

Meeting Demand for Government Finance Jobs



LOCAL GOV

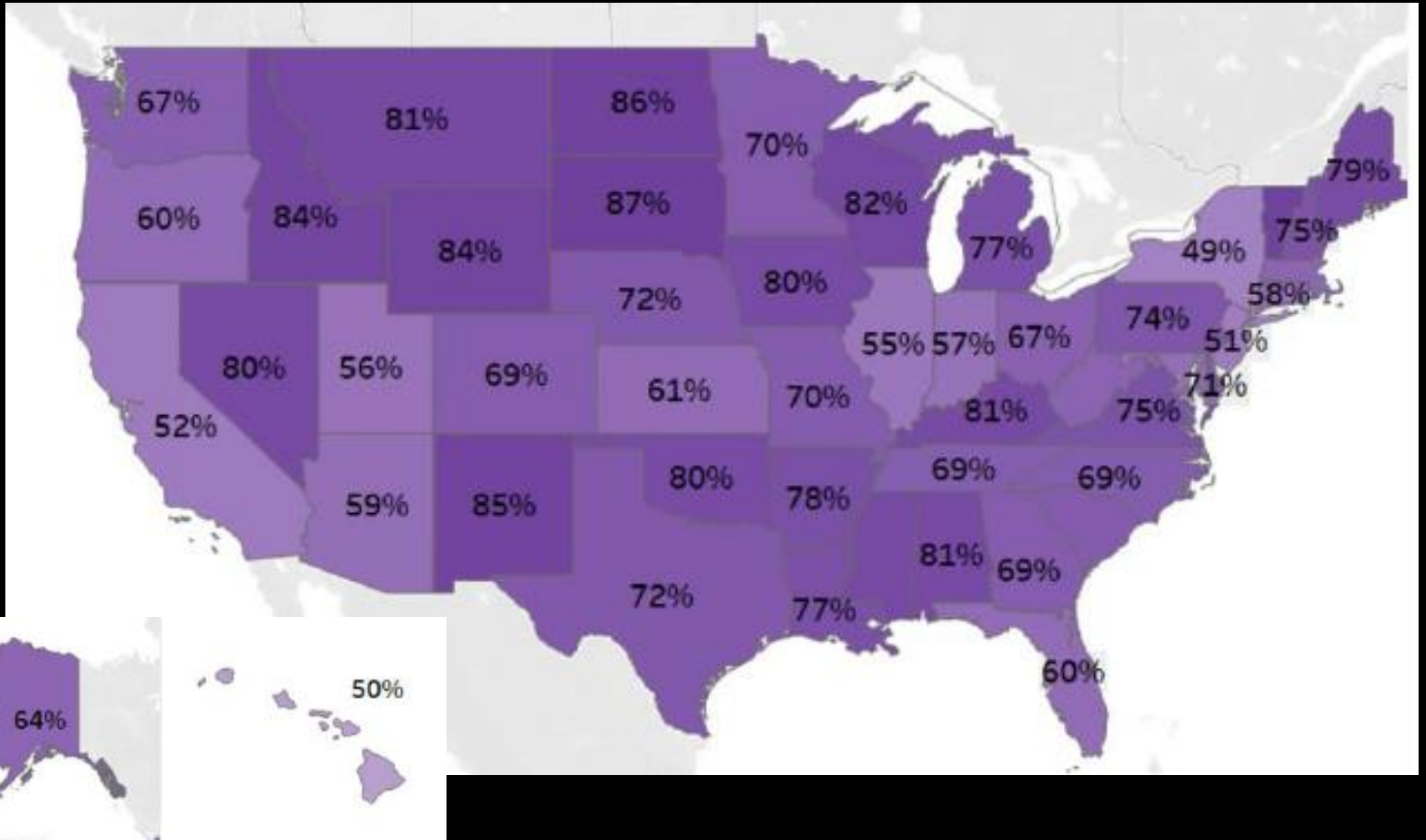
DIVERSITY DASHBOARD

Representation of Women in Local Government Financial Leadership

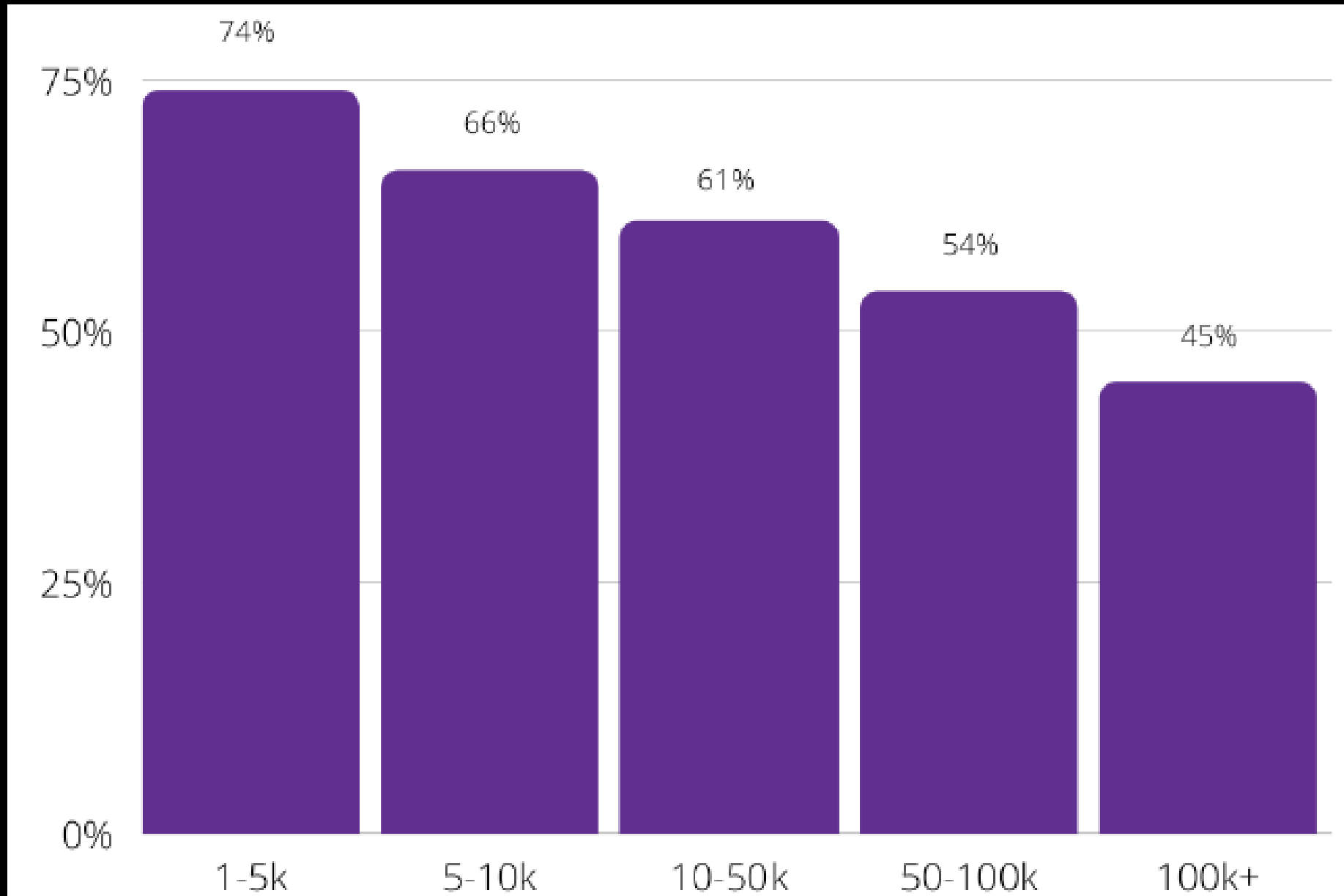
New data release of the gender composition of the top finance officials in over 21,000 local governments shows women are well represented in this important leadership position.

