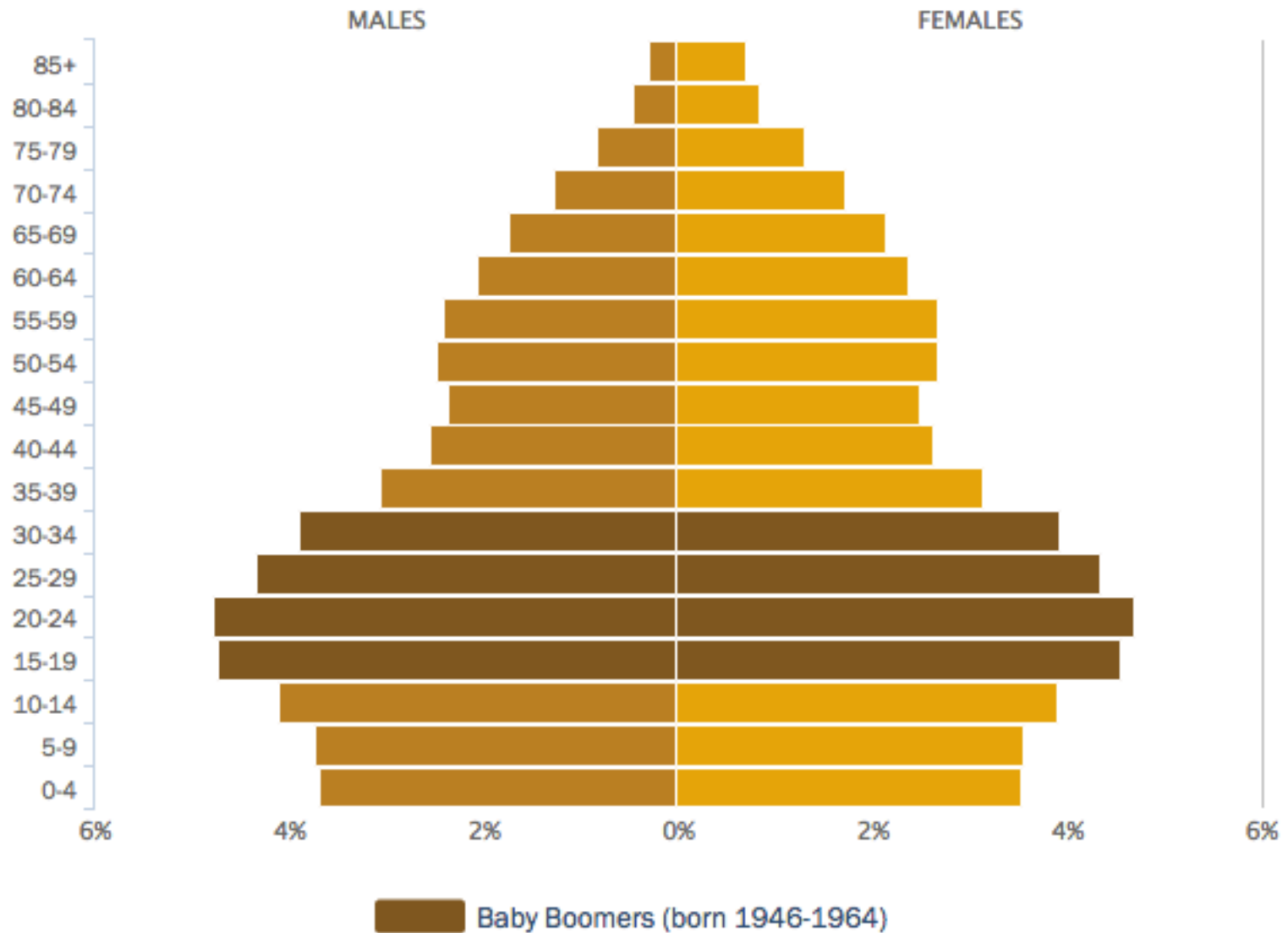
1960



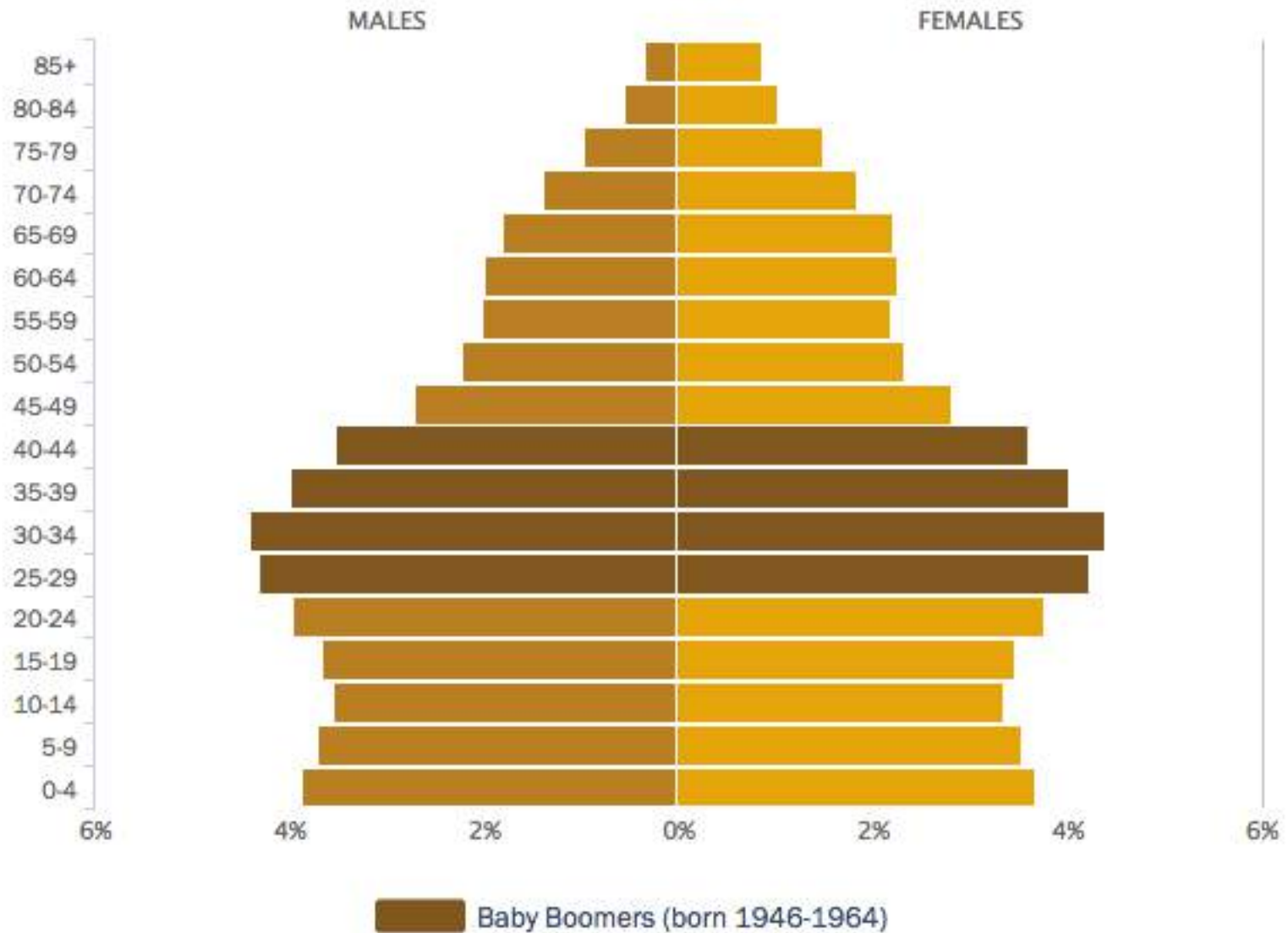
1970



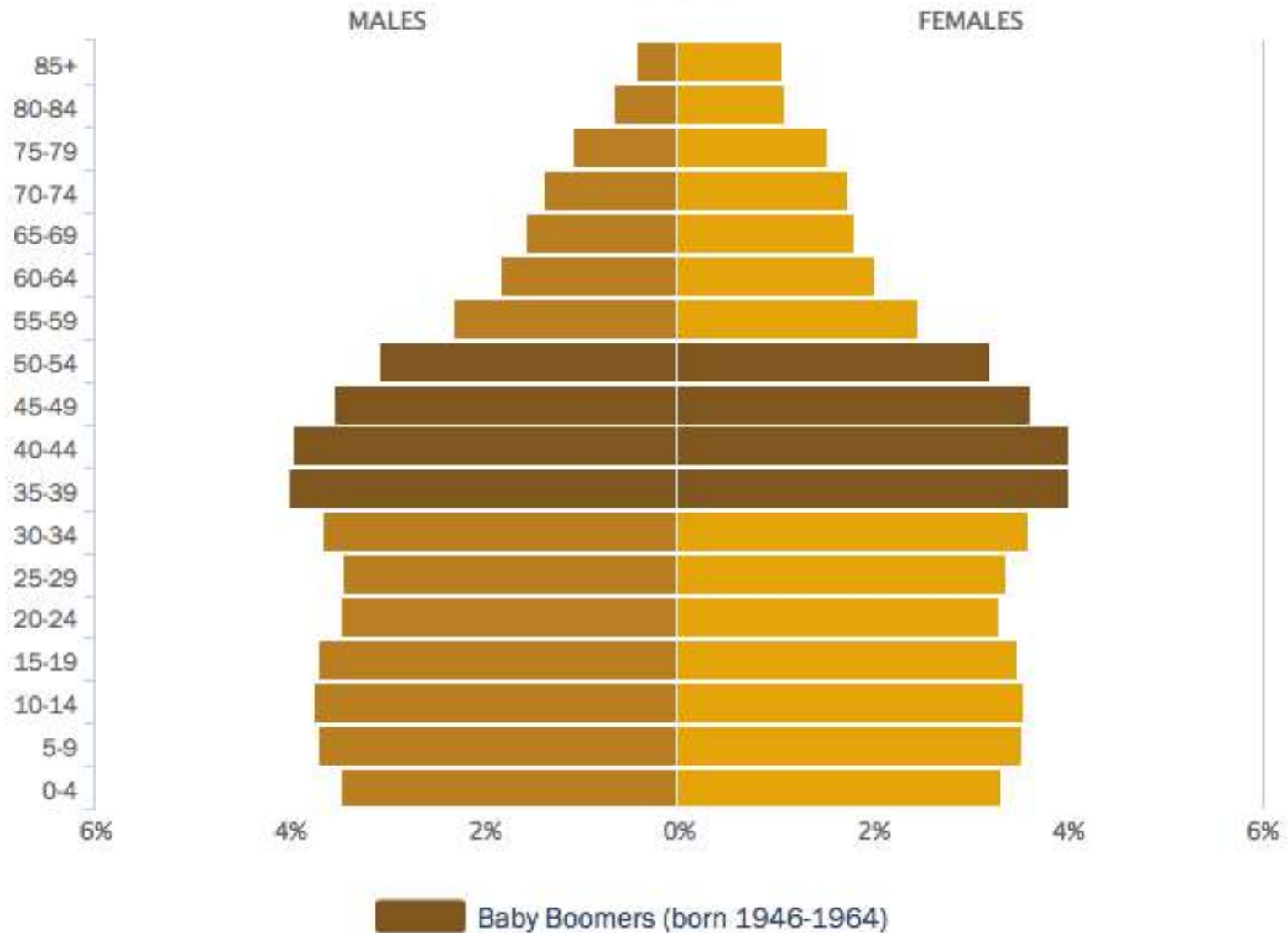
1980



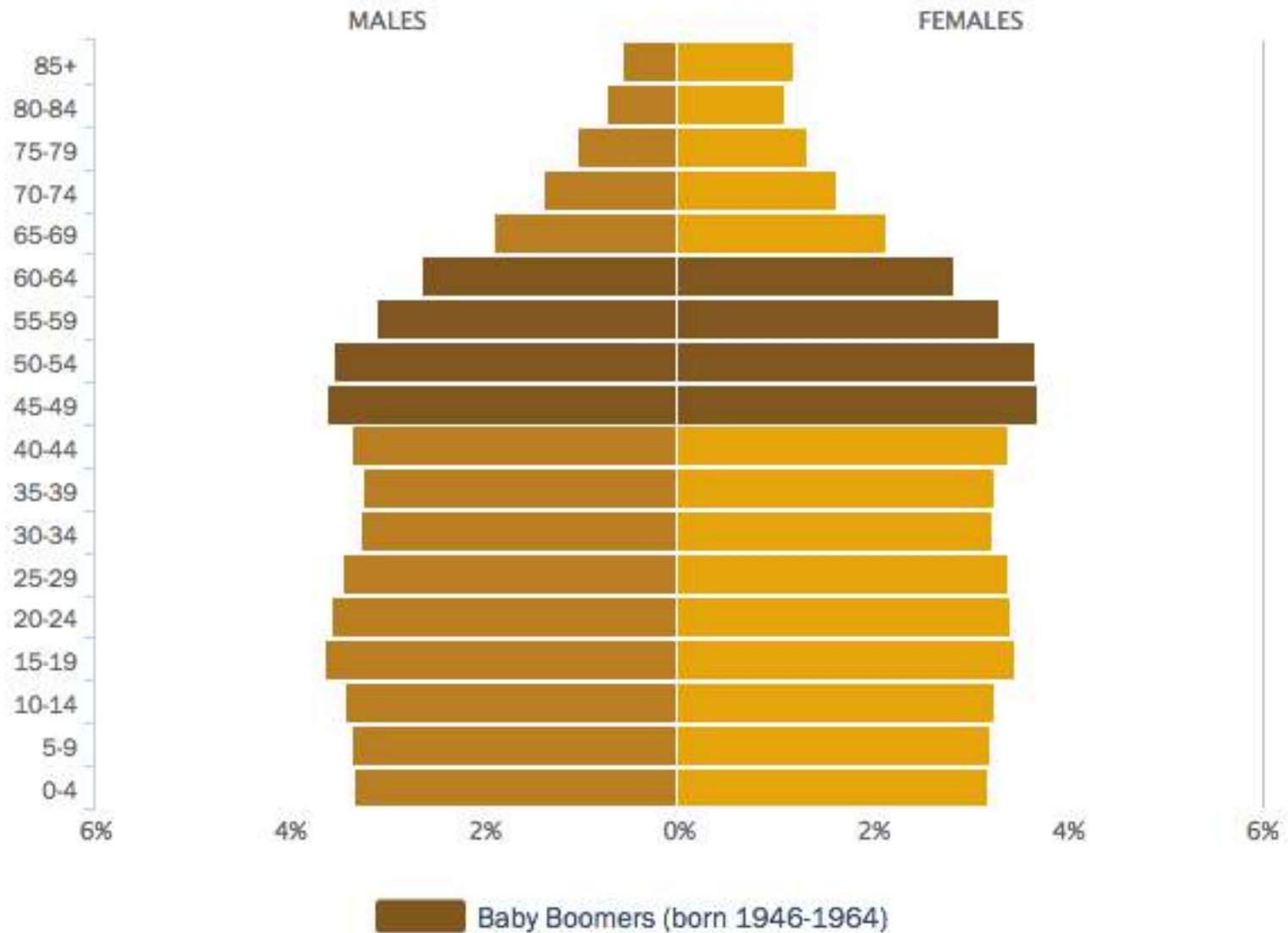
