Executive Summary

The State of Nebraska and its local governments are not unlike their counterparts across the United States who are dealing with the challenges of having an aging workforce whose members are planning for retirement within the next five years. Specifically, those employed in the public works operations of city government within the State of Nebraska who are age 50 or older generally represent a greater percentage of their department’s workforce than the overall national average. As they enter into or approach retirement age, the respective city governments are faced with losing experience and knowledge in addition to the challenge of replacing these employees from a dwindling labor pool.

Contributing to the challenge facing these communities is the fact that only 16% of those recently surveyed have a formal succession plan in place. Mentoring is used in a limited way, and very few communities have been proactive in marketing their employment opportunities as career options other than through job postings. In order to effectively cope with the pending retirements and transition to a new workforce capable of successfully handling the job duties, many communities are going to have to examine strategies to not only meet these needs but to better manage personnel for the long term. Creative thinking and planning will be invaluable.

In order to develop strategies to meet the challenge of the aging public workforce, a review of scholarly literature was conducted to answer the following questions: 1) What is succession planning and how can it be successfully applied to replacing an aging workforce?; 2) Can mentoring be used as an effective exercise of succession planning?; 3) Do public sector employees have different values from private sector employees?; and 4) Are other options available to enable local government to make a smooth transition to a new workforce?

The researcher developed a survey that was sent to 612 elected and appointed local government officials and employees throughout the State of Nebraska by the League of Nebraska Municipalities. In addition, interviews were conducted with the mayor of a rural Nebraska city, three city administrators, one of whom also serves as his city’s utility director, another director of utilities, and a Human Resources specialist.

Results of the survey and interviews showed that public works workforces have a greater percentage of employees age 50 or older than the overall average, and that several communities will be losing one-half or more of their workers to retirement in the next 5 years. They also show that while succession planning and mentoring is not in wide use in the state, there is a significant percentage of people who feel that implementing succession plans and mentoring programs will have a positive impact on their communities and are more likely to be accepted by the workforce than not. While most communities do not proactively market job opportunities in their organization as career paths outside of job postings, there is a greater likelihood that the cities would prefer and support the concept of a state-wide or regional media campaign designed to promote public works employment as a career path. This would include some financial support and participation in career fairs in local high schools, community colleges, and technical colleges across the state. Survey respondents and interviewees also showed a significant amount of interest in recruiting and recommending for hire persons who had received post-secondary education and training in specific skills related to public works.

The data was used in conjunction with that obtained from the literature review to develop recommendations to be presented to the officials and public employees who participated in the survey and interviews. The recommendations will be used to generate discussion about the development and implementation of these strategies in more communities throughout Nebraska.
Introduction

Over the past few years there has been an increasing amount of attention given to the aging of the workforce in the public sector and the challenges that it presents. Labor statistics have been providing a serious call to attention regarding the aging of public sector workforces compared to those of the private sector. In 2002 46.5% of the 20.6 million government workers employed in 2001 were age 45 and older as compared to 31.2% of the private sector. Nearly 29% of those government workers fell into the 45-54 age group compared to 18.4% in the private sector, and the public sector-private sector gap expanded when workers age 55 and older were added to those figures. In local governments, older workers made up 46.3% of the workforce compared to younger workers, those under 35, who made up 26.9% of the same workforce (Abbey and Boyd, 2002).

By 2008, the percentage of the private sector workforce over age 45 had increased from 26.4% in 1992 to roughly 36%. At the same time local government saw the percentage of its over 45 workforce increase from 38.5% in 1992 to nearly 50% in 2008. Additionally, 70% of the older local government workforce in 2006 was considered to be “knowledge workers” as compared to 30% of the private workforce at that same time (Franzel, 2009).

In the public sector, the effect of an aging workforce is even more troubling than in the private sector. More than 46 percent of local government employees nationwide are 45 years of age and older, compared to 31 percent over 45 in the private sector. (Ibarra, 2007, p. 24).

63.5 percent of local government employees nationwide are older than 40. The majority of senior-level staff (program managers, administrators, knowledge workers) either could retire today or will become retirement eligible soon. Between May 2010 and May 2011, 25 percent of retirement-eligible state and local government employees moved up their retirement dates, a rate more than double the prior year. (Henderson & Wood, 2012, p. 24).

The eventual departure of leaders and managers creates an urgency for governments and agencies to develop potential successors. Those who are promoted then create a backwash of replacement needs, as will their successors and their successors’ successors. (Young, 2005, p. 5). For those organizations that fall into the 26 to 50 percent range of employees currently eligible, the loss of a significant number of employees through retirement would likely have a major impact, especially if the organization is small or employees are already stretched beyond their regular roles. (Davidson, Lepeak & Newman, 2007, p. 6-7). In rural Nebraska, this could become a very real possibility.

The Nebraska Section of the American Water Works Association commissioned a study of its membership and potential members to improve delivery of education programs by the section and to gauge the age demographics and potential loss of institutional knowledge in the foreseeable future as current workers in the water industry retire. (2009) Among its findings are that the median age of the members and potential members was 51.9 years, with 9% age 65 or older and another 14% age 60-64. Water workers age 50 or older had experience ranging in years from 11 to over 30, and 20% of the licensed water operators working in a public water system in Nebraska plan to retire on or before 2014. (AWWA Assessment Study, 2009, p. 7.)

Organizations run the risk of losing great stores of knowledge from the impending retirement of large numbers of baby boomers. Many of these employees have amassed great knowledge, skills, and wisdom that has either not been captured within the organization’s collective memory system or which has not been personally transferred to other individuals in the organization. Given the age demographics of many organizations, an unprecedented loss of
human capital will occur between now and 2020 unless steps are taken to proactively transfer the knowledge from valued longtime employees. The risk of knowledge loss is especially acute in the public sector, as job tenure tends to be greater in the public sector than in the private sector. The essential point organizational leaders need to recognize is that once knowledge and expertise has left their organization, it is difficult to recover, so difficult as to be unlikely. Knowledgeable older workers will be leaving organizations in record numbers over the coming decade, so before they leave, it is imperative that organizations take steps to retain their knowledge. (Calo, 2008).