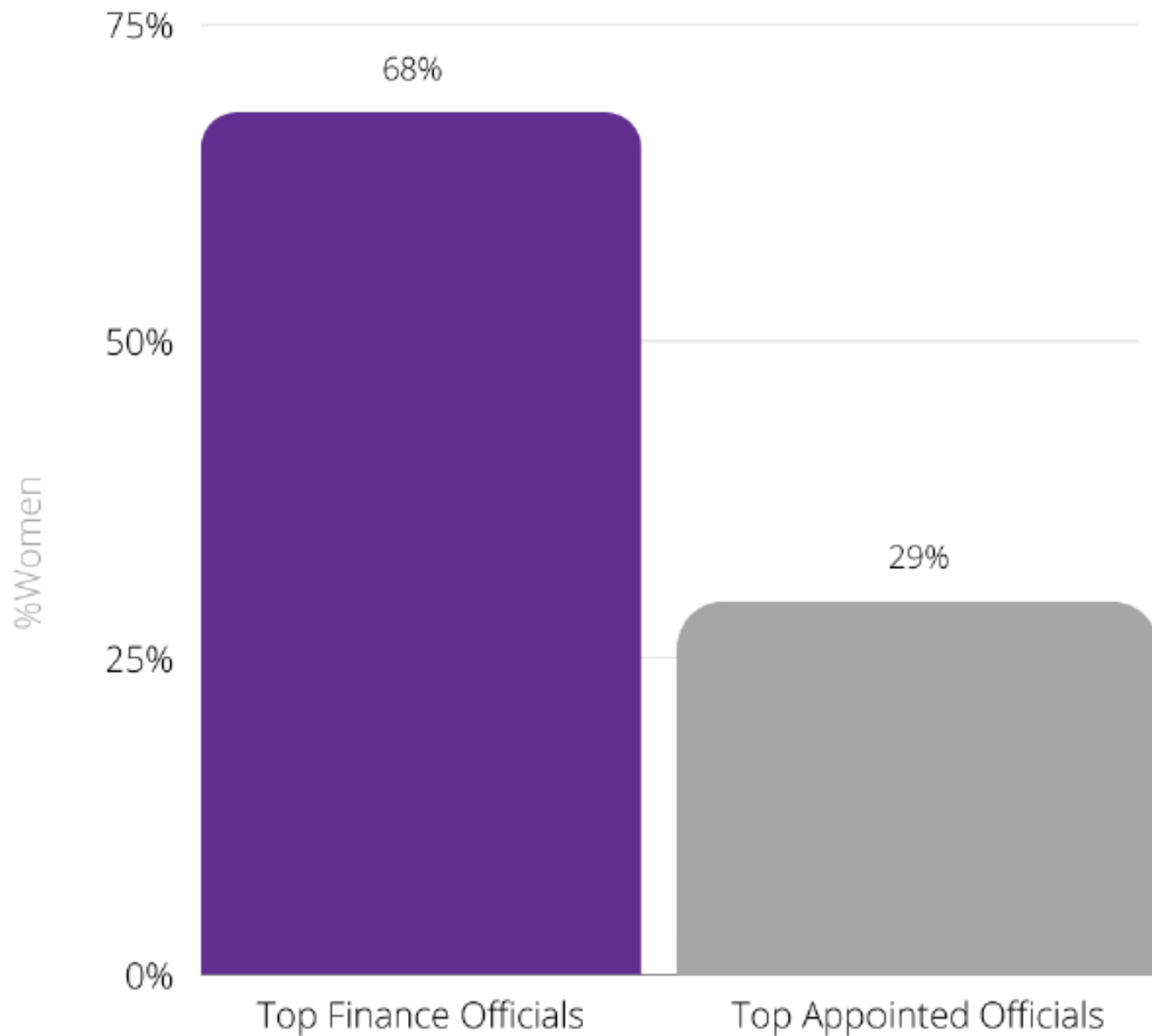
1. 68% of people occupying the top finance role in local government are women (p. 2).
2. This percentage has increased slightly since 2013 (p. 3).
3. Almost all states have reached gender parity in this role (p. 4).
4. However, local governments with larger populations are far less likely to have women in the top finance role (p. 5).
5. Despite being seen as a pipeline to the top appointed role in local government, the percentage of women in the top finance role is more than double that of top appointed officials (p. 6).