1990



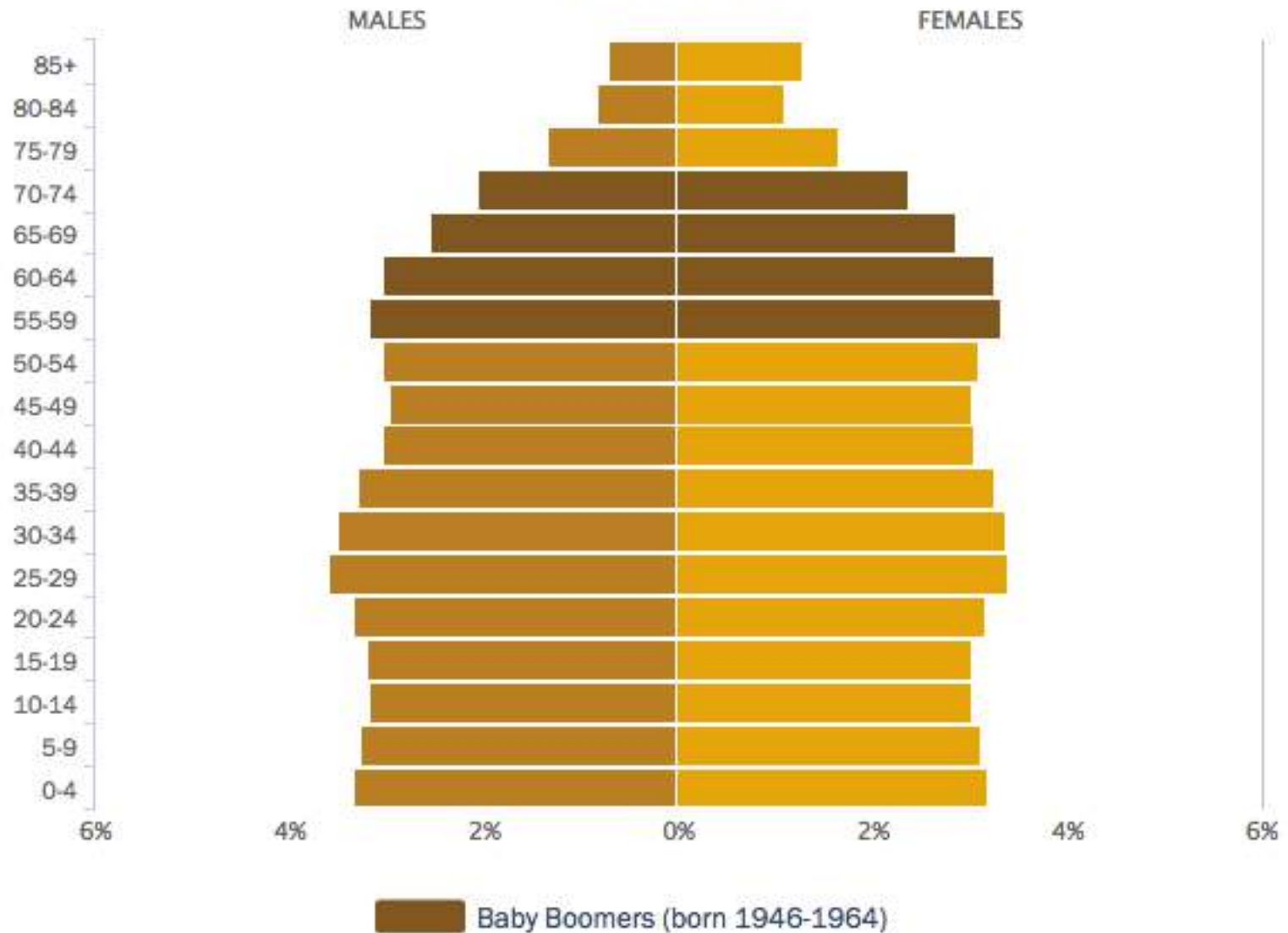
2000



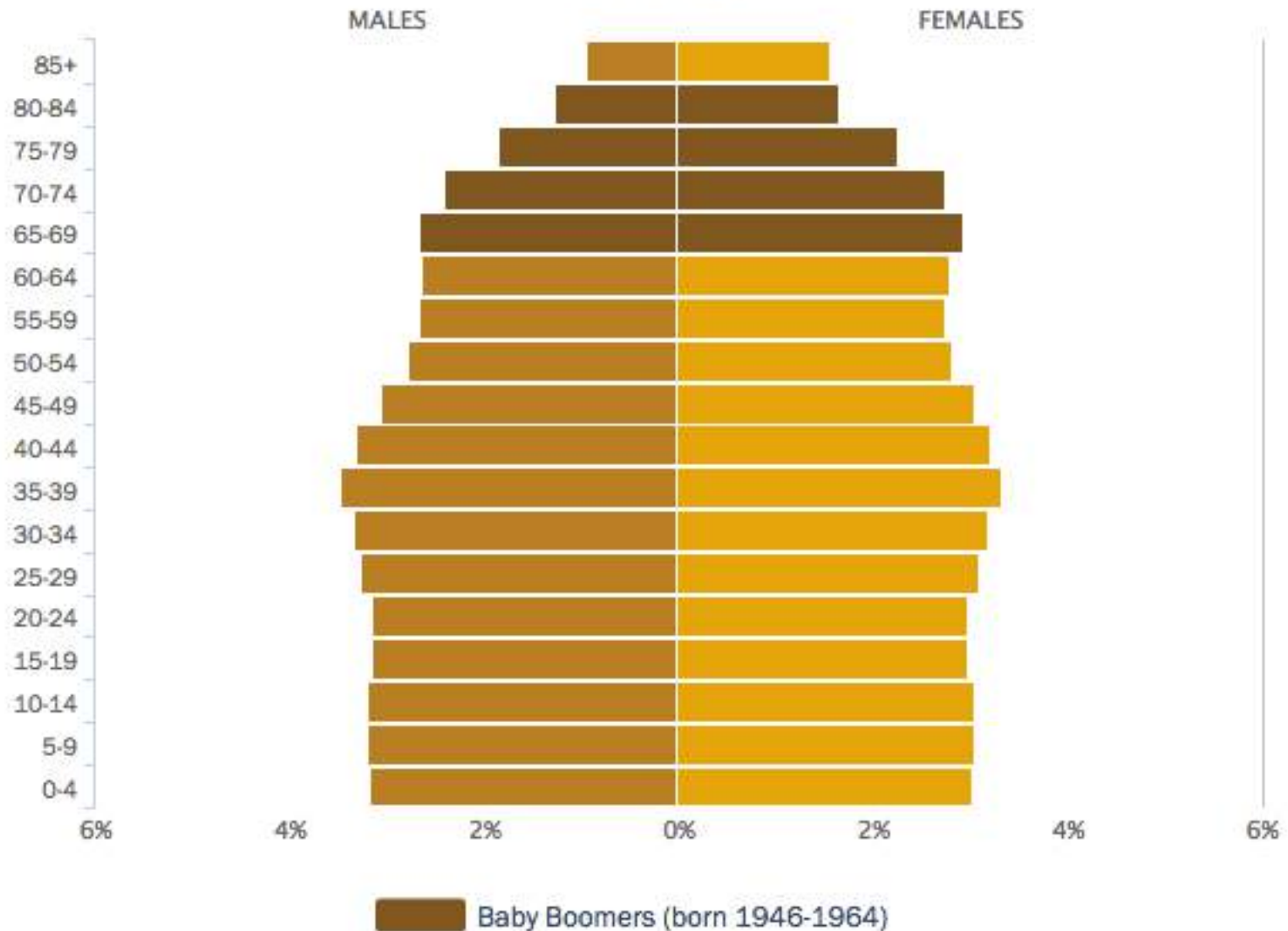
2010



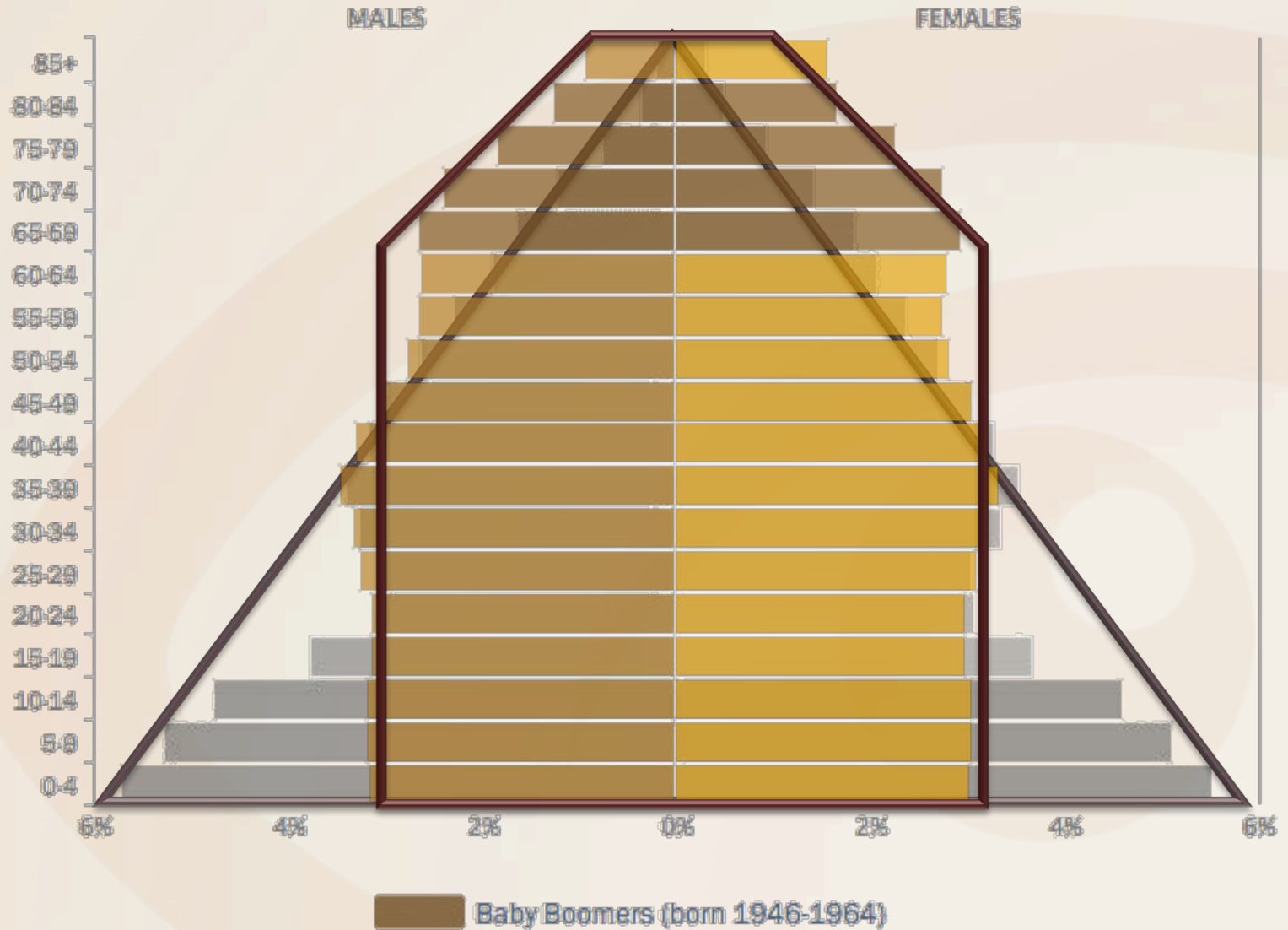
2020



2030



1960 vs. 2030