The purpose of this capstone project is to develop effective strategies to address the aging of workforces on local government within the State of Nebraska. I will focus attention on the impact on smaller rural communities and the strategies being planned or implemented by the elected officials and administrators to successfully address workforce management within these communities.

I will begin by researching literature contained in scholarly journals to examine the results of studies that have been conducted on the subject. Ideally, I would like to ascertain whether or not any of the research specifically targets one area of local government such as the public works sector within a city’s organization. I recognize, however, that any research that has been done on the subject may be focused more in terms of a general overview of the entire workforce population within the organization’s structure rather than segregated to various sectors therein.

I will explore studies conducted on strategies to address the impact of aging on city operations such as succession planning, training of subordinates in preparation for transitioning, organizational policies relating to retention and advancement, marketing, and post-secondary curricula. Ultimately, I will offer one or more strategies to guide city administrators towards effective management of an aging workforce and the process of transitioning it into a dynamic, trained work group that is adept at using advanced technologies and equipment to successfully handle the daily responsibilities of public sector employment and to maintain or enhance the quality of service provided to residents, businesses, and visitors of the community.

**Analytical Framework**

Confronted with the data set forth in the Introduction, elected officials and public administrators must be prepared to accept the responsibilities and challenges presented by the reality that the workforce is getting older, employees are preparing to retire and take their knowledge and experience with them, and that the business of operating an efficient government must continue without them. They must be able and ready to compete with the private sector to retain current employees while attracting skilled employees from a dwindling labor pool. In smaller communities the challenge becomes even more daunting. Yet one must remain confident that successful transitions can be realized.

The scholarly literature has been reviewed from different angles in order to gain a broader understanding of the crisis presented by the aging of the public sector workforce and to examine courses of action available to administrators to successfully transition to the next generation of public workers within their community. This research was focused on the following questions relating to the again of the public workforce and the challenges presented:

1. What is succession planning and how can it be successfully applied to replacing an aging workforce?
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2. Can mentoring be used as an effective exercise of succession planning?
3. Do public sector employees have different values from private sector employees?
4. Are other options available to enable local government to make a smooth transition to a new workforce?

What is Succession Planning and How Can It Be Successfully Applied to Replacing an Aging Workforce?

Succession planning (SP), known by many names, is the plan an organization employs to fill its most critical leadership and professional positions (Huang, 2001, as cited in Jarrell and Prewitt, 2007). It is the ongoing, purposeful, and systematic identification of qualified and appropriate successors to leadership, with a commitment to assessing, developing, and investing in organizational leadership to enhance performance, development, and preparedness (Kim, 2003; McDonald, 2006, as cited in Jarrell and Prewitt, 2007). According to Michelson (2006), SP requires putting the right people on the bus, getting the wrong people off the bus, and positioning the right people in the right seats. (Jarrell, K. and Prewitt, K.C., 2007, p. 298).

Succession planning is the systematic and deliberate preparation for future changes of leadership in key positions and strategies for identifying individuals to meet future need. (Perlman, 2012, p. 48)

Succession Planning and Knowledge Transfer both speak to concerns about identifying new leadership and filling management roles. These strategies can also improve the transition to the new role because the employee may already be in training or job shadowing to take over the position. (Davidson, Lepeak & Newman, 2007, p. 8-9)

More than simply training younger employees, succession planning is about developing talent inside the organization as well as recruiting additional qualified candidates to join the staff. (Ibarra, 2007, p. 25)

Both small and large organizations should pursue succession planning. Small organizations have issues particular to their size, such as few people in certain occupations and people wearing several hats. When one person in a small organization departs, that person may well also take away one, two, or more actual jobs. Typical large organizations, in contrast, have several employees filling similar occupations, but their challenge is sheer volume: the number of employees departing will be extraordinarily high and might disrupt normal service delivery while replacements are sought. (Ibarra, 2007, p. 25).

Comprehensive and systematic succession planning is not a gimmick. It provides organizations with a clear and actionable strategy to target their investments of time and money where they are most needed. (Ibarra, 2007, p. 26).

Can Mentoring Be Used as an Effective Exercise of Succession Planning?

One time honored solution for the challenge of preparing a protégé to assume a position has been mentoring, a process defined by Margo Murray (2001, xiii) as a deliberate pairing of a more skilled or more experienced person with a less skilled or less experienced one, with the mutually agreed goal of having the less skilled person grow and develop specific competencies. Specifically, “Mentoring is a process whereby a mentor and protégé work together to discover and develop the protégé’s knowledge, skills, and abilities, usually in a particular area” (New York State Mentoring Workgroup 2002, 1, as cited in Reeves, 2010). (Reeves, 2010, p. 62).

The role of mentoring in succession planning in state and local governments is of immediate concern, especially because of the impact of the economic recession and dramatically
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reduced public revenues in recent years. Prior to the economic recession beginning in about 2008, mentoring for succession in public bureaucracies was touted as a key strategy to deal with aging work force issues. Succession planning is not to be considered as a one-time activity, but rather is to be a continuing process that helps the organization examine what it should stop, start, or continue doing. There is no doubt that mentoring can be a highly effective tool and a relatively low-cost opportunity to serve the needs of the protégé, the mentor, and the organization. Reeves (2010) adds that the need for mentoring the next organizational generation may be even greater than ever before as it becomes even more critical to plan for the loss of talent as massive numbers of older workers retire. In many situations caused by the current economic recession, a new generation of organizational leaders is not being prepared to assume these vacated positions. (Reeves, 2010, p. 64).