% Women in Top Role by State



% of Women Top Finance Officials by Population size





Lack of gender diversity at top appointed position

#1 Challenge: Talent Recruitment & Retention



**Meeting Demand
for State and Local
Public Finance Jobs**

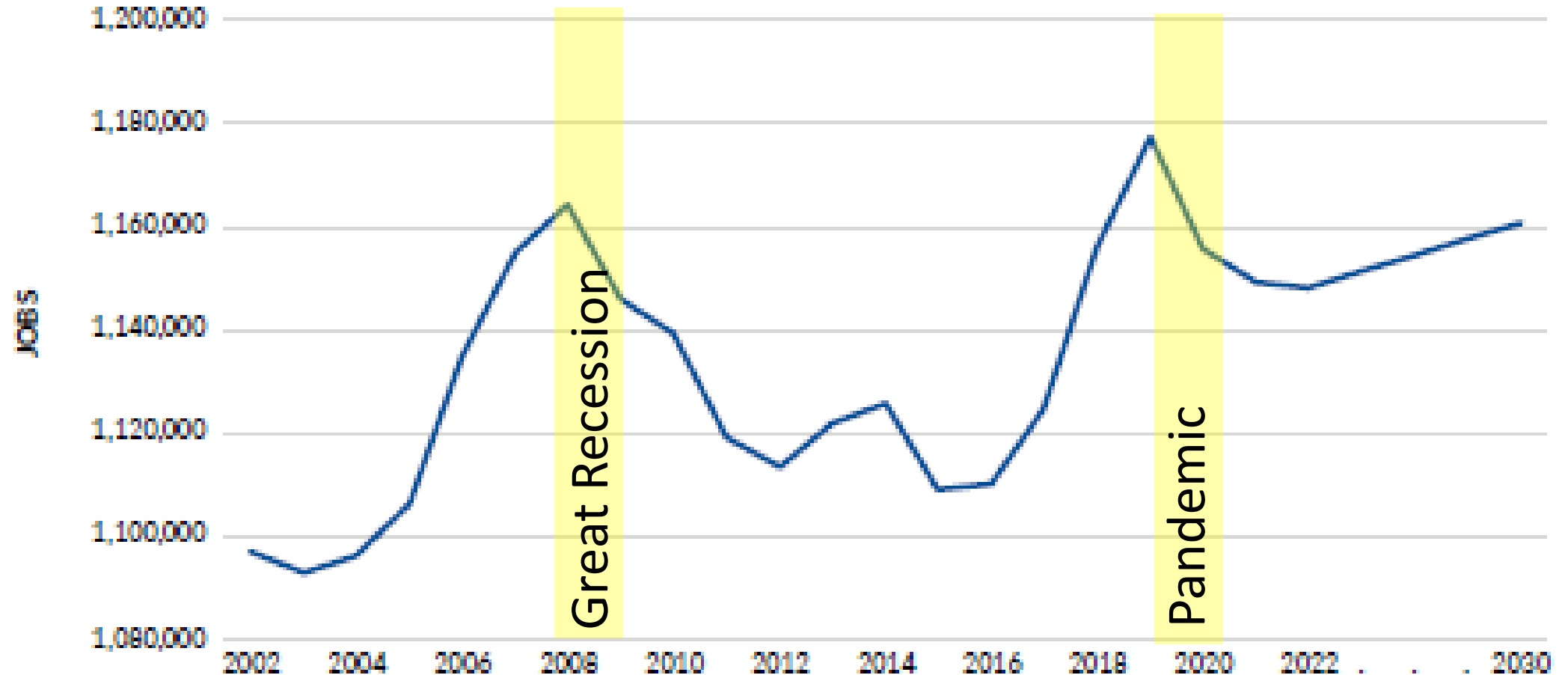
SEPTEMBER 2022

Local Government Largest Employer of Public Finance Professionals

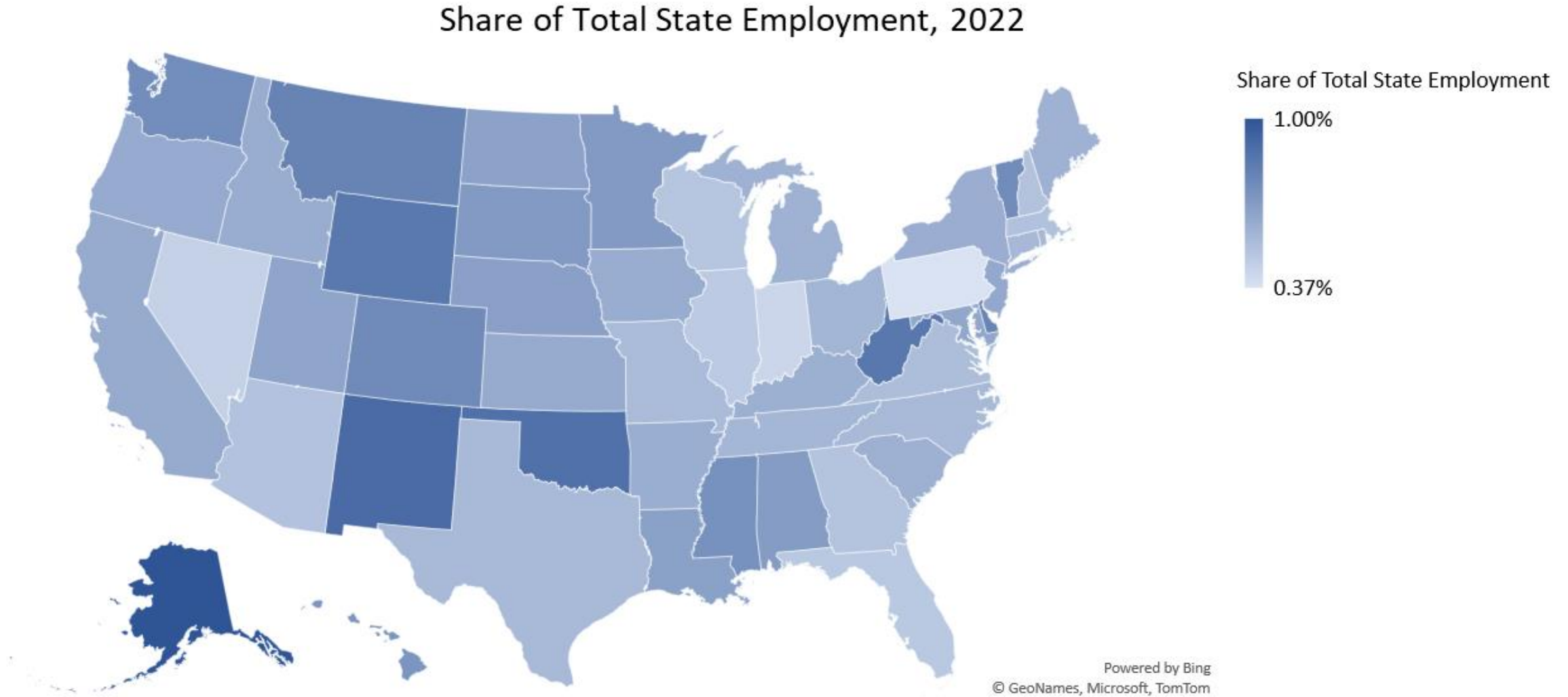
Sector	# of Employees
Local Government	635,000
State Government	513,000
Federal Government	574,000
Total	1,722,000