Old Age

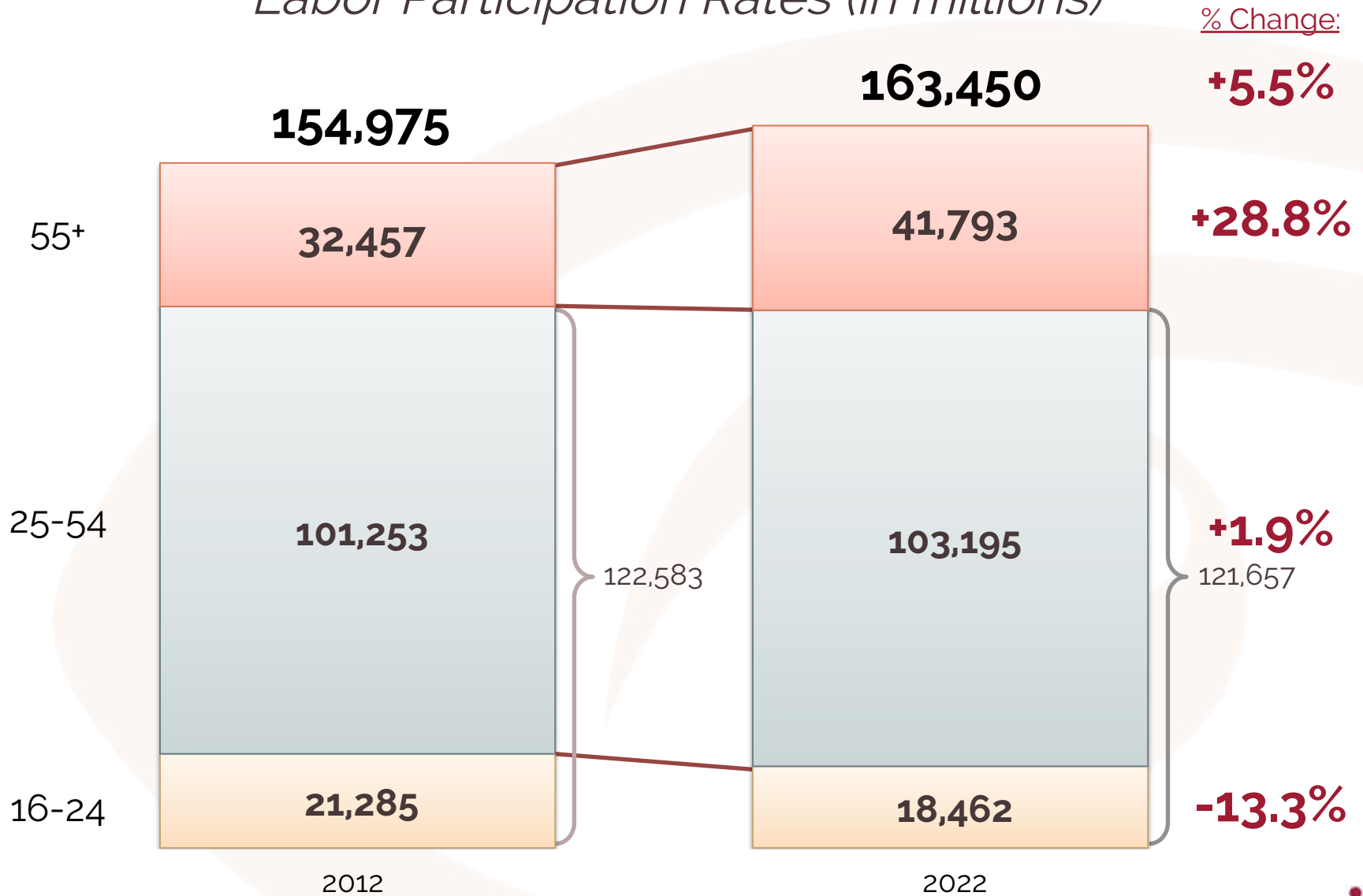
Midlife

Young Adult

Youth

The Battle is on NOW for Younger Workers

Labor Participation Rates (in millions)



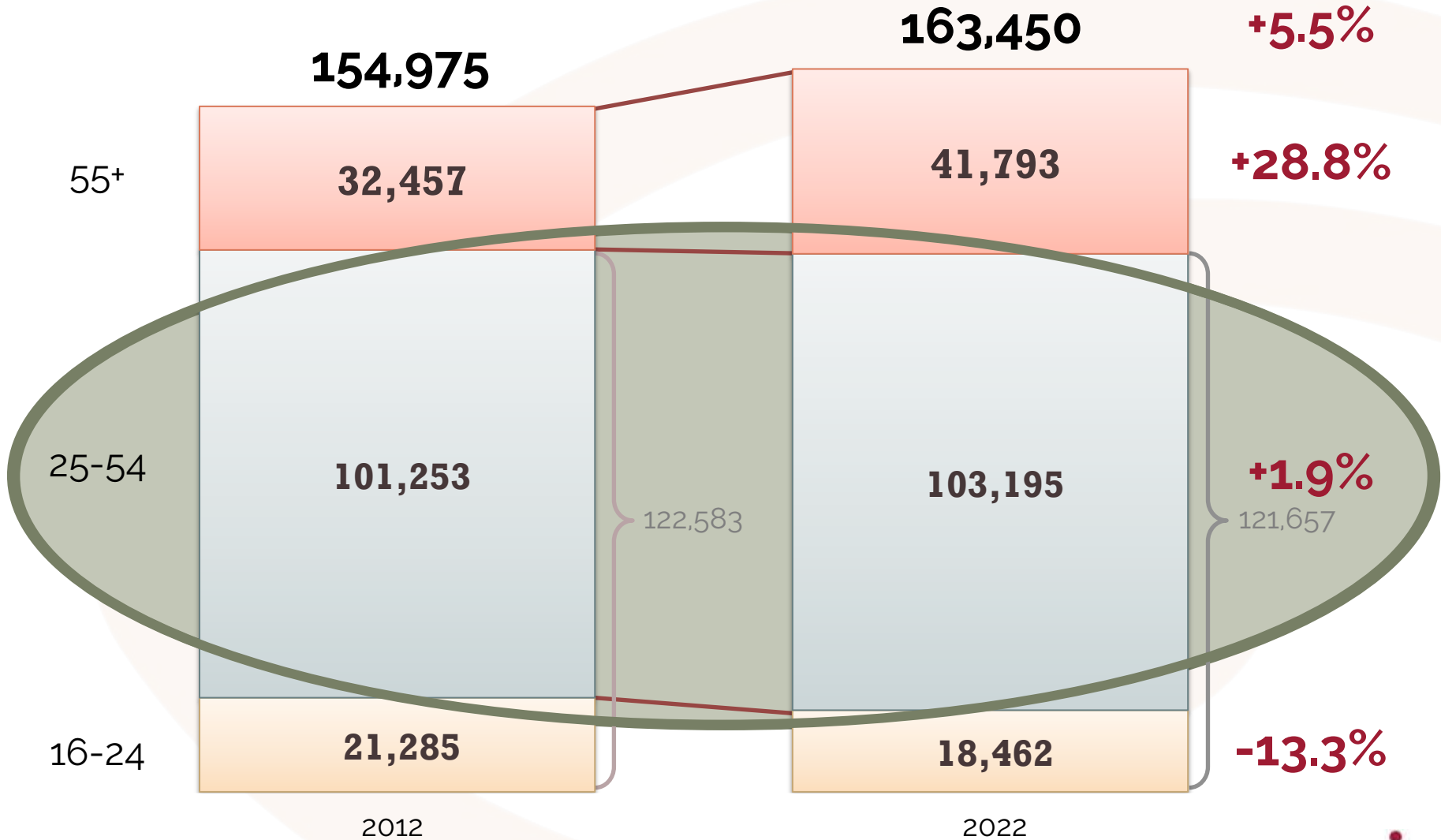
Source: SIR Analysis of Bureau of Labor Statistics Feb 2012 Labor Force Projections



The Battle is on NOW for Younger Workers

Labor Participation Rates (in millions)