Do Public Sector Employees Have Different Values From Private Sector Employees?

Perry and Wise (1990) presented the concept of public service motivation to the attention of public administrators. Their study indicated that people with certain values tend to be drawn to public service rather than private sector careers. Public service motivation may be understood as an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations, falling into the categories of rational, norm-based, and affective. Within these categories they brought forth specific values: participation in the process of policy formulation, commitment to a public program because of personal identification, advocacy for a special interest, and a desire to serve the public interest. (Perry, J. L, and Wise, L. R., 1990, p. 368). Other values include a loyalty to duty and to the government as a whole, social equity, and patriotism of benevolence. (Perry, J. L, and Wise, L. R., 1990, p. 369) Their study brought forth the proposition that “the greater an individual's public service motivation, the more likely the individual will seek membership in a public organization.” (Perry, J. L, and Wise, L. R., 1990, p. 370)

Mann (2006) identified three additional areas where PSM might have an impact on human resource management as recruitment, selection and retention. He added that because the quality of employees is a significant factor in determining the performance of that organization, the acquisition functions of recruitment and selection play a crucial role in determining the success or failure of the organization. He cites Lewis and Frank who wholeheartedly encourage human resource managers to consider targeting for PSM, noting that recruiting applicants "who are favorably predisposed to government service" could be a formula for success. Finally, how can findings of a correlation between high PSM and employee retention levels assist managers in retaining valuable workers? If one of the goals for personnel managers is to locate and hire qualified, committed employees, perhaps some of the focus should be on individuals with high PSM. (Mann, G. A., 2006, p. 38).

In his work, Bright (2009) stated that recent studies have demonstrated that PSM is a concept that is worthy of investigation, adding that his study supports this conclusion. In terms of practice, the pattern of results from the study suggest that public organizations can leverage the attraction that some public employees have to public service work by offering meaningful opportunities that are desirable to those employees, including providing opportunities for personal and professional growth, communicating the significance that public sector work has to citizens and to public organizations, giving feedback to employees on their progress toward goal attainment, and sponsoring both formal and informal recognition opportunities. (Bright, L., 2009, p. 30).
According to Clerkin and Coggburn (2012), public service motivation (PSM) is a needs-based approach to motivation. People may sate this need in different ways, including direct government service. PSM, measured in dimensional form, is a moderate indicator of an individual’s sector preference: as PSM increases (particularly, the Self-Sacrifice dimension), the attractiveness of working in the public and nonprofit sector, relative to the for-profit sector, also increases. PSM is a need people have prior to entering the workplace, and it may indeed drive whether an individual works in the government, nonprofit, or for-profit sector. (Clerkin, R. M. and Coggburn, J. D., 2012, p. 209).

Research consistently shows that PSM is a valid construct for predicting attitudes and behaviors in public organizations. It also finds that different motivators exist between people in public jobs versus those working in the private sector. By using a pre-employment sample, one is able to more clearly establish the PSM need people have prior to them entering the workplace. (Clerkin, R. M. and Coggburn, J. D., 2012, p. 211).

There is an attraction-selection-attrition (ASA) framework that is relevant in suggesting that those possessed of high PSM will be attracted to organizations where such motives are perceived to exist, especially public organizations but also nonprofits. In other words, individuals will perceive that they can attain their respective career preferences and needs in some sectors over others. (Clerkin, R. M. and Coggburn, J. D., 2012, p. 212).

Are Other Options Available to Enable Local Government to Make a Smooth Transition to a New Workforce?

The next generation of workers may be less likely to consider a career in public sector and the increased mobility of younger workers often makes them more difficult to retain. In response to competition and various other factors, like increases in retirement, 60 percent of respondents find that recruiting efforts will need to expand to identify and attract the talent necessary to fill vacancies. (Davidson, Lepeak & Newman, 2007, p. 11).

In addition to an aging workforce, public-sector organizations must contend with declining revenues, ongoing calls for reform in the civil service, and a pervasive tendency for society and elected officials to regard government employees with some degree of disparagement. For many, the term public servant does not lead to images of committed employees working diligently to address the collective needs of society. Instead, they are thought of as persons who are probably wasteful and lazy, and who most likely require diligent oversight to obtain an honest day’s work. (Fredericksen, 2010, p. 50).

“Information technology is rarely the panacea organizations think it will be. In fact, depending on how IT is used or incorporated, it may even create new problems that further impede service delivery and related activities. Organizations, especially within HR, need to be wary of forgoing better planning and data collection efforts in favor of IT. Even the most advanced IT system cannot make up for a lack of valuable information about both the constituents demanding service and the workforce attempting to respond. Further, HR needs to recognize things like on-line applications or applicant tracking systems are tools rather than solutions. These tools do not replace or lessen the need for an effective recruiting plan or retention strategies.” (Davidson, Lepeak & Newman, 2007, p. 10)

Aside from technology, organizations described campus recruiting and the cultivation of relationships with local colleges and universities as being important components of the overall recruitment strategy. Targeted marketing and a consistent approach to advertising were also named as effective recruiting methods. (Davidson, Lepeak & Newman, 2007, p. 11).
Identifying and attracting a new employee is very important, but effective training may make the difference in whether or not an employee succeeds and stays with the organization. Training is often overlooked as an important component in workforce planning due to constraints in time and resources that result in limited opportunities for employee development. Training may also remain largely unrecognized because organizations struggle to link training with on the job activities and responsibilities. (Davidson, Lepeak & Newman, 2007, p. 11).

The ability to determine values of individuals and their potential pre-disposition towards public service suggest that a closer look be taken at intensifying marketing efforts targeted to people whose values may lead them to public service.