Workforce Historical Trends

Figure 1. State and Local Public Finance Sector Jobs, 2002 – 2022, and Projected Jobs, 2022 – 2030

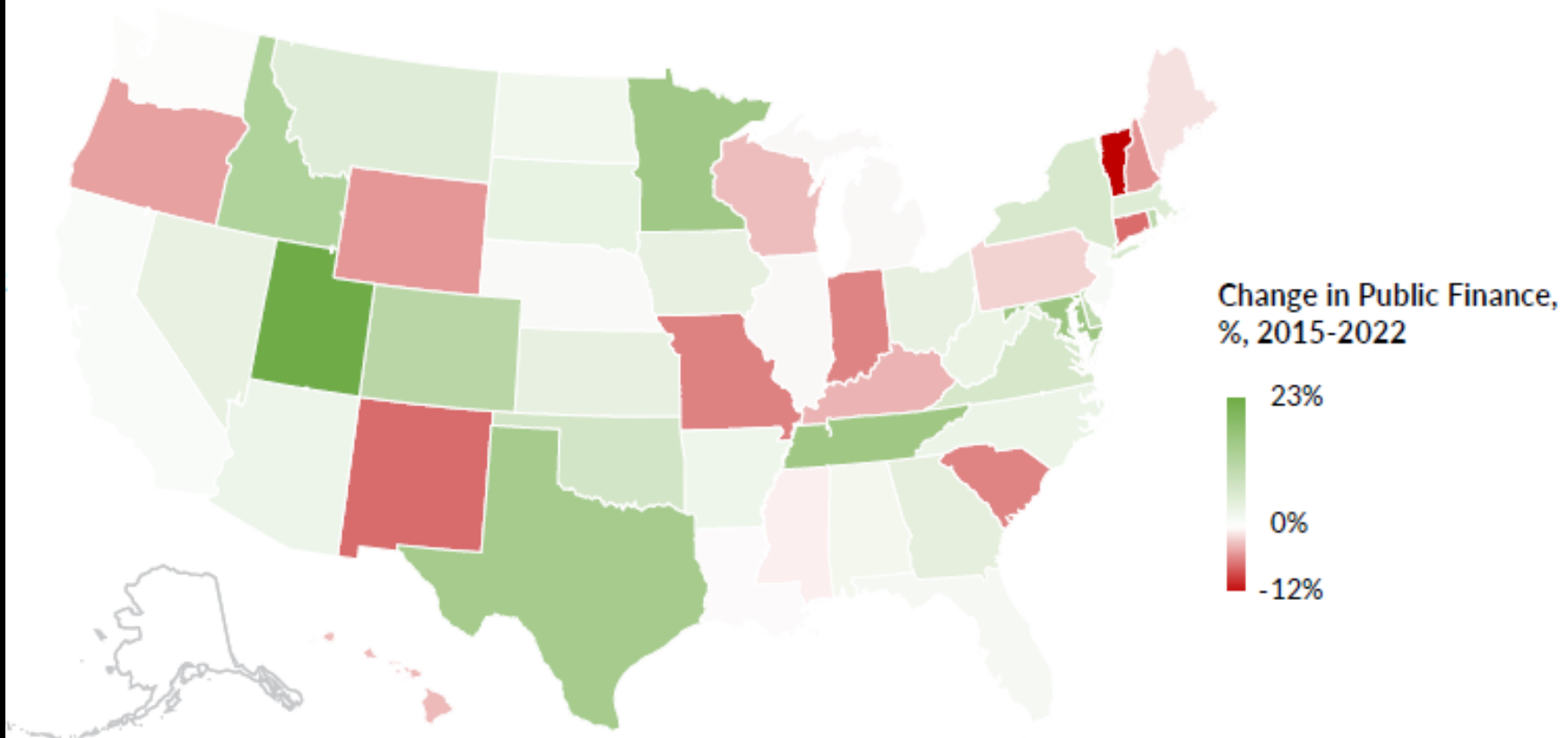


Concentration of Gov't Finance Jobs by State



2016 – 2022 Change in Public Finance Jobs

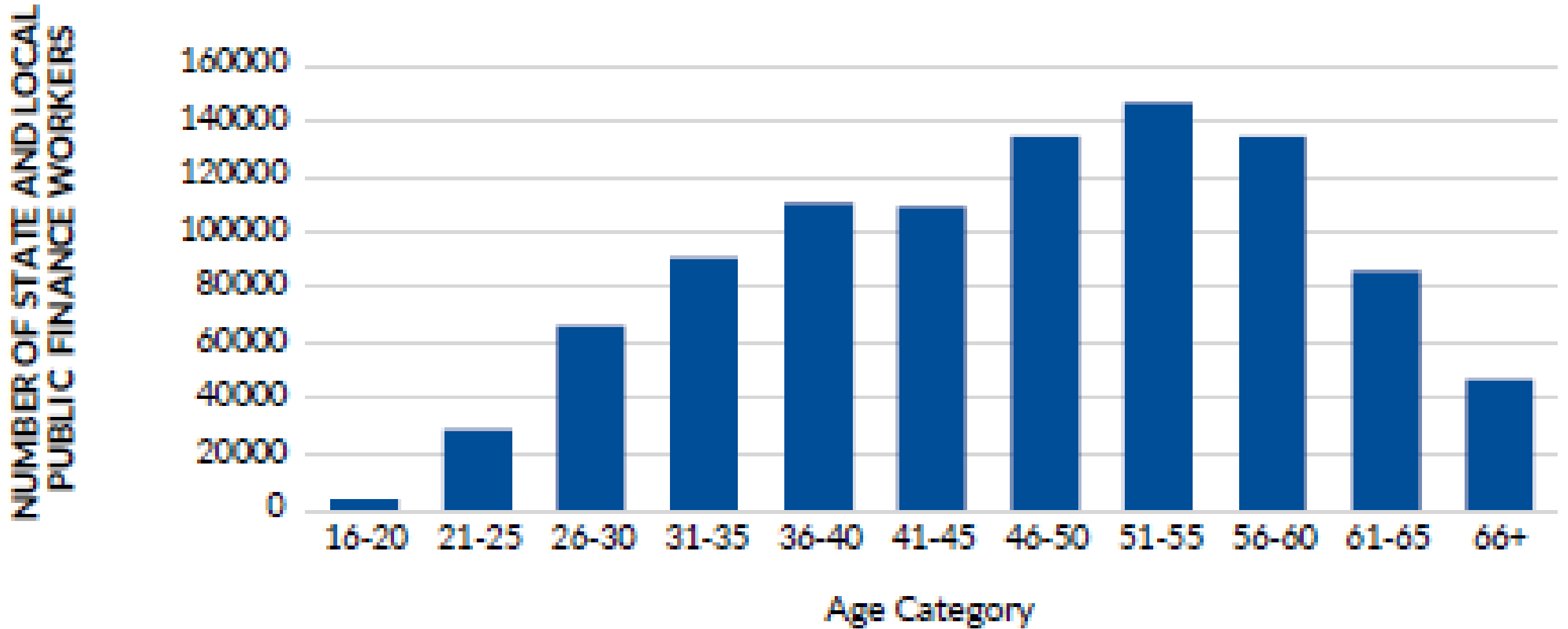
Figure 7. Percent Change in State and Local Public Finance Jobs, 2016 – 2022



Demand by Functional Area

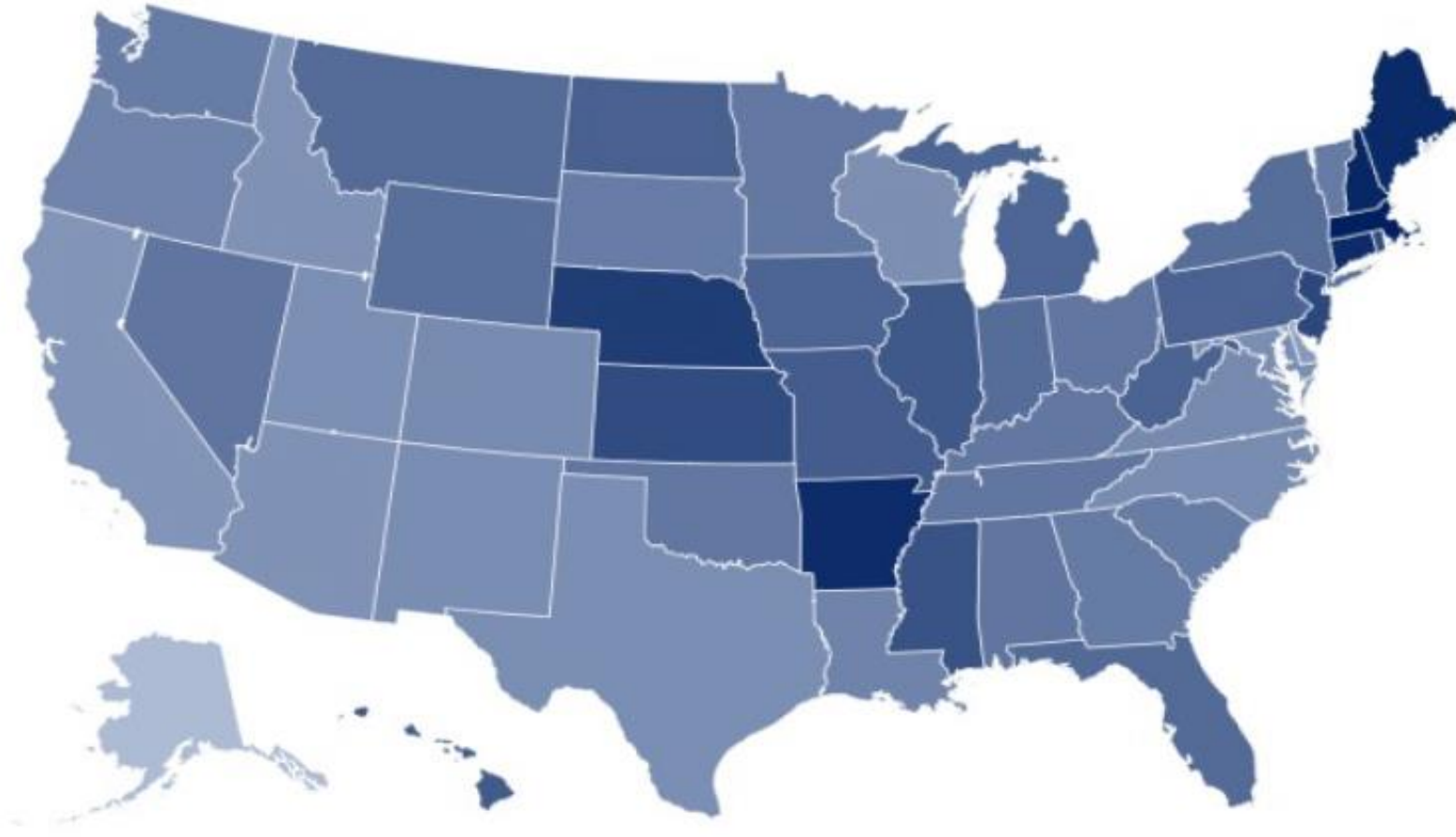
Functional Area	Job Postings	Salary
Accounting and Financial Analysis	59,803	\$59,365
Budgeting and Forecasting	34,072	\$66,001
Procurement	19,577	\$60,587
Business Process Improvement	14,248	\$66,960
Capital Planning and Asset Management	9,078	\$64,553
Leadership, Ethics, and Trust	7,887	\$78,086
Treasury and Investment Management	7,291	\$72,974
Compensation and Benefits	3,660	\$63,740
Risk Assessment	1,117	\$79,870
ERP Systems and Technology	840	\$59,041
Economic Development	609	\$72,127
Debt Management	593	\$81,551