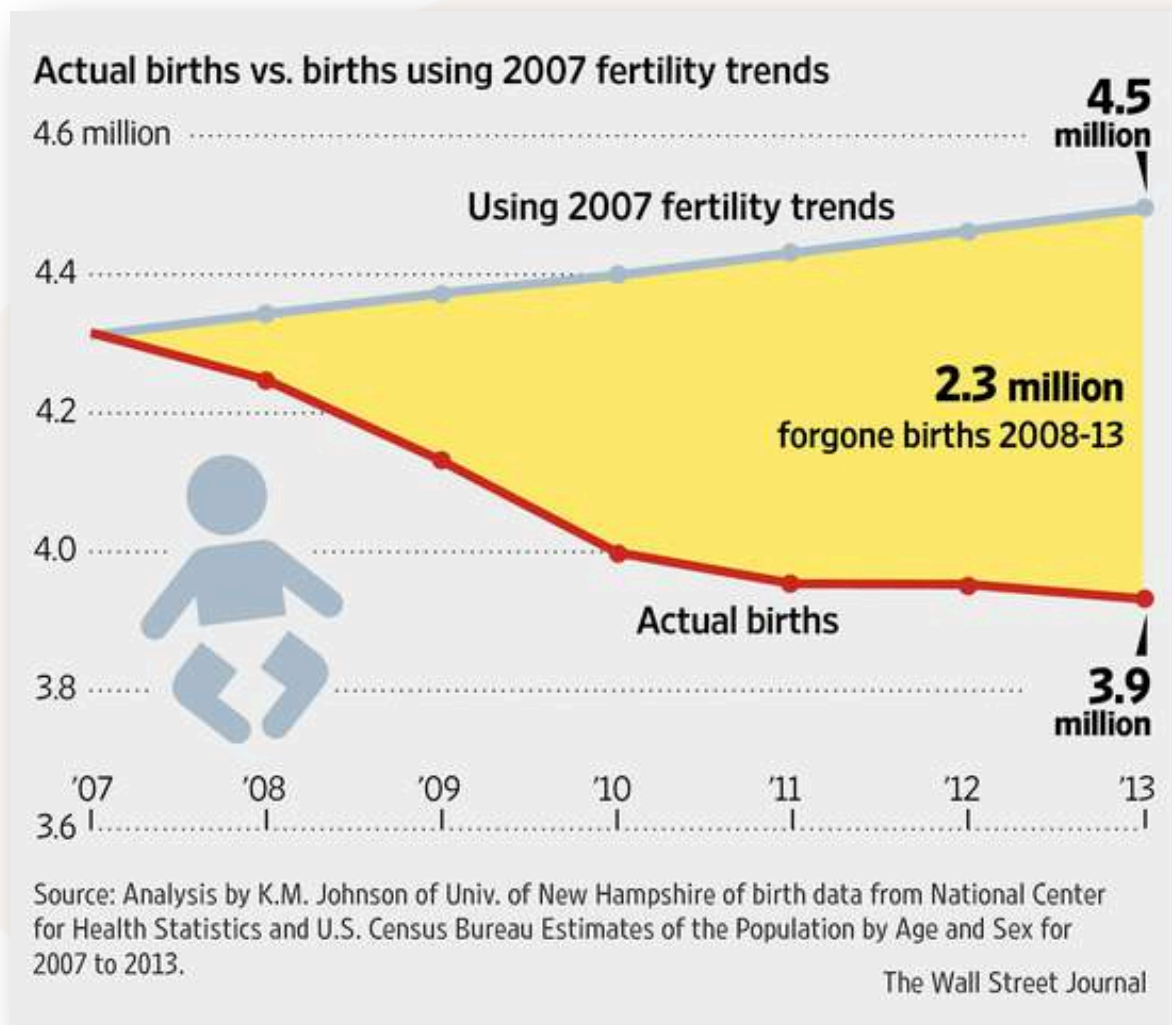
% Change:



Source: SIR Analysis of Bureau of Labor Statistics Feb 2012 Labor Force Projections



Demographic Destiny: The “supply” of 20-somethings in 2035 will not meet “demand”



Poll Questions:

① Have you looked at your employee census by generation?

YES
NO

② What percentage of your workforce is comprised of Millennial-age workers (31 and under)?

What is keeping **MILLENNIALS**
away from government jobs?

What Millennials want from a job:

“Creative”
“Innovative”
“Entrepreneurial”

Career Goals:

BOOMERS:

**MAKE A
LIVING**

MILLENNIALS:

**MAKE A
DIFFERENCE**

What Millennials want from work:

Top career goals:

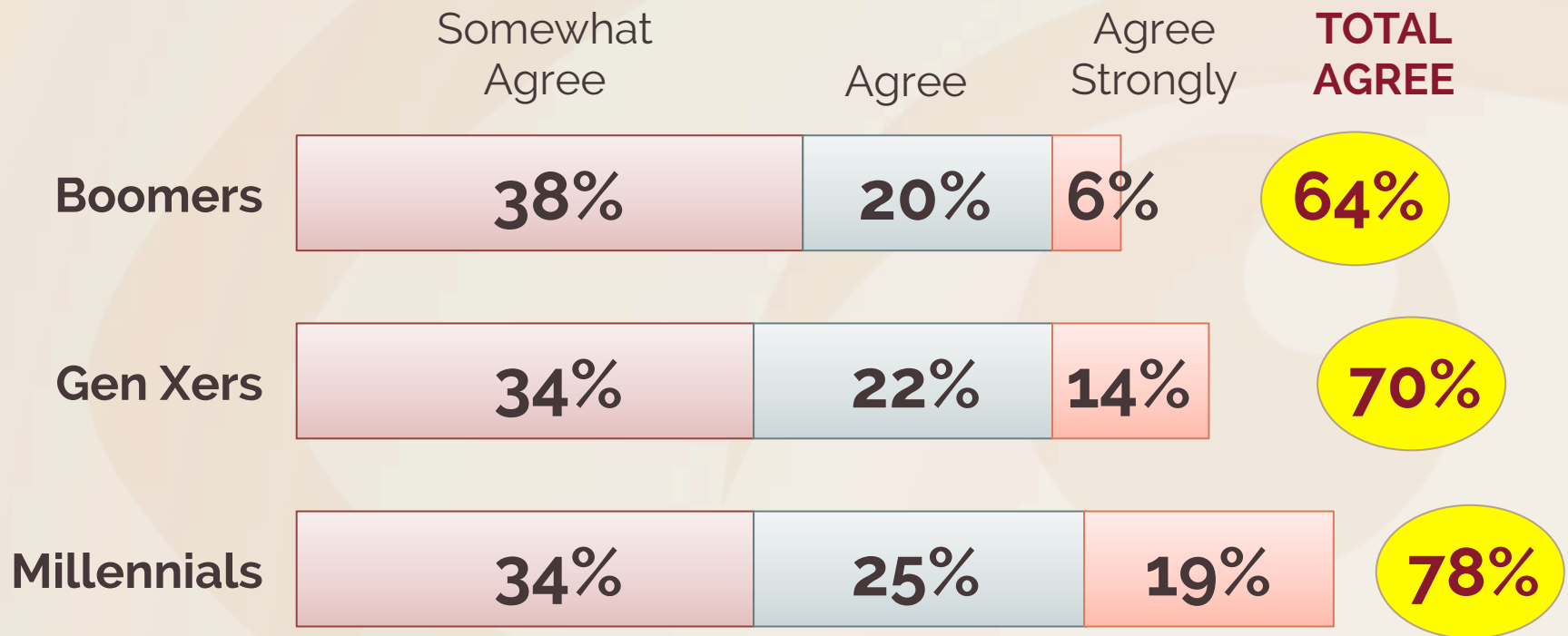
Work/life balance **62%**

Job security **57%**

**Dedicated to a cause or feel
I am serving a greater good** **49%**

Majority want to work where “purpose” is shared

“I want my employer to contribute to social or ethical causes that I think are important”