As for the marketing option, the Self-Sacrifice dimension discussed above was found to consistently be the most important dimension for both men and women desiring to work in the government and non-profit sectors. In addition to thinking about recruitment in terms of knowledge, skills, and abilities for particular positions, framing recruitment of the next generation of government and nonprofit employees in the affective terms of Self-Sacrifice may be another important consideration to attract and increase interest in these positions. Just as important, if nonprofit workplaces want to attract male applicants, then they may need to avoid framing recruitment messages along normative, Civic Duty lines. (Clerkin, R. M. and Coggburn, J. D., 2012, p. 225).

If the goal is to develop a large pool of qualified applicants with high PSM, then it behooves organizations to send clear and accurate messages in their job announcements about both the organization’s values and the nature of jobs being filled. Offering a realistic portrayal of what the organization stands for and a preview of what a specific job entails should help facilitate an applicant self-selection process where high PSM prospects are more apt to apply than those with low PSM. Some research shows that those with high PSM who are currently working in private sector organizations have heightened desire to switch to the public sector. Public organizations should also consider targeted recruitment, including advertising in trade publications, that aims to attract high PSM talent from the private sector. Given conventional views about for-profit firms poaching public agencies’ best talent, such a strategy would represent a rather dramatic role reversal. (Clerkin, R. M. and Coggburn, J. D., 2012, p. 227).

In addition, the growing need for job-specific training for the present and future public workforce may further suggest the development of post-secondary education and training specifically geared towards developing of a larger, younger and more capable workforce to serve the public sector for the next generations to come. As stated above, campus recruiting and the cultivation of relationships with local colleges and universities should become important components of the overall recruitment strategy. It would be good to keep in mind that not all colleges and universities are of the four-year variety, and quality talent may be gaining valuable knowledge and skills in community colleges and technical schools.

Methodology

The analytical framework was the foundation from which the research for this project was developed. Literature review provided evidence that not only is the workforce in the public sector aging, with a significant percentage in local government approaching retirement age, the impact of the impending retirements on local government has the potential to be devastating. This is based on an examination of the amount of experience that the soon-to-be retirees have and the knowledge that they have accumulated through their years of employment that may be
lost to the governmental entity if efforts to transfer knowledge and groom potential successors are either not taken or are not successful. Where employees in smaller communities often are required to wear two or more hats, that loss is multiplied accordingly.

The purpose of this study was to examine policies and develop effective strategies designed to enable local government entities in Nebraska to successfully transition to a new workforce in the face of impending retirement of a significant percentage of their older employees. To do so, it was necessary to examine data and activities of communities throughout the state as they relate to replacing of employees nearing or at the age of retirement.

The methodology began with the development of a survey that was delivered to elected officials, city administrators and managers, municipal clerks, and public works directors throughout the State of Nebraska. With the assistance of the League of Nebraska Municipalities, the survey was delivered via e-mail to 612 of the above-named officials and city employees in their list of contacts. A copy of the survey is attached to this report as “Appendix A”.

The methodology further included interviews with the following six public officials within the State of Nebraska: a utility manager of a Nebraska town (less than 2000 population), a city administrator of a city of the first class (population greater than 5000), the mayor of a Nebraska city of the second class (population less than 5000), a human resources director of a Nebraska city with a population greater than 20,000, and two city administrators of cities of the second class, one who also serves as director of public works of his community.

Questions for the survey and the interview were developed in conjunction with research gleaned from the analytical framework. Each of the interviewees answered questions regarding age of their respective workforce, years of experience of employees age 50 and older within their workforce, strategies under consideration or implemented dealing with knowledge retention and succession or workforce planning, effectiveness of implemented strategies dealing with knowledge retention and succession or workforce planning, marketing of career opportunities to attract employees to their community, and knowledge creation opportunities for current or prospective employees. The interview results, when couple with and compared to the survey results, would help to produce examples of effective workforce management strategies by local government entities. The results would also assess possible alternative strategies to be considered for implementation.

Each interview began with the researcher introducing the interviewee to the scope and goals of the project. Each interviewee was given an opportunity to ask questions or to seek clarification about the project prior to commencement of the interview. Each interviewee was informed that all conversation was subject to inclusion in the results of the study, and each series of questions was preceded by a brief introduction of the concept by the researcher to provide a foundation for discussion of the questions.

The initial series of questions focused on information about the interviewee’s town of employment and demographics of its local government’s workforce. Each successive section was organized similar to the analytical framework and included attention to the specific strategies of workforce management as developed in the analytical framework.

A total of 286 survey responses were obtained from the 612 persons to whom the survey was sent from the League of Nebraska Municipalities, resulting in a response rate of over 45%. Of these, 139, or 48.6%, of the responses came from communities of less than 1000 population. Another 66 responses, or 23.1% of the total, came from communities of 1000-2499 population. An additional 29 responses came from communities with larger than 10,000 population. Overall, 89.9% of the responses came from people representing communities of less than 10,000 persons.
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A total of 45 responses came from elected officials, with 24 of those being mayor or board chairs and 21 being city council or board members. The largest group of responders, 180, or 62.9% of the total, was the municipal clerks, most of whom are the highest ranking appointed official in their community. City administrators represented 44 of the 286 responders, followed by 12 HR employees or specialists and 5 Public Works department heads.

Water and wastewater utilities are owned by 250 of the 260 who answered the question, followed by 118 electric utilities and 21 gas utilities. 194 responders out of 286 stated that 2,190 employees work in the public works/utilities operations of their local government compared to 1,233 who work on the administrative/clerical side. 92 did not answer the question.

In addition to the surveys, interviews were held with six individuals consisting of three city administrators, one of whom also serves as public works director of his city, another public works director, a human resources officer, and an elected official. Two of those interviewed were from cities with over 10,000 population) and four of those interviewed were from cities of less than 3,500 population.