Average Age High for Public Finance Workforce



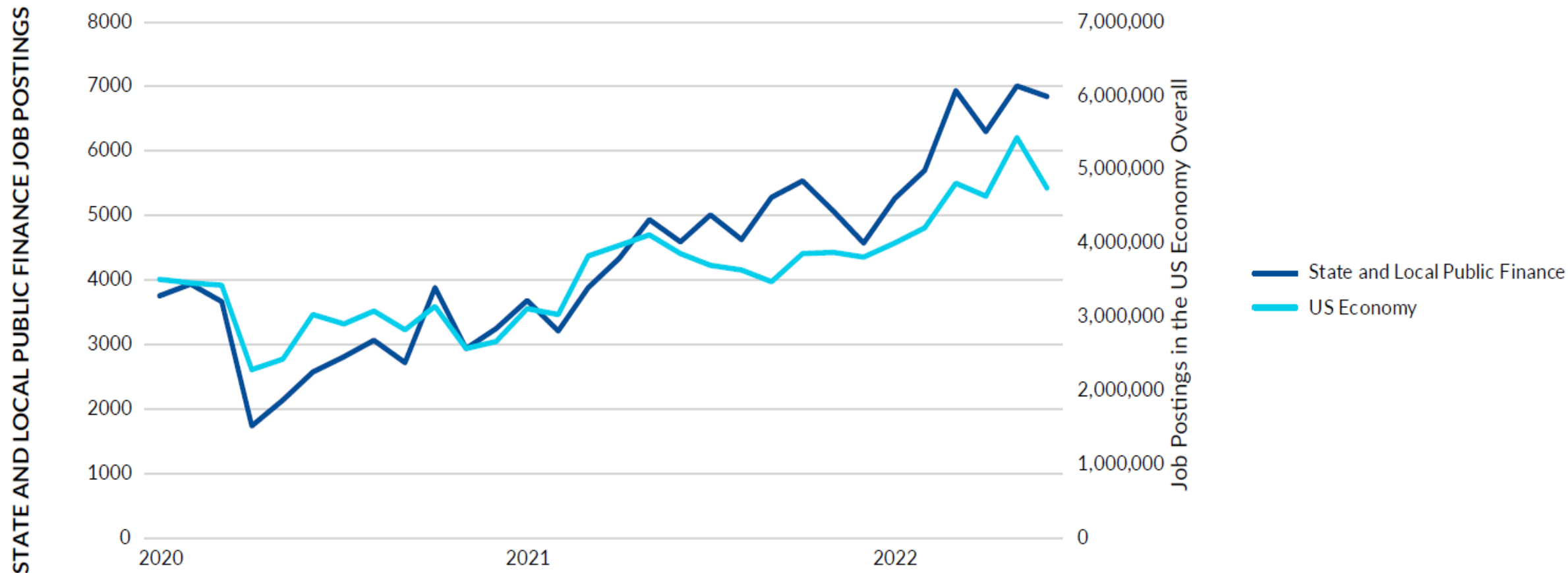
Retirement Risk of State & Local Public Finance

Figure 9. Retirement Risk of State and Local Public Finance Workers (% workforce 55-years-old or older) by State, 2019



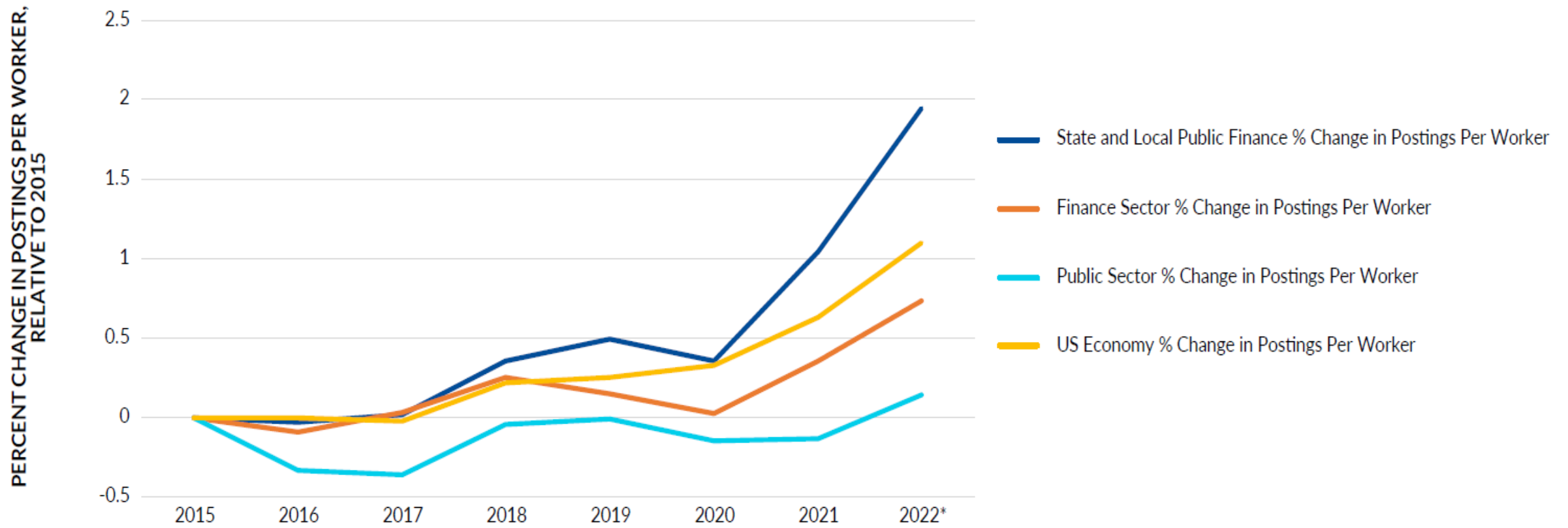
Gov't Finance Job Posting Higher than Economy