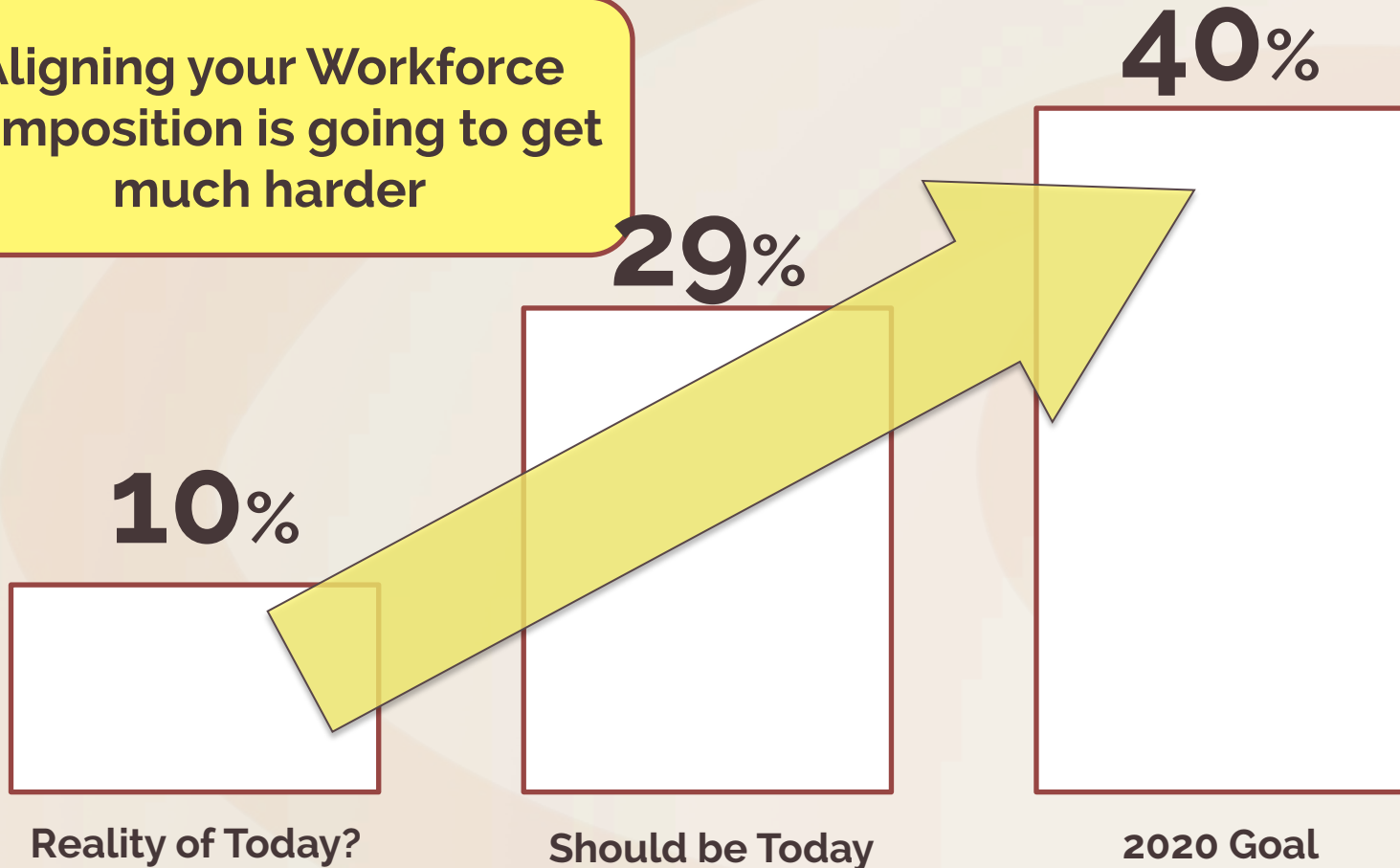


**Implications for
LOCAL
GOVERNMENT?**

1

Workforce **COMPOSITION**

Aligning your Workforce
Composition is going to get
much harder



MILLENNIALS CREATE TWO PROBLEMS for Local Government

1

They are seeking a collaborative, creative, innovative work environment

2

They will shape the future and as a result you have to change to appeal to them

**Specific strategies for
recruiting, managing,
and retaining
Millennial Workers are
needed now.**

We can help:



Generations
MatterSM

matt@generationsmatter.com



4 weeks ago

What does my organization need to know about incorporating millennial talent?

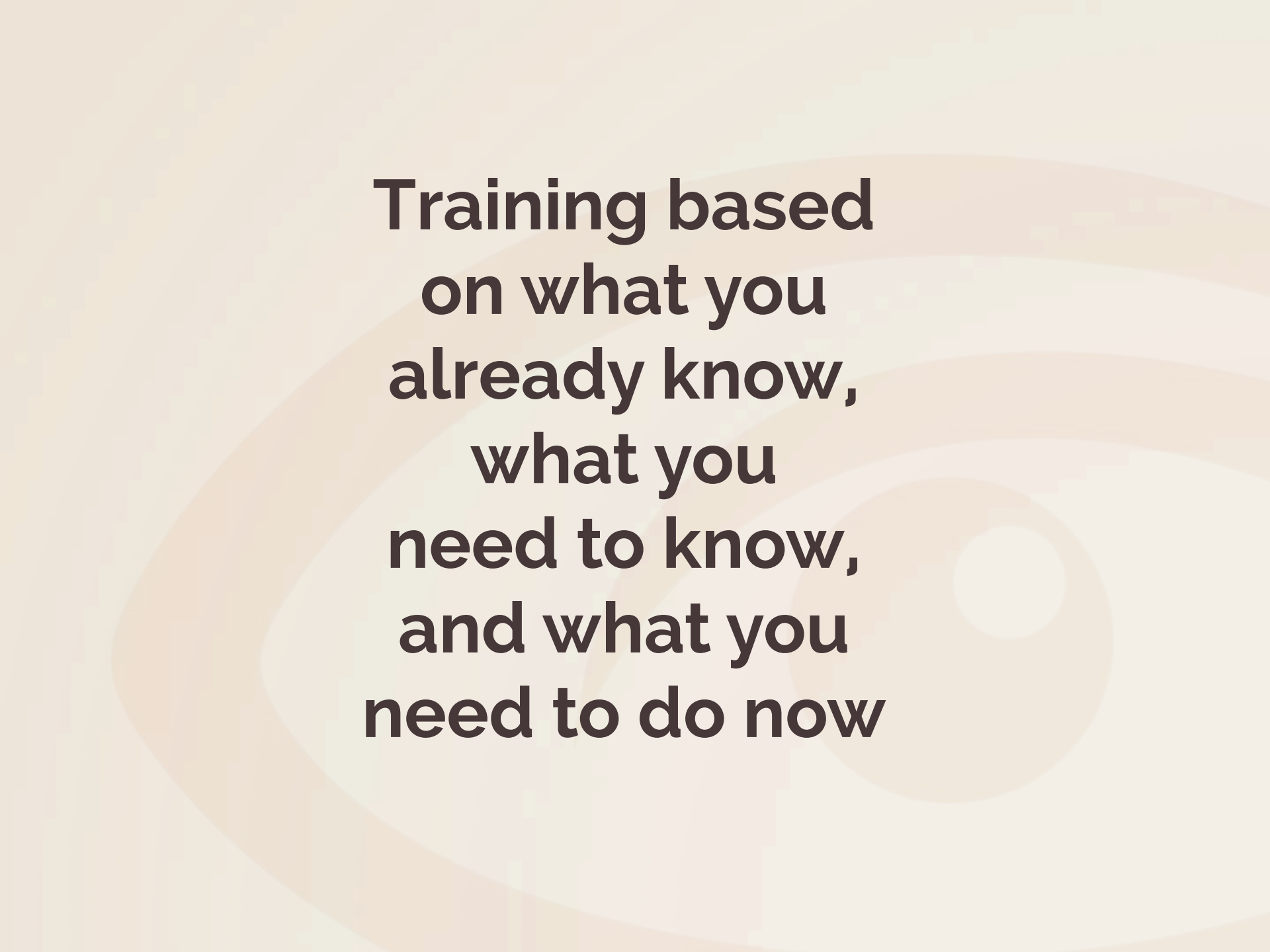
0 LIKES NEWS, TRAINING

There is a great deal of discussion and writing with regard to the generation referred to as "Millennials" or Generation Y. This generation is growing into the largest segment in the workforce, especially as "Boomers" continue to retire in significant numbers.

This important segment of the workforce can potentially bring significant changes to businesses' operations, recruitment and retention efforts. For those who understand and plan, it can mean a strategic business advantage resulting in improved bottom line performance.



- Consulting
- GenQ Assessment
- In-person Training
- Online Training
- On-going Materials