FINDINGS

Age Profile of Public Works Employees in Nebraska Communities

Of the 2,190 public employees, 558, or 25.5%, fell into the 41-50 age group. The largest sector, the 51-60 age group, had 845 employees representing 38.6% of the total identified from the survey responses. An additional 298 employees, 13.6% of the total, is identified as being 61 years of age or older. Therefore, 52.2% of the 2,190 public works employees working in Nebraska communities are age 51 or older. While the Henderson and Wood (2012) study showed 63.5% of local government workers nationwide being age 40 or older, the totals from this survey indicate that 77.7% of the public works employees in the State of Nebraska are age 40 or older. The breakdown by population is as follows:

<table>
<thead>
<tr>
<th>Population</th>
<th>Total # of Employees</th>
<th># of Age 51-60 (%)</th>
<th># of Age 61+ (%)</th>
<th># of Total Age &gt;50 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 1000</td>
<td>209</td>
<td>74 (35.4%)</td>
<td>39 (18.7%)</td>
<td>113 (54%)</td>
</tr>
<tr>
<td>1000-2499</td>
<td>249</td>
<td>93 (37.3%)</td>
<td>30 (12.0%)</td>
<td>123 (49%)</td>
</tr>
<tr>
<td>2500-4999</td>
<td>187</td>
<td>79 (42.2%)</td>
<td>22 (11.8%)</td>
<td>101 (54%)</td>
</tr>
<tr>
<td>5000-9999</td>
<td>365</td>
<td>110 (30.1%)</td>
<td>51 (14.0%)</td>
<td>161 (44%)</td>
</tr>
<tr>
<td>&gt;10000</td>
<td>1180</td>
<td>489 (41.4%)</td>
<td>156 (13.2%)</td>
<td>645 (55%)</td>
</tr>
<tr>
<td>Total</td>
<td>2190</td>
<td>845 (38.6%)</td>
<td>298 (13.6%)</td>
<td>1143 (52%)</td>
</tr>
</tbody>
</table>

The 2009 AWWA survey indicated that 39% of the respondents were aged 50 to 59, and another 23% were 60 or older. While this 62% figure exceeds the 52.2% derived from the survey generated for the purposes of this project, it must be noted that the AWWA survey was focused primarily on water and wastewater workers while this project’s survey defined public works employees as those working outside of the administrative area of local government. This
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would include street crews, gas and electric utility workers, and parks employees, all of whom provide vital contributions to the operations of local government organizations. While the 62% is very significant to the water and wastewater utilities, the 52.2% figure for all public works activities demonstrates that local government entities are either in the midst of or could soon be facing significant issues with regards to impending retirements of their public works employees.

Loss of Experience and Knowledge Transfer

An examination of 55 survey responses identified 813 persons as public works employees with their respective local government operations. Of these 813, 150 are age 60 or older, making up 18.45% of that segment of the workforce in the responding communities. These respondents estimate that within the next five years a total of 2910 years of experience will be lost to these Nebraska communities due to the retirement of persons from this and the 51-60 age group. The average loss of experience is 19.4 years per pending retiree.

Nine of those communities are faced with the retirement of their entire public works department, having identified their only employee as being over 60 years of age and anticipating retirement. Another twelve communities will be losing at least 50% of their public works workforce due to retirement.

Responding to the question, “How important is knowledge transfer or acquisition to your operations?” 167 out of 181 responses indicated that it is somewhat or extremely important. 124 of those responses, 68.5%, said that it is very important. The total response of the two categories made up 92.3% of the response. Only 2.8%, or 5 responses, came in as not very or not at all.

Succession Planning, Mentoring, and Training

187 of the 286 persons taking the survey answered the following question: “Have you developed a formal succession or workforce plan in anticipation of retirements of either your administrative/clerical or public works/utilities workforce?” Of those responding, 157, or 84%, answered in the negative. 165 of these respondents, however, said that their city policies and budget promote ongoing training of all employees, representing 88.2% of the responses to that question. 99 persons did not answer these questions.

103 out of 181 respondents, 56.9%, feel that a formal succession or workforce plan would be beneficial to the future operations of their community, while only 14.9% felt that it would either not be at all or not very beneficial. 28.2% of the respondents were neutral.

While 121 respondents answered N/A, 48 of 66 persons responded yes to the question of whether or not the succession or workforce plan included mentoring of subordinate employees by supervisors or more experienced employees within the same area of operations. 99 persons did not answer the question.

Out of 181 responses, 104, or 57.4%, felt that implementing a mentoring program would be somewhat or extremely beneficial to the development of their workforce compared to 27, or 14.9% who felt that it would not be at all or not very beneficial. 52.5% felt that the elected body would be somewhat or extremely supportive of the development of a mentoring program, as compared to 19.3% who said not at all or not very. 54.7% also felt that the employees would be somewhat or extremely supportive of such a program compared to 14.5% either not very or not at all.
132 of 187 respondents (70.6%) stated that their community does not proactively market employment as a career opportunity in addition to open position postings. Later in the survey an equal 32.6% of the respondents stated that they would either be not at all or not very likely or somewhat to extremely likely to consider implementing a strategy of marketing public sector employment as a career option. 34.8% of the respondents to that question remained neutral.

Among the six persons interviewed independently from the survey, one stated that his community uses print media advertising to promote employment with local government outside of specific job postings. Two mentioned using their city’s web site, although one of those stated that it was used mostly for posting of open positions. Another indicated that his city relies on word of mouth of the current employees to promote the city as a good place to work.

When asked about the likelihood of expanding their community’s efforts to market city employment as a career opportunity, two responses indicated a 5 or 6 (10 being most likely), two others indicated a 3 or 4, and 1 answered with a 2 (unlikely). The person whose community is using print media regularly stated that the community will continue to do so.