Figure 10. Monthly Online Job Postings, State and Local Public Finance and the US Economy Overall, January 2020 - July 2022



% Change Monthly Online Job Posting 1/20 – 7/22

Figure 11. Percent Change in Postings Per Worker in Public Finance, Benchmarked against the Finance Sector Overall, the Public Sector Overall, and US Employment Overall, 2015-2022



Public Finance Positions in Most Demand

Table 18. Top Job Titles in Public Finance by Demand, January 2021 – July 2022

Job Title	Postings
Accountants	4392
Accounting Technicians	1709
Budget Analysts	1368
Financial Analysts	1264
Accounting Specialists	910
Payroll Specialists	889
Buyers	789
Account Clerks	764

Key Findings

- ✓ Demand for public finance workers is far outstripping the incumbent supply and straining familiar pipelines
- ✓ The impending retirements of public finance workers will further exacerbate the supply shortage
- ✓ There are few managerial positions available within public finance
- ✓ Entry-level public finance positions that do not require a bachelor's degree tend to be higher earning than the private sector

Key Findings

- ✓ **Strength** for state and local public finance is its **demographic diversity**.

People of color make up 38 percent of state and local public finance, compared with 28 percent of the finance sector overall and on par with 38 percent of the public sector overall and 37 percent of the workforce overall. Black workers are particularly well represented, at 17 percent of state and local public finance relative to 11 percent in the overall workforce. Hispanic workers hold 12 percent of state and local public finance jobs compared to 16 percent of the overall workforce. Workers of color are underrepresented in Financial Manager positions relative to their overall representation in the state and local public finance.

What should local governments STOP doing that undermines their ability to attract and retain government finance employees?

Recruitment
& Hiring
Recommendations

- Mount a recruiting campaign around public service that highlights the importance of finance in COVID-19 recovery
- Leverage strong non-bachelor's degree opportunities to attract new workers who can grow in the profession
- Accelerate recruiting
- Incentivize hiring
- Promote and encourage diversity
- Tap into adjacent talent pools
- Concentrate on building career ladders (lattices)

Retention
&
Advancement
Recommendations

- Upon leveraging strong non-Bachelor's public finance opportunities to attract workers, retain them by investing in their development and education
- Experiment with compensation models that reward incumbent workers who are taking on additional work during the supply shortage
- Build out managerial or specialist roles with career tracks
- Build career ladders (lattices), both within state and local public finance and across other public sectors.



Practitioner Workforce Priorities: Identified in Institute Surveys and Focus Groups

• Reevaluation of **compensation and benefits packages**

- Enhanced **employee recognition**, with emphasis on **employee impact on the community**
- Provision and expansion of **financial wellness programs**
- Prioritization of **employee safety and mental health**
- Reevaluation of **how and where work is conducted**
- Update **recruitment and retentions processes** to reflect real job requirements, strategically plan for staff transitions, expand outreach to candidates, and focus on **diversity, equity, and inclusion**

What new things should local governments consider doing to attract people to a career in government finance? And to retain high performers?

It is a competition

THE WALL STREET JOURNAL.

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CFO JOURNAL

Struggling to Find Accountants, Businesses Boost Salary Offers, Hire Temporary Workers

Companies take longer to fill positions as tightness in the labor market continues and fewer people study accounting

How to Have an Engaged Workforce (and more satisfied citizens)



Government Finance Officers Association

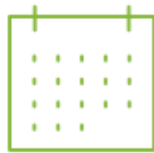
The Impact of An Engaged Workforce

Top quartile vs bottom quartile of engagement



17%

Greater
productivity



41%

Less
absenteeism



10%

Higher customer
satisfaction



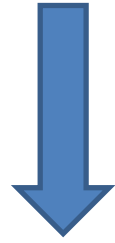
40%

Fewer defects in
work products



What do Things Look Like in Local Govt?

70% not engaged



17% actively disengaged

What Can be Done?



Tap Public Service Motivation

- Public service motivation is the opportunity to act in accordance with larger purpose and set of values
- Service to others vs advancing career
- Implications for who you try to recruit, how, and retain strategies



“A problem well defined is a problem half solved”
-Charles Kettering, Inventor



Understand Why People Leave

Top reasons from survey of GFOA job switchers

1. Decisions at work based on personalities, not on the merit of the issues
2. Lack of congenial work environment
3. Poor communication with supervisor
4. Lack of trust with supervisor
5. Lack of empathy for employees



Understand the Three Ingredients to Motivation*

- **Mastery**. Building skills that make a difference.
- **Autonomy**. The ability to act with choice and direct our own lives
- **Purpose**. Work takes place in the service of a cause greater than ourselves

*From Drive by Daniel Pink

Engagement Tactics

Selecting Employees and Getting them Onboard

Applicant Selection / Interviews

Onboarding Tour

Building Mastery, Autonomy and Purpose

Career Advancement

Performance Appraisals

Self-Directed Time

Stretch Goals

Help Employees Know Themselves

Supervisor Training



Application Selection:

Finding People who Fit Local Government

- Close your eyes and picture a person you know, who you wish you could clone and surround yourself with.
- Now, think of three things about that person that makes you select them.
- Most, if not all, of those things are probably about the character of that person and not a skill of that person. Perhaps it was 'hard working' or 'honesty,' but it probably wasn't their mastery of GASB 34 and Excel.



Discuss with Partner

Share the traits you came up with. Were most of them “character” traits? Is there one trait that rises to the top for you?



A Key Trait: **Conscientiousness***

- **What is it?** Achievement-oriented, thorough, well-organized, persevering, methodical, self-disciplined and accountable.
- **How can you hire for it?** Use assessment tools that address conscientiousness and its sub-traits. Ask interview questions that get at it, like “Tell me about a time when you were really persistent”

*Based “The One Trait You Should Hire For” by Heide Abelli, Adjunct Professor of Management, Boston College.