**Training based
on what you
already know,
what you
need to know,
and what you
need to do now**

TWO FUNDAMENTAL ISSUES: for Virginia's 324 Places

1

Workforce
COMPOSITION

2

Workforce
DEVELOPMENT

TWO FUNDAMENTAL ISSUES: for Virginia's 324 Places

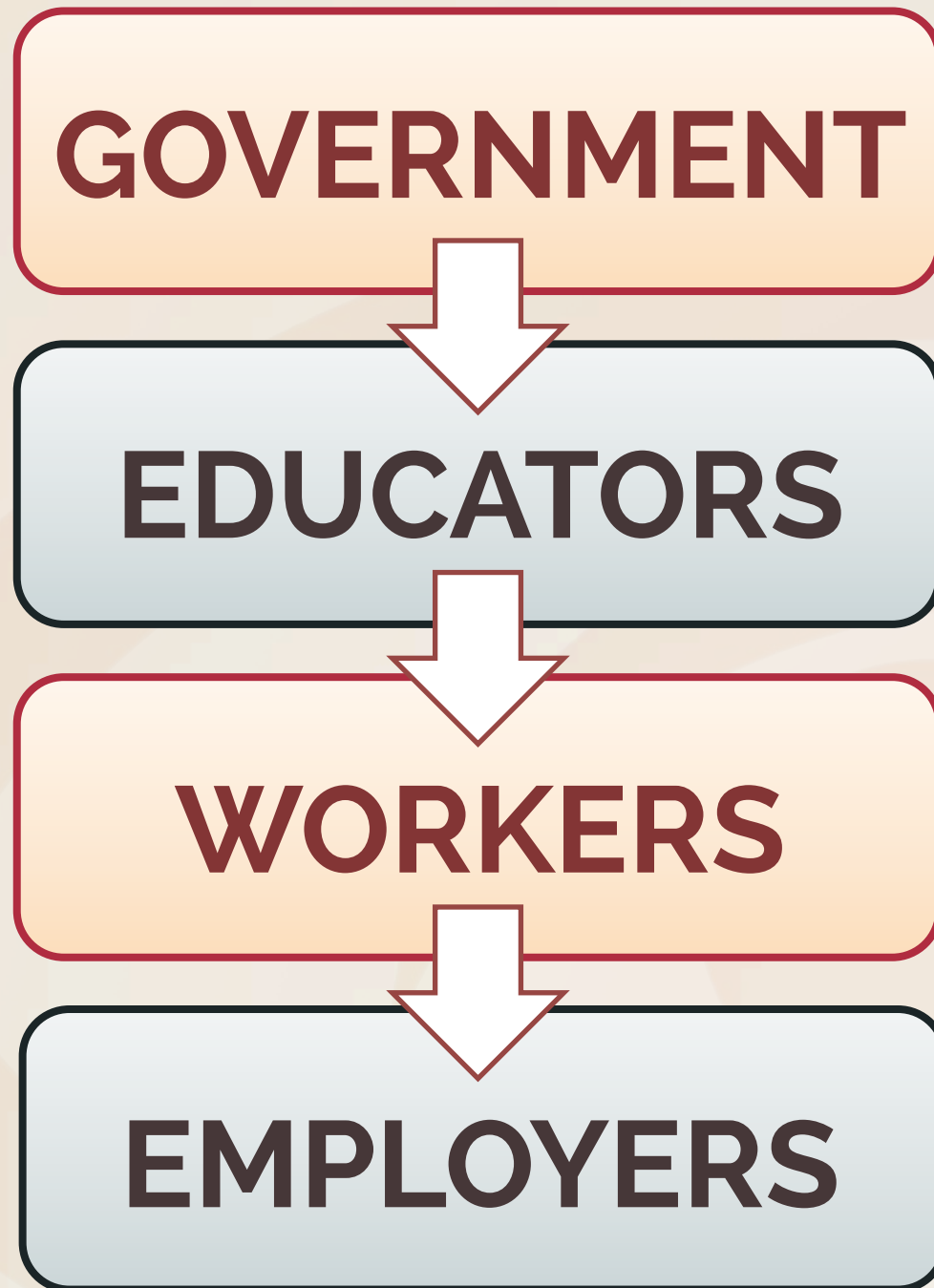
1

Workforce
COMPOSITION

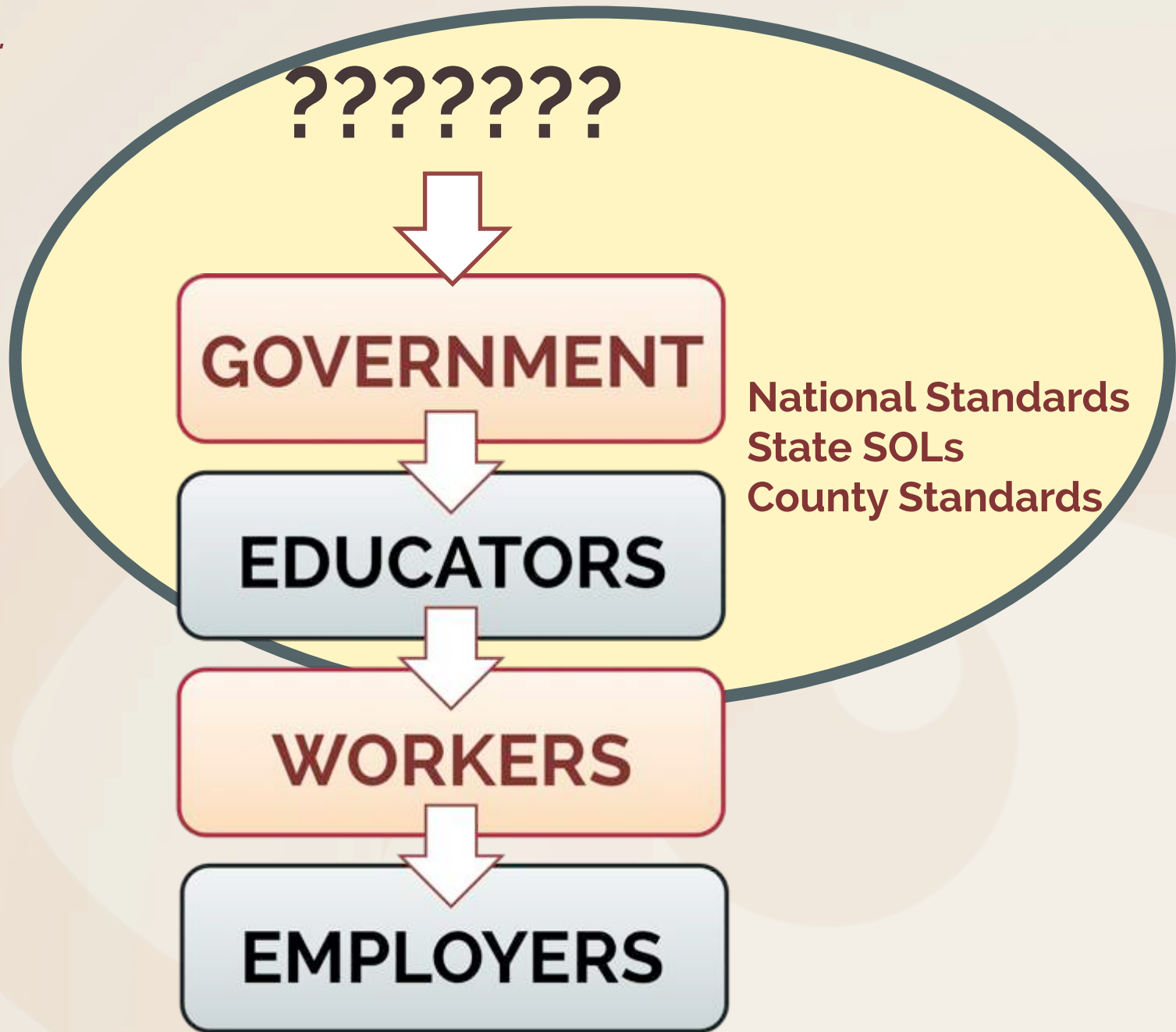
2

Workforce
DEVELOPMENT

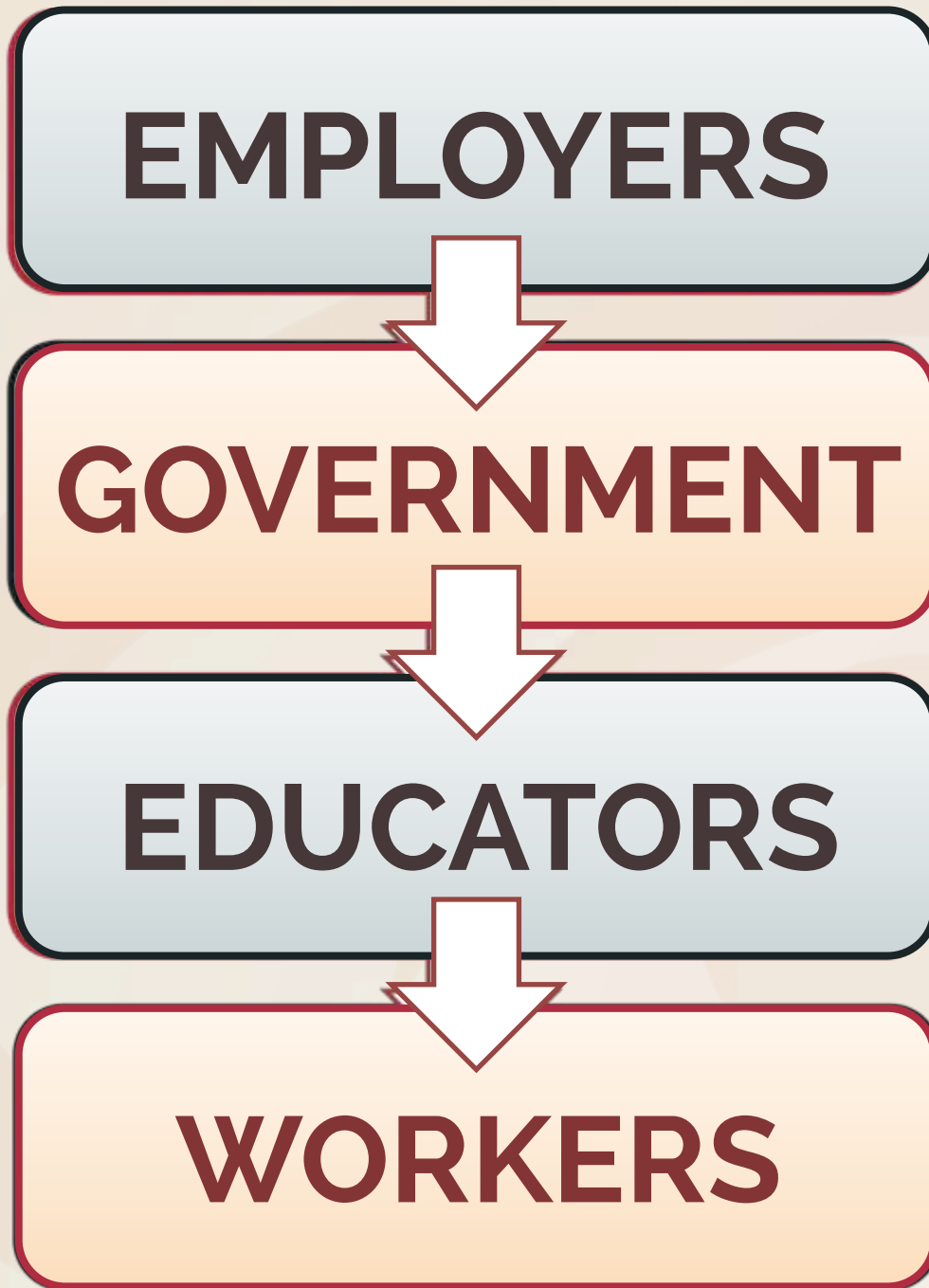
The Model:



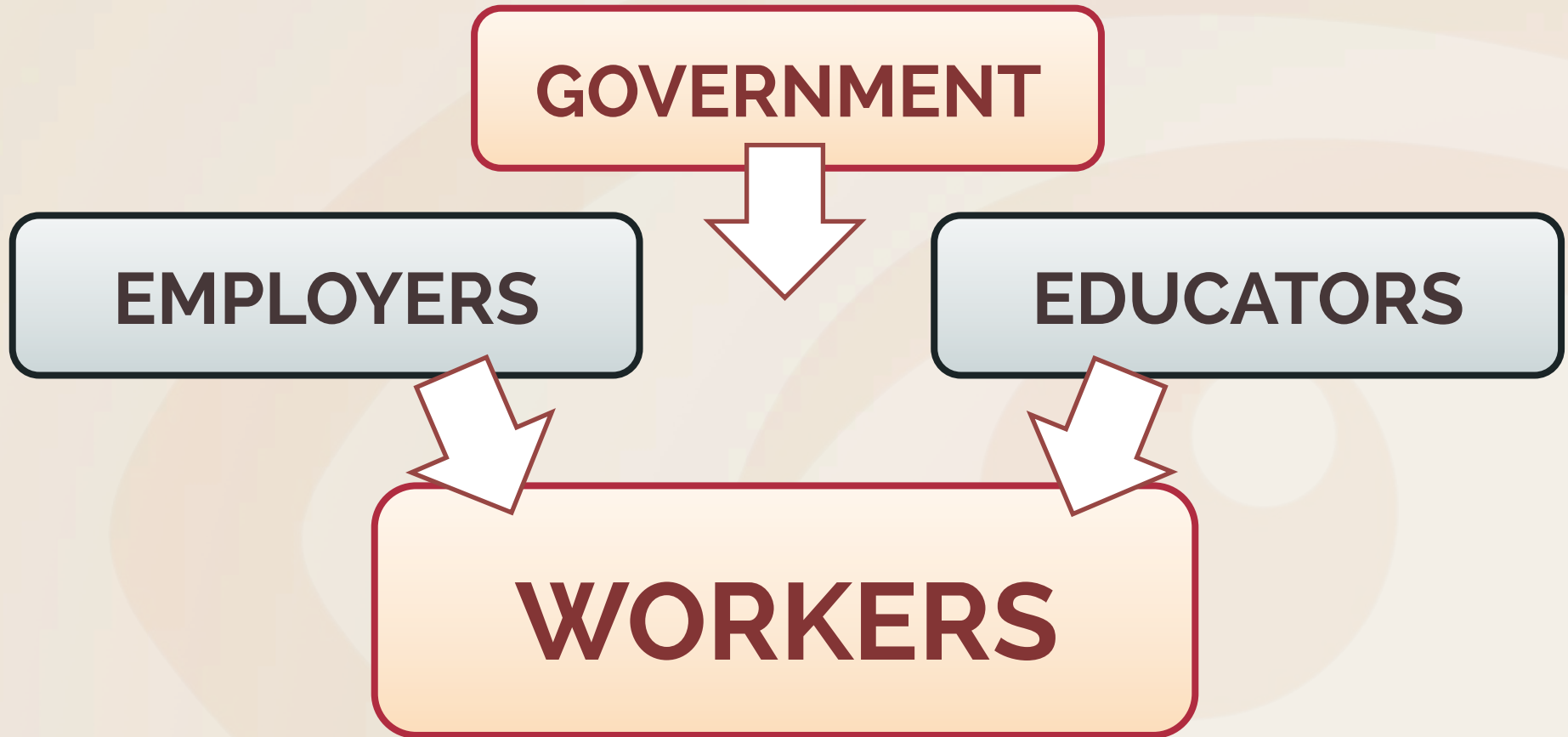
The Model:



Winners in
Workforce
Development
today:



Winners in Workforce
Development today:

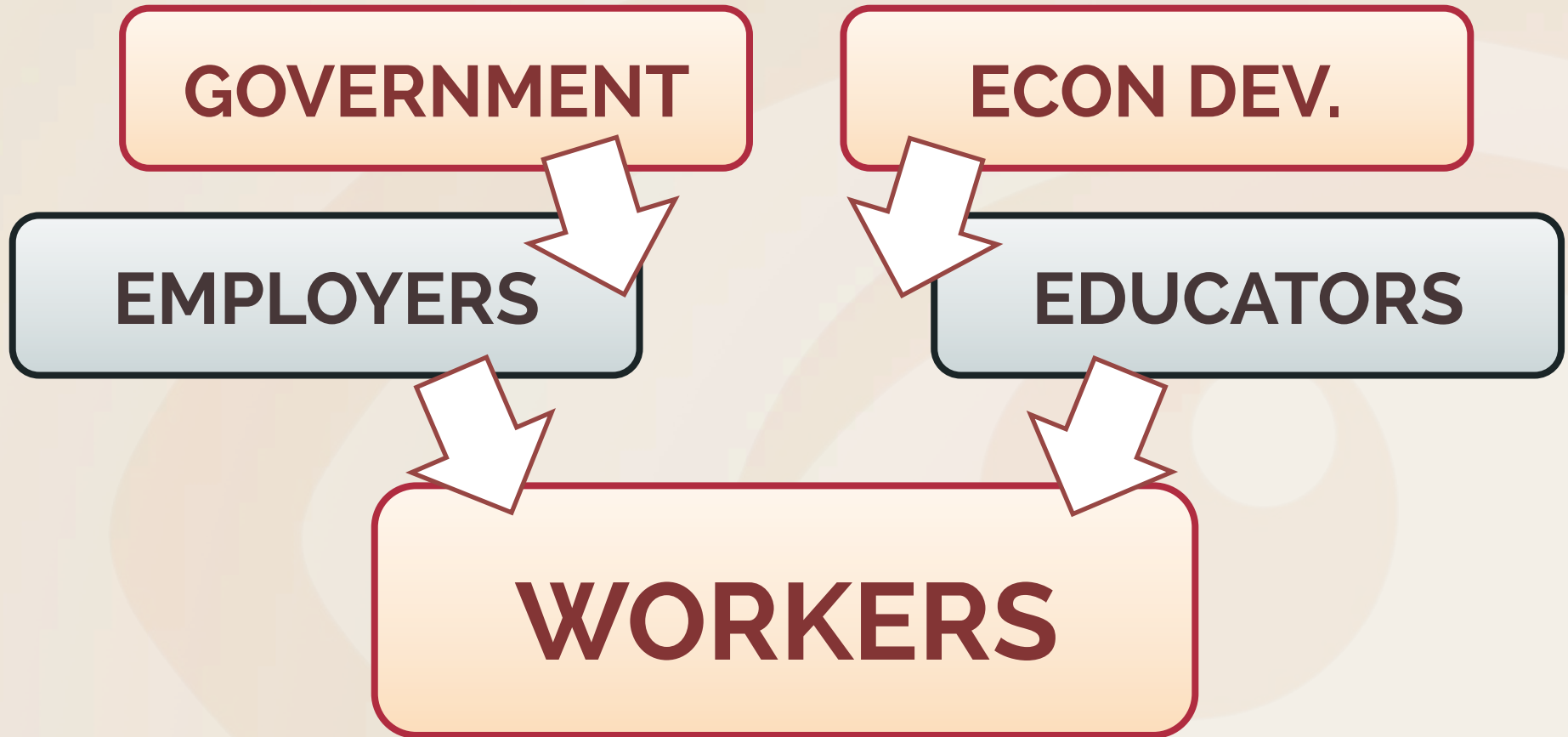


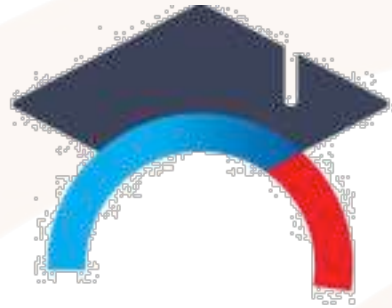
Community College Access Program

**Botetourt County
Craig County
Franklin County
Roanoke City
Roanoke County
and Salem**

50% of first year students don't
continue for second year

Winners in Workforce
Development today:





TENNESSEE
Promise



- **Two years of Community or Technical College tuition paid (last dollar)**
- **19,000 enrollees in first year**
- **Assigned a mentor (8,000 available)**
- **8 hours of community service per semester**
- **Plus, Tennessee Reconnect and LEAP**

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 - 👁️ **Developing Younger Workers for your community**
- 👁️ **Participant discussion**



Workforce Development

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SIR Research/Generations Matter

April 28, 2015



Thank You

Next Session:
New Model of Economic Development
Tuesday May 26, 2015
11:00-11:45am