Four of the interviewees gave responses of 7 to 9 when asked how likely they would be to support a multi-media statewide or regional recruiting campaign promoted by the League of Nebraska Municipalities, the Nebraska City/County Management Association, or other related organization specifically geared towards promoting public service with local government as a career path. One response was a 5, and the other indicated that the idea is good, but it is better to do so at the local level. Four of the five gave a response of either 9 or 10 to the question about the likelihood of their community contributing $250 annually towards the cost of such a campaign, with three responses between 8 and 10 to a $500 annual contribution. Three responses of 7 to 10 and another at 6 were given when the contribution level was increased to $1000 annually, and one of the interviewees stated that his city would support such a campaign up to $5000 annually.

Four of the interviewees responded with a 10 to the question of how likely they would be to participate in high school, community college, and college career days to promote local government employment as career paths, and another responded with an 8. A 6 was given by the remaining interviewee, yet that person indicated that the city already does that somewhat with one of the state colleges.

Each of the six interviewees was given a brief explanation of public sector motivators and examples of the values often held by employees in the public sector. Five of the six indicated that they had not been aware that studies have been done and that specific values have been identified that tend to lead persons to select careers in the public sector as compared to the private sector. When asked about the likelihood of the interviewee to further explore the concept of public service motivation for possible use in his/her city’s recruitment efforts, there were two responses of 9 given, and one each of 7, 5, and 2, with 1 uncertain.
The survey presented two specific, albeit hypothetical, questions regarding completion of either community college or technical college training by prospective public works/utilities job applicants. The first question asked the following:

For public works/utilities employees, how important would it be for a job applicant to have completed community college or technical college coursework, including hands-on training, where applicable, in:

178 of the 286 survey respondents answered that question as follows:

### Table 2 – Importance of Post-Secondary Education or Training

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>6</td>
<td>3</td>
<td>23</td>
<td>83</td>
<td>63</td>
</tr>
<tr>
<td>Very</td>
<td>7</td>
<td>7</td>
<td>26</td>
<td>83</td>
<td>49</td>
</tr>
<tr>
<td>Neutral</td>
<td></td>
<td>6</td>
<td>26</td>
<td>83</td>
<td>49</td>
</tr>
<tr>
<td>Somewhat</td>
<td></td>
<td></td>
<td>23</td>
<td>83</td>
<td>49</td>
</tr>
<tr>
<td>Extremely</td>
<td></td>
<td></td>
<td></td>
<td>83</td>
<td>49</td>
</tr>
</tbody>
</table>

The second question asks:

All things being equal, how likely would you be to hire or recommend the hiring of a public works/utilities applicant who has earned the following through community college or technical college course work:

As with the previous question, 178 of the 286 survey respondents answered the question. Their responses were as follows:
Table 3 – Likelihood of Hiring Applicants With Certifications

<table>
<thead>
<tr>
<th></th>
<th>1 Not at all</th>
<th>2 Not very</th>
<th>3 Neutral</th>
<th>4 Somewhat</th>
<th>5 Extremely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Operator I</td>
<td>8 (4.5%)</td>
<td>5 (2.8%)</td>
<td>32 (18.0%)</td>
<td>67 (37.6%)</td>
<td>66 (37.1%)</td>
</tr>
<tr>
<td>Water Operator II</td>
<td>6 (3.4%)</td>
<td>3 (1.7%)</td>
<td>29 (16.3%)</td>
<td>68 (38.2%)</td>
<td>72 (40.4%)</td>
</tr>
<tr>
<td>Wastewater Operator I</td>
<td>9 (5.1%)</td>
<td>5 (2.8%)</td>
<td>36 (20.2%)</td>
<td>62 (34.8%)</td>
<td>66 (37.1%)</td>
</tr>
<tr>
<td>Backflow Certification</td>
<td>5 (2.8%)</td>
<td>2 (1.1%)</td>
<td>28 (15.7%)</td>
<td>83 (40.6%)</td>
<td>60 (33.7%)</td>
</tr>
<tr>
<td>Associates Degree in</td>
<td>8 (4.5%)</td>
<td>12 (6.7%)</td>
<td>35 (19.7%)</td>
<td>78 (43.8%)</td>
<td>45 (25.3%)</td>
</tr>
<tr>
<td>Public Works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas Systems Certification</td>
<td>72 (40.4%)</td>
<td>7 (3.9%)</td>
<td>59 (33.1%)</td>
<td>21 (11.8%)</td>
<td>19 (10.7%)</td>
</tr>
<tr>
<td>(APGA or state)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The interview asked two questions of the interviewees relative to post-secondary training while mentioning that opportunities exist in community colleges in Kansas that provide students with opportunities to earn water and wastewater operator certificates. The first question asked how likely the interviewee would be to actively recruit students trained in a curricula developed and implemented for training in public works concentrations, while the second question asked the interviewee how likely s/he would be to consider hiring a prospective employee who has completed such a program.

Of the six persons interviewed, four gave responses of 9 or 10 to each question, while one each gave a 7 and an 8 (out of a scale of 1-10, with 10 being extremely likely).

ADDITIONAL FINDINGS

This section has been added to the text that was presented as my official Capstone paper to include data regarding the administrative side of operations of the communities from which responses were gathered in the survey. The 12-minute time limitation for presentation of the Capstone required that focus be limited to only one side of city operations, and the 2009 AWWA study that focused on water and wastewater operations provided the data by which the survey data could be compared for the Capstone presentation. For purposes of the overall survey that was delivered through the cooperation of the League of Nebraska Municipalities, administrative employees were defined as office personnel such as city administrators/managers, municipal clerks, finance officers, and payroll, billing, and payables clerks.