Onboarding Tour

Getting Off on the Right Foot

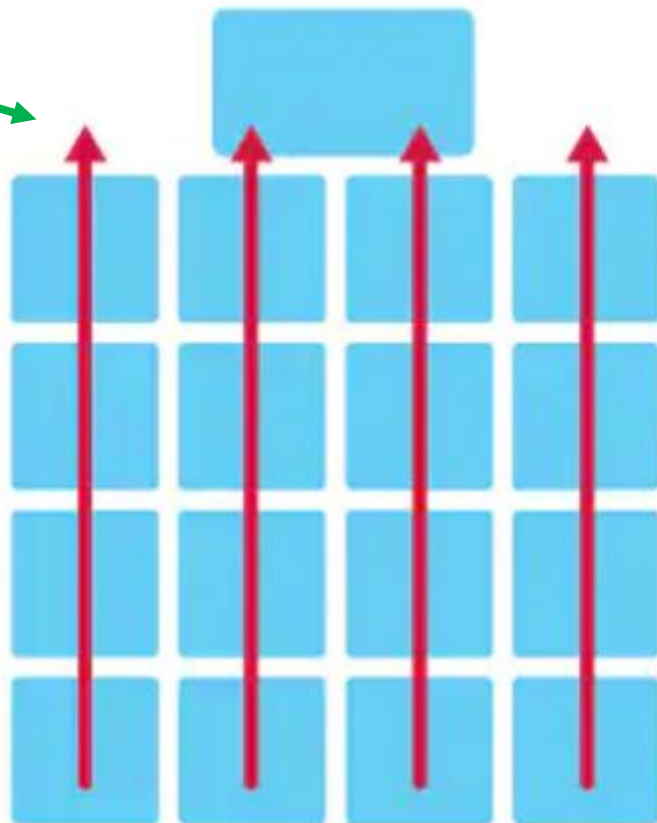
- Our opinions are formed by memorable moments, not averages*
- The first day on a job is a very memorable moment, but often for the wrong reasons
- Design a memorable start...
 - Lunch with supervisor
 - Get introduced to a mentor
 - Get a tour of the community learn its history and current character

*From: Heath, Chip; Heath, Dan. The Power of Moments: Why Certain Experiences Have Extraordinary Impact Simon & Schuster

Career Advancement: Ditching the Ladder in Favor of a Lattice*

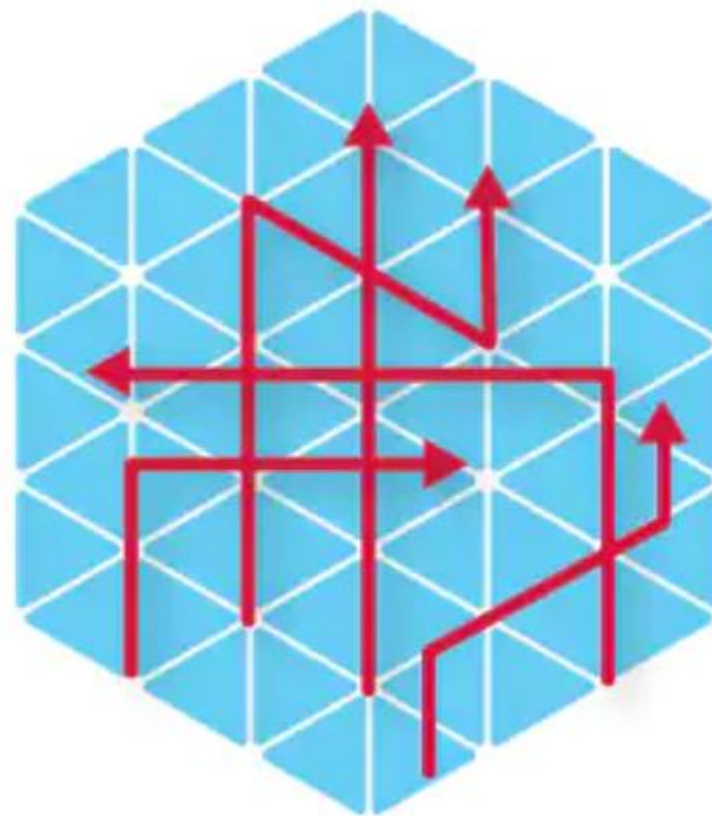
Note the
Dead end

Ladder progression



Examples of linear
career paths

Lattice pathways



Examples of more varied
paths for growth and
development

*Diagram from
Deloitte Insights

Self-Assessment & Professional Development: Know Thyself



Do this,
even if just
for you!

Gallup's CliftonStrengths

Self-Directed Time: Bringing a Bit of Google to Government

Famous products of
self-directed time



***Can government do the same
to increase autonomy?***



Stretch Assignments: Growing out of Your Comfort Zone

- Much like physical exercise, take on difficult but achievable tasks to promote growth
- Managers can assign stretches or staff can suggest their own
- Stretch assignments could be about taking responsibilities associated with a more senior position, but don't have to be
- Stretch assignments must allow for autonomy in how to perform the task



Performance Appraisal:

Can it be Better Than a Root Canal?*

- Across studies on employee motivation spanning 46 years, only one factor was cited every time as among the top two motivators: “full appreciation of work done.”
- **The problem:** 80% of supervisors say they frequently express appreciation, while less than 20% of employees agree.
- Effective recognition is personal, not programmatic. (“Employee of the Month” doesn’t cut it.)

*Content from: Heath, Chip; Heath, Dan. The Power of Moments: Why Certain Experiences Have Extraordinary Impact Simon & Schuster



Learning to Manage: Going from Boss to Coach

- Technical acumen often gets people appointed to managerial positions, but...
- 71% of job switchers indicated a desire for a change in their direct supervisor as a key reason for leaving
- Learn to go from “the brains of the organization” to “helping others realize their full potential”

Discussion

What is your top take away for something you could do back at work?

Selecting Employees and Getting them Onboard

Applicant Selection (character)

Onboarding Tour

Building Mastery, Autonomy and Purpose

Career Advancement
(Latter v Lattice)

Performance Appraisals
(Recognize Good Work)

Self-Directed Time

Stretch Goals

Help Employees Know Themselves
(growth mindset, strengths)

Supervisor Training
(go from boss to coach)

A Happy Ending

Check out the full report at
www.gfoa.org

Search “gfoa both worlds
engaged workforce”