Age Profile of Administrative Workers in Nebraska Communities

187 total survey responses were received to questions regarding the administrative workforce of Nebraska communities. The responses identified a total of 1160 administrative employees, or an average of 6.2 administrative employees per community. A more in-depth study of the responses by population size would most likely show that many of the truly small communities in Nebraska will have 3 or fewer administrative personnel employed and several will have only 1 person working in the town or village office. Many of those serve in a part-time capacity, albeit with full-time responsibilities.
Aging of the Public Workforce

The responses made it possible to break down the administrative workforce into age groups. As shown in Table 4, 600 of the 1160 administrative employees identified are age 51 or older, representing 51.72% of the total administrative workforce in those communities. An additional 318 administrative employees are between the ages of 41 and 50, bringing the total number of these employees age 41 and older to 918, or 79.1% of the total number of 1160 administrative workers identified in the survey.

Table 4 – Administrative Employees by Age
Administrative Employees Breakdown by Age

<table>
<thead>
<tr>
<th>Responses</th>
<th>Total # of Employees</th>
<th># of Age 51-60 (%)</th>
<th># of Age 61+ (%)</th>
<th># of Total Age &gt;50 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>187</td>
<td>1160</td>
<td>397</td>
<td>203</td>
<td>600</td>
</tr>
<tr>
<td>446 Male</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>714 Female</td>
<td>34.22%</td>
<td>17.50%</td>
<td>51.72%</td>
<td></td>
</tr>
</tbody>
</table>

Responses from 24 communities anticipate a loss of 701 years of experience within their administrative workforces in the next 5 years. Within those communities are 282 administrative employees, 152 of which are age 51 or older and 224 of which are 41 or older. It must be noted that one of those 24 communities identified 118 of the 282 total administrative employees, 69 of whom are age 51 or older. 12 of the remaining 23 communities in this sub-group have 3 or fewer administrative employees.

49 of the 282 employees in those communities, or 17.4%, are age 61 or older, while 53.9% are older than 50. The average anticipated loss of experience within each of those communities in the next 5 years is approaching 30 years.

Comparison to the findings relative to the Public Works workforces is similar in all age groups. Loss of experience and knowledge is going to be felt within the city offices and city shops throughout the State of Nebraska over the next 5-10 years. The conclusions set out in the following section, while initially developed for the Public Works workforces, are equally applicable to the administrative side of operations in Nebraska communities.

CONCLUSION

The survey findings reveal that local governments in the State of Nebraska are faced with an ever-growing issue of the aging of their public works workforces. The data reflecting the age demographics of these workforces within the state appear to be consistent with data derived from studies broader in scope such as the Henderson and Wood (2012) study that found that 63.5% of local government workers are age 40 or older. In fact, data from this survey found that over 70% of local government public works employees in Nebraska are age 40 or older.

The level of this current or impending crisis is made more imminent by the finding that 55 communities are facing a total loss of 2910 years of experience over the next five years from the anticipated retirement of 150 out of 813 public works employees. The number of anticipated
Aging of the Public Workforce

retirements represents 18.45% of the total public works workforce in those communities, and several of those will lose one half or more of their public works workforce due to retirement in that time frame.

Communities throughout Nebraska must address the value of succession planning and mentoring as a strategy to ensure appropriate knowledge transfer and a seamless transitioning to a younger workforce. While a significant percentage of Nebraska communities responding to the survey do not have formal succession planning or mentoring in place, there are positive feelings about the benefits of and support for developing and implementing succession planning and mentoring in those same communities. When coupled with the overwhelming belief among the survey respondents that knowledge transfer or acquisition is somewhat or extremely important, there is measurable data to support efforts for communities to take a more proactive approach to personnel management through strategies such as succession planning and mentoring.

The idea of proactively marketing public sector employment as a career option presents itself as a potential new frontier for local government in Nebraska. Responses from the interviews provide more favorable feelings towards this strategy when presented as a possible state-wide or regional campaign developed and overseen through a larger organization such as the League of Nebraska Municipalities, the Nebraska City/County Management Association, or other similar organization associated with public sector operations. In addition to the use of various media to present messages to a target audience, local officials would be wise to make themselves available to participate in recruiting activities such as career days at local high schools, community colleges, technical schools, and through a local or regional chamber of commerce or other similar organization.

Further research must be done and knowledge acquired regarding the use of public sector motivators for future recruitment and retention efforts, including those done through marketing campaigns such as that suggested in the preceding paragraph. Understanding the values that attract people to public sector careers can improve recruitment and retention efforts by focusing the messages contained in those efforts on a more specific target audience that will be more willing to listen to and consider them.

Finally, further exploration is needed to determine the viability of developing a post-secondary curriculum specifically designed to prepare students for employment in the public sector as public works operators. Except for categories related to intergovernmental relations and gas operations, responses showed post-secondary education and job training in specific areas related to public works occupations as being somewhat or extremely important. Responses in terms of likelihood of hiring or recommending for hire persons with certifications acquired through post-secondary education were also very favorable.

Development of such a curriculum should be considered as a project involving several stakeholders, including representatives from the APGA, the AWWA, current public works employees and city administrators/managers, the League of Municipalities, the Nebraska Municipal Clerks Association, the Nebraska City/County Management Association, state power associations such as NMPP and NREA, and Nebraska community colleges. Data reflect the need for this knowledge and a market is open for individuals possessing this knowledge.
Aging of the Public Workforce

Acknowledgements

It is my hope to be able to present an expanded version of this study and report to the League of Municipalities, the Nebraska Rural Water Association, and the Nebraska Municipal Clerks Association at upcoming conferences. In conclusion, I want to express my sincere thanks to Doctor Jooho Lee and Doctor Carol Ebdon for their guidance and assistance in helping me narrow my project down to a manageable effort. I also want to express my deep gratitude to Lynn Rex, Lash Chaffin, and Steven McKenzie of the League of Nebraska Municipalities for permission to present the survey to the 612 persons on their mailing list, for a copy of the 2009 AWWA study, and for much-needed technical assistance with getting the survey onto Survey Monkey and being able to access the responses. Finally, I must thank each and every person who took time from their schedule to answer the survey or to allow me to interview them for this project. Without the unselfish cooperation of everyone, this paper and this project would not be able to be presented successfully.
References


Aging of the Public Workforce


Appendix A

Thank you for taking time to answer the following questions. This survey seeks information from city officials and public works department heads to gain deeper insight into the aging of the public sector workforce as it applies to local government. This is an important element of my capstone project that will be written and presented on December 7th at UN-O. Your willingness to participate in this project is deeply appreciated. YOUR ANSWERS TO THIS SURVEY WILL BE CONFIDENTIAL.

If you would like a copy of my final paper I will be happy to provide one to you by e-mail. Please be sure to indicate this by separately sending your request and e-mail address to me at alvacanti@hotmail.com after completing and returning the survey.

Completed surveys need to be returned on or before November 9, 2012.

SURVEY

NAME OF PERSON COMPLETING SURVEY: ________________________________

E-MAIL ADDRESS: ______________________________________________________

COMMUNITY: _____________________________

POPULATION: _____ < 1000 _____ 1000-2499 _____ 2500-4999 _____ 5000-9999 _____ >10000

I AM A: ____ Mayor/Board Chair           _____ City Council or Board Member
          ____ City Administrator/Manager       _____ Municipal Clerk
          ____ Public Works Department Head      _____ HR Employee/Specialist

Does your community own any utilities? _____ YES _____ NO If yes, which of the following:
          _____ Water       _____ Wastewater       _____ Gas       _____ Electric

Does your community own and maintain any recreation or other community facilities? If so, which of the following:
          _____ Swimming Pool     _____ Other (Describe) ________________________________

Does your community do street, sidewalk and curb repair & replacement?
          _____ Yes    _____ No

Please provide the following information regarding your administrative/clerical employees:
          Total number of employees: _____ How many are _____ Male    _____ Female?

Of those employees, how many are in the following age groups:
          _____ 41-50 _____ 51-60    _____ 61 +
Aging of the Public Workforce

Please provide the following information regarding your public works/utilities employees:

Total number of employees: _____ How many are _____ Male _____ Female?

Of those employees, how many are in the following age groups:

_____ 41-50 _____ 51-60 _____ 61 +

Of those employees, how many have the following qualifications:

Water: _____ Grade I _____ Grade II _____ Grade III _____ Grade IV
Wastewater: _____ Class I _____ Class II _____ Class III _____ Class IV
Gas: _____ APGA or similar state certificate.

How many total years of experience within your administrative/clerical workforce do you anticipate losing due to employee retirement in the next 5 years? ____________

How many total years of experience within your public works/utilities workforce do you anticipate losing due to employee retirement in the next 5 years? ____________

Have you developed a formal succession or workforce plan in anticipation of retirements of either your administrative/clerical or public works/utilities workforce?

_____ Yes _____ No

Does your succession or workforce plan include policies encouraging the promotion of employees to succeed higher positioned employees who are leaving employment?

_____ Yes _____ No

Does your succession or workforce plan include mentoring of subordinate employees by supervisors or more experienced employees within the same area of operations?

_____ Yes _____ No

Do your city policies and budget promote ongoing training of all employees?

_____ Yes _____ No

Does your community proactively market employment as a career opportunity in addition to open position postings?

_____ Yes _____ No

Please answer the following questions on a scale of 1 to 5 as follows:

1 – Not at all  2 – Not very  3 – Neutral  4 – Somewhat  5 – Extremely

How likely will your community face staffing issues in the next 5 years due to:

anticipated retirements within your administrative/clerical workforce? _____
anticipated retirements within your public works/utilities workforce? _____

How important is knowledge transfer or acquisition to your operations? _____

If your community has developed a formal succession or workforce plan, how successfully has it been implemented to date? _____
If your community has developed a formal succession or workforce plan, how supportive was the elected body in its development and implementation? 

If your community has developed a formal succession or workforce plan, how supportive has the workforce been in its development and implementation? 

If your community has implemented a mentoring program for your employees, how effective do you feel it has been to the operations of your community? 

If your community has not developed a formal succession or workforce plan, how beneficial do you feel it would be to future operations of your community? 

If your community has not implemented a mentoring program for your employees, how effective do you feel it would be to the development of your workforce? 

If your community has not implemented a mentoring program for your employees, how supportive do you feel the elected body would be to its development? 

If your community has not implemented a mentoring program for your employees, how supportive do you feel employees would be to its development? 

If your community proactively markets its employment opportunities as career choices, how successful has it been in attracting and retaining quality workers? 

If you currently do not market public sector employment as a career option, how likely are you and your elected body to consider implementing this strategy? 

For administrative/clerical employees, how important would it be for a job applicant to have completed post-secondary training or gained experience in:

- Open Meetings & Public Records Acts
- Accounting and bookkeeping basics
- Word, Excel, and Power Point
- Local Government studies

For public works/utilities employees, how important would it be for a job applicant to have completed community college or technical college coursework, including hands-on training, where applicable, in:

- Water system operations
- Wastewater system operations
- Gas system operations
- Basic carpentry
- Vehicle & equipment mechanics
- Equipment operation
- Emergency management
- Water treatment operations
- Backflow Certification
- Concrete repair & construction
- Electrical installation & wiring
- Small engine maintenance/repair
- Project management
- Intergovernmental relations
All things being equal, how likely would you be to hire or recommend the hiring of a public works/utilities applicant who has earned the following through community college or technical college course work:

- [ ] Water Operator I
- [ ] Water Operator II
- [ ] Wastewater Operator I
- [ ] Wastewater Operator II
- [ ] Backflow Certification
- [ ] Associates Degree in Public Works
- [ ] Gas Systems Certification (APGA or state)

Thank you once again for taking the time to thoughtfully consider and take part in this survey.

Sincerely,

Al Vacanti